

COOP-IN

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NEEDS ANALYSIS NATIONAL RESEARCH REPORT: UNITED KINGDOM

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SFEDI[®]GROUP

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1. INTRODUCTION

What is COOP-IN?

The overall aim of COOP-IN is to raise awareness of the opportunities and challenges in implementing social innovation at work by developing a social innovation training kit including a digital education game, a self-assessment tool and other learning materials.

In so doing, the project will work with vocational education trainers, business support agencies, mentors and coaches and networking organisations to encourage engagement with social innovation and facilitate use of resources to assist small and medium enterprises (SMEs) in moving from idea to action in introducing social innovation. The project consists of seven partner organisations from the UK, Cyprus, Ireland, Hungary, Portugal and Spain.

Why is COOP-IN needed?

In 1985, Peter Drucker noted that *'Today businesses, especially the large ones, simply will not survive in this period of rapid change and innovation unless they acquire entrepreneurial competence'* (Drucker, 1985, p. 132). Thirty years on, many commentators would agree that this quote is still highly relevant today – the only thing that has changed is the rate of change.

This reflects the fundamental shifts which we are witnessing in economies, such as the UK, as a result of the economic recession of 2008/2009, demographic changes, technological developments and socio-cultural shifts. For example, demographic change is leading to greater age and cultural diversity within the workforce of the majority of businesses. For the first time, businesses will have staff from four different generations who have different motivations, values and expectations around working patterns and management and leadership styles. People are having to work longer and cope with personal change, such as ageing, whilst at work rather than during retirement. In turn, this creates a set of different learning and skills development needs and generates the need for innovative responses from businesses themselves, external providers of education and training and governments.

As a result, there is a growing interest in the concept of social innovation. This can be defined as *'new strategies, concepts and ideas that businesses and organisations can introduce to meet the social needs of different internal and external stakeholders'*. However, the available evidence base suggests that there are a number of "need to know's" in navigating the journey from idea to action in implementing social innovations at work.

Why a needs analysis?

COOP-IN will develop a digital education game, a set of learning materials and a self-assessment tool to assist businesses and organisations in introducing and managing social innovations at work. To ensure that these outcomes are demand-led, a needs analysis will be undertaken in each partner country. This report summarises the key outcomes to emerge from the needs analysis undertaken in the United Kingdom.

2. RESEARCH METHODOLOGY AND METHODS

The needs analysis engaged with a group of businesses and organisations across the United Kingdom who would provide different perspectives on the issue of social innovation at different levels.

The businesses and organisations were identified through three routes:

- Via the networks of the project teams at ETA and SFEDI with both businesses and organisations representing different business networks
- A snowballing strategy where respondents were asked to identify other businesses and organisations who may wish to engage with the needs analysis
- Through contacting businesses and organisations identified by a review of the professional/practitioner literature on social innovation.

The needs analysis was completed using a survey tool developed by SFEDI. The overall aim of the survey tool was to develop an understanding of:

- The extent and nature of social innovation activity amongst different groups of businesses
- Processes and practices associated with the introduction and management of social innovation
- Learning and skills development needs and requirements associated with the introduction and management of social innovation.

The needs analysis was completed in two ways. First, businesses were provided with a link to the survey with a covering email which outlined the overall aim and objectives of the COOP-IN project and the purpose of the survey. Second, in a small number of instances, the survey was completed by telephone with the respondent. This provided an opportunity to discuss the purpose of the survey in greater detail and clarify certain issues related to understanding and supporting social innovation.

In total, the needs analysis was completed by 39 businesses and organisations. However, as there were no mandatory questions in the survey (as a way of encouraging completion – Nulty, 2008), the number of total responses to each question varies.

3. ANALYSIS AND DISCUSSION

This section of the report summarises the key issues to emerge from the needs analysis undertaken with a sample of different types of businesses and organisations in the UK.

3.1 Characteristics of the respondents

As shown in Figure 1, a range of different businesses engaged with the needs analysis, in terms of the nature of business activity. These ranged from a manufacturing business to a golf club and leisure facility to a County Council and community business support agency. Just under two-thirds operate either in leisure, sports and hospitality or business services. This focus on service sector activity reflects the distribution of businesses in the UK economy.

Figure 1: Nature of business activity of the surveyed businesses

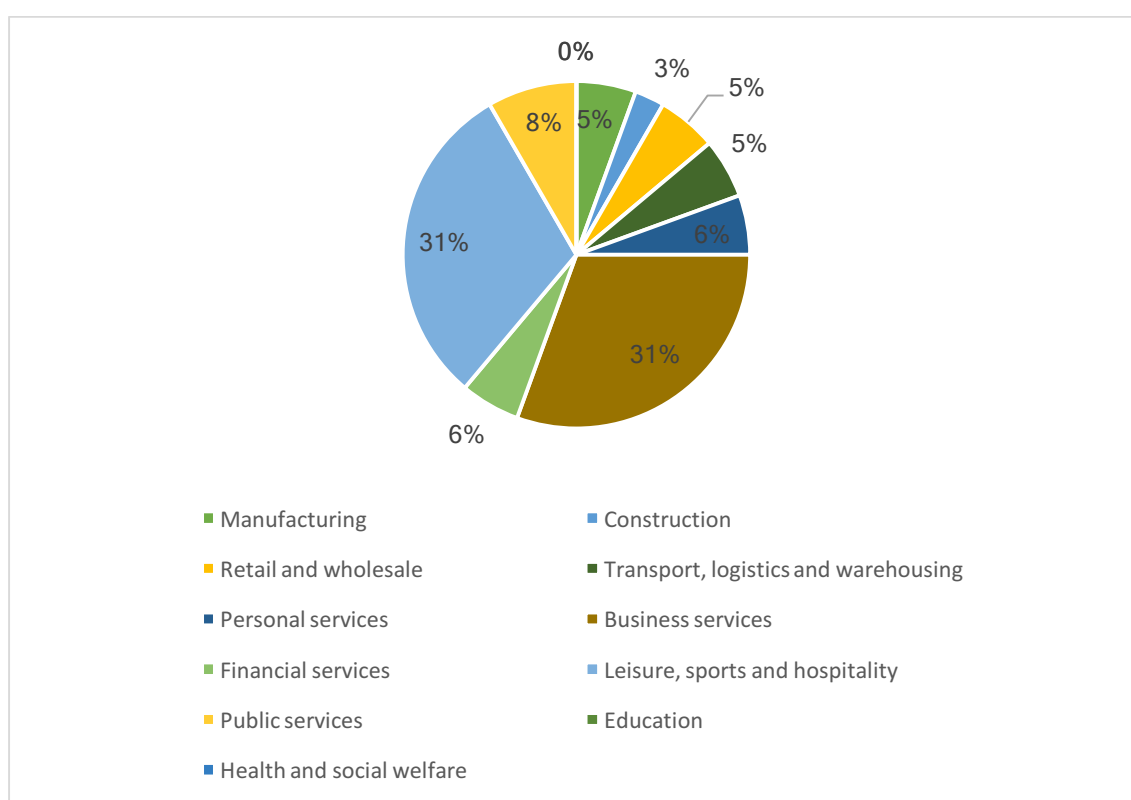
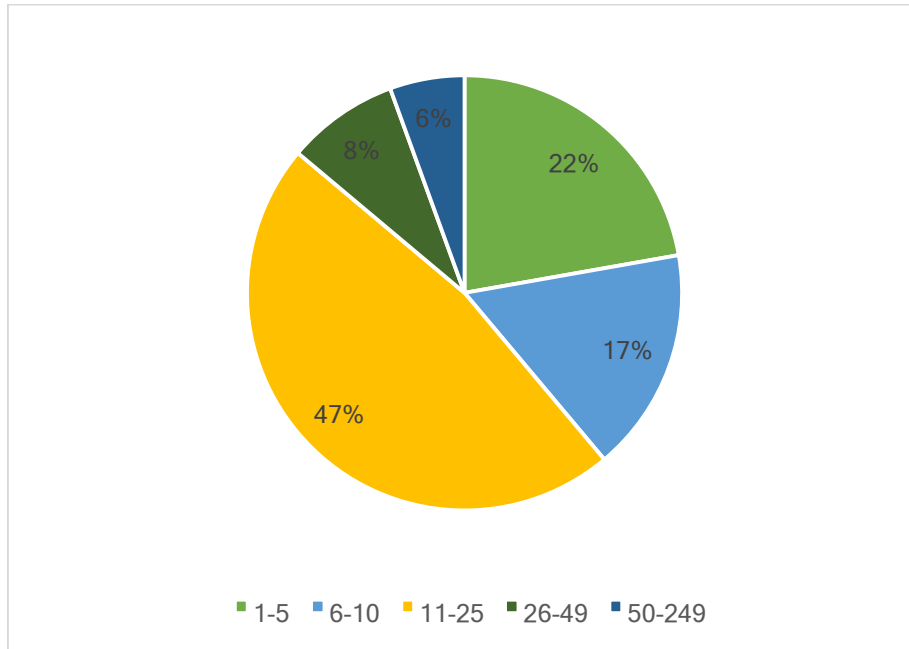


Figure 2 highlights that the majority of the surveyed businesses employed less than 50 people, with 47 per cent employing between 11 and 12 people. Whilst this group is somewhat over-represented in comparison to the distribution of businesses in the national economy, the overall distribution is in line with the national population of businesses (e.g. a large number of small businesses with a relatively small amount of businesses employing more than 250 people) (Rhodes, 2017).

Figure 2: Size of the surveyed businesses



In terms of length of trading, there were two clear groupings – approximately one third had been trading for 4 to 10 years whilst another one third had been trading for more than 25 years.

Figure 3: Length of trading of the surveyed businesses

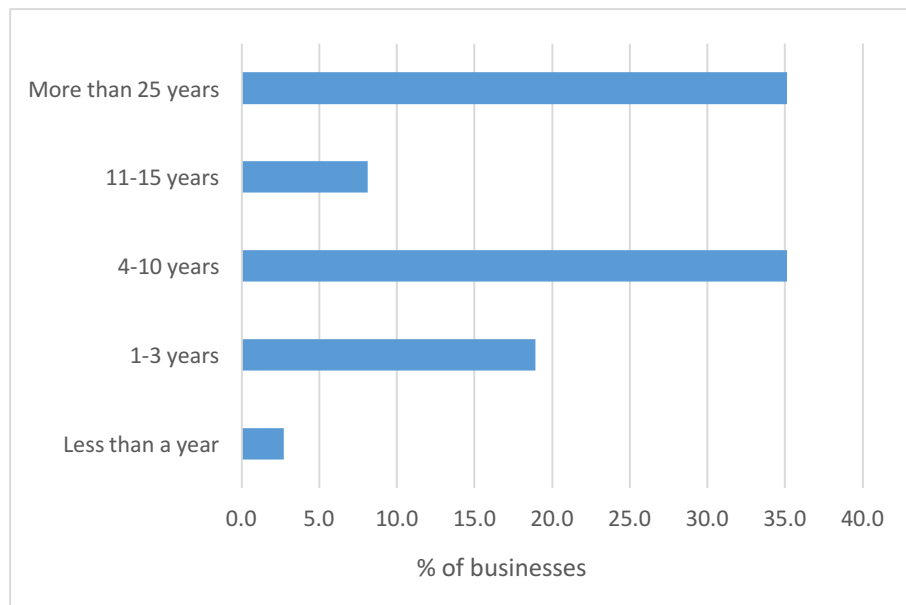


Table 1 highlights that the majority (81 per cent) were privately-owned businesses.

Table 1: Nature of ownership of the surveyed businesses

| Nature of ownership | Frequency |
|--------------------------------|------------------|
| Privately owned | 30 (81.1%) |
| Publicly-owned | 3 (8.1%) |
| Community-owned | 1 (2.7%) |
| Other | 3 (8.1%) |
| Total no. of businesses | 37 (100%) |

3.2 What is Social Innovation?

A review of current thinking identified that social innovation is somewhat of a contested concept (NESTA, 2008). To this end, the survey provided an opportunity to explore what businesses perceived as social innovation. This was undertaken in two ways. First businesses were asked to provide their own definition of social innovation. Not surprisingly a range of different statements were provided. Amongst this diversity, there were three key themes:

- Creating or doing things differently in business to meet changing social needs – As one surveyed business noted social innovation is *‘Creating new ways to develop social discussion, environments, and products’*
- Developing new ways of supporting social interaction – For example, one business reflected that social innovation is about *‘Involving people and communities in new projects’*
- Providing a service to the local community – This was summarised by one business who noted that social innovation is *‘Social Innovation is the need for improvement that impacts the community’*.

Other examples of unprompted definitions of social innovation included:

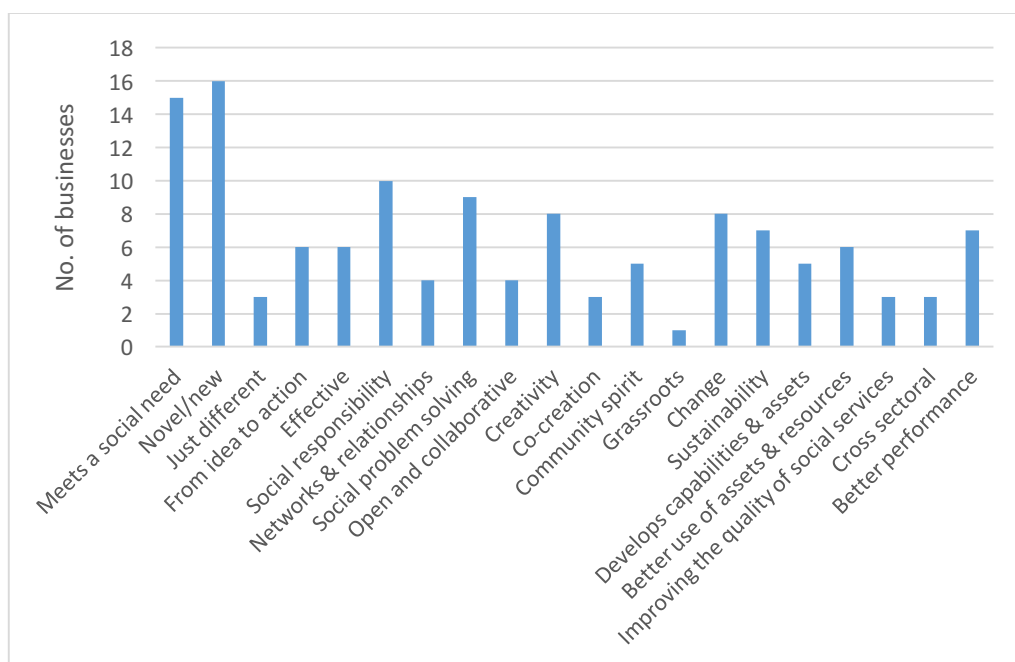
- *‘It is something new that charities and social enterprises introduce’*
- *‘Making changes in the way people work’*
- *‘Improvements to local communities and people’*
- *‘Not sure really what it means’*
- *‘Being creative and working with local people’*
- *‘Making changes that improve the environment’*
- *‘Using the Internet to share and tell people what you are doing’*
- *‘Creative and innovative products that people can use to change how they work and play’*

Second, businesses were provided with a list of words and phrases associated with social innovation and asked to identify three words that they perceived related to social innovation. This list was based upon the outcomes of a content analysis of key articles and publications relating to social innovation. As Figure 4 highlights two words were selected by just over four surveyed businesses in ten – **meets a social need** and **novel/new**. There was a

secondary group of prompted responses related to social responsibility, social problem-solving, sustainability and change.

Therefore, Figure 4 suggests that more generic terms, such as ‘co-creation’, ‘cross sectoral’ and ‘community spirit’, are not commonly associated with social innovation, although these are important themes with the academic and professional literature on social innovation (Ziegler, 2017). This will be explored in further detail below.

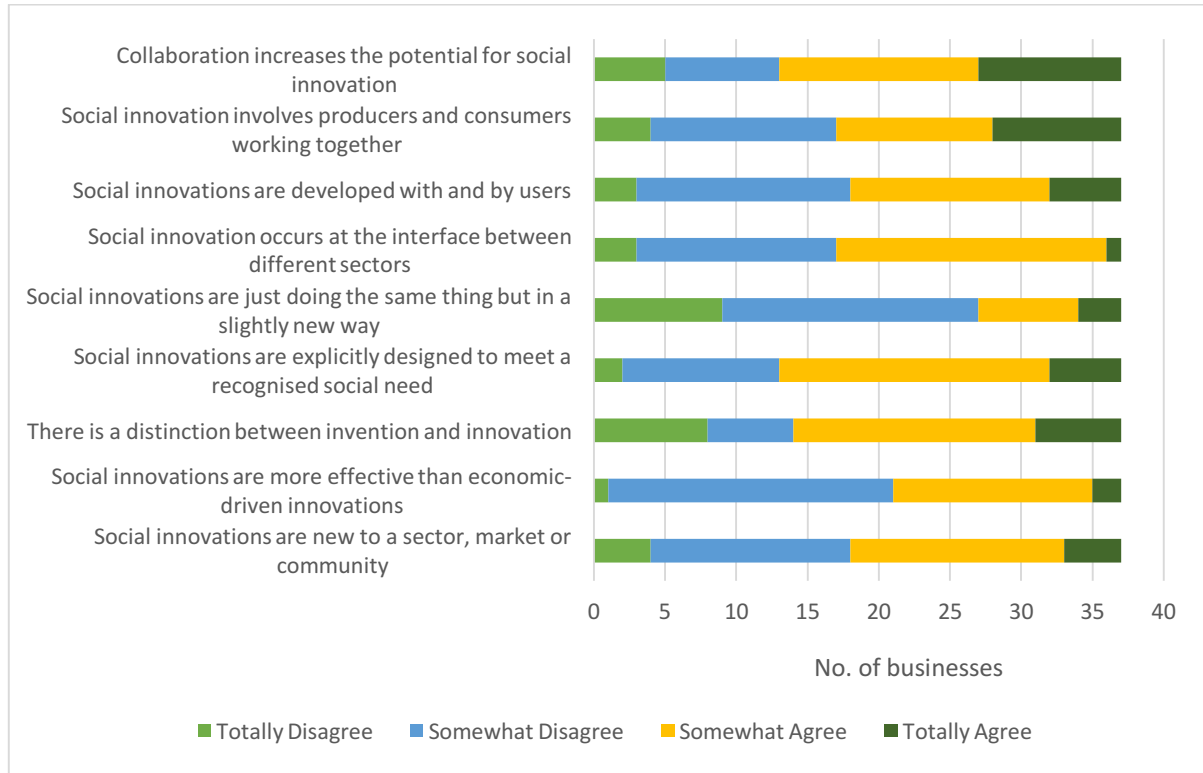
Figure 4: Terms associated with social innovation



In terms of understanding the key features of social innovation, Figure 5 highlights that the majority of respondents agreed with statements relating to the importance of collaboration and different groups of stakeholder working together in introducing and implementing social innovations. There was less agreement with statements related to social innovations involving minimal change and social innovations being of more value than economic innovations. This focus reinforces both the unprompted and prompted definitions of social innovation provided by the respondents (e.g. the emphasis on social innovations being novel/new).

For most of the other statements there was an equal split with approximately half of respondents selecting totally disagree/somewhat disagree respondents and the other half selecting agree and totally agree. In part, this may reflect anecdotal feedback from some of the respondents that suggested that they were uncertain of the meaning of a number of the statements.

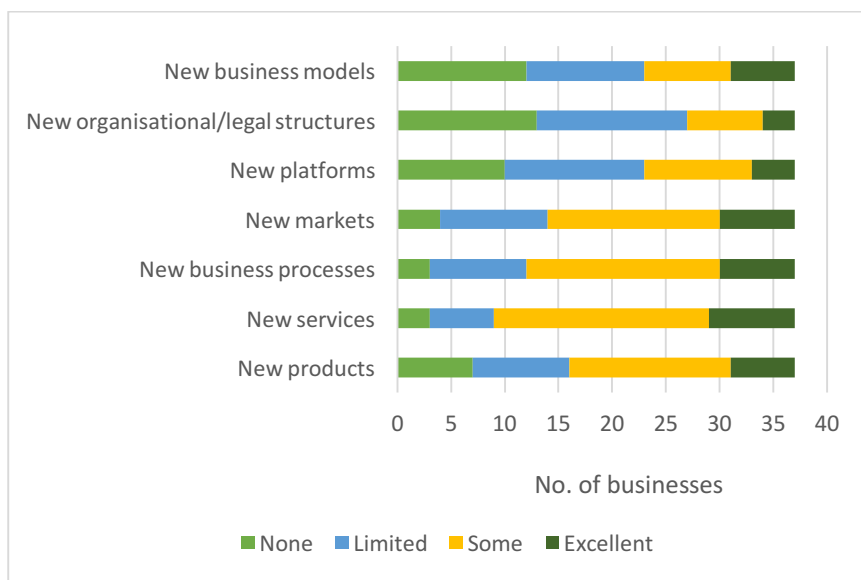
Figure 5: The nature of social innovation



3.3 Social innovation in businesses and organisations: Processes and Practices

In terms of opportunities to introduce social innovations in their own business, Figure 6 highlights that there may be scope for social innovations related to new markets, new services and new business processes within the surveyed businesses. For example, 75 per cent of the surveyed businesses identified some or excellent scope for introducing social innovations related to new services. In comparison, the respondents suggested that there was less scope to introduce social innovations related to organisational/legal structures, new platforms and new business models. For example, 72 per cent of the surveyed businesses identified none or limited scope for social innovations related to new organisational structures.

Figure 6: Scope for the introduction of social innovation



The survey provided an opportunity for the respondents to self-assess their effectiveness in managing the key stages in process of introducing and implementing social innovations. Figure 7 shows that the majority of respondents do not perceive that they are effectively managing any of the six key stages, with a somewhat similar pattern of assessment for each stage (e.g. just over half stating that they are poor or average). In part, this may reflect their knowledge and experience of social innovation as a concept and as a process as well as access to knowledge and skills required relating to each stage of the process.

Figure 7: Assessment of effectiveness in managing social innovation

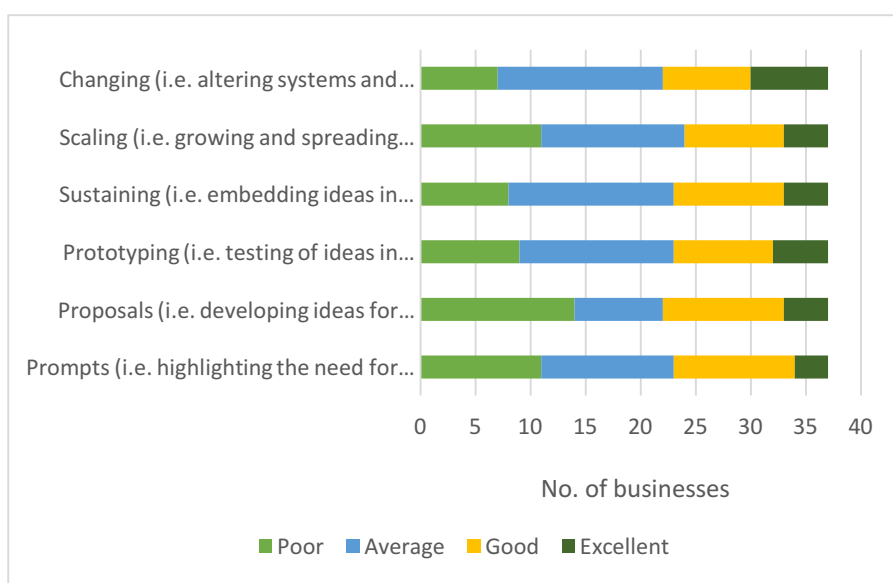


Figure 8 shows that there are four primary barriers to introducing social innovations:

- Access to appropriate skills in the workforce
- Access to information and knowledge
- Time management
- Access to finance.

Just over 70 per cent of businesses identified access to appropriate skills and information/knowledge as key barriers. In part, this reinforces the need for the COOP-IN project as it will provide insights into different aspects of social innovation (e.g. the need for social innovation, types of social innovation) as well as access to learning activities and opportunities for experience exchange with other businesses.

Figure 8: Barriers to introducing social innovation



3.4 Social innovation: Learning and skills development

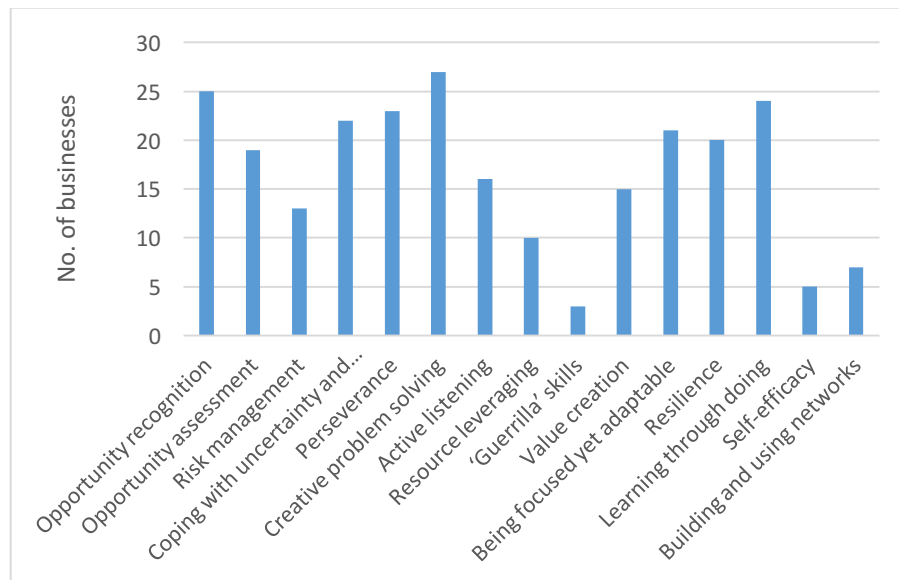
A range of different skills were identified as important when managing the different stages in the social innovation process (see Figure 9). The top five responses were:

- Creative problem-solving
- Opportunity recognition
- Learning through doing
- Perseverance
- Coping with uncertainty and ambiguity.

These five abilities and skills were raised by more than 60 per cent of the surveyed businesses. In comparison, less than 13 per cent of businesses identified guerrilla skills and self-efficacy as important abilities and skills. This may reflect either a perception that they are not important and/or a need for greater clarity as to what they mean and how they

relate to social innovation (e.g. the importance of having high levels of confidence in your own abilities and skills as a way of managing the journey from idea to action).

Figure 9: Learning and skills development needs and requirements



Nearly three surveyed businesses in five identified that they do not review their strengths and areas for development in terms of implementing social innovation (see Figure 10). In part, this is not surprising given the relatively low levels of perceived effectiveness in managing the different stages of the social innovation process. Therefore, with greater understanding of the process, there may be more frequent reviews of what is working well and what is working less well.

Figure 10: Extent of the review of strengths and areas of development for managing social innovation

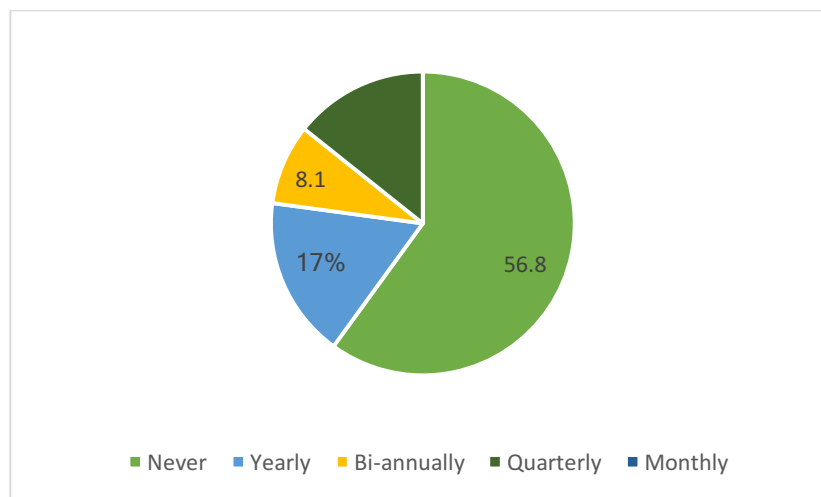
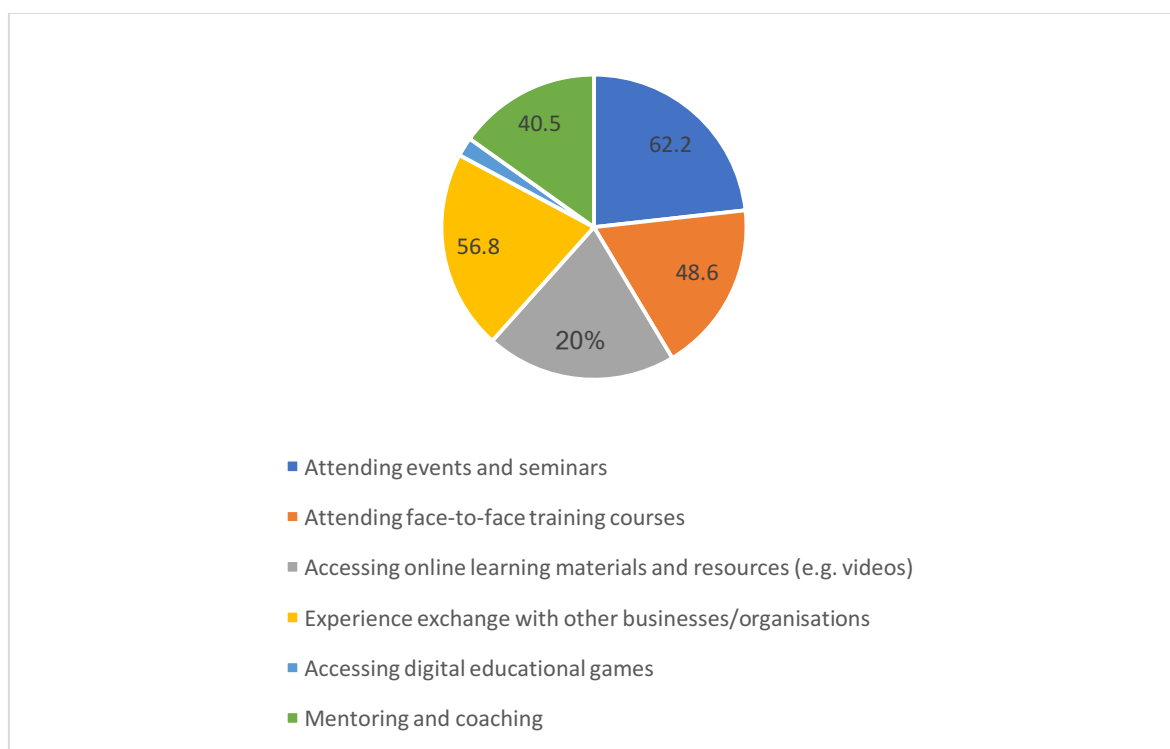


Figure 11 shows that the preferred methods for respondents to acquire skills and abilities to support social innovation processes are via attending events and seminars (62 per cent) and experience exchange (56 per cent). In comparison only five per cent of the surveyed businesses noted using digital games for accessing learning and skills development. This suggests that the project will need to highlight the benefits of using digital games as an approach to learning as well as signposting businesses to opportunities for learning via events and exchanging experiences with other businesses.

Figure 11: Learning and skills development for social innovation – Preferred methods



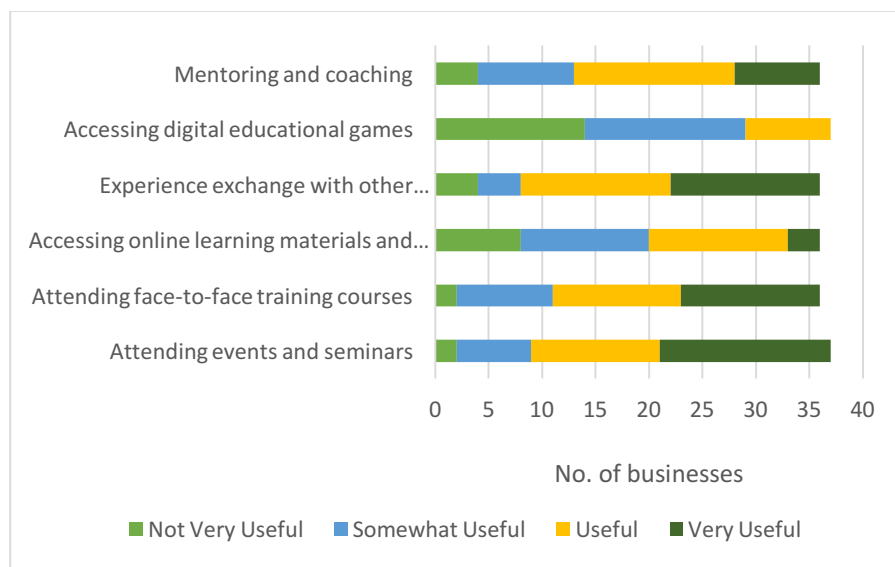
When asked about the usefulness of the different ways of acquiring skills and abilities in social innovation, the three top preferences were:

- Attending events and seminars
- Experience exchange with other businesses
- Attending face to face training courses.

These perceptions are not surprising given the proportion of smaller businesses in the sample (see Figure 2). Research has highlighted that smaller businesses prefer learning face-to-face, primarily as this provides an opportunity to discuss problems and opportunities with other businesses as well as gain re-assurances that they are not alone in the barriers and challenges that they face in developing the business (Gibb, 1997; Rae, 2007).

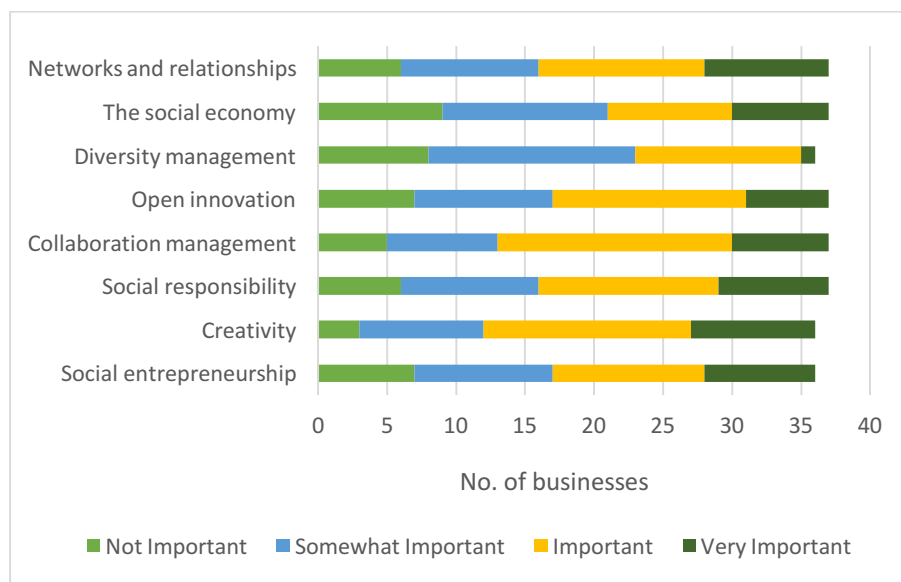
Whilst 75 per cent of businesses perceived attending events and seminars as useful to very useful, only 21 per cent of businesses perceived educational games as useful to very useful. Again, this reinforces the need for the project to develop an awareness of the benefits of educational games as an approach to learning, particularly amongst smaller businesses.

Figure 12: Learning and skills development for social innovation – Usefulness of different methods



The survey provided an opportunity to explore the topics that businesses perceived as important content for a learning programme about social innovation. Three issues emerged as important or very important – creativity, collaboration management and networks and relationships. In comparison, the social economy and diversity management were rated as not important or somewhat important. Figure 14 implies that there should be a primary emphasis on processes and practices, as opposed to topics, of social innovation in the development of the learning materials. However, it will be important to explore these topics further to identify specific areas of ‘need to know’.

Figure 14: Learning and skills development for social innovation: Suggested topics



Finally, the survey explored levels of awareness of the European Innovation Management Standard on Collaboration Management (CEN/TS 16555-5) amongst the sample of businesses. Table 3 highlights that awareness is low with 90 per cent of participants reporting they were either unsure or not familiar with it.

Table 3: Awareness of the European Innovation Management Standard on Collaboration Management

| Awareness | Frequency |
|--------------------------------|------------------|
| Yes | 3 (8.1%) |
| No | 32 (86.5%) |
| Not sure | 2 (5.4%) |
| Total no. of businesses | 37 (100%) |

4. SUMMARY AND IMPLICATIONS

The key headlines and highlights to emerge from the needs analysis include:

- There was a diversity of perceptions as to what constitutes social innovation with a focus on: novel/new and meeting social needs when prompted and doing things differently, solutions to social needs and serving the local community when unprompted
- Surveyed businesses identified opportunities to introduce social innovation related to new services, new markets and new business processes
- There are a number of clear barriers to implementing social innovations at work including access to skills and access to information and knowledge
- Surveyed businesses identified a number of learning and skills needs, with an emphasis on issues related to creativity and opportunity recognition
- Events and seminars, experience exchange and face to face training are identified as preferred methods for learning and skills development. In comparison, educational games are used less.

Key implications related to the headlines and highlights include:

- Businesses have different levels of understanding and experience in implementing social innovation so there may need to be awareness raising of different examples of social innovation in engaging with the target groups of businesses
- Marketing messages need to address perceived barriers such as access to skills and access to information and knowledge with more focus on business benefits and return of investment with an emphasis on solutions, improvements and efficiency
- Experience exchange and face-to-face learning methods are important but there may be an opportunity to make the target group aware of alternative learning methods (e.g. on-line and serious games)
- Engaging different target groups may need to involve face-to-face events and potentially a blended approach to the delivery of the project
- There was a degree of agreement amongst businesses as to the abilities and skills required to implement social innovations. This was reflected in the suggested topics to underpin the curriculum: collaboration, networking and relationships need to be core to the learning materials
- Finally, the surveyed businesses were somewhat critical of their own effectiveness in introducing and implementing social innovations. This suggests that there may be a need to identify how other businesses have developed tools to identify opportunities for social innovation, manage the journey from idea to action and evaluate the impact on both internal and external stakeholders.

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