Social Innovations Tidbits

Caroline Ridgway 29 January 2010

Each quarter, this section of the Philadelphia Social Innovations Journal brings you a selection of recent news reports and other publications featuring topics and trends related to social innovation, disruptive innovation, and social entrepreneurship. These “tidbits” offer brief summaries of stories and articles from around the country and the world, and fall under themes such as social media, technology, leadership, “what works,” evolving trends, philanthropy, and others. If you come across something you think is worth highlighting here, please send it to Caroline Ridgway at caroline@philasocialinnovations.org.

Social Media

Connected, Not Just Online. Media May Be Even More Social than Some Think

(John Timpane, Philadelphia Inquirer, January 3, 2010, A1).
In a hyper-connected world, are we doing ourselves a disservice by disconnecting from the kinds of interactions that really “matter”? That is the question addressed in this article, which cites research from the Pew Internet and American Life Project in responding, perhaps surprisingly

to some, “in fact, no.” According to the Pew study, social media, such as Facebook, MySpace, and Twitter, actually enhance the interpersonal aspects of our lives by broadening and deepening our connections to individual people, diverse communities, and new ideas. While Americans in general continue to report greater loneliness and isolation than they did a generation ago, according to the American Sociological Review, it appears that electronic-based social media are not the driving force behind that trend. Of course, the overall benefit of engaging with social media may be hard to quantify, but it is conceivable that the vast proliferation of these platforms is due, in no small part, to the subjective actual value users derive, and not simply because they are the latest fad.

Leadership

To Be a Better Leader, Give Up Authority

(A. D. Amar, Carsten Hentrich, and Vlatka Hlupic, Harvard Business Review, December 2009, 22-24). Traditional business models employ a standard hierarchical top-down structure, where those at the top make the decisions, and those towards the bottom focus on the individual tasks needed to execute those decisions. This article, however, suggests that dramatic workplace redistricting may be central to achieving optimum efficiency, productivity, and worker satisfaction. In knowledge-based sectors, in particular, empowering employees to take direct action and make decisions has been demonstrated to have a positive influence on bottom-line corporate metrics. Part of why this is, so suggest the article's authors, is that imbuing employees with this degree of authority inspires a greater personal sense of responsibility and investment in the business. Applying a rubric of "mutualism," basing employee evaluation in measures of trust, responsibility, and innovation, as opposed to revenue generation, may contribute to a better workplace as well as better productivity in the long run.

The Innovator's DNA: Five 'Discovery Skills' Separate True Innovators from the Rest of Us

(Jeffrey H. Dyer, Hal B. Gregersen, and Clayton M. Christensen, Harvard Business Review, December 2009, 60-67).

Leading innovators differentiate themselves from the rest of the pack by excelling at five core skills: questioning, observing, experimenting, networking, and associating. The good news for those of us who are not intrinsically above average in these competencies is that, according to the authors, they can be learned. But the authors also take care to emphasize that the successful integration of these "discovery skills" requires constant awareness and commitment. For instance, rather than rely on delegation and top-level management, these entrepreneurs assume a direct role in the practice of innovation, from discovery to implementation. And the five skills, though individually valuable to cultivate, function most productively as a system. Among the entrepreneurs identified by the authors as being particularly adept at channeling these skills towards successful innovation are Steve Jobs (Apple), Jeff Bezos (Amazon), Pierre Omidyar (eBay) and A. G. Lafley (P&G). Pretty good benchmarks for any aspiring innovator!

What Works

Create Three Distinct Career Paths for Innovators

(Gina Colarelli O'Connor, Andrew Corbett, and Ron Pierantozzi, Harvard Business Review, December 2009, 78-79).

To be successful innovators, businesses would be well served to devote adequate support to the programs and processes needed to drive innovation, as well as the staff responsible for creating innovation. Researchers at Rensselaer Polytechnic Institute observed that, while businesses often do a good job of talking the innovation talk, they often fail at walking the walk. The researchers identified three distinct but equally important components of successful business innovation: discovery, incubation, and acceleration. With respect to its employees, a company should acknowledge that a particular individual might opt not to follow a particular concept along from start to finish, instead preferring to focus, based on individual skills and expertise, on the "discovery," "incubation," or "acceleration" of multiple projects over time. Supporting such a staffing model could facilitate more sustainable and successful innovative practices within a company.

How Open Innovation Can Help You Cope in Lean Times

(Henry W. Chesbrough and Andrew R. Garman, Harvard Business Review, December 2009, 68-76).
The pursuit of long-term business innovation may seem most viable during an economic upswing, but may be even more important during more challenging times, because it lays the appropriate groundwork for new post-recovery growth. If the prospect of fostering new business developments internally in the midst of an economic downturn sounds somewhere between daunting and impossible, the authors of this article propose swapping the more traditional "outside-in open innovation" for "inside-out open innovation," whereby assets or projects are housed externally, wholly or in part, either in existing entities or in new spin-offs. This permits appropriate focus on the sustainability of the core of the originating business but does not stifle valuable expansion. While, depending on the structure of the venture, the return on

investment for the originating company may be less than would have been realized under ideal circumstances, this tactic does permit some retention of equity, but with substantially reduced risk and upfront financial outlay.

Evolving Trends

Design Thinking for Social Innovation

(Tim Brown and Jocelyn Wyatt, Stanford Social Innovation Review, Winter 2010, 31-35).
Good intentions do not always result in good results. Social problems, in particular, require a unique approach. Solutions to social issues that do not take into account local culture and context-dependent feasibility will create, at best, partial success. "Design thinking" proposes a more "human centered" approach to solving social problems. Design thinking does not abandon linear analysis altogether, but suggests instead a more organic process involving the overlapping "spaces" of inspiration, ideation, and implementation. Inspiration, as described by the authors, involves field-level observation, to learn about the needs of a community according to the community itself. Ideation is best served through facilitated brainstorming among a multidisciplinary group of people, to ensure a breadth and depth of creative and novel solutions. Successful implementation will tend to evolve from thorough prototyping, so that the product or service that actually goes to market will have some proven

appeal. While non-traditional, design thinking is proving increasingly attractive to a variety of businesses, including a growing number of nonprofits.

Helping the Poor Save More

(Dean Karlan, Stanford Social Innovation Review, Winter 2010, 48-53).
Microlending has become an increasingly common practice globally in the past twenty or thirty years, with inspiring results. Less effort has been devoted, however, to supporting the saving practices of the poor. Rich and poor alike tend to have a natural bias against long-term well-being in favor of short-term reward. Lower socioeconomic class does not diminish the allure of "temptation goods," but the purchase of nonessential items such as tobacco or televisions does disproportionately burden the poorer person's available cash flow. This article addresses four particular psychological challenges to saving: loss aversion, status quo bias, dual self, and distraction. To overcome these, strategies promoting saving in poor populations should focus on, for instance, the specific consequences associated with not saving, facilitating immediate opportunities to save, establishing concrete constraints around how saved money can be accessed and used, or implementing mechanisms, such as regular reminders in the mail, that keep the idea of saving fresh in a person's mind.