RESPONSIBLE RESEARCH AND INNOVATION (R&I) AND BUSINESS
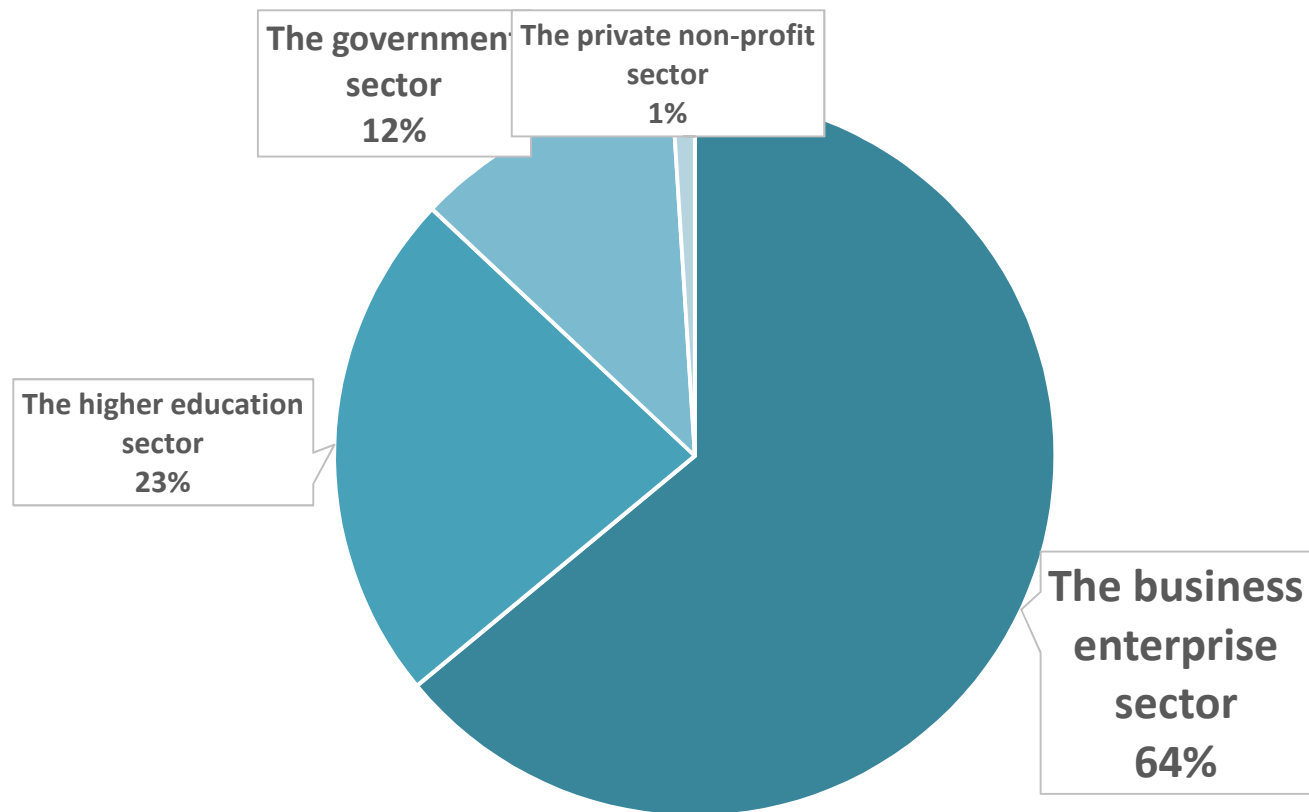
Agata Gurzawska
University of Twente

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Research and Innovation

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RESPONSIBLE R&I AND BUSINESS

EU: R&D expenditure **of total R&D conducted in 2014** (Eurostat 2015)

- The government sector 12%
- The private non-profit sector 1%
- The higher education sector 23%
- The business enterprise sector 64%

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Europe 2020 Flagship Initiative Innovation Union SEC(2010):

- The European Union should commit to creating a true "Innovation Union" by 2020 by: Taking **collective responsibility for a strategic, inclusive and business-oriented research and innovation policy, to tackle major societal challenges, raise competitiveness and generate new jobs.**

→ **Strategic approach to innovation in all its policies**

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RESPONSIBLE R&I AND BUSINESS

There is a strong need for good governance of research and technological developments that should, naturally, include governance practices enabling or encouraging practices and agreements that are ethical. This particularly should include **companies**, that are the most powerful innovators.

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1. **What is the state of the art of corporate/business R&I?**

2. **To what extent corporate/business R&I can be considered responsible?**

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multinational corporations

25 INTERVIEWS

chambers of commerce

SMEs

NGOs

consultancy firms

human rights and business institutes

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Source:
Archie B. Carroll (1979)

Philanthropic Responsibilities

Be a good corporate citizen

Ethical Responsibilities

Be ethical

Legal Responsibilities

Obey the law

Economic Responsibilities

Be profitable

RESPONSIBLE R&I AND BUSINESS

"Our CSR strategy is three-tier:

- CSR as value-creation: promoting social impact through technology

- CSR beyond legal compliance: understanding legal environment and working to go beyond legal minimums

- CSR as a philanthropy tool: collaborating in social initiatives"

RESPONSIBLE R&I AND BUSINESS

"**Sustainability characterises** the thoughts and actions of the BMW Group. (…) BMW has set itself the goal of continually reducing emissions while increasing driving pleasure. BMW uses a wealth of innovative BMW EfficientDynamics technologies and goes even further: From design to production, from the useful life of the vehicle to its disposal, every detail is based on sustainability. Because **sustainability is an attitude** that doesn't have a beginning or an end."

RESPONSIBLE R&I AND BUSINESS

„Be recognized as a world leader in innovation for **sustainable development** through excellence in our people, our products, the environment and the community".

The sustainability strategy comprises four pillars :

- People
- Products
- The environment
- The community

RESPONSIBLE R&I AND BUSINESS

"We aim to improve global health. Through our business, we make an important contribution to society: We discover and develop innovative healthcare products, targeting unmet medical needs. Our patients and customers need to trust us and our products. They expect us to **do business responsibly and ethically**.

We apply our expertise in science and innovation to society's biggest health challenges. We take our role in improving health seriously and focus on areas where we can lead and make a significant impact."

RESPONSIBLE R&I AND BUSINESS

community investment

sustainability

stakeholders engagement

sustainable
development

environmental
and social impact

environmental
management

corporate governance

business ethics

legal compliance

worker rights

non-corruption

RESPONSIBLE R&I AND BUSINESS

Conclusions:

- All interviewees have developed CSR strategies and codes of conduct

- All interviewees engage in innovation, many have separate research and development (R&D) divisions, which are often a driving force for their success

- Do they innovate in a responsible way?

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Responsible Governance
of Corporate R&I

Responsible Research and Innovation (RRI)

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*"Responsible Research and Innovation is a **transparent, interactive process** by which **societal actors and innovators** become mutually responsive to each other with a view to the **(ethical) acceptability, sustainability and societal desirability of the innovation process and its marketable products** (in order to allow a proper embedding of scientific and technological advances in our society)."*

Von Schomberg (2013)

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RRI dimension	CSR dimension
Engagement Involvement of society in R&I	Stakeholder engagement (Multi-stakeholder approach/Multi-Stakeholder Initiatives (MSIs))
Gender equality	Worker Rights; Human Rights
Science Education	Sustainability, Sustainable Development, Welfare, Community Investment, Human Rights, Social Impacts
Open Access Transparency	Sustainability, Sustainable Development, Stakeholders Engagement, Philanthropy, Welfare, Human Rights, Corruption (Transparency)
Ethics	Business Ethics
Governance	Corporate Governance, Legal Compliance, Business Ethics
A proactive approach to R&I benefits	Sustainability, Sustainable Development, Community Investment, Stakeholders Engagement, Welfare, Human Rights
Anticipation and reflection	Sustainability, Sustainable Development, Environmental management/environmental impacts, Social Impacts, ESIA, Business Ethics

Table developed and published in the deliverable "Systematic review of industry relevant RRI discourses" for Responsible Industry Project
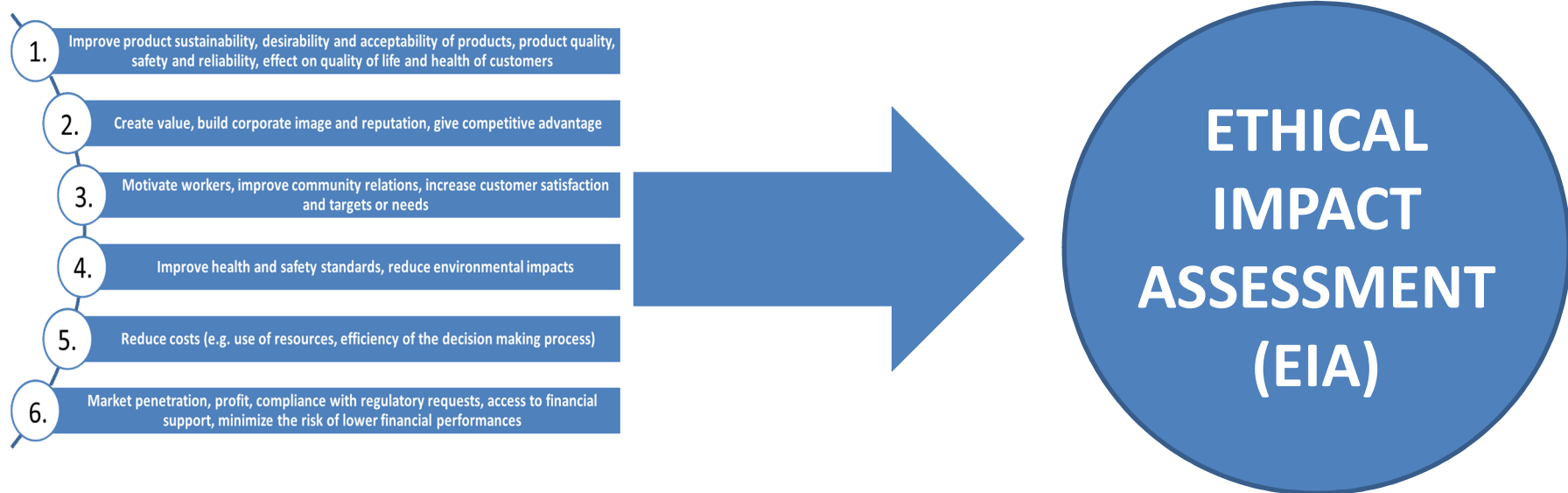
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The reasons to engage in responsible practices:

1. Improve product sustainability, desirability and acceptability of products, product quality, safety and reliability, effect on quality of life and health of customers

2. Create value, build corporate image and reputation, give competitive advantage

3. Motivate workers, improve community relations, increase customer satisfaction and targets or needs

4. Improve health and safety standards, reduce environmental impact

5. Reduce costs (e.g. use of resources, efficiency of the decision making process)

6. Market penetration, profit, compliance with regulatory requests, access to financial support, minimize the risk of lower financial performances

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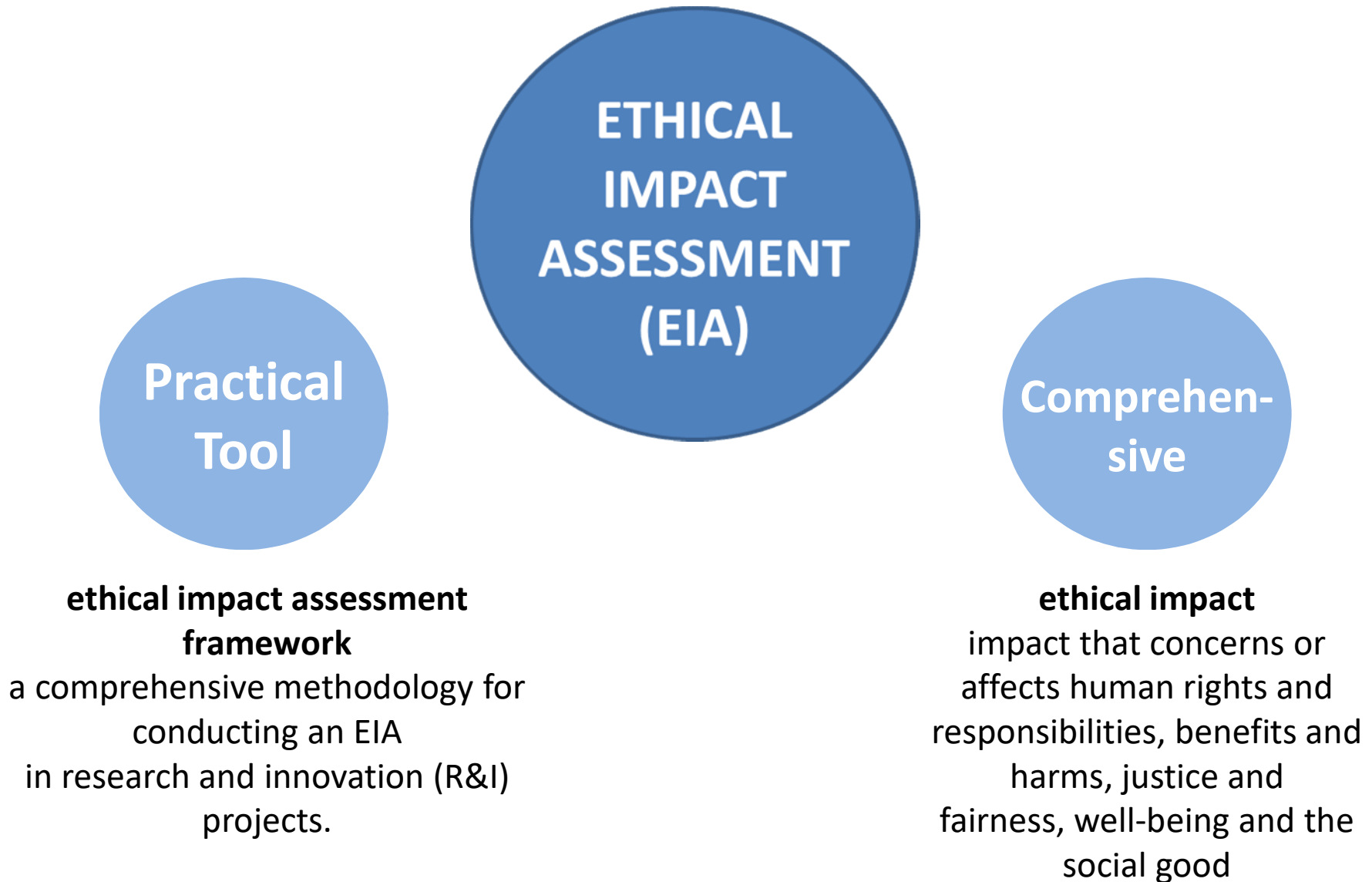
ETHICAL IMPACT ASSESSMENT (EIA)

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ETHICAL IMPACT ASSESSMENT (EIA)

Practical Tool

ethical impact assessment framework
a comprehensive methodology for conducting an EIA
in research and innovation (R&I) projects.

Comprehen-sive

ethical impact
impact that concerns or affects human rights and responsibilities, benefits and harms, justice and fairness, well-being and the social good

RESPONSIBLE R&I AND BUSINESS

Conclusions:

- STRATEGIC CSR

- STRATEGIC INNOVATION

- EIA as part of the strategic approach

A business strategy that is integrated with core business objective and core competencies of the firm, and from the outside is designed to create business value and positive social change, and is embedded in a day-to-day business culture and operations.

"using power of business to create better world"

Kellie McElhaney

RESPONSIBLE R&I AND BUSINESS

Thank YOU

Questions?

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"The whole consumption market is a problem of itself, is simply unsustainable. We always want to buy more. But we don't need it."

RESPONSIBLE R&I AND BUSINESS

"The overall goal of the organisation is to promote growth and prosperity. Any economic constrains (including ethics) unable business to fulfil their main function – maintain revenues. Innovativeness, in most of the cases, decides about the existence of a company. (…) The policy-makers should be friendly for companies, so what is crucial is good industrial base, high tax level, high employment. If a firm is successful, then is responsible. A company should make profit, provide work place, pay taxes to the state, and it is the state who should solve societal issues, not business."