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Thank you, and we hope you enjoy the read.
Hannah Onshuus and Liv-Anne Trulsrud

Abstract

The study explores how digitalization of financial advisory affects the financial institutions' ability to perform CSR activities in savings and investment. The qualitative study applies a cross-sectional design by interviewing nine leaders in financial institutions, industry organizations, and industry experts. Through thematic analysis three main themes were identified within their experienced CSR; Green Investments, Financially Sustainable Society, and Compliance. Focusing on the Financially Sustainable Society (FSS), three interrelated sub-themes were identified: making products and information *Available*; increasing *Awareness* in the population in terms of societal and life cycle situations as well as financial literacy; and increasing *Engagement* towards personal savings and investments. The findings present that most efforts are currently directed toward increasing Availability through digitalization of financial advisory services, however this does not sufficiently capture their experienced CSR. The study contributes to a broader understanding of how digitalization can partly assist financial institutions' CSR practices, but also emphasizing resources and efforts toward increasing awareness of, and engagement in, the benefits and necessity of personal savings. Three recommendations are proposed for financial institutions to consider beyond digitalizing financial advisory: (1) utilizing knowledge about individuals' saving and investment behaviors in the development of services and marketing materials, (2) focusing educational and informational efforts on life situations, and (3) increasing engagement by enabling individuals to engage with others in their savings.

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1.0 Introduction

"Next to health, finances is the single most limiting factor to realize what you want in life. That's how important it is" - Participant IO-1

Early 2023, the Norwegian Minister of Health and Care services asserted the importance of each individual doing more in order to plan for old age (Kristensen et al., 2023). This individual responsibility is becoming a recurring conversation in the Norwegian public debate, particularly related to health concerns, living situations, and saving for retirement. Various efforts are made by authorities to promote better *health-related* decisions by individuals, such as policies for tobacco control and alcohol fees. Such efforts imply an understanding of the sometimes irrational decision-making characterized in humans, in which we succumb to our immediate wants and desires rather than "the smart thing to do." Yet, there seems to be an expectation for individuals to make more rational financial decisions, particularly concerning the Norwegian pension reform. As described by the Director of Information in Finance Norway, pension is currently an individualized system in which a decision you make today can lead to great consequences in 40 years (Enge, 2016).

In recent decades, many European countries have introduced pension reforms as a mechanism to manage their aging populations and longer life expectancy rates (European Commission, 2018; Halvorsen et al., 2022). These pension reforms generally aim to encourage prolonged working careers and private household saving behavior, through adjustments such as lowered individual pension benefits. A similar reform was initiated in Norway in 2011, in which the pension system is made up of three pillars: a social security pension, occupational pensions, and voluntary pension savings (Halvorsen et al., 2022). While social security and occupational pensions provide *some* post-retirement income, it is considered insufficient to maintain one's living standard pre-retirement (Debets et al., 2022). As such, these systems increase personal responsibility for retirement savings and future financial security (Halvorsen et al., 2022; Stolper & Walter, 2017), and thus the importance of long-term savings, knowledge, and guidance (FinAut, 2021). Yet, how individuals adapt to these changes, and the full impact of such reforms, will not be clear until the coming decades (European Commission, 2018). It is therefore important to devote efforts and resources into exploring how individuals can be better educated and equipped to take responsibility for their own savings and investments.

The Norwegian financial industry holds a social mission that includes ensuring economic security and predictability for individuals (Finance Norway, n.d.). This social mission is part of financial institutions' corporate social responsibility (CSR), and goes beyond merely following the law (McWilliams & Siegel, 2001). As financial institutions provide services that are of great importance for individuals' financial security (Finance Norway, n.d.), they need to have trust from individuals in handling their personal finances and savings, and offer educational services such as financial advice.

Historical wrongdoings in the global industry have shed light on unethical and problematic practices in financial institutions, such as in the aftermath of the 2008 financial crisis. A multitude of actions were taken to ensure more ethical behaviors and advisor competence as a safety measure for consumers and investors. Today, the practice of providing financial advice is highly regulated through various international, national and industry specific directives and regulations. Furthermore, self-regulatory mechanisms have been introduced to promote ethical practices, such as financial advisor authorizations in Norway.

Consequently, the extensive regulations are making financial advice more costly and time-consuming to provide (Petrie, 2017). As a further consequence, capacity decreases and financial advisors must prioritize who gets advice (Deloitte, 2016). Yet, to ensure financial well-being for consumers, financial products such as advisory, and information needs to be accessible in regards to availability, cost, and comprehensibility (HM Treasury, 2022). It is therefore somewhat paradoxical that regulations put in place to protect individuals may limit the availability of financial advice to parts of the population.

Somewhat simultaneously, a technological evolution has happened over the course of the last decades, leading to several innovations within financial services. What previously would require individuals to physically visit the bank, can now be done without human contact on smartphones and laptops. This spans from easy tasks such as paying bills in your mobile bank to making larger investments in funds or stocks on online trading platforms. The level of digitalization of financial advisory varies from wholly automated robo-advisors to hybrid solutions that automate parts of the process. The digitalized financial advisory processes are required to follow the same regulations and guidelines as human financial advisory (FinAut, 2021), but can do so at a lower cost and to more consumers with increased capacity (Deloitte, 2016). Nevertheless, as of 2021, statistics presented by FinAut (2021) indicate that only 11% have used robo-advisors, and only 16% have high trust in robo-advisors.

A potential risk with this development, is that traditional face-to-face meetings will mainly be limited to customers that are more profitable to financial institutions, such as wealthier individuals, whereas less wealthy individuals are left to digital advisory solutions. Arguably, these may be the individuals who are most in need of advisory (Stolper & Walter, 2017). Therefore, while digitalization can increase the number of consumers with access to financial advice on personal savings, one could question how this in reality would affect their CSR. Could relying on robo-advisors in fact have unintended negative consequences for those who are not prioritized for human financial advisory? With the increased importance of personal savings, how will this digitalization support the industry's CSR? These are some of the questions that triggered our interest and perceived need for further research. Therefore, our aim with this study has been to answer the research question:

"How will digitalization of financial advisory affect the financial institutions' ability to perform CSR activities?"

With this research question we hoped to gain understanding of how industry actors perceive their CSR in terms of savings and investment, and the ways in which digitalization may support or challenge it. We have done this by interviewing leaders in Norwegian financial institutions who offer financial advisory for savings and investments, and leaders in relevant industry organizations. We were curious to explore what they experience to be their responsibilities, what are the key barriers to executing them, and the role of digitalization in supporting these efforts. We expected our participants to emphasize the challenges related to cost and regulatory restraints, and how this differs between human and digital financial advisors. However, the participants showed much interest in the social aspects, as well as the potential impact of individual responsibility and the lack of tools provided by the government. Moreover, we expected to reach a clearer answer to our research question. Nonetheless, we quickly realized that the complexity of the situation led us to a wider discussion of their corporate social responsibilities.

2.0 Literature Review

To obtain a greater understanding of the underlying aspects of our research question, we will review relevant literature on corporate social responsibility (CSR), mechanisms behind financial advisory, and financial knowledge and behaviors in individuals. First, we will consider CSR in the financial industry, when and why firms act socially responsible, and challenges in conducting CSR. Secondly, we will explore literature on regulatory frameworks, barriers of financial advisory, and digital financial advisory. Lastly, we review relevant literature on financial inclusion and literacy, as well as saving and investment behaviors.

2.1 Corporate Social Responsibility

At a conceptual level, CSR is not a contemporary phenomenon, as businesses always have dealt with social, environmental and economic conditions (Dahlsrud, 2008). However, due to changing expectations from stakeholders and regulatory changes, CSR must be considered in decision-making on a more operational level today. Interest in the topic has increased exponentially in a variety of fields such as psychology, sociology, finance and economics, and has led to great academic social networks across research areas (McWilliams et al., 2019). The growing interest could be seen in relation to the rising attention to environmental, social and governance (ESG) responsibilities and related plans such as UN's Sustainable Development Goals (SDG).

There are many variations of CSR definitions, often shaped by the focus of research or fields (Campbell, 2007). How it is defined largely depends on the dimensions that are considered, and its temporal, relational and locational contexts. This can lead to practical consequences, as it does not set clear standards for firms to follow (Campbell, 2007). Dahlsrud (2008) found that existing definitions of CSR are highly congruent, and that the challenge is rather to understand the specific context that the phenomenon is socially constructed in. A general definition holds that CSR revolves around organizations acknowledging responsibility to engage in matters that have a positive social impact, and that are not mandatory by law or for profit maximization (McWilliams et al., 2019). In that sense, merely abiding by the law is not the same as acting in a socially responsible way (McWilliams & Siegel, 2001).

In organizations, CSR can be categorized into internal and external aspects (Brammer et al., 2007; Gangi et al., 2018). Internal CSR is described by Brammer et al. (2007) as aspects related to a firm's internal operations, which are less visible to the public eye (Tang et al., 2012). External CSR involves activities that are mainly related to a firm's image and reputation (Brammer et al., 2007), and deal with customers, regulators and other external stakeholders (Tang et al., 2012).

2.1.1 CSR in the Financial Industry

Taking social responsibility is not an uncommon practice of the financial industry. In fact, the first savings banks in Norway were established with an altruistic motive, allowing workers to put off money for hard times and avoid straining the cities' financial aid for people in need (Thue, 2014). Today, CSR is often seen in relation to sustainability and initiatives to ensure sustainable financing, investments, lending or insurances (Schmidheiny & Zorraquin, 1996; Scholtens, 2009). Though the industry is not challenged by direct emissions or use of resources compared to other industries, it does strongly influence economic activities directed towards sustainable development (Weber et al., 2014; Wu & Shen, 2013). Private households are able to base their savings and investment decisions not only on potential financial rewards, but on non-monetary values (Scholtens, 2009), commonly referred to as "green investments". Further, due to the industry's use of resources derived from the society they operate in (i.e. from depositors), banks and financial institutions are continuously scrutinized by the public and expected to share evidence of their own contributions back to society (Scholtens, 2009; Wu & Shen, 2013). It is, for example, not uncommon in Norway to see banks or insurance companies sponsoring local sports teams or other community investments.

However, their responsibility extends beyond sustainable investments. Banks in particular exercise important functions in society through collection and employment of community resources (Wu & Shen, 2013). The Norwegian industry holds a significant role in ensuring economic security and predictability, and social benefit through saving, funding and payment processing (Finance Norway, n.d.). These complex activities demand the industry to manage two intangible resources: trust and reputation (Gangi et al., 2018). In order to ensure well-functioning social developments, a financial sector with widespread trust is fundamental (Finance Norway, n.d.). The regulations that have been introduced in the financial industry, and self-regulatory measures and norms through organizations like FinAut, aims to improve this trust (Finance Norway, n.d.). However, a report from Finance Norway states that the trust in financial advisors has declined over the past years, dropping over 10% from 2017 (Karterud et al., 2020). This suggests areas of improvements in financial institutions external CSR, emphasizing the importance of directing research towards the effect of developments in financial advisory in relation to CSR.

2.1.2 When and Why Firms Act Socially Responsible

Organizations have various motivations to perform CSR behavior, and much research has been devoted to measuring the effects CSR has on financial performance and economic objectives of organizations (Walsh et al., 2003). McWilliams et al. (2019) suggest two general categories for CSR activities, that are concerned with either strategic or altruistic concerns. Strategic CSR refers to activities that may positively contribute to firm performance, such as stakeholder management (McWilliams et al., 2019; Vishwanathan et al., 2020), whereas altruistic CSR, such as environmental overcompliance, do not intend to increase profit (McWilliams et al., 2019; Wu & Shen, 2013). A study by Wu & Shen (2013) found that strategic motives are the most prevalent in the banking sector.

Campbell (2007) argues there are different factors or conditions that lead firms to act socially responsible. First and foremost, this includes the firm's financial condition, where the importance of maximizing profit and shareholder value comes before CSR behaviors. This also includes the economic climate the firm operates in, such as uncertain or unstable conditions like low productivity growth, high inflation or weak consumer confidence. Secondly, CSR behavior in a firm will be less likely when facing either too much or too little competition - indicating a curvilinear relationship. Lastly, Campbell suggests that CSR behavior is more likely if "there are strong and well-enforced state regulations in place to ensure such behavior" (p. 955), particularly when relevant stakeholders, corporations and governments participate in the process. It is added that industries may also enforce self-regulatory mechanisms, and not by order of the state, leading to a form of corporate peer pressure. The main argument is that financial conditions influence the levels of CSR activities done by organizations, however, this relationship is mediated by various institutional factors (Campbell, 2007).

These include regulatory forces, industry norms and associative behaviors, non-governmental and independent organizations, and dialog with stakeholders (Chih et al., 2010). This applies to the financial industry as it is highly regulated through governmental and industry laws and norms.

Campbell's theory was tested within the financial industry by Chih et al. (2010). They found that larger firms consider CSR more than smaller firms, although CSR and financial performance were not related. Further, in contrast to Campbell's theory, they found that in intense competitive markets, CSR behavior increased and was used for competitive advantage. Further, firms operating in countries with higher degrees of legal enforcements would partake in more CSR activities. Additionally, self-regulation in the industry was found to have a positive effect on CSR. Nevertheless, this study investigated firms between 2003 and 2005, and the findings may differ in today's climate within the financial industry, in light of growing regulatory forces post the financial crisis. Even so, the study provides helpful insights on the conditions that lead firms to conduct CSR behavior.

2.1.4 Challenges in Conducting CSR

As mentioned, much research on CSR has focused on its relation to organizations' financial performance. In a way, this serves to legitimize the research, but has also led to a gap in understanding the underlying tensions of sustainability and how this is addressed in corporations (Van der Byl & Slawinski, 2015). Yet, the experienced tensions between balancing economic and social goals often lead them to revert back to "business as usual" (Mair & Rathert, 2019; Van der Byl & Slawinski, 2015; Wright & Nyberg, 2017).

Social entrepreneurship can be defined as innovatively employing resources in the pursuit of opportunities that address social needs or initiate social change, by harnessing market-based activities (Mair & Martí, 2006; Mair & Rathert, 2019). Although this type of work is typically associated with social enterprises, it can also be carried out by for-profit organizations (Mair & Rathert, 2019).

In their model of social entrepreneurship, Mair & Rathert (2019) identify three key factors that challenge the successfulness of such social initiatives. Firstly, they suggest the complex and interrelated causes for social problems, that often are sustained across domains and institutional levels. Additionally, social problems are prioritized, framed and legitimized differently. Secondly, they suggest the "degree to which initiatives are tied to the underlying problem and whether they are actually implemented" (p. 363). Organizations may be unaware or misunderstand their own practices' contributions to a problem, which may cause them to implement practices with unforeseen ramifications for the target group. The third factor concerns corporations' motives to perform social initiatives, particularly related to the sometimes conflicting pursuit of financial profit. The authors highlight the need to understand both the causal architecture behind social problems, and how they are embedded in the institutional structures of society, in order to help overcome them. Each of the challenges described are relevant for our topic in that (1) the problem at hand is complex and does not have a straight-forward cause that is readily solved; (2) attempts to digitalize financial advisory processes in order to reach a broader scope of customers could be faulty if the services are not trusted or utilized by consumers; and (3) financial institutions are profit driven, which may create tensions between the desire to perform CSR activities and the commitment to ensure positive financial performance.

2.2 Mechanisms Behind Financial Advisory

An increased distrust of financial industry players as well as technological developments have caused more people to make financial decisions with limited or none advice from financial advisors, despite the high complexity in the market due to social and demographic changes (FCA, 2016). This makes the need for available and accessible financial advisory more prominent than ever, while financial advisory is simultaneously becoming more expensive for institutions to offer, thereby lowering their capacity.

2.2.1 Regulatory Frameworks

The financial industry has been subject to a number of laws and regulatory frameworks to secure ethical and acceptable practices to protect customers and other actors. One of these, MiFID (Markets in Financial Instruments Directive), is an EU Directive that attempts to harmonize regulations in European Financial markets (The Financial Supervisory Authority of Norway, 2017). The aim is to protect investors and provide transparency for financial operations such as cost and what they are actually purchasing (Deloitte, 2016). MiFID II was implemented in 2018, with further regulations demanding more frequent and detailed documentation. To be compliant with such regulatory requirements, the process of providing advice is becoming more and more expensive.

Regulatory compliance with MiFID II requires institutions to collect significantly more information from clients, to in turn provide the clients with more detailed information regarding their investments and situation (Deloitte, 2016). As a paradoxical potential consequence of the increased cost and complexity, financial advisory is less accessible for individuals, potentially increasing the investment advisory gap (FCA, 2016).

Self-regulatory measures and industry norms have also been introduced. In Norway, FinAut (The Finance Industry's Authorisation schemes) was introduced as a way to ensure best practices in financial advisory (FinAut, n.d.-a). The aim of this authorization is to secure sufficient competence and ethical behaviors in financial advisors. It is therefore evident that the industry in Norway as well as other European countries are under substantial government and self-enforced regulations to promote better practices in financial advisory.

2.2.3 Barriers of Financial Advisory

The investment advisory gap, or the financial advice gap, does not share a common definition, but is described by The Financial Advice Market Review (FAMR) as "situations in which consumers are unable to get advice and guidance on a need they have at a price they are willing to pay" (FCA, 2016, p. 8). This is not only related to cost but emphasizes the difference between individuals currently using financial advisory and those who would use financial advisory if a more optimal process existed, both with less costs and a less intensive process (Lee, 2020). FAMR concludes that the financial advice gap is largely based on a lack of availability of financial advisers as they prioritize wealthy clients (Lee, 2020), hence stressing the relevance of looking at new possible approaches to providing financial advice.

Petrie (2017) lists the barriers to consumers seeking financial advisory as including, but not limited to, "the cost of advice, a lack of knowledge, a lack of trust and a lack of access due to location or an unwillingness to share data online" (Petrie, 2017, p. 14). FAMR concluded with similar recommendations to lower the barriers for consumers to access financial advisory, divided into three main categories; affordability, accessibility, and liabilities and consumer redress (FCA, 2016). Regarding affordability they call for steps taken for cost-effective advisory to the mass-market, such as technological developments. Accessibility does not only focus on the people actually seeking financial advice, but also nudging people to seek support. They found that many people were not actively engaging in financial planning and lacked information about where to consult for good financial advice. Regarding liabilities and redress, this is a concern for financial institutions and stresses the need for transparency and accessibility from both the institutions and consumers perspective.

One of their recommendations was to take concrete measures in assisting the industry players with developing automated advice models (FCA, 2016). To make financial advisory more affordable and accessible, the development of automated advice models is considered essential, and technological advancements such as “robo-advisors” have been implemented with such intentions (Petrie, 2017).

2.2.4 Digital Financial Advisory

Financial Technology, or “FinTech”, is a large investment area within the industry, and new technological developments are rapidly changing the way in which businesses operate (Baker & Dellaert, 2018). Advancements in FinTech aiding financial advisory include fully automated advisory, so-called “robo-advisors” with or without artificial intelligence (AI), hybrid solutions where some human interaction is present, or digital tools to assist before, during or after the physical meeting (FCA, 2016). The FAMR study proposed a widespread agreement that such technological advancements can be helpful in reducing costs, innovating the ways in which financial advisory is conducted, and reducing the time and convenience-barrier of financial advisory to the consumers (FCA, 2016).

“Robo-advisors” is a broad term capturing automated services that “ranks, or matches consumer to, financial products on a personalized basis” (Baker & Dellaert, 2018, p. 720) representing financial advice provided through digital platforms, and includes both more simplistic digital services as well as complicated and innovative AI-technology. Lee (2020) refers to the aim of robo-advisory as to provide financial advisory at a lower cost, reducing conflicts of interest, increasing the rational investment choices as well as the access for real-time information, thereby decreasing the investment advisory gap. Access also includes the convenience of robo-advisory being available at any time from any location, to previously excluded individuals.

The most commonly applied robo-advisory so far has been a decision tree containing predetermined pathways, where consumers navigate through a closed set of opportunities by completing a set of standardized questions (Degeling & Hudson, 2018). This is argued to be based on the same logic and possibilities posed by the human financial advisor. Although the development of technological advancements such as robo-advisors is a costly investment, it is argued that the returns to scale with such developments will greatly exceed the expenses (Baker & Dellaert, 2018).

From 2024, a similar financial advisor authorization as described in 2.2.1, is mandatory for robo-advisors in Norway (FinAut, 2023). The aim is to ensure the same quality and standard of financial advice provided by humans and robo-advisors. As of June 2023, only one of FinAut's member companies has a registered authorized robot advisor (FinAut, n.d.-b). It is therefore suspected that change in operations and innovations will happen in the near future, enforcing relevance in the research topic.

2.3 Financial Knowledge and Behaviors

In understanding how financial institutions may best support individuals in their saving decisions, we find it helpful to consider some theoretical foundations and existing literature regarding financial inclusion and literacy, as well as individuals' saving behaviors.

2.3.1 Financial Inclusion and Financial Literacy

Work towards financial inclusion is concerned with consumers' access to finance, and includes consumers' financial capability, such as managing their money with the increased cost of living, and resilience to be prepared for potential unexpected circumstances (HM Treasury, 2022). This goes beyond saving for retirement and also highlights the importance of having a financial buffer in times of need. Furthermore, consumer behavior has evolved over the last decades, and consumers are currently more concerned with their personal financial well-being, taking on greater responsibility of their own (Stolper & Walter, 2017). To ensure financial inclusion and financial wellbeing for consumers, it is essential to make financial products and information accessible, in terms of availability, cost, and comprehensibility (HM Treasury, 2022).

Furthermore, with increased consumer autonomy, it is more important now than ever to explore consumers' financial literacy, i.e. how familiar they are with financial concepts and their ability to apply their knowledge in making financially sustainable and well-informed decisions (Stolper & Walter, 2017). Financial literacy is described as an essential life skill that can make a tremendous difference in people's well-being, opportunities and success (OECD, 2017).

Scandinavian countries are among the highest ranking in general financial literacy (Stolper & Walter, 2017). OECD's report on adult financial literacy (2017) shows that Norwegian consumers scored above average on all questions regarding financial mechanisms, products, and services. Furthermore, the report stated that more than 80% of Norwegian respondents were active savers, scoring 20% above the average. Almost half of the Norwegian respondents further reported that they had made attempts to make informed financial decisions or sought some advice, suggesting a demand for accessibility to financial advisory. Additionally, financial literacy is shown to have a positive relationship with numerical and cognitive abilities as well as income and wealth (Elinder et al., 2022; Stolper & Walter, 2017). This further demonstrates the need to make financial advisory available to consumers with different socio-economic statuses.

2.3.2 Saving and Investment Behaviors

While social security and pension plans are saving methods that do not require individuals to show self-discipline in their consumption (Thaler & Benartzi, 2004), personal saving requires individuals to actively engage in saving behaviors. Doing so involves a trade-off between "the short-term gains of current consumption expenditures versus the expected long-term gains of consumption after retirement" (Debets et al., 2022, p. 99). If humans behaved rationally, this would not be an issue. However, under the notion of *bounded rationality*, people's decision-making is limited through various cognitive constraints (March & Heath, 1994; Park & Feigenbaum, 2018).

Thaler (2016) suggested three reasons for why individuals may struggle to save sufficiently for retirement. Firstly, individuals often procrastinate with their savings; they may know that they *should* save more, but suffer from inertia. Secondly, individuals struggle with loss aversion, meaning that losses are more painful than gains are pleasurable. Thus, spending more of one's paycheck on savings would mean losing consumption of other goods. Lastly, Thaler suggests the issue of self-control, or lack thereof: "we have more self-control when it comes to the future than the present" (p. 338). Individuals have a tendency to value immediate consumption higher than delayed outcomes (Park & Feigenbaum, 2018). This is related to a present-bias, in which individuals perceive later consumption as less valuable (Thaler, 2016), and may therefore not prioritize savings over current temptations.

Social comparison, as proposed by Duesenberry (1949, in Lunt & Livingstone, 1991, p. 622), refers to the human tendency to consume in perceived accordance with one's reference group. Raue et al. (2020) found that by utilizing social comparison and upwards comparison, i.e. comparing to people perceived to do better, financial institutions may motivate individuals to start saving or increase their savings for retirement.

Additionally, a study done by Elinder et al. (2022) in Sweden, showed that being less prepared for retirement is related to having less knowledge. The reasons for that lack of knowledge is attributed to procrastination and complexity of the pension system. Additionally, they found that pension knowledge is lower among those groups who are more vulnerable to economic distress, including women, low-income earners, the less educated, and younger individuals. These findings further emphasize the need for efforts that support individuals in increasing their knowledge and participate in positive saving behaviors.

2.4 Summary

The reviewed literature gives insight into the various aspects of our research topic, and highlights the importance of combining these perspectives. We have examined the role of CSR in organizations; challenges and opportunities with financial advisory; the effect of regulations on financial industry players' operations; digitalization efforts; and individuals' financial knowledge and behaviors. We did not, however, find any studies examining how leaders in financial institutions experience digitalization of financial advisory in direct relation to CSR and their ability to perform such activities. We therefore aim to combine perspectives from this existing literature and further explore perspectives on how digitalization of financial advisory can affect financial institutions' corporate social responsibility.

3.0 Research Methodology

The following section describes the background for the many choices made during the research process. Firstly, the research strategy, design, and method will be elaborated, including sampling, data collection, and the process regarding the interview guide, recording of the interviews, and transcription. Furthermore, a detailed description of the data analysis will be provided, explaining the analysis process. Lastly, multiple considerations are discussed, including the research quality, limitations, practical considerations, and ethical considerations.

3.1 Research Strategy and Design

The study examines how the digitalization of financial advisory in personal savings affects financial institutions' ability to perform their Corporate Social Responsibility (CSR). The nature of the research question is inductive by viewing the research as a means to enrich theory, with an interpretivist position aiming to provide greater meaning to the mechanisms behind the institutions' adaptation to CSR (Bell et al., 2019). The focus is on understanding the research question based on empirical descriptions and experiences of those working in the field. These features align with the qualitative research approach, hence prompting the direction of the research strategy.

In line with a social constructionist ontology, we attempt to gain knowledge by interviewing different actors in the financial services industry to provide an understanding of their experiences, rather than merely an explanation (Bell et al., 2019). The research focuses on the Norwegian financial industry with actors with substantial differences in total assets and size, which will be explained further. We therefore consider it beneficial to collect data from different industry players representing the variety to provide the most representative and general findings on an industry basis. Therefore, the framework to most suitably address our research question is considered a cross-sectional research design.

The cross-sectional design is chosen because multiple cases are examined for multiple variables to detect patterns and themes (Bell et al., 2019). The goal is to detect a variety of reflections on how digitalization affects the institution's ability to perform CSR. By examining multiple cases, we aim to get sufficient information from multiple sources with different perspectives and experiences.

3.2 Research Method

The chosen research design of cross-sectional design is primarily found in quantitative research (Bell et al., 2019). However, it is not uncommon for qualitative researchers to apply cross-sectional design using semi-structured interviews to collect qualitative data from multiple people. The use of semi-structured interviews as a research method enabled the respondents and us as researchers to focus on what was most relevant to the topic from their point of view, further enabling the exploration of the different mechanisms behind CSR in the industry. Furthermore, the respondents were allowed and even encouraged to go off-topic when naturally occurring to invite as much variety and depth as possible into their lived experiences.

3.2.1 Sampling and Participants

Table 3.1

Categorization of Norwegian Banks Based on Total Assets

Category[a]	Total Assets	*M*	*Mdn*	*N*	*n*
Small	< 10 000	4 531	4 357	66	0
Medium	10 000 – 80 000	21 163	16 452	33	1
Large	> 80 000	388 855	158 776	10	3
Total	4 886 000 000	44 826	6 721 631	109	4

Note. Data based on annual financial statements of 2022 presented via The Norwegian Banks' Guarantee Fund (n.d.). Figures are presented in MNOK. M = Mean, Mdn = Median, N = Total number of banks, n = Participants.

[a] Categories are defined by the authors for the purpose of the study.

As presented in table 3.1, the Norwegian banking sector is characterized by companies with a great variety in total assets, with some large institutions and a multitude of smaller players. Nonetheless, they are all held to the same standards regarding laws and regulations. We therefore wanted to interview both larger institutions and smaller players to explore the differences and similarities in their experiences. Furthermore, as our research focuses on advisory related to savings and investments, an inclusion criteria was that the institutions need to perform financial advisory for personal savings. Due to the nature of our research question, we found it helpful to interview senior management employees that may hold a holistic view of the organizations' strategies, operations and challenges related to financial advisory, digitalization and the role of CSR.

Based on the background information, the qualitative research approach, as well as the research question, it is considered necessary to apply purposive sampling (Bell et al., 2019). With the distinction described by Teddlie and Yu (2007), our sampling strategy can be considered sequential, as we picked out an initial sample with the organizations we regarded as critical to investigate, and continued adding to the sample as the process continued. For example, it became evident after the first interviews that it would be beneficial to interview some industry organizations to increase our understanding of industry-specific topics, and get some, perhaps, opposing views. Furthermore, based on information provided by the participants we added more participants based on who we considered relevant for further exploration. This also aligns with a contingent sampling approach suggested by Hood (2007), as the sampling criteria shifts during the research process, such as organizations providing fully digital advisory or organizations with difficulties providing advisory due to increased regulations.

Table 3.2

Participant Description

Participant	Company Category	Heriarchical Level[a]	Management Level[a]
		Industry Experts[b]	
IE-1[c]	N/A	Chief Executive	Top Management
IE-2[c]	N/A	Chief Executive	Top Management
		Financial Institutions	
FI-1	Large	Chief Executive	Top Management
FI-2	Large	Chief Executive	Top Management
FI-3	Medium	Senior Executive	Top Management
FI-4	Large	Senior Executive	Top Management
		Industry Organizations	
IO-1	N/A	Senior Executive	Top Management
IO-2	N/A	Chief Executive	Top Management
IO-3	N/A	Division Head	Middle Management

[a] Hierarchical and Management level is based on definitions proposed by Buchanan & Huczynski (2019, p. 494). [b] Over 30 years of experience in the financial industry, including as management consultants and executive management in financial institutions. [c] Pilot interviews.

As presented in table 3.2, we conducted a total of nine interviews including the pilot interviews. Initially, we aimed to sample participants from each company category. During the process, there were four potential participants that we did not end up interviewing, based on capacity and availability of the participants. Of these, two worked at a smaller company, one at a medium-sized, and one at a large company. Furthermore, we reached out to several other companies that did not respond. As part of the iterative process, we continued to conduct interviews until we experienced saturation (Bell et al., 2019), when we reached a point where no completely new perspectives were being added.

In order to more clearly differentiate the background of the participants interviewed, we will use an abbreviation of each category when referring to their individual statements and experiences, as presented in table 3.2. Henceforward, Financial Institution participants will be referred to as FI-(1-4), Industry Organization participants as IO-(1-3), and Industry Expert participants as IE-(1-2).

3.2.2 Data Collection

Before conducting the interviews, we received approval by Norsk Senter for Forskningsdata (NSD) to handle the personal data collected (Appendix A). The interviews are primarily completed in face-to-face meetings at their offices or location of choice. Some have been completed digitally over Microsoft Teams due to busy schedules or the respondents being located in other cities. Even though we initially perceived face-to-face meetings as favorable over online interviews, we found that the respondents being interviewed online were pleased with the convenience of being interviewed online, and more interestingly were perceived as highly free speaking. Due to the small number of respondents conducting their interviews online, this observation may be more random than attributed to the online setting. However, we found it an interesting observation.

Both researchers were present in all interviews to ensure that both researchers possessed the same amount of information and could ask relevant questions outside the interview guide. The duration of the interviews varied between 45 and 90 minutes, with each scheduled meeting including a placeholder for 90 minutes to ensure valuable information not being lost due to limited time scheduled. When approaching the respondents, they were provided information about our research question and topics, and information about what they agreed to by participating in terms of compliance and data collection and storage (Appendix B). A couple of days before the meeting we re-sent the information, encouraging the participants to consider the topics in advance and be prepared.

Interview guide: Preparation of the interview guide (Appendix C) was conducted simultaneously with the literature review. First, general topics for discussion were noted and discussed, and compared between the researchers to ensure that we covered the topic as thoroughly and broadly as possible. Secondly, after choosing the main categories of topics, open questions were added under each category, following shorter and more in-depth support questions when needed. This created more questions than were considered appropriate due to the duration of the meetings, and by revisiting the research question, we eliminated questions based on direct relevance.

Based on the relatively small number of participants it was considered essential to be as prepared and to get as much as possible out of each meeting. Therefore, we conducted two pilot interviews with financial industry experts, currently working in Management Consulting within the financial services industry, to test our interview guide and get feedback on improvement areas. This experience was valuable in multiple ways. First, we got to test the interview setting with recording equipment, the interview method itself, and dividing the questions between the researchers. The experts also provided us with valuable comments to improve the interview guide. Finally, we communicated with our supervisor who provided additional comments on how to improve. Based on his comments, we revised the interview guide to be even more specific towards our research question.

Recording and transcribing: Recording and transcribing the interviews allowed for a thorough examination of the collected data and going back through the data when needed to increase the quality of the analysis process (Heritage, 1984). With consent from all respondents, the interviews were recorded using the app "Diktafon," developed by the University of Oslo. The app was chosen due to its recognition for safety in data handling and privacy, encrypting the recorded material when uploaded to its website. By recording the interviews, we ensured the whole experience with what and how the respondents answered the questions, and enabled us to transcribe the interviews for detailed data collection (Bell et al., 2019). The transcription process is highly time-consuming, yet we wanted to conduct the transcription process manually ourselves due to both the privacy of the respondents as well as getting closer to our research material.

3.3 Data Analysis

The data collected from the nine participants generated a large amount of transcribed material essential to process and interpret to create meaning and value for our research. One of the most well-known and common approaches for qualitative data analysis is thematic analysis (Bell et al., 2019). The approach entails looking for themes in the collected data to understand the research topic: how the organizations' experience of digitalization of financial advisory affects their ability to perform their CSR. A theme is considered identified categories within the data related to the research question and topic built on codes from the transcripted material, providing the basis for our theoretical understanding (Bell et al., 2019).

We apply an inductive approach of building theory based on our findings that supports an iterative process. As an example, we started the analysis shortly after the first interviews were completed and transcribed to examine for further steps of data collection and analysis (Braun & Clarke, 2006). This also supports the iterative sampling process, where participants were added after the initial interviews based on where we wanted further exploration, until we experienced saturation (Bell et al., 2019). As for conducting the thematic analysis, we applied the six phases of analysis proposed by Braun and Clarke (2006), as described below.

3.3.1 Thematic Analysis

The first step of the process was familiarizing ourselves with the data, such as transcribing the interviews and reading through all transcripts, as discussed above. We then moved on to generating initial codes. On the second readthrough, we separately took notes about what we found relevant and interesting. These codes were then reviewed by each researcher and discussed for comparisons and consolidation. After repeating this cycle until no new codes were generated, and iteratively conducting new interviews, we looked for themes in the coded material. We used different techniques to identify themes within a thematic analysis, as suggested by Ryan and Bernard (2003), such as repetitions, metaphors and analogies, missing data, and transitions. All codes were color coordinated and categorized in terms of how many participants shared the view, what the underlying message was and how it contributed to our research.

After searching, producing, and illustrating potential themes from the coded material, we had four main themes and eleven sub-themes to review. We realized that two of the main themes were overlapping and should be consolidated. We further consolidated more of the sub-themes and made sure that each theme was concrete, understandable, and made sense in terms of the data corpus and the research topic (Braun & Clarke, 2006). The themes were then clearly defined and given appropriate names to give the reader an understanding of the content of each main theme and sub-theme. Lastly, we have made efforts to present our findings in an interesting and clear way that also represents the experiences from our participants.

3.4 Considerations

In our continued work, we will assess the quality of the study in terms of potential limitations with the chosen research methodology and our specific study, such as subjectivity, replication, problems of generalization, and lack of transparency (Bell et al., 2019). We will also address other considerations such as practical considerations and ethical considerations. Elaboration of other possible limitations and the trustworthiness of the study will be elaborated in 5.4 Limitations and Future Research.

Subjectivity: A common critique of qualitative research is that it is too subjective and heavily based on the researchers' views, values and objectives (Bell et al., 2019). We acknowledge this limitation in the description of our views and values in 5.4 Limitations and Future Research. However, regardless of our personal beliefs and values when starting the process, the iterative process has undoubtedly biased our perception and reception of new information in some capacity.

Replication: As for replicating qualitative studies, this is less straightforward compared to quantitative studies (Bell et al., 2019). The collection of data, our focus areas regarding the research topic, and the interpretation of the data is conducted by us as researchers and will undoubtedly be influenced by us. This makes replication by other researchers complicated and true replication nearly impossible. As a means for increasing the possibility of replication we have included documentation of our process, the focus areas and our interpretations in this study to assist further research. Additionally, we have more detailed documentation of the process available upon request.

Problems of generalization: It is relevant to discuss the scope of the findings, as the analysis is based on data collected from nine participants. The participants are all leaders from or within the Norwegian financial industry, which can limit the generalization to other countries and industries. Further reflections related to generalization is discussed in 5.4 Limitations and Future Research.

Lack of transparency: As with most qualitative research, the exact steps of the process and how it leads to the reported results are not as straightforward as with some quantitative studies (Bell et al., 2019). Efforts have been made by us as researchers to provide the reader with transparency for most steps of the process, yet still maintaining the anonymity of the participants. With participant anonymity full transparency is not possible, especially in regards to the entirety of the transcribed material or the sampling process, and may be considered a limitation with the study.

Furthermore, we quickly understood that the scope of what we initially wanted to investigate was too extensive. Practical implications such as resources and time made us narrow our research topic substantially. As an example, we first wanted to examine financial advisory in general, including loans, insurance, and personal savings. By discussing with our supervisor as well as conducting pilot interviews, it became apparent that these topics were too comprehensive for a master thesis, and would not provide us with the depth as we wanted. After going back through literature to find where there was most need for further research and discussing, we narrowed the topic down to financial advisory within personal savings and investments. The topic is still broad in nature, encompassing multiple different angles, perspectives and stakeholders. However, due to the nature of this study, capacity, resources and other practical considerations, we chose the perspective of the financial institutions. Additional limitations will be addressed under 5.4 Limitations and Future Research.

Lastly, there were numerous ethical considerations that were important both before and during the research process. Aligning with the ethical principles by Diene and Crandall (1978), we made sure to protect the privacy of our participants through confidentiality. First of all, we were careful in the handling of personal information about our participants, and recorded all interviews with a secure and encrypted app. The recordings were deleted after transcription, and the transcriptions were censored for information that could contribute to the identification of the participants or their respective employer. The transcriptions will be deleted after the completion and approval of our study. Furthermore, we have been cautious when stating quotes in our study from the participants that include identifiable information. All participants were also provided with a form of consent (Appendix B) that was signed by both researchers as well as the participants, stating our confidentiality.

4.0 Findings

The systematic analysis of our semi-structured interviews have provided insightful and valuable reflections on how digitalization of financial advisory affects the financial institutions' ability to perform CSR activities. Our aim has been to gain insight in the perspectives of key actors in the financial industry, in order to better understand how CSR within savings and investment is understood, practiced and challenged today. As we have not found any existing models or previous research outlining this specific topic, our models are based on our data-driven analysis. However, we have found some similarities with existing concepts and theories that will be described subsequently.

We focus mainly on the social mission part of their CSR that goes beyond merely following the law. However, being compliant with laws and regulations influences how they perform their CSR. Our interviews focused on exploring what the participants experience to be their responsibility in this area, what are the key challenges to execute it, and how digitalization of advisory processes will support this responsibility. We also explored their reflections around relevant societal situations, such as individuals being expected to take greater responsibility for their own financial security and future. We expected that the participants would emphasize challenges and opportunities regarding digital versus human financial advisors, such as trust. However, by allowing the participants to reflect, we realized that their CSR concerns extend beyond those who actively seek out financial advice.

Figure 4.1

Overview of Findings

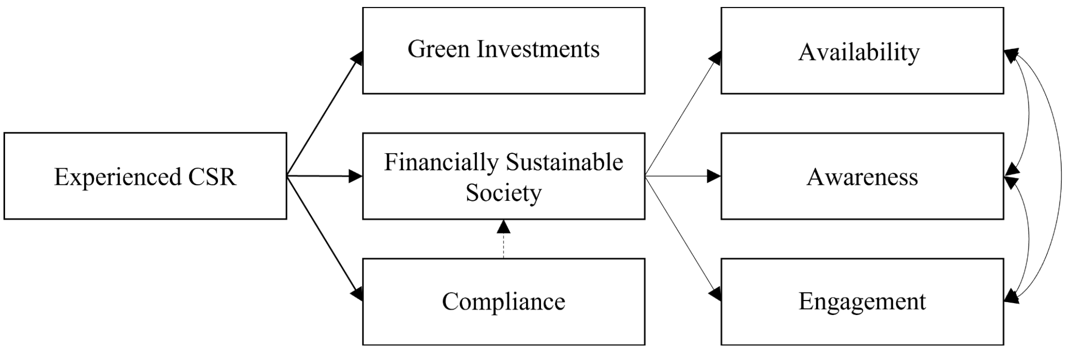


Figure 4.1 outlines the themes identified through our data analysis. We will first present our findings regarding the participants experiences of their CSR in the field of saving and investments. We will then present the identified main themes of CSR; “Green Investments”, “Financially Sustainable Society”, and

"Compliance". Based on our research question, we focus on the theme of Financially Sustainable Society (FSS), and explain the three identified sub-themes; "Availability", "Awareness" and "Engagement", with respective challenges and opportunities. Additional findings and reflections will also be presented.

4.1 The Current CSR in the Field of Saving and Investment

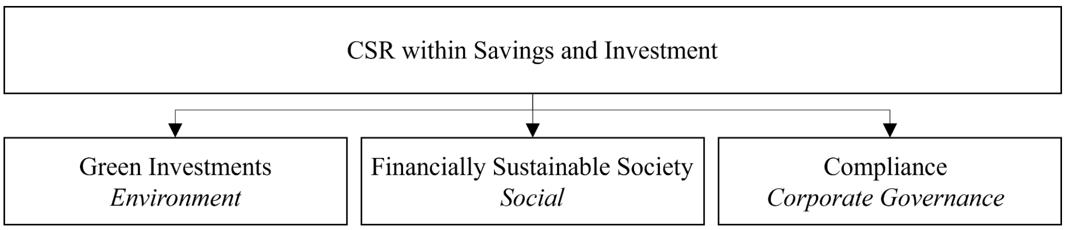
When asked what the participants consider to be their CSR in regards to saving and investment, one participant explained:

> "The baseline is that there is something more. Something more than following the public legal rules and industry norms. Then you have made a conscious choice. And if you have made a conscious choice that may have an impact on your bottom line, then you really actualize this social responsibility" - IO-2.

This aligns with our applied definition of CSR as initiatives that extend beyond merely following the laws and regulations.

Figure 4.2

Overview of Financial Institutions' CSR within Savings and Investment



Based on the participants' descriptions of their CSR, we identified three main themes that were rather consistent between the participants, as presented in figure 4.2: Green Investments, Financially Sustainable Society, and Compliance. Green Investments refers to selling financial products and services that are aligned with the UNs sustainability goals, such as carbon neutral companies or companies with good working conditions. The theme we termed Financially Sustainable Society encompasses responsibilities directly related to the population of their customers, such as financial competence, financial education and availability of financial products and advice. Compliance refers to implementing and following the laws and regulations for ethical and legal practices.

A consequent realization was how these three themes coincide with the established ESG framework: Green Investments with *Environmental*, Financially Sustainable Society with *Social*, and Compliance with *Corporate Governance*. By examining existing research for further related frameworks or theories, we found that most studies focus on Green Investments, hereby the *content* of the investment products, such as Hoffmann et al., 2019. However, we did not find any relevant studies related to our theme Financially Sustainable Society (FSS), which focuses less on the content of the products, and more on the *offering* of the products and services themselves. We therefore were not able to compare our findings of the sub-themes of FSS to existing literature, as will be presented in 4.2 Financially Sustainable Society.

Although our focus is on FSS, we find that the three areas appear somewhat intertwined. For example, some participants highlight the recent requirement to ensure that customers' sustainability preferences (Green Investments) are considered in financial advisory. This further adds to the time and documentation needed to provide advice (Compliance). Furthermore, as one participant described, CSR is also driven by the customers and their interests: "I think a lot of the CSR that is practiced is because one has customers that make those demands" - IO-2. Some customers do not want to purchase products that are, for example, environmentally harmful, signifying a relationship between the society and green investments.

More notably, however, is the intervening effect of regulatory compliance on the actors' ability to exercise CSR practices in the social category, as presented in figure 4.1. While all participants agree on the importance and reasoning for enforcing regulations in order to ensure ethical and proper advisory practices, many find that they limit their power to offer financial advice to all customers. Multiple actors reported that these regulations cause personal financial advice to be so costly that it leads to a bisected market, where access to personal financial advice is reserved for those with significant placements: "Either you need pretty large investments that justifies the advisory that is necessary within MiFID II, or you have to automate it through digital solutions and get saving plans. So this market is really becoming very bisected" - FI-2.

With the extensive measures demanded to stay compliant with new laws and regulations, participants describe it as both directly and indirectly affecting their ability to prioritize sufficient capital and capacity to activities related to the FSS. Particularly, it challenges their ability to provide low cost and uncomplicated financial advice, due to "regular people" not being profitable enough to warrant the extensive resources needed. This asymmetrical availability of human financial advice is highlighted by multiple financial institution (FI) participants in particular, signifying a genuine challenge in providing advice for all customer groups, due to the high cost.

There were some discrepancies among participants on the extent to which Compliance affects the advisory accessibility. As one industry organization (IO) participant described, the regulations are “a framework condition that we can’t do anything about” (IO-1). IO-3 further describes adapting to new laws and regulations, such as MiFID II, as “childhood illnesses" that you have to adjust and adapt to, but won’t be an issue over time. However, it is unanimously acknowledged that it does put some restrictions on the flexibility in offering financial advice. Additionally, the financial institutions have a responsibility towards their shareholders, and as FI-1 explained: “we can’t become so socially responsible that we don’t make money”.

Therefore, while the applied definition of CSR holds that CSR goes beyond compliance with laws and regulations, we find that the effect of these regulations on the ability to perform CSR, in relation to the FSS, cannot be ignored. Meanwhile, the actors adjust to the regulations and work on finding new solutions that are compliant. These solutions, as will become apparent in the next section, are typically related to the digitalization of financial advisory.

4.2 Financially Sustainable Society

The identified theme termed Financially Sustainable Society is derived from the participants’ focus on the importance of saving and investment as part of ensuring a sustainable economic development. This aspect revolves around the industry’s role in supporting individuals in their personal finances and future plans:

> “The sum of all of this is safety, predictability, and to be… sort of an enabler for people to realize the plans they have in their lives. Next to health, finances is the single most limiting factor to accomplish what you want in life. That’s how important it is” - IO-1.

While this highlights the role of personal finances on an individual’s life and possibilities, the industry’s importance extends beyond the lives of single individuals. On a societal level, ensuring that good investments are available for everyone, and that more people engage in investing, has a greater impact:

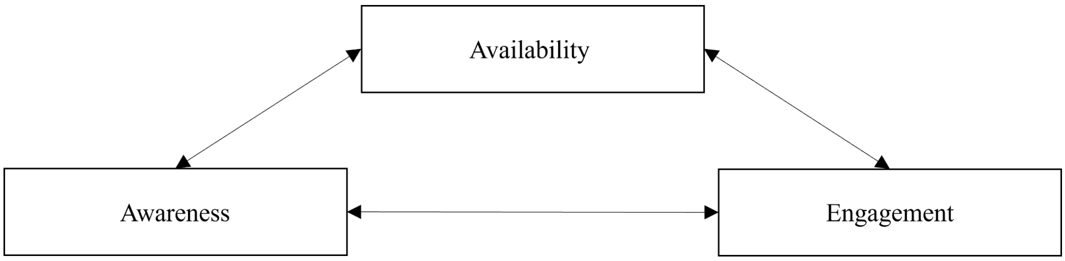
> “We believe it’s important in order to even out differences in society. We know that those who save and invest become richer, naturally, because

they get to take part in the profits and upside, while those who don't are further back" - FI-3.

This highlights the industry's role in supporting a sustainable economic development, where economic differences are not augmented, but rather diminished.

Figure 4.3

Identified Aspects of Supporting a Financially Sustainable Society



When participants described how CSR is practiced with regards to supporting FSS, we identified three sub-themes: "Availability", "Awareness" and "Engagement", each with their own set of challenges and opportunities. As it was described by one participant:

> "It's not just that you do it right for those who do get into the process, but everyone actually has to be offered it. (...) It's about getting awareness amongst everyone. And that you make the barriers as low as possible for them to be interested" - IE-2.

First, the industry and its actors make savings, investments and financial advice *available* for customers; second, they increase *awareness* of and knowledge about the importance of saving; and lastly, they increase customer *engagement* in their saving behaviors. We initially considered the theme to be separate, but related aspects. However, further analyzing our material showed a trend where the themes seem to be both interrelated and complementary. This is reflected in figure 4.3, and will be further elaborated below.

By examining existing studies and literature to explore similar or contrasting findings, we have not discovered models outlining elements related to CSR activities towards Financially Sustainable Society (FSS). We were therefore not able to compare our findings of the sub-themes of FSS to existing literature. However, the terms used as headlines for the sub-themes, Availability, Awareness, and Engagement, are included as elements in some previous literature, such as HM Treasury (2022) and Petrie (2017) referring to availability as means to accessible financial products to increase financial inclusion.

4.2.1 Availability

Through our analysis, we categorized “Availability” as a theme that revolves around individuals having access to information and services to make investments. This includes availability in regards to financial advisory, availability of products, and availability of information about financial services and products. Financial solutions are, as FI-3 said, “[traditionally] made *by* financial professionals *for* financial professionals”. Financial products and services beyond the basics, such as saving in your bank account, have been mostly directed towards people in the industry or with particular interests or knowledge into the field. For many, the capital markets may thus have been perceived as unfamiliar, complex and inaccessible. Therefore, one participant said: “a lot of this is about making it as little scary and as little complicated as possible for the customer. (...) We’ve got to make it easy for them” - FI-2. This participant emphasizes the importance of increasing the perceived accessibility by simplifying the decision-making process and understanding, to lower the barrier that many customers may face regarding investments.

The bisected market described previously can be seen as an indication of low availability of some financial services for certain segments, i.e., financial advisory. Being a costly and low margin service, the availability of financial advisory services seems lacking for those customers with less financial assets. This is acknowledged among the FI-participants, who highlight, perhaps the largest consequence: “(...) as of today, I’d say the big losers when it comes to receiving advice are regular people. Regular people don’t get advice” - FI-1. It is difficult for actors to justify the cost of providing financial advice with an advisor to unprofitable customers. One participant said: “We want it to be possible to talk to a person if that’s what you want. But it isn’t necessarily something we… Like, it’s not what we ‘display in the storefront window’, you know” - FI-3. While these services can be available, they are in some cases “hidden away” to be less obvious for individuals seeking information and advice. Yet, the experienced availability somewhat differs between the financial industry actors (FI) and the industry organizations (IO). As IO-1 explained: “Where else in our society can you talk to someone extremely competent, completely free of charge? And you can talk to several people if you want, and sort of compare the advice you get - without it costing you anything”. This shows some contrasting perspectives between FI- and IO-participants on how available financial advice really is.

To increase availability of these services, participants highlight efforts to make products and information more available for the mass market through informational websites and apps, and self-serviced purchase processes on an "execution-only" basis, thus not requiring human financial advisory. One unanimous strategy emphasized by all FI-participants, is that of digitalizing financial advisory:

> "(...) By following these regulations and making sure you are doing it right and extremely well, having financial advisors to work with customers becomes very costly. Meaning that a lot of the saving and investment advice is only profitable once you digitalize a lot of the value chain" - FI-2.

Digitalization is thus proposed as a solution that can help provide more access for a broader customer base, hence increasing the availability of financial advisory: "The digital solutions make investment advice available for a lot more than what would otherwise be possible" - FI-2. Adding to this, one participant said: "making these services available [through digitalization], *that* is profitable. There are extreme advantages of scale" - FI-4. Participants describe the digitalization of financial advisory as a way to be more effective and convenient, and less costly than only providing face-to-face meetings with an authorized financial advisor.

While digital financial advice may increase some forms of availability, it is also related to various challenges. One challenge that is highlighted, include the digital advisor as being more similar to an execution-only purchase process rather than financial advisory:

> "(...) For many clients, they will experience the digital advisory process as quite standardized (...) I think a lot of people understand that it will not be advice, in a way, it becomes a buying process in which, based on what you say, you get a predefined advice" - FI-1.

The currently available digital processes are easy to manipulate and can be experienced as impersonal and static: "(...) it's very easy to manipulate those answers if you think that no I don't want 50% shares I want 70%, so then I'll answer *that* instead" - FI-1. Another participant adds: "Most people end up with the same recommendation. Because [people] aren't that special, and that's normal. It would be weird if we were, really" - FI-4. These perspectives highlight the differences between the current digital advisors and human financial advisors. While digital services are standardized processes, a financial advisor may allow for the feeling of a more personalized advice. Multiple participants point out that while digital advisory may be helpful for more straightforward issues, increased complexity in individuals' situations can cause a larger need for human financial advice. "It doesn't necessarily replace having a relationship with a bank adviser, but it supplements it" - FI-2. This does not disregard the usefulness of digital advisory, but highlights a challenge that these services, as of today, are not able to sufficiently overcome.

The bisection of this market further contributes to a risk in which individuals seek information and financial advice elsewhere. Potentially, from more accessible, yet less regulated channels, such as social media: "TikTok in particular is infamous for giving you a sort of 'feedback loop', so if you start watching a type of content that really isn't good financial advice… for some individuals that can lead to pretty unfortunate consequences" - IO-3. The challenge of competing with "finfluencers", i.e. financial influencers, is pointed out as particularly problematic, as this group operates on a very different ground of expectations and responsibility, compared with industry actors and organizations.

The discord and perspectives indicate that there are various challenges related to availability that are not sufficiently supported through the current digital financial advisory services. Moreover, the challenges identified pose a threat to supporting FSS, in which "those who really need advice the most don't get them today" - FI-1.

4.2.2 Awareness

Our analysis highlighted a second theme of CSR directed towards Financially Sustainable Society, in which we termed "Awareness". We categorized the theme based on our participants' emphasis on the importance of creating and spreading awareness about the value of savings, as well as educating on how and why. "(...) [The industry] wanted to take on the social responsibility that entails the fact that banks are the closest to providing guidance in finance and planning of personal finances" - IO-1. This importance is further highlighted in terms of the increasing personal responsibility in preparing for old age:

> "The question is, are you giving people the tools to do it? (...) If [the government] is saying that people should think more about this, then you

> kind of have to make sure that those tools are present as well. And the education" - FI-3.

Increasing awareness includes both making people aware of their financial needs, particularly related to saving for retirement, and educating the population on general financial terms, products and life cycle factors.

Financial education. Closely related to the notion of awareness, the participants highlight the importance of *education*. The financial industry's role in taking this CSR to increase awareness and knowledge, is described as a continuation of their existing role in their customers' lives:

> "People come from different homes, and if you don't get this education naturally from home, from parents, then I think it's natural that the industry takes that responsibility and say that: here we actually have to contribute because we are the ones with all our tentacles in our customers' financial lives"- IO-1.

The diverse levels of individual financial knowledge is described as a challenge, as "[basic financial competence] is something everyone needs, whether you choose a very academic direction or if you just want more practical work" - FI-3. However, the amount of time needed to educate customers demands resources that are not available in organizations: "If you're trying to get an ordinary customer to think they'll understand all of this and learn about finance and investment through an hour of advisory, when they might need four years in university or college, you're wrong" - FI-2. Participants highlight that they experience lack of financial education to be a challenge for their customers in advisory settings as well, because the "knowledge gap" between the advisor and the customer can be experienced as intimidating: "if you feel like you don't know a lot, and then you're going into a discussion with someone who knows a lot, it's a little like… 'oh'" - IO-3. Related challenges therefore appear as identifying knowledge levels and subsequently educating individuals to a sufficient degree.

These challenges are suggested to be helped by digitalizing financial advisory, because the digital services may lower the barriers for individuals to take initial steps and increase their knowledge: "[Digital services] can definitely be beneficial because you will be able to present this more simplified, perhaps in a more concise and better way" - FI-2. Participants describe efforts to educate customers through digital platforms, by "creating services that educate" (FI-3). Educating consumers to create awareness was also mentioned by several participants as part of their strategy to reach younger consumers, by “trying to engage the young people with the very basics. It's not like you have to be an expert to be able to put your money in funds, you just have to understand that this fluctuates a little bit, but it goes up the most” - IE-2.

Visibility. Another aspect we found related to awareness we termed *visibility*. This refers to the challenge that even though the services and products may be available for consumers who proactively are seeking financial advisory, spreading awareness and educating the population also requires some form of visibility. Here, the proactive responsibility lies on the financial actors rather than individuals seeking out services or information.

Multiple participants raised concerns about the information sources that consumers are utilizing for financial education. Particularly, the growing trend of algorithmic based information sources. Some of their target audiences are spread across different platforms, such as TikTok and Instagram, where industry actors and organizations have to compete for customers’ attention with other social media actors. “We are (...) obviously not good enough at being present in the channels where we meet young people.” - IO-1. Still, social media is highlighted as a tool, especially when reaching the younger generations. “I feel like it’s something all the actors are chasing, and there’s a lot of customer insight saying that you get more ‘value for your money’ compared to a regular commercial video” - FI-3. These efforts are exemplified through various financial institutions employing their own “influencers” who create content meant to spread awareness and educate individuals in both social media and regular media.

Another effort to increase visibility is campaigns aiming to reach specific audiences and increase their awareness about different products or future challenges such as pensions. However, they also report that such campaigns are costly, and can be difficult to measure the direct influence of in terms of revenue, thereby making it more challenging to prioritize. As FI-4 explained: “[Campaigns] cost a lot of money, so we have to make a decision about how much we are willing to spend on this.” Ensuring that individuals become aware of their need to save, and possess the necessary knowledge to make these decisions, is regarded as a substantial responsibility of the industry. One participant said: “(...) knowledge is what I consider most important in order to just get started” - FI-3. Without the awareness or knowledge, it may be challenging to get engaged in investments and saving.

4.2.3 Engagement

Both Availability and Awareness are focused on helping people to make the *right* decisions when it comes to savings and investment. However, the third aspect we identified, Engagement, is more focused on getting people to do *something*. As one participant said: “I think a lot of people know they need it. I think many people have, kind of a ‘I-should-have-done-it’ feeling” - IO-3. Even when individuals are aware of their needs, not everyone takes action. One industry actor described part of their CSR to help people go from “underinvested to invested, which relates to (...) engaging more people to invest and invest more correctly” - FI-3. Engagement is therefore defined as taking CSR for influencing people to engage in positive and appropriate saving behavior.

The latter part of this definition, “appropriate saving behavior”, is closely related to knowledge, as previously described under Awareness. It refers to the challenge in influencing customers to not engage in irrational behaviors that often occur in volatile markets:

> “Unfortunately, looking at the withdrawal numbers, we see that it correlates quite a bit with newspaper headlines in those kinds of periods. (...) So the education part is hard to do, because you're almost going to have to expose everybody to something that they might think is a little scary and alien, and it’s money and... Yeah, it's not quite simple” - FI-3.

For customers to employ the right kind of engagement with their investments, it requires them to have sufficient knowledge to not be easily influenced in their decision-making. A participant further demonstrates that being aware is not necessarily enough: “It is very easy to make the wrong decisions, so the psychology is very important” - FI-4. This is emphasized in how individuals may behave inappropriately in volatile markets: “This is more about behavior rather than the financial, really. And how you work with it” - FI-3. This emphasizes the importance of engagement, as it is both important to get people properly engaged over time as well as to get started in the first place. This challenge further signifies the interrelatedness of the aspects, where awareness and knowledge is needed to support not only their initial saving behavior, but their continued behavior as time passes and markets and situations change.

Engagement through digital services. Some participants mention digitalization as an opportunity to increase engagement. “What may be difficult is just getting started. There, I believe you can do it just as well with a digital [solution]" - FI-3. Engaging people digitally to take their first steps into saving and investments require an efficient user interface, relating Engagement to Availability, by developing accessible and available digital services. Yet, "there are not a lot of people who actually purchase what they are recommended on these platforms" - FI-4, indicating that Availability alone is not enough to finalize purchases in digital solutions. Similarly, some participants mention the aspects of Availability and Awareness as a potential challenge to increase Engagement. This is explained by the input of information and options becoming so overwhelming that people may experience choice overload, especially if they experience low competence, less interest in personal savings, or limited excess capital for saving or investing. "We exhibit quite a wide palette of products, which is quite extensive, making it difficult to choose. So here's where that user journey comes in, I think." - FI-3. Several participants therefore emphasize the importance of simplifying the customer journey and experience, through efficient user interfaces: "We have to make it attractive, making us able to engage. That is what I feel is one of the greatest challenges" - IE-2.

Generational aspects. The participants further describe some challenges concerning engagement related to generational aspects. In younger generations, they experience increased interest and engagement in personal savings and investments. However, they observe tendencies to make more high-risk decisions: "(...) interest in saving has increased considerably among young people. But they've sort of gone into crypto, individual stocks and things like that, so it's very worrying really because it's a lot riskier asset classes." - FI-3. It is therefore considered a challenge to ensure engagement in appropriate products. "There is this kind of movement towards becoming rich, and preferably very fast. (...) But it worries me a bit that there's a lot of young people who think [crypto currency] is the way to quick riches" - IO-1. Although it is considered positive that the younger generations are expressing engagement in saving and investment, they exhibit presumably less awareness of the potential risk associated with particular asset classes. This further demonstrates the interrelation of Engagement and Awareness.

Information about these risky assets are often spread through social media and similar, less regulated channels, such as Twitter and TikTok. This is challenging as financial institutions are not able to use the same marketing tactics as less regulated and scrutinized actors: "We notice in the younger segments that it is difficult to gain entry because you have to speak very loudly. It is difficult to beat those [voices] that can speak without thinking twice" - FI-4. This is further supported by IO-1: "'This is how you get loaded' sounds better than 'this is how to save reasonably', I get that". Impressionable customers may look for "quick fixes" to increase their wealth, and lack the proper knowledge (Awareness) and access to competent information and advice (Availability), further signifying the interrelatedness of the three aspects.

Adding on the generational aspect of creating engagement, participants explain the older generations as more risk averse and with less trust in the Capital Markets as well as the financial institutions themselves: "If you're in the older age groups it's usually about trust. They remember back to the dot com bubble and that (...) you kind of associate it with loss and risk" - FI-3. The different challenges among generations suggest the need for different measures to increase engagement. Furthermore, several participants highlight that it is better to get more individuals to *something*, rather than nothing: "it is more important to not do the really stupid things, than to always do the absolute best things" - IO-1, again signifying the need for proper Awareness and knowledge in order to encourage appropriate engagement.

4.4 Additional Findings

With our data collection through semi-structured interviews we allowed and even encouraged the participants to openly reflect on topics that may be of particular interest to them personally, or their organization. This allowed us to deeper understand what was important to them in relation to our topic, as well as providing us with meaningful insights beyond our main themes.

For example, one challenge related to digitalization that was brought up, is that of "overdigitalization", potentially decreasing individuals' knowledge and ownership for their personal financial situations. "We have made society so thoroughly digitized that now you don't even have to look into your own tax return (...) It is a very good example of how through simplification and digitalization, which is absolutely very good, we lose something along the way, which is not so good" - IO-1. The tax return analogy was made to emphasize a potential development where individuals become increasingly distanced from their personal finances due to an oversimplification of the service.

Lastly, a general feedback from our participants is that they found the topic interesting on a personal and/or professional level, and several participants have asked to receive our final thesis and share our findings. Furthermore, the majority of our participants have an educational and professional background from finance, and reported that it was interesting and refreshing to reflect around this topic with focus on CSR and the psychological perspectives.

4.5 Summary of Findings

As mentioned, we expected the participants to emphasize the challenges related to cost and regulatory restraints, and how this challenges their ability to perform CSR activities. However, they also expressed great interest in how they could enable individuals with tools to increase the elements related to Availability, Awareness and Engagement. We also experienced great interest in CSR activities towards the impact of increased individual responsibility in terms of pensions.

The interrelated process derived from our analysis suggests that there are multiple factors that need to be in place for the industry to be able to perform CSR. If the actors get individuals engaged in personal finances and savings, but the services or financial advisory is not available, or the individuals are not aware of what actions to take nor why, this challenges their ability to perform CSR related to Financially Sustainable Society. Particularly, this emphasizes how making financial advice more available through digitalization is not sufficient to support their full CSR. As illustrated by FI-4: "Digitalization is the solution, that's obvious. But you have to get people to use it. And that is certainly not easy". Therefore, the interrelated concepts of Availability, Awareness, and Engagement challenge and contribute to each other's ability to work towards a financially sustainable society, which will be further elaborated in our Discussion.

5.0 Discussion

This following section will take the key ideas that were developed in our data analysis, and relate this to the existing literature presented earlier, in an effort to answer our posed research question: how can digitalization of financial advisory affect financial institutions' ability to perform CSR activities within saving and investment.

5.1 Combining Theory and Findings

Our findings provide insight in varying perspectives on the financial industry's CSR within Saving and Investment. The experiences described helped us identify three main themes within CSR, i.e., Green Investments, Financial Sustainable Society, and Compliance. As our focus is on the social aspects of the CSR, we further defined three sub-themes related to FSS: Availability, Awareness, and Engagement. These sub-themes summarize the interrelated elements that need to be in place for the industry to perform their CSR towards a financially sustainable society.

While the three sub-themes each contribute to CSR performance, their individual effect appears insufficient to fully support the identified aspect of FSS. Participants place much focus on digitalizing financial advisory services as a way to increase Availability. Meanwhile, Awareness and Engagement are reported as more challenging aspects to succeed in, in which digitalization is described as both a tool and a potential hindrance.

5.1.1 CSR Within Saving and Investment Today

In line with the findings of Dahlsrud (2008), we argue that the understanding of CSR in the realm of Saving and Investment has to be seen in light of its specific context. The financial industry has been highly scrutinized for misconduct in the past, and compliance is therefore a logical prioritization to ensure safe and secure operations. This supports the argument made by Campbell (2007), to which strong and well-enforced regulatory measures can positively support CSR activities in firms. Nevertheless, our findings indicate that some regulations may pose unintended consequences, where financial advisory activities become too costly for actors to provide for all customers. It is arguable that the regulations meant to protect consumers in saving and investment, have caused financial advisory to be less accessible to the very same individuals. In other words, while the intention is to increase CSR practice in the Compliance aspect, it subsequently inhibits the ability to practice CSR in the Financial Sustainable Society aspect.

5.1.2 Financial Sustainable Society: Purposes Behind CSR Efforts

Within the aspect of Financial Sustainable Society, the three identified themes of CSR practices exhibit different characteristics of CSR purposes. While Availability is related to increasing access for individuals who seek advice, digitalizing financial advisory is arguably related to a cost saving measure in which more customers are able to become self-sufficient and not require a human financial advisor. Availability could thus be seen as a form of strategic CSR, as the intent is to strengthen firm performance (McWilliams et al., 2019; Vishwanathan et al., 2020). Conversely, Awareness and Engagement are seemingly more related to the intention of supporting a Financially Sustainable Society, and could therefore more likely resemble a form of altruistic CSR. Even so, as we found the three themes to be interrelated, we argue that the strategic or altruistic purposes do not have to be mutually exclusive; increasing Awareness and Engagement may lead more people to use the digital services available, thus further contributing to firm performance. Similarly, ensuring Availability of these services may positively contribute to a Financial Sustainable Society, and consequently lead to increased Engagement among individuals who otherwise would not begin investing.

Nevertheless, the majority of CSR efforts within FSS are concerned with making financial advisory available through digital services, which relates to firm performance and thus strategic CSR. This supports the findings of Wu & Shen (2013) which holds that the most frequent CSR efforts in the banking sector are related to strategic motives. Doing so corresponds with FI participants' statements on having to operate as a business and stay profitable, which may cause fully altruistic CSR efforts to be challenging to defend. However, even though the isolated action may not be profitable, CSR measures can be used to increase competitive advantage, particularly in more intense markets such as this, as found by Chih et al. (2010). Therefore, one could suspect that actors who operate in an industry that is highly dependent on trust and reputation, may find well-installed altruistic CSR efforts to be profitable in the long run.

5.1.3 Financial Inclusion and Behavioral Economics

While changing the pension landscape through reforms and changing policies, there seems to have been few measures taken by the authorities to ensure and facilitate individuals' awareness and competencies to fulfill this responsibility. Most participants highlight this as a part of the financial industry's CSR within FSS. An understanding and knowledge of financial terms and needs amongst individuals is related to the previously described notion of financial literacy as well as financial inclusion, e.g. managing their money with the increased cost of living, and resilience to be prepared for potential unexpected circumstances (HM Treasury, 2022). Furthermore, a report by Stolper and Walter (2017) reported that almost 50% of the Norwegian respondents had made attempts to make informed financial decisions or sought some advice. This suggests some Awareness of and consequently Engagement in the need for Available financial advisory. Yet, this also suggests that a large portion has not made such attempts, indicating that these aspects are not satisfactory yet. Either way, Availability of financial advice on saving and investments can be supported as a means toward financial inclusion and financial literacy, in combination with spreading Awareness to educate individuals and increase competence.

The proposed measures to increase financial literacy and inclusion are primarily focused on increased availability of services, products and (mainly digital) financial advisory. However, based on the identified subcategories of FSS, we argue that practicing CSR for increasing financial literacy and financial inclusion goes beyond being available for those already pursuing these services. As found by Elinder et al. (2022), individuals who have relatively little knowledge about pension also tend to procrastinate, are impatient and have lower math skills. Additionally, they found that pension knowledge is averagely lower among women, younger, less educated and low income earners. This supports our findings of Awareness - and thus knowledge - to be a key factor in supporting FSS. Furthermore, without sufficient interest and understanding, we argue that Engagement will be challenging to achieve. This is supported by Debets et al. (2022) who found that "pension knowledge has a positive causal effect on active pension decision-making" (p. 114). This further demonstrates the interrelatedness of the Awareness and Engagement aspects we identified.

5.1.4 Will Digitalization of Financial Advisory Contribute to FSS?

Digitalization of financial advisory is a strategic measure to both streamline the advisory process, reduce costs, and increase availability. However, the bisection of the market arguably leaves less wealthy individuals to digital processes, and reserves the human advisory for the wealthy, as suggested by our findings. Instead of decreasing the financial advice gap, the bisection may actually lower the availability of personal financial advisory, hence increasing the financial advice gap (Lee, 2020). Nonetheless, as supported by our participants as well as previous research, increasing availability of financial advisory, along with digitalization, is necessary to work towards financial inclusion (Lee, 2020; Petrie, 2017; FCA, 2016; HM Treasury, 2022), and thus FSS. This aligns with the unanimously suggested solution to increase availability by digitalizing financial advisory. It is therefore arguable that digitalization can increase Availability by lowering the starting barriers, and thus make Engagement easier for customers.

However, it is emphasized that a human advisor is still beneficial in some cases, such as increased complexity in investments, or big life changes such as divorces. The current digital advisors will also be less equipped to sense the individual's fears, lack of competence, and lack of awareness, especially for topics outside the scope of the original conversation. A human advisor will be more equipped to create awareness and a sense of urgency in *why* you should save and invest, whereas the digital will focus merely on the "how" and "what". Hence, a potential challenge with digitalization of financial advisory is that it can limit the ability to educate and consequently help with Engagement. This relates to FinAut's (2021) study proposing low trust in digital financial advisory, thereby challenging the ability of increasing Awareness and Engagement sufficiently through digital advisors.

However, digital financial advisory does not need to be fully automated advisory, referred to as "robo-advisors". Digital advisory also includes hybrid solutions where the digital tools assist before, during, or after the "physical" meeting (FCA, 2016). By digitalizing different steps of the advisory process, e.g. obtaining necessary documentation, mapping economic situation and competence level, or other more administrative steps of the process, capacity can be released from the financial advisors and prioritized to more appropriate tasks. We therefore find partial digitalization of the financial advisory process as a more appropriate option than further bisecting the market by exclusively offering robo-advisory to large customer segments.

In line with the model of social entrepreneurship by Mair & Rathert (2019), the complex connectedness of the three identified themes may cause organizations to implement practices that hold unexpected consequences. The bisection of the market and the great efforts to increase Availability may imply decreased prioritization and lack of legitimization of Awareness and Engagement. This is further supported by Availability being considered a strategic CSR practice, in contrast to Awareness and Engagement being more in line with altruistic CSR practices. This may challenge motives and prioritizations of social initiatives (Mair & Rathert, 2019), as financial institutions are also profit driven organizations. However, acknowledging the interrelatedness of the three themes may benefit the successfulness of the institutions' approach to CSR in saving and investment.

5.2 Practical Implications

The discussion above has focused largely on the bisected market within financial advisory today, i.e, the wealthy have more access to human financial advice and the mass market is directed towards digital financial advice. However, the CSR of contributing to a financially sustainable society (FSS) goes beyond those who actively seek advice. OECD (2017) reported that almost half of the Norwegian respondents had made attempts to make informed financial decisions or sought some advice. This also indicates that almost half had *not* sought financial advice, broadening our discussion of digitalization towards FSS.

Figure 5.1

Individual Outcomes in Financial Advisory

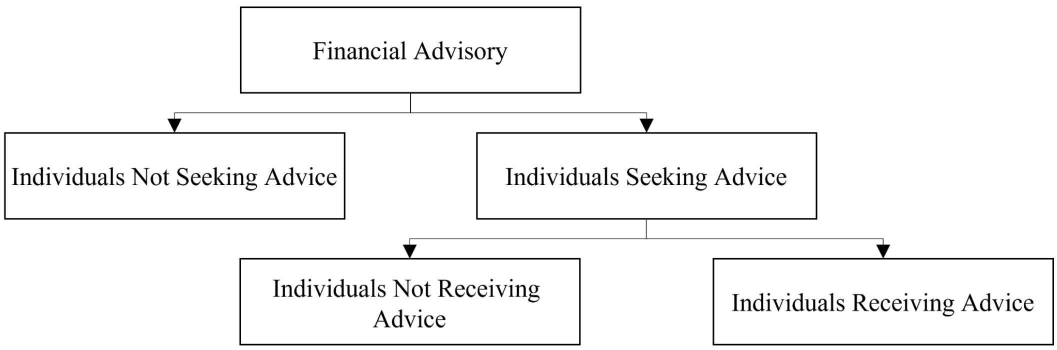


Figure 5.1 illustrates the three potential outcomes for individuals in terms of financial advisory, to summarize the effect digitalization of financial advisory may have on their ability to exercise CSR in increasing FSS. In relation to the

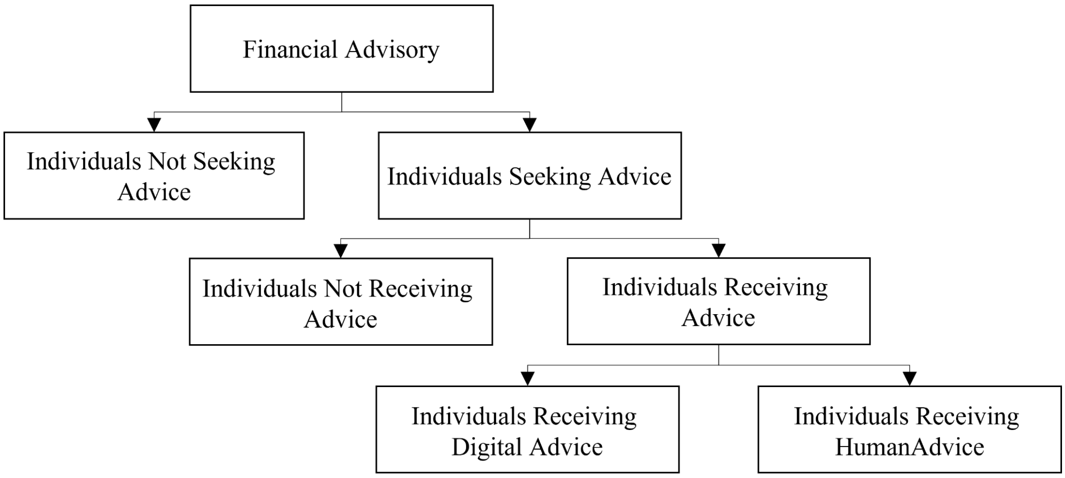
CSR of increased Availability, Awareness, and Engagement, we argue that the degree to which their CSR is exercised varies between the three outcomes. For the two outcomes with *individuals seeking advice*, it can be suggested that these individuals are aware of a personal need, hence Awareness is assumed. The individuals receiving advice are also suggested to increase Engagement. For the individuals that do *not* receive sought out advice, we argue that Availability is challenged, further challenging Engagement by restricting motivation and possibly decreasing or ignoring Awareness. Digitalization of financial advisory is considered an opportunity to increase Availability, and potentially Engagement and Awareness, for those who are actively seeking but not receiving advice.

As for the *individuals not seeking advice*, there can be a multitude of various reasons. Some may include less digital competence, lack of knowledge, lack of sufficient digital advisory services, nudging towards an "execution only" purchase process, or overwhelming amounts of information complicating the process (Petrie, 2017). This third outcome can increase the financial advisory gap as well as challenge financial inclusion (HM Treasury, 2022), hence stressing the importance of increasing their efforts to reach this group of individuals. FSS in terms of Availability and Awareness does not only focus on the people *seeking* financial advice, but also efforts to nudge people to seek support, as people make financial decisions with limited or no advice despite the increased complexity in the market (FCA, 2016). Furthermore, several participants reported similar experiences to FAMR, in how many individuals were not actively engaging in financial planning and lacked information about where to consult for good financial advice (FCA, 2016).

Although many measures are taken to increase the quality of digital financial advisory for those receiving advice, we argue that measures towards those who are not receiving or not seeking advice are more pressing in terms of practicing CSR towards FSS. With an increasing importance of personal savings (FinAut, 2021) combined with the increased individual responsibility (Stolper & Walter, 2017), we suggest focusing more attention on those individuals who are not seeking advice in the first place as well as increasing the availability for those seeking advice.

Figure 5.2

Individual Outcomes in Digitalization of Financial Advisory



To restate our research questions: will digitalization of financial advisory strengthen the financial institutions' ability to perform CSR activities? As presented throughout our study, this is a complex question in a complex industry. Figure 5.2 illustrates the individual outcomes with digitalization of financial advisory. As presented, digitalization increases Availability for those seeking and consequently receiving advice, supporting their ability to practice CSR. Digitalization is therefore considered as part of increasing Availability of financial advisory, but is not sufficient in isolation to practice the full extent of their CSR. However, FSS encompasses individuals beyond those customer segments, requiring a more holistic perspective. In combination with active measures to increase Availability, Awareness, and Engagement for individuals who are not seeking or not receiving advice, digitalization is considered a positive tool to increase their ability to practice CSR.

Based on our findings and subsequent discussion, we have summarized three specific practical implications for practitioners. These recommendations may, in related but different ways, support this holistic view of FSS and better account for the different sub-themes:

- **Utilize knowledge about individuals' saving and investment behaviors in the development of services and marketing materials.** For example, ensure that the user experience is seamless and minimize mental barriers to prevent inertia and support self control. Additionally, designing user interfaces that do not invoke fear or uncertainty, such as not highlighting losses in bright red, may decrease irrational behavior.

- **Focusing educational and informational efforts on life situations rather than merely focusing on the available products.** Doing so may help increase awareness of saving needs in their current life situation, rather than presenting a variety of products that may be experienced as overwhelming and lead to inertia. Furthermore, more tailored communication and information may reduce the entry barrier as well as being perceived as more interesting and personal.
- **Increasing engagement by enabling individuals to engage with others in their savings.** Utilizing social comparison can motivate individuals in their retirement savings, for example by encouraging and allowing individuals to compete or challenge each other, or compare their progress with peers.

5.3 Theoretical Contributions

Our findings and subsequent discussion has shown that the participants' experienced CSR can be divided into three overarching themes: Green Investments, Financially Sustainable Society, and Compliance. Focusing on Financially Sustainable Society, we identified three sub-themes; Availability, Awareness and Engagement, with respective challenges and opportunities. Even though we did not find similar or contrary theories related to our sub-themes, the findings were supported by theory in a number of ways. Theory and research emphasize the importance of aspects related to Availability, Awareness and Engagement to support financial inclusion and financial literacy (HM Treasury, 2022) and decrease the financial advice gap (Lee, 2020). Research on saving behaviors supports the importance of knowledge and creating services that manage to engage individuals (Elinder et al., 2022; Raue et al., 2020), further backing our findings of having a holistic focus on the three themes. Nevertheless, the high focus on Availability supports existing research in which the industry may prioritize more strategic CSR activities over altruistic ones (Wu & Shen, 2013). Yet, decreasing the financial advice gap is unlikely to be successful if not all three themes are sufficiently considered.

Our research contributes to the theoretical understanding of the perceived CSR in the financial industry, as well as their experienced ability to perform it, and what challenges the industry is experiencing. We also provide a theoretical understanding of how digitalization can both challenge and strengthen their ability to work towards a financially sustainable society, especially in light of the current pension situation. Furthermore, we did not find similar studies on perceived and executed CSR in the Norwegian industry.

5.4 Limitations and Future Research

The study aimed to explore how digitalization of financial advisory could strengthen or challenge financial institutions ability to perform their CSR. However, there are several limitations that will be addressed in the following, both in light of our chosen research methodology as well as limitations regarding our specific study. Furthermore, we will address potential topics for future research.

To discuss the quality of the study in terms of the study's trustworthiness, as proposed by Lincoln and Guba (1985), we will apply the four criteria of credibility, confirmability, dependability, and transferability. In terms of *credibility*, the qualitative analysis is based on individuals' perceptions and experiences, as well as individuals representing an entire company. Even though the participants were informed that their participation would be anonymous, we cannot control if they have altered information to present themselves or their company in a more appropriate manner. Another possible limitation is the sample size, as the analysis is mainly based on data collected from nine participants. Furthermore, the perspectives of our participants cannot fully represent the experiences in their organizations.

Related to our research methodology, a common critique of qualitative research is that it is too subjective (Bell et al., 2019), as our personal values may have affected the process. The research topic is largely based on the personal, professional, and educational interests of both researchers. Both researchers have professional experience within consulting services related to financial industries, contributing to our great interest in the industry, though possibly limiting our *subjectivity* and *confirmability*. However, our professional background is not from the financial industry itself and is not related to financial advisory. As for personal interests, our life situation makes financial advisory highly relevant. We consider our genuine interest in the topic a positive attribute functioning as a motivational factor throughout the research process. However, the possible subjectivity should be mentioned as a potential limitation.

In terms of *dependability*, one of the main focus areas in our study is the rapidly evolving regulations, rules and technological advancements, making the data mostly relevant for the time of the data collection. As an example, from

January 1st 2024 all digital financial advisers must be authorized through the same requirements as the human advisors (FinAut, 2023). With replicating the study after the research is published, the industry is likely to have additional or other frameworks that will affect the ability for replication. Another limitation is the potential bias that can occur in the translation process. All participants were native Norwegian speakers, and to ensure quality in the interviews in terms of vocabulary, comfort and the ability to speak as freely as possible, the interviews were conducted in Norwegian. The translations may then have been biased by our subjectivity, such as altering the wording or the translation of Norwegian sayings to sayings of similar meaning in English rather than direct translation.

The study's goal was to give thick descriptions with detailed accounts of findings as a database for others to evaluate the transferability to other industries or challenges (Lincoln and Guba, 1985). Relevant regulations such as MiFID II are European and will apply to most European countries. However, in terms of *transferability*, all our participants are part of the Norwegian financial services industry, and the findings can not be considered directly transferable to other industries or countries. Furthermore, the participants from financial institutions were representing large and medium sized companies. The majority of Norwegian institutions in terms of numbers of players are smaller sized companies, as presented previously in table 3.1. Therefore, we assume that the perspectives, efforts, and resources directed towards CSR and digitalization will differ for smaller companies, thus suggesting future research to include a more diverse range of companies.

Lastly, the context surrounding the research topic consists of three main perspectives; the financial industry, the government, and the individuals. Due to the nature of our study and the complexity of the research question itself, we focused on the financial industry to provide detailed accounts from one perspective. However, focusing solely on the financial industry's perspective does not prove a holistic view encompassing the complexity of the situation. Future research should examine the topics through the perspectives of the government as well as individuals to provide a more comprehensive understanding. Additionally, the three identified elements of “Availability”, “Awareness”, and “Engagement”, are defined and described by analyzing qualitative data from our interviews. It would be interesting for future research to measure the elements through quantitative analysis by individuals to deepen the understanding of the actual level and potential impact.

5.5 Conclusion

Our study aimed to explore how digitalization of financial advisory affects the financial institutions' ability to perform CSR activities. By interviewing industry players, industry organizations, and industry experts, we explored what the participants experienced to be their responsibility in this area, what were the key challenges to execute it, and how digitalization of advisory processes can support this responsibility. Our findings contribute to existing literature by identifying and operationalizing themes describing what participants from the Norwegian financial industry experience to be their CSR. We further contribute to understanding how digitalization of financial advisory can affect their ability to perform CSR, with both challenges, such as bisecting the market, and opportunities, such as increasing capacity.

We identified three main themes within their experienced CSR; Green Investments, Financially Sustainable Society, and Compliance. Focusing on the Financially Sustainable Society (FSS), we further identified three interrelated sub-themes; Availability, Awareness, and Engagement. We found that most efforts were currently directed toward increasing Availability, a strategic CSR measure. Digitalization of financial advisory will mainly increase the Availability, hence supporting their ability to perform CSR activities, but not sufficiently facilitate institutions to execute their experienced CSR. We argue that the interrelatedness of the themes require efforts toward all three elements in obtaining FSS.

As the CSR of increasing FSS encompasses making financial services, products and information *available*, increasing *awareness* in the population in terms of societal and life cycle situations as well as financial literacy, and increasing *engagement* towards personal savings and investments, strategies and measures are required to be holistic in their approach. We therefore consider our study to contribute to a broader understanding of how digitalization can partly assist financial institutions CSR practices, but also emphasizing resources and efforts toward increasing awareness of, and engagement in, the benefits and necessity of personal savings. To summarize with the statement by FI-4: "Digitalization is the solution, that's obvious. But you have to get people to use it. And *that* is certainly not easy."

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Appendix A. Approval of NSD Application

Sikt

Notification form / Masteroppgave: "How will digitalization of financial advisory imp... / Assessment

Assessment of processing of personal data

Reference number	Assessment type	Date
808045	Standard	07.11.2022

Project title
Masteroppgave: "How will digitalization of financial advisory impact financial institutions' Corporate Social Responsibility?"

Data controller (institution responsible for the project)
Handelshøyskolen BI / BI Oslo / Institutt for ledelse og organisasjon

Project leader
Øyvind Kvalnes

Student
Liv-Anne Trulsrud

Project period
10.08.2022 - 03.07.2023

Categories of personal data
General

Legal basis
Consent (General Data Protection Regulation art. 6 nr. 1 a)

The processing of personal data is lawful, so long as it is carried out as stated in the notification form. The legal basis is valid until 03.07.2023.

Notification Form

Comment
OM VURDERINGEN
Personverntjenester har en avtale med institusjonen du forsker eller studerer ved. Denne avtalen innebærer at vi skal gi deg råd slik at behandlingen av personopplysninger i prosjektet ditt er lovlig etter personvernregelverket.

Personverntjenester har nå vurdert den planlagte behandlingen av personopplysninger. Vår vurdering er at behandlingen er lovlig, hvis den gjennomføres slik den er beskrevet i meldeskjemaet med dialog og vedlegg.

VIKTIG INFORMASJON TIL DEG
Du må lagre, sende og sikre dataene i tråd med retningslinjene til din institusjon. Dette betyr at du må bruke leverandører for spørreskjema, skylagring, videosamtale o.l. som institusjonen din har avtale med. Vi gir generelle råd rundt dette, men det er institusjonens egne retningslinjer for informasjonssikkerhet som gjelder.

TYPE OPPLYSNINGER OG VARIGHET
Prosjektet vil behandle alminnelige kategorier av personopplysninger frem til den datoen som er oppgitt i meldeskjemaet.

LOVLIG GRUNNLAG
Prosjektet vil innhente samtykke fra de registrerte til behandlingen av personopplysninger. Vår vurdering er at prosjektet legger opp til et samtykke i samsvar med kravene i art. 4 og 7, ved at det er en frivillig, spesifikk, informert og utvetydig bekreftelse som kan dokumenteres, og som den registrerte kan trekke tilbake.

Lovlig grunnlag for behandlingen vil dermed være den registrertes samtykke, jf. personvernforordningen art. 6 nr. 1 bokstav a.

PERSONVERNPRINSIPPER
Personverntjenester vurderer at den planlagte behandlingen av personopplysninger vil følge prinsippene i personvernforordningen om:

- lovlighet, rettferdighet og åpenhet (art. 5.1 a), ved at de registrerte får tilfredsstillende informasjon om og samtykker til behandlingen
- formålsbegrensning (art. 5.1 b), ved at personopplysninger samles inn for spesifikke, uttrykkelig angitte og berettigede formål, og ikke behandles til nye, uforenlige formål

- dataminimering (art. 5.1 c), ved at det kun behandles opplysninger som er adekvate, relevante og nødvendige for formålet med prosjektet
- lagringsbegrensning (art. 5.1 e), ved at personopplysningene ikke lagres lengre enn nødvendig for å oppfylle formålet

DE REGISTRERTES RETTIGHETER
Så lenge de registrerte kan identifiseres i datamaterialet vil de ha følgende rettigheter: innsyn (art. 15), retting (art. 16), sletting (art. 17), begrensning (art. 18), og dataportabilitet (art. 20).

Personverntjenester vurderer at informasjonen om behandlingen som de registrerte vil motta oppfyller lovens krav til form og innhold, jf. art. 12.1 og art. 13.

Vi minner om at hvis en registrert tar kontakt om sine rettigheter, har behandlingsansvarlig institusjon plikt til å svare innen en måned.

FØLG DIN INSTITUSJONS RETNINGSLINJER
Personverntjenester legger til grunn at behandlingen oppfyller kravene i personvernforordningen om riktighet (art. 5.1 d), integritet og konfidensialitet (art. 5.1. f) og sikkerhet (art. 32).

Ved bruk av databehandler (spørreskjemaleverandør, skylagring eller videosamtale) må behandlingen oppfylle kravene til bruk av databehandler, jf. art 28 og 29. Bruk leverandører som din institusjon har avtale med.

For å forsikre dere om at kravene oppfylles, må dere følge interne retningslinjer og/eller rådføre dere med behandlingsansvarlig institusjon.

MELD VESENTLIGE ENDRINGER
Dersom det skjer vesentlige endringer i behandlingen av personopplysninger, kan det være nødvendig å melde dette til oss ved å oppdatere meldeskjemaet. Før du melder inn en endring, oppfordrer vi deg til å lese om hvilke type endringer det er nødvendig å melde: https://www.nsd.no/personverntjenester/fylle-ut-meldeskjema-for-personopplysninger/melde-endringer-i-meldeskjema

Du må vente på svar fra oss før endringen gjennomføres.

OPPFØLGING AV PROSJEKTET
Personverntjenester vil følge opp ved planlagt avslutning for å avklare om behandlingen av personopplysningene er avsluttet.

Kontaktperson hos oss: Lene Chr. M. Brandt

Lykke til med prosjektet!

Appendix B. Information Letter to the Participants

Vil du delta i forskningsprosjektet

"How can digitalization of financial advisory strengthen financial institutions' Corporate Social Responsibility?"

Dette er et spørsmål til deg om å delta i et forskningsprosjekt hvor formålet er å undersøke hvordan digitalisering påvirker finansinstitusjoners samfunnsansvar i kunderådgivning. I dette skrivet gir vi deg informasjon om målene for prosjektet og hva deltakelse vil innebære for deg.

Formål
Formålet med oppgaven er å undersøke hvilke utfordringer ledere i finansielle institusjoner opplever i digitaliseringen av finansiell rådgivning og hvordan dette påvirker organisasjonens samfunnsansvar og deres evne til å utøve dette. Vi ønsker å undersøke om ulike aktører opplever tilsvarende utfordringer, og på den måten identifisere hvilke problemstillinger bransjen står overfor nå og i tiden fremover. Oppgaven skrives som en masteroppgave og innhentet informasjon vil bli brukt til dette formål.

Hvem er ansvarlig for forskningsprosjektet?
Handelshøyskolen BI vil være ansvarlig for prosjektet, ved masterstudentene Hannah Onshuus og Liv-Anne Trulsrud og veileder Øyvind Kvalnes. Masteroppgaven gjennomføres som en del av mastergraden Leadership and Organisational Psychology.

Hvorfor får du spørsmål om å delta?
Vi ønsker å intervjue nøkkelpersoner fra ulike finansielle institusjoner i Norge av ulik størrelse og med ulike tjenesteområder. Vi vil anonymisere deltakere, og publiserte opplysninger vil inkludere stillingsnivå (toppleder/mellomleder/avdelingsleder etc), hovedtrekk av tjenesteområder i bedriften (forbrukslån/bank/boliglån etc) samt en grov inndeling av bedriftens størrelse (stor/mellomstor/liten).

Hva innebærer det for deg å delta?
Dersom du velger å delta i prosjektet innebærer dette at du vil delta i et semistrukturert individuelt intervju med varighet på mellom 45 minutter og 1,5 timer. Intervjuet vil inneholde spørsmål rundt din rolle i bedriften, deres arbeid rundt digitalisering av rådgivningstjenester, hva du oppfatter som de største utfordringene (både eksisterende og kommende) og hvilke potensielle faktorer som kan bistå disse utfordringene.

For å ivareta intervjuobjektenes personvern, vil intervjuet bli tatt opp via «diktafon»-appen utviklet av Universitetet i Oslo, og videre bli transkribert av de ansvarlige for forskningsprosjektet. Etter transkribering av intervjuet vil lydopptaket bli slettet permanent. Transkriberingsnotatene vil anonymiseres med stillingsnivå og bedriftsstørrelse, eksempelvis «Informant A: Avdelingsleder i sparebank av mellomstor størrelse».

Intervjuspørsmålene kan inkludere spørsmål rundt konkrete eksempler, hvor svarene kan inkludere informasjon rundt medarbeidere. Alle personer nevnt i intervjuet vil bli anonymisert, men konkrete eksempler som inkluderer medarbeidere kan bidra til gjenkjennelige situasjoner.

Det er frivillig å delta
Det er frivillig å delta i prosjektet. Hvis du velger å delta, kan du når som helst trekke samtykket tilbake uten å oppgi noen grunn. Alle dine personopplysninger vil da bli slettet. Det vil ikke ha noen negative konsekvenser for deg hvis du ikke vil delta eller senere velger å trekke deg.

Ditt personvern – hvordan vi oppbevarer og bruker dine opplysninger
Vi vil bare bruke opplysningene om deg til formålene vi har fortalt om i dette skrivet. Vi behandler opplysningene konfidensielt og i samsvar med personvernregelverket. Det vil være masterstudentene Hannah Onshuus og Liv-Anne Trulsrud som gjennomfører intervjuet. Masterveileder Øyvind Kvalnes vil kun få tilgang til anonymisert transkriberingsmateriale. Navn erstattes med en kode ved lagring av datamateriale på en kryptert harddisk, og navneliste med tilhørende kode vil bli lagret separat fra datamateriale.

Hva skjer med personopplysningene dine når forskningsprosjektet avsluttes?
Prosjektet vil etter planen avsluttes ca 1.juli 2023. Etter prosjektslutt vil datamaterialet med dine personopplysninger anonymiseres ved å slette navneliste som knytter kodet datamateriale til personnavn.

Hva gir oss rett til å behandle personopplysninger om deg?
Vi behandler opplysninger om deg basert på ditt samtykke.

På oppdrag fra Handelshøyskolen BI har Personverntjenester vurdert at behandlingen av personopplysninger i dette prosjektet er i samsvar med personvernregelverket.

Dine rettigheter
Så lenge du kan identifiseres i datamaterialet, har du rett til:

- innsyn i hvilke opplysninger vi behandler om deg, og å få utlevert en kopi av opplysningene
- å få rettet opplysninger om deg som er feil eller misvisende
- å få slettet personopplysninger om deg
- å sende klage til Datatilsynet om behandlingen av dine personopplysninger

Hvis du har spørsmål til studien, eller ønsker å vite mer om eller benytte deg av dine rettigheter, ta kontakt med:

- Handelshøyskolen BI ved Øyvind Kvalnes (veileder): 952 04 496
- Personvernombudet ved Handelshøyskolen BI, Vibeke Nesbakken: personvernombud@bi.no

Hvis du har spørsmål knyttet til Personverntjenester sin vurdering av prosjektet, kan du ta kontakt med:

- Personverntjenester på e-post (personverntjenester@sikt.no) eller på telefon:
  53 21 15 00

Med vennlig hilsen

Øyvind Kvalnes	*Hannah Onshuus*	*Liv-Anne Trulsrud*
Veileder	**Student**	**Student**

Samtykkeerklæring
Jeg har mottatt og forstått informasjon om prosjektet *"How can digitalization of financial advisory support financial institutions' Corporate Social Responsibility?",* og har fått anledning til å stille spørsmål. Jeg samtykker til:

- å delta i semistrukturert intervju

Jeg samtykker til at mine opplysninger behandles frem til prosjektet er avsluttet

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(Signert av prosjektdeltaker, dato)

Appendix C. Interview Guide

Intervjuguide

Spørsmålene skal bidra til å svare på problemstillingen: *How can digitalization of financial advisory processes strengthen financial institutions' Corporate Social Responsibility?*

Introduksjon av oss og oppgaven

1. Introduksjon til hvem vi er
2. Informasjon rundt oppgaven og teamet (kort, konsist og ikke førende)
    a. Finansnæringens samfunnsrolle
    b. Digitalisering av finansielle rådgivertjenester
3. Personvern
    a. Spørsmål informanten har lest informasjonsskrivet
    b. Gjengi hovedpunkter fra informasjonsskrivet og tydeliggjøre de viktigste punktene
    c. Informere om at de helst ikke nevner andres navn (vil i så tilfelle bli anonymisert)
    d. Informere om muligheten for å trekke samtykke
    e. Innhente muntlig samtykke for opptak av intervjuet
    f. Innhente muntlig samtykke til informantens informasjon kan bli brukt i oppgaven
4. Gå kort gjennom overskriftene på temaene vi skal igjennom

Samfunnsansvar som finansinstitusjon

1. Hvilket samfunnsansvar oppfatter du selskapet (/bransjen) har knyttet til rådgivning om spareplassering?
2. Hvordan opplever du at dere har evne til å utøve dette ansvaret?
    a. Hva er de største utfordringene?

Rådgivningstilbudet innen spareplassering i dag

3. Hvor viktig er det for <firma> å tilby rådgivning innen spareplassering i dag?
    a. Eksempelvis: økonomisk, strategisk, merkevare
4. Hvilke behov har dere for å utvikle tilbudet?
    a. Hvilke utfordringer ligger i å utvikle tilbudet?
    b. Hvordan blir rådgivningstilbudet formet av reguleringer og lover?
    c. Hvilke utfordringer skaper reguleringene for dere i rådgivningen?
5. Hvordan ser det økonomiske bildet ut når det gjelder spareplassering?

6. Hvordan spiller lønnsomhetsbildet inn på rådgivningen?

Rådgivningsprosessene nå og i fremtiden – digital versus menneske

7. Hvor i prosessene opplever du at samfunnsansvaret
    a. Blir mest utfordret?
    b. Kan utøves best?
    c. Kan digitalisering bidra til å løse dette?
    d. Kan samfunnsansvaret utføres fullstendig dersom rådgivning ikke kan tilbys til alle?
8. Hvilke utfordringer finner man i ...
    a. Rådgivningssamtalen i rådgiverstøttet prosess?
    b. Sammenliknet med rådgivningen i selvbetjent?
9. Hvilke utfordringer tror du kundene opplever/vil oppleve med digitalisering?
    a. Eksempelvis: Føle seg ivaretatt, finansiell opplæring og kartlegging, skjønnsmessige vurderinger

Oppsummerende

10. Hvordan vil finansiell rådgivning se ut i fremtidens organisasjon?
11. Hvordan tror du digitalisering kan bidra til å utøve samfunnsansvaret?
    a. Hvis man ser bort fra de nåværende utfordringene, hvordan skulle dere ideelt sett tilbudt den beste rådgivningen for kundene (i lys av samfunnsansvaret)?

Avslutning

12. Nå har vi gjennomgått spørsmålene vi ønsket å stille, har du noen ytterligere refleksjoner?
    a. Har du noe mer du ønsker å snakke om/tilføye?
    b. Er det noe du tenker vi burde spurt om som vi ikke har vært inne på?
13. Kan vi kontakte deg senere dersom det blir aktuelt?
14. Har du noen spørsmål til oss eller oppgaven?
15. Tusen takk for din deltakelse!