

AUTHOR

SILVIA SACCHETTI

The Open University Business School, Faculty
of Business and Law, Department of Public Leadership
and Social Enterprise

silvia.sacchetti@open.ac.uk

and

COLIN CAMPBELL

Assist Social Capital CIC
colin@social-capital.net

Creating Space for Communities: Social Enterprise and the Bright Side of Social Capital

ABSTRACT

In this work we provide an interpretative framework opposing two types of community models, one where community assets are used to pursue exclusive interests even at the detriment of wider social interests (the “community failure” model), and one based on relations that use assets to uncover and provide answers to community needs (the “community ownership” model). We focus on two social enterprise projects, one on arts and one on health, and assess how they contribute to create community ownership as opposed to community failure. Specifically we regard social enterprises, their values and networks of cooperation as assets of a community or as reservoirs of pro-social and cooperative attitudes that are able to create connectivity and engender flexible responses to community evolving needs. From this angle, social enterprises can be seen as spaces (both physical and immaterial) which support individuals and communities in developing opportunities through activities of various nature as a response to community needs. The creation and use of space from this point of view is a reflection of specific values such as cooperation and the public interest.

KEY-WORDS

COOPERATION, SOCIAL ENTERPRISE, SOCIAL CAPITAL, INCLUSIVE SPACE, COMMUNITY WELFARE

Acknowledgments

We would like to thank Socio-Economic Development Students at the University of Stirling (UK) who have engaged with field work with great competence and enthusiasm: Brittini Baird, Claudia Fernandez, Chotaro Horiuchi, Jan Fredriks, Zoi Kantountou, Heinrich Hakan Laun, Sujai Nair, Chinyere Okafor, Chelsea Poovey, Olivia Shenn, Kai Zhang. This work would have not been possible without the cooperation of Joe Hall and all the staff at Creative Stirling. We would also like to thank the Royal College of General Practitioners in Scotland for participating with us on the Engaging Community Assets initiative. Our thanks also to Asimina Christoforou, Luca Andriani and to the participants in the social capital sessions at the IPPE Fifth International Conference in Political Economy (September 16-18, 2014, Naples, Italy).

JEL Classification: L2; L3; Z1; I14 | DOI: <http://dx.doi.org/10.5947/jeod.2014.012>

1. Introduction

The general aim of this manuscript is to appreciate how social enterprise can create a space of relations and opportunities that impact beneficially on community welfare and individual wellbeing. We refer to cooperative relations that are aimed at the pursuit of a social goal. In this sense we talk of the bright side of social capital, as opposed to relational networks that are mainly functional to the pursuit of exclusive interests even at the detriment of others.

Social enterprises can be defined as values-based businesses set up for social and/or environmental purpose, driven by an entrepreneurial spirit. Because of their aims they offer an ideal context to study their contribution to the creation of bright social capital. Social enterprises devote their activities to achieving a wider social or community objective for their members' or a wider interest, and reinvest their surpluses. To respond to the needs of their community with resilience, they need to be economically self-sustainable and, in this respect, they are distinct from other third sector organisations that are mostly dependent on grants and donations (Campbell and Sacchetti, 2014). Moreover, social enterprises' surplus are asset locked, that is, retained within the business to be reinvested in the business or to the community (for example via lower prices or delivery of services with no charge) (cf. Tortia, 2010). Another distinct feature of social enterprise is their participatory nature, as their governance structure is often designed to include major stakeholders (cf. Borzaga and Sacchetti, 2014).

Social enterprises have been identified as ideal partners for the provision of services that traditionally were delivered by governments. In part because the complexity and level of service required exceeds the capacity of centralised, standard services to customise products. In part because the capacity of the public sector to pursue community welfare is challenged by the current debt crisis that has substantially redefined the possibilities of the public sector to invest in a number of socially relevant sectors such as education, the arts, health and welfare services (Borzaga and Sacchetti, 2014; Borzaga and Sforzi, 2014). In the face of this, policy that enables more autonomous development processes such as public-social partnerships can create conditions that support the emergence of bottom-up community initiatives which empower citizens and improve aspects of community welfare.

Specifically we regard social enterprises' values and networks of cooperation as the immaterial assets of a community, as reservoirs of pro-social and cooperative attitudes that are able to create connectivity and engender flexible responses to community evolving needs. In other words, social enterprises can be seen as spaces (physical and immaterial) which support individuals and communities in developing cooperation, learning and opportunities through activities of various nature as a response to contextual needs. The creation and use of space from this point of view is a reflection of specific values which can be synthesised as cooperation for the public interest (Sacchetti, 2014).

The study of how social enterprise creates space for cooperation and opportunities is supported using two illustrative cases, one on arts and one on health. The first is a case of establishing creative art spaces that can generate social inclusion across the urban environment. The second case considers social enterprises as community assets for increasing the social inclusion of people with health issues and enhancing their physical and psychological welfare. The two cases highlight a path for community development building on the nature and assets of social enterprise. The path goes from social enterprise to the creation of inclusive spaces, to the furthering of social inclusion, which ultimately enhances psychological and physical health. Both projects have developed over a medium time span so that we can trace the emerging path of activities and outcomes.

2. Community failures vs. community ownership

At the most fundamental level our approach explores reproducible patterns of community development within evolving socio-economic contexts. The manner in which socio-economic systems answer to community needs has a considerable impact on the effectiveness of responses and, ultimately, on each and every individual's fulfillment. A particular characteristic of development models is that their features tend to be stable overtime, because of path dependence and habituation to particular situations (Veblen, 1990[1914]). According to path dependence theory, these elements contribute to the inertia of social and economic processes (David, 1985; cf. Martin, 2010 for a critique). Against social inertia, individuals' choice to cooperate (at different levels and in different contexts) can be argued to be able to overcome the frictions of path dependence by increasing trust and coordination across sectors and systems. Institutional economists, sociologists and psychologists convene that cooperation promotes creativity, opportunities and social engagement, ultimately reinforcing change and fulfillment (Dewey, 1917, 1922; Maslow, 1963; Leventhal, 1980; Joas, 1996; Fukuyama, 2001). For example, institutional literature points at each and every individual's cognitive abilities, i.e. to the capacity to understand and find solutions to a specific phenomenon together with others, eventually against existing social habits and expectations (Dewey, 1991[1910]).

These features support also the arguments of social capital literature, emphasizing the role of development models grounded in cooperation, active citizenship and recognition of mutual interests. This model of community development fosters co-production and the responsibility of communities to take ownership and contribute to the creation of innovative responses to their needs. In these respects, what is required is coordination of various stakeholders (e.g. providers and users) who are not solely associated with the owners of financial capital in a traditional sense (Ostrom, 1996; Pestoff, 2012; Borzaga and Sacchetti, 2014). We call this type of community development the "community ownership" model.

As summarised in Table 1, the model suggested is opposed to communities where inclusion and cooperation are not valued or struggle to find proper expression. Habits of thought cast around the community ownership model stand against exclusive ways of thinking and acting. Exclusive habits can be especially promoted by restricted economic interests within and across markets, emphasizing competition, marketing and consumerism paralleled, as suggested in empirical tests, by raising work hours (and lower leisure time/volunteering) (Baran and Sweezy, 1966; Cowling et al., 2011; Cowling and Tomlinson, 2011). We refer to this model of community development as the "community failure" model. Community failure occurs when there is a deficit in the expression and recognition of diversity and multiple interests, or when the needs of communities are disregarded. One of the reasons, as identified in Cowling and Sugden (1998) and Sugden and Wilson (2002) (using a strategic governance approach), is the concentration of strategic decision-making power (the power to establish the direction taken by production activities and, therefore, by a community) in the hands of a few. The power concentration problem, in our case, might imply that the governance of specific service provision fails to effectively pursue wider community interests.

Social capital explanations, complementary, emphasise community failures when forms of "bonding" and "bridging" social capital, which would promote and reinforce the connections between community stakeholders are lacking, or when linkages between community stakeholders and key decision-makers (which literature defines as "linking social capital") are not in place. Under these circumstances, communities lose the opportunity to self-determine their goals or take ownership of the process that defines issues of public interest, including impacts and relations with other communities (Cowling and Sugden, 1998; Putnam, 2000; Fukuyama, 2001; Sen, 2002; Young, 2004; Sacchetti, 2013). By reproducing exclusive socioeconomic structures, policy can also contribute to create a fertile terrain for the growth of restrictive

interests, for the proliferation of networks where decision-making power is concentrated, and where behavioural attitudes are skewed towards exclusion and direction rather than inclusion and cooperation (Sacchetti and Sugden, 2009; Sacchetti, 2013).

Table 1. Approaches compared: Community failures vs. Community ownership

| | Community failures (Dark side) | Community ownership (Bright side) |
|------------------------------|---|--|
| Values and Behaviours | Individuals as passive isolated recipients / direction, competition and consumerism | Shared pro-social values, trust, reciprocity, cooperation and networking |
| Context | Exclusive and constraining spaces | Inclusive and creative spaces / long-term development of capabilities |
| Needs/Outcomes | Community deficits | Satisfaction of community needs across publics |
| Impacts | Conflict, mistrust, inequality | Ownership, more trust, active citizenship, wellbeing, community resilience |

Cooperation for the public interest builds on specific contextual features. It depends on the existence of a space of opportunities defined by inclusiveness (when the process of decision-making on major issues of concern is open to publics), mutual recognition (when diverse conditions, needs and perspectives are debated and used as a source for increasing understanding, social inclusion, innovation and wellbeing), justice (when power unbalances are not abused to reinforce hierarchies of inequality), trust (when individuals take a risk when making a choice since it is impossible to anticipate or control the behaviour of others beforehand), reciprocity (the symmetry of give-and-take relations over time, even in the absence of a payback to the reciprocating individual) and “mental proximity” (the sharing of inner beliefs within and amongst groups and communities of like-minded people) (Laville 1994; Young, 2000; Pelligra, 2002; Sacchetti and Sugden, 2009; Bruni and Zamagni, 2013; Bowles and Gintis, 2014; Gardin, 2014). This space produces a “creative atmosphere” (Sacchetti et al., 2009) where the reciprocal recognition of diverse needs, knowledge, abilities and experience can be conducive to ideas and individual creativity (Amabile et al., 1996; Sacchetti and Tortia, 2013). In particular, reciprocity and proximity qualify cooperative behaviours where the relation has an intrinsic value. That is to say that reciprocity and proximity in the community ownership model are not compatible with the abuse of power imbalances through exclusive direction or with the “consumerism of relations” (e.g. arm-length). These behavioural attitudes would also bear implications on production relations where the quality of the product or service exchanged can be seen as a consequence of the relation rather than the other way around. It follows that cooperation also promotes learning and mutual advancement (Sacchetti and Sugden, 2003).

Because of these features, cooperation is not incompatible with the market but rather with exclusive ways of organising production activities. The cooperative habit is a necessity for social enterprises since they are oriented towards the satisfaction of specific community needs and are driven by pro-social values. We suggest that “social enterprises can be organizations explicitly based on habits that favour cooperation. Their organizational nature can be especially suitable to give voice and space to the multiplicity of experiences, aspirations and needs that may coexist at a given point or unfold over time” (cf. Borzaga and Sacchetti, 2014 on the deliberative nature of social organisations).

3. Social enterprise and the creation of spaces for community ownership

Cooperation can be considered as an inter-subjective process aimed at identifying patterns of action that achieve mutually beneficial solutions. It dialectically opens up the task of creating the conditions for its practical realisation. Practical realisation (building on spatial sociology) is found in physical and organisational space, in the activities undertaken within, and in the norms and practices that regulate such activities (Lefebvre, 1974). In this sense, a physical space such as a building, or an organisation such as the social enterprise are produced spaces that embody part of the practical pre-conditions for developing inclusion and cooperation in the course of everyday life. Without elements of material realisation, these values and attitudes would be displaced by values underpinning conventional economic aims and processes (Lefebvre 1974; Witt, 2003; Sacchetti, 2014; Sacchetti and Tortia, 2015).

It follows that organisations that apply (in their structure and praxis) the values of cooperation can contribute to the promotion and resilience of cooperative attitudes within communities (Sacchetti, 2014). Specifically, social enterprise can work as the enabler and amplifier of the values of cooperation, thus generating positive effects across societies at large (Borzaga and Sacchetti, 2014; Sacchetti and Tortia, 2014). In this sense they transform the value of cooperation for the common good into practical business solutions.

Still, however, social enterprises and their activities may not be synonymous of cooperation. They can adjust to that part of the market context where performance is conventionally measured solely by pecuniary achievement (Veblen 2003[1899]). The pervasiveness of the profit motivation and related practices, namely in terms of concentration of decision-making power and distributional effects, becomes of concern when conventional business aims are placed before the identification of community needs and their solutions (Weisbrod, 1989; Sacchetti, 2013; Sacchetti and Tortia, 2015). Considering this possibility, the utility of the approach suggested in Table 1 is to support the assessment of social enterprise and aspects of their impacts on community welfare.

4. The identification, creation and use of community assets: two case studies

We apply the conceptual tools that are provided by the two opposing community development models (Table 1) by presenting two case studies and analysing our findings along the dimensions by which the two models are defined, namely values, context, needs, outcomes, and impacts.

The two case studies bring together different approaches and expertise. They have been developed independently but with a common underlying rationality: to understand whether social enterprises can create suitable spaces for expanding and amplifying the benefits delivered to communities, addressing community needs and those of specific publics.

4.1 Creative Stirling: methodology

The first case presents the activities of Creative Stirling (CS), a recently founded social enterprise based in Stirling (Scotland). CS is an entrepreneurial community-based project initiated with the aim of enhancing opportunities for the community of Stirling-based artists and, as a result, empowering other communities in Stirling. The case study has been developed over three years of extended engagement between one of the authors and CS, as a development priority of the institution where one of the authors was based in 2010 (the Stirling Institute of Socio-Management). The Stirling Institute for Socio-Management at the

University of Stirling was at the time pursuing a range of research and learning initiatives focused on the impact of creative spaces on local socio-economic development. The specific rationale for considering creativity and artistic activities came from a critical reflection on the nature and implications of the global economy which identified a tendency to leave the vast majority of people constrained and indeed powerless (Sacchetti et al., 2009). Conversely artistic activities that stimulate people's imagination, creativity and critical thinking were argued to offer a combined opportunity for social development, inclusion and entrepreneurial activity.

The research was embedded by the author in graduate activities offered within the MBA (2012-13) and MSc in Socio-Economic Development over two years (2012-2013 and 2013-2014), where students have conducted research projects around CS as part of their learning curriculum eventually culminating, for some, in a masters dissertation. The methodology used in the studies was qualitative and relied on interviews and participatory observation during events organised by CS. Interviews involved the founders of CS, its staff and some stakeholders, such as participants to events, the Stirling Council and Creative Scotland. Interviews with the founders and staff were recorded or filmed. Photo elicitation has also used during participatory observation and two short videos (Visual Essays) have been produced to illustrate the findings. Data collection was conducted at different points in time in 2013 and in 2014 with the active participation of different cohorts of students. It addressed Creative Stirling nature and aims, its activities, development opportunities, use of social capital, as well as current and potential community impacts. The findings have been showcased to CS staff and other faculty at completion for feedback and recommendations. This research approach was necessary in order to appreciate the evolution and context in which CS emerged and developed from its very start, with a unique opportunity to tap into Stirling's community features and to know CS founders and staff, their motivations, aims, challenges and evolving community impacts. The approach has also provided the opportunity to create a collaborative bond between academia and this emerging community-based organisation.

4.2 Engaging Community Asset: methodology

With a focus on better health and social care integration and an abundance of social concerns in communities across Scotland, the Engaging Community Assets (ECA) project aimed to bring a new approach to not only determine the needs within each individual community, but also to focus on the positive capability and capacity of that community by using social enterprises to improve the overall health and wellbeing of the community. ECA, funded by the Scottish Government, was built on the Royal College of General Practitioners "Essence of General Practice" initiative and developed in partnership with Assist Social Capital and the International Futures Forum.

General Practitioners (GPs) have a vast amount of knowledge and understanding about their patients' communities and therefore are able to contribute to their community's wellbeing and social capital to help inform local health relevant decisions. According to statistics issued by Information Services Division Scotland (2011), approximately 24.2 million people living in Scotland had face-to-face consultations with their practice nurse or GP in 2012-2013, with 82 per cent of registered patients seeing their GP or practice nurse at least once during the year, because of the high level of respect and trust patients have in GPs.

The project aimed to optimise the relationships between GPs and the communities in which they work. This was achieved by building local relationship networks through engagement with local social enterprises and community organisations. It was hoped that the creation of such a partnership model would enable relevant suitable solutions to address the community needs to be identified.

ECA began in June 2012 with the aim of improving GPs engagement with their communities by getting both the GP and community to identify local issues and improve some of these using existing social enterprises within the community. Research indicates that there is a connection between a person's

involvement in their community and their wellbeing. Yet, it also stresses that the complexity of this relationship should not be underestimated and that community involvement requires some form of coordination (Baum, 1999). The overall aim of the project was to improve patients' wellbeing by signposting them to relevant services in their community with the potential to achieve this. An additional aim of the project was to develop a transferrable Engaging Community Assets model for any practice in Scotland.

The first stage was to recruit and engage two GP practices and undertake a Learning Journey with each to develop their understanding of social enterprise and illustrate to them relevant services that were already available in their area, which they were previously unaware of. Community meetings were then held in each community using highly participatory techniques. Participants discussed what they believed the main issues in their community were and considered potential solutions to these issues. Appropriate social enterprises and a local voluntary organisation were then selected for each practice to signpost patients to whom they felt would benefit from the types of services offered. Meetings were held between representatives from the selected organisations and staff from each practice to share information and raise awareness about ways in which they could help patients.

5. Engaging Communities on Creativity for reducing social inequalities: the case of Creative Stirling

5.1 Values

Creative Stirling is a community interest company that emerged in the city of Stirling, Scotland in 2012. It grew out of the personal connections of the two founders, one coming from the art events background and one from business education. The idea was to “connect people and make things happen”, to create a “hub” that could give space to local artists and their work and, as a result, give Stirling community access to cultural activities and opportunities. As the director says:

“We are a community and we are for the community. Yes, it's about, you know, creating cultures events, but to me that kind of works should work for everyone” (Director, 2014)

Creative Stirling position themselves differently from other arts focused organizations in Stirling, the main difference being their view and method about the provision of culture. Whilst other experiences in town were argued to benefit, through their approach, a restricted number of young people (focusing for example on one type of creative activities or by engaging young or marginalized categories of people as an add-on) CS places a concern for social inclusion and accessibility at the heart of their work. The two main areas of exclusion were identified by the director in inequality of access to education in conjunction with living in the town deprived areas: young people and parents from poorest areas, students, and the community in general. Interestingly, it was noted that also artists interacting with CS can be people who were somehow disadvantaged in the current education system or had a bad experience in education.

5.2 Spaces and needs

The spaces used by CS are also distinctive of their approach. They use a variety of spaces in town that are publicly accessible for pop-up events (e.g. restaurants and pubs), the Old Town Jail building where CS host main offices and laboratories; and “Made in Stirling”, a dedicated shop for local artists. Events are offered at very low prices to keep them accessible.

In 2011 one of the founders attended a meeting with the Council where a deficit in creative industries and related opportunities was emphasized as one of community needs. The now director of CS had a business project which positioned a small social enterprise right where the gap was: support for creative industries in the community. The availability of a physical space was crucial at that stage and for the purpose. Stirling Council offered on that occasion the use of the Old Town Jail at a lower-than-commercial rate. The Old Town Jail hosted a traditional jail display in the context of a heritage venue. As such, it was closed in 2012 and it is now the main space used by CS. The director's business plan converted the jail. Contemporary artists, digital literate, and technology were used to re-interpret and qualify this venue of historical heritage, showcasing different ways to tell past and present events (one of the opening exhibitions, to illustrate, engaged artists in interpreting the independence referendum for Scotland).

This building was disliked by other potential users because of its features (it is an historical building) and because of its location, which is one of the most deprived areas in Scotland. The Old Town Jail is in fact situated in an area of social housing traditionally called "Top of the Town" very close to Stirling Castle, a prestigious historical heritage site. The hill hosting the Old Town comprises mostly social housing and is populated by some of the lowest income population in Stirling. In the director's words:

"... we're in the top, we're now in the status, in the top 15 percent of multiple deprivation. There's all sorts of, um, complex problems because of, um, the community are quite, kind of severely disadvantaged, um, and it's been that way since they renovated the housing and made it social housing a long time ago ... You get international tourists, you know, rubbing up directly against people who are in a dire social status" (Director, 2014)

Coming down from the Top of the Town, near the high-street is "Made in Stirling", the shop for local artists which *"doesn't operate quite like a commercial gallery"* (Director, 2104). This is a retail project that benefited from Creative Scotland funds in support of the regeneration of local high-streets. Local artists were called to contribute *"to enable people to develop and retail their own art works, as an occupation if not for their personal gratification"* (Director, 2014).

"The idea is that it supports artists at a fundamental individual livelihood but also all of the learning, these are artists who wouldn't be able to sell through a commercial gallery or support their own retail activities. So, they're learning about the market, they're learning about the work, comparing work in maybe the same practice in with, ah, different artists, they're developing all sorts of knowledge and skills about how to how to, um, retail. It's ultimately completely flexible because, ah, lot of these artists maybe have other jobs, they maybe aren't in a position to jump off and rely completely on making, or designing or whatever they are" (Director, 2014)

The Old Town Jail and Made in Stirling provide CS dedicated spaces. There are other spaces accessible to the public such as the town's pubs and restaurants where CS organise their events. CS operate also via pop-up events that move around different places therefore using multiple physical spaces in different parts of the town and at different times (day events for children and young people, night events for adults). Events, conceived in this way, represent the space of opportunities created by CS. In doing so, CS fill physical spaces with contents and meaning. For example, the "Coder Dojo" is a computer science laboratory (located inside the Old Town Jail) which is offered free as part of a government policy for young people at the "Top of the Town" to learn the language of coding and its functions. The social purpose with this project is to provide a space where to improve digital literacy amongst those who live in deprived areas. The Coder Dojo runs on a voluntary basis whilst other events may generate income for the artists or the technology literates.

Another example is “Pecha Kutcha”, a pop-up event based on a Japanese model of information sharing. It is a way for people to share unusual skills, knowledge and expertise, to get to talk to each other about specific topics. Other pop-up events can involve also music, film, poetry and are kept at a minimum price to cover costs.

Also the promotion and organization of network events support the creation or relational space. These activities are offered free of charge, represent “*grass-roots access for people in community who just want to share what they do and meet other creative people*” (Director, 2014).

5.3 Behaviors and collaborative linkages

At the time when CS was set up, public money for culture was thinning as part of a public spending review. CS entered the Stirling cultural scene with an original approach. Incumbent art organizations were used to rely on public funding. The constraints that followed the Council’s spending review provided the context for regarding others in the sector as competitors for funding. In contrast, CS considered the use of a collaborative attitude as a strategic element from the beginning of the venture. Collaboration was already part of the background or habit of the founders, where their previous behavioural propensities were one of “*outreaching creating partnerships and collaborative projects*” (Director, 2014). This attitude was then reinforced by contextual conditions, or by “*reading policy*” and by anticipating the consequences of the drastic changes introduced in the cultural sector. Cooperation was seen a necessary condition for survival.

Creative Stirling’s two most important partnerships are now with three organizations: Artlink Central, Ice-cream Architecture, and the University of Stirling. Artlink is a social enterprise that operates with jail prisoners offering arts projects and therapeutic arts. They work with the National Health Service (NHS) and with service agreements with the criminal justice system: “*It’s not that kind of thing we have the resources to do, but, um, it’s the sort of thing we aspire to, so, we figured working a partnership with them*” (Director, 2014). Ice-Cream Architecture on the other hand is a team of young architects who work on community engagement and city planning. From the initial survival approach to relations, linkages have grown driven by the common aim of generating more opportunities, enrich the experience and bring partners close to each other on the basis of shared values.

These partnerships are now formal but not project-led. Rather, they are self-funded and based on a genuine will to learn from each other, share experiences and ideas. This long-term path in developing relations, then, facilitates learning and access to opportunities when they arise:

“Ah, they do things like service design, um, and we worked with them on a couple of projects when we first set up, so, um, we and that we, very importantly, share the same kind of values. I’ve been in an awful lot of, um, partnership situation where it’s been on paper but not actually, um, meaningful or effective or whatever. So, this was a, um, this was a long kind of process to, you know, it’s through having existing relationships with both of these organisations and with those individuals that led those organisations and, and realizing that we as I said shared the same set of values. And that’s how we came to set up this formal strategic relationship. And importantly, it’s not project-led at the moment”. (Director, 2014)

The partnership with the University of Stirling, and in particular within the space provided by the graduate course on socio-economic development, grew in a similar way, based on the mutual will to explore possibilities on the ground of a proximity of values concerns for communities. The link was facilitated in the first instance by the fact that one of the two directors is a member of staff at the University, working at the Research and Enterprise Office and with a strong knowledge of local business and local connections.

The other director—who has engaged the most with the research project—has a background in arts and had worked as cinema development officer at Dundee Contemporary Arts centre and, lately, at Macrobert, an established non-profit organization located at Stirling University campus, where she contributed to a young people festival (Mfest) in collaboration with the Arts Academy. The link with the University has now gone beyond the initial relation and has extended to specific activities in cinema development with the School of Film and Media.

5.4 Outcomes and impacts

CS create and use space to generate connectivity amongst artists and generate social value in the community. Since the start, in 2012, they have reached several results:

- Two dedicated physical spaces: the shop used by artists to sell their works in the low part of the town, and the headquarters in the Old Town Jail. In between, they use occasional spaces hosted by local restaurants, pubs and hotels. These spaces connect the two parts of the town physically. In this way, CS cannot be identified with deprived or well-off areas since they can be everywhere depending on the activity or event. Access is improved and there is no prejudice attached to the physical location.
- A space for learning and opportunities for local artists through the shop and through the pop-up events that give them visibility and acceptable economic returns.
- A space of inclusion for the community to work with the artists or to interact with each others. This happens through workshops, which generate income for the artists, and pop-up events that move around different places.
- Space for young people and their parents through dedicated workshops.
- Space for volunteers and staff (such as students, mentors, managers) with pro-social motivations and cooperative attitudes who would otherwise have the opportunity to work on art projects for the community.
- Space for cooperation and learning with other organizations, offering an example of how a cooperative rather than competitive attitude can be beneficial for the individual organizations and for the community.

6. Engaging communities on health and wellbeing for reducing social isolation: the case of the Engaging Community Assets project

6.1 Context and needs

In 2010, The Christie Commission asserted that the current public service system is “‘top-down’ and unresponsive to the needs of individuals and communities”. This rhetoric signaled a shift in the Scottish Government’s thinking from a deficit approach, where decisions are made without referring to local communities, switching the balance of power to a “bottom-up” approach to decision making. Engaging Community Assets used this policy shift to explore the opportunity to tap into the latent social capital which already existed in the networks of social enterprise and GP Practice, two networks traditionally not well connected, and to use this as a platform of trust and shared understanding to build bridges across the divide. The project used Learning Journeys and Community Conversations to create the space required to nurture these new relationships. The aim was to invite the community to take ownership by determining their own needs and to strengthen their capability to identify and optimise existing sustainable solutions from within their own communities, such as services being delivered by

community-based social enterprises delivering indirect public health benefits. With respect to the social capital idea, the aim was to tap into latent social capital which already existed as an asset within two groups previously unconnected (namely the Fife Social Enterprise Network's 24 members and the 2 GP practices) and extend this by creating the bridging and linking social capital that is required to empower community stakeholders.

Given the current financial climate and the growing demand on public services, social enterprise was introduced as a financially more viable model for the delivery of these services over more traditional grant funded organisations and therefore more capable of delivering sustainable solutions to the issues identified in the longer-term.

6.2 Behaviours

The project aimed to use an open ended, participatory process as a replicable methodology to build local networks that create reciprocity and supportive relationships and to identify and co-produce beneficial solutions and services appropriate for that community.

The community events were delivered using World Café and Open Space. The venues were chosen to provide informal spaces where the community could meet and engage with the GPs on an equal basis. The spaces included a café in a community hospital, a local church and two community halls. For the World Café sessions delegates were seated in small groups of no more than 5 at a table to maximize the opportunity for every individual to have their say, maximizing diversity of opinion. The second stage meetings were facilitated using Open Space as a tool to maximize ownership of the ideas relating to new services.

Initially, a participation approach was used involving key informants to highlight what they perceived were the main issues in their community and facilitated discussion to enable them to identify solutions to these issues. Using this assets-based approach to engage the community from the outset helped citizens to take ownership of their situation and give them a sense of purpose by helping them to help themselves and to maximise sustainability.

The project has significantly raised awareness of local social enterprises and their services and changed the awareness of the GPs who took part in terms of their understanding of social enterprise and a values-based approach to business. GPs are keenly aware that their professional standing is based on the trust instilled in them by their patients and they are therefore extremely cautious about who they are willing to refer or sign posting their patients.

In Scotland, GPs are wary of the profit motive of private sector businesses. They are also disinclined to use local charitable organisations, stating that these tend to come and go depending on their ability to access grant funding and that personnel change all the time as a result. This means the personal relationships are lost and so is the mutual trust. In contrast once they became more familiar with the social enterprise model they were very comfortable with the non-profit-distributing motive of the social enterprises and appreciated the idea that using an income generating activity to deliver local services could provide longer-term sustainability of these services.

The social enterprises who took part on the project reported that they had grown in confidence in terms of their working relationships with GPs locally and with the NHS in general. They highlighted the fact that previously they had found it extremely difficult to engage with the professional health care sector, but through this project they had been supported to articulate their services more effectively in terms of beneficial public health outcomes.

6.3 Outcomes and impacts

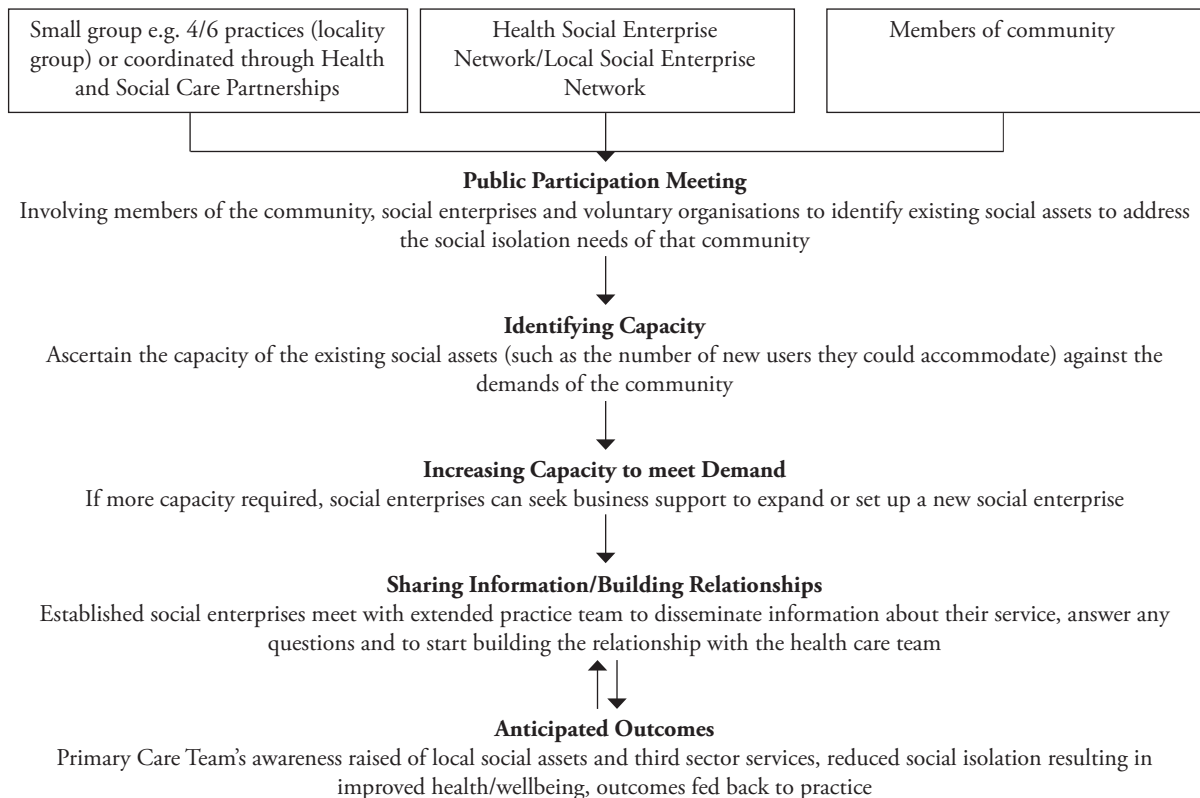
Both the GPs and the social enterprises expressed their belief that that the project had a positive impact by generating new relationships and shared understanding between the two sectors. They also felt that the project would have benefitted from having had a longer funding stream than the 18 months allocated, since the development of the relationships between the GPs and the social enterprises had taken nearly 15 months to achieve. They wished to point out to the Scottish Government that health improvement models which use social enterprises as vehicles to tap into local social networks to improve local health and wellbeing will inevitably take longer than ‘top-down’ solutions to achieve, but ultimately through local ownership and shared understanding, deliver more sustainable and effective means to encourage local communities to identify local solutions to improve the health and/or wellbeing of the community.

The following points summarise some of the outcomes and impacts achieved by the project;

- GP Practices felt that their awareness and knowledge of available social enterprises had improved (bridging social capital).
- GPs felt more confident in recommending social enterprises to patients (trust).
- A policy suggestion, highlighting the desirability of establishing a ring-fenced fund to invest in health-based outcomes of social enterprise.
- Built upon the learning and outcomes gained through the Engaging Community Assets project, a model to improve local health and wellbeing by reducing social isolation has been developed as a proposed method of engaging GP practices with their community and utilising social assets and social enterprises to improve the health and/or wellbeing of the community, below:

Figure 1. Engaging Community Assets Model (facilitated by Engaging Community Assets facilitator)

Aim: to improve local health and wellbeing and reduce social isolation



7. Discussion and concluding remarks

Our framework of analysis has highlighted the potential that social enterprises have for creating community ownership. They do so by generating a variety of spaces, physical and relational. The first spaces include the conversion and use of physical buildings and the setup of a specific form of socially-oriented business organization. Immaterial spaces include spaces for learning, exchanging ideas, being creative, talking about experiences and needs, engaging with others. All these spaces are the outcome of the fundamental cooperative attitudes and pro-social values that are implicit in social enterprise and of the resulting network of relationships that result from such attitudes.

A comparison between the two cases emphasises two different ways of doing this. Creative Stirling is an example of organisation that has created these spaces out of the initiative of the co-founders, building on their contacts and then progressively enlarging the network often informally. Engaging Community Assets is, on the other hand, a project that was designed by the College of General Practitioners in partnership with key stakeholders from the Scottish social enterprise sector, identifying and involving social enterprises with formal agreements and a co-produced model that was applied in different medical districts. The scale of the spaces created is also different. In the one case it regards one locality (Stirling), its community and a variety of interested groups within it. In the other case it involves one specific stakeholder (the users of the NHS), doctors and their practices, social enterprises.

The potential for communities and their welfare is indicated by the initial observations presented in our case studies. For CS it is the creation and use of a variety of spaces that makes their social aims achievable. Cooperation with the Council on the Old Town Jail appears fundamental. The physical building in conjunction with the social enterprise idea created the space for social inclusion using the arts. Events held downtown in itinerant places have built over time a different visibility to CS and access to multiple audiences, using community-based assets (local artists, local restaurants) and other partners. The collaboration with public bodies did not make CS dependent but is fundamental to maintain visibility and a social purpose. We interpret the role of government policy (e.g. on digital literacy) or other public organizations (with Creative Scotland for the shop) as the upper level where broader policy spaces are developed and where social enterprises like CS could germinate, thus creating connections with the city: i.e. furthering partnerships with the Council and with other organizations and individuals in Stirling (linking and bridging social capital). Physical space and immaterial, relational space overlap constantly reciprocally alimentering each other.

For Engaging Community Assets it is the identification of new approaches to the production of local services which have a beneficial impact on public health, where social enterprises provide the container for new norms for delivering services through non-profit-distributing enterprises. This space then created opportunities to introduce GPs (who are directly connected to large numbers of the local community through their role as trusted health professionals) with local social enterprises that support individuals from the most disadvantaged segments of the local community. The series of participatory events carried out to engage the two networks, made it possible to construct bridges across the relationship divide which previously existed (bridging social capital). The use of local community buildings provided informal settings that equalized the relationships between the entrepreneurs and the GPs, enabling a greater level of trust to emerge than using the buildings where the GP practices were based. The fact that the project was funded by the Scottish Government's Third Sector Division (as a result of linking social capital inherent between the Scottish Government and the Scottish Social Enterprise sector) provided a background which gave an important level of credibility to the project itself and ensured that GPs were incentivized to remain engaged with the process despite the challenges they faced in understanding a new model of business represented by their local social enterprises.

Both models have advantages and limitations. In the case of CS the spaces created are embedded in the community and become part of people's everyday life. However issues of resilience and continuity are tied to the ability of the social entrepreneurs to keep a constant and frequent presence in town, face the challenges of working with the Council, transform informal partnerships into formal projects and make the network grow. In the case of ECA the space offered by social enterprise is mediated by the confines of the customs and traditions of the medical profession and therefore more likely to be restricted by the ability of the GPs to actually understand social enterprise nature and to coordinate the process. Moreover, the engaging community assets model summarised in Figure 1 does not make explicit reference to potential collaborations with policy-makers and government officials, Indeed social enterprises seem to take over some initiatives that traditionally belonged to local and national administrative authorities, but they also maintain close relationships with policies and government in their efforts to build networks and expand the bright side of social capital. Thus, the Community Engagement Asset Model would benefit from emphasising the role of policy and governance, or linking social capital, as one of its components.

Still, both examples successfully create spaces where local communities are provided with opportunities to overcome social inertia, through inclusion, cooperation and ownership to overcome the frictions of path dependence by increasing trust and coordination across sectors and systems.

References

- Amabile, T.M., Conti, R., Coon, H., Lazenby, J. & Herron, M. (1996). Assessing the Work Environment for Creativity. *The Academy of Management Journal*, 39(5): 1154-1184. <http://dx.doi.org/10.2307/256995>
- Baran, P.A. & Sweezy, P.M. (1966). *Monopoly Capital: An essay on the American economic and social order*. New York: Monthly Review Press.
- Baum, F. (1999). Social Capital: Is it Good for Your Health? Issues for a Public Health Agenda. *Journal of Epidemiology Community Health*, 53: 195-196. <http://dx.doi.org/10.1136/jech.53.4.195>
- Borzaga, C. & Sacchetti, S. (2014). The social enterprise as a deliberative nexus. Or why the costs of inclusion can be lower than the costs of exclusion. Conference paper, *ISM-Open Conference 2014: Broadening the Scope*, The Open University Business School (September 29, 2014).
- Borzaga, C. & Sforzi, J. (2014). Social Capital, Cooperatives and Social Enterprises. In Christoforou, A. & Davis, JB (Eds.) *Social Capital and Economics. Social Values, Power and Social Identity*. London: Routledge, p. 193-214.
- Bowles, S. & Gintis, H. (2011). *A Cooperative Species: Human Reciprocity and Its Evolution*. Princeton, New Jersey: Princeton University Press. <http://dx.doi.org/10.1515/9781400838837>
- Bruni, L. & Zamagni, S. (Eds.) (2013). *Handbook on the Economics of Reciprocity and Social Enterprise*. Cheltenham, UK: Elgar. <http://dx.doi.org/10.4337/9781849804745>
- Campbell, C. & Sacchetti, S. (2014). Social Enterprise Network and Social Capital. A Case Study in Scotland/UK. In Christoforou, A. & Davis J.B. (Eds.) *Social Capital and Economics. Social Values, Power and Social Identity*. London: Routledge, p. 215-235.
- Cowling, K. & Sugden, R. (1998). Strategic Trade Policy Reconsidered: National Rivalry vs. Free Trade vs. International Cooperation. *Kyklos*, 51 (3): 339-357. <http://dx.doi.org/10.1111/j.1467-6435.1998.tb01424.x>

- Cowling, K. & Tomlinson, P. (2011). Post the 'Washington Consensus': Economic Governance and Industrial Strategies for the Twenty-First Century. *Cambridge Journal of Economics*, 35(5): 831-852. <http://dx.doi.org/10.1093/cje/ber003>
- Cowling, K., Poolsombat, R. & Tomlinson, P. (2011). Advertising and Labour Supply: Why Do Americans Work Such Long Hours? *International Review of Applied Economics*, 25(3): 283-301. <http://dx.doi.org/10.1080/02692171.2010.483472>
- David, P. (1985). Clio and the Economics of QWERTY. *American Economic Review*, 75(2): 332-337.
- Dewey, J. (1910/1991). *How We Think*. Amherst, New York: Prometheus Books. <http://dx.doi.org/10.1007/978-94-017-4740-0>
- Dewey, J. (1917). Creative Intelligence: Essays in the Pragmatic Attitude. Reproduced in Sidorsky, D. (Ed.) (1977). *John Dewey*. New York, NY: Harper.
- Dewey, J. (1922). The Place of Habit in Conduct. Extract from *Human Nature and Conduct*. Reproduced in Hickman, L.A. & Alexander, T.M. (Eds.) (1998). *The Essential Dewey*, Vol. 2: 24-145). Bloomington, IN: Indiana University Press.
- Fukuyama, F. (2001). Social Capital, Civil Society and Development. *Third World Quarterly* 22(1): 7-20. <http://dx.doi.org/10.1080/713701144>
- Gardin, L. (2014). Solidarity-Based Initiatives. In Defourny, J., Hulgaard, L. & Pestoff, V. (Eds.) *Social Enterprise and the Third Sector*. London: Routledge, p. 114-129.
- Information Services Division Scotland (2011). Practice Team Information, <http://www.isdscotland.org/isd/6538.html>
- Joas, H. (1996). *The Creativity of Action*. Chicago, IL: University of Chicago Press.
- Laville, J.-L. (1994). *L'Économie Solidaire. Une Perspective Internationale*. Paris: Desclée de Bouwer.
- Lefebvre, H. (1974). *The Production of Space*. Paris: Editions Anthropo. Translated to English in 1991 by Nicholson-Smith, D. Cambridge: Blackwell.
- Leventhal, G.S. (1980). What Should Be Done with Equity Theory? New Approaches to the Study of Fairness in Social Relationships. In Gergen, K., Greenberg, M. & Willis, R. (Eds.), *Social exchange: Advances in theory and research*. New York, NY: Plenum, p. 27-55. http://dx.doi.org/10.1007/978-1-4613-3087-5_2
- Martin, R. (2010). Roepke Lecture in Economic Geography-Rethinking Regional Path Dependence: Beyond Lock-in to Evolution. *Economic Geography*, 86(1): 1-27. <http://dx.doi.org/10.1111/j.1944-8287.2009.01056.x>
- Maslow, A.H. (1963). The Creative Attitude. *Structurist*, 3(3): 4-10.
- Ostrom, E. (1996). Crossing the Great Divide: Coproduction, Synergy and Development. *World Development*, 24(6):1073-1087.
- Pelligra, V. (2002). Rispondenza Fiduciaria: Principi ed Implicazioni per la Progettazione Istituzionale. *Stato e Mercato*, 65: 335-357.
- Pestoff, V. (2012). Co-production and Third Sector Social Services in Europe: Some Concepts and Evidence. *Voluntas*, 23(4):1102-1118.
- Putnam, R.D. (2000). *Bowling Alone: The Collapse and Revival of American Community*. Simon and Schuster, New York.
- Sacchetti, F., Sacchetti, S. & Sugden, R. (2009). Creativity in Socio-Economic Development: Space for the Interests of Publics. *International Review of Applied Economics*, Special Issue on "The Economics of Creativity" Sacchetti, S. & Sugden, R. (Eds.), 23(6): 653-672.
- Sacchetti, S. (2013). Inclusive and Exclusive Social Preferences: A Deweyan Framework to Explain Governance Heterogeneity, *Journal of Business Ethics* (OnlineFirst, In press). <http://dx.doi.org/10.1007/s10551-013-1971-0>

- Sacchetti, S. (2014). Deliberative Praxis, Creation of Public Spaces and Community Welfare: The Development Model of a Small Italian Town. *Management, Work and Organisation Working Papers*, University of Stirling, <http://hdl.handle.net/1893/18403>
- Sacchetti, S. & Sugden, R. (2009). The Organization of Production and Its Publics: Mental Proximity, Markets and Hierarchies. *Review of Social Economy*, 67(3): 289-311. <http://dx.doi.org/10.1080/00346760802621906>
- Sacchetti, S. & Tortia, E.C. (2013). Satisfaction with Creativity: A Study of Organizational Characteristics and Individual Motivation. *Journal of Happiness Studies*, 14: 1789-1811. <http://dx.doi.org/10.1007/s10902-012-9410-y>
- Sacchetti, S. & Tortia, E.C. (2015). The Extended Governance of Cooperative Firms: Inter-Firm Coordination and Consistency of Values. *Annals of Public and Cooperative Economics*, <http://dx.doi.org/10.1111/apce.12058>
- Sacchetti, S. & Tortia, E.C. (2014). Multi-stakeholder Governance. A Social Enterprise Case Study. *International Journal of Cooperative Management*, 7(1): 58-72. ISSN 1741-4814
- Sacchetti, S. & Sugden, R. (2003) The Governance of Networks and Economic Power: The Nature and Impact of Subcontracting Relationship. *Journal of Economic Surveys*, 17(5):669-692.
- Sen, A. (2002). *Rationality and Freedom*. Cambridge, MA: Harvard University Press.
- Sugden, R. & Wilson, J. (2002) Economic Development in the Shadow of the Consensus: A Strategic Decision-Making Approach. *Contributions to Political Economy*, 21(1): 111-134.
- Tortia, E.C. (2010). The Impact of Social Enterprises on Output, Employment, and Welfare. In Becchetti, L. & Borzaga, C. (Eds.) *The Economics of Social Responsibility. The World of Social Enterprises*. London: Routledge.
- Veblen, T. (1899/2003). *The Theory of the Leisure Class: An Economic Study of Institutions*. New York: Random House.
- Veblen, T. (1914/1990). *The Instinct of Workmanship and the State of the Industrial Arts*. New Brunswick (NJ): Transaction Publishers.
- Weisbrod, B.A. (1989). *The Nonprofit Economy*. Cambridge, MA: Harvard University Press.
- Witt, U. (2003). Economic Policy Making in Evolutionary Perspective. *Journal of Evolutionary Economics*, 13: 77-94. <http://dx.doi.org/10.1007/s00191-003-0148-x>
- Young, I.M. (2000). *Inclusion and Democracy*. Oxford: Oxford University Press.
- Young, I.M. (2004). Two Concepts of Self-Determination. In May, S., Modood, T. & Squires, J. (Eds.) *Ethnicity, Nationalism, and Minority Rights*. Cambridge: Cambridge University Press, p. 176-195. <http://dx.doi.org/10.1017/CBO9780511489235.009>

JEOD JOURNAL OF
ENTREPRENEURIAL AND
ORGANIZATIONAL
DIVERSITY

www.jeodonline.com