

Social innovation: what's under this umbrella?

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Narratives and confluences

There is a paradoxical situation in Brazil (and Latin America) in current times: never has there been so much talk about social innovation, never has the universe of practical experiences in this field been so much in evidence; but at the same time, we do not have the least understanding of what, in fact, social innovation is. In other words, we have many practices of social innovation, but we do not know for certain what this concept means.

This gives rise to differing narratives on what social innovation can be and which practices could be labelled as such and which could not.

Since the nature of the concept is quite wide-ranging and open, it has been used as a sort of umbrella under which many themes and practices have fallen. So far, so good, since in fact the structural, thematic, and methodological framework of social innovation is quite wide and mirrors the infinity of practical experiences present in our regional context.

Thus, it is expected that from this diversity of practices a greater complexity of understandings and perceptions on the theme would arise; but it does not seem to be the case here. The diversity of practices seems not to be duly formed in the conceptual appropriation of social innovation that seems to take place regionally, especially in Brazil.

This is the paradoxical point that has been signalled to in the beginning of this reflection. Some narratives on social innovation seem to start taking shape in Brazil, giving the false impression that they exhaust the whole possible breadth of the theme. As will be shown below, they are far from representing the breadth of the theme.

Two narratives seem to have occupied this space so far, giving us a false impression that in order for something to be “social innovation,” it would have to be based in either.

The first is more recent and is bound to the field of social finance and impact investing. This narrative boils down social innovation to this field, giving the

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perception that business models that face social-environmental issues would be, in themselves, social innovation.

It is clear that market solutions may face social-environmental problems, and that these mechanisms also come under the umbrella of social innovation. The problem with this narrative is that it reduces understanding to only this option, and does not include more diverse definitions of social innovation. This question has been discussed before².

Another present and “older” narrative seeks to limit social innovation to the field of action of the third sector — NGOs and social movements —, this field being the one that holds a more leading role and legitimacy in driving “true” (genuine) social innovation. This vision also brings with it a reductionistic trap by attempting to counter the other narrative (the market one) in a similarly reductionistic manner.

Historically, the third sector has put in practice many initiatives of social innovation, not necessarily using this “label.” This sector has built a wide range of experiences, connections, and forms of action that in many ways connect to the (more current) understanding of social innovation. The counterpoint to this vision lies in the fact that social innovation is not restricted to one sector alone; its “mandate” is shared by multiple sectors. This is its nature. Therefore, it cannot be claimed by only one sector.

In sum, both narratives start at the principle that social innovation would be under the leadership and guidance of this or that sector — be it social finance and impact investing, or be it the third sector. If this paper were to answer in a simplistic manner, the answer to this question would be “yes” and “no,” i.e. yes, these sectors have had a leading role in the theme of social innovation, and no, they are not the only “parents to that child.” There are many others, as will be shown below.

What is being discussed

Similar to what happens in Brazilian territory, in other countries debates on social innovation have been making space and have sparked good reflections from the many segments involved in this theme — foundations, NGOs, universities, governments, corporations, citizens.

In the international literature it is possible to find an important warning concerning this sort of reductionistic vision on the theme:

² <https://gife.org.br/inovacao-social-negocios-de-impacto/>

“...social innovation has been largely reduced to the third sector and social enterprises—more recently start-ups.” (Vision and Trends of Social Innovation for Europe, European Commission, 2017)

As shown, criticisms on the real capacity for market solutions in facing systemic social problems have also been gathering strength around the world, enticing us to debate the need for strengthening the public sphere.

“Real change and equality that all citizens deserve, and that the public good requires, can be achieved only when citizens can effectively use their political voice and do not exit the public sphere” (Social Enterprise Is Not Social Change, SSIR, 2018³)

“The importance of politics and power relations in determining the creation, uptake and spread of social innovation” (Vision and Trends of Social Innovation for Europe, European Commission, 2017)

Insofar as these agendas advance — impact investing, NGO sustainability, strengthening of public sphere, among others —, they also put understanding of social innovation in check, since the arc of relations widens, bringing with it contradictions inherent within wider agendas.

A conceptual panorama of the miscellanea of concepts, interfaces, perceptions, and dilemmas of social innovation may be found in this study.⁴ (Social innovation futures: beyond policy panacea and conceptual ambiguity, 2014). This study delves deeper into the problems faced by the social innovation field, without losing sight of the sector’s relevance and contribution to changing public agendas regarding social and environmental issues. Since the focus of this reflection is not academic, and having explained this conceptual observation, we can further the discussion towards making an empirical effort in identifying the different alternatives present (to a greater or lesser extent) in the field of social innovation and similar areas in Brazil.

The purpose with this reasoning is trying to answer questions such as, which would be the possible narratives (in addition to the previous two) that constitute a more diverse spectrum on the theme of social innovation? How to widen the learning and practice paths on the theme? How to better understand the complexity of the theme?

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https://ssir.org/articles/entry/social_enterprise_is_not_social_change?utm_source=Enews&utm_medium=Email&utm_campaign=SSIR_Now&utm_content=Title (accessed on March 2018)

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<http://www.transitsocialinnovation.eu/content/original/Book%20covers/Local%20PDFs/158%20Paper%20Social%20innovation%20future%20beyond%20policy%20panacea%20and%20conceptual%20ambiguity%202014.pdf>

What else is there under the umbrella?

Assuming both previous narratives are under the conceptual umbrella of social innovation, which would then be the other narratives that are also aligned to the concept, but that have been less perceived as such in the field?

The chart below aims to capture this mosaic of dimensions, segments, and narratives that would support the pillars of the concept of social innovation, totally liable to criticisms, increments, and advancements.

Chart 1 – Dimensions, segments, narratives, and hypotheses that compose the field of social innovation

	Dimensions/Themes	Segments/Sectors	More obvious narratives and hypotheses
Social Innovation	Social Finance and Impact Investing	Organizations that integrate the ecosystem of social finance and impact investing (intermediators, investors, social entrepreneurs, etc.)	The impact investing entrepreneurs are those who in fact are driving social innovation. Impact investing is the true spearhead of social innovation.
	Non-Governmental Organizations (NGOs) / Third Sector	NGOs, social movements – wide spectrum of third sector	NGOs actually hold real legitimacy to drive social innovation. They know the theme in depth and are close to the “source.”
	Philanthropy	Institutes and Foundations Social responsibility sectors in corporations	Institutes, foundations, and corporations seem not to have assumed yet an active role in incorporating social innovation in their agendas. They are still seeking “a place under the sun” in that theme.
	Academia	Universities, colleges and research centres	It is necessary to advance in identifying the conceptual bases that enable a deeper understanding on the theme. Importance of the formation of new professionals to deal with complex social-environmental challenges of the current world.
	Media	Means of communication, new communication platforms – youtubers, social networks, etc.	Traditional media is still not a very active agent of dissemination of new social innovation approaches. Social networks have addressed the theme still in a particularized, superficial way, but have a potential to be explored.

	Governments	Municipal, state, and federal governments, legislative assemblies, judiciary branch, and prosecution office. Organizations close to the theme of Open Government, public innovation, new politics, and other similar ones.	The government is generally slow and reactive as a catalyst agent of social innovation. Public policies have a huge impact of scaling social impact. With the contribution by the social innovation field, they may resignify the role of the State in this direction.
	Corporations	The corporate sector in general, class associations (industry federations, shopkeepers' chambers, etc.)	The corporate sector seems to view social innovation only through the prism of conventional innovation. This way, it tends to face the theme under the point of view of technology, process improvement, and efficiency.
	Start-ups	Start-ups in general (no emphasis on social impact)	What matters in (social) innovation is technological innovation. From that there will come deep changes that our society needs/seeks. Part of these changes also will generate positive social-environmental impact.
	Investors	Investment funds (venture capital), impact investors, angel investors	Social Innovation is linked to start-ups and impact investing, since they are the materialization of solutions in the market logic. Other forms of social innovation tend to be less noticed.
	Citizens		Who must make the difference in society are the citizens. Any change (be it social, environmental, citizen) must be centred on their action and not the already established institutions and sectors, and, above all, governments. In addition to the individual role, the citizen tends to consider the market as an important player in that sense.

The chart above offers diverse narratives and hypotheses more obvious in the point of view of each segment. Some are contradictory and emphasize even more the need to further the metadebate on social innovation. For instance:

there are visions more centred on the individual and on the market, tending to empty the public sphere's role in that sense, while others go right in the opposite direction.

A more profound reflection on each narrative and the possible relations between them will take place in another moment. The focus here is to make possible a more panoramic vision as stimulation for the debate that results from this.

Didactic, but not simplistic approaches

A methodological approach much used in the area of social innovation, the spiral (see below), which is already disseminated within and beyond Brazilian borders, has also been receiving criticisms on its real capability of illustrating in a simple way complex questions and approaches without losing its essence.



*“The ‘classical’ spiral conceptualisation of social innovation and its processes is certainly useful but first it **does not account for the complexity and interconnectedness** of the global challenges that social innovation in its systemic dimension is called to answer and, secondly, it does not consider the fact that innovation is far from being a linear process.” (Vision and Trends of Social Innovation for Europe, European Commission, 2017)*

This shows there is a hard-to-settle background that the area of social innovation has to face ahead. It is obvious that the theme is complex and multidimensional, but it is not clear how to approach it in a didactic manner, without being simplistic. If the spiral model, which apparently was comforting

the field, does not seem to satisfy completely, which would then be the alternatives?

“The current interpretation of social innovation is inadequate to address this level of complexity” (that the agenda requires)

“Most importantly, the pragmatic interpretation does not consider the importance of values as a plurality – not only those driving innovator(s), but the ones of all people involved in [social] innovation.”

(Vision and Trends of Social Innovation for Europe, European Commission, 2017)

This new conceptual approach cannot be sustained on old bases—organizational and programmatic formats currently in force. That is, for my organization to act with social innovation more profoundly, it must inevitably need to rethink and redefine its own way of acting, its organizational model, its action platforms and programs, the profile of the staff, its budget allocation, its indicators and metrics, etc. It is noticeable that things are not as simple as we supposed they would be.

How to act?

Then, how is it possible to act? Even if there is enough complexity in the theme, how not to become paralyzed in face of this reality? Where to start?

In a previous article⁵, we sought to suggest a few viable ways for Institutes and Foundations that want to act in a more consistent manner in this field. Beyond them, we have perceived the relevance of tuning our radars to the debate that has been taking place out of Brazil concerning the theme.

In that sense, the European literature has brought us two important elements that can inspire us to follow viable paths to guide our organizations into better positioning/moving towards the theme.

The first concerns the seven trends of social innovation in the European reality. As observed, they are questions present here in debates and reflections that take place within charities and philanthropy.

Trends in social innovation⁶

⁵ <https://gife.org.br/inovacao-social-negocios-de-impacto/>

⁶ I strongly recommend an in-depth reading of this study, which has been often cited throughout the article:
<https://publications.europa.eu/en/publication-detail/-/publication/a97a2fbd-b7da-11e7-837e-01aa75ed71a1/language-en>

1. Institutional Capacity and Wellbeing
2. Democracy and Trust
3. Skills and the future of work
4. Internet Technologies and On-line/Off-line interactions
5. New Financial instruments
6. Urban Renewal
7. Global Interdependencies

The second element offers us some guidelines signalling paths that previous trends may follow.

- ✓ Centred on people, because they are the best source of innovation. Invest in people so that they can shape and drive innovation according to their aspirations and values.
- ✓ Focused on turning the potential of people and institutions into positive results, underscoring social innovation in the territorial perspective as experimentation laboratories of new models and of scale gain.
- ✓ Focused on public policy-making and on making new social contracts in our region.⁷

We then have a set of thematic and sectorial paths, and inspirations of ways of acting that can serve as a starting point for our organizations to reflect on the theme. As it was made clear to the reader, there is no instructions manual that guides us on how to act. Therefore, it will become more than necessary to roll up those sleeves and work hard to build your own strategies for acting.

We have defended the importance of extending the debate on social innovation (metadebate) from the need for this field to be more perceived as a field in itself (and with all its possible interfaces). Then it will become clearer which paths are to be followed. The excerpt below shows there are still many little-understood questions in this area:

“Although social innovations pop up in many areas and policies and in many disguises, and social innovation is researched from a number of theoretical and methodological angles, the conditions under which social innovations develop, flourish and sustain and finally lead to societal change are not yet fully understood both in political and academic circles. However, in particular in the current times of social, political and economic crisis, social innovation has evoked many hopes and further triggered academic and political debates.” (Jenson & Harrisson, 2013⁸)

⁷ This last perspective makes a lot of sense for the European context, which historically has a much-recognized social welfare model. Maybe for the Latin-American context (and that of other developing regions) this dimension needs further investment and energy to become viable.

⁸ http://www.net4society.eu/_media/social_innovation.pdf