

# SOCIAL INNOVATION AND SUSTAINABILITY, KEY FACTORS ON SOCIAL ENTREPRENEURSHIPS

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## Introduction

It is essential to solve the needs and problems of today's societies through creative solutions developed in social enterprises based on social and sustainable innovation.

Is to Contrast how social innovation, together with sustainability, turn into key elements for creation and development for high impact social entrepreneurships.

**Key words:** Social Innovation, Sustainable development, Social entrepreneurship, Creation of social value

### Introduction

- Innovations are catalyzers for the development of communities, when seen as a strategy to sustain growth, by easing the means to generate an opportunity and develop a business that seeks to satisfy the needs of its environment (Petit, 2007).
- Current structures can't solve problems that affect societies, thus social entrepreneurships have found an opportunity area (Murray, Caulier-Grice & Mulgan, 2010).
- By creating sustainable innovation, which can be defined as a product, service or system's commercial introduction, new or improved, it can be compared with an analysis that shows the social and or environmental benefits (Hansen, Grosse-Dunker, 2013).

### Social and Sustainable Innovation

Schumpeter (1939)

- Introduction of a new product;
- Introduction of a new production method;
- Opening of a new market;
- Conquer of a new source of raw material;
- Implementation of a new way of organization.

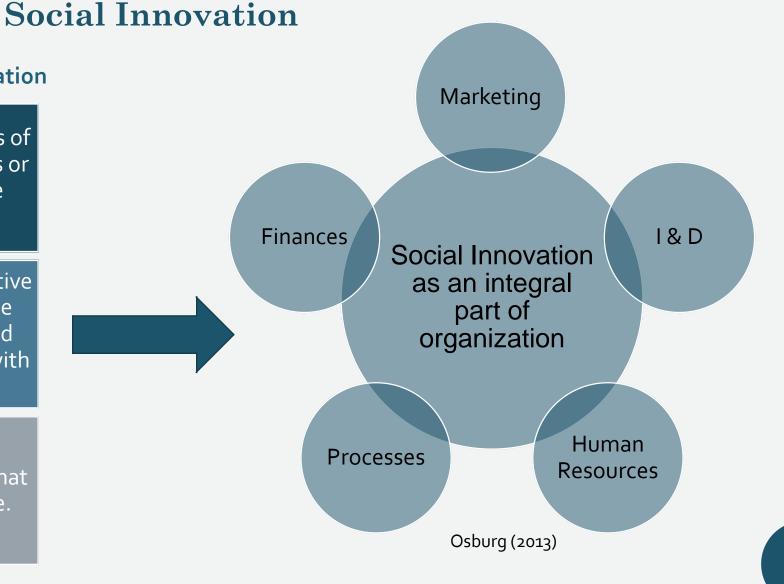
Deutsch et al. (1986) and Mulgan et al. (2007)

• They defined social innovation as an advance for social sciences and political reforms by easing the solutions to social needs, which come from community sectors.

#### 3 different modalities for social innovation

- 1) Social innovation is a complex process of introduction of new products, processes or programs that profoundly change the social system;
- 2) Social innovation refers to the innovative activities and services motivated by the objective of satisfying a social need and that are spread through organizations with social purposes;
- 3) A novel solution to a social problem that is more effective, efficient, sustainable.

Bassi (2011)



In his investigation synthesis on sustainable innovations, Adams et al. (2012) divide the strategies for sustainable design in eight categories:

- (1) Development of new concepts
- (2) Selecting low impact materials
- (3) Reducing the use of these materials
- (4) Optimization of production techniques
- (5) Optimization on the distribution system
- (6) Reducing the impact during use
- (7) Optimization of life time
- (8) Optimization of system's life ending.

# Conceptualizing sustainable development and its relation with social entrepreneurship

The concept of sustainable development goes back to 1987, where the Brundtland Report defines it as "the capacity to satisfy today's needs without compromising the future generations' possibilities" (ONU, 1987)

Social companies link innovation with sustainable development, encouraging the social economy and their strategic positioning in the market (Gutiérrez & Marúm, 2015).

It's important that sustainable development chases three main objectives (Astroulakis, 2013)

Cover society's material, cultural and spiritual needs;

Social justice in participation and making decisions by the population;

Assures an ecologic balance and environmental sustainability throughout the world.

# Conceptualizing sustainable development and its relation with social entrepreneurship

Social Entrepreneurship Elements (Vázquez-Maguirre & Portales 2014).	
Impact	<ul><li>Value Creation</li><li>Sustainability</li></ul>
Implementation	<ul><li>Social Innovation</li><li>Scalability</li></ul>
Reason to be	<ul><li>Social objective</li><li>Solution to social problems</li></ul>

# Social Entrepreneurships and Value Generation

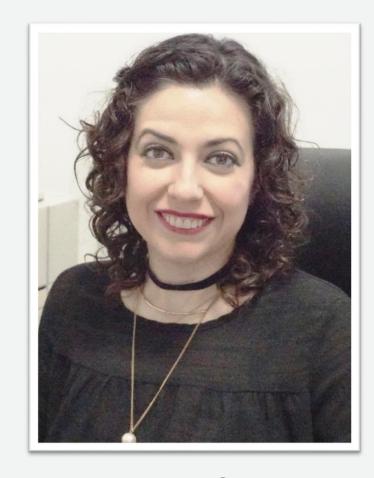
- Social entrepreneur is a person that chases to solve a social problem with an innovating focus, developing an entrepreneur activity (Apetrei et al., 2013).
- They **create a social value through innovation** and exploitation of their financial resources, to help social and economic development in their community (Nava, Salgado & Demuner, 2013).
- Social enterprises **create value offering a sustainable solution** that allows the community to use their autonomy, **creativity and solidarity** to face their problems
- Social entrepreneurships have emerged under a new focus and that generate value through innovation and sustainability.

## Conclusions

Social entrepreneurs generate social value through innovation, contributing to sustainable develop, because they are focused on solving a rising need, that is not attended by traditional markets and that benefits a specific community, propitiating that societies advance and develop.

Enterprises require a balance between financial aspects, conservation of the environment, education, and the correct administration of technology. Sustainable innovation, is centered in the tree pillars of sustainability: environment, economy and society, so it benefits the current and future generations, with participation and collaboration.

The investigation can serve future works, and the develop of a model proposal, for the correct implementation of social innovation, that has a result the generation of social sustainable projects.



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