Creating and scaling a social innovation: case study of Support My School

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Abstract: Organisations in both for-profit and non-profit sectors are increasingly seeking new ways to create economic and social value to their stakeholders. Social innovations, which are innovations for the wellbeing of society, are a natural choice for partnerships between non-profit and for-profit organisations. However, studying social innovations can be challenging due to the complexity of interactions that take place between different parties throughout this process. The purpose of this paper, therefore, is to examine the creation and scaling up of a social innovation as part of the cross-sector collaborations. Using the Support My School case study we posit three key factors, which determine the success of a social innovation in the Indian context.

Keywords: social innovation; for-profit/non-profit partnership; innovation ecosystem; institutional environment; Support My School; SMS; NPO; FPO; cross-sector partnership; scaling up social innovation.

Introduction

Organisations operate in an increasingly globalised and turbulent cultural and business environment. In order to survive, they are compelled, in both the for-profit and non-profit sectors, to find ways to constantly innovate and bring value to their stakeholders. For-profit organisations (FPOs) are, more than ever, exposed to public scrutiny and under greater pressure for accountability because of the significant impact their activity has on their immediate corporate and non-corporate environment (McWilliams and Siegel, 2001; Harazin and Kósi, 2013; Sanzo et al., 2015). Furthermore, FPOs are expected to respond to the customer’s enhanced awareness of and concern about environmental and social issues, and thus, engage non-profit organisations and communities to collaborate and offer global scale solutions.

Though they are not subject to the same competitive pressure, non-profit organisations (NPOs) are more alert today to the opportunities created through cross-sector partnerships especially to obtain additional resources and insure their survival (Berger et al., 2004). In fact, the process of innovation has the potential to allow non-profits to better fulfil their mission and grow over time. An increasing number of NPOs and FPOs are combining their external and internal resources and engaging in open innovation (Chesbrough, 2003) to solve social problems. Social innovation has thus sprouted and flourished, opening the door to more collaborative partnerships. These collaborative partnerships help organisations access innovation capabilities and resources outside of the organisation’s traditional boundaries (Holmes and Smart, 2009), allowing partners to adapt and adopt new strategies to succeed in their social innovation initiatives. MacGregor and Carleton (2012) describe it as “a constant social dance, where the best
Creating and scaling a social innovation

Social innovation has brought for-profit and non-profit sectors together to meet goals that are concerned with people and communities and not commercial gain (Dawson and Daniel, 2010). While there is an emerging body of literature in social innovation, there is little systematic research examining the factors that support the creation and scaling of social innovation. This paper seeks to contribute to the literature on social innovation by focusing attention on a social initiative which started in India called, ‘Support My School’ (SMS). Using case study methodology, this research examines the factors that contribute to the creation and scaling of this social innovation. Rather than focusing on a single organisation or on a single individual, the focus of this research is on the ecosystem that helped to create, launch and scale this social innovation.

This article proceeds as follows. First, we frame our study in the existing literature in innovation and social innovation. Next we review the literature on ecosystems and their role in scaling the innovation. Third, we introduce the case study of ‘SMS’, and using this case study, we build testable propositions. Finally, we conclude with discussion and limitations, while offering recommendations for future research.

2 Theoretical background
2.1 Innovation in organisations

Innovation has emerged as a determinant variable in organisations’ success as they increasingly operate in a global and shifting competitive landscape. Particularly for FPOs, research and development (R&D) has been the hub for innovation, whereby organisations strive to acquire the right technical knowledge, and focus on protecting their intellectual property. This process insures that they can be the first to commercialise an innovation and capture the dominant market share. While NPOs may not have faced the same competitive pressure as FPOs, they have always needed to manage their limited resources and find innovative solutions for the key elements of their mission. In today’s world of increasing demand for resources, NPOs feel the pressure to focus on financial metrics such as margins (e.g., Ashraf et al., 2014). Innovation might then play a critical role in creating novel ways to respond to institutional pressures and stakeholder needs, whether the NPO’s mission is social, educational, humanitarian, religious, or other. For a long time, the public sector has been the primary generator of innovation in social services while non-profit organisations played a secondary role (Coule and Patmore, 2013). As public service has begun receiving more attention, partnerships between the government (which acts as facilitator, collaborator, and negotiator) and organisations in the private and non-profit sectors in addition to the institutional environment, increasingly became sources of innovation (Coule and Patmore, 2013). This is especially relevant when organisations aspire to meet social goals and resolve social challenges to contribute to the wellbeing of societies.
2.1.1 Social innovation in organisations

Social innovation (SI) can be defined as the way to seek new answers to social problems by identifying and delivering new services that improve the quality of life for individuals and communities (OECD, 2010). It is especially concerned with creating innovative ways to improve the welfare of individuals and communities. Dawson and Daniel (2010) describe SI as novel ideas, strategies, and tools that develop to support the achievement of ‘improved wellbeing’ objectives. Notably for this paper, when breaking down the concept of SI into four main elements - people, challenge, process and goals - they define the first element as groups of individuals with shared interests collaborating to achieve a social goal. Phills et al. (2008) argue that SI should be considered in terms of the collective benefit it generates and define it as “a novel solution to a social problem that is more effective, efficient, sustainable than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals”. Using a multidisciplinary approach to examine SI, Moulaert et al. (2005) deduce three dimensions that offer a conceptual framework for SI: satisfaction of human needs; changes in social relations; and increase of socio-political capability and access to resources. Rüede and Lurtz (2012) list seven categories to define it:

1. doing something good in/for society
2. changing social practices and/or structure
3. contributing to urban and community development
4. reorganising work processes
5. imbuing technological innovations with cultural meaning and relevance
6. making changes in the area of social work
7. innovating by means of digital connectivity.

Whereas in economic innovation the focus is on creating new types of production or exploiting new markets (OECD, 2010), SI is about satisfying needs not addressed by the commercial market, usually because the financial benefit is too low to generate an economic interest. One could anticipate that the focus on societal over private interest makes the protection of innovation less relevant, thereby creating a common interest in collaborating, sharing, and diffusing the innovation for the greater good. The collective community interest and societal focus of SI enables those engaging in it to seek out different mixes of resources, such as political support and recognition, voluntary labour, and philanthropic funding (Mulgan, 2006).

Definitions of SI have not explicitly emphasised an open innovation process (Chesbrough, 2003), yet the multiplicity of players that are typically engaged and the common practice of using resources beyond one’s own organisation provides evidence that SI lends itself well to the concept of open innovation. The applicability of open process to SI can be illustrated by an NPO called Embrace. Embrace developed a solution to hypothermia, one of the biggest problems faced by newborn babies in developing countries. Hypothermia is a medical condition that occurs when the body loses heat faster than it produces heat, causing a dangerously low body temperature. Millions of babies die each year because of a lack of incubators. Students from Stanford University were challenged in a project to design interventions for neonatal hypothermia that cost less
Creating and scaling a social innovation

than 1% of the price of the existing incubator. Embrace was then founded to develop inexpensive warmers to keep newborn babies’ body temperature in control without having to use expensive incubators that hospitals and families in developing countries could not afford. To make this product a reality, Embrace relied on a variety of resources, including charitable donations and social venture funds. It also relocated to India where there is abundant need for this equipment. More than 20 NPOs and FPOs supported the project. Collaboration with universities has continued to extend the research to warmers for animals.

Another open source example can be found in software Mozilla Firefox and GNU/Linux. Both are examples of open SI where the purpose is not economic, but the greater good: to make software free and available to all. This effort started as a civic movement and became more organised in the form of non-profit organisations. This example also illustrates how the private sector also produces SI by incorporating change in social relations within the organisation when innovating (Nicholls and Murdock, 2011) and/or adopting or participating in more socially responsible activities.

In the last decade, there has been a growing awareness of the role played by innovation in social sustainability and societal well-being (Dawson and Daniel, 2010). An increasing number of FPOs are incorporating business ethics, social responsibility and sustainability into their business models and more universities are emphasising these practices in their curriculum. Although in SI the purpose is to find novel ways to create services or products for society, the focus is not so much on delivering breakthrough technologies, but rather on resolving challenging social, environmental, and economic problems that can contribute to greater social good. FPOs are called upon to develop innovative solutions that transcend the ultimate goal of profit maximisation by integrating SI into the overall innovation process and thus into their core business plan (Osburg and Schmidpeter, 2013).

When SI is produced by FPOs, the value created to society can rely on a broad spectrum of formats and types of solutions. Social innovators from the private sector can, for example, leverage financial resources by attracting actors interested in creating social value such as impact investors, social stock exchanges, venture-philanthropy funds, or crowd-funding platforms (Russo and Mueller, 2013). They can also attract skills and other capabilities by partnering with local authorities or NPOs. Connecting ideas with resources from governments and communities produce innovations that achieve social impact and financial sustainability (Mulgan et al., 2007). Whether SI stems from the for-profit or non-profit sector, to be able to generate profit or benefit and cover the gap between the cost of innovation and its expected revenue stream, organisations need to use the public sector’s subsidies (Borzaga and Bodini, 2012). Therefore building, scaling, and financing a SI depends upon the development of an ecosystem within which the key stakeholders can provide the necessary initial support.

2.2 Scaling of SI and the innovation ecosystem

The scaling of SI

SI undergoes different developmental stages. Like any innovation, it begins as an idea, develops when confronted with the market, and finally is implemented. Then, when it is proven in practice, it can be scaled and diffused (Mulgan, 2006). Scaling is a necessary next step when demand for the SI provides evidence that the model is successful enough
to be spread. In fact, the extent of the social impact attributable to the innovation can be a more significant measure of success than the extent of organisational growth (Davies and Simon, 2013). Scaling can be achieved through various forms, such as partnerships, social franchising, licensing, networks of small units, federations, and consortia (Murray et al., 2010). Dees et al. (2004) define three modes of scaling a SI: dissemination, affiliation and branching. Dissemination happens when information and assistance are provided to the community willing to adopt the innovation. Affiliation is similar to franchising where the affiliate (franchisee) has to abide by specific or general guidelines and share the brand name of the parent organisation (franchisor). Branching is the establishment of branches in different geographic locations with a central large organisation at the head (Dees et al., 2004). Collaboration and federations are the most successful modes for spreading SI (Murray et al., 2010). An example of federations is Green Peace, which has offices all over the world and relies on dedicated individuals to make the changes they advocate actually happen.

Westley et al. (2014) distinguish between ‘scaling up’ and ‘scaling out’. The latter is defined as the “organization attempts to affect more people and cover a larger geographic area”; while the ‘scaling up’ would be for “situations where an organization aims to affect everybody who is in need of the social innovation they offer, or to address the larger institutional roots of a problem”. They describe the diffusion of a SI as a gradual process where organisations begin the effort locally, then scale out the innovation through replication and dissemination. If focused on a system change, they can expand the scope of their effort to influence the institutional environment. The type of scaling chosen by organisations depends on the initial conditions and their goals as well as any barriers to the SI (Westley et al., 2014).

The initial or environmental conditions along with resource providers and other players in the ecosystem have a significant impact on the success of SI (Bloom and Dees, 2008). Much as the interaction between the living and non-living components in a biological ecosystem largely determine the survival of the ecosystem’s wildlife, the market and non-market mechanisms that are part of a business and cultural ecosystem, such as the norms, laws, and politics, impact the outcomes of a SI (Bloom and Dees, 2008). Thus, understanding SI means understanding the structure of the ecosystem in which it is implemented. From the idea to the scaling, the ecosystem plays a significant role in moulding the SI and determining its degree of success.

2.2.1 Innovation ecosystem

A biological ecosystem is defined as a network of interactions among organisms, and between the organisms and their environment. Michael Rothschild (1990) borrows this concept to make a conceptual analogy with the economy. He compares the functioning of an economy to a rain forest that is populated by biological organisms and species, called organisations and industries in the economic analogy. These organisations are nodes in networks of relationships. Similar to nature, the network grows, evolves, and develops mechanisms, such as competition, collaboration, specialisation, and many more, which constitute the business ecosystem. Genetic makeup and relationships between predators, prey, and competitors define living things. Similarly, organisations are defined by their technology and relationships to suppliers, competitors and customers. James Moore (1993) uses the concept of an ecosystem to make sense of the concept of co-opetition and argues that: “in a business ecosystem, companies work cooperatively and competitively
to support new products, satisfy customer needs, and eventually incorporate the next round of innovations”.

The ecosystem approach can be examined at the level of nation, the individual level of the organisation, or by business unit, technology, product (Iansiti and Levien, 2004; Metcalfe and Ramlogan, 2008; Yawson, 2009; Carayannis and Campbell, 2009), and can be defined as an environment that comprises interconnected institutions, laws, and policies that create an innovation infrastructure that includes education, research, tax policy, and protection of intellectual capital (Wulf, 2007). Like the biological ecosystem, each component of the innovation ecosystem has a role and must adapt to the changing environment. Yawson (2009) argues that “an innovation ecosystem framework should not be linear but rather a web, with interlocking systems and pathways helping to sustain and formulate functional evidence-based policy-making”. Hence, an ecosystem should incorporate various actors from academia, government, industry, and the public, creating a comprehensive national ecological system of innovation (Yawson, 2009). Mercan and Göktas (2011) describe the innovation ecosystem as a dynamic environment where economic and non-economic agents, such as technology, institutions, culture, and civil society, interact and develop structures that change with market conditions.

Understanding the innovation ecosystem helps make sense of the interconnectedness between large numbers of actors and entities that mutually depend upon each other for survival and effectiveness (Jackson, 2011). These actors and entities mutually interact with and impact each other in a unique way. The performance and healthy activity of each network member affects the performance and health of the whole system, and thus the other members. Innovation relies on supportive infrastructure including governmental, economic, and social factors. Thus, a greater degree of R&D, the availability of a highly skilled labour force, and a larger amount of private and public venture capital funding results in stronger overall national innovation (Griffiths et al., 2009).

Examining the role of various components of business ecosystems on the strength of innovation, Mercan and Göktas (2011) conclude that the intensity of university-industry collaboration is the most significant influence on the strength of innovation in the regions studied. Cluster development and culture to innovate have a positive correlation but are not the primary source for the ecosystem’s innovation strength. Five main components are identified in the literature as pillars for an innovation ecosystem:

1. the public sector which includes innovation policy, innovation consortia, science and technology parks, and government incubators (Etzkowitz and Leydesdorff, 2000)
2. the private sector which consists of capital investment, networks with universities and businesses, private research centres, and joint ventures (Etzkowitz and Leydesdorff, 2000; Heller, 2013)
3. the investor community which includes both venture capital investment and global R&D investment (Heller, 2013)
4. the academic community which consists of universities, highly skilled graduates and faculty, output of publications, technology transfer offices in universities, brainstorming sessions with the investor community, and collaborations with the private sector (Etzkowitz and Leydesdorff, 2000)
the culture to innovate which includes regulations, infrastructure, the legal system, tax incentives, and the entrepreneurial culture (Heller, 2013).

Similarly, SI is enhanced and scaled through an interconnected network of different partners who create an ecosystem capable of producing social value.

Creating an institutional framework to support entrepreneurial and innovative activities is important because the institutions determine the rules of the game by which firms and entrepreneurs must play (North, 1994). Since SI is not only the domain of social entrepreneurs but also of governments, civil society, the private sector and academia, which are all active players in producing SIs (Mulgan et al., 2007), the lens of institutional theory and innovation ecosystems is especially relevant to SI.

3 Case study: the SMS initiative

The limited academic theory on SI determines the exploratory nature of this study. An inductive theory building approach from qualitative case studies is suggested when there is little previous academic research available (Eisenhardt, 1989), and when more empirical knowledge is needed for an overall understanding of a phenomenon (Besseyre des Horts, 1991). Since exploratory research methodology contributes uniquely to our understanding of a contemporary phenomenon within its real-life context (Yin, 1989), it is an appropriate methodology for the purpose of our research.

A theoretical sampling of the ‘SMS’ case study is an appropriate one to allow for a deep exploration of a SI that has been rated highly in its Impact Assessment scores (Mahapatra and Swatantra, 2015). Secondary sources of data are used, including archival data from Coca-Cola executives.

Since the Annual Status of Education Report (Rural) in 2011 which revealed an important decline in children’s attendance in rural and semi-rural schools in India, there has been a pressing need to prioritise education. Coca-Cola India (CCI), NDTV and UN-Habitat saw in this an opportunity to help the community and put together their efforts to launch the ‘SMS’ campaign. After this first alliance, other for-profit and non-profit organisations, including Pearson Foundation, Sulabh International, Tata Teleservices and Charities Aid Foundation (CAF) joined the program. The campaign was also endorsed by many celebrities, who helped by creating more awareness and raising funds. Because a national survey conducted by an Indian NGO in 2009 found that 40% of government primary schools did not have the basic facility of separate toilets for girls, and schools and facilities which had toilets had no water, the campaign focused on improving access to water, providing sustainable sanitation, libraries, computer centres, sports and recreation facilities, and improving the overall infrastructure and environment.

On June 1st, 2012, a year after the campaign, the first hundred schools were revitalised, touching 43,000 children in ten states. In November 2014, SMS launched the season 3 campaign to touch 1000 schools and 360,000 students by 2016.

3.1 The strategic partnership for SMS

The various partners who joined the campaign saw in SMS a new platform to make a difference in communities since it targets education, one of the pillars of change. To create the most impact, the campaign had a multi-pronged objective approach:
Creating and scaling a social innovation

- build mass awareness of the importance of water and sanitation and how it impacts education
- engage communities and schools in providing solutions
- integrate stakeholders together on a common platform
- reach out to at least 10 million people
- raise funds to directly support at least 100 schools.

Providing WASH (Water, Sanitation and Hygiene) along with education and sports facilities were the main strategic elements of the campaign. Other supporting measures included promoting environmental awareness through initiatives like green audit, tree planting drives and groundwater recharging through rainwater harvesting techniques.

**Figure 1**  SMS’s partnership structure (see online version for colours)

![Diagram](image)

*Source: By authors*

Figure 1 illustrates the structure of partnerships within the SMS initiative and how three types of partners put their resources together to carry out the campaign’s objectives. The main partners from the for-profit and non-profit sectors are:

- **CCI**: This major company leveraged its marketing assets to raise funds, bring together different partners, and lead the project. It played a vital role in engaging and building support around the campaign.

- **NDTV**: The Indian commercial broadcasting television network partner was crucial in promoting SMS and using the power of media to raise awareness and funds. NDTV also acted as a facilitator between donors and CAF. It organised 12 hour telethons and invited Indian celebrities to endorse the campaign.
UN-Habitat: In line with its mission to support urban development and planning to build a better urban future, this organisation joined as the funding and knowledge partner. In close collaboration with the CAF, it conducted assessment of the schools and selected those most vulnerable and most in need of WASH and Rain Water Harvesting (RWH) assistance.

CAF: Charities Aid Foundation is the Indian public charitable trust that managed and monitored the nationwide SMS donations. It played also a primary role in planning and executing the project. It selected local NGOs in different Indian states that helped in the implementation of the project and worked under the supervision of UN-Habitat. CAF also designed and developed the information, education, and communication materials.

Pearson Foundation: The philanthropic arm of the British multinational publishing company joined the campaign on July 2011 as the ‘Learning Partner’ to improve learning in schools. Pearson Foundation’s role was to set up libraries and undertake teacher training. The foundation ensured that each school had a library or a reading room with a wide range of books.

Tata Teleservices Limited: This is the subsidiary of the Tata Group that provides the broadband and telecommunications services in India. Tata Teleservices contributed the digital intervention by providing computer centres and internet connections in the schools.

Sulabh International: An Indian NGO pioneer in water and sanitation work, Sulabh has impacted 15 countries with its low cost, easy to use technology. Sulabh brought its knowledge and insight to the campaign to remedy water and sanitation issues.

The attention paid by local and national media to this social initiative encouraged many more stakeholders to participate. More than 40 organisations ultimately joined the SMS effort either as part of their sustainability program or as part of their mission.

Partnerships for SI constitute a form of participation in a social network whose purpose is to meet the needs of communities and promote the improvement of their conditions (Guida and Maiolini, 2014). Partnerships between NPOs and FPOs have the additional characteristic of capturing and generating social value (Le Ber and Branzei, 2010; Plowman et al., 2007). They have the ability to leverage the core competencies of key players to create SI. The global image of Coca-Cola, the communication and media skills of NDTV, the expertise of UN-Habitat in urban development and Sulabh International in sanitation all played a critical role in the success of the SMS initiative. Having strategic partners with core competencies and key resources that match social programs is one of the most significant features for the success of SI initiatives (Hess et al., 2002). Additionally, the ability to select the right partners and predict the outcome of the collaboration has been linked to the ecosystem’s early success (Hardy et al., 2006). By leveraging a network of partners with specialised and diverse skills, solutions to address the social need can be found. The ecosystem can also accelerate the innovation process and improve the service delivered (Williamson and De Meyer, 2012).

Therefore, while the purpose of the focal firm(s) in the social ecosystem is not to gain competitive advantage, the achievement of community goals requires key partners to put their strengths together and bring their resources and competencies to the network. In the case of SMS, CCI leveraged its marketing skills and brought in partners with...
complementary assets to secure financial resources, technological innovation, and urban development competencies. Thus,

Proposition 1 Choosing key strategic partners with complementary assets builds the foundation for a successful social ecosystem.

3.2 Building the ecosystem for SMS

India has a large rural and semi-urban population characterised by great linguistic and cultural diversity across the country. For effective management, the project was divided into clusters. With pledges of over a million dollars in hand, CAF led the implementation of WASH, RWH, and other facilities in the selected schools through a network of grassroots non-governmental organisations (NGOs). A clustered approach was adopted for the project execution, with each cluster comprising five to eight schools. This cluster strategy helped economise the cost of implementation and also increased the impact of the project in the regions. These clusters became the unit of impact for the SMS campaign.

In each region, the CAF collaborated with experienced local NGOs to execute the project. These grassroots NGOs then worked with local administration to identify the specific cluster of schools that qualified for the intervention. With the support of the local authorities, permissions and paperwork were delivered, and these grassroots NGOs executed the project within a defined timeline and a budget.

Many American organisations supported the initiative for its tremendous impact on the learning ecosystem of children and its use of environmentally friendly solutions. The SMS campaign received wide publicity and attention in US due to the constant efforts of Global Water Challenge (GWC), a coalition of leading organisations committed to universal access to water, sanitation and hygiene. Thirty-one GWC organisations worked to promote the SMS campaign by reaching out to US-based organisations. CCI and GWC brought new partners to the table, including H2O for Life, Merck, and Weston Solutions, and Monica Ellis. Other organisations like J.P. Morgan, Cummins, Rotary International, and the United States Agency for International Development (USAID) expressed interest in joining the campaign. Non-resident Indians (NRIs) have also widely supported the SMS by offering both financing and services.

Local interactions between ecosystem players are evident in the SMS case study. The self-organisation of these interactions within the social ecosystem removes the necessity for any internal or external leader who would be needed to set goals and control the system (Mitleton-Kelly, 2004). A social ecosystem provides members with a platform where synergy is created by integrating resources and assets for the collective wellbeing. The best use of these resources calls for a structured system where activities and interactions between NPOs and FPOs can be quickly and flexibly configured (Williamson and De Meyer, 2012). Because of the collective nature of SI, its goals and scope are well-defined and stakeholders can clearly identify their roles and contributions to the ecosystem.

In the SMS case, CAF worked under the supervision of UN-Habitat to conduct the project and designated other local NPOs to execute the project. By providing the technology and having an important presence in most Indian regions, Sulabh International served as a facilitator to implement the sanitation technology in the schools. Pearson Foundation offered its expertise in knowledge building and training. Tata
Services provided computer centres and internet connections. The schools and local NPOs were grouped into clusters in order to best service the schools located in different geographical areas. This cluster structure allowed the ecosystem to evolve and expand rapidly as more clusters were added. At the marketing level, the media and celebrities as well as the newer partner, Global Environment and Technology Foundation, gave the SMS campaign a global dimension, attracting more partners from the US and scaling up the ecosystem outside the national border of India. Thus,

Proposition 2 The self-organisation of the ecosystem determines the speed by which a SI is scaled up.

3.3 The institutional environment of SMS

The institutional environment is very important in that it sets conditions for the creation, development, and diffusion of SI. It provides the political, legal, and belief systems where SI can find support and legitimacy. In a pluralistic country such as India, an organisation may face conflicting demands before finding solace in the diversity of norms and expectations (Pache and Santos, 2010). According to Yu (2013), the coexistence of contradictory institutional logics is especially relevant in sectors such as healthcare, education, and public services where organisations pursue multiple goals and different groups work side by side.

Figure 2 Formation of the social innovation ecosystem (see online version for colours)

Source: By authors

The Indian government has made education a priority and launched many initiatives since 2000. The Right of Children to Free and Compulsory Education Act was introduced in 2009 with other government programs to improve the quality of education. This political mandate, the urgent need of schools for proper sanitation, and the involvement of celebrities to sensitise the public have all contributed to a favourable institutional context for the SMS initiative. Sulabh International also played a crucial role in India by paving the way and changing the public attitude toward the urgency of better and more eco-friendly sanitation. This is shown in the statement below from the organisation’s website:

“His idea of providing sanitation was ridiculed initially and did not get any support from any corner. Clean and hygienic sanitation was not a priority even for the government of the day. Dr. Pathak recalls that when he sought government aid for his proposal, he was advised by a Bihar state official to make the scheme commercially viable so that it can become a success without government aid.”
The partnerships formed for the SMS were able to offset the unfavourable institutional environment that had not acted on the social issue they found pressing. Thus,

Proposition 3  A favourable institutional environment plays an important role in the development of SI in an ecosystem.

Figure 2 models how interactions operate and progress during the formation of a SI ecosystem.

4 Discussion

The practice of SI has found relevance in both for-profit and non-profit organisations. Despite the growing interest of literature in examining the factors that support the creation and scaling of SI, it is rather limited and highly fragmented. This phenomenon is especially challenging to study because SI usually involves many partners and organisations that operate in various contexts and are driven by different concerns and motives. Using a case study approach, this article provides a macro-perspective by exploring the roles of the different participating parties and the underpinning aspects of SI in India, a country associated with high levels of need for innovation in the social field. The SMS case helps to illustrate these aspects and how they contribute to the creation and scaling of innovation.

Partnerships among private and public entities, the self-organisation of the SMS’s ecosystem, and its favourable institutional environment were all instrumental in creating and scaling this initiative. Clearly, the ability to convert partnerships into the success of creation and scaling these initiatives relies upon the capability of organisations for inter-organisational collaboration. It is therefore not just about seeking partners – it is about building an appropriate ecosystem with an alignment among multiple different players in the activity system of the firm and governance mechanisms of this alignment. Therefore, one area of future research is to examine the governance mechanisms of these partnerships. For example, examining the composition of the board of directors of these partners and the network overlap among these board members may be a predictor of collaboration success. In this regard, social network theory may be informative for theoretical and empirical analysis.

This study also suggests that organisation stakeholder theory can be used for further development of SI, but also that studying SI could contribute to greater understanding of stakeholder theory. For example, FPOs derive positive financial outcomes from considering preferences of their stakeholders when setting organisation strategy (e.g., Jensen, 2002), but the SMS project suggests strategic planners would benefit by thinking more broadly about who might be stakeholders of their organisations. Further, FPO partnerships development could benefit from thinking more broadly about an organisation’s stakeholders. Furthermore, this case suggests organisations or individuals seeking to solve complex social problems think strategically about what other organisations they include, at least initially, in the development of solutions. Therefore, application of stakeholder theory to develop future empirical examination of SI seems to hold great potential.

Another area of future research is to develop measures for the development path of SI ecosystem. In order to test our third hypothesis, measures for institutional environment and measures for the developmental path of SI ecosystem will be needed. While the
literature on economic and public policy and institutional theory informs us on the measures for institutional environment, the literature on ecosystem is still burgeoning. Therefore, developing measures for the development path of SI ecosystem would be insightful to the ecosystem as well as to the SI literature.

One of the main limitations of this study is its reliance on a single case study and secondary sources of data. However, the SMS is relevant as a single case because of its high impact assessment. It was useful for allowing a deep exploration and understanding of the supporting factors of a SI practiced in a high-context environment such as India. Although the case study methodology hinders generalization, we believe that it contributes to the scholarship on SI. Specifically, our study presents propositions on the role of

1. the choice and alignment in the purposes of the key strategic partners in the creation of SI
2. the ecosystem’s self-organisation in scaling the SI
3. the institutional environment in facilitating and accelerating SI.

As any conceptual paper attempting to explore a new concept, we were faced with the absence of a common definition of SI and a general theoretical framework within which to exploit analytical tools and find solutions. In particular, the importance of SI engendered by the private sector is still underestimated (Guida and Maiolini, 2014). Furthermore, the fact that a SI ecosystem is created and developed provides an opportunity for longitudinal study of the evolutionary stages of such a network. While we have addressed questions of the capability to generate SI and form an ecosystem, others should continue to examine this collectivity to investigate how the purpose of such a SI ecosystem might evolve over time, especially when it reaches its initial goals. Some research might suggest that the network would shift or expand its goals, while other research suggests the network might die. Therefore, we suggest the life cycle of such network and ecosystems be examined to tease out the processes at work over the long run.

Future research could further explore the concept of SI ecosystems and conduct an empirical study to confirm the propositions proposed in this paper. In addition, such large scale change in situations of multiple and competing logics is difficult to achieve, so examining the specific mechanisms for change that were used in this case would provide contributions to the literature on change management. Other possible alternatives for ongoing research are to study other elements that could impact the SI ecosystem as part of the partnership between FPOs and NPOs; build other case studies to compare different types of SI ecosystems and examine the factors that are key to success in other contexts.

References


