

# **Their common future**

## **Business Technology Assessment and the Environment**

Authors: Dr. Ir. Karel F. Mulder  
Prof. Dr. Philip J. Vergragt

### **Introduction**

This paper mainly focuses on how businesses react on changes that take place in society. This activity is called Business Technology Assessment (BTA). In this paper case studies within five large corporations (4 chemical, 1 vehicle producer) are used. These studies are used to examine the following four questions:

- How do large industrial corporations carry out this BTA and which methods and procedures do they use?
- How effective are the methods and procedures in forecasting and assessing various parameters?
- What is the effectiveness of BTA with respect to influencing the innovative activity of the firm and the common future of its employees?
- How can BTA be improved in order to make the adjustment of the corporation to demands of sustainability more effective?

### **Corporations and their environment**

In organisational theory, it is rather obvious that organisations have to attune their structure to their environment, in order to operate effectively. Therefore, it is very important for organisations to notice changes that take place in their environment, and, if necessary, react in an appropriate manner. With help of BTA, a company is able to indicate and forecast future economic, social-political and technological developments that are of importance to their businesses.

### **Business Technology Assessment**

Corporate activities regarding BTA are known under various names: strategic studies, (technological) forecasts, technological planning, research planning, etc. In the following paragraph it is described how BTA is carried out in the five aforementioned corporations and how information is processed and integrated in corporate strategy. Also the impact of BTA regarding environmental sustainability of innovations that are (to be) developed is assessed.

### **How is BTA carried out?**

BTA is mainly a very informal activity. Literature on the subject is barely used. Due to conflicting value systems, formalised methods could help governmental analysts facing politics. Since the success rate of BTA analyses is rather questionable, there exists no need to use textbook methods in academical circles. BTA aims at facilitating discussions and making people sensible for the changing environment, as do *scenarios*.

**Evaluation**

The hardest part of BTA is to understand socio-political change. In the case that BTA foresees some socio-political change, many times no action is taken. It proves very hard to accept BTA outcomes if these are contrary to short-term interests. It seems that the most successful approach to BTA is a process by which discussions within the parts of the corporation that are at stake can be triggered. A formalised BTA methodology could increase impact on the middle levels of a corporation. This is where the real power of a company is believed to be.

Often large corporations have a Safety, Health and Environment Department to meet government regulations and customer demand regarding environmental issues. Their coherence in the company is often poor. For long-term survival of the company, it should handle the environmental issues in a pro-active way. In the survey of the five corporations the environment played a rather minor role. BTA could be exploited to effectively monitor the environment.

**Conclusion**

BTA could be used as a tool for improving the long-term orientation of companies towards environmental issues. BTA is mostly carried out in an informal way. Coupling between BTA and mid-level management is rather poor. To improve the effectiveness of BTA two activities have to be carried out:

- Systematically including BTA in the business process, while safeguarding the disinterestedness of BTA studies.
- Environmental issues should be more included in BTA in order to increase potentialities for the environment. These issues should be long-term and globally oriented.