

# WHAT IS SOCIAL INNOVATION?

A GUIDE FOR ACTIVISTS, CHANGEMAKERS AND  
INNOVATORS WHO WANT TO LEAD SOCIAL CHANGE



University  
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KROC SCHOOL

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# WHY SOCIAL INNOVATION?

The world is facing serious challenges from climate change to growing socio-economic inequality to ongoing violence and injustice. Given where we are, we cannot afford to wait for others to solve the biggest problems of our time. That is why more and more individuals worldwide are involved in changemaking, working on incredible initiatives and in organizations that focus on a range of issues: health, education, gender and racial justice, economic and political inclusion, poverty alleviation and workforce development, among many others.

It has become clear our existing institutions and programs are not sufficient to address existing problems at local, national and global levels. In fact, it is the current order of things that often creates or perpetuates existing social problems. Our hyperconnected, fast-moving and complex world demands fresh ideas, alternative approaches, and new ways of doing things to shape a better future.



## WHAT IS SOCIAL INNOVATION?

### SOCIAL INNOVATION:

*The essence of social innovation is to create social change through new processes, products, services or programs.*

At the University of San Diego's Joan B. Kroc School of Peace Studies (Kroc School), Associate Professor Austin Choi-Fitzpatrick uses the term social innovation as a way to describe humanity's ongoing **"efforts to develop new (or resurrect old!) ways to make the world a more just, equitable and habitable place."**

Professor of Practice Juan F. Roche speaks of social innovation as **"any process that develops and deploys effective solutions to systematic social problems, either to solve them or manage them to advance social progress."**

Dammeyer Distinguished Professor of Global Leadership and Education Paula Cordeiro emphasizes that **"social innovation requires novel thinking — new ideas, processes, strategies or organizational models that meet societal needs in a better way than the existing solution."**

These professors' views affirm that the purpose of social innovation is to better meet social needs and advance social progress. For some problems, it is enough to find a solution, but for others, **no progress toward peace and justice is possible until there is a disruption of the current unjust systems.** Social innovation can be an avenue for this disruption.



## HUMAN-CENTERED DESIGN AND “DO NO HARM” ARE ESSENTIAL IN SOCIAL INNOVATION

**The essence of social innovation is to create social change through new processes, products, services or programs.** However, we cannot solve what we don't understand. To propose effective solutions, make an impact on the cause of the problem and avoid doing greater harm, leaders of change must understand the root causes of the social injustice or problem in all its complexity. The principle of “do no harm,” derived from medical ethics and humanitarian principles, is of utmost importance in creating positive change. For example, when humanitarians are evaluating a proposed solution to a challenge such as a post-natural disaster situation, a diverse stakeholder perspective is required to minimize any potential harm they may inadvertently cause through their actions (such as adding to tensions between communities or creating new ones). In this instance, a diverse stakeholder perspective could consist of people in the affected communities, relief workers and NGO managers, among others.

Understanding root causes of problems and ideating viable solutions requires empathy and human-centered design skills. Human-centered design is an approach to problem solving that develops solutions to problems by involving the human perspective in all steps of the problem-solving process<sup>1</sup>. The goal of the social innovator is to develop effective solutions that result from working with affected communities and deeply understanding their problems.

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<sup>1</sup> [https://en.wikipedia.org/wiki/Human-centered\\_design](https://en.wikipedia.org/wiki/Human-centered_design)

# TYING SOCIAL ENTREPRENEURS, SOCIAL ENTERPRISES AND SOCIAL INNOVATION TOGETHER

Social entrepreneurs, social enterprises and social innovation are three elements of social change. Respectively, they refer to the person, organization and solution created to accomplish a particular social goal.

Social entrepreneurs are the changemakers who develop innovative initiatives and organizations that solve social, environmental, economic and political problems. What's key is that these people are entrepreneurial, they see opportunities for change where others don't, and they harness available resources to make things happen.

For example, two restaurant waitresses realized that a significant amount of perfectly cooked and untouched brown rice was discarded each shift. To help reduce food waste, they arranged to take a portion of the restaurant's rice for use in a healthy cookie recipe. They then sold those cookies through their [SOULMUCH Cookies](#).

Social innovations are the inventions that come from social entrepreneurs and social enterprises. In the case of SOULMUCH Cookies, the innovation involved using ingredients that would ordinarily go to waste to create a new product. They sold their products through their business venture, which has the mission of raising awareness about a specific social cause: food waste reduction.



## SOCIAL ENTREPRENEURS

Reyenne Mustafa and Kristian Krugman



## SOCIAL ENTERPRISE

Soulmuch



## SOCIAL INNOVATION

Upcycling what was previously considered food waste into delicious cookies

## PROCESS FOR ACHIEVING SYSTEMIC CHANGE

While it may sometimes seem chaotic from the outside, there is a process to achieving systemic change through social innovation.

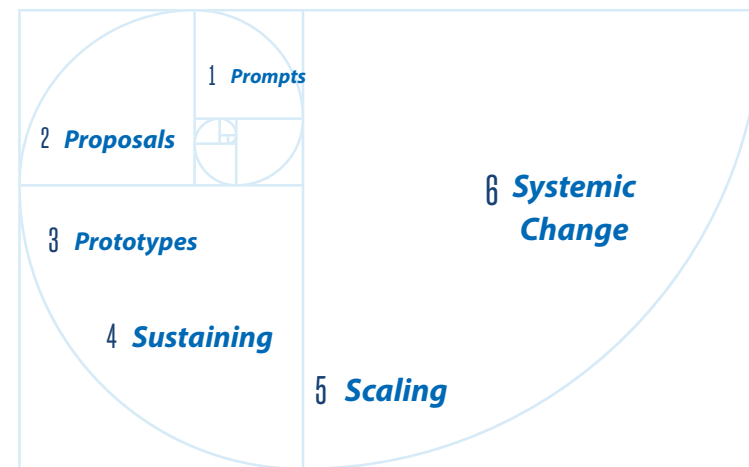
The process begins with **prompts**, which are inspirations or other occurrences that highlight the need for innovation. An example would be a report chronicling an extremely low graduation rate for a particular high school.

Following the prompt, **proposals** are generated by concerned parties that believe a certain idea or approach will address the problem. During the **prototypes** stage, each of these proposals is tested and refined to determine the best approach. Sometimes separate ideas will be merged into a holistic program, or the proposals may be ranked by effectiveness.

The **sustaining** stage involves finding ways to continue successful approaches long-term. This can include securing committed benefactors, partners, volunteer pools, or other renewable resources. This stage is critical because even the best idea might prove ineffective without long-term support.

The **scaling** stage involves the adoption of the innovation across multiple organizations or across geographies. For example, once Grameen Bank established the efficacy of extending small loans to people in Bangladesh living in poverty (without requiring collateral), micro-finance was leveraged globally by several other organizations.

Once the new idea is widespread enough, systemic change begins to happen as the innovation results in new experts, institutions or social norms. Such is the case with micro-finance which, decades after its introduction, is now a fixture of poverty alleviation strategy.



<sup>2</sup> Robin Murray, Julie Caulier-Grice, and Geoff Mulgan, *The Open Book of Social Innovation* (The Young Foundation, 2010), pg 11. <https://youngfoundation.org/wp-content/uploads/2012/10/The-Open-Book-of-Social-Innovation.pdf>.



# EXAMPLES OF SOCIAL INNOVATION IN ACTION

Creative approaches to solving social problems can occur in any kind of organization. Perhaps the best way to understand the concept of social innovation is to read examples that showcase how it appears in a variety of settings. Here we will look at social innovation in nonprofits, businesses, B-corps, government and society.

## SOCIAL INNOVATION IN NONPROFITS

[Homeboy Industries](#) was created in East Los Angeles during the height of the 1980s gang and drug epidemics. At the time, young people in gangs or ex-gang members faced little support from institutions. Homeboy Industries innovated to change that with a goal of providing training and career opportunities for gang members to transform their lives.

Today, they follow a three-part strategy; (1) standing up for the humanity and rehabilitation of gang members; (2) helping them to heal from their own traumas; and (3) investing in their future. They also offer an 18-month job training and re-entry program, substance abuse assistance and other helpful services.

In a time when most communities responded to gang members as simple criminals, Homeboy Industries offered an alternative to the traditional prison and law enforcement answers to gang activity. In 2019 alone, they enrolled 571 former gang members in their 18-month job training program, provided 11,602 gang-affiliated tattoo removal treatments and sponsored 4,118 therapy sessions. Today, the Global Homeboy Network includes more than 400 organizations around the world helping similarly disenfranchised people and providing others with a hopeful future.

But what differentiates it as a nonprofit utilizing the principles of social innovation? Homeboy Industries is not like traditional nonprofit organizations that are financed through donations or grants. It has developed successful revenue streams including a cafe (Homegirl Cafe) and retail shop to help sustain operations.



# SOCIAL INNOVATION IN BUSINESS

Patagonia started out as a small business operating out of Yvon Chouinard's parents' backyard or the trunk of his car. An avid climber and outdoorsman from a young age, Yvon had a knack for identifying areas for improvement in his climbing gear. He forged his own climbing spikes by repurposing old materials, and later started selling them when colleagues found out and expressed interest.

However, there was a problem—the spikes damaged the cracks in the rocks. So, Yvon designed a solution. He made aluminum chocks that could be wedged into the rocks (instead of spikes that were hammered), preserving the rock face. He sold them in his company catalog and within a few months, sales for the chocks surpassed sales for the spikes.

Yvon also revolutionized standard attire for the mountaineering community, popularizing new materials that withstood the rigors of climbing and met weather fluctuation requirements, all while retaining their flexibility and functionality. It was at this point that [Patagonia became a thought leader](#) in the mountaineering and outdoor recreation space, publishing articles that offered instruction and education alongside their products.

A pioneer in conscious business, Patagonia was one of the first companies to offer onsite childcare—a core expression of their family-centered business culture. It was not uncommon for children to run around outside while their parents worked, or for parents to take a break from work to enjoy lunch with their children and other families.

But perhaps Patagonia's greatest claim to social innovation is their sustained effort, from the time they were a small company to now as a large business, to preserve environmental resources and reverse climate change. Patagonia continually exceeds their pledge to environmental responsibility by retrofitting their warehouses to be more energy efficient, studying the effects of their garment manufacturing on the planet, working to reduce their negative environmental impact, leading the garment industry in clothing recycling initiatives and more. In 2012, the company ran their now-famous "[Don't Buy This Jacket](#)" ad in the New York Times because they believed it was time for them to address the issue of consumerism head on. They state on their website that "to lighten our environmental footprint, everyone needs to consume less. Businesses need to make fewer things but of higher quality. Customers need to think twice before they buy. Why? Everything we make takes something from the planet we can't give back."<sup>3</sup>



*Additionally, they have always been committed to financially supporting small businesses in their efforts to fight for environmental causes, and in 1986 pledged to donate 10% of their yearly profits to these groups. Not many companies would sacrifice new product sales or give away that much profit, but Patagonia has long demonstrated their prioritization of the environment and their employees over increased profit margin.*

<sup>3</sup> <https://www.patagonia.com/stories/dont-buy-this-jacket-black-friday-and-the-new-york-times/story-18615.html>



## SOCIAL INNOVATION IN B CORPS

Innovators such as Patagonia have pushed for the emergence of Benefit-corporations (B Corps), which are for-profit companies legally designated as organizations committed to creating public benefit. Unlike other corporations (C Corporations), which are expected to make business decisions primarily with financial profit and shareholder interest in mind, B Corps are required to consider the impact of their decisions on additional stakeholders (including employees and customers), not just shareholders.

B Corps are also held to additional reporting, transparency and accountability standards. The companies are obligated to publicly release an annual benefit report detailing their overall social and environmental performance based on a third-party standard.

King Arthur Flour is one example of a B Corp that is leveraging social innovation to benefit its stakeholders. King Arthur Flour has been providing high-quality baking staples to professionals and home cooks since 1790, from the first chocolate chip cookie to the first pizza sold in a NYC pizzeria. However, what makes King Arthur a truly remarkable company is their commitment to their employees.

In 1996, Frank and Brinna Sands, King Arthur's owners, sold 100% of the company to its employees. The owners prioritized maintaining the family-centered work culture and felt that by selling it to their employees, it would "[bring] out the best in people."<sup>4</sup> The transaction was completed in 2004 and King Arthur became a founding member of the B Corp community in 2007, solidifying "its commitment to all stakeholders: shareholders, business partners, the community and the environment."<sup>5</sup> Since selling the company to its employees, King Arthur Flour has experienced enormous growth, with annual sales topping \$100 million.



# SOCIAL INNOVATION IN GOVERNMENT

Social innovation can be leveraged at every level of government to benefit the populations it serves. One example is former Mayor Michael Tubbs' initiative to provide universal basic income (UBI) to the people of Stockton, CA—one of only a few U.S. programs of its kind in the last several decades.

Beginning in 2019, Tubbs initiated an 18-month UBI pilot program to increase income stability and offer a financial lifeline to low-income residents. 125 people were chosen to receive \$500 per month through February 2021. While the concept of UBI is not new, implementing and studying this program signals social innovation in government for the United States, a country that has traditionally expressed reservations about this kind of system.

However, the Stockton pilot program appears to disprove existing fears about how beneficiaries will spend the income. A preliminary analysis of the reporting data suggests that recipients primarily used the money for necessities (e.g. food, rent, utilities, gas, medical care and procedures, and other emergency situations).

**"We're seeing that something as small as \$500 isn't enough to replace work, isn't enough to change the nature of this country,"**

Mayor Tubbs said. **"But it is enough to allow people who are working hard, who are contributing, just a floor to stand on as they seek to build and better their lives and the lives of their communities."**

There are countless encouraging stories about the program's impact. One recipient used the funds to take unpaid time off of work to interview for a better paying job. Thanks to that interview, his new job allows him to pay for his childrens' tutoring. Other recipients have used the money to pay down debts and buy the medical items they needed but couldn't afford.

Fundamentally, Mayor Tubbs sees this program as a "rejection of the scarcity mindset," and an investment in everyday Americans. "The goal, Tubbs said, is to convince the federal government to launch a guaranteed income program by providing 'the stories and the cover to do what is right.'"

The success of the program has fueled renewed interest in establishing and studying similar programs across the United States. Currently, more than 40 mayors have joined the [Mayors for a Guaranteed Income](#) organization and have pledged to support UBI programs as a means of alleviating poverty and working toward shared prosperity in the U.S.





## SOCIAL INNOVATION IN SOCIETY

Not all social innovations happen within formal organizations; many begin as changes that are adopted by individuals and groups of people because they are useful in their efforts to create change. This is what we see through the countless innovations made possible by the rise and spread of new digital technologies.

Camera-equipped smartphones are used to document important events, and to spread the word about critical social issues. Social media has emerged as an amplifier of some of humanity's best (and worst) attributes. While there is plenty of innovation in these popular examples, a whole host of technologies are making a difference as well.

Drones, for example, are upending the way we think about space. New research by Kroc School Associate Professor Austin Choi-Fitzpatrick has documented the many ways drones are being used to amplify the voice of the people, and to hold the powerful to account. According to his research, the first use of a drone to document a protest was during a 2011 mobilization against Russian president Vladimir Putin. Since then, the technology has been used to track poachers, document wildlife, support advocacy efforts and document crowd size.





# RESPONDING TO SOCIAL CHALLENGES - *SPECIFIC CASE STUDY*

Access to quality education is one of the most fundamental challenges for humanity, and also one of the greatest opportunities for its development. For starters, a good education can have a significant impact on one's access to healthcare, higher-paying jobs and even basics like food and shelter. For [Khan Academy](#) founder Salman Khan, free access to a quality education has become a calling. In 2006, Khan began posting math tutoring videos on YouTube specifically to help friends and family members with difficult subjects. However, it soon became obvious that a large portion of the public wanted online tutoring lessons as well, and on a variety of subjects.

Three years later Khan Academy was officially incorporated as a nonprofit organization, and Khan quit his hedge fund job to lead the organization full-time. After nine months of living off of his own savings, he began to receive significant donations that allowed him to build an organization with global reach.

Teachers in elementary schools across the U.S. and globally have used the lessons available on Khan Academy to “flip” their classrooms. Many teachers have assigned students to watch Khan Academy lessons for homework so that they could practice and review the concepts in class (what traditionally has been homework). To the delight of teachers, students and parents, Khan Academy is democratizing education and improving it at the same time.

Grassroots solutions, developed by the people experiencing the issue, often prove most effective at tackling the complex and evolving challenges the world is facing. Khan Academy is a perfect example of a decentralized local solution that has been scaled up to solve a massive world challenge.



*IN THE PAST DECADE*

*Khan Academy  
has uploaded over*

**13,000**

VIDEOS

*covering more than*

**400**

COURSES

*The company has also  
registered over*

**90 MILLION**

USERS

*who speak **40+** languages*

# SOCIAL INTRAPRENEURSHIP VS. SOCIAL ENTREPRENEURSHIP

## DEFINITIONS AND EXAMPLES

If there is one truism about humanity, it is that no one person has all the answers. We need a multitude of changemakers with an entrepreneurial mindset working together across all fields because many of the most challenging problems humanity is facing can only be solved through collaboration of people from different backgrounds.

Social innovation is required to achieve the tectonic shifts needed to preserve humanity, and social entrepreneurs and social intrapreneurs are needed to lead the change in businesses, governments and nonprofits.

The opportunities for social entrepreneurs and intrapreneurs are endless. For example, climate change alone has created a plethora of problems, including rampant fires, constant floods and droughts. These problems are already impacting clean water availability and food production, and also driving human migration. Additionally, while we deal with the effects of climate change, we still need solutions in renewable energy and environmentally cleaner production to prevent further damage.

The tech industry is another area of opportunity for social entrepreneurs. As our production shifts to automation and artificial intelligence, there will be a great need for solutions that help displaced workers gain new skills and jobs. Furthermore, AI and data analysis advances have already created concerns related to privacy and "deep fake" videos. If left unchecked, issues of this nature can easily challenge the fundamentals of the democratic process. As previously discussed, tech also has tremendous potential to bring more opportunities to democracy.

Every evolving concern, in addition to traditional social challenges like intergroup relations, requires new approaches to find solutions.



***Social entrepreneurs  
create new  
organizations with  
social impact at the  
center of their business  
models.***

***Social intrapreneurs work  
within existing companies  
and organizations with an  
entrepreneurial mindset to  
help shift the organization  
toward more social impact  
by innovating and launching  
new initiatives.***

# STAKEHOLDER CAPITALISM: CONSCIOUS AND SHARED PROSPERITY

Markets, trade and corporations shape many aspects of our lives. With vast resources, global corporations wield immense economic, social and political power, and in recent years we've seen corporate interests move from shareholders to a broader group of stakeholders (e.g., employees, local community and environmental interests). Businesses are paying more attention to customers and investors and making greater social and environmental commitments.

Today, more than ever, social change is driven by positive pressure from both investors and consumers. This top-down and bottom-up influence creates the space and demand for social entrepreneurs and intrapreneurs to innovate solutions that meet the needs of our changing world.

For example, in January 2018, one of the most influential leaders of the investment world, Blackrock Founder and CEO Larry Fink, sent a letter to all CEOs of organizations included in Blackrock's \$6 trillion investment portfolio with this message:

**"Contribute to society or risk losing our support."**

Fink stated, "Society is demanding that companies, both public and private, serve a social purpose," so "to prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."

As a response, in August of 2019, the US Business Roundtable announced the release of a new Statement on the Purpose of a Corporation signed by 181 Fortune 500 CEOs who committed to lead their companies for the benefit of all stakeholders—customers, employees, suppliers, communities (including the environment) and shareholders. The updated statement moved away from shareholder primacy, which had been the core of the Business Roundtable philosophy since 1997.

A growing cadre of corporate intrapreneurs is driving innovative initiatives across the spectrum of human resources, marketing, product development, logistics, government relations and corporate social responsibility. The convergence of social and environmental impact delivered by these corporate intrapreneurs and social entrepreneurs is accelerating the upward trajectory of stakeholder capitalism.

This new reality demands the preparation of new managers and business leaders with the courage and imagination to develop corporations that are more inclusive of all and that demonstrate, in their practices, true care for our planet.





# WHY ACTIVISTS, CHANGEMAKERS AND ENTREPRENEURS SHOULD ATTEND THE KROC SCHOOL'S #1 RANKED SOCIAL INNOVATION PROGRAM IN THE NATION

Problem-solving through innovation is becoming a required skill across disciplines and industries. At the [Kroc School](#), we recognize social innovation as a critical tool in tackling social challenges. We know that promoting peace and shared prosperity means being able to analyze the root causes of social problems, and then being able to create and implement solutions with professionally designed and managed programs. Our **Master of Arts in Social Innovation (MASI)** students graduate with the practical skills and experience in wielding innovation to lead impactful careers.

Human-centered design is at the heart of the MASI program. We believe effective solutions result from listening closely to, deeply understanding, and working with affected communities. We also believe that changemakers must know how to investigate and understand the underlying causes of social challenges, which is the first critical step toward problem solving.

THIS IS WHY  
WE EQUIP OUR  
STUDENTS WITH

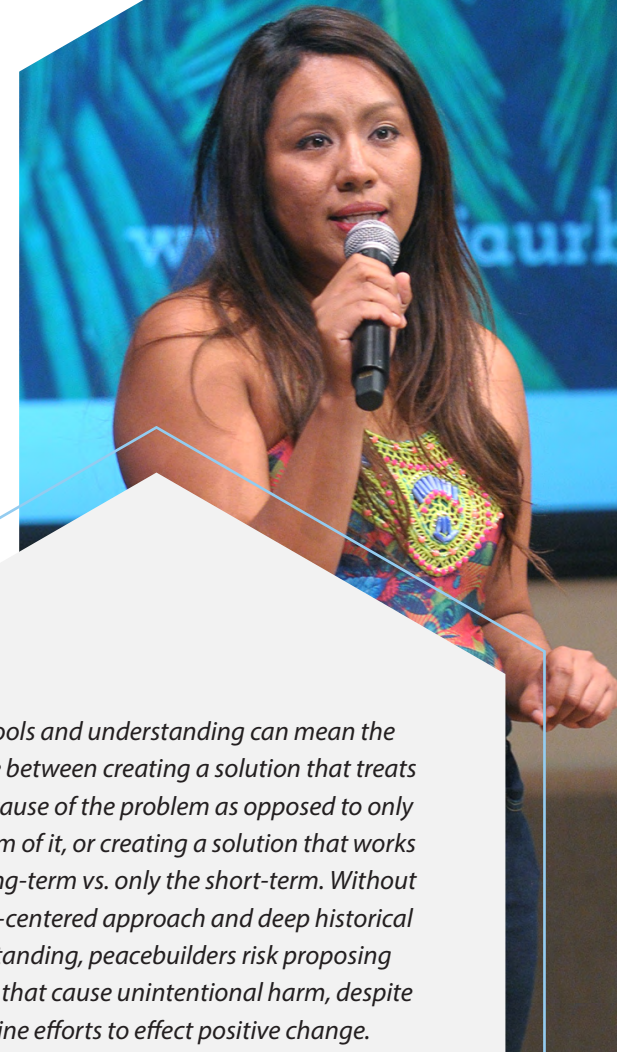


a human-centered design toolset



a deep understanding of the historical, institutional, and cultural factors that drive conflict, injustice, oppression and poverty.

*These tools and understanding can mean the difference between creating a solution that treats the root cause of the problem as opposed to only a symptom of it, or creating a solution that works for the long-term vs. only the short-term. Without a human-centered approach and deep historical understanding, peacebuilders risk proposing solutions that cause unintentional harm, despite genuine efforts to effect positive change.*





Our professors are actively involved in innovative work and research, and as a result, teach from practical, firsthand experience. We have a diverse collection of professors and guest lecturers who have created social impact in the U.S. and globally within nonprofits, for-profits, NGOs, B-corps and informal settings.

To be an effective change leader, one must have the opportunity to apprentice with the problems they will attempt to solve. Through experiential learning and real-world projects, MASI students refine the skills necessary for effective problem identification and problem solving. Students have access to a variety of opportunities to put their learning into action, including a social innovation practicum in which students act as consultants for organizations focused on a particular social issue and field-based courses designed for students to directly apply classroom knowledge in seed beds of social innovation such as Colombia and Rwanda. The field-based courses include opportunities to learn through immersion in post-conflict areas, interact with local social entrepreneurs, and understand on a deeper level how innovations such as lifesaving deliveries by drones are transforming these regions of the world.

Additionally, the [Fowler Global Social Innovation Challenge](#) provides a direct opportunity for students to earn seed funding for their innovative ideas, and students enrolled in "Kroc 594: Business and Social Innovation" can participate in the Challenge as part of their coursework. Our global community exposes students to a variety of ideas and perspectives that inspires greater cross-sector and cross-cultural collaboration.

MA SI students can apply the skills, knowledge and experience they gain during their time at the Kroc School across a variety of career paths whether as entrepreneurs, intrapreneurs, or consultants. We also know that many of our students are ready to begin using what they learn as soon as possible. That is why full-time students can complete our 30-unit MA in Social Innovation in only nine months. By contrast, a typical MBA program lasts at least two years, with much of that time spent covering materials less relevant for social changemakers. Why spend another year in school when you can use your toolset to immediately make an impact? In that short time, each student will have access to the [#1 Ranked Social Innovation Program in the Nation](#), and the opportunity to craft a customized academic experience with electives from other USD schools.

THE FOWLER  
GLOBAL  
SOCIAL  
INNOVATION  
CHALLENGE





## MASI ADMISSION INFORMATION AND REQUIREMENTS

The MASI program is an investment in your future success. The program costs an average of \$36,000. However, a variety of [financial aid, scholarships, and tuition discounts](#) are available to reduce the total amount. Future students may also apply for [Fellowships and Assistantships](#) to further reduce their program cost and gain additional experience.

### TO APPLY, BE PREPARED TO SUBMIT THE FOLLOWING:



Transcripts



A current resume



Two letters of recommendation



Scores for the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS) for international students (note: this test can be waived under [certain circumstances](#))



Candidates must also provide four short essays and a two-minute video to introduce themselves and explain why they wish to enter the program. We do not require the GRE test to apply to the MASI program.





# PURSUE SOCIAL CHANGE WITH A MASTER'S IN SOCIAL INNOVATION

If you have a desire to change the world, you will need expertise in innovation. Your success will depend on finding avenues for change that either have not yet been considered or have been implemented incorrectly. Our program offers the next steps to build or advance your long and fulfilling career in social innovation, founded in impactful and creative leadership.

If you would like to learn more about our Master's in Social Innovation, you have a few options:

[MASI Program Guide](#)

[All Programs Brochure](#)

[Request More Information](#)

[Schedule a Meeting](#)

If you are ready to bring your entrepreneurial mindset to innovate social change, **apply now!**

[Apply Today](#)

