Digital Social Responsibility: the role of Information Technologies and CIO in Corporate Social Responsibility

1. Introduction

For many years, companies around the world have been paying attention to their social impact (Carroll, 1999). This is evidenced by the growing development of Corporate Social Responsibility (CSR) initiatives (Eweje and Sakaki, 2015). Indeed, already in 2004 about ninety percent of the companies on the Fortune 500 list had CSR initiatives (Luo and Bhattacharya, 2006).

In the same years, all around the world companies have been adopting and updating Information Technology (IT). Even if the important role of IT has been widely recognized, few scholars (e.g. Malaquias, 2016) analysed its role and potential for CSR projects.

Moreover, since the Chief Information Officer (CIO) is responsible for IT projects and systems, he can have a key role in directing and coordinating its resources with the CSR manager or other managers involved in CSR initiatives. However, the role of CIOs in CSR projects has not been studied. This work aims to fill this gap in the literature answering the following two research questions: 1) what is the role of IT on CSR and 2) what is the role of the CIO in the CSR projects involving IT? To answer these questions, we conducted a multiple case-studies in North Italy interviewing 10 CIOs of medium-size firms.

2. Literature review

CSR is evolving and the attention of the literature is growing (Kolk, 2016). In the past, CSR was only associated with corporate philanthropy, now the focus is on projects that can align the social impact with the economic impact (e.g. strategic CSR – Porter and Kramer, 2006; shared value - Porter and Kramer, 2011). For these reasons CSR projects are increasingly focused on the competences of the firm, its technologies and on its customers and main stakeholders. One key technology that firm can leverage for CSR projects could be IT and
CIOs could play an important role in these projects. IT has long been one of the most important resource for companies to be competitive (Bharadwaj, 2000). And several studies (e.g. Grover et al. 1993; Peppard 2010) show that the CIO is fundamental for the implementation of IT projects in his company.

Despite the importance of both CSR and IT, to the best of our knowledge, only one study, conducted by Malaquias et al. (2016), analyses explicitly the link between IT and CSR. Studying small Brazilian companies in different sectors, Malaquias and colleagues show that IT investments can improve the social responsibilities of the firms. However, they do not analyse the different possible CSR projects based on IT and they don’t consider the role of CIO in their work.

In conclusion, given the limited literature on the topic, in this work we identify the different possible CSR projects facilitated by IT and to understand the role of CIO for these projects.

3. Methodology

Given the explorative and theory building aim of the study we adopted a qualitative methodology based on case studies. The research design consisted of two phases. The first phase involved the search and selection of the companies to be interviewed. The parameters that we used for the selection were: privately-held companies, competing in the manufactory industry; located in Northern Italy; the turnover of the years 2016 and 2017 between 20 million euros and 200 million euros (medium size firms). Then we randomly selected 10 companies to be interviewed. The second phase involved semi-structured interviews with each company’s CIO, lasting approximately one hour each. To ensure consistency, the same questions were asked to each CIO.

The interviews were focused on one hand on identifying the existing CSR projects based on IT and on the other hand on exploring with the CIO the possibilities of future projects of this
type. To help the CIO identify these possibilities we provided some examples from the literature and we asked them to consider the different stakeholders of the firm.

Finally, we asked about the role of the CIO in these projects and in possible future projects.

4. Results

4.1. Existing projects

Consistent with the literature, most of the companies interviewed carry out CSR initiatives. Moreover, the interviews point out that IT can contribute to addressing CSR and, at the same time, can lead the companies to better economic results. For instance, two companies of our sample explain how it is possible to use Virtual and Augmented Reality to teach and help employees to learn new tasks and perform dangerous tasks in a safe way. Moreover, several companies started to dematerialize their internal and external procedures and traceability and to bring in innovative corporate welfare tools thanks to IT. These initiatives, mainly led by the CIO, allowed companies to reduce business travel (through teleconferences) and to work remotely (through teleworking) and therefore to reduce their impact on the environment. Moreover, some companies are creating IT platforms to collect feedbacks and CSR proposals from their employees. In some cases, these IT platforms provide internal contests with rewards and incentives and companies commit to concretely implement the most interesting CSR proposals. Additionally, a company told us that they are introducing new IT products and services in the market, such as intelligent systems and sensors for energy saving, traffic reduction and lower environmental impact, to pursue social aims.

4.2 Future projects

Thanks to the interviews conducted and the analysis of the literature regarding the different typologies of CSR projects, we propose a taxonomy of CSR projects based on IT. This taxonomy is organized around the different types of stakeholders. In addition, a distinction between CSR projects based on IT (direct contribution of IT to CSR) and CSR projects
supported by IT (indirect contribution of IT to CSR) is possible. For instance, IT directly contributes to CSR when the project of CSR is based on IT (e.g. virtual reality to help employees), while IT indirectly contributes to CSR when IT supports projects of CSR (e.g. platforms to collect ideas for CSR).

4.3 The role of the CIO

For the interviewed CIOs, the IT full potential for CSR is not being fully exploited. For instance, a CIO said that “IT is still little exploited with regard to the theme of health and safety, which could instead be very interesting in relation to applications of Industry 4.0”. The contribution of IT for CSR, that can be called Digital Social Responsibility, and the role of CIO in these projects, do not seem to have entered the DNA of many companies yet. This is evident concerning the management of relations with internal and external stakeholders (for example in terms of analysis of employee reputation and satisfaction, communication and dissemination and support to business ethic) and above all regarding the collection of data in order to report on social and environmental commitment (for example in social budgets, sustainability budgets and integrated budgets). Moreover, from the interviews emerged that few CIOs work in contact with the CSR managers. For all these reasons, most CIOs interviewed do not feel involved in CSR projects in which there is a direct IT contribution. However, it emerged that CIOs are involved in CSR projects with an indirect IT contribution, even if they do not recognize in it one of their main functions.

5. Conclusion, limitations and ideas for new researches

This work contributes to fill a gap in the CSR literature that has not sufficiently considered the role of IT (Malaquias, 2016) and CIO. Furthermore, this work provides a taxonomy and examples that can benefit companies willing to implement CSR projects involving IT. However, this work is not exempt from limitations. One of the limits of this work is represented by the focus only on manufacturing companies in Northern Italy.
6. References


