



Digitalization on Corporate Social Responsibility

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ABSTRACT

Corporate digital responsibility involves four domains: social, economic, technological, and environmental, all of which should be integrated under a single organisational umbrella. Sustainability and digitization have been two of the most important corporate themes in recent years. Sustainability is concerned with humanity's interaction with the natural environment, whereas digitization is concerned with the virtual world. The implementation of a platform to help businesses take their commitment to do good even further is known as digital corporate social responsibility. It means taking over operations, management, and reporting for the CSR data portal, allowing efforts to be more adaptable and successful. This study provides the theoretical in nature. The concept of CSR digitalization is addressed in the research study, as are the benefits of CSR through digital transformation and the impact of CSR digitalization.

Keywords:

Digital, Sustainability, Corporate Social Responsibility, CSR Data Portal

Introduction

The Digital India project's goal is to transform India into a digitally connected society. The government launched the Digital India Project in order to connect every Indian citizen to the digital world. On July 1, 2015, the Prime Minister of India announced the commencement of Digital India. Digital India played the most important role in bringing about transformation in the country. Digital innovation is at the basis of any organizational transformation. During the Covid-19 pandemic, digital transformation assists platforms for business continuity. According to Section 135 of the Companies Act of 2013, "every registered company, including its holding or subsidiary or foreign company, having its branch office or project office in India, with a Net Worth of Five Hundred Crores or more, Turnover of One Thousand Crores or more, or Net Profit of Five Crores or more during the immediately preceding three consecutive financial years, to make a legal disclosure of CSR in its Annual Report of the Board." The format in which such disclosure is to be made is specified in Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Ministry of Corporate Affairs, Government of India, has created the National Corporate Social Responsibility Data Portal to provide a platform for the dissemination of Corporate Social Responsibility-related data and information filed by enterprises registered with it. On January 19, 2018, the National CSR Data Portal launched. The National CSR Data Portal will serve as a platform for the dissemination of information on corporate CSR expenditure.

Review of Literature

Atanasov Atanas et al., (2023)¹ in their article is to identify the current state of research on the integration of digital technologies in CSR activities in business, as well as to prepare recommendations for further research and practice. Additionally, the study aims to recognize the relationship between CSR and digital technologies. The bibliometric analysis was organized in two directions: descriptive and performance analysis, through which their study the contribution of the analyzed objects to the given scientific area, and science mapping, which studies the relationships among them. The results indicate that companies more frequently use artificial intelligence, blockchain, Internet of things and other technologies to increase the efficiency and impact of their CSR activities.

Leven J. Zheng et al., (2023)² their study examined how digitalization impacts corporate social responsibility (CSR) performance. The findings indicate that both internal and external digitalization have a positive association with CSR performance. This study is the first to explore the impact of both types of digitalization on CSR performance, and also identify ownership structure as a

positive moderator of this relationship. The study contributes to the literature on digitalization, CSR, and stakeholders, providing practical insights for policymakers in the shipping industry.

Janani.V & Gayathri.S, (2019)³ in their article carried out Corporate Social Responsibility has undergone changes due to the advent of the digital era. This study focuses into such digital innovation and trends that have taken place in this era. This paper examines the trends that have taken place and the recent innovations in CSR, in the digital front. It also highlights the gaps in the technological advancements that are yet to be filled in the Corporate Social Responsibility. An attempt has been made to bring out the advantages of the CSR communication in the digital era and its challenges.

Zbigniew & Viera, (2019)⁴ in their aim of the article outline the relationship of the concept of CSR with the issue of digital transformation. In the Digital age, Corporate Social Responsibility and digital transformation are becoming one of the main factors of the company's competitiveness. Digital transformation is currently the most important element of the Industrial Revolution that changes the way of doing business. It requires the necessity of changes in the awareness of people working in the businesses. Digital transformation seems to be an effective solution to the problems that appear in the competitive business environment. Corporate Digital Responsibility (CDR) is standing out as the new direction changing the relationship between employees and technology as well as shaping the ethical use of new technologies.

Objectives of the Study

- To study the concept of CSR digitalization.
- To study the benefits of CSR through digital transformation.
- To know the impact of CSR digitalization.

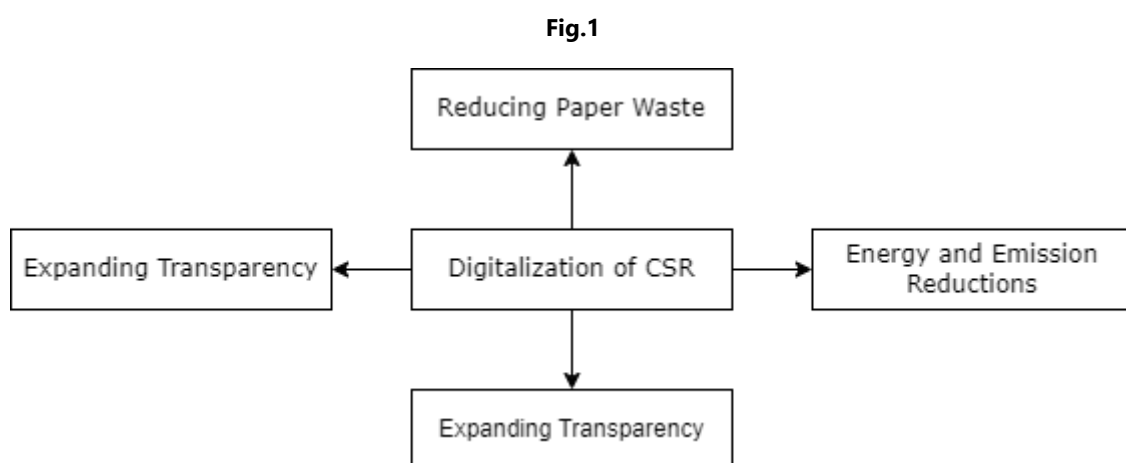
Research Methodology

The study is based on secondary data gathered from many websites, articles, journals, and so on. This research paper focuses on conceptual framework.

Conceptual Framework

CSR in the Digital Age

The digital transformation of CSR Programmes is a significant step forward for the sector. Digital technology is advancing, and with it, the CSR Programme. This digital age and digital transformation impose a new level of accountability on all businesses. It means that in today's information age, CSR activities must be visible, open, and realistic so that everyone can witness the positive impact.



Source: Secondary Data

India's CSR Data Portal

This Portal will collect information on CSR initiatives carried out by qualifying companies and filed in their financial statements on the MCA21 portal. The information provides transparency into the companies' CSR actions. The CSR portal has all of the filed information, which can be utilized to generate pre-determined reports on contribution across states, districts, development sectors, and so on. Registered users can provide project feedback via the CSR digital portal. The initiative is a major step forward for corporate

India in terms of accountability and transparency. Making this site available to the general public will assure an adequate level of compliance while also consolidating CSR efforts. Open access to data is supposed to benefit analysts, enhance the quality of data reported by companies, and engage intended recipients in providing valuable input to the companies.

Benefits of CSR through digital transformation

IMPACT OF ENVIRONMENT MANAGEMENT

Digital transformation evaluates can help companies become more sustainable on both a small- and large-scale business. The first step is paperless operations. Docuten digitalization solutions like digital signature and electronic invoicing. This small change has big reverberation; the company can contribute to a reduction in conserve water and save trees that would otherwise be used in the manufacture of paper.

MEASURE UP TO EXPECTATIONS AND REQUIREMENTS

Companies have to adapt business procedures to societal and environmental concerns, and offer strategies that more socially responsible vision to stakeholders and the public. Docuten digitalization solutions will help to meet customer and stakeholder expectations and move the company towards a more socially conscious future. It will also enable business to align with the philosophies of a more aware, technologically-oriented talent pool, automating company’s workflows and facilitating on the boarding process for new hires.

LEGISLATION

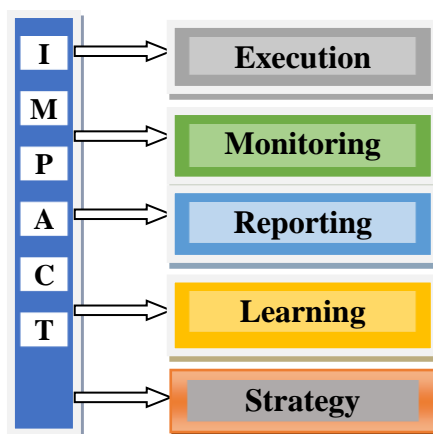
Corporate social responsibility practices are increasingly being accompanied with legal compliance on both a national and international level. Docuten provides solutions for electronically signing documents as well as managing e-invoicing and payments. A digital signature is legally valid.

HOSTILITY FRAUD

Companies that promote a CSR-based business strategy should be consistent and ethical in their approach, which includes hostility fraud. CSR’s three pillars (clients, people, and community) reflect a strong belief in ethical values, which include a dedication to preventing and detecting fraud. Digital signature solutions assist businesses in avoiding challenges related with document signing.

Impact of CSR Digitalization

Fig.2



Source: Secondary Data

EXECUTION

Digital platforms for the social sector can bring greater transparency in implementation by bringing all the relevant stakeholders on one plane. Digitalization can help to emphasise CSR expenditure by connecting it with local requirements and assisting in the selection of the appropriate stakeholders during the planning stage. These phases eliminate any potential risks by putting out the execution plan for each stakeholder to refer to and manage on-the-ground activities properly, thereby completing all CSR activities.

MONITORING

The planning stage of a CSR Programme is an essential step, in this step is the foundation of a Programme. Thus, strong planning is a very important step which can be done by introducing digital platforms can be used to agree on monitoring frameworks. Digital based monitoring of CSR programs provides direct access to last beneficiaries which paper-based monitoring cannot.

REPORTING

An essential activity which if not undertaken can wash away any impact created by the CSR programs is reporting. Donors should understand how their Corporate Social Responsibility (CSR) funds are being utilized, for which activities, for which beneficiaries and at what time period.

LEARNING

Learning comes from truth, information and experiences. Digital facilitates skimming of data to understand what went / is going right and wrong during the program tenure. Apart from prompting any requirement for corrections, digital platforms help in analyzing data to map trends, issues, successes and failures and any activities requiring urgent attention. These insights act as a strong development of community impact that CSR aims at.

STRATEGY

A good strategy comes from direct output of learning-based planning. A long-term vision for a programme cannot be successful without factual support and planning. Past experiences and support can be a learning point with evidence that with data can aid to build a strong CSR strategy for the next phase of the programs.

Conclusion

There is enormous potential for digitalization in conceptualizing, planning, managing, and reporting that CSR (Corporate Social Responsibility), propelling their journey to greater impact. Docuten is a user-friendly, legally compliant, and secure platform that provides end-to-end administrative digitization. Improve public CSR communication and usage of CSR technologies to make the process more efficient. Data can only be collected efficiently if the programme monitoring frameworks are well thought out and effectively executed digitally.

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