Research on the decision drivers of platform corporate digital responsibility behavior

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Abstract. As digital technology and related data become more and more common, the lack of user data protection and personal privacy leakage become more serious. In the era of big data, platform corporate social responsibility is facing more challenges, and platform enterprises should pay more attention to corporate digital responsibility. This paper studies the research status and development trend of platform corporate social responsibility, especially corporate digital responsibility, under the background of digital transformation. The main content covers the implications of platform corporate social responsibility and the new challenges posed by digital change, differentiates corporate digital responsibility (CDR) from corporate social responsibility (CSR) to highlight their uniqueness, while also linking the two, and identifying key stakeholders and critical phases that CDR must address. That is technology and data creation, operation, impact assessment and refinement.

Keywords: platform enterprise, corporate digital responsibility, decision drivers, institutional theory.

1. Introduction

Compared with traditional enterprises, the unique of platform enterprise is based on Internet platform link bilateral market users, through the platform value proposition aggregation and envelope users, generating Same-side network effect and cross-side network effect, creating links to value, interactive value and personalized service value, forming "users - platform - users" a new type of commercial ecosystem value paradigm. Although new platform organization situation promotes the value creation mode from the traditional value chain, value network, value galaxy to the platform business ecosystem (ecological system) a leap, individual platform enterprise, platform, or bilateral users in both the lack of social responsibility and the alienation of events emerge in endlessly [1], the platform corporate social responsibility management becomes extremely urgent. As automation, data analysis, artificial intelligence (AI) and machine learning to the benefits of society has become increasingly apparent in our daily life [2], the system designer and the use of these systems of organization has the responsibility to realize that their technology would use in a different way than that of the expectations, to different stakeholders and society as a whole unnecessary consequences. However, there is little available research to guide organizations when faced with ethical dilemmas related to data.

In the process of platform enterprises leading the transformation of the new economy, there have been a series of social responsibility deficiency and alienation behavior. It can be summarized as the loss and alienation of social responsibility of individual platform enterprises, bilateral users within the platform, and individual platform as well as users within the platform [3], but all are closely related to platform enterprises. The lack and alienation of social responsibility of platform enterprises have accelerated the reflection of the academic community and the industry on the social responsibility of platform enterprises, and triggered a series of academic topics that need to be further studied. In other words, compared with traditional enterprises, what is the social responsibility of platform enterprises? Corporate digital responsibility requires technology companies, individual developers and designers, and any corporate actor adopting digital technologies or data processing, to be aware that the code they produce or deploy, as well as the data they collect and process, creates an ethical responsibility for them in nature.

In recent years, the academic community has carried out exploratory research on social responsibility reform and social responsibility governance of platform enterprises in the context of platform, including new social responsibility behavior model, social responsibility governance
paradigm and governance mechanism of platform enterprises in the context of platform [4-6]. However, from the perspective of research on the three basic issues of corporate social responsibility [7], existing studies have not yet systematically clarified and dissected the underlying logic of social responsibility of platform enterprises as new organizational carriers in the new economic form, that is, why do platform enterprises need to assume social responsibility? What social responsibilities should platform enterprises undertake? Compared with traditional enterprises, what is the particularity of the content boundary for platform enterprises to undertake social responsibility? How should platform enterprises practice social responsibility? In fact, the underlying logic of platform corporate social responsibility is ambiguous, and it is difficult to effectively answer questions such as the legitimacy, justification and content boundary of platform enterprises to undertake social responsibility [8].

2. Review of relevant literatures

Based on the unique network effect of platform, as the business influence of platform enterprises continues to expand, the base of various economic and social subjects in the bilateral market linked by platform is also increasing. Therefore, Platform enterprises form a unique platform ecosystem based on the unique platform envelope strategy (including all kinds of economic and social subjects as well as all kinds of economic and social resource elements). In the platform business ecosystem, its main constituent members are platform creators (platform enterprises), platform providers, supply side users, demand side users and support users [9]. More importantly, from the perspective of platform business ecosystem, the business Value co-creation of platform enterprises has shifted from product-led logic to service-led logic, and the user-led Value co-creation of platform enterprises has also emerged [10]. From this point of view, platform enterprises have changed from the traditional "enterprise-customer" static value transfer or value creation paradigm to a more dynamic and complex "consumer user-platform enterprise-producer user" value creation paradigm [6].

2.1 The new reform of platform corporate social responsibility.

Corporate social responsibility refers to the process of allocating market resources, in order to form a systematic contractual relationship to meet the reasonable expectations of all relevant subjects. According to the differences of different types of subjects and their expected contents, the relevant subjects of corporate social responsibility can be divided into stakeholders and non-stakeholders. The former mainly refers to enterprise employees, shareholders, users and other micro subjects, the latter mainly refers to the government, society and other macro subjects; Corporate social responsibility includes economic responsibility, legal responsibility, ethical responsibility and discretionary responsibility, which overall spiraling pyramid relationship [1].

In the context of platform, platform corporate social responsibility is different from traditional corporate social responsibility, showing heterogeneity and duality. The former reflects that there is great heterogeneity in the subject of undertaking responsibility, the subject boundary of stakeholders, the way of enterprise embedding into society, and the dynamic boundary of the degree of undertaking responsibility in the operation of platform enterprises. The latter is mainly reflected in the duality of context and content dimension of platform corporate social responsibility [6].

Heterogeneity of platform corporate social responsibility from the perspective of basic theories of social responsibility, corporate social responsibility includes who is responsible for, to whom, what and to what extent. It is necessary to clarify the basic theoretical issues of platform corporate social responsibility from three levels: (1) Different from traditional enterprises, clarify the subject status of platform corporate social responsibility in the context of platform. That is, whether platform enterprises are the subjects of social responsibility management and practice, or the subjects of influencing the social responsibility behaviors of bilateral users within the platform; (2) As a new organizational carrier of social responsibility management and practice, platform enterprises are
responsible to whom (stakeholders) and how (the link between enterprises and society); (3) On the basis of clear who is responsible for, to what extent (enterprise capability boundary).

2.2 The research frontier of platform corporate social responsibility in China.

The term "platform enterprise" appeared for the first time in the study of corporate social responsibility in 2015, with keywords such as "Internet finance" and "P2P" appearing simultaneously. The outbreak of online lending platforms has prompted the emergence of a large number of Internet financial enterprises and P2P lending platform enterprises. Frequently "run" followed by a P2P lending platform of enterprise credit and brand crisis, makes the corporate social responsibility in the platform to get the attention of academia.

Around 2015, Meituan Take-out, Ofo bike-sharing, Didi Taxi and other Internet platform companies were established, marking the full arrival of "sharing economy" and "Internet economy". Keywords such as "sharing economy" and "Internet economy" appeared in the study. Around 2017, with the steady progress of the "Internet plus" strategy, Internet platform companies such as Baidu, Tencent, Alibaba, Didi, and Ofo have been booming. Therefore, words such as "BAT (Alibaba, Tencent, Baidu)", "ride-hailing" and "bike-sharing" have appeared in the research during this period. This marks the arrival of the "platform economy" era in China. In recent years, research on platform CSR tends to focus more and more on governance issues, and the perspectives of governance subjects are gradually diversified, no longer limited to external supervision, involving government regulation, legal regulation, internal control and other multi-subjects, and paying more attention to the path of platform CSR governance.

2.3 Platform corporate digital responsibility

Faced with the ethical challenges posed by the development and deployment of technology and data, organizations need to better understand how to manage ethical dilemmas and take comprehensive digital responsibility actions. Lara Loboschat et al.(2019)define CDR as a set of values and specific norms that govern organizational judgment and choice in matters specifically related to digital issues [11]. These CDR-related values and norms share some of the principles and goals of CSR, or an organization's commitment (and responsibility) to social and ecological causes. Corporate social responsibility, therefore, encompasses the economic, legal and ethical expectations that society places on an organization at a given point in time [12]. Lara Loboschat, et al. (2019) argue that a similar view is inherent in any consideration of CDR. Despite this similarity, due to the special nature of digital technology, CDR should be clearly considered separately from CSR. To clarify this difference,
Lara Lobschat et al. (2019) highlighted three features that justify a clear consideration of numbers that goes beyond the organization's broader social responsibilities.

First, technological development shows exponential growth [13]. Building on the accelerated technological progress so far, the coming decades seem likely to produce even more disruptive innovations. Big data and analytics, for example, are combined with advances in machine learning and artificial intelligence to make more efficient use of the vast amounts of data already collected. Second, ethical and social issues need to reflect the malleability of digital technology [14]. Digital responsibility presents a broad, complex, and dynamic set of ethical challenges that cannot be fully foreseen when a technology is designed or data is first acquired, but which only unfold in use over time. Third, the idea that specific corporate norms are designed to deal with digital liability also stems from the spread of digital technology. Without digital technology, it is almost impossible to carry out daily activities, either directly (using applications) or indirectly (offline requests are handled by digital technology in the background).

3. The decision drivers of platform corporate digital responsibility behavior

Considering that digital economy is an important social technological phenomenon and institutional phenomenon [15], institutional environment is one of the most important reference bases for enterprise decision-making [16]. We argue that institutional pressures can promote firms' environmental responses and review the literature on pragmatic legitimacy and commitment as a strategic response to these external pressures.

3.1 Summary of Institutional Theory

Institutional theory holds that organizations are embedded in an ‘institutional environment’, that is, an environment that entails’ symbolic and behavioral systems containing representational, constitutive, and normative rules together with regulatory mechanisms that define a common meaning system and give rise to distinctive actors and action routines’ [17]. According to this theory, the institutional environment creates a set of implicit and/or explicit rules in areas such as organizational structure and behavior, and adherence to these rules is required by members of the organization's domain (Meyer and Rowan, 1977) [18]. Specifically, when the industry digital the legitimacy of the digital economy and region constraints overlap, highlighting cognitive object, the environment of digital characteristics, environmental policymakers cognition to shape a better one to objective restrictions-lots, also is compared with other environmental characteristics, highlight the characteristics of digital more perception by policy makers, Institutional legitimacy can be transformed into cognitive legitimacy to guide the organization's strategic decision making [19].

The basic proposition of institutional theory is that ‘organizations tend to be isomerized over time because they collectively absorb organizational templates from their institutional environment in search of legitimacy’ [20]. The theory identifies three conceptually different mechanisms through which organizations come to reflect their institutional environments: coercive, mimetic and normative isomorphism, with isomorphism being defined as ‘a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions’ [21].

3.2 Institutional theory and platform corporate digital responsibility

Coercive isomorphism refers to the pressure imposed by entities in the institutional environment on organizations, whose purpose is to constrain the strategic choices of organizations and force them to conform to institutional expectations. Management scholars increasingly believe that pressure from government and other agencies is transmitted through operational channels and influences the tendency of organizations to adopt technology [22]. Based on previous research, coercive pressure is thought to play an important role in assimilation. Existing research on assimilation suggests that coercive pressures, often stemming from local government policies or the expectations of regulatory
authorities or local institutions and communities, may have a direct or indirect impact on assimilation [23].

Normative isomorphism means socialization of an organization in its institutional environment. Based on institutional logic, we believe that the institutional environment shapes the work behavior of individuals and organizations [21]. Following Liu et al. (2010, p. 374), Normative pressures (NP) refer to the ‘pressure generated by collective expectations that constitute appropriate and therefore legitimate behavior in a particular organizational context’. With the development of regional digital economy, the original business ecosystem is gradually transformed into a digital one, and the operation mode of the new business ecosystem constitutes new legal constraints on enterprises. If enterprises do not timely transform, it will be difficult to carry out production and trade in the region, facing the embarrassment of being excluded from the business ecosystem [19].

Mimetic isomorphism involves an organization's voluntary imitation of the structures and activities of its "more legitimate and successful" industry peers. DiMaggio and Powell (1983, p. 151) argue, “When organizational technology is not understood, when goals are ambiguous, or when the environment creates symbolic uncertainty, organizations may model themselves on other organizations” [24]. The mimetic pressures arise from the tendency of organizations to mimic other organizations. Previous research has pointed out that organizations mimic other organizations in similar industries due to lack of clarity on project outcomes, whether it refers to the adoption of enterprise resource planning or TQM-related practices. [25]. The development of regional digital economy accelerates data to become a new factor of production. The construction of digital infrastructure, application of digital technology and data transaction make members in the region gradually form a unified cognition and belief about digital transformation. The pursuit of competitive position and competitiveness stimulates the mimetic behavior among enterprises, and the leading enterprises or pillar enterprises in digital transformation become better imitation objects [19].

4. Conclusions

The research trends of platform CSR can be summarized as follows: (1) The number of studies on platform CSR is on the rise, which is closely related to the frequent occurrence of platform CSR accidents and government policy orientation; (2) Research hotspots of platform CSR focus on performance, motivation, boundaries, governance and other topics; (3) Scholars began to focus on the specific perspective of corporate social responsibility research -- corporate data responsibility. The research framework was basically formed, but it still remained in the conceptual framework, and a large number of empirical studies need to be carried out; (4) The research finds that organizations respond differently to institutional pressures in different fields and respond to the call of applying institutional theory to corporate social responsibility. More specific and targeted institutional construction can be more perceived by corporate decision makers and enhance corporate digital responsibility awareness.

5. The future research

In view of the possible limitations of this study and the problems presented in the development of platform CSR practice, future research can be further deepened in the following four aspects:

Firstly, further explore the basic theoretical issues of platform corporate social responsibility, strive to truly grasp the particularity of platform enterprises and platform corporate social responsibility, and more effectively answer the basic questions of platform corporate social responsibility: what is the main boundary of stakeholders that social responsibility faced by platform enterprises? To what extent should platform enterprises assume social responsibility to stakeholders? How to define the relationship between platform enterprises and society? In what ways do platform companies embed themselves in society? What is the boundary of platform CSR governance? What is the scope of commercial and social integration of platforms?
Secondly, explore the driving factors and driving mechanism behind the differences in platform CSR practices. The type, size, structure, pricing method, rules, nature of equity, leadership and other factors of the platform are studied to determine whether they form a key influence, what is more important, What are the mechanisms by which they influence platform CSR practices, etc.

Thirdly, since this paper is still at the conceptual stage, empirical research can be carried out in the future. Explore the construction of platform corporate social responsibility evaluation system, based on the particularity of platform enterprises and platform situation, reconstruct and explore platform corporate social responsibility evaluation subject, evaluation model and evaluation index system.

Finally, executives should establish a strong corporate culture of CDR and develop norms and guidelines for their employees. Even implementing the CDR specification in a particular environment may seem ineffective, a greater emphasis on ethical reflection can have a positive impact on future corporate behavior, including technology development, deployment and data privacy. Similar logic applies to corporate and organizational settings, as well as to public discourse and policy. At the strategic level, organizations should develop and define their mission and vision associated with CDR. At the operational level, they need the right tools, technologies, processes, and structures to achieve their overall strategic vision.

References


