Economic Affairs, Vol. 69(Special Issue), pp. 217-227, February 2024

DOI: 10.46852/0424-2513.1.2024.23



### **Review Paper**

## **Interaction of Digitization and Corporate Social Responsibility** in the Context of Sustainable Development

Yurii Zaitsev<sup>1</sup>, Ihor Krysovatyy<sup>2</sup>, Nataliia Gavkalova<sup>3</sup>, Olha Sobko<sup>2</sup> and Vitalii Boichyk<sup>4</sup>

<sup>1</sup>Department of Finance, Banking and Insurance, Poltava State Agrarian University, Poltava, Ukraine

**Received:** 16-11-2023 Revised: 06-01-2024 **Accepted:** 30-01-2024

#### ABSTRACT

The relevance of this article is due to the rapid development of digitalization in business and the need to determine its impact on the social responsibility of enterprises in the context of sustainable development. The problem lies in the lack of scientific works analyzing the interaction of digitalization and social responsibility of business, and in the need to develop a conceptual approach to this phenomenon. The purpose of the study is to reveal the connection between digitalization processes and social responsibility of business and to determine their impact on sustainable development. The object of research is the interaction of digitalization and social responsibility, and the subject is the conceptual foundations and practical aspects of this interaction in the business environment. Research methods include the analysis of literary sources, the study of statistical data on the implementation of digital technologies in business, as well as empirical methods. In addition, a comparative analysis of the experience of successful companies that successfully integrate digital technologies with a social responsibility strategy was used. The author solved the research task by identifying the key aspects of the interaction of digitalization and social responsibility, determining their impact on the economic and social aspects of sustainable development. The results indicate that digital technologies can become an effective tool for improving corporate social responsibility and promoting balanced development. The conclusions of the article provide important guidelines for business on improving digitalization implementation strategies and increasing the level of social responsibility. Recommendations include the need to develop innovative approaches to interaction with stakeholders, active participation in social initiatives and implementation of digital solutions aimed at achieving sustainable development. Research on the interaction of digitalization and social responsibility of business in the context of sustainable development has direct practical significance for enterprises and organizations. The study provides companies with the opportunity to develop an integrated strategy that takes into account the interaction of digitalization and social responsibility, which allows companies to create a concrete action plan for the implementation of digital initiatives aimed at social responsibility. Research recommendations can be used to develop and implement digital tools aimed at improving resource management, reducing environmental impact, and increasing the level of social responsibility. In general, the practical application of research results allows enterprises to determine specific strategies and actions for balanced development, contributing not only to their own success, but also ensuring a positive impact on society and the environment.

#### HIGHLIGHTS

• The study underscores the pivotal role of digital technologies in enhancing competitiveness and fostering sustainable development, emphasizing the importance of aligning digital transformation How to cite this article: Zaitsev, Y., Krysovatyy, I., Gavkalova, N., Sobko, O. and Boichyk, V. (2024). Interaction of Digitization and Corporate Social Responsibility in the Context of Sustainable Development. Econ. Aff., 69(Special Issue): 217-227.

Source of Support: None; Conflict of Interest: None



<sup>&</sup>lt;sup>2</sup>Department of Entrepreneurship and Trade, West Ukrainian National University, Ternopil, Ukraine

<sup>&</sup>lt;sup>3</sup>Public Administration and Economic Policy Department, Simon Kuznets Kharkiv National University of Economics, Kharkiv, Ukraine

<sup>&</sup>lt;sup>4</sup>West Ukrainian National University, Ternopil, Ukraine

<sup>\*</sup>Corresponding author: i.krysovatyy@wunu.edu.ua (ORCID ID: 0000-0002-4063-6324)

- with social responsibility to optimize business processes, mitigate environmental impacts, and prioritize social well-being.
- **O** While acknowledging the benefits of digitalization, the research highlights the imperative for enterprises to address ethical considerations and social implications, emphasizing the need for innovative solutions and strategies that not only optimize efficiency but also prioritize social values, employee well-being, and environmental sustainability in the rapidly evolving digital landscape.

**Keywords:** Social responsibility of business, innovative development, digitalization, innovative cluster, innovative activity, development

In today's world, surrounded by the rapid development of technologies and the transition to a digital economy, the interaction of digitalization and social responsibility of business is becoming a key component of sustainable development. There is a growing need to understand the impact of digital innovations on social aspects, as well as to identify and solve emerging problems. In particular, the instability of socio-economic systems and the growing influence of business on society create great challenges for enterprises regarding the effective combination of digitalization and social responsibility. One of the main trends is the intensive use of digital technologies to optimize production processes and communication with interested parties. With the help of innovative tools, business can ensure balanced development that takes into account the needs of society, ecology and its own economic interests.

However, despite the positive aspects of digitalization, there are problems related to ethical and social aspects of technology use. Increasing automation may be accompanied by job losses and social inequality. In addition, the undirected use of digital capabilities can have a negative impact on the environment and lead to the emergence of new forms of industrial pollution.

According to statistics, in recent years more than 40% of enterprises stated that the implementation of digital technologies led to an improvement in their social responsibility. However, only 20% of them pay significant attention to ethical issues related to digital transformation, which indicates the need for further research and development of strategies aimed at ensuring ethical and socially responsible implementation of digital innovations.

With the development of digital business at the intersection with social responsibility, a complex problem arises that requires not only innovative solutions, but also attention to ethical and social

aspects. Further research and implementation of the findings can contribute to the creation of business models that ensure harmony between digitalization, social responsibility and sustainable development.

The goal of the research is to determine the interaction between digitization processes and corporate social responsibility in the context of sustainable development and develop conceptual principles for the optimal integration of these two aspects to achieve harmonious economic, social, and environmental impact.

### Research objectives

- 1. Conduct a well-founded analysis of the current state of interaction between digitization and social responsibility in the business environment, identify strengths and weaknesses, and identify key trends and challenges.
- 2. Define the impact of digitization on social responsibility, including job preservation, social inequality, and community engagement.
- 3. Develop and justify conceptual principles for the optimal integration of digitization and social responsibility into business strategy for sustainable development.
- 4. Based on the research results, formulate specific recommendations for enterprises to enhance the strategies of interaction between digitization and social responsibility.
- Formulate conclusions based on the obtained results and identify practical steps for knowledge transfer and implementation of recommendations in business and management practices.

#### Literature Review

In the context of modern transformations in the



business environment, the question arises about the impact of digital social responsibility (CSR) on the sustainable competitive performance of small and medium-sized enterprises. This problem becomes especially relevant in the conditions of the economy of an economically developing market. The purpose of this study is to assess the impact of digital CSR on the sustainable competitiveness of enterprises in the context of a developing economy. The authors of the article aim to determine the extent to which the digital transformation of social responsibility affects the sustainable competitiveness of enterprises. In the process of research, the authors used empirical methods, in particular, analysis of data from the experiment and comparison of the obtained results. An assessment of the effectiveness of digital CSR at enterprises in the economy of an economically developing market was carried out. The study included an analysis of the relationship between different aspects of digital social responsibility. The conducted research made it possible to establish that the digital transformation of social responsibility can have a positive effect on the sustainable competitiveness of enterprises in the economy of a developing market. The authors provide evidence of the effectiveness of digital CSR and its potential to improve sustainable competitiveness, which can determine the success of enterprises in a constantly changing and competitive environment (Ahmad et al. 2024; Velinov et al. 2023; Ha, 2023).

In the context of the rapid evolution of technological solutions, there is a growing need for a systematic study of the applications of Industry 4.0 technologies in the manufacturing environment. The challenge lies in clarifying how these technologies impact production and how they can be utilized to optimize manufacturing processes. The purpose of this article is to conduct a systematic literature review to identify various applications of Industry 4.0 technologies in the manufacturing context. The authors aim to gather and analyze existing research to identify trends and highlight the main directions for using these technologies. A systematic approach to literature analysis was employed during the research. The authors carefully examined existing publications to identify key aspects of using Industry 4.0 technologies in the manufacturing context. Tasks included analyzing the main challenges, advantages, and limitations of applying these

technologies. Based on the systematic literature review, the authors identified a broad spectrum of applications of Industry 4.0 technologies in the manufacturing environment. The research results provide insights into key information regarding the benefits of implementing these technologies and identify challenges that may arise during their implementation. This helps deepen understanding and define directions for further research in this area (Zheng *et al.* 2021; Ebekozien *et al.* 2024).

With the development of the digital environment in modern accounting practices, the issue of strategic management in this new context arises. Particularly notable is the question of how the digital environment influences strategic accounting management and how this influence can be utilized, especially in virtual museums. The objective of this article is to uncover the features of strategic management in the digital accounting environment, focusing on virtual museums as an example. The authors aim to identify and analyze the interaction between strategic management and the digital environment in the context of accounting activities. During the research, the authors utilized analytical methods to analyze strategic management in the digital accounting environment. A study of virtual museums as models for utilizing digital accounting was conducted, and key elements of strategic management that enable successful outcomes in this virtual context were identified. The research results reveal how strategic management can be effectively employed in the digital accounting environment using virtual museums as an example. The authors identified key success factors and interactions between strategic management and the digital environment, serving as crucial indicators for practical implementation in the fields of accounting and finance (Esposito et al. 2023; Gigauri and Janjua, 2023).

Given the rapid development of digitization in the corporate sector, there is a need to explore the relationship between corporate digitization, hierarchical structures, and corporate sustainability. The objective of the article is to analyze the interaction between corporate digitization, the degree of hierarchical authority in management, and corporate sustainability. The authors seek to gather evidence and determine the role of digitization and hierarchical structures in achieving

corporate sustainability, especially in the context of the modern business environment. The research team employed empirical methods, conducting data analysis from experiments and surveys. The task of establishing the correlation between corporate digitization, the level of leadership authority, and indicators of corporate sustainability in the context of the contemporary business environment was successfully addressed. The results provide evidence that corporate digitization, in interaction with the degree of hierarchical authority, can impact the sustainability of development. The authors identified key factors determining successful interaction between digitization and hierarchical leadership, which can serve as crucial indicators for companies aiming to enhance their corporate sustainability in the era of high digitization (Zhang et al. 2023).

The development of digital technologies presents society and entrepreneurship with not only new opportunities but also challenges. In the context of social entrepreneurship, there is a need to examine the threats and opportunities accompanying the process of digital transformation. The objective of this article is to analyze the impact of digital transformation on social entrepreneurship, identify threats, and determine the opportunities arising from this process. The authors are focused on determining the dual impact of digital technologies on social enterprises. The research involves an analysis of current publications and theoretical sources to identify potential threats and advantages emerging for social entrepreneurship due to digital transformation. Additionally, the authors aim to provide readers with an understanding of the possibilities and risks associated with digital transformation for social enterprises. The research results reveal how digital transformation can affect social entrepreneurship by identifying threats and opportunities. The authors of the article highlight the dual nature of this impact, considering it both a challenge and simultaneously a new potential for social enterprises. This work serves as a significant source for entrepreneurs, researchers, and decisionmakers interested in the contemporary challenges and advantages of digital transformation in social entrepreneurship (Gigauri et al. 2023; Hooi et al. 2023).

In the context of the rapid development of the digital society, there arises a challenge to determine the key requirements for the level of trust, which constitute prerequisites for the effective advancement of the digital society. The objective of the article is to identify the necessary requirements for the level of trust for the successful development of the digital society. The authors aim to identify the fundamental aspects that define the level of trust in the digital society. In the research, utilized the information sources and theoretical studies analysis to identify parts of the level of digital community trust. They conducted a systematic review to ascertain the factors influencing trust. The research results reveal key requirements for the level of trust that are essential for the sustainable and secure development of the digital society. The authors identified and analyzed factors influencing trust in the digital environment and provided recommendations for enhancing the level of trust for the further development of the digital society. This article serves the development of modern society (Ototsky et al. 2023).

With the proliferation of digitalization and the widespread adoption of social media, concerns regarding the adverse effects of digital transformation have surfaced, particularly in relation to the management of social media platforms and citizen involvement. This article aims to delve into the unfavorable facets of digitization and social media platform administration by scrutinizing citizen engagement. The authors intend to pinpoint the detrimental outcomes of digital transformation within the realm of social media. Throughout the study, the authors employed civic engagement methods to scrutinize the negative aspects of digital transformation on social media platforms. An examination of platform management practices was undertaken to elucidate the impact of such activities on citizen participation. The research findings illuminate the drawbacks of digitization and social media platform management through the perspective of civic engagement. The authors identified problematic elements and adverse consequences of digital transformation affecting citizen participation. This article stands as a valuable resource for comprehending and assessing the influence of digital technologies on socio-political



processes and civic activism in the contemporary world (McCarthy et al. 2023).

The objective of this article is to scrutinize the issues and obstacles linked to digitization within the realm of public administration, encompassing various facets of digital transformation. The aim is to explore the repercussions of digital transformation on public administration, shedding light on how digital technologies are reshaping the processes and functions of public management. The author employs an analytical approach throughout the research to investigate digitization in public administration thoroughly. Various aspects of digital transformation are analyzed comprehensively, focusing on their impact on the efficiency and performance of public administration. The findings of the article disclose crucial insights into the challenges and opportunities stemming from digital transformation in public administration. The author highlights how this transformation can exert both positive and negative influences on governance efficiency and the quality of citizen services. Thus, this article stands as a significant resource for comprehending the challenges and opportunities associated with digitization in the field of public administration (Göksan, 2023).

The article delves into the repercussions of policies implemented in response to the COVID-19 pandemic on the sustainable development of European companies, pinpointing significant challenges and opportunities for fostering sustainable entrepreneurship amid crisis scenarios. The aim of the article is to scrutinize how COVID-19related policies affect the sustainable corporate development of European enterprises. The authors aim to discern the measures and strategies adopted by companies to uphold sustainability in intricate circumstances. To tackle this objective, the authors employed both analytical and empirical methods, conducting a comprehensive examination of corporate practices implemented during the pandemic. The research team scrutinized the impact of COVID-19 on the sustainability of corporate practices within the context of European companies. The findings reveal specific measures and strategies that prove effective in ensuring sustainable corporate development during a pandemic. The authors have distilled key insights and recommendations for European companies, underscoring the importance of adapting corporate practices to the new reality, while considering sustainability and survival factors in crisis conditions (Liakh and Mucelli, 2023).

The article addresses the pressing issue of the impact of digitization on the financing of social entrepreneurship, examining the two-sided nature of digital transformation in the context of funding socially oriented enterprises. The purpose of the article is to determine the influence of digitization on the financing of social entrepreneurship. The author aims to uncover how digital technologies affect the opportunities and challenges in the realm of financing social enterprises. To achieve this goal, the author utilizes analytical methods and conducts a literature review to analyze existing evidence of the impact of digitization on social entrepreneurship and its funding. The research is directed towards identifying key aspects of digital transformation that affect social entrepreneurship. The results of the article reveal how digital technologies influence the structure and mechanisms of financing for social enterprises. The author identifies new opportunities and challenges arising from digital transformation and examines their implications for social entrepreneurship. This article serves as a valuable resource for understanding the interplay between digitization and the funding of social entrepreneurship (Erciyes, 2023).

The article examines the issue of organizational resilience and dynamism in the face of recurring crises, exploring organizations' ability to adapt and learn in conditions of constant uncertainty. The objective of the article is to study the interplay between organizational resilience, dynamism, and sustainable development. The authors seek to uncover how organizations demonstrate adaptability in complex situations. To achieve this goal, the authors employ an analytical approach and conduct a literature review of existing practices to identify factors and strategies that enable organizations to maintain resilience and thrive in crisis conditions. The results of the article highlight key aspects of organizational resilience and dynamism in the context of recurring crises. The authors identify strategies and practices that facilitate organizations' adaptation to ever-changing environments and contribute to their sustainable development. This article serves as a valuable resource for understanding and developing strategies for



corporate resilience and sustainable development (Bolton *et al.* 2023).

The article focuses on studying the interaction between sustainable development goals and digitization in the hospitality industry, particularly exploring the impact of these factors on the sustainability and development of the sector. The purpose of the article is a systematic literature review to uncover the role of Sustainable Development Goals and digitization in the hospitality industry. The authors aim to identify key trends and relationships between these two aspects. To achieve this goal, the authors use a systematic literature review method, analyzing existing scholarly publications on the role of Sustainable Development Goals and digitization in the hospitality industry. They identify main themes, trends, and challenges that arise in this context. The results of the systematic literature review indicate the importance of the interaction between Sustainable Development Goals and digitization for the hospitality industry. The authors identify key aspects where these two factors can interact and draw conclusions regarding their impact on the sustainability and development of the industry. This article serves as a valuable source for understanding the significance of digitization and sustainable development in the context of hospitality (Chatterjee and Karmakar, 2023).

The article explores the organization of research on webs of caring in the era of digital technologies, examining citizen participation in investigating this phenomenon in four European countries. The purpose of the article is to conduct research through citizen participation to uncover webs of caring in the context of the digital era. The authors aim to study this phenomenon through the practical involvement of citizens in the research process. To achieve this goal, the authors employ a participatory research method, involving representatives of civil society in four European countries. Applying an analysis of collected data, they examine webs of caring in the digital age. The results of the article indicate the significance of citizen participation in researching webs of caring in the context of the digital era. The authors identify key aspects and interconnections in this phenomenon, contributing to a better understanding and formulation of strategies for the development of webs of caring in the era of digital technologies. This article serves

as a significant contribution to understanding the impact of digitization on the dynamics of webs of caring and social relations (Matthies, 2023; Leontowitsch *et al.* 2023).

The article addresses the challenges of measuring and managing productivity in the contemporary business environment, where digital strategies become a key factor. The main focus is on the necessity of adapting measurement and management methods to the requirements of the digital economy. The goal of the article is to streamline the processes of measuring and managing productivity through the implementation of digital strategies in the business environment. The authors aim to understand how digital strategies can enhance the efficiency of measuring and managing productivity. To achieve this goal, the authors employ an analytical approach and conduct a literature review on digital strategies and productivity management. They also examine specific examples of implementing digital strategies in practice. The results of the article indicate that digital strategies can significantly streamline the processes of measuring and managing productivity. The authors identify key aspects where digital strategies can make a substantial contribution to improving the efficiency of business processes. This article serves as an important resource for practicing managers and researchers interested in optimizing productivity in the context of digital transformation (Holopainen et al. 2023; Bathla et al. 2023).

The article analyzes the issue of ensuring overall service quality in the digital era, where technologies influence the ways services are delivered. The primary focus is on aspects of quality service within the context of the digital environment. The article aims to examine issues and identify key aspects of ensuring overall service quality in the era of digital technologies. The authors aim to understand and identify effective strategies in the digital environment to enhance service quality. To achieve this goal, the authors use methods of theoretical analysis and empirical research. They explore existing approaches to service quality and adapt them to the realities of the digital era. Practical strategies for implementing quality service in the digital environment are considered. The results of the article reveal key aspects and strategies for ensuring overall service quality in the era of digital technologies. The authors



identify effective methods for improving service quality in the digital environment and provide practical recommendations for businesses. This article is considered an important resource for those interested in enhancing service quality in the conditions of the digital era (Isensee *et al.* 2023).

The article sets out to examine social responsibility in the context of building new infrastructure. The main focus is on identifying the factors of social responsibility that impact the construction of new infrastructure projects. The objective of the article is to uncover social responsibility in the construction of new infrastructure. The authors aim to identify and analyze the factors of social responsibility that determine the effectiveness of new infrastructure projects. To achieve this goal, the authors employ qualitative and quantitative research methods. They analyze socially responsible practices in the construction of new infrastructure, identifying key aspects and factors. The results of the article point to social factors influencing the construction of new infrastructure. The authors identify key aspects of social responsibility and reveal their impact on the performance of infrastructure construction projects. This article serves as a significant contribution to understanding social responsibility in the construction of new infrastructure projects (Li et al. 2023).

### Methodology

The examination of literary sources has enabled the establishment of the theoretical foundation for this research, leading to the formulation of a conceptual model outlining the strategies of interaction between digitalization and social responsibility within the business environment. In the exploration of digitalization processes, observations serve as a valuable tool for gathering information regarding the state of business social responsibility, exerting an influence on the execution of projects geared towards sustainable development. In the investigation of management strategies for ensuring sustainable development, an experiment was conducted to assess the efficacy of diverse methods in managing the interaction between digitalization and social responsibility in the business realm. This involved the utilization of statistical methods to scrutinize the data related to the research object and discern relationships among various factors. Consequently, the employment of empirical and analytical research methods has facilitated the achievement of research objectives and the formulation of an effective management strategy, ensuring the progression of sustainable territorial development processes.

### **RESULTS**

# Scenario modeling based on experimentation and comparison of the obtained results

The application of an experiment in the study of digitalization strategies and social responsibility in business is one of the most effective research methods, which allows testing hypotheses regarding the relationships between various factors. For the experiment, two methods were developed aimed at modeling and conducting a comparative analysis of the results of the implementation of digital strategies and social responsibility in business. The technical task of the study involves a comparison of the effectiveness of two management methods:

Method 1: Management is carried out based on a traditional approach, including risk assessment and the development of measures to minimize them in the conditions of digital transformation of the enterprise and social responsibility.

Method 2: Management of digitalization and social responsibility is performed based on an innovative approach, using artificial intelligence methods to predict risks and develop adaptive measures to minimize them in business strategies.

For the experiment, two enterprises (A and B) were selected that implement digitalization projects to increase social responsibility to ensure the sustainable development of the enterprise: the implementation of an innovative digital platform to support the recovery of environmentally sensitive business practices and the creation of a digital tool to increase the openness and transparency of social programs. The potential outcomes of these projects were assessed, such as:

- Project implementation time.
- Cost of project implementation.
- Quality of project results.

If the results of project implementation using an innovative risk management method exceed the

**Table 1:** Scenario Modeling for implement digitalization projects to increase social responsibility to ensure the sustainable development of the enterprise

Projects	Implementation time	Implementation cost	Results
A	2 years	\$ 48 000	1. The digital platform project to support the recovery of environmentally sensitive business practices was implemented in full and on time. The objects were created in accordance with the project documentation.
В	3 years	\$ 58 000	2. The project to create a digital tool to increase the openness and transparency of social programs was fully implemented, but some elements were canceled as ineffective already as a result of implementation.

results of a project implemented using a traditional risk management method, this indicates the effectiveness of the innovative method. Thus, the experiment becomes a powerful tool for evaluating the effectiveness of various risk management methods. In the context of the study of risk management strategies for digitalization projects in the context of increasing social responsibility, the experiment can be used to develop an effective risk management strategy aimed at the sustainable development of the enterprise. It is suggested to use scenario modeling to carry out risk analysis based on defined scenarios – Table 1.

Based on the developed model of factor interdependencies for the management of digitization projects at enterprises with the objective of achieving sustainable development, the authors propose to use the calculations of the correlation dependence of factors:

$$r_{(x,j)} = covar / np. \ sqrt (var_X * var_J)$$

### Where:

 $r_{(x,j)}$  - correlation between J and X factors;

*X* - represents method;

*J* - is one of the indicators: implementation time, cost, results quality

The correlation coefficient takes on values from -1 to 1.

His interpretation is as follows:

- A value close to 1 indicates a high positive correlation between the factors.
- Proximity to -1 indicates a high negative correlation between the factors.

• A value close to 0 indicates the absence of correlation between the factors.

Therefore, the utilization of a formula to determine the relationship between factors contributes to the understanding of the influence of one factor on another. In the context of digitalization process management strategies, correlational dependence of factors can be used to assess the effectiveness of methods of ensuring sustainable development of the enterprise and social responsibility.

### Results of modeling

Projected models for ensuring social responsibility and sustainable development of enterprises have been developed by means of modeling processes with the utilization of mock intelligence and the automatic function of building a network line with appropriate parameters of probable scenarios for the implementation of digitization projects in Fig. 1.

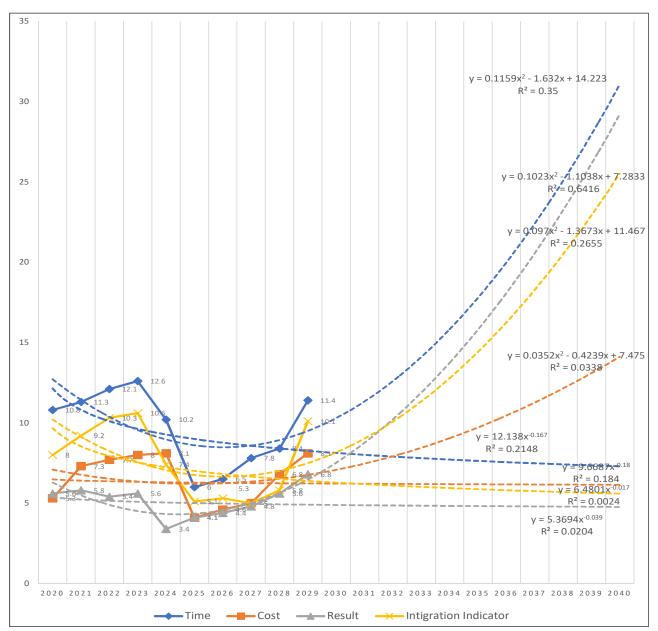
AL created the project resulting factors Table 2.

Table 2: Matrix of project resulting factors scenario

Indicator	Optimal	Negative	Positive	Parameter
Time	9,1	26,4	7,4	7,4-27,4
Cost	7,8	25,6	6,6	6,6-25,6
Result	6,8	21,6	5,7	6,8-21,6
Intigration	6,8	10,1	4,8	4,8-10,1

As a result of the simulation, it was established that the innovative approach to the management of digitization of processes is more effective compared to the traditional one, as it allows to reduce the time of project implementation and obtain a higher quality result.





*Source: Developed by the authors, enterprise A and B.* 

Fig. 1: Modeling of projects indicators

# Recommendations based on the experiment results

Recommendations regarding the practical implementation of the digitalization process management strategy at two enterprises in order to increase their social responsibility and sustainable development can be made based on the results of the experiment:

 To ensure effective management of projects in the field of digitalization of enterprises in conditions of uncertainty, it is necessary to use innovative management methods that involve the utilization of artificial intelligence methods to predict risks and develop adaptive measures to minimize them.

- Appropriate training and education of personnel responsible for project management in the field of digitization of enterprises is necessary.
- It is necessary to ensure adequate financing of measures to manage digitization and social responsibility of enterprises.

### DISCUSSION

Comparing the results of the experiment at two enterprises allows us to assess the effectiveness of using digital technologies to increase social responsibility.

The article states that the innovative method of managing digitization processes made it possible to reduce time and improve the quality of results. It is advisable to pay attention to risks during the implementation of digitization projects.

It is appropriate to determine how digitalization has affected the training and education of personnel, whether retraining was necessary in the context of digital transformation.

A discussion of what resources were spent on digitization and whether they were justified in the context of social responsibility.

Indication of unresolved issues and opportunities for future research in the field of digitalization, social responsibility and sustainable development of enterprises can serve as a basis for discussion and development of discussion points in the article.

# CONCLUSIONS AND RECOMENDATIONS

The results of the study indicate that digital technologies are a necessary tool for increasing competitiveness and achieving sustainable development of enterprises. Digital transformation ensures the optimization of business processes, which helps not only to increase efficiency, but also to mitigate the adverse effects the environment. In the high-tech world, it is important not only to strive for efficiency, but also to take into account the social aspects of activity. Digital transformation should be aimed at improving the quality of life of employees, creating equal conditions for all, and forming a corporate culture that supports social values. Given the results of the experiment, it is important to identify the risks of digital transformation and develop strategies to minimize them. Along with threats, brought innovative approaches open up new opportunities for business development and its interaction with the public. For a successful digital transformation, it is important to invest in personnel training, adaptability to new technologies and a high level of digital literacy. Education should become a key component of a social responsibility strategy. Ensuring financial sustainability for the implementation of digital projects and the implementation of socially responsible practices is an integral part of the company's strategy. Investments in digital technologies should be mutually beneficial for all parties: enterprises, employees and society as a whole. The task of the following studies is a detailed analysis of the impact of digital transformation on the social sphere and the development of strategies to increase the effectiveness of digital technologies in the context of social responsibility.

### REFERENCES

- Ahmad, M., Wu, Q. and Ahmed, S. 2024. Does CSR digitalization improve the sustainable competitive performance of SMEs? Evidence from an emerging economy. Sustainability Accounting, Management and Policy Journal, 15(1): 119-147.
- Bathla, A., Aggarwal, P. and Manaswi, K. 2023. The Role of Digital Technology in Achieving Sustainable Development Goals (SDGs): A Systematic Literature Review, Bibliometric Analysis and Content Analysis. Sharma, R., Shishodia, A. and Gupta, A. (Ed.). Fostering Sustainable Development in the Age of Technologies, Emerald Publishing Limited, Leeds, pp. 1-22. https://doi.org/10.1108/978-1-83753-060-120231003.
- Bolton, D., Habib, M. and Landells, T. 2023. Resilience, Dynamism and Sustainable Development: Adaptive Organisational Capability Through Learning in Recurrent Crises. Seifi, S. and Crowther, D. (Ed.). Corporate Resilience (Developments in Corporate Governance and Responsibility, Vol. 21), Emerald Publishing Limited, Leeds, pp. 3-32. https://doi.org/10.1108/S2043-052320230000021001.
- Chatterjee, P. and Karmakar, R. 2023. Role of Sustainable Development Goal and Digitalization in Hospitality Industry: A Systematic Literature Review. Islam, Q.T., Goel, R. and Singh, T. (Ed.). Fostering Sustainable Businesses in Emerging Economies, Emerald Publishing Limited, Leeds, pp. 223-245. https://doi.org/10.1108/978-1-80455-640-520231014.
- Ebekozien, A., Thwala, W.D., Aigbavboa, C.O. and Samsurijan, M.S. 2024. Investigating the role of digitalisation in building collapse: stakeholders' perspective from unexplored approach. *Engineering, Construction and Architectural Management*, **31**(13): 23-40.
- Erciyes, Y. 2023. Has Digitalization had an Impact on Social Entrepreneurship Financing? Akkaya, B. and Tabak, A. (Ed.). Two Faces of Digital Transformation, Emerald Publishing Limited, Leeds, pp. 119-128. https://doi.org/10.1108/978-1-83753-096-020231009.
- Esposito, P., Braga, A., Sancino, A. and Ricci, P. 2023. The strategic governance of the digital accounting environment: insights from virtual museums. *Meditari Accountancy Research*, **31**(2): 366-380.



- Gigauri, I. and Janjua, L.R. 2023. *Digital and Sustainable Products to Achieve Sustainable Business Goals Along the Path to Industry 5.0*. Akkaya, B., Apostu, S.A., Hysa, E. and Panait, M. (Ed.) Digitalization, Sustainable Development, and Industry 5.0, Emerald Publishing Limited, Leeds, pp. 25-40. https://doi.org/10.1108/978-1-83753-190-520231003.
- Gigauri, I., Apostu, S.-A. and Popescu, C. 2023. *Digital Transformation: Threats and Opportunities for Social Entrepreneurship*. Akkaya, B. and Tabak, A. (Ed.). Two Faces of Digital Transformation, Emerald Publishing Limited, Leeds, pp. 1-17. https://doi.org/10.1108/978-1-83753-096-020231001.
- Göksan, G. 2023. *Digitalization in Public Administration*. Akkaya, B. and Tabak, A. (Ed.). Two Faces of Digital Transformation, Emerald Publishing Limited, Leeds, pp. 47-57. https://doi.org/10.1108/978-1-83753-096-020231004.
- Ha, L.T. 2023. The role of digital public services in promoting international tourism: empirical evidence from European regions. *European Journal of Innovation Management*. https://doi.org/10.1108/EJIM-03-2023-0215.
- Holopainen, M., Saunila, M. and Ukko, J. 2023, "Facilitating performance measurement and management through digital business strategy", *Measuring Business Excellence*, **27**(2): 246-260.
- Hooi, L.W. and Chan, A.J. 2023. Does workplace digitalization matter in linking transformational leadership and innovative culture to employee engagement? *Journal of Organizational Change Management*, **36**(2): 197-216.
- Isensee, C., Teuteberg, F. and Griese, K.M. 2023. Success factors of organizational resilience: a qualitative investigation of four types of sustainable digital entrepreneurs. *Management Decision*, **61**(5): 1244-1273.
- Leontowitsch, M., Putnina, A., Andersson, M., Niemistö, C., Werny, R., Sjögren, H., Mileiko, I., Lakševics, K., Pokšāns, A., Neikena, M., Orste, L., Malm, C., Oswald, F., Hearn, J. and Krekula, C. 2023. Participatory action research on webs of caring in the digital age across four European countries. *Quality in Ageing and Older Adults*. https://doi.org/10.1108/QAOA-03-2023-0020
- Li, L., Wang, S., Zeng, S., Ma, H. and Zheng, R. 2023. Unveiling the social responsibility factors in new infrastructure construction. *Engineering, Construction and Architectural Management*. https://doi.org/10.1108/ECAM-03-2023-0305
- Liakh, O. and Mucelli, A. 2023. Implications of COVID-19 policies on the sustainable corporate practices of European firms. *Kybernetes*, **52**(7): 2371-2394.

- Matthies, A. 2023. The Academic Roots of Digitalization: How the University Shaped Work Processes in Companies. Stock, M., Mitterle, A. and Baker, D.P. (Ed.). How Universities Transform Occupations and Work in the 21st Century: The Academization of German and American Economies (International Perspectives on Education and Society, Vol. 47), Emerald Publishing Limited, Leeds, pp. 25-43. https://doi.org/10.1108/S1479-367920230000047002
- McCarthy, S., Rowan, W., Mahony, C. and Vergne, A. 2023. The dark side of digitalization and social media platform governance: a citizen engagement study. *Internet Research*, 33(6): 2172-2204.
- Melnyk, V. 2023. Transforming the nature of trust between banks and young clients: from traditional to digital banking. *Qualitative Research in Financial Markets*. https://doi.org/10.1108/QRFM-08-2022-0129
- Ototsky, P., Manenkov, S. and Smoliak, A. 2023. Requisite trust requirements for digital society development. *Kybernetes*, **52**(9): 2958-2975.
- Schiavone, F., Pietronudo, M.C., Sabetta, A. and Ferretti, M. (2023). Total quality service in digital era. *The TQM Journal*, **35**(5): 1170-1193.
- Velinov, E., Kadłubek, M., Thalassinos, E., Grima, S. and Maditinos, D. 2023. *Digital Transformation and Data Governance: Top Management Teams Perspectives*. Grima, S., Thalassinos, E., Cristea, M., Kadłubek, M., Maditinos, D. and Peiseniece, L. (Ed.). Digital Transformation, Strategic Resilience, Cyber Security and Risk Management (Contemporary Studies in Economic and Financial Analysis, Vol. 111A), Emerald Publishing Limited, Leeds, pp. 147-158. https://doi.org/10.1108/S1569-37592023000111A010.
- Zhang, C., Mirza, S.S., Ahsan, T. and Usman, S.M. 2023. Corporate digitalization, managerial power distance and corporate sustainability performance: evidence from China. *Business Process Management Journal*, **29**(4): 1031-1056.
- Zheng, T., Ardolino, M., Bacchetti, A. and Perona, M. 2021. The applications of Industry 4.0 technologies in manufacturing context: a systematic literature review. International Journal of Production Research, 59: 1922-1954.