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Gearing Up of Corporate Social Responsibility With Artificial Intelligence: An Indian Forecast

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Abstract: Artificial Intelligence (AI) has the power to change the economy and lives. This paper highlights how AI can transform Corporate Social Responsibility (CSR) in India. It explores the competencies which an organization can gain by linking its socially responsible activities with AI. Unlike developed countries, AI is in a very nascent stage in India. On the other hand, it is mandatory for the organization to undertake CSR initiatives in India. Results reveal that organizations can be more efficient in their business operations if they incorporate AI technology with CSR. The amalgamation of AI and CSR can work wonders for an organization to be sustainable in India. This study tries to conceptualise AI into CSR through a theoretical model which needs further feasibility testing.

Keywords: Artificial intelligence, Corporate social responsibility, Sustainable development, Triple bottom line.

I. Introduction

Companies use the gratitude of society for the relief of the outside world and use it for society and promote social harmony. In addition to the economic transaction relationship between enterprises and consumers, they should also treat each other with a fair and reasonable attitude in order to avoid market externalization. Second, corporate social responsibility can be applied to internal organizational relations, emphasizing the maintenance of the internal organization. Harmony and order, the pursuit of profit is no longer the only business goal of the company, but also must have the concept of sustainable development, attach importance to the concept and behavior of corporate social responsibility, and more conducive to corporate success. People must know that corporate social responsibility itself is already included in the enterprise and is an unavoidable issue in business activities. It cultivates people's sensitivity to social responsibility, which has awareness of social responsibility issues and can detect the problem lies in improving its ability to distinguish right from wrong and analyze problems. At the same time, corporate management needs to demonstrate the courage to assume social responsibility in the process of implementing the decision. Develop social responsibility from different levels. The first is on the cognitive level, such as the extension and connotation of social responsibility, followed by the practical level of social responsibility, the relevance of social responsibility and modern society, and finally, the value level of social responsibility [9].

Accelerating advancement in AI technologies has brought forward new challenges for companies with respect to their social responsibilities. In a country like India, the infusion of Artificial intelligence can ensure social and progressive growth in sectors like agriculture, health, and retail. It carries the potential to scale up the economy. NITI Aayog has identified sectors where AI can be beneficial to society at large in India. These include healthcare, agriculture, education, retail, and infrastructure. Today in this era of globalization and technological enhancement, big data and data sciences have become an immense source through which AI can optimize CSR.

The definition of CSR started from philanthropic activities in the 1950s transformed into sustainability by John Elkington in 1997. An organization is an entity which functions in a society that has economic, legal, social as well as moral responsibilities. The three pillars of CSR, people, profit and planet is important at macro, global as well as micro-level (entrepreneurial level). Corporate social responsibility is a vital element to gain a competitive advantage for the sustainability of a company which can thereby lead to good financial performance. By undertaking CSR the organization enjoys several benefits as a competitive advantage, good financial performance, new business opportunity, innovation, and stakeholder satisfaction. Corporate social responsibility is one of the ways to achieve sustainability in this competitive era. One of the major drawbacks in research regarding the CSR domain is its difficulty in getting data and measuring it. *It is very difficult to measure CSR but with the help of AI, one can quantify CSR easily [8]. As humans functions and act according to what it observes from sensory organs in the same way, artificial intelligence (AI) is a set of systems or mathematical algorithms that receives input from the real-world environment and detects patterns in that data and responds accordingly providing unbiased recommendations [5]*. In recent years, various issues of the company, such as facebook's influence on people's emotions through controlling information flow, and google's self-driving cars causing personal injuries, have caused concern on the issue of corporate social responsibility in the era of artificial intelligence. Based on this, it has become very necessary to explore how to improve corporate social responsibility in artificial intelligence. Sustainability teams and social responsibility teams have a long history of engaging with big social challenges and they need to be more engaged in the ethics of AI [7]. Corporate social responsibility is one of the ways to achieve sustainability in this competitive era. The objective of this paper is firstly, to understand the importance of AI in different sectors. Secondly, to explore the implications of AI for the social good in India and lastly, to develop a sustainable business model through AI.

Due to the limitations of artificial intelligence (AI) technology, the policies and regulations are lagged, the social responsibility of artificial intelligence encounters several barriers like human rights, environmental problems. Based on ISO 26000, human rights, organizational governance fair operating practice, consumer issues, society participation, and development. Artificial intelligence is a new technology and is concerned with the theory, method, and application of research and development for simulating and expanding human intelligence. Artificial intelligence has become an important global research area. It not only brings all kinds of technological advances and quality of life but also brings all kinds of "creative destruction," problems and challenges, the uproar surrounding the US election fake news events and the adjustments made by Facebook. More people are beginning to pay attention to the social responsibility of AI technology. Accelerating advancement in AI technologies has brought forward new challenges for companies with respect to their social responsibilities.

A. The Scenario of the Application of AI Globally and Nationally

Many countries around the globe have formulated policies regarding the implementation of CSR and AI. For example, in 2016, USA has released reports on preparing for the future of artificial intelligence. In 2017, China has released a report on new generation of the artificial intelligence development plan. China and the U.K. estimate that 26% and 10% of their GDPs respectively in 2030 will be sourced from AI-related activities and businesses. Infrastructural supply-side interventions like 5G, fiscal incentives, software libraries, etc. Research papers are being published by top universities of USA and China.

India is also on the run. After recognizing AI potential Hon'ble finance minister, in his budget speech for 2018-2019, mandated NITI Aayog to establish the national program on AI, with a view to guiding the research and development in new and emerging technologies [3]. NITI Aayog has decided to focus on five sectors that are envisioned to benefit the most from AI in solving societal needs:

a) *Healthcare:* The humongous population of India is living below the poverty line. They cannot afford to undertake the medical facilities, doctors, access to machines, etc. AI can solve this problem by early detection and diagnosis of the disease there itself [6].

b) *Agriculture:* With the help of technology, AI can be used to detect soil quality, land, waste management, weather forecast, and crop protection, real-time advisory to farmers, maintain healthy livestock's, soil erosion, reduce misuse of fertilizers and pesticides, etc. thus leading to enhanced farmers' income, increased farm productivity and reduction of wastage.

c) *Education:* AI techniques will help in improved access and quality of education. Online real-time education can be imparted to students according to their learning and retention power. Chat blot and others can be used to provide one to one monitoring to students. Monitoring of students in exams, faculty performance, etc. can be carried out through AI.

d) *Smart Cities and Infrastructure:* AI techniques can be used to make a clean and green smart city with no traffic congestion. Smart homes can be made where all the works being done with the help of AI.

e) *Smart Mobility and Transportation:* AI can help to solve the problem of congestion in traffic by informing drivers about the scenario of traffic at a particular place.

B. CSR and AI

There is enough evidence to prove that CSR leads to sustainable business. Incorporation CSR and AI will help a business to attain sustainability more efficiently. It is difficult to measure CSR but with the help of AI, CSR is quantifiable. It helps in optimizing a CSR program. Moreover, it can aid

the industries to do a gap analysis regarding attainment of Sustaianble Development Goals (SDG), glitches in the value chain, carbon footprint benchmarking, etc. It will reduce human biases in evaluating any activity or proposal. It can map the activities and trends in the global scenario and propose a CSR program according to the global standards [1]. It can also be applied to enhance employees' experience by helping them in decision making. It also helps in giving personalized knowledge and services to employees for voluntary activities. Employees can be monitored and any fraudulent activity or management issue can be easily detected. It even satisfies the stakeholders more than humans. In this manner, the corporates can start thinking of integrating the CSR strategies into the overall business operations [4]. AI can also help employees and people track if they have donated online for a cause. So, this set of people can be approached again for another cause [2]. The existing literature suggests that there is a need to bring together more factors more deliberately than what is currently happening. Sustainability teams and social responsibility teams have a long history of engaging with big social challenges and they need to be more engaged in the ethics of AI [7]. Indian businesses with their sustainability indicators has to be coorelated with AI's involvement into social work. Indian companies need to integrate various applied aspects of AI and find a way to convert such activities into CSR initiatives. There is a need to find the foundations of a CSR model which effectively optimises all the domains of CSR and AI.

II. Sustainable Business Model Using AI

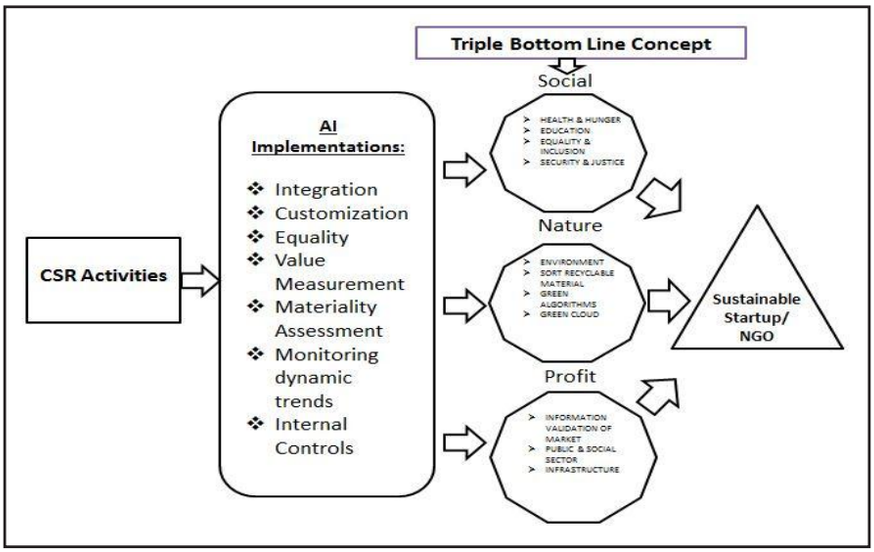

Fig. 1: Theoretical Model

Implementation of artificial intelligence on CSR initiatives leads to several benefits. It further helps the organization to manage, assess, monitor, control its societal and environmental initiatives along with earning profit. These factors further help a startup to sustain. The above diagram tries to integrate CSR activities into AI dimensions in pursuit of building a sustainable start up. The AI dimensions are basically focussed on operations, human resource, materials management, quality assurance and applied ethics. The businesses need to identify the proper dimensions of AI which can correlate with specific CSR activities. These synchronizations will result in outcomes which has social, environmental and profitability implications. These three segregation of outcomes are the basic tenets of Triple Bottom Line (TBL) concept of a firm. Upon identifying the bottom lines which is basically the role of AI into doing CSR in a sustainable way. All such activities shall be automated with precise decision making capabilities, so that human involvement is the least. This conceptual model would try to replace the managerial complications into proper CSR decision making. The ultimate result would be a sustainable Start up/NGO which is self sustaining and devoid of any human limitations regarding decision making.

III. Conclusion and Discussion

In 2017, A study by EY and NASSCOM found that by 2022, 46% of new jobs will be created for people. Accenture, in its recent AI research reports, provides a framework for evaluating the economic impact of AI for select G20 countries and estimates AI to boost India's annual growth rate by 1.3 percentage points by 2035. The rapid advancement in AI technologies has opened up new challenges for Indian companies with regard to their social responsibilities. A company whose motto once was to move fast and break things now finds itself compelled by their customers, civil society groups, governments, shareholders, and perhaps their own conscience to hit the brakes, look backward, and move cautiously toward future. Microsoft is doing Human Rights Impact assessment for AI which will be very interesting to see what they'll conclude. That's a good example [7]. CSR professionals should carefully

consider the data behind predictive models, to enable both accurate and helpful predictions, and thereby improve trust with constituents. In addition to applications outside the company, AI can also be applied internally, to enhance the employee experience in a developing nation like India. While having a database of volunteer opportunities through which employees can search is great, it's even more compelling to have personalized recommendations on how to help based on an employee's volunteering interests. CSR professionals think a lot about rising above the noise to gain employees' attention and getting them to take action. Personalization is one way to do that! With new technology, CSR professionals can help people see the impact of their work. Salesforce.org philanthropy cloud doesn't require anything external to personalize your impact. Launching in late June, philanthropy cloud will apply machine learning and predictive analytics techniques for giving and volunteering! Plus, it'll integrate with existing single-sign-on systems, have a full API that companies can tap for integration purposes, and other exciting enterprise-ready features.

IV. Recommendation

AI involves a huge amount of cost. Therefore, the government of India should take initiative for collaboration of industries with start-ups. The Indian government should open incubation centers for start-ups who are dealing with AI. Research and publications should be encouraged by the government of India. Opening for research proposals and projects should be done to have a deep understanding of AI in various sectors. Consortiums and councils should be set up to formulate guidelines on ethics in AI applications in India. India is a developing nation with various operational constraints due to which business decision making complexities are high. Hence, many a times it is difficult for a manager to effectively involve CSR into business operations. With this model, we are trying to conceptualise CSR into AI dimensions so that the companies can adopt the model into their policies and strategies. The policy part is the amalgamation of CSR with AI for the futuristic and broader vision. Such policies should frame rules upon which the daily activities could be integrated with the AI system. These could be in the form of code of conduct and mission statements for the company as a whole. The strategy part is the application of AI into social work. The normal AI abilities need to be converted into applications of social work. These social work outcomes again needs to be transformed into triple bottom line sustainability concept. Such strategy should show into making a product green initiating life cycle analysis and further sustainability into product life cycle. The strategy needs to be very practical employing feasible, state-of-art and green technologies. The objective is to emply AI into achieving sustainability in a start up firm. In India, with underdevelopment, overpopulation and scarcity of resources this model could help in making a manager aware. This could be a part of make in India initiative of government of India, and help in employment generation and poverty eradication.

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