



Entrepreneurship and Social Innovation: Report of Two Companies of Students of A Postgraduate Program of Technological Innovation At UFMG

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Abstract

This article demonstrates activities that constitute the process of entrepreneurship and social innovation in the context of social impact businesses, through the analysis of two companies in the city of Belo Horizonte, capital of Minas Gerais, Brazil. The businesses belong to two students from the postgraduate program in Technological Innovation at UFMG, co-authors of the article. To demonstrate the activities that constitute social innovation in the context of social impact businesses, an observational and descriptive approach was adopted through a case study. This approach was chosen in order to establish criteria for writing an article that should be presented in the subject Advanced Topics in Innovation - ESG (Environmental, Social and Corporate Governance) as its final evaluation. In this article, activities and business models presented by the two companies are described and evidenced, which, despite not having any similarity in operation or sector, demonstrate a strong generation of social impact through entrepreneurship and social innovation through their services provided.

Aim: *The objective of this article is to demonstrate the activities that constitute the process of entrepreneurship and social innovation in the context of social impact businesses, through two companies of two students of a postgraduate program of Technological Innovation, at UFMG.*

Theoretical Reference: *Literature on social innovation and social innovation process was used.*

Methodology: *Based on a case study approach of two companies in Belo Horizonte that develop social innovation, two cases of social impact business generators of social innovation were used. Data were collected from direct observation, documents, visual data and analyzed from the content analysis technique.*

Results: *The main findings indicate the disposition of a complex process involving numerous activities in its different phases (initiation, development, and dimensioning), as well as an importance of the role of the entrepreneur, considered as a highly relevant member of the process.*

Contributions: *This study contributes to the literature by exploring the activities that make up the process of social innovation.*

Key words: *Entrepreneurship. Social innovation. Social innovation process.*

Introduction

Social innovation has been discussed due to its intention to address social problems, such as social inequality, unemployment, difficult access to health and education, seeking better social and environmental conditions for all (D'AMARIO; COMINI, 2020). Social innovation implies, above all, sustainable development, inclusion, equity and the granting of rights and can be a path of resistance and opposition to inequalities and social apathy related to the suffering of others (PAZETTO et al., 2022).

Many human actions that do not consider social sustainability have created situations of vulnerability, both for people belonging to the base of the pyramid, as well as for society itself and the environment (SINGER, 2018). Social and environmental degradation intensifies in many ways, such as the increase in social inequality, the increase in people going hungry, global warming, and the growing insensitivity with which part of society relates to these issues (MILDENBERGER, SCHIMPF and STREICHER, 2020).

Thinking in this context, alternatives can be envisaged. Therefore, to act on social challenges and propose transformative solutions, it is necessary to go beyond traditional innovation, which is commonly outlined from a marketing perspective. It is necessary to find solutions that require new approaches, so that deep changes occur in society, in a creative way, so that changes happen in the long term, guaranteeing a more dignified life for vulnerable social groups (MILDENBERGER, SCHIMPF and STREICHER, 2020).

Within this perspective, social innovations emerge as essential knowledge and practices for the renewal of welfare services, promoting processes of inclusion in the social context (GREGOIRE, 2016). According to Moulaert, MacCallum and Hillier (2013) indicate that social innovation “explicitly refers to an ethical position of social justice”. So, social innovation would be related to seeking solutions to promote inclusion, well-being and the granting of rights.

This subject has been gaining the interest of individuals and organizations that are aware of the various current social problems (HERNÁNDEZ-ASCANIO et al., 2021). Likewise, the long-term effects of social innovations are still a relatively recent topic, which has attracted increasing interest from researchers (MILDENBERGER, SCHIMPF and STREICHER, 2020). Thus, the relevance of this work is highlighted, since keeping the theme of social innovation on the agenda of discussions in the academic environment can help in the search for practical solutions to the various social problems.

Some literature reviews have attempted to summarize the conclusions of studies that explore the process by which innovations are developed and implemented. Garud, Tuertscher and Van de Ven (2013) consider that the literature has approached the innovation process as being composed of the phases of invention, development and implementation. For Bagno, Salerno and Silva (2017), these processes begin with the ideation, followed by the operationalization of the proposal and ending with the launch and expansion of the developed innovation.

The process of social innovation usually depends on social capital, human capital and financial capital, given that this type of innovation is commonly immersed in environments with limited resources (BHATT; ALTINAY, 2013).

In this case, the process is divided into three phases: initiation, development and dimensioning (BHATT; ALTINAY, 2013). In the initiation phase, the social need is identified based on a considered collective interest. Then, a solution is pointed out and resources are raised to implement the proposal. This is followed by a phase aimed at refining the idea, seeking to identify opportunities aimed at solving social problems. The development phase is the moment when the idea of social innovation is realized and put into practice based on experimentation. This is a phase aimed at consolidating investor relations in order to gain access to resources and solidify the new idea. The dimensioning phase is the stage in which the initiative grows, reaching more people, usually with the support of external organizations, through collaborations and alliances that enhance the generation of social value. This model, composed of the three detailed phases, was used as a starting point for the development of this study.

Considering the representativeness and relevance of discussions about social innovations, it is proposed, based on a theoretical-practical analysis, to indicate fundamental characteristics of social innovation. More specifically, we seek to propose analytical categories for the investigation of socially innovative phenomena. That said, the problem of this research stands out: What are the main characteristics that make up the spectrum of social innovation? Finally, in order for this problem to be duly answered, the objective of the present study is presented: to identify, from the theoretical-practical analysis, which are the main characteristics that make up the spectrum of social innovation.

Methodology

To demonstrate the activities that constitute social innovation in the context of social impact businesses, an observational and descriptive approach was adopted. This approach was chosen in agreement with the two authors of this article, when they decided to establish criteria for writing an

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article that should be presented in the discipline Advanced Topics in Innovation - ESG (Environmental, Social and Corporate Governance) as its final evaluation. To this end, two companies were chosen to describe this work.

Salute Núcleo Odontológico is a company of dentists, which provides dental care in Belo Horizonte, also for special patients. These patients are considered all people who need hospital care due to their systemic conditions. This company operates in the market serving private patients and, through dental plans, for families that are part of the base of the pyramid. Assistance can take place in the infirmary, in the Intensive Care Unit (ICU), in palliative care, oncology, in the urgent and emergency clinic and in the hospital operating room. As examples, let's cite a hospital dental treatment carried out in the operating room of a hospital for a three-year-old autistic patient with multiple cavities and treated with photopolymerizable resins and endodontics, in the same operating time (Figure 1) and a treatment carried out in a hospital in Belo Horizonte – MG through Single Health Service (SUS) with laser therapy, for healing mucositis wounds, caused by chemotherapy in a cancer patient (Figure 2).



Source: made by the author.

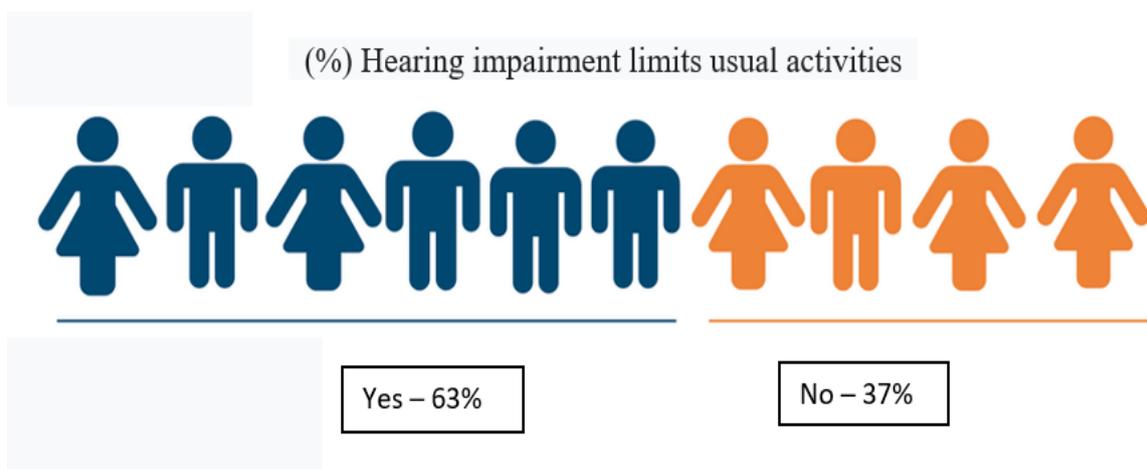
Figure 1- Image of deciduous teeth of a 3-year-old autistic child, before and after dental treatment performed in a surgical block, under general anesthesia.



Source: made by the author.

Figure 2- Image of a patient with mucositis wounds, due to chemotherapy treatment, being treated with laser therapy, in the hospital outpatient clinic.

SignumWeb is a startup whose main objective is to enable companies to communicate with deaf people, without changing the current operational routine of the business. According to Instituto Locomotiva and Agência Brasil (2019), in Brazil there are 10.7 million people with hearing impairment who naturally want and need to relate to public, private and non-governmental companies (figure 3). Two out of three Brazilians reported facing difficulties in daily activities. “With that, they have less fun, they have less chance in the job market, they don't have the same educational opportunities that listeners have”.



Source: Instituto Locomotiva – Agência Brasil (2019).

Figure 3 – Graph demonstrating the proportionality of the limitation that hearing impairment imposes on the performance of daily routines by people with hearing impairment.

Signum Web's business integrates a selection of Libras interpreters from Brazil together with a digital cloud platform that guarantees quality accessibility, with high availability and a fair price, allowing the client to start small and grow as far as necessary. At the same time that inclusion is made possible, the generation of income for partner professional interpreters throughout the country is promoted through the business model called “platform”. Interpreters work mainly remotely, mediating communication via a smartphone, tablet or computer between the deaf person and the hearing person, they work with and without scheduling, whether in meetings, chats between employees, recruitment and selection, lives, trainings, classes, consultations, and so on. Through remote work, the startup's operational coordination is able to control the performance of remote interpreters at the proposed event, without geographic restriction (figure 4) where the startup coordinator is in the state of Santa Catarina, the interpreter in Rio de Janeiro and the event takes place in a hybrid form in São Paulo.



Source: Image courtesy of startup Signum Web.

Figure 4 – Image of the operational coordinator of SignumWeb demonstrating geographically decentralized performance and control when operating accessibility for the event.

To access all of this, the client subscribes to a monthly recurring accessibility package, chooses the types of access for users and can manage all of this through our web platform, where our interpreters are logged in waiting to be called.

Through a digital platform and together with complementary services, the startup makes it possible for all client companies to promote equity between their employees and clients, whether they are public institutions, 3rd sector and private companies, such as banks, industries, technology companies, schools, among others. The possibility for deaf users to have an interpreter available at any time generates a great impact on the social inclusion promoted by the client company through the startup solutions where a deaf person and another hearing person can communicate in a humanized way, either in person or remotely, through pre-existing equipment along with technology (figure 5).



Figure 5 – Image demonstrating the SignuWeb web platform in operation where the professional Libras interpreter is on call, interpreting the audible communication for the deaf user and oralizing what the user signals in Libras.

Selection of cases

The cases investigated in this study were selected based on the following criteria: i) companies offering products and/or services that seek to meet a social need in an innovative way and ii) businesses that generate revenue from market operations, especially with individuals belonging to the base of the pyramid.

Based on the adopted criteria and accessibility, two cases were selected. The organizations are made up of students who attend postgraduate courses in Technological Innovation at the Federal University of Minas Gerais (UFMG).

Analysis and Discussion of Results

Dental treatments for special patients, carried out by the Salute clinic, aim to promote the healing of carious, gingival, bone and mucosal lesions damaged by the use of chemotherapy drugs, improving the health and well-being of the patient who cannot be seen in a dental office. This company philosophy is in line with authors Justen (2020), Pel (2020) and Vrontis (2021), when they associate social innovation as a means of facing society's challenges in an entrepreneurial way, seeking social primacy in to the detriment of marketing. The company also develops the principles of the authors Murray, Caulier-Grice and Mulgan (2010), when it considers social innovations good for society with an increase in its capacity for action.

Companies need to understand that their innovations benefit the whole society, not just themselves and this is an important aspect to be considered when developing new strategies, where many people working in teams apply social innovation for the common good, this means that the focus should be on creating useful knowledge rather than focusing on specific changes to society. This makes companies think about how to solve social problems (BIÉGAS et al., 2020).

New methods are developed to meet demands through understanding a social need, where the goal is to create a system that prioritizes the creation of new ideas and services to ensure the well-being of individuals or society (BRACKMANN, 2017). The startup's communication accessibility solutions are recognized by several state and municipal bodies, being a partner of UFMG (Federal University of Minas Gerais) in the "Captar Libras" project through resources from the Ministry of Industry, Science and Innovation, which aims to expand access for deaf people in pre-hospital medical care in Brazil through computer vision, artificial intelligence, photorealistic avatar and professional Libras interpreters.

Furthermore, many believe that new ideas and options combined with innovation need to be addressed. This is because these problems require creative thinking and people who are not afraid to solve them themselves, where people are constantly looking for more innovative technologies that make their lives easier, such as improvements in transportation, health and much more. This leads them to use natural resources for new technologies (CARDOSO; DE FIGUEIREDO, 2016).

Although the nature of the startup SignumWeb's business is private for profit, social actions are recurrently donated, such as, for example, prenatal care for a deaf mother, job interviews and, as a highlight, the release of the use of the platform during the lockdown due to the COVID-19 pandemic, which earned official congratulations from the Legislative Assembly of the State of Minas Gerais. To measure an organization's impact on society, people must be considered. This is because it is an

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organization's social impact that matters most, by collecting data on these important endpoints a company can identify and improve its efforts towards world peace, equality and sustainability, this includes everything from volunteers and people in need to stakeholders , employees, suppliers, customers and anyone else involved in the supply chain, where people can also care for the elderly or help those suffering from hunger and poverty (PEDROSO, 2021).

Conclusion

This work aimed to identify, based on a theoretical-practical analysis, some key characteristics that make up the spectrum of social innovation. More specifically, an effort was made, without intending to exhaust the subject, in order to propose examples of socially innovative phenomena.

To meet this purpose, some case studies were presented, of two companies, in Belo Horizonte, belonging to two graduate students of the UFMG's Technological Innovation program, which allowed observing that social innovation has different dimensions, implying, among others, in sustainable development, inclusion, equity and granting of rights (DALLA TORRE et al., 2020).

The TBL (Triple Bottom Line) structure can be suggested to measure both businesses, as it brings together financial, environmental and social results in a single number. Used by businesses, non-profits and governments to assess their financial gains and the impact of their decisions on people and the environment, TBL adds the three Ps of People, Planet and Profit to the standard result. It measures the overall impact of an organization on the environment and its community, considering social and environmental issues (CRUZ, 2020).

Therefore, it is desired to advance the discussion about social innovation, so that this phenomenon is better understood. Since social innovation implies changing perceptions, values and norms that lead society (AOO, ABE and KANO, 2019), it can be a path of resistance and opposition to inequalities and social apathy in relation to the suffering of others.

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