

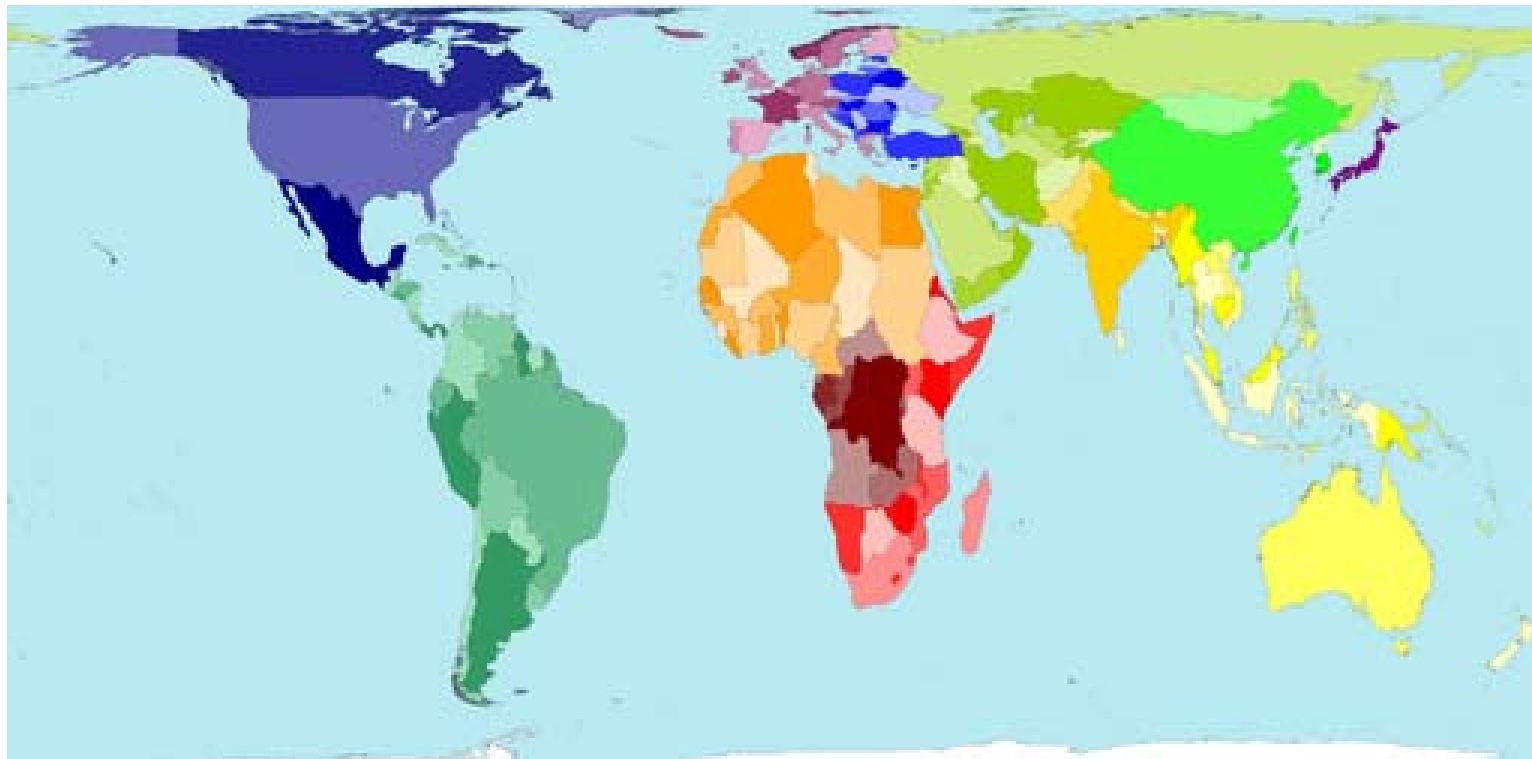
# **CSR REVISITED:**

## **Corporate Social Innovation as balancing sustainable learning processes, innovation and responsibility management in organizations**

**State-of-the-Art Paper at the 11th European Congress for Psychology  
Oslo, Norway – July 7-10, 2009**

**Wolfgang Stark, University of Duisburg-Essen, Germany**

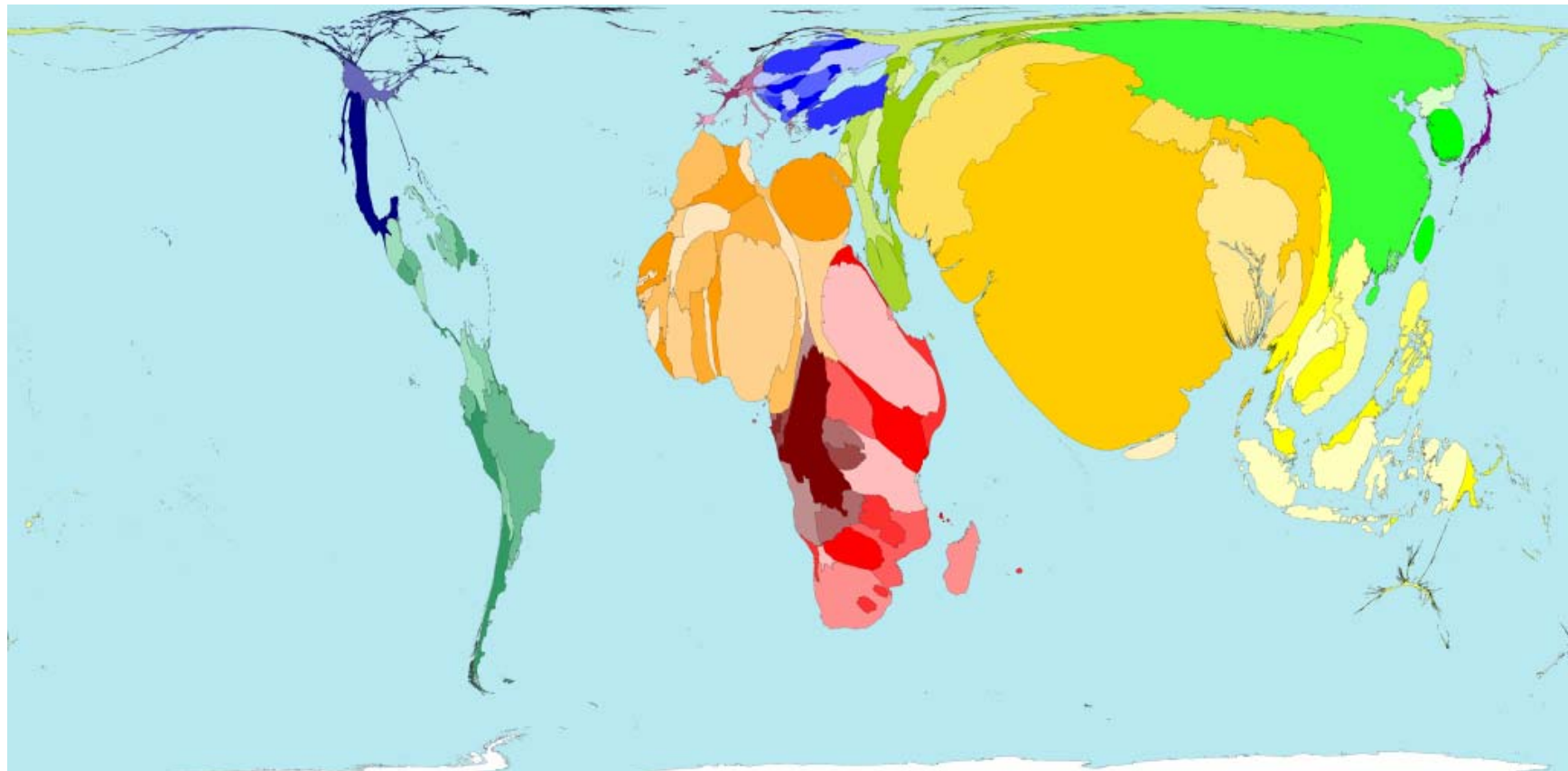
# The World - Territories



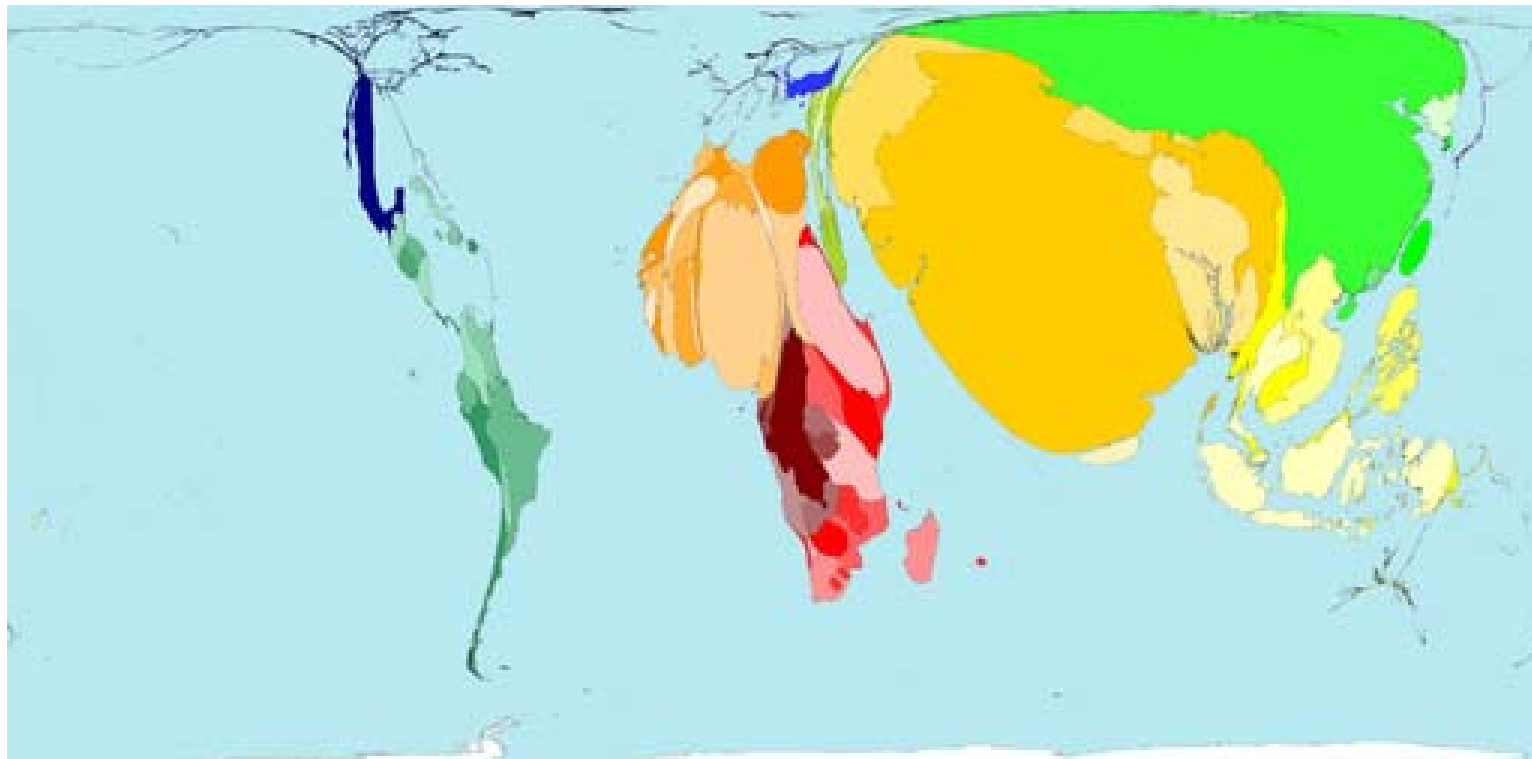
All maps from: [www.worldmapper.org](http://www.worldmapper.org)

# Human Poverty

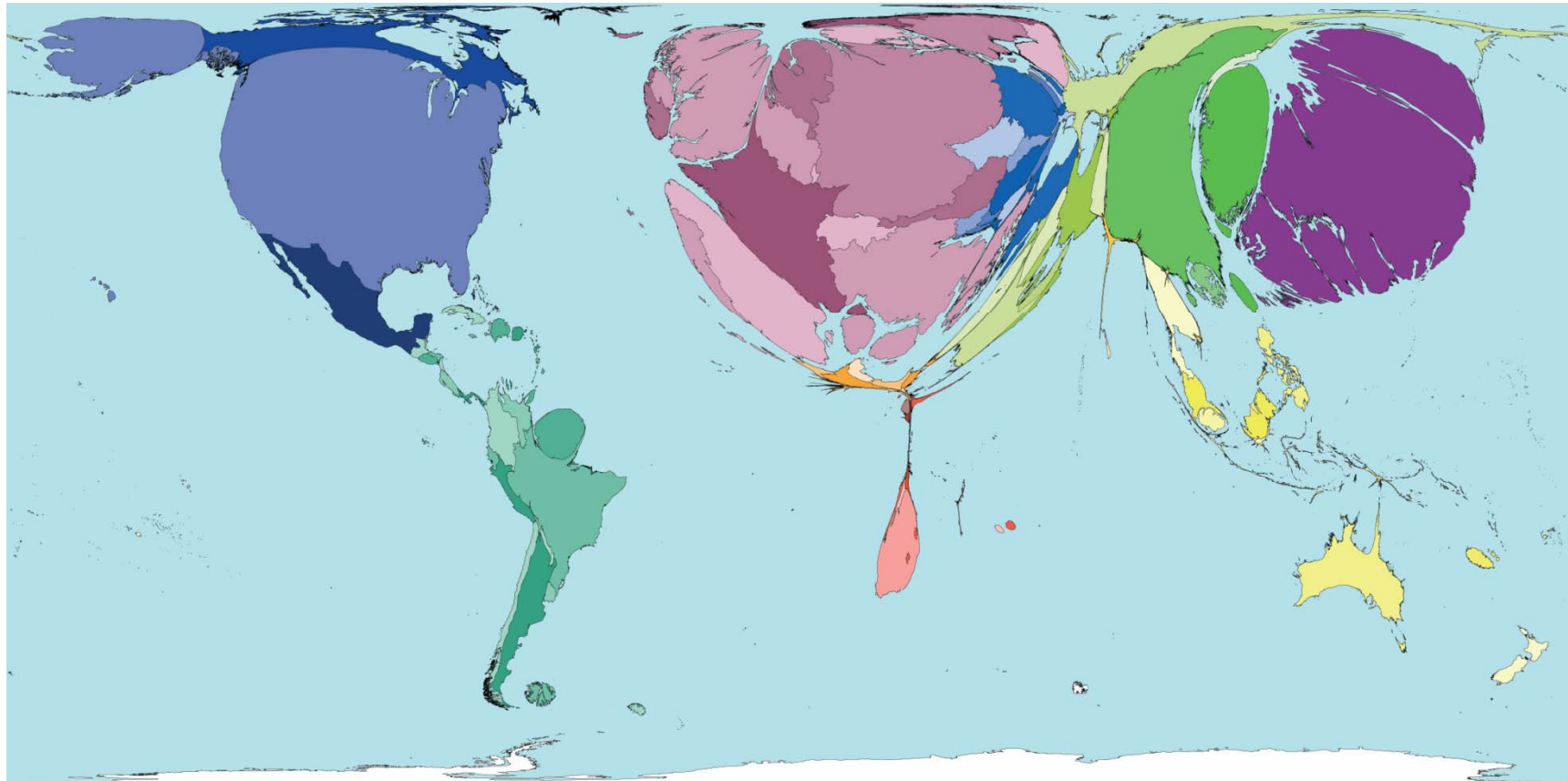
**OECD-Index:** *income, life expectancy, literacy, unemployment, water quality, underweight children*



# Absolute Poverty (under 2 \$/Day)

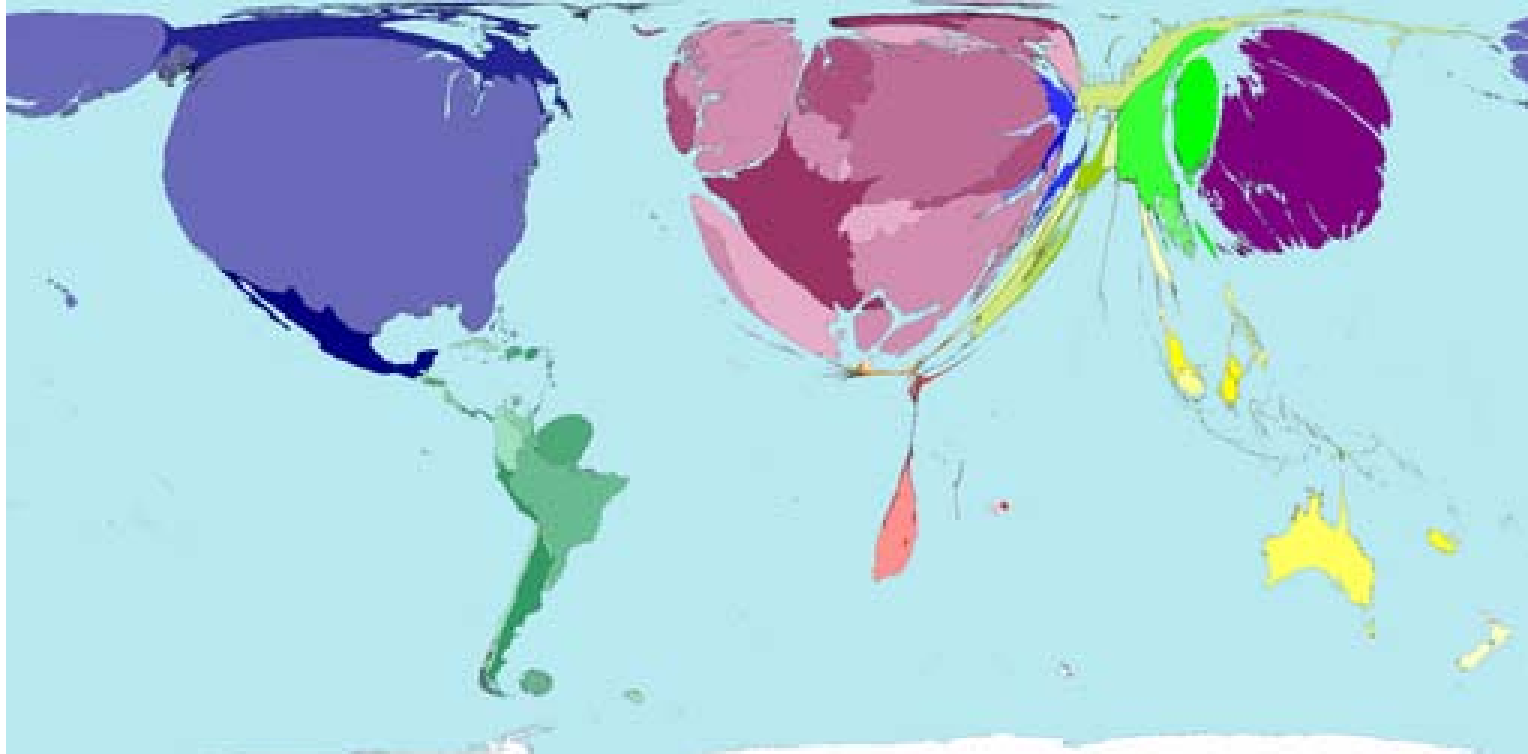


# Prosperity (50-100\$/Day)

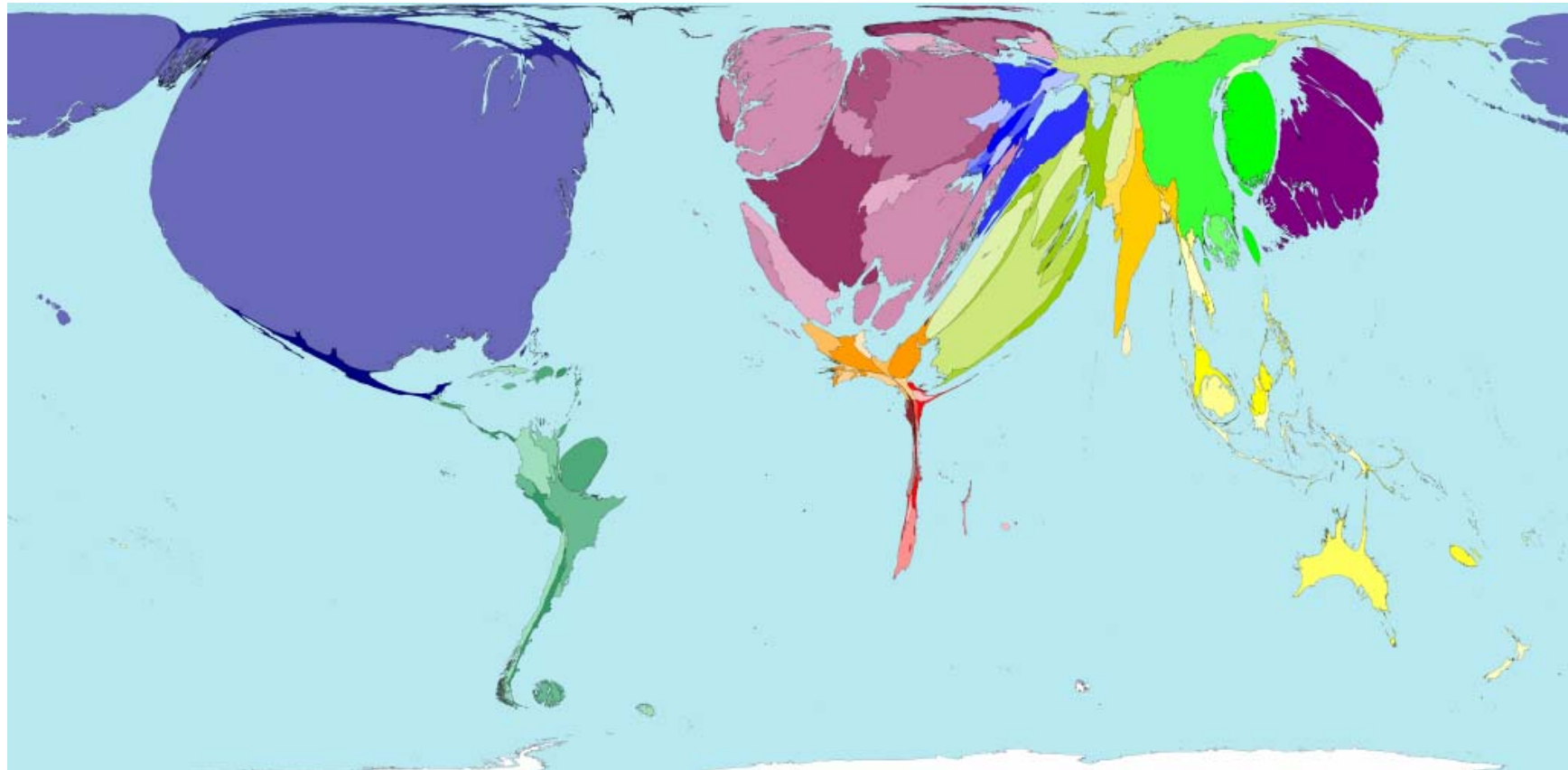


# Wealth

100-200 \$/Day



# Military Expenditures (2002)



# Reasons for Social Entrepreneurship



- 1. Economic Development and Emerging Markets**
- 2. Social Innovation means Business Innovation**
- 3. Sustainable Products and Value Chains will be the Core of Successful Business**

Patrick Cesceau (CEO Unilever) 2007

„A company that makes only money is a poor company“

# Base of the Pyramid (BoP)



- **C.K. Prahalad & Stuart Hart (2002):** The Fortune at the Bottom of the Pyramid
- **Stuart Hart (2007):** Capitalism at the Crossroads
- **Prahalad:** people in need are no victims, but highly resilient and creative consumers and entrepreneurs
- **Hart:** „poor“ people tend/need to be creative and innovative business-partners and social entrepreneurs

# **Social Innovation and Empowerment**

## **Intersectoral Alliances based on Social Entrepreneurship**

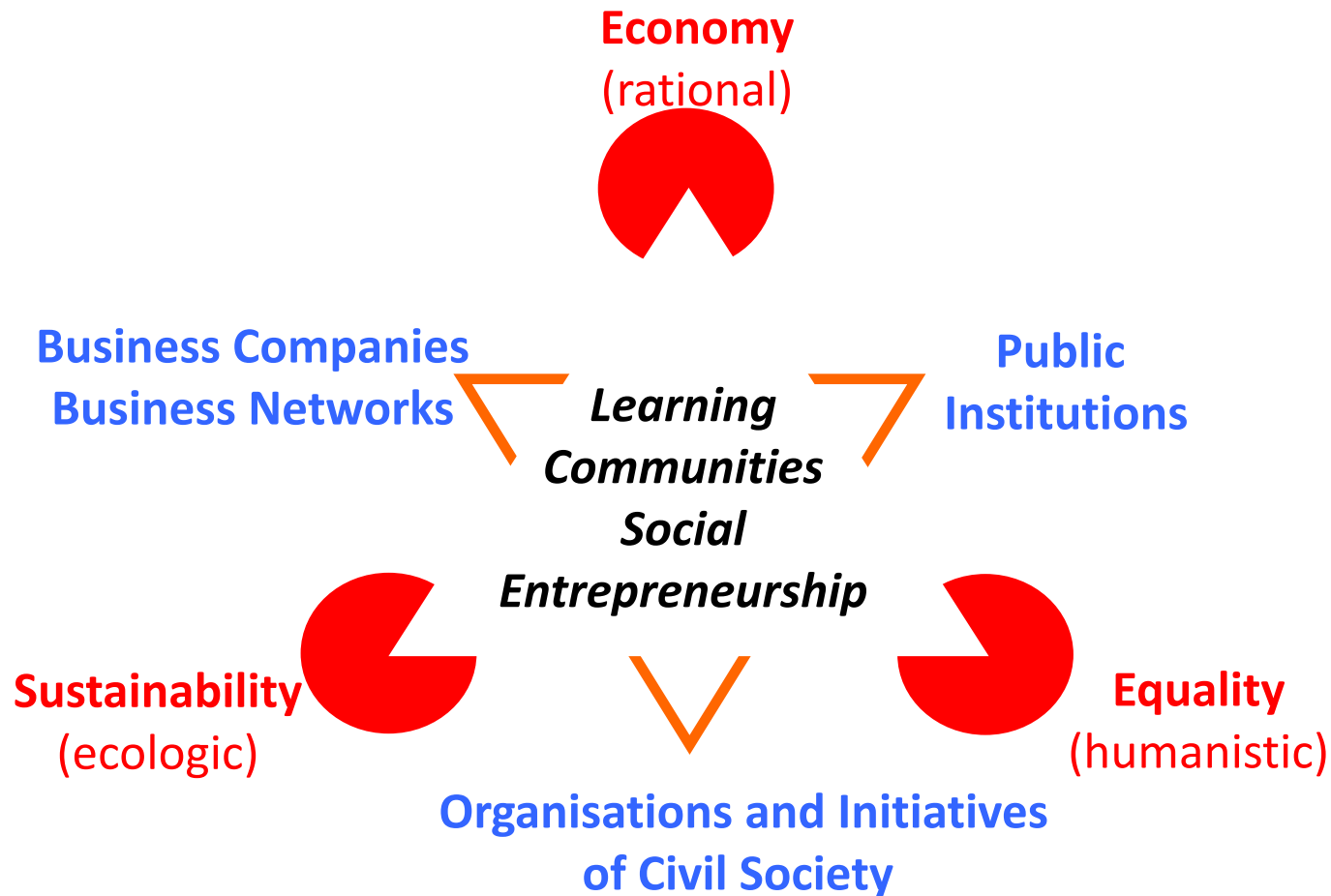
Prof. Dr. Wolfgang Stark

# MetaLog – a blueprint for social innovation



- Goal: develop social entrepreneurship and social innovation by using intersectoral alliances in two local areas
- Method: Grounded Theory-Analysis (Atlas TI); Action Research, Future Labs
- Two-year-project (funded by BMBF)
- **Collaborators**
  - ▣ University
  - ▣ Two governmental departments (economy; social)
  - ▣ RWE Group
  - ▣ Regional charities

# Radical Innovation in Civil Society



W. Stark 2007

# Initiate Social Innovations

## as the future skill?

### Incremental Innovations

- Reduce costs or develop functional improvement of already existing products, services or processes
- Use well-known knowledge
- Try to enhance competitiveness in already existing markets
- **Low risk**

### Radical Innovations

- New products, services or processes meeting unknown/not yet known specifications and qualities
- Based on new knowledge
- Changes and transforms existing markets or creates new markets/areas of work
- **High risk**

# Societal and Social Innovations

## Dialogue and Intersectoral Collaboration

- Global, economic and demographic change in society requires a new perception of the world
- Dialogue and Mutual Support is needed
- Start linking...
  - ▣ Establish new intersectoral alliances –  
**test new forms of collaboration**
  - ▣ Individuals – Groups – Structures –  
**Discover Empowerment Patterns**
  - ▣ Old and young – **Learn across generations**
  - ▣ past – present – future – **sense emerging futures**
  - ▣ Evaluated programs and experimental settings –  
**enable mutual risk taking**

# MetaLog-Process to develop Innovative Social Entrepreneurship



## □ Find Real Tensions in Society

- ▣ Research discrepancies between reality and desire

## □ Develop Shared Goals

- ▣ Look at common future – why do we collaborate?

## □ Rapid Prototyping

- ▣ Try to experiment with new ideas together with users

# Tension Research

**look at emerging futures (what wants to emerge?)**

instead of

**How can we improve a situation?**

**Research on the Physical World (tangibles)**

- “concrete action and work – what and how?”
- “how do they achieve which results/performance?”

**Research on Ideas, Visions and Values**

- “What do they think?”
- “What do they care for?”
- “Which are the concerns?”

**Research on the Emerging World**

- “What do they strive for?”
- „What do they search for?“

Important:

Suspend Judgement

Open Mind

# Shared Goals

**“Find the most powerful common commitment - shared goals and shared risk”**

instead of

“Who is right, who is wrong?”

□ ***sense***

- ▣ Perceiving the world in an explorative way – what do we sense?

□ ***inspire***

- ▣ What are our aspirations/ what do we really want?

□ ***Create/give birth***

- ▣ What is our quest/aspiration?

# Rapid Prototyping – Be Experimental!

- ❑ Experiment and test social innovations and ideas as soon as possible together with users
- ❑ Try to engage in a permanent dialogue with your environment; really listening to any kind of feedback
- ❑ Try to listen to the „draw of future“ instead to the pressure of the past

## Basics

- ❑ Informed trial and error is more successful than developing single plans
- ❑ Use the pressure of time to get started
- ❑ Be playful in order to be innovative
- ❑ Experiment – don't ask for permission, rather apologize - that's the way mankind always developed new ideas
- ❑ Try to fail as often as possible – in order to be successful as soon as possible

# Designing the Metalog-Process



- **Regional Kick-Off**

- Mutual Steering Committee  
(State, Municipalities, Businesses, non-profits)

- **Multi-Stakeholder-Conferences**

- What wants to emerge?  
(Regional/Local Actors)

- **Future Labs for Social Innovation**

- Experiment  
Action-groups  
social entrepreneurs

# MetaLog - Planned Results



- Find entrepreneurial solutions for regional social challenges
- Analyze viable and attractive new approaches to old and future problems
- Test new social entrepreneurships and intersectoral alliances
- Develop a regional culture for social entrepreneurs



# Emerging Futures

## Research and Teaching on Social Entrepreneurship and CSI

Prof. Dr. Wolfgang Stark

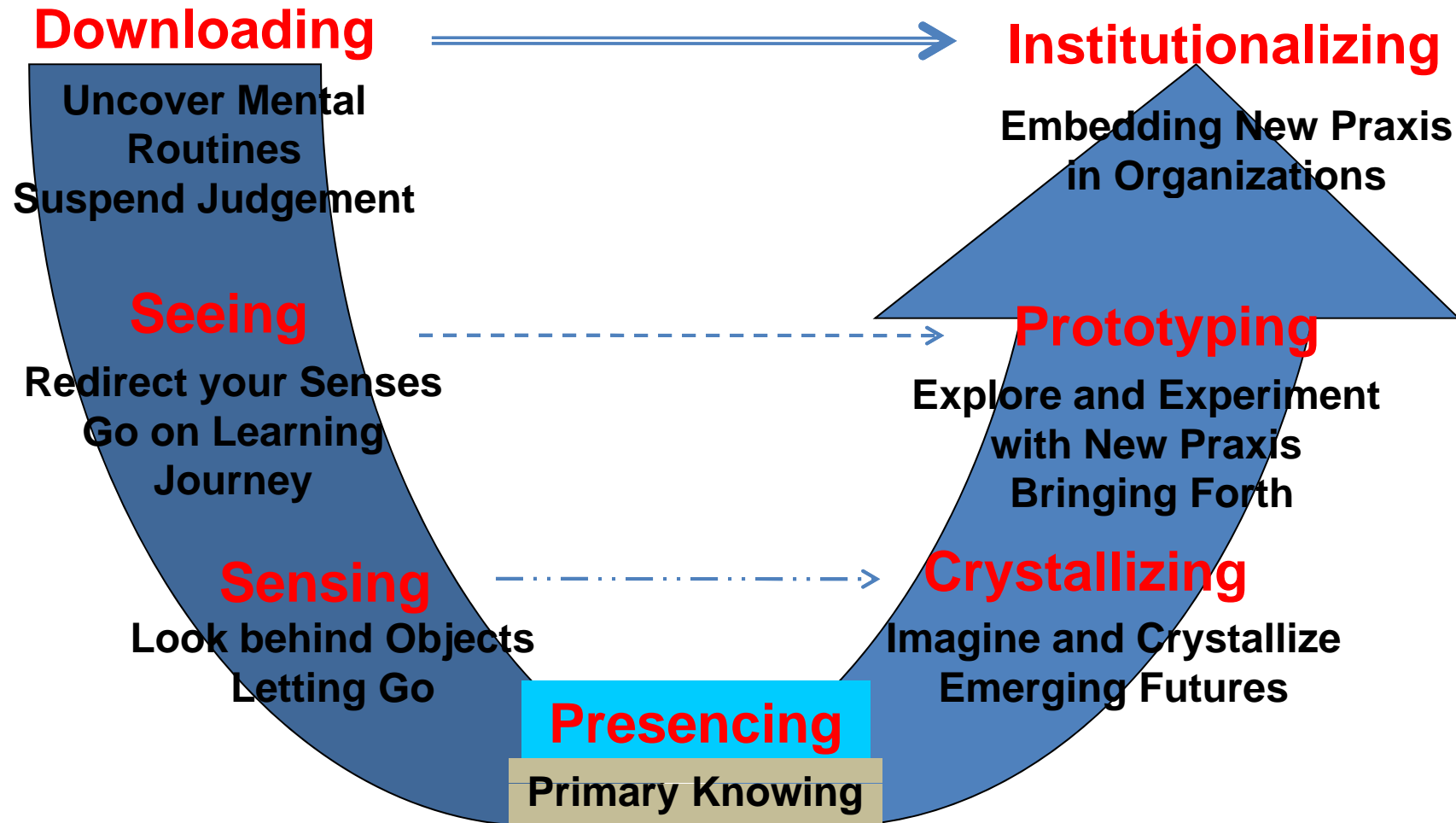
# *Balancing two sources of learning*

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- *The past* - learn by reflecting on the experiences of the past:  
*act – observe – reflect – plan - act*
- *The future* - learn from the future as it emerges:  
*sense and presence the future that wants to emerge*

# Presencing:

## *Emerging Futures and the Flow of Organizational Learning*



Prof. Dr. Wolfgang Stark

Adopted from „Theory U“  
C.O. Scharmer, 2007

# New Leadership Capacities

## □ Results

What?

## □ Process

How?

## □ Source

Who?

1. Holding the Space – **Listening**
2. Open Mindedness – **Observing**
3. Connect with Your Heart – **Sensing**
4. Connect with Your Source – **Presencing**
5. Access the Power of Intention – **Crystallizing**
6. Integrate Head, Heart and Hand – **Prototyping**
7. Playing the Macro-Violin - **Performing**

# Teaching 1

Unternehmung

Learning Journey

- Develop Business Models for Social Entrepreneurship
- Develop Leadership and Personality in Social Entrepreneurship
- SE Learning Journey (based on Teamacademy Finland and Theory U/Scharmer)
  - ▣ hands-on experience and deep-dive
  - ▣ Entrepreneurship practice – Rapid Prototyping
  - ▣ Team-based Learning

# Teaching 2



- **Learning Journey** to develop leadership and team skills, experience entrepreneurship and initiate social innovation
  - Personal Identity and Potential
  - Community Building
  - Seeing and Sensing: Analyse the field
  - Innovating: Creative Ideas – Social Business Models
  - Rapid Prototyping
  - Reflection

# Research 1



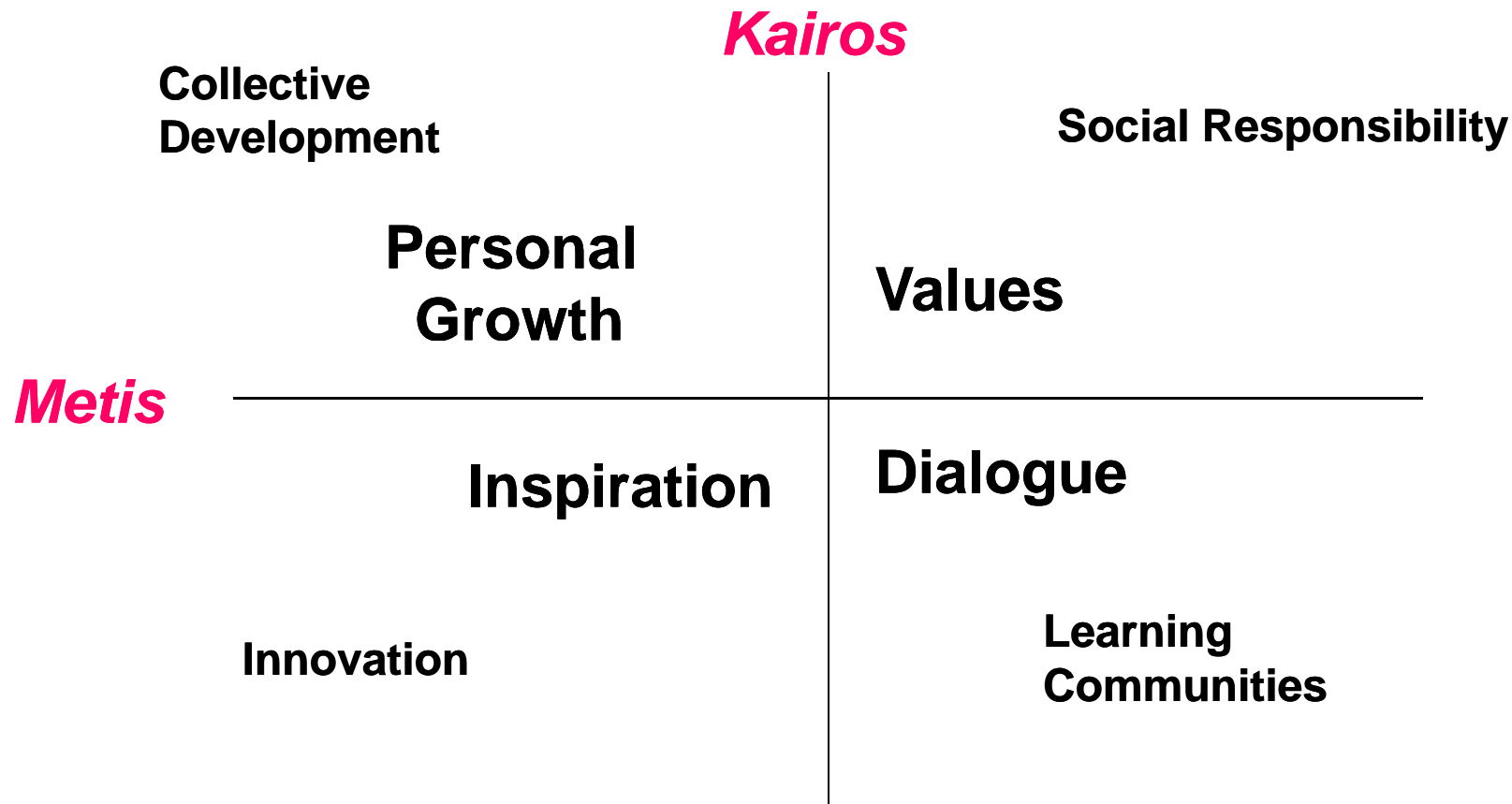
- Develop and evaluate education models for social responsibility and social entrepreneurship
- Analyse the long-term impact of social entrepreneurship enterprises both on business and societal measures
- Analyse and develop organizational culture which are enhancing value-based business models
- Analyse and Enhance Empowerment Patterns for Societal Change

# Research 2



- Use of „Grounded Theory“ and IT-based methodology (ATLAS TI)
- Community Building and Action Research Approaches = Experiential Learning
- Art and Cultural Projects as a Catalyst for Innovative Change  
(What is the Sound of Your Ecosystem/Organization?)

# Balancing Learning and Time



# Summary



- ❑ **Don't reduce complexity!**  
**Discover the rules of complexity!**
- ❑ **Build Learning Communities**  
community action research and corporate social innovation
- ❑ **Need for new Key Competencies and New Leadership**
- ❑ **Discover Empowerment Patterns in Organizations and Society**

# Three stone-masons are working on the base of Notre Dame...

The first one looks grim,



„I just earn my living.“

The second one is focussed



„I am shaping this stone.“

The third one is thrilled,



„I am building Notre Dame!“

... but all three do the same work.

