Sustainable Innovation: Determinants and Impacts

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**ONE: Antecedents and Outcomes of Sustainable Innovation: A Meta-Analytic Path Model**

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Sustainable innovation has gained enormous attention over the last decade. A multitude of antecedents have been found to drive sustainable innovation. To develop a deeper grasp of its antecedents, this study integrates the institutional theory and the resource-based view of a firm to explain the mechanism how sustainable innovation is facilitated and how it ultimately affects firm performance. The authors conduct a meta-analytical path analysis, including 44 primary studies with in total 25,901 firms, and show that institutional pressures as well as resources and capabilities promote sustainable innovation. The authors conclude that both theories are required to adequately explain why sustainable innovation occurs. Furthermore, sustainable innovation leads to superior firm performance because it offers great opportunities to account for sustainability concerns, to raise organizational legitimacy and reputation and to gain a competitive advantage. Our findings indicate the need for firms to integrate an outside-in as well as an inside-out perspective to avoid myopic decision making in innovation management and to foster profitable sustainable innovation.

Search Terms: Sustainable innovation | Meta-analysis | Meta-analytic structural equation modeling