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EXAMINING THE SOCIAL PERFORMANCE OF SUSTAINABLE SUPPLY CHAIN MANAGEMENT: A CONCEPTUAL FRAMEWORK

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Abstract:

This paper examines the main factors contributing to the social performance of supply chains. It also aims to examine the relationship between Corporate Social Responsibility (CSR) and the social pillar of Sustainable Supply Chain Management. Corporate Social Responsibility and Social Sustainability are two complex concepts with controversial meanings. CSR is a complicated concept which cannot be easily generalized, as every company has its own and unique social, environmental, and ethical impact on the society. In addition, social sustainability needs to be further examined, as it has received the least attention, both in research and practice, compared to the other dimensions (environmental and economic) of Sustainability. However, it is an equally important dimension, as social responsibility, or the development of policies related to the social aspect of sustainability may be considered as an important asset for a company. Nevertheless, the development of such policies needs to be designed carefully so as to prevent the undesired risk of creating a fake social image. To address these issues, this paper examines previous research related to the subject of study and develops a conceptual framework taking into consideration the resource-based view (RBV), the stakeholder and the legitimacy theories. Finally, the paper argues that the Social Return on Investment could be used as a tool to assess both the social performance of the company and the social value created inside the supply chain, ensuring the integrity of all stakeholders.

Key words:

Corporate Social Responsibility, Social Return on Investment, Social Sustainability, Sustainable Development, Sustainable Supply Chain Management

JEL: M14, M15, Q01

1 Introduction

Social performance, as an indicator of social sustainability, is a complex concept that needs to be examined and measured. There are researchers who argue that the social performance of companies should be regulated by the government (Porter & Linde, 1995), while others argue that companies should be more flexible to create and evaluate their own voluntary policies (Sauvant, 1999). Even though social performance concerns both practitioners and academics, it is only during the last years that significant attempts have been made, to clarify this concept and develop a conceptual framework, so as to better understand it and examine its impact on companies.

Any company (regardless of its size) must recognize that there are four basic company responsibilities, including: economic, ethical, legal, and voluntary, which could be also called as corporate social responsibility (CSR) (Carrol, 1979). CSR aims to create a balance to all groups of stakeholders through the different social responsibilities (Moon 2007). However, because of the

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complex nature of CSR, there is a risk that some companies may create a fake image of being socially responsible (Moon, 2007) taking advantage of their stakeholders.

Corporate Social Responsibility and sustainable development are two concepts which have different but at the same time related meanings. Their meanings are complex and have been often criticized of having contradictions, as some researchers support that organizations and companies are not capable of social responsibility, while others argue that environmental sustainability is not always aligned with economic or social sustainable development (Moon, 2007). Therefore, sustainable development and CSR are ambiguous concepts (Pesqueux, 2009) and their meaning is often part of a discussion related to their application (Moon et al., 2005) in different business contexts. Moreover, the two concepts are difficult to be generalized, as companies have different social, environmental, and financial impact on their task environment (Moon, 2007).

Nevertheless, it is very important for a company to have a policy about sustainable development or be socially responsible and this may be considered as an asset and important resource. As mentioned before, if companies want to achieve better financial goals, they have to recognize that they belong and operate inside a larger natural and task environment. Furthermore, according to Miles and Munila (2004), in order to improve their image, gain competitive advantage and promote their supply chains, companies must embody policies which are relevant to the society. This also applies to supply chains, which are gradually adopting CSR policies, as social responsibility issues are slowly gaining importance (Murphy & Poist 2002). Hence, both individual companies and their supply chains are increasingly behaving in a socially sustainable manner (Joshi & Li, 2016).

According to the literature, Information Systems seem to support the implementation of CSR policies and sustainability practices (Sancho & Ramos-Rodríguez, 2020). Information systems are an integral part of companies and of their supply chain. Nowadays, due to new technologies, such as Blockchain Technology, the security and accuracy of information is ensured, so that all partners inside the chain have access to one true information (Stroumpoulis et al., 2021a). Furthermore, paper-based transactions are diminished, information transparency is supported, and customers' trust is increased.

To address these issues and better explain the relationship between Corporate Social Responsibility (CSR) and the social dimension of sustainability, as well as explain how the combination of resources (SCM and IT) can enable the increase of social performance, this paper primarily conducts a literature review. The literature review helps authors to explain the meaning of the main concepts and to identify the main factors enabling a company to increase its social performance. It also reveals the theories used as a base for the development of the conceptual framework (presented in section 3).

By developing a conceptual framework, the paper aims to provide a theoretical base for future research in the field. The conceptual framework is based on the stakeholder and legitimacy theories. According to the literature, these are the most relevant and capable theories to explain the drives of a company for socially sustainable behaviour inside the supply chain (Mani et al, 2018). Furthermore, the paper uses the Resource Based View theory, in order to explain how the resources of the company could contribute to the creation of social value. Finally, it uses the model of Social Return of Investment (SROI) to examine how companies could increase their social performance.

So, the objectives of this paper are to:

I. analyse the concepts of Corporate Social Responsibility and Social Sustainable Supply Chain Management,
II. develop a conceptual framework to analyse how companies could increase their social performance by combining information technology (IT) resources and Sustainable SCM practices throughout the supply chain.

Hence, this is a conceptual paper, aiming to analyse the subject of study theoretically. The next section examines the concepts of CSR and of Sustainable Supply Chain Management, as analysed in the literature. It describes their differences and suggests that the adoption of CSR policies can form a strong base for the development of the social dimension of sustainable supply chain management.

The third section describes the theories that can be used as a base to examine how companies can develop sustainable capabilities and value, as well as increase their social performance. The combination of these theories leads to our conceptual framework, which is presented and discussed in the last sections of the paper. The discussion section compares the results of the paper with those of the literature, while the conclusions section summarizes our work, reveals the limitations of this paper and gives directions for future research.

2 Materials and Methods

To better understand the subject of study and examine the main concepts, the authors conducted a literature review. They also examined theoretical approaches that can be used to analyse the social performance of companies or supply chains. The finally used these approaches to develop a conceptual framework, which shows the connections among the main concepts.

2.1 Literature Review

The literature review allowed us to examine and analyse the concepts addressed in this paper. It provided information about the papers published, the results of previous research and the theories developed and related to the subject of study. It also helped us to support our argument, while also providing an original contribution (Pozzebon et al., 2011). The review of the literature, included the following steps:

- searching for relevant articles by keywords,
- narrowing the articles selection by evaluating their content,
- identifying the main concepts, clarifying their meaning and the relationships among them,
- assessing the theoretical framework suggested in this study based on results of previous studies.

The search for articles was conducted mostly in Scopus and Researchgate databases and the keywords used in the search included:

- Corporate Social Responsibility (CSR),
- Sustainable Development (SD),
- Social Supply Chain Management (S. SSCM),
- Information Systems (IS),
- Stakeholder Theory,
- Legitimacy Theory,
- RBV Theory,
- and Social Return on Investment (SROI).

The literature review helped the authors to explain the meaning of the main concepts and understand their relationship. It also enabled them to identify and study the theories used to develop the conceptual framework (presented in section 4). This framework shows the main factors enabling a company to increase its social performance and develop social strategies. The development of the framework combined with the results of the literature enabled the authors to draw specific conclusions, identify the limitations of this study and make suggestions for future research.

2.2 Corporate Social Responsibility

Corporate Social Responsibility (CSR) makes companies to adopt actions, which are necessary for improving the wellbeing of the society (McWilliams & Siegel, 2001). Although these actions are not required by the government or any other official organization, they enable companies to address and develop ethical values, economic welfare, and compliance with legal requirements (Lehtonen, 2004).

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CSR often forms the base to develop a framework of attitudes, policies, strategies, and relationships of companies with their stakeholders, enabling them to develop a socially responsible behaviour.

Previous studies have shown that in addition to the concern regarding society, CSR policies are capable to increase the financial results of a company (Pirsch et al., 2007). This is one of the reasons why CSR is considered to be important for companies. According to Mohr and Webb (2005), CSR and sustainability can create value to a product or service. This means that the level of sustainability and CSR policies that a company has embodied in its internal environment, could make consumers to choose this specific company instead of another.

As mentioned above, there is a tremendous pressure on firms and organizations to take into consideration their social impact (Gilbert et al. 2011). In order to better explain and report this social impact, a new set of standards (The Global Reporting Initiative (GRI)) has been created, based on which companies are able to better develop, implement, manage and describe their corporate social responsibility (CSR) actions (Waddock 2008). Although these standards are not compulsory (Brunsson et al. 2012), the society puts pressure on companies to adopt them (Vigneau et al, 2015).

Previous studies have argued that the concepts of CSR and Social Sustainability are closely related (Hutchins & Sutherland, 2008). Corporate sustainability is the basis for the development of CSR (Igalens & Gond, 2005). So, through the GRI standards, each company is able to organize and manage its corporate social responsibility goals. By setting and managing these standards, companies could achieve social sustainability at a micro-level. If all partners of a supply chain achieve their CSR goals, they will be able to also achieve the social sustainability at a macro-level (affecting the society).

2.3 Social Sustainable Supply Chain Management

The sustainability of the planet is an important global issue, which has occurred due to the actions of the mankind. Due to the impact of these actions, there is now an increasing need for nations, companies, and other stakeholders to pay more attention on the condition of the environment and the wellbeing of the society. Thus, the different groups of stakeholders are putting a lot of pressure on firms and organisations to become more transparent about their operations, processes, resource usage, and sustainability policies that they follow, for the good of the society (Zadek, 2007). So, companies and organizations are obliged to take into consideration the Sustainable Development Goals (SDGs) in order to respect the environment and the society. They must also adopt policies that are good for the society, but not mandatory from the government, so as to improve their image.

After conducting a review of the literature, Amosh and Mansor (2018) argued that there is a lack of extensive research examining the social pillar of sustainability. This paper aims to fill this gap in the literature by focusing on the field of supply chain management. Sustainable supply chain management is defined as “the management of material, information, and capital flows as well as the cooperation among companies along the supply chain, while taking goals from all three dimensions of sustainable development” (Seuring and Müller 2008, p.1700). Mani et al. (2018, p150) developed a definition about the social dimension of sustainable supply chain management, arguing that Supply chain social sustainability (SCSS) is “the management of social issues, including equity, safety, labour rights, philanthropy, and product responsibility, which affect the safety and welfare of the people in the supply chain”.

The social dimension has received the least attention in research, compared to the other pillars of sustainable development. So, there are not many studies or papers which include and examine the social dimension of the Sustainable SCM framework in depth (Ahmadi et al., 2017a). Moreover, although there are companies which develop social policies, in order to deal with corporate sustainability, these policies have a short-term period (Ahmadi et al., 2017b). As these attempts are not capable to build long term capabilities or develop the resources needed to improve the company’s social performance, they do not lead to the desired results.

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The social issues in the supply chains are very complex and difficult to be examined and analysed. According to Mani et al (2016) a company needs to understand to whom it must be socially responsible, and what issues it must address. Amindoust et al. (2012) argued that companies inside their supply chains should take care of the health and safety conditions of their personnel, as well as other critical social issues. Therefore, social sustainability as a meaning could be separated into two categories, related to internal and external social criteria (Bai and Sarkis 2010). Internal social criteria concern the internal environment of the company and include all the health and safety factors, as well as the employment practices, while external social criteria include the impact on local communities, stakeholders and shareholders. The research which was conducted by Labuschagne et al. (2005), found out that the evaluation of the social sustainability performance of a company could be accomplished by focusing on stakeholder participation, external population, internal human resources, and macro-social performance.

According to Behringer and Szegedi (2016) sustainable development focuses on the social, economic and environmental dimensions, while CSR focuses mainly on environmental and social interrelationships. Examining the two concepts, Dyllick and Muff (2016) conclude that sustainable development focuses on the achievement of the SDGs on a macro level, while CSR focuses on business-level at the micro level. Therefore, in order to measure their social performance, companies should try to analyse the social dimension at both a micro (CSR) and a macro level (SD).

2.4 Information Systems in the Sustainable Supply Chain Management

Information systems (IS) play an important role in supply chain management, as it is impossible to achieve an effective and efficient supply chain without their use (Fiorini & Jabbour, 2017). IS are very significant since they are able to bring both operational and strategic benefits to organizations, their suppliers, and customers (Wognum et al., 2011). They can also contribute to the development of sustainability practices (Hausladen et al., 2013).

According to Kagermann et al. (2013), information technology can only bring out the full potential and capabilities of a supply chain if all partners and their customers are able to work together and exchange information. So, it is very important that all trading partners are aligned and adopt the new technological trends, so as to collaborate efficiently inside their task environment (Moeuf et al., 2018).

According to Shee et al. (2018), information technology may have a positive, significant impact on supply chain performance, which in turn improves the company's sustainable performance. Although IT influences the operational, financial, and environmental performance of companies, it is not clear yet how the use of information systems in sustainable supply chain management could affect their social performance (Fiorini & Jabbour, 2017). Nevertheless, according to Bag et al. (2020), Social Sustainable supply chain performance must depend on innovations and new technologies, which have to be selected and used by the managers and shareholders, ensuring the availability of information and allowing the development of strategies.

2.5 Theoretical development

As mentioned above, to analyse the social pillar of sustainability, the authors examine relevant theories, such as Stakeholders and Legitimacy theories. Moreover, to explain how the combination of resources within a firm or supply chain could lead to increased business capabilities and value, they also use the RBV Theory. Last but not least, they use the SROI, in order to explain how companies in the supply chain could use the conceptual framework to examine their social performance.

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2.6 Stakeholders Theory

Most of the companies during the previous years believed that their corporate responsibility was concerned only with their financial results and aimed at the maximization of their economic profit. So, they did not put attention to the environmental and social issues, as these were non-financial measurable factors. However, this has now changed, because shareholders of the companies realized that these non-financial factors are significant for their overall sustainability (Amosh & Mansor, 2018). Nowadays, stakeholders' different groups demand from companies to be more sensitive and careful to social and environmental issues (Duker & Olugunna, 2014).

During the recent years, many theories have been developed, in order to reveal the importance and explain the motivation of managers to disclose information. Among them, the most widely known in the international literature is the stakeholders' theory (Amosh & Mansor, 2018). According to this theory, all interested and involved stakeholders, and not just the direct ones, should benefit from the existence of the companies. According to Freeman's definition (1983 p.89x), the stakeholders are defined as "those groups without whose support, the organization would cease to exist". The groups of stakeholders may be different, depending on the company's industry and business model. However, the most known and typical of them includes customers, employees, shareholders, banks, suppliers, and communities (Dmytriyev et al., 2021).

Stakeholder theory states that companies could be understood as a set of relationships among stakeholders. Therefore, the company's managers should be careful and pay attention to the management of the interactions with stakeholders. They should also try to avoid trade-offs among stakeholders (Friedman and Miles, 2002). According to this theory, all stakeholders have the right to access information, which is related to environmental and social issues, no matter how powerful the stakeholders are (Ali & Rizwan, 2013). So, this theory could contribute to the creation of social value by informing all stakeholders about the strategies and policies of the company, making them transparent and important resources.

2.7 Legitimacy Theory

In addition, another important theory, which could embody the concept of CSR is that of Legitimacy theory. According to Suchman (1995, p. 574), legitimacy is "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions".

"Legitimacy theory" states that the managers of a company or organizations, in order to maintain the successful function of their business, must reassure that their organization operates in alignment with the society. In this way, a company can earn the status of the "legitimate". According to the legitimacy theory, firms are part of a broader social environment and they do not have any congenital right to resources (Deegan, 2019). So, firms have to earn this right and only a "legitimate organization" is able to maintain this right (Mathews, 1997).

Due to the need for sustainability, the new economic, social, and environmental challenges which have arisen, force companies to respect the rules and values, as well as to voluntarily disclose social and environmental information, in order to show their compliance (Burlea & Popa, 2013). Moreover, both the global financial crisis of the previous decade and the Covid-19 crisis have put pressure on companies to evaluate and prioritize their values and to realize the importance of legitimacy.

A corporation which does not appear as legitimate and does not comply with the expectations of the society is going to face important difficulties and problems during its operation, such as securing the necessary resources including labour. Moreover, the society and customers may reduce their demand for its goods and services. So, legitimacy may be considered as an important resource of a company that could be based on it in order to maintain its survivability and create a competitive advantage (Deegan, 2019). According to the above, legitimacy may be considered as a "social contract" where the society plays an important role on how an organization should conduct its operations (Adler et al., 2018).

Evidence from a research, based on a survey, suggests that managers implement social and environmental disclosures in order to maintain the survival and profitability of their organization, rather than demonstrate proper responsibility (Deegan, 2019). Unfortunately, despite the existence and importance of the legitimacy theory, the disclosure of social and environmental information remains voluntary for managers. According to Gray and Milne (2015), this is a topic of confusion for many people who remain skeptical about the validity of the information that companies and managers are willing to share with the different groups, about their social and environmental goals.

2.8 RBV Theory

The Resource-based View (RBV) model sees the company's resources as a key to increase its performance (Freeman et al., 2021). The resource-based view (RBV) theory is considered as one of the most successful theoretical frameworks in the field of strategic management (Davis & DeWitt, 2021). Its purpose is to explain under which circumstances the internal resources of a firm can lead to sustainable competitive advantage (Kraaijenbrink et al., 2010). Moreover, if company's resources have VRIO characteristics, they could help company to gain competitive advantage in its task environment (Wernerfelt, 1995). According to Cardeal and Antonio (2012), the VRIO features are:

- Value,
- Rarity,
- Imitability, and
- Organization.

This model supports that resources may create value in the company, when the company designs and implements strategies that can improve its efficiency and effectiveness. When these resources are in possession of a few companies, they can remain rare. If most competitors have the same valuable resource, then they will probably explore their use in a similar way, thus applying the same strategy of creating value to customers. If valuable and rare resources can be easily imitated, competitors will quickly embrace them and the potential for competitive advantage will disappear. Therefore, to gain competitive advantage, resources should not be imitable. Moreover, competitive advantage derives from the way companies operate (Organization) and the interconnection of their strategic and non-strategic resources, utilizing organizational processes, in order to produce products/ services between the primary resources and the company's final products.

The resource-based view theory (RBV) confirms the fact that not every organization is capable to implement and benefit from a sustainable strategy, but firms with unique resources and management capabilities are able to realize the financial benefits from sustainable development and implement them (Joshi & Li, 2016). Supporters of this model, believe that organizations should turn into their internal environment, instead of examining the external, so as to find resources and built capabilities that cannot be easily imitated.

2.9 SROI

According to Stevenson et al (2010), there have been numerous approaches aiming to measure the social impact, but the Social Return on Investment analysis is one of the most known. SROI is an economical estimation of socio-economic value. The way that SROI works is comparing the net benefits of a project to the investment that is required so as to generate benefits over a certain period of time (Emerson, 2000).

SROI is a mixed and complex method to estimate the social, economic, and environmental impact of different interventions. Its most important feature is the SROI ratio. SROI ratio has as a goal to define

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how many monetary units (euros, etc) worth of social value, have been created for one unit, which has been invested in a particular intervention (Kara, 2013). SROI analysis by itself, is a very complex issue (Maier et al., 2014). Some academics and managers believe that this is a tool for social finance and performance measurement (Millar & Hall, 2013), and others who support that it is a method of evaluation research (Hall, 2014). For the needs of this paper, authors use the SROI model in order to measure the social performance of companies.

3 Results: Conceptual Framework

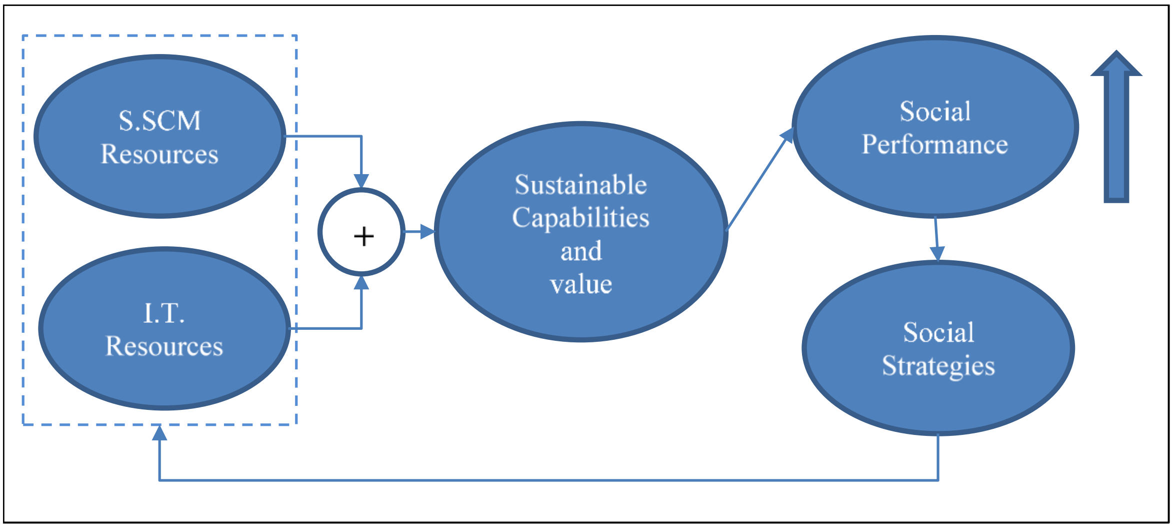
During the last years, companies have increased their efforts to become more sustainable and to improve operations handling, innovation's management and strategic development. They also aimed at increasing their competitive advantage and improve their position to the market (Colbert and Kurucz, 2007). To examine and analyze the benefits from the adoption of sustainability practices and policies, many studies have used the RBV Theory, as a theoretical background.

As mentioned before, the RBV Theory states that a company can develop competitive advantage by obtaining and effectively developing its resources (natural, human, etc.), in such way that their combination could create value for the company, which would be difficult to imitate from others (Barney, 1991).

According to Dao et al (2011), the adoption of sustainable strategies could help companies to develop sustainable values and obtain a sustained competitive advantage. Moreover, the combination of the HRM, SCM and IT resources allows companies to develop sustainable capabilities and increase their performance.

As this paper focuses on the social performance of a company, the developed framework shows the types of resources and capabilities which could lead to the increase of social performance and the development of social strategies.

Figure 1: The increase of social performance



According to the proposed conceptual framework, modern companies develop and use their own sustainable supply chain management and Information Technology resources, so as to convert their processes and make them more effective and efficient. The combination of the above resources can create sustainable capabilities and, in many cases, sustainable value. Companies take advantage of these new capabilities and value in order to increase their social performance. Finally, companies are able to develop new social strategies in order to further exploit their resources and strengthen their position in the market.

The main concepts of this framework are further explained in the following sections.

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3.1 Social Sustainable Supply Chain Management Recourses

According to the literature there is a large number of papers and case studies regarding the economic and the environmental pillar of sustainability, while only a limited number studies the social pillar (Mani et al, 2018). This is a mistake, as the development of the social pillar could contribute to enhance the other aspects of sustainability (Mani et al. 2016), which are all necessary to create a sustainable organization (Seuring & Muller, 2008).

Social sustainability is truly important, as companies have the chance to manage and handle their social issues and ensure their long-term survivability. As mentioned before, the social dimension is very complex and should not only be limited to the internal environment of the company, but it should also expand to the inter-organizational environment, including trading partners and different groups of organizations (all the stakeholders) (Carter & Rogers, 2008).

To further examine and analyse social issues in the supply chain, it is important to understand not only to whom a firm needs to be socially responsible, but also which are the issues that must be addressed (Mani et al. 2016; Mani et al, 2018). Stakeholder theory explains that managers have fiduciary duties both to the corporation and to the shareholders (Donaldson and Preston, 1995). According to the theory, the firm needs to be socially responsible to all stakeholders, so as to achieve sustainable results (Sodhi, 2015).

Therefore, all direct and indirect partners (supply chain members) should manage their operations in a socially sustainable manner, because only if all the partners reach their social sustainable goals, the social sustainability would be truly operational across the supply chain (Carter & Rogers, 2008). To better explain the above, if the supply chain leader has a strict social policy and its supplier or distributor or any other trading partner makes decisions without taking into consideration the social pillar, the results will not be satisfactory and may affect the social image of the leader partner. Therefore, it is understandable that a company which addresses community concerns and protects its employees will undoubtedly deal with undesired consequences by having a partner who ignores these concerns, avoids compensating and addressing issues, such as health and safety of workers (Dao et al., 2011).

A company that values sustainability will seek to collaborate with other companies/partners who also adopt this philosophy so as to align their social sustainable goals. This will lead to a sustainable chain of business partners that integrate social issues into the decision-making process (Dao et al., 2011). In this way, the company is capable through the Stakeholder's Theory to develop two important resources, those of transparency and respect to society and all the involved social groups. According to the RBV theory, transparency could turn into a very significant resource for the company.

3.2 Information Technology Resources

It is truly difficult to achieve an effective and sustainable supply chain without using any information technology or information systems, especially in the industry 4.0 era, where IS are considered as the main tools supporting the operation of the chains (Fiorini et al, 2017). Information Systems are really important, as they have the potential and the ability to support the social supply chain management by making information stable and immutable. So, information cannot be changed without the approval of the authorized groups. For example, a new technology, such as blockchain technology has the ability to detect and prevent all corrupted individuals and organizations from seizing assets of people unfairly (Saberi et al, 2019), increasing in that way the transparency of the chain. In addition, ERP Systems could enable companies to improve their stakeholder engagement, since it facilitates information sharing (Chofreh et al, 2020) and allows them to better evaluate social crises (Robert et al., 2008). Thanks to the information transparency that IT provides, companies could monitor the status of their products at all stages of the supply chain. Therefore, any fraud could be prevented, and product safety ensured.

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Nowadays, Information Systems also provide the supply chains with traceability, which is very important for the social sustainability. According to the legitimacy theory, every company must convince all stakeholders that it is legitimate, as no company wants the reputation of not being legitimate. So, legitimacy has to be considered as a significant resource of the organization (when it has been conquered) and any company should build on this in order to maintain its survival and create a competitive advantage inside its task environment (Deegan, 2019). Information Systems have the power to develop the above resources inside the supply chain (those of legitimacy and transparency of information to society) and increase the social sustainability.

3.3 Sustainable Capabilities and value

According to the literature review, Information Technology and Sustainable SCM resources have to be both internal and external. This means that organizations and companies must use the new technology not only internally, but also with their trading partners so as to achiev the desired aims. Furthermore, the information technology resources must not stay stationary but must follow the new technological advances that Industry 4.0 may offer. In this way, according to the RBV Theory, IT and SCM resources could increase the social performance and/or create a competitive advantage.

The sustainable capabilities, which have been derived from the above combination of resources, refer to the ability of the company to integrate, build and reshape its internal and external capabilities to deal with the rapidly changing nature and task environment, where it belongs. These capabilities are not earned easily, nor in return of a fee, but are learned through time. They create patterns of behavior through which a company develops and modifies systematically the way it performs its processes, so that it can become more efficient. These capabilities can refer to specific processes or routines that combine, transform, or renew resources into new capabilities as the environment evolves (Mandal et al., 2011).

Therefore, capabilities are often developed only over time, and are not easily acquired through the market. They are determined not only by the tangible and intangible basis of a company's resources, but also by the decisions made during its operation. Such a combination of capabilities can create skills that can be applied to all the people who are part of the company, functions, and organizational boundaries (Mandal et al., 2011).

So, when sustainable capabilities are developed from the above combination, the company is in position to create social sustainability value to its stakeholders and its internal environment, which could enhance profitability and potentially gain a sustained competitive advantage (Dao et al., 2011) according to the RBV theory, since these capabilities may be a significant resource.

3.4 Social Performance and Social Strategies

Companies in order to increase their Social Impact on the society, they should first measure and increase their Social Performance, which derives from the sustainable value that has been developed from the collaboration of the above resources. The social performance can be measured with the use of the Social Return on Investment (SROI) model, as mentioned in the previous chapter. This specific model uses the standards of GRI and converts the social impact into monetary units. The social impact comes from the policies of CSR that companies apply (Maier et al., 2015). The aim of this model is to make the social pillar a more understandable and manageable part of the company and the society and present it less complex.

A very significant fact for companies and organizations, that should be noted, is that when the social performance is increased, the economic performance is also increasing by pushing customers to choose the specific company (Maier et al., 2015). Therefore, there is a strong correlation between the economic and the social pillar of sustainability. According to the above analysis, small and medium companies will be able to compete with bigger ones, by developing their own business strategies, in order to achieve their goals and strengthen their position in the market (Jorgensen & Knudsen, 2006).

According to Sezhiyan et al. (2011), supply chain management strategies are equally important and a main component of a company's main strategy. The success of a company depends on its SCM policies and strategies (Degraeve et al., 2000), also including sustainable practices. Companies have to develop sustainable SCM strategies in order to gain the reputation of a sustainable company and protect their legitimate image (King & Soule, 2007). According to the above, companies have to survive, gain market share and create a competitive advantage. According to Wisner (2003) supply chain management should focus on specific strategies in order to achieve their goals, such as: supplier management activities and strategy, customer relationship activities and strategy, system wide supply chain management strategy. In order to achieve the increase of the social performance, a company should pay attention in all the above strategies, as there are many groups of stakeholders that get involved in these activities.

4 Discussion

Miles and Munila (2004) support the idea that companies, in order to improve their supply chains, must embody policies which are associated with the society. Moreover, Dao et al. (2011) argue that Information Systems are truly important for the development of sustainable supply chains. As they state, IT can lead to increased business value for the company and can support the alignment with trading partners. In addition, Stroumpoulis et al. (2021b), based on a case study, show that the combination of IT resources and supply chain resources can lead to increased sustainable performance, but not necessarily to competitive advantage. Finally, Fiorini et al. (2017) support that in the era of Industry 4.0, new technologies are capable to support the social dimension of the supply chain by making information accessible to all stakeholders.

Agreeing with the view of Dyllick and Muff (2016), that sustainable development focuses on the achievement of the SDGs at a macro level, while CSR focuses on the business (or micro) level, the paper suggests that CSR policies can form the base for the development of Social SCM. It also argues that the adoption of both CSR policies and sustainability practices, combined with information systems is necessary for the increase of social performance.

Therefore, the results of this study (deriving from the literature) and the proposed conceptual framework are aligned with previous studies (Dao et al., 2011; Fiorini et al., 2017; Stroumpoulis et al., 2021b), and show how companies could embody CSR policies and information technology resources, to increase their social performance and build a good company image.

5 Conclusions

The literature review revealed that there is a limited number of academic research and case studies focusing on the Social Performance or generally the social pillar of Sustainable Supply Chain Management. While the concept of corporate social responsibility has been more extensively explored by researchers, its relationship to the social dimension of sustainability is still not completely clear. Furthermore, only a limited literature examines how this combination could enable the development of social value for the company and what is the derived social impact. Therefore, the purpose of this paper was to clarify these concepts, discuss their relationship and develop a conceptual framework to explain how social value can be created and performance can be increased.

Based on a literature review and examining various theoretical approaches, the study used stakeholders, legitimacy and RBV theories to explain under which circumstances companies could increase their social impact. The study also explained how the combination of Social SCM and IT resources can lead to sustainability capabilities and value. It finally argued that by developing the necessary sustainability capabilities, companies can increase their social performance and develop

Sustainable SCM strategies oriented both to the micro and macro business levels, related to the social pillar of sustainability.

The study was mainly conducted at a theoretical level, showing that there is a need for further academic research, in the field of social sustainable development. The main contribution of the paper is the development of a theoretical framework to better explain the subject of study. However, its main limitation is the lack of empirical data to support the paper's argument. Nevertheless, the proposed conceptual framework can be used as a base for future empirical work. It could be used to support the analysis of data in a qualitative research, based on a single or a multiple case study design, enabling the in-depth examination of the subject of study. It could be also used in a quantitative research, based on a large-scale survey, allowing the acceptance or falsification of hypotheses and the provision of generalisable results.

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