Trying to have it all: how sustainable entrepreneurs manage tensions and conflicts in responsible innovation

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**ABSTRACT**

Sustainable entrepreneurs help tackle grand challenges, such as climate change and food security, by developing marketable innovations. The concept of responsible innovation proposes that by integrating socio-ethical factors, sustainable, socially desirable, ethically acceptable, and economically successful innovations are possible – benefiting both innovators and society. However, previous research and experience has shown that tensions often exist between business and societal outcomes. We seek to explore if and how sustainable entrepreneurs deal with these tensions while attempting to manage and integrate socio-ethical factors during the innovation process. We do this by conducting semi-structured interviews with 21 cases of sustainable entrepreneurship. The research focuses on new technology-based firms within the agricultural, water and energy sectors in the Netherlands. We find that sustainable entrepreneurs face a range of tensions in their responsible innovation activities. We apply a paradox lens to help understand these process, finding that different management strategies exist including the separation of objectives, the integration of objectives, as well as strategies such as openness and engagement. We successfully apply and link a paradox lens to the context, extending the reach of the concept and providing additional granularity to the set of techniques found to be used to manage paradox within sustainability contexts. The results have wider implications for the management of innovation, showing that a wider set of barriers and tensions can act as a barrier to successful market diffusion. Entrepreneurs and innovators should be aware of these challenges and be prepared to accept that ‘win-win’ outcomes may not always be possible.

**KEYWORDS:** Sustainable entrepreneurship; Responsible innovation; Paradox theory