

Entrepreneurship Theory Course, Paper Proposal

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SOCIAL INNOVATIONS AND ASSUMPTIONS OF DEVELOPMENT: A LITERATURE REVIEW

ABSTRACT

Social Innovation has been increasingly recognized as a powerful tool to address social and environmental problems and to translate the development debate into practices on the ground. In this arena, there is a growing interest in social innovations as an imbricated concept in the social entrepreneurship literature and practice. Many social innovations are often created as grassroots solutions marked by frugality and inclusiveness. Although the role of social innovation and similar concepts (as frugal, grassroots, and inclusive innovations) in alleviating poverty and addressing sustainability challenges have already been investigated, a critical reflection on the intersection among them is still missing. In addition, the unquestioned heritage of western-centric development assumptions in entrepreneurship research has hampered the field's ability to embrace the transformational potential of alternative approaches to social innovations. Echoing recent debates on critical perspectives within entrepreneurship research, this conceptual paper proposes a systematic review of the literature to explore the intersection of social innovation and related concepts within sight of critical development theories. The main goal is to identify how different approaches to social innovation have been constructed within broader hegemonic (mainstream), alternative (reformist), and disruptive (post-growth) development perspectives.

Keywords: social innovation, frugal innovation, grassroots innovation, inclusive innovation, social entrepreneurship, critical perspective in entrepreneurship, development theories.

Introduction

The concept of entrepreneurship, as it relates to development, has remained captive and constrained by western economic and cultural assumptions, which has been boosted by a worrying absence of self-criticism. (Muñoz & Kimmitt, 2018, p. 100).

Entrepreneurship has been recognized as a tool to address societal problems and challenges of social and economic development in different contexts. As a result, there is a growing interest in social innovations in the entrepreneurship field, mainly as the solutions that social entrepreneurs can encapsulate. Those social innovations are often created as bottom-up strategies by people facing those challenges, marked by ingenuity and frugality as a way to overcome institutional and resources barriers. By creating contextual social change, they can be seen as bottom-up alternatives that can reconfigure social practices and experiment with new narratives and images of development.

Despite the growing interest, or maybe due to such popularity, the definitions of social innovation are far from being unanimous. They assume different principles depending from which perspective, field, paradigm, or label the concept is covered (Montgomery, 2016; Parés et al., 2017). For instance, social innovations have been characterized according to their outcomes or processes, and emphasis on market-centered or social-centered logics. Such variability leads to other overlapping concepts, such as frugal, inclusive, grassroots, reverse, and indigenous innovations, even though they still hold significant theoretical differences (Luiz et al., 2021).

From such variance, researchers have recognized a predominance of managerial/economic approaches (Parés et al., 2017), leading to a technocratic/neoliberal paradigm of social innovation (Montgomery, 2016). This dominance reinforces the concentration of the western-centric framework and fails to recognize alternative approaches. Such dominance is not exclusive to social innovation but an unfolding heritage of the entrepreneurship field, in which the mainstream ideas regarding the nature of development play a foundational role that is rarely questioned, leading to ethnocentric, narrow, and simplified theoretical assumptions (Muñoz & Kimmitt, 2018).

This conceptual paper proposal follows Muñoz & Kimmitt's (2018) call for entrepreneurship research to reconsider its ontological position and development assumptions applied to one of the streams of entrepreneurship for the public good (Vedula et al., 2022). It will address two pressing needs in the social entrepreneurship field by focusing on one of its most relevant concepts: social innovation. First, it will provide a comprehensive and critical review of social innovation compared to prominent related concepts – frugal, grassroots, and inclusive innovations. Second, it will shed light on the underlying premises from development theories influencing the framing of those concepts in their conventional and disruptive approaches. Although previous studies have reviewed those concepts in relation to development (Luiz et al., 2021; Pansera & Martinez, 2017), they have not yet mapped or questioned their

assumptions, opening avenues for this proposal using analytical lenses that stem from critical and post-development theories (Ziai, 2017). The aim is not to draw points of incommensurability among them but to establish bridging points, answering the call for dialogue that can lead to action (Nature, 2022).

The Critical Development Theories' Framing to Entrepreneurship and Social Innovation

Muñoz & Kimmitt (2018) ask the entrepreneurship field to problematize this "continued guise that entrepreneurship is a potential elixir to the perceived challenges of developing economies" (p. 102). This conventional ontological assumption is represented by the hegemonic idea of development associated mainly with economic growth promoted by the triad modernization-urbanization-industrialization in a universal development ladder (Nature, 2022; Ziai, 2017). This mainstream view is expressed in the streams of social and environmental entrepreneurship framed almost exclusively as the creation of business ventures to address the opportunities arising from social and environmental problems, seen as market gaps. This way, although the idea of development exclusively associated with economic growth has long been under scrutiny (Nature, 2022), most entrepreneurship research is based on this unquestioned logic.

Even Vedula et al. (2022), in a comprehensive literature review on entrepreneurship for the public good, depart from this assumption. Although the authors recognize the debate between mainstream and critical perspectives on the field, they still build all the argumentation based on the optimistic connection between private wealth-seeking and social value creation. Hence, the discussion permeating the social, environmental, and sustainable entrepreneurship streams encompasses how growth may occur. This reformist notion of development is qualified by the sustainable development debate seeking the possibility of green or social growth as an alternative development (Ziai, 2017). From such a perspective, social entrepreneurs "do well by doing good", offering market-based solutions that, for instance, expand capabilities that enable human development (Luiz et al., 2021). Similarly, environmental entrepreneurship is framed as exploring synergies between financial returns and green goals (Vedula et al., 2022).

On the other hand, more radical propositions question this reformist possibility of decoupling the economy from its environmental base and its inherent perpetuation of social inequalities. They advocate for disruptive post-growth reviews on the development paradigm itself. The idea is to stimulate new or re-emerging concepts and practices, such as *buen vivir*, degrowth, *ubuntu*, commoning, ecofeminism, food and energy sovereignty, solidarity economy, and other alternatives to development that represent multiple ways of being in the world (Ziai,

2017). Most post-development theories emphasize the role of social enterprises as processes of entrepreneuring local alternatives and strengthening communities. In this perspective, the outcome of entrepreneurship does not always need to be driven by private property rules and profit gains. It gives rise to alternative, collective, or everyday entrepreneurial activities and organizing models, not restricted to the market-based look and feel.

If the streams of entrepreneurship for the public good, which stems from a reformist assumption of development, already occupy a peripheral position (Vedula et al., 2022), disruptive propositions that share ontological positions with post-development theories are largely ignored within the entrepreneurship field (Muñoz & Kimmitt, 2018). As most entrepreneurship, and consequently social entrepreneurship research, is based on western mainstream lenses, it has predominantly focused on pursuing business opportunities within a hegemonic neoliberal perspective of development. In this framing, the taken-for-granted obsession with economic/GDP growth is rarely questioned (Nature, 2022), and there is a prevailing reductionist view of alternative contexts or non-western framings (Muñoz & Kimmitt, 2018). This posture prevents entrepreneurship research from fully embracing heterogeneity and differences that may truly advance the field (Welter et al., 2017).

As Muñoz & Kimmitt (2018) suggested, there is a need for a refreshed agenda and critical perspective to escape the "entrepreneurship iron cage" (p. 104) and recognize the emergence of different types and alternatives. Here the concept of social innovation comes at hand due to its strong relevance for the social entrepreneurship field, and the capacity to cross interdisciplinary boundaries and embrace alternative organizational forms, ventures, and enterprises (Parés et al., 2017). The richness and diversity of the concept of social innovation, as well as other related labels of innovation (Luiz et al., 2021; Pansera & Martinez, 2017), provide the ideal topic to assess different ontological assumptions around development within the streams of entrepreneurship for the public good. This way, this proposal answers the solid call to build a dialogue between reformists and disruptive approaches to development (Nature, 2022) connecting this debate with the perspective of practices on the ground.

The multifaceted concept of social innovation and its related terms

With different attributions and meanings, the term social innovation has gained traction among academics, practitioners, and policymakers. As an emergent, transdisciplinary, cross-sectoral field, the concept is primarily associated with the idea of producing new solutions to social problems. However, its definitions are far from unanimous, resonating with the lack of consensus in the akin field of social entrepreneurship. Parés et al. (2017) draw upon the

dominance of the economic and management approaches to describe other approaches according to the level and field of analysis: creative, political science & public administration, geography, and systemic. Those approaches go beyond the dynamics of demand and supply and incorporate complex interactions of agency of actors, emerging structural opportunities, territorial processes, path dependency, and collective action.

Likewise, Montgomery (2016) identified two disputing paradigms of social innovation. The technocratic emphasizes the entrepreneur as the principal agent of transformation in terms of new markets and competition, highly attached to the neoliberal socio-economic model viewing empowerment as consumption. On the other side, the democratic paradigm values the reinterpretation or reproduction of lived social relations seeking greater collective empowerment and local development. The democratic approach is more fragmented and focuses on creating communities and participatory methods as means for empowerment.

Although this paper proposal aims to focus on social innovation, it would be reckless not to recognize other prominent "labels" coined to describe different models of innovation with similar aims, such as frugal innovation, grassroots innovation, and inclusive innovation. Those concepts are fuzzy, often conflated, and used interchangeably (Luiz et al., 2021). It is worth noticing that "social innovation" is the most popular concept in academia, as Table 1 shows.

Database	Social Innovation	Frugal Innovation	Grassroots Innovation	Inclusive Innovation
Web of Science (WOS)	3580	342	165	179
Scopus	4620	459	296	250
Total	8200	801	461	429

Table 1: Popularity of concepts in Academia according to quantity of papers in those topics

Source: The author, based on a search made on 21/March/2022¹

Previous literature reviews have already discussed the connection between innovation and development concepts (Luiz et al., 2021; Pansera & Martinez, 2017), but they have not yet articulated their distinct features and assumptions on development, or proposed a dialogue among them. For instance, Luiz et al. (2021) review what they called pro-poor innovations by applying Amartya Sen’s Capability Approach, therefore considering only one of the reformist approaches, the human development. The authors identified three main descriptive groups: the first group with a strong commercial bias (frugal), the second group of concepts named after

¹ Search only for illustrative purposes, focused keywords in the title, abstract, and keywords fields: “social innovation”, “frugal innovation”, “grassroots innovation”, and “inclusive innovation”. No other filter applied, such as period or research areas. No cleaning and filtering were done in this data, so it can be assumed that there are many duplications in both databases.

their origin (grassroots and indigenous), and the third group highlighting the objective (social, inclusive, and catalytic innovation).

Differently, Pansera & Martinez (2017) discussed innovation for poverty reduction as a battlefield of competing narratives in at least three major trends: business-as-usual (BOP approach), reformist (self-organized low-income producers), and transformation (“non-mainstream” approaches). However, the authors did not include social innovation and did not provide a closer look at the concepts’ ontological variances and overlaps, reinforcing the need for this proposal.

Methods

This paper proposal will adopt a systematic literature review methodological approach, adapting the process proposed by Frank & Hatak (2014). It will take the format of a narrative review guided by a research question. This study seeks to understand how different approaches to social innovation and correlated terms have been constructed within broader hegemonic (mainstream), alternative (reformist), and disruptive (post-growth) development perspectives. The method’s protocol is still being designed, but a tentative design with specific stages and procedures is depicted in Appendix 1. The theoretical nature of this proposal can risk transforming it into a daunting task. Therefore, its scope is divided into two main phases. The first phase, which is already in progress as described in Appendix 2, focuses on 82 previous reviews on the selected concepts. The first phase will be essential to narrow down the second phase’s scope and refine the selection criteria.

Intended Contributions

This paper seeks to promote three key contributions. For the social entrepreneurship field, it will provide the missing critical review of social innovation compared with prominent related concepts (frugal, grassroots, and inclusive innovations) within sight of critical development theories. Therefore, it will also contribute to the debate on how such initiatives may indicate alternatives to development. For the critical perspective in entrepreneurship, it will discuss the underlying development’s assumptions in the field, embracing alternative approaches that are also missing. Finally, for the debate on development and growth, it will bridge the debate between reformist and disruptive approaches in connection with the perspective of the practices on the ground. Moreover, this interdisciplinary proposal acknowledges that there is space and need for multiple perspectives to coexist in the face of the complexity and urgency of our societal challenges.

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APPENDIX 1

METHODOLOGICAL DESIGN AND STAGES

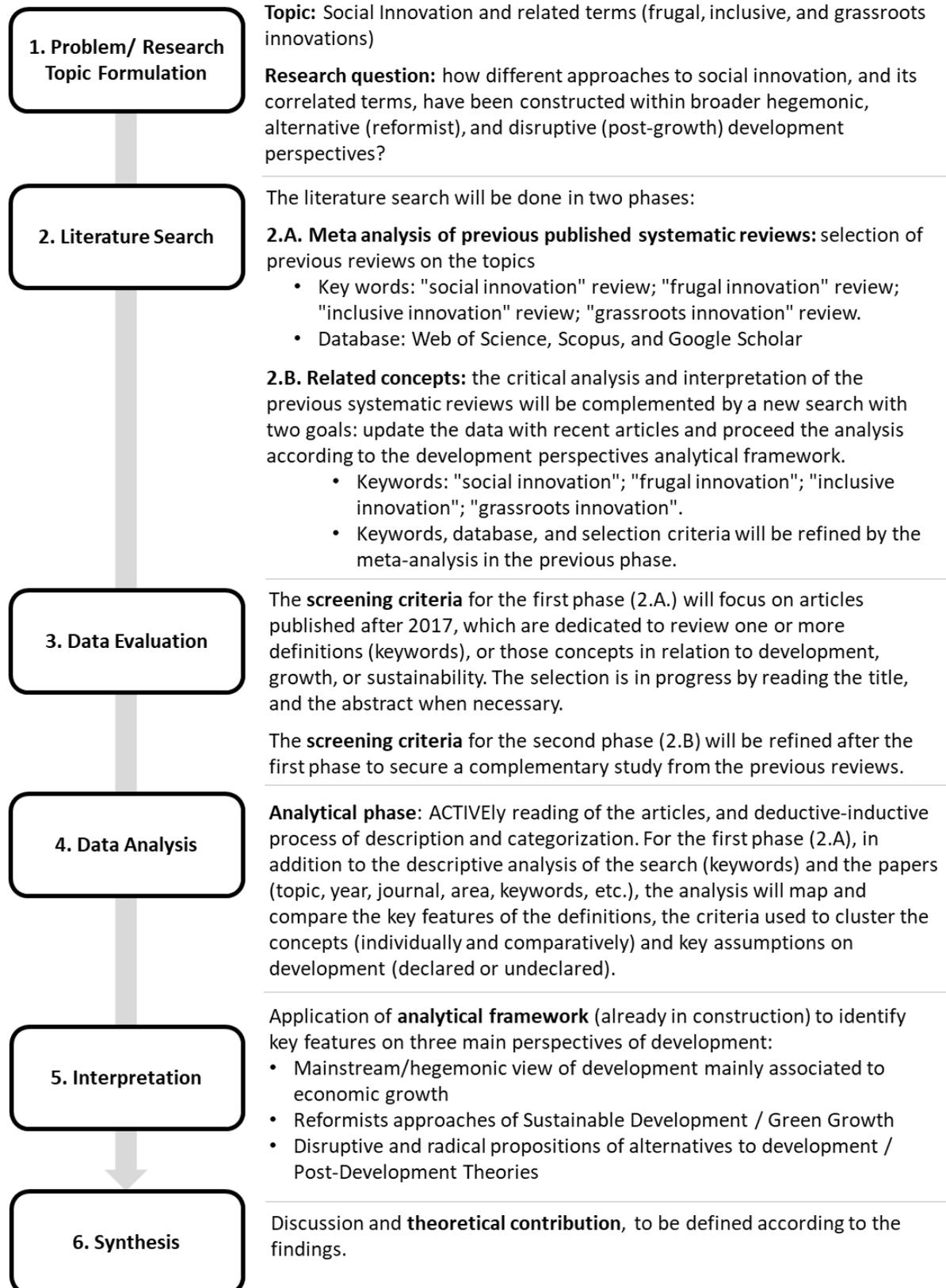


Figure 1: Overview of the methods design and procedures according to the stages of a Systematic Literature Review, adapted from Frank & Hatak (2014). Source: the author

APPENDIX 2

First Phase: 2.A. Meta analysis of previous published systematic reviews

Papers' Search

1. Search for social innovation and related concepts reviews in the Web of Science (WOS) and Scopus database between 18/Mar and 24/Mar/2022 resulting in 837 papers
 - a. Keywords: ("social innovation" review; "frugal innovation" review; "inclusive innovation" review; "grassroots innovation" review)
 - b. Time range: from 2017 (when the keyword search resulted in more than 100 papers)
2. Filtering criteria to select papers focused on the concepts alone, critical reviews, or in connection to social entrepreneurship, or in relation to development, growth, or sustainable development. The selection was made mainly by reading the title, and the abstract when necessary.
 - a. The filtering processes resulted in 124 papers
3. Elimination of duplicates resulted in 82 papers