Social entrepreneurship and social innovation: are both the same?

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ABSTRACT
In the last two decades, a renewed interest on the concepts of social innovation and social entrepreneurship has emerged. In fact, a large body of theoretical developments that occurred in the fields of innovation, territorial development, social economics, and public governance (among others), have emphasised the need to adopt new approaches to new (or emerging) problems, such as: climate change; chronic diseases; increasing inequalities in income distribution; high rates of unemployment (particularly, among young people); the impact of ageing population; and mass urbanisation and social exclusion phenomenon.

This paper aims at contributing to these literature by making an attempt to distinguish both concepts: social innovation and social entrepreneurship. For that purpose, the definition of each of these concepts, their main features as well as their major differences are presented. Then, some examples of social innovations are briefly described in order to illustrate that social innovation is a broader concept than social entrepreneurship.

INTRODUCTION
There is a recent and growing body of literature about social innovation (SI), social entrepreneurship and social enterprise (Lettice and Parekh, 2010). Actually, the literature does not offer a consensus on what is implied by each one of the three concepts, although they often seem an attempt to address intractable social issues (MacLean et al., 2013) that call for novel approaches and solutions. As emphasised by Howaldt and Schwarz, (2010: 5) “problems have in part changed radically and intensified in conjunction with the drastic acceleration of change in the economy, society and culture, and awareness has clearly grown regarding the limited potential that technological innovations and established management and problem-solving routines have to resolve issues”. To overcome these problems or challenges SI can have an important role. In fact, as Dawson et al. (2010: 2) pointed out “in recent years, the emphasis has shifted towards recognition of the importance of social engagement in the pursuit of societal well-being. Changing contextual conditions, media coverage and public debate has raised public awareness about social and environmental issues and with the growing disparity between top income earners and the rest of the working population, the assumptions behind the drivers for economic prosperity are increasingly being called into question”.

Therefore, the focus of this paper is an attempt to make a conceptual distinction between social innovation and social entrepreneurship since, although two similar ideas, they do not have exactly the same meaning, and it is argued that social innovation is a broader concept. The remainder of the paper is organised as follows. Section 2 presents several definitions of social entrepreneurship that can be found in the literature, emphasizing its main characteristics. Section 3 focus on the concept of social innovation. In Section 4, the main differences between social entrepreneurship and social innovation are highlighted. Section 5 presents several examples where the concept (or idea) of social innovation has been applied. Section 6 concludes the paper.

SOCIAL ENTREPRENEURSHIP
According to Muhamad and Adham (2013) and Witkamp et al. (2011a), social entrepreneurship has been a topic of academic research in the last two decades. However, there is an intense debate on what social entrepreneurship is about, how it can be conceptualized and what are its main characteristics. In fact, several definitions of social entrepreneurship can be found in the literature (and some of those definitions are presented in this section). As highlighted by Jackson and Harrison (2011), a major problem is the lack of common understanding of definitions and a statistical base that permits to measure its impact, which means that this field of research often relies on anecdotal evidence rather than empirical data. But, at the same time, social entrepreneurship is “an increasingly popular practice in which business solutions are applied to social problems” (Germak and Robinson, 2014). For example, there is significant social entrepreneurship activity in emerging economies but little systematic research of the
phenomenon in this context (Sundaramurthy et al., 2013). Some authors (e.g. Chand, 2009) argue that the roots of social entrepreneurship rely on the “early corporate efforts to do good to society” and then evolved through nongovernmental action through its charity, community welfare, and developmental projects, particularly in a context of rethinking the role of the welfare state. In fact, the response to the “challenges of the new economic environment and globalization includes advocating for policies that promote social as well as economic development, social participation, and equality” (Tan, 2004). Therefore, social entrepreneurship can be promoted by different agents such as non-governmental organizations, profit-seeking firms that have some commitment to doing good, public sector organizations, and social enterprises established for a social purpose but operating as businesses (Weerawardena and Mort, 2012).

As mentioned above, several definitions of social entrepreneurship can be found in the literature. For example:

“Social entrepreneurship describes the efforts of highly motivated individuals and organizations to solve economic and social problems for the benefit of society in general through the use of business methods and innovative strategies” (Jackson and Harrison, 2011).

“Social entrepreneurship can be understood as dynamic social change resulting from innovation which takes the form of new combinations. These new combinations come about through the formation and reformation of cooperating groups engaged in production; these groups are socially and historically situated, ascribing themselves associated identities as they are ascribed by others, across proscribed or prescribed boundaries” (Tapsell and Woods, 2008).

“Social entrepreneurship is a new business model that combines a social goal with a business mentality and is heralded as an important new way to create social value such as sustainability” (Witkamp et al., 2011b).

“Social entrepreneurship relates to a person. It describes an initiative of social consequences created by an entrepreneur with a social vision. This initiative may be a non-economic initiative, a charity initiative, or a business initiative with or without personal profit” (Yunus, 2010).

“Social entrepreneurship is a multidimensional construct that involves the expression of virtuous behavior and the ability to recognize social value–creating opportunities with key decision-making characteristics of innovativeness, proactiveness, and risk taking, with the organization as the unit of analysis” (Weerawardena and Mort, 2012).

“Social entrepreneurs may be defined as people with the mission to create and sustain social value. These social change agents are not limited by resources currently at hand but pursue new opportunities to serve people, take calculated risks and engage in a process of continuous social innovation, adaptation and learning” (Tan, 2004).

From these several definitions, some common characteristics can be underlined. Firstly, the fact that “social entrepreneurship opportunities are the constructed outcomes of entrepreneurial alertness and motivation, and the organizational, societal, institutional, and market contexts in which the entrepreneur is embedded” (Newth and Woods, 2014). Therefore, local embeddedness, sociocultural and historical contexts and changing environmental circumstances emerge as key features of social entrepreneurship (Shaw and Bruin, 2013). A similar characteristic is emphasized by Maclean et al. (2013), when they stress the importance of the engagement of the social entrepreneur with the community for the success of the social venture. Finally, it should be highlighted that social entrepreneurship is a field of action where different type of organizations can have an important role (e.g. development organizations, the nonprofit sector, universities, public organizations, governments, as well as profit organizations) around the world (Jackson and Harrison, 2011).

**SOCIAL INNOVATION**

As happens with the concept of social entrepreneurship, many definitions of social innovation (SI) can be found in the literature. For example, Benneworth and Cunha (forthcoming) and Cunha and Benneworth (2013) present a thorough review of those definitions. The existence of several definitions of SI has led to an intense debate about the true meaning of SI, and what can be classified as (or considered to be) a SI (Elliott, 2013, Howaldt and Schwarz, 2010 and Iizuka, 2013). From the review of Benneworth and Cunha (forthcoming) and Cunha and Benneworth (2013), they argue that two distinct groups of characteristics underlie those SI definitions.

The first group is concerned with the issue of social justice, and the following characteristics are highlighted. Firstly, the fact that SI primarily addresses social and human needs, which should be understood in a broader sense than merely jobs and incomes for a large majority of people in the territorial community (Moulaert and Nussbaumer, 2005). Secondly, the focus on social value creation and community development (Sharra and Nyssens, 2010; Moulaert and Nussbaumer, 2005) and not on commercial gain (Dawson and Daniel, 2010). Therefore, with SI “there is a collective dynamic interplay across the technical, social, economic and
political dimensions in the group pursuit and development of social objectives and outcomes” (Dawson and Daniel, 2010: 15). Thirdly, the importance of collaborative action and the role of networks, since the spread of networks and global infrastructures for information and social networking emerge as a fundamental enabler of new social practices which engender social innovations (Brackertz, 2011). The collaborative nature of SI is, also, highlighted by Caulier-Grice et al. (2012: 21): SI “are developed ‘with’ and ‘by’ users and not delivered ‘to’ and ‘for’ them. They can be identified by the type of relationships they create with and between their beneficiaries”. Finally, empowerment of people and capacity to act are central features for SI success (Moulaert et al., 2005; BEPA, 2010), since they enhance societal resilience and increases beneficiaries socio-political capabilities and access to resources and develops assets and capabilities through participatory approach enabling beneficiaries to meet needs over the longer term (Caulier-Grice et al., 2012).

The second group of characteristics is concerned with social innovation practices, and four issues are emphasised. Firstly, the fact that novel solutions are proposed to satisfy the identified social needs. Although innovation is, generally, linked to the application of new ideas to devise better solutions to our needs, SI can, also, be achieved simply by the reapplication of old ideas in new ways (Andrew and Klein, 2010; Leaidebeater, 2007). Secondly, SI is system-changing in nature. For example, Westley and Antadze (2010) stress that SI “will challenge the social system and social institutions that govern people’s conduct by affecting the fundamental distribution of power and resources, and may change the basic beliefs that define the system or the laws and routines which govern it” (Westley and Antadze, 2010: 3). Another way to look at SI is as being disruptive and catalytic (Christensen et al., 2006). In this regard, SI must cross multiple social boundaries to reach more people and different people, more organizations and different organizations, organizations nested across scales (from local to regional to national to global) and linked in social networks (Westley and Antadze, 2010). Thirdly, SI is context-dependent, since basic needs are, to a certain extent, context and community-bound and SI at the local level means innovation in relations between agents and organizations existing at various spatial scales (Moulaert and Nussbaumer, 2005). A similar argument is developed by Westley and Antadze (2010: 12): SI “do not necessarily generate the sorts of products or services that are always of interest to the market; they are born in a certain context, under certain circumstances, and in response to certain needs or problems. Whether or not the innovation has a broader social impact, however, is dependent on the interplay of political, social, economic, and cultural factors”. Finally, SI is characterized by being cross-sectoral, cross-disciplinary, and cross-geographical (Bacon et al., 2008; Brackertz, 2011; and Dawson and Daniel, 2010).

Based on this SI’s characteristics, Benneworth and Cunha (forthcoming) and Cunha and Benneworth (2013) proposed the following working definition for the concept of SI:

“A true social innovation is systems-changing by developing novel solutions in border spanning learning communities to create social value and promote community development, challenging existing social institutions through collaborative action developing wider networks”.

This definition has a clearly delineated scope, it is conceptually objective and does not refer to other fuzzy concepts (such as, for example, social entrepreneurship, social enterprise, social business, social finance). At the same time, it encompasses the idea of novelty and change for a socially progressive purpose and, simultaneously, address the critique of Neumeier (2012) and Cloutier (2003) demanding a more elaborated definition of SI with a more rigorous treatment of social justice.

SOCIAL INNOVATION VS. SOCIAL ENTREPRENEURSHIP

After presenting a brief overview of the concepts of SI and social entrepreneurship, a comparison between this two concepts is made in this section. According to Phillips et al. (2008), a major difference between SI and social entrepreneurship and social enterprise is that SI transcends sectors, levels of analysis, and methods in order to understand the processes that produce lasting impact to solve social/societal problems. As they write, SI “may indeed involve finding and training more social entrepreneurs and to support the organizations and enterprises they create. But it will certainly require understanding and fostering the conditions that produce solutions to social problems”. The same idea is expressed by Mulgan (2007a: 45): “whilst social innovation certainly occurs through social enterprise and social entrepreneurship it also happens in many other contexts. Conversely, although social entrepreneurship often involves innovation, only a small minority of social entrepreneurs create new models that can then be scaled up, and that process of scaling up often involves governments and larger businesses”. Therefore, one might say that the concept of SI is wider than the concepts of social entrepreneurship and social enterprise.

For Westley and Antadze (2010), a social enterprise although addressing social needs, is a privately owned, profit-oriented venture which markets its own products and services, blending business interests with social ends. In this sense, a social enterprise is an organisational form trading in the market to achieve social aims (Brackertz, 2011). However, the primary objective of social enterprises is ‘mission-related
impact’ rather than profitability per se (MacLean et al., 2013). They are led by a sense of social purpose and aim to show that businesses and markets can deliver social benefits and tackle intractable social problems and, therefore, to overcome the limitations of public service provision (Sharra and Nyssens, 2010). Therefore, their goal should be focused on creating the value to the community and to achieve their sustainability by innovation (Mulyaningsih, Yudoko & Rudito, 2014).

Although social enterprises often meet social needs, it does not mean that we are faced necessarily with a social innovation (Brackertz, 2011). In fact, the rationale of the social enterprise is not necessarily to be innovative but simply to make money in order to subsidize an independent non-profit activity (Sharra and Nyssens, 2010).

Following again Westley and Antadze (2010), a social entrepreneurship is a human-centred concept highlighting the personal qualities of a person who starts a new organization. In this sense, a social entrepreneur uses entrepreneurial skills to achieve a social purpose (not necessarily involving social enterprise) and operates at the level of the individual (Brackertz, 2011). Or, as stated by Dawson et al. (2010: 3), a “social entrepreneur can be defined as an individual who utilises their commercial skills in managing ventures that bring about well-being for others in the pursuit of social change, embracing economic and technological interventions as necessary to achieve their goals.” This can be seen as a response to the increase demand for a more ethical and socially inclusive capitalism (Dacin et al., 2011). Therefore, four elements can be underlined in the definition of social entrepreneurship (Dacin et al., 2011): the characteristics of individual social entrepreneurs, their sphere of operation, the processes and resources they use, and its mission. MacLean et al. (2013) identify three common characteristic between SI and social entrepreneurship. Firstly, innovation is the basis for both. In fact, social entrepreneurship is about channelling entrepreneurial activity towards solving social problems. Secondly, there is some consensus that the creation of social value is central to both concepts. Finally, as for the case of SI, the rise of social entrepreneurship is due to the increasing inability of the state to satisfy growing social welfare needs.

Westley and Antadze (2010) also stated that the concepts of social enterprise and social entrepreneurship and the concept of SI are closely related to each other “since a social entrepreneur can be a part of a social enterprise and, at the same time, can contribute to the promotion of social innovations.” From this perspective, both social entrepreneurship and social enterprise are encompassed by social innovation, which operates at the inter-organisational and system levels (Brackertz, 2011). As Chalmers (2012: 19) synthetized: “While social entrepreneurship research has tended to focus on the individual driving social change, and social enterprise on the new forms of organizational structure that blend commercial and social purpose, social innovation literature has concentrated on the processes and outcomes that lead to system-changing. The crux of this socially innovative behaviour is that skills and expertise used to develop successful commercial innovations can be used to solve a wide range of societal problems”. Furthermore, Dacin et al. (2011) argue that it is likely to exist “a hierarchical ordering of social and economic value creation” and that the “social value creation mission does not necessarily negate nor diminish a focus on economic value”. They contend that “economic value is crucial for the sustainability of social entrepreneurial ventures and the creation of social value”, since it is difficult “to ignore that the creation of social value is often closely related to economic outcomes that in turn produce financial resources that the social entrepreneur can use to achieve his or her primary mission”.

In summary, and following European Union/Young Foundation (2010: 15-6), the three concepts, although overlapping, are distinct. The concept of social entrepreneurship “is used to describe the behaviours and attitudes of individuals involved in creating new ventures for social purposes, including the willingness to take risks and find creative ways of using underused assets”, whereas the term social enterprise refers to “businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community. They are not driven by the need to maximise profit for shareholders and owners”. Therefore, SI is a much broader concept than either social entrepreneurship or social enterprise “although it will often include one or both of these.”

**EXAMPLES OF SOCIAL INNOVATIONS**

The concept and meaning of SI has been used in different contexts and/or in a broad range of disciplines. This is justified by the fact that “there are different discourses on the social innovation concept, which are rooted in different disciplines’ audiences” (Ruede and Lurtz, 2012: 29). In this section, we present a brief description of areas where the concept of SI has been particularly emphasised: improvement of society’s conditions (social inclusion); territorial development; and employment, work organisation and lifelong learning.

**Improvement of society’s conditions**

In this area fall those ideas or projects that aim at, directly, improve the conditions of people. Or, as suggested by Pol and Ville (2009), that contribute to a better human life. That is why SIs “have empowered people and organisations to develop participative solutions to pressing societal issues” (BEPA, 2010: 16). One of the assumptions underlying SI in this field “is that innovations can be used to address challenges in society, to benefit groups that are struggling in society, and to improve the well-being of individuals” (Ruede and Lurtz, 2012: 29). Therefore, the “most common
approach to social innovation proceeds from the understanding that it is induced by some kind of social need and/or is aimed at solving a critical social problem” (Loogma et al., 2013: 285). Actually, most western countries have faced important challenges over the last few decades such as, for example, globalisation, international migration and developments in information and communication technologies, that have a profound impact in the communities we live (Norman et al., 2013). In this context, there is a “growing recognition that new and innovative approaches are required to meet the social, economic and environmental” challenges with “millions of people [...] creating new and better ways of tackling social challenges” (Norman et al., 2013: 4).

It can be said that the extensive work of Mulgan (2006) and collaborators (e.g. Caulier-Grice et al., 2012; Murray et al., 2010; Bacon et al., 2008; Mulgan, 2007a; Mulgan, 2007b), is focussed on this approach of SI: to respond “to some social need/demand, threat or crisis and [trying] to create new kinds of institutions, products, services, models, and/or responds to a recognised fear or danger” (Loogma et al. 2013: 287). And, as emphasised in BEPA (2010: 44) “[p]ressing social needs concern first and foremost work insertion for vulnerable groups (minorities, long-term unemployed migrants, handicapped, offenders), health issues and care arrangements, education and community help”. Therefore, the dominant social issue in the long run “is how to equip individuals with the right skills to give them the best chance in the modern economy as workers, entrepreneurs and consumers” (BEPA, 2010: 21).

SIs in this field have been undertaken and developed by different agents, institutions or movements such as social entrepreneurs, grassroots organisations, not-for-profit organisations (or organisations of the Third Sector in general). On the other hand, the processes of change generated by SIs are seen, also, as a result of the work of heroic individuals (e.g. Muhammad Yunus), broader movements of change (e.g. environmentalism), or market dynamics and organisational incentives (Mulgan 2007a).

In this perspective of SI several examples can be found in the literature. For illustrative purposes, in the next paragraphs, three of them are described, although much more examples of SIs developed to improving society’s conditions can be found in, for example, Norman et al. (2013), BEPA (2010), European Union/Young Foundation (2010), Murray et al. (2010), EC-DGEI (2010), Mulgan (2007a,b).

The first example – second-chance schools – taken from BEPA (2010: 45) report addresses the problem of high drop-out rates from school and:

“… aim to provide new opportunities through education and training directed at young people who lack both the basic knowledge and the specific skills to benefit fully from training or to find employment. The guiding principle is to organise partnerships between local players who share a concern for the social and economic reinsertion of young people faced with exclusion. One of the first second-chance schools was created in Marseille in 1997, supported by the local authorities. It has since become a major success. Between 1998 and 2007, 66 % of the students that passed through the system obtained jobs and 19 % continued with further training or education. The European label given by the initial involvement of the European Commission was decisive in involving a wide group of partners. A number of second-chance schools have developed according to this model in many areas in France. Considering the objective of bringing down the proportions of early school leavers from 15 % to 10 % by 2020, this type of project and its scaling-up would be highly relevant.”

The second example addresses the problem of climate change and shows how citizens can change their behaviour regarding pollution, and it was taken from European Union/Young Foundation (2010: 65) report:

“Ecomap is an excellent example of changing behaviour to achieve policy outcomes. Urban EcoMap provides local communities with information on their progress toward meeting greenhouse gas (GHG) reduction goals, and with access to the most useful, locally available tools and resources for reducing their carbon footprint. Urban EcoMap amasses information on a neighbourhood level, organized by zip codes, in the following two ways: Discover Your City’s Neighborhoods: Through this visual display, residents can see their greenhouse gas contributions in the areas of transportation, energy, and waste. This information empowers neighbourhoods to identify and take specific actions to fight climate change using approaches such as alternative-fuel vehicle ownership, recycling, and reducing household energy use. Take Climate Actions: Citizens can make decisions to help decrease the carbon footprint of their geographic regions, their particular zip code, and their city. They can make these choices by gaining visibility into several key factors, including the effort required to make the change, the associated cost or financial benefit, and the environmental impact of the action. Citizens can then share their climate actions with others via social networking.”

The final and often cited example of a systemic SI presented in this paper is the case of microcredit as a way to overcome the problems of those individuals financially excluded, and where the Grameen Bank pioneered by the Nobel Prize winner Mohammed Yunus is a well-known example. Microcredit consists in lending money to those segments of the population with
lower income and that would not get access to credit in normal conditions due to problems of asymmetric information in financial markets. To overcome this problem, banks require a collateral from borrowers. However, poor individuals do not have the ability to provide this collateral and are excluded from the financial market. Microcredit emerged as a way to tackle this problem and a tool to fight against poverty and contribute to socio-economic development. At the beginning, microcredit consisted on lending small amounts of money to poor people (especially women) to start a new business enterprise as a way to have a source of income and, therefore, to improve their living conditions, as well as to contribute to economic development.

**Territorial development and local governance**

The adoption of the concept of SI in territorial development is particularly linked to the extensive work of Moulaert and its colleagues (e.g. Moulaert and Nussbaumer, 2005, Moulaert et al., 2007, Moulaert, 2005) and the critique they make to the Territorial Innovation Models (TIM). They argue that TIMs do not take into account “improving the non-economic dimensions and non-market-led sectors of the economy” especially on a time where “concepts and processes such as culture, networks, communication and organization have become increasingly theorized as instruments of economic progress which itself was considered as the equivalent of human progress in general”.

In their understanding of SI, Moulaert and Nussbaumer (2005: 49) highlight the importance of social relations: “[w]ithin a locality, a neighbourhood, a community, a city, a region and so on, various types of social relations exist, including relationships between, within and among ethnic groups, professional relationships […] labour relationships […] market relationships […] governance relationships […]”. And this influences what they designate by ‘community development’, which is focussed on the “satisfaction of basic needs and the institutional innovation needed to attain this” (p. 53). In fact, as highlighted by Klein et al. (2012: 12), SI “responds to a context of crisis or to the incapability of the institutional framework to find satisfactory answers to acute problems or to a context provoked by entirely new situations. The innovative factor has transformative effects on entire sections of the social regulation”.

There is also an extensive literature that focus on urban regeneration and SI developed within CRISES (e.g. Klein et al., 2012, Klein et al., 2010, Drewe, 2008). In this context, innovation is seen as “a social and territorial construction, whose production and effects depend on local and global socio-economic contexts that are conflict ridden and hierarchical. From this perspective, the territory mediates and structures arrangements of production actors, organizations and decision makers, thus allowing for the emergence of specific innovation cultures but that are not isolated from nor independent of more global contexts” (Fontan et al., 2008: 17). Therefore, Drewe (2008) argues that urban regeneration is not only concerned with land use, built environment or social housing but that new ideas are needed since “urban revitalization encompasses innovative milieus, local mobilization, empowerment of social actors at the local level, local development policies and new forms of governance. […] Social innovation in urban revitalization is multidimensional. It is about integrated area development” (Drewe et al., 2008: 251). Oosterlynck et al. (2013) survey the literature on “localized socially innovative policies and actions aimed at overcoming poverty and social exclusion”, stressing in particular territorial development and urban regeneration in the European context. They claim that “as a result of the urban crisis, the neighbourhood became a much more important unit for urban interventions and a preferred site for social innovation research and practice alike” (Oosterlynck et al., 2013: 19). These authors argue that SIs in territorial development do not imply that a well-functioning local market economy is not important but that should be recognised the “strengthen [of] other forms of economic and extra-economic agency that are beneficial to equal and qualitative need satisfaction (e.g. production aiming for sustainable provision rather than profit or the co-use of materials and infrastructure based on sharing)”. Oosterlynck et al. (2013: 23) also link SI and territorial development to the need of a new mode of governance corresponding to a shift from “authoritarian and top down forms of innovation as envisaged and promoted by public managers to more open and incremental forms of social innovation that involve users and harnesses the recourses and creativity of citizens and communities and non-profit, but also acknowledges their definition of a problem and needs to be satisfied”.

In this regard should also be emphasised the work of Hambleton and Howard (2012) where they emphasise the need to create “new knowledge relating to place-based leadership, public service innovation and social inclusion” (p. 10) and to that end they contend that it is urgent to bring together four concepts: place, leadership, innovation and social inclusion. Regarding place, Hambleton and Howard (2012) argue that its power is often neglected in public policy-making and, therefore, “central government departments have come to dominate the way public policy is conceived, developed and implemented” (p. 10). Leadership is define as “shaping emotions and behaviour to achieve common goals” (p. 11), which highlights the importance of “making an emotional connection in order to achieve significant change” (p. 11). As far as public service innovation is concerned it means “creating a new approach to public service and putting it into practice” (p. 11) and where the role of local communities should be stressed, whereas social inclusion is defined as
“being able to participate fully in social activities, and/or to engage in political and civic life” which implies the need to “empower people and work holistically to build capacities for participation in a range of arenas” (p. 11).

In this context, Hambleton and Howard (2012) claim that “civic leaders need to foster a culture of innovation, and collaboration across boundaries is key” (p. 4) which would allow “to release the community and business energies of a locality” (p. 6). In this regard two ideas emerge: the existence of an “innovation zone” where “people with different backgrounds and experiences can come together to engage in creative dialogue and foster breakthrough practice” and the co-creation (by state and civil society working together more creatively) of new solutions to problems of social exclusion and improving the quality of life in an urban area.

From the BEPA (2010: 51) report an example of a participatory mode of governance is presented:

“Amongst examples developed at local level, the participatory budgeting, in Cologne (Germany), is particularly interesting. This is a system for involving citizens in deciding how public funds should be allocated which can be organised geographically (by neighbourhood, local authority or municipality) or thematically (e.g. school, health or housing budgets). By prioritising the voice of community members in identifying neighbourhood priorities and in allocating a proportion of local financial resources, participatory budgeting aims to increase accountability, transparency and social inclusion in municipal affairs, and build trust between communities and local government. Participatory budgeting began in Porto Alegre, Brazil but has swept across the globe as an innovative approach to urban politics.”.

Employment, work organisation and lifelong learning

In this area the main concern is with employment and the organization of work. As Pot and Vaas (2008) argue there is the need to optimise the utilisation of the workforce, besides technological innovation and costs cutting, to increase competitiveness through continuous innovation and productivity growth. In fact, SI “at the workplace has been one of the seed beds of the social innovation surge. Especially European social action programmes like EQUAL or the Lifelong Learning Programmes and numerous work organisation programmes on the national level in a considerable number of countries have made major contributions to this rise” (Franz et al., 2012: 11).

In the context of working organization, Pot and Vaas (2008: 468) argue that SI relates to such things as: dynamic management, flexible organisation, working smarter, development of skills and competences, networking between organisations. Furthermore, those authors emphasise the following reasons for the importance of SI in this context: the need to enhance labour productivity due to the increase aging of the population as a way to maintain the level of welfare and social security; the need to enhance the skills and competences of the workforce in order to survive in an increasing competitive world and knowledge based economy; for organisations to fully benefit from technological innovation it should be embedded in SI, and there is evidence that SI contribute to a large extent to the overall innovation success within an organization. In a later paper Pot (2011) introduced, also, the concept of workplace innovation which he defines thus: “the implementation of new and combined interventions in the fields of work organisation, human resource management and supportive technologies. Workplace innovation is considered to be complementary to technological innovation” (p. 404-5). Examples of this workplace innovation are: new work arrangements; mobile working; short meetings of department staff standing in a circle; and connecting communities of employees, partners, customers (Pot, 2011).

Also Dawson and Zanko (2009), examining how to improve the well-being at the workplace, argue that the concept of SI can be used to address issues of occupational health and safety (OHS). They contend that “traditional thinking and reactive policies to [OHS] issues at work have limited the development of innovative solutions” (p. 2) and that “new models, concepts and ideas for understanding OHS […] can lead to potential improvements in the safe working conditions and health of employees” (p. 6). They focus on the process of SI in OHS within organizations, claiming that “despite various governments’ efforts at publicly regulating through assigning primary responsibility for its control to employers and their managers in organizations, the major problems of industrial death, injury and disease continue unabated” (p. 6). Therefore, they have presented a model that tried to accommodate context, culture, work organization, individual and group working, and where SI processes play a major role.

For their turn, Harrisson et al. (2011), examining the role played by union representatives in the context of labour–management partnerships in Quebec, argue for a transformation of the role of those representatives which should be understood in the context of a SI process. Those authors emphasise that the new role is “complex and calls for transitions not yet fully understood” (p. 414). Some of the characteristics of this new role on labour-management partnership would be: the sharing of common values with management, the desire to establish co-operative relations based upon personal relations, frequent meetings, and the sharing of information, knowledge, know-how and resources between both actors.

An important example of a SI is the flexicurity model initially adopted in the Danish labour market trying to combine flexibility in labour markets with security of
employment, as a way to achieve economic growth, high employment and solid public finances in a socially balanced view (Gavurova and Pavlickova, 2012). Given the success of this model the European Commission (2007) suggested its adoption as a policy measure in the European Union countries and explains flexicurity as follows:

“Flexibility, on the one hand, is about successful moves ("transitions") during one’s life course: from school to work, from one job to another, between unemployment or inactivity and work, and from work to retirement. It is not limited to more freedom for companies to recruit or dismiss, and it does not imply that open-ended contracts are obsolete. It is about progress of workers into better jobs, "upward mobility" and optimal development of talent. Flexibility is also about flexible work organisations, capable of quickly and effectively mastering new productive needs and skills, and about facilitating the combination of work and private responsibilities. Security, on the other hand, is more than just the security to maintain one's job: it is about equipping people with the skills that enable them to progress in their working lives, and helping them find new employment. It is also about adequate unemployment benefits to facilitate transitions. Finally, it encompasses training opportunities for all workers, especially the low skilled and older workers” (p. 4).

Therefore, Flexicurity should be implemented taking into account four policy measures (European Commission, 2007): flexible and reliable contractual arrangements; comprehensive lifelong learning strategies; effective active labour market policies; and modern social security systems providing adequate income support during employment transitions.

Regarding lifelong learning, Biggs et al. (2012) address the issue of adult ageing and how SI might be a way to benefit from social capital made available by having more people with longer lives instead of having underutilized talent, abilities and skills which are particularly useful for service economies. Those authors raise two questions: “how to tap into a source of accrued social investment that is currently largely unused?”; “how to recognize that the process of adaptation [...] is itself a significant source of innovation and of business opportunity?” (p. 39). To answer these questions, they argue that the “maintenance and germination of this form of capital depends upon a positive relationship between lifelong learning, social innovation and adaptation” and “requires recognizing areas in which older adults have specific skills and aptitudes”.

Therefore, Biggs et al. (2012) proposed a virtuous circle model relating social capital, lifelong learning, adaptation and innovation. As they explain: “social capital is unlocked via appropriate learning and education. This unlocking allows adaptation to take place, both for mature-age workers and between generations, so that the best mix of age groups for a collective task can be found. Adaptation would result in the two forms of social innovation [...] innovation by mature adults and by a society friendly to all ages” (p. 41).

CONCLUSIONS AND FURTHER RESEARCH

Given the growing interest in social entrepreneurship and social innovation, we have argued in this paper that there is the need to make a clear distinction between the two concepts since, although sometimes they overlap, they do not have exactly the same meaning. We contend that SI is a much broader concept than either social entrepreneurship and/or social enterprise.

To sustain this argument, we have briefly described different examples of social innovations, regarding, namely, improvement of society’s conditions (and in particular social inclusion processes), territorial development, and employment, work organisation and lifelong learning.

Since this paper was focused on a particular aspect of the theoretical debate about social innovation (ie. its distinction from social entrepreneurship), further research is needed to get a more comprehensive understanding of social innovation. Not only about the outcome of a social innovation but to understand how social innovations evolve and can be enhanced. In fact, the study of the social innovation process highlights the fact that this process is driven by a constant interaction among all stakeholders involved in it and taking into account their needs, expectations and aspirations, which makes social innovations an inclusive phenomenon, dependent on the interactions of different social components (Bignetti, 2011).

REFERENCES


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