

# DIMENSIONS OF INTERACTION BETWEEN GOVERNMENT, SOCIETY AND BUSINESS FOR THE DEVELOPMENT OF SOCIAL INNOVATIONS

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## INTRODUCTION

**Introduction.** Every innovation means creating and putting new ideas into practice. Those ideas can be expressed in a variety of forms: technology, physical artifacts, ways of thinking and working, organizational and institutional systems, and structures. In the name 'social', 'social' means that participants in the innovation process are not necessarily professional inventors or innovators. They are involving different participants in a more social context. In this respect, it is important to make clear that the social purpose cannot be treated in isolation from society. Innovation means change, and change always brings unforeseen and expected results and impacts. This means that social innovation is not fundamentally better than any other form of innovation. Therefore, the process by which ideas are accepted requires the same careful consideration and selection as all innovations. Interest in social innovation has been accompanied by a growing awareness of gaps in the products and/or services provided by government, society or businesses company. Participants in this structure do not always respond as needed to common problems.

**The main problem question** is, what dimensions would best reveal the essence of social innovation for interaction between government, society and business?

**The aim of research.** To determine dimensions for the development of social innovation in organizations at the levels of government, society, and business companies.

**The methods of the research.**

The research type is exploratory, for which a qualitative research method was used in form of an in-depth structured interview. Ten informants (top-level managers) from 10 large organizations of different business sectors in Lithuania were interviewed. The tool used was a questionnaire with nine questions discussing social innovation at different levels - government, society, and business. The interview data was analyzed based on grounded theory and the qualitative content data analysis method, which allowed the identification of the peculiarities existing in a specific context.

The study was conducted in February 2022.

## Theoretical background.

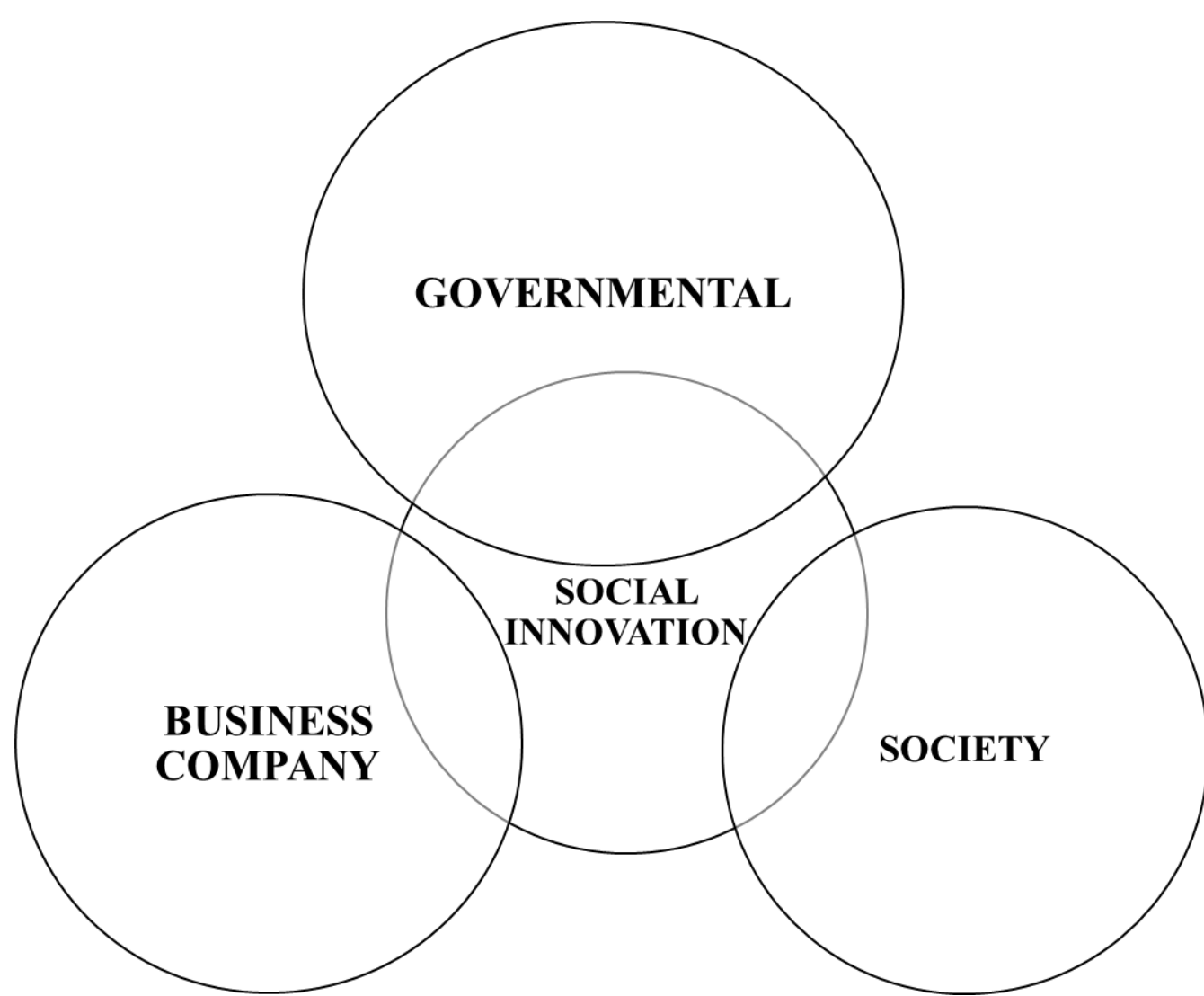
Despite a strong focus on social issues, major societal challenges remain. The aim is to create and develop social innovations and increase their impact on society.

The main goal of social innovation is to create socially added value. In the concept of management, it is very important to fully understand the importance of social innovation for government, society, and business. The social component adds triple thinking to already well-established innovation strategies in companies. Social innovation can exist not only as products or services, but also as new platforms, and organizational expressions. Much of the debate on social innovation must focus on improving the quality of life in society.

When tackling social innovation projects, business leaders ask financial questions: how much will it cost to start the project? How much will I earn from this project? Do I have enough money for this investment? However, it would be a mistake to assume that all the issues that companies encounter are only due to economic problems.

When analyzing social innovations in the activities of business enterprises, it is expedient to analyze them taking into account different levels - government, society, business company. The tripartite union can be seen as a key scheme for innovation, resulting from the synergies between knowledge creation involving all three actors.

Figure 1: Social innovation union and their actors.



The scheme (Figure 1) of social innovation focuses on the relationship between government, society and business companies.

## Main findings.

Respondents state that the need to support social innovation is due to constantly evolving human relationships, societal change and similar factors. The short-term and long-term social demands of society are constantly growing and new social problems are emerging.

Respondents mentioned that there are known difficulties with the public sector's effectiveness in tackling social problems: society and the public sector are reluctant to address existing social problems; most civil society organizations are relatively small and do not have sufficient financial resources; difficulties with public funding; the inertia of high bureaucratic hurdles, inefficient staffing, and low productivity, lack of incentives to innovate or improve service delivery, and difficulties in providing a flexible and user-friendly service.

Solutions to social problems and results can be achieved not through large financial investments, but through the implementation and development of social innovations, involving government, society, and business companies.

Involving business in social innovation does not tend to follow a purely managerial logic based on profit maximization. On the contrary, the practice of social innovation in companies is possible due to the social process activated. Social innovators need a thorough understanding of the social cause they want to address.

The dimensions and areas of impact of social innovation show the breadth and complexity of social innovation. The purpose of the main dimensions of social innovation is singled out, in order to correctly identify and diagnose social problems and to properly prepare for their solutions.

Table 1. Dimensions are needed for the detailed development of social innovation.

LEVELS	DIMENSIONS
<b>Government</b>	- sponsorship (to meet the needs of society); social requirements (addressing societal challenges); regulation of opportunities and restrictions (seeking to satisfy various sections of society); social requirements (addressing societal challenges); cooperation (in shaping public policy).
<b>Society</b>	- social needs (ensuring the well-being of society in an environmental and social context); changes in social needs (new requirements for services); social improvements (creating social value, resilience and social skills); collective activities (active cooperation of partners); size (solving smaller community problems); leadership (ability to attract public legitimacy to pursue a particular policy).
<b>Business company</b>	- responsible (for social innovation); sustainability (responsible relationship with the environment); empowerment of human resources (initiative to address social issues); innovation (nature of innovation); communication (between partners); innovativeness (to satisfy all parties).

## MAIN RESULTS AND CONCLUSIONS

The benefits to the society of social innovation, are singled out as an immediate goal for the business. Positive social change requires social innovations aimed at the formation of a new social structure, the development of new cultures and mentalities, and the development of social infrastructure. To achieve this, the necessary efforts of cooperation between the government, society, and business are emphasized. The challenges of social innovation, which need to be addressed in one way or another, create great business opportunities. The interaction of these stakeholders determines the development trajectory of a country or a particular region. The scheme of social innovation focuses on cooperation in the field of social innovation, dynamically intertwined processes with ecosystems. Social innovation depends on the cooperation of all sectors (government, community, and private business).

Social innovation has the potential to create an additional dimensions of social capital, which could be used as a tool to ensure social sustainability, as social innovation brings citizens together and enables them to become active parts of social processes and society.

The social innovation dimensions are designed to create these three institutions' coordination actions and channels that develop a common institutional space conducive to social innovation needs and regulatory incentives. Social innovation is the key to sustainability for businesses.