



Corporate Digital Responsibility **Playbook** XL

Basics. Examples. Implementation.

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English version 1.2



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THE CORPORATE DIGITAL RESPONSIBILITY **PLAYBOOK XL**:



- Backgrounds, developments and future scenarios regarding CDR.
- Suggestions for own CDR concepts based on already existing CDR models.
- Operational recommendations for the implementation of CDR in the company.
- Over 50 graphics, diagrams and screenshots for CDR.
- Key questions for the in-depth treatment of CDR aspects.
- Lists for self-assessment of CDR and links to further sources.

Overview

- **CORPORATE DIGITAL RESPONSIBILITY**
- **VOLUNTARY AND REGULATED RESPONSIBILITY**
- **FIGURES. DATA. FACTS**
- **RAPIDLY INCREASING RELEVANCE**
- **YOUR ASSESSMENT**



Corporate Digital Responsibility (CDR)

WHAT'S CDR?

According to the definition on the german [wikipedia](#) encyclopedia Corporate Digital Responsibility (CDR) means:

- Corporate responsibility in the digital society.
- It contains a voluntary self-commitment to the sustainable management of companies.
- To this end the social and economic opportunities and risks of digitisation must be carefully weighed against each other.

To date, no recognised international definition of CDR is known.

IT'S ALL ABOUT TRUST

In the digital world, companies need the highest level of trust in order to successfully offer products and services.

The need for this trust concerns all stakeholders:

- Clients,
- Employees,
- Partners,
- Shareholders,
- as well as society.

This trust is based on:

- Lawful conduct,
- responsible behaviour and
- (depending on perspective) also on profit-oriented action.

DEVELOPMENT OF STANDARDS

Despite multiple CDR key players and CDR activities:

- So far, there are [no recognized CDR standards](#). Neither in Germany nor in the EU or internationally. These are currently under development.
- For this reason it makes sense to know the evolution of CDR and the different national and international roots and dialects of CDR (see Chapter 2).
- The same applies to the different CDR models and practical examples developed in the context of CDR (see Chapter 3).

NOTE:

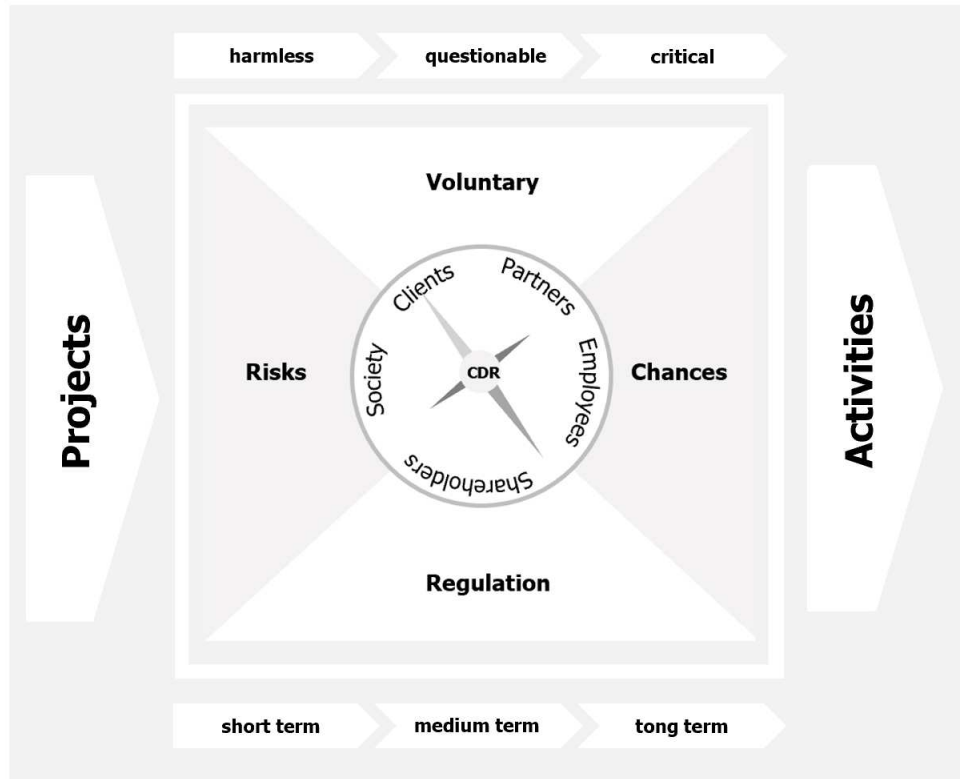
This script was originally written for the German market and then translated for international readers.

For this reason it may happen that some of the contents of this script are closely related to the German market or the German view of CDR.

A short and up-to-date overview in English about CDR in Germany can be found [here](#).

In addition, some of the linked sources on the Internet are only available in German. If possible, these sources should be translated e.g. with [google translate](#).

Voluntary and regulated Responsibility



CDR COMPASS

CDR is a kind of compass with regard to the responsible handling of chances and risks of digitization.

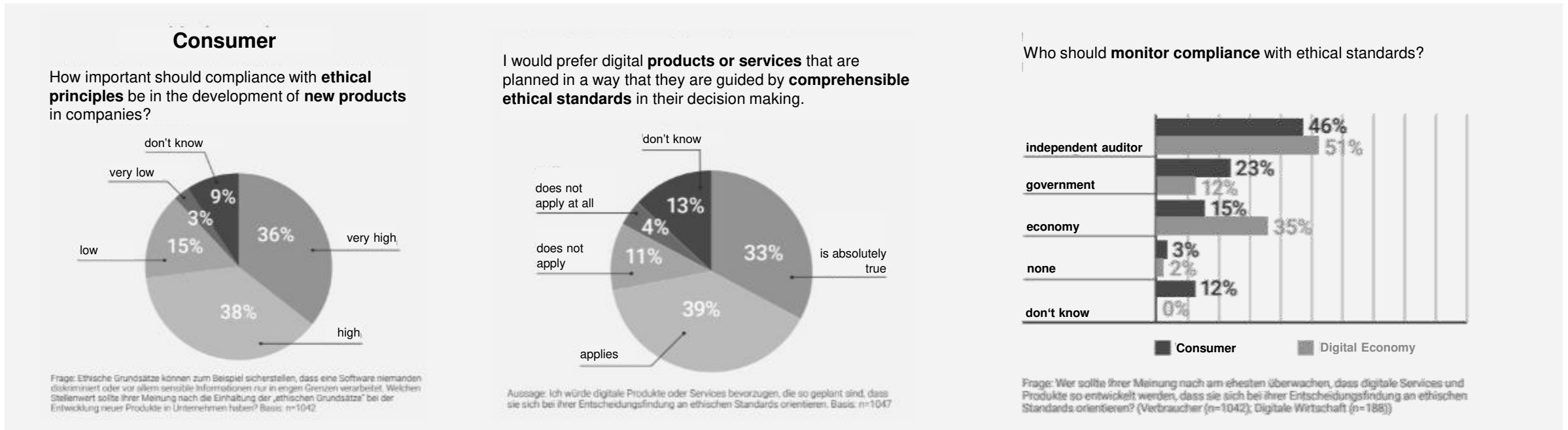
CDR combines regulated and voluntary Elements of responsibility:

- Corporate values
- Self-commitment
- Contractual commitments
- Market and industry standards
- (Inter-)national law

Digital ethics plays an important role at all levels (more on the operational application of this compass in Chapter 4).

Figures. Data. Facts.

**A STUDY BY THE GERMAN ASSOCIATION FOR THE DIGITAL ECONOMY STATES (2019/09):
DIGITAL ETHICS IS IMPORTANT. SO IS COMPLYING WITH STANDARDS.**



Source: [BVDW](#)

Rapidly increasing relevance

CHARTA DIGITALE VERNETZUNG

The German Initiative „[Charta Digitale Vernetzung](#)“ assumes that the combination of trust, digital ethics and CDR will be of [outstanding importance](#).

GARTNER

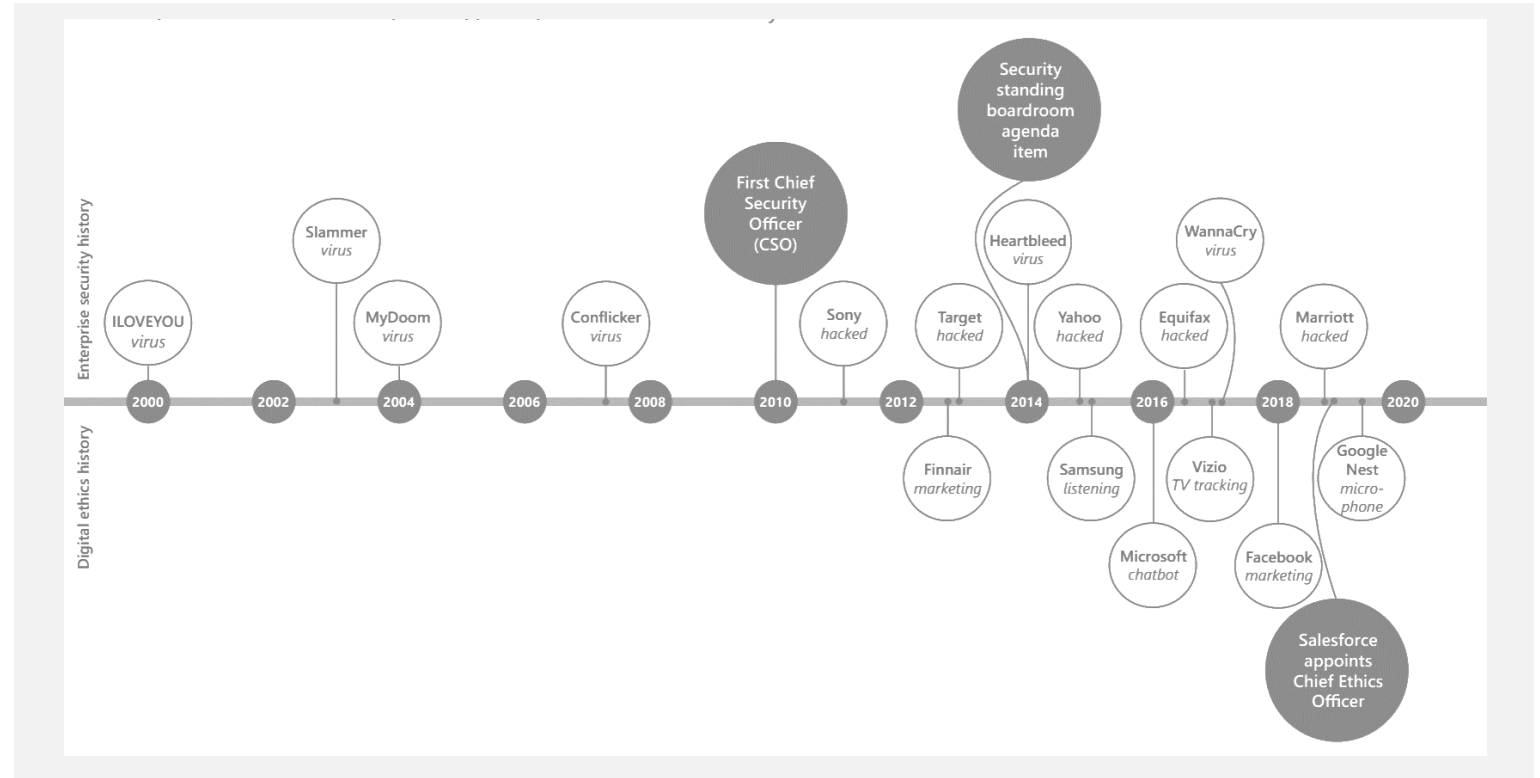
[Gartner](#) has [predicted](#) that digital ethics will rapidly and sustainably gain in importance worldwide.

AVANADE

Accenture partner [avanade](#) argues that digital ethics will gain in relevance [even faster](#) than IT security.

MORE THAN 80 ETHICS INITIATIVES

According to research by [Algorithmwatch](#), there are already over 80 initiatives on digital ethics. This illustrates on the one hand the importance of the topic, but also the challenge to let actions follow.



Source: [avanade](#)

Your assessment*

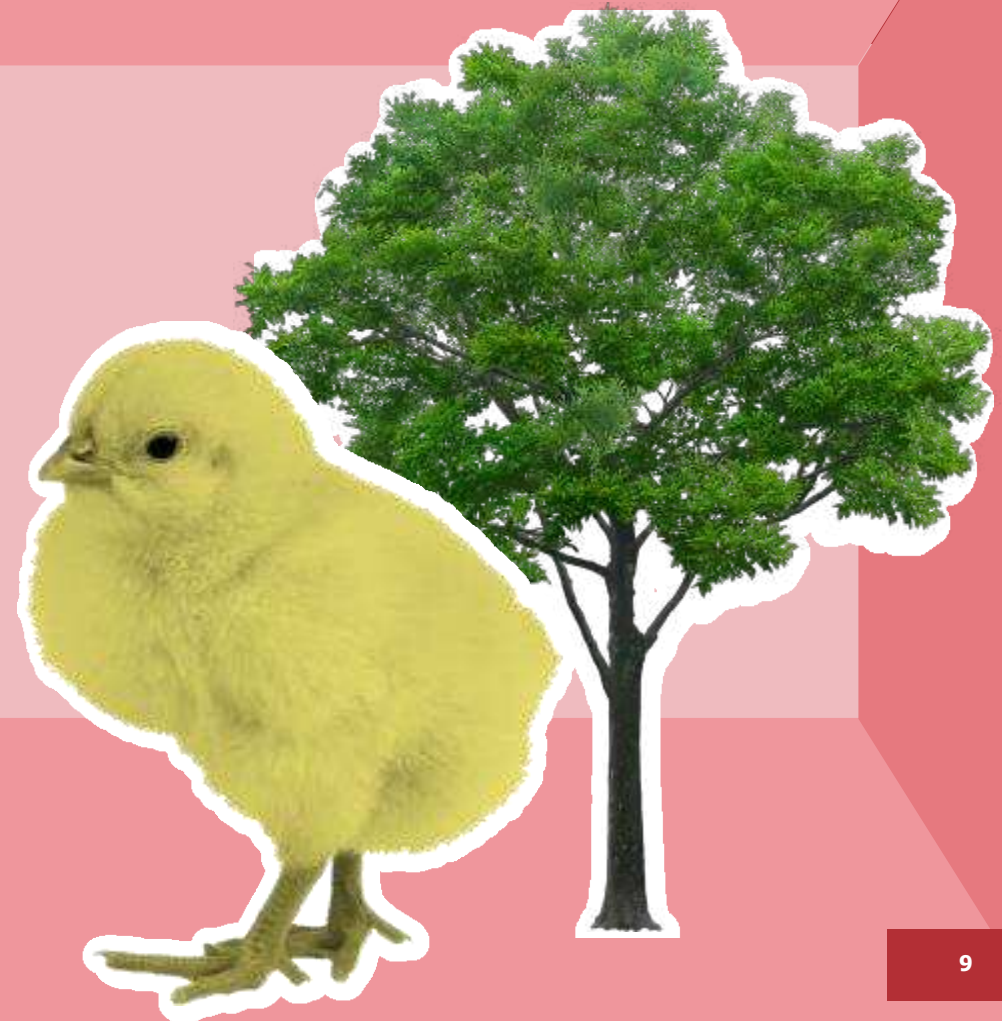
- Digital responsibility and ethics are rapidly gaining relevance in the digital world.
- Both aspects already play an important role in your company today.
- There are already enough flexible tools for the implementation of digital responsibility and ethics.
- Your company would like to use and regard recognized CDR standards in future.
- Your company wants to use and comply with recognized CDR standards in the future.
- Your company has already started targeted activities on CDR and digital ethics.
- Compliance with current and future activities on CDR must be credibly verifiable.

* Assessment from zero (= no agreement) to five (= full agreement)

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Evolution

- **VARIOUS TERMS**
- **DIGITAL ETHICS, CSR AND CDR**
- **KEY PLAYERS**
- **CDR ON THE TIMELINE**
- **CDR BY 2025**
- **YOUR ASSESSMENT**



Various terms

DIGITAL ETHICS

Some terms are used depending on culture circle and time. Sometimes complementing, sometimes competing with regard to CDR. This applies, for example, to digital ethics: this discipline was founded before CDR as a branch of practical philosophy.

- Digital ethics did not yet play a major role in the first comprehensive [CDR concept](#) of 2015.
- The importance of digital ethics as a partial aspect of CDR has, however, increased considerably over time - making it necessary to explain the interplay of the two disciplines (see following page).

CR/CSR IN A DIGITAL WORLD

The word combination “corporate digital responsibility” is internationally less common than one might think. So far the term can be found mainly in Germany.

- Internationally, the combination of digital responsibility in the context of corporate responsibility (CR) or corporate social responsibility (CSR) has so far been used more frequently. CR and CSR have a much longer history than CDR.
- In terms of content, however, the topics are closely related especially since CDR activities (especially in Germany) are already part of the CR and Sustainability Report of several groups (see Chapter 3 below).

DIGITAL RESPONSIBILITY

It is similar and yet different when only Digital Responsibility (DR) is mentioned.

Various interpretations are possible in this respect:

- For example, DR is often used in the context of [Digital Citizenship](#). Here the personal responsibility of the citizen plays an important role. Not only those of enterprises.
- However, DR is also used in [Switzerland](#), the [USA](#) and [England](#) in a similar context to CDR and is closely related to companies.

UNIFIED WORDING?!

From a German point of view it is more or less unclear why CDR as a term is not yet so widely used internationally.

Experts from Germany are interested in discussing these and similar questions with you in the CDR-LinkedIn-Group:

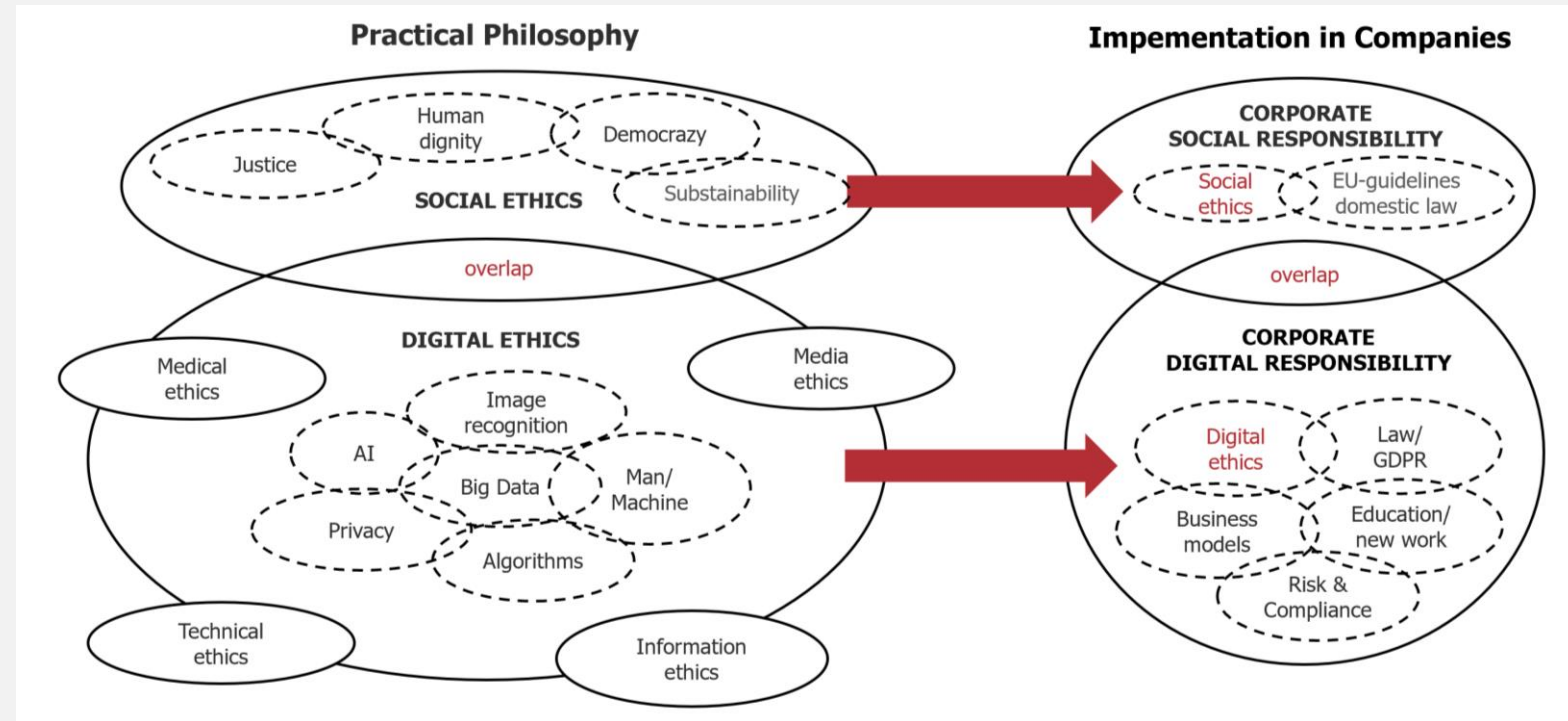
<https://www.linkedin.com/groups/8810975>

Digital Ethics, CSR and CDR

DEMARCATIION AND INTERPLAY

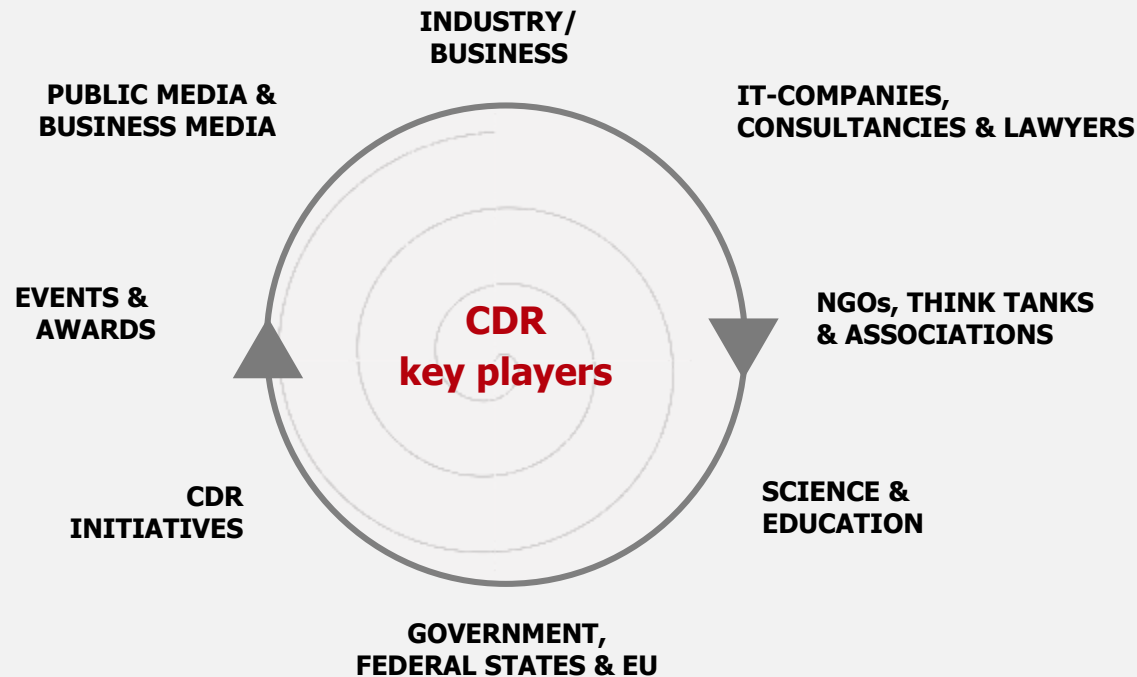
The interplay of CSR and CDR is currently still partly blurred in its contours. The same applies to the relationship between (practical) philosophy and the implementation of ethical criteria in companies.

Corresponding contexts and boundaries will develop stably over time.



Similar: wikipedia [Digitale Ethik](#)

Key players



ITERATIVE DEVELOPMENT

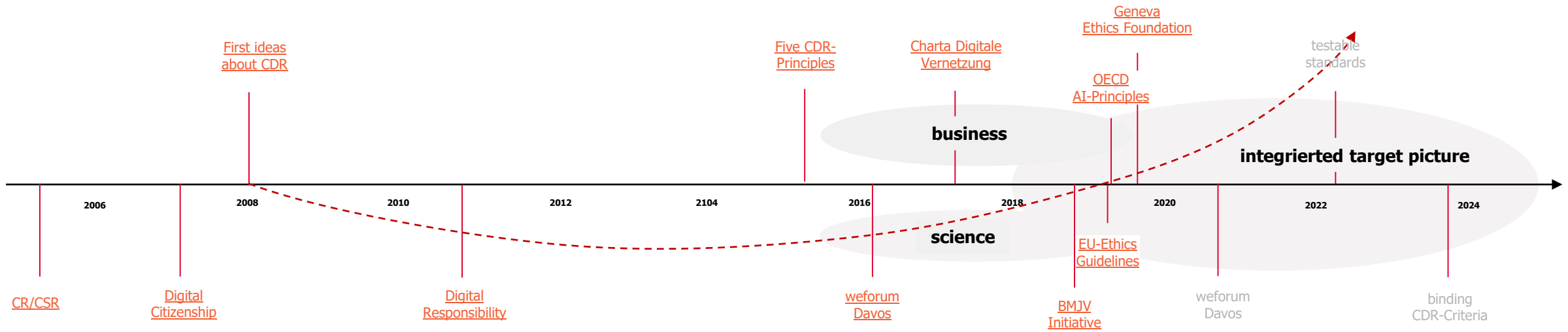
In Germany an iterative development process takes place with several activities of different key players that build on each other and complement each other.

This pattern is typical for dynamically concretizing themes in multi-stakeholder landscapes. It is also the basis for the sustainable development of CDR.

The following must be observed:

- The more key players involved in CDR, the more rapidly diversity increases – which can lead to the emergence of competing CDR designs.
- In general, however, such a spiral leads in most cases to the implementation of an idea shared by all key players, which is then all the more assertive in practice.

CDR on the timeline

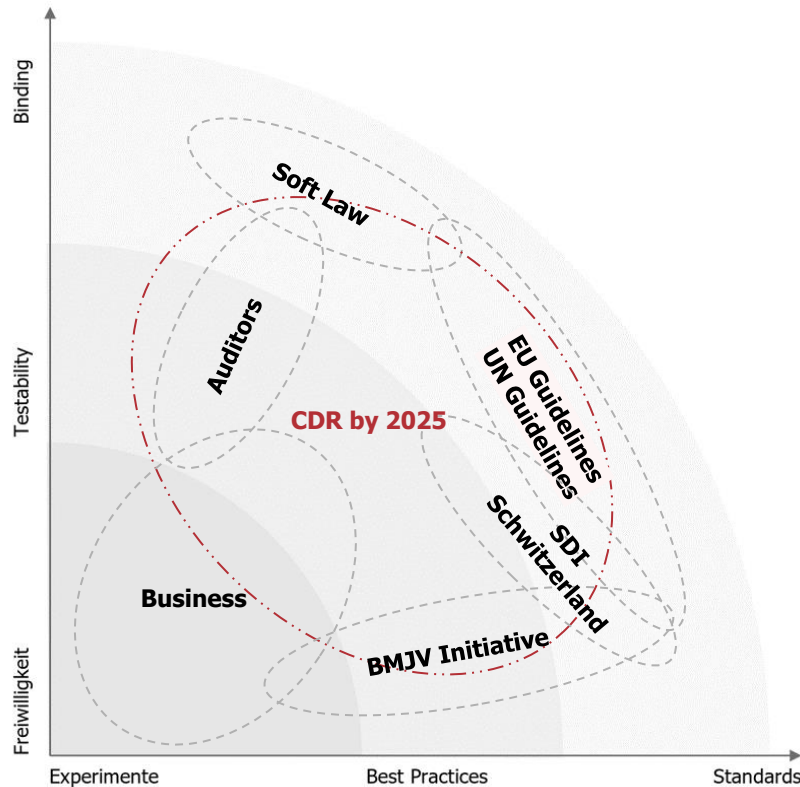


The timeline illustrates that CDR is partly based on other and older terms, which today are partly mixed with each other. In addition, CDR had a longer "incubation period", which lasted from the first ideas (approx. 2008) to the first concrete concept (2015) to the start of overarching systematic developments (2016/2017). Meanwhile, CDR is picking up speed, but is not yet firmly established.

The dotted red line indicates the exponential potential of CDR. So don't be confused by the fact that CDR is not yet "ready": the pace of development in terms of content and relevance can increase exponentially in the near future – but CDR could also run out of air if the many guidelines are not followed by operational action!

So keep a close eye on the evolution of CDR and digital ethics. Even better, actively shape both issues with the courage to experiment on new paths!

CDR by 2025



FROM PATCHWORK TO TARGET IMAGE

On the basis of evolution to date, it is possible to outline how CDR could develop by 2025 and what effects this would have on companies:

- Most companies are currently still at the stage of voluntary CDR experiments. The development of practical experience in digital ethics should progress rapidly.
 - The parallel initiatives on the content and impact of CDR could come together by 2022: This applies, for example, to public-private initiatives of the [BMJV](#), the [EU](#) and [Switzerland](#).
 - The concepts of auditors and lawyers with regard to [testable requirement catalogues](#) and [soft law](#) could have a tangible effect along the B2C2B chain by 2023 (see Chapter 5 for more details).
- As a company, one should expect that CDR will become an integrated reality by 2025 within the outlines of the patchwork landscape outlined beside, and that a [similar development](#) to CSR will take place.
 - Despite current uncertainties, CDR could become a mandatory and reportable aspect of corporate strategy for corporations and suppliers in the near future.

Your assessment*

- The ethical dimension of CDR is essential to create more trust among stakeholders.
- CDR needs the technical input of the practical philosophy regarding digital ethics.
- There will be an international race for recognized standards for digital ethics and CDR.
- Germany has good prerequisites for developing CDR in a trust-building and practical manner.
- Business must have the courage to experiment with CDR in order to incorporate experience into practical standards.
- By 2025, CDR will develop into an overall picture within the outlines of the patchwork landscape outlined earlier.
- Your company is ready and willing to actively support the development of this overall picture.

* Assessment from zero (= no agreement) to five (= full agreement)

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Flash Lights

- TRYING IS ABOUT STUDYING
- CHARTA DIGITALE VERNETZUNG (CDR BASICS)
- BMJV (SCENARIO PLANNING METHODOLOGY)
- ATOS (INDIVIDUAL CORPORATE MODEL)
- SAP (ETHICS ADVISORY PANEL, AI GUIDING PRINCIPLES)
- CONPOLICY (CDR TOPICS)
- TELEFONICA (RESPONSIBLE BUSINESSPLAN)
- MIELE (SUSTAINABILITY REPORT)
- PWC (ETHICAL POSITION)
- TAGESSPIEGEL (CRITICISM OF ETHICS)
- PWC (INTERNAL COMMUNICATION)
- CLASSIFICATION OF EXAMPLES
- YOUR ASSESSMENT



Trying is about studying

SKIM EXAMPLES

START EXPERIMENTALLY

The following Flash Lights give an overview of what already happens in the context of CDR.

The examples are based on professional conviction, the creativity of the actors and the will to (experimentally) design CDR.

Nothing speaks against proceeding in a similar way and developing and implementing ideas for CDR according to one's own ideas.

It is recommended to take the first steps on the basis of a Minimal Viable Product ([MVP](#)). How this can be done is described in Chapter 4.

FOCUS ON TRUST

It is important to always assume the role of the stakeholders whose trust is to be won.

One should ask oneself:

- What would I really value as a stakeholder?
- Which examples would convince me as a stakeholder?

NOTE:

Most of the following examples are originally in German. In some cases it is difficult to translate the sources into English.

However, from an international perspective, it might be interesting to see which companies have already started CDR activities. Furthermore, the short description in the respective info box can give an impression of the goal and content of the respective activity.

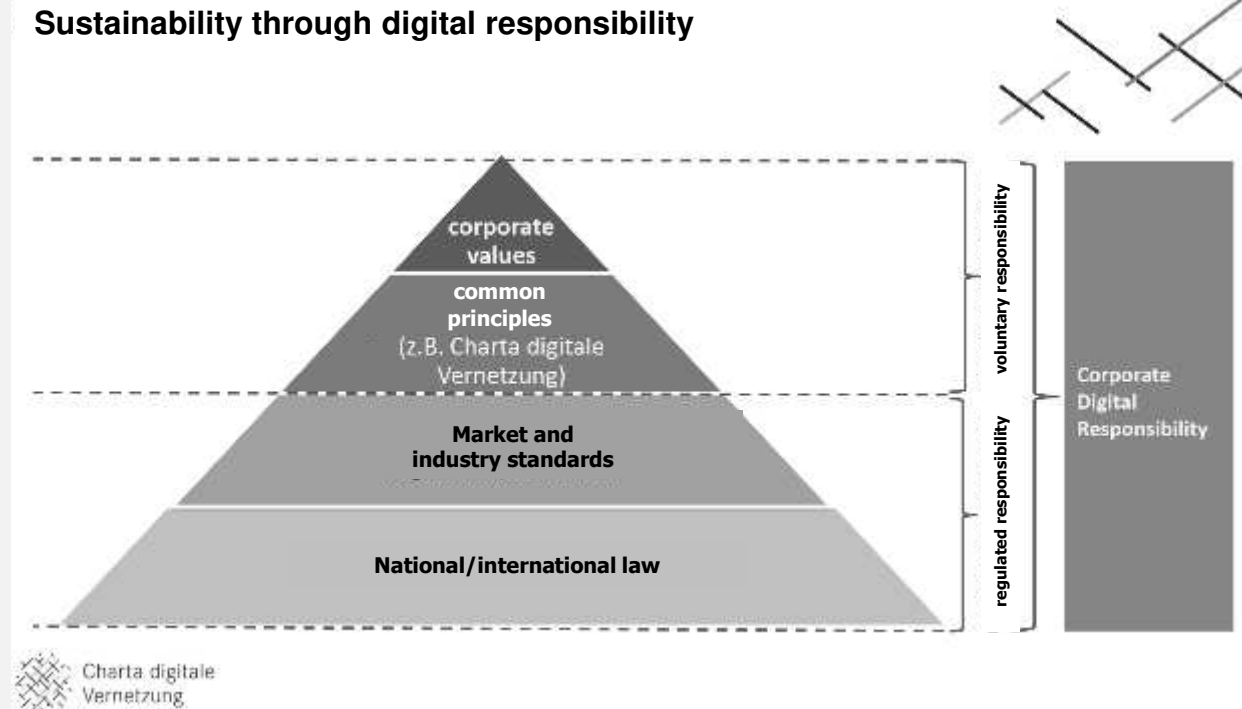
Charta Digitale Vernetzung (CDR basics)

The Digital Networking Charter ([Charta Digitale Vernetzung](#)) is a public-private initiative. It is supported by many well-known companies. It has helped to shape some of the most important foundations of the current understanding of CDR in Germany.

Both the charter and the [CDR-related content](#) should be known before you start your own CDR activities.

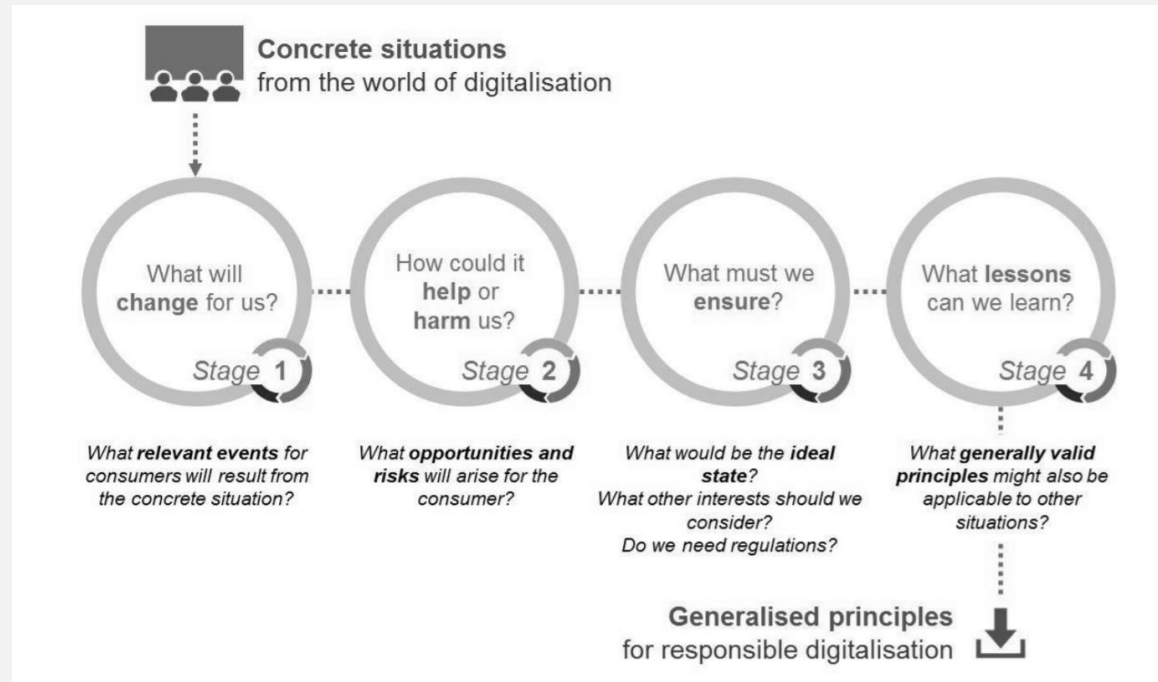
RECOMMENDATION:

- Check the example [here](#).
- How does your company view the thesis that CDR is Corporate Leadership Responsibility?
- In your opinion, which concerns about abuse are relevant with regard to your stakeholders?
- Check the pyramid on the right for the interaction of regulated and voluntary responsibility at CDR!



Source: [charta-digitale-vernetzung](#)

BMJV (scenario planning methodology)



Source: [BMJV](#)

The CDR initiative of the [BMJV](#) recommends a method based on design thinking concepts in order to consider different perspectives with regard to the same topic: The so-called [scenario planning methodology](#).

A concrete situation from the world of digitisation is analysed iteratively and provided with evaluations and measures (see the [video](#)).

RECOMMENDATION:

- Check the examples in the text!
- What do you think of the scenario planning methodology and the three outlined case studies of the linked PDFs (Autonomous driving, IoT refrigerator)?
- Which example of your company could be played through in a comparable form on the basis of the scenario planning methodology – and with whom?
- At what time and by whom in your company should this technique be used??

Atos (individual corporate model)

Atos describes in an individual way what the company understands by CDR and how it wants to implement it. These include many independent perspectives that result from the technical perspective of an IT service provider.

With regard to CDR, both the [Integrated Report](#) and the [CR/CSR Report](#) are particularly informative.

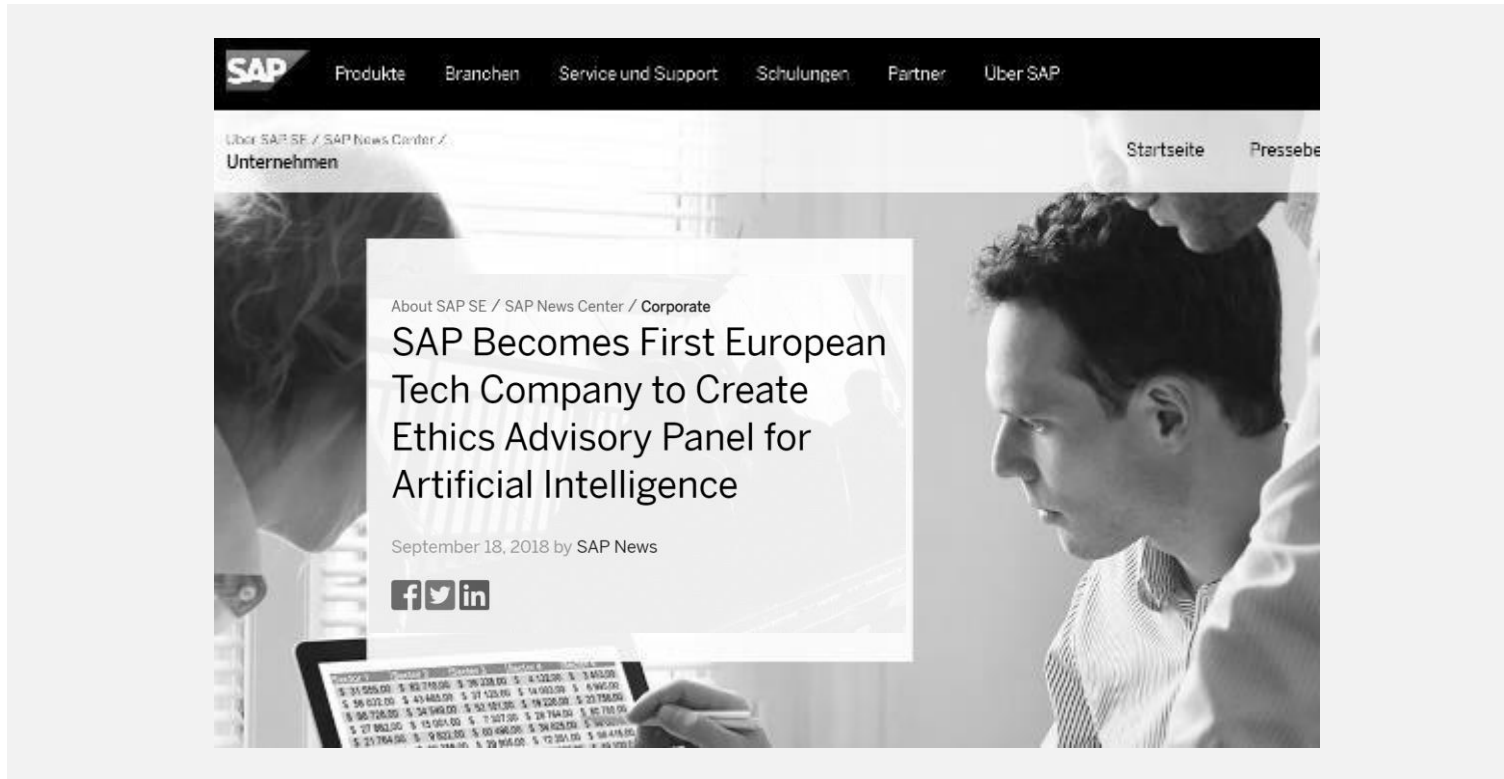
RECOMMENDATION:

- *Check the examples in the text!*
- *What are the advantages and disadvantages of individual CDR models such as Atos'?*
- *What do you think of the aspect of the "digital dilemma" described in the example?*
- *Could your company effectively resolve this dilemma without a tool like CDR?*



Source: [Atos](#)

SAP (ethics advisory panel, AI guiding principles)



Source: [SAP](#)

SAP is one of the (inter)national pioneers in the field of CDR and digital ethics. The Walldorf-based company has founded an [ethics advisory panel](#) for AI and drawn up [guiding principles](#) for dealing with AI.

SAP also discusses digital ethics issues in its user experience community, including the question of future development [phases of AI](#).

RECOMMENDATION:

- *Check the examples in the text!*
- *To what extent can an ethics advisory panel remove or reduce typical concerns about the use of AI in practice in your opinion?*
- *In your opinion, which of the three SAP examples would best help to promote trust?*
- *What do you prefer: a Chief Ethical Officer like [Salesforce](#) and/or an Ethics Advisory Panel like SAP?*

ConPolicy (CDR topics)

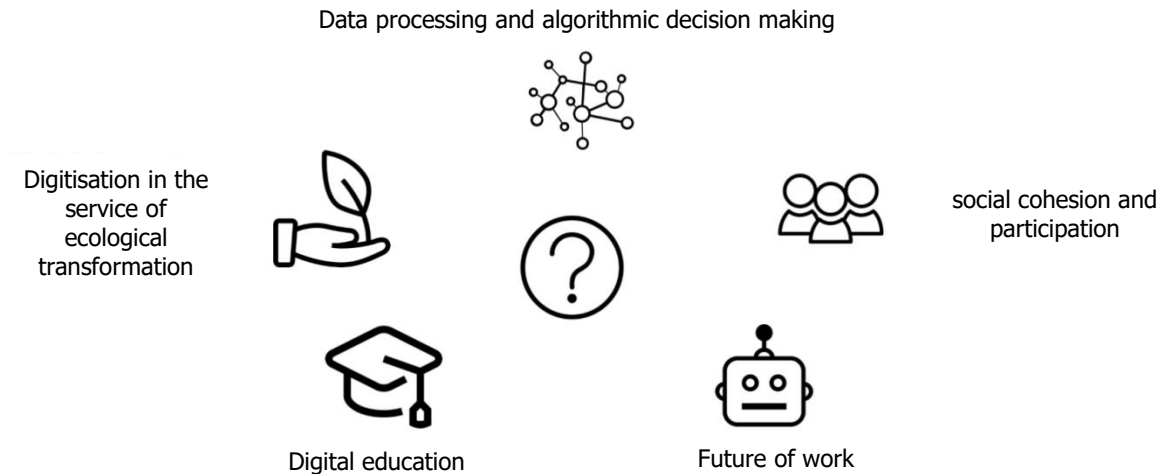
The current understanding of CDR is strongly influenced by several topics that now go well beyond the topic of "data".

The framework shown in the [figure](#) was developed by the Berlin consulting firm ConPolicy. It is also used in a similar form as part of the BMJV initiative.

RECOMMENDATION:

- Check the example [here](#).
- From your point of view, are the fields of action the right ones and already complete?
- Which of these aspects are important for your stakeholders and to what extent?
- Which of these aspects would make the most sense for your company to start with?

CDR-Themenfelder Vielfältiger Handlungsrahmen

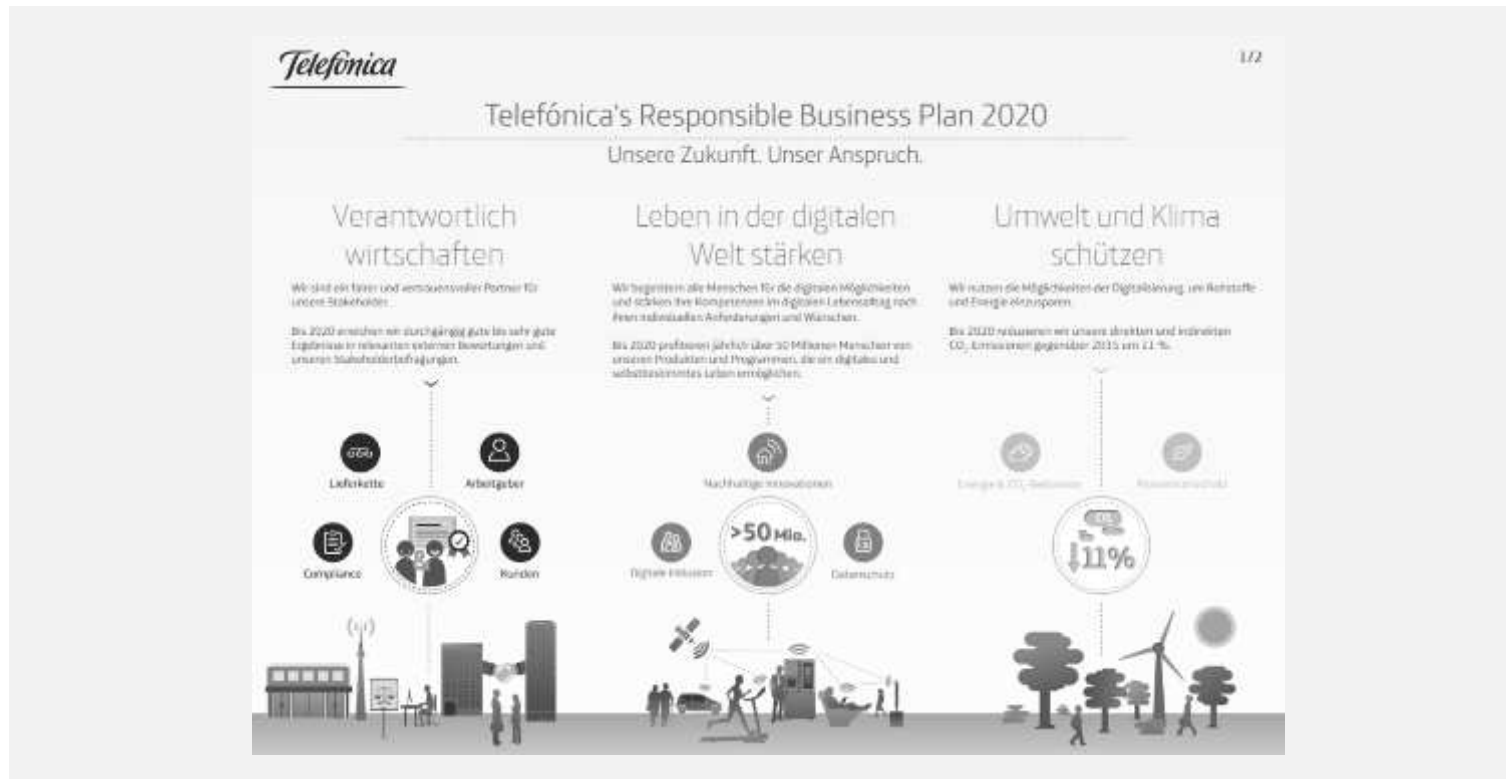


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ConPolicy | 10

Source: [ConPolicy](#)

Telefonica (business plan/AI principles)



Source: [Telefonica](#)

Telefonica documents several of its CDR activities on a [Microsite](#). E.g. a so-called "Responsible Business Plan 2020" will be presented there. Aspects of responsibility, protection and the promotion of opportunities are compared.

Similar to SAP, Telefonica has also published [ethical principles](#) for AI but (unlike SAP) in a more or less striking form.

RECOMMENDATION:

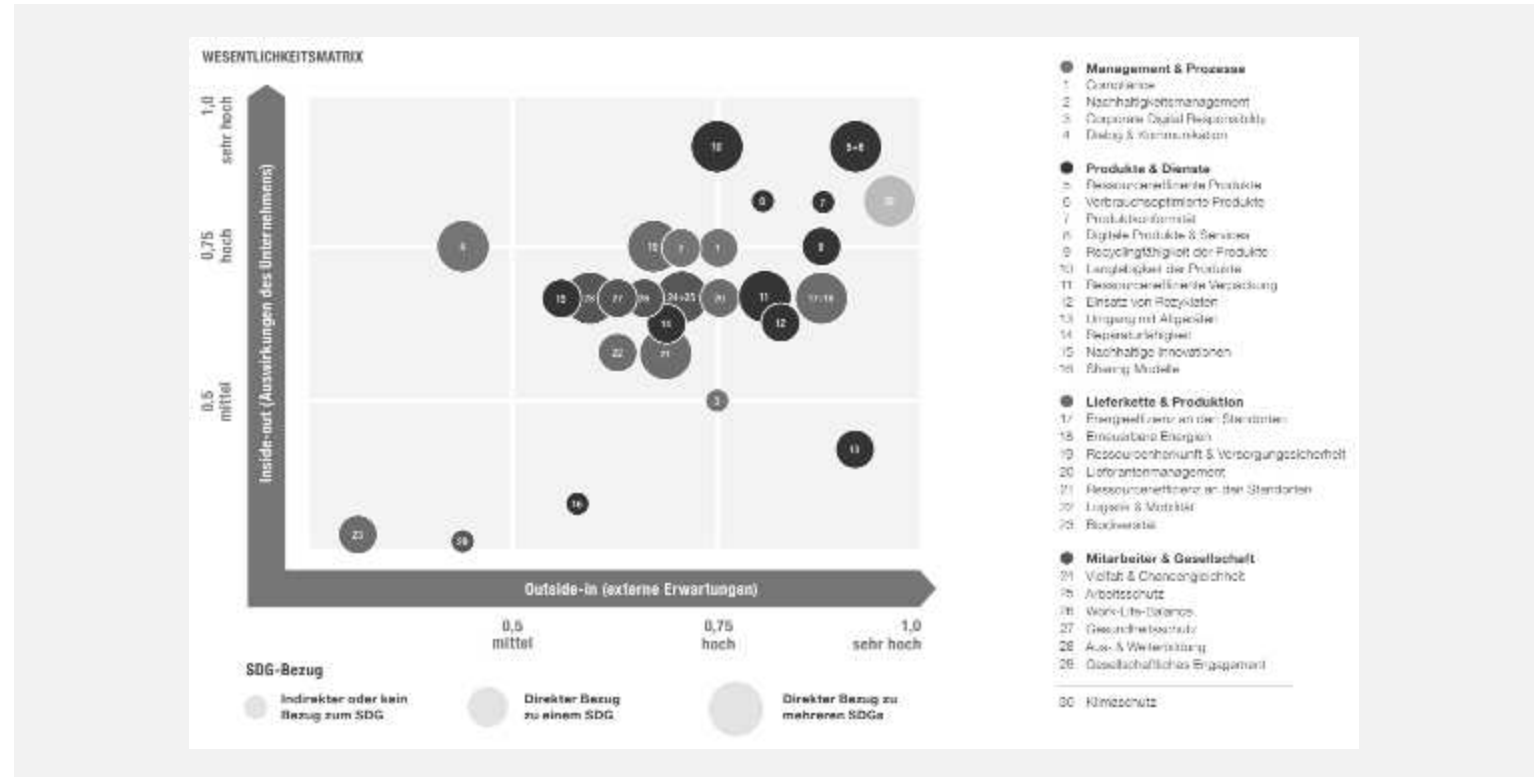
- Check the examples in the text.
- In your opinion, which of the three aspects of responsibility, opportunity promotion and protective measures have the most confidence-building effect?
- When you compare the AI guidelines of SAP and Telefonica: Which variant would you/would your company prefer? Why?

Miele (sustainability report)

At Miele, CDR is addressed at several points in the [Sustainability Report 2019](#). There CDR is part of a materiality matrix similar to the one used by [Atos](#) or (in modified form) by [Deutsche Bahn](#).

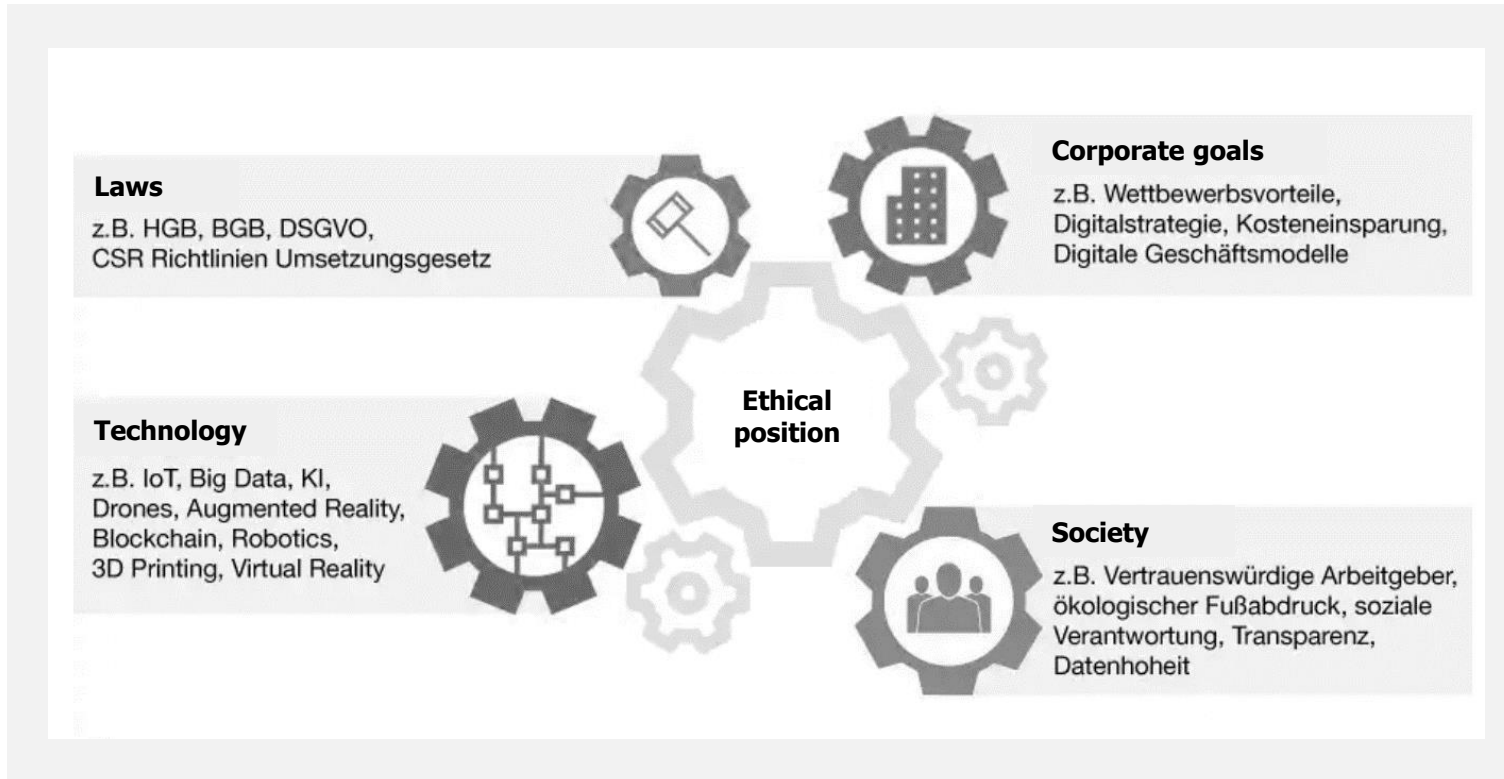
RECOMMENDATION:

- Check the examples in the text.
- Compare several Corporate Reports with regard to CDR: Besides Miele and Atos, e.g. the CR Report of [Telekom](#), [Telefonica](#), [Otto](#) and [Fujitsu](#). How convincingly and sustainably do you find CDR documented in each case?
- Which instruments do you consider to be particularly relevant for credible communication by CDR (e.g. in CR reports, the website, an article, a white paper or on the intranet)?



Source: [Miele](#)

PwC (ethical position)



Source: [PwC](#)

According to PwC, companies need to determine their ethical position and expectations based on various factors (laws, corporate goals, society, technology). The next step is to determine the intersection of the following questions:

- What is legally allowed?
- What does the company want?
- What does society accept?
- What is technically possible?

RECOMMENDATION:

- Check the example [here](#).
- What about your company: What ethical positions arise at the intersection?
- In your opinion, what is the significance of CDR requirement catalogues as they are, according to [PwC](#), already being developed from examination practice?

Tagesspiegel (criticism of ethics)

Various public media regularly report on digital ethics and CDR: [DIE ZEIT](#) supports the BMJV initiative. The [FAZ](#) runs the "Thought Leader" initiative.

The [Tagesspiegel](#) also reports on CDR and digital ethics. These include [controversial](#) and [critical](#) articles such as Thomas Metzinger's on the EU Ethics guidelines: "Greenwashing" would be such directives. Similar concerns can also be found in the [NZZ](#).

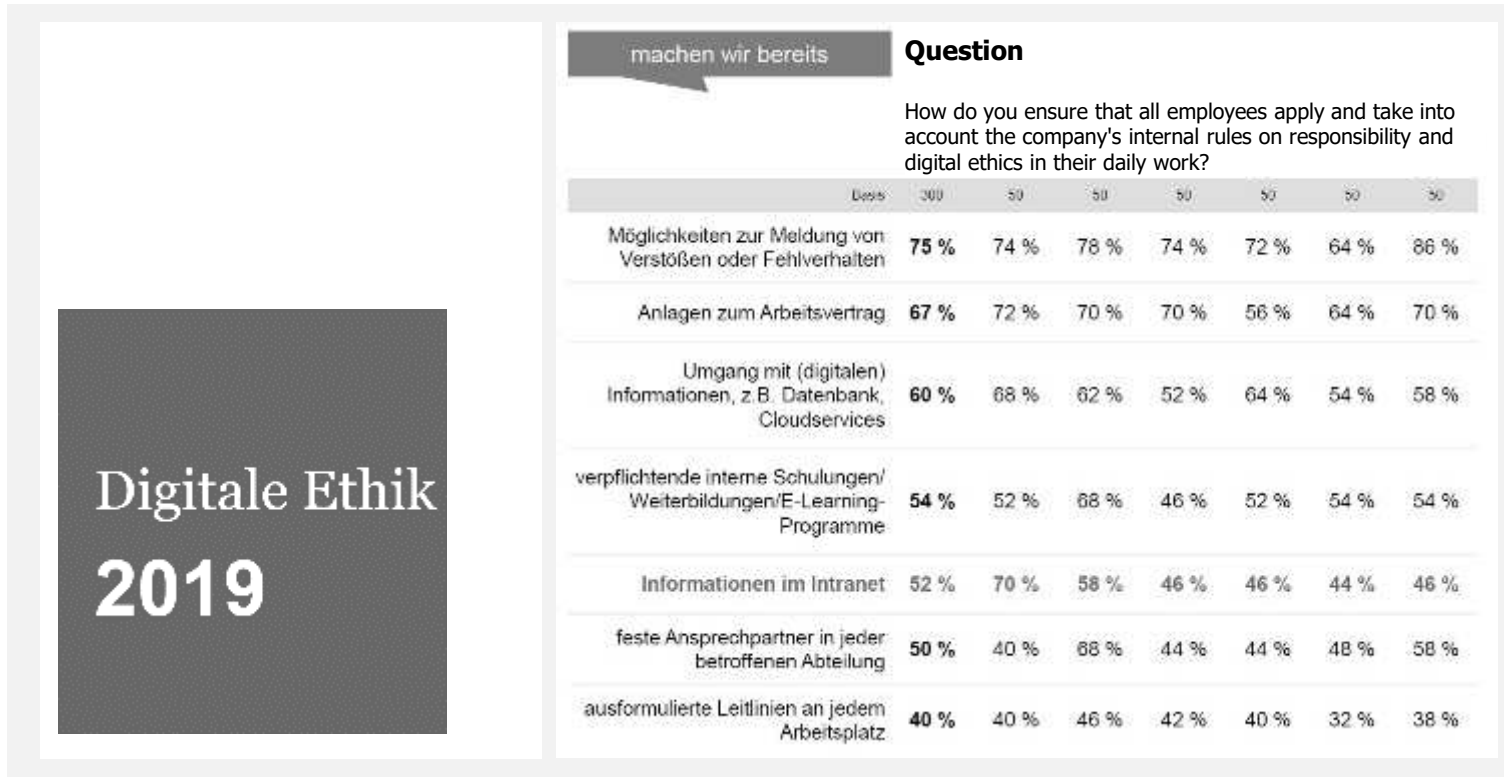
RECOMMENDATION:

- *Check the examples in the text!*
- *In your opinion, how do critical or controversial articles affect CDR and digital ethics? Negative, positive or neutral?*
- *What role do business and consumer media generally play in the success of CDR: Should they report more about CDR? With what goals and with which contents?*



Source: [Tagesspiegel](#)

PwC (internal communication)



Source: [PwC](#)

In a [new study](#) on digital ethics, PwC examined which instruments companies use, since employees can apply the rules regarding digital responsibility in their daily work.

In addition, other questions relevant to digital ethics are asked.

RECOMMENDATION:

- Check the example [here](#).
- Go over the questions from PwC yourself again: What would have been your answers?
- Which instruments do you think are particularly relevant from an employee's point of view when it comes to successfully observing digital ethics in practice?
- Do the same rules apply to opportunity and risk assessments?

SWM (CDR principles)

In 2019, [Stadtwerke München](#) published a [CDR guideline](#) on the responsible handling of data.

This is remarkable because SWM is a subsidiary of the City of Munich and thus part of the [municipal service administration](#). Despite being organised under private law, SWM, like many public utilities, is closely based on the public sector.

RECOMMENDATION:

- Check the example [here](#).
- In your opinion, does the public sector or service administration companies have an increased obligation to further concretize CDR as a first mover?
- From your point of view, which of the paragraphs of the directive are particularly relevant for building increased confidence?



Richtlinie über die Grundsätze der Stadtwerke München zum Umgang mit Daten und fortschreitender Digitalisierung (Corporate Digital Responsibility)



PRÄAMBEL

Die SWM entwickeln stetig ihre Produkte und Dienstleistungen weiter, um Bürger/innen und Besucher/innen Münchens alle Vorteile von Vernetzung und Digitalisierung zugänglich zu machen. Unsere Vision: München als leuchtendes Beispiel einer vernetzten und lebenswerten Stadt. Weiterschreitende Digitalisierung und Vernetzung bieten neue Chancen, aber auch Herausforderungen. Dies betrifft den Schutz personenbezogener Daten von Kunden (nachfolgend: „Kundendaten“) und Beschäftigten (nachfolgend: „Beschäftigtendaten“) aber auch die Qualifikation unserer Mitarbeiter/innen und die Weiterentwicklung der Arbeitsplätze.

Source: [SWM](#)

HWZ (training and trends)



Source: [HWZ](#)

Universities such as the [HWZ](#) now offer an integrated mix of basic information (e.g. in the form of a [whitepaper](#) or a monthly [trend radar](#)) in combination with [education and training opportunities](#) on digital ethics.

Such offers will become more frequent, but still have to be accepted by the market.

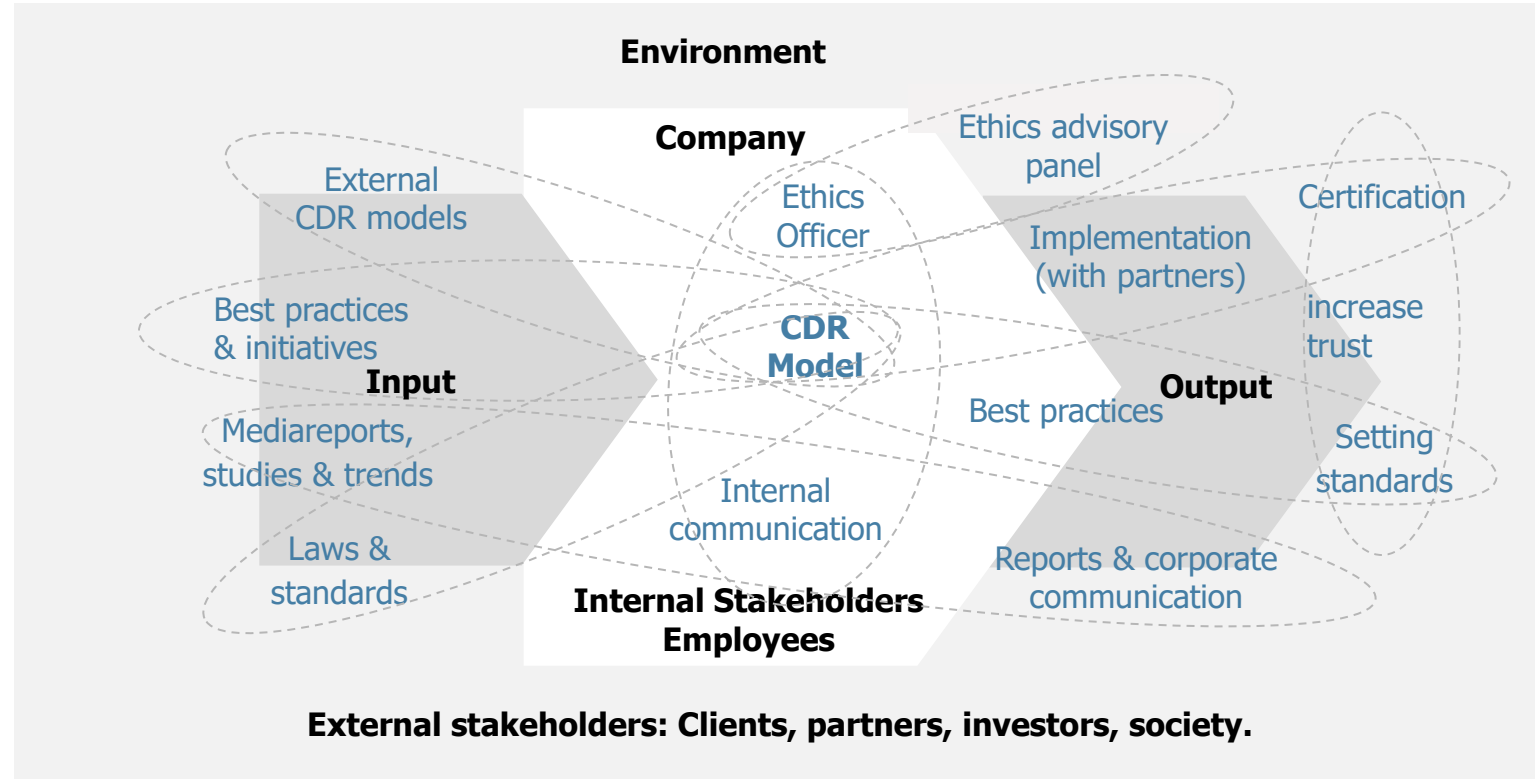
RECOMMENDATION:

- *Check the examples in the text!*
- *In your opinion, how important are (certified) further education formats on CDR or digital ethics?*
- *How could such formats be made known in the right places in your company or how could they be financed?*
- *Which information instruments do you think belong in a practical "CDR tool case"?*

Classification of examples

The company model shown on the right is based on the [ISO 9000 process model](#) and the [digital base model](#) with regard to input and output. It helps to sketch the interaction of the Flash Lights:

- It shows, for example, that an Ethics Advisory Panel and an Ethics Officer have different roles: The former is filled externally, the latter is an employee. Both are therefore possible side by side.
- Media communication as well as internal and external communication are also closely related. The same applies to best practices as the basis for the development of (future) CDR standards.
- The linchpin of all activities, however, is the CDR model: This can and should be based in part on external standards, but must always be individually interpreted and adapted to the company and the current state of ethics and technology.



Your assessment*

- The Flash Lights show that CDR leaves a lot of space for own ideas, concepts and measures.
- CDR is a communication task in many respects: both internally and externally.
- Testable catalogues of criteria are necessary to enable the credible verification of CDR.
- As "watch dogs", the media have the task of constantly monitoring the credibility of CDR.
- Recognised standards facilitate access to CDR as they provide orientation for one's own activities.
- "CDR off the peg" makes little sense. It is important to set your own accents regarding CDR.
- You should start early to develop your own understanding of CDR in order to interpret future standards.

* Assessment from zero (= no agreement) to five (= full agreement)

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Hands on

- **REALIZATION AND IMPLEMENTATION**
- **MVP PREPARATION**
- **THOUGHT LEADERS AND SPONSORS**
- **INITIAL SPRINT**
- **THREE IMPLEMENTATION LEVELS**
- **HYBRID PROJECT MANAGEMENT**
- **INFRASTRUCTURE AND TOOLS**
- **CDR AND DATA STRATEGY**
- **CDR COMPASS**
- **EVALUATION OF HOT SPOTS**
- **SCENARIO PLANNING**
- **DIGITAL WORKPLACE EXAMPLE**
- **FURTHER EXAMPLES**
- **SELF-LEARNING SYSTEMS**
- **REAL AI OR FAKE**
- **CHECK AND EVALUATE**
- **YOUR ASSESSMENT**



Realization and implementation

START WITH MVP

Currently there is hardly a lack of [guidelines](#) and individual examples. But there is a lack of recognised standards and systematic implementation across the board.

In other words:

- On the one hand there are still no clear guidelines on what to do exactly.
- On the other hand, there is room for individually fitting CDR models.

Against this background, it is advisable to start with an MVP and attach great importance to operational aspects.

OPERATIVE QUESTIONS

From a practical point of view, there are many concrete questions about CDR, e.g.:

- Who checks when with whom concretely whether an existing or new digital service is compliant with CDR criteria?
- How does this check take place and how is it documented?
- Who guarantees that critical insights are actually observed and implemented?

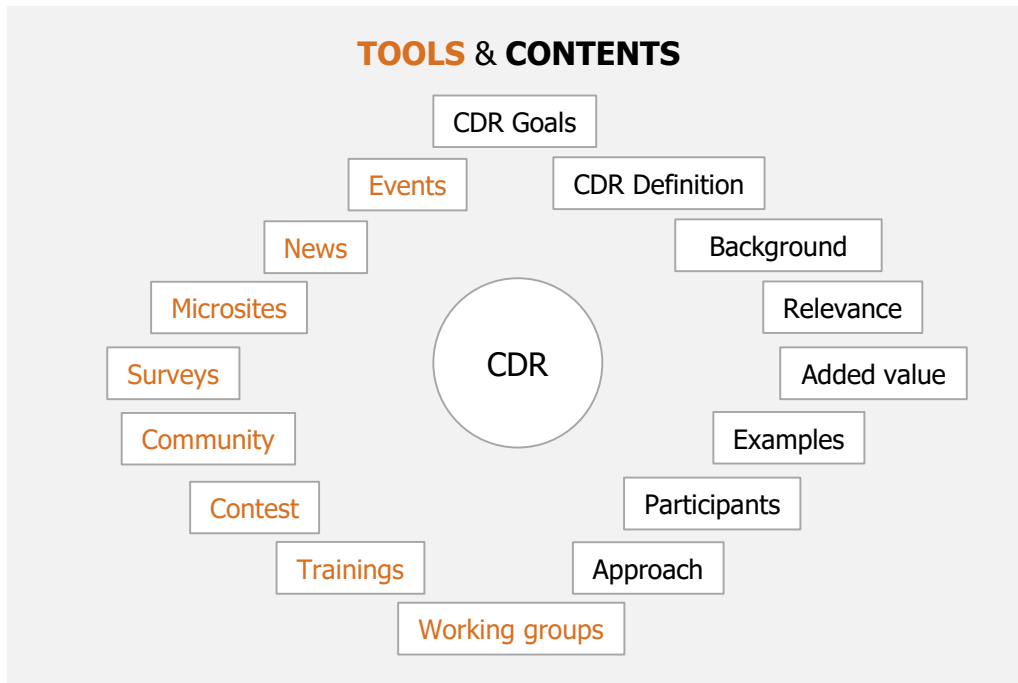
OPPORTUNITIES AND RISKS

The same questions must also be clarified for the preservation of opportunities:

- Who identifies and promotes which opportunities in concrete terms?
- Who, for example, helps employees to understand and use new digital offerings?
- How is commitment communicated along the CDR strategy?

MVP preparation

START CREATING AWARENESS:



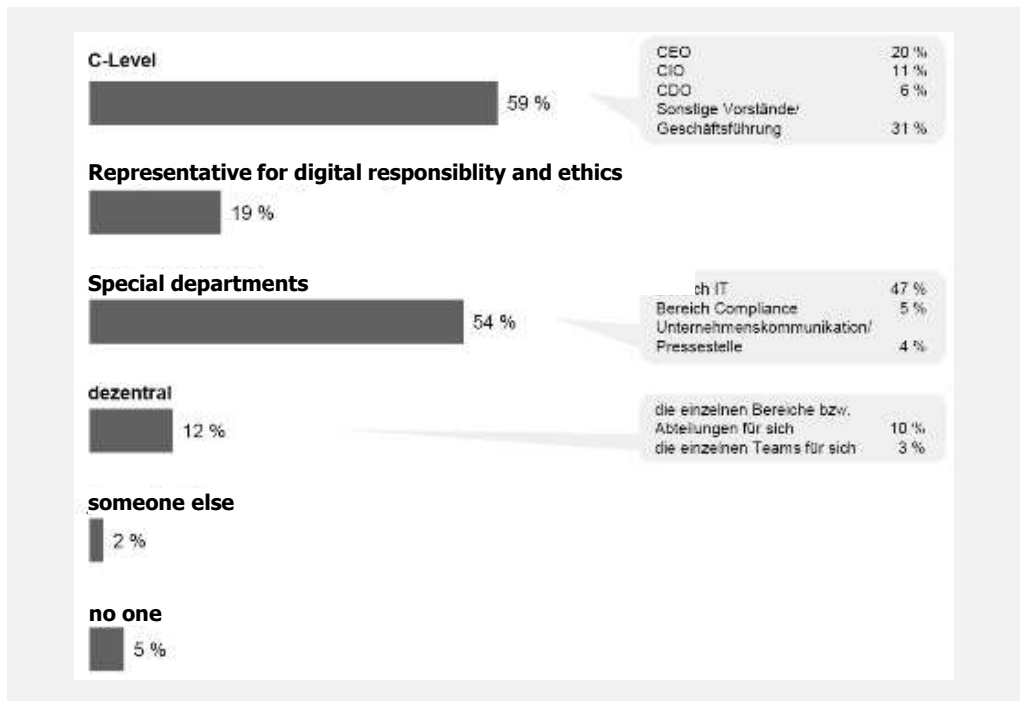
SHARPEN THE SCOPE OF THE MVP

Together with the sponsor, it is important to sharpen the scope of the pilot or the MVP and involve other stakeholders on demand at an early stage.

- An important partner for the MVP is the corporate communication department. It helps to create awareness in the company for CDR and to motivate employees to support it. CR/CSR and Legal & Compliance are also of high relevance.
- The IT department also plays an important role in the MVP: in the end, a single variable can decide whether a project is ethically responsible or not.
- Further stakeholders and participants result from the objectives of the projects to be examined within the MVP.

Thought leaders and sponsors

WHO CARES ABOUT DIGITAL ETHICS?



Source: [PwC](#)

INNOVATORS & EARLY ADOPTERS

New topics such as CDR require the support of thought leaders in the enterprise – especially those who can make a difference.

For the sponsorship of a CDR-MVP, different competencies and decision maker levels come into consideration:

- The first step is to look for sponsors at C-level. This is the result of a PwC [study](#) on digital ethics. The example from [Switzerland](#) also shows that digital ethics has arrived in the top management of many global corporations.
- Further potential sponsors can be found among the heads of special departments and divisions.
- As a rule, the innovation sector is also interested in CDR.

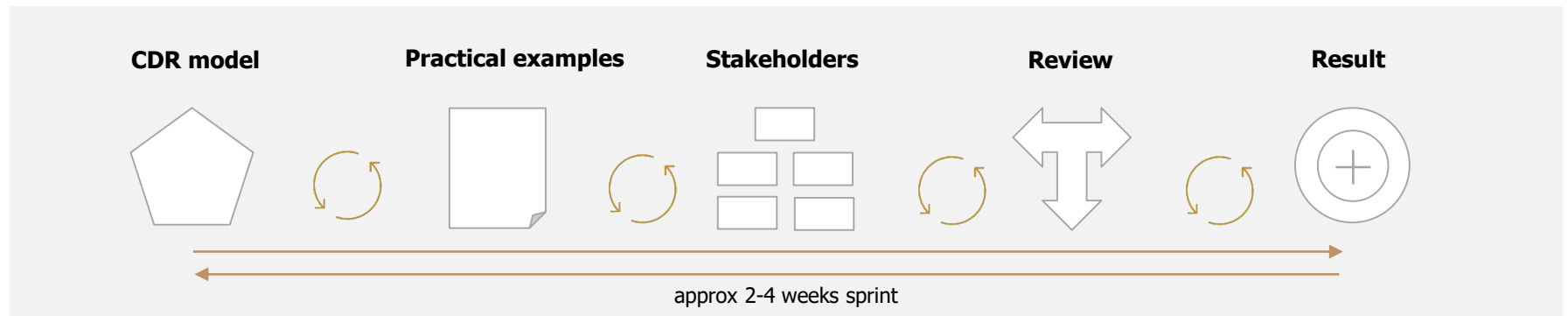
Initial sprint

NOTE:

For this part of the implementation, it is advisable to look again in Chapter 3:

- You need a CDR model as a basis for the MVP.
- You can design this yourself or orientate yourself on existing concepts.
- It is important that you set yourself goals along the different aspects of CDR (e.g. Data processing and algorithmic decision making or Digital education): What do you want to pay particular attention to? Which risks and opportunities are particularly relevant for your stakeholders?

THE FOLLOWING STEPS MUST BE ITERATIVELY PROCESSED WITHIN THE MVP:



WHO? WHAT? WHEN? HOW?

If the CDR model is roughly sketched, you should quickly look for some concrete examples and check the following steps:

- Which stakeholders have to participate in which example and when?
- Which evaluation method is used (e.g. scenario planning methodology)?
- What added value is achieved by the process?
- Which optimization and scaling potentials exist?
- Along several iterations it is necessary to evaluate the experiences and to check and optimize the CDR model with further examples.
- In the following, various challenges of this process will be examined more closely.

Three implementation levels

TOP DOWN. BOTTOM UP.

Participants have to be involved depending on the individual project (e.g. departments and technology):

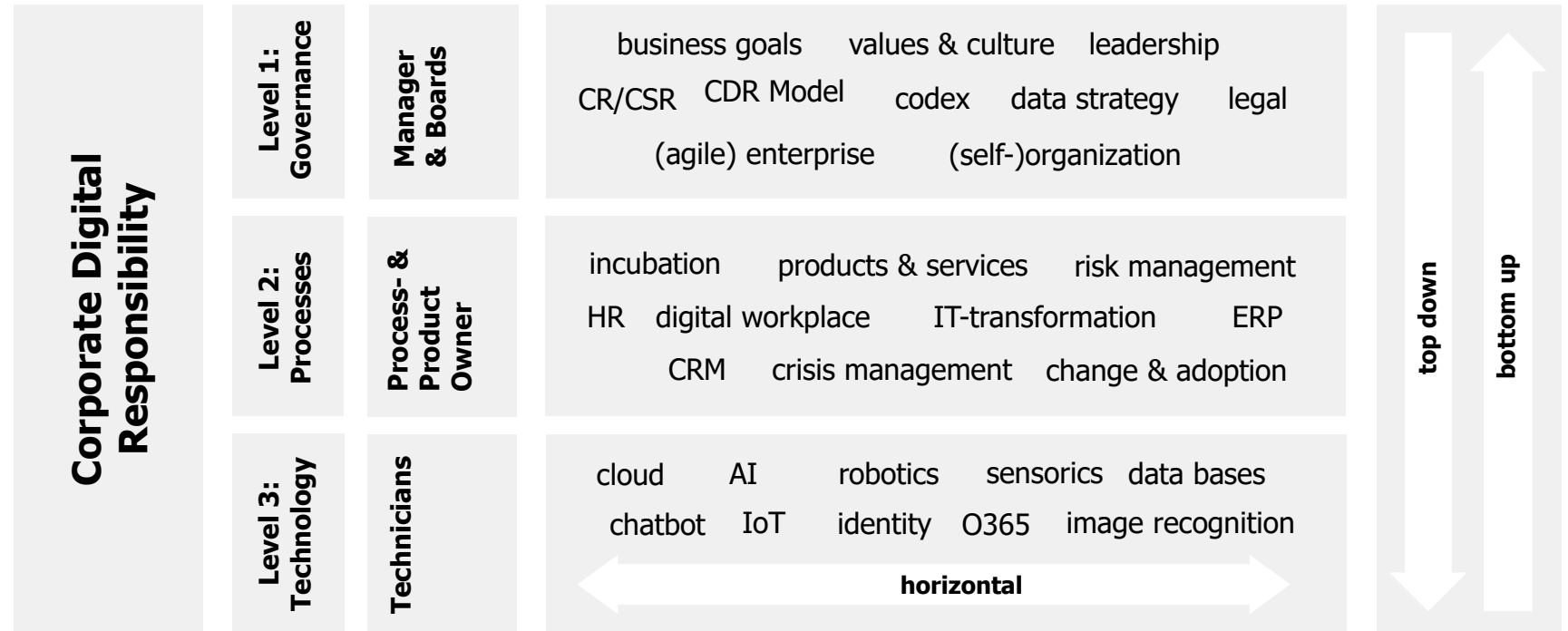
- In any case, governance will be required at the beginning e.g. to determine the CDR objectives to be observed.
- Within the scope of each examination, ethical hot spots must be carefully examined top-down and bottom-up .

HORIZONTAL

Relevant interactions exist particularly at the technical level. An example is the interaction of AI and robotics:

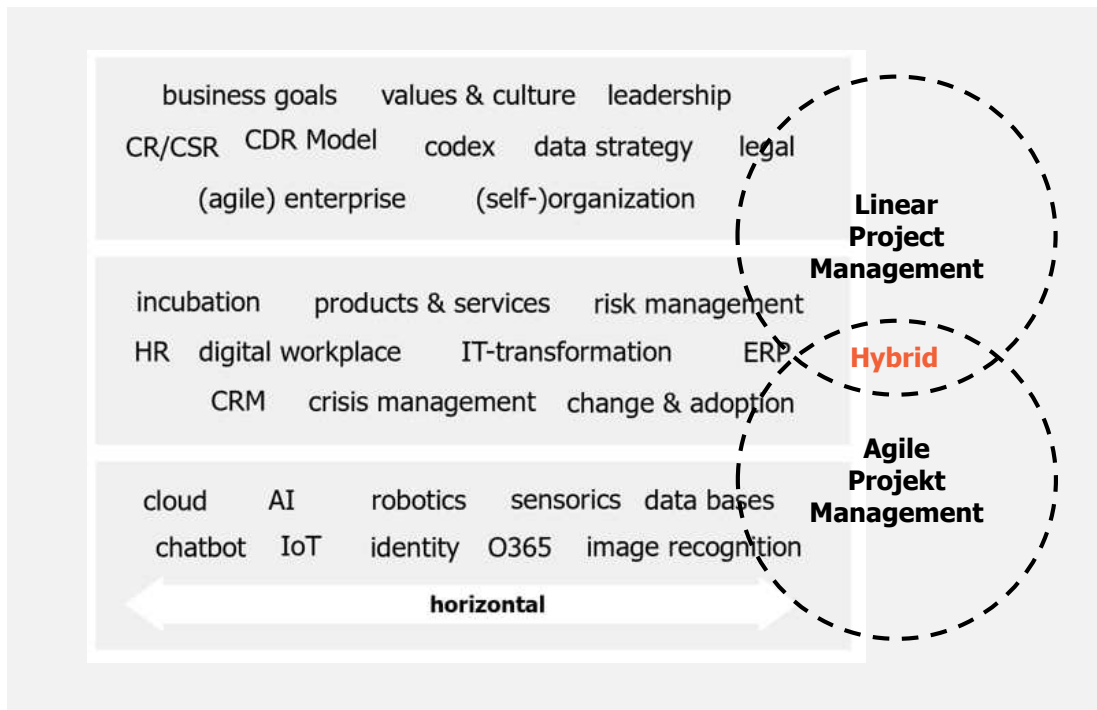
- Both techniques are relevant for CDR on their own,
- but also in their combination.

THREE IMPLEMENTATION LEVELS OF CDR (WITH OTHER PARTICIPANTS IN EACH LEVEL):



Hybrid project management

EVERY LEVEL REQUIRES SUITABLE PM-INSTRUMENTS:



Source: [t2informatik](#)

CLASSIC AND AGILE

In practice, the coordination of the three levels leads to the necessity of [hybrid project management](#):

- Many aspects of the upper and partly also the middle level have to be managed in a classic-linear way.
- Development phases in the middle and lower levels are usually implemented in an agile manner.

Hybrid project management can ensure that CDR follows clear rules with regard to the "big picture" top down into the operative levels and that new rules quickly find their way into practice. At the same time, all current aspects of agile operational practice must be captured, investigated and reported in both directions: Vertically and horizontally.

Infrastructure and tools

INTEGRATED COMMUNICATION

Within the framework of a hybrid project structure, cloud-based tools such as MS Office 365 should be used:

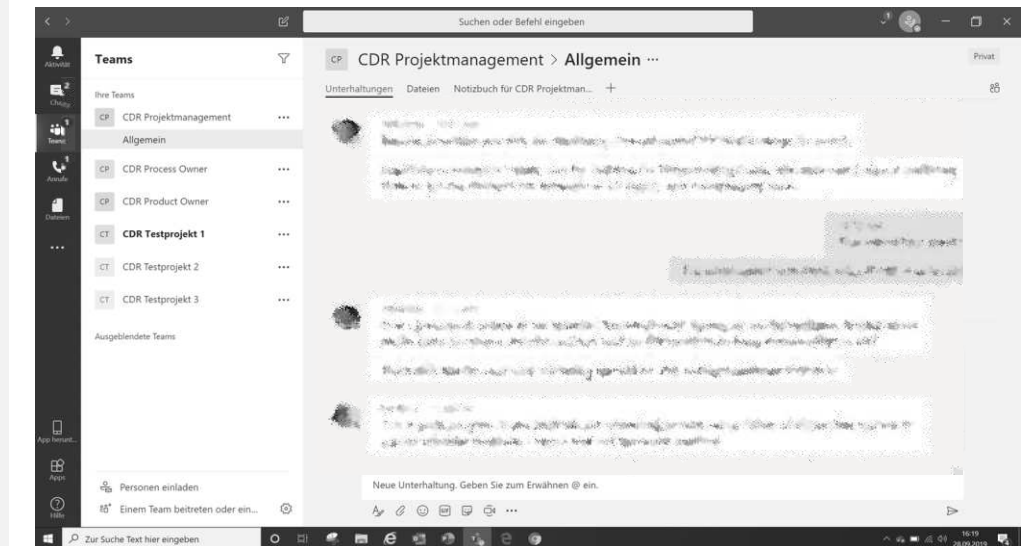
- With them, project-specific as well as comprehensive communication can be well combined.
- For each CDR project a separate MS teams group can be formed.
- For some cross-project topics, it is also possible to address e.g. only managers, product/process owners or technicians in separate MS teams groups on a topic-related basis.

INTRANET & TEAMS

Results and standard documents should be stored either in MS teams or on the intranet for easy retrieval (as is often the case in practice according to [PwC already](#)). This also applies to documentation such as the scenario planning methodology.

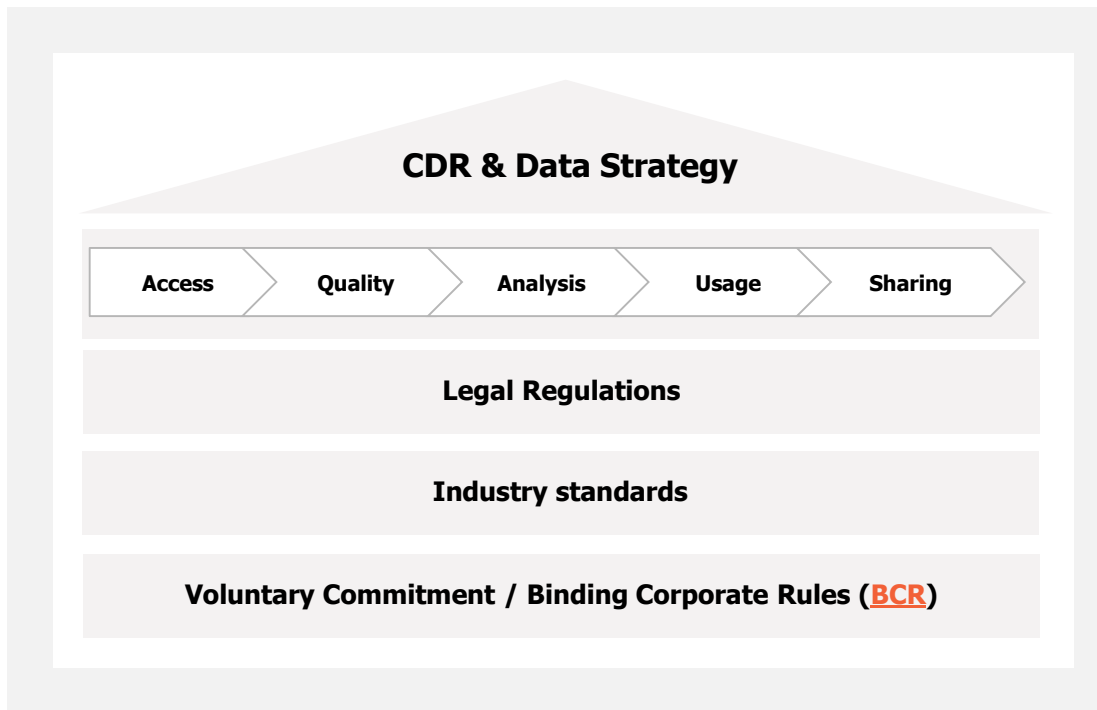
- Documents relating to this must be easy to find and to use for specific projects.
- A digital workplace including an intranet is also well suited for integrating technical content as well as internal and external communication measures.

WELL SUITED FOR CDR: MS OFFICE 365 & MS TEAMS



CDR and data strategy

THIS HAS TO BE CLARIFIED IN PRINCIPLE:



Source: [data science blog](#)

CDR & DATA STRATEGY

The responsible handling of data plays a central role at CDR. A company-wide [data strategy](#) as well as [data governance](#) and data ethics are important foundations of the MVP.

Therefore, at the beginning of the MVP, it should be checked whether a company-wide data strategy already exists and whether and to what extent it has elements that are relevant for CDR:

- The chart illustrates which aspects these may include.
- In the case of CDR, the question of [transparency](#) in data protection is also frequently important.

ACCESS & TRANSFER

With regard to CDR, the following questions are particularly important:

- Which data do I need access to (internally & externally)?
- Which data would be useful (nice to have)?
- Which of these data can be used responsibly?
- Which not?

The same applies in the opposite direction:

- Who would you share data with?
- Who would you not share data with?

CDR compass

FOCUS ON RELEVANT USE CASES

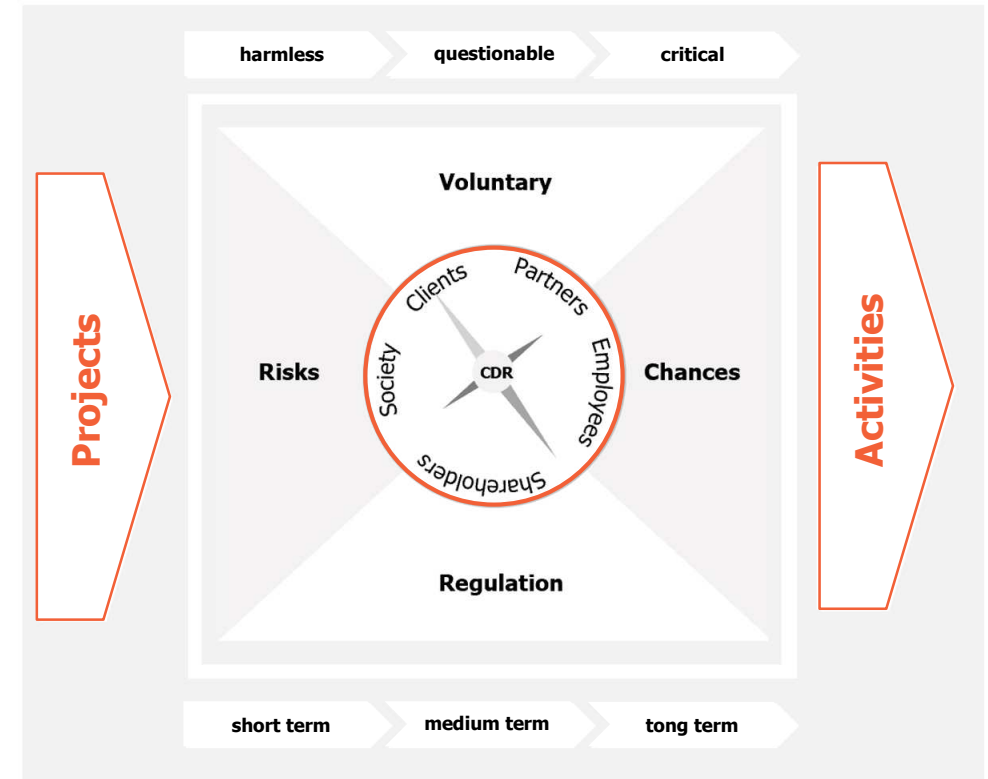
In view of the large number of digital projects in corporations and resource-intensive CDR processes, it is important to focus on those hot spots that actually give cause for examination.

For this purpose, companies should develop orientation aids both with regard to the business objectives and the technology used, which help to "wave through" quickly all those projects for which there is (currently) no discernible risk or opportunity potential.

- It should always be borne in mind that this assessment can change over time, which makes it useful to forecast development dynamics, e.g. to define resubmissions.
- The CDR process should only be run through (all the more carefully) if there is a discernible need for further risk/reward analysis.

PROJECT PROFILE

- Business goals, use cases and technology:
 1. Uncritical
 2. Questionable
 3. Critical
- Development dynamics
- Opportunities/Risks:
 1. Short-term
 2. Medium term
 3. Long-term
- Regulation today
- Regulation in the future
- Voluntary measures
- Overall result



Evaluate hot spots

ORIENTATION AIDS

As described above, companies should continuously evaluate possible CDR hotspots and evaluate business goals and technologies in the form of traffic light or radar profiles. External sources such as a [trend radar](#) can and should also be used.

This is the only way to ensure that ongoing developments are taken into account, e.g. for:

- Use cases
- Business models
- Technologies

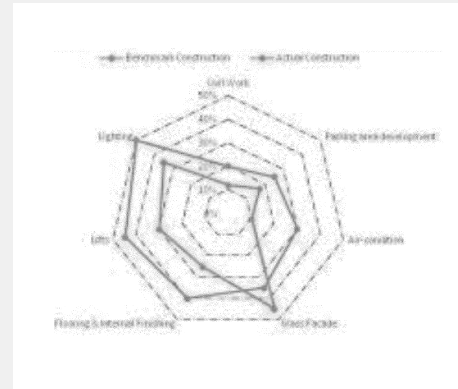
CLASSIFICATION

Cloud	AI	Robotics	Sensorik	Datenbanken
Chatbot	IoT	Identity	O365	Bildererkennung

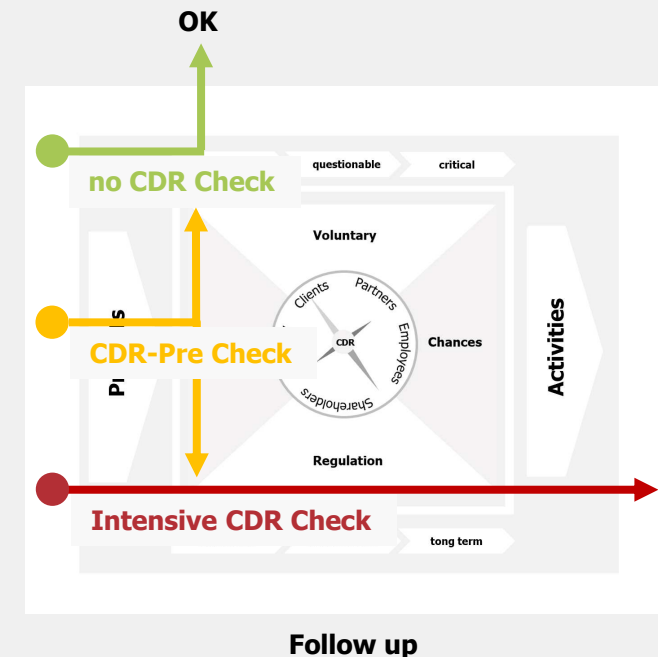
Traffic light



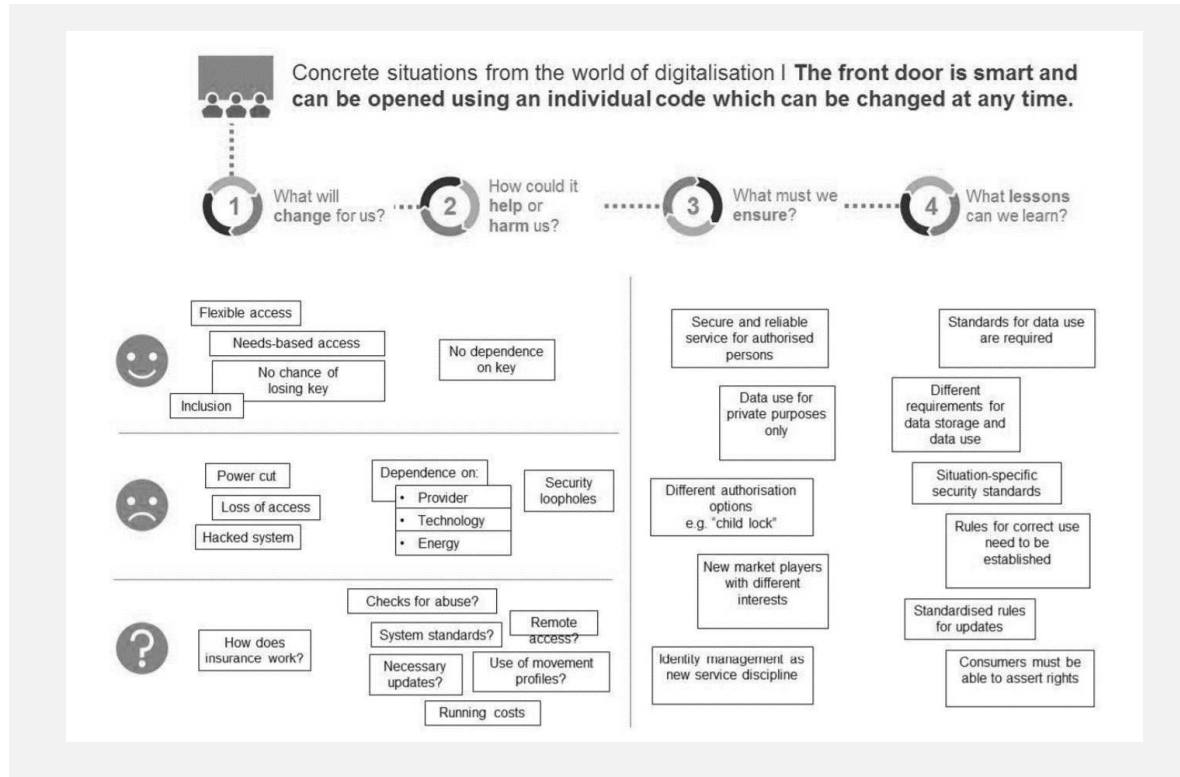
Opportunity-/risk profile



AUDITING PROCESS



Szenario planning



Source: [BMJV](#)

DEFINITION OF RULES

The scenario technique presented in Chapter 3 can now be used for the relevant projects in order

- to define rules, which participants are necessary for what and who decides what,
- to define suitable documentation forms and reporting paths,
- to find the appropriate test time for the weighing,
- to recognize ongoing changes in technology as a factor.

WHEN TO CHECK?

When testing, it usually becomes clear that finding the right timing for a scenario evaluation is not so easy.

- Should one start before the investment decision, i.e. before the project has been started? But how should one be able to estimate the consequences correctly?
- Sometimes evaluations cannot be made in advance, but only after the rollout by means of tests!

Digitization is so difficult to grasp precisely because it usually does not have a fixed state.

- Therefore, it may be necessary to carry out the ethical dimensions of a project not only once, but several times at intervals.
- Updates from the providers play an important role, as the following example shows.

Digital workplace example

CDR ON THE PROJECT TIMELINE

[Work 4.0](#) and [New Work](#) are a central and promising aspects of CDR. Nevertheless, it is true:

- According to a survey, many employees are afraid of (digital) [monitoring](#) at the workplace.
- The Digital Workplace is therefore an important hot spot when it comes to balancing ambivalent goals towards employees.

However, the attention paid to employee fears is sometimes much more demanding than one might expect:

- How can CDR be realized if the software provider is sometimes the only one who knows what his software can actually do with which release?
- A Digital Workplace is not a static state, but a "living system" that is constantly changing. It is therefore important to dynamically implement CDR on the timeline along the typical development steps of a Digital Workplace (cf. [Evergreening](#)).

DYNAMIC CHANGE →			
Plan	Build	Run	Change
What features does a Digital Workplace offer at the time of conception or planning?	Which building blocks of the planned solution will be realized according to which process?	Who checks whether there are any new risks in operation that have not been identified in advance?	Which new features are continuously developed or automatically updated by the provider?
Which of these features help to realize advantages (e.g. home office, collaboration)?	Is it ensured that all features that promote opportunities are implemented according to plan?	Are features initially classified as questionable suddenly seen uncritically?	How can promoting features be identified and prioritized and integrated?
Which of these features could affect employees (e.g. analysis tools, ongoing availability & stress)?	Is it ensured that critical features are not actually implemented?	Are features initially classified as harmless suddenly viewed critically?	How is it ensured that critical new features are not (accidentally) released via an update?
Which requirements are finally defined in the context of an overall view?	What is the plan with regard to empowering employees (change & adoption)?	How are new findings integrated into the existing solution and with what priority?	Is the provider's roadmap for the product continuously scanned for CDR aspects?

Further examples

Who? What? When? How?

For example, who decides on a case-by-case basis whether a service is ethically questionable or not?

- The top management?
- An ethics advisory panel?
- A Chief Ethics Officer or the Product Owner?
- A technician?
- All together?
- According to which rules do you / do they decide (together)?
- And above all: When?

Three additional examples to this challenge.

APPS FOR TODDLERS

Company F is a car manufacturer. F is planning a new game for toddlers to get them in touch with the brand at an early stage.

Even during the concept phase, the team is concerned about the ethical value of apps for toddlers:

- Do they help children to gain digital experience at an early age or do they harm them? Are they to be evaluated differently than a "Bobby-Car"?
- How exactly does CDR affect such a situation?
- Who is responsible for what within the company and who decides in the end?

ECOSYSTEM/SUPPLY CHAIN

This time F wants to offer a new service for autonomous driving together with several other companies.

A foreign partner is to offer a combined IAAS/SAAS solution for this purpose. This solution is suspected of using power-guzzling technology, producing electronic scrap and treating employees badly.

- Whose task in ecosystems is it to examine what CDR means in concrete individual cases?
- How can CDR be extended to partners and suppliers?
- Who decides in the end?

RECRUITING SOFTWARE

F has purchased software for the automated pre-selection of applications. This software delivers good results for some of the applications. Not for others.

Then there is a media report that critically questions the recruiting software and its algorithms. There would be discrimination in certain cases – not in others.

- How exactly could CDR set the framework for the use of AI and automation?
- How can it be ensured that software is configured in such a way that it does not harm?

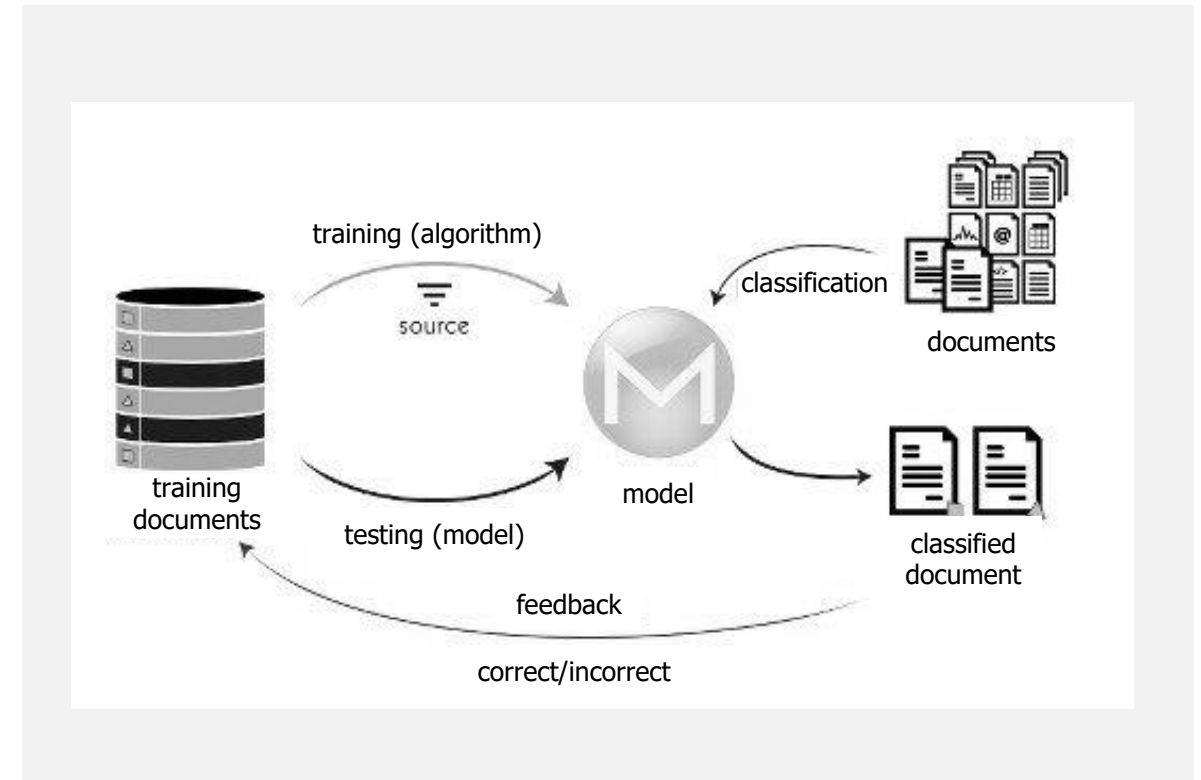
Self-learning systems

TESTING PROCEDURES AND FEEDBACK ASSESSMENT

Self-learning systems are particularly demanding in terms of impact assessment, because many AI systems behave like a black box: one only knows to a limited extent why they produce which results.

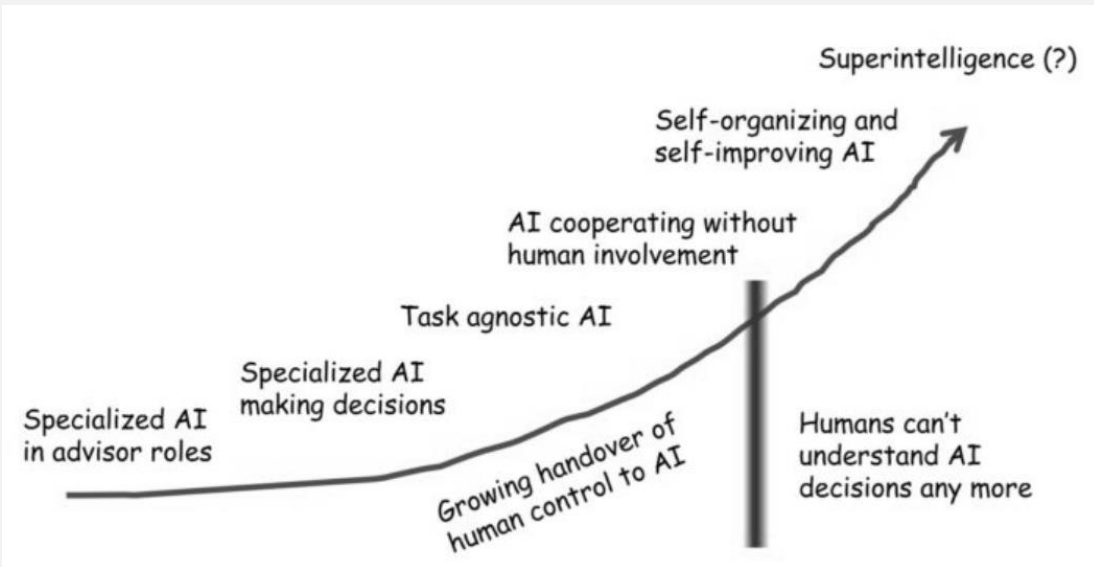
This applies in particular to the wide range of neural networks, e.g. in the case of text analysis or image recognition, as well as the decisions based on these, such as emotion recognition.

- Whether or not the recruiting software mentioned in the practical example before is ethically justifiable can hardly be determined in advance until reference knowledge has been trained.
- The special feature here is that the patterns developed by the software can "accidentally" disadvantage (see e.g. amazon). Chance is always a relevant factor!
- In short: For the CDR practice it is not enough to formulate only fields of action and codes. It is also necessary to think about how the formulated goals can actually be implemented responsibly and credibly within the framework of highly dynamic project processes.



Source: it-daily

Real AI or fake



Source: [SAP](#)

WHEN IT REALLY GETS CRITICAL

The important role of the time axis is also illustrated by the example of AI, because it has [different stages](#) of development:

- Depending on the AI level, different critical and non-critical effects can unfold.
- In the not too distant future, algorithmic super intelligence can be expected. [Elon Musk](#) estimates their potentials to be more dangerous than those of atomic bombs. But also the steps there have to be considered with regard to their chances and risks for different stakeholders.
- The same applies to quantum computing and [quantum supremacy](#).

LESS CRITICAL CASES

But there is also a lot of dizziness around AI and other technologies: A simple Python script is far from qualifiable as AI. Too much is "sold" as AI in a blatant manner, without it being such.

Accordingly, the MVP should clarify which threshold values one wants to use so that not every IT project with an imaginative AI name has to go through the CDR process.

Checking and evaluation

IMPACT FOR COMPANIES

At the end of the MVP, the impact of CDR on the company will be carefully assessed. This applies to:

- Company reputation
- Digital Leadership & Excellence
- Risk Management and
- Adjustment

These factors are to be assessed both at the beginning and at the end of the MVP on the basis of the knowledge gained and must also be regularly reviewed in future if the MVP is continued.

The aim is to develop a feeling for real expenditure and the quality of the CDR results.

REPORTING OBLIGATION

At the end of the MVP, the cost-benefit calculation should first be examined on the basis of a voluntary integration of CDR without reporting obligations. In addition to the actual CDR process, the costs and benefits of external communication should also be assessed.

In a second step, one should examine how likely it is that CDR reporting obligations will arise in the near future.

Assuming this, the cost/benefit calculation must be carried out again.

(INTERNAL) COMMUNICATION

In any case, the results of the MVP and the assessments based on them should be shared with the employees of the company and other stakeholders in order to make the own assessments transparent.

- How are the results assessed in terms of quality and cost/benefit?
- If CDR continues, which next steps are planned?
- If CDR does not go any further, what is the reason?

NOTE:

From a current perspective, it is important to begin to gain experience in order to make decisions on this basis and not to persevere in theory.

The development of practical knowledge pays off in any case:

- This knowledge can be incorporated into the design of CDR standards.
- It helps to actually underpin one's own position with regard to CDR.
- One acts actively and does not behave passively.

Your assessment*

- The C level of your company is aware of the relevance of CDR and is willing to sponsor an MVP.
- Internal communication and other stakeholders would support the MVP with conviction.
- At the beginning of the MVP you should define a CDR model with goals, fields of action and instruments.
- It is important that the MVP clarifies which employees have which tasks and when.
- The dynamics of digital projects on the time axis is a big challenge for CDR.
- The open-ended evaluation of effort and benefit is important in order to anchor CDR permanently.
- It is important to openly share the findings of the MVP with employees and other stakeholders.

* Assessment from zero (= no agreement) to five (= full agreement)

0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5

Regulation

- **FOUR DIMENSIONS**
- **THE FOUNDATIONS ARE WOBBLING**
- **ETHICS AS A "SPEED BOAT"**
- **PERMANENT DYNAMICS**
- **CO-REGULATION AND SOFT LAW**
- **ECOSYSTEMS (AND SUPPLY CHAIN)**
- **CDR REPORTING OBLIGATIONS**
- **GLOBAL SYSTEM COMPETITION**
- **FOCUS ON OPPORTUNITIES**



Four dimensions

REGULATION

From today's perspective, there are at least four dimensions of CDR that need to be considered with regard to regulation:

- Legal limits
- Co-regulation
- Reporting obligation
- International dimension

1. LEGAL LIMITS

The current legal system is hardly able to keep up with the digital development: Due to growing digital connectivity and e.g. the development of autonomous actors the foundations of the (German) law are wobbling.

What does this mean for the interaction of voluntary and regulated digital responsibility?

2. CO-REGULATION

CDR standards could help to realise the instrument of co-regulation in a flexible, contemporary and practical way.

To what extent could CDR play a role in the use of so-called "soft law" in this respect?

3. REPORTING OBLIGATION

Due to the proximity of CDR and CSR, it is being discussed whether an extended reporting obligation for CSR or an independent CDR reporting obligation will come or should come.

In what form should this take place?

4. INTERNATIONAL DIMENSION

Regulation is increasingly becoming a global competitive factor. Countries like China look at digital ethics from a slightly different perspective. Digitalization is continuing unabated at a rapid pace in these countries.

Against this background, is CDR rather a risk or an opportunity?

NOTE:

With regard to the assessment of legal limits, this chapter refers primarily to German law.

Whether and to what extent these aspects can also be applied to other countries depends on the respective national laws.

The foundations are wobbling

	Strengths	Weaknesses
State regulation	- Hohe demokratische Legitimität - Möglichkeit, sektorübergreifende Regelungen zu treffen - Fähigkeit, auch politisch umstrittene Themen zu regeln - Existenz eines Sanktionsregimes	- Trägheit und Langwierigkeit der Entscheidungsfindung - Eingeschränkte Regelungsqualität aufgrund unzureichender Sachkenntnisse - Eingeschränkte Fähigkeit, notwendige sektorspezifische Regelungen in Form von Gesetzen vorzunehmen - Eigeninitiative der Stakeholder wird gehemmt - Bei Steuerungsobjekten wird tendenziell Widerstand ausgelöst
Co- and self-regulation	- Möglichkeit, spezifische Regelungen für einzelne Sektoren zu finden - Flexibilität und Schnelligkeit - Möglichkeit, Regelungen „auszuprobieren“ - Sachgerechtere Lösungsansätze - Förderung der Eigeninitiative und Kooperationsbereitschaft	- „Privatisierung des Rechts“ - Wirtschaftliche Interessen dominieren Gemeinwohlinteressen - „Feigenblatt“-Ansätze und Gefahr, dass hierdurch sinnvolle Gesetze verhindert werden
Market control	- Möglichst geringer Eingriff in das Wechselspiel von Angebot und Nachfrage - Grundzüge der freiheitlich-liberalen Grundordnung werden gewahrt	- Oft verfügen Verbraucherinnen und Verbraucher über keine Wahlalternativen - Macht- und Informationsasymetrie verhindert Interaktion auf „Augenhöhe“ - Verbraucher sind an Verträge gebunden (Lock-In) - Marktsteuerung versagt, wenn Regulierung nicht als preisbildender Faktor wahrgenommen wird

Strengths and weaknesses of different regulatory approaches

Source: [ConPolicy](#)

To begin with the limits of (German) law: For non-lawyers, it is usually difficult to discern the legal challenges that digitalisation brings with it. These include some that shake the entire legal building.

AUTONOMOUS ACTEURS

One example of this is how we deal with [autonomous actors](#) for whom there are as yet no sufficient regulatory instruments.

Exemplary here is the liability for vicarious agents (§§ 278 u. 831 BGB): For machines or partial human [Cyborgs](#) these are hardly applicable. Therefore, daring constructs such as the so-called "[e-person](#)" are discussed.

CDR AS AN OPPORTUNITY

Such developments and discussions are only a tiny part of a [much larger discussion](#) about legal limits:

- Government regulation is not only too slow for the digital world, it is also imprecise in many cases.
- The administration is lagging [far behind](#) when it comes to digitalisation.
- In the case of highly complex issues such as digitisation, professional cooperation with the business community is therefore necessary in one way or another.

CDR can help to tackle these weaknesses of the law offensively. Digital ethics plays an important role here.

Ethics als „speed boat“

MORE FLEXIBLE AND FASTER

In the context of CDR, ethics plays a different role in many respects than one might initially assume:

- The **gap** between digital innovation and regulatory options is widening.
- Ethics is **faster and more flexible** than laws and therefore a good seismograph for necessary or imminent hard regulation.
- Ethics is therefore an important instrument of **risk management** for companies when it comes to investments or future reputational or liability risks.

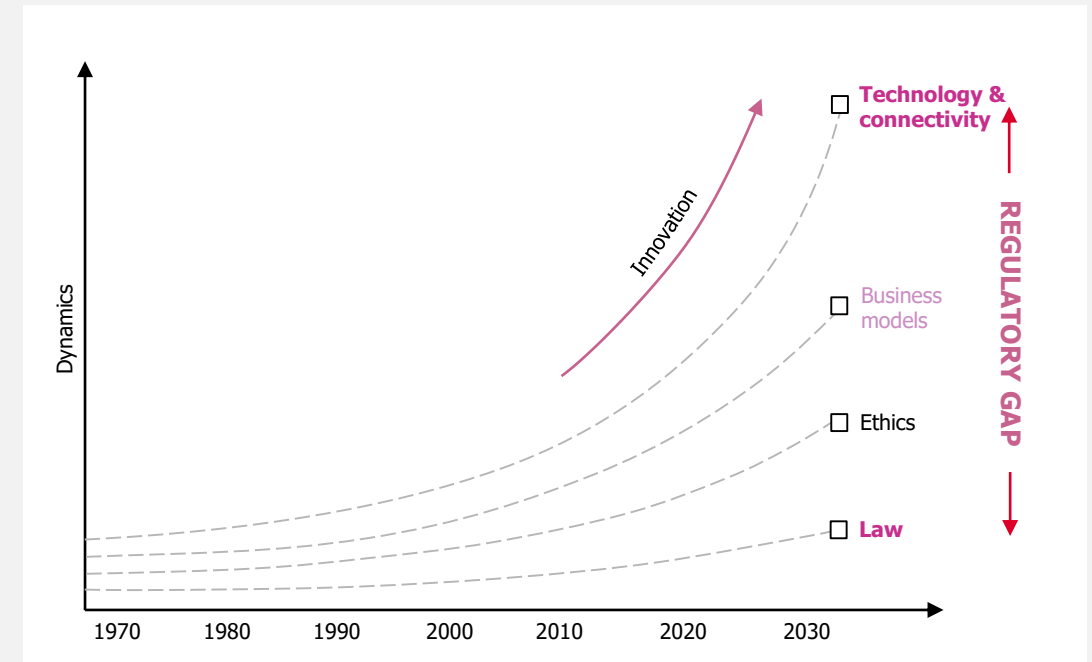
Ethics is therefore not only a seismograph of risks for consumer protection, but also for any kind of

business relationship, and also an effective instrument of B2B confidence building.

TEST FIELD FOR LAWS

From this point of view, e.g. transparency as to why an algorithm makes which decision is highly relevant not only to the consumer, but also to the business.

CDR may be ethically motivated, but in fact it benefits everyone – and more importantly: In the context of CDR guidelines, the voluntary commitment to transparency in this respect is not only faster, but also more flexible than any law.



Source: inspired by [Buchmesse](#) and [Springer](#)

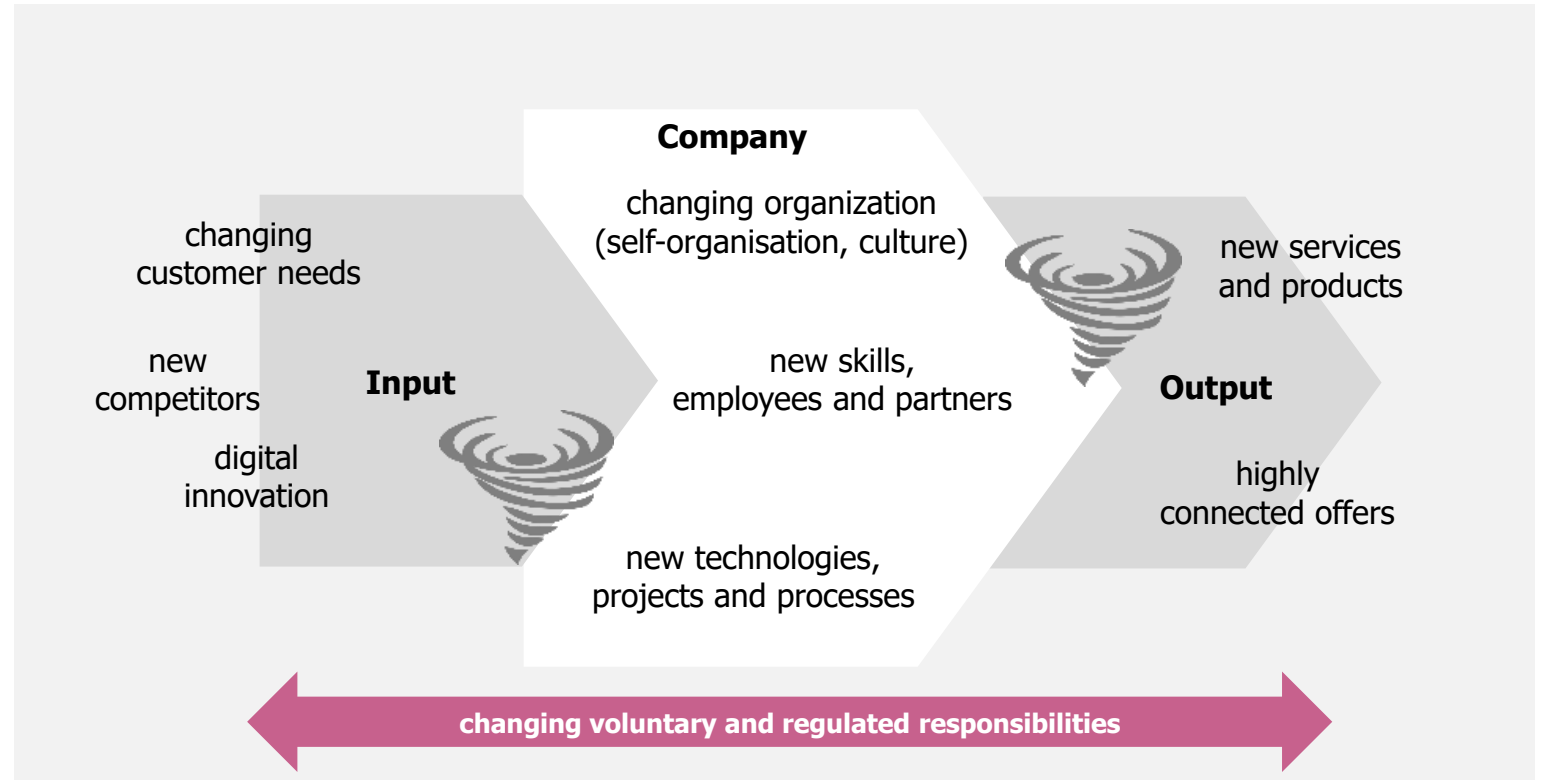
Permanent dynamics

CONTINUOUS CHANGE

The [dynamic company model](#) illustrates what it means for companies when high dynamics meet rigid rules:

Due to digitization, companies are exposed to permanent dynamics on three "fronts lines": When it comes to input from the environment, the internal organization and the output of the organization.

- Regulation alone can hardly keep up with this dynamic. Cooperation between regulators and industry is therefore important.
- Ethical criteria are able to react more quickly to developments in digital innovation.
- CDR enables the combination of flexible voluntary commitments and the binding effect of a regulatory framework in the form of so-called co-regulation.



Co regulation und soft law

EXTENDED CDR TARGET IMAGE

In essence, it is a matter of placing the multiple thematized aspects of co-regulation and [soft law](#) more strongly than before in the forefront of the CDR discussion:

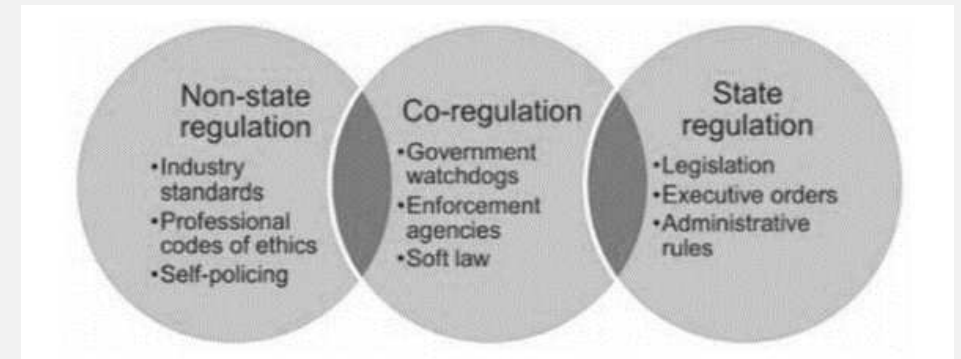
- The EU has already taken up this important aspect in [several places](#).
- [German Lawyers](#) have also given some thought [to this issue](#).
- CDR and soft law are also seen as complementary instruments in the [insurance industry](#).
- Soft law is also favoured [internationally](#) in the context of digitisation.

It is therefore beyond question whether there is a corresponding potential in relation to CDR. Rather, it is a question of how much these aspects will be taken into account or demanded in the future in the context of the CDR target picture.

ASSOCIATIONS IN DEMAND

According to the view expressed here, it is the task e.g. of (business) associations and NGOs to emphasize the importance of co-regulation and soft law:

- As illustrated in the figure, non-state regulation requires industry standards and ethical codes – both of which can be effectively supported by associations.
- Co-regulation also requires "watchdogs": NGOs are important and recognised actors in this respect.
- Finally, it should also be noted that soft law is often [new territory](#) for the government, which must actively explore it.



EMPHAZISE INTERRELATIONS

Associations can and should help to address the relevant interrelationships of CDR, co-regulation, industry standards and soft law "with one voice" both in the direction of government and in the direction of association members. This should also be done as soon as possible so that this important point is not "accidentally" overlooked when drafting CDR guidelines.

Source: [MDPI](#)

Ecosystems (and supply chains)

ALL FOR ONE. ONE FOR ALL.

Experts agree that digital platforms and ecosystems will play a vital role.

Ecosystems and platforms are integrated services from the consumer's point of view. Behind this, however, there are usually several companies, which makes CDR a [B2C2B](#) challenge in such cases.

Ecosystems will occur in almost all economic sectors, including

- [retail](#),
- [banking](#),
- [insurance](#),
- [mobility](#),
- [IoT](#) and [industry 4.0](#).

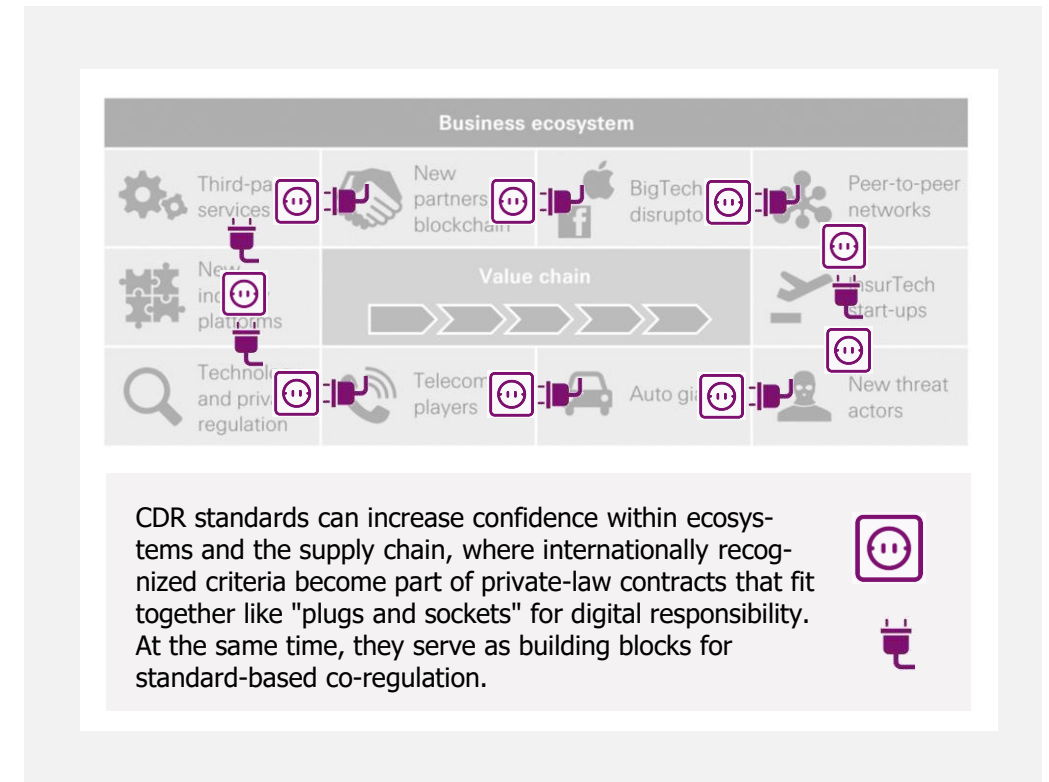
MIXED PARTICIPANTS

In the context of digital [actor networks](#), which act like a "whole", in which groups of companies as well as medium-sized companies and small start-ups are represented and which are composed across borders, CDR can develop "hard effects" in the positive sense of the word by means of contractual agreements, in combination with verifiable criteria dialogues and legal guidelines.

NEW WAYS

Digital ethics and CDR are relevant in several respects:

- As an indicator of emerging risks,
- as an important component of the B2B contracts concluded among each other,
- as a component of a standards-based co-regulation.



Source: [researchgate](#)

CDR reporting obligations

CSR AS A ROLE MODEL?

Against the background of high dynamics and the high potential of co-regulation, CDR should not be prematurely re-raised as an extended CSR reporting obligation:

- There are undoubtedly commonalities between CSR and CDR but also significant differences.
- The relationships presented make it seem more sensible to develop CDR from the outset as an independent discipline with largely its own rules.
- In this way, one preserves the possibility of flexibly shaping and exploiting the opportunities offered by co-regulation.

VERIFICATION IS IMPORTANT

For the credible implementation of CDR, a specific criteria catalog with its own test procedure and specialized competencies must be regarded as meaningful or necessary.

The [EU's AI definition](#) gives an idea of the know-how required to understand the digital world: A "one-size-fits-all" approach that integrates CSR and CDR would certainly be desirable, but is hardly realistic.

This thesis is supported by a look at the criteria of the [German Sustainability Index](#) (DNK):

- Although sustainability is also relevant in terms of digitisation, it is only one of many aspects.

- Digital responsibility requires different criteria: Both with regard to the consumer and as an instrument within the B2C2B chain.
- The high dynamics as well as the special expertise of digitisation make it necessary to break new ground with regard to CDR.
- Digital ethics should serve as a speedboat for co-regulation, which helps to close the growing regulatory gap in the interests of consumers, society and the economy itself.

NOTE:

In Chapter 2, the picture of a patchwork landscape was sketched, which includes the aspects of soft law and co-regulation discussed here.

- Take another look at this picture to see the interplay of the different elements of CDR.
- Also take another look at Chapter 5 to examine the question of what impact an independent understanding of CDR versus CSR could have in the context of an MVP.

Global system competition

UNREGULATED WINNERS?!

The international dimensions of CDR become clear when you consider that the global digital race is a systems competition:

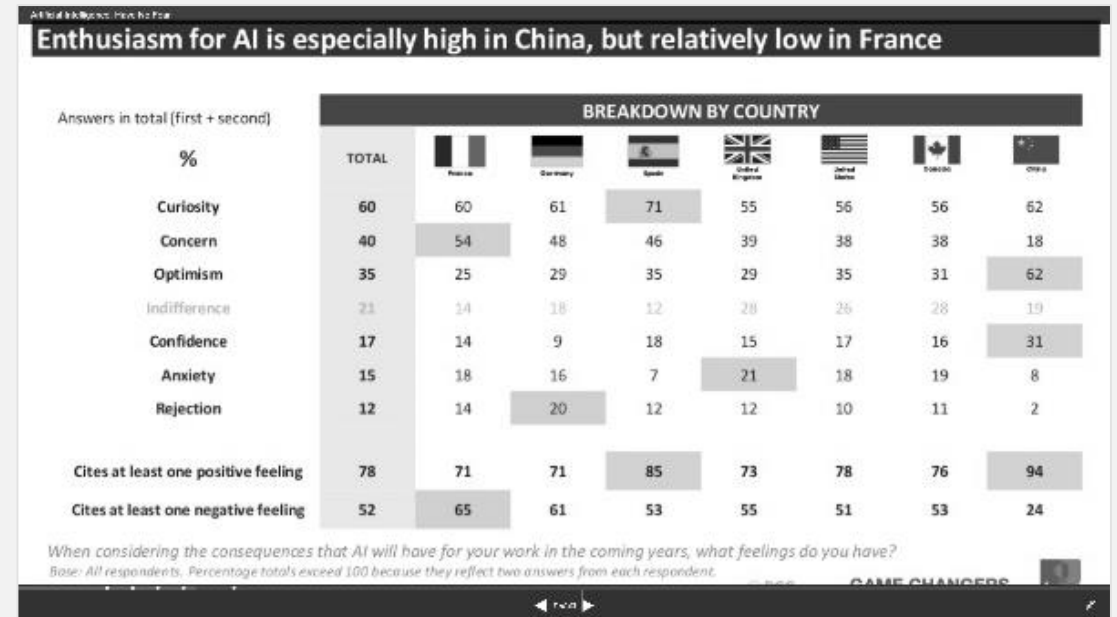
- Countries like China are developing AI with tremendous speed and hardly observe local ethical standards such as human rights.
- Just as serious is the fact that, despite everything, there is a high level of digital enthusiasm in China.
- CDR could further increase the growing gap between low or unregulated countries in terms of technical progress.

Seen in this light, CDR and digital ethics are both opportunities and risks: a European "island of ethical bliss" may seem reassuring at first glance, but in terms of the risks, e.g. of super-intelligence, it is hardly conducive as long as it is developed further at high pressure in other countries.

WHY CDR THEN?

The control of mankind over technology is a difficult goal to achieve in the context of global system competition, as long as this goal is not pursued equally by all global players.

CDR should take this into account, but still stick to existing goals.



Source: [BCG Survey](#)

Focus on opportunities

NOTE:

Germany currently [ranks 17th](#) among the most efficient digital states. The USA, which is relatively unregulated, is in 1st place. China is catching up.

At first glance, one could draw the conclusion that Germany could fall even further behind by taking digital responsibility into account.

If you take a closer look, however, you will notice that most of the countries ahead of Germany e.g. Sweden and the Netherlands also come from Europe – CDR on a common European level would hardly reduce the chances of competition. Rather, the opposite can be assumed.

COMPETITIVE ADVANTAGES

The example of [Huawei](#) shows that untrustworthy companies can quickly suffer serious damage in global digital competition.

Even in state-capitalist China, the “digital trees” won’t grow into the sky – at least not if the services and products are part of a digital, trust-based ecosystem.

TRUST IN B2B ENVIRONMENTS

Ecosystems belong to the future in many respects. CDR can make an important contribution to the cooperation of those involved by linking values. The fact that these values are ethical does not have to disturb the economy, since ethics not only has a

soft component that is difficult to grasp, but also enables hard advantages such as risk minimization.

ATTRACTING EMPLOYEES

Even the USA shows that trust is important: the example of [google](#) makes it clear that employees rebel if the ethical direction is not right. The rebellion at google happened after a year of ethics controversies and internal backlash.

The [war for talents](#) is particularly intense in the digital world. But the brightest minds often have their own ideas about who they want to work for. Values play a role that should not be underestimated. Also for this reason there is enough reason to

regard CDR as an opportunity for companies in global competition.

CDR & CO-REGULATION

Neither co-regulation nor ethics therefore lead unilaterally to disadvantages in international competition. On the contrary, they have a high potential for creating hard competitive advantages:

- In the context of ecosystems as trusted partners.
- In relation to the consumer as trustworthy offerer.
- In terms of employees as first choice.

Your assessment *

- The foundations of the current legal system are starting to wobble with regard to digitisation.
- Digital ethics is also a useful and important risk management tool in the B2B sector.
- Co-regulation should be preferred to purely state regulation and self-regulation.
- A reporting obligation for CDR should be independent of CSR in several respects and have its own rules.
- Ecosystems need trustworthy partners with certified CDR documentation.
- Employees are looking for trusted employers with certified CDR documentation.
- Co-regulated CDR opens up more opportunities than risks in global competition.

* Assessment from zero (= no agreement) to five (= full agreement)

0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5
0	1	2	3	4	5

Discourse

- **THESES ON CDR**
- **LOOKING AHEAD**
- **BEYOND THE HORIZON**
- **B2C2B CHAIN**
- **PRAGMATICS INSTEAD OF DOGMATICS**



Theses on CDR:

- 1 THERE'S PLENTY OF ETHICS GUIDELINES. CDR MUST HELP TO OPERATIONALIZE THEM.**
- 2 THEREFORE CDR NEEDS A PRAGMATIC-METHODICAL FRAMEWORK FOR SUCCESSFUL IMPLEMENTATION.**
- 3 THE FOCUS SHOULD NOT ONLY BE ON THE CONSUMER, BUT ALSO ON THE BENEFITS IN THE B2B ENVIRONMENT.**
- 4 FOR SUCCESSFUL CO-REGULATION, CDR NEEDS AN INDEPENDENT REPORTING OBLIGATION GOING BEYOND CSR.**
- 5 WITH THESE GOALS IN MIND, THE ECONOMY SHOULD PLAY A MORE ACTIVE ROLE IN SHAPING CDR THAN BEFORE.**

Looking ahead

DON'T WAIT. PARTICIPATE!

According to the opinion represented here, CDR is not only useful: it is simply necessary for overcoming upcoming challenges in the digital world and in many respects there is almost no alternative.

- The economy should therefore play an active role in shaping and designing the topic of CDR more strongly than before instead of remaining in a waiting position:
- First, it is itself the victim if trust continues to erode.
- Secondly, there is enough scope for the design of CDR.
- Thirdly, practice-oriented co-regulation urgently requires input from business practice.

STRESSING HARD ADVANTAGES

In order for an increased commitment of the economy with regard to CDR to be worthwhile for all sides in the end, a course correction is to be recommended:

- In future, digital ethics should place greater emphasis on aspects such as the speed advantage over hard law and the improved predictability of risks.
- The added value of CDR should also be made clear not only to consumers, but more strongly than before in the direction of business (e.g. trust in ecosystems and in the supply chain).

PUSH CO-REGULATION

Government and business must approach each other more closely than they have done so far:

- The government must recognise and accept the limits of classic regulation.
- Conversely, business must recognise that credibility is necessary: co-regulation can and must hurt, because otherwise hardly any trust is built up or maintained among stakeholders. Testable catalogues of criteria should therefore be developed as quickly as possible.
- In the context of global competition, CDR will not do any harm. On the contrary, trust plays an important role here as well.

STRIVING FOR LEADERSHIP

Ultimately, digital responsibility can only work if there are incentives for business to do more than the legal obligation:

- The prospect of making the world a better place is laudable, but experience has shown it to be ineffective.
- More important is therefore the incentive to be better than others and to gain advantages through digital leadership and a high reputation.
- This applies to the government as well as to the economy and in the case of co-regulation above all to the targeted interaction of both actors.
- Investors should pay more attention to CDR and reward it.

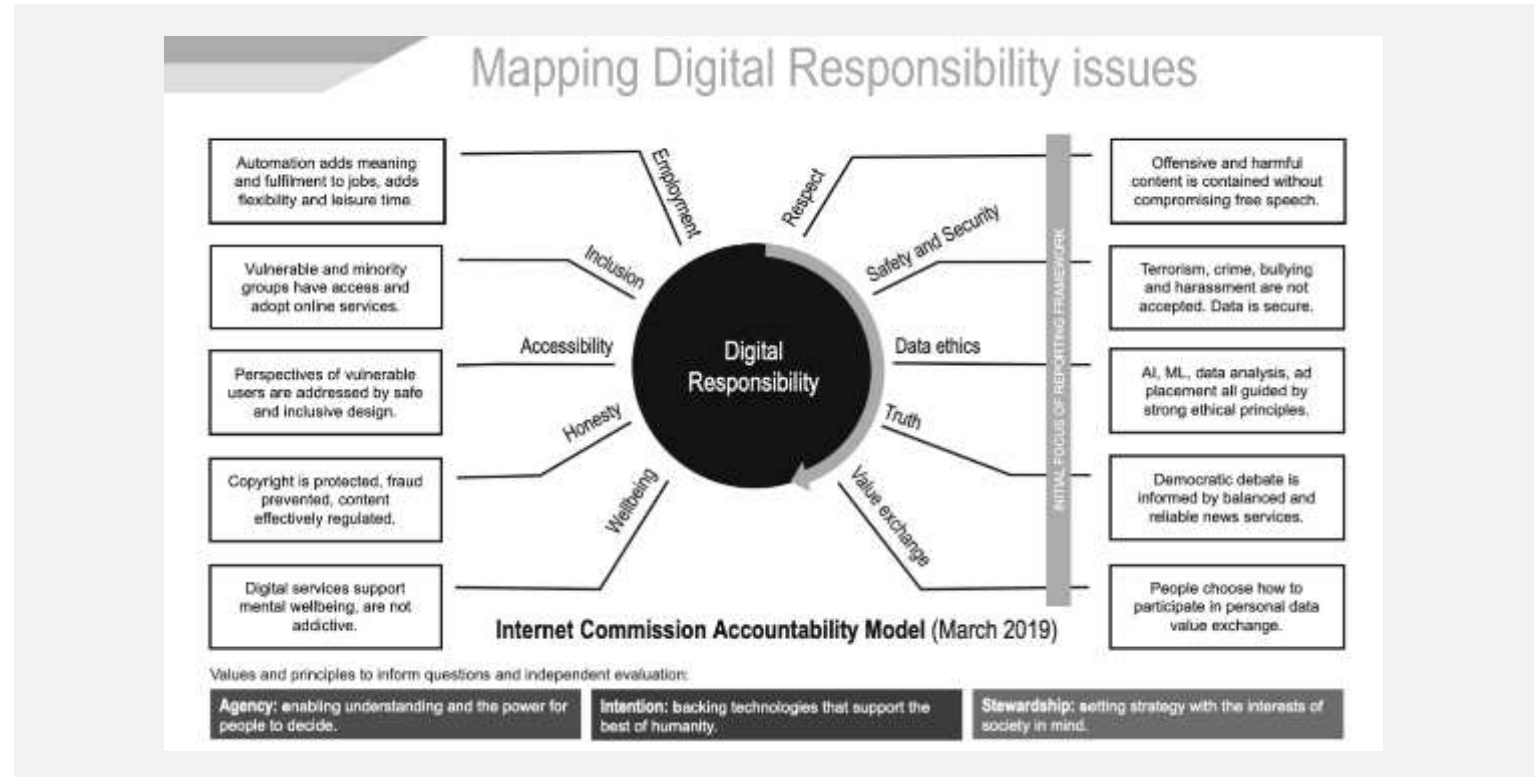
Beyond the horizon

INTERNATIONAL COOPERATION

CDR actors should, within the bounds of their possibilities, look even further beyond their international horizons: In the Anglo-American area, CDR is being developed in close connection with the "Organizational Accountability" model. Examples include the [inetco](#) and [CIPL](#) models. This would be helpful in any case for the international acceptance and uniformity of CDR.

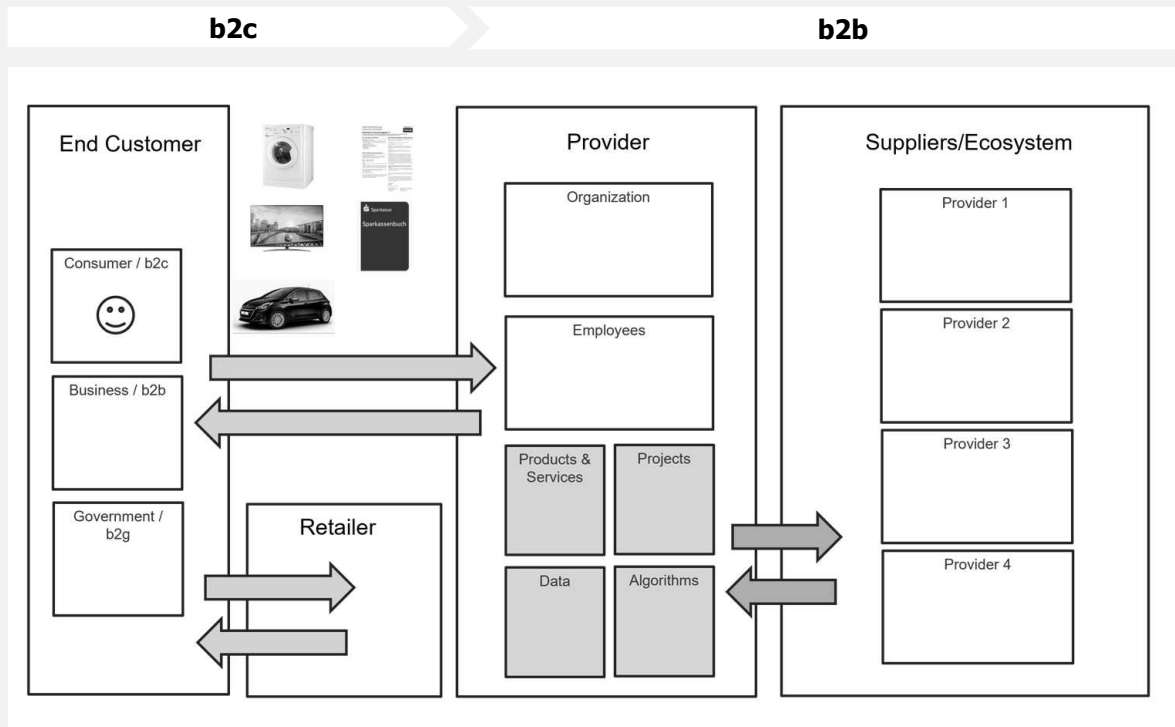
INDUSTRY MODELS

The inetco model is also interesting in other respects: it focuses on the responsibility of media companies for "illegal content, hate speech, cyber-bullying, self-harm and fake news on their platforms". In this sense, it is a kind of CDR industry model. Corresponding approaches could also be interesting for Germany, since CDR can hardly be lumped together for all industries.



Source: [inetco](#)

B2C2B chain



END CUSTOMERS. PROVIDERS. SUPPLIERS.

The value chain consists not only of consumers, and CDR consists not only of the goal of even more transparency in the area of data protection or the goal of sustainability.

CDR may and should have the goal of making the entire B2C2B chain more trustworthy. Perhaps CDR is even more successful, if it begins in the business and not with the consumer.

ALSO THE STATE IS CUSTOMER

So far, it has hardly been mentioned that the state is also an actor as well as a customer and can pay accordingly if companies fulfil more than just the requirements – e.g. when awarding subsidies.

The [digiMed](#) funding project is an example of how this can be done. More examples in this direction would be helpful.

Pragmatics instead of dogmatics

In view of all the aspects described above, one thing should be borne in mind: even the best CDR can never guarantee that all its evaluations are (permanently) correct.

Each time CDR processes are run:

- Risks are erroneously underestimated and opportunities overestimated.
- Opportunities are falsely underestimated and risks overestimated.
- Product changes and updates subsequently change an originally correct assessment.

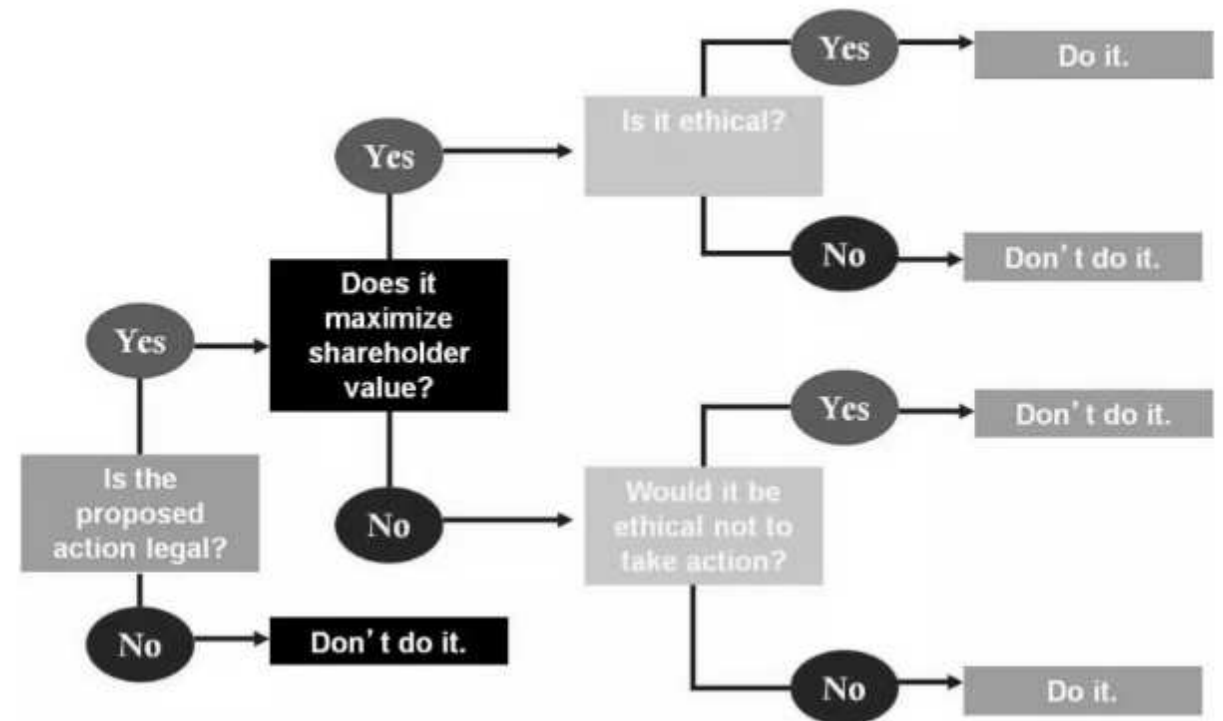
Therefore CDR can only have the goal of achieving the human possible.

Operational CDR can and must also consider the possibilities and constraints of companies.

Even if one starts from the principle of shared value in the future, shareholder interests are and will remain a central factor in any form of free enterprise.

That's why CDR always has to keep an eye on the following questions:

- When is it ethically advisable to refrain from something that is not prohibited but increases shareholder value?
- When is it unethical to omit something (only) because it does not increase shareholder value?



Source: [HBR](#)

Imprint

CDR-Playbook XL:

English version edition 1.1

October 27th, 2019

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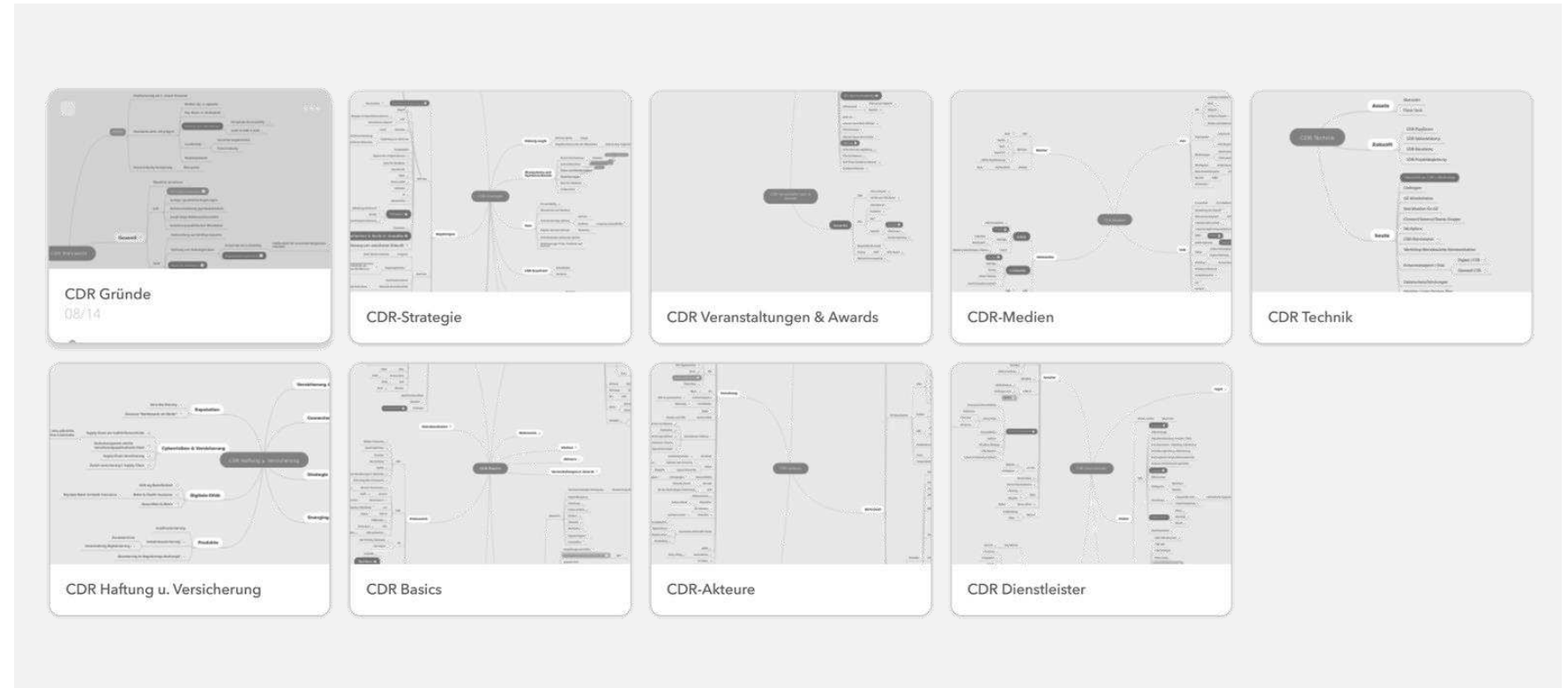
Method and research

EXTENSIVE RESEARCH

The CDR Playbook XL is based on a multi-month methodological analysis, which is based on the exchange with experts, comprehensive Internet research and the consideration of best practices in the field of digitization.

The results were summarized in public [mind maps](#) and structured, networked and evaluated with regard to related issues.

The CDR-Playbook XL summarizes essential results of this research and expands them by a prognostic view into the near future of CDR and digital ethics.



Public Mindmaps: <https://www.mindmeister.com/de/1303967380/cdr-basics?fullscreen=1>