

Bogusław BEMBENEK¹
Katarzyna KOWALSKA²

SOCIAL CLUSTERS – OPEN SPACE FOR SOCIAL INNOVATIONS DEVELOPMENT

The aim of this article was to show the characteristics of the social clusters role in solving social problems, including the development of social innovations, which can meet nowadays and future social needs. The article is based on the results of theoretical research and desk research. It consists of three parts, describing the essence of social clusters, selected experiences and good practices of NGOs encouraging social cluster initiatives in Poland and the process of co-creation of social innovation among social clusters. This type of clusters is inspired by the model of corporate (business) clusters and its concept is still developing. It can be defined as the concentration of entities in a given space, representing non-governmental organizations (NGOs), businesses, universities and public administration, that work together to achieve common social goals. The authors emphasize that social clusters provide excellent conditions for the development of social innovation. They indicate that those conditions depend on a number of factors, including mutual, formal and informal relationships based on trust and commitment among cluster partners. Furthermore, they admit that despite the importance of social clusters for the social economy, especially in the creation and diffusion of social innovation, Poland still lacks a systemic approach to the promotion and development of such structures.

Keywords: social economy, cluster, co-creating, innovation, development, value.

1. INTRODUCTION

The dynamic development of industrial clusters contributed to creating a solid basis for the social clusters. These structures constitute a platform for cooperation of among key stakeholders in the social economy, combining economic and social objectives and providing high quality products and services that satisfy the complex societal needs of the area of the society. The diversity of cluster partners (i.e. social economy organizations, business institutions, NGOs, R&D representatives and public authorities) provides a comprehensive insight into the problems of the social economy, enabling efficient and multidimensional identification and solutions of emerging social problems.

The main goals of inter-sectoral cooperation within the framework of this type of clustering is to stimulate local development, promote the concept of social entrepreneurship, design and implement valuable changes in the social economy, and create a positive image of social economy entities. Therefore, social clusters exhibit

¹ Bogusław Bembenek, PhD, Faculty of Management, Rzeszów University of Technology, Poland - Rzeszów, corresponding author, e-mail: bogdanb@prz.edu.pl

² Katarzyna Kowalska, PhD student, World Economy Research Institute, Warsaw School of Economics, Poland - Warsaw, Vice-President of UNIMOS Foundation, e-mail: kkowalska@unimos.global

several structural characteristics that make them particularly well suited to the development of new social innovation. Social innovations are a response to the growing needs and social challenges. Their open nature indicates that this may be the result of the performance of several organizations from different sectors, i.e. public, private or non-profit. Given their contemporary value and importance for sustainable development, as well as quality of life at the local, regional and global level-, it is not difficult to perceive that they've become a highly desirable social phenomenon.

The objective of this article was to characterize the role of social clusters in providing solutions of social problems, including the creation of social innovations that could satisfy current and future social needs. In this framework, the main aim of the research identified four research questions:

- what distinguishes activity of social clusters?
- what are have the Polish experienced in the social cluster initiatives?
- what is social innovation and what is their contemporary significance?
- why do social clusters provide a favorable space for the development of social innovation?

The scientific considerations that were presented in the article as a final result were based on selected theoretical research results and desk research.

2. NATURE OF SOCIAL CLUSTERS

Clusters - developing rapidly both in the country and the world - are often considered as a strategic component of economic development policy. Initially clusters were associated mainly with the sectors of high technology. Today, this perception significantly changed. Based on research, clusters can arise in various sectors of the economy, also in the area of social economy.

In the opinion of A. Giza-Poleszczuk and J. Hausner - the current social economy is slowly seeking its own space, stimulated from the grass roots by unsolved social problems and unmet needs, particularly involving disadvantaged social groups and marginalized communities. On one hand, it is conceived of as a practical way to solve social problems on a local scale (an economy of neighborliness and solidarity, local public-benefit services), but also as a mechanism for deeper system-wide changes, including changes affecting the market economy (corporate social responsibility) and the state (co-management, public-social-private partnership)³.

The clusters model refers to a geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field that compete but also cooperate (coopetition)⁴. The main reason of this concentration is

³ A. Giza-Poleszczuk, J. Hausner, *Introduction – the social economy and growth*, In: *The social economy in Poland: achievements, barriers to growth, and potential in light of research results*, ed. A. Giza-Poleszczuk, J. Hausner, Foundation for Social and Economic Initiatives, Warsaw 2008, pp. 14-15.

⁴ Clusters represent a new way of thinking about national, state, and local economies, and they necessitate new roles for companies, government, and other institutions in enhancing competitiveness . Clusters occur in many types of industries, in large and small economies, in rural and urban areas, and at most geographic levels. M.E. Porter, *Location, competition and economic development: local clusters in a global economy*, „Economic Development Quartely” 2000, vol. 14, no. 1, pp.15–34.

the agglomeration externalities related to knowledge spillovers, circulation of information, technology transfer and access to qualified labour force⁵. The cluster concept focuses on university-business-government relations and is also known as a Triple Helix, placing the emphasis on knowledge production and innovation in the economy, acknowledging explicitly the importance of higher education for growth innovation⁶.

In order to make progress towards a sustainable and inclusive society, it is necessary to stimulate the inter-sectoral cooperation between a wide range of actors from private, public, academic and non-governmental sectors. Social cluster has similarities to the industrial cluster, but it also has its own unique characteristics; it is more open, flexible and community-rooted⁷. This type of organizations are inspired by economic ones, their philosophy is still in development, but can be defined as a concentration of entities representing non-governmental organizations (NGO), enterprises, universities and public administration that work together in order to achieve common and social goals. Using participatory and co-creative approach aligned with citizen's local needs and aided by advances in information and communication technology, this kind of clusters are a new mechanism for social development and regional competitiveness.

The social cluster refers to a situation in which socially-oriented companies, non-profit ventures, support organizations, universities and research institutions are located closely together (Fig. 1). According to K. Tanimoto and M. Doi this type of clusters is an organizational accumulation which creates a new solution for diverse social issues and a new social value, by cooperative and competitive relationships between various organizations, such as social enterprises, support organizations, financial agencies, universities and R&D entities, etc.⁸. However, they have the following key attributes⁹:

- social cluster does not specify a sector, but embraces various sectors. Mixing of the different sectors create a new idea;
- social cluster is formed in a specific geographical area, but it is an open space where many people can access it from the outside. Various ideas and values from different sectors are interrelated, and a new social business is created and developed in the cluster beyond its geographic restrictions;

⁵ A.M. Kowalski, *Kooperacja w ramach klastrów jako czynnik zwiększania innowacyjności i konkurencyjności regionów*, „Gospodarka Narodowa” 2010, no. 5–6, pp. 4-5.

⁶ The Quadruple Helix embeds the Triple Helix by adding as a fourth helix the ‘media-based and culture-based public’ and ‘civil society’. The Quintuple Helix innovation model is even broader and more comprehensive by contextualizing the Quadruple Helix and by additionally adding the helix (and perspective) of the ‘natural environments of society’. E.G. Carayannis, Th. D. Barth, D.F.J. Campbell, *The Quintuple Helix innovation model: global warming as a challenge and driver for innovation*, “Journal of Innovation and Entrepreneurship - a Springer Open Journal” 2012, no. 1-2, p. 1.

⁷ The area in which social enterprises and related organizations are accumulated can be called a social cluster. K. Tanimoto, *The emergent process of social innovation: multi-stakeholders perspective*, International Journal of Innovation and Regional Development 2012, vol. 4, no. 3/4, p. 277.

⁸ K. Tanimoto, M. Doi, *Social innovation cluster in action: a case study of the San Francisco Bay Area*, “Hitotsubashi Journal of Commerce and Management” 2007, vol. 41, p. 1, 4.

⁹ K. Tanimoto, *A conceptual framework of social entrepreneurship and social innovation cluster: a preliminary study*, “Hitotsubashi Journal of Commerce and Management” 2008, vol. 42, p. 13.

- interaction between a social business and its community is important. Social enterprises affect people's awareness of social issues through business activities. It is impossible for social enterprises to exist without being accepted by people in the local community;
- by building cooperative and competitive relationships in a social cluster, new social businesses are created and they provide innovative social solutions and social values for social issues;
- each component of the social cluster increases its awareness and increases the ability to promote social enterprises;
- social cluster produces a new social value through social innovation.

The nature of social clusters is related both to model of Quadruple Helix and open innovation model. The Quadruple Helix model is based on the Triple Helix one and adds the civil society as the fourth helix, so that, this model involves citizens in the process of cooperation with institutional bodies, research area and business sector¹⁰. The Quadruple Helix model is also strongly connected to the concept of open innovation where all stakeholders (e.g. government, industry, academia and civil participants) work together to co-create the future and drive structural changes far beyond the scope of what any one organization or person could do alone. These partners need to be involved and create seamless interaction and mash-up for ideas in innovation ecosystems¹¹. In terms of Quadruple Helix, in this model non-governmental organizations (NGO), defined as non-profit entities independent of governmental influence, play a crucial role. They are usually set up by ordinary citizens, are highly diverse and have various missions. As they work "on the ground", have direct access to civil society and know specific needs of specific groups, NGOs are able to define, create and implement programmes and projects that meet those unsatisfied social needs. NGOs can be entities with similar activity (e.g. promotion of employment, occupational therapy, care for people with disabilities) or actors in a given geographic area (e.g. local associations or foundations).

In Poland, there is both organizational potential and the required resources to build social cluster initiatives. According to the REGON Register Code, as of 31 December 2014 in Poland there were 17,000 foundations and 86,000 associations registered. Most of the NGOs were operating in sport, tourism, recreation (34%), social services and assistance (8%), health protection (7%) and local development (6%). On average, every third social organization conducted its activities at the local level, and the fourth at the regional¹². This shows that in different regions of the country there is abundant organizational potential and hidden social clusters. In many cases, however, their

¹⁰ E.G. Carayannis, D.F. Campbell, "Mode 3" and "Quadruple Helix": toward a 21st century fractal innovation ecosystem, "International Journal of Technology Management" 2009, vol. 46, no. 3/4, pp. 207, 218-219.

¹¹ H. Chesbrough, *Open innovation. The new imperative for creating and profiting from technology*, Harvard Business School Press, Boston 2005, p. 10.

¹² NGOs usually maintain contacts with local governments (92%), other foundations and associations (92%), the local community (89%), local media (83%), public schools (different levels of education) and sports centers (80%), companies (75%). For every third social organization the intrasectoral relations has a permanent and regular character. P. Adamiak, B. Charycka, M. Gumkowska, *Polskie organizacje pozarządowe 2015*, Stowarzyszenie Klon/Jawor, Warszawa 2015, p. 4, 16.

members are unaware of the fact that in co-creating this type of structure, there is also a lack of a common vision of development, and a lack of cooperation between facilitation and networking coordinators.

For many practitioners, the concept of open innovation gave them a new language to speak about the nature of R&D, helping to shift the dominant logic of R&D away from the internal discovery toward external engagement¹³. In reference to open innovation concept, social clusters engage wide range of actors to work together to co-create the future and drive structural changes in different areas related to social issues, such as health, social inclusion and employment. They encompass user-oriented innovation models, as well as experimenting and prototyping in real-world settings, with real people. This approach is a strong driver to understand the needs of society and act rapidly to create new products and new services that can satisfy social needs.



Figure 1. Key members of social clusters

Source: K. Tanimoto and M. Doi, *Social innovation cluster ...*, *op. cit.*, p. 3.

The concept of social clusters is also strongly related to the entrepreneurial discovery process included in the “Europe 2020” strategy, which aims at confronting structural weaknesses through progress in three mutually reinforcing priorities: smart growth, based on knowledge and innovation; sustainable growth, promoting a more resource efficient, greener and competitive economy and inclusive growth, fostering a high employment

¹³ J. West, A. Salter, W. Vanhaverbeke, H. Chesbrough, *Open innovation: the next decade*, “Research Policy” 2014, vol. 43, p. 805.

economy delivering economic, social and territorial cohesion¹⁴. Entrepreneurial discovery process included also in the “Guide to Research and Innovation Strategies for Smart Specialization - RIS 3” can be define as an active driver of open innovation ecosystems where stakeholders act as active players in jointly creating and experimenting in the new ways of doing things and creating new services and products¹⁵. In this process NGOs and civil society are taken into account both as information of existing social needs and customer/users for whom innovative solutions are co-created.

3. CO-CREATING SOCIAL INNOVATIONS WITHIN SOCIAL CLUSTERS

Social innovation plays a very important role in a the modern model of knowledge economy. Admittedly, social innovations are not so much new, what appears to be entering a new phase – a phase in which they are increasingly seen as offering solutions not just to localized problems but to more systemic and structural issues¹⁶. Being a relatively modern concept, social innovations attracts the attention of key stakeholders e.g.: researchers, local leaders, policy makers, practitioners, governmental and nongovernmental organizations, entrepreneurs and individuals.

With the growth of interest in social innovations, there is a crescent number of new definitions in the literature that focus on a variety of variables and dimensions, different levels of analysis and different methods of operation. Often these definitions are formed on the principle of complementing the existing definition of new elements. Despite the lack of a precise definition of social innovation, this category is determined in theory and practice as:

- a complex process of introducing new products, processes or programs that profoundly change the basic routines, resource and authority flows, or beliefs of the social system in which the innovation occurs¹⁷;
- new solutions (products, services, models, methods, markets, processes etc.) that simultaneously meet a social need (more effectively than existing solutions) and lead to new or improved capabilities and relationships and better use of assets and resources¹⁸;

¹⁴ European Commission, *Europe 2020. A strategy for smart, sustainable and inclusive growth*, European Commission, Brussels 2010, pp. 5-10.

¹⁵ D. Foray, J. Goddard, X.G. Beldarrain, M. Landabaso, P. McCann, K. Morgan, C. Nauwelaers, R. Ortega-Argiles, *Guide to research and innovation strategies for smart specializations (RIS 3)*, European Commission, Luxembourg 2012, pp. 17-25.

¹⁶ Social innovation is a complex and multi-faceted institutional space that is still subject to competing discourses and definition. A. Nicholls, J. Simon, M. Gabriel, *Introduction: dimensions of social innovation*, [in:] *New frontiers in social innovation research*, ed. A. Nicholls, J. Simon, M. Gabriel, Palgrave Macmillan, Basingstoke 2015, p. 1.

¹⁷ Various applications of marketing and diffusion theory are helpful to some extent in understanding the trajectories or successful strategies associated with social innovation. F. Westley, N. Antadze, *Making a difference: strategies for scaling social innovation for greater impact*, “The Innovation Journal: The Public Sector Innovation Journal” 2010, vol. 15 (2), p. 2.

¹⁸ U. Pisano, L. Lange, G. Berger, *Social innovation in Europe. An overview of the concept of social innovation in the context of European initiatives and practices*, European Sustainable Development Network Quarterly Report, no. 36, Vienna 2015, p. 23.

- new approaches and solutions to social needs or common problems that are implemented in, and impact, society¹⁹;
- a complex and multidimensional concept that is used to indicate the social mechanisms, social objectives and/or societal scope of innovation²⁰;
- innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organizations whose primary purpose is social development²¹;
- a novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals²²;
- tapping into the ingenuity of charities, associations and social entrepreneurs to find new ways of meeting social needs which are not adequately met by the market or the public sector²³;
- varying levels of deliberative novelty that bring about change and that aim to address suboptimal issues in the production, availability, and consumption of public goods defined as that which is broadly of societal benefit within a particular normative and culturally contingent context²⁴;
- a process during which a novel solution – be it more effective, efficient, or sustainable – to a social problem is developed which leads to systemic change and for which the value created accrues primarily to society as a whole rather than to some individuals²⁵;
- a process of internalizing the intension of symmetries in the configuration of reality as a system, determined by social actions of learning, sensitizing, rallying and taking action, which lead to a social change in the sense of an improvement of the current situation and of increasing the quality of life for large groups of people, for

¹⁹ Although there are several definitions of the concept, social innovation initiatives all stand on a common ground: that of addressing social needs and issues through innovative means. J. Hansson, F. Björk, D. Lundborg, L-E. Olofsson, *An ecosystem for social innovation in Sweden*, Lund University, Lund 2014, p. 15.

²⁰ Three main interpretations of social innovation may be distinguished, underlining: the social mechanisms of innovations, the social responsibility of innovations, and the innovation of society. B.B. Bock, *Social innovation and sustainability; how to disentangle the buzzword and its application in the field of agriculture and rural development*, “Studies in Agricultural Economics” 2012, vol. 114, p. 59.

²¹ G. Mulgan, S. Tucker, A. Rushanara, B. Sanders, *Social innovation: what it is, why it matters and how it can be accelerated*, SAID Business School Working Paper, Oxford University, Oxford 2007, p. 8.

²² J.A. Phills, K. Deiglmeier, D.T. Miller, *Rediscovering social innovation*, “Stanford Social Innovation Review” Fall 2008, p. 36.

²³ A. Reinstaller, *An evolutionary view on social innovation and the process of economic change*, Working Paper, no. 43, Austrian Institute of Economic Research, Vienna 2013, p. 7.

²⁴ A. Nicholls, J. Simon, M. Gabriel, *Introduction: dimensions of social ...*, *op. cit.*, p. 6.

²⁵ Social innovativeness is a particularly important factor for social impact creation. Ch. Weber, J. Wallace, A. Tuschke, *Social capital, social innovation and social impact*, “Frontiers of Entrepreneurship Research” 2013, vol. 33, issue 18, p. 3.

society as a whole, and which has as effect the rejection of norms and/or existing social models, and adopting a new one²⁶;

- the development of new social goods and services addressing social issues, such as welfare, education, the environment, and support for developing countries etc.²⁷;
- doing something good for society, changes in social practices and/or social structures, contributions to urban and community development, reorganization of work processes within and across enterprises, imbuing technological innovation with cultural meaning and relevance, making changes in the area of social work, and innovating by means of digital connectivity²⁸.

Although there are several differences among definitions and notions of the social innovations, they shared a common perspective on the social aspect of innovation and social needs. Social innovations are any type or intensity innovations that deliver a clear social impact or a set of impacts to both the society and the economy or innovations in the field of the social policy with a focus on innovative social activities or projects²⁹. This type of innovations means new responses to those needs and challenges, not only with its outcomes, but also with the processes it implements³⁰. It is noteworthy that social innovation has been applied to many areas, including political and governmental areas (new models of public health systems, environmental security, e-government), commercial markets (open source software and organic foods), social movements (fair trade, protecting the natural environment), academic areas and social enterprises³¹. The mission of social innovation is therefore to help us find a novel and shared ecosystem of interactions and interrelations based on an integrated approach to development, one that takes into account the economic, social and environmental dimensions³².

Often the concept of social innovation is mistakenly equated solely with the social economy and philanthropic activities. Social innovation can be designed and implemented

²⁶ C. Ionescu, *About the conceptualization of social innovation*, "Theoretical and Applied Economics" 2015, vol. 3 (604), p. 60.

²⁷ K. Tanimoto, M. Doi, *Social innovation cluster ...*, *op. cit.*, p. 2.

²⁸ Nevertheless, a common understanding of the term social innovation itself has not yet emerged. D. Rueede, K. Lurtz, *Mapping the various meanings of social innovation: towards a differentiated understanding of an emerging concept*, EBS Business School Research Paper Series, no. 12-03, Oestrich-Winkel 2012, p. 7.

²⁹ Among main effects of social innovations for business should be cited: rise in business incomes and profits, customer's volume, loyalty and satisfaction, business reputation; for the social targeted groups mainly: reduction of unemployment and social exclusion of social targeted groups; for the state: avourable public opinion, reduced pollution and the state's image. M.E. Cernikovaite, M. Lauzikas, *The model of social innovations in the emerging market of Lithuania*, "Intellectual Economics" 2011, vol. 5, no. 3 (11), p. 398.

³⁰ The need for social innovation arises from many social challenges that are resistant to conventional approaches for their resolution. A. Ferraris, C. Grieco, *The role of the innovation catalyst in social innovation – an Italian case study*, "Sinergie. Italian Journal of Management" 2015, vol. 33, no. 97, p. 129.

³¹ The concept of social innovation has a much broader focus in that it could put social phenomena on the agenda, where they could be tackled and generalized into more universal phenomena. Y. Fujisawa, Y. Ishida, S. Nagatomi, K. Iwasaki, *A study of social innovation concepts: a Japanese perspective*, „Japan Social Innovation Journal" 2015, vol. 5, no. 1, p. 2.

³² F. Sgaragli (ed.), *Enabling social innovation ecosystems for community-LED territorial development*, Fondazione Giacomo Brodolini, Rome 2014, p. 7.

by various individuals, groups, organizations, both formal and informal, of varying types of activity activities and forms of ownership. With intuition, inspiration, creativity, knowledge, and the experience of so many different stakeholders it is possible to efficiently co-create still new types of innovation in various areas of economic and social activity. However, not every social change can be considered as a social innovation. To be regarded as a social innovation, the social change should be distinguished by the following attributes³³:

- novelty - social innovations need to be new in some way, either new to the field, sector, region, market or user, or to be applied in a new way;
- from ideas to implementation - social innovation is concerned with the practical application or implementation of a new idea that need to be (or have the potential to be) financially sustainable in the mid- to long-term;
- meets a social need - one of the distinguishing features of a social innovation is that it is explicitly designed to meet a social need, understood as something that can cause serious harm or socially recognizable suffering when not met;
- effectiveness - social innovation should be more effective than existing solutions by creating a measurable improvement in terms of outcomes (i.e. quality, levels of user-satisfaction, rates of adoption or a reduction in costs or higher level impacts such as improved wellbeing or social cohesion);
- enhances society's capacity to act - in fact, the process of social innovation enhances society's capacity to act and often entails changes in social and power relations. It empowers beneficiaries by creating new roles and relationships, developing assets and capabilities and/or better use of assets and resources.

Social innovations, satisfying the specific needs and expectations of local and international communities, are consistent with the philosophy of sustainable development. Thus, they should not be judged strictly on the basis of strictly economic criteria, because they refer more they refer to a specific social value, rather than merely creating economic utility. F. Westley and N. Antadze claim that social innovations do not necessarily generate the sorts of products or services that are always of interest to the market; they are born in a certain context, under certain circumstances, and in response to certain needs or problems³⁴. According to F. Guida and R. Maiolini social innovation is necessary to build capacities and processes that serve to face challenges with a high level of complexity, which need a creative effort to produce a durable and sustainable social impact³⁵. On the one hand, social innovations have direct effects on technological innovations by the way of creating change in many aspects of life in the historical

³³ Social innovation does not refer to any particular sector of the economy, but to innovation in the creation of social outputs, regardless of where they emanate. J. Caulier-Grice, A. Davies, R. Patrick, W. Norman, *Defining social innovation. A deliverable of the project: The theoretical, empirical and policy foundations for building social innovation in Europe*, European Commission – 7th Framework Programme, Brussels 2012, pp. 18-20.

³⁴ Social innovation does not necessarily involve a commercial interest, though it does not preclude such interest. F. Westley, N. Antadze, *Making a difference ...*, *op. cit.*, p. 12.

³⁵ F. Guida, R. Maiolini, *Social innovation, actors, contexts and trends. Opening the black box*, in: *Enabling social innovation ecosystems for community-LED territorial development*, ed. F. Sgaragli, Fondazione Giacomo Brodolini, Rome 2014, p.16.

progress of education, health, traffic systems and alike³⁶. Also, on the other hand, the use of new ICT technologies has a positive effect on increasing the opportunities for innovative solutions to social problems. Of course, technology is only one of the factors that enhance the development of social innovation. In this regard, the strategic importance are also social capital, flexibility, cross-sectoral cooperation and international network, freedom, autonomy empowerment, social value, prosumption, co-creating, and systems strategic thinking³⁷.

Social innovations are the basis for the social enterprises and NGOs within social clusters in doing their social mission and it requires stages beginning with seeking an opportunity to provide solutions for the social problems from the internal and external sources of information and knowledge³⁸. In today's global economy, many organizations are shifting the character of innovation processes from in-house and closed innovation processes to more open processes. Most social innovations within social cluster is not created by only cluster managers and cluster members but in strategic collaboration with related key stakeholders including for example producers, customers, competitors, civil society organizations, local business environment institutions, local government, researchers and so on. The individual social entrepreneur within social cluster should make and develop a creative relationship with stakeholders to make an innovative scheme because individuals have some limitations for resources, ideas and managerial skills. Social entrepreneurs come across some key stakeholders and get some supports from them in tackling the social issues³⁹.

The Figure 2 describes the whole open social innovation process within social clusters, including two of its parts: creation and diffusion of social innovations. One of the most important stages of the social innovation design process is a strategic analysis of the environment that allows identification of existing and future social problems. Conducting this stage of due diligence is critical in creating a different concept of social innovation in social clusters.

Generally, social innovation describes the entire process by which new responses to social needs are developed in order to deliver better social outcomes. This process is composed of four main elements⁴⁰:

- identification of new/unmet/inadequately met social needs;
- development of new solutions in response to these social needs;
- evaluation of the effectiveness of new solutions in meeting social needs;

³⁶ Social innovations may be seen as one of the complementary and driver force of technological innovations. C. Bulut, H. Eren, D.S. Halac, *Social innovation and psychometric analysis*, "Procedia – Social and Behavioral Sciences" 2013, vol. 82, p. 129.

³⁷ M. Panek-Owsiańska, *Innowacje społeczne*, [w:] *Wspólna odpowiedzialność. Rola innowacji*, ed. N. Ćwik, Forum Odpowiedzialnego Biznesu, Warszawa 2012, p. 43-44.

³⁸ H.D. Mulyaningsih, G. Yudoko, B. Rudito, *Initial conceptual model of knowledge-based social innovation*, "World Applied Sciences Journal" 2014, vol. 30, p. 256.

³⁹ K. Tanimoto, *The emergent process ...*, *op. cit.*, p. 278-279.

⁴⁰ Social innovation practices tend to be looser, involve more people, feature more animation techniques, are more interdisciplinary, find new ways of involving users and citizens and encourage thinking out of the box. European Commission, *Guide to social innovation*, European Commission, Brussels 2013, p. 6.

- scaling up of effective social innovations by diffusion, replication (copying) and proliferation among social groups interested in change.

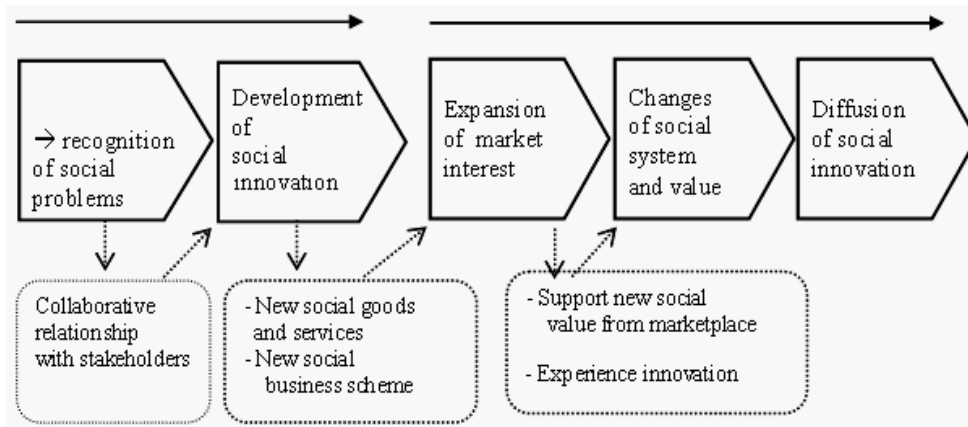


Figure 2. The process of social innovation within social clusters

Source: K. Tanimoto, *The emergent process ...*, *op. cit.*, p. 279.

According to M. Gabriel some innovations are too context specific to scale up and not all social innovators want to devote their time to spreading their innovations. However, where social innovations have the potential to benefit a lot of people, there's a strong argument for scaling up⁴¹. If social innovations are instead in contrast to existing to established belief systems and/or go along with interest opposed to the groups holding these beliefs, social innovation is more likely to diffuse only through imposition of a dominant group, coercion, or strong externalities that strongly affect the value of current institutional arrangements⁴².

Co-creating social innovations within social clusters as a process required stages beginning with seeking an opportunity to repair or to provide solutions for the social problems which exist so that created new social values⁴³. This process makes it possible to integrate the local cluster community around commonly identified social problems. By working together, members of these clusters have facilitated access to complementary resources of its partners, contributing to the formation of valuable strategies, concepts, ideas for effective satisfaction of social needs, as well as the development of their competitiveness in a turbulent environment. However, social innovations can take longer to become accepted practice compared to commercial innovation⁴⁴. According to the concept of open -innovation, social innovation in social clusters can occur at two levels:

⁴¹ M. Gabriel, *Making it big. Strategies for scaling social innovations*, Nesta, London 2014, p. 7.

⁴² A. Reinstaller, *An evolutionary view on social innovation and the process of economic change*, Working Paper, no. 43, Austrian Institute of Economic Research, Vienna 2013, p. 21.

⁴³ H.D. Mulyaningsih, G. Yudoko, B. Rudito, *Initial conceptual model ...*, *op. cit.*, p. 258.

⁴⁴ T. Kinder, *Social innovation in services: technologically assisted new care models for people with dementia and their usability*, "International Journal of Technology Management" 2010, vol. 51, no. 1, p. 108.

- the level of the entire cluster, where social innovations can be dedicated to internal organizational needs of the cluster as a whole, its members and the needs of the external stakeholders;
- the level of autonomous organization of the cluster members that are dedicated to their own internal needs and the needs of cluster partners, or the needs of the external environment.

Social innovation, like open innovation, is not constrained by time-to-market⁴⁵. Stakeholders in the open innovation process are not always easily categorized as primary or secondary, as the nature of the market relationships of network participants can vary and individual stakeholders may operate with or without organizational clear affiliation⁴⁶. In this process it is valuable not only is the cooperation of stakeholders within a cluster valuable, but also so is cooperation with external stakeholders, e.g. with other social clusters. It may allow a joint implementation of socio - economic projects in relation to more complex social problems, helping improve the quality of life in the territory of the rootedness of these clusters. However, to make this possible, there are extremely important factors such as the openness of clusters, including their members, new partners and inter-organizational cooperation, trust, effective leadership, cluster management and clusters entrepreneurial organizational culture.

4. SOCIAL CLUSTERS IN POLAND – SELECTED CASE STUDIES

The social clusters were inspired by economic clusters and appeared in Poland at the end of 2010, being formally promoted in 2011 within an innovative EU - financed project aimed at creating new instruments, increasing the effectiveness of existing tools and measures for professional activation, combating social exclusion and conducting an active policy for employment. The three-year project “PROGRESSUS – innovative model of non-governmental organization (NGO) clusters that work together with employers and public administration for professional activation of disabled persons” was implemented by Lewiatan - West Pomeranian Business Association in cooperation with the Institute of Social and Economic Affairs⁴⁷. The social challenges found in the formulation of the project were related to the poor situation of disabled persons, especially in terms of⁴⁸:

- ineffective legal intervention mechanisms on a national and regional level;
- perception of disabled people as inferior workers;
- lack of use of NGO possibilities and experience;
- low professional activity of persons with disabilities;
- insufficient level of inclusion and involvement of non-governmental organizations (NGOs) in the regional and national policy;
- insufficient level of NGO consolidation activities.

⁴⁵ T. Kinder, *Social innovation ...*, *op. cit.*, p. 110.

⁴⁶ The paradox of open innovation lies in the conflict between the practical desire to reap the benefits of open innovation and concern over the risk that others will misappropriate those benefits. R.W. Gould, *Open innovation and stakeholder engagement*, „Journal of Technology Management & Innovation” 2012, vol. 7, issue 3, p. 7.

⁴⁷ E. Wosik, D. Bartosiewicz-Bryll, J. Janiszewska, T. Mrozek, Ł. Nowak, M. Rudnik, *Time for innovation*, Pracownia C&C, Warszawa 2012, p. 85.

⁴⁸ <http://progressus.info/o-projekcie.html>, (access: 1.12.2015).

The main goal of the project was to increase the efficiency of the professional activation of disabled persons at the national level through the development, testing, dissemination and inclusion in the mainstream policies of a new model of NGO clusters. The idea behind the project was that the non-governmental organizations from one specific region unite in a group (cluster) and work together with employers for vocational activation of excluded persons. This helps them take full advantage of their skills and introduces them to the labor market. In this pilot project, the model of social clusters was co-created primarily for and together with the NGOs, but it could also be used by local government responsible for social policies, such as employment, health or social integration. The structure of social clusters is interdisciplinary and can be used in other fields where social problems have been identified. The creation of the assumptions of the social cluster was preceded by a series of research and participatory activities enabling the best features of existing business clusters on the basis of cooperation between NGOs. The purpose of the dissemination activities within the project was to introduce the social cluster model and inform⁴⁹:

- project beneficiaries - about the possibility of using the final product and highlighting its benefits;
- project stakeholders – about the possibility of an extension of NGO offers in the field of vocational activation;
- employers – about the existence of a product that support NGO activities aimed at vocational activation and the possibility of establishing cooperation in the field of clustering activities;
- policy makers – about the possibilities of supporting creation of social clusters and consolidation of existing NGOs that can stimulate local employment policies.

The process was based on an e-mailing campaign to the groups listed above, and the dissemination (radio, debates with public administration, labor market institutions, Internet, among others) and promotion of the social cluster model in Poland through sponsored articles, and press/cinema campaigns. In terms of including the model of social clusters into the policies, the activities that took place were related to the creation of websites (forum, films, recommendations, newsletter, etc.) that present the model and works five years after the end of the project, creation of an information centre, employment of 16 regional project ambassadors that promote and disseminate the social cluster model, distribution of a publication on CD to 220 NGOs and organization of 16 regional conferences with workshops. In addition, the internet portal offered access to: knowledge library concerning problems connected with employing disabled persons, and available support mechanisms/institutions, research tools for creating professional profiles of disabled persons, as well as a description of the role, the method and the paths of cooperation with organizations of employers and with employers.

The NGOs from Szczecinek district took active part in the development and testing of the model of social clusters, working closely with the team of the PROGRESSUS project. The Szczecinek District NGO Cluster was established and formally registered in 2012 in Koszalin (West Pomerania Region). The cluster is an association that gathers NGOs working together to support persons who are at risk of social exclusion (people on low

⁴⁹ *Ibidem.*

income, disabled, elderly, among others) and to take actions aimed at increasing their skills and regaining confidence in their own capabilities⁵⁰. Apart from that, the purpose of the cluster is to support activities of local non-governmental organizations, mainly from the Szczecinek district. The cluster has several goals, including⁵¹:

- to prevent and combat the negative socio-economic phenomena, such as unemployment, poverty, social exclusion, social disintegration, marginalization of some areas, with particular emphasis on persons with disabilities;
- to cooperate with national and international foreign authorities, local government, state entities, non-governmental organizations, schools, universities and other institutions whose activities are connected with the objectives of the cluster;
- to organize training, conferences, seminars, coaching and advisory activities;
- exchange of experience and information, matching national and international partners for joint projects related to objectives of the cluster.

An example of cluster NGOs members joint activities was to initiate and organize a regional campaign aimed at collecting signatures for a petition calling for free testing and resonance tomography financed by National Health Fund (NFZ). In this action, 17 NGOs from the Szczecinek district were actively involved and nearly 1,800 signatures in support were collected and sent to the Minister of Health. Also, as an immediate result, a group of seriously ill patients - hospitalized or oncological - was able to use the free testing services. In 2014, cluster obtained financing (39 985 PLN) for another project aimed at the development potential of the NGO in the Szczecinek district in order to increase capacities of the NGO personnel gathered in the cluster through training, counseling and the use of modern ICT tools.

In Poland, the idea of social clusters is not as popular as the idea of industrial clusters. Local authorities and NGOs still lacks knowledge about the specifics of their activities. In the country there are only a few social clusters at embryonic phase: Cieszyn Social Cluster, Lower Silesian Cluster of Social Initiatives, Łomża Social Economy Cluster, Nadodrzański Social Economy Cluster, Lower Carpathians Social Economy Cluster, Social Cluster "Heritage Trail", Social Enterprises Cluster in Walbrzych.

Taking into account the value that can be created by cluster cooperation of various non-governmental organizations with other key stakeholders in the region, it is predicted that in the near future interest will increase of among local/regional policy makers and NGOs in this form of activity. However, the ultimate success of this undertaking requires mutual understanding between partners, building partnerships, open communication, so as to overcome the limitations (e.g., distrust) inherent in human mentality.

The case studies of social clusters analyzed in this article were in embryonic phase of development. The Polish social economy sector is composed of organizations from the old and the new waves of the social economy development, ranging a variety of institutional forms - from traditional non-governmental associations to those more closely associated with the private sector⁵². Therefore new research questions emerge: are there any mature social clusters in Poland, how big is their structure, what are good practices in field of social open innovation in these structures. The authors will intend to answer these

⁵⁰ Statut Klastra NGO Powiatu Szczecineckiego, <http://skw.pozytek.info/o-nas>, (access: 1.11.2015).

⁵¹ <http://porozumieniamorzadowe.powiatszczecinecki.info>, (access: 1.11.2015).

⁵² C. Brandeleer, *Social economy in Poland*, Working Paper – Pour la Solidarite, Bruxelles 2013, p. 9.

questions in the course of further in-depth research. This is still a new area of research and analysis and in Poland there is still missing comprehensive social cluster mapping.

Probably, the Polish social clusters will evolve into mature stage through the support for the development of the social economy sector (e.g. Polish National Programme for Social Economy Development, European Social Fund 2014-2020, Social Innovations Incubators). It is associated with primary objective of National Programme for Social Economy Development (the social economy is an important growth factor of employment, social cohesion and the development of social capital) and international trends, for example: cross-sectoral partnership, scaling-up of social innovations, shared learning, start-ups lab and co-creation process. In order to achieve this primary objective, the development of the Polish social economy must be more dynamic, both in the quantitative meaning understood as the number of: people engaged in the social economy, active social economy entities, active social enterprises – and qualitative meaning understood as: creation of jobs for people in the most difficult situations within local government communities, delivering high quality services of general interest, etc.⁵³.

5. CONCLUSIONS

Social economy entities operating on specific territory and forming the so-called. “third sector” often face numerous barriers in the process of satisfying social needs, which may or may not realize representatives of other sectors. In order to increase the efficiency of their social activities, the potency in overcoming barriers, and the intensity of their cooperation with other local actors operating in the social economy, as well as with R&D entities and local authorities, - it is essential to build grassroots social cluster initiatives. This process is coherent, for example, with the vision of the European Commission regarding the development of the social economy, as it is these clusters society societies can contribute to the fight against social exclusion, smart growth, inclusive growth, greater efficiency and competition in the satisfaction of social needs, creating new jobs and new forms of entrepreneurship, the development of solidarity and a sense of community. These initiatives are now becoming an indispensable element of the development of civil society and social capital may lead to further active development of local centers of social economy entities and their partners (e.g. prosumers, specialized suppliers, R&D institutions and educational institutions of business environment).

Territorial proximity and cooperative relationships based on the simultaneous cooperation and competition between various members of the social clusters can provide favorable conditions for the development of these entities, including the development of social innovation. The process of creation of social innovation in social clusters is consistent with the model of open innovation. In this case, innovative solutions are based on internal and external knowledge resources of many different groups. Access to this knowledge provides trust capital, which have for each other partners. The aim of social innovation would be to improve the quality of life of within society, solving the problems of infrastructure, sustainable development, and satisfying a wide variety of social needs. But above all, the innovation process in social clusters activates the local cluster community to entrepreneurial action, shapes social relations and provides access to new resources (tangible and intangible).

⁵³ <https://www.oecd.org/cfe/leed/National-Programme-Social-Economy-Poland.pdf>, (access: 1.11.2015).

Social clusters are essential for socio-economic development. Analysis of the literature and case studies confirm that the operation of these types of clusters in a given territory positively strengthen cross-sector partnerships, fostering efficient solving of following socio-economic problems to be solved efficiently. However, the formation and development of social clusters in Poland is still a relatively new phenomenon. At the national and regional level we are still lacking a comprehensive policy-oriented real support of such clusters. The reason for this is, among others, limited knowledge of the social clusters among policy makers responsible for shaping economic and social policies as well as the lack of systematic mapping of social clusters. Given that the European Union has for several years actively financed the development of social economy entities and social innovation, the key challenge in the current UE perspective 2014-2020 will certainly be the development of social cluster structures. In The efforts to stimulate local social clustering with the support of EU funds may engage differs key stakeholders - from social entrepreneurs, NGOs, regional social policy centers to scientific sector and R&D ending. This process can be carried out more smoothly now thanks to the dynamic development of knowledge in the field of social economy and social entrepreneurship.

The characteristics of the development of social clusters and social innovations presented in the article still remains a new research problem, both in Poland and abroad. For that reason, it is necessary to conduct further in-depth research and analysis. Being aware of the importance of knowledge in this area, the authors plan to carry out further research in several areas such as: potential of key social organizations rooted in specific region in Poland, scope and cooperation forms of NGOs with the R&D sector and NGOs with the public sector, good practices of collaboration between NGOs and cooperation of NGOs with other key stakeholders and social cluster excellence management in the country and the world. Certainly the knowledge of social innovation in social clusters can be useful for many policy makers at national and regional level.

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KLASTRY SPOŁECZNE – OTWARTA PRZESTRZEŃ DLA ROZWOJU INNOWACJI SPOŁECZNYCH

Celem artykułu była charakterystyka roli klastrów społecznych w rozwiązywaniu problemów społecznych, w tym w tworzeniu innowacji społecznych, które mogą zaspokoić obecne i przyszłe potrzeby społeczne. Artykuł powstał na podstawie wyników badań teoretycznych oraz badań typu deskresearch. Składa się z trzech części, w których przedstawiono istotę klastrów społecznych, wybrane doświadczenia i dobre praktyki NGOs w zakresie stymulowania społecznych inicjatyw klastrowych w Polsce, proces współtworzenia innowacji społecznych w klastrach społecznych. Ten typ klastrów inspirowany jest modelem klastrów gospodarczych (biznesowych), a jego koncepcja znajduje się wciąż w fazie rozwoju. Może być on zdefiniowany jako koncentracja podmiotów w danej przestrzeni, reprezentujących organizacje pozarządowe (NGO), przedsiębiorstwa, uczelnie i administrację publiczną, które współpracują ze sobą w celu osiągnięcia wspólnych celów społecznych. Autorzy podkreślają, że klastry społeczne zapewniają doskonałe warunki do rozwoju innowacji społecznych. Wskazują, że o warunkach tych decyduje szereg czynników, w tym w szczególności wzajemne, formalne i nieformalne powiązania oparte na zaufaniu i zaangażowaniu pomiędzy klastrowymi partnerami. Ponadto konstatują, że pomimo istotnego znaczenia klastrów społecznych dla ekonomii społecznej, w tym powstawania i dyfuzji innowacji społecznych, w Polsce wciąż brakuje systemowego podejścia do wspierania i rozwoju tego typu struktur.

Słowa kluczowe: ekonomia społeczna, klastry, współtworzenie, innowacja, rozwój, wartość.

DOI:10.7862/rz.2015.hss.45

Przesłano do redakcji: listopad 2015

Przyjęto do druku: grudzień 2015