TASK FORCE REPORT ON IBM'S SOCIAL RESPONSIBILITY

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INTRODUCTORY REMARKS

This Task Force was created under the auspices of the Laboratory Personnel Department to initiate a meaningful response to Mr. J. M. Norton's directive dated September 6, 1968, seeking information regarding individual and laboratory involvement in socially meaningful activities. The group met for about five hours during which time answers to Mr. Norton's specific questions were formulated as well as a number of stimulating proposals to expand IBM's social involvement.

It quickly became obvious that the proposals and the answers to the questions had to be considered at two levels--the first being the corporate/national level, and the second at the individual/local level. Consequently, this report is presented in two separable sections.

Social Responsibility at the Corporate/National Level

The success and growth of Business, of the Economy, is related to the health of our Society as a whole. During this century we have produced an intimate diffusion of technology and its effects into the lives of people everywhere. Many of these effects we do not yet fully understand. Meanwhile Society is also turning to technology in the hope of solving some of its complex problems, as well as in seeking new horizons. This growing pervasiveness of technology emphasizes a sensible self-interest in the responsibility of every business to ensure the well-being of our citizens — physically, educationally, ethically. We must not lose sight of the importance of being human, nor the awareness that technology demands a continual redefinition of what it means to be human. IBM's international scope of trade requires that its definition of social responsibility include the well-being of all humanity.

I. IBM's Social Responsibility

a) Stay in business

- attract investment
- maintain ethical standards
- contribute technically and morally to U.S. strength
- promote a healthy life
- recognize the international scale of our responsibility

(Attracting investment requires profit and growth. It may be that, while growth will have to level off eventually, additional factors will become significant — such as making an effective contribution to the preservation of social stability and the growth of human dignity.)

b) In general terms

- recognize human needs
- recognize any trends towards social disruption
- contribute to search and solution
- recognize and encourage trends towards human growth

c) Specific to IBM's business area

- investigate effects of automation on employment and business methods
- identify the areas of personal and business concern affected by automation

— search for possible solutions

— develop new applications of computers to assist man in the management of his environment

d) Every employee has a responsibility to judge the social and cultural consequences of his work.

2. No business, or individual, can do too much towards all of the above responsibilities; the concept of "enough" does not apply. IBM makes a vital contribution through local payroll distribution, community funds, business ethics and leadership, and professional standards. So far as Business, Government, and the Educated are concerned, IBM makes a positive impact on the community. There is, however, a larger human community that in some regards is untouched and in other regards is even impacted negatively by new technology. We are familiar with the fear and superstition that can be aroused; in some cases jobs have been impacted. Invasion of privacy and mass manipulation are troubling issues of our times.

If we do not face these, and similar issues, we may find IBM's freedom of action impaired — as well as the health of the whole nation.

3. IBM can take several specific actions towards these general goals:

— Develop within IBM an awareness of our environment.

— Develop within IBM an awareness of relevant inside activities, particularly of unweighed innovations.

— Sustain a sensitive vigilance, partly with outside expertise if necessary.

— Pursue the ecological consequences of our activities, long term as well as short term.

— Provide latitude for local individual initiative.

— Promote education and communication in the specifics of social responsibility.

a) Allocate some portion of annual profits to flexible, responsive efforts without excessive formality or control of funds for return on investment.

b) Assign full-time local personnel to community-related activities (broader than the usual public relations).

c) IBM trains and educates perhaps a million people per year in business areas. We can reach many people about Social responsibility this way.

d) Promote the application of computers to the handling of our
very complex ecological problems.

e) Arrange meetings of our best minds on the problems of making
value judgments.

f) Continue making research or study grants to the most qualified
institutions anywhere in the world.

g) Promote development of facilities to help relate people, jobs,
and training or education opportunities on a national scale.

h) Form and staff a Center for Ecological Studies, or promote the
National formation of such a center, by private enterprise, then
act on its findings.

j) Support small scale projects in ASD, FSD and Research to
bring local expertise into the effort. An example of a program
would be:

1. Specify project objectives that address long range
   social issues.
2. Describe problems objectively.
3. Establish characteristics of environmental factors,
   e.g., forms of administration, economics.
4. Construct models for social change; state basic
   assumptions.
5. Identify the desirable and undesirable aspects in our
   environment.
6. Establish how to make the value judgments.
7. Establish what specific social goals are to be accomplished.
8. Step by step plan to achieve them.
9. Show how the solution applies to our present environment.
10. Communicate the results.
11. Support subsequent action.

k) Follow through on individual hirings (e.g. PFP) that require
effort and sensitivity far beyond normal induction of employees.

l) Advance capital to minority owned and run business, e.g.,
limited risk venture capital for East Palo Alto development
administered by Stanford School of Business or the VISTA
program.

m) **Promote** the faster development of meaningful, creative **opportunities** for women. In addition to careers in business, **industry** or the arts there can be new ways of contributing **to the** solution of social problems that would also allow women **to move** towards self fulfillment.

n) **Plan to** allow employees a little time every few years to seek **education** in such areas as envirionmental changes.

4. **If IBM** does not do more to promote action on these issues, especially **towards** developing clear insight, we run the risk of evolving unhealthy **cultural** changes, further alienation of man from nature and of man **from man,** unmanageable technological complexity, social and **economic** instability, increasing bureaucratic control, and patterns **of social** response based on fear and distrust rather than freedom **and** opportunity.

5. **Socially** responsible activity by IBM will bring its own return on **investment** through the well-being of the nation.

6. **A group** reporting to the IBM Board of Directors should have **responsibility** for bringing about the appropriate action and **affecting** the policies of all Divisions. This group must be **charged with** keeping a high standard of objectivity, and would **need a leader** who understands very clearly the issues involved.

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Social Responsibility at the Local Level

At any IBM location we might consider there exist a number of communities:
the IBM community, the civic community, the socially disadvantaged community.
Typically, in these locations the contact of the IBM community as an entity with
the other communities is through organizations such as the Chamber of Commerce,
the United Fund, the Urban League and so on. There is little, if any, "people-
to-people" contact except through the personal activity of some individual employees.
At best, this individual involvement is only passively encouraged. And more important,
no recognition of IBM's interest in social problems and sacrifice of man-hours to
involved individuals' activities will be forthcoming in this mode of operation.

Yet it seems obvious that this individual activity is the best mode of operation
at the local level, for a number of reasons:

- It is the only mechanism for effectively "touching" our communities

  in a "people-to-people" mode

- It allows for a certain "freedom of action" which would otherwise be

  improbable

- It allows individuals to select a type of involvement suited to their

  particular interest and skills

It is important that these individual activities be recognized by the company.
It is equally important, however, that these people be recognized by the communities
with which they are involved as being IBM people, and that IBM is a community of
people who care. In this respect, a plan of action has been formulated. A
non-funded company sponsored organization should be formed whose sole purpose
is to enlist and to help direct the activities of any laboratory individuals who are interested
in becoming involved, to answer the oft-heard question, "What can I do"? What this

organization would ask of the laboratory is the following support:

1. Use of the bulletin board when cleared through the established channels (e.g. the request of a Head Start group to help in acquisition of old toys or books).

2. Use of the facilities on an after-hours basis when approved by laboratory management (e.g. to have a police inspector talk on drug addiction).

3. Ability to acquire scrapped equipment which could be reconditioned (e.g. there were twelve broken typewriters in the basement for over a year which could have been repaired during non-working hours by volunteer lab personnel; yet a secretarial training group for the disadvantaged could not get even two functioning typewriters donated to make the course a meaningful one).

The aspects of the organizational structure which would make it a useful one from the laboratory's viewpoint are:

1. It would be open to all laboratory employees on a voluntary basis

2. It would be a sign of active encouragement in community affairs

3. It would still allow for freedom of action by individuals

4. Its actions would be publicized as being those of IBM people, but not necessarily those of IBM.

5. It would cost no money and hopefully very little on-company time.

6. It would have a specific employee purpose--as does the IBM Club.

7. Its programs would be cleared through local channels, as the IBM Club's are.