

Chapter 14

Harnessing the Power of Digital Transformation and Sustainability: The Chinese Experience

Mohamad Zreik

 <https://orcid.org/0000-0002-6812-6529>
Sun Yat-sen University, China

ABSTRACT

In this chapter, the author takes a look at the big picture of digital disruption. This chapter analyzes China's remarkable rise to economic leadership by tracing the ways in which the country has combined digital innovation with a commitment to environmental responsibility in its approach to doing business. The impact of the COVID-19 pandemic in hastening the transition from analog to digital business models is highlighted. It reveals more about China's cutting-edge strategy for smart supply chains, which makes use of big data, AI, IoT, and blockchain to improve supply chain management and make it more nimble, robust, and productive. The birth of sustainable smart enterprises thanks to the strategic merging of digital transformation and sustainability is a major achievement. Insights into China's path toward a sustainable digital future are provided, making this an ideal resource for students, academics, and professionals in business and IT management.

DOI: 10.4018/979-8-3693-0210-1.ch014

1. INTRODUCTION

China's economic development over the past few decades has been truly amazing. China's rise to the world's second-largest economy by nominal GDP of \$19.373 trillion in 2023, after the United States, is largely attributable to the country's transformation from a centrally planned economy to a more market-oriented one, a process that began with the economic reforms of the late 1970s and was overseen by Deng Xiaoping (Perkins, 2023).

Large-scale investments in infrastructure, urbanization, and industry, as well as a sizable work force, have all contributed to the country's swift economic ascension. The creation of special economic zones (SEZs), which are designed to attract foreign investment and encourage export-oriented companies, has been important to the country's economic development.

China has also made significant progress in reducing poverty. According to the World Bank, China's economic policies have helped more than 800 million people escape poverty over the past four decades (Morrison, 2019).

The Chinese economy has historically been driven by foreign investment and exports, but in recent years it has shifted to emphasize local consumption and services. In light of mounting environmental concerns and an increasingly graying population, this change is in keeping with the government's objective to promote more sustainable and balanced growth.

The tale of China's economic growth is complex, involving a unique interplay of state choices, market reforms, and demographic variables. China was able to bypass more conventional growth patterns and quickly position itself as a frontrunner in the digital economy thanks to the foundation that this expansion provided.

Sustainability and digital transformation are now two of the most important cornerstones of any successful business plan. They propel development and change, adjusting enterprises to shifting demographics, consumer tastes, and society norms.

The term "digital transformation" is used to describe the wholesale adoption of digital technologies across an organization, which results in a dramatic shift in the way that businesses function and provide value to their consumers (Sanchez & Zuntini, 2018). Digital transformation is the process of integrating digital technologies into business, improving operational efficiency by up to 30-40% according to McKinsey & Company. It's not enough to simply digitize operations; instead, businesses must use digital technologies to innovate their internal workings and provide customers with better service. This is especially important now, as developments in artificial intelligence (AI), big data (BD), the internet of things (IoT), and blockchain (Blockchain) are altering the business landscape at breakneck speed.

However, sustainability focuses on the long-term prosperity of a company without negatively impacting the environment or the community. Sustainability is the practice

18 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/harnessing-the-power-of-digital-transformation-and-sustainability/334694

Related Content

The Past, Present, and Future of E-Business Models

Beyza Gultekin (2022). *Impact of Digital Transformation on the Development of New Business Models and Consumer Experience* (pp. 37-56).

www.irma-international.org/chapter/the-past-present-and-future-of-e-business-models/299770

Mobbing and Word-of-Mouth Communication (WOM) in the Digital Age: An Application of Crisis Situations in Maritime Organisations

Nihan Senbursaand Ali Tehci (2022). *Future Role of Sustainable Innovative Technologies in Crisis Management* (pp. 175-191).

www.irma-international.org/chapter/mobbing-and-word-of-mouth-communication-wom-in-the-digital-age/298938

Information and Communication Technologies in Logistics and Supply Chain Management in Turkey: Human Resource Practices and New Challenges

Gizem Nur arlolu, Ece Boyacand Meltem Akca (2023). *Managing Technology Integration for Human Resources in Industry 5.0* (pp. 174-197).

www.irma-international.org/chapter/information-and-communication-technologies-in-logistics-and-supply-chain-management-in-turkey/318303

A Literature Review on Automation Testing Using Selenium+Sikuli

Ashish Lathwal (2022). *Research Anthology on Cross-Disciplinary Designs and Applications of Automation* (pp. 602-606).

www.irma-international.org/chapter/a-literature-review-on-automation-testing-using-seleniumsikuli/291656

From Digital Divides to Digital Dividends: Embracing Basic Services in Zimbabwe's Digitalisation Agenda

Fungai N. Mukora, Teurai Matekenya, Gilbert Mahlangu, Innocent Chirisaand Caroline Hester Sarai Muparutsa (2022). *Digital Transformation for Promoting Inclusiveness in Marginalized Communities* (pp. 123-139).

www.irma-international.org/chapter/from-digital-divides-to-digital-dividends/308363