

CORPORATE SOCIAL RESPONSIBILITY AND INFORMATION
TECHNOLOGIES: AN INFORMATION TECHNOLOGIES COMPANY AS A
CASE STUDY

A Master's Thesis

by

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Ankara

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CASE STUDY

The Graduate School of Economics and Social Sciences

of

İhsan Doğramacı Bilkent University

by

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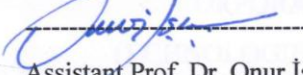
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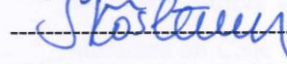
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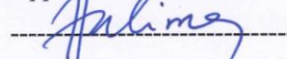
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ABSTRACT

CORPORATE SOCIAL RESPONSIBILITY AND INFORMATION TECHNOLOGIES: AN INFORMATION TECHNOLOGIES COMPANY AS A CASE STUDY

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CSR expands as an area of interest both for the business and for social scientists. While some researchers believe in the transformative power of CSR strategies, others see it as a ‘marketing strategy’. Firstly, this study presents the literature on CSR to see where we are in the academic debate. In the field of CSR; there are many studies which name and shame corporations from various industries. However, Information Technologies (IT) companies are rarely in the ‘shame lists’. As IT sector is not one of the ‘conventional bad guys’, the debates around CSR often disregard the sectoral wrongdoing in IT. The aim of this study is to adress this research gap in this field. *Without a clear academic critique directed towards the CSR activities of IT sector, can IT companies rightfully engage in self-criticism and adress to the potential environmental and human rights violations?* While remaining on the safe side, do IT companies remember to adress these CSR issues? These questions will be answered through an analysis of a single IT company, whose name is kept anonymous. This study analyzes the company’s response to the key areas of concern in IT sector such as *energy consumption, e-waste, data security and privacy, and labor standards*.. The chosen company is one of the IT companies with a clear ‘criminal record’ in terms of its corporate operations. Thus, any wrongdoing that is found out in this case study will provide valuable insights in order to understand where we are in IT sector in terms of CSR.

Key words: Corporate Social Responsibility, Information Technologies

ÖZET

KURUMSAL SOSYAL SORUMLULUK VE BİLİŞİM TEKNOLOJİLERİ: BİR BİLİŞİM FİRMASI İLE VAKA ÇALIŞMASI

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Ocak 2017

Kurumsal Sosyal Sorumluluk alanını araştıran bu tezde ilk öncelik, ilgili alandaki literatürün incelenmesi olmuştur. Bu alanda yapılan akademik çalışmaların araştırılması sonucunda akaryakıt sektörü, tekstil sektörü gibi bazı sektörlerin diğer sektörlerle göre daha fazla eleştirildiği, ve ilgili çalışmaların bu sektörler üzerine yoğunlaştığı farkedilmiştir. Ancak, Bilişim Teknolojileri sektörü, sıkça eleştirilen diğer sektörler arasında gözardı edilmiş, ve Kurumsal Sosyal Sorumluluk alanındaki çalışmaların ‘kötü kahramanı’ olarak herhangi bir akademik çalışmaya konu edilmemiştir. Fakat, elektronik atıklar, veri gizliliği, enerji tüketimi gibi sorunlara sebep olan bu sektörün çevreye, çalışanlarına, ve toplumlara karşı ne gibi sosyal sorumluluk stratejileri geliştirdiği çok önemli bir konudur. Literatürdeki bu eksikliğin farkedilmesi üzerine, bu tezin temel amacı Bilişim Sektörü’nün Kurumsal Sosyal Sorumluluk alanında ne gibi inisiyatifler aldığını ve stratejiler belirlediğini seçilen bir Bilişim firması üzerinden incelemek olmuştur.

Anahtar Kelimeler: Bilişim Teknolojileri, Kurumsal Sosyal Sorumluluk

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CHAPTER I: INTRODUCTION

A large segment of our generation work for multinational corporations (MNCs). Mostly, new graduates do not fully know what future career path might suit them. On the other hand, the MNCs are successful in attracting the young talents through various campaigns and their impressive marketing strategies. They choose the most successful talents from the huge applicant pool they create. In the meantime, the new graduates who start their career in an institutionalized corporation feel grateful and obliged; because they are grown in an environment in which they came to appreciate 'having a job'. They work without questioning their salary, the job's suit to their personality, or their rights as employees. But in the meantime, there is also a growing field of study named as Corporate Social Responsibility. CSR reminds us the obligations of corporations, and what corporations offer in return. CSR helps its readers to know what to expect from a company as an employee, as a customer of that company, or as an environmentalist who suffers from the serious damages the company causes to environment. Thus, CSR is an important subject to learn about (leaving aside its success to change or improve corporate operations which is a matter of discuss). For this reason, if this master's thesis was going to reach an audience, the aim would be to attract the new graduates who need to learn more about the duties of corporations they work for in order to be more conscious employees, consumers, and citizens.

Literature Review on CSR Today, most of the companies in Fortune 500 spend a considerable amount of their resources and time on CSR. It expands as an area of interest both for the business and the social scientists; and it represents a potential challenge to the 'traditional' forms of corporate operations. However, in the academic debates, it is a matter of discuss whether CSR can be regarded as a 'transformative project' or not. While some researchers on CSR believe in the power of CSR strategies to enhance human rights, others argue that CSR is merely 'public relations tool' or a 'marketing strategy' for the benefit of MNCs. Even the definition of CSR is a contested issue. Thus, the initial sections of this study aims to present its readers a general overview about the literature on CSR in order to see where we are in the academic debate, and in order to present different approaches to CSR. This

study makes reference to three main approaches to CSR which are 1) neoliberal approaches, 2) neo-Keynesian approaches, and 3) radical political economy approaches. These three approaches have their own definitions of CSR, they embrace different normative statements about how to regulate corporate behavior, and propose different actors/agents as regulators. There are many debates around deciding ‘how’ to enforce CSR strategies, and ‘who’ are the agents to enforce these strategies. Should CSR be based on voluntary principles, or mandatory ones? Who would play the key role in warranting CSR? With reference to these key points of dispute, this study presents different approaches to CSR. It presents different actors/agents that play a key role in the field of CSR with reference to some incidents from recent history.

The Research Gap in the Academic Literature on CSR In the field of CSR; there are many studies which name and shame corporations from various industries for not doing enough to fight industrial pollution. However, companies from Information Technologies (IT) sector are not in the ‘shame list’. After reviewing the academic literature on CSR, this study concludes that there is not enough focus on IT sector as a potential violator of human rights. IT companies are known for being more flexible and employee-friendly when compared with the rest of MNCs. On the other hand, some business industries are more prone to damage their corporate image than others. They are more vulnerable due to the nature of the products and services they provide. Alcohol industry, the oil sector, consumer goods companies such as Unilever, and textile companies such as Nike can be given as examples to such sectors. These industries have more attention on their CSR strategies, and thus, they need to engage with more CSR campaigns than others. However, IT is not in any of these sectors, and is not subject to intense inquiry. Thus, any CSR strategies that are introduced by IT sector is more likely to be based on voluntary grounds and will be less likely to be regulated. However, this does not mean that the IT industry has no CSR problem. The main concern of this study is to adress this research gap in the field of CSR. In order to contribute to this research gap, this study tries to provide an answer to the following research question:

Without a clear academic critique directed towards the CSR activities of IT sector, can IT companies rightfully engage in self-criticism and adress to the potential

environmental and human rights violations? If no, is there a policy recommendation to improve regulation on IT sector?

An ‘IT Company’ as a Case Study This study focuses on the CSR activities of a single IT Company in order to answer the research question above. After the literature review on CSR, this study concludes that there is not enough academic critique addressing the IT industry. In studies around CSR, IT sector is not one of the ‘conventional bad guys’, and thus, there is not enough focus on the sectoral wrongdoing in IT. While remaining on the safe side, do IT companies remember to address CSR issues? IT companies might also act in violation of environmental and human rights; and they should also be liable for their potential wrongdoing. Then, the question is, what are these potential issues? What might be going wrong in IT industry? Are IT companies addressing these issues accordingly?

There are some key environmental and societal issues that should be revealed before whitewashing the IT sector. IT companies are supposedly the ‘virtual guys’ who have much less physical operation than the ‘conventional guys’ such as textile or oil sector. This is a flawed argument. Let’s analyze ‘cloud computing’ as one of the services provided by IT companies. What is cloud computing? It is a platform for internet. Thanks to cloud, we do not need to buy physical appliances for storage anymore. We do not need to host our own servers, try to manage them or pay for their maintenance. Instead, cloud computing enables us a virtual space in the ‘cloud’ to store our data. However, this is how things look from the perspective of customers who buy these services. What about the supplier of such services? How do they store the data of their customers? Even though the cloud service provided to the customer is ‘virtual’, the supplier company has to build a physical infrastructure to store the data somewhere. And indeed, these physical infrastructures -i.e. the data centers- need tons of energy, and consumes more energy than most of the notorious industries. Tate Cantrell, the Chief Technology Officer of Verne Global (a data-center company) makes an enlightening statement about data-centers: “Often, people think of [data centers] as almost like cathedrals of servers. Very clean computer equipment, white walls and things- the reality is, these are factories” (Cantrell, 2015). And, they do require tons of energy. Thus, the physical realities of ‘cloud computing’ is as serious as the damage that oil sector might cause. By analyzing a single IT company as a case study, this study aims to reveal what kind of preventions

and measures IT companies take in order to prevent potential damages that are underestimated; and whether these precautions are enough or not. The physical realities of ‘cloud computing’ is only one of the many CSR concerns. Do IT companies address these concerns? If yes, how effective are their CSR strategies? These questions will be answered through an analysis of a single IT company which is chosen as a case study, its potential violations, its CSR strategies in response, and finally, the regulation of the company’s CSR strategies.

Case Study and its relation with the Academic Debates The chosen company is one of those companies which has a clear ‘criminal record’ in terms of its corporate operations. With a clear long-term CSR strategy, it is a valuable case study to understand where we are in IT sector in terms of CSR. Because a potential environmental and human rights violations within this case study can be easily generalized for the IT sector in general. Thus, after presenting the literature review on CSR, this study will list the potential problems in IT sector, and present how the chosen company responds to these problems. In the end, if this study finds out that this company does not fully address CSR issues, this conclusion will be generalized as a sectoral problem. In response, this study will try to make a policy recommendation to overcome the IT disregard for CSR issues. Herewith, it is important to highlight that the researcher anonymizes the company at the request of its employees. The participants of this study requested anonymity in order to be in compliance with the company’s code of business conduct. Throughout the interviews, the interviewer was often reminded that the use of company name in any research should be reported to the company’s ‘brand protection’ team as a precaution to prevent unauthorized disclosure of company’s internal data. With respect to the company’s regulations on data confidentiality, the researcher decided to anonymize the company. The interviewees who participated in this project are kept anonymous accordingly.

Policy Recommendation The literature review on CSR reveals that IT companies are not a clear target for CSR debates. Do IT companies enjoy being on the safe side, or do they remember to fully address CSR? Through an analysis of the chosen company’s CSR strategies, this study will reach a conclusion about how much CSR focus IT companies have. If the answer is ‘not enough’, this study hopes to make a policy recommendation in order to enhance corporate operations. Right

now, the literature review reveals the lack of legally enforceable standards, the lack of a monitoring and enforcement mechanism, and a lack of clarity about the meaning of standards themselves. However, this study argues that business obligations to their communities are too crucial to be left to the discretion of MNCs. Thus, the corporate operations have to be backed up by a monitoring system. This is crucial for IT sector too, because for many years, the academic debates disregarded the potential violations of IT companies. Thus, the aim of this study is to make a policy recommendation to fill the current regulatory gap on the activities of IT companies.



CHAPTER II: LITERATURE REVIEW ON CSR

Emergence of CSR: A Brief History The current debates on CSR are the consequences of a longstanding discussion about the relationship between corporations and society. In his study about corporate behavior, Jenkins Rhys (2005) analyzes the history of CSR by dividing it into three main waves - i.e. periods. The first wave of CSR was in late 19th century due to the exponential rise of private business and *laissez faire* capitalism. Since then, corporate behavior have always been a matter of discuss. Beginning with late 1800's, large corporations started to lose the trust of society; and they have been potential targets of public criticism. Being subject to such critiques, corporations have been attempting "to re-establish their legitimacy by adopting CSR style strategies" (Broomhil, 2008, p. 9). In this period, corporations responded to such distrust by developing strategies such as introducing philanthropy. These were corporate initiatives intending to prevent government regulation of business activities. Jenkins defines this period of late 1800's as the *first* wave of concern regarding business operations.

As time passed, 1929 Great Depression hit US. The crisis "produced the *second* wave of regulation and led to Roosevelt's New Deal in the US and nationalization and regulation by the postwar Labor government in the UK" (Broomhil, 2008, p.9). According to Hanlon, the debates around CSR came to be discussed in a period of crisis in the 1920s and '30s. Herewith, what Hanlon implies is that any suggestion or objection to private business becomes prevalent when there is a crisis in the regime, and capitalism (p. 161). Only after an economic turmoil, questions about the role of business starts to be raised.

The *third*, and probably the most influential wave of concern around corporate actions emerged in late 1960s, and early 1970s. (Jenkins, 2005, p. 529). In this period, CSR gained an integral and a permanent role in IR debates. This was due to the increasing role of transnational corporations (TNCs) throughout the world, and the violation of human rights mostly by US corporations which started to expand towards third world and exploited their economies. As a consequence, "for the first time the regulation of corporate activity became an international issue, with attempts within the UN to establish codes of conduct for the activity of TNCs. Various

international agreements were signed in late 70s sponsored by different international organizations such as International Labor Organization (ILO) and Organization for Economic Cooperation and Development (OECD) (Broomhil, 2008, p. 10).

The increasing concerns regarding corporate activities came to a breakdown with the global restructuring in 1980's and with the emergence of neoliberal policies throughout the world. This period represented a period in which capital was extremely mobile. This mobility enabled transnational corporations "to exploit regulatory differences between states by (re)locating (or threatening to relocate) their production facilities in countries with more favorable regimes" (Jenkins, 2005, p. 540). These changes created a "significant shift away from state intervention in both developed and developing countries" (Broomhill, 2008, p. 10). The corporations that once faced dramatic state regulation were freed from these regulations, because national policies were from then on started to look for more practical ways to save their economies from intense competition throughout the world. Thus, during 1980s, the priority was no longer regulation, but to attract foreign direct investment. (Broomhil, 2008, p. 10).

According to Hanlon, in contrast to the seemingly more abrasive capitalism of the Thatcherite and Reaganite 1980s, the 1990s were characterized by a series of events that appeared to herald the transition to a softer capitalism" (p. 157). By 1990s, it was widely recognized that the former multilateral agreements and the international initiatives that were introduced to regulate corporate practices had so little positive impact on corporate behavior (Bendell, 2004, p. 11). Under such circumstances, the following decade was marked by the escalation of the critiques of corporate power. The last decade of the 20th century witnessed numerous corporate disasters and human rights violations, especially practiced by the US companies. They were accompanied countless environmental scandals all around the world. The public awareness regarding corporate abuses became widespread, as media and human rights activists revealed the human rights abuses in developing countries. CSR turned into a must-to-have strategy for global corporations because of the worldwide anti-globalization and anti-corporate protests. Thus, 1990s was a period in which the demands for and the practice of CSR strategies increased. However, most of the advocates of CSR lost their faith in promoting voluntary ways to address corporate power, and they no longer supported self-regulation. Different schools of

thought about CSR (re)emerged. They all supported different forms of regulation and prioritized different actors as regulators. Consequently, a range of actors were introduced, such as trade unions, NGOs, Civil Rights Organizations or Environmental Groups (Bendell, 2004, p.11).

Neoliberal globalization and Rising Concerns about Corporate Behavior

The concept of CSR has been around for more than a century now. However, in the last few decades, the number of MNCs that incorporate CSR strategies into their agenda reached a climax. A great amount political scientists in CSR literature relate the recent acceleration in CSR to globalization and the changing role of MNCs. Even though there is no single definition of ‘globalization’, it surely is about our world transforming itself. Allan Cochrane and Kathy Pain (2000) once introduced a simple definition of globalization: “Cultures, economies and politics appear to merge across the globe through the rapid exchange of information, ideas and knowledge, and the investment strategies of global corporations” (p. 6). In the beginning of the millenium, a comparison between world’s largest MNCs and wealthiest states was made in order to depict the rising role of MNCs:

Only six nations (the United States, Germany, Japan, United Kingdom, Italy and France) have tax revenues larger than the nine largest MNC’s sales. Wal-Mart, which is not regarded as one of the top ten revenue-earning MNCs, still profits more per year than the Canadian government’s annual tax revenues” (Monshipouri, Welch & Kennedy, 2000, p.971)

Of course, these changes are the consequences of the rules of the free market. Human Rights Organizations argue that the ‘free market’ is not sufficient to establish a fair game between business and its stakeholders. These groups insist on greater CSR initiatives; because it turns out that supporting the idea of a corporation without any social responsibilities is as inaccurate as supporting the practice of an unlimited state sovereignty:

Greater social responsibility to MNCs is necessary given their increasing influence and the trend toward further privatization. Because MNCs have gained powers traditionally vested only in states, they should arguably be held on the same standards that international law presently imposes upon states” (Monshipouri, Welch, & Kennedy, 2003, p. 966)

Under such circumstances, nation-states can no longer be held as the only accountable actor to safeguard the world from human rights violations of MNCs. “Corporations may have as much or more power over individuals as governments” (Monshipouri, Welch, & Kennedy, 2003, p. 971). For this reason, relying on nation-state alone will be barely adequate to prevent human rights abuses. CSR discourse is a direct consequence of these changes and a result of the imbalance between “economic growth” and “social injustice” (Monshipouri, Welch, & Kennedy, 2003, p. 967). In this respect, CSR is a field of study that is open to increasing amounts of debate each day, and occupies a lot of attention on studies about corporate business.

Neoliberal globalization represented changing relationships of power. MNCs assumed a key role in these power relationships, because of the various impacts they have on the life chances of billions of people (Monshipouri, Emerson, & Kennedy, 2003, p. 966). As the spotlight was turned to the MNCs, their operations which violated human rights had been cited in various studies. Daily news were full of news headlines which highlight the scandals on business ethics. Nike sweatshops in Pakistan and Indonesia are one of the disastrous examples of violations of human rights. The global economy empowered MNC’s so much that they gradually acquired more control over international investments. In order to attract the global investments, the developing countries and their governments had no chance but to surrender the terms of MNCs operating in their region. The lack of bargaining power with MNCs meant, for instance, that “minimum wage has been set unrealistically low in developing countries so as to attract foreign investment” (Monshipouri, Emerson, & Kennedy, 2003, p. 966). A similar critique of the MNCs is about their main strategy which spurred production from North to South:

Relocat[ing] from the North has kept wages and living conditions down and resulted in the expansion of sweatshops in the South. This has led to the view that globalization is a euphemism for ‘sweatshop global economy’ (Greenhouse, 2000, p. 9)

The critiques of MNCs activities often complain about the geographic flexibility that they enjoy. By relocating their plants to third world countries, “[MNCs] routinely displace well-paid workers in the North in order to exploit Southern workers in what

amounts to sweatshops characterized by low pay, hazardous working conditions, child labor, and the absence of basic worker rights” (Monshipouri, Welch, & Kennedy, 2003, p. 974) However, MNCs have a strong opposition to these critiques: They insist that “the responsibility to improve the socioeconomic standards of living in Third World countries is that of local government, not of a corporation” (Monshipouri, Welch, & Kennedy, 2003, p. 972).

Another critical reading of the neoliberal globalization comes from Civil Society Organizations and Non-Governmental Organizations . These organizations started to highlight that “TNCs were enjoying new rights and freedoms as a result of economic liberalization and globalization without commensurate obligations and responsibilities, most notably in developing countries” (Broomhill, 2008, p. 29). As Brooks puts it, the “developing countries increasingly become areas of production of consumer goods for rich countries” (p. 123). The company owners in developed countries move to areas where labor is cheaper and protest is less likely. In this regard, the 1990s marked “the export of US-based manufacturing jobs to offshore production sites that would guarantee cheap labor and a non-unionized work force” (p. 125). In the end, this increasing power of corporations was changing the balance of power between societies and TNCs.

The critiques of MNCs often insist that all these bitter experiences are a consequence of the lack of a regulatory system, or a guideline to control corporate activities. As a result of this regulatory vacuum, the MNCs that are left to themselves seek for short-term benefits at the expense of human rights. The civil society, the environment and the stakeholders who were the victims within this process needed to find ways to regulate corporate behaviour, and to be backed up with other actors, such as NGOs, CSOs, media, state etc... As Monshipouri, Welch and Kennedy (2003) put, “the rights of workers and obligations of business to the community are arguably too important to be left to the voluntary will of the corporations” (p. 983). It needs to be backed up by a monitoring system. Thus, at this point, the debate was no longer about the need for CSR, but it was about how to ‘regulate’ the CSR strategies of business; and how to fill this gap of regulation.

The Academic Debates in the Field of CSR As mentioned before, the impacts of neoliberal economy brought us to a point that we can no longer disregard

the role of MNCs and the impact of corporate behavior on our lives. Thus, especially after the beginning of 21st century, the concept of CSR came to play a more prominent role in International Relations. Naturally, the revival of CSR increased the number of debates around this field of study.

According to Ray Broomhall (2008), “within the CSR literature, there exists three discernible ‘schools’ of thought and practice around CSR. These schools may be characterized as the neoliberal, neo-Keynesian, and radical political economy approaches” (p. 6). They all embrace different arguments while defining CSR, the main actors in this field of study, and the methods of regulation of corporate behavior.

The first debate around CSR is about the definition of CSR. The political scientists, activists or researchers who study corporate behaviour can not agree upon a single way to ‘define’ CSR, which makes the definition of it a contested issue. The second debate is about how to ‘regulate’ corporate behavior and the so-called voluntary CSR strategies that are adopted by business. Of course, while defining ‘how’ to regulate corporate operations, each school of thought prioritizes different ‘agents’ which will enable such corporate regulation which brings us to the third debate around CSR. In this paper, the aim is to present the different answers given to these three main questions with a reference to three different ‘schools of thought’ about CSR:

- The neoliberal approaches
- Neo-Keynesian approaches
- Radical Political Economy approaches

2.1 What is CSR?

What I learned in my bachelor’s and master’s degree is that in the field of Political Science and International Relations, there is no single way of defining concepts such as ‘state’; but indeed, it is possible to discuss ‘different approaches to state’ such as the ‘neoliberal definition of state’, the ‘institutionalist definition of state’, or the ‘Marxist definition of state’ etc... Likewise, the definition of CSR is also a contested issue. In this study, diverse explanations of CSR are categorized under three main approaches, which are the *neoliberal approach*, *neo-Keynesian approach* and the *radical political economy approach*. In this section, different

debates around the concept of CSR will be introduced from the perspective of these three main schools of thought.

Neoliberal Approach to CSR “In defining CSR, neoliberal writers tend to see it fundamentally as the adoption of a set of voluntary policies, codes and guidelines, initiated and driven by the corporation” (Broomhill, 2007, p. 6). The neoliberal approach to CSR embraces Milton Friedman’s idea about CSR. As Friedman once stated in New York Times on 13 September, 1970:

There is one and only one social responsibility of business: to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception and fraud.

Among those who analyze CSR with a neoliberal approach there is a debated issue around the legitimacy and utility of engaging with CSR activities. David Henderson, for instance, is one of the key names in CSR literature who analyzes the doctrine of CSR from a neoliberal perspective, and introduces a neoliberal critique (2001, p. 481). According to Henderson, any CSR strategy is a potential threat to the prosperity of countries, regardless how wealthy that country is; because it slows down the competition and reduces the economic freedom. Likewise, other neoliberal approaches to CSR highlight the same issue. For instance, an interpretation of Henderson’s studies, which was articulated by Bryan Husted (2003) claims that “it is wiser for firms to act strategically than to be coerced into making investments in corporate social responsibility” (Husted, 2003, p. 481). However, this does not mean that neoliberal academics are hostile to the embracement of CSR strategies. Indeed, most neoliberals believe that “the adoption of CSR policies by companies can be rational and profitable in the long run” (Husted, 2003, p. 7). Even more than that, CSR “can be seen as an important insurance strategy to minimise risks from negative government intervention, adverse media coverage and consumer or stockholder backlash to corporate behavior” (Husted, 2003, p. 7).

Unlike Henderson and Husted, there are so many neoliberal approaches to CSR that highlight the strategic benefits and reasons that prove ‘why’ corporations might be interested in adopting CSR strategies. Lantos (2001), for instance, concurs that ‘strategic’ CSR can be beneficial for both corporation and for society (p.601).

However, Lantos adds that such strategic CSR initiatives should be initiated only if they guarantee to add value to the company. Likewise, Scott Gallagher (2005) analyzes ‘why’ corporations might welcome ethics into their business. He concludes that such ethical motives might bring certain assurances: They guarantee the long term existence of companies in society by reducing the possibility of customer boycotts and keeping the corporation away from the spotlight:

By taking substantive voluntary steps they [corporations] can persuade governments and the wider public that they are taking current issues like health and safety, diversity or the environment seriously and so avoid intervention (Broohill, 2008, p. 14).

Frank Amalric and Jason Hauser (2005) are also among those who consider CSR from a neoliberal perspective. According to them, there are two main reasons why corporations develop CSR strategies. First of all, CSR activities help corporations meet the basic expectations and to gain the confidence of the “immediate stakeholders of a company – its consumers, employees and investors” (p. 30.) Secondly, another benefit corporations derive from CSR strategies is that they reduce the risk of state regulation through such initiatives. Companies who have a bad reputation, such as achieving higher sales at the expense of environment, will have a higher risk of being imposed to new binding state regulations. “Hence, companies are wise to adopt a CSR policy as part of their risk management strategy” (Porritt, 2005, p. 198). So, from a neoliberal approach, introducing CSR is actually a business strategy that serves the needs of the corporation itself. In other words, business will be involved in CSR strategies only if it provides benefits to be derived from such strategies. These benefits might be “in the form of risk management strategies, designed to protect corporations from threats arising from stakeholder, civil activists, consumers, or government attacks” (Broomhil, 2008, p.13). From a neoliberal perspective, CSR strategies are like ‘market strategies’: they will be put into practice only if there is a return of investment. Thus, there is ‘one and only’ way to attract corporations to adopt social responsible policies: it is to guide MNCs in finding the sweet-spots between business and society.

How would business discover the sweet-spot between business and society? According to Monshipouri, Welch and Kennedy (2000), a company will neither be

equipped nor willing to deal with the international ethics all by itself. Thus, the key to a successful CSR strategy is to help corporations recognize the utility that such strategies might bring to them. Because “in the final analysis”, as Vogel once put, “CSR is sustainable only if virtue pays off” (Vogel, 2005, p.2) Only by integrating the business concerns with societal concerns, a sustainable global economy can be established (Monshipouri, Emerson, & Kennedy, 2003, p. 971). Thus, according to the neoliberal approach, the target should be discovering the sweet-spot between business and society; because both business and society can grow together by embracing the right CSR strategies. In their websites, more than %85 ‘Fortune 500 companies’ present their CSR initiatives; because today’s business leaders recognize the fact that CSR is an economic imperative as well as being an ethical/moral imperative. (Bhattacharya & Sen, 2004, p. 9). There was ongoing debate that lasted for decades about the issues of ‘social justice’ and ‘efficiency’: Now, it is about to be resolved. MNCs finally started to realize that CSR strategies are not initiated at the expense of ‘efficiency’: On the contrary, they bring efficiency. Thus:

“... Business leaders are struggling with the appropriate goals guiding the formulation and deployment of CSR initiatives that will reap the greatest benefits for their companies... To this end, many companies are beginning to embrace practices such as social audits and corporate social reporting” (Bhattacharya & Sen, 2004, p.10.)

Increasing customer loyalty is one of the outcomes that corporations enjoy by working on CSR strategies; because one of the key stakeholders that are susceptible to the CSR strategies are its customers. (Bhattacharya & Sen, 2004, p. 9). Thus, according to neoliberal writers, introducing strong CSR strategies will increase company’s reputation and profits; because they are also influential ‘marketing strategies’. Marketplace polls reveal that a company’s CSR initiatives have a direct impact on customer’s purchasing decisions: i.e. on how customer’s react to that company’s products. For instance, “the 2002 Corporate Citizenship poll conducted by Cone Communications finds that %84 of Americans say they would be likely to switch brands to one associated with a good cause, if price and quality are similar” (Bhattacharya & Sen, 2004, p. 9). These polls prove that the companies’ CSR initiatives have a considerable impact on consumers’ purchase intentions. Such a consumer patronage pushes corporations to devote more resource and energy to CSR

activities and to strengthen their business ethics. According to Bhattacharya and Sen (2009), this positive relationship between company's CSR actions and consumer's consumption habits shifted the debate about CSR from "whether" to "how" (p.10). Companies no longer discuss "whether" they need a CSR strategy, but they are spurred to focus on "how" to achieve a successful CSR strategy. However, establishing a strong and effective strategy is a complex task which does not have a universal formula.

According to neoliberal approach to CSR, the critical readings of neoliberal globalization exaggerate the societal and environmental outcomes of MNCs: Their activities do not necessarily have detrimental impacts on developing world. On the other hand, the existence of MNCs in Third World countries helps the creation of prosperity accompanied with certain costs. "To the extent that MNCs create jobs, bring new capital and new technology, and provide such employee benefits as healthcare, they necessarily advance economic and social rights" (Monshipouri, Emerson, 2003, p. 974) As a response to this neoliberal optimism, the critiques complain about the lack of a universal method to measure the negative and the so-called positive impacts of the existence of MNCs in developing countries. Taking Wal-Mart- one of the world's largest chain of supermarkets- as an example:

It is easy enough to prove that a Wal-Mart factory in Honduras, for example, lowers unemployment in the region, providing jobs for persons that would not have them without such a factory. This improvement does not mean, however, that this hypothetical Wal-Mart operation is in compliance with universally accepted standards of human rights. (Monshipouri, Emerson, & Kennedy, 2003, p. 975)

In other words, the critiques of neoliberal discourse around CSR ask for more liability for the potential corporate abuses, and less reliance on self-regulation.

Radical Political Economy Approach to CSR Radical Political Economy approach to CSR engages in a far more questioning analysis towards corporate operations when compared to the neoliberal discourse: The MNCs neither have fully innocent intents, nor achieve socially responsible outcomes. This school of thought mostly focuses on the misuse and abuse of the business power in global economies. MNCs possess huge privileges which are mostly used for their self-interest, and

mostly at the expense of environment, employees or society in general (Broomhill, 2007, p. 8). Thus, they do not believe that CSR can bring any benefit for anyone except the business itself:

Radical Political Analysts not only are skeptical about the effectiveness of CSR programs but are also concerned that self-regulatory and voluntary CSR policies are frequently deliberately designed by corporations to deflect attention away from external regulation and control of corporate behavior and power and to disguise and legitimate other activities that are socially and environmentally destructive (p. 8).

CSR as the “Emperor’s New Clothes”¹ In her study, O’Laughlin (2008) tries to answer the following question: “Is corporate social responsibility really a social movement with a transformative project?” (p. 950) The Radical Political Economy approaches to CSR argue that it is indeed the opposite: CSR is a discourse promoted by MNCs “to justify global imposition of neoliberal prescriptions.” (p. 950). CSR brings moralization of markets, which, in return “further sustains, rather than undermining, neo-liberal governmentalities and neo-liberal visions of civil society, citizenship and responsible social action” (Shamir, 2008, p.5).

Another critical reading of CSR comes from Gerard Hanlon (2008), who insists that TNCs, by nature, are not capable of being fully accountable and responsible to society and environment. Thus, introduction of CSR into business is not a challenge to corporations, but a further embedding of capitalist social relations and a deeper opening up of social life to the dictates of the marketplace” (p. 157).

Neo-Keynesian Approach to CSR According to Broomhill (2008), Neo-Keynesian perspectives differ from the other two approaches in several points. First of all, there is a crucial difference between the neoliberal approach and neo-Keynesian approach, which is about their normative assumptions. Neo-Keynesians recognize that the corporate actions - intentionally or non-intentionally - might have detrimental impacts on its employees, society, or environment. Secondly, the motivation of Neo-Keynesians in studying CSR is different than neoliberals, and thus, they propose different assumptions about why CSR strategies emerged. For instance, for neo-Keynesians, “avoiding problems caused by unfettered corporate

¹ Commemorating C. Wright Mills who once called the Parsonian Structural Functionalism as the ‘Emperor’s New Clothes’

behavior” might be one of the reasons of the emergence of CSR strategies (Broomhill, 2008, p. 7). Apart from this, another key difference between neoliberals and Neo-Keynesians is that the latter assigns more proactive role to nation-state in developing and regulating the corporate behavior. (p. 8)

On the other hand, the Neo-Keynesian readings of CSR are much less pessimist than ‘radical political economy’ approaches. Neo-Keynesians prefer a cautious but optimistic position while analyzing corporate behavior. They believe that CSR has the power change conditions of life and promote justice. However, they are also underlining the importance of evaluating what might go wrong. For these reasons, the Neo-Keynesian approach to CSR can be regarded as a ‘middle way’ or a ‘mediator’ between neoliberal school, and the radical political economy approaches.

2.2 ‘Regulation’ of Corporate Behavior: Private/Public Debate

The literature review in the field of CSR reveals that MNCs can no longer keep practising their old hands-off policies because of the increasing demands for socially responsible policies. Thus, the debate is no longer about the need for CSR, but it is about ‘how’ to regulate CSR strategies. Does CSR need to be backed up by a monitoring system; or is ‘self regulation’ enough to promote CSR? Do we need private regulation or public regulation prevent corporate abuses? Another contested issue in the studies around CSR is about how to regulate the corporate activities. In this section, the debates around regulation will be presented.

Neoliberal Approach to Regulation The neoliberal approach to regulation is pretty straightforward. According to this ideological perspective, mandatory approaches to regulating corporations are both dangerous and demotivating. Thus, this approach to CSR makes a ‘taken-for-granted’ assumption that any CSR strategy is going to be based on voluntary initiatives. It does not have tolerance to any forms of regulation except self-regulation. In other words, “any form of business regulation is anathema to the neoliberal approach” (Broomhill, 2007, p.16).

Radical Political Economy Approach to Regulation As mentioned before, the radical political economy perspective is much more skeptical about the potential impacts of voluntary CSR initiatives. Accordingly, they propose obligatory CSR accompanied with diverse forms of regulation which will check the outcomes of such obligatory practices. “Voluntary CSR policies are deliberately designed by

corporations to deflect attention away from external regulation” (Broomhill, 2007, p. 8). In other words, according to radical political economy approach, voluntary CSR practices are proposed by mainstream approaches; and are strategies that are inferior to public regulation and laws. Thus, this school of thought questions self-regulation and its effectiveness to prevent corporate abuses. Radical political economy opposes *voluntary corporate responsibility*; and instead, it promotes *corporate accountability*: They want to hold “corporations accountable and responsible for the social and environmental impacts of their decisions and practices” (Broomhill, 2007, p.9). This perspective asks for proactive state-intervention, and highlights the need for a strong regulatory alliance that might be formed between nation-states and international institutions. The radical approach is very critical of a voluntary CSR agenda. According to this approach, neither self-regulation, nor private regulation will be adequate to prevent corporate misbehavior. The partnership of CSOs or NGOs, media or any private organization with corporations will have little - if not zero-impact on increasing CSR if this partnership is not backed by governments or International organizations. Newell (2005) once referred to this issue by claiming that “the coupling of regulation and activist pressure is a western model that need not apply elsewhere” (p.551). Thus, according to the radical political economy approach, there is an urgent need for a stronger public-regulation to promote corporate responsibility; and a call for making CSR an obligatory practice rather than a voluntary practice suggested by neoliberals.

Comparing Radical Political Economy and Neoliberal Approaches

Bendell divides the studies on CSR into two different groups: the first group (neoliberal & neo-Keynesian approach) either accepts the corporate power or considers it as an opportunity to improve the well-being of society - of course, if engaged accordingly (Bendell, ??) The second group (Radical Political Economy approaches) is consisting of those who consider the power of the MNCs as a problem that cannot be resolved through introducing CSR. The former confines itself to ‘*corporate responsibility*’. The latter is seeking for a method to introduce ‘*corporate accountability*’.

According to Richter, *corporate accountability* movement has more strength when compared to the *corporate responsibility* movement. Rather than simply proposing corporations to assume responsibility, this movement proposes to make

corporations accountable; and to bind them with additional responsibilities through rules, laws, or regulations. *Corporate accountability* movement has a skeptical approach to voluntary CSR and self-regulation. For this reason, an alternative mix of governmental, international mechanism should be introduced. (p. 31)

Neo-Keynesian Approach to Regulation According to Broomhill (2008), by 2000s, “the pressures continually arise for government regulation to either support or replace voluntary CSR measures adopted by corporations” (p. 16). Neo-Keynesians are among those writers who pressured for government regulation. They believe in the need of a government regulation to ensure the success of CSR strategies.

Like Neoliberal approaches, Neo-Keynesians also support the idea that CSR strategies of business should be voluntary. However, they differ from neoliberals as they allow room for government-led initiatives to improve corporate behavior. They criticize the neoliberal approach, because neoliberal writings around CSR propose voluntary initiatives as an alternative to government-led regulation. However, according to neo-Keynesians, voluntary strategies should be accompanied by public regulation to promote corporate responsibilities (Broomhil, 2007, p. 18).

Carmen Martinez and Cuesta Gonzales (2004) are two important names who analyze CSR from a Neo-Keynesian perspective. They have great contributions to the debates around how to regulate corporate behavior. In their study, the research questions they ask are as followed:

- 1) “Should CSR be approached only on a voluntary basis or should it be complemented with a compulsory regulatory framework?”
- 2) “What type of government intervention is more effective in fostering CSR among companies?” (Martinez, Gonzales, 2004, p. 276).

In order to answer the research questions above, they review the current literature on CSR and analyze the existing worldwide government-led initiatives to monitor the corporate behavior. In the end, they conclude with the normative statement that there is an urgent need for a more proactive government coverage regarding corporate activities.

Lyda Yanz and Bob Jeffcot (2000) are the other two names who are active in the debate of ‘voluntary vs. state regulation’ of CSR activities. Yanz and Jeffcot

argue that “there are legitimate grounds to be skeptical about the usefulness of voluntary codes of conduct, particularly if there are no provisions for independent verification and worker and third party complaints, or transparency in the monitoring, verification and remediation processes” (p. 18). They insist that voluntary codes of conduct might only complement the state regulation of corporate behavior.

Neo-Keynesian Approach & Stakeholder Theory: Those who consider CSR with a neo-Keynesian approach came up with a theory called ‘Stakeholder Theory’. Their hypothesis is that “in order for CSR to be effective and meaningful, the interests of a range of stakeholders other than shareowners [shareholders] need to be taken into account by corporations” (Broomhill, 2008, p. 19). At this point, it is also crucial to reveal what is meant by ‘stakeholder’. Stakeholders can include:

- Those individuals with a financial interest within the corporation such as suppliers, financiers, business partners... etc.
- People who are somehow involved in the creation of profits for the corporation, such as employees or customers.
- Those people who are being directly impacted by the corporate behavior of the company.
- Pressure groups who observe and question that company’s conduct and operations. (Broomhill, 2008, p. 20)
- Moreover, the term ‘stakeholder’ might also be used in order to refer to media or the state.

In other words, it might include “any individuals or groups affected, either directly or indirectly, by the activities of corporations. Stakeholders include shareholders, employees, consumers, neighboring communities, indigenous peoples and others” (Broomhill, 2008, p. 20). In order to have a strong CSR strategy, corporations should take into account the demands of each stakeholder.

2.3 Different Actors in the field of CSR

The previous section of this study reveals that, in the field of CSR, there many debates around how to enforce socially responsible codes of conduct. The neoliberal, neo-Keynesian and radical political economy approaches have different standpoints regarding how to regulate corporate behavior; and accordingly, they

propose different *actors/agents* as regulators. In the field of CSR, there are diverse agents that have the potential to enforce CSR strategies. Some of these actors are private actors such as NGOs which forms partnerships with MNCs and promote CSR strategies on a voluntary ground. On the other hand, there public actors and international institutions such as nation-states, World Trade Organization or United Nations that have more power to impose sanctions on MNCs. Different approaches to CSR prioritize different public/private regulators as key agents to to contribute CSR. In this section, different actors/agents that play a key role in the field of CSR are presented with reference to some incidents from recent history.

CSR as self-regulation (Corporation itself as the ‘one and only actor)

According to Andreas Scherer and Guido Palazzo (2011), each day, more and more MNCs embrace self-regulation and promote CSR strategies (p. 900). According to Sherer and Palazzo, this was a natural result of the globalization process. Previously, the national governance had the power to enforce certain rules and regulations on business within the nation’s territory. Unlike this form of national governance, the global governance “rests on voluntary contributions and weak or even absent enforcement mechanisms” (Scherer & Palazzo, 2002, p. 900). The writers highlight that they do not imply a powerless nation-state in a globalized world. Nation-states, of course, have not lost all of their impact and sanction on corporations. However, “a significant part of global production has been shifted to locations that lack democratic control and where there is no rule of law” (Scherer & Palazzo, 2011, p. 903). As a consequence, “International institutions such as the United Nations or the International Labor Organization can only with difficulty fill these governance gaps due to the principle of non-intervention in nation-state sovereignty, their lack of enforcement mechanisms, and the influence of national egoisms on international institutions” (p. 902). In response, the diminishing control of nations over business started to be compensated by new forms of governance on a global scale, and these new forms of global governance functioned “above and beyond the state” (Scherer & Palazzo, 2011, p. 906). The lesson to be learned from this process of changing actors and roles is that “the division of labor between governments, corporations and civil society does not remain stable” (Scherer & Palazzo, 2011, p.906). As the writers put it, self-regulation is becoming more and more prevalent in CSR debates; which is not a choice made by shareholders, but a natural outcome of the globalization process. In

other words, “in a globalized world, the capacity of the state to regulate economic behavior and to set the restrictions for market exchange is in decline” (Shere & Palazzo, 2011, p. 909). A critical question follows these arguments: Is this really the natural outcome, or is it an argument raised to justify and legitimize the non-intervention of public actors into business?

Of course, with the beginning of 21st century, “public actors such as national governments and international governmental institutions (e.g. the UN, ILO, OECD, etc.)” are no longer the only contributors of the new world order (Sherer & Palazzo, 2011, p. 909). These public actors came to be accompanied by many private actors such as civil society organizations. In other words, instead of simply focusing on governmental actors and international organizations such as World Trade Organization, the role of CSOs or private business companies such as auditing firms started to be acknowledged because of the increasing impact they have on global governance (Sherer & Palazzo, 2011, p. 910). Then, the question is: Who are these actors?.

Media as a Private Agent in CSR (2nd Actor) Media is another crucial agent in CSR as it plays a crucial role in revealing the ‘unseen’ corporate abuses. It helps transforming the unknown corporate disasters into “high-profile international issues”. (Broomhill, 2008, p. 29). In the lack of an effective regulatory system, media exposure became a prime method to reveal the human right abuses. According to Monshipouri, Emerson and Kennedy (2003), some business industries are more prone to damage their corporate image and customer loyalty than others. These sectors are more vulnerable due to the nature of the products or service that they provide. Two examples to these vulnerable sectors are the oil sector (such as Shell incident), and sweatshop companies (such as Nike incident). These industries should “engage in higher levels of CSR activity to appease a variety of stakeholder groups” (Bhattacharya & Sen, 2004, p. 23). Likewise, they have to be much more cautious about their operations, as they are prone to lose the trust of their customers, create public dissent, or suffer from consumer boycotts. Thus, a negative media coverage is a crucial threat to the existence of the companies in these sectors.

According to the researches of Bhattacharya and Sen (2004), “consumers are more sensitive to negative CSR information than to positive CSR information”

(p.23). Thus, a damage to their reputation means a huge loss of profits for corporations as they lose a part of their customer segment. Nike is one of the corporations who suffered from this problem in 1990s.

Nike and social media exposure: As mentioned before, media exposure is a prime method to reveal corporate abuses, especially in the so-called ‘sweatshop factories’ which are operated by brands such as Nike (Monshipouri, Emerson, & Kennedy, 2003, p. 975). Nike is a very infamous case study, due to its operations in Indonesia. It was the online journal of an activist called Jim Keady that caused massive protests against a huge brand like Nike, which proves the power of media exposure:

Jim Keady, a former soccer coach at St. John’s University in New York City, a school that uses Nike apparel allegedly imported from Indonesian Sweatshops, quit his post as coach and went to Indonesia in August 2000 to live on the average salary a factory laborer would earn, about US \$ 1.26 a day (Monshipouri, Emerson, & Kennedy, 2003, p. 975).

After their arrival to Indonesia, Keady and his companions create a website in which they regularly posted blogs about their experiences. In this online diary, Keady mentions about his paycheck: “Tomorrow we will begin to live on the monthly wage that Nike pays the workers in the factories here (325,000 Rp [Rupiah: Indonesian Money], or \$ 37 a month).” (Keady, 2000, p.21)

In his diary, Keady writes that he substitutes around 110,000 Rp for major expenses, such as transportation and accommodation. These expenditures leave him with 214,000 Rp to be spent for food and other expenses, which equals to approximately 7,000 Rp per day. Keady adds that an average meal with rice costs no less than 2,500 Rp, which means that he could not have more than two meals a day. The rest of the money, (around 2,000 Rp) was spent for other daily necessities like soap or toothpaste. He has no money left at all, to be spent on healthcare and childcare, not to mention clothing. In his journal, Keady argues: “The reality is that even with 18-30 overtime hours per week, the workers still cannot make ends meet” (Keady, 2000, p.21).

Alongside his own experiences, Keady also touched upon the complaints of other workers, and the first-hand stories of the factory laborers. Some of the workers

shared with Keady that they were forced to lie to factory inspectors when they visit the factory to check the factory conditions. For instance, when workers were asked by auditing firms, such as Price Waterhouse Coopers (PWC) whether they were exposed to harmful chemical agents, they gave a negative response even though they use these type of chemicals on a daily basis. In addition to this, workers also shared their complaints about the unsanitary working conditions they suffered from, such as the inavailability of restrooms. As Keady highlights, 2000 factory laborers were using less than five toilets. (Keady, 2000, p.21).

Keady's online journal revealed an important fact about the living conditions of the 'sweatshop company' workers. Unfortunately, in Indonesia, the Nike workers earned barely enough income to continue living. Moreover, they were subject to abuses of basic human rights such as healthcare or their right to a clean environment. (Keady, 2000, p.21). After these corporate scandals, Nike faced customer boycotts and they faced a big challenge against their reputation. A period of self-analysis began for Nike and "these reputational attacks led the company undergo a global review of its activities with the intention of (1) analyzing society's expectations and (2) attempting to become 'world's most admired company' via a process of transparency (Hanlon, 2008, p. 157). This was an achievement of social media, which is one of the private contributors in CSR literature.

As the Nike incident reveals, media coverage and customer boycotts are an influential way to raise consciousness about CSR, and to push corporations to take responsibilities towards environment, their employees, and society. However, Seidman (2007) insists that media exposure and consumer boycotts are not enough to promote corporate accountability if they are not backed with other agents such as nation-state. Media exposure, and international campaigns have an impact on raising consciousness regarding human rights abuses such as child labor. However, as Seidman puts it, boycotts can only be an initial step that should be followed by other initiatives. "Labor activists should focus on democratic state institutions that allow workers to speak on their own behalf rather than on mobilizing consumers against corporate brands" (p.953). Even though media exposure and boycotts might be a good step to raise consciousness, it fails to contribute CSR if they are not backed with any agent such as state institutions, NGOs, CSOs or any sort of regulatory governance...

NGOs & CSOs as other Private Agents (3rd Actor) In her studies, O’Laughlin analyzes the role of NGOs in the literature of CSR. She tries to answer “to what extent can civil society groups build sustainable forms of corporate regulation that are of benefit to the poor in developing countries?” (p. 951). She concludes with the argument that CSOs and NGOs are great contributors of corporate responsibility. Then, what are the role of NGOs and CSOs in improving corporate behavior?

Over the past twenty years, the impact of NGOs and CSOs in promoting CSR has been crucial. (Broomhill, 2008, p.28). According to Atle Midttun (2005), in today’s global economy, “NGO driven social justice agenda has been one of the primary opposing forces that have faced the increasingly powerful corporate governance agenda” (p. 28). This was a consequence of the disappointment of activists who criticized the failed attempts of government and international organizations such as UN to monitor corporate activities. As a response to such failures, activists tried to find out another way (a ‘third’ way differentiating itself from government and International Organizations) which present a variety of alternative ways about how to regulate TNCs. Some of the NGOs are supporting the voluntary initiatives, while the rest are in favor of partnering with TNCs in developing environment-friendly or employer-friendly strategies.

Jem Bendell is another important researcher in CSR literature who analyzed how some corporations formed partnerships with CSOs in order to develop new products and services throughout 1990s. This process, according to Bendell (2004), actually signed the beginning of a new literature in CSR, which is named as the ‘multi-stakeholder initiative’ (p. 15). This is a management model that aims to bring diverse stakeholders together in order to have an interactive and conversational decision making process. In this way, corporations can easily address to problems as they could take the perspective of the civil society into consideration (p. 15). However, not all of the CSOs and NGOs believe in the potential of this ‘multi-stakeholder model’. In other words, they are skeptical of collaborating with MNCs as they prefer a much more activist and defensive strategy. According to these critical civil organizations, partnering with MNCs consequently foster the well-being of corporations rather than helping the society, environment or workers. Thus, unfortunately, by collaborating with corporations, CSOs “might be helping the

corporate sector as a whole to defend itself from calls for state and intergovernmental regulation” (p. 33). Thus, those CSOs that do not choose to cooperate with the corporate sector embrace more activist strategies to promote CSR. According to Bendell, these strategies include the following campaigns:

- “**Watchdog activism** which involves identifying and publicizing corporate malpractice by ‘naming and shaming’ specific companies” (p. 33).
- Consumer activism refers to campaigns such as informing consumers about specific products that fail to meet environmental requirements; and organizing consumer boycotts (p.33)
- Shareholder activism can be practiced through buying some shares in companies and proposing policy changes to these MNCs. (p. 33)
- Litigation is the process in which activists go to courts for the prosecution of corporate abuses, as witnessed in case of Coca-Cola and Shell (Bendell, 2004, p. 33)

Brent Spar Incident & Green Alliances According to Acutt and Hamann (2003), the cooperation between CSOs and corporations is also for the benefit of the CSOs, because as civil organizations proactively engage in CSR strategies of corporations, this increases the leveraging power of CSOs over business, and gives them the power of negotiation (p. 260). Thus, voluntary CSR is possible if CSOs are taking the lead and if they form strong partnerships with corporations (Hamann & Acutt, 2003, p. 271). This partnership between NGOs and corporations is often named as ‘green alliances’. (Arts, 2002, p. 26). According to Arts, the emergence of such partnership is good news, since the relationship between the two had an antagonistic history. The NGOs or CSOs such as Greenpeace were highly skeptical towards the private sector; and most MNCs were depicted as the ‘evil guy’ by civil organizations. Similarly, corporations criticized the CSOs stance towards industry, condemning them for their utopianism and radicalism (Arts, 2002, p. 26). The milestone that transformed this ongoing dispute into a partnership was the 1995 *Brent Spar* incident:

To update our memory, Shell had decommissioned the *Brent Spar* – a storage and loading buoy for oil – in 1991, and had planned to dispose the platform by dumping it in the deep water North Sea. In the period 1991-1995, the

company requested approval for the deep water disposal from the authorities concerned and consulted several stakeholders (but not Greenpeace) with regard to their intentions. (Arts, 2002, p. 26)

In the meantime, United Kingdom approved the proposal, and informed the European governments concerned about the approval for dumping. However, many scientist and activists were warning about the huge damage the disposal would have on environment. At this point, Greenpeace decided to interrupt the process, and they occupied the loading buoy in the spring of 1995. This initial protest that was organized by Greenpeace sparked off mass demonstrations against Shell. There was an unforeseen support for the CSO both from public and from governments. For instance, even though the German government was notified about the plans for disposal months before, they launched a protest together with the British government after Greenpeace occupied the buoy. Following the two governments, many other European States joined the opposition to Shell. Media was another actor in this process which fostered the dissent against the corporation. As a consequence, the public opinion towards the company was damaged so much that ‘consumer boycotts’ and ‘violent attacks’ on petrol stations started around some states in Europe (Arts, 2002, p. 27). However - probably because the severity of the opposition was not understood - Shell continued “to tow the buoy to the disposal site” (Arts, 2002, p. 27). The TV news were all about Shell and its ignorance of public opinion. In the end, even the internal unity of the corporation was damaged: A part of the management team had to propose to cancel the disposal:

National branches of Shell started to pressurize the UK branch to give in to public demands. Finally, Shell did so, and the Brent Spar made a U-turn, leaving victory to Greenpeace. Not much later, however, Greenpeace had to admit that it had sent incorrect data on the storage of oil and toxic waste in the Brent Spar into the world. Its figures claimed some 5000 tons, while 100 turned out to be more accurate. (Arts, 2002, p. 27).

Of course, this mistake hugely harmed the credibility of Greenpeace and had a negative impact on its public image and its reliability. The media was also frustrated, because they presented the given Greenpeace data without any inspection. As a consequence, the relationship between press and Greenpeace was damaged too. In

short, neither Shell nor Greenpeace could be the winning side in this incident. On the opposite, both sides had a huge loss in terms of public credibility (Arts, 2002, p. 27). However, one lesson was learned from this case: A positive outcome of *Brent Spar* incident was that Shell began to reconsider their public image and prioritized nourishing their corporate responsibilities. “Greenpeace, on the other hand, had reconsidered its confrontational strategies as well” (Arts, 2002, p. 27).

According to Arts, the unforeseen consequences of the confrontation between Shell and Greenpeace actually led both business and CSOs to rethink their strategies, and opened the path for more cooperation and for more dialogue between CSOs and MNCs. This is what we call as ‘*Green Alliances*’, which represented the increasing confidence in new coalitions between business and civil organizations. According to Arts, these newly emerging coalitions marked a huge change in the rules of the game, because in the past, “policy arrangements were mainly *statist* (state dominance) or *corporatist*”. Now, the relationship between corporations and the stakeholders changed. It is much more “*pluralistic* (open representation of interests by all parties) or *private* (market and/or civil society dominance)”. Thus, Green Alliances actually represent the (re)emergence of private policy arrangements; because, “after all, these alliances are based on the idea of self-governance without interference of the state” (Arts, 2002, p. 30).

Nation-State as a Public Actor in CSR (4th Actor) As discussed throughout this paper, “a significant part of global production has been shifted to locations that lack democratic control and where there is no rule of law” (Sherer & Palazzo, 2011, p. 903). According to some writers in the field of CSR, this meant that there is a diminishing control of nations over business; and this vacuum started to be compensated by new forms of governance on a global scale. These new forms of global governance functioned “above and beyond the state” (Sherer & Palazzo, 2011, p. 906). The lesson to be learned from this process of changing actors and roles is that “the division of labor between governments, corporations and civil society does not remain stable... In a globalized world, the capacity of the state to regulate economic behavior and to set the restrictions for market exchange is in decline” (Shere & Palazzo, 2011, p. 909).

Bangladesh Garment Industry There is an important lesson to learn from the Garment Industry in Bangladesh. In his study, Brook (2005) analyzes the garment industry in Bangladesh which is notorious for using child labor in sweatshops, especially in two urban centers which are Dhaka and Chittagong (p. 124). In 1990s, many government-led campaigns were initiated in US to eliminate the use of child labor in Bangladesh. The initial impression regarding the US-based anti-child labor activism was promising. Despite such positive appeal, Brooks argues that this US-initiated campaign led to unforeseen riots in Bangladesh.

As Brooks puts it, the Bangladeshi garment industry was ‘export-oriented’. The garment factories were actually exporting their products to famous US manufacturers such as JC Penney (Brook, 2005, p. 122). It was in this period when US politicians revealed their concerns regarding the use of child labor in manufacturing industries abroad. In 1992, a bill was passed in US Parliament to prohibit the importation of goods that used child labor in their production (Brook, 2005, p. 135). The bill induced the US consumers to boycott clothing made in Bangladesh. Media supported the campaign which led a huge boycott of certain Bangladeshi-made products by US citizens.

The reinforcements of the anti-child labor campaign in the US coincided with the decline in the US-based manufacturing, which reveals the reason of widespread protests in Bangladeshi against the US-led campaign. The Bangladeshi people questioned the sincerity of this campaign which was backed by media and the US-government. They did not believe the naive campaign of the US-government to ‘save’ the Bangladeshi children from exploitation. Indeed, their perception was that such boycotts were merely the consequence of ‘US protectionism’. The boycotts were initiated to support adult workers in US who had “their jobs imperiled by imports produced by child labor in developing countries” (Brook, 2005, p. 135). The anti-child labor campaign and the ‘buy American’ campaign worked in close collaboration with each other. Thus, anti-child labor activism had political implications alongside its humanitarian intentions.

The author concludes with a critical argument: The US-led transnational campaigns should have been more sensitive to the demands of local communities. She argues that the Bangladeshi people had countless socio-economic problems to be

resolved apart from the eradication of the use of child labor. One of the most important problems was the structural division of labor that creates a worldwide patron-client relationship between South and North. Brooks claims that the surge in the garment production in Bangladesh was a consequence of the US' quest for cheap labor in order to reduce the production costs. Thus, it is actually the US-government policies that made Bangladesh dependent on this export-oriented sector. Since the country as a whole relied on the garment industry as the biggest source of income for the Bangladeshi families, an American boycott meant a huge loss for the population. The author carries out fieldwork, spending time at factories and interviewing the workers to observe the impact of US-led campaigns. He concludes that Bangladeshi people who worked in those garment factories remained voiceless throughout the process.

A lesson to be learned from this incident is that neither one-sided media coverage in US, nor one-sided government initiatives could prevent corporate abuses on a global scale; because both media and government ignored voice to the disempowered. The anti-child labor campaign was not willing to enter into dialogue with the indigenous people, who were the real victims. Instead, the US launched a campaign with the perception that it is 'white man's burden' to help the 'underdeveloped'. In the end, it unfortunately failed to bring genuine change, as it remains unilateral. Such US-led campaign that was backed by media unfortunately damaged the people it aimed to help, as witnessed in case of Bangladesh. According to Brook, this incident about Bangladeshi garment industry revealed a more generic problem: The problem is a nation-state alone is not capable of bringing environmental and societal justice; because societal and environmental problems are now on a global scale. There is an urgent need to introduce diverse agents such as international organizations, i.e. UN, WTO... etc.

United Nations as an international agent in CSR (5th Actor) Will multinational corporations pay attention to the violations of human rights with voluntary set of principles, such as those set up by UN Global Compact of 1999? Analyzing the outcomes of this UN Global compact is important to understand how MNCs can be directed to have more effective CSR strategies; because it reveals the potential impacts of internationally-set principles on the practices of MNCs. Since the beginning of 21st century, more than 5,000 companies followed the UN Global

Compact's proposals for business (Sherer & Palazzo, 2011, p. 900). But, is this number enough when compared to the recent acceleration in the number of MNCs?

With the increasing number of human rights abuses, the need for a global code of conduct for MNCs started to be recognized internationally. The idea of creating such code dates back to 1970s, following the meetings of 'United Nations Commission on Transnational Corporations' (Monshipouri, Emerson, & Kennedy, 2003, p. 978). There were two main topics of discussion in the commissions: *firstly*, who is the agent to enforce such code, and *secondly*, how to enforce such code. The first concern of commission was deciding whether such code of conduct should be based on voluntary principles, or mandatory ones. The second debate was around deciding who would play the key role in enforcing and warranting this code.

In '90s, with a growing list of human rights violations, the international community- with the leadership of UN- raised the issue once again in the form of 'Global Compact':

Outlined by UN Secretary-General Kofi A. Annan at the World Economic Forum on 31 January 1999, the Compact provides a basis for structured dialogue between UN, business, labor and civil society on improving corporate practices in the social arena (Monshipouri, Emerson, & Kennedy, 2003, p. 978).

Surely, the compact provided a road map for MNCs in order to guide them in addressing ethical concerns. However, the critiques of Compact argued that these kind of voluntary set of principles and pacts "serves only as public relations while delaying or blocking any real action to fundamentally address human rights deficiencies" (Monshipouri, Welch, & Kennedy, 2003, p. 968). There is a need for the creation of an international law which will "protect human rights by holding corporations liable if they do not comply with universally accepted human rights standards, such as those outlined in Global Compact" (Monshipouri, Welch, & Kennedy, 2003, p. 982). "It is important to talk more about international codes rather than codes that each company designs" (Monshipouri, Emerson, & Kennedy, 2003, p. 979). Unfortunately, there is still no coherent and single standard that would be of value to measure and judge the corporate actions. The Global Compact, initiated with good intentions, unfortunately failed to become a roadmap for all MNCs. Even though it represented an intention to prevent human right abuses, it still remains as a

voluntary set of principles, not a mandatory resolution. The MNCs still do not face any sanctions or penalties, and the Compact does not make them accountable to any jurisdiction: “Its failure to demand enforceable standards has rendered the Compact only a voluntary endeavor” (Monshipouri, Emerson, & Kennedy, 2003, p. 979). Thus, there was so many oppositions against UN, criticizing the Global Compact with its failure to bring a genuine change in corporate operations. Thus, according to some researchers in the field of CSR, UN damaged its reputation as the protector of human rights; because they embraced multinationals by introducing a weak Code of Conduct that blocks any real action.

‘Human Rights Watch’ also endorses this critique. As an international non-governmental organization, Human Rights Watch had been conducting researches about human rights issues across the world since 1978. The Organization also investigates about the Global Compact, and concludes that it maintains three obstacles which hinders it from creating a genuine change: “the lack of legally enforceable standards, the lack of a monitoring and enforcement mechanism, and a lack of clarity about the meaning of standards themselves” (Monshipouri, Emerson, & Kennedy, 2003, p. 980). Consequently, the compact simply remains as a document that falls short of protecting human rights, and of enforcing a strong guideline to guarantee corporate compliance. Human Rights Watch concludes by highlighting the need for a monitoring mechanism, because in the absence of such monitoring and enforcement mechanism, the MNCs are left with too much discretion of ignoring, if not misleading or misinterpreting the guidelines of such Codes. In short, Global Compact was an important attempt to encourage corporations to adopt socially responsible business initiatives. It was a big step on a long journey that needs to be accompanied by other international agents.

Auditing Firms as another Private Actor in CSR (6th Actor) Most of the studies on CSR insist on the need for an outside regulatory system in order to monitor business. Partnering with auditing firms is one method of conducting such regulation. MNCs often cooperate with independent auditing firms in order to have more visibility regarding their overseas operations. (Auditing companies such as Pricewaterhouse Coopers (PWC), Deloitte or Ernst and Young). PWC, for instance, conducts more than 6000 inspections to factories in a year as a service for MNCs such as Nike. However, Monshipouri, Welch and Kennedy make a rightful critique:

Having a corporation pay a firm of its choosing [such as PWC] to oversee its operations, is like holding an election in which only members of one party can vote- the results are basically pre-determined. When the corporation itself hires the firm to examine its Third World factories, the odds are high that the inspecting firm will return a favorable review. PWC has come under fire recently by various study groups and human rights NGOs for their conflicted role in these types of deals. (Monshipouri, Welch, & Kennedy, 2003, p. 984).

Similar critiques argue that these auditing firms such as PWC are doomed to have 'pro-management bias' and a pro-corporate tilt' as they overlook many problems faced by employees, such as safety issues, or forced overtime, or illegally low pay. Thus, these so-called independent auditing firms are not independent at all, but are embracing multinationals.

CHAPTER III: METHODOLOGY

After the literature review on CSR, this study concludes that there is not enough academic critique addressing the IT industry. In order to contribute filling this research gap, this study tries to provide an answer to the following research question: *Without a clear academic critique directed towards the CSR activities of IT sector, can IT companies rightfully engage in self-criticism and adress to the potential environmental and human rights violations? If no, is there a policy recommendation to improve regulation on IT sector?*

These questions will be answered through an analysis of an IT company, its potential violations, its CSR strategies in response, and finally, the regulation of its CSR strategies. The chosen company is one of the leading IT companies which has a clear ‘criminal record’ in terms of its corporate operations. With a clear long-term CSR strategy, it is a valuable case study to understand where we are in IT sector in terms of CSR. Because a potential environmental and human rights violations within this organization can easily be generalized for the IT sector in general.

In this study, there are two main research methods that will be used in order to answer the research question above. The prior research methods will be 1) *document analysis* and 2) *conducting interviews*. This study will make a document analysis of the company’s official website, its latest CSR report, customer case studies, and advertisements. These resources will be followed by the interviews that will be conducted with the employees. Relating back to the research question, these two research methods will help understanding whether this company has a strong CSR strategy to address the potential environmental and societal violations in IT sector.

3.1 Document Analysis

By using this method for data collection, this study will be reflecting the perspective of ‘The company’, and how the company presents itself in media, advertisements, and in its official website and reports. The study will analyze:

- The company’s annual CSR reports
- The company’s official website

- The company's customer case studies
- Official reports of the company's business partners
- Newsletters about the company's corporate operations

The company's CSR Report of 2015 is among the external documents that can be presented in this study. Thus, there will be a detailed analysis of this 162 pages-long report, which clearly presents its policy towards environment, employees, and towards society.

3.2 Interviews

As mentioned, the document analysis will mainly reflect the perspective of the organization and how it wants to represent itself. However, this information by itself might be biased: "the fact that a corporation claims that a particular activity has been undertaken as a reflection of its ethical concerns is no guarantee that it is contributing either to the general public good, or the well being of the poor" (O'Laughlin, 2008, p. 948). Thus, there is a need to hear the voice of the insiders who might reflect a more critical evaluation of corporate operations. For this reason, the aim of this study is to interview with the white-collar employees and present the voice of the people inside the corporation. Consequently, this research method will enable a more accurate reflection of its CSR strategies. Then, the question is about how to conduct these interviews.

Semi-structured Interview Technique *Methods of Social Movement Research*, edited by Bert Klandermans and Suzanne Staggenborg, is an influential book regarding data collection in social sciences. In the fourth chapter of the book - Semi-Structured Interviewing in Social Movement Research- Kathleen Blee and Verta Taylor introduce their readers a special type of interviewing, which is called *semi-structured interview technique*. According to Taylor and Blee (2002), "interviews can be structured or semi-structured" (p.92). Initially, in a structured interview, the researcher/interviewer uses a "pre-established schedule of questions with a limited set of response categories, and asks each respondent the same set of questions in order to ensure comparability of data." (p. 92). Unlike such rigid type of interviewing, the semi-structured interview allows the researcher to rely on "an interview guide that includes a consistent set of questions or topics, but the

interviewer is allowed more flexibility to digress and to probe based on interactions during the interview” (Taylor & Blee, 2002, p. 92).

In the field of corporate activities, semi-structured interview technique can be used as an appropriate methodological tool. Because using this method, the researcher has the chance to grasp the motivations of a broader and diverse group of participants than the motivations represented through mere ‘document analysis’. For Blee and Taylor, “internal documents of organizations, as well as the personal testimonies and recollections of participants” often represent the voice of a small segment of the big picture since “the writings and the statements of those who are prominent or influential are more likely to be recorded and preserved over time” (Taylor & Blee, 2002, p. 94). In this respect, this interviewing method is an influential way of overcoming the biased availability of documentary material about corporations. It enables easy access to and communication with all members of companies whose perceptions might be hidden or “filtered through the voices of others” (Taylor & Blee, 2002, p. 94).

After these considerations, this study reached the conclusion that interviewing employees from different positions and responsibilities would provide better insights about corporate initiatives. Through interviews, a different empirical finding can be achieved than the data acquired through the document analysis, since interviews enable the researcher to grasp diverse expectations of people within an organization and how they envision the corporate operations. Through interviews, the employees may provide a critical standpoint regarding the deficiencies of the organization or might make genuine confessions about the inadequacies of their company. These insights would not be achieved through pure document analysis.

Snowball Sampling: In their study, Lisa Johnson and Keith Sabin (2010) analyze the ‘respondent driven sampling’ as the most appropriate method to contact hard-to-reach populations (p. 40). This type of sampling process proposes that the researcher initially collects data on a few members of the ‘target population’ and then widens the sample through asking the interviewees to provide more contacts. In this respect, since the sample size gradually increases through interviewees’ contributions, this method of sampling is also known as ‘snowball sampling’.

The ‘snowball sampling’ is an appropriate sampling method for this research since the company has more than 50,000 employees who most likely will not be easily contacted. It might be relatively easy to access some of the employees through the directories on the official website, but there is the possibility that most of them might refuse to be interviewed. Thus, if this study succeeds to make at least a few interviews and if these interviewees provide more names to contact, the previous interviews might be used as a reference to reach more people. The sample size that is hoped to be reached is ‘10 participants’ of the company. If this number cannot be achieved, this study-at least- needs to conduct interviews till there is a number of attendees that confirm the same finding about the research question during the content analysis.

Constraints that might be faced during data collection: As mentioned, this research will focus on the official website, CSR reports, advertisements, and documents of the company together with the interviews that will be conducted with employees. This study does not foresee any constraints during document analysis, since there is easy access to company documents for external use. However, there are some concerns regarding the interviews, as this study mainly suffers from time constraints.

As a consequence of conditional constraints, such as lack of time, most the interviews will likely not be conducted face to face. With the interviewees’ approval, they will be contacted through video conferencing. On the other hand, the interviewees might only accept responding the interview questions through e-mail. In this case, this research will face a considerable constraint, since the attempts to conduct a ‘semi-structured interviews’ will turn into a structured research due to the limited control over the interview. Also, without an in-person interview, the interviewees will be less likely to share their concerns about corporate operations. Most commonly, the interviewees who are active in CSR strategies might overstate the success of their works or exaggerate the success stories.

Code of Conduct for the interviews: Apart from these, this study does not anticipate any constraints regarding the ethical issues since it will keep strict anonymity. Otherwise, the interviewees might face difficulties in expressing themselves and their critiques. For this reason, in the beginning of interviews, the

interviewee and interviewer will agree upon the code of conduct. The interviewee will be informed that this study will not be published. The interviewer will ask whether the interviewee prefers an 'on the record' or 'off the record' interview. The only information regarding the identity of the interviewees will be their gender and occupation, their employment duration, and the country they work for. If the interviewee wants strict anonymity, no differentiating information about the interviewee will be mentioned throughout the study without participants' consent.



CHAPTER IV: AN IT COMPANY AS A CASE STUDY

For a long time, CSR was seen merely as a method for protecting corporate reputation. It was argued that MNCs are self-interested and operates with a single target which is minimizing profits. Thus, MNCs use such strategies only as a ‘public relations tool’, rather than for the sake of workers, environment or society. In the second half of the twentieth century, there used to be a perception that “the globalization of the economy and the globalization of human rights concerns developed separately from each other”. Both the human rights activists, and MNCs used to perceive an existing tension and a “chasm between maximizing self-interest and promoting human rights” (Monshipouri, Welch, & Kennedy, 2003, p. 972). However, today, MNCs try to highlight the fact that they share a common ground with societies, and that MNCs and societies grow/win together. The company that is chosen as a case study in this research is one of these corporations that emphasize such shared interest in all of its CSR reports, press releases, newsletters and official documents. In its 2015 CSR Report, the CEO of the company claimed that “What is good for the world and good for the business are more closely connected than ever before” (Robbins, 2005). In order to bring this statement to life, the company engages in different CSR strategies. It forms strategic partnerships with most of the actors discussed in the literature review, such as partnering with NGOs and CSOs to strengthen their CSR activities.

Who is this company?

Before beginning to present the CSR strategies, it is useful to make a brief introduction about the company, without giving a clear differentiator that would disclose its anonymity. The company is multinational corporation that was founded in the last decades of 20th century like most of the other IT companies, due to the exponential growth in technology. For more than thirty years, it has been designing, manufacturing and selling networking products and services as one of the market leaders in its sector. In previous year, the company had more than US\$40 billion net sales, and more than US\$5 of this amount (which equals to more than %10 of net sales) was spent on investments for Research and Development. The company has

more than 70,000 employees, operates in more than 150 countries, and has more than 500 suppliers worldwide. (The company's CSR Report, 2015, p. 6). According to the organization, with its products and services, the company creates "unprecedented opportunities for customers" by "creating jobs, making cities smarter, enhancing healthcare and education systems" and by "changing the way the world works, lives, plays and learns" (The company's CSR Report, 2015, p. 5). How is this possible? What kind of service does this company provide that has the power to change people's daily habits? Let's go through a Customer Case Study from Mining Industry.

Dundee Precious Metals is an international Canadian-based company in mining sector which has not initiated any considerable change in its mining operations until 2014. The company seeks and operates precious metals such as gold, silver and copper. In 2010, the company initiated an innovative change by renewing its use of technology, and decided to utilize from IT strategies to increase its productivity. After deployment of products, Dundee quadrupled its productivity in a year.

As known, communication is the key challenge in mining industry due to their operation under the ground, and Wi-Fi's incapability to send signals underground. Thus, mining companies traditionally set up a system called 'leaky feeder' which is "a cable strung through tunnels that emits and receives radio waves". (Gelsomini, 2014) But with leaky feeder, the signals can only pass within the same tunnel. It was impossible for the signal to pass through solid rock. Thus, supervisors and miners could only communicate when they sharing a single tunnel. For the mining company, this meant a huge challenge for communication. According to Mark Gelsomini (2014), the Corporate Director of Dundee Precious Metals Information Technologies Department, this type of communication meant that mine managers could not find out about production until supervisors filled out a paper report at the end of their eight-hour shift. In between shifts changes, managers had little knowledge of the process interruptions. This prevented the company from fixing problems before they affected production (p. 1).

The innovative solution was introduced after DPM's partnership with the IT company. DPM succeeded to transform its traditional mining process and managed

to create a much more efficient one with the use of Information Technologies. With the company's unified wireless solutions and IP network, the colleagues above the ground could easily communicate with the colleagues below. Moreover, the company provided a service to the mining company which enabled the managers and executives to track the location of the miners and the vehicles: "DPM attaches RFID tags to miners' caps and to vehicles. The wireless network picks up signals from the tags and transmits them to the control center (Gelsomini, 2014) With this service, DPM realized one of its key objectives which is 'safety'. With this technology, the company now knows where miners have been working and where they are at the moment. In short, the company products and services enabled a centuries-old industry to know what is going on underground at all times. This is revolutionary.

From the case study about Mining Industry, it is understood that the IT company's products have the potential to change the working conditions of some sectors, and add value to their customers by making lives easier. However, how can we make sure that in the meantime, their supply chain, their production line and factory conditions are not detrimental to the society, environment and its employees? How can we make sure that while adding value to its customers, the IT company does not harm the world in return? One positive comment on the IT company's CSR strategies comes from Fortune Magazine which makes indepth comparison between companies in terms of their success. According to the company's Senior Vice President of Corporate Affairs:

In 2015, the company was honored to be named to Fortune magazine's first-ever 'Change the World' list, which recognizes companies that have made significant progress in addressing major problems as a part of their core business strategy. (Yoo, 2015)

This list might be seen as one official recognition of an increase in the company's sensitivity towards corporate responsibility. Likewise, Harvard Business Review (HBR) also has a positive statement regarding the company's operations:

In the February 6, 2015 issue of HBR, [the former CEO of The company] was recognized as one of the world's ten best CEO's, based on the company's financial performance and its impact on employees, communities, governments, and society (Chandler, 2015).

According to the company's Chief Compliance Officer, this legacy is attributed to non-financial criteria, including governance, workplace, and corporate citizenship" (Chandler, 2015, p. 1).

In its case studies, its advertisements, and its annual CSR reports the company is successful to create a socially responsible image. In the following section, the company's CSR strategies will be presented with reference to its customer case studies, annual CSR reports, employee experiences, and its official documents such as its website, newsletters, and announcements. But before that, in order not to turn this study into a company brochure, certain potential CSR problems around IT sector will be highlighted. Then, with a focus on those problems, how the chosen company addresses these problems will be analyzed.

4.1 Six Areas of Concern in IT Sector

After the literature review on CSR, this study concludes that there is not enough academic critique addressing the IT industry, and there is not enough focus on the sectoral wrongdoing in IT sector. While remaining on the safe side, do IT companies remember to address CSR issues? There are some key environmental and societal issues that should be revealed before whitewashing the IT sector. In this section of this study, the potential problems in IT sector and the chosen company's CSR strategies in response to those problems will be presented.

One of the key CSR strategies of the chosen company is 'environmental sustainability'. The company's Senior Vice President in the department of Operations, realizes the impact of environmental policies on company's long-term interests. According to him, environment has to be one of the main concerns of a company; because a strong environmental performance has a direct influence on brand reputation and customer loyalty. Moreover, it builds "strategic relationships with governments, and helps attract the best employee talent" (Pond, 2015, p.1). Then, what are the company's key environmental initiatives? There are two key environment-related policies embraced by the organization. First one is the "energy consumption", and second one is the "product end of life" (Pond, 2015, p.1). These two environment related CSR strategies actually address two important environmental problems that IT companies need to refer to. 1) using extreme amounts of energy, and 2) taking care of electronic waste. In the following

paragraphs, these two problems and further issues around society and labor standards will be discussed in more detail. The key potential environmental and societal problems in IT sector is as follows

- The Problem of Electronic Waste in IT Sector
- Energy Consumption in IT sector
- Importance of 'Privacy' in IT sector
- Working conditions and Labor Standards in IT Sector
- Societal Concerns about IT Operations
- Finally, the Regulation of these potential problems and strategies.

4.1.1 The Problem of Electronic Waste in IT Sector

Electronic waste, often called as e-waste, is a popular term given to the IT hardware or electronic equipments that become useless in time. More specifically, e-waste is defined as “a broad and growing range of electronic devices ranging from large household devices such as refrigerators, ACs, cell phones... to computers which have been discarded by their users” (Puckett & Smith, 2002, p. 5). Another definition of e-waste is introduced by Sinha-Khetriwal who defines it as “any electrical powered appliance that has reached its end of life” (Khetriwal, 2002, p. 3). In last decades, there was an exponential growth in the production of electronic products. In the meantime, there is an exponential decrease in the ‘lifespan’ of these equipments- around 24 months for cell phones and laptops. Each day, more and more of the electronic equipments “are ending up in rubbish dumps and recycling centers, posing a new challenge to policy makers” (Bhutta, Omar, & Yang, 2011, p. 1). Moreover, these useless electronic products contain serious amounts of toxic substances that makes their disposal much more dangerous when compared to the disposal of ‘conventional municipal wastes’:

For instance, television and computer monitors normally contain hazardous materials such as lead, mercury, and cadmium, while nickel, beryllium, and zinc can often be found in circuit boards. Due to the presence of these substances, recycling and disposal of e-waste becomes an important issue (Bhutta, Omar, & Yang, 2011, p. 2).

Thus, it would not be an exaggeration to argue that e-waste is the most serious ‘waste disposal’ problem of our century. Embracement of wrong methods to get rid of these

e-wastes cause huge environmental problems and health concerns. Placing these old products into landfills is one of the most dangerous methods of disposal (Landfill refers to the place where large amounts of rubbish is being buried in order to get rid of them):

When these products are placed in landfills or incinerated, they pose health risks due to the hazardous materials they contain. The improper disposal of electronic products leads to the possibility of damaging the environment. As more e-waste is placed in landfills, exposure to environmental toxins is likely to increase, resulting in elevated risks of cancer and developmental and neurological disorders (Bhutta, Omar, & Yang, 2011, p. 2).

These are the key concerns around the disposal of e-waste. A flawed method for disposing these products cause serious health problems, since these electronic equipments do not easily biodegrade-i.e. they do not decay in nature in harmless ways. Researches around e-waste disposal revealed that the electronic products possess:

alarming levels of dioxin compounds - linked to cancer, developmental defects, and other health problems- in samples of breast milk, placenta, and hair, these compounds are linked to improper disposal of electronic products (Bhutta, Omar, & Yang, 2011, p. 4).

Moreover, the surveys about e-waste showed that the United States was exporting its e-waste for disposal to the underdeveloped countries. This, in return was unfortunately leading many health problems and environmental problems in third-world countries in Asia and Africa:

Due to the difficulty and cost of recycling used electronics, as well as, large amounts of digital products are transported internationally from various industrialized countries to certain destinations where lower environmental standards and working conditions make processing e-waste more profitable (Bhutta, Omar, & Yang, 2011, p. 4)

As the e-waste problem intensified in 1990s, many countries in Europe banned using 'landfills' as a method for electronic disposal and European Union started to ask for a legislation to guarantee a sustainable e-waste disposal policy. The

EU put restrictions on the use of certain harmful substances in electronic equipment (Bhutta, Omar, & Yang, 2011, p. 1). However, despite these precautions, there have been many challenges against getting rid of e-waste since 1990s. According to the researches on electronic equipment, most of the time, the revenue of recycling or recovering the electronic materials is less than the costs of doing so. Thus, these useless equipment was mostly ending up in developing countries in which environmental regulation and standards are poor, and in which working conditions are weak (Bhutta, Omar, & Yang, 2011, p. 4). This caused various health problems in regions including serious diseases such as “cancer, neurological and respiratory disorders, and birth defects” especially in Asia and West Africa which were regions that were unfortunately exploited as a ‘dumping ground’ (Bhutta, Omar, & Yang, 2011, p. 4).

In response to these increasing environmental problems, the concept of Extended Producer Responsibility (EPR) was introduced in order to raise consciousness about the producers’ responsibility for their operations. EPR refers to the entire lifecycle of the electronic product starting with its design, continuing during its use, and ends only after its disposal (Bhutta, Omar, & Yang, 2011, p. 5). Most of the European countries were successful in EPR strategies as they developed strong policies to manage electronic waste. They increased the consciousness around e-waste, and held supplier companies liable for their e-waste policies. Is the company one of those companies that gradually developed socially and environmentally responsible policies around e-waste?

4.1.2 Energy Consumption in IT Sector

An important service provided by IT companies is ‘cloud computing’; which is a platform for internet. Using cloud services eliminates the need to buy physical appliances for storage. We do not need to host our own servers, try to manage them or pay for their maintenance. Instead, cloud computing enables us a virtual space in the ‘cloud’ to store our data. However, this is how the things work for the customers who buy these services. There are also the physical realities of Cloud Networking that are often disregarded. Even though the cloud service provided to the customer is ‘virtual’, the supplier company has to build a physical infrastructure to store the data somewhere. And indeed, these physical infrastructures -i.e. the data centers- need

tons of energy, and consumes more energy than most of the notorious industries. Tate Cantrell, the Chief Technology Officer of Verne Global (a data-center company) makes an enlightening statement about data-centers: “Often, people think of [data centers] as almost like cathedrals of servers. Very clean computer equipment, white walls and things- the reality is, these are factories” (Cantrell, 2015). And, they do require tons of energy:

The average amount of power to charge a phone or a laptop is negligible, but the amount of power required to stream a video or use an app on either device invokes services from data centers distributed across the globe, each of which use energy to perform various processes that travel through the network to the device (Burrington, 2015).

A study initiated by the American Coal Association (ACA) makes a study on the use of energy which reveals an astonishing reality about the use of internet: “The study estimated that a smartphone streaming an hour of video on a weekly basis uses more power annually than a new refrigerator” (Burrington, 2015).

Studies like these started to raise consciousness that online activities ‘do’ require a lot of energy. An individual’s use of internet has great energy impact: the use of a laptop, and that laptop’s battery is just the visible part of the iceberg. Thus, the IT companies, such as Verne Global, had to renew their environmental policies and readdress their environmental concerns. The CTO’s from various corporations started to argue that if the energy that they use are renewable, the amount of power consumed would not be a matter of concern as much as it is (for instance, in case of using coal as an energy). By analyzing the chosen IT company as a case study, this study aims to reveal what kind of preventions and measures IT companies take in order to prevent potential damages that are underestimated; and whether these precautions are enough or not. The physical realities of ‘cloud computing’ is one of the many CSR concerns. What does the chosen IT company do in order to prevent extreme amounts of energy usage?

4.1.3 Importance of Data Privacy in IT Sector

‘Data security and privacy’ has to be one of the key components of CSR strategies in IT sector. In today’s world, people have easy access to personal and business information anywhere and anytime thanks to the cloud services. These days,

most of the small and midsize businesses make great savings as they do not need to buy infrastructure for storing their data. Instead, they utilize from ‘cloud services’ to store their data on their behalf. However, this technological progress also brings certain costs. The increasing use of internet and ‘cloud computing’ raises significant concerns about potential data security breaches. Thus, despite certain well-known advantages of using cloud services, some individuals and large enterprises are skeptical about moving ‘cloud’ due to concerns around data security and privacy protection (Chen, 2012, p. 647). In recent years, world witnessed a series of crisis in ‘cloud computing’ such as the i-cloud scandal in 2014. This Apple scandal was a result of a security breach, and the brand’s incapability to prevent outside access to confidential data. Consequently, countless private data leaked out as a hacker invaded around a hundred i-cloud accounts of celebrity women (Duke, 2014). According to the news, the hacker took the advantage of “a security flaw in Apple’s online back-up service, i-cloud” (Duke, 2014). In order to overcome such security breaches, and ensure data security, researchers around cloud networking developed a new model called CIA: i.e ‘data confidentiality, integrity, and availability’. According to this model, the cloud service provider of the cloud service has to offer some key capabilities:

- ‘A tested encryption schema’ which will guarantee that the storage will be able to protect all the data of the customer
- Strict ‘access controls’ to prevent any attempts such as unauthorized access to the storage
- Data back-up in a safe storage (Kaufman, 2009, p. 61)

Keeping the necessity for these capabilities in mind, this study will analyze the chosen IT company’s strategy around ‘data security and privacy’. However, having a strong structure that guarantees these three key points is not enough by itself. The provider of cloud services also needs to develop a user-friendly ‘code of business conduct’ and to ensure reliability; because as well as having *unintentional* security breaches, the companies might also *intentionally* abuse its power over individuals by sharing their private information with third parties. The infamous JetBlue Airways Corporation (JetBlue) incident can be given as an example to this kind of privacy concern. “JetBlue Airways gave five million customers' travel records to a US Department of Defense contractor” (Anton, He, & Baumer, 2004, p.

12) which was an intentional data breach and a violation the corporation's 'privacy policy'. The data was used for an antiterrorism study in order to track suspected terrorists. In other words, the data was not used for a bad intent, but had a good cause. Still, nobody was interested in the normative causes of such data leak. The critiques were concerned about the possibility of such data leak, which is against the initial privacy policy and the corporate promise that was given to its customers. Thus, as part of its CSR strategy, the ITC companies must embrace a code of business conduct or a privacy policy in order to gain the trust of their customers.

4.1.4 Working Conditions and Labor Standards

Many business magazines such as Forbes and Fortune have lists of the best companies to work for. IT companies are mostly among those who are top-ranked in these lists. IT sector is mostly known as an employee-friendly and flexible sector that provides high standards of living for its employees. However, these working standards are highly volatile among those who work in developed countries and in developing countries. A white-collar employee who enjoys many benefits in US would not be able to enjoy the same standards in Turkey – even if the positions would be exactly the same. Likewise, a white-collar in a specific IT company might enjoy great standards, while a blue-collar worker in the same company's supplier might be suffering from excessive working hours and exploitation. Thus, in order to make an impartial critique of IT companies, their operation and their approach to laborers should be analyzed throughout the whole supply chain, i.e. from the factory to the sales office, or from production to marketing. In this respect, this study will analyze both the company's white-collar and blue-collar laborers/contractors to reach a legitimate and rightful conclusion. But before that, it is important to reveal where we are today in terms of working conditions in IT sector.

In the last few years, the news and media revealed that IT sector is not as innocent as claimed. One of the recent scandals in IT sector was about Apple and the worker mistreatment in China factory. Apple was recently accused of exploiting around 70,000 factory laborers and of breaching its promise to increase labor standards. Only few years before this accusation, Apple was highly criticized for its partnership with Foxconn Technology Group, a Taiwanese multinational electronics contract manufacturing company. Foxconn and its excessive working hours and

conditions caused employee suicides as the supplier company forced its workers to work six days a week, and around eleven hours a day – standing up (Neate, 2013). Following the reports about employee suicides, Tim Cook, Apple’s current CEO decided to make audits to the supplier which revealed the bitter working conditions. The CEO “described the probe as an unprecedented audit to mitigate longstanding criticism of the maltreatment of workers at some suppliers” (Blanchard, 2012). And after this incident, Apple promised to strengthen working conditions.

Unfortunately, the recent scandals with another supplier, Pegatron, reveals that Apple introduced no genuine change. In fact, the news were arguing the contrary: “conditions for 70,000 workers at Pegatron plants allegedly worse than those reported in the Foxconn scandal” (Neate, 2013). The critiques against Pegatron and Apple were introduced by China Labor Watch (CLW) - a US-based organization which improves transparency of supply chains and labor standards in factories - accused Pegatron of using child labor and of ethnic discrimination (CLW, 2015). The fresh arguments about working conditions were frustrating and embarrassing for Apple; because the company transferred most of its phone manufacturing from Foxconn to Pegatron due to the infamous working conditions in Foxconn. The switch from one to another did not ease Apple’s operations as the negative publicity kept surrounding Apple (Neate, 2013). In fact, it was a second critical hit to Apple’s reputation as media argued that Apple’s labor standards are worsening instead of getting better.

After the emergence of the second scandal, Apple claimed that they will investigate the accusations and ensure the corrective actions are taken. In addition, it promised to ensure that Pegatron will compensate for the workers’ injuries. Apple asserted that the company is dedicated to protect the rights of each laborer in the supply chain (Neate, 2013). In addition, Apple argued that the company carried out more than fifteen audits to Pegatron in the last ten years, but most of the recent critiques of CLW were new to Apple which they were not aware of. In response, to prove the legitimacy of their accusations, CLW revealed a comprehensive report about their investigations on Pegatron. The report was around sixty pages and full of interviews with more than two hundred employees. (Neate, 2013) The report was clearly proving that the Pegatron factory laborers were working more than both the Chinese legal limit and Apple’s limit. (Neate, 2013)

The accusations on Apple's partnership with Pegatron is full of many bitter facts. What is tried to be revealed here is that the IT sector is not as innocent as most of us believe. Before reaching the conclusion about IT company's labor standards, one has to analyze the working conditions throughout the supply chain, rather than merely focusing on the white-collar employees. What about the chosen IT company's labor standards? Is there any accusation about the company's overseas operations?

4.1.5 Societal Concerns

IT companies frequently enjoy the compliments about their success in changing people's daily habits by easing the lives. It is not a matter of discuss that IT improves every individuals and organizations daily lives through enabling easy access to information and connecting the unconnected. With the developments in IT sector, 'big data' started to have a more crucial role in our lives which refers to the increasing amount of data produced, which is waiting to be structured in order to turn into meaningful and interpretable information. However, as the amount information produced increases, both individuals and organizations started to worry about information collected about 'us'. Because 'big data' is not just storing the data we want, it also stores the data we do not want to be stored as an individual or as an organization. Let's go over this with an example.

'Yahoo scandal' in 2013 shows that there is always a data security risk and that your private information can always be used against your interest. In 2013, Yahoo turned over private information of individuals which helped Chinese government to jail two journalists. Yahoo was highly criticized for cooperating Chinese authorities with identifying the journalists. The members of the US Congress and many human rights organizations blamed the web portal for being a betrayer and an enemy of free speech (Reuters, 2013). Yahoo example, and many other big/small data security breaches raise a question in minds: Is big data for good or evil? Do IT companies enable a safe and secure connection worldwide, or do they cooperate with governments against freedom of speech? This is a highly debated issue, but the IT companies keep emphasizing their CSR strategies for the benefit of communities and disregarding their political stances. In this section, the company's CSR strategies and its contribution to communities will be analyzed in more detail.

The study will try to discover whether the company has any political partnership with a third party.

4.1.6 Lack of a Regulating Mechanism

In the literature review part, this study already reveals the key actors in the field of CSR. Some of these actors are successful business regulators which play an active role in the creation of CSR strategies. Others fail to have a strong impact on corporations, and to enhance corporate behavior. The purpose of this study is to reach a conclusion about the regulatory power of these actors. After presenting the company's CSR strategies, this study analyzes who regulates the company's corporate actions. The aim is to understand which regulators have stronger sanctions, and which ones remain voiceless in improving the company's CSR strategies. Then, the aim is to make a policy recommendation about the weaknesses, and to see how corporate regulation might be improved.

4.2 The Company's Response to the Problems according to Document Analysis

4.2.1 Strategies to Reduce Electronic Waste

In its CSR report, the company highlights that it gives special importance to the disposal of its old hardware. The company gives priority to 'product end of life', and the 'disposal of electronic products' which are two important environmental sustainability issues that the company highlights:

As well as throwing away potentially valuable materials, some materials in certain components can leach into the water table if the product goes to landfill. We [The company] are committed to minimizing the amount of products that go to landfill. This starts at design. Using Design for Environment (DfE) approach, we [The company] design for longevity and with end of life in mind. Where possible, parts are of one material, easily separable and clearly marked for recycling" (The company CSR Report, 2015, p. 84).

Also, the company initiated many campaigns to recollect its products for reuse and recycling. The reuse of the old materials is the preferred strategy, and in applicable products, the company refurbishes the products that are returned from customers or

the company's partners. These products, in the end, are used for 'resale or reuse'. When instant reuse is not possible, the company tries to recycle the returned products. In order to reduce waste, the company explores various initiatives such as creating a network of recyclers who provide comprehensive services to collect the unused products and process these old products for recycling (The company CSR Report, 2015, p. 84). The important programs which initiated the 'customer return campaigns' were "The company Technology Migration Program (TMP) and the Exceptional Pick-up Program (EPUP)" (The company CSR Report, 2015, p. 84). These campaigns were keeping the track of customers who need upgrade in their current systems, or who are already upgrading their system. In response, they recollect the former equipment. In order to encourage customer response to these campaigns, the company initiates additional discounts for those who return the old-but functional equipment. According to the company's CSR Report, these two campaigns are the "single largest source of product returned to the company and they provide the newest and best-quality used equipment for refurbishment and reuse" (2015, p. 84). Customers responded these campaigns by returning nearly 12,000 metric ton of products for recycling or reuse. In return, the company either reused these products as equipment or recycled them. "One quarter of one percent of returned material is sent to landfill" (The company CSR Report, 2015, p. 84).

In order to achieve %100 product return, the company created a portal which makes it easier for the Business Partners and customers to return the old products. Through the portal, the customers and partners reach the company and report about their product's end of life. This portal also had a great impact in reducing e-waste and increasing the use of equipment which were otherwise at the end of its lifecycle. Also, this portal eases the operations of customer as it helps the collection of the unwanted IT items from the customer and initiate their disposal (The company CSR Report, 2015, p. 85). In addition to this portal, the organization also initiated campaigns to collect the useless electronic products from its own employees. In every April, the company initiates Recycle IT days, and in these days the employees can bring their useless materials to sites and have them recycled. The recycling process is initiated by the same vendors which partners the organization for other takebacks and recycling.

As part of its e-waste concern, the company also takes the packaging waste into consideration. The amount of packaging waste that goes to landfill is also as serious as the electronic waste. Thus, the company tries to design its packaging in order to minimize the use of materials. However, the packaging still needs to be strong enough to carry the electronic equipment safely during the shipping, storing and delivering. In this respect, the chosen organization has a specialized packaging team working on these issues. “Each packaging design goes through rigorous drop and vibration testing to confirm it provides the required level of product protection” with minimum packaging (The company CSR Report, 2015, p. 85). Once the very basic packaging requirement is met, the organization uses the most environmentally friendly material to pack products and to reduce waste. Then, these materials can go to recycle again. Because almost all the packaging for products are either made from a single material or a few materials separable from each other that can be recycled easily. In the end, the company tries to reuse recycled content both in its products and packaging (The company CSR Report, 2015, p. 85).

4.2.2 Strategies to Reduce Energy Consumption

The company asserts that the IT sector has the power to shape the standard of living worldwide, and to enhance a more efficient way of using our planet’s resources. One way of achieving this is through improving energy efficiency. To show its awareness about energy-related issues, the company developed several environmental policies to reduce energy consumption. The company contributes to reducing energy consumption from two different aspects. First of all, the company aims to reduce the use of energy in its own *operations*. Secondly, the company helps reducing energy waste through the *products* and services it sells.

As mentioned, one aspect of the company’s CSR strategies is to reduce the amount of energy-use within the corporation and during its operations. The company spent more than US\$16 million on enhancing energy efficiency, and improving the amount of the use of renewable energy. As a consequence, today, more than 70% of the company’s electricity comes from renewable energy sources (The company CSR Report, 2015, p. 80). One of the campaigns to increase the use of renewable energy was initiated in June 2015. Last year, the company collaborated with a leading integrated power company in United States – to develop 20 Megawatt (MW) solar

energy facility. This facility was built in order to generate power for the company's headquarter in United States. The project has been developing for more than a year and it will be finishing in the end of 2016. (The company CSR Report, 2015, p. 83) As a consequence, the company hopes to contribute its renewable energy purchases. Also, the company has an interesting and unique campaign for its employees which is a 'solar discount program'. For the colleagues, their friends and their families, the program enables a 10% discount to install solar panels on their houses. (The company CSR Report, 2015, p. 94).

Water use is also an important concern for the company as water scarcity affects more than a billion people worldwide. In its CSR Report, the company makes an interesting statement:

Even though technology companies like us [The company] do not directly use significant amounts of water, we [The company] understand[s] the importance of reducing water consumption in operations and supply chain to help protect this source for future generations (The company CSR Report, 2015, p. 94).

This statement is important, because it reveals that the company has genuine CSR strategies which address all environmental concerns even if some of them do not directly concern the IT industry:

The company's environmental sustainability materiality assessment determined that operational water use (office building potable water, sanitation, landscaping, and cooling towers) is not a significant area for our [The company's] business. However, because the production of electrical power is one of the largest users of fresh water, the greatest opportunity for the company to reduce the impact on water resources globally is by continuing to make our [The company's] products and operations more energy efficient (The company CSR Report, 2015, p. 116).

The company's policies about more efficient use of energy resources is already discussed. In addition to them, the company cooperates with local governments and owners of the leased offices in order to decide on the best practices about water use.

Also, the company contributes to energy management by enabling low power modes on their products. It creates lighter, and smaller products and less packaging in order to reduce the damage given to environment. The company also uses its own remote-collaboration products such as teleconference units in order to reduce the amount of business trips. The nature of the ITC sector gives the company a greater role in addressing environmental problems; because information and communication technologies helps transforming sectors into more efficient ones:

The company products and services offer significant opportunities to help others reduce their carbon footprint- whether it is avoiding business travel by using videoconferencing, saving energy by using a building management system, reducing transportation emissions using smart logistics, or promoting the circular economy (The company CSR Report, 2015, p. 82).

Strategies about reducing energy consumption are also key to a successful marketing strategy; because each day, the customer awareness about environmental sustainability is increasing. According to last year's surveys of the company, there was an increasing interest in sustainability issues which were reflected in customer requests for proposals. In these surveys, the company invited around 5,000 of its customers from different regions and asked for them to fill an online survey about energy-related issues. The surveys showed that customers were most sensitive about, and prioritized 'product takeback and recycling', and 'product energy efficiency' (The company CSR Report, 2015, p. 89). Taking these surveys and the customer feedbacks into consideration, the company started to provide public reports for all of its stakeholders in order to increase transparency. Also, the company seeks "stakeholder engagement and analysis on our [The company's] sustainability materiality assessment, reporting, and the results of initiatives" (The company CSR Report, 2015, p.89). For this purpose, it developed an Environmental Management System (EMS) which provides a consistent framework to regulate and manage the impacts of its operations on environment. This EMS system is regulated by an outside/ independent organization which certifies the company's EMS system, and checks whether it fits the global EMS standards. (The company CSR Report, 2015, p. 90). This is one of the methods developed in order to regulate environmental strategies. The global testing, certification, inspection and training provider regulates the company's environmental strategies according to three main criteria which are:

- Facility size and lab area
- Building headcount capacity or persons housed
- Primary facility function (The company CSR Report, 2015, p. 90).

All of these criteria are about facilities and the sites of the company as they have the most critical contribution in order to reduce environmental damages. The inspection provider regulates the the company sites and their environmental impacts. Then, it utilizes from these findings to create an environmental score in order to compare and contrast different sites and facilities with each other and provide certifications to the environment friendly sites. In response (The company CSR Report, 2015, p. 90). The company takes these feedbacks seriously, and aims to certify more sites of the company as environmentally ‘damage-free’. This certificate is named as ‘ISO 14001 certified site locations’ (The company CSR Report, 2015, p. 90). Today, 23 of the company’s sites throughout the world have the ISO 14001 certification. According to the company’s CSR Report, all the certified sites are being audited by an independent organization/ third party.

According to the company’s CSR Report, all of the ISO 14001 certified sites have a specialized team that focus on the environmental strategies and set further policies accordingly. These sites and the site teams are being internally and externally audited every year. The internal EMS regulations/audits present regular assessments about whether The company is improving its certified sites and how well the environmental policies are being implemented. “The frequency of these audits depend on criteria including the size and operational activities at the site and the results of previous audits. In a typical three-year period, every site will receive one site audit and one virtual audit” (The company CSR Report, 2015, p. 91). In this respect, the company conducted more than 20 internal audits, and 7 virtual audits through teleconference units. In addition to these internal audits, it has to participate in annual external audits conducted by a third-party registrar. This is a compulsory operation as part of the ISO 14001 certification. The comments and feedbacks received during the audits are as followed:

During internal and external ISO 14001 audits in FY15, the company received two Best Practices and 40 Positive Comments on its ISO 14001 certified Environmental Management System. One Best Practice was from the external

ISO 14001 audit in Sydney for energy management in labs. The other Best Practice was received in Amsterdam during an internal ISO 14001 audit for their cross-functional volunteer team that works to improve environmental awareness and promote environmental performance at the site (The company CSR Report, 2015, p. 92).

In order to improve environmental performance, the company receives the feedbacks from the audits and engage specialized employees who merely focus on product requirements and develop products and their packaging accordingly. Moreover, employee trainings and education is another key strategy of the company to improve the environmental practices. It offers diverse training sessions, both online and on-site, in order to embed further environmental strategies into the business operations. These trainings offer critical information about how to reduce energy management within the company's technical labs and its data centers. The IT team and the engineering team utilize from these trainings while developing products (The company CSR Report, 2015, p. 92).

4.2.3 How to Ensure Data Privacy?

The very first pages of the 2015 CSR Report is reserved for the company's policies around 'data security and privacy'; because how companies store and keep customer data is a key marketing strategy as well as being a CSR strategy. Customers want to receive service from corporations which improve their online experience, and which ensure reliability through protecting data privacy. Thus, the company also gives high priority to issues around data privacy. It embraces a strategy that secures data 'by design', which implies that "data security is not an add-on but a core component of the development of products, services and systems" (The company CSR Report, 2015, p. 24). The company dedicates an experienced technical team which designs its solutions with security in mind, from the very beginning of the production process. The company develops guidelines to help engineers in integrating "security, privacy and data protection into new products and applications". This kind of designing process makes it simpler for the end users to keep track and to protect their private information. Moreover, the company is also aware of the increasing risks of cloud computing. Cloud services changed the way individuals and organizations share data. Thus, it is a must-to have service despite

the existing security risks about privacy and data security. In order to provide reliable cloud services to its customers, the company developed cloud systems which help organizations to securely access their data in cloud that are protected with the “best-practice security systems such as Security Intelligence Operations” (The company CSR Report, 2015, p. 24). Also, the company uses a cloud security guidance to be informed about the recent security risks to cloud services.

4.2.4 Working Conditions in the IT Company

The White-Collar Employees within the Company Evident in its CSR report, the company prioritizes its responsibilities towards its employees in order to be able to attract and keep the best talents within the corporation. Thus, in every aspect, the company tries to reward its employees’ hard-works by easing their jobs in many ways, such as “providing competitive pay, and their birthday day off, as well as offering on-campus medical care, fitness centers, childcare, paid family time and college coaches..” (Katsoudas, 2015) These and many other employee-friendly strategies within the company makes it one of the ‘Fortune 100 Best Companies to Work for’ (Katsoudas, 2015).

One important CSR campaign to improve the overall employee satisfaction was introduced this year. While initiating this employee satisfaction program, the company listened to its employees, and used their ideas in creating it. The program sums up nearly everything an employee can expect from its employer. After listening to the people, the company reached many conclusions such as the need for better benefits for employees through giving them extra rewards such as ‘birthday off’s’ or extra bonuses. All of these demands tried to be included in the program to increase employee satisfaction.

As part of this employee satisfaction program, the company created an a visibility program for its employees. Through this program, the company recognizes good work, and gives kudos to its employees for their hard work. When a colleague introduces a good idea, helps other team members, or makes an innovative project, the team members praise these efforts by rewarding them with gift vouchers from various stores including electronics stores, retailers and supermarket chains. In the previous year, The company CSR Report claims that the employers and peers recognized more than 50,000 colleagues, which amounts to more than %80 of total

workforce. Moreover, as a part of the employee satisfaction program, the company introduced a feedback survey which gives employees the chance to unanimously report their complaints and their recommendations for their employers, leaders and colleagues (The company CSR Report, 2015, p. 43).

Another way that the company rewards its employees is through the 'Family Friendly Leave'. For The company, time spent with family is great motivation. Thus, it introduced two more types of family leave for its employees. First one is the 'Paid Bonding Leave'. This leave "gives all new parents three weeks of paid bonding time to spend with their new child". Second one is the 'Paid Family Leave'. This gives employees the chance to get two weeks of paid leave to look after a sick family member (The company CSR Report, 2015, p. 52). As a part of the 'People Deal' Program, the company also provides Childcare Services for its employees in some of its offices such as the offices in India and US. These childcares on campuses provide service to babies from six weeks to children that are twelve years old.

As a part of its CSR strategies, the company also sustains a safe and healthy workplace. More than 3,000 of the employees are participating in the company's 130 'Emergency Response Teams' which attend to mandatory trainings and are educated accordingly. These trainings include sessions about first aid, helping the evacuation of buildings and many other sessions. Also, the company sends emergency notifications to its employees through its Emergency Notificaiton System, which allows the employees which locations are safe for business trips. (The company CSR Report, 2015, p. 53) Once there is an Emergency notification, the company does not let its employees to make business trips to the restricted regions. Moreover, the company believes that a healthy mind is the key to improve employee efficiency. Thus, the company offers free assistance programs that give personalized support for employees, such as emotional support and financial support. Moreover, for a healthy body, the company has fitness centers in many of its campuses and health centers, including the offices in US and India.

Another important service that the employees can benefit from is the 'Global Expert Medical Opinion'. "The program gives employees and families the chance to get a free second opinion on medical condition from leading physicians from all over the globe. These physicians will look at an individual case and give

recommendations and a treatment plan. The program is open to anyone at the company, as well as their dependents, their spouse, and their parents- anyone who has a serious or complex condition and is looking for advice, no matter where they live” (The company CSR Report, 2015, p. 53).

Supply Chain & Blue-Collar Working Conditions within the Company When discussing about IT companies, we often picture well-paid white-collar employees who enjoy flexible and comfortable working conditions. The analysis of the company’s white-collar salesforce confirms these ideas. However, the conditions of the workforce in supply chain is often disregarded. What about the experiences of the rest of the workforce in the company’s supply chain?

Labor standards is an important concern for the chosen IT company; because all of its stakeholders including the customers, employees, suppliers and partners ask for more responsibility and improvement of “working conditions, welfare, and human rights of workers employed by our first, second and even third-tier suppliers” (The company CSR Report, 2015, p. 130). Thus, improving workers’ conditions is not just a CSR strategy, but also a great contributor to its revenue that would otherwise be lost due to reputational problems among customers. Thus, the company takes proactive measures to enhance labor standards throughout the supply chain. “The Electronic Industry Citizenship Coalition (EICC) Supplier Code of Conduct” is the building block for the company’s labor standards. But it serves only as a baseline that determines the minimum standards. The company always looks for additional strategies to improve working conditions.

If violations happen throughout the supply chain, the company takes serious actions to resolve the issue and to guarantee that the same thing never happens again. For instance, the company had to take a swift action to overcome a problem faced in one of the supplier locations. The factory workers were paying excessively high amounts of recruitment fees. Once the company discovered the problem, the company took the necessary action and held the supplier liable for their actions. The supplier had to pay back the workers who were affected from the problem (The company CSR Report, 2015, p. 130). Thus, once a problem occurs, The company protects the rights of the workforce in the supply chain.

In its supply chain, the company promotes diversity and inclusion as one of the key CSR strategies. For this purpose, the company developed a program called ‘Supplier Diversity’ which supports and protects women and underrepresented minorities.

4.2.5 CSR Policies for Social Welfare

According to Kathy Muthany, the Vice President of Corporate affairs, “whether creating better access to education and healthcare, restoring communications after disaster strikes, or helping nonprofits better serve more people, ICT can strengthen communities and improve lives” (2015). In its 2015 CSR Report, the company recognizes that the business concerns and societal concerns are not inherently oppositional, but indeed, they are mutual. The company insists that the company’s activities have myriad rewards for its employees, for its customers, and for citizens. Last year’s CSR report starts with The company’s CEO’s following statement: “What is good for the world and good for business are more closely connected than ever before” (Robbins, 2015, p.1). This initial message from the CEO actually reveals the general idea behind the report: The company aims to highlight that it engages in socially responsible policies. The company collaborates with government, healthcare, educational institutions and nonprofits in order to understand and respond to the key societal problems. In response, the company develops social strategies that focus on four main pillars, which are “education, economic empowerment, healthcare and critical human needs and disaster response”:

Education: The company provides trainings to people from ITC sector through its Networking Academy Program (details will be shared in the following paragraphs)

Economic Empowerment: The company promotes the creation of jobs and entrepreneurship in underdeveloped countries and underserved communities, by helping the technical education of underrepresented minorities.

Healthcare: Using its networking products and services, the company promotes the connectivity in healthcare sector in remote regions.

Critical Human Needs and Disaster Response: Improving disaster management in communities who suffer from natural disasters. Supporting disaster victims by providing better access to basic needs such clean water, shelter and food. (The company CSR Report, 2015, p. 68).

A component of these social strategies is supporting non-profit organizations in addressing global problems. The company provides “cash and product grants” to its non-profit partners in addressing societal issues (The company CSR Report, 2015, p. 68).

Education and Economic Empowerment: In its CSR Report, the company touches upon the fact that “more than two billion people live on less than \$2 a day” (The company CSR Report, 2015, p. 73). In order to overcome this shame of humanity, the company makes social investments through creating training and job opportunities for people in IT sector. The Networking Academy is a part of these social investments, and it helps the creation of new and better methods to prepare young talents to innovate in this sector and to help them find the jobs that suit their skills.

The company and many other IT companies worldwide are complaining about the struggle they face while trying to find skilled employees. The ‘Manpower Survey’ of last year conducts researches in 41 different countries, and makes surveys to employers from diverse IT companies (ManpowerGroup, 2015). In the survey, 35% of the hiring managers complain about the “lack of technical competencies”, and talent shortages as the main reason why corporations cannot fill job vacancies. “Employers have consistently reported difficulty hiring right-skilled talent” even though there are millions of unemployed people who are unable to fill jobs as they lack the technical skills the hiring managers demand (ManpowerGroup, 2015). Globally, more than 200 million people are unemployed- excluding the number of underemployed people. Despite the high rates of unemployment, jobs that demand technical skills can not be filled. As a response to these concerns, the company addresses the problem about finding skilled workers through developing a program called ‘Networking Academy’, which develops a better workforce for tomorrow. The Academy provides in-depth courses and trainings about technology and digital economy. The training sessions are in multiple languages and “delivered through 9500 schools, community colleges, universities, and other organizations through a blend of online and classroom learning” (The company CSR Report, 2015, p. 59). Only in previous year, more than a million people were enrolled in these courses from 170 countries. 20% of these participants were women. A huge percentage were underrepresented minorities, and people with disabilities. To understand and measure

the impact of the academy's courses, the company conducts surveys around the world. 52% of the attendees reported that the academy trainings helped them in finding a new job. 90% of them gave the feedback that the courses had a great contribution in improving their skills to keep up with the digital economy (Robbins, 2015). The program was successful, because the company did not hesitate investing in it. In the previous year, it invested around US\$250 million in developing curriculums, providing network simulation tools, and educating the instructors (The company CSR Report, 2015, p. 69). In short, "the Networking Academy Program helped one million people develop valuable ICT and career skills" (The company CSR Report, 2015, p. 56). Through improving the technical skills of its students, the program helped students and also their relatives to "lift themselves out of poverty", and increased the purchasing power of many people who live in developing regions of the world. The company gives its students in Cambodia as a specific example to prove such contributions. The Networking Academy students who live in Cambodia take the courses through a business partner named Passerelles Numeriques Cambodia (PNC). The students who finish the trainings earn nearly five times of the average national wages (Read more: <http://www.passerellesnumeriques.org/cambodge/#>)

Healthcare: By delivering its technology to underserved and remote regions around the world, the company connects people to healthcare, and provides access to better healthcare services for those who need it most (The company CSR Report, 2015, p. 75). Many of the company's networking products such as teleconference units and web-conference opportunities enable "care at a distance" and extend the number of patients that doctors can reach out. Using the company products, the number of virtual interactions between patient and doctors increased, as well as the amount of virtual treatments. A case study about Jordan Healthcare Initiative (JHI) can be given as an example to the company's CSR efforts in healthcare sector. JHI which was launched five years ago. The company and the Jordanian Government formed a strategic partnership, and initiated several projects in order to transform the way Jordanian healthcare system functions. In the end, the Jordanian Ministry of Health reached the conclusion that their collaboration with the company enabled a fast and impressive exchange of critical information and increased the number of patients who could receive treatment (The company CSR Report, 2015, p. 76).

Critical Human Needs and Disaster Relief: The company partners with many non-profit organizations around the world “that help meet critical human needs for food, drinking water, and shelter” (The company CSR Report, 2015, p. 76).

4.2.6 Regulation of Corporate Activities

In its CSR Report, the company states that it engages with its stakeholders and receives their feedbacks in order to improve CSR campaigns. In order to bring value for its customers and for the world, the company claims that they try to receive feedbacks, and gain the trust of all of its stakeholders: “employees, customers, suppliers and the communities in which The company operates” (The company CSR Report, 2015, p. 12) Moreover, it is highlighted that the data provided throughout the report is “subject to internal and external audits” (The company CSR Report, 2015, p. 10). Then, the question is, who are the actors that provide such external assurance? After presenting the company’s CSR strategies in response to certain sectoral problems in IT, the second aim of this study is to reach a conclusion about how the company’s CSR activities are regulated. Who regulates its CSR operations? If this regulation is not enough, is it possible to make a policy recommendation that might improve corporate regulation?

As mentioned in the previous paragraphs, the company received positive feedbacks from independent actors such as Fortune Magazine and Harvard Business Review. But how much insight this would give regarding corporate regulation? On the other hand, the company highlights that it alligns with international guidelines such as ‘UN Global Compact’ and ‘UN Guiding Principles on Business and Human Rights’ in order to put into practice the best CSR strategies. However, as the literature review on CSR reveals, these UN frameworks are only recommendations which are not backed by laws and regulations. Is this enough to prove that the company is socially responsible?

While deciding on its CSR strategies, the company engages with its stakeholders and shape their CSR strategies according to the feedbacks of its employees, customers, suppliers and communities in which they operate. The company forms strategic partnerships in order to enhance its corporate strategies. In 2015 CSR Report, it presents its global partners around CSR:

We [The company] partner with a wide range of global and local organizations to shape and extend the reach of our CSR programs, including governments, nonprofits, multilateral organizations, and peers. As a member since 2002 of the World Economic Forum (WEF), our [The company] engagement with the WEF influences our CSR strategy and helps us learn from and share best practices. Other memberships include Clinton Global Initiative (CGI), Business for Social Responsibility (BSR), the Conference Board's Sustainability Council on Products, Technologies and Solutions, and the UN Global Compact. (The company CSR Report, 2015, p. 22).

As mentioned above, the company is a member of WEF for more than ten years. It regularly participates in the annual WEF meetings in Davos in order to gain more insight on the worldwide societal and economic challenges, and to show its commitment to enhance human rights and economies. Moreover, it partners with BSR, and proactively participates in its Human Rights Working Group, which is a forum for corporations from diverse sectors sharing their ideas, practices and challenges. However, the critical studies on CSR would argue that, in the end, both WEF and BSR are forums that are formed with the participation of corporations. They are not independent of, and freed from business concerns. In return, WEF and the company responds to these critiques by forming additional partnerships during the WEF forums. For instance, its attendance to WEF enabled the company to form another partnership with a non-profit organization called NetHope. Through participating the forum in Davos - Switzerland, NetHope reached out to many MNCs in IT sector, collaborated with them, and gained their support in fighting with Ebola Virus in Western regions of Africa (The company CSR Report, 2015, p. 29). After 2015 Forum, the company donated more than half million-dollars to the organization, as well as delivering networking products to stop the connection problems in region. With this example, the company tries to prove that any strategic partnership has to develop CSR strategies and have the power to change the world.

Throughout this study, the researcher followed a deductive process. This study started with a review about the literature on CSR. During this literature review, the author realized that IT companies are not addressed while discussing CSR issues. In the field of CSR; there are many studies which name and shame corporations from various industries. However, Information Technologies (IT) companies are rarely in

these ‘shame lists’. Thus, rather than studying CSR activities of all sectors in general, the researcher decided to merely focus on the IT sector in order to fill this research gap. Two qualitative research methods were chosen in order to answer the research question. In the first phase of this study, the researcher used content analysis. With this method of data collection, the main sensitive CSR issues in IT sector were pinpointed such as electronic wastes, energy consumption, data privacy and labor standards. In other words, the content analysis provided a list of *a priori* themes that IT companies had to touch upon in their sustainability reports. However, analyzing the content of these reports and documents was not enough to see if these CSR activities reported on paper had a genuine impact on society, environment and its employees in practice. Thus, in the second phase of this study, the researcher conducted interviews to understand if the data from content analysis is practiced in real life. In short, the content analysis helped the researcher to deduce CSR activities in IT sector into a few key issues which needs to be addressed further. Later on, the interviews helped researcher to find out if these key issues are addressed truthfully in real life and if they could succeed to go beyond a script on paper.

4.3 Understanding the Perspective of Insiders through Interviews

This thesis focuses on one multinational corporation as a case study, and examines how it implements CSR into the organization. As mentioned in the beginning of this study, the most suitable research method for this thesis was to combine two qualitative research methods, i.e. combining content analysis with interviews. Taking into consideration that the research question that is tried to be answered does not have a precise right/wrong answer, the use of qualitative data was more adequate for this research. Thus, in order to answer the research question, this study used two of the widely used qualitative methods of data collection: content analysis and semi-structured interviews.

The content analysis was used in the first phase of this research and resulted in many findings about the company’s CSR activities. The objective of the first phase was to identify which CSR activities are prior to the company. These topics included issues such as overcoming electronic waste, decreasing energy consumption and ensuring data privacy. During content analysis, the researcher analyzed many official documents such as sustainability reports of the company, newsletters and

articles. However, during the content analysis, the researcher was aware of the fact that most of these data was provided by the company itself. The researcher realized that using only content analysis would provide a one-sided data that would resemble a marketing document of the company. Thus, the researcher decided to conduct interviews to hear from other narrators such as the employees who work for this company. In order to make sure that the interviews would be impartial, the researcher guaranteed anonymity to participants. In this way, participants did not hesitate to share their concerns and critiques about their working conditions and their company.

The interviews tested the effectiveness of existing CSR activities outlined during the content analysis, rather than developing brand new ideas. In short, the content analysis provided the ground to find out about the key CSR initiatives that the company takes. On top of this data, the interviews were conducted to understand *how* and *if* certain CSR initiatives were applied in a productive manner. The same problems addressed in the previous section were listened from the perspective of the insiders, i.e. the current employees of the company. Using the data from two different research methods strengthened the researcher's confidence in the credibility of data and the results of the study.

Interview Sample As mentioned in the earlier chapters, the researcher chooses to use 'respondent driven sampling'. This type of sampling process proposes that the researcher initially collects data on a few members of the 'target population' and then widens the sample through asking the interviewees to provide more contacts. In this respect, the sample size gradually increases through interviewees' contributions. For this reason, this method of sampling is also known as 'snowball sampling'. The initial participants of the interviews involved two of the current employees of the company located in Istanbul, and Amsterdam offices. These interviewees provided more contacts that they found knowledgeable about and interested in CSR activities in the company. Embracing this method released the burden on the researcher, because the previous interviews could be used as a reference to reach the following interviewee. Mostly, the researcher kindly asked the last participant to send an icebreaker email to the potential participant that they recommended. Through this way, the next contact would already be informed that the researcher would contact him, and had an idea about what is expected of him. This email was followed by an email from the researcher with the person who

suggested him in ‘cc’. Following this procedure made researcher’s task much easier as none of the contacted individuals refused to interview with the researcher. Only obstacle was that some of the interviews did not have free time for the interview, which kept postponing the date of the interviews. In some cases, a common slot could not be found between interviewer and interviewee. Unfortunately, these interviews could not be realized due to time constraints.

As mentioned before, this study aims to address the following six issues around CSR:

- a. The Problem of Electronic Waste in IT Sector
- b. Energy Consumption in IT sector
- c. Importance of ‘Privacy’ in IT sector
- d. Working conditions and Labor Standards in IT Sector
- e. Societal Concerns about IT Operations
- f. Finally, the Regulation of these potential problems and strategies.

With the available data found through content analysis, the researcher already presented the CSR campaigns in each of these six pillars one by one. After finishing the content analysis, the next step for the researcher was the interviews. In total 14 semi-structured interviews were conducted. The following table summarizes all the information that the researcher was allowed to share about the participants in this study. In the table, the topics covered in each interview is included. The researcher elaborates which interviewee addressed which of these six key concerns around CSR. This information is a valuable information for this study, because it reveals whether the issues that were planned to be addressed in the beginning found coverage or not. Some of them, unfortunately, need further investigation.

Table 1: Table of Participants

Participant	Gender	Interview Language	Current Employer	Employment period	Covered Topics
#1	Woman	Turkish	Turkey	2+ years	Working conditions & E-waste
#2	Man	Turkish	Turkey (Resigned)	5+ years	Electronic Waste
#3	Man	English	Netherlands	8+ years	Electronic Waste
#4	Man	English	Netherlands	2+ years	Electronic Waste
#5	Woman	English	Netherlands	1+ years	Electronic Waste & Energy Consumption
#6	Woman	Turkish	Turkey	1+ years	Energy Consumption
#7	Man	Turkish	Turkey	1+ years	Data Privacy & Security
#8	Woman	Turkish	Netherlands	0-1 year	Working conditions in the company
#9	Woman	English	Czech Republic	0-1 year	Working conditions in the company
#10	Woman	Turkish	Netherlands	0-1 year	Working conditions in the company
#11	Man	Turkish	Turkey	2+ years	CSR campaigns for social welfare
#12	Man	Turkish	Turkey	5+ years	CSR campaigns for social welfare
#13	Man	Turkish	Turkey	3+ years	CSR campaigns for social welfare
#14	Woman	Turkish	Turkey	15+ years	CSR campaigns for social welfare

The structure of interviews The interviews lasted around thirty to forty-five minutes. As mentioned before, semi structured interview technique was used in this study. Unlike a rigid structure for interviews, the semi-structured interview allowed the researcher to rely on “an interview guide that includes a consistent set of questions or topics” but also allows more flexibility (Taylor & Blee, 2002, p. 92). This type of interview technique was welcomed by the researcher, because it enabled the interviewer to cover diverse topics, engage in a flexible conversation and to encourage respondents to talk in a more proactive manner. In the end, the outcome of the interviews proved these assumptions right as they provided a greater scope of data when compared to a potential structured interview. Semi- structured interview technique allowed the interviewee to ask interviewees to elaborate deeper the meanings that they ascribe to CSR practices (Taylor & Blee, 2002, p. 92). In this way, the researcher could reach a better understanding of the respondents’ ideas on CSR practices within the organization.

Despite the lack of a structured interview technique, there had to be a format to make sure that the main issues which required attention would be addressed. Thus, an interview guide and some interview questions were prepared in advance. The order of the questions varied from interview to interview depending on the flow of conversation. Not all of the questions were necessarily asked in a single interview depending on the flow of conversation. Also, initial interviewees provided great insights. Researcher decided to ask about these topics to the following interviewees. The interview guide and the question template was updated accordingly.

All interviewees were informed beforehand about the purpose of this study and the research question that is tried to be answered. Prior to interviews respondents received a message (in the form of an email, or a text message) from the researcher about the main objectives of the interview. The cover letter which can also be found in the appendix was sent to some of the participants of the study. By this way, researcher also guaranteed to achieve the best productivity from each interview as respondents had enough time to prepare and reconsider the information that is going to be requested. For instance, most of the interviewers that were informed about the interview topic gathered documents that support the relevant issue.

Each interview started with generic questions that were asked to all interviewees. The standard questions were followed by some area specific questions such as corporate campaigns against e-waste and energy consumption. As the interviewees had different backgrounds, positions, and knowledge around CSR, some found it difficult to answer all the questions. In this case, new questions around different areas were introduced in order to cover the content as much as possible.

Role of the researcher during the interviews Throughout the interviews, compliance with ethical boundaries were always kept in mind. The researcher paid high attention to issues such as respect for privacy and it was guaranteed to all participants of interviews. The researcher informed the participant that his/her identity would be kept anonymous. Through this way, the respondent could successfully prevent the interviewee from containing valuable information and key concerns around CSR. Thus, while quoting from the interviews, the author only presents the gender of the interviewee, how long he/she has been working for the company, and the country it works for. The researcher got permission from the

participant to share these information as they are some key differentiators to drive a conclusion about the company's CSR activities, such as the companies approach to gender equality.

The interviews began with short chitchats which were mostly irrelevant with the research. The chitchats were followed with a short agenda about the meeting and what the researcher desires to discuss. The interviewer tried to maintain a friendly tone throughout the interviews. The interviewer explained all interviewees that they were not obliged to answer the questions if they do not feel comfortable with answering.

Before starting each interview, researcher shared the current situation of the study and outlined the progress up to that day. These recaps also included the previous interviews that were conducted. Even though anonymity is the key concern, the previous interviewee's name was shared with the following interviewee as the former participant is a reference to build rapport with the new participant.

During the interviews, the interviewer avoided interrupting the responses of the interviewee in order to get the most accurate information. The interviewer preferred open ended questions rather than simple yes/no questions. Questions were chosen in a way to provoke discussion. Probing questions were mostly asked towards the end of the interviews in order to allow some time for the interviewee to build rapport and trust with the respondent.

The interviewee tried to avoid asking biased questions in order not to damage the rapport between interviewee and interviewer. Also, long questions and questions with theoretical concepts were avoided in order not to interrupt the flow of conversation. In order to avoid external interruptions, interviews that were conducted face to face tried to be taken in a private and quiet place. The researcher highlighted the importance of anonymity and confidentiality for the study.

During the interviews, the researcher paid attention to the use of certain key words, such as customers, stakeholders, and consumer awareness and observed that some words were used more common than the others. As Bernard and Ryan (2003) once argued, the perception and opinions of people are reflected in the certain words they use repetitively. While going over the interview recordings, it became perfectly

clear that certain words were repeated more frequently than others. These repetitive words gave the researcher strong clues about what they imply and how they feel about certain CSR strategies.

Throughout the conversations the interviewer tried to capture and record the interviewee's use of body language and nonverbal modes of communication. This provided researcher additional insights about interviewees' answers. Accordingly, the interviewee decided to ask further questions and dig deep into some questions, or decided not to ask further questions about a specific topic if respondent feels uncomfortable with the ongoing discussion. Additionally, in order to prevent a biased or incomplete interpretation of the responses of the interviewee, the interviewer made short and precise summaries of the respondents answers which allowed the respondent to evaluate the adequacy of the researcher's interpretation.

In the end of the interviews, any notes or records taken were presented to the interviewees so that they could evaluate the accuracy of records. Finally, the researcher asked the participants if they would like to obtain a copy or a summary of the findings of the research and offered to provide one. After conducting the interviews, all the notes during interviews were read twice to guarantee that all relevant issues were put into the study. Due to the lack of a second researcher who could write down the answers, the interviewer had to write down the responses of the interviewee during the ongoing interviews. The data acquired through the interviews were saved in a word file while maintaining confidentiality and preserving the anonymity of participants. Overall, the interviews were conducted in between 3 October 2016 to 15 December 2016.

The literature makes important suggestions about how to prevent bias and provide reliable data after conducting interviews and while transferring them into the research (Taylor & Blee, 2002, p. 92). According to Healey and Rawlinson, the following contextual data should be recorded after conducting an interview:

- The location where the interview is being conducted
- The time and date of the interview
- A short and precise background information about the respondent

- The interviewer's immediate impression about how the interview went (1994)

Following this methodology, the researcher always had a note on these four points after each interview.

Weaknesses of the thesis As mentioned before, the key weakness of this thesis was the time constraint. Due to the high workload of the employees of the company, the initial interview could take place only after October, 2016. Following the first interview, the researcher succeeded to have approximately one interview in every ten days. However, there was an obstacle that slowed down the process. The key restriction was that the interviews were conducted with a 'snowball sampling' method. Namely, the researcher initially collected data on a few members of the 'target population' and then widened the sample through asking the latest interviewee to provide more contacts. In this respect, the sample size gradually increased through the latest interviewee's contributions. However, unless an interview could be made with the following interviewee, the process was being stuck as each interviewee provided a contact person and a name to proceed with. Due to heavy workload and the approaching Christmas holiday, a few potential participants could not be reached out when December came.

Another weakness about the study is that some of the interviews had to be translated from Turkish to English. The interviews were conducted either in English or Turkish, depending on the nationality of the interviewee. Thus, quotes were translated from Turkish to English by the author trusting her own impartiality.

The last, but one of the most important limitation in this study is that the researcher could only reach out to the employees in certain roles within the company. The researcher could reach out mainly to the Sales Team and the System Engineers within the sales team. The reason that the interview sample was mostly from the sales team was because most of the teams, such as the Research & Development team were not in local offices. These teams were centralized in the company's main office in US. On the other hand, the local offices within countries are almost always the sales offices.

The Voice of the Employees As mentioned before, the aim of conducting

interviews was to gain a deeper and in-depth understanding of the key concerns in IT sector that were covered during content analysis:

- a. The Problem of Electronic Waste in IT Sector
- b. Energy Consumption in IT sector
- c. Importance of ‘Privacy’ in IT sector
- d. Working conditions and Labor Standards in IT Sector
- e. Societal Concerns about IT Operations
- f. Finally, the Regulation of these potential problems and strategies.

The researcher tried to gather information about each focus areas that are outlined above. The quotes from the interviews in the following section are not necessarily the chronological order of the interviews. Rather, researcher tried to group them according to the sorting that is listed above. The real order of the interviewees is outlined in *Table 2*. The interviewee #1 and interviewee #4 were the initial interviews that the researcher could easily contact. In this table, the researcher depicted how the sample size gradually increased by the use of ‘respond-driven sampling’ method.

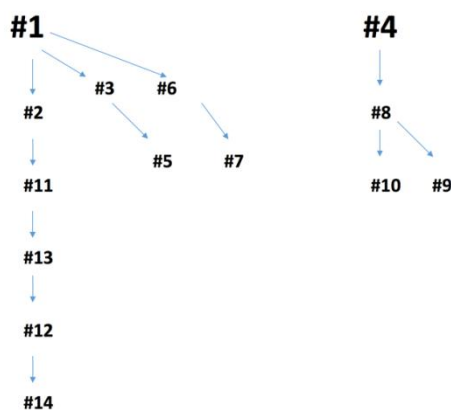


Figure 1: Respond-driven Sampling

4.3.1 Listening the Policies around E-Waste

Electronic waste is often defined as “any electrical powered appliance that has reached its end of life” (Khetriwal, 2002, p. 3). The researcher succeeded to reach out to the relevant contacts who were well-informed about e-waste management

within the company. Luckily, these contacts provided the information that researcher was looking for.

The first discussion about e-waste was conducted with an sales woman from Turkey office. The overall conversation with the employee was very relevant to what the researcher had been trying to find out around e-waste. This interviewee had a great impact on this study as she directed the reseacher to other contacts that are knowledgeable about the e-waste. Thus, the researcher decided to pass on the interview without the need to cut down natural flow of conversation:

Interviewer: First of all, I would like to thank you for your participation to this study. Any information that you would provide will add a huge value to the findings of this study about CSR. Today, I would like to ask you some questions about what IT companies do in terms of their electronic wastes. As we all know, today's world faces a huge problem about electronic wastes, that all electronic companies should take action about. We witness an exponential growth in the use of electronic products. And on the other hand, there is a huge decrease in the 'lifespan' of these equipments. Can you please take me through what you know about the lifespan of your own products?

Interviewee 1: Every electronic product has a lifespan and we know this from the things we use in our daily lives such as our phone and labtop. We mostly change these in every few years. Likewise, our products also have a lifetime, mostly not because they stop working, but because new technologies are introduced and the new products are not compatible with the old ones, or they need a lot of update that slow them down... As a vendor, I can say that our products can be used for a very long period of time. We have customers who use our switches without problem for 15 years. However, after around 10 years, we stop giving support to the products.

Interviewer: What do you mean by stopping to give support?

Interviewee 1: It means that if the product has a problem, if needs an update, or if it stops working, we can not help with it. However, this is the end of a long process. First of all, the product has to be 'End of Sale', which means that we developed better products and we no longer sell this old version. Lets say a new product was launched into the market five years ago. These days,

we will most likely announce that this product will be 'end of sale' soon. Because we produce much better products with better performance. So, we stop selling the old model. Our old product models that become 'End of Sale' keep getting support from the company for around five more years. After five years, we also make the 'End of Support' announcement for these products.

Interviewer: This probably means a wake up call for the customer to change their products.

Interviewee 1: Exactly. It does not necessarily mean that the products will stop working at that exact time period. However, after ten years, the products become weaker, and more prone to create network downtimes. Our customers do not like this. Especially companies such as banks which operate in a critical business can not tolerate downtime. Also, technology changes itself so fast. There is always product releases with better performances. The customers have to adopt to this change, or they will remain backwards compared to their own competitors... In the end, every product we sell means that there is an additional electronic waste. Lets admit the truth, our goal is to sell. Our job sometimes necessitates us to sell to customers who have products that work perfectly fine. We try to convince them buy the latest technology, because we have our individual sales quotas to achieve. We earn money only if we sell. I do not think any salesman thinks of the electronic wastes while selling new products.

Interviewer: It is mostly said that the e-wastes that end up in rubbish dumps or recycling centers cause a lot of challenge to environment and to health as they include some toxic substances in them such as lead, mercury.. These substances make their disposal very risky. What happens to the old electronic equipments?

Interviewee 1: I honestly have no idea. Maybe you can contact with our colleague who works closely with distributors.

With the help of the previous participant, the researcher could reach out to this employer in Turkey to discuss electronic waste issues. This contact was very knowledgeable about the distributors which are responsible from the overall process of the shipment of products. Thus, this employer could pass on the information about

the shipments of electronic wastes that would be sent for recycling or repairment.

The interview started with some general questions around electronic waste:

Interviewer: According to the researches on electronic equipment, the costs of recycling or recovering the electronical materials outweighs the revenues of doing so. Is this a potential barrier that would prevent recycle or reuse of products?

Interviewee 2: Our R&D department keeps this in mind while designing the products. Most of the time, the parts of a product is designed in a way that is seperable and easy to reuse. You have a switch; lets say, which has a broken line card. You can separate the line card from the switch and use it with a new line card, which means instant reuse. Also, the broken line card can go to recycle... To reduce waste, the company started various strategies on a global scale. There are initiatives to recollect our products from customers to repair and reuse them. We call the products that we canreuse as the ‘refurbish products’. For the ones that we can not use, networks of recyclers are created to who help us with the disposal. They collect the unused products and process these old products for recycling.

Interviewer: Could you please take me through this process?

Interviewee 2: So, there are reports that show the customers who need upgrade in their current infrastructure. We keep track of these reports and once we realize that the customer’s products need to be upgraded, we sell them our new technologies. In recent years, the company started to recollect the former equipment in order to reduce e-waste. We can get the old products back, and we can give them discounts on the new products.

Interviewer: According to your CSR report for this year, customers returned nearly 12,000 metric ton of products for recycling or reuse. How much of this is from your country and what did you do with these products?

Interviewee 2: Unfortunately, right now, I do not think a considerable amount of this is from Turkey.

The researcher and participant later on discussed why Turkey cannot contribute to these numbers. The following citations from the interview reveal the participant's concerns around electronic waste in Turkey, and why it cannot be minimized:

Interviewer: I have heard from your colleague that refurbished products are high priority in your company's agenda since last fiscal year. Am I right?

Interviewee 2: Yes, that's true.

Interviewer: Can you please tell me more about how this works in Turkish market?

Interviewee 2: The emphasis on the importance of refurbished products is not something that our local team introduced. It is a policy that is highlighted globally, and locally we are obliged to follow the same policies. As far as I understand, there has been a greater attention to this issue in the recent years. Of course, this global policy has a reflection on the corporate operations in our office in Turkey too.

Interviewer: What does it exactly mean when you say that there is an increasing focus on refurbished/ refreshed products?

Interviewee 2: It means that we try to refresh our customer's old products with new ones. While doing this, the company encourages the recycle or reuse of the old products.

Interviewer: Who exactly uses the old products?

Interviewee 2: Our customers refresh their products and get the new ones. And if their old products had a defect, such as a part that does not work, these products can be fixed and can be used internally by our company for instance. This is the basic idea behind refurbishment. However, in practice, things do not go as smooth as it sounds in case of Turkey.

Interviewer: Why do you think like that?

Interviewee 2: I believe that there are two fundamental obstacles that prevent a successful process of reusing or refurbishing products. First of all, the idea of refurbished products is alien to our customers. Once you start talking about

refurbishment, they do not feel comfortable about it. I think, as a country, the culture of refurbishment of an old product is not as settled as it should be.

Interviewer: What about the second obstacle?

Interviewee 2: The second obstacle is about the overall process of reusing refurbished products, and all the bureaucracy in the back stage. Let's say a customer decides to have refurbished products from our company. Only one of our four distributors is authorized to do fulfill this task.

Interviewer: Why is this about the distributor?

Interviewee 2: Because our office in Turkey is just a sales office. We only have warehouses where we keep a stock of some products for urgent replacements. There is no production line or a technical service which would repair a product. The products have to go back to one of the countries where we have more technical engineers and a facility to fix products. It is not possible to do this in Turkey... In Turkey, the products that are fixed abroad cannot be brought back to Turkey very smoothly; because the same product had already passed through the customs before. An electronic device enters into the country with a fixed serial number. Turkish regulations on customs causes trouble when the same serial number tries to pass the customs once again. Thus, even if there is a huge demand for refurbished products from the market, the regulations are an obstacle.

Interviewer: Is it impossible to repair and resell products in Turkey?

Interviewee 2: I will definitely not say it is impossible. This is something that our distributors are trying to solve now, as they are the ones who deal with the shipment of products. By the way, our company does nothing about shipment process while the products are brought to the country. That is what our distributors do. Anyway, in the recent months, there had been a successful attempt and the distributors succeeded to pass an Access Point through the customs. After this successful attempt, they did the same with a Server. So two refurbished products could pass the customs. I feel like this is a promising progress. In the office, most of our colleagues who have been

working for this company for many years tell us that this is a milestone. For the last 4-5 years, our company has been trying to accomplish this objective.

Interviewer: So, the issue is actually resolved?

Interviewee 2: Yes, we can say that. A year ago, the customs procedures took so long which made us worried that it would not work. For a long period, we could not make sure if we can accomplish this. Thus, Turkish team was warned not to give price offer to customers about refurbished products. Fortunately, around April 2016, we announced in one of our summits that the 'Refresh Program' started in Turkey too. The refresh program is the official name we give to all this process about refurbished products. The company uses the phase 'refresh products' synonymous with 'refurbished products'. By the way, refresh products can also refer to products that were used during product demonstrations or business events. These products are not brand new from the box. But they are working properly. They are always tested before they are shipped to be stored in one of our warehouses. Most of our products are available as refresh products in our warehouses around the world. These products are sold approximately with %40 discount of the GPL price. I mean their prices in our global price list. It is mostly preferred by our customers who do not have enough IT budget for brand new products.

Interviewer: How are they shipped to Turkey if a customer decides to buy refresh products?

Interviewee 2: The shipment country for Turkey is Belgium. I suppose it is the closest warehouse for Turkey. One of our distributors who are authorized to sell refresh products deal with this shipment process.

The researcher's next contact was an employee from 'brand protection team' in Amsterdam office. The researcher was directed to this employee since he is one of the members of the 'Brand Protection Team' which keeps the track of counterfeit products that are sold in Europe. One of the previous interviewees directed the researcher to this contact, as he knows valuable information about strategies of the company around electronic wastes. The participant tried to make sure that the researcher understood the difference between two main strategies:

1. The e-waste that can be *repaired & reused/resold* by the company
2. The e-waste that needs to be *disposed & recycled* by the company

The participant clearly makes a distinction between these two strategies around electronic waste. First of all, the participant explained the products that are repaired and reused by the company. This part of the conversation was more or less the same with the previous interview that is cited before. Secondly, the participant mentioned about the products that cannot be reused.

Of course, the company can not recycle every electronic waste for reuse or resale. There are some products that can not be used and have to be destroyed. Most of the products that have to be destroyed are the counterfeit products. The company copes with a huge amount of counterfeit products that are sold to the end users with the company logo. The customers who try to buy the company's products cheaper than the market price end up buying the counterfeit products. This happens, because they try to find the vendor's products through different channels rather than directly contacting with a sales person from the company. Unfortunately, the end users understand that they fell into a trap once they face a network outage. Under these circumstances, the company collects the fake products for disposal:

Interviewee 3: We work with waste management companies in Europe that deal with the destruction. I am not a hundred percent sure, but we must have one facility in Czech Republic, and one facility in Netherlands which deal with destruction. All of these facilities that we work with have to be certified at the highest level in terms of security, in terms of environmental laws and compliancy issues.

Interviewer: What is left there to recycle if you destroy the products?

Interviewee 3: The reason why we destroy them is that they are all counterfeit products, meaning that they are fake products of our original ones. They look very similar to our products and they have our logo on them, but they are not made in our manufacturing sites. These things, of course, have to be destroyed. In the end, after the destruction of the fake products, some of the precious metals are collected back again. The facility separates precious metals such as gold or copper from the rest and collect them. This is the part that is recycled.

Interviewer: So there is gold inside the products?

Interviewee 3: Yes, very small amount, but nobody wants to throw that away. They are melted again and we keep them for reuse. We also recycle plastics; but mostly we recycle higher value products.

It is not only the counterfeit products that are destroyed in the waste management facilities. The defective goods that can not be repaired are also disposed:

Interviewee 3: We also destroy the products that have big manufacturing defects. Once produced, all the products are checked in order to see if they suit the standards. The faulty products are separated from the rest, and they never hit the market.

Interviewer: Do you destroy the whole product even if there is a small defect?

Interviewee 3: Of course not. The products with small defects are cleaned up from the defects, repackaged and they are sold as refurbished products. Price of the product is much lower in this case.

Interviewer: Do your customers prefer these products?

Interviewee 3: Some of them do. The customers who prefer these refurbished ones are those who have limited budget. There are always customers who want to buy the best in market, but can not afford the products that are brand new from the box. They buy our refurbished products that are fixed and tested before resale.

The fourth interviewee is an employee in Amsterdam office. He also confirmed the previous points that were elaborated in previous interviews:

Interviewee 4: We all know how much electronic waste the world has done through 80s. Since those days, some of this waste has been going to landfill, because the IT companies do not want to deal with the long process of recycling and disposal. More importantly, the disposal costs a lot of money too... This means that all the toxic things within the products get out and pollute our environment... Luckily, I am an employee of a company that pays high attention to this issue of recycling and disposal. We do it using the least

environmentally harmful procedure, and we do it within facilities in Europe. Many companies send their wastes to Third World Countries where regulations are lower. We do not need to send our e-waste anywhere, because we do it in the way it needs to be done. And we do it in Europe obeying all the rules around waste disposal. The products that are decided to go for recycling are shipped off to some specific facilities within Europe. The parts that are going to be recycled are taken off and the rest of the electronic waste is disposed by following the correct procedures.

He also added a point that the interviewee did not hear from the previous interviewees. The company works with several waste management companies who dispose other vendor's products. The interviewee explained the situation with an example that is faced a lot in Netherlands market:

Interviewee 4: When our Account Managers go to a customer to sell our products, they rarely face with a customer who only negotiates with our company. We always compete with other vendors when there is a customer project, and more often than not, our competitors' prices are more appealing than ours. In order to cope with the objections around price, our company tries to come up with different strategies. One of these strategies is to give additional discounts to customers if they return their old network infrastructure that they desire to change to us. These old products can be our brand or another brand. We get them anyway, because we want our competitor's product out of the customer's base. Then, we renew it with our own products and give an additional discount on new products that we normally would not be allowed to give. This is a strategy that is introduced by the global management team to compete with other vendors, and to increase product recycle... When a customer accepts to return their old products that they are no longer satisfied with, we send these products to waste management facilities like we send our very old products. Other vendors' products are disposed together with ours, and we also use the precious metals within them.

At this point, the interviewer asked if this is a legal thing to do to buy other vendors' products and dispose them. The doubt in mind was because the company could open up the competitor's product and imitate the technology:

Interviewee 4: Of course it is legal, why not? We buy those products from others, we do not steal or acquire them through illegal ways. Actually, this is a concern of us but not our competitors. Since we are one of the market leaders, other vendors open up our products and imitate some of the features as much as they can. But in the end, there is nothing against law that can restrict anyone from buying a second hand thing.

The Interviewee 3 from the Amsterdam office directed the researcher to the colleagues in Workplace Resources (WPR). WPR provided some additional information about company's internal recycling and energy consumption strategies. The participant from the WPR team informed the researcher an internal program which Amsterdam Office uses frequently:

Interviewee 5: We keep a stock of products that can be requested by any employee. The employee can borrow the products we have for a certain period of time and use it for trainings, demos for customers and so on. This is good, because we do not produce additional electronic waste. We use the same products collectively.

Interviewee 5 also touched upon another internal initiative to reduce e-waste. In Amsterdam Office, the company collects old electronic products that employees bring from home. The e-waste baskets can be found in certain locations within Amsterdam office. Likewise, there are also baskets for light bulbs, batteries, papers for recycling. In short, the company not only recycles its own products, but also encourages its employees to recycle.

The researcher asked all participants if there is any regulation on the company's operations around e-waste. In the end, it was concluded that there is no organization that monitors the company. It is only the company itself that monitors the waste management companies for certain purposes:

Interviewee 3: Our company always regulates the waste management companies that deal with the destruction of products. We frequently regulate

these companies and make sure that there is no trouble in the manufacturing line. We check what is done there in terms of security, we check if there are any cameras to make sure that there is no stealing for instance. Or if there is any health risk or not.

In order to compare the operations in Turkey and Netherlands, the researcher asked the employee in Netherlands if they ever face operational problems while repairing and recycling products. The problem about customs in Turkey was explained to the Interviewee 3. The participant was very surprised to hear this, and he stated that he had never heard of an obstacle like this before.

4.3.2 How to Reduce Energy Consumption?

After discussing the internal recycling programs, the WPR team started to inform the researcher about the energy consumption within the building. The overall idea was to give the researcher an idea about how green the Amsterdam building is:

Interviewee 5: Few years ago, lights would always be on in certain floors. Now, the lights are smarter. In some locations of the building, such as the storing rooms, lights go off every five minutes if there is no movement inside. All of the lights go off after six o'clock. Likewise, the screen lights on IP phones also goes off after six o'clock. These are some examples we can give about minimizing electricity consumption.

About energy consumption, the researcher needed to clarify two more points: 1) the company's energy consumption for its own use and in its own data centers, and 2) the energy consumption of the products that the company sells to customers. To address these issues, the researcher reached an engineer knowledgeable about company's data center architecture:

Interviewer: What are your thoughts about your company's design on its data center? Do you think it is designed in a way to ensure energy efficiency?

Interviewee 6: Yes I do. We have DC Assessment Service that controls Energy efficiency in our own data centers. We always update and upgrade our infrastructure systems according to the results of the assessments. This is not something that we do just for the sake of environment. It is also about our own profitability. The more energy we use, the higher the OPEX is for the

company. Thus, we have to maintain efficient use of energy... This Assessment Service establishes energy efficiency benchmarks for our network infrastructure. By this way, we keep reducing energy and cooling consumption. This service also includes recommendations about how to locate certain products, such as switches within the data center, so that they would need less cooling. Moreover, the locations of data centers are chosen after rightful investigations about many variables such as temperature and humidity. Because the weather has a huge impact on how much cooling is needed in the data center.

Interviewer: How about your products as a vendor? You have a huge customer base. Would you say that your products are energy efficient?

Interviewee 6: Yes, our products are really smart devices that use energy efficiently. This is something that our R & D department pays high attention to; because in the end, this is a determining factor that our customers are looking for. They want to reduce their OPEX as much as they can, and when we talk about big customers like banks who need big storages within their network, they really need an efficient use of energy. Moreover, we have a feature embedded in most of our products: energy-wise. Our products are smart devices and they are capable of monitoring energy. When there is less people in the building for instance, the lights can be turned off using the network as a sensor. The energy management feature in our products monitor and manage the energy consumption of all devices. Not only the network devices but also lights for instance. It helps our customers gain full visibility about energy consumption of each device in their environment. With energy-wise feature, our customers make significant savings.

In the end of the interviews, each respondent was asked if there is any area of improvement. Interviewee 5 touched upon the waste of paper cups in the office: ‘In our office, one individual uses around five cups each day, which makes around 800 cups each year’. The office in Amsterdam was using paper cups which is one of the key areas that can be improved. Unlike the Amsterdam office, the office in Turkey uses their own cups that they bring from home, which reduces the amount of waste. Interviewee 2’s comment about this issue was as follows:

I believe this is about Turkish culture. We like having our tea, and Turkish coffee in glasses rather than paper cups. I have seen many of our offices around the world due to business trips. There are certainly many areas of improvement for Turkey office, but I can also say that we have the best kitchen areas among others. We have our Turkish coffee machine, our milk, our refrigerator, our microwave. An office without a nice kitchen would frustrate a Turkish employee. This is about our culture I guess, and this was probably taken into consideration while choosing the offices in Turkey.

4.3.3 How to Ensure Data Privacy?

To discuss the issues around data security and privacy, the researcher was directed to an engineer in Turkey who has knowledge about the company's security products. This interview was useful to understand the company's approach to data privacy in general.

Interviewer: We hear many news about data leaks that damage brand images of many corporations, including Apple. How do you guarantee that there is no security breach?

Interviewee 7: This is what we ask our customers; because we are the vendor who sells products to prevent breaches. Today's networks go beyond traditional walls, and include data centers, web and email gateways, and mobile devices. These networks and their components constantly evolve and are vulnerable due to new attack vectors. This is creating a challenge for companies and for those people who are responsible for defending the infrastructure. This is where our security architecture steps in and creates value for the customer. As a vendor, we serve our customers with an end to end security portfolio that guarantees the confidentiality of data.

Interviewer: How can you guarantee this?

Interviewee 7: I do not believe that anyone can guarantee this a hundred percent; because everyday there are new malware attacks that are developed to find a weakness in your network. However, I can say that we are one of the market leaders in security solutions. We sell our products to many companies who pay high attention to data confidentiality. Banks prefer our products a

lot, because they trust in our technology.

Interviewer: What is your method to protect data?

Interviewee 7: Let's take a bank as an example. When a bank application user logs into an application, the expects this application to be safe. The user's name and password, and all confidential information is stored somewhere in the world, in a data center. And the security breach mostly happens when your personal data is being transferred from one place to the data center. In this process, our security products guarantee that your data travels securely from your personal device to the data center. Because the data packages that are transferred are always encrypted. This means no one can access it, even if they access, the data will be in a meaningless language for the attacker. Our solutions create secure tunnels between remote users and local servers. The chances of a security gap are always minimized. Thus, business critical sectors that pay high attention to security always prefer us.

The interviewer and the interviewee discussed how the company ensures that a third party cannot access the confidential data of users. However, the emergence and the extensive use of 'cloud' calls into question the reliability of the 'cloud service providers' who store confidential data on behalf of individuals:

Interviewer: Do you sell cloud solutions?

Interviewee 7: Yes of course. We have on premise data center solutions, and on the other hand, we have cloud-managed solutions. As known, the data center consists of servers, storage and server switches. The difference between the two is all about where your applications are going to live: they are going to live either on premise, or in the data center of a 'cloud service provider'. There are many determining factors while choosing one of them. For instance, some of our customers are restricted due to security guidelines. Banks for instance... Then, on premise solution is the right choice for them. On the other hand, we have some customers who prioritize simplicity and ease of network management. In this case, they move their applications to cloud and prefer cloud-based solutions. One question that we ask while trying to help our customers choose is about their IT staff. If their IT team is small and have trouble with network management, we propose cloud solutions to

them because it simplifies deployment and provides ease of use. Another question is about their allocation of budget for the project. If a customer has a big budget to fund a data center project as a CAPEX, they can prefer on premise. But if the customer wants to proceed with a pay as you go model, they will go with the subscription to cloud-based solutions and follow an OPEX based approach to finance the project. This is all about preferences of customers... None of them is the ultimate right way to go. People should stop having the mentality that cloud is unsafe. Otherwise, you cannot do anything innovative in today's world.

At this point, the participant and researcher agreed upon a clear distinction between two concerns around data security. First one is about how to ensure a secure transfer of data to data center. The company ensures this with its security portfolio. Second concern is about the phase after a data reaches the data center: how to guarantee that confidential data stored in service provider's data centers are not shared with a third party? If a customer has their own on premise data center, the second one is not a concern for them. In an on premise solution, the customer stores the data within the organization's local network. However, once a customer engages with a cloud service provider, the customer's data is somewhere in the cloud, meaning any data center in the world that belongs to the cloud service provider:

Interviewee 7: In this case, the user and the service provider builds a trust based relationship. If you do not trust the service provider, you can work with another service provider. And the service provider's brand image is built on the privacy they provide. If they can not provide this, and once a data leaks, it is hard to rebuild a positive brand image. I do not believe that any company would want this.

Interviewer: Being an American company, it is often said that all data your company stores is available to US government. What are your thoughts about that?

Interviewee: As a systems engineer, I know that data reaches the data center securely. Rest depends on the goodwill of the company's executive team I guess. If there is a request from an intelligence agency about an investigation of a big crime for instance, I do not know how a company would justify data

security and privacy and keep data private. But the thing is that, if you start overthinking, then you can not even text a friend from whatsapp.

4.3.4 Listening the Working Conditions from Employees

As mentioned before, one of the biggest limitations in this study is that the researcher could only reach out to the employees in certain roles within the company. The researcher could mainly reach out to the Account Managers and the System Engineers within the sales team. The reason why the interview sample was mostly from the sales team was, because most of the offices worldwide are used for sales operations. Most of the departments, such as the Research & Development are centralized in the company's head office, or to put more accurately, in its campus in United States:

Interviewee 1: The national offices throughout the world are mostly consisting of the sales teams. These teams sell products in their national borders, and once they get a deal from the customer, the products are imported through one of the distributors. In other words, the products are neither produced, nor stored within national borders. The company has a few, designated locations in which they produce or store the products, but these functions are not decentralized and dispersed to every country.

Thus, when researcher reaches out to the employees within the national offices, these employees were mostly a part of the Sales Team. One participant from Turkey explained:

Interviewer 1: We have more than 100 employees who work in Turkey. Most of these employees in Turkey are in the sales department. They are system engineers or account managers, in pre-sales or post-sales... but eventually, they are sales people who work with yearly, quarterly and monthly sales quotas like I do.

For this reason, while interviewing with the employees, the researcher had difficulty to reach out to contacts who might be knowledgeable about the product line, the blue collar employees and their labor conditions. For this reason, the standards that could be truthfully analyzed is the standards for white collar employees that were interviewed. Thus, the following paragraphs reflect the standpoint of white-collar

employees, the working conditions that they are satisfied about, and also their complaints about corporate life in the company that is chosen as the case study.

The first interview was conducted with an employee who has been working in Turkey Office the last few months. She used to be located in the company's office in Amsterdam. In the beginning of the conversation, interviewee was asked to describe a typical day in her company. While interviewing with the employee, the researcher realized that the employee compares and contrasts the Amsterdam Office and the Istanbul Office, rather than describing a single experience within the company. This was a very valuable feedback for the researcher and it had a huge impact on the research findings of this study. From then on, the researcher always kept in mind that corporate operations might differ depending on which country the participant is employed in.

Interviewee 1: After graduating, I directly started to work for this company, so honestly, I can not compare the company I work for with any other place. But I believe that it is a very good place to work for. When we chat with my relatives who work in other multinational companies, I feel like I am one of the lucky ones. I never faced with any problem such as bullying, discrimination or any gender inequality in this company. However, I can say that the company culture changes from country to country, because last year I was working in company's Netherlands office. And now I work for Turkey. I realize that there are some differences in terms of opportunities between two offices.

The researcher asked the participant if she can elaborate on these differences. She described some constraints that she faces as a sales person. The employee's main complaint was that she used to be much more flexible in Amsterdam office. Another issue that was raised during the interview was about the allowance for leave of absence which is considerably low in Turkey, when compared to Netherlands. For instance, the employee told that she used to be able to benefit easier from sick leave or birthday leave (a day off from work on your birthday). "In theory, we enjoy the same rights in Turkey too, but in practice, you are less flexible than you are in Netherlands" (Interviewee 1). Another concern was around the salaries:

Interviewee 1: Last year I was a trainee in the company. We were getting

trainings about sales and technologies. In the meantime, we were working closely with the Turkish team and helping them with their customers. This year, the training is over and I work as an Account Manager. My duties are much more intensive and stressful. But believe it or not, my salary decreased in Turkey even though I got a promotion.

In the end of the interview, the participant concluded that the office in Turkey is less proactive in terms of CSR activities towards its employees. On the contrary, the Netherlands office engages with many additional CSR activities that flourish their employees and boost their morale, which eventually increases their work productivity. Given this feedback, the researcher's next target was an employee from Netherlands office.

Interviewer: Could you talk to me through some CSR activities in Netherlands that motivates you the most as an employee?

Interviewee 8: There are many of them. The first one that comes to my mind is the 'fun fund' budget that is allocated to each team in each quarter. Every three months, our company gives a budget to our managers. This budget equals to fifty euros per employee. With this budget, we initiate many activities that we can do as a team. Last quarter, we went to Laser Tag and had a dinner altogether. Just a few days ago, we went to ice skating and to cinema afterwards. These kinds of small gestures are very important team building activities. These kinds of CSR initiatives keep us loyal to our company. Our company knows how to keep the team motivation high.

The interviewee asked the participant if this is an initiative special for the Netherlands hub. The participant replied that the office in Czech Republic also has the same fund for their own hub. In the end of the interview, the participant agreed to introduce the researcher to an employee in Czech Republic.

Interviewer: Could you please tell me the CSR initiative that you appreciate the most and that you personally benefit from as an employee?

Interviewee 9: We have a great visibility program in our company. This program gives our managers and our colleagues the chance to officially recognize our hard work on specific tasks. For instance, when a team member accomplishes high performance on any task, our managers nominate us for

this program. Likewise, when one of our colleagues helps other colleagues with a task, or does any voluntary work in addition to his daily tasks, the colleagues can nominate that person. Once nominated for this program, that person's name and his contributions are presented to everybody in their team. This increases the visibility of that person in the team, and his performance is appreciated better. In addition to this, every employee who is nominated for this program receives a gift card for personal use. The amount of the award varies, but it is approximately from \$25 to \$300. Once the gift card is received, the employee can use this in many stores such as Media Markt, or H&M. I was nominated for this program last month, and I got a new phone with my gift card. That is the reason why this program initially came to my mind before others. But we have many other programs that encourage us to work harder. I believe that there is a big team in the back stage who is working for these programs. Our company knows how to keep the best talent within the company. I would never think of leaving the company I work for.

The next participant was an employee from Amsterdam office again. The participant was asked what he likes about his workplace:

Interviewee 10: I really admire my workplace. We enjoy many benefits during our working hours. One thing I really appreciate is that every employee has a free massage appointment each month. I have never heard of another company that does this for its employees. Another very interesting thing about the office is that we grow our own honey within in the rooftop. The project is called 'connected bees'.

The researcher later on asked some employees from Turkey if they enjoy these privileges. The answer was 'no' except the right for the free check-up in hospitals:

Interviewee 11: We have a free health check-up option for every year, and you can get this from certain hospitals that the company works with. The best part of this is that you can donate your check-up to your relatives if you do not want to use it yourself. Last year, my father had the check-up instead of me.

Also, workplace resources were very limited for the office in Turkey. For instance, the desks in the working area in Amsterdam office was giving the employees the

flexibility to work standing up. The desks are adjustable to go up and down depending on employees' choice. Moreover, the employees have a wide working area which is split into small rooms for employees who prefer to study in silence (Interviewee 8). Unfortunately, the employees in Turkey gave the feedback that there is only a few single silent rooms that is almost always reserved. The employees in Turkey have to work in their cubes in which they hear other sales people while having calls (Interviewee 1). Another difference between two offices is that the Amsterdam office has a 'praying room' for its employees (Interviewee 8).

4.3.5 CSR Policies for Social Welfare

Of course, there are some rights that are globally practiced in every office throughout the world. One of these rights is that every employee in the company has five days to do some charity work. Each year, the company announces charity works that are going to be initiated throughout that year. The employees can take five days off from work and participate in one of these charity works. Many employees around world participate in these activities (Interviewee 8). However, none of the interviewees of this research volunteered in any of these activities.

Another globally practiced CSR activity is a charity work to contribute social welfare. Every year, each office throughout the world is expected to come up with a social responsibility project. This is a mandatory activity that is monitored worldwide. Each office decides on a project and takes one day off from work in a certain day of the year to realize this project. To discuss about this topic, the researcher contacted three employees in Turkey who took active role in the last three charity projects. The last three projects that were realized in Turkey are as follows:

2014: Project with LOSEV

2015: Project with UNICEF

2016: Project with Youth Re-Autonomy Foundation

In each year, a few employees from each country volunteer to be the organizer of the project. The volunteers change from project to project, and thus, the researcher was directed to different contacts to learn the projects in more detail.

(2014)

In 2014, the program in Turkey was about giving support to LOSEV and collecting donations for LOSEV's Oncology Hospital in Ankara. The project was named as 'Bir Tugla da Sen Koy' by LOSEV (Interviewee 12). In order to raise consciousness and collect donations, the company created 10 different teams with the leadership of one Account Manager from Istanbul office. In the end, the teams collected money from customers, partners and even from strangers on street. In the end, the company succeeded to collect 28,000 TL that was directly used as a fund to the hospital in Ankara (Interviewee 12).

(4th of June, 2015)

Interviewee 13: Last year, the project was initiated in order to make some contribution to UNICEF. We all know that UNICEF has been working on a project to increase the awareness on the importance of pre-school education for children between 3 to 5 years old. The goal is to send more children to kindergarten. This is a really important issue, especially in a country like Turkey. When we participated in this project, we learned many things that we did not realize before. UNICEF shared some important statistics with us. Did you know that every year, more than 1.3 million births take place in Turkey. In rural regions, children suffer from various health problems, and child poverty reached %32. These children of course do not have the chance to have a rightful education. Nearly %50 percent of children in underdeveloped regions in Turkey can not participate in programs that they need for their personal development. The pre-school education is one of these programs. The main goal of UNICEF is to increase the number of families who enroll their children to institutions that provide pre-school education. For this purpose, UNICEF provides financial support to families who can not afford this. One child needs 25 TL a month, 300 TL a year to go to kindergarten. This budget is enough for one child to afford uniform, stationery materials, medical products and hygiene items.

The company's contributions would support some of the provinces among the 25 provinces outlined above:

Interviewee 13: Adana, Ağrı, Ankara, Mersin, Diyarbakır, Erzurum, Van, Sanliurfa, Hatay, İzmir, Hakkari, Mardin, Istanbul, Gaziantep, Şırnak, Batman, Kahramanmaraş, Sivas, Kayseri, Kars, Zonguldak, Gümüşhane, Ordu, Denizli, Aksaray

According to the employee, this project meant a lot for a child's personal development. During the project, the employees were informed by UNICEF about various facts that prove the importance of pre-school education. According to various studies, pre-school years are the years in which children develop %80 of their social and mental capabilities. Also, pre-school education helps children to get used to the future years: "They learn how to make friends, how to think innovative, how to be creative. Thus, we want them to have this education, like all of us did". Thus, the company supported UNICEF's project on strengthening Pre-school education in Turkey:

Interviewee 13: 23 People volunteered for this project. We collected donations from 11 different locations around Istanbul. Most of these were shopping malls. A part of the group visited partners and customers to collect donations. In the end, the donations were enough to cover the educational expenses of 50 children for one year.

(30th of May, 2016)

Interviewee 11: This year, we spent 1.5 days in our Full Circle Project that we organized with the Youth Re-Autonomy Foundation' of Turkey. In June, this foundation was working on a project called 'There is a Child in Prison'. The aim was to raise consciousness about the babies who are born in prison, and who have to live there. There are more than 600 children in Turkey who live in prison. These children are between 0 and 6 years old and they live in 8 different prisons in which their mothers are imprisoned. They did not choose to be born in such a place, and there is something we should do about this. We tried to make a contribution to change their circumstances as much as we can. On 30th of May we organized a concert to collect money to contribute building a nursery in one of the prisons. 22 people took a very proactive role in this project, and we sold around 500 tickets. More than 300 people attended the concert where 5 famous bands played for charity in one of the

famous concert halls of Istanbul. We collected \$ 17,000. With this money, the foundation will build a classroom and playground within a few prisons.

These three projects are short summaries of what Turkish team did in the last three years as a part of the company's program. The employees often refer to the program as a day to 'give back' to societies they live in. In that day, all employees engage in a charity work and do their best to give back to their own society. Each year, the employees of the company have to develop their own project rather than a simple donation, which increases employee's consciousness about specific social problems.

Another CSR activity that targets societal issues is the 'Networking Academy'. This is a global initiative of the company that provides educational programs for youth. According to one of the the Project Manager Turkey, the academy is very useful for the society:

Interviewee 14: The Academy provides many courses for young talents who are interested in IT sector. Especially, the activities in Eastern regions of Turkey makes a big difference for society. Many young people in eastern regions of Turkey enroll the courses that the academy provides. People who take these courses easily find jobs in their regions as they gain a competitive advantage when compared to people who do not have this chance. With the knowledge that they acquire, these people start working in the the company's partners and distributors in these regions. The academy improves living standards of some young talents, and provides them jobs in regions with low levels of employment.

4.3.6 Regulation of Corporate Activities

Interviewee 3 is also a volunteer in 'Amsterdam Green Community'. This community focuses on key issues around any sort of waste in office, and looks for ways to reduce energy consumption in company sites. The information provided by interviewee 3 was important to this study, because he could enlighten the researcher about some audits on the company sites.

Interviewee 3: The International Organization for Standardization (ISO) established some globally recognized standards that became a benchmark for corporations. One of these standards is ISO 14001. The overall idea behind the

certificate is to prevent pollution and protect environment. The standard is not legally binding. Rather, it works on a voluntary basis as it provides practical agendas for companies. The companies who seek for ways to manage their environmental responsibilities follow these agendas. They start with documenting the environmental aspects of the organization they cooperate with. Key focus areas that are identified are mostly things like water consumption, energy use etc... Once identified, ISO develops targets and creates an agenda for the organization to achieve these targets... It sets out some criteria and the companies who can comply with these are certified. These certifications are very important because they are a third-party recognition. It also gives us a competitive advantage when compared to other vendors who do not acquire these certifications. It helps our company build a better brand image. This ISO audits are one of the audits I know about.

The interviewee also briefly went over how ISO functions. ISO has 120 experts. These experts come and audit the company sites. During an audit these experts check if your sites are in compliance with the relevant standards that you should be following. In the end, the goal is to find out if you genuinely do what you are supposed to do. In the end, these ISO experts also look for key areas of improvement on sites. This is an independent third party audit that examine if the corporate operations comply with certain set of criteria. The companies who comply with certain arrangements get certified. Thus, this kind of audit is also known as a certification audit (Interviewee 3).

CHAPTER V: CONCLUSION

In the academic studies around CSR, IT companies are mostly on the safe side as they are known for being employee friendly and flexible companies when compared to the ‘conventional bad guys’ such as oil sector, alcohol industry or fast-moving consumer goods (FMCG) companies. While remaining on the safe side, do IT companies remember to address CSR issues? Throughout this research, the main goal was to address this important research gap in the field of CSR, and to understand how much attention IT industry pays on CSR campaigns. For this purpose, the research question was as follows:

Without a clear academic critique directed towards the CSR activities of IT sector, can IT companies rightfully engage in self-criticism and address to the potential environmental and human rights violations?

This research outlined some key environmental and societal issues that should be analyzed before whitewashing the IT sector:

- The Problem of Electronic Waste in IT Sector
- Energy Consumption in IT sector
- Importance of ‘Data Privacy’ in IT sector
- Working conditions and Labor Standards in IT Sector
- Societal Concerns about IT Operations
- Finally, the Regulation of these potential problems and strategies

Throughout this research, the aim was to understand whether these six CSR concerns are recognized and addressed by IT sector or not. This analysis was done through a deep dive into the CSR practices of a single IT company, whose name is kept anonymous throughout this study. As mentioned before, the company’s name is anonymised at the request of its employees. The employees who participated in this research requested anonymity due to their concerns around compliance with the company’s code of business conduct. During the interviews, the employees reminded the researcher that the use of the company name in any research needs to be reported to the company’s ‘brand protection’ team. This regulation was introduced as a

precaution to prevent unauthorized disclosure of company's internal data. Respecting this regulation and also the company's rules about data confidentiality, the researcher decided to anonymize the IT company. Likewise, the interviewees who collaborated with the researcher throughout this study are kept anonymous.

As mentioned before, this study focuses on a single corporation as a case study, and examines the effectiveness of its CSR strategies. The researcher used two of the widely used qualitative methods of data collection which are content analysis and semi-structured interviews. In both of the methods of data collection, the goal was to examine whether the corporation rightfully embraces with CSR strategies or not. With the available data found through content analysis, the CSR discourses in each of the six pillars was presented one by one. However, a pure content analysis was inadequate to understand the real impact of the company's CSR initiatives. It would be a reflection of how the chosen IT company desires to be seen rather than how it really functions. Thus, together with the content analysis, the interviews were used as a primary data for this thesis. The aim of conducting interviews was to gain a deeper and in-depth understanding of the key concerns in IT sector that were covered during content analysis. In total, the researcher conducted 14 semi-structured interviews. During the interviews, the researcher tested the validity of existing CSR activities outlined during the content analysis. Listening the perspective of the insiders (employees) revealed whether the CSR strategies that are outlined on paper (CSR reports) are applied truthfully in practice. It was the input of the company's employees and stakeholders that determined the final research findings.

In order to understand the effectiveness of the chosen company's CSR strategies, the researcher decided to fragment the key CSR concerns in IT sector into six pillars which were outlined before:

- The Problem of Electronic Waste in IT Sector
- Energy Consumption in IT sector
- Importance of 'Data Privacy' in IT sector
- Working conditions and Labor Standards in IT Sector
- Societal Concerns about IT Operations
- Finally, the Regulation of these potential problems and strategies

The researcher built this study relying on these pillars. These six points outline the potential problems in IT sector. One by one, the researcher explained why these six points are the key areas of concern around IT sector. Later on, the researcher tried to present the company's response to each problem. During the content analysis and the interviews, the researcher always kept to this original grouping. This grouping helped the researcher to drive a conclusion about the success of the company's CSR strategies. In the end, the research finding was that the company's success in CSR campaigns varied depending on the pillar that was evaluated. For instance, in the end of the interviews, the researcher had enough data to conclude that the company has successful CSR strategies to tackle with electronic waste. However, the researcher could not find enough evidence to conclude that the company embraces CSR strategies to increase labor standards of blue collar employees. These findings directed the researcher to assume one of the two potential possibilities. 1) First possibility is that the company might be focusing on some CSR strategies more than others. The company might have strong CSR strategies around electronic waste, and it might have been ignoring other key CSR concerns in IT sector, such as labor standards. This was a likely possibility for the researcher, because researcher analyzed many official documents of the company as well as listening the CSR practices from insiders. These participants are employees of the company who knew a lot of valuable information around e-waste, strategies to reduce energy consumption, and white collar employees' working standards. But the same people have never heard of any CSR strategies around labor standards in manufacturing facilities. This might mean that the company lacks effective CSR strategies in some of these six pillars that are outlined throughout the study. 2) On the other hand, second possibility is that this research needs further investigation. The researcher might have lacked enough resources to duly analyze each of these six pillars comprehensively. The researcher admits that there was a serious time constraint during this research. Some of these six key concerns around CSR could have been discussed more comprehensively with the participation of more employees who would be more knowledgeable about the specific issues. Using the respond-driven sampling method, the researcher could reach out many employees who were knowledgeable about the company's strategies around reducing electronic waste. Each employee who had any knowledge could direct the researcher for another contact who had additional information about the same topic. On the other hand, the

researcher could not rightfully reach out to contacts who knew about labor standards in the production facilities. Unfortunately, some of these pillars are left with a need for further investigation.

Herewith, the researcher will make a brief summary about the research findings in each pillar one by one. While doing this, the researcher has two main points in mind: 1) Understanding key environmental and societal concerns relevant to IT sector, and comparing these key concerns with the company's CSR strategies in response to them. 2) Understanding what the company does for each of the six key areas of concern, and to discover which of these six pillars remain weaker or needs further investigation.

The Problem of Electronic Waste in IT Sector Our era witnesses an exponential growth in the number of production of electronic devices. As one of the interviewees said, "technology changes itself so fast. There is always product releases with better performances". Accordingly, the new product releases decrease the lifespan of the older electronic devices. Each day, more electronic device end up in rubbish dumps. These devices contain high amounts of toxic substances which makes their disposal a very sensitive issue. Unfortunately, most of the companies in IT sector had been embracing wrong methods to dispose their electronic waste. One of these methods is to incinerate them which produces alarming levels of dioxin compounds. Another environmentally hazardous method is to place these electronic waste into landfills. This is very detrimental for environment and society, because these products do not biodegrade in nature. Also, the vendors of electronic products were not engaging with recycling campaigns, because the costs of recycling or recovering the electronic materials was outweighing the revenues of such recycling. As the e-waste problem intensified in 1990s, many countries in Europe banned using 'landfills' as a method for electronic disposal. This prohibition was a partial solution that saved only the industrial countries. Due to the strict regulations in Europe around e-waste, the developed countries started to export their e-waste to the underdeveloped countries and dispose them there. The industrialized countries transported their electronic wastes to these destinations as they have lower environmental regulations and poor social standards. Unfortunately, these materials cause many health and environmental problems in third-world countries in Africa and Asia.

Today, world faces a serious challenge about how to overcome the problem about e-waste. Thus, the IT companies who supply some of these electronic products should be liable for their e-waste policies. According to the results of content analysis, the chosen IT company devotes a lot of time and energy to reduce electronic waste. In the company's official CSR reports and documents, the importance of the disposal of old hardware is always highlighted. The company pays great attention to reducing the amount of electronic waste that goes to landfill. According to the CSR report, the company focuses on this issue from the very beginning of the product's lifecycle. The initiative to reduce e-waste starts at the design of the product (The company CSR Report, 2015, p.84). The company designs its products with longevity in mind. Where suitable, the parts of a product is separated and applied to another product for reuse. Also, during content analysis, the researcher coincided with many documents that explain the company's campaigns to recollect, reuse or recycle old devices. The company prioritizes the resale or reuse of products that are returned from one of the customers or business partners. When instant reuse is not an option, the company recycles the returned products. The company introduces many campaigns to keep the track of the company's customers who need an upgrade in their system. While selling new network infrastructure, the company collects the old electronic waste. The response to these campaigns from customers is very satisfactory. According to the company's CSR report, nearly 12,000 metric ton of products were returned from customers for recycling or reuse. In return, the company either reused these products internally, resold them or recycled them. Eventually, the company succeeded to decrease the amount of electronic waste that goes to landfill. Right now, only "one quarter of one percent of returned material is sent to landfill" (The company CSR Report, 2015, p. 84). In short, during content analysis, the researcher found out that the company has a considerable amount of inspiring strategies about reducing electronic waste.

After the content analysis, next step was to hear the feedbacks and opinions of the employees. The goal was to verify if the company's official discourse around e-waste campaigns materializes in practice. The researcher reached out to five employees who could provide valuable insights about the company's policies around e-waste. Three of these employees were from Amsterdam office, and two of them are from Istanbul office. The overall impression was very promising as employees gave

very positive feedbacks about company's devotion to waste management campaigns. Indeed, the interviews uncovered many initiatives around e-waste that were not touched upon during content analysis. Thus, after combining content analysis with interviews, the researcher accredited the effectiveness of the company's CSR policies to reduce electronic waste. However, during the interviews, the researcher reached a conclusion that had a great impact on the research findings of this study. The interviews made with employees who work for offices in Europe had the same discourse with the one used during content analysis. The employees in the offices in Netherlands had very high consciousness about company's CSR strategies around electronic waste. Likewise, the campaigns to reduce e-waste are frequently used by the employees in Amsterdam office. On the other hand, the company's office in Turkey had less awareness about the potential programs that can be used to increase recycling or reuse. During the interviews, the employees in Turkey office were defining their office as a 'sales driven company'. Most of the employees were referring to their individual sales quotas that they need to achieve. This takes most of their time and energy. The awareness about CSR initiatives is lower due to this sales oriented mentality. On the other hand, the sales people in Netherlands feel more flexible in their worklife. They can devote more time/energy to CSR activities, and support/practice more socially responsible operations in their corporate life.

Regardless of the country they work in, all of the employees worldwide are aware of the company's initiatives to recollect old products from the customer site. These recollected products can be utilized in two different ways:

- 1) The e-waste that can be *repaired & reused/resold* by the company
- 2) The e-waste that needs to be *disposed & recycled* by the company

First option is to repair and reuse them when possible. The company calls these products as the 'refurbish products'. Second option is to process them for recycling when these collected products are too old to repair and reuse. The second option is the last resort for company. The employees in Netherlands office are very knowledgeable about the programs that encourages the repairment and reuse of the old electronic products. Also, the same employees work closely with the network of recyclers who help the company with disposal of e-waste. One of the employees in Amsterdam office argues that the campaigns that are introduced by the company to reduce e-waste are not only for the sake of environment, but also for the benefit of

the company. During the disposal of old products, very valuable parts of the products such as gold are taken off for reuse in manufacturing process. Thus, an increase in the number of recycled products gradually reduces the company's operational expenses. However, in Turkey, the tradition of recycling and reuse of refurbished products is not as popular as it is in Netherlands. First of all, this is due to the lack of awareness of the Turkish office about the e-waste issue. Secondly, this is due to the lack of a partnership with a waste management company in Turkey. Once the products go for recycle or repair, the products have to be shipped off to a certain location in Europe. The shipment country for Turkey is Belgium, which makes recycling and reuse much costly for Turkey office. These two reasons are the main reasons why e-waste management is less effective in case of Turkey. On the other hand, the office in Netherlands achieves very impressive outcomes in terms of e-waste management. This leads the researcher to conclude that it is hard to reach into a solid conclusion about the company's effectiveness around a certain CSR activity. Rather, the company has some global CSR campaigns that materializes perfectly in certain countries. The same CSR campaigns face difficulties to be actualized in some other countries depending on the internal dynamics of that country.

Energy Consumption in IT Sector As consumers of certain services that are provided by IT companies, we mostly do not realize how much energy these IT companies consume. An important service provided by IT companies is 'cloud computing'. The user of cloud services eliminates the need to buy physical appliances for storage. Instead, the supplier company builds a physical infrastructure to store the data on his behalf. These physical infrastructures need tons of energy to store all user data. It consumes more energy than most of the industries. For instance, "a smartphone streaming an hour of video on a weekly basis uses more power annually than a new refrigerator" (Burrington, 2015). These kinds of examples raise consciousness about the need for more liable IT companies who would renew their environmental policies and readdress the concerns around energy management.

By analyzing the chosen IT company as a case study, this study aims to present what measures are taken by IT companies to prevent energy waste. The company aims to reduce energy consumption in two possible ways. Firstly, it minimizes the energy use during its own *operations* and within its own *sites*. Secondly, the company helps reducing energy waste through the *products* and *services* it sells.

During the content analysis, the researcher reached out to reports that present the company's statistics around energy consumption. As mentioned, the company aims to reduce the amount of energy used internally by the company. According to the CSR report, the company spent more than US\$15 million on promoting efficient use of energy, and increasing the use of renewable energy. More than 70% of electricity used within the company sites comes from renewable energy sources (The company CSR Report, 2015, p. 80). On the other hand, the company reduces energy consumption by enabling low power modes on their products. The company develops smaller, flexible and lighter products in order to reduce energy use. However, this information that was reached through content analysis remains inadequate to conclude that the company embraces strong CSR initiatives to reduce energy consumption. Thus, the researcher conducted interviews with two employees to discuss the matter further.

About energy consumption, the researcher needed to clarify two points: 1) the company's energy consumption for its own use and in its own data centers, and 2) the energy consumption of the products that the company sells to customers. First of all, according to the findings of the interviews, the company has assessment services, and internal audits to control energy efficiency in data centers. The infrastructure in data centers are upgraded according to the results of these assessments. According to one of the interviewees, this type of regulation on data centers not only benefit the environment, but increase the profitability of the company too as it reduces the use of energy and decrease the operational costs. This Assessment Service establishes energy efficiency benchmarks for the network infrastructure. On the other hand, the researcher also had the chance to discuss about the second aspect with the interviewees. R &D department pays high attention to the design of products so that they would be energy efficient. This is a determining factor that the company's customers are looking for as they want to reduce their energy expenses. Especially, big enterprises, and corporate customers such as banks need very efficient use of energy, because they store big amounts of customer data in their storages. These enterprises tend to buy the company's products due to their energy efficiency.

According to the researcher, the data found during content analysis and interviews give positive insights about the company's goodwill to reduce energy use. The CSR campaigns that are initiated by the company are not only for the sake of the

environment, but they are also beneficial for the company. First of all, the company reduces its operational expenses as it reduces the amount of energy used internally. Secondly, the company satisfies its customers as it develops energy-wise products that consume little amounts of energy. However, the researcher was expecting to find out more about what the company does in terms of energy management. The researcher could not confidently conclude that the company's current CSR initiatives are enough about this key concern around IT operations.

Importance of Data Security & Privacy in IT sector 'Data security and privacy' is one of the most sensitive subjects for IT sector. Today, individuals can easily access to any personal and business data anywhere and anytime through cloud services. These days, individuals and businesses make great savings; because there is no need for them to invest in network infrastructures for storing data. Instead, they utilize from 'cloud services' which store their data on their behalf. In the meantime, there is also a growing opposition who raise concerns about potential data security breaches during cloud computing. Certain enterprises like banks and some individuals remain skeptic while moving 'cloud' due to their concerns around data security and privacy protection (Chen, 2012, p. 647). The last decade proves these concerns right as we witnessed a series of crisis in 'cloud computing' such as the i-cloud scandal in 2014. This scandal was caused by a security breach. The brand was incapable of preventing outside access to confidential data. In order to overcome such security breaches, and ensure data security, researchers around cloud networking developed a new model called CIA: i.e 'data confidentiality, integrity, and availability'. This model requires the cloud service provider to guarantee some key security measures such as 1) an encryption to protect data privacy, 2) strict 'access control' to prevent unauthorized access to certain networks, 3) an additional storage to back-up important data. Both the content analysis and interviews verify that the company guarantees three of these criteria. According to the findings of content analysis, the company has a dedicated technical team which designs solutions to guarantee data security. The technical team follows guidelines to help engineers in integrating "security, privacy and data protection into new products and applications" (The Company CSR Report, 2015, p.84). The company is also aware of the increasing risks of cloud computing. To provide reliable cloud services to the customers, the company designed cloud systems that are protected with best-practice security systems. These systems always

encrypt the data packages and transfer them through secure tunnels. The same security strategies were verified by the system engineers in the company.

Unfortunately, having a structure that only guarantees these three key criteria is not enough by itself. In addition, the cloud service providers should develop user-friendly 'codes of business conduct' in order to ensure reliability. This is one of the key aspects of guaranteeing data security and privacy, because as well as having *unintentional* security breaches, the IT companies may also *intentionally* abuse their power over individuals by sharing their private information with third parties. JetBlue Airways Corporation (JetBlue) incident can be given as a notorious example of the violation of data privacy. "JetBlue Airways gave five million customers' travel records to a US Department of Defense contractor" (Anton, He, & Baumer, 2004, p. 12) and intentionally violated the corporation's 'privacy policy' and the corporate ethics. In the end, the airways corporation lost its customer loyalty. This infamous example proves that how companies store and keep customer data is a key marketing strategy as well as being a CSR strategy. Knowing how important this is, the chosen IT company is very active in ensuring that the customer data is stored confidentially.

In short, the researcher made a distinction between two concerns around data security. First concern is to ensure a secure data transfer from one network to another. The company ensures this data security with its security portfolio. Second concern is to guarantee that confidential data that reaches a service provider's storage is stored confidentially. The service provider should ensure the user of cloud services that her private data will never be shared with a third party. About this second concern, the interviewees in this study explained how the company builds a trust based relationship with the customer. The company's brand image is built on this trust. According to the employees of the company, the chosen IT firm is one of the most trustworthy companies in IT sector, both in terms of products that protect the network from a data security breach, and in terms of a strong code of business conduct that ensures data privacy.

Working conditions and Labor Standards in IT Sector Business magazines such as Forbes have lists that rank the best companies to work for. Most of the time, IT companies are among those companies who are top-ranked in the lists. IT sector is mostly known for being an employee-friendly sector that provides their white collar

employees more flexibility and better standards of living than most of the other sectors. However, the media started to face many news about recent scandals in IT sector. One of the most notorious ones is about Apple's worker mistreatment in its factory in China. The company was recently accused of exploiting around 70,000 blue collar laborers. Only few years before this accusation about China factory, Apple was highly criticized for its former partnership with Foxconn Technology Group, which is a Taiwanese electronics contract manufacturing company. The inhuman working conditions end up with many worker suicides since the supplier company had been forcing its laborers to work six days a week, with more than eleven hours a day on foot (Neate, 2013). This infamous example reveals one important criterion: Before reaching a conclusion about labor standards within a company, the researcher has to analyze the working conditions throughout the supply chain, rather than a mere focus on the white-collar employees of that company.

The content analysis reveals how the chosen company attracts and keeps the best talents within the corporation. In every aspect, the company develops various CSR strategies that rewards its employees and eases their work in many ways. These strategies include methods such as "providing competitive pay, a birthday day off, as well as offering on-campus medical care, fitness centers, childcare, paid family time and college coaches.." (Katsoudas, 2015) The given examples and many other employee-friendly strategies make this company one of the 'Fortune 100 Best Companies to Work for' (Katsoudas, 2015).

The company rewards its employees is through countless strategies that were analyzed through content analysis and that were described by the employees. When participants were asked to rate their satisfaction with the company they work for, none of the participants rated less than 8 out of 10. The overall insight about working standards was very satisfactory, and the immediate impression after each and every interview was that the white-collar employees were happy with the company they work for in general. However, this research finding is a partial conclusion as the researcher could only reach out to the white collar employees within the company. The researcher reached out to the employees who work in the company's sales offices. For this reason, while interviewing with the employees, the researcher had difficulty to reach out to contacts who might be knowledgeable about the product line, the blue collar employees and their labor conditions. For this reason, the

standards that could be truthfully analyzed is the standards for white collar employees that were interviewed. Thus, the positive findings about working conditions reflect the opportunities available for white-collar employees.

Another important research finding about working standards was that the standards for employees varies depending on the country they reside in. There are some differences in terms of opportunities between offices in Europe and offices in Turkey. The offices in Europe clearly enjoys more privileges than the employees in Turkey. This research finding was identified through the contribution of the participants from different offices throughout the Europe, including Turkey, Czech Republic and Netherlands.

Societal Concerns about IT Operations In the end of the interviews and the content analysis, the researcher confidently concluded that the company develops strong CSR campaigns to cultivate the societies that it operates in. As mentioned in the previous sections, the company's success in CSR practices varied depending on the specific IT concern. For instance, in terms of e-waste management and working standards, the researcher reached out to the conclusion that there are areas of improvement in Turkey office, while the European offices settled better CSR operations around these two concerns. Luckily, this was not the case while analyzing the company's CSR practices to promote social welfare. The researcher had the chance to reach out to four employees in Turkey who shared great projects that were initiated proactively by the Turkish team to promote social welfare.

Audits One important audit mechanism that provided a benchmark for corporations is the globally recognized standards that are established by the International Organization for Standardization (ISO). One of these benchmarks is ISO 14001 certification. The companies who seek for ways to manage their environmental responsibilities follow these agendas. Key focus areas that are identified in the certification are around water consumption, energy use etc... Once identified, ISO develops targets and sets out some criteria and the companies who can comply with these are certified. These certifications are very important because they are a third-party recognition. This is an independent third party audit that examine if the corporate operations comply with certain set of criteria. The company's environmental operations are audited by this third party every year, and the company

acquires this certification. The company is also regulated by another global testing, certification, inspection and training provider that audits the company's operations in production facilities throughout the world. This audit also checks if company complies with some environmental standards. However, these audits are not legally binding as they work on a voluntary basis. Thus, even if there was a violation of environmental rules, the company would not face any liability. Both the content analysis and the interviews led to this research finding that any third party audit conducted in the company's facilities and offices are voluntary ones initiated by the company itself, rather than a compulsory and legally binding audit. Accordingly, the researcher concluded that there is no strong audit mechanism to evaluate a company's duties around CSR.

In the end of the content analysis and interviews, this study reached a conclusion that was not assumed during the initial phases of this research. The interviews revealed an important aspect of the CSR operations in multinational companies. The finding was that the effectiveness of company's CSR operations changes depending on the country it operates in. This was a research finding that was not foreseen prior to the interviews. In the previous section of this thesis, the researcher presented some supporting quotes from the interviewees that guided the researcher to this finding. As mentioned in the earlier chapters, the researcher chose to use 'respondent driven sampling' for the interviews. The researcher initially collected data on a few members of the 'target population' and then widened the sample through asking the interviewees to provide more contacts. The initial participants were two employees of the company located in Istanbul, and Amsterdam offices. These interviewees provided more contacts that would be knowledgeable about and interested in CSR activities. Some of these contacts work in Amsterdam and Prague offices. The participation of these contacts and their additional contact recommendations eventually provided this research a multinational interview sample. By the end of the interviews, the researcher clarified that the firms' motives for adopting CSR strategies depend on the country they operate in. In the end, this study concluded that the way firms apply CSR strategies vary depending on the local concerns of that country.

In the interviews, the participants gave many valuable examples of how CSR activities are integrated in the daily corporate activities. The examples varied

depending on the country in which the company operates. Unfortunately, in case of interviews conducted with employees located in Turkey, the conversations were not robust enough to verify a strong dedication to some of the CSR campaigns around e-waste or working conditions. Thus, the researcher concluded that the Turkish Office is weaker in integrating some of the CSR campaigns into daily activities. Many quotes from the interviews verify this argument. During the interviews, one Turkish participant defined CSR as a 'window-dressing'. On the other hand, the participants who work for Amsterdam and Prague offices engaged in a more enthusiastic conversation with the researcher. While talking about the specific CSR activities within their office, many participants who work for Netherlands brought photos and documents that support the activities they participated in.

During the interviews, the researcher tried to grasp the meaning behind the repetitive use of certain words, such as 'sales oriented team', 'quota', or 'consumer awareness'. Some of these words were used more common than the others by some of the interviewees. The researcher tried to understand if the perceptions of employees are reflected in some of the words that they used repetitively. In the end, these repetitive words gave the researcher strong clues about certain differences between Netherlands and Turkey offices in terms of the employees' experiences around CSR. While employees in Amsterdam office frequently used words such as 'responsibility towards... liability, environment... etc.' the Turkey office mentioned about 'sales quotas, sales oriented approach... etc.'. The repetitive use of these words revealed that the Amsterdam office had a more communal corporate understanding while Turkey office signaled more individual concerns.

Throughout the interviews, the researcher also tried to capture the interviewees' body language throughout the conversation. The employees in Amsterdam and Prague office revealed a more confident and conscious posture while talking about specific CSR campaigns. On the other hand, the employees in Turkey office were less enthusiastic while discussing the same issues. While the interviewer was evaluating the immediate impression about how the interviews went, the interviewer mostly concluded that the Amsterdam office was more knowledgeable about the CSR campaigns that they can use. However, despite this general tendency, the Turkish office bewildered the researcher with its great CSR campaigns for social welfare. Thus, the findings of this research change, 1) first of all, depending on the

country the company operates in, and 2) secondly, depending on which of the six pillars the researcher is mentioning about.

Overall, the researcher concluded that the company engages with some genuine CSR campaigns for the well-being of the society, environment and its employees. However, there are some remaining key areas of improvement about CSR concerns in IT sector, such as energy consumption and blue-collar working standards. At this point, the researcher clearly recognized that the company takes proactive actions once it realizes that there is an increasing demand from any stakeholder for a certain CSR initiative. The company initiates yearly surveys to evaluate the demands from customers, business partners and employees. Last year, the company asked for the participants to fill an online survey about energy related issues. The survey results revealed that there is an increasing demand for sustainability issues as customers demanded ‘product takeback for recycling’, and an increased ‘product energy efficiency’. The company took these feedbacks into consideration and began to present public reports to all stakeholders to increase transparency. In other words, the company proactively revised its relevant policies to enlighten the stakeholders about its operations. In the meantime, the company introduced many additional CSR campaigns to reduce energy consumption and e-waste. This meant that the company takes any complaint and feedback into consideration while revising its CSR operations, because any progress means that the company increases stakeholder loyalty. Thus, this study concludes that IT companies will be willing to take proactive measures to strengthen their CSR strategies in case of a stakeholder demand. However, there needs to be more external audits, regulations and demands so that the corporations would take necessary actions. In case of some European countries, the demand is higher and it prompts corporations to strengthen their CSR activities. In some countries such as Turkey, this demand is lower which ends up with less effective CSR campaigns. As consumers and employees of these companies, we need to demand more to prompt them to be more socially responsible.

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APPENDICES

A. Cover Letter

Dear participant;

Here, the aim is to give you a brief idea about the objectives of this study and to highlight the importance of your contributions in it. This study is about Corporate Social Responsibility. CSR expands as an area of interest in our corporate lives. There are many studies which analyze the CSR operations of corporations from various industries. However, IT sector is rarely a subject for the studies around CSR. Thus, the main concern of this study is to address the research gap in the field of CSR. For this reason, this research tries to answer the following research question with your contributions:

Without a clear academic critique directed towards the CSR activities of IT sector, can IT companies rightfully engage in self-criticism and address to the potential environmental and human rights violations?

There are some key environmental and societal issues that should be analyzed in the IT sector, such as *energy consumption, e-waste, data security and privacy*, and *labor standards*. Do IT companies remember to address these CSR issues? With a clear long-term CSR strategy, your company is a valuable case study to understand where we are in IT sector in terms of CSR. With your contributions, this study aims to understand if your company succeeds to address these key issues or not.

Best,

Yasemin Parla

B. Question Template

Icebreaker Questions

Would you like me to make a quick recap about this research?

Is it okay if we go over the agenda for today? / Is there anything else you would like to add to this agenda?

General Questions about CSR

Which CSR issues are the most important ones for you?

From your sustainability report, I can understand that your company pays high attention to X issue (energy consumption, e-waste or data security).

What are your thoughts about this?

Do you feel like the demands for CSR activities vary depending on the country your company operates in?

From a scale of 1 to 10, how would you rate the success of CSR strategies within the company

E-waste

What is the lifespan of your products?

How does your company handle e-waste?

What are your strategies about recycling of old products?

Can you repair and resell an old product to reduce e-waste?

Energy Consumption

What are the corporate initiatives to reduce energy consumption?

Data Security & Privacy

How does your company guarantee data privacy?

How does your company prevent a security breach?

Workplace related questions (Working Standards)

Could you please describe a typical day in your office?

From a scale of 1 to 10, how would you rate your satisfaction with the company you work for?

Could you please talk me through the CSR strategies that you benefit as an employee?

CSR campaigns about Social Welfare

Are there any initiatives to promote social welfare?

Audits

Are there any external audits on your company sites and corporate operations?

Concluding Questions

Is there anything else you would like to add?

In terms of CSR operations, do you think that there is an area of improvement?