

Open innovation and sustainability ambition of incubated start-ups

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INTRODUCTION

Openinnovation (OI) is the actual framework for exploiting external resources and wider networks so as to accelerate innovation instead of just operating with in-house resources (Chesbrough & Vanhaverbeke, 2018). Researchers have previously concluded that OI enhances the sustainability, ecoinnovations and technological development (Costa & Matias, 2020), but acknowledged the need for more detailed investigation of this relationship (Sabando-Vera et al, 2022). Business incubators ensure networking and facilitate Open Innovation (OI) collaborations both inside the incubator among entrepreneurs and outside with external stakeholders able to contribute to sustainable value creation and business conduct.

RESULTS

Results proved that individual environmental behavior, e.g., power consumption reduction and energy saving, responsible food and goods purchase and consumption, positively stimulates incubated start-ups to improve their technology-driven sustainable value creation. Those incubated tenants exposed to OI activities towards collaboration and co-creation, for instance, systematical collaboration with external partners to support the innovation process for external knowledge or human capital, external creativity and knowledge attraction, are also possessing the sustainability ambition.

METHODOLOGY

This study investigates the pilot survey on the sustainability ambition of incubated start-ups in Latvia, focusing on the individual environmental behavior of incubated tenants facilitated by OI approaches. This study explores the situation of Latvia in business incubators operated by Latvian Investment and Development Agency (LIDA) and incubated start-ups. LIDA is one of the most important intermediary organisations providing different support incentives to entrepreneurs and start-ups. The literature review based scales were analyzed, namely, start-up sustainability orientation, planetary boundaries, sustainable strategy, sustainable ambition and sustainable or shared value creation (Cirule, 2022). This research was an integral part of the larger research carried out within the postdoctoral project (January 2020–June 2022) focusing on the business incubation through open innovation approach.

CONCLUSION, CONTRIBUTION AND NOVELTY

These findings support both theoretic conceptions about the integration of sustainability elements and OI practices in business incubation as well as empirical studies on sustainability-oriented business incubation, open innovation, and sustainable value creation of nascent entrepreneurs. The research results show a higher interest in the climate change factor of the planetary boundaries, which shows that start-ups have thought about positive environmental impact.

However, in daily business practice, the start-up prefers a neutral sustainability strategy, mainly avoiding the creation of a negative social and environmental impact. Incubated startups largely consider themselves in the position of beginners regarding the implementation of the sustainability ambition in the company. This may highlight a preference for a traditional business model approach applied by start-ups, focusing mainly on the economic value (profit) creation, rather than on the creation of sustainable value, where economic, social and environmental values are balanced (Cirule & Uvarova, 2022).

Sustainability-oriented business incubation is a relatively new and emerging topic (Ficher, 2021).

Sustainable business does not mean charity, but integration of the sustainable value creation within the business model (Porter, 2021)

OI enhances the sustainability, ecoinnovations and technological development (Costa, 2020)

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