

DIGITAL TRANSFORMATION FOR SUSTAINABILITY BUSINESS ANALYSIS WITH GLOBAL REPORTING INDEX (GRI) STANDARD (CASE STUDY AT PT DATASCRIP)

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Abstract

PT Datascrip, a trading company, realizes the importance of maintaining its business sustainability and decided to undergo digital transformation as an effort to strengthen its business performance in terms of sustainability since 2018. In its digital transformation, PT Datascrip made some changes in its business processes in order to support efficiency and business competitiveness. With digital transformation, PT Datascrip can optimize its business processes by using environmentally friendly technologies, such as the use of digital technologies to reduce paper consumption. PT Datascrip also adopts a data-driven approach to support sustainable decision-making, such as the use of data to identify risks and opportunities in environmental and social aspects. In this context, the integration of GRI Standards becomes important in reporting the company's sustainability performance transparently and accurately. By using GRI Standards, PT Datascrip can strengthen the credibility of the company's sustainability report and increase transparency in reporting sustainability performance. The transformation measurement can prove that digital transformation and the integration of ESG principles by using GRI Standards as a reference can strengthen its business performance in terms of sustainability. Through this approach, PT Datascrip can improve efficiency, improve the quality of sustainability reports, and create long-term value for all stakeholders of the company.

INTRODUCTION

PT Datascrip is a leading company in Indonesia that provides comprehensive business solutions. Established in 1969, Datascrip initially focused on office equipment and stationery products. However, in 2000, the company transformed itself into a provider of diverse business solutions to meet the evolving needs of the market. With a presence across Indonesia, Datascrip operates through 12 branches located strategically throughout the country. This extensive network enables them to serve a wide range of

customers and industries. PT Datascrip majority business is on Digital Imaging Solutions, as Datascrip is Canon Sole Distributor since 1980: Datascrip is the sole distributor for Canon products in Indonesia. They offer a wide range of Canon imaging and printing solutions, including cameras, printers, scanners, copiers, and other related products. In the early years when the company start in 1969 PT Datascrip starting to focus on providing stationery offices solutions. Datascrip provides stationery solutions to meet the needs of businesses. They offer a variety of options and a comprehensive range of stationery products to support efficient and productive work environments.

PT Datascrip also had unique solutions that start to introduce in 1976 called surveying Engineering Solutions: Datascrip offers surveying and engineering solutions for various industries. They provide advanced equipment and software solutions for land surveying, mapping, construction, and infrastructure development projects. Starting in early 1980's when computer era is entering Indonesia market then Datascrip start to introduce their ICT Solutions. PT Datascrip delivers Information and Communication Technology (ICT) solutions to support businesses in their digital transformation journey. This includes software development, computing solutions, printing solutions, and digital data archiving solutions. By offering a diverse portfolio of business solutions, PT Datascrip aims to cater to the diverse needs of organizations in Indonesia. Their long-standing partnership as the sole distributor for Canon products, along with their expertise in office furniture, stationery, surveying engineering, and ICT solutions, positions them as a reliable and trusted partner for businesses seeking comprehensive and integrated solutions.

RESEARCH METHODS

For this case study, there were several data collection methods used. For the basis of the data collection procedure a semi-structured interview method is used to understand the digital transformation story in the company, as well as other topics like the general overview of the company, its operations, and customers. During the conduction of studies that have an exploratory data collection method using interviews is considered as one of the more rational research tactics (Gray, 2014). Semi-structured interviews were selected as one of the key sources of data collection in this analysis because the knowledge relevant to the research issue is complex and there is a need for

a better understanding of the phenomena (Blomkvist & Hallin, 2015). Since the interviews were semi-structured, the interviewees were able to build on their responses and take alternative paths that the interviewer would not have expected (Gray, 2014). The approach would also encourage the interviewer to use the choice of language, thoughts, and the way the interviewees explain a phenomenon to add another layer in the comprehension and analysis of the data gathered, as the interviewees will be granted more flexibility in their answers (Saunders et al., 2015).

The aim of the semi-structured interviews with PT Datascrip directos and customers was to be able to describe the current business model in use at the company, to understand the impact and challenges that digital transformation has had on the business model, to gain insight into what the directos thought will be the company's future business model, and to determine the sustainability factors that can also impacted the company business. For the duration of the research period, access to numerous internal documents and the reports from the internal systems , and financial documents was provided during all phases. This data was used to understand the business model of PT Datascrip, and also to evaluate the results the digital initiatives.

RESULTS AND DISCUSSION

Conduct a materiality assessment to prioritize the identified sustainability topics. A materiality assessment helps in determining which issues have the most significant impact on PT Datascrip's business and its stakeholders' interests. It involves evaluating the importance of each topic based on its economic, environmental, and social impact, as well as its influence on decision-making processes.

Economic impact :

In the development business, Datascrip management has developed several warehouse locations as distribution centers for logistics products and brands from each Datascrip business division to be sent to the Point of Sales or sent directly to corporate and government customers. The efficiency of selecting logistics vehicles, efficient delivery logistics lines and points of location for delivery of products is very crucial and indirectly the use of fuel is also more efficient. Datascrip developed the Zyllem system which is used as an optimization system for logistics lines and optimization of goods transportation. In terms of time optimization, this software has succeeded in increasing

the efficiency of shipping goods that previously could only send 1 shipment per day to 2-3 shipments per day for each trip. This helps the operational team in managing logistics shipments related to the distribution of goods throughout Indonesia to be more efficient and faster. Datascrip provides assistance to residents affected by Covid-19 with an assistance value of IDR 100,000,000 through the trusted fundraising platform BenihBaik.com. The donation was given by Datascrip because it understood the economic impact felt by small people who lost their jobs and daily income due to the outbreak of Covid-19. This assistance is in the form of basic necessities such as rice, egg and cooking oil.

Social Impact :

In its implementation, Datascrip strives to have a positive impact on the communities around the company's operational areas. The company's CSR programs provides effective, efficient, useful guidance and also evaluations for the community. This is a form of the company's efforts to improve the economic welfare of the community, prepare the younger generation to be ready for the job market demands and introduce tourism to be better known by the wider community.

Environment Impact :

In maintaining environmental sustainability, Datascrip always try to implement saving initiatives. In regards to the company's electricity use during 2020, it was 857,280.91 Mega Joules (MJ) and during 2019 it was 943,834.84 MJ, there was a decrease in electricity consumption by 9.17%. Water consumption in 2020 was 1.462 m³ and in 2019 was 2415,7 m³, a saving of 39.4%. In an effort to support the Government to achieve a 29% emission reduction by 2030, following Indonesia's commitment to the Nationally Determined Contribution, the company's emission reduction that occurred in the last two years was 24,117,970 kg CO₂e or a reduction of 9.2% compared to 2019 data. Datascrip also already certified by standard ISO 14001:2015 (Environment Management System) Datascrip is concerned about the impact of its business activities on long-term environmental preservation. ISO 14001:2015 certification prove that Datascrip realizes and tries to mitigate these concerns.

Data Collection and Analysis

Gather relevant data and information related to the identified material topics. This could include internal data from the company's operations and processes, as well as external data from verified sources and industry benchmarks. Analyze the data to understand the PT Datascrip performance and impacts on the material topics Datascrip's positive emission performance originating from logistical activities and operational scopes 1 and 2 of Datascrip's two largest warehouse offices in 2020 amounted to 239.292.438,10 kg CO₂e and in 2019 amounted to 263.410.407,95 kg CO₂e. Meanwhile, the negative emissions resulting from tree planting activities amounted to 23,800 kg CO₂e. So that the total emission in 2020 is 239.268.638,10 kg CO₂e and in 2019 is 263.386.607,95 kg CO₂e. Emission reduction that occurred in the last two years amounted to 24,117,970 kg CO₂e or 9.2% compared to the 2019 data.

Datascrip also uses a software that is SIMPONI. SIMPONI is an employee evaluation software, to measure the performance of all employees against objective standards from various points of view. The Datascrip Employment Policy clearly state their position as an employer by providing employee wages that do not differentiate between female employees and male employees. To improve work performance, the provision of salaries and bonuses is based on job classification, years of service, work load and work performance. This can be a motivation for female employees to excel without worrying about gender discrimination, all this performance indicator was being monitor by their software called employe 360.

Business Analysis

Digital transformation is usually combined together with business models and value propositions, since both of them are the most important elements of change during a digital transformation. Therefore, digital transformation is seen as a process where firms in pursuit of success render their old business models obsolete, by implementing innovation for business models, and this has been revolutionizing many industries (Vaska et al., 2021). Also, firms adopting digital business models could consider benefiting from embedding value propositions (Osterwalder et al., 2014). Osterwalder & Pigneur (2002) concluded that there are at least 9 main blocks that can makeup a business model, and their definition is slightly broader, they state that a business model is a tool

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that has a set of elements and their relationships, which allows the expression of business logic of a specific firm. The business model here is a description of the value a company offers to customers, architecture of the firm and its network of partners for creating and delivering this value to generate revenue streams. This concept of a business model was later developed into a business model canvas, which is a strategic management template which can be used for developing new business models and detailing the current ones (De Reuver et al., 2013). Richardson, (2008) proposes a business model framework which is based on value proposition, value capturing, delivery and creation.

Value proposition:	Value creation and delivery:	Value capture:
<ul style="list-style-type: none"> • Offering • Target customer • Basic strategy to win customers 	<ul style="list-style-type: none"> • Resources and capabilities • Organisation, value chain • Position in the value network with links to suppliers, partners and customers 	<ul style="list-style-type: none"> • Revenue sources • Economics of business

Figure 1. Value proposition

Source: Richardson

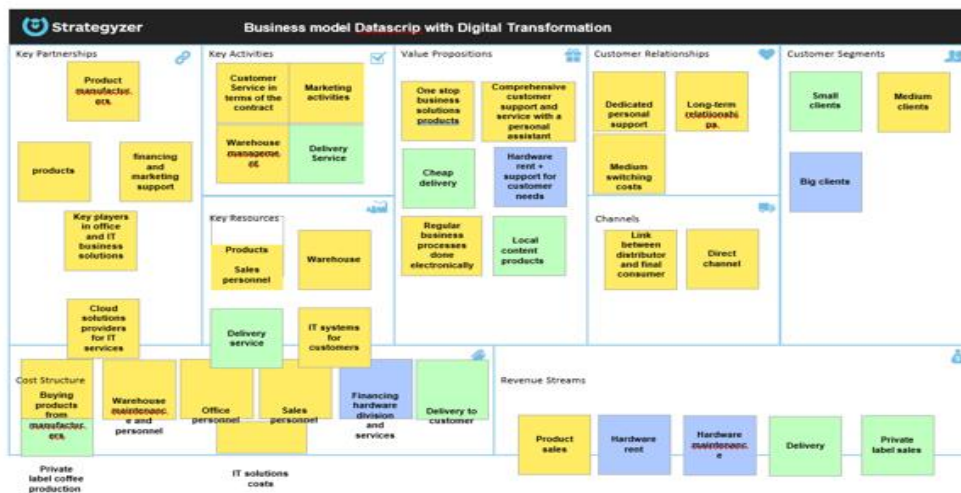


Figure 2. Business Model Canvas PT Datascrip

CONCLUSIONS AND SUGGESTIONS

From the analysis of the digital transformation initiative that has been rolled out in PT Datascrip, shown that digital transformation can link Datascrip stakeholders into more efficient and also can be monitor so it showing that sustainability program by Datascrip is linked by their digital transformation. And based on business model canvas analysis and value proposition analysis can be answered that to implementing digital transformation Datascrip can add more value proposition and also do more cost effective strategy that can be done by implementing digital transformation. And GRI providing with several index that can be guidance to monitor and evaluate how the sustainability program running hands on hands with the digital transformation.

Overall, during the research of the company's digital transformation case, several points can be summed up. First, customers are ready for digital technologies and digital interactions, so for PT Datascrip there is a good viability of using digital technologies in their operations. Second, the digital technologies should affect all of the key elements in the business model, otherwise the switch to digital can lead to failures, instead of successes. Third, many untapped potentials for company's may exist inside, and this requires the change in the leaders point of view on the situation and projects in companies. And last, the cost of integrating such solutions may seem high at first, but the return on investments can be even higher, if done right.

PT Datascrip is a company known for its commitment to sustainability and environmental responsibility. To further enhance its sustainability efforts and ensure long-term success, Authros recommend integrating digital transformation initiatives with a focus on the Global Reporting Initiative (GRI) framework. Digital Transformation for Sustainability Reporting: Implement a digital platform or software that streamlines data collection, analysis, and reporting processes. This will enable PT Datascrip to efficiently track and measure sustainability metrics, aligning with GRI standards. By digitizing these processes, the company can minimize manual errors, reduce paperwork, and improve data accuracy.

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