

# Why Should Firms Be Concerned with Children Online Safety: An Interdisciplinary Literature Review and Integration

## I. Introduction

Children online safety (COS) is becoming a social issue similar to poverty and inequality. Internet was not created nor designed for child use, yet they are accessing it at a dizzying speed: more than 170.000 children connect for the first time (Livingstone, Stoilova & Nandagiri, 2019). Currently over one third of internet users worldwide are under the age of eighteen. The current generation of children experience internet as an integral and natural part of their lives. Children have increasingly become objects of *datafication* (monitoring devices that generate data about them later commercialized by the organizations that provide online services and others) and *dataveillance* (digitized surveillance practices that record details of their lives, mostly exercised by schools, government agencies, health providers) (Lupton & Williamson, 2017). Research identifying risks and offering possible solutions to Children's Online Safety (COS) span across several disciplines. Regulations are being passed worldwide recognizing COS requires specific regulation, due to children's vulnerability and the complexity of this issue. Organizations that commercialize with children's data have been summoned to provide special care for their child consumers and adequate information for their adult caregivers to be able to safeguard them from online risks. In 2019, IT companies received multi-million fines for data privacy infringements both in Europe and the US (NY Times, 2019).

However, management research seems unconcerned with the global attention surrounding this issue, judged by the scarcity of publications related to this strategic issue. It may even become what Ansoff's (1978) called a *strategic surprise*. History has shown how similar gaps between stakeholders' expectations and organizations' actions (issues), if left unattended caused opportunities losses and threats causing serious damage to organizations' survival.

The aim of this paper is to answer the question: How do organizations address strategic issues such as COS? In order to answer this question, this paper undertakes a systematic literature review (Booth, Papaioannou & Sutton, 2002) combining the Strategic Issues Management (SIM) framework to COS to identify its current state and contribute to both

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theory and organizations that provide online services to children or otherwise commercialize on their data.

### **II. Strategic Issues Management (SIM)**

Ansoff (1976) was one of the earliest authors to adopt the label Strategic Issue Management (SIM), underlying its action-oriented nature. Jaques (2008) commented how the expression *strategic issue management* has become virtually a synonym with issue/s management. Despite the valid criticism that all issue/s management is strategic, in this study we will use Strategic Issues Management (SIM) to refer to literature focused both on Issue/s as well as Strategic Issues Management.

There is (still) no academic consensus on what an issue is, leading to definition ambiguity much criticized by literature. Miller (1987) summarized this definitional challenge: “Issue Management isn’t quite public relations. Neither is it government relations, nor public affairs, nor lobbying, nor crisis management, nor futurism, nor strategic planning. It embraces all of these disciplines, and maybe a few more” (p. 125). Heath (2009) further stated that “Issues management is not just communication, strategic planning monitoring, forecasting or refining and implementing codes of conduct. It is all these and more” (p. 40).

Jaques (2008) concluded definitional ambiguity might be one of the reasons why other disciplines similar to SIM might be thriving (such as Triple Bottom Line, Corporate Social Responsibility, Management Sustainability, Crisis Management, among others), while SIM has been fragmented, encroached or diluted by other activities and from mainstream management research. In a personal communication with Jaques, Robert Heath proposed SIM is in fact an umbrella discipline, with crisis management and even CSR being parts of it. “There are issues to be worked that need dialogue”, he said, “I see all of this as one fabric, under issue management, not such that any part can stand alone. It all relates to the best way to manage issues to make society more fully functioning so that issues can be solved” (cited by Jaques, 2008, p. 99).

Literature agrees that issues are socially constructed (Berger & Luckman, 1968), interpreted through a process of sensemaking (Dutton & Jackson, 1987) and discursive negotiation (Hallahan, 2001, Heath, 2006, Madden, 2019). Authors have identified characteristics that help identify them. First, their *urgency* (a composite perception based

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on many judgments made about the nature of an issue, with dimensions such as time pressure associated with an issue; visibility; and attributions of responsibility). Second its *feasibility* of the organization taking action to resolve the issue. Third its *ambiguity* (and often hard to define). And finally, it is fueled by *contention*, not consensus (Dutton & Duncan, 1987; Jaques, 2004).

Schrempf (2014) presented a useful model to assist in identifying when does a social issue become a strategic issue for a corporation. She advanced three parameters: a business connection (through corporate activities); internal stakeholders' cognition, and external stakeholder pressure. The combination of these three parameters assist in identifying the stakeholders' network around a certain social issue, and how can they come to action to solve it.

Over the last more than forty years, several SIM models were developed (Jaques, 2008; Kunnas, 2009). As Mahon and Waddock (1992) summarized "some theorists have focused on the public policy point of view, others on the corporate, and still others work mainly from the perspective of pressure and interest groups attempting to set a social agenda" (p 21).

Strategy theorists stress the *process*. The most influential model from a managerial perspective is the Chase-Jones Process Model, describing an iteration between five steps: Issue identification; Issue Analysis; Issue Change Strategy Options (reactive, adaptive, dynamic); Issue Action Program, and Accomplishment of Issue Action Program Goal/Evaluation of Results, looping back to the initial step (Madden, 2019).

Similarly, the most common model from the public policy perspective applies the *life cycle approach* identifying four stages in issue development: *Issue identification* phase (a gap occurs between public expectations and corporate performance); *Politicization* (political actors start shaping the legislative context for the issue); *Legislation* (laws and regulations regarding the issues are passed); and *Litigation* (specifics of implementation are worked out between the companies and relevant governmental agencies). This approach has been widely accepted and empirically tested. It assumes issues move from one stage to the other sequentially and in a curvilinear manner, all being resolved in the political-legislative-judicial manner. It has been deemed incomplete since it failed to describe each phase's steps as well as account for how exactly does the forward movement happens between stages (Mahon and Waddock, 1992).

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Wartick and Rude (1986) advised that for SIM to have a bright future and avoid becoming just a corporate fad, several steps needed to be taken. It had to resolve its identity problem; define its purposes and objectives; arrive to a definition of success; and articulate its assumptions and techniques. Jaques (2008) commented that to heed Wartick and Rude's sound advice there was an urgent need to move forward from the debate on whether and why research on SIM might have been migrating to other disciplines while management has neglected it, as may be inferred from recent decline in academic interest and publications. He even suggested this migration might have actually contributed to its maturation, providing the insight given by other disciplines. Heath and Palanchar (2009) bridged this debate by including in the title of their latest book on SIM both organizations as well as public policy makers. Recently, Durand, Grant and Madsen (2017) called for research reviews that could contribute to the synthesis and integration of the strategic management field.

Literature agrees that at the heart of the evolution of issues management lies a profound change in societal expectations regarding organizations actions (Schrempf-Stirling, Palazzo & Philips, 2012), as well as an increase in the ability of citizens to participate, their access to information and the commitment from governments and industries to include stakeholders in their decision-making process (Jaques, 2008; Regester & Larkin, 2002). Furthermore, the Sustainable Development Goals Fund (SDG Fund) has entered multi-sectorial partnerships with American universities such as Harvard Business School and Pennsylvania's Law School to research and report on the desired role for businesses in the completion of the Sustainable Development Agenda, identifying opportunities for private sector engagement with the United Nations and a framework for action for both large and small companies (SDG Fund 2017). Zadek (2004) concluded that SIM had evolved to become a process and a tool available to all sectors concerned to address strategic issues effectively, therefore organizations would profit from this framework to face the new social demands.

### **III. Children Online Safety (COS)**

Research has shown that a wide range of children's rights depicted in the United Nations Convention on the Rights of the Child (UNCRC; United Nations General Assembly, 1989) are being offered vast opportunities online, and thus they are supposedly positively

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affected by internet access, in itself is considered a right by children and many national legislations. Internet permeates children's whole lives, their digital footprint and datafication starting even before their birth. While the debate surrounding the *datification* of children (Lupton & Williamson, 2017) has just recently caught public attention, there is growing consensus in literature that a paradox surrounds COS: Children online rights in the digital age require a difficult balance between their right of freedom (of speech, of reunion with others, of expressing themselves multi-modally) and their right to privacy. Privacy is referred to as "neither a right to secrecy nor a right to control, but a right to appropriate flow of personal information" (Livingstone, Stoilova and Nandagiri, 2019). Three elements are deemed critical by the authors: the notion of privacy as relational and contextual, the concept of appropriateness and the flow of data. This definition underlines the importance of relationships and possible power imbalances as research has demonstrated, specially between corporations that provide social online interaction in exchange for the use of their data, mostly ignored by consumers, or not fully understood. Either way, their informed consent was tainted by disinformation or lack of skills.

There are three main types of relationships or contexts that may affect online privacy both for children as adults: interpersonal privacy (how individuals share or withhold information from others); institutional privacy (data is used by public institutions such as school records or medical registries), and commercial privacy (how data is commercialized by private companies). Each of these kinds of privacies posed several challenges to children and elicited from them coping strategies (Livingstone, 2018). In this study we focus on commercial privacy.

The initiatives that counteract said risks may also be divided into three groups, according to Chernyavskaya and Livingstone (2015): education, awareness-raising and research (including the publication of guidelines and training for responsible internet use); governmental regulation, coordination and standard setting (such as the EU GDPR); and multi-stakeholder governance (including co and self-regulation) implemented generally by the private and non-governmental sector. Literature is consistent in the need to consider children to be *vulnerable* and in need of special online protection. Furthermore, dimensions such as age, socioeconomic status, education, gender, skills render vast differences among children efficacy as online consumers and should be taken into account.

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Several regulations are being passed globally recognizing more than 800 million children worldwide as recipients of special data protection efforts. America's Children's Online Privacy Protection Act (COPPA, 2013) and the European Union's General Data Protection Regulation 2016/679 (GDPR, 2018) led the way; with legislations following suit in China, India, South Korea and Brazil. Most legislations agree set a maximum age to be considered as "children" by this special protection regulations: GDPR and COPPA thirteen years old (with GDPR requiring the parents' consent for commercialization of their children's up to sixteen years old, and interest groups in the United States to have a similar age extension); China and South Korea fourteen years old, Brazil did not set a specific age limitation, and India currently provides the longest online legal protection to children until they are eighteen years old.

Finally, both the United States and the European Union have sanctioned organizational infringements to COS. Multi-million dollars fines were collected in a clear message to organizations that regulations will be enforced when COS issues are at stake. Google was deemed responsible of children's data protection infringements and using said data for commercialization purposes on their You Tube platform without their parents' consent, and agreed on a plan to elevate children data protection that included a \$170 million dollar fine as well as a compromise for transparency where children are involved (New York Times, 2019). These events suggest COS has reached the *litigation* phase.

### **IV. Methodology**

COS has recently received much academic attention, expanding over several disciplines. To better identify, evaluate and synthesize the resulting literature we conducted a systematic literature review (SLR) (Booth, Papaioannou & Sutton, 2002) to answer our research question: How do organizations address strategic issues such as COS?

Since our topic was multidisciplinary, span over several literatures we sampled a wide range of disciplines' databases, including Law, Management, Public Policy, Media and Communication Studies. This study focuses on the overlap of these areas as well as the hypothesized absence of literature in management academic literature. We conducted hand searches on selected top academic journals from each discipline. The snowball technique was applied, key researchers identified, and additional searches performed to retrieve their most relevant publications. Certain stakeholders' web pages were also

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periodically screened to retrieve reports with up to date findings on our issue (NGOs, transnational organizations, multi-stakeholder' initiatives related to COS and children's digital well-being). A title screen review followed, sorting into relevant and non-relevant citations. All works that meet our criteria were tabulated to facilitate comparisons and contrasts among studies. We are currently on the final stage of our SLR, content screening.

### **IV. Preliminary Findings**

The systematic literature review provides three preliminary findings. First, is the lack of relevant studies on COS and children as consumers in general in scholarship. Problems raised by COS might be compared to other social issues such as poverty. This is a clear line for further research, given the huge role of business organizations on COS.

Second, preliminary findings suggest COS should be considered a strategic issue given its urgency. In fact, legislation is already in place in several places and regulation is spreading quickly worldwide. Also, attention to COS is growing exponentially, exposing business organizations not only to regulatory issues but also to social criticism given that organizations have already be deemed responsible for inadequate use of children's data.

Third and finally, there is no consensus on how to respond to COS. COS is at the *litigation* phase of SIM. We will look for evidence on the reasons why management literature is not researching this strategic issue. An explanation might be that COS seems to have developed in an opposite manner in comparison with other social issues that demanded long and arduous pressure from interest groups in order to achieve regulation. COS seems to "start" at legislative phase. Recent litigation is seen very shortly after legislation was passed, with almost no previous public outcry, with the exception of some NGOs and multi-stakeholders initiatives dedicated to children's online well-being. Apparently, the public is just starting to understand the complexity personal data commercialization, much less grasp the threats and consequences it might pose to children, and what are the best responses to this issue.

According to extant SIM literature interpretation may be playing a key role (Dutton & Duncan, 1987), with decision makers doing business as usual, unaware of the urgency of this issue due to their past experience or should we say inexperience in dealing with children as online consumers.

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Another explanation might be in line with Walsh, Weber and Margolis' (2003) conclusion after having researched decades of top journal managements publications. While management scholarship's interest in performance had remained steady during for the past four decades, the interest in human welfare had starkly declined after its peak in the late seventies, matching the interest curve on SIM, as well as its decline to almost oblivion.

### **V. Conclusion**

Decision makers are in urgent need of sound scientific data to be able to fulfill their responsibility regarding COS. The present study presents a multi-disciplinary review of the literature that seeks to offer an integrated state of the art on this strategic issue. We apply the steps recognized in SIM to present a road map for strategy academics and practitioners to become aware of this strategic issue, its implications and possible responses. While we conclude it is not an emergent issue anymore, and early detection stages have long passed, there might still be room for effective SIM to be implemented in order to harness still available opportunities, or at least avoiding as much harm as possible to organizational well-being, while taking care of their youngest consumers.

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