

SOCIAL INNOVATION STRATEGY IN SOCIAL ENTERPRISES

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## STUDY AIMS

WHAT and HOW SI practices are improving SI performance in British SEs

## SAMPLE

- 78 British Social Enterprises
- 61% has between 1-9 employees
- Average age is 14 years old

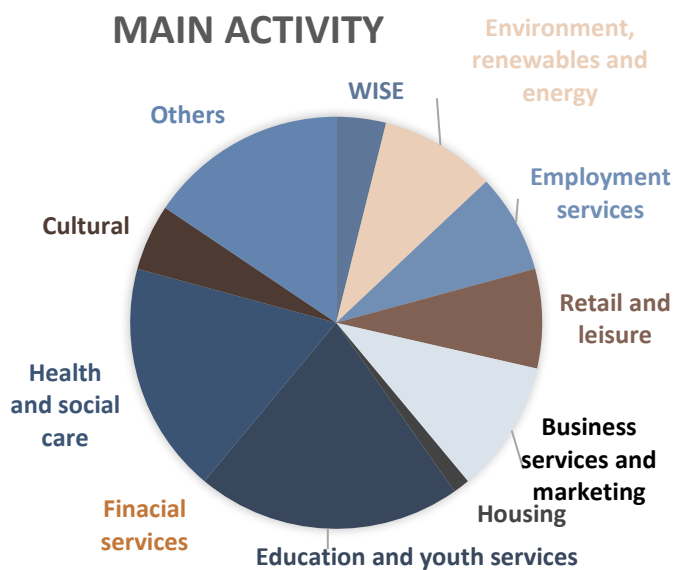
## SOCIAL INNOVATION (SI)

“A novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals” (Phills et al., 2008, p. 36)

## SOCIAL ENTERPRISE (SE)

Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners.

## MAIN ACTIVITY



## HYPOTHESIS

The SI performance in SE has positive associations with the following factors according to our hypothesis (H1-H6):

- H1: An open innovation and partnership approach
- H2: Risk management
- H3: Participatory organizational culture
- H4: Entrepreneur/Social innovator abilities (personal traits, abilities, background and behaviour)
- H5: A user centred approach
- H6: A peripheral vision and knowledge generation and conversion

## RESULTS

Cooperation with community (H1)  
Cooperation with universities (H1)  
Agile Method (H3)  
People inside the SE have  
intrapreneur behaviour (H3)  
Development of solutions based  
on the needs of community (H5)  
Design thinking (H5)



H2 and H6 were rejected because  
they did not show any impact in  
the SI index.

- Number of new or significantly improved SI in the last 3 years;
- Novelty degree
- Longevity (ability to continue in the long run)
- Diffusion (reach and dissemination of SI).

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## SI PRACTICES' IMPLICATIONS

- ✓ Community is the source of the innovative process, and the identification and understanding of a social need is the main reason that motivates the cooperation between the SE and the community.
- ✓ The involvement of universities contributes to accessing scientific knowledge and resources for the development of the project (university's credibility and reputation are strategic assets for the SE and enable them to access funding through funding calls targeting the development of research projects).
- ✓ Design thinking stimulates the search for solutions through experimentation and quick action, is iterative, is based on collaborative work and facilitate the involvement of users (beneficiaries), who are the centre of the innovative process.
- ✓ The involvement of a greater number of people in the conception and development of innovations contributes to protect the vision of the product and mitigate decision-making biases.
- ✓ The agile method facilitates the communication and integration between several actors involved in the innovation process by dividing the project into stages.
- ✓ Design thinking is used as a methodology for product scope definition and agile methods is used for implementation.
- ✓ Agile method and Design thinking seem to contribute greatly in the alignment of interests, democratization in participation, coordination of efforts and in accelerating the innovative process.
- ✓ Using the knowledge, competency, partners and relationships that already exist in the SE is a viable option to encourage innovative activities.
- ✓ Alignment between employees' personal interest / belief and social enterprise mission and dual role of client and employee are a powerful booster for intrapreneurship.