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A Study Of Synergistic Mechanisms Between Corporate Digital Empowerment And Sustainable Governance Under The Global Sustainable Development Agenda

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KEYWORDS

*Global Sustainable
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Digital Empowerment;
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ABSTRACT

Global climate change, resource pressures and social inequality have turned sustainable development into a central concern for firms. The United Nations 2030 Agenda for Sustainable Development and related carbon reduction targets require corporate governance to move beyond a narrow financial focus toward a balance between economic, environmental and social outcomes. At the same time, digital technologies reshape corporate strategy and operations, but many studies still examine digital transformation and sustainable governance separately. This article develops a framework that explains how digital empowerment can support corporate sustainable governance under the global sustainable development agenda. It defines corporate digital empowerment and sustainable governance, adopts a perspective that combines governance logic with capability evolution, and argues that digital empowerment can reshape information structures and decision procedures, support a shift in governance logic, and strengthen sustainable governance capabilities and performance.

INTRODUCTION

The spread of sustainability standards and ESG disclosure requirements has strengthened expectations that firms internalise environmental and social externalities and report their performance in a transparent way[1]. In parallel, digital technologies transform how firms collect and process information, reduce information asymmetries and monitoring costs, and make it feasible to track environmental and social indicators[2]. What remains insufficiently understood is how these digital possibilities can be organised to support coherent sustainable governance rather than simply adding new tools to existing arrangements. This study therefore asks how corporate governance logic is changing under the global sustainable development agenda, through which pathways digital empowerment influences governance logic and capability structures, and how firms can build a relatively stable synergistic relationship between digital empowerment and sustainable governance.

1.Theoretical Foundations And Analytical Perspective

The global sustainable development agenda is accompanied by policy instruments such as carbon pricing and green finance, and by ESG ratings, sustainability reports and mandatory disclosure regimes. These developments enable markets and other actors to monitor corporate environmental and social conduct and increase pressure for behavioural change[3]. In this institutional setting, firms need governance arrangements that can respond to external norms and stakeholder expectations and address environmental and social risks alongside financial performance.

Digital empowerment refers to the process through which firms, supported by digital technologies and infrastructure, collect, integrate and analyse data in order to adjust resource allocation, business processes and governance mechanisms[4]. It can strengthen the capacity to monitor

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environmental risks and supply chain emissions, support data driven decision making, and facilitate coordination across organisational levels and boundaries.

To analyse digital empowerment and sustainable governance within a unified framework, this study adopts an integrated perspective that combines governance logic with capability evolution. Governance logic refers to shared understandings and institutional rules concerning value priorities, goal setting and the allocation of rights and responsibilities. Capability evolution focuses on how firms build, combine and renew resources and capabilities in dynamic environments. Under the constraints of the global sustainable development agenda, firms are expected to shift from a purely financial logic to a more comprehensive logic that brings economic, environmental and social dimensions together. Digital empowerment can support this shift by altering information structures, decision procedures and organisational relationships.

2. Conceptual Definitions And Theoretical Framework

Corporate digital empowerment is defined as the process through which firms, under the support of digital technologies and infrastructure, systematically collect, integrate and analyse data, and on this basis adjust resource allocation, business processes and governance mechanisms to improve value creation and governance quality[5]. Sustainable governance is understood as a mode of corporate governance in which firms incorporate environmental and social objectives into governance structures and processes, and seek to improve economic, environmental and social performance in an integrated way[6]. It encompasses both the traditional configuration of corporate governance, in terms of board composition and ownership structures, and the newer governance practices of ESG indicator systems, sustainability reporting and stakeholder participation.

On the basis of these definitions, the study develops a framework for the synergistic mechanisms between corporate digital empowerment and sustainable governance. Digital empowerment alters information structures and decision foundations, and supports the restructuring of governance logic. Changes in governance logic then shape the evolution of sustainable governance capabilities through adjustments in strategic direction, organisational design and data governance arrangements.

3. Synergistic Mechanisms Between Digital Empowerment And Sustainable Governance

At the strategic level, digital empowerment enhances firms' ability to sense external risks and opportunities and to integrate sustainability factors into strategic goals. At the organisational level, it encourages the creation of sustainability committees or specialised units and supports data platforms that make cross departmental information sharing and coordination more effective. Environmental and social indicators can be embedded in the targets and performance reviews of business units, which strengthens the internal binding force of sustainable governance.

At the technological and data level, digital empowerment provides tools for sustainable governance. Sensors and Internet of Things devices can record energy use, emissions and equipment conditions, while data visualisation supports the interpretation of complex indicators. As relevant data accumulate, regulators, investors and social organisations can obtain more timely information on corporate sustainability performance. Firms need sound data governance rules that ensure data quality and security and align technical systems with institutional requirements. Digital platforms and open data can also enable broader participation by external stakeholders and embed firms in wider sustainability governance networks.

CONCLUSION

This article develops a theoretical framework that explains how corporate digital empowerment can support sustainable governance under the global sustainable development agenda. It shows how digital empowerment reshapes information structures and decision making, supports a shift in governance logic from a purely financial orientation toward a broader value orientation, and contributes to the development of sustainable governance capabilities and to more coherent performance across economic, environmental and social dimensions. The analysis suggests that firms planning digital transformation should integrate sustainability objectives into strategic and performance systems, adjust governance structures and processes to reflect sustainability requirements, and strengthen digital infrastructure and data governance to support multi stakeholder collaborative governance.

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