

# SMART BUSINESS FOR SMART SOCIETY

Integrating Technology, Ethics, and Sustainability



By Rudy C Tarumingkeng

*Rudy C Tarumingkeng* : Smart Business for Smart Society -  
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# **SMART BUSINESS FOR SMART SOCIETY: INTEGRATING TECHNOLOGY, ETHICS, AND SUSTAINABILITY**

## **Abstract**

This essay argues that business transformation in the digital age must move beyond the accumulation of data toward the cultivation of wisdom. It presents smart technology as a strategic partner that can strengthen perception, coordination, decision-making, adaptability, and resilience across the enterprise. However, the essay also contends that technology alone does not guarantee sound transformation. Data becomes useful only when it is converted into meaningful information, contextualized as knowledge, and governed by wise judgment aligned with purpose, ethics, and long-term value. Drawing on recent institutional work from the OECD, the World Bank, NIST, the IFRS Foundation, the IEA, the ILO, the World Economic Forum, and UN Trade and Development, the discussion shows that successful business transformation depends on a broader architecture that includes data governance, trustworthy AI, workforce capability, cybersecurity, sustainability awareness, and accountable leadership. The essay concludes that the most future-ready firms will not be those that merely collect more data or deploy more AI, but those that use smart technology to build wiser, more adaptive, and more responsible enterprises. ([OECD](#))

## **Keywords**

Data to wisdom; smart technology; business transformation; artificial intelligence; data governance; trustworthy AI; strategic management; business resilience; digital trust; sustainable digitalization. ([OECD](#))

## **Smart Business for Smart Society: Integrating Technology, Ethics, and Sustainability**

### **Introduction**

The contemporary business world is increasingly defined by the language of intelligence. Companies are expected to become smart, agile, data-driven, and digitally mature. They are told that the future belongs to firms that can deploy artificial intelligence, analyze data at scale, automate workflows, personalize customer experiences, and coordinate global operations through cloud-based platforms. That vision is not entirely misguided. The most recent phase of digital transformation is indeed being shaped by rapid technological change, and international institutions now treat digital capability as a core condition for competitiveness, innovation, and governance. The OECD notes that current digital transformation brings both opportunities and risks and depends not only on technology itself, but also on the foundations that enable digital innovation and foster trust in the digital age. ([OECD](#))

Yet the idea of “smart business” becomes too narrow when it is reduced to technical efficiency alone. A company may be smart in the sense that it uses advanced analytics, but still be ethically careless. It may be smart in automation, but unwise in how it treats workers. It may be smart in customer targeting, but destructive in how it uses personal data. It may be smart in scaling digital services, but blind to the environmental burden of the infrastructure behind them. UN Trade and Development

warns that digital technologies and infrastructures depend heavily on raw materials and that the production and disposal of devices, together with growing energy and water needs, are placing increasing pressure on the planet. UNESCO, for its part, emphasizes that AI governance must be grounded in human rights, dignity, fairness, transparency, and human oversight. These warnings matter because they show that technological progress, by itself, is not enough to create a good society or even a durable business environment. ([UN Trade and Development \(UNCTAD\)](#))

This is why the phrase “smart business for smart society” is more profound than it first appears. It suggests that business intelligence cannot be separated from social intelligence. The truly advanced firm is not merely one that uses more data or better algorithms; it is one that understands its role in shaping the society within which markets operate. Business depends on trust, infrastructure, education, public legitimacy, social stability, and ecological viability. If the broader society becomes more unequal, more manipulated, less trustworthy, or more environmentally unstable, then even highly efficient firms will struggle to sustain value over time. A smart society, therefore, is not simply a digitized one. It is a society in which technology is integrated with ethics, human capability, and sustainability. Likewise, a smart business is one that helps build those conditions rather than merely extracting advantage from them. ([OECD](#))

The central argument of this essay is that the future belongs not to businesses that are only technically smart, but to businesses that are socially intelligent. Such firms treat technology as a strategic enabler, ethics as an operating principle, and sustainability as a condition of long-term competitiveness. They understand that digital transformation is not simply an IT program. It is a redesign of the relationship between firms, people, institutions, and the natural environment. In that sense, smart

business for smart society is not a slogan about being modern. It is a philosophy of business transformation that asks how technology can be used to create economic value while also strengthening dignity, trust, resilience, and ecological responsibility. ([NIST](#))

### **Rethinking What “Smart” Means in Business**

The word “smart” has often been used in business discourse as if it were self-explanatory. It usually refers to the use of digital tools to increase speed, precision, coordination, and adaptability. Smart factories use sensors and predictive systems; smart marketing uses behavioral data; smart logistics optimizes routes in real time; smart finance uses algorithms to detect fraud or support credit decisions. In all these cases, smartness refers to a heightened ability to collect and process information. But there is a hidden limitation in this definition. It privileges technical intelligence while ignoring the broader question of practical wisdom. A system may be efficient, but not just. It may be predictive, but not accountable. It may be optimized, but not sustainable. Once this limitation becomes visible, the task of business strategy changes. The question is no longer only how to be smart, but what kind of smartness is worth pursuing. ([OECD](#))

A more mature definition of smartness must therefore include three dimensions. The first is operational intelligence: the ability to make processes more visible, efficient, and responsive. The second is moral intelligence: the ability to recognize the human consequences of technological choices. The third is ecological intelligence: the ability to understand that business activity takes place within planetary limits. When these three dimensions are aligned, technology becomes a force for durable transformation. When they are separated, digitalization can generate impressive short-term gains while also eroding the social and environmental foundations of business itself. This is one reason the

OECD's digital economy work increasingly treats trust, privacy, security, and environmental concerns as part of the core architecture of digital transformation rather than as marginal considerations. ([OECD](#))

Consider a simple example. A company may use AI-driven customer analytics to increase conversions by predicting which users are most likely to buy. That is a form of smartness. But if the same company uses opaque profiling methods, weak consent practices, and manipulative behavioral nudges, then the smartness is narrow and potentially corrosive. The business may gain revenue while weakening customer trust and exposing itself to reputational or regulatory risk. By contrast, a more integrated approach would use analytics to improve relevance and service quality while also preserving transparency, privacy, and user agency. The difference between these two approaches is not the presence or absence of technology. It is the presence or absence of ethical and strategic intelligence. ([OECD](#))

In this sense, the move from "smart business" to "smart business for smart society" is a move from instrumentality to stewardship. It asks companies to see themselves not only as users of technology, but as shapers of social reality. Every large technological choice affects how people work, what they know, what they trust, how resources are consumed, and what types of behavior markets reward. Smartness without stewardship can therefore become a dangerous form of blindness: highly capable systems guided by underdeveloped values. The future requires a more reflective model of enterprise, one that understands technological competence as necessary but not sufficient. ([UNESCO](#))

**Business and Society: Why the Relationship Can No Longer Be Treated as Secondary**

For much of the late twentieth century, business theory often implied that the firm could be understood mainly through internal variables: costs, capabilities, strategy, industry structure, shareholder value, and customer demand. Social and environmental issues were sometimes treated as externalities, reputation concerns, or compliance burdens. That approach is increasingly untenable. The digital economy has made the relationship between business and society more visible, more immediate, and more politically consequential. The same technologies that enable growth also reshape privacy, work, social trust, market access, information integrity, and environmental impact. A business today is not merely producing goods and services; it is participating in the design of the social order. ([OECD](#))

This is why the idea of a smart society matters. A smart society is not one that simply has more digital infrastructure or more AI applications. It is one that can use technology to expand human capability without deepening exclusion, to improve public services without eroding rights, and to raise productivity without undermining environmental resilience. The World Bank's 2025 Digital Progress and Trends Report makes this point indirectly but powerfully through its framework of connectivity, compute, context, and competency. AI can create jobs, open new markets, and boost productivity, but only if these foundations are present. Otherwise, digital transformation can reinforce inequalities between countries, firms, and communities. ([World Bank](#))

For business, the implication is clear. A company cannot flourish for long in a society whose institutions, skills base, trust environment, or ecological systems are deteriorating. Even the most technologically sophisticated firms rely on educated workers, functioning infrastructure, stable rules, healthy ecosystems, and public legitimacy. A society marked by extreme digital exclusion, misinformation, distrust, or environmental

degradation is not a good environment for long-term value creation. Smart businesses therefore have a rational interest, not only a moral obligation, in supporting the social conditions that make future markets viable. ([World Economic Forum](#))

This perspective also changes how we think about innovation. Innovation is often praised as disruptive, but disruption is not always constructive. A genuinely smart society requires innovations that improve coordination, trust, learning, access, and resilience. A platform that weakens worker security while extracting behavioral data may be innovative in a narrow sense, but socially regressive in a broader one. A smart business must therefore ask not only whether an innovation scales, but whether it contributes to social intelligence: does it strengthen people's ability to act, decide, participate, and flourish? That is a far more demanding standard, but it is precisely the standard required if technology and business are to support a better future rather than merely a faster present. ([UNESCO](#))

### **Technology as Infrastructure for Coordination and Value Creation**

A balanced argument must acknowledge that smart technology has immense positive potential. Digital systems can improve coordination across complex operations in ways that older business structures simply could not. AI can help detect anomalies, forecast demand, improve maintenance, support quality control, and enhance customer service. Cloud systems can reduce frictions of scale. Connected devices can make physical systems measurable and therefore improvable. Digital platforms can widen market access, especially for firms and customers historically excluded from traditional channels. These gains are not minor. They explain why digital transformation remains central to contemporary business strategy. ([OECD](#))

The World Bank argues that AI has the potential to unlock access to knowledge, boost productivity, and open new markets. That formulation is important because it frames AI not simply as an automation technology, but as a developmental technology. Businesses that use AI well can reduce search costs, improve service delivery, shorten decision cycles, and support new products or business models. In logistics, AI can help reroute around disruptions. In manufacturing, it can anticipate equipment failure. In agriculture, it can support better timing and input use. In finance, it can identify risks faster than manual review alone. These are examples of how smart technology can create real economic and social value when connected to human purposes. ([World Bank](#))

Yet this positive potential is best understood when technology is seen as infrastructure for coordination rather than a collection of gadgets. Many business failures in digital transformation come from mistaking tools for strategy. A firm may buy AI software, migrate to the cloud, or automate workflows without redesigning how decisions are made, how data is governed, or how teams coordinate. In such cases, technology adds complexity without creating maturity. A genuinely smart business uses technology to improve the coherence of the enterprise. It reduces fragmentation between departments, links front-end service with back-end data, and aligns operational information with strategic decision-making. That is when technology becomes a true partner in transformation. ([NIST](#))

This also means that technology should be evaluated by the quality of the relationships it enables. Does it help employees coordinate more effectively? Does it improve clarity across the supply chain? Does it make sustainability information more visible to decision-makers? Does it deepen customer understanding without becoming intrusive? When the answer is yes, smart technology strengthens both business performance

and institutional intelligence. When the answer is no, technological investment may still produce activity, but not necessarily value. ([OECD](#))

### **Ethics as a Strategic Discipline, Not a Decorative Afterthought**

There was a time when “business ethics” could be treated as a separate subject, discussed in special courses or reflected in codes of conduct that sat at the margins of strategy. That time is over. In an era of AI, pervasive data collection, algorithmic decision-making, and digital platforms, ethics is operational. It is present in model design, data collection, interface design, worker monitoring, customer targeting, supply-chain traceability, and disclosure practices. Technology has moved ethics from the edge of the firm into its daily infrastructure. A company that misunderstands this is not only morally exposed; it is strategically exposed as well. ([UNESCO](#))

UNESCO’s Recommendation on the Ethics of Artificial Intelligence is one of the clearest articulations of this shift. It treats the protection of human rights and dignity as the cornerstone of AI governance and emphasizes transparency, fairness, accountability, and the importance of human oversight. This matters for business because it clarifies that AI cannot be governed solely through efficiency metrics. If an algorithm is profitable but discriminatory, or efficient but opaque, or accurate but impossible to contest, then it cannot be considered well-governed. The business risk is obvious: systems that violate dignity or fairness eventually weaken trust, attract scrutiny, and undermine legitimacy. ([UNESCO](#))

NIST’s AI Risk Management Framework approaches the same issue from a more operational angle. It states that the framework is intended to help organizations better manage risks to individuals, organizations, and society associated with AI, and to improve the ability to incorporate trustworthiness considerations into the design, development, use, and

evaluation of AI systems. This is crucial because it demonstrates that ethics is not an external commentary on AI; it is part of how AI should be built and used. A smart business that wants to be future-ready must therefore treat ethics not as a public-relations exercise, but as a risk-management, governance, and design discipline. ([NIST](#))

In practical terms, ethical integration means several things. It means designing systems with meaningful human oversight where stakes are high. It means assessing potential bias in training data and outcomes. It means ensuring that people affected by automated decisions have some pathway to explanation or recourse. It means limiting the temptation to use behavioral data in manipulative ways simply because the technology makes it possible. And it means acknowledging that some profitable uses of technology may still be strategically unwise because they conflict with dignity, fairness, or public trust. A smart business for smart society must be willing to accept these limits as signs of maturity, not as obstacles to progress. ([UNESCO](#))

### **Trust, Privacy, and the Social Legitimacy of Digital Business**

Few assets matter more in the digital economy than trust. Yet few are as easy to damage. Customers increasingly depend on businesses not only for products and services, but also for the safe and fair handling of their data, the transparency of digital interactions, and the integrity of digitally mediated choices. Once that trust is weakened, it is difficult to rebuild. The OECD's work on digital trust is especially relevant here. It notes that trust in digital environments is essential and that without it an important source of economic and social progress will remain underused. The OECD also reports significant privacy concerns among users: many avoid certain websites, apps, or social media because of such concerns. ([OECD](#))

This matters for business strategy because it means privacy is no longer a niche compliance issue. It is a strategic variable. A company that treats personal data as a limitless extractive resource may gain short-term analytical advantage while simultaneously reducing user confidence, increasing regulatory exposure, and undermining brand credibility. By contrast, a firm that handles data with restraint, clarity, and proportion may build trust that becomes a long-term competitive asset. In the age of AI, trust is not what remains after innovation. It is what makes innovation durable. ([OECD](#))

Trust also extends beyond privacy into information integrity. Digital businesses increasingly operate in environments where content can be generated, personalized, and amplified at scale. That creates opportunities for better service and communication, but it also creates new risks of misinformation, manipulation, and synthetic deception. A business that floods customers with hyper-personalized but opaque content may achieve conversion without creating credibility. The smarter path is to use technology to improve relevance while maintaining honesty, traceability, and clarity. A smart society depends on institutions that do not merely optimize influence but preserve shared standards of truthfulness and intelligibility. Businesses are now part of that institutional landscape. ([OECD](#))

There is also a relational dimension. Trust is not built solely by policies or legal notices. It is built by consistent behavior. If a company claims to value privacy while quietly expanding data collection, or claims to use AI responsibly while failing to disclose where automation shapes high-stakes decisions, trust decays. Smart businesses therefore need alignment between stated values and operational systems. When that alignment exists, digital capability becomes a source of credibility. When

it does not, digital sophistication becomes a liability masked as progress.  
([NIST](#))

### **Work, Skills, and the Human Future of Enterprise**

One of the most consequential areas where technology, ethics, and sustainability intersect is work. Businesses are under pressure to adopt AI and automation more rapidly, but the real question is not simply how many tasks can be automated. The more serious question is what kind of workforce future firms want to help create. The World Economic Forum's Future of Jobs Report 2025 shows that technological development, geoeconomic fragmentation, economic uncertainty, demographic shifts, and the green transition are reshaping jobs and skills through 2030. Drawing on over 1,000 leading employers representing more than 14 million workers, the report identifies skills gaps as the biggest barrier to business transformation. ([World Economic Forum](#))

The ILO's 2025 update on generative AI and jobs adds another important perspective. It emphasizes that generative AI is likely to transform work more often than it simply eliminates entire occupations, and that occupational exposure varies substantially by sector and role. This is an important correction to both alarmism and complacency. The future of work will not be determined mechanically by AI's capabilities alone. It will be determined by business choices about deployment, redesign, training, and governance. A company can use AI to degrade work into narrow monitoring and cost reduction, or it can use AI to reduce routine burdens and strengthen higher-value human contributions such as judgment, empathy, problem-solving, and relationship management. ([International Labour Organization](#))

A smart business for smart society must therefore treat workforce development as a strategic pillar, not as a side activity. Reskilling and

upskilling are not optional if firms want transformation to be legitimate and durable. The World Bank's emphasis on "competency" as one of the four AI foundations reinforces this point. A business that buys powerful tools without building human capability may create dependence on vendors, shallow adoption, and internal anxiety. By contrast, a firm that invests in digital literacy, interdisciplinary collaboration, and managerial judgment can derive greater value from technology while also building a more confident and adaptive workforce. ([World Bank](#))

Meaningful work also has a dignity dimension. Technology should not be used to reduce workers to performance metrics or behavioral inputs. Humanized firms understand that work is not only a cost center; it is also a site of growth, identity, and contribution. When digital systems are introduced in ways that preserve agency, provide clarity, support learning, and reduce drudgery, they can strengthen both productivity and morale. When they are introduced as opaque systems of control, they may generate compliance without commitment. The difference is not the technology itself. It is the philosophy of enterprise behind it. ([UNESCO](#))

### **Sustainability and the Ecological Intelligence of Business**

Any contemporary argument about smart business that ignores ecology is incomplete. Digital transformation is often presented as if it were immaterial, but it has a very real environmental footprint. UN Trade and Development warns that digital technology and infrastructure depend heavily on raw materials, and that the production and disposal of ever more devices, along with growing water and energy needs, are taking an increasing toll on the planet. This toll is not marginal. It is becoming a central strategic issue for firms whose business models depend on cloud infrastructure, data centers, connected devices, and AI systems. ([UN Trade and Development \(UNCTAD\)](#))

The International Energy Agency reinforces this point in its 2025 report on Energy and AI. It notes that AI-related development is closely tied to growing electricity demand and that the report includes projections for how much electricity AI could consume over the coming decade. The IEA stresses that there is no AI without energy and that affordable, reliable, and sustainable electricity supply is a crucial determinant of AI development. For business, this means that digital strategy cannot be separated from energy strategy, infrastructure strategy, and environmental strategy. A company that celebrates AI adoption while ignoring the energy and material dependencies of its systems is not yet strategically mature. ([IEA](#))

This does not mean technology should be seen primarily as an environmental burden. Digital tools can also support sustainability. They can improve energy efficiency, optimize logistics, reduce waste, support predictive maintenance, strengthen circular-economy practices, and improve the measurement and reporting of environmental performance. The challenge is to avoid simplistic assumptions in either direction. Technology is not automatically green, nor is it inherently unsustainable. Its net contribution depends on how it is deployed, what problems it solves, how efficient the infrastructure is, and whether the business measures both gains and burdens honestly. ([UN Trade and Development \(UNCTAD\)](#))

A smart society requires what might be called ecological intelligence: the capacity to understand that digital and green transitions are intertwined. Businesses that build this intelligence into strategy will increasingly have an advantage. They will be better prepared for rising energy scrutiny, resource constraints, disclosure demands, and stakeholder expectations. They will also be more likely to design technology architectures that serve both economic and environmental resilience. In this sense,

sustainability is not opposed to digital transformation. It is part of what makes digital transformation worth pursuing. ([UN Trade and Development \(UNCTAD\)](#))

### **Governance, Cyber Resilience, and Institutional Accountability**

If technology is to support smart society, governance must become more rigorous, not less. Smart systems without governance do not create intelligence; they create unmanaged power. This is especially visible in cybersecurity. The World Economic Forum's Global Cybersecurity Outlook 2025 highlights the growing complexity of the cybersecurity landscape, intensified by geopolitical tensions, emerging technologies, supply-chain interdependencies, and cybercrime sophistication. It reports that cyber risks are rising and that resilience remains uneven across sectors and organizations. This is not simply a technical issue. It is a business continuity issue, a strategic issue, and a societal issue. ([World Economic Forum](#))

The NIST Cybersecurity Framework 2.0 is useful precisely because it frames cyber risk in organizational rather than purely technical terms. It is designed to help organizations of all sizes and sectors understand, assess, prioritize, and communicate cybersecurity efforts. That matters because digital businesses increasingly depend on interconnected vendors, cloud services, third-party models, and shared infrastructures. A firm that does not understand its digital dependencies cannot claim to be resilient. A smart society, similarly, cannot depend on organizations that scale digital exposure faster than they build risk awareness. ([NIST](#))

Governance also matters in sustainability and disclosure. IFRS S1, which is effective for annual reporting periods beginning on or after 1 January 2024, requires entities to disclose information about sustainability-related risks and opportunities that is useful to decision-makers,

including disclosures related to governance, strategy, risk management, and metrics and targets. This is significant because it shows that responsible oversight is becoming part of mainstream business reporting, not a separate ethical appendix. Technology, sustainability, and governance are converging in the architecture of the modern firm. ([IFRS Foundation](#))

Institutional accountability, then, is what turns smart systems into trustworthy systems. A firm may have impressive analytics and advanced automation, but if it cannot explain who is responsible, how risks are managed, how oversight works, or how technological choices align with long-term strategy, it remains immature. Smart business for smart society requires answerable institutions. It requires boards and executives who understand that data governance, AI governance, cyber resilience, and sustainability governance are all part of the same strategic problem: how to wield digital power responsibly. ([NIST](#))

### **A Narrative Illustration: Two Firms, Two Futures**

To see the difference between narrow smartness and socially intelligent smartness, imagine two hypothetical firms in the same sector. Both are mid-sized regional consumer businesses expanding into digital operations. Both adopt AI-driven customer analytics, cloud-based operations, and automated service support. On the surface, they look similar. But the logic behind their choices differs sharply.

The first firm treats technology mainly as a means of extraction. It uses AI to increase engagement regardless of whether targeting becomes manipulative. It collects as much user data as possible because more data is assumed to mean more advantage. It outsources key digital functions to vendors without serious cyber review. It automates parts of customer support and workforce management without clear

communication or retraining. It issues sustainability claims, but its reporting systems remain fragmented and its infrastructure choices are driven entirely by short-term cost. Such a firm may appear highly digital, but its model is fundamentally brittle. Trust is shallow, workforce confidence is weak, cyber exposure is poorly understood, and environmental costs remain invisible.

The second firm also pursues efficiency and growth, but within a different philosophy. It uses AI to improve service relevance while limiting intrusive data practices. It invests in internal data governance and cyber resilience because it sees trust as strategic, not optional. It introduces automation with clear role redesign and training so that workers move toward higher-value tasks rather than simple displacement. It integrates digital metrics with sustainability oversight and uses recognized disclosure frameworks to improve governance quality. It evaluates vendors not only for capability but for security, interoperability, and risk. This firm may in some cases move more carefully, but it is more likely to sustain value because it is building institutional intelligence rather than just digital intensity. The difference between the two firms is not their access to technology. It is the quality of their judgment. ([NIST](#))

This contrast helps explain why the future will favor businesses that integrate technology, ethics, and sustainability rather than treating them as separate agendas. The first firm may win some early efficiencies. The second is more likely to remain trusted, adaptable, and investable over time. In a more complex world, those qualities increasingly matter more than sheer digital speed. Smart society depends on the spread of the second logic rather than the first. ([OECD](#))

### **Toward an Integrated Philosophy of Smart Business**

If the argument of this essay is correct, then the next stage of business transformation must be integrative. Technology, ethics, and sustainability cannot remain separate silos, each handled by different departments with limited interaction. A genuinely smart business needs an integrated philosophy that connects them. That philosophy begins with a clear understanding of purpose: why the firm exists, what forms of value it seeks to create, and what limits it accepts in pursuit of that value. Technology should then be evaluated in relation to that purpose, not merely in relation to competitor behavior or short-term returns.

[\(UNESCO\)](#)

Such a philosophy would view ethics not as a brake on innovation but as a design discipline that improves legitimacy and long-term viability. It would view sustainability not as a reporting burden but as a framework for understanding whether digital growth is materially and socially durable. It would view workforce development not as a side benefit but as a precondition for turning digital capability into institutional capability. And it would view trust not as a communications theme but as an operating asset built through governance, privacy protection, transparency, and consistency. [\(UN Trade and Development \(UNCTAD\)\)](#)

At the leadership level, this means that executives and boards need to move beyond the language of "digital transformation" as if it referred only to systems. The deeper transformation is organizational and societal. It involves rethinking how the firm makes decisions, distributes accountability, supports people, and understands its ecological dependencies. International frameworks already point in this direction. UNESCO emphasizes dignity, fairness, and human oversight. NIST emphasizes trustworthiness and risk management. OECD emphasizes digital trust and governance. IFRS emphasizes governance and sustainability-related financial disclosures. UNCTAD emphasizes

environmental sustainability and inclusion. Taken together, these are not separate messages. They form the outline of a new business paradigm. ([UNESCO](#))

A smart business for smart society is therefore a firm that uses technology to widen human possibility rather than narrow it. It supports better coordination, better judgment, better work, better transparency, and better stewardship. It recognizes that digital capability without ethical and ecological intelligence can become a sophisticated form of irresponsibility. And it understands that long-term success in the digital age depends not only on being faster or more automated, but on being more trustworthy, more adaptive, and more socially intelligent than competitors who still think in purely instrumental terms. ([World Bank](#))

### **Conclusion**

The future of business will not be determined by technology alone. It will be determined by what businesses choose to do with technology and by the kind of society those choices help to build. Smart systems can support remarkable advances in productivity, coordination, and innovation. But without ethical direction and sustainability awareness, they can also intensify surveillance, inequality, ecological strain, and institutional fragility. That is why the concept of smart business must be enlarged. Smartness must mean more than computational power. It must include moral judgment, social responsibility, and ecological intelligence. ([UNESCO](#))

A smart society needs businesses that understand themselves as social institutions, not merely private engines of efficiency. Such firms use technology to strengthen trust rather than exploit opacity, to support workers rather than simply displace them, to create sustainable value rather than merely accelerate transactions, and to improve the resilience

of the wider environment on which markets depend. This is not idealism detached from business reality. It is strategic realism in a world where legitimacy, disclosure, cyber resilience, energy dependence, and social trust are all becoming more economically consequential. ([IFRS Foundation](#))

The real challenge, then, is not whether firms can become smarter. Many already are. The deeper challenge is whether they can become wise enough to integrate technology, ethics, and sustainability into one coherent model of transformation. The businesses that succeed in doing so will not only perform better. They will help create the conditions for a smarter society—one in which digital progress is aligned with human dignity, trustworthy institutions, and a livable future. That is the true meaning of smart business for smart society. ([UNESCO](#))

## **Glossary**

### **Data**

Raw facts, signals, observations, or recorded events that on their own do not yet provide direction for action. In digital transformation, data is a foundational input, not the final source of judgment. ([OECD](#))

### **Information**

Data that has been organized, structured, or visualized so that patterns become understandable and usable for operational or managerial purposes. This is an interpretive extension of the OECD's account of digital transformation foundations and drivers. ([OECD](#))

### **Knowledge**

Contextualized information that has been interpreted through experience, domain understanding, and causal reasoning, enabling learning and better decisions. The World Bank's emphasis on context

and competency helps explain why information alone is insufficient for effective AI use. ([World Bank](#))

### **Wisdom**

The capacity to judge what should be done, when it should be done, and how action should align with long-term goals, values, risks, and consequences. In business transformation, wisdom sits above analytics and requires leadership, stewardship, and governance. This is an inference supported by NIST's emphasis on trustworthiness, risk management, and responsible AI use. ([NIST](#))

### **Smart technology**

Digital systems that can collect data, process information, support decisions, and often adapt dynamically through analytics, automation, connectivity, or AI. In business, this includes AI, cloud systems, analytics platforms, connected devices, and related infrastructure. ([OECD](#))

### **Artificial intelligence (AI)**

A class of systems that can perform functions associated with prediction, classification, generation, reasoning, or optimization, and that require governance to manage risks to individuals, organizations, and society. ([NIST](#))

### **Trustworthy AI**

AI developed and used with attention to validity, reliability, safety, security, accountability, transparency, explainability, privacy, and managed bias. ([NIST](#))

### **Data governance**

The structures, policies, standards, roles, and controls that ensure data is accurate, secure, usable, and appropriately managed across the organization. In transformation terms, it is a prerequisite for dependable

analytics, disclosure, and AI use. This definition is supported by NIST and IFRS materials on trustworthy systems and disclosure architecture. ([NIST](#))

### **AI foundations**

The World Bank's framework describing the core enablers of effective AI ecosystems: connectivity, compute, context, and competency. The same logic is useful for firms pursuing digital maturity. ([World Bank](#))

### **Business resilience**

The ability of an organization to absorb shocks, adapt under pressure, and continue functioning in unstable conditions. In the digital era, resilience is closely tied to cybersecurity, supply-chain awareness, decision systems, and organizational capability. ([World Economic Forum](#))

### **Sustainability-related risks and opportunities**

Under IFRS S1, these are sustainability-related matters that could reasonably be expected to affect an entity's cash flows, access to finance, or cost of capital over the short, medium, or long term. ([IFRS Foundation](#))

### **Sustainable digitalization**

A model of digital transformation that seeks productivity and innovation while also confronting the environmental impacts of digital infrastructure, including energy use, raw-material dependence, pollution, and waste. ([UN Trade and Development \(UNCTAD\)](#))

### **Skills gap**

The mismatch between the capabilities workers currently possess and the capabilities employers need. The World Economic Forum identifies skills gaps as a major barrier to business transformation. ([World Economic Forum](#))

### **AI adoption**

The actual use of AI by firms in practice. OECD reporting indicates that AI

use by firms across reporting OECD countries reached 20.2% in 2025, up from 14.2% in 2024 and 8.7% in 2023. ([OECD](#))

### **Generative AI job exposure**

The extent to which occupations or tasks may be transformed by generative AI systems. ILO analysis indicates that the dominant effect is likely to be transformation and augmentation in many cases rather than simple full-job replacement. ([International Labour Organization](#))

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