

Towards the tipping point for social innovation

Steven MacGregor, IESE Business School, Barcelona, Spain

Mattia Bianchi, Politecnico di Milano, Milan, Italy

Jose Hernandez and Kepa Mendibil, University of Strathclyde, Glasgow, UK

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The diffusion of innovation is a classic view of social systems (Rogers 1962) that has been recently re-visited (Moore 1991, 2006) as we advance through an age of rapidly changing technology and products. Yet the real challenge should not be to diffuse an increasing amount of high technology products but to ensure that these products follow a more responsible and sustainable approach. In an effort to disseminate or mainstream techniques like Corporate Social Responsibility, or simply, to improve the uptake of a more sustainable and responsible approach to business, we take an exploratory view of innovation diffusion theory and other work in the CSR field. Specifically, we look at the conditions under which firms are proactive in their sustainable development, as opposed to reactive. Mele (2001) states that the responses by companies to responsibility and sustainability range from inactive through reactive to interactive and proactive. It is proposed that reactive approaches are of low value since there is little time to respond to the rapid changes of society.

We believe that social innovation requires a proactive attitude. Leaders, or best-practice firms, have a more proactive approach to innovation. For example, in fulfilling customer demand before it manifests itself, or at least very early in the communication of those demands. In the same way, a proactive approach to CSR is what makes a CSR strategy create value. By anticipating law requirements and social trends, leading firms are best positioned to reap the gains from social innovation. Our argument therefore, is that proactive actors will help affect change in the overall production and consumption system, to facilitate progress towards the fabled 'tipping point' – the point where true sustainable business practice would become the norm.

We investigate these phenomena within the context of the RESPONSE project, a 15-month European Union (DG Enterprise & Industry) project aiming to 'mainstream CSR in European SMEs.' SMEs in Europe account for the majority of existing business, thus making them an enormous source of employment and wealth creation. This predominance makes the potential effects of successfully mainstreaming CSR in SMEs huge. The key idea in the RESPONSE project is to prove that CSR practices can create value as opposed to merely costs. This is achieved by demonstrating the link with innovation. If we can help SMEs add value to their business operations at the same time as behaving responsibly, there is a real chance of positive change. An initial theoretical model: CSR:I (or the Social Innovation model) has recently been created and will be developed into the end product of RESPONSE, together with best practices, tools and methods, and teaching and training materials. The model comprises the actors involved in the process and explains how this link is extended across time in the innovation process.

We will present findings from selected case studies of 60 SMEs across partner institutions in Europe. In line with the main theme of the conference these will have a focus on the building industry, where firms pay increasing attention and care to environmental safety. In addition to communicating these best practice examples we will explore the specific challenges affecting SMEs and the opportunities that they may have to increase scale operations and effectively compete in the global economy. In this way, we will discuss concepts of geographical clusters and virtual networks, phenomena that have received much attention on all levels of the 'triple

helix' (Etzkowitz and Leydesdorff, 2000) (government, industry, academia) in each of the project locations i.e. Catalonia, Lombardia, the Basque Country, and Central Scotland.

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