Business-Led Social Innovation in the Work Integration Field:
The Role of Large Firms and Corporate Foundations

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Abstract

The overall aim of this article is to understand the type of roles that corporate actors (large corporations and corporate foundations) play in social innovation processes taking place in the field of work integration. Its first specific goal is to depict the dynamics of the field in Spain. In order to achieve it, we describe the field and characterize the roles of relevant actors using strategic action field theory. The second goal consists of understanding how large firms and corporate foundations can contribute innovative solutions to the field. “Juntos por el Empleo”, a collective impact initiative to promote the work integration for the most vulnerable groups of population in Spain, is explored as an illustrative example. This cross-sector partnership, led by Accenture Foundation, encompasses the efforts of over 1000 organizations, including corporate actors. Data collection methods combine secondary sources, direct observations and in-depth interviews. Results of this qualitative research show a broad variety of innovative ways through which firms and corporate foundations can contribute to the work integration of the disadvantaged, such as participating in the design of tools or programs, disseminating sought after profiles, providing specialized training for particular job positions, designing personalized work paths, acting as large employers for low-qualified people, and finally mobilizing collective efforts and creating new resources through cross-sector partnerships. However, not all these alternatives are equally developed at this point. This paper contributes to fill a research gap about the roles played by corporate actors in social innovation processes and outcomes.

Keywords: Social innovation, Corporate philanthropy, Corporate foundations, Corporate social responsibility, Cross-sector partnerships, Collective impact strategies, Work integration, Vulnerable groups

1. Introduction

Corporate Social Responsibility (CSR) has been defined by the European Commission as the voluntary integration by companies of social and environmental concerns in their business operations and in their interaction with their stakeholders (2001), or more broadly as the responsibility of enterprises for their impacts on society (2011). This phenomenon has evolved from suspicious exception (Friedman, 1970) to mainstream corporate practice. In parallel, research on the issue has bloomed and a large body of theoretical and empirical literature is currently available. By contrast, the term corporate philanthropy, broadly understood as the set of voluntary initiatives that firms undertake for the common good, has tended to dilute under the broader scholarly interest in CSR and is still weakly conceptualized (Rey-García, 2012). It has been commonly approached as one of CSR dimensions, together with economic, legal, and ethical responsibilities of the firm (Carroll, 1991). Most studies consider it as the most discretionary component of corporate social commitment (McAlister & Ferrell, 2002); as a preliminary, low-value added stage of development of the CSR concept (Brammer & Millington, 2005); or as a low-impact form of CSR in terms of strategic alignment with core business and capacity to innovate (Halme & Laurila, 2009; Kourola & Halme, 2008).

Not surprisingly, empirical research on corporate philanthropy is much scarcer than CSR’s and is highly fragmented. It mainly focuses on the variety of potential motives behind this corporate behavior and its effects upon corporate actors themselves; rather than assessing how corporate resources are organized, or what the outcomes for society are (Gautier & Pache, 2015). 70% of research on corporate philanthropy focuses on a single level or analysis –individual,
organizational or institutional- (Liket & Simaens, 2015). Furthermore, available studies frequently narrow the concept to mean direct charitable contributions by firms, and as a consequence evidence about corporate philanthropy channeled through corporate foundations is almost non-existent. A corporate foundation has been defined as self-governed and legally separate non-profit organization (NPO) created by a company, and connected to it across multiple dimensions; i.e. governance (board control), financial (with endowments consisting of business shareholdings in the case of controlling foundations; or as “pass-through” of annual corporate contributions), intangible assets (such as the brand name), management (filtering of managers and other staff members, administrative support), activities deployed (strategic alignment with the business), or values (Rey-García, 2012).

Along those lines, the different ways in which firms and corporate foundations can contribute to designing and/or implementing new solutions to social problems (i.e. to social innovation) remain a largely unexplored terrain. On the one hand, as already mentioned, corporate philanthropy deployed by corporate foundations largely remains under the research radar. On the other hand, the implementation and outcomes of collective impact strategies for social innovation –coordinated efforts developed in partnership by different actors, including corporate ones, to provide new solutions to social problems- are rarely approached.

In this context, this paper precisely aims at filling the research gap at the crossroads between the “how” and the social outcomes of corporate philanthropy, on the one hand, and business-led cross-sector partnerships for social innovation, on the other hand. Our main contribution consists of understanding how large firms and corporate foundations can play new roles and contribute innovative solutions in order to foster work integration of vulnerable segments of population, ultimately alleviating the problem of structural unemployment. In order to achieve our goal, we explore the emergence of a collective impact strategy that involves cross-sector partnering, is led by a corporate foundation, aims at solving a complex social problem, and is based on significant levels of corporate engagement.

Regarding the structure of this paper, in the first place, we briefly develop our theoretical framework and conceptualize key terms such as social innovation, work integration, cross-sector partnerships and vulnerable groups. Secondly, we describe the methods of our exploratory study. Thirdly, the work integration field is described in Spain, and a characterization of the main actors involved is carried out. Next, the innovative responses provided by corporate actors participating in “Juntos por el Empleo de los más Vulnerables” (“Together for the employment of the most vulnerable people”) , a collective impact initiative to promote the work integration for the most vulnerable groups of population in Spain, are identified. This cross-sector partnership is led by Accenture Foundation and encompasses the efforts of over 1000 organizations, including large firms and corporate foundations. Conclusions and managerial implications follow, and future research directions close the article.

2. Theoretical and Conceptual Framework

Our theoretical framework combines two different streams of literature. The first one concerns strategic action field theory, which helps us to systematize and describe potential answers to specific questions. The strategic action field is the descriptive scene or actual situation of some concept that is placed within one field of activity. For example, what is the current role of corporate actors -large companies and corporate foundations- within the work integration field in relationship to other relevant actors? The second stream of literature deals with social innovation and work integration. Our conceptual framework is briefly outlined in the following paragraphs.

2.1 Strategic Action Field Theory

Strategic action field theory is based on how collective action creates the structure and dynamics of societies. Fligstein and McAdam (2011) argued that social movements, organizations, states, political parties, and interest groups are produced by social actors (which may be individuals or groups) involved in strategic action (Goldstone & Useem, 2012). Following Fligstein (2001), strategic action could be defined as the attempt by social actors to create and maintain stable social worlds by securing the cooperation of others. Strategic action is about control in a given context (Padgett & Ansell, 1993; White, 1994). The creation of identities, political coalitions, and interests serves to promote the control of actors over other actors. In addition, Goldstone and Useem (2012) argued that not all organizations are the same, because of location and interactions of their strategic actors. Their dynamics are distinguished by different values and norms, the autonomy of institutions embedded in strategic action fields, and the relationships that fields have to broader principles of justice and social organization that span societies.

According to Fligstein and McAdam (2011), strategic action fields (SAFs) are the fundamental units of collective action in society. A strategic action field is a meso-level social order where actors (who can be individual or collective) interact with knowledge of one another under a set of common understandings about purposes of the field,
relationships in the field (including who has power and why), and field’s rules. Many different levels of social order, including organizations, industries, and social movements may be understood as SAFs (Taylor, 2014). Two different categories of SAFs exist (Fligstein and McAdam, 2011). “Incumbents” are those actors who wield disproportionate influence within a field and whose interests and views tend to be heavily reflected in the dominant organization of the SAF. Thus, the purposes of the field are shaped according to their interests. By contrast, “challengers” occupy less privileged niches within the field and ordinarily wield little influence over their operations. While they recognize the nature of the field and the dominant logic of incumbent actors, they can usually articulate an alternative vision of the field and their position in it. However, challengers seek to improve their positions within the field but do not seek to change the SAF itself. Changes in the field instead result from exogenous factors such as social movements (Taylor, 2014).

2.2 Social Innovation and Work Integration

Social innovation is an overarching concept that includes those processes, products, and initiatives which profoundly challenge the system that created the problem that they seek to address (Westley & Antadze, 2010). Most definitions include many aspects that are relevant for social innovations (Anheier et al., 2014). In particular, for this article we use the social innovation definition provided by the European Commission as “the development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. It represents new responses to pressing social demands, which affect the process of social interactions. It is aimed at improving human well-being. Social innovations are innovations that are social in both their ends and their means. They are innovations that are not only good for society but also enhance individuals’ capacity to act” (European Commission, 2013, p.6).

The successful implementation of social innovations requires collaborative efforts cutting across organizational, sectoral or disciplinary boundaries (Mulgan, 2007). Cross-sector partnerships are defined as collaborative alliances between organizations from different sectors. Cross-sector partnering for the benefit of society, and in particular collaboration between corporate actors and non-profit organizations (NPOs), has increased significantly and is viewed by academics and practitioners as an inescapable and powerful vehicle for implementing CSR strategies and for achieving social innovation (Sanzo-Pérez, Álvarez-González, & Rey-García, 2015; Sanzo Pérez, Álvarez González, Rey-García, & García Rodríguez, 2015). Work Integration refers to the initiatives or actions that enhance the (re)employment and (re)incorporation of individuals to the regular labor market. These initiatives are most frequently undertaken by public agencies, non-profit organizations or work integration social enterprises (WISEs). Social enterprises are broadly defined as organizations whose purpose is to achieve a social mission through the use of market mechanisms (Ebrahim & Mair, 2013). WISEs specifically aim to solve problems of work integration, and tend to usually target population groups that are considered particularly vulnerable. Considering that unemployment, poverty and social exclusion are closely intertwined, work integration programs must go beyond traditional employment policies and provide targeted individuals with comprehensive solutions, including, but not limited to, training, education, coaching, counselling and socialization (Lallemand-Stempak et al., 2015).

3. Methodological Approach

The first goal of our research consists of describing the field of work integration in Spain, including identification and characterization of main actors. In order to fulfill that goal, we have combined information collected from secondary sources (books, corporate documents, articles, reports, websites, etc.), with evidence gathered from face-to-face, in-depth interviews with three experts in the work integration field in Spain.

The second goal of our research aims at identifying and understanding innovative corporate responses provided by large companies and corporate foundations in the field, and particularly those developed through cross-sector partnerships that include actors from different sectors (public, business and non-profit sector), are led by corporate actors, and focus on work integration of the most vulnerable citizens. After the analysis of the field, and with the help of expert interviews, we have selected “Juntos por el empleo de los más vulnerables” as the business-led cross-sector partnership with the largest scale and scope at present.

In order to develop our study of this illustrative example, we have used the process tracing methodology, that helps us to explore causal connections between particular incidents and to identify the actors and mechanisms that have contributed to the formation of social innovation outcomes in a particular field. The process tracing is retrospective, as it starts to analyze the state of the social innovation as it is today, and traces it back to its origins (Collier, 2011).
In our case, our process tracing of social innovations in the field of work integration encompasses one decade (2007-2016).

Thus, our exploratory analysis of “Juntos por el Empleo” builds upon mixed methods commonly used in case study research (Yin, 1994). It has combined a review of secondary sources, with evidence gathered through direct observations in the “site” of our object of analysis, and data collection through eight interviews using a semi-structured questionnaire. Two types of actors have been interviewed: independent experts and representatives of relevant organizations, including large firms and corporate foundations. Finally, two independent experts in the work integration field have validated our preliminary results.

4. Description of the Work Integration Field in Spain

4.1 The Problem of Work Integration in Context

Spain has been highlighted for having high unemployment rates, especially compared to other countries in the European Union, even during periods of strong economic growth, as shown in Graphic 1 (Instituto Nacional de Estadística [INE], 2016).

Graphic 1. Evolution of the unemployment rate in Spain (period 2001-2016, as of third trimester; in percentage)

Source: Author’s elaboration from data of EPA (INE, 2016)

The effects of the recent economic crisis on unemployment have been notorious. According to a report published by Caixabank Research (2015), one third of the jobs of the middle class have been destroyed between 2008 and 2014. Lower income levels in real terms have compounded with rising inequality in its distribution over time (FOESSA Foundation, 2015). In this context, the crisis has not only contributed to increase unemployment, but also to broaden the population segments in situation of social vulnerability, due to their low qualification and skills, disabilities, family constraints or lack of cultural or social capital (Rey-García, Calvo Babío, & Felgueiras, 2015).

According to the Social Vulnerability Report of the Spanish Red Cross (2014), the general profile of vulnerable citizens mainly consists of women (60.8%), of Spanish nationality (66.5%), with an average age of 57 years, dependent children (88.7%), married or cohabiting (50%), with low levels of education (43.1% have secondary studies and only 7% have university education), and largely unemployed (71.2%).

In the field of work integration, vulnerable groups are currently understood as all those people who are at risk of social exclusion as they find increased difficulties to access the regular labor market. Profiles with low levels of employability include low-skilled or low-qualified job seekers, women victim of domestic violence or in social difficulties, immigrants, refugees, former convicts and drug addicts, young people with difficulties in finding a first job, long-term unemployed in their 50s, minorities, or people with disabilities or mental illness, among others (Spanish Red Cross, 2014; Martín Cavanna & Martín, 2015).
4.2 Characterization of Main Actors in the Field

Actors from all sectors (public, business and non-profit or social economy) participate in the work integration field with the purpose of providing responses to the social challenges unemployment entails for the most disadvantaged citizens. The broad variety of actors participating in this field, and the coexistence of incumbents and challengers, generate characteristic power dynamics within the field. The incumbent organizations are public administrations, WISEs and some NPOs (foundations, associations of public utility and special entities) with a strong commitment to work integration initiatives. Among challenger organizations, we can find large firms and corporate foundations, small and medium businesses and cross-sector partnerships. Our characterization of incumbent and challenger actors in the work integration field in Spain is summarized in Figure 1 and discussed in the following paragraphs.

![Figure 1. Main actors in work integration field](image)

Source: Author’s elaboration

The main role of public administrations consists of regulating and supervising field operations, implementing labor market policies and funding other actors. Despite central coordination of work integration services, the autonomous communities run their own employment services, providing training, labor intermediation and facilitating self-employment or entrepreneurship. In addition, local authorities often provide complementary employment services (Rey-García et al., 2015).

Regarding WISEs, they emerged in Spain since the 1980s, firstly in connection to work integration of people with disabilities, to later extend to other disadvantaged segments of population (Rey-García et al., 2015). Regulatory developments were key not only in the subsequent process of institutionalization of WISEs, but also in the allocation of compulsory roles to large firms and corporate foundations. In 1982 the LISMI (Law 13/1982 of social integration of the people with disability) required companies with more than 50 workers to reserve a minimum of 2% of job positions for people with disabilities. Later, the Royal Decree 2273/1985 regulated special employment centers (a type of WISE defined in the LISMI), and provided them with the impetus, content and resources necessary to become basic elements for the integration of the disabled in the regular labor market.

However, and generally speaking, large firms did not fulfill the role of direct employers of disabled people that the 1982 Law had awarded them. For this reason, more than 20 years later, a new regulation (Royal Decree 364/2005)
stipulated measures alternative to non-compliance of the 2% LISMI reserve quota requirement. These exceptional alternatives included the obligation for companies over 50 employees to contract goods and services to WISEs, or to donate resources to NPOs in the work integration field. Finally, the Law 44/2007, of December 13, regulated the management of the WISEs in Spain, introducing a new legal definition of these organizations, the recognition of their public function, and some basic tools to support their productive activity; among other changes.

Nowadays, most existing WISEs are incorporated as businesses, and are of a small or medium size (Federación de Asociaciones Empresariales de Empresas de Inserción [FADEEI], 2015). WISEs have been pioneers in the field and specifically in providing jobs themselves to the most vulnerable groups, though with broader social effects. The following quotation from an interviewee supports this role:

“The main role of WISEs has been job creation, which is precisely their mission. They have played several roles: they have clearly generated employment for a specific group, they have been entrepreneurial entities or initiatives that have improved the employability conditions of a specific group, and they have also been - and right now we start to become aware - developers of the territory” (WI.EXP.4.001)

Some large NPOs with a special status (so-called “special entities” in Spain) such as ONCE (the National Organization of the Blind) also play an active role in providing work integration services and at the same time advocating the rights and needs of disadvantaged groups. Due to its historical influence on policy makers and considerable volume of operations, ONCE, its foundation, and its business group have been historically the most powerful incumbent actors in the field, with a clear focus on disabled people (Rey-García, Alvarez-Gonzále, & Valls-Riera, 2013). Furthermore, NPOs in general undertake actions of labor orientation and training aimed towards work integration, and they maintain direct contact with vulnerable groups in the complementary field of social services.

Concerning challenger organizations, large firms have recently entered the field on a discretionary basis (especially since the start of the economic crisis), most frequently to adopt a role supportive of existing work integration initiatives by NPOs that are coherent with their corporate social responsibility strategies, either directly or through their corporate foundations. However, this role aims at transcending the mere contribution of monetary resources, in order to achieve a greater effect on society. As another interviewee, this time a representative of a large business organization, claimed:

“We assume a role of stimulus, which over time acquires a more active attitude. We started collaborating with the initiative through simple projects such as transmitting information and knowledge, and identifying sought after profiles for projects. Then, we became part of business or sector working groups, and then we committed even more, finally financing the initiative ‘website” (WI.3.ES5.002)

Along this line of thought, some of these corporate actors actively participate in work integration initiatives in collaboration with incumbent social economy and non-profit organizations, and sometimes also public agencies. In fact, cross-sector partnerships have entered the field as new actors on their own right, and sometimes adopted a challenger role and/or a clear focus on social innovation. Relevant examples of these partnerships are identified in Table 1.
Table 1. Examples of ongoing cross-sector partnerships in the work integration field in Spain

<table>
<thead>
<tr>
<th>Type of partnership</th>
<th>Description</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philanthropic contributions</td>
<td>Cross-sector partnerships articulated around monetary contributions</td>
<td>Nestlé and the Spanish Red Cross</td>
</tr>
<tr>
<td>New approaches to social needs</td>
<td>Cross-sector partnerships creating collective responses to social needs</td>
<td>Juntos por el empleo de los más vulnerables (Together for the employment of the most vulnerable people) –Accenture Foundation</td>
</tr>
<tr>
<td>Economic cooperation</td>
<td>Cross-sector partnerships co-creating a new joint product or service</td>
<td>FSC Inserta of ONCE Foundation Tomillo Foundation</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>Cross-sector partnerships emanating from a large firm’s corporate social responsibility</td>
<td>“Yo Soy Empleo” (I am Employment) of BBVA Bank “Programa Incorpora” (Incorpora Program) of La Caixa Banking Foundation</td>
</tr>
<tr>
<td>Advocacy</td>
<td>Cross-sector partnerships to advocate for the integration of disadvantaged groups</td>
<td>Administrative Unit of the European Social Fund (UAFSE) – Ministry of Employment with NPOs</td>
</tr>
</tbody>
</table>

Source: Author’s elaboration from the typology of partnerships by André, Cognat, Pache and Sandford (2015)

5. Innovative Corporate Responses for the Work Integration of Vulnerable Population Segments

5.1 Accenture Foundation

Accenture is a global firm providing management consulting, technology and outsourcing services; with more than 323 000 professionals serving corporate customers in more than 120 countries. In the case of Spain, Accenture deploys its CSR strategy through a corporate foundation, incorporated in 1995. The mission of Accenture Foundation is to contribute to the transformation and modernization of the social sector, and to channel the social concerns of Accenture professionals, with a special focus on those non-profit organizations devoted to training vulnerable people as a means to achieve their social inclusion and independent living. This mission is supported by the following five key strategies: 1) Focusing efforts of social action, at global level, in a single initiative by working together with other actors; 2) Building strong partnerships with other actors who share the same vision, rigor and discipline in measuring program results; 3) Counting on the collaboration of Accenture professionals who share their time and know-how through the provision of pro bono professional services or volunteer initiatives; 4) providing corporate financial donations at a local and global level, and 5) using technology as a means to accelerate the impact and scaling up of innovative solutions (Accenture Foundation, 2016).

5.2 Innovative Corporate Responses: Towards a Collective Impact Strategy

“Juntos por el empleo de los más vulnerables” was launched in 2012 with the general aim of providing an innovative response to the problem of unemployment in Spain. This initiative was originally promoted by Accenture Foundation, together with Seres Foundation and also, in an early stage, with Compromiso y Transparencia Foundation. It currently involves more than a thousand social organizations, 70 large business and corporate foundations, and 13 public administrations. All of them share a relevant track record in the field of work integration and the willingness to develop a coordinated strategy in order to jointly address the challenge of integrating the most vulnerable groups of society in the regular labor market. The idea consists on generating new ways of collaborative work and new solutions enriched with a collective vision in order to match the staffing needs of large business, as well as small and medium companies, with the skills of vulnerable groups. The expected role of corporate actors in this partnership is key and twofold, as on the one hand a corporate foundation plays a leading role, and on the other hand the business sector is the largest employer in Spain and has the potential to generate work integration opportunities at a far-reaching scale (Mato-Santiso, Calvo-Babio, & Rey-García, 2016).
Although this cross-sector partnership has not been formalized as an independent entity, it is governed through a coordinating committee, where the business and non-profit sector are represented and, to a lesser extent, the public sector as well (at a local and national level). Committee members rotate to maximize participation opportunities. The scope of the activity portfolio that the partnership is currently developing is substantial, as it includes knowledge generation, training in basic and transversal skills for vulnerable groups in employment and self-employment, diagnosis of the labor market in Spain, assessment of employability of vulnerable groups, reporting, and the promotion of sustainable microcredits for disadvantaged people not served by traditional banking.

This collective impact strategy has already created 21 solutions that support the actions of technical staff involved in paid employment/ self-employment projects, particularly in the areas of diagnosis (employability assessment) and training of vulnerable jobseekers. 6 of the solutions are designed for paid employment, 8 for self-employment and 7 are transversal solutions. 8 are methodological solutions and 13 are technological, i.e. tools, activities or projects that are online accessible to users through the partnership’s own e-learning platform and website (Mato-Santiso et al., 2016).

These solutions have been co-designed by Accenture Foundation in collaboration with other actors participating in the partnership from all sectors, who have provided advice on beneficiary needs, knowledge on organizational requirements, and network capacities (Sandford et al., 2016). They are managed by Accenture’s corporate foundation as promoter and coordinator of the collective impact strategy, but they are accessible for free to all actors involved in the partnership. Outputs are being measured and reported on an ongoing basis, and results are being scaled up outside Spain to other social organizations benefiting from Accenture’s CSR initiatives internationally. As of November 2016, these solutions are being utilized by 748 user organizations in 30 countries through 6514 technical staff members, and have reached 288 436 beneficiaries, trained 241 871 people and added up to more than 21 million of hours of training. 60 746 labor contracts have been signed from 2013 to 2015. Until November 2016, more than 240 000 hours of design and development work and 75 000 euros were invested collectively by the partnership (Juntos por el empleo de los más vulnerables, 2016).

As explored in the field description, the involvement of business actors in the field as employers of vulnerable jobseekers, buyers of WISEs’ products, or philanthropic donors to work integration NPOs, is not a new phenomenon in Spain. However, until now they have tended to act as single actors, promoting their own individual goals, agendas and brand positioning. In this context, the role played by Accenture and its corporate foundation is clearly innovative, as it consists of mobilizing a constellation of organizations around a social problem, in order to jointly imagine, plan and execute a practical answer. Furthermore, “Juntos por el Empleo” involves not only NPOs that can directly benefit from the solutions developed by the partnership –a traditional corporate partner in the field-, but also corporations competing in the same or similar industries that may risk diluting their potential reputational benefits in such collective effort.

From a dynamic perspective and according to the evolutionary continuum of social innovation by Murray, Caulier-Grice and Mulgan (2010), the convening role played by Accenture foundation has been crucial for the first stages of the social innovation process: (1) Prompts, inspirations and diagnoses; (2) Proposals and ideas; and (3) Prototyping and pilots of the first solutions. However, this role is necessary but not sufficient to move the partnership across its current phase - (4) Sustaining-, and towards (5) Scaling and diffusion, and finally (6) Systemic change (Mato-Santiso et al., 2016). “This collective commitment is not created by spontaneous generation. Each one of the organizations should facilitate the conditions so that the collaborative ecosystem works and, really, the leap from individual to collective impact may be possible” (Martín Cavanna & Martín, 2015, p.6).

In connection to this and regarding the roles of corporate actors other than Accenture, most large firms focus their contributions to the field on supporting the last stages of the work integration process, and particularly on investments in training for improved employability or in ameliorating information mechanisms between jobseekers and employers. Evidence from the field suggests that, on the one hand, corporate commitment with a partnership that is largely social in composition advances prudently, and, on the other hand, partner corporations do not to act yet as large employers for vulnerable jobseekers:

“Businesses have become involved in these collective initiatives because they have a certain social sensitivity, but in many cases, they are not large employers of staff with low skill levels” (WI.1.ES2.003).

6. Conclusions and Managerial Implications

Increasing complexity of the most pressing social problems, fragmentation of actors involved in their solution, and lack of necessary resources to implement it, suggest that corporate social responsibility (CSR) in general and
corporate philanthropy in particular should be deployed in innovative ways in order to be transformational. Corporate efforts to address social challenges must move from an individual to a collaborative level, so that available resources are used more effectively, new resources are mobilized, the scale and scope of solutions broadens and systemic change is achieved.

The field of work integration has been traditionally dominated in Spain by public administrations, small and medium WISEs and some large NPOs; with a notorious focus on people with disabilities. In this context, the last decade has witnessed two far-reaching transformations in the field. Firstly, our understanding of what it takes for being in a position of vulnerability towards employment in the regular labor market has considerably broadened; particularly due to the effects of the economic crisis upon unemployment rates and social distress. Secondly, the role of business actors has evolved parallel to a softening of the hard-law regime of work integration of the disabled in large firms. Paradoxically, corporate actors have recently entered the field as challengers on a non-mandatory basis, based on the understanding that the problem of unemployment was too substantial to be ignored among their CSR concerns. Specifically, cross-sector partnerships that involve corporate actors –large firms and corporate foundations- have emerged as new solutions for the work integration problems of the most disadvantaged citizens. As a result, these partnerships have entered the field as new actors on their own right, and CSR, corporate philanthropy and corporate foundations have come to play an increasingly active role in the efforts to integrate the most vulnerable groups in the regular labor market.

In this context, our research shows that “Juntos por el Empleo” is a relevant case of a social innovation in the field of work integration. In terms of scale, it is a collective impact strategy deployed through a cross-sector partnership involving over a thousand business, social and public sector organizations in order to search for alternatives to boost the employment and self-employment of most vulnerable social groups. In terms of scope, the portfolio of innovative solutions that partner firms and corporate foundations can meaningfully contribute to is broad and varied. Firstly, corporate actors can share after profiles with NPOs and WISEs, so that training opportunities for vulnerable jobseekers are matched with the actual needs of potential employers. Secondly, they may participate in the design, funding and implementation of work integration programs in collaboration with organizations from different sectors. Thirdly, corporate foundations, as hybrid organizations –those “that incorporate elements from different institutional logics” (Pache & Santos, 2013,p.972)- may be in a unique position to adopt a catalytic role in cross-sector partnerships. In this sense, the first social innovation entailed in “Juntos por el Empleo” lies in the organizational arrangement itself, headed by a hybrid leader that can afford to focus on designing and developing the first, critical stages of a collective strategy, and has the authority needed to convene other public, business and social organizations to a truly independent collective project. Furthermore, this corporate foundation can leverage Accenture’s global network in order to diffuse the initiative outside Spain. Fourth and last, all actors interviewed agree that large firms are in a unique position to scale up innovative work integration initiatives by acting themselves as large employers for vulnerable people.

However, our research not only highlights the potential of corporate contributions to innovative solutions for work integration, but also its current limitations. The stage of corporate commitment to each of the alternative innovations described above varies substantially, both within the illustrative partnership that we have analyzed, and across the field as a whole. Results suggest that, on the one hand, a stronger culture of collaboration between firms -in their role as employers-, and organizations from the public and social sector -in their role as specialists in the needs of vulnerable citizens-, is still needed. On the other hand, hiring a significant volume of vulnerable jobseekers seems to be a pending task for large corporations.

Regarding managerial implications, our research underlines the high complexity entailed for business actors that participate in the organization of collaborative efforts to provide innovative responses to social needs. From the case of Accenture and “Juntos por el Empleo”, these new arrangements not only require a collective capacity to frame and solve complex problems, but also resources sufficient to prioritize collective over individual goals, and legitimacy to take the innovation to a sustaining phase. Along these lines, business actors must develop new resources and capabilities in order to successfully contribute to collective impact strategies, that largely differ from the ones involved in traditional corporate philanthropy, including direct giving by firms and long-established corporate foundation programs (e.g. money, in-kind and product donations, pro bono services, or corporate volunteering programs). In addition, output measurement, although necessary, in not sufficient anymore to assess the effectiveness of corporate commitment with complex and innovative endeavors as the one explored here. Meaningful outcome and impact level evaluations emerge as one of the main managerial problems for business actors participating in collective impact strategies.
Finally, this study highlights the necessity for further research on the challenges that social innovation processes entail for corporate actors, and on the new roles they adopt in response to those challenges. In particular, further research is needed comparing the motives, organizational characteristics, roles and social outcomes of corporate foundations with those of traditional social enterprises, namely WISEs, in the field of work integration. It should be noted that both corporate foundations and WISEs are hybrid organizations that encompass social and market logics. Furthermore, and at a cross-sector partnership level of analysis, it would be interesting to empirically assess the effects of “Juntos por el Empleo” at different stages of the social value chain, particularly at the outcome and impact levels, and to compare them with the effects of other business-led partnerships in the field of work integration.

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