



home innovation[®]
consulting network

Ethics and Innovation

Do innovations have to be ethically correct?



“The Apple” www.cordulakerlikowski.wordpress.com

Ethical boundaries were crossed even with the very first apple that was sold, in turn resulting in sanctions. In a figurative sense, new products and innovations must be thoroughly evaluated to determine whether they violate ethical.

Every company – and therefore its people – are part of a society whose thinking and actions do not exist within an ethical vacuum, but rather are rooted in a business, legal and social order. For this reason, the question concerning the purpose and ethical relevance involved when developing innovations is a legitimate one. After all, those who realize ideas bear a particular responsibility. This includes the appropriate awareness and foresight in equal measures, since a specious function can have negative effects in both the medium and long term. Must inventors consider only peaceful applications of an innovation, or should they not also to an equal degree consider the potentially destructive power that may result from inappropriate manipulation – certainly ideas to which Alfred Nobel and Werner von Braun have devoted much thought. This was and remains true not only for the invention of dynamite or the discovery of atomic energy; the same applies to the everyday things of life. After all, spending time and resources on producing “pointless” things people do not really need is certainly worth pondering.

When visiting trade fairs and exhibitions spewing forth with so-called innovations, the question is what really constitutes “innovation”. Here, it is not just a matter of differentiating oneself from the competition with a unique selling position and promising a special customer benefit. Rather, it is also important to figure in the consequences throughout the entire value-added chain.

By themselves, the drive to grow or the business mission are insufficient to justify actions. Commonly expressed corporate guidelines are violated before the ink used to print them has dried, and buzzwords like “sustainability” are quickly overshadowed by reality. What really calls for innovation are the ever increasing challenges such as scarcity of resources. In addition, requirements in terms of the working conditions in international markets are becoming increasingly apparent. Here, it is not enough to begin with one’s own standards, particularly when production is outsourced to so-called third countries or when purchasing takes place there. A variety of ethical principles must always be factored into the equation too.

One need not look at underdeveloped regions in order to recognize the enormous challenges facing the high-tech industries. From a purely technical standpoint and without taking into account all of the follow-up costs associated with it, nuclear energy offers an efficient energy solution. Yet does the fact that nuclear waste will continue emitting hazardous radiation for thousands of years and that there is no adequate solution for disposal make nuclear energy ethically tenable? It is precisely here where there are opportunities for innovations. The destruction of hazardous substances or the absolutely safe isolation of these materials while they continue to irradiate would be a breakthrough innovation truly worthy of the term. The economic sector of alternative energy is another clear example of opportunities for innovation and growth.

Now more than ever – and this includes when buying the products of daily life – consumers are not only considering whether a product is environmentally-friendly but also the general circumstances under which these products are manufactured. For example, the designer Akela Stoklas has developed innovative concepts demonstrating that the “organic fashion” products she calls “Room to Roam” transform the problems described in the following into opportunities. The entire process of the value-added chain has to be considered, i.e. from the pesticide-free cultivation of the cotton, to treatment with safe dyes, ensuring the spinning and finishing are not performed using child labour and minimizing transport routes to save resources.

When masks have to be worn when opening overseas shipping containers because they have been filled with toxic substances to “protect” the products, and these toxins remain in the boxes and the products they contain for a much longer period, this is equally detrimental to employees and consumers. The code of conduct to which many companies have subjected their employees does not stop at the company doors. Innovations always begin with the thinking and behaviour of corporate managers. The reason: innovative business philosophies only qualify as innovations if these philosophies can be put into practice with confidence. Today’s retailers are more conscientious than ever of the circumstances under which products are manufactured.

Still, the markets are flooded week after week with consumer goods of dubious manufacturing origin. Producers and suppliers are often left with a slim pricing margin to offer fair compensation, and because there will always be someone on the international market offering the latest products at a cheaper price, market pressure persists. To protect their livelihoods, people with low incomes are forced to buy products sold at the lowest price. Ultimately, the compulsive and constant consumption of cheaply produced goods endangers consumers' own jobs. When only a very few make money on this procurement and sales process, it is not only an ethical concern. Rather, it is only a matter of time before the sales market and, thus, the very foundation of the company itself collapses. The downward spiral of cheap consumption is a death trap for all participants in the economic process. It is precisely here where there are opportunities for true innovations that, by virtue of their multiple benefits, differ from the mob of "me too" products and have true potential for generating added value.

The study of ethics (of innovation) and the related disciplines (e.g. legal, political and social philosophy) are also referred to as "practical philosophy" because this school of thought deals with human (business) activities.

What is the task at hand required to bring about innovations that are ethically tenable? Answering the following questions helps test ideas before implementing them:

- 1.) Does the innovation benefit not only the inventor and seller, but also the customer in the long term?
- 2.) Are the results predictable and controllable?
- 3.) Does the innovation violate basic rights and are various values adequately addressed on the procurement and sales markets?

Recognizing the challenges provides potential for new ideas and, ultimately, for qualitative growth. Thus, ethics not only provide a framework, but rather a large field for innovation.