

Practice Exploration and Optimization Path of Huawei Corporate Social Responsibility from The Perspective of Diamond Model

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Abstract: Currently, the competition in technological capabilities among countries is becoming exceptionally intense, and the societal demand for corporate responsibility is rising accordingly. Corporate social responsibility is key to building competitive advantages. This research framework adopts the Diamond Model to explore the effectiveness, existing issues, and underlying reasons of Huawei's social responsibility practices, thereby designing targeted improvement paths. Leveraging its technological accumulation and talent endowment, Huawei has formed a multi-dimensional responsibility layout, but faces challenges in resource coordination efficiency, industrial collaboration depth, and international institutional alignment. If the improved Diamond Model approach is adopted, it can help Huawei find the optimal balance between social responsibility practices and business value creation, providing valuable insights for the strategic planning of corporate social responsibility in tech enterprises.

Keywords: Huawei; Corporate Social Responsibility; Diamond Model; Sustainable Development.

1. Introduction

In the initial stage of 1987, Huawei completed its business registration in Shenzhen [2]. However, during the phase of global value chain restructuring, the Western bloc led by the United States imposed multiple restrictions on Huawei. In 2019, during the turbulent period of Sino-US economic and trade relations, the company's prospects were overshadowed by heavy shadows. Currently, the urgent focus of research is that fulfilling social responsibilities is a core aspect of shaping soft power. This not only involves the formation of corporate reputation but also influences the shaping of long-term competitiveness. This paper adopts the diamond analysis paradigm to analyze the specific steps, major challenges, and improvement strategies for Huawei to fulfill its social responsibilities, providing practical guidance for technology enterprises to fulfill their social obligations.

2. Theoretical Basis

The Diamond Model developed by Porter established a comprehensive analytical framework for studying corporate competitive advantages. Porter and his collaborator Kermos later elaborated that corporate strategic implementation is profoundly influenced by socio-environmental factors [4]. When enterprises effectively coordinate resources and achieve social reciprocity, they can establish a robust government-enterprise-society collaborative network [6]. The model systematically integrates six key elements: four core components (production factors, demand conditions, industry support, corporate structure, and competition), and two auxiliary variables (opportunities and government) [4]. Through this framework, enterprises can multidimensionally analyze the internal and external environmental foundations of their social responsibilities. By examining the synergistic effects of these elements, the model identifies the optimal alignment between corporate social responsibility and business performance, demonstrating a holistic analytical

logic.

3. Analysis of the Current Status of Huawei's Social Responsibility Practices Based on the Diamond Model

3.1. Factors of Production

Huawei fulfills its social responsibilities through production factors as a core vehicle. From the perspective of human resources, Huawei offers market-leading salaries to employees, diligently safeguards workers' rights, and consistently focuses on talent quality enhancement by building a multi-dimensional training network to support career advancement [2]. In the realm of technological exploration, Huawei takes innovation as its core driving force, achieving breakthroughs in 5G core technologies and developing new materials for triple-fold screens, which powerfully demonstrate its leading technological capabilities. Leveraging the characteristics of technology popularization to implement social responsibility planning, Huawei continuously expands its investment scale in responsible projects, having cumulatively invested over 10 billion yuan in charitable causes, providing a reliable financial backing for implementation [12].

3.2. Demand Conditions

Market demand is the core driving force for Huawei to fulfill its social responsibilities. In the domestic market, national strategic initiatives such as advancing rural digital transformation, promoting educational equity, and achieving the dual carbon goals have guided Huawei to launch the "5G Access to Every Village" communication project and educational technology solutions [9]. The urgent calls from the market for data security and privacy protection have driven Huawei to establish a stringent full-chain data security management system. Facing the global market landscape, the pressing desire of emerging economies for communication

upgrades has motivated Huawei to engage in building multinational communication networks and assist in breaking down digital barriers. The high demands of the international market in terms of supply chain compliance and environmental protection have guided Huawei to form a supplier responsibility management system, which serves as the core support for implementing responsibilities.

3.3. Related and Supporting Industries

Huawei has established a global supplier responsibility system with thousands of nodes, creating a collaborative framework of "shared responsibility and shared benefits." Leveraging key industrial support phases, Huawei works with upstream and downstream partners to advance the green transformation of supply chains, adopting measures such as improving transportation efficiency and recycling packaging materials to reduce carbon emissions throughout the product lifecycle [1]. Huawei also engages in deep strategic partnerships with non-profit organizations and universities, implementing initiatives like technology dissemination and talent cultivation programs to build a diversified support system.

3.4. Enterprise Strategy, Structure and Competitors

Huawei has achieved deep integration of social responsibility at the strategic planning level, practicing the development philosophy of "technology for good." From a management perspective, Huawei has established a management model featuring "top-level design by the board of directors, specific implementation by management, efficient inter-departmental collaboration, and full employee engagement." Facing the fierce competition in the global technology industry, Huawei has implemented the "Future Seed" project to cultivate international ICT professionals, creating landmark projects such as green 5G base stations and liquid-cooled data centers, thereby forming a unique threshold for responsible competition [11]. Additionally, Huawei combines the regular release of responsibility reports with external audits to continuously optimize its responsibility governance system.

3.5. Government

Policy-level support serves as a crucial backing for Huawei to fulfill its social responsibilities. The national technological innovation support policies for the communication equipment industry help Huawei strengthen its local business foundation and provide favorable support for its international layout [8]. The domestic market, currently in a phase of consumption upgrading, offers Huawei a more flexible platform for responsibility practice and a buffer zone for error correction, laying the groundwork for the construction of a global responsibility network.

3.6. Opportunities

The United Nations Sustainable Development Index System and the Global Compact Code of Responsibility guide Huawei in conducting transnational responsibility practices. The rapid expansion of the digital economy has enabled Huawei to accelerate inclusive digitalization and enhance the penetration of its responsible projects through technological capabilities. Global public health events such as the pandemic have allowed Huawei to leverage technical resources for emergency communication actions, thereby achieving value-

added for its responsible brand image [3].

4. Analyzing the Main Contradictions and Root Causes of Huawei's Social Responsibility Using the Diamond Model

4.1. Inadequate Alignment of High-End Factors

Huawei faces three major challenges in the management of production factors: the commercialization of some environmentally friendly technologies is delayed; the level of responsibility and practice among talents varies across regions; and there are shortcomings in the division of rights and responsibilities for data elements [10]. The reasons lie in the continuous rise of R&D funding under the backdrop of international innovation competition, as well as the lag in aligning technological upgrade paths with compliance standards.

4.2. Significant Differences in Domestic and International Standards

The demand for social responsibility exhibits a significant gradient difference between domestic and international contexts. In the global business environment, compliance requirements for data sovereignty and supply chain labor standards are becoming increasingly stringent. Domestically, the focus is on technology inclusivity and rural revitalization, with differentiated responsibility standards constraining the practical effectiveness of Huawei. Meanwhile, digital inclusive services for elderly and disabled groups remain insufficiently covered, and the targeted response to differentiated needs improvement. The underlying driver is the fragmentation of global political and economic patterns, which leads to scattered responsibility requirements and standard system adaptation issues, putting pressure on Huawei. Insufficient systematic exploration of niche customer needs results in suboptimal performance of responsibility products and services.

4.3. Industrial Collaboration has Not Met the Established Standards

The collaborative framework of supporting industries has yet to meet established benchmarks, with weak synergy in supply chain accountability standards. Enterprises demonstrate inconsistent adherence to responsibility criteria, resulting in suboptimal coordination within green supply chains [9]. Small and medium-sized suppliers lack adequate empowerment investments, while some companies constrained by financial and technical limitations fail to meet expected accountability levels. Discrepancies in industry-specific responsibility standards persist, driving up compliance costs in supply chain management. This stems from the extensive global reach of cross-border supply chains and significant regional disparities in industrial foundations and accountability awareness, creating challenges for integrated management [13]. Although standardized training programs are commonly adopted in supplier empowerment systems, customized solutions remain insufficient. The industry's failure to establish unified accountability standards further limits potential for cost reduction in collaborative efforts.

4.4. Insufficient International Adaptability

Huawei's responsibility strategy has a mismatch gap in the internationalization process. Some overseas operations failed to effectively align with local cultural and institutional contexts, resulting in outcomes falling short of expectations. The adaptability of Huawei's corporate responsibility management model also performs poorly, and its response efficiency should be strengthened when facing overseas responsibility risk events [13]. Regarding global responsibility competition, there is a partial deviation in overseas perceptions of Huawei's responsibility performance, attributed to the strategy being dominated by global standard frameworks while local adaptation remains weak. Meanwhile, the current complex international public opinion landscape, coupled with unfair reporting by certain Western media, has diminished brand communication effectiveness [8].

4.5. Insufficient Utilization of Policies

Huawei focuses on communication equipment as its main business sector, where the effects of national policy support are evident. However, the existing policies have limited coverage and struggle to keep pace with international expansion. For newly expanded business sectors such as PCs, Huawei's industrial chain still has room for improvement, and policy support from government procurement has not been fully utilized, leaving room for deeper implementation of responsibilities.

4.6. The Efficiency of Opportunity Conversion Needs to be Improved

Huawei still lacks sufficient grasp of external social responsibility opportunities. For world-class issues such as climate change and digital divide, it needs to strengthen strategic foresight and implementation capabilities. When facing sudden public crises and industry transformation, the construction of transformation mechanisms lags behind, and it has not yet achieved the conversion of issues into new carriers and growth points for responsibility practices.

5. Optimization Strategies for Huawei's Social Responsibility Based on the Diamond Model

5.1. Optimization of Production Factor Allocation

Huawei should effectively integrate environmental protection concepts into social operations, focus on breakthroughs in green innovation, increase resource allocation to core technologies such as low-carbon chips, and empower the green transformation of society [7]. In response to regional disparities in talent stock, it should improve the regional talent cultivation system, adapt to regional cultural and legal differences, enhance employees' practical level of responsibility, elevate the standardized responsibility level of data elements, balance R&D breakthroughs with compliance constraints, and strengthen the foundation of data security and privacy protection.

5.2. Differentiated Alignment with Demand Levels

Huawei should align with differentiated needs and implement a global demand management project. By considering geographical and demographic differences, it

should summarize the demands of core stakeholders, based on the significant distinctions between domestic and international standards, while balancing cross-border regulatory frameworks and regional strategic directions. Efforts should be made to deepen the research and development of elderly-friendly and barrier-free ICT products and services, focusing on optimizing rural education and promoting the decentralization of medical resources. This will enhance the targeting and coverage capabilities of responsible projects. A two-way interactive mechanism for demand response should be established, leveraging user feedback to iteratively optimize responsible products and service systems.

5.3. Strengthening Industrial Synergy

Lead the establishment of unified social responsibility standards for the ICT industry, collaborating with industry partners and associations to implement coordinated green supply chain and data security solutions, thereby streamlining collaborative processes [11]. Develop a supply chain collaborative responsibility framework to achieve information sharing, risk co-sharing, and resource coordination. Enhance supplier empowerment mechanisms by introducing a "financing support + technical training + management diagnosis" package for small and medium-sized suppliers. Implement a tiered responsibility management system, offering preferential procurement policies to high-quality suppliers, and encourage participation in responsibility innovation practices. Jointly create implementation pathways for low-carbon products and technologies, achieving a comprehensive leap in supply chain responsibility management.

5.4. Optimize the Strategic Structure

Strengthen international coordination mechanisms for the responsibility strategy. Establish local responsibility innovation centers using globally standardized models, while tailoring project implementation approaches to local conditions to build a responsive risk mitigation framework [13]. Develop contingency plans addressing risks from geopolitical instability and supply chain disruptions, drive cutting-edge technological exploration, and enhance analysis of customer needs and distribution channels. Cultivate international competitive advantages through responsibility-oriented dimensions, boost cross-border brand visibility, leverage multi-dimensional communication channels to demonstrate responsibility practices, and recalibrate the cognitive framework of global public opinion [8].

5.5. Effective Utilization of Government Resources

Continuously explore new business growth points and implement precise positioning of the industrial chain. For emerging business types such as personal computers, proactively seize policy support opportunities, leverage the positive role of government procurement and industrial support policies, deeply integrate corporate responsibility practices with national strategic needs, and achieve an organic combination of policy orientation and commercial success [8].

6. Seizing External Opportunities

Enhance the capacity to identify and capitalize on external opportunities, with a focus on cross-border issues such as climate change and the digital divide. Proactively implement

responsible innovation initiatives and establish a comprehensive opportunity transformation framework. Transform critical junctures like public emergencies and industry transformations into new interfaces and driving forces for responsible practices. Deeply engage in drafting international responsibility standards, integrate into the global governance of corporate responsibility, and expand transnational implementation pathways for responsible practices through global agreements.

7. Summary

This paper adopts the Diamond Model framework to comprehensively examine Huawei's corporate social responsibility practices through six fundamental dimensions. Huawei, driven by technology and talent, has established a responsibility implementation system that aligns with its surrounding ecosystem, making its social responsibility practices a solid foundation for enhancing corporate competitiveness. However, Huawei still faces bottlenecks in areas such as element matching, demand alignment, industrial synergy, and international strategy. It is necessary for Huawei to improve the systematic completeness and practical alignment of its responsibility strategy, strengthen its global responsibility capabilities during the phase of resolving social conflicts, and provide methodological references for technology enterprises to fulfill their social responsibilities.

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