



PhD in INGEGNERIA GESTIONALE / MANAGEMENT ENGINEERING - 39th cycle

**THEMATIC Research Field: WHICH COMES FIRST: EXPLORING THE RELATIONSHIP
BETWEEN CORPORATE DEEP PURPOSE AND SUSTAINABILITY-ORIENTED INNOVATION**

Monthly net income of PhDscholarship (max 36 months)

€ 1450.0

In case of a change of the welfare rates during the three-year period, the amount could be modified.

Context of the research activity

**Motivation and objectives of the research
in this field**

The concept of corporate purpose has been widely discussed in the literature for years (Henderson, 2021); however, it has recently gained traction more broadly following the call for revolutionizing capitalism which has hit the business world. Indeed, for decades companies have been pushed to go beyond shareholder maximization and create a shared value (Porter and Kramer, 2011) to benefit a broader range of stakeholders. However, more recently many trends are creating a compelling pressure on companies to set a cause for their purpose beyond profit maximization such as the Business Round Table resolution or the new regulation issued by the European Commission to discipline the world of sustainable finance and non-financial reporting. Purpose refers to an "organization's reason for being in terms of an objective beyond profit maximization to create value by contributing to the welfare of society and planet" (Brosch, 2023). It is different from corporate mission, vision, and corporate social responsibility. While mission concern what the company does and the vision of what the company wishes to be, purpose deals with why a company does what it does (Fitzsimmons et al., 2022). However, although every company needs a purpose, not in every company it must take the form of a social cause (Knowles et al., 2022). Of course, improving ESG performance is crucial for any company in terms of addressing climate change and pollution, diversity, and employee well-being; but it is distinct from a purpose of a



	business. As a matter of fact, it is not always easy or possible to simultaneously achieve profit and purpose. Companies that are willing to accept and explore these trade-offs without reverting to a profit-first strategy when the going gets tough are those defined as "deep-purpose" companies (Gulati, 2022). In this context, innovation can play a disentangling role in managing the possible profit-purpose paradoxes in a novel perspective of an original conceptualization of ambidexterity. Specifically, technological innovations can contribute to managing the tensions between purpose and profit by enabling the corporation to strategically explore novel markets characterized by unsatisfied and uncovered societal and environmental needs, while exploiting its own corporate deep-purpose identity. The objective of the research project is to explore the trade-offs experienced by deep-purpose companies and the role of innovation in contributing to solving these trade-offs.
Methods and techniques that will be developed and used to carry out the research	The research aims to understand whether, and under which conditions, companies decide to set a deep purpose and leverage innovation to solve the possible profit-purpose trade-offs or whether they decide to orient innovation towards sustainability and social challenges to exploit commercial opportunities and how this inspires a shift in the corporate purpose. Innovation processes within and across organizations will be analyzed throughout the research. The unit of analysis of the research project will be focused on innovation processes at the organizational level, namely in purpose-oriented for-profit organizations, and build upon the conception of purpose with an explicitly pro-social focus, drafted by scholars from 2010 onwards, in contrast with the broader definition provided by previous scholars. The research project will be theoretically grounded in the literature streams concerning corporate strategy, innovation management, and innovation and sustainability. Different activities applying methods drawn from



	heterogeneous research communities will be included in the research path: -Systematic literature review on the following fields: "corporate purpose"; "corporate purpose and innovation"; "innovation for purpose", "innovation and sustainability"; "innovation and ESG"; "purpose and technology" -The creation of a dataset of companies displaying a deep purpose by mixing different sources; -Econometric analysis on the relationship among the drivers for shaping deep purpose and drivers for orienting innovation processes toward sustainability; -A longitudinal case study analysis; -Ethnography and further organizational study methodological approaches. Preliminary readings might be: Gulati, R. (2022). Deep Purpose: The Heart and Soul of High-Performance Companies. Serafeim, G. (2022). Purpose and Profit: How Business Can Lift Up the World Hardcover. Eeckhout, J. (2021). The Profit Paradox: How Thriving Firms Threaten the Future of Work. George, G., Haas, M. R., McGahan, A. M., Schillebeeckx, S. J. D., & Tracey, P. (2021). Purpose in the For-Profit Firm: A Review and Framework for Management Research. <i>Journal of Management</i>, 0(0). https://doi.org/10.1177/01492063211006450 Henderson, R. M. (2021). Changing the purpose of the corporation to rebalance capitalism. <i>Oxford Review of Economic Policy</i>, 37(4), 838-850.
Educational objectives	The specific research objectives of the present project are: (a) Investigating the corporate drivers to set a deep purpose; (b) Investigating the corporate trade-off caused by the pursuit of a deep purpose; (c) Identifying the corporate drivers to orient innovation processes to solve societal challenges; (d) Exploring how the different drivers affect each other and, in the end, the strategic relationship between corporate deep purpose and innovation;



	(e) Exploring whether and how corporate innovation can help to solve the profit-purpose trade-offs. (f) Exploring the specifics of the role of technology in the deep purpose corporate trade-offs. The specific learning outcomes of the present project are: - Understand the concept of deep purpose and the differences with other related concepts; - Understand the drivers that shape the definition of a deep purpose in the company; - Understand the profit-purpose trade-offs; - Understand the different paradigms of innovation to solve sustainability and social challenges (including social innovation, frugal innovation, tech for good, responsible research, and innovation); - Understand the corporate drivers to orient innovation processes to solve societal challenges; - Critically analyze the relationships among the different drivers and trade-off situations; - Apply the understanding to real-world cases. Moreover, the candidate is requested to develop a deeper understanding of the concept of hybrid organizations (for example Battilana and Lee, 2014) and social entrepreneurship (for example Doherty et al., 2014).
Job opportunities	- Research Assistant - Research professional in the national and supranational organizations in the business unit on sustainability and social impact - Sustainability manager in corporates - Sustainability analyst in corporates
Composition of the research group	1 Full Professors 1 Associated Professors 2 Assistant Professors 1 PhD Students
Name of the research directors	Mario Calderini and Veronica Chiodo

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Additional support - Financial aid per PhD student per year (gross amount)	
Housing - Foreign Students	--
Housing - Out-of-town residents (more than 80Km out of Milano)	--

Scholarship Increase for a period abroad	
Amount monthly	725.0 €
By number of months	6

Additional information: educational activity, teaching assistantship, computer availability, desk availability, any other information
Teaching assistantships about business administration and sustainability will be offered. Laptop and shared desk availability will be offered.