

The Collaborative Relationship Between the Digital Growth of Firms and the Digital Development of Communities

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Abstract. With the development of technology, digital capabilities have improved. Enterprises and communities are gradually undergoing digital transformation, which is called digital transformation. Integrating digitalization into enterprises can make them digitally transform and stimulate vitality so that enterprises can grow. The introduction of digitalization into communities can create online communities and make people's lives more convenient, both of which are necessary for the development of the new era. To show the relationship between digitalization and enterprises and communities more comprehensively, this paper mainly studies several aspects of the content. First, society has a skeptical attitude towards the digital transformation of enterprises, but digitalization does promote enterprises. Second, the management that exists in the business and the community can take the company and the community to the next level. Third, innovation fosters the development of businesses and communities. Fourth, the synergistic relationship between the enterprise and the community is a positive relationship that can move forward at the same time.

Keywords: Firm Growth, Community Development, Collaborative Relationships.

1. Introduction

According to Chen Hongwei and Yan Hui's literature, "Research on the Framework of Digital Community Construction," a clear definition of digitalization is given. Community digitalization refers to the use of computers, communication technology, control network technology, IC card technology, and Internet technology within the community to establish a comprehensive information sharing platform for community construction, management, and service digitalization. It is interconnected with the comprehensive information-sharing platform for the digitalization of cities, management, and services, so that government management departments, urban residents, enterprises, and institutions in various industries in the community can provide or enjoy various information resources for internal and external digital construction management and services through this information sharing platform [1]. The digital transformation of firms or communities is an inevitable trend in the development of information technology at the current stage. Digital transformation is based on digitalization, which involves the use of modern emerging technologies to optimize data processing and achieve a comprehensive process of data source collection, processing, and feedback [2]. Ultimately, it can be concluded that information technology is a must for digital transformation, and digital technology is crucial.

Although there is a basic consensus on the importance of firm digital transformation, there are serious differences in the effect of firm digital transformation [3]. It is an undeniable fact for society that digitalization has made online communities smarter, faster, and more extensive. For example, Tai Jiang County has applied digitalization to develop the community so that it has digital facilities and services, and according to its statistics, more than 7,000 people have been served. In other words, with the application of a new generation of information technology, the transfer of data and information between various institutions has been enhanced, and the traditional organizational boundaries have also been broken. In addition to doing a good job of internal affairs, business operations also need to establish close digital connections with other organizations. The resulting online community has gathered a development synergy, and multiple parties have carried out in-depth cooperation around specific businesses to jointly solve practical problems. This also means that

traditional organizational management theory needs to integrate more elements of the era of digitalization and intelligence and carry out necessary management innovation in organizational ethics and social responsibility. This study will analyze the formation mechanism of the digital synergy between the growth of Chinese enterprises and community development, and explore how to realize the positive interaction between enterprises and communities in digital development through technological innovation and effective management. In addition, this paper will put forward strategic suggestions to promote digital synergy between enterprise growth and community development

2. Literature Review

According to the relevant literature of previous scholars, different scholars have provided their own valuable research. According to Jin Xingye, Zuo Congjiang, and Fang Mingyue's literature, "The Measurement Problem of Enterprise Digital Transformation: New Methods and New Discoveries Based on Large Language Models," proposes that there are serious differences in the effect of firm digital transformation in society, and the main reason for this phenomenon is that there are problems in the measurement of firm digital transformation in existing research: first, the measurement object is not unified and clear. Second, the measurement method is not scientific and accurate. This has led to the problem that many studies are incomparable, difficult to replicate, and conflicting [3]. By using the methods of multi-case studies and trajectory-based qualitative comparative analysis (TJ-QCA), Li Wenyi drew four conclusions. First, enterprises can realize resource sharing through industrial collaboration, promote innovation in cooperation, and realize value symbiosis. Second, we need to fully exploit the value of digital, digital technologies, digital platforms, and digital devices and unleash the novel attributes of business model innovation. Third, digital transformation requires organizations to integrate business frameworks. Fourth, digital mirroring and management of data assets drive lean management, production automation, and manufacturing agility to adapt to enterprise development strategies [4]. By reading Zhang Kequn, Jiang Yukun's literature also found this point of view: First, the digital empowerment transformation mechanism can be divided into management and control empowerment, value empowerment, and cascade empowerment. Second, the business model innovation of manufacturing enterprises mainly includes revenue-generating and orchestration business models and has a backward effect on digital transformation. Third, the collaborative driving path includes cluster innovation-driven, value innovation-driven, resource connection-driven, lean management-driven, and control-driven driving paths. Fourth, in the process of collaborative transformation, value empowerment, cascade empowerment, revenue-generating business model, and orchestration business model are the core conditions for promoting the digital transformation of manufacturing enterprises, and management and control empowerment are the edge conditions [5]. At present, digital transformation is caused by the rapid development of the digital economy. Gianluca Elia, Gianluca Solazzo, Antonio Lerro, Federico Pigni, and Christopher L. Tucci indicate that undertaking digital transformation involves many factors and enabling conditions related to the market, the organization, and individuals [6]. From above researches, Performance of enterprises are influenced positively by digital transformation.

3. Analysis of Firm Growth and Community Development

For the development of digitalization, digital development strategies should be formulated according to local conditions, and the coordinated development of digital transformation regions should be promoted. Pay attention to the deep integration of digital technology and industrial development, strengthen the driving role of digital transformation in innovation output, intensify the research and development and application of digital technologies, and accelerate the process of digital transformation with scientific and technological innovation [7]. This shows that technological innovation can accelerate the process of digital transformation. From the perspective of enterprises, the best way to grow digitally is to enhance the core competitiveness of products, expand the strategic layout of the market, and improve the efficiency of operation and management. Because these are the

most important ways to unleash firm empowerment in the digital transformation of enterprises [8]. Not only that but a competitive advantage is created by successful innovation, which is essential to business to experience rapid growth. Regarding the community, information technology, digitalization, networking, and intelligence are the cornerstones of building a digital community. The result is an online community. After completion, it is necessary to increase the improvement of digitalization, provide convenience, and also carry out regular maintenance of the community to ensure the normal operation of the online community.

3.1. The Value of Digital Transformation for Enterprises

Digital transformation is a treasure trove for businesses. First, in the product domain, by creating a new digital product or service or by adding new features, an existing product is digitally expanded. Second, the areas of performance included the economic and financial chiefs, as well as the benefits of innovation, efficiency, capacity development, cooperation networks, and IP growth. From the perspective of information processing, digital transformation improves the ability of firms to receive and process information and alleviates the problem of information asymmetry in firms. From the perspective of operational efficiency, digital transformation optimizes enterprise business processes and improves resource allocation capabilities. From the perspective of corporate governance, digital transformation will enhance the connection between enterprises, break down information barriers, and improve organizational governance capabilities. The digital transformation uses big data technology to break the multi-level organizational structure and complex management model of the past and reshape the relationships within the organization [2].

3.2. Innovation

At present, digital transformation is considered to have a positive impact on innovation output [7]. Innovation can make firms more dynamic, so innovation is one of the most important factors. innovation is important for business growth. The competitive advantage that arises from successful innovation is guaranteed to be achieved. According to the research, when the level of digital transformation is high, the positive impact on innovation output is greater. The positive impact of digital transformation on innovation output gradually decreases with the improvement of innovation output. When the capital of research and development is low, the impact of digital transformation on innovation output is not significant. There is a stable positive interaction between digital transformation and innovation output, which needs to be further strengthened in the long term [7]. Therefore, R&D capital is a necessity for obtaining innovation, and innovation is an indispensable ability for firm development.

3.3. Management

Both digital firms and digital online communities need strong management capabilities, and with strong management capabilities, firms and communities can reach a higher level. Decisions are often made by senior executives in the organization, whose early life experiences, values, and personality traits can predict the strategic choices and implementation of their business. In other words, managers with certain characteristics are more likely to implement a digital transformation strategy [5]. Managers need to be innovative, dare to learn new knowledge and be able to cooperate with others. And pay attention to details in daily life, as well as to meticulous planning. Only in this way can businesses and communities progress at the same time.

4. Conclusion

With the popularization of digitalization, all parties in society can reap significant benefits through digital transformation. Digital technologies have made their way into businesses and communities, changing their lifestyles dramatically. Firms need to carry out digital transformation according to their own needs, which means that firms need to find their digital transformation solutions instead of blindly carrying out them. Compared with the traditional offline community, the online community

relies on digitalization to provide people with more convenient and fast services. Therefore, the construction of digital communities should be improved for the community as a whole. It can be divided into a community online system and a community offline system for optimization processing. The new online community formed by the combination of business and community will become the new key to society. Due to the large number of paths for the coordinated development of firms and communities, this paper only selects three for analysis and does not analyze too much. In the future, when digitalization is deeply integrated, it can build a new platform for daily community management and strive for higher benefits for firms. Finally, the digital community will be built into an orderly, convenient, and fast new digital intelligent community, and the enterprise will be built into a digital firm with excellent management and high efficiency.

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