

Italgas: Embracing Digital Transformation

Global Business Challenge



Call for the Global Business Challenge at Luiss Business School

Luiss Business School Global Business Challenges aim to **connect students** from Italian and international business schools **on issues proposed by leading companies.**

The purpose is to create a managerial education experience fostering critical thinking and enabling students to acquire the ability to **translate academic knowledge into concrete action.**

Participants will be guided in developing skills instrumental to creating new opportunities and stronger businesses, tackling social and economic challenges.

The Challenge

Italgas: Embracing Digital Transformation

The Challenge

Digital transformation and energy transition are the main challenges facing the energy industry. The business challenge is designed for **international students who are willing to contribute by proposing disruptive solutions** that could accelerate the company international development in the current energy and digital transition frameworks.

What are the business models, the strategic and organisational choices that will have to be developed in response to upcoming challenges? **Develop an action plan to implement digital transformation in the energy industry.**

The Challenge **aims to feature elements of a successful digital transformation**, focusing on managerial dynamics, internal and external barriers, and critical areas that need to be monitored and assessed during this process.

Challenge Questions

McKinsey, states that platforms will “account for \$60 trillion in revenues by 2025, or roughly 30% of all global revenues.” **If we use the word "platform"** not only as that expression is commonly understood in digital transformation (technologies to streamline both internal and customer-facing processes) but as **an ecosystem business model**, **how could the Italgas Group foster the development of such an integrated ecosystem? Who would the potential players be? What are Italgas' chances of taking onboard other energy players or players from adjacent (or even nonadjacent) sectors assuming the role of facilitator? How would you evaluate the strategy in terms of pros and cons?**

Examining existing business operations and models as well as devising completely new businesses in adjacent or even distant categories.

What tools, partnerships and resources are available to help embrace a wider digital transformation? What tools still need to be identified, forged or acquired? What managerial actions have to be put in place to create value at newly identified frontiers of the Italgas Group business world?

Outline

Italgas is the **leading gas distributor in Italy** and the **third-largest distributor in Europe**. The “Italgas: Embracing Digital transformation” case study presents the digital factory launched in 2018 as the driving force and the impact that the transition has had in the company.

The company sees digital transformation and energy transition as developments that also serve to make a positive contribution to the community. The business challenge seeks to feature vital elements of a successful digital transformation, focusing on managerial dynamics, internal and external barriers, and critical areas that need to be monitored and assessed during this process.

The case study was developed with the constant engagement of the company, providing the most up-to-date picture of the transformation, accessing archival data, conducting interviews with top managers leading the change and providing ongoing feedback on the content development to validate the consistency of the content.

Main Points, Food for Thought, Takeaways

■ T. H. Davenport and G. Westerman write in Harvard Business Review: “(Digital transformation) is multi-faceted and diffuse and doesn’t just involve technology. Digital transformation is an ongoing process of changing the way you do business.”

This is exactly what Italgas’ vision is: that digital transformation is not only able to improve company operations, efficiency and quality of service, but also to ensure the survival of the sector. The change does not simply involve the adoption of technologies, but instead touches upon all areas and activities in the company, fundamentally to alter businesses operations and the customer value proposition. The entire organisational culture, identity and mindset needs to be redesigned, approaching the transformation as a holistic change that must involve all parts of the company.

■ The World Economic Forum has stated that “digital transformation in the oil and gas industry could unlock approximately \$1.6 trillion of value for the industry, its customers and wider society.”

■ Italgas is prioritising network modernisation and digitisation, as well as revising the process of gas distribution in a new energy framework. The company is adapting its infrastructure to meet the current growing need for more efficient energy and to ensure its capacity to transport renewable and decarbonised gases (biomethane and green hydrogen) in the future.

■ The digitalisation groundwork underway at Italgas opens up opportunities for novel innovations and creativity: the World Economic Forum’s White Paper on Digital Transformation of Industries noted there is “widespread recognition among leaders in most industries that the role of digital technology is rapidly shifting from a driver of marginal efficiency to an enabler of fundamental innovation and disruption”.

■ Let’s visualise the potential of gas infrastructure in a future energy grid; a gas grid would offer several advantages: first, well-developed dense infrastructure; the gas grid as the vital enabler of the energy transition.

- The availability of new essential and strategic infrastructures for the injection of renewable gases into the network, such as biomethane, hydrogen and synthetic methane; the development of smart networks and technologies enabling greater efficiency in consumption; the mitigation of fugitive gas emissions.
- The Italgas Strategic Plan 21-27 identifies three macro-areas: digitising assets, transforming processes, and equipping our people with innovative work tools.
- The implementation of a digital transformation process in Italgas is very advanced, and could go well beyond the application of new technologies: it will change the old ways of working, the business models and the culture of the company.
- Italgas is well aware that digitalisation is not an end in itself: Digital Transformation is a means to an end, not the ultimate goal.



Requirements and Useful Information

TARGET AUDIENCE

The challenge is open to teams of:

- Luiss Business School degree students
- Postgraduate students from foreign universities and schools

TEAM REQUIREMENTS

- Each team must be composed of a **minimum of 2 and a maximum of 5** members
- Each team may include students from multiple programmes/ majors or be composed of **students from the same programme cohort**
- Each team must choose a **name** to be associated with the challenge solution submission
- Each team must choose a **representative** who will be the link for all communication with staff

PARTICIPATION FEE

NO FEES

CONTACTS

For registration: bs.international@luiss.it

Luiss Business School

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PRIZE

The winning team will be awarded a € 2,500 voucher, for each team member, to cover fees for enrolling in a programme in Luiss Business School's portfolio.

Moreover, students will also have the opportunity to experience the Italgas Digital Factory, where the Company designs and implements cutting-edge proprietary technologies that have helped to digitise processes and improve operations, network management and service quality.

EVALUATION CRITERIA

The Committee will assess:

- the storyline consistency and the target definition (comprehensiveness and internal consistency of the plan);
- the innovation and creativity part of the project;
- the analysis and use of objective data from relevant sources (use of relevant data and quality of analytical reasoning);
- audience engagement ability (presentation skills);
- the ability to coordinate individual tasks to achieve a harmonic and consistent output and a balanced contribution of all group members (teamwork).

How to apply

Phase 1 Team Registration

To register, the team's representative is required to send an email to **bs.international@luiss.it** with the following information:

- a. **List** of all team members and their respective email contact details
- b. **CVs** of all team members
- c. **School letter** acknowledging the team

Please note that:

- all communication must be in English;
- the email subject line must be: "Global Business Challenges registration – *[team's name]*";
- documents must be sent in PDF format attached to the same e-mail;
- the email must be sent to **bs.international@luiss.it** with other team members in the cc field;
- After registration, all teams will receive the business case via email and will have the opportunity to participate in a Q&A webinar to learn about the challenge application and the business case study.

Phase 2 Challenge Solution Submission

In submitting the solution to the challenge, each team's representative is required to send to **bs.international@luiss.it** the following documents:

- a. **a ten-line executive summary**, or a one-minute video, **explaining the business case solution** (to share video files, please upload a .mov or .mp4 file onto a file-sharing site and send the link via email);
- b. **a four-slide PPT** presentation summarising the solution idea.

Please note that:

- all contents must be in English;
- documents must be consistent with the given guidelines;
- the email must be sent to **bs.international@luiss.it** with other team members in the cc field;
- the Committee will review all submissions and choose the finalists.

Timeline

17 Dec 2021	■ Call Opening	
25 Feb 2022	■ Registration	<p>Each team's representative must submit by 25 February 2022 team name, team members list and email contacts, team members' CVs and a school letter acknowledging the team.</p> <p>Applications for registration must be sent directly to bs.international@luiss.it with the subject line: "Global Business Challenge registration – [team name]".</p> <p>There are no registration fees for the Italgas Business Challenge.</p>
28 Feb 2022	■ Challenge Presentation	<p>All teams will receive the business case via email by 28 February.</p>
4 Mar 2022	■ Q&A	<p>All team members will have the opportunity to participate in a Q&A webinar on 4 March 2022 to learn about the challenge application and the business case study.</p>
4 Apr 2022	■ Challenge Solution Submission	<p>Teams are required to submit their solution to the challenge by 4 April 2022.</p>
21 Apr 2022	■ Committee's initial evaluation	<p>The Committee will review all submissions and choose the finalists by 21 April 2022.</p>
22 Apr 2022	■ Finalists announced	<p>Finalist teams will be announced by email. The selected participants will then be invited to take part in the final presentation.</p>
10 May 2022	■ Business challenge final presentation	<p>Finalists will present their business plan, analyse their solution to the challenge with the Committee. Presentation will be held online.</p>
10 May 2022	■ Announcement of winners	<p>Winners will be announced the same day of the final presentation.</p>

Please note that dates may be subject to change. The School will keep participants informed and will give a timely notice in case of changes to the Challenge specifications.

Guidelines

Summary

- Ensure the executive summary (or the 1-minute video) and the PowerPoint presentation include the name of the team and the team members.
- The executive summary must be approximately 10 lines long (150 - 200 words).
- The executive summary must be in English.

PowerPoint

- The PPT presentation must consist of four slides excluding cover and reference slides.
- The PPT presentation must be sent in PDF format.
- The PPT presentation must be in English.

Final Presentation

- Teams are free to structure their presentations as they wish, please remember that only student team members may participate in the presentation.
- The presentation will be held online.
- The presentation is limited to 5 minutes; however, additional time will be provided to answer questions posed by the Committee. Only the Committee is allowed to put questions to a team during the Q&A portion of a presentation.
- Audience engagement ability is an evaluation criteria

Video

- A Video presentation is not mandatory. It can be sent in place of the executive summary.
- Recommended setting is HD format (1280 x 720 or other “720p” setting) or higher.
- The easiest way to share video files is to upload a .mov or .mp4 file onto a file-sharing site and send the link via email.
- The duration of the videos should be strictly 1 minute. Longer video will not be considered.
- Ensure the video presentation includes the name of the team.
- The video presentation must be in English.
- The video must be concise and with appropriate narration. There is no limit to creativity. Video styles can choose from among different types (live action, animation, motion graphics videos, etc.).



