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Reporting and exchange of social sustainability data along the supply chain of the electronics industry: Status quo, influencing factors and proposition of a framework

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The term social sustainability appeared in 1987 at the World Commission on Environment and Development which stated that sustainable development required concerted attention to social, ecological and economic dimensions. Today, social sustainability is the least developed dimension (Dillard, Dujon, King, 2009) and is rarely given equal importance compared to ecological or economic sustainability (Mc Kenzie, 2004). When applied to supply chains, literature on social sustainability is even scarcer as sustainable supply chain is itself a rising field of research since 2007 when more papers on the topic started to be published (Koplin, J. & al., 2007; Seuring, S. & al., 2008; Wittstruck, D. & Teuteberg, F., 2012; Sloan, T., 2010). Nonetheless, with its essential component, social capital, it reduces economic transaction costs (Elkington, 1998; Fukuyama, 1995). Meeting basic human needs ensures a healthy and skilled workforce, which is essential for the production of goods and services (World Bank, 1980).

Social sustainability can be approached from different perspectives and defined in different manners, which causes confusion among readers (Vallance, S. et al., 2011). Social sustainability is often studied from an empirical perspective considering Human well-being, equity, democratic government, and democratic civil society as central constituents (Dillard, Dujon, King, 2009). But social sustainability can be understood differently when considering its applicability to business and the company's size, geographic location and context (industrialized/developing countries). For the purpose of this paper, the supply chain of the electronics industry is defined as the business of providing, creating, designing, producing and selling raw materials, substances, components/parts, devices and products such as minerals, solvents, semiconductors, radios, and computers used for the production of electronics products. Social sustainability has to be understood as the monitoring and continuous improvement of the social sustainability aspects defined in the framework presented in this paper. Finally, the social sustainability data exchange along the supply chain of the electronics industry is defined as the exchange of social sustainability data between suppliers, original equipment manufacturers (OEM), distributors and wholesalers/retailers.

This paper aims at assessing the status quo of social sustainability data reporting and exchange, identifying the influencing factors of social sustainability data reporting and exchange, as well as providing a first set of social sustainability data that could be exchanged along the supply chain of the electronics industry. Because of the actual progress of work, this paper focuses nevertheless on the status quo of the reporting on social sustainability data of companies with their Headquarters in Europe. This is an exploratory work based on the analysis of the Global Reporting Initiative (GRI), interviews and literature review. The goal is to answer the following research questions:

On which aspects and indicators can we assess the social sustainability performance in the electronics supply chain? What are the influencing factors for the reporting and exchange of social sustainability data in the electronics supply chain? Are the influencing factors for social sustainability reporting and exchange different depending on the company size, location and position in the supply chain? Shall the available sustainability assessment tools be adapted depending on the company size, location and position in the supply chain?

Although the sample of companies used to answer these questions was small, a first set of social sustainability data on which companies could exchange along the supply chain is identified in this paper as well as factors that would influence companies to report and exchange social sustainability data. The results of the research methods applied show that the size, the location and the position of companies in the supply chain have to a certain extent an influence on the reporting and exchange of social sustainability data. This has to be validated with further and larger scale investigation.

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