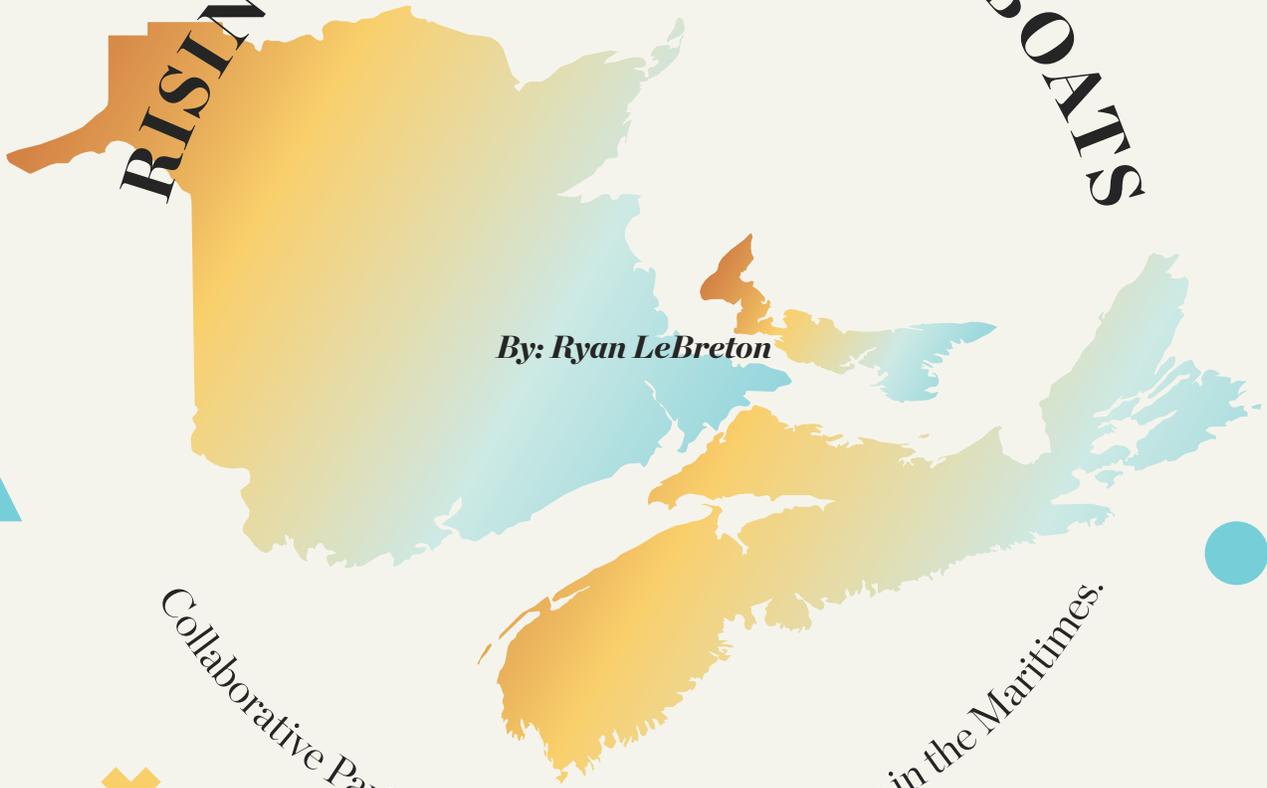


# RISING TIDES FLOAT ALL BOATS



*By: Ryan LeBreton*

*Collaborative Partnerships for Social Innovation in the Maritimes.*

# **Rising Tides Float All Boats:**

Collaborative Partnerships for Social  
Innovation in the Maritimes.

By Ryan LeBreton

Submitted to OCAD University  
in partial fulfillment of the requirements for the degree of  
Master of Design in Strategic Foresight and Innovation

Toronto, Ontario, Canada, December 2018

© Ryan LeBreton, 2018

This work is licensed under the Creative Commons Attribution 4.0  
International License. To view a copy of this license, visit  
<http://creativecommons.org/licenses/by/4.0/> or send a letter to  
Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

# Creative Commons

This work is licensed under the Creative Commons Attribution 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by/4.0/> or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

You are free to:

**Share**—copy and redistribute the material in any medium or format.

**Adapt**—remix, transform, and build upon the material for any purpose, even commercially.

The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

**Attribution**—You must give appropriate credit, provide a link to the license, and indicate if changes were made. You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.

**No additional restrictions**—You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.

With the understanding that:

**Waiver**—Any of the above conditions can be waived if you get permission from the copyright holder.

**Public Domain**—Where the work or any of its elements is in the public domain under application law, that status is in no way affected by the license.

**Notice**—For any reuse or distribution, you must make clear to the others the license terms of this work.

## **Authors Declaration**

I hereby declare that I am the sole author of this MRP. This is a true copy of the MRP, including any required final revisions, as accepted by my examiners.

I authorize OCAD University to lend this MRP to other institutions or individuals for the purpose of scholarly research.

I understand that my MRP may be made electronically available to the public.

I further authorize OCAD University to reproduce this MRP by photocopying or by other means, in total or in part, at the request of other institutions or individuals for the purpose of scholarly research.

# Abstract

This research will examine the role of partnerships in the success of social innovation initiatives and enterprises in the Maritimes. The term social innovation is a term often used, but not necessarily well understood. Research shows that this is especially true in the Maritimes. In the face of impending and pressing social issues such as climate change, food insecurity, and homelessness, amongst others, I suggest that for a region like the Maritimes, collaborative partnerships for social innovation can and will allow the region to more effectively address these issues.

This research project will look at how public and private stakeholders in the Maritimes can better leverage partnerships with social enterprises to help raise social well-being. Centering around the hypothesis that partnerships are an effective social innovation strategy for the Maritimes. The report will demonstrate that social enterprises can be actors of change and holistic growth and that improving partnerships play an important role in this change.

The targeted audience for this report is social entrepreneurs, governments, and other individuals or organizations looking to increase the profile and role of social innovation in the Maritimes. Not only will it describe the role of social enterprises, but also provide a better understanding of the intersection between social innovation and partnerships, demonstrating how they can be a strategy to ameliorate social obstacles to growth in the Maritimes.

**Keywords:** partnerships, social innovation, business innovation, Maritimes, collaborative partnerships for social innovation

# Acknowledgment

**Myself** - because this was certainly not easy, and I think it's important to remind myself to be proud of my work and accomplishments.

**Anthony** - for supporting me along every step of this program and project. Without you, this project would not be possible.

**Michele** - for giving me the kick in the butt I needed, your tough questions made me think critically about this project - strengthening the report.

**Kevin** - for being one of the only people able to not only match but exceed my energy and enthusiasm.

# Table of Contents

<b>1.0 - Introduction</b> .....	<b>01</b>
1.1 - Setting & Context .....	02
1.2 - Personal Interest in the Topic .....	05
1.3 - Boundaries & Stakeholders .....	07
1.4 - Report Roadmap .....	08
<b>2.0 - Research Approach</b> .....	<b>09</b>
2.1 - Research Question .....	10
2.2 - Research Methodology .....	12
<b>3.0 - Theoretical Framework</b> .....	<b>14</b>
3.1 - Innovation vs. Social Innovation .....	15
3.2 - Social Innovation Perspectives .....	17
3.3 - Social Enterprises in the Maritimes .....	20
3.4 - Role of Partnerships in Innovation .....	22
3.5 - Innovation & Quality of Life .....	25
<b>4.0 - Data Analysis</b> .....	<b>28</b>
4.1 - Expert Interviews .....	29
4.2 - Maritime Interviews .....	33
4.3 - Putting it All Together .....	36
<b>5.0 - Synthesis</b> .....	<b>38</b>
5.1 - Insights to Implications .....	39
5.2 - Elevating Social Enterprises .....	40
5.3 - Partnership Challenges .....	42
<b>6.0 - Partnership Archetypes</b> .....	<b>43</b>
6.1 - Framework Development .....	44
6.2 - Archetypes .....	46
6.3 - Role of Archetypes .....	50
<b>7.0 - Conclusion</b> .....	<b>51</b>
7.1 - Significance for the Maritimes .....	52
7.2 - Broader Learnings .....	53
7.2 - Future Research .....	54
<b>8.0 - Bibliography</b> .....	<b>55</b>

# List of Tables

<b>Table 01</b>	Win as Much as you Can Scoring Schedule .....	05
<b>Table 02</b>	Social Innovation Strategic Initiatives .....	18
<b>Table 03</b>	Expert Interviews .....	29
<b>Table 04</b>	Maritimes Interviews .....	33
<b>Table 05</b>	Archetype Overview .....	47

# List of Figures

<b>Figure 01</b>	Innovation and Population in Canada's 15 Largest Cities .....	02
<b>Figure 02</b>	Report Roadmap .....	08
<b>Figure 03</b>	Research Question Flow .....	11
<b>Figure 04</b>	Intersection of Social Innovation and Business Innovation .....	16
<b>Figure 05</b>	Function of Social Enterprise .....	20
<b>Figure 06</b>	Innovation and Partnership Area of Opportunity .....	26
<b>Figure 07</b>	R&D, Innovation and Wealth Creation .....	30
<b>Figure 08</b>	Insight Relationship Map .....	37
<b>Figure 09</b>	Needs of Social Enterprise .....	40
<b>Figure 10</b>	Archetype Overview .....	46

The background is a solid teal color. It is decorated with various geometric shapes and wavy lines. At the top left, there is a wavy line with a gradient from orange to light blue. In the upper middle, there is a light blue 'x' and a yellow square. To the left of the center, there is a brown circle and a yellow triangle. To the right of the center, there is a brown triangle and a yellow 'x'. Below the main title, there is a light blue circle on the right side. At the bottom, there is a wavy line with a gradient from orange to light blue, a brown square on the right, a yellow circle on the left, and a light blue triangle on the right. A light blue square is also visible on the left side.

# Section One

*Introduction*

## Section 1.1

# Setting & Context



The Maritimes is a region in eastern Canada consisting of New Brunswick, Nova Scotia and Prince Edward Island. The provinces, whose populations are roughly 750,000, 925,000 and 150,000 respectively (Statistics Canada, 2016), are predominantly rural but have an increasing amount of urban growth. Though each province has their individual strengths, the region's economy is primarily a net exporter of natural resources and manufactured goods tied to resource-based activities such as fishing, agriculture, forestry and coal mining.

The increase of pressing social issues such as climate change, food insecurity, and homelessness, amongst others, have resulted in region having to find solutions to these complex problems. Given the current environment in the region, which includes an emergence in opportunities for social innovation and social entrepreneurship, the research question explored in this project pertains to how public and private stakeholders in the Maritimes can better leverage partnerships with social enterprises to help raise social well-being.

The innovation capacity of the Maritimes is often overlooked and overshadowed by larger hubs in Canada, like Toronto, Montreal and Vancouver. These cities have larger scales and more significant innovation outputs than Maritime cities, which

generally fall low in overall innovation output ranking. Figure 01 shows the relationship between innovations, measured through patent production and start-ups in relation to the population of each of Canada's 15 largest cities – where only one Maritime city, Halifax, is present. Though this may paint a grim picture of the Maritimes' ability to innovate, looking at individual measurements can tell a slightly different story. When isolating the patent portion of innovation output, measured by patents per 10,000 population, Maritime cities pale in comparison to their larger counterparts. However, the same does not hold true for start-up formation. When measuring the rate of start-ups,

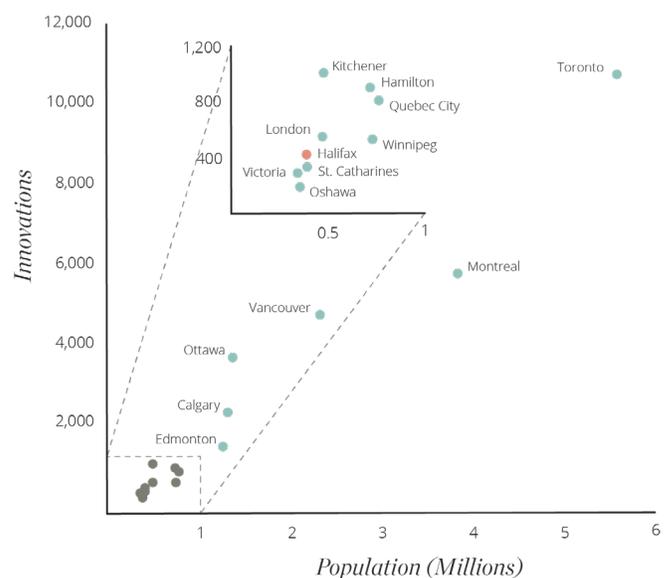


Figure 01 | Innovation and Population in Canada's 15 Largest Cities. Source: OECD, 2018; Spencer, 2014.

cities in the Maritimes, like Halifax and Moncton, see significant improvement in their innovation capacities (Council of Canadian Academies, 2018, Spencer, 2014). From this, we can deduce that although the Maritimes may not be the innovation hub of Canada, there is a relatively strong entrepreneurial spirit, which can be utilized for local innovation capacity.

In traditional economic models, like Solow-Swan (1956), innovation is a concept understood to have a positive effect on variables like technology. This static interpretation of innovation emphasizes productivity, where innovation either reduces the number of inputs required for the same output or increases the amount of output given the same amount of inputs. While this definition forms a helpful starting point for thinking about innovation, it does not adequately capture how dynamic

*A more inclusive and robust definition [of social innovation] exists that not only captures the technological attributes, but [...] addresses the qualitative aspects of individuals and community lives.*

today's innovation can be. I propose that a more inclusive and robust definition exists that not only captures the technological attributes of the common definitions, but addresses the challenges and opportunities of high-needs populations through a human-centred problem-solving process. As such, a more holistic definition accounts for not only improvements in inputs and outputs, but also on the qualitative aspects of individual and community lives where a particular innovation takes root. In the next few paragraphs, I will outline more precisely how a new definition may overcome several challenges to commonly used definitions for innovation.

today's innovation can be. I propose that a more inclusive and robust definition exists that not only captures the technological attributes of the common definitions, but addresses the challenges and opportunities of high-needs populations

It's commonly understood that 21st-century economies are growth-oriented, where growth is almost always associated with money or other forms of capital. In this system, the rate of return on capital is larger than the rate of economic growth, which, over the long-term, contributes to perpetuated wealth concentration and subsequent social and economic instability (Piketty, 2015). In simple terms, the privatization of wealth over social distribution has adverse effects on society and beyond. For a while now, it has been acknowledged that businesses are "a major cause of social, environmental, and economic problems, [where] companies are widely perceived to be prospering at the expense of the broader community" (Porter and Kramer, 2011). Therefore, when innovation occurs within this type of economic system, what usually follows suit is a perpetuation of rent-seeking behaviour applied to consumer goods and services. The Maritimes are no exception to these phenomena.

The objective of GDP growth has forced societies into deepening inequality and ecological collapse. Fortunately, we are currently seeing a shift in economic goals and objectives (Raworth, 2017). Subtle changes in language suggest a cultural shift around the social obsession with GDP. Using terms such as green growth, inclusive growth or smart growth signals that the priorities are slowly shifting to more human-centred objectives. The goal of thriving, balanced economies focuses more on socio-economic and environmental metrics to meet the needs of all within the means of the planet (Raworth, 2017). A change in economic objectives will thus change the tone of innovation, to a more human-centred approach.

As societal problems become more prevalent on the east coast, there is a growing urgency

for homegrown solutions. Grassroots solutions provide region-specific answers that may not work in other places due to unique local qualities. In the Maritimes, the close-knit sense of community and laid-back culture of the east coast are valuable assets that set it apart from more highly competitive and tightly wound environments across Canada. The Maritimes may not have the scale or resources that other places do to conduct their innovation function, but, there is a strong 'can-do' attitude where place-based strategies can be leveraged to make a positive social impact.

Complex or wicked problems, defined as a social problem where information is confusing, involving multiple stakeholders and decision makers with often conflicting values whose ramifications affect the entire system (Churchman, 1967), require a holistic understanding of actors, and coordinated efforts between them to move the needle on said issues. Adapting to a new growth mindset and change in economic goals will require adoption and diffusion across multiple sectors from both public and private stakeholders – a feat that the Maritimes are poised to accomplish.

Given the small size of the Maritimes, collaboration is an important factor in addressing complex issues. Partnerships can allow firms, municipalities and provinces to punch above their weight – so to speak – when it comes to problem-solving and innovation. Building off the strengths of each sector and working together can allow for the whole to be greater than the sum of its part, but “without a better understanding of the actors involved in the innovation process, we risk allowing a symbiotic innovation system [...], to transform into a parasitic one which the private sector is able to leach benefits from a State” (Mazzucato, 2015). That said, the Maritimes foster a unique

atmosphere of collaboration and cooperation, leveraging informal networks and pride for the region to transcend competition and fear of losing competitive advantage for the betterment of all.

At their core, these kinds of partnerships require stakeholders to “adopt characteristics and points of view that once define and stabilize the identities of their counterparts” (Linder, 1999). In the case of partnerships between public and private partners, governments would be asked to behave more entrepreneurially while business or industry actors would be required to embrace public interest and social wellbeing. For the purpose of this report, a partnership will be defined by an arrangement between two or more stakeholders, with shared roles and responsibilities, agreeing to collaborate on an endeavour, initiative, or venture that is mutually beneficial to all parties involved. Dynamic partnerships between actors are essential, especially for the Maritimes, as they can allow for innovation to diffuse through various parts of the economy and systems of innovation at the sectoral, regional and national level - which will be important for social innovation, which will become more evident in Section 3.0.

## Section 1.2

# Personal Interest in the Topic



My interest in collaboration began a few years ago when I worked as a camp counsellor. One of the activities I loved playing with the kids at camp was a game called 'Win as Much as you Can.' The game was relatively simple – four groups are given the option of playing an 'X' and a 'Y' at each of the seven rounds in the game. Points would be allocated based on what all four teams played, following the schedule in Table 01.

Distribution	Points
4X	Everyone loses 1
3Xs and 1Y	Xs win 1, Ys loose 3
2Xs and 2Ys	Xs win 2, Ys loose 2
1X and 3Ys	Xs win 3, Ys loose 1
4Y	Everyone wins 1

Table 01 | Win as Much as you Can Scoring Schedule.

It is a fairly simple but impactful game. In the pattern, the option 'Y', essentially universal collaboration, means everyone gets 1 point. However, when a group plays an 'X', essentially playing in self-interest, the team who played the X gets points, but the others begin to lose points. In the many times I have played this game, it seldom occurs that a team finishes with a positive score, and not once had the aggregate score been above zero. As soon as one team decides to be self-interested, trust is broken across all the teams.

Any collaboration thereafter is pointless since the behaviour of playing an X is incentivized by not only self-interest but self-preservation. Once collaboration is foregone the only way to win points is to be self-interested, but once everyone is self-interested everyone loses.

I stumbled upon this exercise during a game theory class, and I have been fascinated ever since. The point of the game is, as the title implies, to 'win as much as you can.' However, to do so you have to collaborate in each round so that everyone gets one point per round for a total of 28 cumulatively – but this never happens. I have always wondered why. It seems quite simple, when put in a kid's game format, but in a capitalist economy similar self-interested behaviour can be observed, which I believe discourages cooperation for the sake of self-gain. I have been interested in how similar themes scale in the real world, and whether this type of patterned behaviour has positive or negative ramifications on innovation.

Collaboration has been identified in some game theory experiments as being a useful strategy for optimal outcomes. In 1981, Robert Axelrod and William D. Hamilton released a research paper outlining one of the most famous paradoxes in game theory; the prisoner's dilemma. In this experiment, the findings were that when given the

option to collaborate or act in self-interest without the knowing the decision of the other, player choose to protect themselves at the expense of the other, resulting in less optimal results for both (Axelrod & Hamilton, 1981). This strategy, however, does not stand in a noisy environment with other exogenous factors (Bendor et al., 1991). In busier or more real-life settings, Bender et al. found that rather, players could maximize their individual and collective results by cooperating so long as they received cooperation from their partner about 80% of the time (Bendo et al., 1991). Despite the temptation of the reward payoff from acting in self-interest, collaboration will ultimately yield a better result. These game theory examples help to illustrate the complexity and nuances that influences partnership collaboration.

I've always highly valued collaboration and found that it's an effective strategy for solving big and tricky problems. This personal opinion and example heavily informed and influenced the research question of this paper, to try and better understand how collaborative partnerships for social innovation can maximize the results – in this case solving social issues – in the Maritimes.

## Section 1.3

# Boundaries & Stakeholders



The topics in this report will focus on social innovation and partnerships, which I call collaborative partnerships for social innovation (CPSI). I define a collaborative partnership for social innovation as an arrangement between two or more stakeholders, that share roles and responsibilities, agreeing to work together on an endeavor, initiative or venture that is mutually beneficial to all parties involved. This initiative revolves around addressing social issues and redistributing social value to improve the quality of life on a micro or macro level.

Partnerships and innovation have a breadth of literature accompanying each subject. I chose to narrow the scope of this report to collaborative partnerships for social innovation, focusing specifically in the Maritimes, because of the gap in literature at the intersection of both topics, and through my observations of its newness and vagueness in the region. I chose the Maritimes specifically because its current relationship with innovation, talked about in Section 1.1. I hope this report will contribute to a conversation that can help give the region the push it needs.

Additionally, I believe that an 'all hands-on deck' approach is necessary when tackling social problems and obstacles to growth and well-being in the Maritimes. I acknowledge that there are

other policies or approaches that could equally address social issues, but social innovation and partnerships were chosen based on their potential, given the current political and economic environment, to have the biggest splash in the region. Gaps observed through a literature review heavily informed the boundaries of the topic, which will be explored in more in Section 3.0.

While I will briefly touch on various stakeholders throughout the report from a theoretical perspective, I have chosen to narrow the Maritimes analysis to the provincial governments and social enterprises. For social enterprises, the boundaries are shaped by the definition put forward by the Province of Nova Scotia (2017) and Donatelli et al. (2017), which is a business formed "for the purpose of addressing social, cultural, environmental or economic challenges", which will be expanded on in Section 3.3. Moreover, this study is important because existing literature on partnerships look at the relationships between either governments, for-profit businesses and/or non-profit business, but social enterprises do not fall neatly into the for-profit or non-profit business models (Donatelli et al., 2017). Though social enterprises are the main focus, some primary research was extended to incubators and other organizations that help build and elevate entrepreneurial ventures.

## Section 1.4

# Report Roadmap



The paper will be broken up into seven sections, following the double-diamond design approach illustrated in Figure 02.

Section 01 briefly introduced the subject matter within a broader context. Touching on some of the reasoning for choosing the topic and high-level boundaries and stakeholder.

Section 02 will introduce the research question that will be carried throughout of the report. It will touch on both the approach and methodology but also the limitations of the research project.

Section 03 will be primarily literature review based, diving into the topics of social innovation and partnerships. It will help readers understand the various theoretical aspects of the research. It will cover areas such as the differences between business innovation and social innovation, the various perspectives social innovation can take, the role of partnerships within innovation, and explore the various partnership areas for stakeholders.

Section 04 will work on generating insights from the primary research, comparing both the primary and secondary research methods used in this report. As well as map the insights in relation to each other and broader research themes.

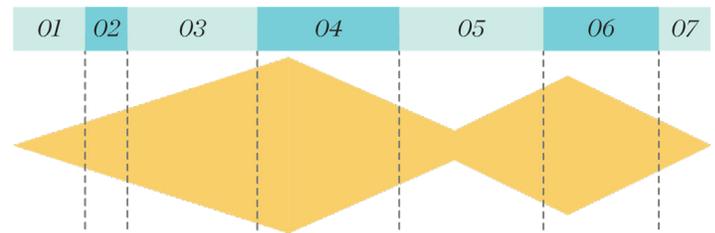


Figure 02 | Report Roadmap.

Section 05 will synthesize the data collected from previous stage of research, and generate their related implications. More specifically, it will tie everything in with the local context of social enterprises in the Maritimes. The goal is to solidify the condition necessary to improve the social innovation and partnership environment.

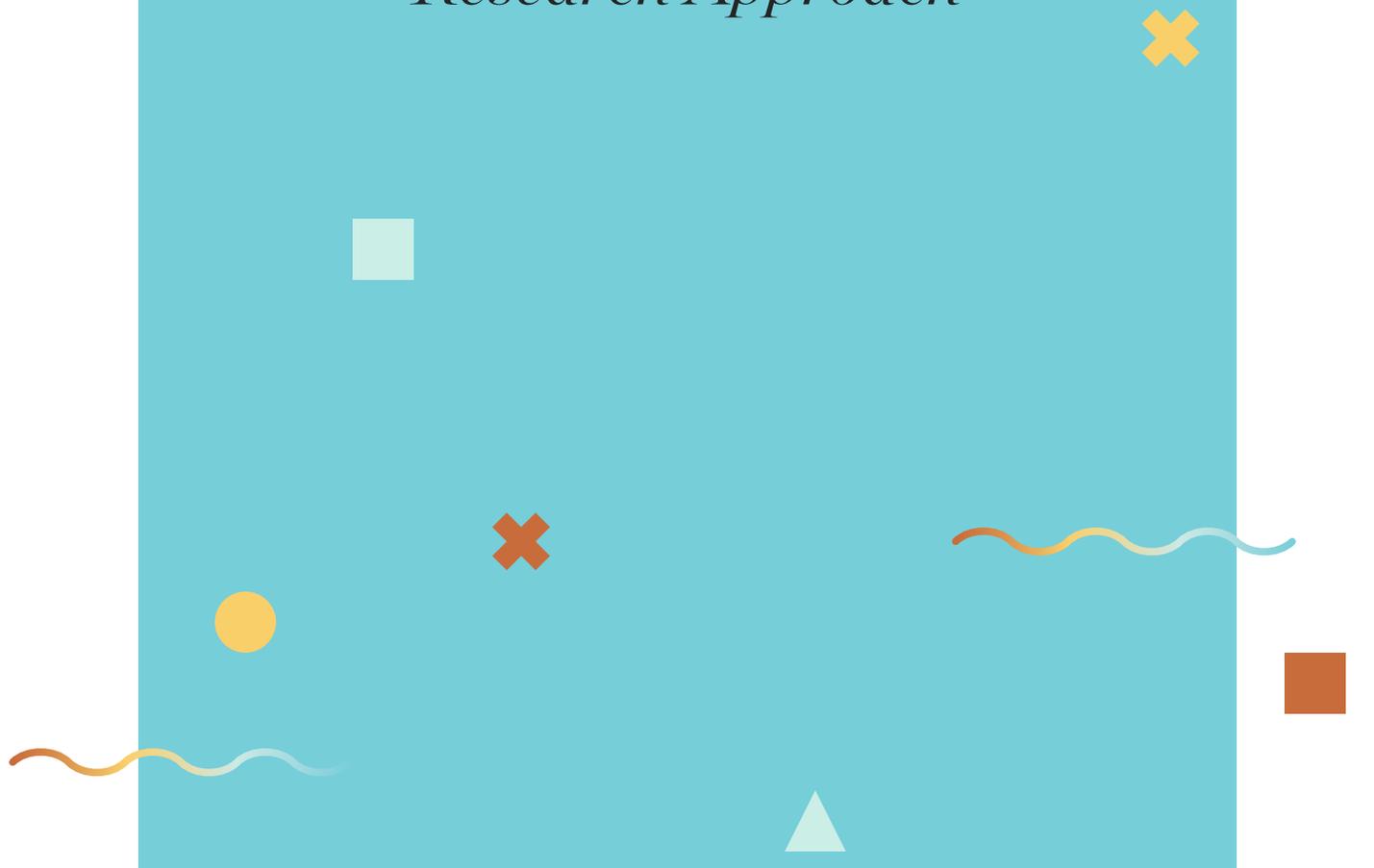
Section 06 will focus on ideation and generating concepts which can translate into real value for stakeholders through an archetype framework. The section will explain the utility of the framework in alleviating challenges with partnership formation. Though this section will be more of a theoretical solution, it's developed based on primary insights.

Section 07, the conclusion, will speak to the significance of this research for the Maritimes and the broader context of social innovation and partnerships. It will also outline areas and opportunities for further research.



# Section Two

*Research Approach*



## Section 2.1

# Research Question



Even though it is relatively new to the region, there is a fast-growing interest in the concept and role of social innovation in the Maritimes. Given the insights generated through the literature review and the emerging trend in the region, the overarching research theme of this report is to better understand the regional context of social innovation and partnerships in the region.

*How can public and private stakeholders in the Maritimes better leverage partnerships with social enterprises to help raise social well-being?*

The main research question (RQ) is ‘how can public and private stakeholders in the Maritimes better leverage partnerships with social enterprises to help raise social well-being?’ In an effort to break this up into more digestible and manageable research efforts, I’ll work towards answering the main question through supporting an assumption and answering a sub-questions, developed and informed by the literature review.

Social innovation, and innovation in general, is an inherently social activity. Many authors speak about the importance and benefits or collaboration on social innovation (Menzies, 2010; Manning & Poessler, 2014; Haigh et al., 2015). Though there are different incentives and motives, given the

theoretical benefits of collaborative partnerships for social innovation there should be a natural inclination for stakeholders to want to work together. I speculate that although there will likely be a range of issues restricting stakeholders in the Maritimes from cooperating fully, such as power dynamics or differences in values, there is, at the very least, a desire to work together. Given the scope of social innovation, and what I know from the Maritimes, I believe there will be a notable amount of overlap between stakeholder objectives, which would positively contribute to partnerships. Therefore, a sub-question (SQ) in my research is ‘what barriers exist for social innovation stakeholders in the Maritimes that puts pressure on partnerships and collaboration?’

The focus on social enterprises comes from the assumption (A) that social entrepreneurship is the means to an end of social innovation. Early economists like Joseph Schumpeter started taking interest in the topic of entrepreneurship as a means to an end of innovation. Creative destruction associated with entrepreneurship is said to be a primary vehicle of economic growth (Phills et al., 2008). Social innovation, in some ways, is simply the innovation function of an organization with a social focus. Given present day circumstances and learning from the literature review, I believe it safe to say that the same thing

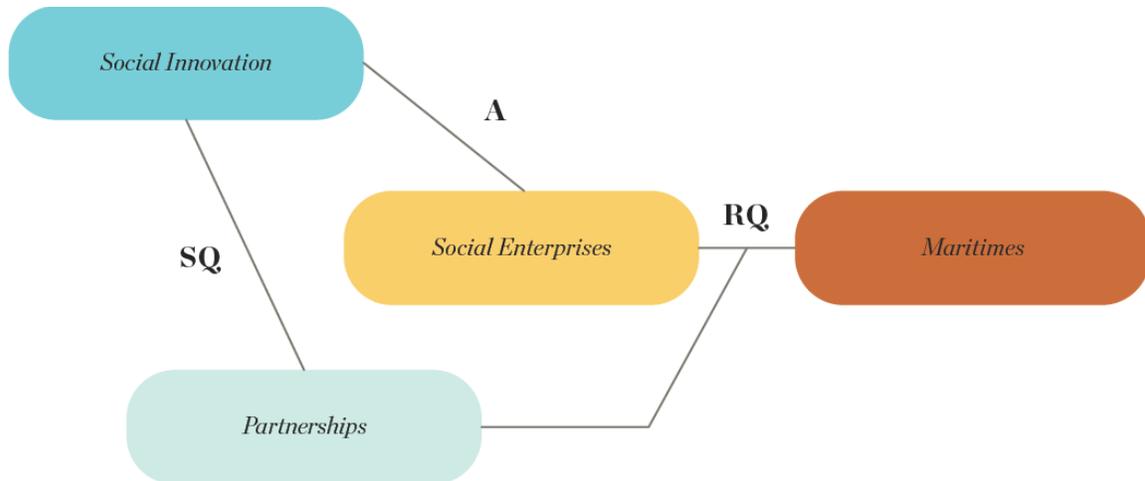


Figure 03 | Research Question Flow.

can be said about social innovation and social entrepreneurship. Though social innovation and social enterprises are often overlooked by economist today (Mulgan et al., 2007; Pol & Ville, 2009), I additionally believe that they have a similar impact to traditional entrepreneurial ventures. That said, measuring the impact of social innovation is not always easy since the criteria for success range beyond capital revenue. Nevertheless, my speculation is that, especially within the Maritimes, social entrepreneurship plays an important cultural, social and economic role.

If it remains true that social innovation is best executed through social enterprises, and that stakeholders in the Maritimes are, as theory would suggest, open to collaborative partnerships, then I theorize that partnerships between social enterprises and other stakeholders, especially governments, is a strategy that can be employed in the Maritimes to address local social issues. I do not speculate that social enterprises and collaborative partnerships for social innovation

should or would entirely replace traditional enterprises or 'business as usual', but that they are well positioned to be able to fill unmet needs in markets that are traditionally underserved.

Figure 03 demonstrated the way my assumption and sub-question relate to the main research question. I will use both primary and secondary research methods to address these questions. Additionally, I hope to contribute to the conversations around social innovation in the Maritimes by suggesting a way to minimize the challenges in the region, which will be covered in Section 6.0.

## Section 2.2

# Research Methodology



### *Overview*

The overall goal of the research is to help readers get a better understanding of the intersection between social innovation and partnership in the Maritimes. To answer the main question, the report is structured to balance both primary and secondary methods that uncover the realities of the environment. Therefore, rather than focusing on existing quantitative data, my methods were chosen to focus on lived experiences. Thus, the methods were chosen to develop an understanding of not only the topic matter, but to extract insights that are derived from and can be used by stakeholders in the Maritimes. Choosing to focus on simple methods that would provide versatile data, I used the following approaches:

First, an in-depth literature review was completed, covering a broad range of topics, including but not limited to partnerships, social innovation, research and development, social innovation and social enterprises. These keywords were chosen as they have relevancy to the goal of the topic of the report. The learnings and insights from this review are found throughout the report, to explain topics, and support primary research findings.

Then, a survey was circulated to roughly 30 to 40+ individuals across the public and private sectors, through social media, email and networking –

receiving 15 responses. The goal was to better understand the technical aspects of partnerships. Questions were structured to help define the roles and motivations of partnerships. Since the survey was anonymous, without geographic identifiers, and circulated through public forums, this data was only used to craft a more defined understanding of partnerships, and not used in anything that discusses or analyses the Maritimes.

The largest part of the primary research conducted was through interviews. Interviews were chosen to get a deeper understanding of the topics, and extract facts, opinions and insights (Kumar, 2012). In total, there were 14 interviews conducted with participants in Toronto and from the Maritimes – participants are listed under the appropriate sub-section in Section 4.0. All the interviews, which were semi-structured, lasted approximately 45 to 60 minutes in length. Considering the structure of the interviews, questions changed from person to person and from group to group.

The first round of interviews included seven candidates from academia and industry with innovation experience and/or partnership building. This phase was used to get a better understanding of the flow and process of innovation. These interviews distill a deep understanding of essential information and helping define the direction of the report (Kumar, 2012), by learning about the gaps

and challenges with partnerships and innovation. An additional seven candidates were interviewed, all from the Maritimes. This second round was used to understand the lived experience of working within the entrepreneurial and innovation space of the Maritimes and the characteristics of the ecosystem. As well, it was utilized to uncover, first hand, the needs and motivations for various stakeholders in the Maritimes.

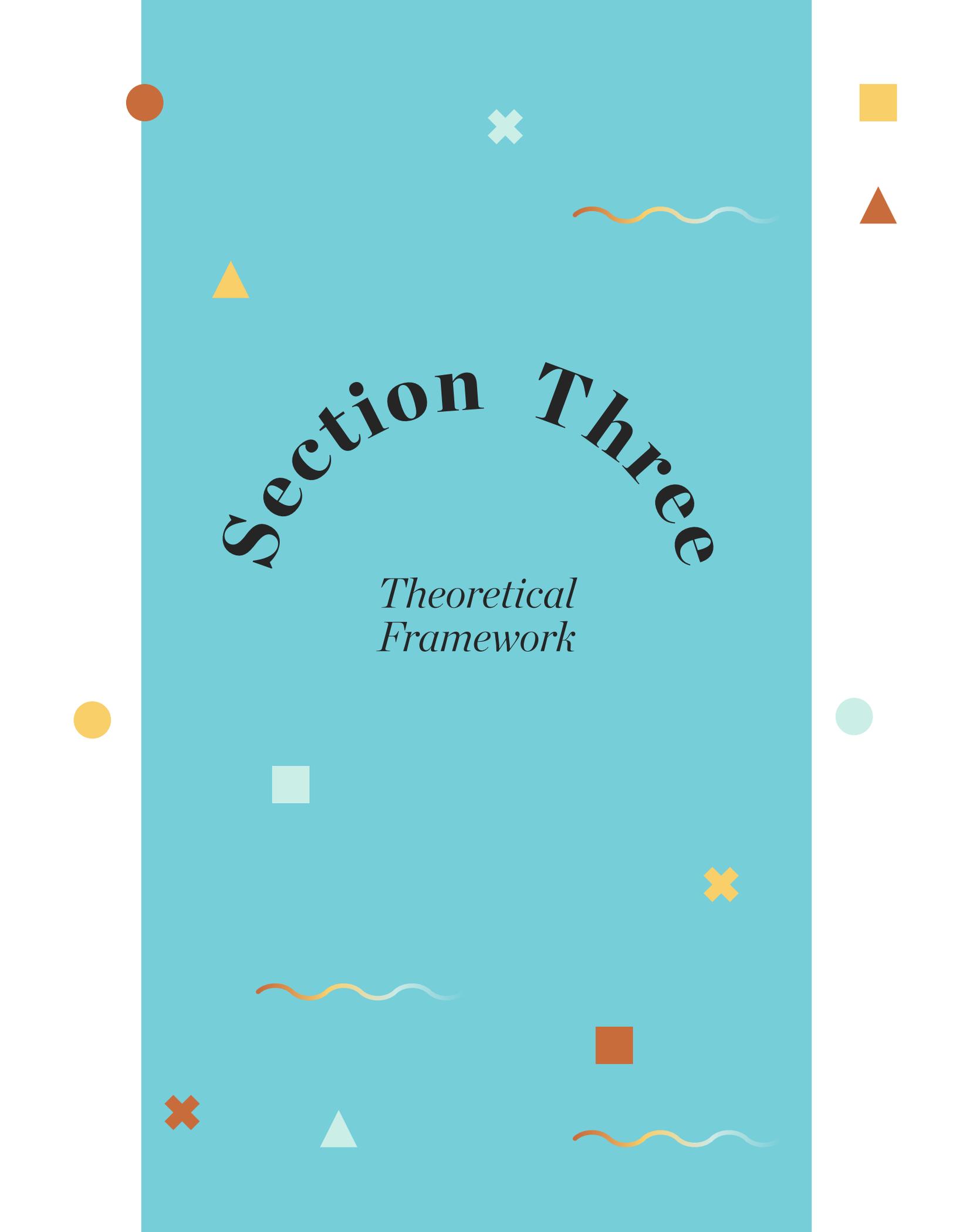
### *Limitations*

Throughout this project, there were limitations, particularly of time and resources. These limitations ruled out the possibility of conducting any continued research. With more resources, the approach would have been to recruit participants in the early stages of either a partnership formation or business formation to monitor the way various stakeholder support can catalyze the success of a venture. Continued research would have allowed for consistent monitoring of the relationship, observation of partnership impacts on the various stages of innovation development, and the space to more clearly understand and identify the pain-points of the process. Despite these limitations, the research was able to capture a snapshot of the innovation and partnership process of social enterprises by focusing on participants that have first-hand experience and deep knowledge on the subject.

Additionally, though the research focuses on the Maritimes, I conducted the research while living in Toronto. Therefore, all interviews were conducted via phone call or video call, and there were additional challenges in recruiting participants. Moreover, this also eliminated the possibility of doing a workshop – further exasperated by

focusing on stakeholders across three different provinces. Specifically, this removed the ability to work collectively on a framework or co-iterate on certain strengths or weaknesses faced in the Maritimes. I acknowledge that the framework developed for this report was done through a theoretical lens, and that insights generated may be more fruitful had there been a group session.

Never-the-less, the methodology was structured to best address the goals and questions of the report, with these limitations in mind. Though the report may not be able to comment on the long-term impacts and implications of partnerships on social innovation, other than by looking at other research, it provides a clear point to jumpstart further conversation. The rich qualitative insight derived from this research identifies opportunity areas that could be further explored, and this report can, and should, be a stepping stone for further research in the area.



# Section Three

*Theoretical  
Framework*

## Section 3.1

# Innovation vs. Social Innovation



Similar to in the real world, social innovation has entered academic discourse with a particularly high speed in recent years. Despite its popularity amongst academics, there is generally a lack of consensus as to its meaning and definition (Pol & Ville, 2009; Candi et al., 2018; Bitzer & Hamann, 2015). That said, there is a general consensus that it does differ from more traditional or business forms of innovation.

In traditional economic models, a conservative definition of innovation refers to reducing the number of inputs for the same, or more, output, or increasing the amount of output given the same amount of inputs. In certain contexts, such as neoclassical economic models, this definition may be sufficient when talking about innovation, but not when faced with the complexities of social problems - as it is for the context of this report.

Today's more 'standard' association with innovation is with business activities. Here, innovation is understood to be motivated by profit maximization where new ideas are created with the intention of making money, and often consists of "either technological innovations (new or improved products or processes) or organizational innovation (changes to the firm's strategies, structures of routines)" (Pol & Ville, 2009). Though these innovations undoubtedly have

transformative effects across society, there are large deficits in the social innovation space that often get overlooked.

Social innovation definitions range dramatically, from innovation that has an impact on society to innovation which specifically affects developmental goals. In a paper on social innovation, Goeff Mulgan (2006) identified a number of areas which fall under the scope of social innovation, many of which are still current over a decade later, including but not limited to:

- Ageing populations requiring new forms of care, pension organization, housing, mobility and ways to counter social isolation;
- Growing diversity in countries and cities, requiring new ways to organize public services, language training and schooling, and;
- Challenges with climate change, and how to organize cities, including transportation and housing, to reduce emissions.

He shows that social innovation differs from traditional innovation since social innovation "refers to innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly diffused through

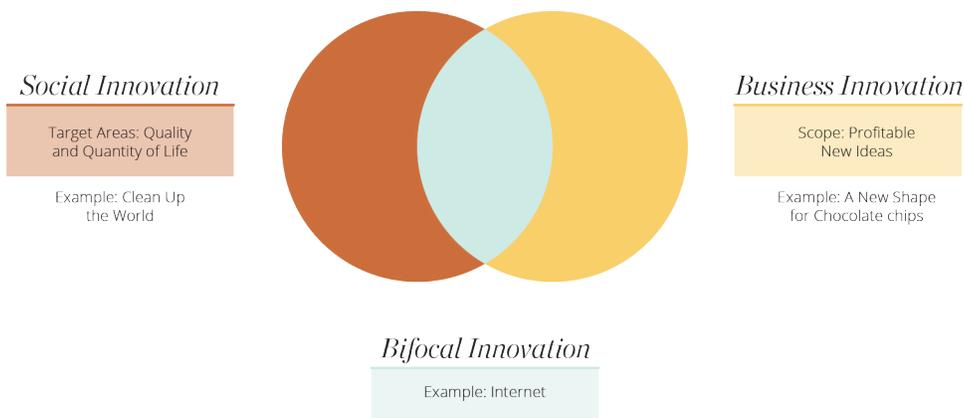


Figure 04 | Intersection of Social Innovation and Business Innovation.  
Source: Pol & Ville, 2009

organization whose primary purposes are social” (Mulgan, 2006). That said, the relationship between social and business forms of innovation are certainly not exclusive. For example, self-driving cars have the ability to increase mobility for the ageing population and help reduce emission by driving smarter. Due to the fact that there is often overlap between social innovation and business innovation, authors Pol & Ville (2009) identify the overlap as ‘bifocal innovation’, identified in Figure 04. However, social innovation differentiates itself from other forms by focusing specifically on social need and quality of life.

Some may consider social innovation to be a redundant term. Due to the ambiguity of the term ‘social’, the common argument is that innovation is inherently social and therefore analyzing ‘social innovation’ over regular innovation does not add much, if any, value. Though the dissonance in definitions may cause confusion amongst academics and users of the term, its utility does begin to emerge when you sort through nuances.

## Section 3.2

# Social Innovation Perspectives



Social innovation encompasses a broad range of economic activity. It's used in varying ways, such as a primer for institutional change, as a platform for social purposes, or a catalyst for the improvement of public goods and a forum for needs not captured in the market (Pol & Ville, 2009). The different dimensions of social innovation emerge through three different streams of thought.

The first considers the sociological and economic context of non-profit activities (Pol & Ville, 2009). Within this space, social innovation is generally defined as “novel solution[s] to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals” (Phills et al., 2008). In their article, titled “Rediscovering Social Innovation”, authors James A. Phills Jr., Kriss Deiglmeier and Dale T. Miller identify microfinancing - providing loans, savings, insurance or other financial services to poorer demographics - as the quintessential social innovation (2008). This perspective blends policies and non-consumer business activities, generally falling under the scope of non-profit organizations or government intervention and programming. Also, it is often philanthropically driven and focuses on social justice or welfare.

The second perspective blends a hybrid of the better parts of both for-profit and non-profit business models, with the focus on how social innovation can solve social issues (Pol & Ville, 2009). These hybrid organizations, as authors like Haigh et al. (2015) define them are “enterprises that design their business model based on the alleviation of a particular social or environment issues” and to sustain themselves financially “generate income and attract capital in a way that may be consistent with for-profit models, non-profit models, or both”. Similarly, to the stream above, there is financial sacrifice in order to maximize the social value created (Candi et al., 2018; Holt & Littlewood, 2015; Santos et al., 2015), but there is still a demand for innovation through engagements with customers, employees and competitors. This perspective means that social innovation recognizes the effects and forces of markets, where growth potential and profitability are meant to be self-fulfilling rather than the objective. This type of organization could, in some cases, refer to a social enterprise that operates under a for-profit model or non-profit model.

Finally, the third perspective is where social innovation is in line with ethical practices creating value by addressing key business and social concerns (Pol & Ville, 2009). Essentially, an undertaking derives business opportunities

Type	Definition
Corporate Social Responsibility	A businesses contribution and commitment to sustainable development, creating value internally and externally by investing in social efforts (Weber, 2008). Good for creating awareness about social issues.
Creating Shared Value	A set of polices or operating practices that enhance the competitiveness of a company while creating shared value through innovations that creates economic and social value – where value is defined as benefit relative to cost rather than just benefit alone (Porter & Kramer, 2011).
Triple Bottom Line	An evaluation framework where social and environmental interest are considered alongside finances, considering people, planet and profits in equal weight. Value creation is subsequently measure based on these performance indicators (Savitz & Weber, 2006).
B Corp Certification	A designation for for-profit companies that meet a rigorous standard of social and environmental performance, met with accountability and transparency.

Table 02 | Social Innovation Strategic Initiatives.

through identifying and engaging with a social issue. Social innovation, in this case, is driven by moral responsibility of businesses and the sustainability of their social performances (Pol & Ville, 2009). Innovations, in this case, are derived through strategic initiatives listed in Table 02.

This perspective recognizes that under capitalism, business is prevented from meeting society's broader challenges (Porter & Kramer, 2011) because their underlying focus is consumption. Social innovation under these conditions finds new initiatives based less on the social needs of a market, but rather in reducing social harms.

Each of the three perspectives have their own strengths and weaknesses. Depending on the organizational context many may or may not provide any value to the user. The first perspective of social innovation simply refer to policy innovation

*Each of the three perspectives have their own strengths and weaknesses [which] may or may not provide value to the user.*

or innovation within the non-profit sector. This perspective is more linear than the others since it revolves around philanthropy. Though not entirely bad, it can lack the competitive environment and profit incentive that makes other forms of innovation thrive. For the second perspective, on social innovation within hybrid organization, it could be argued that it is innovation for a social enterprise. The perspective is presented as centered around a business model, rather than focusing more on an innovation function. With the third perspective some, myself included, would argue that it's not about innovation around social need. Instead it is actionable remorse on the part of large institutions for their extractive, and often harmful, behaviour. More specifically because the innovations under the guiding 'social innovation' practices are seldom associated with the core business activities of the organization. While it's still important for the private sector, this perspective produces 'add-ons' worked into existing operation that function regardless the inclusion of 'social innovation'.

Depending on the context 'social innovation' may seem more like 'innovation' with a splash of buzzwords. Especially when, similar to the overlap between social and business innovation, the nuances between the three different social innovation perspective are not easily segregated.

I still believe there to be value in using the term 'social innovation'. Though many traditional or business innovations play a role in tackling social problems or unmet social need through unemployment and economic growth, the important differentiator for social innovation is not only the focus on social need but the distribution of financial and social value towards society as a whole (Phills et al., 2008). It will become apparent in later sections that though the precise definition of social innovation is disagreed on, the spirit of social redistribution is inherent and important. Furthermore, I believe that arguing about the semantics of a definition ultimately limits its potential impact. If anything, including 'social' implies a more human centered focus on innovation, which in an of itself is a good thing. Therefore, though it does not have a succinct identity, the perspective of social innovation used within this report will focus on the 'social' aspect of social innovation – or explicit efforts to redistribute social value or reduce social problems. Rather than shying away from the ambiguity of social innovation, I will embrace that real life users operate under varying definitions and try to create meaningful insights ranging from collective issues related to the Maritimes as it pertains to collaborative social innovation.

## Section 3.3

# Social Enterprises in the Maritimes



Simply put, social enterprises are businesses and organizations formed with the explicit intent of having a positive social impact. Though they are broadly defined across jurisdiction, regions and sectors, a social enterprise is a business formed “for the purpose of addressing social, cultural, environmental, or economic challenges” (Donatelli et al., 2017). They live between the intersections of business and social impact, where community needs, and customer wants overlap. Social enterprises can represent a wide array of different legal structures, ranging from for-profit to non-profit. Nova Scotia is one of few places that formally recognizes for-profit organizations as falling under the umbrella of social innovation.

The missions of social enterprises are often directly linked to public interest and/or social issues. To be classified as a social enterprise, a business must reinvest their profits into their mission or other public functions. Figure 05 demonstrates the function of social enterprise, as per a survey conducted on Nova Scotia’s social enterprise environment (Donatelli et al., 2017). The broader missions and objective for these organizations are (Donatelli et al., 2017):

- Improving a particular community;
- Supporting arts, culture and heritage;
- Creating employment opportunities,
- Improving mental health and wellbeing, and;
- Improving physical health and wellbeing.

They fundamentally align enterprise goals with community needs, resulting in a social benefit for the entire community. As fundamental actors of change, social enterprises play an active role in building a just socio-economic system (Fowler et al., 2017).

The emphasis on locally grown solutions and businesses is particularly important for social enterprises and the Maritimes. New Brunswick, for example, is prioritizing enriching culture and tourism by working with local micro-breweries in

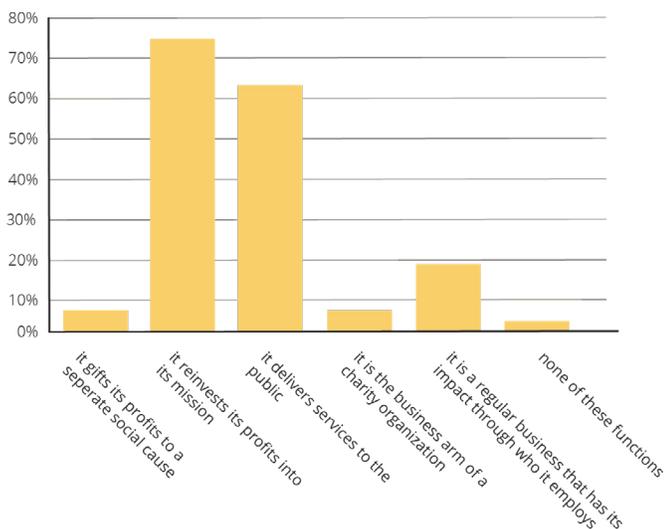


Figure 05 | Function of Social Enterprises.  
Source: Donatelli et al., 2017.

updating their policies on alcohol. The goal is to relieve pressures on small businesses, allowing them to grow, which subsequently brings value to the government by increasing local culture and tourism (Conyers-Steede, 2018). Even at the municipal level, places like Sackville, NB prohibit large corporations from operate in their downtown core, in order to maintain a rich cultural centre and to stimulate local initiatives and ventures. These decisions demonstrate that provincial and municipal governments are particularly interested in elevating their economies through local ventures. Governments have acknowledged the need and strength of home-grown businesses and solutions, especially where the needs of both stakeholders overlap.

Homegrown social enterprises have the potential to help stimulate local economies while providing subsequent social benefits. Social enterprises are poised to have more effective social change than larger corporations and/or initiatives like corporate social responsibility since they are more grassroots. Being closer to the ground allows for a better understanding of the nuances in a community. Given how community-driven the Maritimes is, this is important. Unlike in highly developed urban areas, social enterprises play a significant role rather than being on the fringe. This holds especially true since more rural and peripheral places are traditionally underserved, and social enterprise missions are grounded in local needs (Donatelli, 2019). For example, New Dawn is a social enterprise in Sydney/Cape Breton region of Nova Scotia that provides vital social services. Since its creation in 1976, it has grown and adapted with the community and today employs over 175 people and services approximately 600 Cape Bretoners each day through various projects (New Dawn, 2019). Unlike

other businesses in the region, social enterprises like New Dawn have a deep understanding of local issues and are better equipped to help address them, helping the region become self-sustainable through their initiatives.

Social enterprises exhibit a high level of entrepreneurial spirit when building their business. In fact, they are adept at utilizing existing resources to create value through a willingness to take risks, pursue opportunities and be innovative (Donatelli et al., 2017). Good ideas and intentions don't, however, magically transform themselves into sustainable social enterprises. Since social enterprises are "often hybrid in form, [encompassing] dimensions of both charitable and business enterprises" they must use business approaches to help solve social problems (Fowler et al., 2017). They encompass the best parts of public and private models, and the main objectives can appeal to both sides.

Overall, there is no 'right' or 'wrong' way to be a social enterprise. It requires a mission, driven by addressing a social, cultural, environmental or economic problem. Though at times philanthropic in nature, it's important to move past the idea that these businesses can only operate as non-profit. As varied and diverse as they may be, what draws them together is executing a business proposition that is driven by the desire for social impact.

## Section 3.4

# Role of Partnerships in Innovation



Collaboration between actors ranging from government to businesses have been identified as important strategies to addressing complex social issues (Kolk et al., 2008; Selsky & Parker, 2005; Manning & Poessler, 2014). Like the wide array of definitions for social innovation, the exact definition of a partnership varies depending on context. For this report, a collaborative partnership for social innovation (CPSI) will refer to as an arrangement between two or more stakeholders, with shared roles and responsibilities, agreeing to work together on an endeavor, initiative or venture that is both mutually beneficial to all parties involved and revolves around addressing social issues and redistributing social value to improve the quality of life on a micro or macro level. CPSI are characterized by cross sector collaboration involving higher levels of institutional complexity than business-to-business (B2B) partnerships (Manning & Poessler, 2014, Murphy et al., 2012).

There are many reasons why organizations engage in partnerships. Broadly speaking, these needs fall under optimization and economies of scale, reduction of risk and uncertainty and acquisition of particular resources and activities (Osterwalder & Pigneur, 2010). Due to the administrative needs of a partnerships, discussion around partnerships and social innovation are often informed and appropriated from B2B partnership formations.

However, unlike their B2B counterparts, collaborative partnerships for social innovation are formed and respond to more contemporary forces which encourage sectoral blurring. Some of these forces can include a shift in government and/or philanthropic support requiring new sources of revenue generating strategies, loss of public confidence requiring new methods for accessing public goods and services or stakeholder demand for businesses to answer for global constituents including people and planet (Selsky & Parker, 2005). All these factors – both B2B or otherwise – are factors that positively contribute to the perpetuation of partnerships.

*Collaborative partnerships for social innovation are formed and respond to more contemporary forces which encourage sectoral blurring.*

In their article “Cross-Sector Partnerships to Address Social Issues: Challenges to Theory and Practice”, John W. Selskey and Barbara Parker identify four broad arenas for the operational review of partnerships (2005). These arenas are:

- **Partnerships between non-profit organizations and businesses:** Centered around social issues, typically environmental or economic development

initiatives but also extend to health, equity and education.

- **Partnerships between governments and businesses:** Generally categorized as 'public-private partnerships', these do not tend to revolve around a specific social issue but build upon infrastructure that may be on the fringe of social implication. For example, development of public services like water and electricity.
- **Partnerships between governments and non-profits:** The focus typically is on welfare development, contacting out public services or public policy approaches. This may extend locally or globally depending on the mandate.
- **Partnerships involving all three actors:** Generally large-scale national, sometimes international, multisector projects. These partnerships tend to focus on economic activity including social services, environmental concerns, health or other.

This framework is useful to analyze the formation, implications and outcomes of a given partnership based on the stakeholders involved. However, to look at the influence of CPSI and other cross-sector collaboration, we have to examine the way ideas, values, capital, and talent flows across sector boundaries and what unites the relationships among stakeholders (Phills et al., 2008).

Partnerships are most commonly used to take on a venture that is too difficult, or risky, to take on individually and/or where cooperation can lead to a better outcome (Pekar & Margulis, 2003; Wincent et al., 2009). Increasing the likelihood of success can be done by seeking out partners with different and complementary capabilities and assets. From the survey circulated, there are three defined

attributes identified that make up the essence of a partnership:

1. **Shared vision:** The first fundamental step of establishing a partnership is to define the shared goal or objective. There should be a common interest, mutual benefit to both parties.
2. **Shared agency and urgency:** Throughout the venture, responsibilities and commitments should be shared. Partners should utilize their individual strengths to further the common objective and have the trust necessary to act independently when necessary.
3. **Shared stake in success:** To ensure the partnership is structured for success, individual partners must be comfortable and able to contribute resources (such as capital, labour, etc.) to see the endeavour success. Though the levels of investment may vary from venture to venture and partner to partner, there must be inputs from both sides.

The shared aspect of partnerships requires clear communication when establishing the basis of the relationship, and continuing dialogue ensuring these aspects are being upheld. The ability to co-design, co-create and co-learn is a pre-requisite to a good partnership. Though collaborative partnerships for social innovation can allow stakeholders to achieve larger goals and rewards, they are not without risk. The two main risks identified are reputation-based and financial.

The survey circulated and some interviews suggest that governments and industry actors are all fearful of the reputation related risks involved in a partnership. First, through association, there

is a risk that the actions of one partner can reflect poorly on another. additionally, whereas a partnership involves combined efforts, there is risk that relinquishing complete control of a venture may result in a less favourable outcomes. For example, imagine a phone company wanting to include the artificial intelligence software of another company in their phone. If the phone company's goal is to produce the cheapest phone on the market, but the AI company's goal is to establish their software as high-end, seeing through the partnership could result in harm to one party's reputation through misaligned goals. In this example, one partner's goals are met at the expense of the other's.

The second risk concern is the loss of investment. Though the reward is subjective all stakeholders are fearful that if a partnership is unsuccessful the initial resources invested will be lost or not be worth it. The expenditures, however, can vary from stakeholder to stakeholder. For example, since industry actors are profit-oriented they invest and fear losing money, but for universities, student engagement is a risk since a poor partnership can negatively affect their education. As well, asymmetrical investment between partners can affect the potential for risk.

The reward gained from the partnership is highly intertwined with the goal of the endeavour and motivation for the partnership. That is to say that the reward is achieving the shared

*The reward [of a partnership] is achieving the shared goal established, and rewards can range beyond fiscal or outcome based.*

goal established, and rewards can range beyond fiscal or outcome based. Collaboration can help partners break into new markets, obtain

new tech, gain economies of scale and have more success at a lower cost (Pekár & Margulis, 2003). Though vague, this allows partnerships the opportunity to fit a wide array of needs. Due to the wide range of needs, this opens a lot of opportunities for collaborative partnerships for social innovation.

The decision to engage in a partnership is dependent on the motivations, possible risk and possible rewards. The Maritimes, which we will discuss in more detail later, fosters an environment conducive to collaboration, especially as far as social innovation is concerned.

## Section 3.5

# Innovation & Quality of Life



In part, the redistribution of social value associated with social innovation looks at improving the quality of life of individuals. On trend with other terms discussed throughout this section, there

*Social innovation has the potential to improve the quality of life in civil society in different ways ranging from poverty reduction, improvements in environmental quality, or health services, amongst other.*

is not necessarily a universal definition of quality of life. Social innovation has the potential to improve the quality of life in civil society in different ways ranging from poverty reduction, improvements in environmental quality

or health services, amongst many others. It does so by affecting variables at either a micro or macro level in a given region.

At a micro level, measuring outcomes through the lens of individuals is notoriously difficult, since things like happiness and satisfaction are incredibly subjective and change dramatically depending on the individual in question. Though there is no universal list of items that positively improve an individual's quality of life, it's relatively understood that the value of options and opportunity play a relevant role (Pol & Ville, 2009). Though there is a positive correlation between wealth and quality of life, "there has been only a very modest

upward trend in average life-satisfaction scores in developed nations, whereas average income has grown substantially" (The Economist, 2005). This suggests that social innovation, which looks at more than just financial returns, has a bigger role in improving the individual's quality of life than traditional or business innovation. In line with my earlier definition of social innovation, at the micro level social innovation emphasizes an equitable redistribution of social value, in this case through the alignment of socially focused option.

On the macro side, quality of life is measured by the aggregate level of elements including, in no order of importance, things like: "material well-being, education opportunities (including quality of teaching and learning practices), health domain, job security, family life, community life, environment (climate and geography), political freedom, political stability and security and gender equality" (Pol & Ville, 2009; The Economist, 2005). Though there is overlap between the two, "what distinguish micro-quality of life from macro-quality of life [is] the latter does not require that each member of the group benefits with enhancement of valuable options" (Pol & Ville, 2009). Put simply, this means social innovation would positively affect society as a whole, but certain individuals may not see, need or explicitly want the outcomes.

Social innovation is assumed to have a role in either the micro or macro level, though I would argue it influences both. True social innovation has implications across both levels from either a top down or bottom up approach connecting them. For example, micro-financing, which as mentioned earlier is a well-regarded social innovation, begins providing value at the micro level by helping with individual financial security, but in doing so helps the aggregate by extension by lifting local economies. On the other hand, authors like Geoff Mulgan, Simon Tucker, Rushanara Ali and Ben Sanders (2007) identify examples of social innovation like the legislative actions around the gay rights movement which would fit under a top-down approach. While it's my personal opinion that in 2019 the idea of gay marriage should not be categorized as 'new', 'radical' or 'innovative', just a few short decades ago these changes in policies have influenced the macro-quality of life of countries, through the advancement of human

rights, but subsequently improved the micro-quality of life of countless same-sex couples.

Social innovation has the potential to have significant impact on the social wellbeing of both individuals and states. Since this segment of innovation fundamentally addresses social wellbeing, cross-sector stakeholder collaboration is fundamental. Therefore, in order for a region to strategically see progress when addressing social issues, understanding and improving the way stakeholders work together seems like an ideal place to start. Given the rise of various social problems, there's an increasing sense of urgency to improve this space both academically and practically. With that in mind, the rest of this paper will focus on the mechanics of collaborative partnerships for social innovation in the Maritimes, acknowledging that that the focal point will be partnerships between governments and social enterprises.

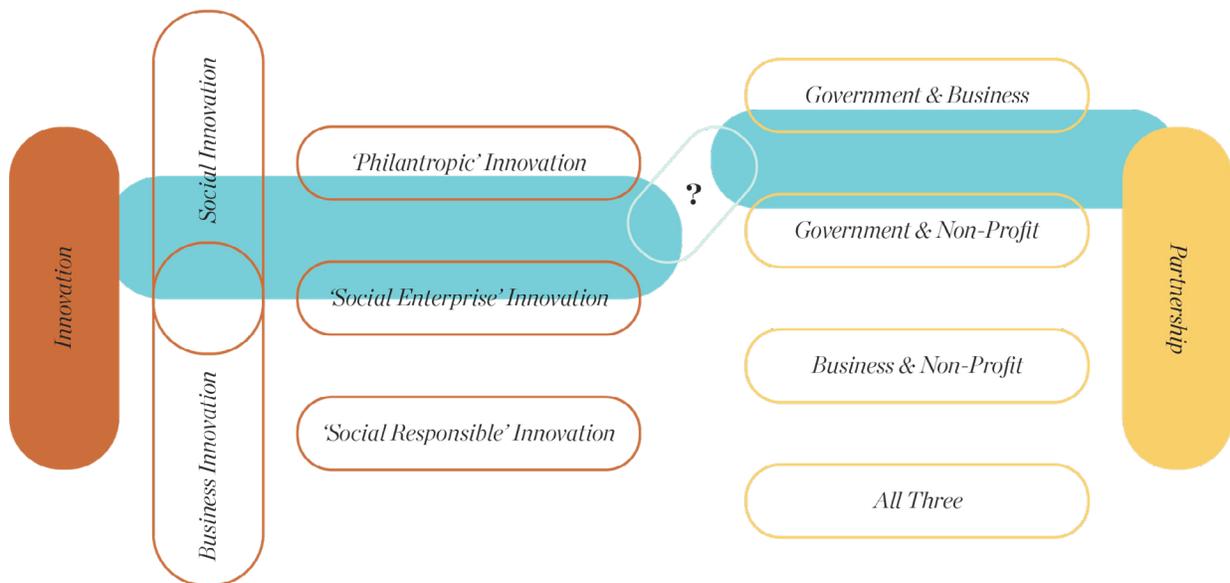
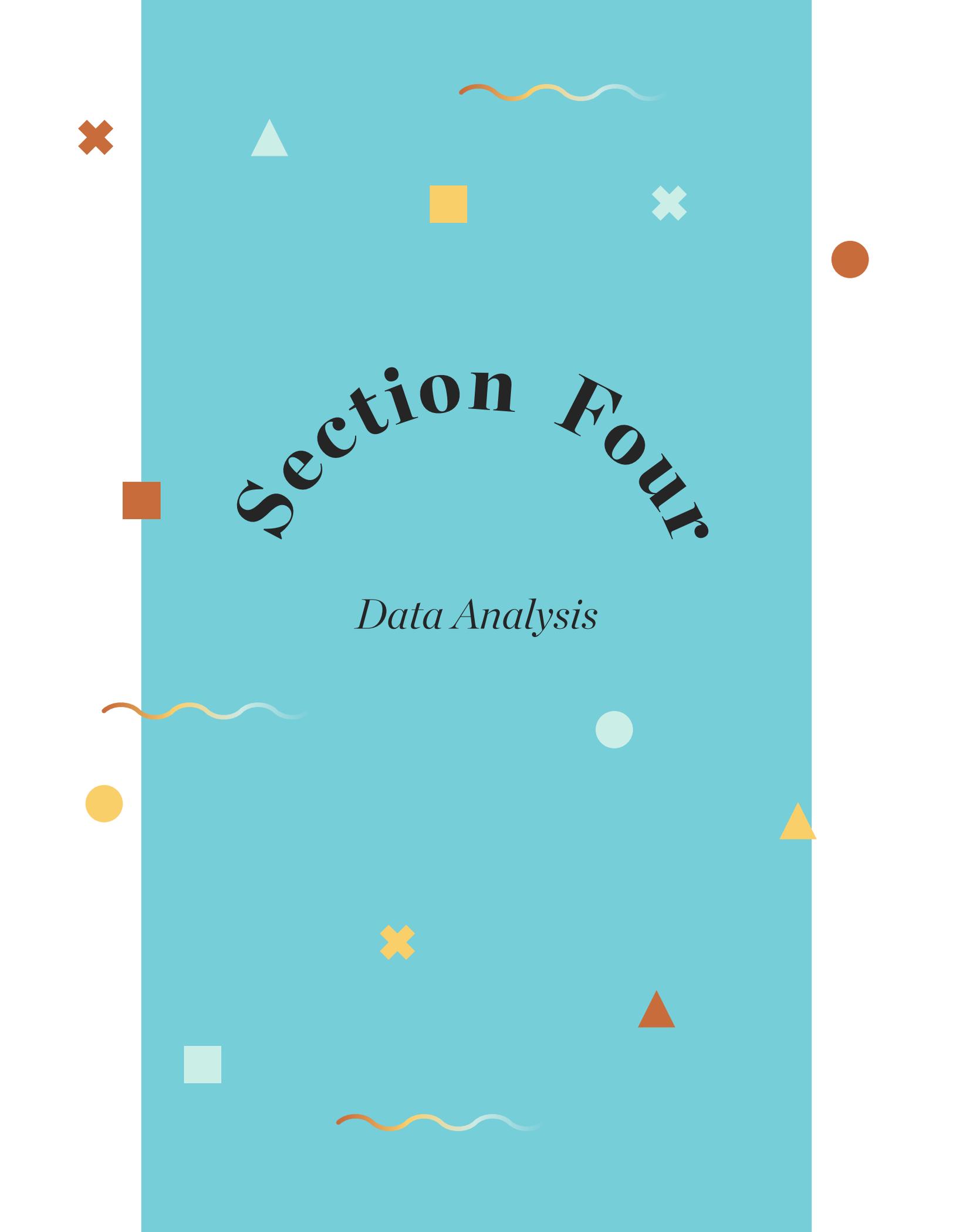


Figure 06 | Innovation and Partnership Area of Opportunity.

Thus far, this paper has identified the difference between traditional and business innovation and social innovation. Where social innovation focuses more on social needs and value redistribution. By examining the different perspectives of social innovation, this research has uncovered nuances, specifically how prominent the 'social' aspect is in core operations. Despite acknowledging the overlap between both types of innovation and the perspectives, I chose to move forward with the definition of social innovation based on the principle of social distribution of value. In-so-far as innovation and partnerships stand, I believe there is a gap in analysis between innovation and partnerships central to social enterprises. Better understanding this space would allow stakeholders to increase their ability to provide value for the people and planet in their regions. To understand the way value is created, the report looked at how the various sectors influencing civil society work together towards advancing a social agenda. What's left is to understand the implications this may have on society and this research.



# Section Four

*Data Analysis*

## Section 4.1

# Expert Interviews



The first group of interviewees were chosen based on their understanding and experience with innovation. Candidates ranged from academic to industry experts and are listed in Table 03:

This segment of the interviews intended to dive deeper into the idea to implementation, or research and development, process of innovation and get a sense of what areas need addressing to improve the innovation process.

Innovation flows through three distinct phases of development based on Frascati Manual, developed by the OECD (2015).

- **Basic Research:** “Experimental or Theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view”;

- **Applied Research:** “Original investigation undertaken in order to acquire new knowledge [...] directed primarily towards a specific practical aim or objective”, and;
- **Experimental Development:** “Systematic work [...] on existing knowledge gained from research [...], which is directed to producing new materials, products [...], processes [...] and services, or to improving substantially those already produced”.

Generally speaking, different stakeholders are more adept at different phases than others. The public, including governments and universities, play a more substantial role in basic research, whereas private or industry stakeholders excel at the latter parts of applied development and experimental development. There are downstream effects of research and development (R&D) across both the public and private sector to incentivize

socializing innovation. Canada is making it a priority to actively and consistently work on its innovation function. It is unsurprising that innovation

Name	Title
Anne Connelly	Faculty, Singularity University
Anonymous A	Business lead, Large E-commerce Company
Anonymous B	Sales Operations, Large Internet and Product-Based Company
Dr. Arvind Gupta	Professor, University of Toronto
Bethany Borody	Sustainability Consultant, Bethany Borody Consulting
Himanshu Rai	Applied Researcher
Dr. Robert Luke	VP Research and Innovation, OCAD University

Table 03 | Expert Interviews.

would be a national priority because through the commercialization of goods and services, nations can create social and economic benefits through jobs, GDP and export (Council of Canadian Academics, 2018). Figure 07 demonstrates the flow between R&D and wealth creation. Throughout the interviews conducted, a few things about this process became clear.

### Insight 1 - 'Valley of Death' between Basic Research and Experimental Development

The first insight generated through interviews comes through problems with connecting various streams of basic research with experimental development. At the national level, Canada falls short on consistently pairing findings from basic and early applied research with experimental development, due to a focus on publishing results first rather than seeking downstream utility (Luke, 2018). This can be attributed to a few things.

To begin with, one issue connecting the phases of R&D is with the objectives associated with each individual phase. Transitioning from phase to phase causes problems with replicability and scalability, especially during applied development. During the applied research phase, actors take from the existing base of knowledge and find the appropriate uses. The issue is that where basic research is generally concerned with novelty and new ideas, they do not always prioritize real-life scalability and replicability. Therefore, in finding the application, applied researchers struggle in replicating and scaling the basic research given real-world factors (Rai, 2018). Basic research rarely deals with the large data-set they would in real life and seldom do basic researchers release the data or specific details of this phase of research.

Part of this problem is related to the lack of strong networks and partnership infrastructure that connects the various actors, especially between private actors and research institutions (Gupta,

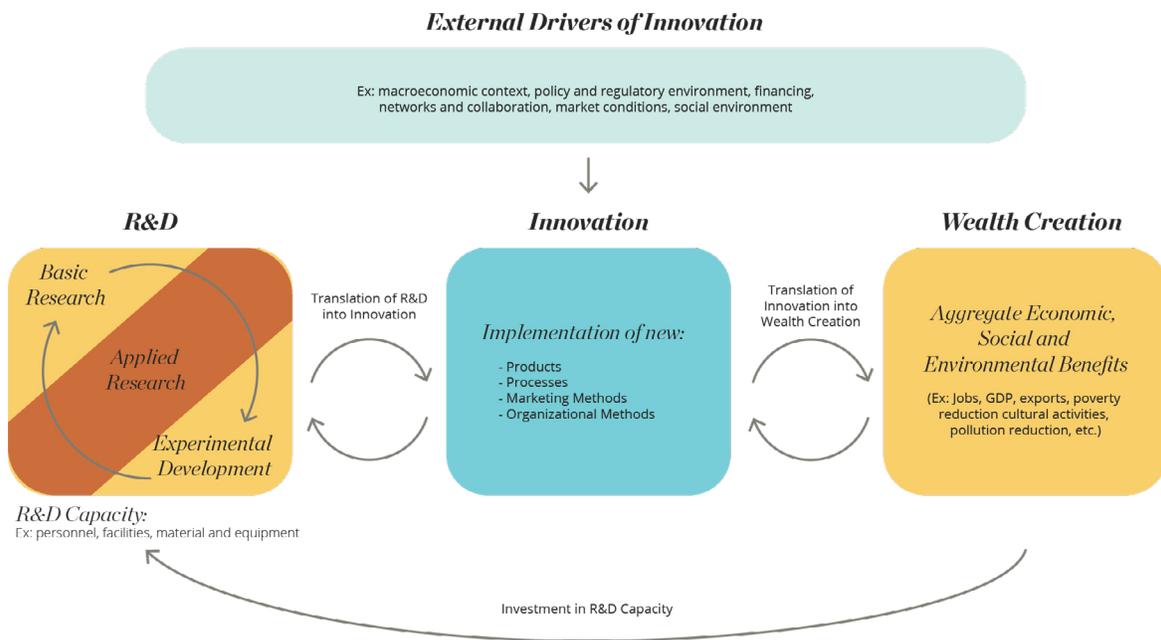


Figure 07 | R&D, Innovation, and Wealth Creation. Source: Council of Canadian Academics, 2018.

2018). Universities try to help bridge components of basic research and applied research through various means. The most prominent one that came up through interviews was through applied research programs (Gupta, 2018; Rai, 2018). Applied research programs are academic programs that include a research component where students are expected to conduct their research with an industry partner as partial fulfillment of their graduation requirements. For example, the Master of Science in Applied Computing (MScAC) program at the University of Toronto requires their student to complete one of these projects to graduate. Other institutions also follow this trend which has a positive impact on catalyzing the R&D process through partnerships. These programs attempt to bridge the gaps within the R&D development phases by giving students the necessary skills to then move into the industry. They also help attract talent to the universities and region, particularly internationally. Many of the students in the MScAC are international and gain employment after graduation with the hope of staying in Canada.

Interviewees almost unanimously identify that money and resources do not seem to be the issue bridging these the phases of innovation development, and that more fluid and open collaborative networks may be a solution.

### Insight 2 – Challenges with Commercialization

The second issue with the R&D development is commercializing innovation. In this case, commercialization simply means successfully launching innovation – either services, products or policies – into market. Similar to the first insight, individual research phases don't necessarily perfectly flow. In the basic research phase, there is not always an immediate thought of

commercialization. It's a common myth that research will make money (Luke, 2018), especially when institutions like universities and other government funded research facilities tend to focus on publication over utility. Though published research adds to the collective knowledge base available which is then leveraged throughout other parts of the innovation process, the basic research phase is not perfect. Researchers may not always think of the downstream utility of their work, and while publishing research may enable others to utilize the research, their training and incentive structure is not necessarily focused on commercial application (Luke, 2018). Moreover, there's a significant time gap between basic research and commercialization (Gupta, 2018), and the people who conduct basic research are not necessarily the best equipped to deal with navigating the market landscape. In some occasions, university spin-outs are formed which continue the development of innovation, but often struggle to succeed in commercialization without the help of external partnerships. This insight suggests that increased participation will help facilitate the market penetration of innovation.

*Researchers may not always think of the downstream utility of their work, and while publishing may enable other to utilize the research, the training and incentive structure is no necessarily focused on commercial application.*

### Insight 3 – More than Money

Before conducting this research, I assumed that the more equitable distribution of financial rewards and profits would be a prominent aspect of partnerships. In all of the interviews, monetary rewards were rarely the central motivation

for partnerships – if at all. Mandates or goal-oriented success were prioritized over fiscal rewards. Participants spoke about the ‘white space’ of partnerships. As articulated by one of the anonymous interviews, white space refers to the value created or gained in a partnership that is not in the form of cash. It was noted that often, an unaccounted benefit of a partnership is the knowledge and resource sharing that naturally occurs over the course of the relationship. This means different methodologies, ways of working, or frameworks that can be adopted for future use.

Particularly when working across sectors, it is the difference of perspectives that are most effective in problem framing. In bringing together actors with different backgrounds and expertise, it brings a fresh perspective to an otherwise familiar problem. Familiarity can breed complacency, but it is through partnerships that there is the potential for constructively challenging existing assumptions. Thereby, it is not financial reward alone that is the central motivation for entering into a partnership but the implicit knowledge sharing that comes with it. This exchange is delivered through close collaboration and its benefit extends beyond the timeframe of the partnership itself as each actor can adopt these learnings for itself.

## Section 4.2

# Maritime Interviews



The second segment of interviewees focused on stakeholders in the Maritimes. The participants are listed in Table 04:

For government participants, the questions and interviews were structured around better understanding the government motivation for engaging in partnerships. For industry participants, engaged in the innovation and entrepreneurial space, questions focused on better understanding the way social enterprises and social innovation affect the Maritimes and uncover some of the challenges they face.

### Insight 4 – Government Innovation Efforts are Relatively New

Up until recently, innovation has not necessarily been an explicit priority for Maritime governments like it has been at the federal level (Conyers-

Steed, 2018), especially in-so-far as building policy innovation capacity (Brennan, 2019). Provincial innovation functions are still in the early stages of development. From the government level, innovation does happen but in a more undefined, ad-hoc way. Within the last few years, things like informal case-competitions have become more popular between Maritimes provinces trying to address a wide range of issues. For example, the policy hack competitions, hosted between the three provinces, aim to build collaboration between the Maritimes within the public sector. Provinces come together for this competition, to iterate on policy hacks that, in principal, help solve complex social issues that affect all three provinces (Conyers-Steede, 2018).

Since innovation is relatively new and informal on the part of government stakeholders in the Maritimes, there's some hesitation to partner with

Name	Title
Anthony Maddalena	Founder, Bagtown Brewery
Chloe Donatelli	Consultant, Common Good Solutions
Derek Chapman	Internal Communications & Engagement, Community Services; Government of NS
Kathleen Brennan	Intergovernmental Affairs, Executive Council Office; Government of PEI
Kjeld-Mizpah Conyer-Steede	Engagement Architect, Executive Council Office; Government of NB
Melissa Erin O'Rourke	Program Manager, The Summer Institute, J Herbert Smith Centre for TME
Samantha Sproule	Customer Success Manager, Squiggle Park

Table 04 | Maritime Interviews.

industry actors. Though there is some hesitation with possible conflicts of interest, the largest reason surrounds the expectation of outcomes. The innovation work that the government does is highly iterative with low expectation for immediate or concrete outcomes. There's been some discussion about including industry actors, but currently the focus is on professional development of provincial innovation functions and testing out new ideas in a risk-free environment (Chapman, 2019). This usually allows governments to have a bit more control in setting the innovation agenda and avoid setting to high expectations that idea will materialize in a timely manner.

### Insight 5 – Lack of a Clear Definition of Social Innovation

Similar to the academic nuances around the term social innovation discussed through the literature review at the beginning of this report, the term is not any more defined in the Maritimes. To evaluate the view of social innovation in the Maritimes, it's useful to think of it through the process of and outcome of innovative efforts.

In terms of process, when describing the social innovation process, participants used language that suggested using a human-centered design

*Design thinking allows for creators in the Maritimes to look for solutions that are unique for the region.*

approach – especially when using tools like journey, empathy or systems mapping (Conyers-Steede, 2018; Donatelli, 2019). Using design thinking allows for creators in the

Maritimes to look for solutions that are unique for the region, utilizing local features and assets to build a strong value proposition which prioritizes

the impact over margins. Regardless of the desired endeavor, interview participants acknowledged the importance of doing deep research with the target audience to understand the social needs which needed to be addressed.

From an outcome perspective, social innovation is relative to the stakeholders and initiatives. Interviews suggest that social innovations can range from policies to product and services to processes. Though the desired outcome of social innovation can be as broad as its definition, almost all interview participants spoke about the urgency in supporting local initiatives that attempt to improve the quality of life of citizens of the Maritimes, whatever they may be.

Government can't fully manage the responsibility alone with the increasing complexities of today's social problems (Donatelli, 2019). Therefore, participants acknowledge the need for new approaches which combine the strengths of both private and public stakeholders. Though the exact boundaries of social innovation are blurred in the Maritimes, it acts as a uniting force for stakeholders to find common ground in contributing to a larger social mission.

### Insight 6 – Informal Networks are a Strength

In the expert interviews, networks were identified as a weakness in Canada. However, interview participants suggest that this does not hold through when looking at the Maritimes. A resounding insight generated from nearly all participants in the Maritimes was around the strong and informal networks in the Maritimes. From government to industries, informal networks play an important role in supporting social innovation work. Since the innovation

infrastructure is not as strong in the Maritimes as it is in larger Canadian cities, stakeholders find solace and strength in working together to navigate the rocky waters of social innovation.

Competition is not overly rigorous in the Maritimes. The geography and population density result in pocketed markets which reduces competition. One might expect this to result in highly siloed work, but in reality, it reduces the barriers for collaboration. Furthermore, because the Maritimes don't have abundant resources, there's a frugality that comes out through a scarcity complex. At first glance, this would suggest that stakeholders would be hesitant to work together, but rather collaboration is an effective strategy by sharing both resources and knowledge. Unlike more competitive regions, Maritimers understand that everyone benefits when you work together, a rising tide floats all boats.

### **Insight 7 - Otherness between actors**

Cross-sector perception remains an ongoing issue in partnerships between public and private stakeholders. All interviewed participants agree or acknowledge the role and importance of partnerships in social innovation. Through cross-sector collaboration is desired, there is nevertheless some hesitancy in actually engaging in them. This hesitation is derived from traditional stereotypical roles of the public and private sector concerning innovation.

From the private perspective, there is hesitation because of bureaucracy and timelines. To industry firms, the government appears to be slow and ineffective. Moreover, there's a common misconception that governments are inherently out to try and control private activity. Additionally,

it becomes increasingly difficult to maintain such partnerships given consistent turnover in leadership when the governing party changes after an election. Though this means there is political risk involved, it can be controlled and minimized through the creation of a good rapport with a critical mass of stakeholders within this group. Contrariwise, from the public perspective, partnerships are avoided since the perception is that the private sector does not want to partner for the exact reasons listed above. The irony of this otherness is that neither actor is averse to partnering, but the preconceived notions of working style and objectives of the other party which creates a large obstacle for partnership.

Trust, in this case, is an essential driver in making a successful partnership, and it's inextricably related to risk (Warsen et al., 2018). To reiterate an earlier point, increased transparency delivered through communication creates a sense of confidence within one another. Inherently, this confidence breeds trust over time. With the presence of trust, partnerships can function with less rigidity allowing for more creativity (Parker & Vaidya, 2001). Trust benefits partnerships in many ways, including, but not limited to; facilitating and solidifying cooperation, reducing the need for rigid parameters, and enhancing performance (Warsen et al., 2018). Trust can bring needed empathy to break down the barriers, allowing for better cooperation and collaboration in partnerships.

## Section 4.3

# Putting it all Together



Figure 08 maps out the relationship between the seven insights and the topics of social innovation, partnerships and social enterprises. The diagram tried to make sense and simplify the complex connections between the variables. In the map, a connection denoted by a (+) means a positive relationship between both elements, whereas a (-) implied that when one element increases the other decreases and vice versa (Braun, 2002). Some insights have positive influence on variables, while other have negative ones.

Insight 1 and insight 2, both negatively affect the process of idea to implementation through the R&D process. Partnerships, however, help reduce the ramifications of these variables. Insight 3, which focuses on the 'white space' benefits of partnerships, positively influences the back and forth relationships between social enterprises and partnerships, since they contribute to the value exchange in the endeavor. Insight 4 generally has a positive benefit on social innovation. The interviews identified that though innovation and social innovation efforts are new, there is active work being done in these areas. Moreover, because it's still new, it positively affects partnership by encouraging actors to work together to figure things out. On a similar note, insight 5 has both positive and negative effects on the formation of collaborative partnerships for

social innovation. On the positive side, because it's a new concept, there's benefit in co-creating those boundaries, but on the negative side, it does limit the number of partnerships since the space is unfamiliar and promise of a specific outcome cannot always be made. Never-the-less, in the Maritimes, there are strong informal networks that positively affect the formation of partnerships. In fact, interviews have identified the strength of their informal network as one of the biggest strengths for social innovation in the Maritimes. The last two insight speaks to cross-sectoral relationships. Stakeholders tend to believe that potentials partners in different sectors will not want to collaborate. Interviews suggest that this is a problem of perception, as per insight 7, but the strong networks in the Maritimes, or insight 6, thankfully reduce the effects of this problem.

Henceforth, the report will look at this system discussing the insights and implications of them and explore what can improve social enterprises and what may act as obstacles to improvements.

- 1 - Valley of Death
- 2 - Challenge w/ Commercialization
- 3 - More than Money
- 4 - New Gov't Innovation Efforts
- 5 - No Social Innovation Definition
- 6 - Strong Informal Networks
- 7 - Otherness between Actors

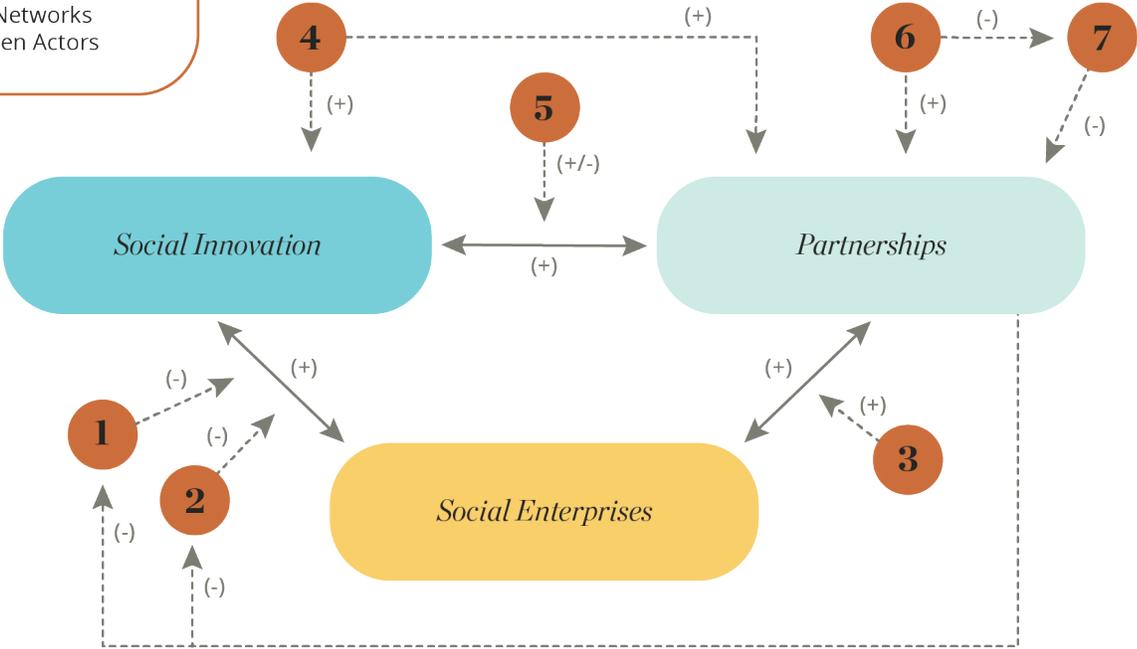
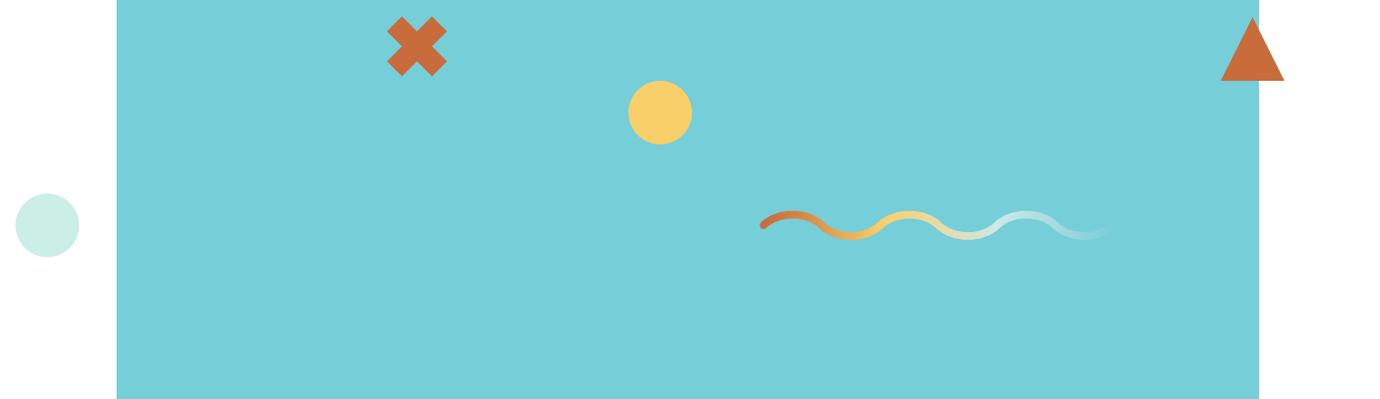


Figure 08 | Insight Relationship Map.



# Section Five



*Synthesis*



## Section 5.1

# Insights to Implications



To summarize the insights learned from the expert interviews, interviewees stated that for innovation to be successful, relationship building between stages of development needs to be more robust and holistic. At a high level, the insights highlight the importance of collaboration across innovation phases to increase innovation outputs, and the need for clear and consistent communication between stakeholders across stages of innovation development. Given the earlier assumption, the same can be said about social innovation.

Looking specifically at the Maritimes, it's evident that there is work being done on improving social innovation, and the Maritimes could clearly benefit from concerted efforts. The Maritimes possess a distinctive culture of 'scrappy can-do attitude' and

*It's evident that there is work being done on improving social innovation, [which] could clearly benefit from concerted efforts.*

emphasize innovation through business and entrepreneurship, rather than through academic breakthroughs. This fact is not surprising given that their levels of higher education expenditure on research and development are lower than other regions in Canada (Council of Canadian Academies, 2018).

Signals suggest that social innovation is growing rapidly in the Maritimes through social entrepreneurship. There are venture capitalist firms and incubators trying to help with early-stage funding to help promote them. For example, The Social Enterprise Network of Nova Scotia just launched the province's first investment fund for social enterprises pilots (Moreira, 2019). The funds, which provide loans or equity interments ranging from \$1,000 to \$15,000, are meant to level the playing field for social entrepreneurs by giving more capital for innovation-based companies looking to benefit social and environmental conditions (Moreira, 2019). There are also firms like the New Brunswick Innovation Foundation and Innovacorp that focus on venture capital investment.

As mentioned earlier, through the assumption about partnerships, there is a desire from Maritime stakeholders to work together. They acknowledge the benefits of working together to accomplish things that are greater than the sum of their individual parts. Additionally, we've established that a fundamental part of collaborative partnerships for social innovation is finding an objective that has mutual benefits with the goal of helping distribute social value. Social enterprises in the Maritimes are uniquely poised to foster fruitful relationships, but there's room for improvements.

## Section 5.2

# Elevating Social Enterprises



Profit-driven businesses, and subsequently for-profit social enterprises, are not necessarily the antithesis of social innovation and well-being. Social enterprises are fully able to acquire revenue like other businesses, since they exhibit the same entrepreneurial characteristics as any other start-up, ranging from for-profit to non-profit organizations. The for-profit legal structure of social enterprises is to maintain the most amount of control over their operations, subsequently allowing social enterprises to be more risk-taking since non-profit social enterprises operations are dependent on stricter government funding, donations or other forms of conditional funding (Donatelli, 2019). The commitment to a mission rooted in social good is what separates social enterprises, regardless of their legal structure, from normal businesses. Despite their strengths, social enterprises face operational challenges that can be alleviated through partnerships.

Social enterprises commonly experience resource limitations, in large part because their mandate is to reinvest the majority of the profits back into their mission. They must finely balance the operational sustainability with being fiscally strategic and thinking about the big picture (Donatelli, 2019). Consequentially, from not having much financial wiggle room, social enterprises often embody principles of frugal innovation.

Simply put, frugal innovation is a mindset that “sees resource constraints not as a liability but as an opportunity – and one that favours agility over efficiency [...] [creating] good-quality solutions that deliver the greatest value to customers at the lowest cost” (Radjou & Prabhu, 2014). They often find utility in collaboration on problem finding, framing and solving using crowd-sourcing methods like hackathons (Radjou & Prabhu, 2014).

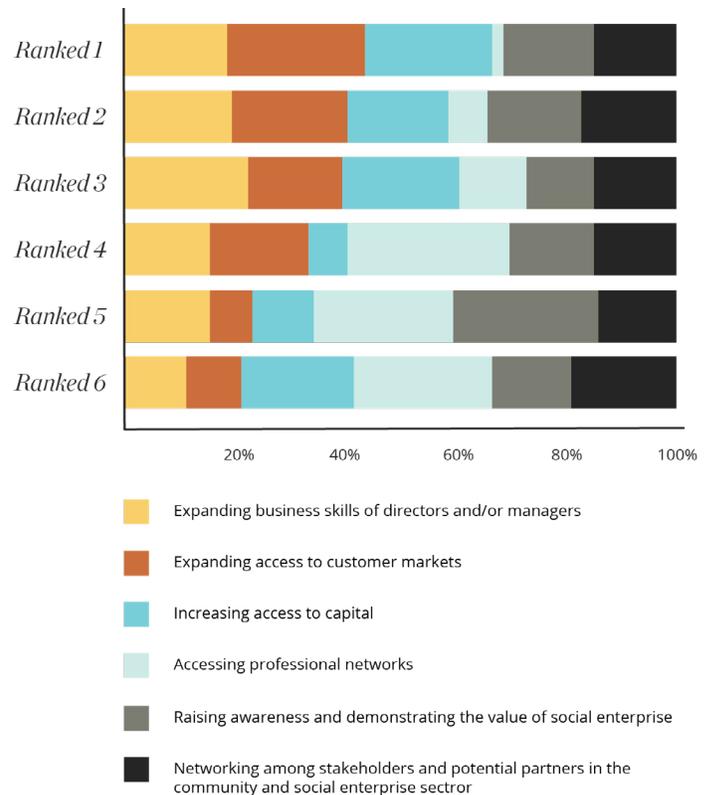


Figure 09 | Needs of Social Enterprises.  
Source: Donatelli et al., 2017.

While the impact of social enterprises may lack some academic rigour, social innovators suggest that investing in social innovation give regions the biggest bang for your buck since not only do they bring similar benefits as a traditional business – like jobs – but they help on issues traditionally under various cultural, economic, social and environmental government mandates (Donatelli, 2019). When surveyed to figure out what organizational development priorities are present for social enterprises, illustrated in Figure 09, the top three were expanding business skills of directors and/or managers, expanding access to customer markets and increasing access to capital. Unsurprisingly, given the research previously uncovered, networking is relatively low.

Earlier in the report, we identified areas that partnerships help with, including increasing access to resources and expanding potential operation opportunities. Whereas both governments and social enterprises, to varying extents, prioritize public interest in their work, there is an advantage in working toward the same goal. The benefits of collaborative partnerships for social innovation roughly overlap with some other development priorities for social enterprises. Furthermore, elevating social enterprises may be the key to

*Elevating social enterprises may be the key to bridging the ambiguity of social innovation in the Maritimes.*

bridging the ambiguity of social innovation in the Maritimes, and be able to better facilitate the transition from idea to implementation. Therefore, to unlock the potential of social

innovation in the Maritimes, we must focus on how to refine the way social enterprises and government partner.

## Section 5.3

# Partnership Challenges



Despite the fact that stakeholders are interested in partnering, and that partnerships have a positive benefit on social innovation there still exists challenges that potential partnerships have to surmount in order to reap the benefits. Generated from interviewed participants, and corroborated by data from the survey, there were three identifiable challenges that were brought up by interview participants, corroborated by data from the survey.

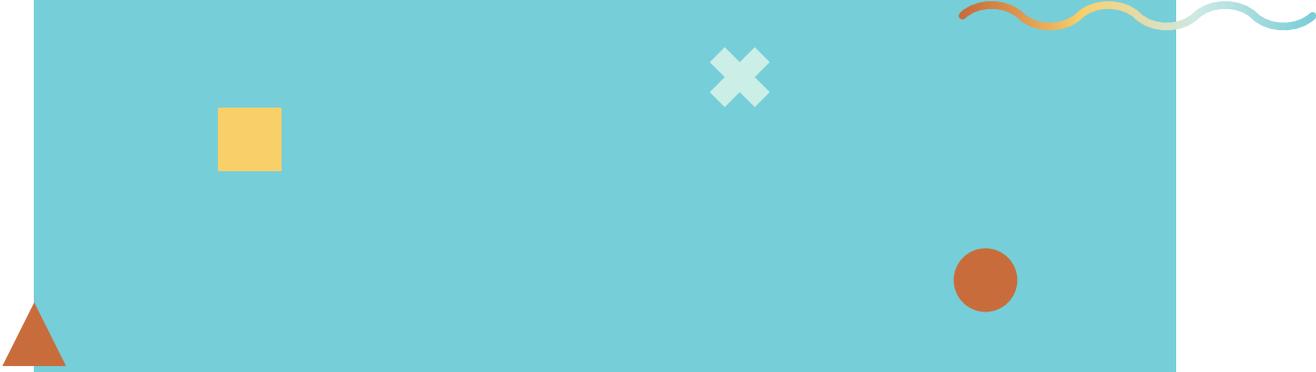
Firstly, the lack of awareness of potential partners. Though there are certainly more complex issues in forming a partnership, finding a partner is a basic first step that proves to be challenging. The Maritimes may benefit from strong informal networks that lower this barrier, but it is never the less an obstacle.

Secondly, asymmetric desires to form partnerships can be an obstacle, especially when partnerships require resources and maintenance. Time and energy are often limited for both public and private stakeholders and this scarcity has negative effects on participation rates. Though a partnership may make sense for one potential partner, it may not be of the same benefit to another, which adds another layer of complexity in the partnership formation phase. Though high-level objectives and goals between social enterprises and governments overlap, daily social innovation priorities differ. If

the potential reward is not high enough for one of both stakeholders, the partnership is unlikely to see the light of day.

Thirdly, is a fear of failure with the risks associated with forming a partnership, more specifically engaging in a partnership that has poorly aligned goals and unequal commitment to the partnership. Stakeholders are anxious about partners failing to uphold their part of the deal, a one-sided agreement and/or a hidden agenda. In the Maritimes, these factors don't often stop partnerships but are in the back of the minds of stakeholders.

These challenges, albeit administrative, are obstacles to establishing meaningful partnerships and may affect different stakeholders during the formation of the relationships, subsequently affecting the following stages of partnership development. The challenges in forming partnerships seem to derive from issues of communication and expectation management. Despite the complexity of the issues, the nuances are none the less important to address.



# Section Six

*Partnership  
Archetypes*



## Section 6.1

# Framework Development



A vital part of building a partnership that will ensure a successful venture is making sure that you're engaging in the right type of partnership. Throughout the interview process, it became evident early on through the way people spoke about partnerships, that the definition varied

*What ties collaborative partnerships for social innovation together is having shared roles and responsibilities, working on something together, having mutual benefit to both parties, and the redistribution of social value.*

depending on context. What ties collaborative partnerships for social innovation together is having shared roles and responsibilities, working on something together, having mutual benefit to both parties, and the redistribution of social value. Upon further

examination of the characteristics of partnerships, and cross-examining the literature with the interviews, I found that there are two important mechanisms that can be explored to begin improving partnerships.

The first mechanism looks at the governance in the relationship, more specifically, the power dynamics between partners. Management of the relationship can boil down to the particular level of agency possessed by each partner contributing to the endeavour and the level of active participation.

From my observation, I've noticed a pattern between the literature on partnerships and the way that interviews spoke about partnerships, which could be summarized into high and low level of the two distinct structural mechanisms.

Partnerships may exhibit a dynamic where power is equally distributed. As such, the decision-making power and ability to set priorities is shared amongst participants. Individual roles may be similar or different, but, relatively speaking, participation is equally distributed. In these situations, the success of the partnership is usually predicated on the combined strength of partners. These kinds of partnerships are considered to be highly collaborative. On the other hand, low collaboration partnerships are usually associated with partnerships that have top-down power dynamics. Due to the asymmetric power distribution, there is often one centralized decision-making authority. This is not to say that one partner is less active, but the roles each actor takes in the partnership are usually different and task specific.

The second mechanism I've observed through this research is around the integration of partnerships. Broadly speaking, this is about the level in which partners combine their resources; this can include capital assets like money, human

resources, space or other. Though partnerships don't always necessarily require an exchange of material resources, integration is often linked to the formality of a partnership. Highly integrated partnerships are harder to separate from since they are longer-term, typically higher risk and high levels of investments of resources and assets. In many cases, contracts are involved in these partnerships. In a lower integrated partnership, there may also be some documentation, but they tend to be more informal and easier to separate from - at least for one of the partners. Low integration can be attributed to shorter or lower stake objectives.

Understanding these two mechanical elements to partnerships is a starting point for social enterprises and governments to work together on social innovation. In order to find utility out of the partnership mechanism I identified, I used 2x2 relationship mapping to help pattern find. Comparing the two mechanism on a simple matrix allows to note and test patterns and transform them into useful meaning (Lowy & Hood, 2011). Given that I was unable to conduct a workshop in the Maritimes with stakeholders, this analysis is drawing from various stages of research. Using a 2x2 matrix allows for an adaptive and scalable framework that can help stakeholders better navigate the complexities of partnership formation, particularly with partnership expectations.

## Section 6.2

# Archetypes

Archetypes created through this matrix, “are deep, recurring patterns that help us to understand what is taking place at the observable, surface level of life. The value of archetypes lies in their applicability to everyday experiences, rendering the mysterious interpretable and the mundane more essential” (Lowy & Hood, 2011). The goal was to create conditions given the extremities of both partnerships’ mechanics identified. Thus, plotting them in this way provided a useful framework to create conditions that can be utilized to help the Maritimes form better partnerships. The matrix also demonstrates that there is no clear ‘winner’ when it comes to the archetypes, instead each has its own pros and cons depending on the desired outcome. At a glance, these archetypes are illustrated in Figure 10 and listed in Table 05.

### *Casual Partnerships*

As the name would suggest, casual partnerships are relatively less formal and have lower stakes than the other archetypes. These types of partnerships are exploratory and iterative, often non-essential but good at creating dialogue. There is not much to lose, and the potential to gain is highly dependent on the willingness to participate from the partners involved. Situationally, casual partnerships prove to be a

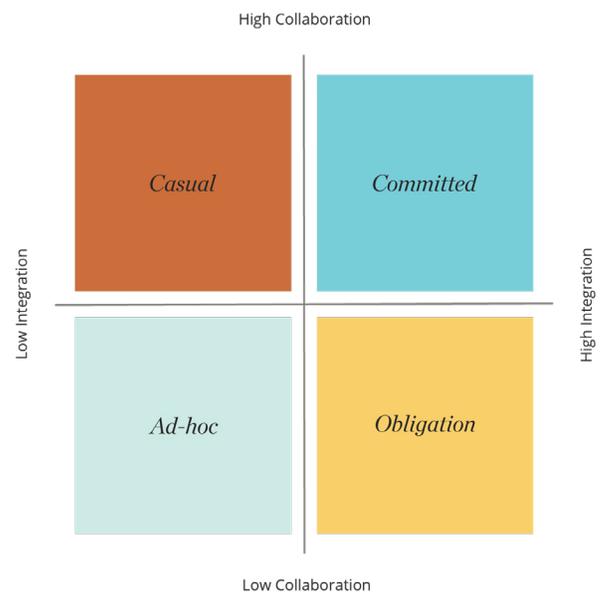


Figure 10 | Archetype Overview.

useful undertaking when partners are trying to tackle a largely undefined problem area, focusing more on problem finding, problem framing and ideation rather than implementation. This type of partnership is motivated by a desire to take advantage of an emerging opportunity area within an industry but without the subject matter familiarity or ability to do so alone.

However, whereas there is a lower risk involved with these partnerships, they can lack urgency. Therefore, this increases the possibility that a venture may die out due to inconsistent momentum, or that what comes out of the

Archetype	Condition	Description
Casual	High Collaboration, Low Integration	Partnerships with relatively low stakes, where there is less to lose and more to gain. Ideal for scenarios where stakeholder is looking to be exploratory with little risk.
Committed	High Collaboration, High Integration	Partnerships that are high risk and high reward, requiring equal commitment from both parties. Ideal for scenarios that are long term and may will go through many iterations.
Ad-hoc	Low Collaboration, Low Integration	Partnerships that are goal oriented and limited in size and scope. Ideal for scenarios where the primary stakeholder needs a specific skill at a given time.
Obligation	Low Collaboration, High Integration	Partnerships where the dynamics of the relationship are usually defined through detail contractual agreements. Ideal for scenarios of that require significant resource exchange over a long project period.

Table 05 | Archetype Overview.

partnership may not be built out in real life. A simple example of this type of partnership is the policy partnerships established between small to medium microbreweries and the New Brunswick government (Conyers-Steede, 2018). The goal of these partnerships was to help increase the innovation function of microbreweries, while subsequently improving tourism in New Brunswick. Though the implications on social innovation are less prominent in this example, it demonstrates the principles of a casual partnership since there is no significant urgency in the matter but parties receive benefits if the partnerships succeed.

### ***Committed Partnerships***

These partnerships are usually long-term with high stakes and high potential for reward. Parties involved have roughly equal stakes and decision-making power. Because of this, the objective and motivation of the endeavour have to be clearly aligned at the offset of the partnership. Due to high levels of integration, both parties are more

willing to work together through the ebbs and flows that a partnership may experience over time.

These partnerships are ideal when looking for complementary skills and expertise throughout the full stages of development. The partners should have complimentary strengths and the partnerships predicated on the fact that neither of the actors can achieve the end goal without the other. Motivated by innovations that reflect the best of both parties.

However, whereas there is a high level of investment from the parties involved, the risk is high and therefore may result in risk-averse behaviour. Since, when working together, the partners can take on ventures that are higher-risk than they would individually, they will be seeking a payoff to their investment as soon as possible. In this case, high-risk initiatives may suffer at the need to find small wins to maintain consistent results to make up the initial investment.

For example, The Eastern Habitat Joint Venture (EHJV) is an organization whose mission is to “provide a forum where interested parties work collaboratively to coordinate and deliver effective migratory bird-habitat conservation in Eastern Canada” (Eastern Habitat Joint Venture, 2019B). They partner with ministries across all three provinces, to deliver coordinate efforts to conserve migratory bird-habitats (Eastern Habitat Joint Venture, 2019A). EHJV list almost 50 different partners since its operations in all provinces east of, and including, Ontario and certain parts of the Eastern United States. To simplify the role of each partnership, EHJV does a lot of habitat restoration, programming to collect and monitor data, and encourage empirical policy decision, whereas governments, depending on the department, influences legislation, assist in programming efforts, and conserve environmental quality amongst others. EHJV partners with five different departments across three provinces. Though the mandate of each department differs, falling under their specific operation and function, the relationship differs based on the project they partner with EHFV form. Therefore, for the Maritimes, this would fall most closely to collaborative partnership since all partners have equal stake in upholding and protecting the environment and there is consistent collaboration on to address various issues on an ongoing basis.

### *Ad-Hoc Partnerships*

These partnerships are used for goal-oriented objectives, that are transactional where one partner usually acquires the services of another. They almost always have a finite end, with clearly defined outcomes that are defined by one of the partners. They excel where a specific skill,

resource or asset is needed and can help bridge different stages of development. Though these partnerships can often fall under the scope of a client/service relationship, they maintain the partnership conditions established earlier of co-design, co-create and co-learn, where both parties are incentivized to collaborate and the outcome, or success, of the venture is dependent on partner participation. Further, these relationships are motivated by a sense of creating something that one partner may not be capable without help.

However, whereas these partnerships may be good at quick solutions, they can be limited in scope. The potential of the partnership, or the type of results that can be achieved, is limited to the initial investment at the offset of the relationship. They don't always capture the true potential of partners by being very task oriented.

One example of an Ad-Hoc Partnership between a public and private stakeholder can be seen in the relationship between the City of Fredericton and Market Gravity, a Deloitte Business. As finalists for the Government of Canada's Smart Cities Challenge, the city of Fredericton is competing nationally for one of the two \$10 million prizes to use data and technology to improve quality of life for residents. To augment their submission, the municipal government was looking for a new way to engage residents through ethnography and rapid prototype - skills that they did not have in-house. This is where Market Gravity, a proposition design consultancy, was engaged to conduct rich, qualitative research to understand the needs of the city's older and more vulnerable residents in order to uncover ways they could be better served. For the scope of the project, the engagement lasted three weeks where both parties worked collaboratively in a joint squad to generate insights

and ideate innovative solutions. From this process, the City of Fredericton developed the foundational elements of their final submission and was able to independently develop and test a prototype based on the project output.

### ***Obligation Partnerships***

These partnerships are usually associated with large, goal-oriented ventures with the potential for high impact results. Since they are highly formalized, there is typically a contractual agreement defining the roles and limitations of all parties involved. They are also associated with a substantial exchange of resources.

They are similar to the ad-hoc partnership but are longer term, with larger responsibilities and often part of a large objective of one of the partners. Therefore, they are motivated by a larger goal and are either a means to an end or structured to be long-term where power is still concentrated to one partner. These partnerships are most typically used by governments who extend a contract to complete specific objectives.

Whereas the scope of these partnerships is highly defined, there isn't a high need for innovative or creative solutions. This can result in a "business as usual" mindset since experimentation would come at an additional cost that would have to be mutually agreed on.

Obligation partnerships typically fall under more traditional interpretations of public-private partnerships. They have been referred to by some as a form of public management (Linder, 1999), and are typically large infrastructure provisions, such as building or managing schools, hospitals, transport systems or other (Bovaird

& Löffler, 2015). These partnerships fall under the obligation archetype because although they involve private financing, construction and project management, accountability ultimately falls under the government since the services provided are a public good (Weimer & Vining, 2011).

## Section 6.3

# Role of Archetypes



The framework, which was developed through a theoretical framework, proposes that archetypes are useful for the following three reasons:

1. It was identified that communication and expectations are troublesome, therefore these archetypes provide clear attributes to more easily understand and articulate the spirit of the working relationship;
2. If it remains true that the archetype allows for a strong starting point for partnerships, then partners can create a shared language and mental model for the aspiration around those characteristics. This allows partners to share expectations and objectives, as well as share responsibility more effectively than through rigid parameters, and;
3. Using the archetypes, partners can more easily share best practices and benchmark metrics for success and value creation, especially in scenarios where the scope of partnerships and desired outcome may not fit perfectly in an existing framework.

Overall, the partnership archetype allows for a flexible framework for actors to not only better match potential partners but has the space necessary to negotiate within the agreement based on the specific needs of both partners.

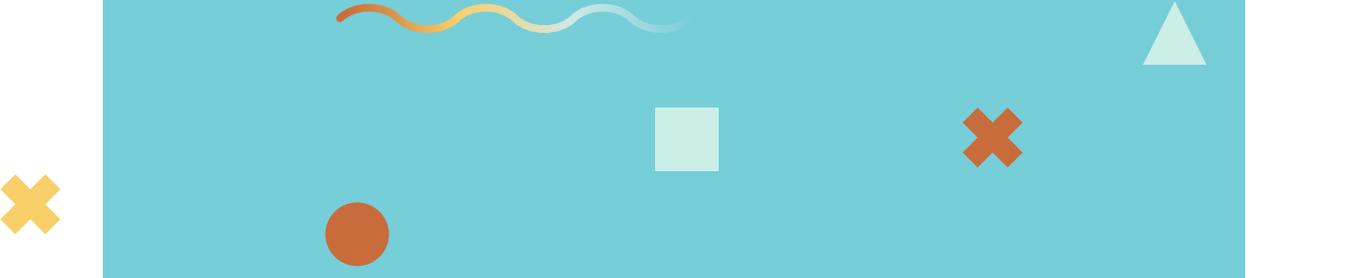
Throughout the entirety of this research project, there are two underlying common threads when looking at partnerships. First, individuals looking to undertake a partnership are not always clear as to what constitutes a partnership, and; second, even when they are, they're not entirely sure how to structure the right partnership given their needs.

Although the survey was unable to make any conclusions as to which archetype or partnership factors most positively affect R&D development or innovation, the feedback received from the survey circulated, the ideal partnerships involve a medium level integration, but high levels of participation amongst both actors.

At its core, these archetypes are a tool for stakeholders to use to begin meaningful dialogue at the beginning of partnership formation.

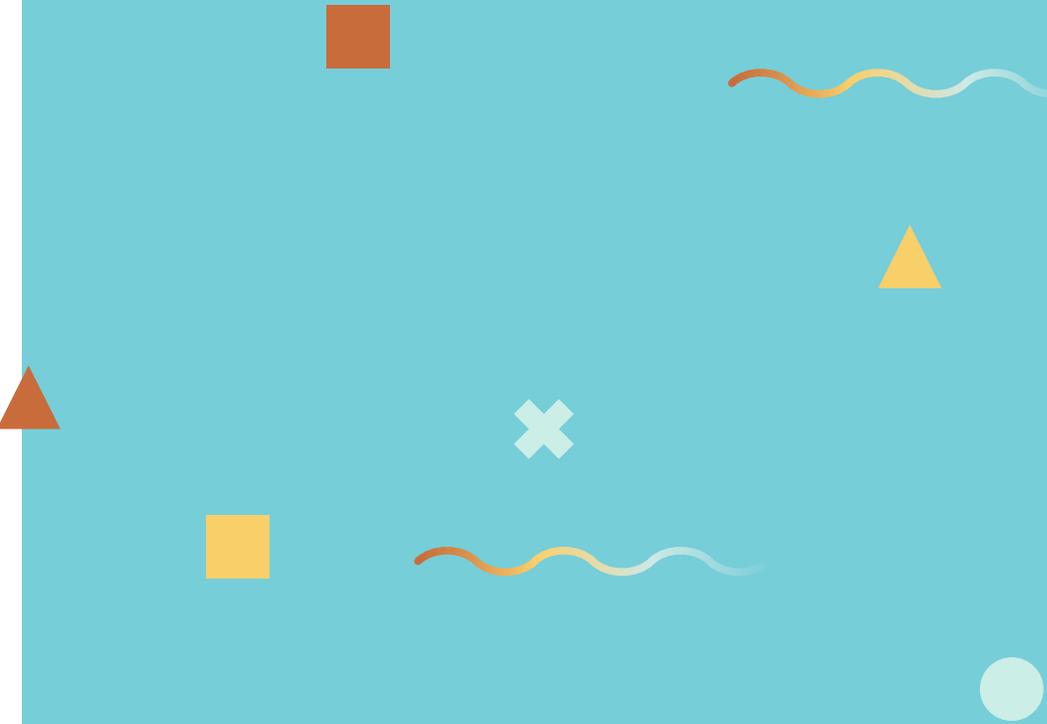
*At its core, these archetypes are a tool for stakeholders to begin meaningful dialogue at the beginning of partnership formation.*

The partnership archetypes allow individuals to define partnerships better, and more clearly articulate objective, metrics and responsibilities. Partnerships need a real commitment from each partner, integration of core competencies and shared decision power.



# Section Seven

*Conclusion*



## Section 7.1

# Significance for the Maritimes



Social enterprises have the potential to provide relief for various social issues on top of stimulating local economies in similar ways to traditional entrepreneurial ventures. Social enterprises are poised to have more effective social change than the CSR initiatives of large corporations, since they are more deeply connected with the needs of the region. A grassroots approach allows for a better understanding of the nuances in a community by being closer to the ground. The Maritimes demonstrate a unique entrepreneurial spirit characterized by a can-do attitude and community-driven values. Therefore, the Maritimes is able to take control of its own fate when it comes to solving social issues.

Social innovation is booming, and it's time to act on it. Stakeholders from across the public-private sector can work together but just need a little push in the right direction. Throughout this report, many insights have been derived by comparing literature and real-life experience on the topics of social innovation and partnerships. The Maritimes are a great region for these fields to grow and prosper - and we can already see this happening. A huge missing piece throughout is understanding the implications that social innovation and partnerships may have on the region. More specifically, the missing piece is how to derive the most value from them.

This report has uncovered that social innovation can be manifested through social enterprises and that the positive impact of these organizations can be improved through collaborative partnerships for social innovation.

Social enterprises are playing a bigger and bigger role in the region. Institutionally, there's more emphasis on understanding the holistic role of actors in a region, making government interested in the possible impact that organizations like social enterprises can have. Increasing the rate of collaborative partnerships for social innovation in the Maritimes, between governments and social enterprises, has the potential to benefit multiple stakeholder in the region. Working collaborative is a strategic approach to address complex issues, since many hands make light work.

## Section 7.2

# Broader Learnings



Stepping away from the Maritimes, collaborative relationships for social innovation deserve more attention academically and professionally. As social problems become more and more impending, I believe we will see more and more signals pointing in the same direction.

Social innovation can obviously extend to any city or region, not just the Maritimes. One of the larger take-aways is that for social innovation or social enterprises to be successful there is an increased need to be driven by the people that the solutions are being designed for and for all related stakeholder to work collaboratively. This means that it's important for solutions to reflect unique nuances of the local region, and to learn different implications for scaling than traditional innovation. Social enterprises are naturals at understanding, from a grassroots perspective, the distinctive qualities, characteristics and issues of a region and they identify opportunities and resources available for novel and tailored solutions.

Although the impact of social innovation and social enterprises is hard to measure, it's important to find ways to quantify the impacts in order to attract more public and private stakeholders to have the confidence to have the time and resources for it. The more we know about these topics, the more we will benefit.

## Section 7.3

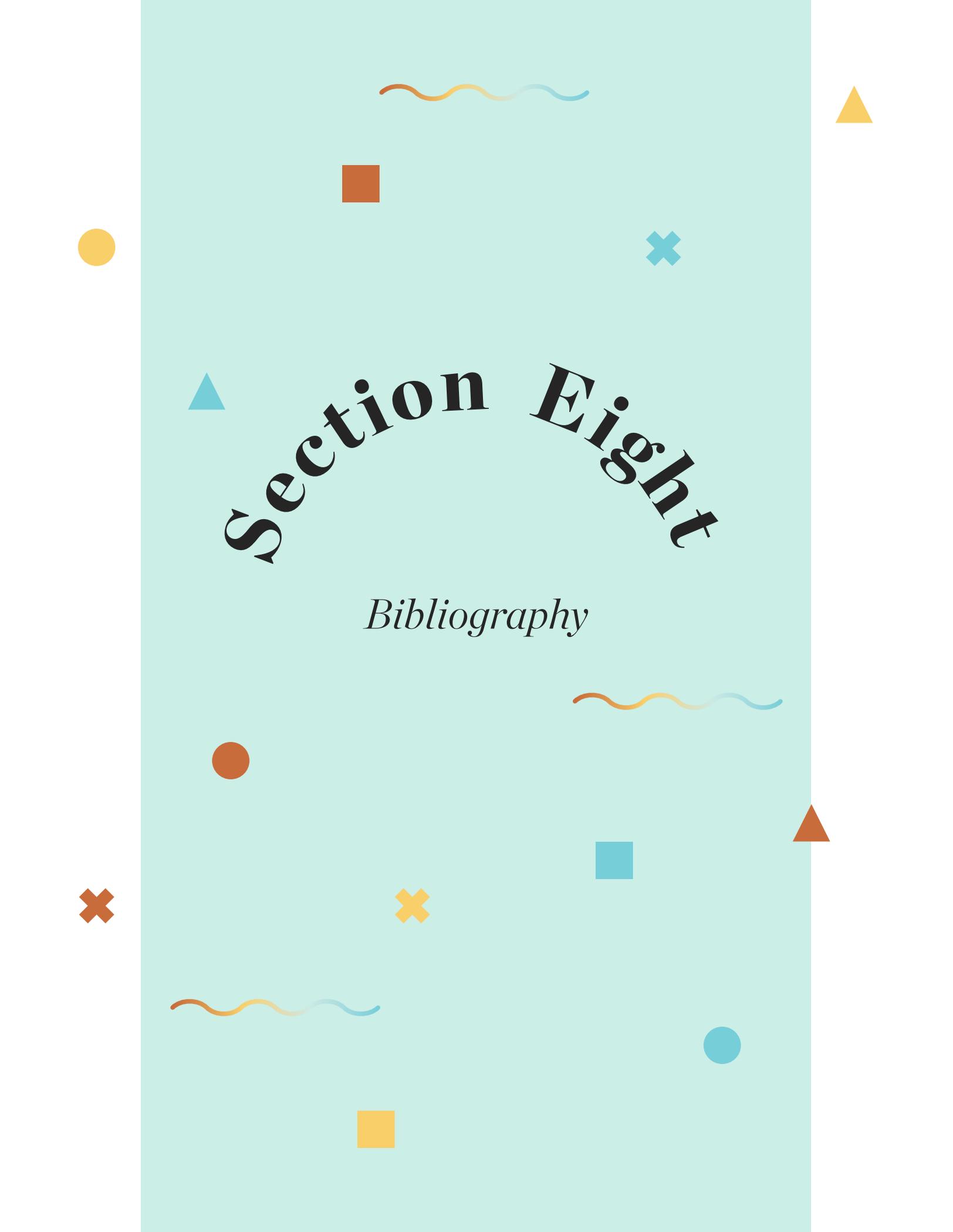
# Future Research



With that said, I believe that this research is the jumping point for even further research on the topic. From an economic perspective, I believe governments in the Maritimes should begin investing in qualitative and quantitative data around social enterprises. Nova Scotia is leading this race in the Maritimes, and New Brunswick and PEI would be wise to begin studying the impact of these organizations. By further understanding the role of social enterprise, regional development strategies can be tailored to utilize collaborative partnerships for social innovation to help address pressing social issues.

Additionally, as mentioned earlier, the framework developed was done through a theoretical lens. It can provide the beginnings of a conversation for potential partners but it is in need of real-world testing and subsequent iteration. Beyond better understanding the impact of social enterprises, it's important to continue to further understand the formation and implementation of partnerships with this stakeholder group. More specifically, and in relation to the archetypes, more research and specific details around resource exchange and power dynamics would prove beneficial. More specific tools can also be created to improve the building of these partnerships even more. A toolkit could provide an easy-to-use resource to frame, pursue, and operate within an effective

partnership archetype. As well, the archetype model can be used to take an inventory of and categorize partnerships in a region to benchmark best practices and better monitor economic impact.



# Section Eight

*Bibliography*

- Axelrod, R., & Hamilton, W. D. (1981). The evolution of cooperation. *science*, 211(4489), 1390-1396.
- Bendor, J., Kramer, R. M., & Stout, S. (1991). When in Doubt...: Cooperation in a Noisy Prisoner's Dilemma. *Journal of Conflict Resolution*, 35(4), 691–719. <https://doi.org/10.1177/0022002791035004007>
- Bitzer, V. and Hamann, R. (2015). 'Introduction', in Bitzer, V., Hamann, R., Hall, M., and Nwosu, E.(eds.): *The Business of Social and Environmental Innovation: Frontiers in Research and Practice in Africa*. Berlin: Springer and Cape Town: UCT Press.
- Bovaird, T., & Löffler, E. (Eds.). (2015). *Public management and governance*. Routledge.
- Braun, W. (2002). The system archetypes. *System*, 2002, 27.
- Brennan, K. (2019, January 15). Interview
- Candi, M., Melia, M., & Colurcio, M. (2018). Two Birds with One Stone: The Quest for Addressing Both Business Goals and Social Needs with Innovation. *Journal of Business Ethics*, 1-15.
- Chapman, D. (2019, January 25). Interview.
- Churchman, C. W. (1967). Guest editorial: Wicked problems: JSTOR.
- Conyers-Steede, K.-M. (October 30). Interview.
- Council of Canadian Academies (2018). *Competing in a Global Innovation Economy: The Current State of R&D in Canada*. Ottawa (ON): Expert Panel on the State of Science and Technology and Industrial Research and Development in Canada, Council of Canadian Academies.
- Donatelli, C. (2019, February 19). Interview.
- Donatelli C., Voltan, A., Lionais, D., Sears, L. (2017). *Mapping Social Shift: Nova Scotia's Social Enterprise Sector Survey Report 2017*. Social Enterprises Network of Nova Scotia. Retrieved from <https://senns.ca/wp-content/uploads/2018/02/Survey-Report-WEB.pdf>
- Eastern Habitat Joint Venture. (2019A). *Our Partners*. Retrieved from <http://www.ehfv.ca/partners/>
- Eastern Habitat Joint Venture. (2019B). *Vision, Mission, Goals*. Retrieved from <http://www.ehfv.ca/about-us/vision/>
- Fowler, E. A., Coffey, B. S., & Dixon-Fowler, H. R. (2017). Transforming Good Intentions into Social Impact: A Case on the Creation and Evolution of a Social Enterprise. *Journal of Business Ethics*, 1-14.
- Gupta, A. (2018, November 6). Interview.
- Haight, N., Walker, J., Bacq, S., & Kickul, J. (2015). Hybrid organizations: origins, strategies, impacts, and implications. *California Management Review*, 57(3), 5-12.
- Holt, D., & Littlewood, D. (2015). Identifying, mapping, and monitoring the impact of hybrid firms. *California Management Review*, 57(3), 107-125.
- Kolk, A., van Tulder, R., & Kostwinder, E. (2008). Business and partnerships for development. *European Management Journal*, 26, 262–273.
- Kumar, V. (2012). *101 design methods: A structured approach for driving innovation in your organization*. John Wiley & Sons.

- Linder, S. H. (1999). Coming to terms with the public-private partnership: A grammar of multiple meanings. *American behavioral scientist*, 43(1), 35-51.
- Lowy, A., & Hood, P. (2011). *The power of the 2 x 2 matrix: Using 2 x 2 thinking to solve business problems and make better decisions*. John Wiley & Sons.
- Luke, R. (2018, November 6). Interview.
- Manning, S., & Roessler, D. (2014). The formation of cross-sector development partnerships: How bridging agents shape project agendas and longer-term alliances. *Journal of Business Ethics*, 123(3), 527-547.
- Mazzucato, M. (2015). *The entrepreneurial state: Debunking public vs. private sector myths*. Public Affairs, NY.
- Menzies, W. (2010). Partnership: no one said it would be easy. *Town Planning Review*, 81(4), i-vii.
- Moreira, P. (Feb 06, 2019). NS Social Venture Fund Launched. *Entrevestor*. Retrieved from <http://entrevestor.com/ac/blog/ns-social-venture-fund-launched#.XFuOQ0D5EsA.linkedin>
- Mulgan, G. (2006). The process of social innovation. *Innovations: technology, governance, globalization*, 1(2), 145-162.
- Mulgan, G., Tucker, S., Ali, R., & Sanders, B. (2007). *Social innovation: what it is, why it matters and how it can be accelerated*. Oxford Said Business School.
- Murphy, M., Perrot, F., & Rivera-Santos, M. (2012). New perspectives on learning and innovation in cross-sector collaborations. *Journal of Business Research*, 65, 1700-1709.
- New Dawn. (2019). About: New Dawn has been part of the Cape Breton landscapr for forty-two years. Retrieved from <http://www.newdawn.ca/about>
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: a handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
- OECD (Organisation for Economic Co-operation and Development). (2015), *Frascati Manual 2015: Guidelines for Collecting and Reporting Data on Research and Experimental Development, The Measurement of Scientific, Technological and Innovation Activities*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264239012-en>.
- Parker, D., & Vaidya, K. (2001). An economic perspective on innovation networks. In *Social Interaction and Organisational Change: Aston Perspectives on Innovation Networks* (pp. 125-163).
- Pekár Jr, P., & Margulis, M. S. (2003). Equity alliances take centre stage. *Business Strategy Review*, 14(2), 50-62.
- Phills, J., Deiglmeier, K., & Miller, D. (2008). *Rediscovering Social Innovation*. *Stanford Social Innovation Review*, 6(4), 34-43.
- Piketty, T. (2015). About capital in the twenty-first century. *American Economic Review*, 105(5), 48-53.
- Pol, E., & Ville, S. (2009). Social innovation: Buzz word or enduring term?. *The Journal of socio-economics*, 38(6), 878-885.
- Porter, M. E., & Kramer, M. R. (2011). *The big idea: Creating shared value*. Retrieved from <http://www.nuovavista.com/SharedValuePorterHarvardBusinessReview.PDF>

Province of Nova Scotia. (2017). Advancing social enterprise in Nova Scotia. Retrieved from <https://novascotia.ca/business/docs/social-enterpriseframework.pdf>.

Radjou, N. & Prabhu, J. (Dec 10, 2014). What Frugal Innovators Do. Harvard Business Review. Retrieved from <https://hbr.org/2014/12/what-frugal-innovators-do>

Rai, H. (2018, November 14). Interview.

Raworth, K. (2017). Doughnut economics: seven ways to think like a 21st-century economist. Chelsea Green Publishing.

Santos, F., Pache, A. C., & Birkholz, C. (2015). Making hybrids work: Aligning business models and organizational design for social enterprises. *California Management Review*, 57(3), 36-58.

Savitz, A. W., & Weber, K. (2006). *The triple bottom line*. San Francisco, CA: Jossey-Bass.

Selsky, J. W., & Parker, B. (2005). Cross-sector partnerships to address social issues: Challenges to theory and practice. *Journal of management*, 31(6), 849-873.

Solow, R. M. (1956). A contribution to the theory of economic growth. *The quarterly journal of economics*, 70(1), 65-94.

Spencer, G. (2014). *Cluster Atlas of Canada*. Toronto (ON): Munk School of Global Affairs.

Statistics Canada. (2016). Population and Dwelling Count Highlight Tables, 2016 Census. Ottawa, Ontario. Retrieved from <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/hlt-fst/pd-pl/Table.cfm?Lang=Eng&T=101&S=50&O=A>

Swan, T. W. (1956). Economic growth and capital accumulation. *Economic record*, 32(2), 334-361.

The Economist. (2015). The Economist Intelligence Unit's quality-of-life index. Retrieved from [https://www.economist.com/media/pdf/QUALITY\\_OF\\_LIFE.pdf](https://www.economist.com/media/pdf/QUALITY_OF_LIFE.pdf)

Warsen, R., Nederhand, J., Klijn, E. H., Grotenbreg, S., & Koppenjan, J. (2018). What makes public-private partnerships work? Survey research into the outcomes and the quality of cooperation in PPPs. *Public Management Review*, 1-21.

Weber, M. (2008). The business case for corporate social responsibility: A company level measurement approach for CSR. *European Management Journal*, 26(4), 247-261. doi:10.1016/j.emj.2008.01.006

Weimer, D. L., & Vining, A. R. (2011). *Policy Analysis*, Ed. No. 5.

Wincent, J., Anokhin, S., & Boter, H. (2009). Network board continuity and effectiveness of open innovation in Swedish strategic small-firm networks. *R&d Management*, 39(1), 55-67.