08:09

Social entrepreneurship

or how open social innovation is possible in established structures

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INTRODUCTION

This paper describes *open social innovation* defined as new ideas that are implemented in cross sector cooperation to solve social assignments. In Denmark there is an ongoing political debate that focuses on the assignments of the welfare state and how these assignments should be organized in the future. There is consensus among the political spectra that the future challenge is to solve welfare assignments more (cost) efficiently and in an innovative way. One of the solutions to these challenges is to have more cross sector cooperation and the political debate concerning cross sector cooperation has made the theories about social entrepreneurship important again. The reason for this is that the discussions of social entrepreneurship in many ways are related to cross sector cooperation and social innovation. Through a presentation of a case the existing possibilities for open social innovation in a country with a fine-meshed welfare state will be discussed. We will describe how the participants position themselves through negotiations and how they support or exclude ideas and projects and discuss whether cross sector cooperation result in new and innovative solutions to welfare problems.

The central question is whether it is possible through open innovation to change/influence established structures and those cultural systems that define and legitimize these structures.

Keywords: Bourdieu, new-institutionalism, social entrepreneurship, isomorphism and incremental open social innovation.

THE CASE OF "REARRANGEMENT OF DEBT SERVICE" AND OPEN SOCIAL INNOVATION

A large well-established non-profit organization (which preferred to be anonymous) experienced, due to the financial crisis, a new demand from middle-class citizens that were deeply in debt. The idea was to establish a service for these citizens and give them a chance to rearrange their debt into loans with lower interests (the "rearrangement of debt" service). The non-profit organization planed to do so in cooperation with the local bank and the municipality. The local bank accepted the request without hesitation and agreed to give the users some free advice from the banks accountant (most likely the bank saw an opportunity to gain new customers). The municipality on the other hand rejected the idea completely. However the non-profit

organization managed to sell the idea on governmental level and the idea was implemented by the Welfare Ministry. The Welfare Ministry also funded four other large well established non-profit organizations in four different cities. The "rearrangement of debt" service was accepted on governmental level and is an example of a local idea that was implemented nationally.

Before we made the interviews we had, though literature, established our position and definition of social innovation to be given within a historical, social and cultural context. We have conducted semi-structured interviews with politicians, civil servants and the non-profit organization in this specific case.

What the actors perceive as innovative depends on different interests, positions and norms among the involved participants. Thus the actor's definition of what is innovative is more and different from only a classification or listing of objective criteria's. Together with the interviews this perspective gives us the opportunity to describe whether it is possible through open innovation to change/influence established structures and those cultural systems that define and legitimize these structures. In this paper we will present the main conclusions from our analysis when we describe the theories and when we describe our definition of innovation.

THE INNOVATION FIELD IN A DANISH WELFARE CONTEXT

Bourdieu describes *society* as a series of autonomous micro-worlds that work within their own logic, which he calls *fields* (Bourdieu & Wacquant 1992 p. 84).[1] For instance the *innovation field* covers the relations between different actors/groups and their positions within the innovation field, this being on global, governmental as well as on local level.[2]

In our case the innovation field consists of the different positions and alliances between politicians, civil servants, citizens and non-profit organizations. The innovation field is thereby defined through the specific distribution of power and capital that the actors have and invest in the innovation field and determines the way actors talk and understand the innovation field.

Innovation, at governmental level, is defined as methods that can run the welfare state more cost effectively (this is probably not the way non-profit organizations

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1   The *field* concept must be regarded as a theoretical concept which forces us to make a critical construction of reality (Bourdieu 1992 p. 96). A field can not be studied *a priori*, but must always be studied empirically (Bourdieu 1992 pp. 92-93, DiMaggio and Powell 1991 p. 65).

2   For instance the innovation field in Denmark is a part of the way OECD countries position themselves regarding to the rest of the world. Western countries perceive them selves as more technologically advanced (the postcolonial myth) and to stay in the lead governments and businesses must innovate (Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 4). In that sense globalization and risk society frames the very way the West think and talk about innovation. The combination, the illusion of being a head and the necessity to stay a head makes innovation not only an opportunity to do things differently, or a natural process in a society, but a relentless demand because of fear of being left behind (Mik-Meyer and Villadsen 2007 pp. 146-168).

would define innovation). The broad welfare debate in Denmark criticizes that the solutions to welfare problems are too "universal", that we need more "freedom from rules" and that we, at the same time, need to solve welfare problems more cost effectively. A central argument across the political spectra is that the legitimization of the future welfare state lies in a new distribution of tasks between: government, market and civil society. The ongoing debate is how this could best be done (in a social entrepreneurship perspective: Andersen, Hulgård, Bisballe 2008, Hulgård 2004, Nyssens 2006, Rago, Fæster 2008, Borzaga, Loss 2006).

At governmental level new public management is seen as an ideal model for the welfare state, the state is seen as a business and citizens are, so to speak, customers in the welfare "shop". Different welfare assignments are distributed to subcontractors, for instance the voluntary sector and they execute social assignments on behalf of the state. Both the demand for effectiveness and more cross sector cooperation is present in the governments "Quality reform" paper from 2007 (The Governments Quality reform 2007 p. 34, citation is our translation):

> "The voluntary work is an important part of the combined effort and supports diversity and quality. The government will assess whether the subsidies from the state to the voluntary sector can be granted more effectively. The municipalities are urged to develop coherent politics for the voluntary sector..."

On the other hand the municipalities are not interested in more cross sector cooperation (Rambøll management 2006 p. 3, citation our translation):

> "We have taken the pulse on the cooperation between the municipalities and the counties support to the local nonprofit sector, and unfortunately we can see that the developments in the cooperation for most parts have stopped. Or even worse: Never really started. Therefore the cooperation could use a shot in the arm."

Generally the report from Rambøll management is critical to the existing cooperation between the municipalities and the non-profit organizations. The main focus in the rapport is on barriers rather than possibilities for cross sector cooperation. We find the critic serious because the rapport states that the so called §115-cooperation is actually being funded by the government by a block grant (Rambøll management 2006 p. 4). Therefore we interpret the lack of cooperation as a lack of interest in involving and informing non-profit organizations about their possibilities to develop new services and subsidies. This is also confirmed in the rapport (Rambøll management 2006 s. 8), as the rapport shows there are barriers for open innovation. When we enter the innovation field we are not in a neutral zone, on the contrary, we enter a field that is already positioned. Therefore we can not assess failure or success of an idea only by looking at the idea it self, but we must pay attention to the innovation field that accept or reject the idea. As our case the "rearrangement of debt" service

shows, the municipality refused the idea, but the idea was accepted and funded on governmental level by the Ministry of Welfare.

Because of the financial crisis the municipalities are granted more money from the government to solve social problems. One could assume that funding of social projects, instead of funding cooperation (§115-cooperation), will result in more cross sector cooperation (it is of course difficult to have cross sector cooperation if there are no money for projects).

DEFINITION OF INNOVATION AS INCREMENTAL OPEN SOCIAL INNOVATION

Innovation describes ideas that work on all levels, by everybody and between everybody (Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 13). It is clear that we can not *a priori*, exclude specific groups or persons. On the other hand when we describe innovation we need a focus and a demarcation of the concept. We define innovation as *open social innovation* and distinguish between *radical* and *incremental* innovation. Radical innovation is an entirely new way of thinking and doing things that render old methods (or products if in a business concept) obsolete. On the other hand incremental innovation refers to a gradual change. That is to say that innovation comes from something already existing and the new idea or method is implemented into existing methods or products (Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 14). In our case where a service for people indebt was established, this idea can hardly be called radical innovation. However it is an incremental innovation, because even though the idea is not new, such a service did not exist in this area before, the non-profit organization never cooperated with a bank and the citizens that need the financial advice come from the "middle-class", therefore the "clients" are very different from the groups that this specific non-profit organization normally are in contact with.

We also differentiate between innovation and social innovation. We are not interested in innovation from a business perspective (commercial innovation), where a business develops products (Chesbrough 2006). We are interested in social innovation that originates from social needs and we define social innovation as new ideas that are implemented and driven by social needs (Bisballe 2006 p. 2, Borzaga and Solari 2001 p. 333, Helmig, Jegers, Lapsey 2004, Drayton 2006, Austin, Stevenson Wei-Skillern 2006 p. 2, Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 13). Social innovation comes from both non-profit organizations and social enterprises. In our case our main focus is on a non-profit organization where profits (if any) is reinvested in society (for difference between non-profits organizations and social enterprises see: EMES definition of social enterprise. Defourney, Nyssens 2006 pp. 5-6. Difference and similarities between the voluntary sector and social enterprises in a Danish context see: Hulgård 2006 pp. 50-58, Rago, Fæster 2008. Differences between entrepreneurs and social entrepreneurs see Dees 2001).

We distinguish between, what we call 1) individual innovation, 2) structural innovation and 3) open innovation defined as new ideas that are implemented through cross sector cooperation.

1) *Individual innovation* is especially predominant within the American literature and is described within the literature of the entrepreneur and the social entrepreneur. Everyone, with no regards to age, gender, ethnicity or handicap has the potential to be a social entrepreneur (Drayton 2006, Davis 2002 p. 3, Schneider, Teske, Mintrom 1995 pp. 10-12). The social entrepreneur is different from the entrepreneur described in management theory, because the social entrepreneur does not innovate primarily for profit. There might be economical benefits but the "trigger" is the social indignation (Dees 2001, Martin & Osberg 2007 pp. 34, 37, Hulgård, Spear 2006 p. 85). A social entrepreneur is a person that is capable of breaking with traditional ways of thinking and in the literature they are very often described as having a flair for opportunity, to be goal-oriented and to have courage, fortitude and willpower (Davis 2002 p. 3, Manzini 2006 p. 2, Martin & Osberg 2007 pp. 32-33, James, Faizullah, Bacon, Bartlett, Harrison, Mulgan 2007 p. 9, p. 11, Mulgan, Ali, Halkett, Sanders 2007 p. 12). Because of these characteristics the social entrepreneur is able to discover new products or methods that will improve specific group's social conditions (Leadbeater 1997 p. 2, Martin & Osberg 2007 p. 30 p. 35). A very important point from social entrepreneurship theories is that individuals are able to influence and change established structures through the development and implementation of new ideas.

2) *Structural innovation* is innovation within the organization. This could be innovation by employees or by the management or even between the municipalities (with the same organizational norms). Structural innovation is especially known from patent oriented companies (e.g. medic industry) where product development is a business secret. Innovation that takes place within the organization is often driven by large well-established organizations, rather than small business entrepreneurs. In Schumpeter's view it is primarily large organizations that can afford to be innovative (Schumpeter 1942 p. 106 from lecture by professor Hans Landström): *"… what we have got to accept is that the large-scale establishment has come to be the most powerful engine of progress."* Structures as well as individuals are important factors when we look at open innovation and, as we will discuss further below, both the aspects of structural and individual innovation plays an important role in open innovation because it involves issues regarding the structure/actor discussion.

3) Finally we have *open innovation* which is innovation developed in cross sector cooperation (in our case between a municipality, a bank, a non-profit organization and users of the "rearrangement of debt" service). Henry Chesbrough uses the term open innovation to describe how *"businesses at lower-cost and at higher-quality can develop ideas from the best sources by letting the company develop new ideas in collaboration with the outside world."* (Chesbrough, Vanhaverbeke, West

2006 p. 1). A central point is that open innovation happens between actors from different organizations; it is because of the cooperation that an idea is developed and implemented. E.g. the non-profit organization in our case found a solution to a specific local problem in cooperation with citizens and a local bank. But the non-profit organization lacked the money to implement the idea. The municipality on the other hand have the obligation (through legislation) to solve social welfare problems and also the money to do so. Some of these obligations are solved and further developed within the municipality itself (structural innovation e.g. child-care), but other assignments as the "rearrangement of debt" service, could have been solved through cooperation with a non-profit organization.

We are inspired by Eric von Hippels definition of innovation as user-centric democratized innovation (Hippel 2005 p. 2, Hippel 2007 p. 293).[3] The driving force in open innovation, as we define open innovation, is that innovation must be user-driven (bottom-up). From our point of view citizens are not only "customers" in the welfare "shop" (as in traditional new public management theory). On the contrary citizens themselves define and develop welfare services and thereby act as their own agents (Hippel 2005 pp. 1-2). This development is a step away from a welfare state which can be compared to a manufacturing method where a "few-sizes-fits-all" (Hippel 2005 p. 5).

OPEN SOCIAL INNOVATION IN ESTABLISHED STRUCTURES

Before open innovation is possible it is necessary to accept that structures, such as a municipality, are able to change and that actors outside the organization are able to influence actors within a organization. According to Bourdieu, institutions, such as a municipality, both regulate our behaviour through norms (cultural capital) and economy (economical capital), but at the same time institutions are themselves being regulated by norms in society (often through media), legislation and public opinion (Bourdieu 1992 pp. 88-89).[4]

Both Bourdieu and New-Institutionalism view organizations as open systems that are influenced from the outside world and therefore actions and decisions within the organization are not decided in advance. Another crucial point is that in reality it is not possible to clearly confirm where opinions and norms originated from. This is due to the fact that the Danish welfare state (through the education system) regulates

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3   Eric von Hippel defines users broadly, as both firms (could be nonprofit organizations) or actors that expect to benefit from using a product or service (Hippel 2005 p. 3).

4   Bourdieu disagrees with a structualistic sociology where structures are closed systems and where actions are determined by structures (e.g. Althussers determinism). On the other hand Bourdieu is careful not to give the actors complete autonomy, responsibility and freedom (as in Satres existentialism). In this perspective social entrepreneurs are not only defined by characteristics of the individual, but the social entrepreneur is also defined by structures (e.g. through education and employment in a specific organization).

the actors' cognitive perception of the world by influencing the way we categorize our world. We could say that the structure is within us and that at the same time we define those structures (Bourdieu 1992 pp. 126-158). Therefore the role of the actor and structure is a complex problem and intertwined. For instance non-profit organizations play an important role as the politicians "eyes" and "ears". Therefore the actors in the non-profit organizations should be able to influence politicians. In that sense the actors from the municipality and from the non-profit sector engage in a complex construction of "interpreting" the world and the social entrepreneur plays a advocacy role for citizens and a role as a "mediator" between citizens and the municipality (Bisballe 2006 p. 14). The question is how open a huge well established cultural organization as a municipality really is. If the municipality only accepts ideas from those non-profit organizations that imitate the municipality the most, then the services that are negotiated in open innovation will only be the right hand of the welfare state which we can not call innovation (Gerometta, Häussermann Longo 2005 p. 2013). Looking at theories concerning the social entrepreneur the point is that the social entrepreneur is able to implement new ideas, even though it is not an easy thing to do. Our approach to how actors influence structures and vice versa is dialectic. We believe that the subject can challenge established systems and that well-established organizations can accept new ideas, as well as well-established organizations can influence actors to incorporate the organizations values in his/her way of doing things. Even though innovation is sometime described as "budding" or branch off, as an uncontrollable, unpredictable process, which need time and effort to develop, we also accept that there should be a frame in developing new ideas or as the Young Foundation writes (James, Faizullah, Bacon, Bartlett, Harrison, Mulgan p. 11):

> "There is a delicate balance to be struck between the creativity and experimentation, some would say chaos, that is crucial to innovation, and the need for institutional support and learning to make innovations grow and spread."

NESTA have studied how open innovation leads to untraditional solutions to local problems and they conclude that even though cross sector cooperation is difficult there are also economical advantages (Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 135):

> "Partnerships and alliances are an essential way to overcome capacity restraints. Through working together, organizations can pool resources and dissipate risk. This is of particular importance in the case of social innovation where resources are limited."

OPEN SOCIAL INNOVATION IN A LEARNING PERSPECTIVE
Our understanding of open social innovation is (user-driven) idea development through cross sector cooperation. If we consider open social innovation from a per-

spective of learning, it becomes easier to understand why cross sector cooperation often goes hand in hand with the creation of new ideas. The development of new ideas happens within a learning space which is created by the actors when they influence and are influenced by each others different world perspectives. Even though conflicts in cross sector cooperation often exist (Andersen 1999, Bacon, Faizullah, Mulgan, Woodcraft 2008 p. 133, Gerometta, Häusermann, Longo 2005 p. 2019), these conflicts are not necessarily negative for the development of ideas. This is due to the fact that the actors in a conflict situation challenge each others categorizations of the world in a way that both contribute to sharpen and further develop their own ideas and to define new ideas that can contribute to solutions to a social problem.

On the other hand NESTA and the Youth Foundation argue that new ideas are only accepted, because the actors involved have accepted that the other party have a central role in the solution to a given problem. NESTA's examples come from studying cooperation between municipalities and non-profit organizations in developing new solutions for social problems. The cases are mainly from England, but they have also made studies in Europe and America and they conclude that there is only room to create new ideas, when the public sector has acknowledged the voluntary sector as competent and as an important cooperation partner (Bacon, Faizullah. Mulgan, Woodcraft 2008 pp. 129-131).

With recognition a "space" is created for further development of an idea. Therefore acceptance is vital to obtain a "positive" atmosphere that is needed for an idea to develop (Moulart, Martinelli, Swyngedouw, Gonzalez 2004, Mulgan, Ali, Halkett, Sanders 2007, Mulgan, Tucker, Ali, Sanders 2007).

In our case study we conclude that the reasons, which the non-profit organization had for starting the "rearrangement of debt" service, were not accepted by the municipality. On the other hand the idea was accepted at the governmental level. The municipality did not accept the idea, because the non-profit organization had historically been critical towards the municipality. It was clear that the non-profit organization went too far in their critique in regards to cooperation with the municipality. When one is analyzing open innovation it is important to understand historical factors, because specific historical connections can determine the outcome of cross sector cooperation. In the specific case it was rather the relationship than the idea that leads to the rejection of the idea. The idea and who got the idea is therefore equally important, because the evaluation of an idea does not happen in a "value free" context on basis of objective criteria's (Bourdieu 1998 pp. 57-58), or as professor Lars Hulgård writes (Hulgård 2007 p. 58)

"When an individual action becomes a social entrepreneurship, adding a value to the social field and involve a change in the social field, it is absurd to imagine that the contribution can be understood independent of this field. It is part of the institutional configuration."

From the "rearrangement of debt" service" case we observe that innovation and what society accepts as innovative are intertwined and inseparable and that both new ideas and structures influence each other (even though the municipality did not act, the government did). The question is what the crucial factor is. Is it the idea itself or is it the acceptance of an idea that matters the most? The answer must be found in the specific case but the theories that we use also play a major role, because theories focus on different aspects about society and the actor/structure role.

NEW INSTITUTIONALISM AND OPEN SOCIAL INNOVATION

A central discussion in open innovation is with which logic an organization as a public organization operates. Especially theories from Old Public Administration, New Public Administration (Public choice), New Public Management and New-Institutionalism are dominant. We have chosen to understand public organizations as different from a business, which is primarily profit driven and therefore must be as effective as possible, and instead understand public organizations as structures that legitimize their existence through stability, norms, social values and "myth" creation (New-Institutionalism). We do this well aware of the fact that at present in Denmark there is a hegemonic discourse to understand the welfare state through the concepts of New Public Management.

The reason why a municipality is divided into political departments as: the children and youth department, the social and health department, the culture and leisure department, the environment and technical department and the economical department, is that these areas defines the municipalities responsibility through legislation. A municipality is a political system and therefore not only upheld because it is a rational structure, or even an effective structure, but because the organization protects and legitimizes values and norms that the citizens perceive as important (March, Olsen 1989 pp. 95-116, p. 159, Meyer and Rowan 1977, Dimaggio and Powell 1991 p. 65, Brown, Leach, Covey 2004). A crucial point in those theories of New-Institutionalism that are inspired by Bourdieu's theory, is that organizations are fields that communicate through a network (social capital) and those institutions are open systems that citizens and other organizations can influence (March, Olsen 1989 pp. 53-67). A large public organization as the municipality is rarely rational, on the contrary a municipality has many different political goals and values within the departments. Therefore the organization will tend to choose already well established and successful methods. From a New-Institutional perspective institutions legitimize their existence through "codes of appropriate behaviour". This means that even though municipalities are not rational, they will be pressured to act as if they were rational. The point is that the "myth" of rationalization is more important than the question of whether a municipality is rational or not (March, Olsen 117-142, Mik-Meyer and Villadsen 2007 p. 123).

In our interviews the actors often mentions ideals and myths of how a non-profit organization or a municipality should be and it was clear to us, that the actors use a lot of time and resources to explain how "the others" are acting and how they should act accordingly (creating myths of them selves and the others).

The creation of myths becomes a problem when resources are used to adjust to myths of rationalization (the pressure being huge because of the media and the discourse from new public management), instead of actually solving welfare assignments. Mik-Meyer and Villadsen put the problem quite adequately (Mik-Meyer and Villadsen 2007 p. 125 our translation):

> "...that welfare organizations in many cases could be considered to be more oriented towards adopting and showing the institutional myths than to investigate how the specific structures, processes and technologies work with consideration to the users – whether the best social help, employment training, treatment, integration, recovery etc. is provided for the citizens."

The worry is that the municipality could refuse new ideas from citizens and non-profit organizations, when these ideas do not fit within the myth of a municipality as a rational structure. In the case of the "rearrangement of debt" service, the municipality is concerned about sponsoring a service, where citizens are given economical advice that potentially could happen on the expense of the municipality (e.g. if a citizen owes the municipality money). Recently a municipality sponsored a city party (the non-profit organization Openhagen –Undoing the City) where those people involved in the party literally smashed an entire street. The municipality was subsequently accused in the media for not keeping enough control with funding for cultural arrangements. This shows that when the municipality funds a service/event, they give their approval to that event and thereby the "myth" that "the municipality is rational and only fund rational projects" is put to the test. Hence idea development with organizations outside the municipality could be a potential problem for the municipality; because services or events organized by non-profit organizations are out of the municipality's control and the employees in the non-profit organization are not necessarily loyal to the municipality. Therefore when the municipality judges an idea, they take into account whether the idea is potentially a political problem, moreover politicians and civil servants judge the idea as "good" if it fits the tasks or problems that the municipality has at the present time.

At the moment municipalities are criticized at governmental level for not being sufficiently effective. Because the municipalities deliver products that are difficult to measure or test exactly such as: child and elder care, job training, rehabilitation, it is essential for the municipality to demonstrate (via homepage, rapports, public meetings, services), that they deliver the products effectively and live up to established norms and rules in society. If there is little trust in the municipalities from the government or the public the municipalities are more likely to be reluctant to experiment

and develop new ideas with partners outside the municipality. On the other hand municipalities play an important role as role models, because the municipality both delivers welfare assignments and delivers these according to expected norms and values. Therefore the municipality's methods become the "right" methods to solve social assignments. The danger is if no one, not even the non-profit organizations, asks fundamental questions about the way things are done or choose to imitate the same methods and services that the municipality are doing in order to get access to funding (Mik-Meyer and Villadsen 2007 p. 137-138).

OPEN SOCIAL INNOVATION UNDER PRESSURE: ISOMORPHISM

As we have mentioned earlier there are many concepts and definitions of innovation. DiMaggio and Powell focus on *organizational innovation* and they want to know why organizations develop and innovate (DiMaggio and Powell 1991 p. 65): *"Early adopters of organizational innovations are commonly driven by desire to improve performance."*

Inspired by New-institutionalism, DiMaggio and Powell emphasize, that innovation not only happen because of performance criteria, but also on the basis of legitimatization (DiMaggio and Powell 1991 p. 65). DiMaggio and Powell points to the fact that there is a limit to how many times an organization is able to self develop, therefore rather than changing all the time, the organization will instead try to imitate already successful organizations leading to large structures that all look alike (DiMaggio and Powell 1991 p. 64): *"Once a field becomes well established, however, there is an inexorable push toward homogenization."* The risk is that a well established cultural organization like the municipality will choose a strategy where the organization dominates its environment instead of adjusting to the environment. This is a central problem concerning open innovation because instead of developing new (risky) ideas for social methods or services the actors are pressured to imitate already successful projects. DiMaggio and Powell describe three different forms of isomorphism: normative, coercive and mimetic isomorphism that all influence open innovation on different levels.

1) *Normative isomorphism*: these are pressures brought about by professions. People from the same educational backgrounds will approach problems in much the same way and socialization on the job reinforces these conformities.

2) *Institutional isomorphism* is pressures from organizations (e.g. the municipality) in which smaller organizations are dependent upon (e.g. the non-profit organization) and by cultural expectations from society (e.g. myths about rationality or specific norms to "clients"). In the innovation field, the non-profit sector is under pressure by financial reporting requirements and a demand for more documentation. If projects funded by the municipality all focus on the same problem, e.g. unemployment, only those services delivering "employment" will be accepted, the more or less unintentional consequence being that other social services are left unsolved.

3) *Mimetic isomorphism*: organizations imitate those ones that are successful. Especially uncertainty and pressure to create value for money in the first attempt, force organizations to imitate those organizations that are successful (Houlberg 2000).

Therefore when we look at the innovation field it is also important to take into account that not only actor's pressure structures, but structures also pressure structures.

BOURDIEU'S CONCEPTS OF CAPITAL AND OPEN SOCIAL INNOVATION

Bourdieu wanted to remove the artificial division between the economical field and the social field. Bourdieu wanted to break with the "over socialization" of social phenomenon's where the cultural stayed "uncontaminated" by economy (Bourdieu 1986 p. 242-243) and therefore in Bourdieu's definition of capital both material and non-material phenomenon's total the resources of a society (Bourdieu 1980).[5] As we have described earlier the social entrepreneur also have economical interests even though it is the social indignation that is the "trigger", for instance social enterprises both have a social and an economical interest in developing social services or user-driven innovation (we have previously focused on a social enterprise and therefore chosen to work with a non-profit organization in this paper. Rago and Fæster 2009).

According to Bourdieu there are three forms of capital: cultural, social and economic capital.[6] All three forms of capital are inscribed in both objective as well as subjective structures and determine the way a society "works", capital is, so to speak, the "glue" of society (Bourdieu 1996 p. 242). Our main focus in this paper is on social capital. Bourdieu describes "social capital" as (Bourdieu 1986 p. 248-249):

> "The network of relationships is the product of investment strategies (..) aimed at establishing or reproducing social relationships that are directly usable in the short or long term."

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5   Bourdieu's definition of capital is different from the economical definition of capital, which is a resource that makes production easier without being consumed in the production process (capital is a production factor). In an economical perspective capital can not be separated from production whether it is physical capital (machines, buildings) or whether it is financial or human capital (investment, education). The consequence is that profit maximizing is central and is not used to describe cultural implications (Bourdieu 1986 p. 253).

6   Economic capital is defined as money/production and is capital in the traditional sense. Cultural capital is divided into three subcategories; objective capital (those things created by humans e.g. books, tools, buildings), institutionalized capital (educational qualifications) and the third form of cultural capital is habitus. Habitus is the embodiment of cultural capital. It is a subject's preference to do things in a certain way and to like or dislike specific things. E.g. a person could live in a specific place (in the city), live there in a specific way (design furniture) and eat in specific places (restaurants), but also eat the food in a specific way (table manners). On one hand habitus is a disposition for interpretation and for creating practice and is therefore forming our perspective of the world but also frame our possibility to act in a given situation. On the other hand we are free reflective and active subjects and that our actions influence the world that we live in.

The actors spend time and effort to build all three forms of capital and that is why capital is of value and of interest. Hence both individuals as well as groups have developed strategies to gain capital. A crucial point with Bourdieu's understanding of capital is that it is possible for the actors to "convert" the different forms of capital (Kay 2006 p. 162). For instance the non-profit organizations can convert their social capital (network) to funds (economical capital) if their social services are accepted by the municipality. In our case we have become aware that different actors do not convert their social capital equally. When non-profit organizations enter the municipalities "control system", they are foremost being evaluated on their ability to conduct services that the municipality perceives as important (before the financial crisis it was especially services that could help "match group 4 and 5" into employment that was prioritized). It should be emphasized that the services the municipality prioritize only have the effect of a control system in the sense that they exclude other projects that non-profit organizations would rather do.

CONCLUSION

Our question in the beginning of the article was whether it is possible through open innovation to change/influence established structures and those cultural systems that define and legitimize these structures.

As regards to the municipality and open innovation it is important that the municipality accepts the idea as a good/useful idea. Therefore the municipality acts rather as a gatekeeper than facilitator of ideas. Even though the implementation of an idea is described in this article as a group process, there is no doubt that, on the political level, the social entrepreneurs ability to act rationally (habitus) is judged as much as the idea itself. This implies that idea/personality is judged together with the idea and must be understood as inseparable. The social entrepreneur must therefore both "fit" the municipality's judgment of taste and the idea must fit within established norms that legitimize the municipality. This makes the path for developing ideas very narrow. It is clear to us that the issue of citizenship and citizen's rights to develop ideas that influence their everyday life, must play a much more essential part of the discussions of social entrepreneurship than it does to day.

For us it is also clear that the will to develop ideas through open innovation exist. Politicians do want to negotiate ideas because they fundamentally believe that welfare solutions should be solved more diverse and with more capacity than today. Politicians as well as public servants acknowledge that many local problems are solved better by local actors and therefore especially local cultural and leisure arrangements are being subsidized. But it is also clear that the municipality only accepts those ideas that fit within the concept of the municipality's own ideas. Therefore we need to be much more critical when we address the possibilities for open innovation. Is innovation between the non-profit organizations and the municipalities' innovation in the sense that we understand the concept: new ways of thinking? Or is innovation,

in our case, just a matter of implementation of welfare assignments, already accepted by the state. Thereby social entrepreneurs consolidate established structures as the municipality and legitimize that the welfare state continue in the traditional way. Finally the case shows that even though social capital is held equally by all the participants (the have equal rights to participate and develop ideas), the possibility to convert social capital into other forms of capital is not equal. Politicians convert their social capital to political goodwill within the population and thereby securing themselves re-election. Civil servants convert their social capital into more influence and thereby expand their administration. To access economical capital the non-profit organizations are totally dependent on social capital. The consequence is that every time the non-profit organizations negotiate new ideas with the municipality, there is a great pressure to imitate already successful projects. The voluntary sector can, literary speaking, not afford to present totally new ideas, because they are dependent on money from the municipality, thereby the municipality have too much control for open innovation to flourish. As we have mentioned earlier social innovation can best be described as branch off and as an uncontrollable, unpredictable process, which needs time and effort to develop. In the structure of a municipality there is given little room for error and therefore many ideas are stopped before they have a chance to develop fully. This is consistent with theories of the social entrepreneur that describe how social entrepreneurs develop ideas against all odds and have to accept many rejections. We believe that our case shows that the municipality is making the idea process unnecessary difficult and advocate for more open innovation.

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