



## The effect of Environmental Corporate Social Responsibility on industrial SMEs' innovation

Forcadell F.J.<sup>1</sup>, Ubeda, F.<sup>2</sup>, Aracil, E.<sup>3</sup>

*Universidad Rey Juan Carlos, Madrid, Spain*

*Universidad Autónoma de Madrid, Spain*

*Universidad Pontificia Comillas, ICADE, Madrid, Spain*

### Abstract:

This article analyses how Environmental Corporate Social Responsibility (ECSR) strategies may help to enhance innovation among small and medium-size enterprises (SMEs). We test our hypotheses over a large sample of 2,620 industrial SMEs in Spain. We find empirical support for ECSR driving innovation as measured by the innovative effort or R&D and its outcomes in terms of product and process innovation. In addition, we distinguish the effect of ECSR on innovation among innovative and non-innovative SMEs. The effect is more intense for the later, suggesting an important role of ECSR on firms' transformation. Our study contributes to the literature by analyzing the effect of ECSR in promoting innovation, as opposed to most studies that examine only on green-innovation. Besides, we examine the neglected research area of SMEs environmental strategies. Our findings on the instrumental value of ECSR related to innovation strengthen the business case of pro-environmental strategies, specifically for SMEs.

### Biography:

Elisa Aracil is a Professor of Economics at Universidad Pontificia-ICADE in Madrid. She has built her career in a variety of roles related to investment banking and the academic world. Her research focuses on sustainable finance, sustainable banks, Corporate Social Responsibility, Environmental related innovations, digitalization and the progress towards the Sustainable Development Goals. She has published in top scientific journals such as Corporate Social Responsibility and Environmental Management, Business Ethics: A European Review, International Journal of Emerging markets and Global Policy. She has presented her work in peer-reviewed academic



conferences such as the Academy of International Business (AIB), the European International Business Academy (EIBA) and the Academy of Innovation, Entrepreneurship, and Knowledge Conference (ACIEK), formerly GIKA and INEKA. She is a researcher at several competitive research projects, and a member of CETIS-PhD program at Universidad Pontificia Comillas.

### Publication of speakers:

1. Aragón-Correa, J. A., Hurtado-Torres, N., Sharma, S., & García-Morales, V. J. (2008). Environmental strategy and performance in small firms: A resource-based perspective. *Journal of Environmental Management*, 86(1), 88-103.
2. Asongu, J. J. (2007). Innovation as an argument for corporate social responsibility. *Journal of Business and Public Policy*, 1(3), 1-21.
3. Bansal, P. (2005). Evolving sustainably: A longitudinal study of corporate sustainable development. *Strategic Management Journal*, 26(3), 197-218.
4. Berry, M. A., & Rondinelli, D. A. (1998). Proactive corporate environmental management: A new industrial revolution. *Academy of Management Perspectives*, 12(2), 38-50.

[Webinar on Renewable Energy Resources | April 24th, 2020 | London, UK](#)

**Citation:** Elisa Aracil; The effect of Environmental Corporate Social Responsibility on industrial SMEs' innovation; *Renewable Energy* 2020; April 24th, 2020; London, UK