
Transformative Change Starts With Responsible Research



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Responsible research can help businesses and leaders gain a competitive and sustainable edge in today’s volatile markets.

The year 2022 showed us that the pandemic is just one of an unprecedented number of global challenges we need to address. Yet, these challenges also present tremendous opportunities for businesses and business leaders who are agile enough to gain a competitive and sustainable edge in today’s volatile markets.

Inflation and energy insecurity have squeezed the pockets of companies and consumers alike. Global instability and uncertainty in key markets such as grain and raw materials obscures the path forward for public and private sector leaders. Climate impacts are emerging in physical forms – extreme heat, drought, wildfires and flooding. All of this requires often costly recovery efforts and affects public and private sector decisions.

People are increasingly looking to businesses for leadership on these pressing global problems. Indeed, the latest edition of the annual [Edelman Trust Barometer](#) found that the public continued to place greater trust in

businesses than any other institutions – in fact, it is now viewed as the only global institution to be both competent and ethical. Heads of companies big and small must heed this call. Business is at the forefront of resource management and is a major influencer of global consumption, meeting the needs of billions of people worldwide every day. How business is done is a defining factor in global growth, alongside social and economic progress. To help obtain the resources and tools needed to navigate today's turbulent business environment, leaders are increasingly turning to the latest trend in knowledge creation – responsible research.

Why responsible research is key

Responsible research opens the door to responsible approaches to business that reflect changing social values and scientific realities. This research by forward-thinking business scholars is performed in the service of society and considers the impacts of business action on nature and communities, thus addressing the global risks that concern today's leaders.

For instance, at INSEAD, the [Humanitarian Research Group](#) examines sustainable production and consumption, closed-loop supply chains and the circular economy. For almost two decades, the Group's research has yielded real-world results, improving disaster logistics and access to life-saving medicines.

The Group is just one of several INSEAD initiatives that are aligned with the UN Sustainable Development Goals (SDGs) and are researching how to leverage the principles of business as a force for social good. The knowledge produced by this research is both rigorous and relevant to specific challenges faced by companies in the real world. It can help leaders address uncertainty and deliver value to both their business and to society. In the case of the EU Waste Electrical and Electronic Equipment Directive, research by the Humanitarian Research Group helped set policy that reduces waste and improves recycling and reuse.

The Wharton School is also advancing responsible research to address global risks and encourage innovative solutions. The [Environmental, Social and Governance \(ESG\) Initiative](#) at Wharton is spearheading rigorous research that examines the intersection of ESG factors and business. Insights uncovered through this initiative will not only inform ESG policies, strategies and regulations, but will also shape the training and education of current and future practitioners who must balance evolving demands from the natural as

well as political and social environments.

Additionally, Wharton's newly formed Coalition for Equity & Opportunity (Wharton CEO) aims to provide the data-driven insights that businesses need to make informed decisions in the areas of diversity, equity, inclusion and belonging. A major charge of this coalition is to disseminate knowledge outside of the traditional business school ecosystem so that the broader business community can take these learnings and implement them to move their communities forward.

Bridging the gap

Indeed, we understand that such initiatives and research cannot be conducted in isolation. That is why last summer saw Wharton and INSEAD come together to sponsor the [Responsible Research in Business & Management Summit](#). The benefits of responsible research are global, and a growing network of academics are pursuing this line of research. At the Summit, researchers, CEOs and United Nations leaders shared perspectives on how responsible research opens new paths to prosperity for responsible business. The need for responsible decision-making, the private sector's role in achieving the 17 SDGs and the need for greater research into innovative technologies and techniques were all key takeaways from the summit.

With new risks emerging and communities looking for leadership, businesses have clear reasons to embrace responsible business models and practices. Diversity and inclusion bring new perspectives and new voices to discuss solutions. Sustainability action can lower overhead costs and increase appeal in new market segments. Social procurement and sustainable supply chains create positive impact on a global scale. And investment in a climate-safe future often provides the same or better returns compared to traditional investments.

Business schools serve as a vital bridge between knowledge creation and putting the results of such academic research into practice. Climate change is now in focus, with current responses set to fall short of global goals. Inequality is on the rise between countries and within countries, with wealth disparities driving unequal outcomes. A coordinated green recovery from the pandemic did not materialise as instability and conflict continue to agitate global markets.

This is not a moment for business to blink in the face of adversity. Organisations that survive and thrive in the post-pandemic economy will rise to meet this pivotal moment. This year, we need more responsible research at more business schools around the world. We need more leaders looking to responsible research to define the future of their businesses and industries.

Embracing responsibility empowers visionary leaders to make informed choices and puts business at the forefront of solutions to pressing global challenges. For businesses looking to lead in the 21st century, the solution space is a great place to be.

A [version of this article](#) first appeared in *Times Higher Education*.

In June 2022, INSEAD and Wharton co-organised the [2022 Responsible Research Summit](#) to share ideas and encourage business and management research with positive impact. The next RRBM Summit is scheduled in 2023 on the INSEAD Europe Campus.

Find article at

<https://knowledge.insead.edu/responsibility/transformative-change-starts-responsible-research>

About the author(s)

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About the series

[Crossroads: Business & Society](#)

The Hoffmann Global Institute for Business and Society at INSEAD explores the intersection of business and society. The challenges of our times are unprecedented, and the decisions made by leaders today determine the future. HGIBS aims to equip these leaders to make decisions in ways that deliver positive outcomes for business, communities, people and our planet in line with globally agreed

sustainability goals.

The UN Sustainable Development Goals, or SDGs, offer a cohesive and centralised framework for discussing a new development model that is good for all people and the planet. INSEAD is aligning more closely with the SDGs as more business leaders engage with the SDGs, using the 17 global goals to account for their contributions to society.

This series provides much needed clarity regarding what the SDGs mean for strategies, operations and business models.

