Analysis of Corporate Social Responsibility in the Technology Industry

Focus on Google’s Role and Corporate Social Responsibility Initiatives

Julia Álvarez Hierro
Degree in Translation and Interpreting
Final Degree Dissertation
Director: Dr. Clare Nimmo
Madrid, April 2017
List of Figures

Figure 1: Relevance of corporate social responsibility today 5
Figure 2: Types of visible external communication 8
Figure 3: Share of global search 17
Figure 4: Google office in Tel Aviv 23
Figure 5: Google workforce makeup 24
Figure 6: One Today logo 28
Figure 7: Google Ad Grants logo 28
Figure 8: Global Impact Awards logo 29

List of Tables

Table 1: Main groups inside the technology sector 10
Table 2: Google searches per year 17
Table 3: Measuring of CSR perception 19
### List of abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI</td>
<td>Partnership on Artificial Intelligence</td>
</tr>
<tr>
<td>BCG</td>
<td>Boston Consulting Group</td>
</tr>
<tr>
<td>BLS</td>
<td>Bureau of Labor Statistics</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>GHG</td>
<td>Green-house gas</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>ICT</td>
<td>Information Communications Technology</td>
</tr>
<tr>
<td>IoT</td>
<td>Internet of Things</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Latam</td>
<td>Latin America</td>
</tr>
<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
</tr>
<tr>
<td>PwC</td>
<td>PricewaterhouseCoopers</td>
</tr>
<tr>
<td>RepTrack</td>
<td>Gold standard for reputation measurement which belong to the Reputation Institute</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium-sized Enterprise</td>
</tr>
</tbody>
</table>
1. INTRODUCTION

The important role played by technology companies in the rise of the digital era is widely recognized. Moreover, the tech industry faces constant change and is being reshaped in numerous ways (PricewaterhouseCoopers, 2015). Information communications technology (ICT) is not just one of the fastest growing sectors, which directly creates millions of jobs, but it is also a facilitator of development and innovation (Kvochko, 2013). For instance, a report released by the Broadband Commission for Digital Development reveals that half of the population will be online by 2017, which makes connectivity a key development priority. Arguably, this means that connectivity is not an instrument for the rich, but one of the most powerful tools that we have at our disposal (International Telecommunication Union, 2014).

The spread of internet use as one of the main drivers of the globalization process that transcends all borders and frontiers has become a means for social and economic development. European countries are listed in the top ten for internet use, followed by Canada and the United States. Even though the United States has traditionally been the country of technological advances and innovation, for some time now it has been challenged by other major powers—such as China, Germany, and Russia—, which reinforces the global importance of the tech industry.

For all the reasons listed above, the internet provides businesses with new ways to reach out to customers and improve efficiency. As an example, 95% of businesses belonging to the OECD have online presence. Furthermore, the recent boom in interconnected devices has brought with it new ways for companies to access customers (Kvochko, 2013).

1.1. Main objective and research questions

Even though Corporate Social Responsibility (CSR) is recognized as an important channel through which corporations can give back to and improve society, there is also a large body of criticism regarding the initiatives taken by certain actors. Companies have been accused of not having philanthropic intentions and using CSR as a method in order to obtain gains. (Friedman, 1970). Different companies facing similar competitive environments may choose different initiatives. As a firm’s initial focus is on the decision of the matter which it is going to address through CSR, the following step relies on how
to achieve the goals that each company sets to itself. (Griffin & Prakash, 2014). The main objective of this dissertation is to analyze the evolution of Google’s corporate social responsibility strategy and to determine whether it has been effective or simply forms part of a “social washing” marketing mix. This dissertation is therefore focused on answering the following four key questions:

- What are the main tools that determine external communication in the tech industry?
- What factors account for Google being at the top of the Global Corporate Social Responsibility rankings for the third time in a row?
- What resources—in terms of people, energy, effort, time, etc.—is Google investing in CSR?
- How does the company choose to manage its portfolio?

1.2. General structure

In pursuit of this objective and in order to answer the four questions listed, this study is divided in seven chapters.

The first chapter starts by explaining the contextualization of the information, the justification of the interest of the subject, the research methodology used and the introduction of the theoretical framework. This is followed by a second chapter which consists of a brief analysis focusing on the importance of corporate social responsibility in the tech sector and the reputation of Google as a tech giant in order to try to answer the questions stated above. In the third chapter, the study will present the key initiatives undertaken by the company with regards to CSR.

In the fourth chapter, the dissertation will review the theoretical framework, discussing the meaning of both internal and external business communication, defining the tech industry, and reviewing the main 12 groups and companies inside the industry. The fifth chapter concentrates on Google, as a giant of the tech industry, and will develop and analyze the CSR undertaken by the company. In this section, well-known business rankings and resources will be considered to determine whether Google is progressing in CSR strategies. Next, the conclusions section will summarize the findings of this discussion and future proposals will be drawn on the issues raised. Finally, the references consulted for writing this dissertation and the appendices will be listed. They include the charts and graphs created by the author.
2. RESEARCH METHODOLOGY

The research methodology used to produce this dissertation consists of understanding the relevance of corporate social responsibility for companies, describing general trends—that is, changes that companies have conducted in terms of corporate social responsibility—and subsequently investigate how—or if—a specific firm has incorporated such changes into their own strategy.

Hence, the methodology used in the first sections consists of understanding and gathering information related to corporate social responsibility as regards the tech industry produced by leading consultancy firms such as PricewaterhouseCoopers (PwC), Deloitte, Bain & Company, Boston Consulting Group, or McKinsey. Next, these changes will be exemplified through a case study on a specific corporation, in this instance Google.

The firm Google was chosen because it is an American behemoth that has gained increasing importance in the ICT sector. In addition, the company constantly strives to improve its image, with constant Open Door Days, diversity efforts to include many communities in the employee workforce, and green-based environmental initiatives, inter alia (Google, 2016). Therefore, the multinational company serves as a very interesting case study here.

With a view to investigating how Google’s communication efforts have evolved over the years and the extent of which we can consider the brand to be socially responsible, extensive information has been gathered directly from the firm’s own platform, as well as from newspaper articles—from sources such as The Economist, US news, The New York Times, The Financial Times—, other scholarly articles, and public institutional agencies—such as the United States Bureau of Labor Statistics (BLS). For this purpose, a variety of search engines were consulted—namely Google, Internet Explorer, Safari, Mozilla Firefox—to ensure a rigorous approach.
3. RELEVANCE

As stated in the introduction, this dissertation will seek to explain the importance of corporate social responsibility performance of companies, mainly in the tech industry. To this end, we will focus on understanding corporate social responsibility as a concept and then move to discussion of how it applies to Google.

Today’s understanding of corporate social responsibility dates back to 1990s, even though the early definitions of the term started in 1960 and proliferated in the 70s. In the 1980s, multinational corporations actively began to redefine their role in society by turning voluntarily to addressing environmental, social, and business aims (Lezunke, 2003). Companies have become increasingly conscious of and accountable for their actions beyond financial gains. Corporate responsibility now embraces environmental and social performance. Moreover, companies have been proven to be more successful when they implement responsibility and communication measures, which, in turn, impacts on customer loyalty. Other actors, such as non-government organizations, employees, and social media, become equally demanding and interested in an organization’s sustainable strategies, which clearly influences economic and social attractiveness. More than 64 % of the largest multinationals publish corporate social responsibility information as part of their annual reports (Sawhny, 2008, pp. 6-30).

Many experts, like Holme and Watts, argue that corporate social responsibility represents the commitment of every company to behave ethically and improve the interest of society at large (Holme & Watts, 2011). Even though the main objective of companies is to earn profits, they should implement unilateral or collaborative initiatives and mechanisms to improve its external image (Griffin & Prakash, 2014). Furthermore, some companies, such as Volvo and Toyota, have realized that corporate social responsibility is also a potent source of benefits in terms of competitive advantage and innovation. The former has chosen to prioritize security, while the latter prefers to position itself in the environmental stewardship. The above mentioned are examples of companies that have taken different social issues as an opportunity to improve its competitive positioning. Thus, the relationship between customers and corporations is not a “zero-sum game” (Porter & Kramer, 2006, p. 3).

As Fernando Prado, managing partner of Reputation Institute Iberia and Latam, states: “[f]or a company, it is essential to be perceived as responsible in order to be able
to build and defend its reputation” (Reputation Institute, 2016, p. 1). Corporate social responsibility nowadays is relevant to companies because of three major trends: increasing affluence, the growth of social expectations, and the free flow of information due to globalization. The first refers to affluent consumers who are able to choose the products they buy. Depending on the need of work and foreign direct investment, a society will take strict or lax regulations of penalties to companies. The second refers to increasing consumers’ expectations—in transparency terms, for example—from companies because of their lack of trust of corporations and reduced public confidence in the administrative bodies of a company. Finally, globalization refers to the ease of dissemination of corporations’ wrongdoings and all types of information. All of the above produce a shift in the relationship of consumers and companies. Consumers feel empowered to claim rights, while corporations’ management is being shaped by the latter demand (Egyptian Corporate Social Responsibility Center, 2007). See Figure 1 shown below.

**Figure 1: Relevance of corporate social responsibility today**

![Figure 1: Relevance of corporate social responsibility today](image)

Source: Created by author (Egyptian Corporate Social Responsibility Center, 2007, p. 3).

Currently, corporate social responsibility strategies are suffering constant changes and companies commit to subjects that were not considered before, such as child labor or the environment, which have now become key concerns. Thus, CSR engagement today requires more sophisticated communication strategies than ever (Morsing & Schultz, 2006).

---

1 Stakeholders are defined as “any group or individual who is affected by the achievement of a firm’s objectives” (Morsing & Schultz, 2006).
4. THEORETICAL FRAMEWORK

4.1. Internal communication

The theoretical framework for a study of the abovementioned characteristics should (naturally) start by defining the internal and external types of business communication. Internal and external communications are key factors that contribute to the successful development of a brand. In particular, this section will focus on explaining internal communication and designing an effective business philosophy, which will then be exploited by the different external communication strategies used by the company.

Internal business communication addresses both employees and employers. It is vital for successful employee participation. In many organizations, employees are interested in the efficiency and utility of the internal communication strategy the company undertakes. Moreover, in certain crisis or turbulent environments, as experienced in the last decades, companies have had to radically adapt their internal communication, which generates criticism from workers (Camilleri, 2011). Therefore, the objective of the strategy must be to inform employees about the brand’s philosophy—i.e. identify its main goal, mission, values and principles, and its way of understanding the business model and the world around them, so that employees do not feel overloaded with information and confused by changing messages (Santana, 2013).

Consequently, coordination of the messages that the company wants to transmit to employees is needed. Such strategy should be a two-way one where employees are encouraged to provide feedback in an environment in which workers feel that they are essential for the company, and well informed about the structural framework thereof. Effective communication will be shown in the organizational performance, which will in turn influence the company’s profitability. Likewise, an optimal labor environment promotes productivity, since some of the benefits of effective internal communication include: staff motivation, identification of potential areas of improvement, and monitoring and evaluation performance through employee input (Camilleri, 2011, p. 271).

Internal communication strategies have always been present, nevertheless, not all companies attribute the importance they should have to them. In the current environment of successive economic crises and high competitiveness, a strategic response to the
complexity of managing a company is generally combated by the creation of a sound policy and an inclusive management dynamic. An effective strategy should include the amount of information disseminated to prevent rumors, the dissemination and socialization of results and management indicators, and crisis management mechanisms (Santana, 2013).

Predictably, employees give an external vision of how the company works, whether it is through social media or through word of mouth. The way the company has impacted them individually is how they will voice their experience at work. Therefore, it is essential for organizations to foster good business climate in which workers will feel that they belong that will correspondingly translate into hard and satisfactory work. Thus, internal communication is linked to external communication in the sense that employees’ insights become one of the most important external communication strategies for companies.

4.2. **External business communication**

In a context where there are bigger and more powerful companies fighting for hegemony in a specific market, external communication becomes another important factor in order to create a transparent brand image. Therefore, external communication is defined as a series of communication operations addressed to the public —either existing or potential clients, public authorities, international organizations, or suppliers— outside the company (Muñiz, 2010). Messages communicated externally may include meetings, social media use, discussion forums, etc. Hence, external communication has the objective of collaborating with stakeholders, so the channels used should be adapted to the relationship with the latter (Camilleri, 2011).

Generally, there are various ways to externalize a message, adapting to the target of a company’s product. In fact, the success of a company depends on how the company is perceived externally. In other words, it is crucial to project a well-defined image. The first type of external business communication consists of strategic gathering of information and data that could potentially be useful in order to reach a competitive position in the market. Next, operative external communication is used daily and is the most important channel on the knowledge level, since it is the one responsible for all external public communication a company develops. Finally, the objective of visible external communication is to enhance the image the company is giving externally and
promoting its products. It is also responsible for other activities that help the company externalize—namely marketing, promoting, and advertising (Soto, 2014).

Currently, advertising is not the only valid tool to introduce a message in the market. Equally important to using advertising strategies is creating a communication plan which transmits the corporate identity to stakeholders, which will allow firms to position themselves competitively in the market. Obviously, the latter requires market research beforehand to formulate a valid plan through a chosen distribution channel. However, due to the new technological era, external communication strategies have become far more complex. Strategies for companies now include online advertising platforms via the internet, which transcends the traditional mechanisms— television and print media. (Muñiz, 2010).

In the past there used to be only paid and earned media. Now, companies have developed media roles—since they can advertise themselves online— has led to more studies on the types of media communication. Nonetheless, as we will study in this section, they all converge (De Clerc, 2015). Formerly, companies could only access paid and earned media, but with the advent of the Web came the new terms owned and shared media (see Figure 2). The new platforms have allowed companies to adjust to modernity and open new distribution channels. In order to develop a multi-faceted strategy, the right amount of convergence between the four will depend on the type of company and its communication strategy (Kelly, 2015).

**Figure 2: Types of visible external communication**

![Figure 2: Types of visible external communication](image)

Source: Pear Analytics.
In sum, companies should conduct effective communication strategies that enhance their image both internally and externally, which should not differ from the company’s defining characteristics and objectives. In this sense, corporate communication must reflect a company’s business strategy and should prioritize a defined corporate identity and philosophy in order to project an efficient message to the public.

4.3. The technology industry

a) Defining the technology industry

The main objective of this section is to identify the communication strategies used in the tech industry. This section is crucial in order to understand the importance and relevance of the sector. Therefore, we must define the industry in this section. The tech industry is defined as “the category of stocks relating to research development and/or distribution of technologically based goods and services”. The sector includes software creation, electronics manufacturing, information technology related services, and products (Investopedia, 2016).

Even though recognizing the technology sector is easy, defining the concept is not necessarily firmly established, since technology is constantly changing. Nevertheless, there are certain shared patterns that are generally repeated throughout the sector. We agree that technology is based on transformation and adaptation to the constantly changing world. Not to mention the constant deviation in consumer demand due to the growing necessities of the market.

The technology sector offers investment opportunities and is the markets’ largest segment. The industry is constantly changing and creates new and innovative products while quickly rendering others obsolete. Within the industry, we find four sectors: (1) semiconductors (or chips)—in which a vast number of products rely on—, (2) software, (3) networking and internet—which has led to new business products and changes in commerce—, and (4) hardware. The latter includes communications equipment, computer and peripherals, networking equipment, technical instruments, and computer electronics. In sum, the tech industry is one of the main drivers of modern economies, as explained in subsection c) (Investopedia, 2015).
b) Main groups and companies inside the technology sector

There is no doubt that many of the biggest companies are concentrated in this sector, as the technology industry continues its rapid growth, and other sectors rely on the tech sector to facilitate their own transformations (Deloitte, 2016). Surveys conducted by Deloitte and PwC include a list of the main groups inside the technology industry, as shown below. The top twelve ranked groups according to market capitalization are: Apple Inc, Google, Microsoft Corp, Facebook Inc, Oracle Corp, Tencent Holdings Ltd, IBM Corp, Intel Corp, Cisco Systems, TSMC, Qualcomm Inc, and SAP—in that order. Nevertheless, out of the top 12 companies, many are focused on operating systems, hardware and software.

Table 1: Main groups inside the technology sector

<table>
<thead>
<tr>
<th>Ranking according to market capitalization</th>
<th>Group</th>
<th>Sub-segments</th>
<th>Country of origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Apple Inc</td>
<td>Computers, entertainment media and applications, and smartphones</td>
<td>United States</td>
</tr>
<tr>
<td>2</td>
<td>Google</td>
<td>Search, advertising, operating systems, platforms, hardware products, etc.</td>
<td>United States</td>
</tr>
<tr>
<td>3</td>
<td>Microsoft Corp</td>
<td>Software, operating systems, hardware products, online search</td>
<td>United States</td>
</tr>
<tr>
<td>4</td>
<td>Facebook Inc</td>
<td>Social media</td>
<td>United States</td>
</tr>
<tr>
<td>5</td>
<td>Oracle Corp</td>
<td>Hardware and software products</td>
<td>United States</td>
</tr>
<tr>
<td>6</td>
<td>Tencent Holdings Ltd</td>
<td>Online platforms, message service, online platforms,</td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>Company</td>
<td>Focus Areas</td>
<td>Location</td>
</tr>
<tr>
<td>---</td>
<td>------------------</td>
<td>-------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>7</td>
<td>IBM Corp</td>
<td>Tabulating machine business, computers</td>
<td>United States</td>
</tr>
<tr>
<td>8</td>
<td>Intel Corp</td>
<td>Retail, transportation, energy, channel</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td></td>
<td>acceleration, and smart homes</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Cisco Systems</td>
<td>Software programs, networking products, services</td>
<td>United States</td>
</tr>
<tr>
<td>10</td>
<td>TSMC</td>
<td>Semiconductor logic chips, manufacturing</td>
<td>Taiwan</td>
</tr>
<tr>
<td></td>
<td></td>
<td>processes</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Qualcomm Inc</td>
<td>Wireless communication, software programs,</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td></td>
<td>integrated circuits, chipsets</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>SAP</td>
<td>Sensors, smart devices, Big Data</td>
<td>Germany</td>
</tr>
</tbody>
</table>


As shown in Table 1, the main groups or companies with a focus on search are: Google, Microsoft Corp, and Tencent Holdings Ltd. However, we can argue that size in a technology firm is, in itself, a challenge. Big companies need to generate the growth necessary to remain at the forefront of their industry, so they should take a multifaceted approach to growth, not only focusing on traditional core competences, but also exploring new potential revenue streams. In contrast, small companies therefore have a comparative advantage in this sense because they can expect to grow organically compared to tech hegemons. Thus, the challenge that Google faces, as the second biggest company in the sector, is to innovate further and maintain its ability to adapt quickly to new initiatives (Boston Consulting Group, 2017). At the same time, tech disruption can come in numerous ways, namely from Internet of Things (IoT), connectivity, new economic shifts, etc. Therefore, companies in the sector need to react to changes that require technical agility and increase its business agenda (Boston Consulting Group, 2017).
c) Technology industry outlook

According to The Economist, many of these tech companies are “platforms that connect different groups of people and allow them to engage in mutually beneficial exchanges” (The Economist, 2016). Moreover, the most successful tech companies have achieved a massive scale in just a couple of decades. At present, the three most valuable companies are all tech companies—namely Google, Facebook, and Amazon. All the above-mentioned companies have shifted the attention from the supply side to the demand side, compared to the industrial era, where companies benefited from economies of scale to become giants. As the industrial hegemons used technological innovations to reduce costs, tech firms nowadays use technology to expand their networks. (The Economist, 2016).

Thanks to globalization and regulation, large multinational companies have benefited and expanded since 1980 because of the liberalization of the economy. The companies mentioned are now focusing on building knowledge networks. As we see in Table 1, and contrary to what we may think, tech companies are being challenged by non-western competitors—such as Tencent Holdings Ltd (Chinese) and TSMC (Taiwanese). Competitors are mainly from emerging economies, which respond to national demand and plan to invest in innovation (The Economist, 2016).

As for the 2016 Deloitte’s report on the technology sector, the opportunities for growth in 2017 are found in machine learning, the digitalization of the enterprise, cybersecurity, and cloud adoption. Therefore, the new market should adapt to consumers’ demand and requires expertise in many areas. The need for innovative systems in every sector is fostering collaboration between companies. In this sense, the Partnership on Artificial Intelligence (AI) between Amazon, Google, and Facebook is one of the most representatives. The main objective of the partnership was to share information and advance in a technological sense. Being open and capable to adjust to change is, therefore, one of the main tools tech companies have to broaden networks and activities. However, since the tech industry is related to many areas of expertise, companies in the tech sector must be agile and adjust to new scenarios in order to become the best in a narrow field (Sallomi, 2016). This competitive drive extends to all areas of the modern technology firm, including CSR, as discussed below.
5. REVIEW OF PREVIOUS LITERATURE

In the scientific literature, there are multiple studies of CSR strategies implemented in various sectors, and even some refer to the IT sector. Also, there are many studies that discuss the possible main motivations for adopting CSR strategies in general. However, studies on motivation and integration of CSR in tech companies—which are important sources of innovation both in processes and in products—have not been found. The study of the role of tech companies in environmental administration and sustainability, and hence, in CSR, are at an early stage. Therefore, the study in-depth of CSR in the tech industry is necessary (Bernal-Conesa, Briones-Peñalver, & Nieto, 2016, pp. 35-36).

Amongst other reasons, organizations adopt CSR management and divulge information on the mentioned subject to comply with different regulations, to improve internal processes, to promote sustainability achievements, to commit to their stakeholders, and to meet expectations and to prove committed management with sustainable growth. The motivations of the implementation of CSR have been studied in different countries and sectors. The studies found that there are two main types of motivation: internal—or intrinsic—and external—or extrinsic—, as we have seen in sections 4.1 and 4.2 (Bernal-Conesa, Briones-Peñalver, & Nieto, 2016, p. 36).

In the tech sector, a project’s development period is exceedingly long and companies usually present negative results in the initial years of activity. In these occasions, the financial indicators are not effective to measure a company’s potential. Furthermore, CSR has a significant positive contribution in national—and international—competitiveness and quality of life level. In other words, CSR results in greater competitive success, provided that it is integrated in the organization and, thus, generates innovation in the management processes. When operating in the information and telecommunication technologies sector, an activity has a high social impact, since it generates employment opportunities and fosters employee education. However, very few studies were found on the influence and competitiveness of CSR in technology firms (Bernal-Conesa, Briones-Peñalver, & Nieto, 2016, pp. 36, 37).
5.1. **Sustainability reports and CSR**

This section is focused on describing the importance of CSR and sustainability reports. Corporate social responsibility and sustainability reports are published by companies and provide information about environmental, economic and social impact of their everyday activities. Companies across all sectors, sizes and types release assessments on risks and opportunities they face, all of which determine capital markets to create long-term wealth and sustainability for shareholders. Today, companies understand the need for these reports, which is why there are many institutions that provide corporate social responsibility and sustainability reporting guidance, such as: GRI’s Sustainability Reporting Standards, the United Nations Global Compact, the Organization for Economic Cooperation and Development, the International Organization of Standardization, etc. (Global Reporting Initiative, 2017).

In this sense, we find that there are two types of corporate social responsibility and sustainability reporting—mandatory and voluntary. Over the years, there has been a dramatic increase in the number of companies that have issued CSR or sustainability reports as a matter of course (Global Reporting Initiative, 2017). According to Corporate Register, a global directory of corporate responsibility reports, in 1992 there were only 26 organizations that issued reports on a yearly basis, compared to 13,958 in 2017 (Corporate Register, 2017). The strong growth of voluntary reporting suggests that companies and shareholders find value in the publication of this data (Lydenberg, Jean, & David, 2017).

Nonetheless, companies reporting on a voluntary basis, may choose to release reports on different time periods, on different indicators (within the same sector), and in different formats and metrics. Mandatory reports have the potential to address the challenges that voluntary reports face. On the one hand, mandatory reports help transform the reporting into actual social responsibility or sustainability performance. On the other, mandatory reports address specific sectors to allow stakeholders and investors to compare relative performance in the area of CSR and create a level playing field for crucial information provided by corporations (Lydenberg, Jean, & David, 2017).

In a nutshell, CSR and sustainability reports are necessary for companies to attain improvements in performance in the fields mentioned above. Therefore, companies must issue mandatory or voluntary periodical reports that provide key performance indicators.
which vary depending on the industry under consideration. These reports allow third parties to understand corporations, compare companies within sectors, and judge a company’s sustainability performances and practices (Lydenberg, Jean, & David, 2017).

5.2. CSR performance and management indicators in the tech sector

According to numerous studies, such as the one conducted by the European Journal of Management and Business Economics, the integration of CSR strategies is beneficial for companies in the tech sector. Standardized management systems do not only have a positive impact on implementation of CSR measures, but also influences the internal improvement of the company, and improves the external perception—reputation—of a firm. Moreover, all the above mentioned have a positive impact on the company’s economic performance (Bernal-Conesa, Briones-Peñalver, & Nieto, 2016).

Therefore, CSR strategies result not only in an ethical or moral positioning of a company, but also generate intangible values, such as the external reputation of the company. Even though certain CSR initiatives like environmental controls could create short-term losses, they can report long-term benefits if the initiative is well perceived by customers (Bernal-Conesa, Briones-Peñalver, & Nieto, 2016).
6. **CASE STUDY: GOOGLE**

6.1. **Relevance**

According to The Economist, “the computer industry has been dominated by one large company after another” (The Economist, 2006). The brand chosen as a case study to exemplify Corporate Social Responsibility’s initiatives is Google, a tech giant which processes 4 billion searches a day (The Economist, 2016). Now we will proceed to analyze the firm’s relevance as a giant in the tech industry.

As briefly explained in the previous sections, Google is an American tech company that belongs to Alphabet Inc. Group and is specialized in internet services and products. The company was founded in 1998 at Stanford University after two students (Larry Page and Sergey Brin) built a search engine that used World Wide Web links to identify the main individual pages. The original name of the initiative was Backrub, but it was soon after that they renamed it to Google. After humble beginnings, Silicon Valley investors and scholars started to show interest for the mathematical algorithm, and in 1998 Google Inc Group was officially founded. By 2016, the giant employed 72,053 people across the globe (Statista, 2017), brought 90272 M$ in sales (4-traders, 2017). The company was chaired by Eric Schmidt until 2010, who is considered to be the 100th richest man worldwide, according to Forbes. Currently, the CEO is Sundar Pichari.

Alphabet Inc. Group is a business conglomerate that encompasses Google and other multinationals such as CapitalG, Nest Labs, or Calico. It was created in 2015 by the founders of Google. Google is, of course, the biggest one. It is a decentralized organization in which all companies work separately. In this sense, Google results for each financial year are presented separately from the rest of the companies. The main goal of the parent company is to have effective CEO’s and exploit the opportunities the subsidiary companies present. Larry Page’s plan is to make Google a wholly-owned subsidiary of Alphabet and to continue trading on Nasdaq as GOOGL and GOOG (Alphabet Inc., 2017).

As a subsidiary of Alphabet Inc., Google’s spirit remains unconventional; “keeping things colorful” and constantly searching for better answers are the company’s two main mottos (Google, 2017). The hegemon’s main driver is the search engine for internet service, but it also focuses on developing hardware and software. As other
multinational technology companies, Google has had to adapt to the new technological era and reexamine its business structure.

Moreover, Google registers 77% share of global searches (see Figure 2). Its main search competitors are Bing, Yahoo, and Baidu, but Google remains the hegemon in the search market.

**Figure 3: Share of global search**

![Google search share](image)


In addition, Internet Live Stats, a real-time statistics firm, displays the number of searches Google receives worldwide. The statistics show Google’s search volume and proves that the tech company receives over 400,000 searches per second, which means 3.5 billion searches per day and 1.2 trillion searches per year. As we can see in the table below, the evolution has been exponential (Internet Live Stats, 2017).

**Table 2: Google searches per year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Search queries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
</tr>
</tbody>
</table>

With its headquarters in Mountain View, California, Google began as a search engine and now offers more than 50 internet products and services: from emailing to smartphones, etc. (Hosch & Mark, 2015). In the beginning, they used users as their marketing strategy, until 2009, when the search engine received more than 800000M visits (as we see in Table 2), when the firm started to produce its first television commercial. In 2000, Google had 150 employees, of which more than half were dedicated to R&D (Business Insider, 2017). Now, the company has more than 72,053 working full-time (Statista, 2017).

Out of the three approaches for creating and profiting from disruption for tech companies—in-house innovation, partnering with other firms, and acquisitions—Google has opted for the third one lately. This last alternative is generally chosen by large tech firms that want to invest in new sectors. Since 2014, Google has acquired Nest Labs (which has automatically joined Alphabet Group), an automation startup, with the objective of expanding its business scope (Sur, 2016).

As we will see in the following section 6.2, Google has been ranked at the top of CSR rankings of all sectors, since it has implemented astounding corporate communication initiatives. Last year, the company stood out in the workplace dimension, as explained below. All the above shows that Google represents an exceptional example of CSR strategy, which is the case study for this dissertation.

6.2. CSR measures

There have been many studies that analyze companies with regard to corporate social responsibility, since “perceptions related to CSR build more than 40% of any company’s reputation” (Reputation Institute, 2016), which is essential for multinationals. In 2016, the Reputation Institute, one of the world’s leading research firms on reputation, ranked Google No. 1 on the RepTrak Global Corporate Social Responsibility rankings—which include all sectors—for the third year in a row with a score of 75.4, 0.3 more than the following company, Microsoft (see Appendix 1) (Miceli, 2015). The ranking criteria depends on three categories: workplace, governance, and citizenship (see Table 3) (Reputation Institute, 2016).
Furthermore, the report shows that Corporate Social Responsibility is more important in some industries than others, namely the information and media industry and technology. Only sixteen of the best companies ranked are considered to have “strong CSR reputation score” because they regarded alignment, leadership, engagement, and sincerity, which the rest did not present.

From the top five companies ranked, Google is the only tech firm (Miceli, 2015). The IT sector faces different challenges to make societal contributions compared to other sectors. Its comparative advantage is that this sector can provide backing to society in ways that distinguish it from other sectors (Morfit, 2014). As we will see in section 6.4, the expansion of internet access and the capacity of search engines to reach a wide audience across the world. Furthermore, the continuous innovation and the ease of use of new technologies are two of the most important differentiating initiatives of the IT sector. In this sense, the sector is called to respond to society’s needs which derive from the mentioned advantages over their competitors, therefore, CSR strategies are studied in detail in sections 6.3 and 6.4.

6.3. Evolution of Google’s corporate social responsibility strategy

As mentioned briefly in the previous sections, in addition to the aim of businesses of being regarded as socially responsible to obtain gains, an effective communication strategy can set the bases for other companies (not necessarily from the same sector) to follow. The evolution of corporate social responsibility strategies taken by Google have culminated to be presented as social movement (Sharma & Mann, 2016). This section is destined to study the chronological account of the initiatives taken by the company.

Google has always been a pioneer in CSR strategies. So much so that communicators and companies have occasionally followed and copied its initiatives. For
example, Google’s carbon footprint initiative undertaken in 2007 has been an example for other tech companies, such as Facebook. Throughout the years, the company has proved to have listened to the public’s demands in terms of CSR initiatives. This has been the case of the green and other CSR initiatives undertaken by the company. Since its creation in the 90s, Google’s CEO highlighted the importance of environmental stewardship. Several years later, the Group started to implement innovative approaches to deal with the problem of the waste of energy, which is now one of the main pillars of its CSR strategy. Another example of Google’s leading role is the treatment of employees. While many not many organizations realized the significance of motivating employees for the company’s profitability, Google engaged in the care of workers through many initiatives that will be explained in the next section 6.4.

However, there have also been strategies destined solely to benefit the company. For example, the hiring of Al Gore, former United States Vice President, which is a strategy that some multinationals with political leanings elect to do in order to be identified with a specific political party.

Now, the company philosophy is based on reminding workers that the search engine’s methods differ from previous unfair tactics employed by other firms, such as Microsoft. By adopting the motto “don’t be evil”, Google presented itself as a new fresh company that not only addresses customers, but also stakeholders in a more ethical manner (Fleming & Jones, 2013, pp. 74-75). This, however, annoyed entrepreneurs who believed they did not do evil either, but they did not say they did not.

Even though the initiatives undertaken by the company might come with mixed reactions, the Group has proven to learn from past errors and adapt to change. Today, doing business is not only about maximizing profits, it also has to do with businesses activities regarding their perceived societal obligations (Bruun, 2016).

Unlike other companies, Google does not publish an annual report on its CSR strategies. Therefore, the next section is intended to analyze the company’s performance as regards the main categories of CSR activities, which, to a large extent reflect normative theories on CSR communication.

6.4. Corporate Social Responsibility strategies undertaken by Google

Firms are always under pressure to address challenges in society. Thus, big companies often launch projects that aim at engaging with different stakeholders, whether
this is communities, governments, customers or employees (Bode & Singh, 2016). This section is aimed at giving an overall view of the initiatives undertaken by the firm to promote CSR and its image to outsiders. For this, we will consider potential CSR metrics regarding an IT company such as: employee engagement, diversity, green initiatives, good causes, and promoting development and expanding internet access. Among other goals, this section aims at determining the extent to which Google’s engagement in CSR improves or worsens the company’s profitability, workers, conditions, and environmental footprint.

a) Employee engagement

Measures undertaken by companies to improve their external image, as we have seen in the previous sections, is key to attain economic success. This way, research has demonstrated that being perceived as being socially responsible can facilitate the recruitment of employees. Employees are no longer satisfied by top-down initiatives and prefer social initiatives driven by themselves, so CSR should not just be a corporate-centered phenomenon (Bode & Singh, 2016). Thus, the ability to retain employees and satisfy their needs and ambitions is a goal every company should engage in. Already in 2012, an article called “The top ten trends in CSR” published by Forbes magazine emphasized the importance of the relationship between CSR initiatives and employee engagement. They found that companies that “companies with highly engaged employees have three times the operating margin and four times the earnings per share of companies with low engagement” (Forbes, 2012). This is, when employees are engaged, they put more effort in their work and consequently generate benefit for the company (Neha & Vandna, 2016). Not surprisingly, this trend has continued beyond 2012.

Employee empowerment, which allows employees to make decisions and judgements and maximize their performance, is a practice that Google has successfully applied in general terms.

Google did not initially perceive the benefits of empowering employees, but when the company realized that programmers’ will was the motivation source needed to accomplish software programming, they created a strategy called the 20 percent rule. The strategy consisted on dedicating 80 percent of the time at work to conduct assigned projects, while the remaining 20 percent was destined to give employees the opportunity to brainstorm about new possible projects and interests they could have. The result was
the intrinsic motivation for workers to finish assignments ahead of schedule and raise productivity and give them time to develop new products (Beck & Kleiner, 2015).

Google has developed a variety of ways to empower their employees. First, since not every new project is launched for sale, the hegemon created a strategy consisting of giving employees feedback of their projects in the form of peer reviews. This creates benefits for both the company and the employees, as it sets the quality bar high, and allows workers to develop the ideas they want (Girard, 2009, pp. 60-77). Another strategy is giving workers both monetary and non-financial rewards, both strategies being important for the company. Google’s approach to non-financial rewards are giving employees additional skills and responsibilities in projects in which they were not originally involved. Moreover, innovation and creativity are fostered and original ideas are valued from any employee—as was the case of Google News, which was the idea of an Indian engineer; Orkut, Google’s social networking community; or Google Toolbar—all of which were elaborated during employees’ 20 percent free time (Girard, 2009, pp. 79-88).

Google has always been regarded as a firm that places value on authenticity, which encourages employees to provide new insights and be themselves. In this sense, authenticity and business ethics intersect (Fleming & Jones, 2013). Flexibility and innovative design are the company’s main motto, and they have been addressed since 1998, year in which the company was founded. As the company states in their webpage: “[w]e put great stock in our employees—energetic, passionate people from diverse backgrounds with creative approaches to work, play and life” (Google, 2016).

All the above are strategies that create a working environment with unusual work habits that make the employee comfortable and willing to grow both personally and professionally.

Other representative perks that Google offers its workers are the facilities (see Figure 4 and Appendices 3 and 4). Some examples of amenities are free gourmet food and laundry services, pool tables and bowling alleys. Google even employs a chief happiness officer whose only job is “to keep employees happy and maintain productivity” (The Guardian, 2016). In terms of worker’s productivity and happiness, Google leads the way. Other IT companies are catching up, powered by the behemoth’s financial outcomes and the loyalty, interactivity and creativity of their staff.
The comfort of the working environment is also stressed in many business magazines surveys. This year, Forbes regarded Google as the best company to work in in terms of trust in coworkers and managers. The study shows a list of 100 companies and the employers opinion on the best workplaces in the US (see Appendix 2). The analysis was focused on a yearly study of the contentment of employees in the most famous companies of the country, and determined that the companies that score high in trustworthiness, also finish first in revenue growth, stock performance, profitability, and other business measures. Despite being ranked the best, the top 100 are not perfect due to the disparities between workers’ experiences. Nonetheless, Google has been scored the best. Moreover, out the first ten, Google is the only company from the tech sector, and has been in the leading position for six years now (Bush & Lewis-Kulin, 2017).

As in many other subjects, Google dedicates a section in its webpage entirely to careers and how they take care of their employees. The company makes a special quote praising that the company offers equal opportunity for employees (Google, 2017). According to the Forbes study, the top workplaces are increasingly aware of the need to eliminate differences amongst workers (Bush & Lewis-Kulin, 2017, p. 2). However, this subsection is very related to diversity, which will imperatively need to be studied in order to consider if Google really offers equal opportunities to all.
b) Diversity

American multinational insurance corporation AIG acknowledges the importance of diversity and inclusion in creating a workplace that leads to innovation, growth and profitability (AIG, 2017). Creating a diverse workforce has always been a challenge for tech companies. What is more, publishing diversity and inclusion numbers is a relatively new phenomenon amongst IT companies (Smykal, 2016). Silicon Valley has been criticized for its lack of diversity, but Google was one of the pioneers in publicizing its diversity numbers (Public Broadcasting Service, 2016). In 2014, the company began to voluntarily publish its annual diversity employment numbers. Google executives are confident that the company’s support of diversity will begin to have effects in the workforce soon. The company offered Fortune, a multinational business magazine, an inside look at its efforts by interviewing employees, inter alia, and everyone agreed that it is slow, but real (McGirt, 2017).

To reduce the gender and minorities gap, Google has taken several initiatives that aim at being more inclusive. Google claims its commitment to diversity, by making the website available in more than 40 languages and in more than 70 countries (Libin, 2009). The company devotes an entire section of its site to sharing diversity stats and present the ways in which the company is working to increase inclusion (Smykal, 2016).

**Figure 5: Google workforce makeup**

![Google workforce makeup](image)

Source: Google, 2017.

As seen in Figure 5, 2016 Google statistics in terms of gender show that 69% are men and 31% women. In ethnicity terms, 59% are white, 23% Asian, 8% Latino, and 7% black (Google, 2017). Former vice president of People Operations Laszlo Bock argues
that the lack of diversity is related to the fewer women and minorities pursuing computer science degrees, compared to white men (Risen, 2014).

Compared to 2015, the hiring percentages in terms of diversity are on the right track. They have hired 2% more black people, 2% more Hispanic population, 2% more women, and achieved a 2% increase in women acceding leadership positions (Google, 2017). Even though the company is making steady progress towards inclusion, it still has a long way to go, since white males are still a majority. The biggest progress is in terms of leadership roles, since women hold 24% of leadership positions.

Moreover, Google empowers its users to address unconscious bias. Starting in 2013, they conduct un-biasing trainings and workshops to raise awareness about unconscious bias, which leads to more conscious decision-making, according to research (Google, 2017). This year, around 73% of Googler’s have taken part in promoting anti-bias campaigns and promoting practices (McGirt, 2017). Other approaches include town halls held by black workers, and support for transgender workers, which explains why employees regard the working environment as “safe and inclusive” (Bush & Lewis-Kulin, 2017, p. 6).

Regarding the financial support of the initiatives, the company commits more every year. In 2014 Google put $114 million into diversity programs. The following year, the company allocated $150 million to promote diversity, out of which half went to organizations and communities and the other half to internal strategies promoting diversity (Kelly H., 2015).

However, it is unclear that the diversity initiatives undertaken by the company are effective in every respect. An obvious observation of the initiative regarding diversity is that it is not a traditional strategy top-down CEO-driven one. Executives have not issued any memos or linked compensation to diversity objectives, for example, which would undoubtedly indicate to outsiders that diversity is an urgent priority. Rather, it is an inside-driven initiative with many Googlers leading in different directions. This raises the question whether diversity really is a major concern for the company and if it is being taken seriously (McGirt, 2017).

c) Green initiatives

Another CSR strategy that aims at conviying that companies embrace responsibility and encourage a positive impact through its activities on the environment
are green initiatives. This approach plays an important role in the impact in climate change, effective use of energy, and water footprint. Therefore, in order to determine whether a company is being socially responsible, it is crucial to take a look into its green strategy (Go-Green, 2017).

Again, Google dedicates a whole section of its website to environmental projects, approaches and resources allocated for green initiatives. Since the creation of the company, they claim to have been environmentally sustainable. In the first office in Mountain View, California, they used repurposed materials and free of harmful chemical furniture. When the company started growing, these initiatives have been transformed into being raised to a macro level. Now, environmental aims are still the benchmark, or so the company asserts. In the company’s environmental report published last year, Google expresses its commitment to environmental sustainability (Google Environmental Report, 2016). The internet giant is the world’s biggest corporate buyer of renewable energy, and the objective established for 2017 was to reach a 100% renewable energy for all its operations (The Guardian, 2016).

Their goal goes beyond the need to hold the line of energy use and tries to lower it by using fewer resources and avoid the waste of natural resources. Energy consumption being the biggest impact on the environment, Google addresses several targets to pursue its goal. First, they help people conserve energy by using Google Cloud. Second, they support clean energy and climate change policies. Third, they attach importance to the efficient utilization of water. Finally, the company reuses, recycles and repair products to prevent wasting natural resources (Google Environmental Report, 2016).

Furthermore, the end goal is a zero-carbon world, which they have been practicing since 2007, as they are carbon neutral since then. Its effort consists on reducing carbon footprint by being more efficient, invest in programs that offset the emission of gases through its everyday practices (Google Environmental Report, 2016).

To comply with the objectives established by themselves, Google has established connections between foundations, NGO’s, and has tried to obtain numerous certifications. Amongst the certifications we find that Zero Waste to Landfill is one of the milestones for the hegemon, which consists on recycling and reutilizing solid waste produced at their facilities (Understanding Zero Waste to Landfill Certification, 2015). Google has reached 100% of landfill diversion in more than six global data center operations (Google Environmental Report, 2016).
If we were to compare the company’s acknowledgements with others in the sector, we would see that Google is performing positively in terms of waste, energy, and GHG emissions. Moreover, Google sets several targets for the future that are carried out entirely. For example, in terms of the certifications, their goal is to incorporate all Google-owned data centers into energy management systems certificates, which therefore must exceed specified operational requirements. In respect of water, the company wants to reduce potable water consumption and set regional targets for doing so. Finally, the company’s data centers use 50% less energy than other IT sector data centers (Google Environmental Report, 2016).

Other examples of Google being a pioneer and leader in this regard are: the free cooling system, the objective of reaching 100% renewable energy, partnering with renewable energy developers, the creation of new models for greening energy consumption, and the section in its platform called Google Green, which is a corporate effort to make efficient use of resources and support renewable power (Moreno, 2015). In financial terms, the company has invested around $950 million in being environmentally friendly (Google Environmental Report, 2016).

In sum, we can state that Google’s green initiatives are one of the most efficient and ambitious in the IT sector (The Guardian, 2013). Google’s green initiatives are also regarded as one of the most innovative of the sector. According to Fast Company, the giant is ranked number 6 out of the 10 best companies in terms of energy, since Google covers its energy output by buying enough renewables (Fast Company, 2017, p. 2). Nevertheless, we will see in the next section 6.5. that the company has been strongly criticized in this regard.

d) Good causes

In addition to the previous initiatives discussed, Google has also implemented other ethical and humanitarian strategies seeking to reinforce its reputation. The IT brand has two webpages that indicate its commitment to good causes: Google.org and One Today (the latter being also a smartphone app). One Today (see Figure 5) is an approach that includes charitable donations, fostering free education, animal protection, loans destined to agriculture, wildlife protection, etc. Its main humanitarian values are to end sex trade, to facilitate the access to clean water, to facilitate transportation for cancer patients, to reduce poverty and hunger, and many more (Google One Today, 2017).
To achieve all the mentioned goals, the app gives Googlers the opportunity to join the online community that allocates one dollar every day to these causes (Google One Today, 2017). Transparency is one of the main pillars of this endeavor, so it offers users complete information about how the donations will be used for every project. With the creation of the Google Ad Grants (see Figure 7) donation mechanism, nonprofit organizations faced barriers, since the usual critique against them is the lack of transparency. Nonetheless, this crowdsourcing initiative has been used by nonprofits, which makes fundraising easier (Olanoff, 2013).

Regarding a specific country affected by natural disasters—China, for example—we find that Google mobilizes their departments to cope with present-day problems. Google China Social Innovation Cup for College Students, Supporting Earthquake Relief Efforts, and Google Grants. The first one consists on a competition which aims to instill the values of social responsibility in young people. The second refers to the efforts taken to support and relief the earthquake consequences of 2008 in the country, including rebuilding infrastructures and rehabilitating. Finally, Google Grants are donations granted to non-profit organizations directed at following their humanitarian programs (Dharshini, 2014).

With regards to charity, Google plays an important role in non-profit sector, even though it is generally accused of refusing to pay taxes. It is estimated that it donates $1bn to charities and other good causes. As mentioned above, the biggest philanthropic arm is
Google.org, which is one of the most generous corporate givers in the industry (Hillier, 2016). Other fundraising campaigns include charitable gatherings like the Global Giving Week, which raises the donations dramatically every year (USA Today, 2016). Every year, the company donates $10 million to charity.

Another well-known project inside Google.org is the Global Impact Awards (see Figure 8). It was first implemented in 2012 and consist of giving a yearly donation of $23 million to innovation and tech nonprofits to combat challenges human beings face nowadays. The donation is distributed between seven nonprofits that aim at the future with projects that monitor drinking water and combat wildlife trafficking (Google, 2017).

**Figure 8: Global Impact Awards logo**

Source: Google (2017).

However, the efforts undertaken are not enough to convince media. In 2004, right before the company sold its shares, Larry Page promised that he would donate 1 percent of the company’s profits, 1 percent of its equity, and dedicate many employees for humanitarian causes. Seven years later, top executives’ discourse had forgotten about Google.org, even though Google accomplished its 1 percent giving goal. The IT giant has been also criticized for having initiatives that look good on paper but do not save lives, such as the tool that collects information to predict flu outbreaks. Moreover, in the philanthropy world, Google’s actions have also been regarded with suspicion (The New York Times, 2011).

Nonetheless, we need not disregard the efforts that Google is making nowadays vis-à-vis refugee causes. CEO Pichai has donated $2 million and has asked employees to match, i.e. the organization would have donated $4 million since Trump’s travel ban (Horton, 2017). Other causes are also being fought for, like racial justice causes, with the donation of $11.5 million from the company in 2017 (USA Today, 2017).

All the above-mentioned strategies account for Google being ranked in social good studies. This year, the company has been also ranked in the tenth position in the
Fast Company index including the most innovative companies, the only one representing the IT industry (Fast Company, 2017).

e) Promoting development and expanding internet access

Among the different approaches that a company can accomplish with regards to developing countries, internet access is one of the differentiating initiatives an IT company can undertake making it stand out from other sectors. In addition, fostering SMEs is another of the main targets of companies in their effort to help the developing world. SMEs have proven to create jobs and alleviate poverty and serve to promote innovation and young entrepreneurs. In developing countries, this effort is all the more important, since smaller firms tend to be born out of the necessity of social and environmental resource utilization (Jamali, Peter, & Jeppesen, 2017). We must not forget that Google is not a nonprofit nor an NGO, therefore, all the voluntary efforts undertaken by the company should be valued.

Google asserts that their goal is to process information and make it available worldwide (Google Environmental Report, 2016, p. 3). For this reason, the company has taken many campaigns to reduce the cost of internet connection and making online platforms more accessible. In 2014, compared to 2015, the number of people who are connected slowed, 7.4 percent to 6.9 percent in 2015. In 2015, the UN estimated that 32 million people in the world were connected. Google and Facebook decided to cut the cost of internet access. The Project Loon is a research and development project that consists of a series of helium balloons that provide high-speed connectivity in rural and remote areas around the globe, especially in Indonesia (Simonite, 2015).

Nevertheless, this is just an example of the many efforts that the company is engaging in different parts of the world. Recently, Google has tried to bring high-speed internet to Cuban, one of the most least connected countries, by negotiating early stages with the government (Independent, 2016). Another project is the creation of SMS services in Uganda, which uses mobile technology as a pretext for development (Qiang, 2016). In this context of inequalities among countries, Google.org explores approaches economic development and poverty by supporting SME’s development and growth in Africa, including IT based platforms for access to capital and market opportunities (Kramer, Jenkins, & Katz, 2007).
With the goal of supporting research aimed at curing diseases and extending life, we see how the giant partners up with other IT companies to join efforts to tackle common concerns. In addition to the already mentioned deal with Facebook to create Project Loons, Google has also worked together with the mentioned company in many other occasions. Both companies awarded $33 million in prize to research about disease curing in (Bloomberg). Moreover, in 2013, in partnership with other big companies in the tech sector—Yahoo, Microsoft and Intel—, Google attempted to help United Nations’ Broadband Commission in making the internet accessible through all developing nations by charging no more than 5 percent of the respective citizens’ average monthly income (Kastrenakes, 2013).

6.5. Criticism

However, there is also a large body of criticism about the social responsibility rationale undertaken by organizations. Some authors state that corporate social responsibility is just a matrix that emerges from capitalist domination. The most common accusation is that multinationals use CSR as an excuse to earn profits by appeasing and silencing the customer in enterprises that harm the community. In particular, in the tech industry, even though employees may disagree on the strategy the company uses to earn profit, they can be attracted by the innovation and development (Fleming & Jones, 2013).

In the case of Google, the more prominent critiques go towards its greenwashing initiatives. Greenwashing is a term that refers to the actions taken by a company to promote green-based environmental initiatives, but operates in a way that is harmful for the environment or at odds to which they have announced. This practice can mislead investors and customers. Thus, the main idea is to obtain benefits in a manner that appears to be environmentally friendly (Investopedia, 2017).

In this context, Google has been accused of contracting energy from places from which energy is not that easy to obtain. The accusations are based on the assumption that the renewable energy which Google claims to buy from wind farms, could not reach its data centers. While it is true that wind farms can generate renewable energy, critiques state that a city like New York, for example, could never generate renewable energy because its electric grid was never designed to receive it without transmission lines. Critics argue that Google should help build these infrastructures instead of boasting wind farms, which do not have a meaningful impact on society (Krapels, 2016).
Another main concern is the case of China. Although we have studied that the behemoth attempts to make online access available everywhere, it has found some obstacles in the country throughout the years, because Google did not want to be subjugated by the government (China CSR, 2010). These critiques have been silenced recently due to the relatively positive image that Google in the country. These include the humanitarian aid mentioned in the previous sections, and the efforts to persuade Chinese’s’ rights by pulling out of the country in 2010 (Whelan, 2012). However, economic interests appear to always win over humanitarian ones, and since the number of Chinese users is growing, Google could benefit from entering the country again. In sum, “in places where censorship is the norm, the tradeoff for getting to use new services remains the same: easily accessible information comes at the cost of continued government control, filtered through American internet companies” (Waddell, 2016).

As we see, Google dedicates great effort to CSR strategies which help promote the brand image and, therefore, gain prestige and future possible investors. The chronological account of initiatives undertaken by the company show how they reflect an emerging CSR approach of the company’s philosophy. From the philanthropic arm, to the green initiatives and the care for workers’ wellbeing, Google has invested money, time, and effort into social initiatives. All the latter help us understand why the company has been classified as the first in CSR ranks year after year. Even though there has been criticism, Google has been ranked numerous times as one of the best companies to work in by renowned indexes and business articles, even when taking different parameters into account.
7. CONCLUSIONS

The main objectives of this dissertation have been to describe and analyze the extent to which CSR initiatives have shaped the landscape in the technology industry and, specifically, how they have informed Google’s strategies in order to determine how successful its actions have been as a multinational tech company. Based on the wealth of useful data available online it has proved possible to achieve the aforementioned goals and answer the research questions raised in section 1.1.

As a brief summary of some of the main points that have emerged in this dissertation, we can affirm that the internet and online strategies have changed the way we perceive business communication today. Traditionally, advertising was one of the main tools organizations had at their disposal. However, nowadays, external communication strategies have become far more complex. Inside the traditional types of visible external communication—earned, owned, paid, and shared—we find that online advertising has allowed sectors to use: media relations (earned), websites (owned), banner ads and Google AdWords (paid), and employee satisfaction and word of mouth (shared). Furthermore, some of the new tools that the internet has introduced are as follows: search engines, banner ads (paid category); websites, online blogs, mobile applications (owned by brands), and lastly, social media (part of the shared category). The integration of social responsibility measures does not only translate in the ethical or moral positioning of a company, but also in the generation of intangibles of high strategic value. Therefore, the main key point that determines external communication in the tech industry is competitiveness (Bernal-Conesa, Briones-Penalver, & Nieto, 2016, p. 48).

Businesses today must not only focus on maximizing profits, they should also seek to do business activities with respect to their perceived societal obligations. These obligations fall under the term corporate social responsibility, which refers to company’s responsibility for their impact on society. When it comes to CSR, Google is ranked number one and enjoys a great reputation (Bruun, 2016). Contributing to this good reputation, Google based its CSR strategies on crowdsourcing innovative experiences (O’Brien, 2016).

As an IT sector brand, Google’s corporate social responsibility’s initiatives have evolved dramatically over the past decades. Google’s communication strategy has always been oriented towards being the first to implement innovative approaches regarding CSR.
Today, the company continues to be one of the leading firms in this aspect, and has proven to learn from past mistakes and listen to stakeholders’, markets’, and employees’ demands. Google’s’ CSR strategies’ milestones are: employee engagement, the promotion of diversity, green initiatives, good causes, and promoting development and expanding internet access. With regard to all the reputed surveys and studies taken into account for this dissertation, we can assert that Google’s image in general terms is positive for investors, Google users, stakeholders, etc.

Nonetheless, the company has also received many critiques throughout the years which indicate that the company has not tackled good communication strategies since its creation. Its main indictments have been against the promotion of development through the expansion of internet access—in the case of developing countries—, and against its green initiatives, of which Google has been accused of greenwashing.

We can deduce from the analysis that Google is a pioneer in many aspects regarding CSR. As it tends to occur in the tech industry, where a giant goes, the others attempt to follow. In the case of the strategies undertaken by the company to be regarded as socially committed, when in 2014 the company started releasing diversity reports and making their own diversity commitments, Yahoo, Apple and Facebook created similar ratios. Therefore, Google has always been a role model for other tech companies. Nonetheless, we need not forget the importance of partnering up with other IT sector companies. In the case of Google, we see that Facebook, Yahoo, Microsoft, and Intel have been some of the most reliable allies when dealing with common issues.

While acknowledging the limitations of a study conducted in space and time restrictions, we hope our research will inspire future work in identifying main KPI’s in the IT sector and will help the understanding of key CSR areas or initiatives that tech companies undertake. We could have also taken into consideration other successful CSR models such as Toyota or Disney, in comparison to other not so good initiatives in order to determine which one best fulfils CSR goals.

In this sense, it would have been interesting to conduct a comparative case study that exemplified corporate social responsibility strategies employed in the tech industry—namely Google and Microsoft, which is another tech giant which perhaps is less innovative in certain markets such as office software, web browser, and operating systems, but is curiously capable of innovating in other sectors (notably video gaming)—
(The Economist, 2006). Due to time and length constraints, the latter was not possible, however, it would be a fruitful comparison to make in the future.

The study’s findings are particularly valuable for analysts and IT consultants today, as it offers a very complete description of the effects of new CSR initiatives in businesses today. Furthermore, this topic is especially relevant as the tech industry is one of the fastest growing business sectors worldwide, and they are the cornerstone for many other sectors to prosper.

Finally, as a main conclusion, the internet and the rise of new technologies have deeply impacted the way the IT sector rolls out its CSR strategies. A methodological approach for determining whether CSR initiatives can have positive consumer effects is the field experiment (Pope & Waeraas, 2015). In the case of Google, the study has confirmed that there is a correlation between favorable CSR initiatives and results on consumption and positive external perception of the company. Moreover, Google is a very useful case study due to its innovative capacity which is embodied in the way it influences consumers, communicators, and other companies from the same sector to follow in its footsteps.
8. REFERENCES


International Telecommunication Union. (2014, September 21). *Half the world will be online by 2017.* Retrieved from UN Broadband Commission releases new country-by-country data on state of broadband access worldwide: http://www.itu.int/net/pressoffice/press_releases/2014/46.aspx#.WGzW0fnhA2w


McGirt, E. (2017, February 1). *Inside the search giant's effort to get more diverse—and to change the way we all see the world*. Retrieved from Fortune: http://fortune.com/google-diversity/


The Economist. (2006, May 11). Fuzzy maths: In a few short years, Google has turned from a simple and popular company into a complicated and controversial one. *The Economist.*


9. APPENDICES

Appendix 1: Global CSR RepTrack Top 10 companies

Source:

Appendix 2: The Top 100 best companies to work for

Source:
Appendix 3: Google London office
Source: https://careers.google.com/locations/london/
Appendix 4: Google Los Angeles office

Source: https://careers.google.com/locations/los-angeles/