Chapter 4
Fostering Social Innovation through E–Collaboration

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ABSTRACT
Increasing awareness in social problems and the high complexity of social challenges has boosted social innovation efforts in recent years. Social innovation refers to new and innovative solutions to social problems that create social value, involve public good, and affect the society, mostly developed by participation of stakeholders who have interests in the problem. Social innovation leads to social value created through a series of collaborative efforts of public, private, and non-governmental organizations. This chapter highlights the importance of collaboration in social innovation and examines the role of e-collaboration as a group coordination and communication mechanism in the social innovation processes. The first part of the chapter presents evidence on what social innovation is and describes how social innovation intertwines with collaboration. The second part of the chapter defines the key conceptual elements of e-collaboration and explores how e-collaboration can foster social innovation concerning each conceptual element.

INTRODUCTION
The high rate of change and complexity in the environment is forcing organizations to develop novel solutions systematically. This makes the notion of innovation a vital ingredient for economic growth and competitiveness. Innovation can be defined as: “a novel and improved process, product, administrative system, or program” (Damanpour, 1991). The definition of innovation has long been discussed by researchers and practitioners. Scholars have reached a certain level of consensus in terms of what innovation is and what it is not. However, there is an evolving dialogue on the role of innovation in society. The shift from an industrial society to a knowledge
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and network economy has been transforming the innovation paradigm. There is an increasing focus on how to integrate social interests into products and services, and there is a significant increase in emerging social challenges for which the public sector is not designed, such as climate change. Therefore, organizations are seeking new ways of innovating to meet social needs. Non-technical and social innovations are increasingly recognized as means of achieving novelty. Concepts such as open innovation and user-centric innovation are results of this new paradigm. On the one hand, companies are increasingly including stakeholders (e.g., customers, end-users, and suppliers) in the design of their products and services. On the other hand, public, private, and non-governmental organizations come together to address social challenges that require a collaborative problem-solving process. The innovation process is transforming into an iterative and participative activity.

Innovation usually goes hand in hand with change. Organizations search for novelty as a response to a change in the environment, or as a means of bringing about change (Damanpour & Ewan, 1984). Social innovation has stemmed from the need for systemic social change. Increasing awareness in social problems has been forcing governments, businesses, and civil society to take action on working together for social development. People, groups, and institutions form inter-organizational collaborative platforms for that purpose. The social value created by these platforms is defined as social innovation.

A very popular example of social innovation is the alliance between Danone and Muhammed Yunus, the developer of microcredit and microfinance concepts, and the founder of Grameen Bank which provides credit and banking services to the rural poor in Bangladesh. In 2006, Danone and Grameen Bank formed a joint venture, Grameen Danone Foods Ltd., to respond to the local nutritional needs in Bangladesh. The joint venture produces 80g packed yoghurt, Shoktidoi, at a very affordable price, with a composition that has been designed to make up for the nutritional deficiencies, and products are sold through a distribution system that provides employment opportunities to local people. This specific case is an example of social innovation initiated by private organizations. Very diverse fields, such as public policy, urban and regional development, and social movements, are creating social innovation through distinctive methods and insights. Regional development initiatives in Europe are increasingly utilizing the contribution of multiple stakeholder groups to develop innovative solutions to regional problems, such as decreasing unemployment rates, or ensuring social inclusion of disadvantaged groups (e.g., the disabled and elderly).

Heiskala (2007) defines social innovation as “changes in the cultural, normative or regulative structures [or classes] of the society which enhance its collective power resources and improve its economic and social performance” (p. 59). From this definition, we can conclude that social innovation occurs at the societal level, is socially accepted, affects the society, and creates “new” as well as “good” social value. Collaboration is at the heart of social innovation by design. Different stakeholder groups form networks and platforms and have to communicate, coordinate, and collaborate effectively in order to achieve results.

This chapter highlights the importance of collaboration in social innovation, and examines the role of e-collaboration as a group coordination and communication mechanism in social innovation processes. The first part of the chapter presents evidence on what social innovation is, and describes how social innovation intertwines with collaboration. The second part of the chapter describes how e-collaboration can foster social innovation through the utilization of six key elements of e-collaboration. Kock (2005) identifies six areas: (1) the collaborative task, (2) e-collaboration technology, (3) individuals involved in the collaborative task, (4) mental schemas possessed by the individuals, (5) the physical environment surrounding the individuals,