

## **The REAL deal? The Application of a New Social Innovation Model**

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## Abstract

This paper employs Bessant & Tidd's (2007) model of innovation as a framework to present the findings of research/consultancy conducted by the authors on the Real Education Active Lives (REAL) Social Entrepreneurship project at Inverness High School in 2008/2009. It also suggests additions to Bessant & Tidd's model that will enhance its use in this context, and draws on a wide range of literature that includes Social Entrepreneurship, Community Development, Innovation, and Social Innovation. There are two main types of innovation: incremental (steady-state) innovation i.e. doing more of the same but doing it better, and radical / discontinuous innovation i.e. moving into new areas of operation (Bessant & Tidd, 2007). The REAL initiative is a radical innovation that involves the establishment of an organic farm and product distribution network, and the proposed development of a new building with a social enterprise purpose, both based on the expansive school grounds. This is a much more difficult undertaking than, for example, making incremental improvements to traditional school educational activities.

A recurrent theme to emerge is the need to promote community engagement and ownership of the REAL initiative. It is believed that this will provide a firm foundation for the sustainable success of the initiative, and this view is supported strongly by other research evidence drawn from a diverse number of fields. Lack of inclusion is likely to lead to a lack of a sense of ownership of the REAL initiative, and will serve to undermine their effective implementation and sustainable potential. Thus further consultation and awareness raising with the REAL Community of Interest is of paramount importance to its eventual success and sustainability.

Developing, managing and leading social innovation initiatives are uncertain and risky processes that involve many complex challenges. "Getting innovation to happen" depends on determined drive and enthusiasm from one or more leaders. It also requires the absorption of a new set of skills that are fundamental for the effective organisation and management of social enterprises. However, more and more 'win-win' social innovation projects are emerging that are able to achieve the triple bottom line of social, commercial and environmental objectives. Key challenges for the sustainable and successful implementation of the REAL initiative are the need to focus on:

1. strong encouragement of pupil, parent and wider community ownership
2. the further development and launch of an effective marketing & communication strategy
3. the formation of proactive linkages

It is suggested that the first two items in the list above could be added to Bessant & Tidd's (2007) model of innovation to enhance its use in a social innovation and item 3. could be developed much more deeply through the application of Molina's (2010) Social Innovation hybridity concept.

**Objectives:** This paper explores the application of a particular model of innovation to the findings from action research conducted on a Social Enterprise initiative, with a view to exploring what aspects of the model make sense in this particular context and what new aspects can be added.

**Prior Work:** The main author is an Associate Tutor in Entrepreneurship and Social Entrepreneurship and is currently designing a new course on Social Innovation/Entrepreneurship.

**Approach:** An action research approach was adopted which provided a rich data source across a broad spectrum of players and organisations involved with the initiative over an 8 month period. The research team has different research backgrounds and this proved useful in making common links between diverse literatures.

**Results:** The main outcome of the research is the development of an enhancement of Bessant and Tidd's (2007) model of innovation as applied to the Social Innovation/Entrepreneurship context.

**Implications:** The paper suggests a new model for Social Entrepreneurship and Social Innovation initiatives.

**Value:** This paper will be of value to researchers, practitioners and policy-makers as it indicates key areas that are likely to be of importance for the successful implementation of Social Innovation/Entrepreneurship initiatives.

## 1 Introduction

This paper presents research findings from a feasibility study of a Social Enterprise initiative at Inverness High School in Scotland (UK) called Real Innovation Active Live (REAL). The REAL initiative is a radical innovation that involves the establishment of an organic farm and product distribution network called REAL Foods, and the proposed development of a new building called the REAL Place with a Social Enterprise purpose, both based on the expansive school grounds. This is a much more difficult undertaking than, for example, making incremental improvements to traditional school educational activities. Three of the authors were employed to conduct a feasibility study into the development of the REAL Place, which also necessitated reviewing the REAL initiative as a whole.

The paper is structured as follows. Section 2 examines the differences and similarities between the terms Social Innovation and Social Entrepreneurship, which tend to be used interchangeably in the literature, as a basis for justifying the use of the term Social Innovation with respect to the REAL initiative in the remainder of the paper. Then section 3 presents an overview of Bessant & Tidd's (2007) simple model of innovation, and examines where REAL Foods and the proposed REAL Place aspects of the REAL initiative fit within this framework. Section 4 presents the findings generated by considering the REAL initiative from a Community Development perspective, in particular by analysing the REAL Community of Interest. Next section 5 examines the Marketing and Communication aspects of the REAL initiative and how they might be improved. Section 6 provides an overview of the need to form strategic partnerships and expands the concept to include Molina's (2010) notion of hybridity, and section 7 concludes the paper with a presentation of a proposed new model of Social Innovation.

## 2 Social Innovation vs. Social Entrepreneurship

This section provides a summary of Molina's (2010) view of the similarities and differences between Social Innovation and Social Entrepreneurship.

### 2.1 Defining Social Innovation

First, from the field of technological innovation, one finds the largely accepted definition that innovation is the combination of creativity or invention plus implementation or putting ideas into practice (Von Stamm, 2003; Deschamps, 2008; Trott, 1998). Some authors try to define further the nature of social innovation as "*a novel solution that is more effective, efficient, sustainable, or just than existing solutions.*" (Phills *et al.*, 2008; see also Christensen *et al.*, 2006)

The overarching defining factor of social innovation, however, is "the social", that is, the fact that the innovation must be motivated by, and focused on, unmet social needs, problems, goals and change. For some authors this means innovation in social relationships, social organization and governance (Mumford, 2002; see also SINGOCOM 2004). Instead, for Phills *et al.* (2008), 'the social' translates into who benefits, that is, "*the value created accrues primarily to society as a whole rather than private individuals.*" Thompson *et al.*, (2000) add that this benefit is actually to empower disadvantaged people and encourage them to take greater responsibility for, and control over, their lives.

Regarding sectoral involvement, Mulgan (2006) introduces the idea that the diffusion of social innovations happens predominantly "through organizations whose primary purposes are social," while Thompson *et al.*, (2000) sees them as "community initiatives" and Bacon (2008) notes that they are not restricted to anyone sector or field since many are supported by the public sector, others by community groups and voluntary organisations.

### 2.2 Defining Social Entrepreneurship

In turn, definitions of social entrepreneurship reveal a great deal of similarities but also differences to definitions of social innovation. First, they fall back on general definitions of entrepreneurship where the first defining elements are the creation of wealth, value and growth (Certo *et al.* 2001; Hisrich and Peters, 2002) through processes of discovery and/or creation, evaluation, and exploitation of

opportunities by individuals who discover and/or create, evaluate, and exploit them. (Shane and Venkataraman, 2000; Schendel and Hitt, 2007).

Thus, social entrepreneurship also creates value but - as with social innovation – the defining factor is, again, “the social,” be it in the form of social value creating activity (Alter, 2007; Austin et al., 2006; Dees et al., 2002; Weerawardena and Mort, 2006), or social wealth enhancing activities (Zahra et al., 2008), or solving intractable social problems (Leadbeater, 1997; Light, 2008; Cochran, 2007), or catalyzing social change and addressing important social needs (Mair and Marti, 2006), or, finally, changing an unjust social equilibrium for a new stable equilibrium that ensures a better future for a group and even society at large (Martin and Osberg, 2007; Light, 2008).

An important aspect of social entrepreneurship is that social change tends to be seen as “pattern-breaking” on a wide-scale, ideally national or global scales, but it is also recognized that changes that break entrenched harmful patterns even in small communities are also valid social entrepreneurship (Light, 2008). In this context, Light (2009) reminds us that even “the greatest ideas often start small, but eventually expand to break the social equilibrium.” (p.22). Finally, as with “social innovation,” social entrepreneurship is not confined exclusively to a single sector, it “can occur within or across the nonprofit, business, or government sectors.” (Austin et al., 2006, p.2).

In summary, the definitions of social innovation and social entrepreneurship just reviewed show a great deal of synergy and tell us about:

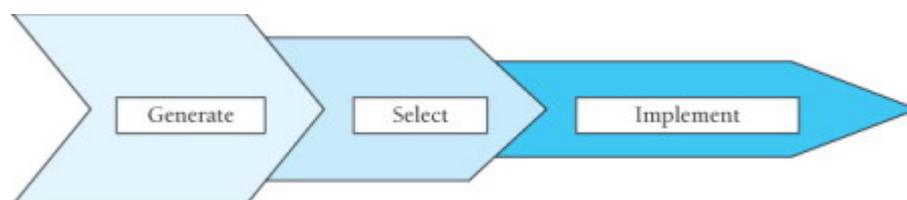
- (a) the close relation to business innovation and entrepreneurship
- (b) the broad focus on social needs, problems, wealth, etc., and
- (c) the various sectors where it can start and occur: nonprofit, business, government and community sectors, and even the household (Leadbeater, 1997).

Overall it is suggested that the term Social Innovation is a term more suited to the work carried out by Social Enterprises as it focuses more on the processes involved rather than, for example, the characteristics and traits of individuals.

### 3 A simple model of Innovation

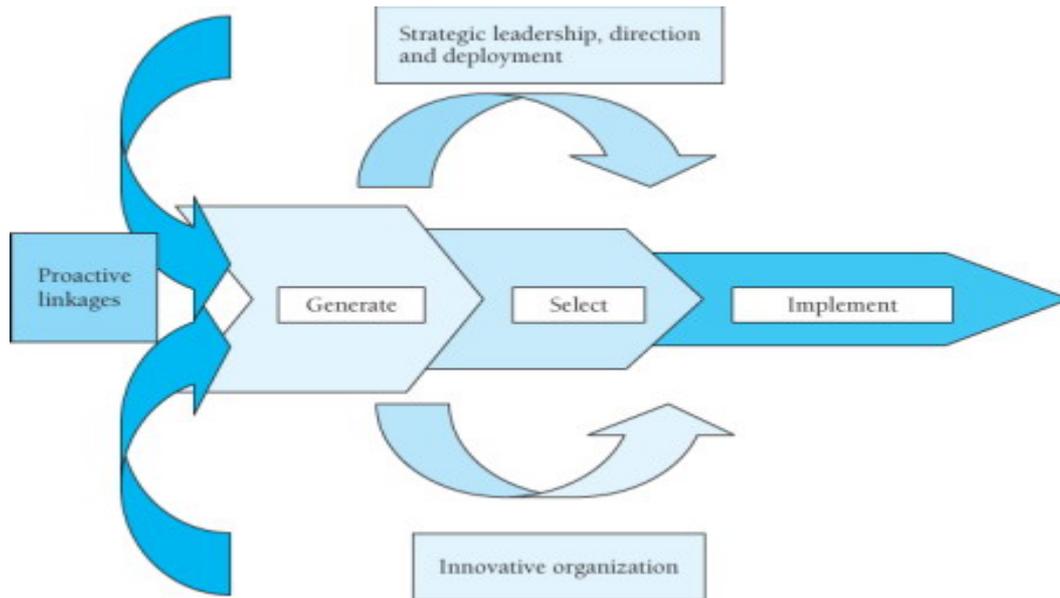
It is thus proposed that the development of a social enterprise is an innovation process that is best classified as a social innovation. There are two main types of innovation: incremental (steady-state) innovation i.e. doing more of the same but doing it better, and radical / discontinuous innovation i.e. moving into new areas of operation. The REAL initiative represents a radical innovation i.e. a much more difficult undertaking than making incremental improvements to traditional school educational activities for example.

Innovation is a generic process involving 3 core aspects: generate (search), select and implement (figure 1):



**Figure 1: The 3 core aspects of innovation (Bessant & Tidd, 2007)**

The REAL Food social enterprise is in the “Implementation” stage as food production has been established on a previously disused area of the school grounds, employing a production manager. The REAL Place social enterprise concept currently lies somewhere between the ‘Generate’ and ‘Select’ part of the process. However, innovation is not a linear process and organising and managing innovation involves weaving these aspects of the process together by forming proactive linkages (rich networks) in this case with other organisations and the wider community, guided by strategic leadership and the development of an innovative organisational structure which allows the space for creativity and entrepreneurship (figure 2):



**Figure 2: A simple model of the innovation process (Bessant & Tidd, 2007)**

The remainder of this paper draws on relevant findings from the REAL feasibility study that develop Bessant and Tidd's (2007) simple model of innovation further to one that is more suited to social innovation processes. Key areas considered are Community (section 4), Marketing and Communication (section 5) and the concept of hybridity as an enhancement of the "Proactive linkages / forming strategic partnerships" aspect of Bessant and Tidd's (2007) simple model of the innovation process.

#### **4 The REAL Community of Interest**

'Community' has been described as a much used but little understood term (Hoggett, 1997). In an attempt to define and understand the term community, the concept has been investigated in relation to its historical use and has been of prime interest to sociologists (Hillery, 1955; Tonnies, 1957; Bell and Newby, 1974; Wilmott and Thomas, 1984; Bulmer, 1987, Smith, 2000). The term has proved "notoriously difficult to define" (Gilhirst, 2003/4 p.2) and despite years of sociological analysis the term continues to evade a precise definition (Hoggett, 1997 in Gilhirst 2003). Sociologists have been unable to supply a single definition of community. For example, Hillery (1955) listed 94 definitions of community and concluded that all they held in common was "people".

Much of the discourse surrounding 'community' thus questions its usefulness as a term. Stacey (1969, p.134) commented that "it is doubtful whether the concept 'community' is a useful abstraction". Bulmer concluded, "the term has so many meanings as to be meaningless" (Bulmer, 1987, p.28). There are also those who have questioned whether such a phenomenon exists: "there is an issue about whether community is fact or fiction" (Cooper, 1989, p.183).

The term 'community' has, however, been enthusiastically adopted by the wider public and is continually being shaped and re-shaped by social reality (Smith, 1996). Community remains a crucial dimension of our lives and a persistent theme within policy making. (Gilhirst, 2004). The term does seem to capture important ideas concerning mutuality, interaction, social networks and collective identity. Chanan *et al.* (2001), for example, suggest that the term community has a real value in terms of "the way that people come together to deal with issues they have in common" (Chanan *et al.*, 2001, p.5).

Definitions of 'community' can be grouped into three types (Butcher *et al.*, 1993):

- **Descriptive definitions:** typically those of social scientists, giving an account, (however abstract) of social forms, structures, interactions or relationships which can be observed in the world as it is.
- **Value descriptions:** statements from philosophers, politicians and ordinary people about the way people ought to relate to each other e.g. ideological such as communitarianism.

Community when approached as a value (Frazer, 2000: 76) may well be used to bring together a number of elements, for example, solidarity, commitment, mutuality and trust.

- **The notion of the active community and the process of community development:** The focus is on participation in the interactions and networks and interactions of civil society.

#### 4.1 Common themes in the discourse on 'community'

Much of the discussion around the concept of 'community' centres on the nostalgic notion of community based on the classic notion of a common bond between inhabitants sharing the same territory. Duffy and Hutchinson (1997, p.355) suggest that such notions of community are rarely present in urban areas, '*rather there are collections of groups with shared interests who may share all or part of the same area*' Generally the nostalgic view of community is associated with or the hope of close, warm, harmonious type of bonds between people which, it can be argued, are vaguely attributed to past ages (Elias 1974, in Hoggett 1997:5).

Another common theme in the discourse of community is the reification of 'community' i.e. the in-built assumption that drawing boundaries is both possible and desirable, which may be drawn a map or relate to categories of people. In reality where a community begins and ends is often more flexible and ambiguous. Other uses of the term community include communities of interest, communities of circumstance, communities of position, communities of practice, and communities of action:

- **Community of Interest:** a Community of interest is a community of people who share a common interest or passion. These people exchange ideas and thoughts about the given passion, but may know little about each other outside of this area. A particular geographical area cannot sometimes easily define such communities.
- **Community of Purpose:** a community of people who are going through the same process or are trying to achieve a similar objective. Members of the community assist each other by sharing experiences, suggesting strategies and exchanging information on the process in hand.
- **Community of Practice:** refers to the process of social learning that occurs when people who have a common interest in some subject or problem collaborate over an extended period to share ideas, find solutions, and build innovations. It refers as well to the stable group that is formed from such regular interactions. The term was first used in 1991 by Jean Lave and Etienne Wenger who used it in relation to situated learning as part of an attempt to "rethink learning" at the Institute for Research on Learning. In 1998, the theorist Etienne Wenger extended the concept and applied it to other contexts, including organisational settings. More recently, Communities of Practice have become associated with knowledge management as people have begun to see them as ways of developing social capital, nurturing new knowledge, stimulating innovation, or sharing existing tacit knowledge within an organisation. It is now an accepted part of organisational development.
- **Community of Circumstance:** a community of circumstance is similar to a community of practice, except that it is driven by position, circumstance or life experiences rather than a shared interest.
- **Community of Position** is distinguished from a community of practice in that it tends to be more personally focused. Communities of Position are built around life stages, such as teenage years, university/college student years, marriage, or parenthood. They provide individuals with the opportunity to build relationships with others during that particular phase of their lives.

The types and definitions of community are in reality entwined and often difficult to separate (Frazer, 2000:76). Defining the REAL community behind the development of the REAL Place is thus a complex task as many types of community could potentially be categorised and related to the project. The term 'Community of Interest' appears to be of most practical relevance to the REAL Place. There are also other 'communities' of direct relevance to the REAL Place i.e. the active and geographic community which provide the context for the REAL Place

#### 4.2 Defining the REAL 'Community'

##### Community of Interest

As identified in section 2.1.1 above, 'Community of Interest' is a term used to describe a community who share a common interest or passion and they will exchange ideas and thoughts about this interest. This community in the context of the REAL project may be at the development stage but

there are already people who share an interest and passion for the REAL as a whole and the development of the REAL Place. This community can currently be defined as comprising the Parents, Teachers and Pupils of Inverness High School and is the lifeblood of the REAL community. Without this community of Interest, the REAL Place cannot hope to come to fruition or prosper in the long-term. This community of interest can also be seen as including the board of the CIC for the REAL project and local businesses who will be a vital source of knowledge and skills for the development of the REAL Place. In time this community may become a community of practice, i.e. a term used to describe the process of social learning that occurs when people who have a common interest, for example, in a problem collaborate to find solutions and build innovations.

### **The active community**

The active community (Butcher *et al.*, 1993) in the context of REAL can be defined as those people, organisations and agencies concerned with the community development locally, (i.e. within Merchant and Dalneigh), whose activities may be of a particular relevance to the REAL Place. The networks that already exist within this area may be an important element to unravel as it can be argued that the most important aspects of community are the informal networks that exist between people, groups and organisations (Gilhirst, 2004). Understanding and engaging with the active communities of Dalneigh and Merkinch will also be important in developing support for the project and identifying the strategic niche for the REAL Place. The active community is thus a subset of the geographic community i.e. the catchment area of Dalneigh and Merkinch.

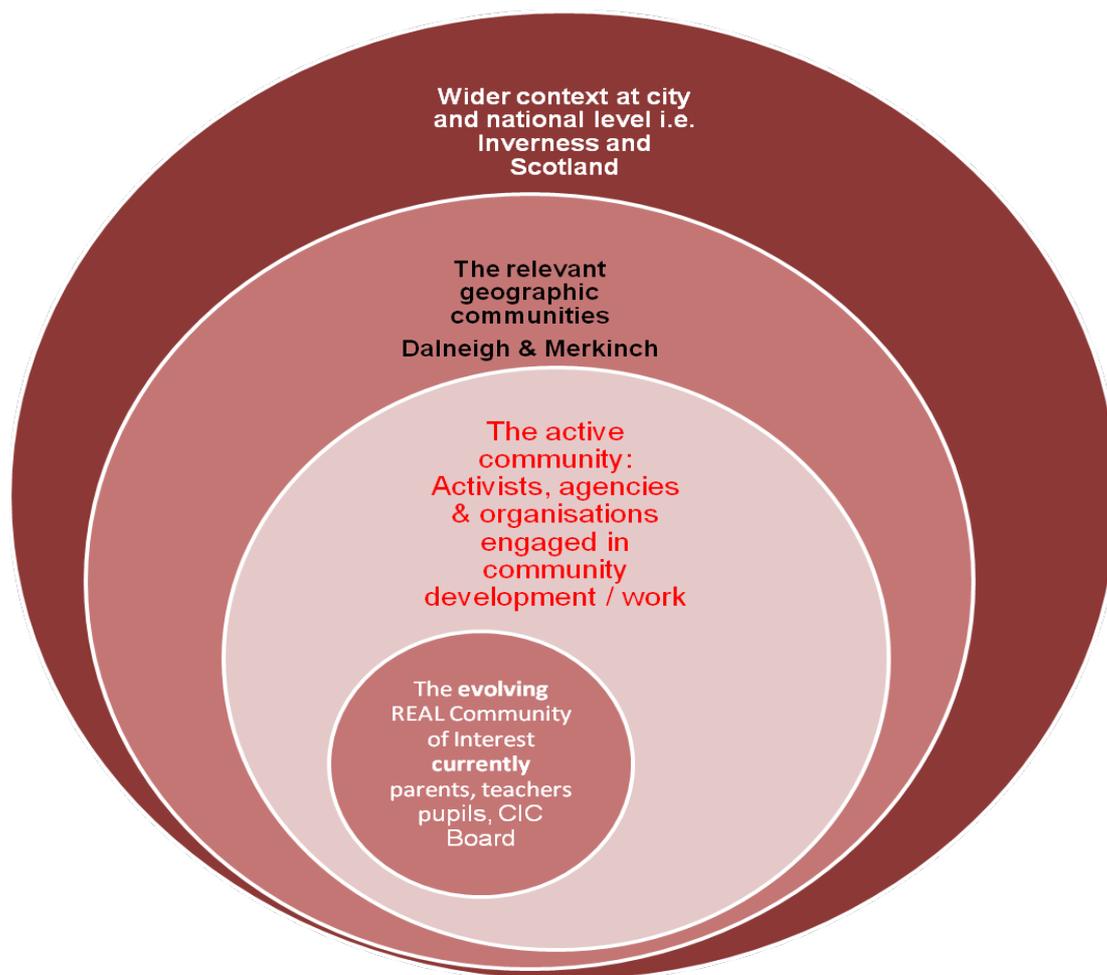
### **Geographic communities**

The geographic dimension is seen as an important dimension of people's identity and sense of belonging. Territorial or place community can be understood as where people have something in common, and this shared element is understood geographically. 'Community' in respect of community enterprise has usually been defined in terms of geographic area. Sometimes community has been identified as people sharing a common interest or need. However, there will usually be an agreed area of benefit (Pearce, 1993).

The geographic community in the context of the REAL Place can be defined as the catchment area of the High School. The schools catchment area includes Dalneigh and Merkinch. Both communities face challenges of multiple deprivation and 42% of the catchment is from Merkinch, one of the most deprived wards in Scotland. Investigations of the geographic communities relevant to the REAL Place can help to develop an understanding of the needs and priorities of the local area and will thus assist in shaping the use and function of the building. The geographic dimension of the REAL community will also be important in developing support and funding for the project from local agencies and organisations.

### **The REAL 'Community' in context**

Understanding 'community' in the context of the REAL Place is summarised in figure 3:



**Figure 3: Understanding ‘community’ in the context of the REAL Place**

The interim report emphasised the importance of community ownership of the REAL Place. This report defines community in this context as a community of interest. The REAL community of interest is thus defined as those people with a passion and interest in the REAL Place and REAL as a whole. There will be a need for further consultation work to build and understand this community. For example, it will be important to clarify the people who make up this community of interest to ensure that they have the opportunity to be actively involved in shaping the REAL Place. The geographic and active communities can be understood as the wider ‘community’ who may also play a part in shaping and influencing the development of the REAL Place, as for example, potential users of the REAL Place or partners in its development. The REAL community and thus the development of the REAL Place will need to be considered also in the wider national and city context, discussed in the next section. Figure 3 thus also displays the wider context of the REAL community.

Developments at the local and ‘community’ level are shaped by the wider context in which they operate. Each country, for example, has a distinct social, economic and political context, which constrains and enables developments. Wider processes of change and their connection with ‘community’ and social enterprise must be understood to help ensure that the REAL Place is an initiative which is likely to be supported and succeed. Policy initiatives and priorities at the National and City level must therefore be investigated and understood in terms of how they relate to the REAL ‘community’ / The REAL Place. The REAL community and the development of the REAL Place must be considered within the social, economic and political context of Inverness and Scotland as a whole. Ritchie Cunningham referred to the desire to spread the message of the REAL project to organisations working across Inverness and such organisations can also be seen as potential members of the REAL community.

### **4.3 Developing the REAL community: towards community empowerment**

Work needs to be done to engage the REAL community with the REAL Place concept. Community development at its most basic can be described as the development of community i.e. the capacity of local populations to respond collectively to events and issues that affect them (Gilhirst, 2003). Empowerment is a central principle of community development and centres around building the capacity of communities to manage and own their own initiatives. Empowerment within the context of community development can be viewed as a dynamic process of change from the individual to the collective level. Empowerment viewed in this way can assist the conceptualisation of how the organisational capacity of the REAL community might be enhanced so that they will be able to respond collectively to the challenges of the development of the REAL Place. Building capacity in this area will promote ownership and commitment to the building and thus contribute to its long-term viability.

Empowerment at the individual level requires people and groups to get involved in the process (Laverack, 2003). Greater promotion of REAL and the REAL place will help to increase involvement and reach people and groups who may currently feel excluded from the initiative. Empowerment at the collective level will be dependent on the way in which people come together to address and identify common issues and concerns. Opportunities must be created and enhanced to ensure that all people with an interest in the REAL Place can come together to shape development. This is important because it is through the process of interaction and participation in such social networks that social capital is built i.e. resources, beneficial outcomes and collective assets. Possible mechanisms could include community events, meetings, workshops and a REAL community web site. Conflicts of interest between people and communities may limit collective change and thus empowerment. Therefore it will be important to focus on identifying common ground and encouraging community cohesion through developing a common vision.

### **4.4 REAL Community Challenges**

#### **Active community challenges**

The restructuring of the three community councils in the area has meant that the active community is currently suffering from political challenges. The Headmaster of Inverness High School, Ritchie Cunningham, referred to difficulties in engaging with such bodies. In the past there has been a link with Dalneigh Community Council but at the moment the people that were involved with the school are no longer involved with the council. Community capacity was raised as an issue that led to informal community groups failing to be sustainable. There also appears to be more informal community activity within Merkinch as opposed to Dalneigh. Anne Sutherland of the Merkinch Partnership also referred to the political challenges in the area.

#### **Geographic challenges**

The Inverness High School headmaster, Ritchie Cunningham, described the catchment area of the school as a geographically difficult area. The school is not central to the community being close to Dalneigh but less accessible to the people of Merkinch. The only link currently with Merkinch is through pupils attending the school, once the children leave this link is gone. The fact that the community is not cohesive was identified during consultations with one reference to the *“boundaries real and imaginary”* (Linda MacKay, Inverness College). The poor perceptions of Merkinch, for example, prevent young people from Dalneigh going into Merkinch. Anne Sutherland of the Merkinch Partnership commented, for example, that *“lots of young people from Dalneigh won't come to Merkinch because of the stigma, the links between Merkinch and Dalneigh are not good and it is really important to get the two communities together.”* Current community projects are beginning to raise the profile of the area and to project more of a positive image of Merkinch. Lack of cohesion between Merkinch and Dalneigh is also linked to financial investment in Merkinch through regeneration funds, notorious for causing difficulties between geographic communities.

#### **Overcoming barriers to involvement**

Anne Sutherland of the Merkinch Partnership commented that *“we always wanted to have close links with REAL but were not sure what projects were being developed or what was going on.”* She further commented that, *“most people have heard of REAL but they don't know a thing about it.”* There was a general feeling that REAL is not happy to come out of the school location. The partnership is keen to get young people from the school more involved in community projects *“we want them to come out into the community more.”* This evidence suggests that while the school is projecting a positive image

of REAL through press, newsletters and events the vision of REAL and the REAL Place is not reaching the active community effectively. The school is planning an event for Inverness councillors so that the *“current crop of politicians will be aware of what is going on with REAL”* (Ritchie Cunningham < Headmaster, Inverness High School) and more events are planned over the next year. Promoting pupil involvement in community projects as representatives of REAL may help to expand the reach of REAL, may create opportunities not anticipated and help develop the collective change necessary for empowerment. Promoting REAL within the active community is vital as they are the direct link with the geographic community i.e. the people of Dalneigh and Merkinch.

Potential ways to develop links between the REAL Place and the active community suggested by Anne Sutherland of the Merkinch Partnership include:

- inviting groups to visit REAL at the school through Kirsty, the Youth development worker at Inverness High School;
- developing a steering group;
- delivering presentations and workshops about REAL in the Merkinch community theatre.

Overall more information and regular contact between the Merkinch Partnership and REAL would be a good way to begin to overcome barriers to involvement.

### **Barriers to collective change**

The second round of consultation conducted in December 2007 revealed that there are initiatives within the educational, business and community sector which have clear synergies with the REAL ethos. There are also those which overlap with REAL and the REAL Place ideas such as, for example, ideas for the development of a community café and the Welfare Hall development within Merkinch. To avoid duplication of effort and to work toward a common vision there is need for greater communication and information exchange between such initiatives. There are plans to set up a seminar with everybody working with young people locally and this is being developed through Anne Sutherland of the Merkinch Partnership and Mo McKinnon, the Youth Development worker for the geographic community. Anne Sutherland suggested key initiatives she would like to see linked with REAL including MP33, Youth Matters and Youth for Christ. She also suggested that Alban Housing could link in with REAL as they have a regeneration and social enterprise focus. Educational institutions have also expressed an interest in setting up a round table to discuss synergies with REAL. Setting up and increasing involvement with such initiatives will be important in developing the social capital needed for empowerment to take place.

## **5 Marketing and Communication**

Social enterprises rely on a well thought through and executed marketing and communication strategies as much as traditional companies. However, there seems to be one big difference - getting the internal communication strategy right could be crucial to the success of the whole enterprise.

### **5.1 Internal communication**

Employees and stakeholders in traditional companies have common goals which normally results in everyone sending out the same message to other organisations and the wider public. The individual motivations behind this coherent communication can vary. Every company has “true believers” in their ranks or in the case of the now infamous Arthur Anderson strategy of creating: *“the so-called “Anderson Androids” the company was churning out from its training centers every year”* (Turnbull, 2007). Other employees are more interested in their personal careers and see preaching the companies message as key to their success.

One could argue that all the pupils are the potential employees for REAL. REAL anticipates to grow core businesses such as REAL Organics as well as developing new ventures and the REAL Place is another ambitious project on the REAL horizon. The key resources in terms of personnel are the current pupils (e.g. as part time employees), former pupils (e.g. work placement) and perhaps parents or other family members. Attracting the pupils to work for REAL projects is sometimes difficult according to various people we have spoken to, but engaging the pupils and their families will be key to the success of REAL. As in any organisation they are the main asset of the organisation. REAL’s whole mission could become untenable if they fail to include the very people they want to support. If REAL continues to grow as anticipates it needs more human resources. The major source would be the school. A lack of pupil or for that matter community involvement could be a stumbling block to attracting grants from the Big Lottery fund.

Part of the REAL communication strategy should be to win over hearts and minds. People from deprived backgrounds can grow weary of initiatives they might regard as imposed on them rather than requested by them. Some of the current communication problems could be partly blamed on different communication styles in different cultures. There appears to be a perceived lack of communication on both sides. REAL should take the lead in engaging with the community. The best way for REAL to avoid “talking shops” is to present the REAL strategy to the communities involved. REAL could give the initial presentations in Merkinch or Dalneigh and not at the school. REAL has much to offer to the community and vice versa, but the full potential of the REAL Project can only be unlocked if both sides engage and build a mutual understanding resulting in a trust relationship. The REAL Project aims to bring many different “personalities” together and to quote Carl Jung: *“The meeting of two personalities is like the contact of two chemical substances; if there is any reaction, both are transformed.”*

### **Potential REAL Internal Communication Strategies**

A social enterprise is not as straightforward in its make up as a traditional business organisation. Social enterprises bring people from various social backgrounds together as is the case with the REAL Project. This in itself can cause initial communication problems. The initiators of REAL made a conscious decision to help people in a deprived area and some of the founders of REAL have taken positions on the REAL Board or have taken on a more “hands on” role. However, there may also be potential in engaging pupils and parents more in the actual running of the REAL project.

Bornstein (2004) writes about a number of social enterprise success stories in his book ‘How to Change the World: Social Entrepreneurs and the Power of New Ideas’ and receives the following review on the front cover:

“Wonderfully hopeful and enlightening ... The stories of these social entrepreneurs will inspire and encourage many people who seek to build a better world.” (Nelson Mandela)

Thus REAL represents a realistic and potentially life-changing opportunity for Inverness High School pupils and could have a huge positive impact on the wider community.

The reason for the emphasis on the importance of a strong internal communication strategy is because of the dilemma REAL faces compared to traditional organisations, where the roles of workforce and customers are clearly defined. Such borders are blurred in the case of the REAL Project; pupils and their parents are on the one hand stakeholders or potential employees in the REAL CIC, but on the other they are also the target group of the social enterprise.

### **Engaging the pupils**

Pupils will be interested in the REAL Project to different degrees. Some will realise the importance of the project for their future lives but others might be suspicious about, or even hostile towards, the project. Unfortunately the people most in need of the REAL Project are likely to be found in the two latter groups. Some suggestions for ways to tackle this potential dilemma are:

- 1 REAL could use pupils already involved in the project as mentors for pupils who have not yet participated, i.e. other pupils might find it easier to attract them to the project
- 2 REAL activities should be communicated effectively to pupils as sometimes there is a lack of awareness of ongoing activities that fall under the REAL umbrella<sup>1</sup>.
- 3 The internal labour market: REAL could hold regular “milk rounds” in the school hall, supplemented with fun activities.
- 4 New pupils entering the school should be introduced to the REAL Project shortly after they joined the school.
- 5 The feeder primaries should promote the REAL Project to pupils and parents alike as one of the best reasons to join Inverness High School.
- 6 Pupils from the High School could give presentations in the feeder primary schools.

### **Engaging the parents and the wider community**

Involving the parents could be vital to attract more pupils to the project. This might not be an easy task but would be beneficial for the pupils as well as the REAL Project. Some ideas are:

- 1 REAL could hold events for parents in the school hall or the Merkinch Community Centre. Pupils could prepare and serve food as well as supplying the entertainment.

- 2 If the events are successful a role reversal could take place and the parent or teachers could organise and run the event.
- 3 Fun days out. REAL could organise events for the whole family.
- 4 Sporting events: 5 a side football tournament involving parents, pupils and teachers.
- 5 REAL could initiate a theatre play involving pupils, parents and regulars of the Merkinch Community Centre.

If REAL engages actively with parents and the wider community communication breakdowns and misunderstandings could be avoided. REAL does not have to answer to the community but should become a central part of the community. This should help REAL to attract increased involvement in school projects.

### **An integrated marketing and communication campaign**

"It is not enough that a man has clearness of vision, and reliance on sincerity, he must also have the art of expression, or he will remain obscure." (George H. Lewes)

Feedback from the consultation exercise indicates that REAL could improve the communication and promotion of the REAL Project. The promotion aspect of the Marketing Mix is missing from REAL's efforts so far according to representatives of the local hospitality community. It is understandable that there might be a tendency to view the REAL Organics venture as a separate project from the overall REAL and REAL Place vision with regard to the marketing strategy employed. However, closely linking these initiatives would reap awareness increasing benefits for both the overall REAL ethos and its individual enterprises.

An effective marketing strategy for the REAL Place can be developed as soon as the site is secured. Until then, as already indicated by Ritchie Cunningham, the focus will be on lobbying and quiet campaigning. However, developing a strategy on the foundation of a successful REAL brand will make developing and executing the communication and marketing strategy for the REAL Place much easier. In the meantime simple measures could be put in place to help raise awareness of REAL, for example:

- REAL T-shirts for young people to wear when involved in community projects
- Launch of a REAL Calendar
- Development / upgrading of a REAL website
- Further dissemination of REAL achievements to the local press and perhaps also to organic food magazines and social enterprise conferences

### **6 Proactive linkages**

There is considerable interest from several organisations in partnering with REAL in the development of the REAL Place. A number of the potential partners stated that the REAL Place is a very timely and appropriate community venture that will help with addressing skills shortages faced by local employers and the employability and social problems faced by young people in Inverness.

A REAL partnership roundtable meeting in January 2008 was proposed by Kerry Godfrey (UHI) and all the other people and organisations in the list above expressed interest in attending such an event. Two of the most obvious advantages of entering into such partnership ventures are the potential support this would lend to financing and sustaining the REAL Place. Furthermore partners would bring resources and skills such as sector knowledge, networks and thus assistance with marketing the REAL Place to potential customers.

One potential disadvantage could be a loss of intellectual and operational ownership. Joint partnership ventures could lead to compromises in what the REAL place offers, which direction it takes and so on. However, as in every potential joint venture, the REAL Board would have the opportunity to negotiate with potential partners about such matters. Bearing in mind that such a facility, its purpose and make up would be unique, the REAL Board should be able to lead and direct any potential negotiations towards their vision for the REAL Place.

Furthermore, it is likely that the benefits of forming such partnerships would far outweigh any potential drawbacks as revealed by research into innovation networks (Bessant & Tidd, 2007):

"Many of the problems entrepreneurs and innovations experience can be traced to weaknesses in the early part of the process. This has major implications for how we manage creativity and translate ideas into innovations. The initial idea may require a significant creative leap and the inspiration of a particular individual or group. However,

much of the rest of the process will involve hundreds of small problem finding and solving exercises – each of which needs sustained creative input from a network of players.” (Bessant & Tidd, 2007)

Whilst most entrepreneurs recognise the importance to the development and sustainability of their business, benefits of networking and partnering with other organisations may be less clear in innovation projects and there may thus be a tendency to shy away from open innovation. This is essentially because people are being asked to network into the unknown. However, this is exactly what is required for radical innovation projects such as the development of the REAL Place - new knowledge is often created at the ‘fuzzy’ edges where two or more people / organisations from different industries meet to discuss ideas, concepts, products or services. It is also widely reported in the innovation literature that a rich source of new knowledge is through co-evolution with active or future users.

### **6.1 Hybridity in Social Innovation and Entrepreneurship**

An important part of the writings on social entrepreneurship has concentrated on the special characteristics of the social entrepreneur (Bornstein, 2004; Dees, 2001; Dees et al., 2002; Leadbeater, 1997; Prabhu, 1999; Smith, 2005; Peredo and McLean, 2006). Dees (2001) describes the ideal type of social entrepreneur as an agent in the social sector who is mission-driven to create and sustain social value; recognizing and relentlessly pursuing new opportunities; engaging in a process of continuous innovation, adaptation, and learning; acting boldly without being limited by resources currently in hand; and exhibiting heightened accountability to the constituencies served.

For Bornstein, social entrepreneurs are social innovators, that is, “transformative forces: people with new ideas to address major problems who are relentless in the pursuit of their visions, people who simply will not take “no” for an answer, who will not give up until they have spread their ideas as far as they possibly can.” (Bornstein, 2004, p.1) Likewise, Light (2009) sees them as “driven by a persistent almost unshakable optimism. They persevere in large part because they truly believe that they will succeed in spite of messages to the contrary.” (p.22) In turn, Leadbeater (1997) focuses on the output, core assets, organization and work of social entrepreneurs.

Thus, their output is social: health, welfare and well-being; their core assets are forms of social capital: relationships, networks, trust and co-operation, and through them physical and financial capital; their organizations are social: profit is not their main objective and they are not owned by shareholders. They are often community entrepreneurs, but they can also be found in parts of the traditional public sector, at the most innovative edge of the voluntary sector and in some large private sector corporations. The latter are Bishop and Green (2008)’s “philanthrocapitalists” who apply business methods to a philanthropy that “is “strategic,” “market-conscious,” “impact-oriented,” “knowledge-based,” often “high engagement,” and always driven by the goal of maximizing the “leverage” the donor’s money.” (p.6)

These characterizations of social entrepreneurs certainly describe a rather special type of person and, explicitly or implicitly, recognize that a key part of their skills and activities consists in bringing together the resources of many organization, creating “hybridity” in the form of networks, partnerships, alliances and even movements that reach far in terms of spread and impact. Thus, Dees (2001) points out that social entrepreneurs are not limited “by resources currently in hand,” while Bornstein (2004) tell us that they do not give up until they spread their ideas “as far as they possibly can.” The key to this characteristic is obviously not in the social entrepreneur trying to build all the resources by himself/herself but by engaging and aligning others in possession of those resources.

Most frequently, this means acting as “hybridity-builder” by engaging players from multiple sectors and/or engaging in blends of activities that normally “belong” to different sectors. Kramer (2009) is explicit on this point as he adds the concept of “[c]atalytic philanthropists ... [who] ...have the wherewithal to heighten awareness, raise expectations, and coordinate the many disparate efforts of other funders, nonprofits, corporations, and governments” (p.34). Leadbeater (1997) is also explicit about this hybridity-building activity in his identification of the core assets of social entrepreneurs as “forms of social capital: relationships, networks, trust and co-operation.”

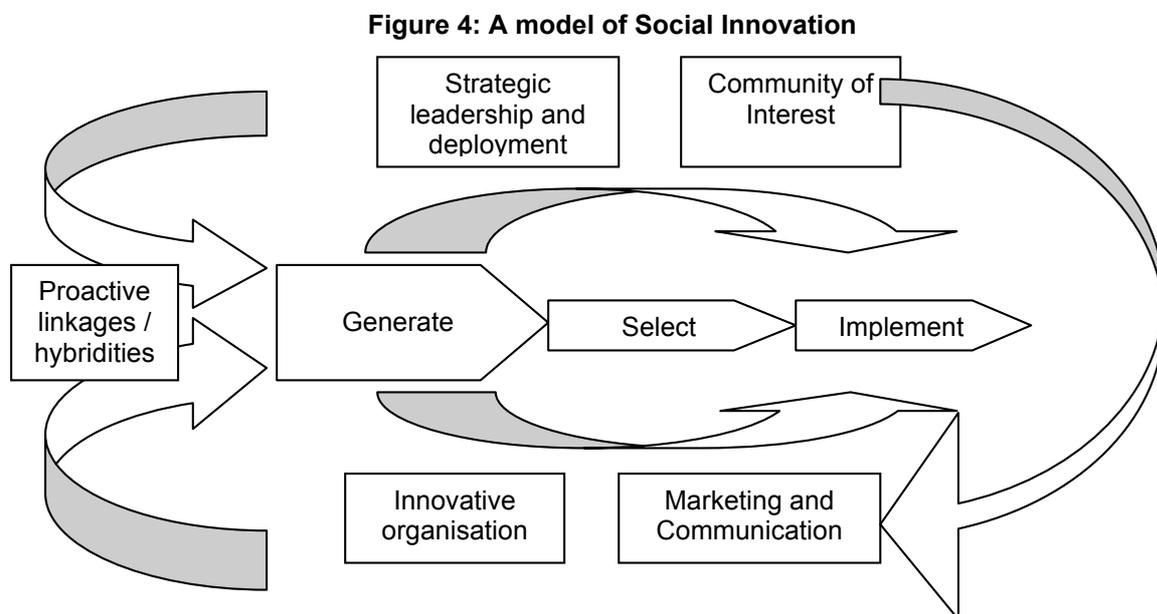
This is what they build to make a success of their processes of social innovation and, furthermore, no single sector has the “exclusivity” of originating processes of hybridity-building; their origins may be found in different sectors (i.e., community, voluntary, public and private sectors).

Moving from the individual “hybridity-builder” to organisational hybridity in social innovation, the literatures on social innovation and entrepreneurship have one basic message to give, namely, there is no universal, value-creation and organizational model of social innovation and entrepreneurship. As Mair and Marti (2006) put it: “the choice of set-up is typically dictated by the nature of the social needs addressed, the amount of resources needed, the scope for raising capital, and the ability to capture economic value.” (p.39)

By extension, it is possible to state that there is no single best-practice model of hybridity in social innovation. It is fair to say that the existing literature on social innovation and entrepreneurship has tended to focus on single organizations, particularly, organizations from the socially-driven and profit-driven sectors. In fact, various authors situate these organizations along a spectrum of different blends of social and profit-driven purposes and activities (Peredo and McLean, 2006; Alter, 2007; Emerson, 2003). Thus the ‘proactive linkages/forming strategic partnerships aspect of Bessant and Tidd’s (2007) is a complex phenomenon, particularly in the case of social innovations, as it includes social organisations, for-profit organisations, public organisations and community organisations.

## 7 Conclusions

The analysis of the REAL initiative at Inverness High School affords an initial rethinking of Bessant & Tidd’s (2007) simple model of innovation applied to a social innovation context. Further theoretical and empirical research work is necessary to prove the usefulness of the proposed new model (figure 4 below), but the authors’ believe that the original model holds but is strengthened by the addition of two further aspects – Community of Interest and Marketing and Communication – and the addition of the notion of hybridities to the existing “proactive linkages” aspect. In addition the arrow on the right-hand side of figure 4 below indicates that once the Community of Interest has been determined for the social innovation initiative in question, this should be used to target effective Marketing and Communication activities:



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