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ORIGINAL ARTICLE

Creating social value by empowering people: a social innovation perspective

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Abstract

Initiatives across the private, public, and third sectors have increasingly pursued social value beyond mere profit. However, how social value can be created still requires a more detailed investigation. This paper provides conceptual and empirical arguments on how initiatives of social innovation, which intentionally seek to empower people, contribute to generate social value. We investigate three European social innovation cases—which are collective entrepreneurial initiatives. Using mixed methods applied to primary nested data, we first find evidence for empowering effects and then identify a typical process through which empowerment occurs. Our results suggest that social innovations catalyze empowerment through a horizontal and co-creational organizational design, providing space for individuals to propose their goals and establishing mechanisms of mutual influence that transform individual autonomy into coactive power. This process kicks off social value creation, yet its reach within society depends on how much empowerment diffuses beyond the participants in the initiative.

KEYWORDS
autonomy measurement, empowerment, mixed methods, social innovation, social value

JEL CLASSIFICATION
O35, I30, B52, B55, C80, D63, D70

1 | INTRODUCTION

Ethical concerns have increasingly led agents in the private, public, and third sectors to pursue social value, often combining economic benefits with social or environmental goals (Candi et al., 2019; Dacin et al., 2011; Nicholls, 2006; Vezina et al., 2017). However, the micro-process of how social value can be created remains a partial enigma as it unfolds in highly contingent circumstances and contexts.

This study looks at social innovation, which provides new products or services that would be scarce when left to market mechanisms. Social innovation thereby addresses social needs (Dufour et al., 2021; Murray et al., 2010; Nicholls & Ziegler, 2019) that often reflect the lack of power experienced by a particular social group (Fowler et al., 2019; von Jacobi et al., 2017). Social innovation fits into *entrepreneuring* because it seeks to 'bring about new economic, social, institutional, and cultural environments' (Rindova et al., 2009, p. 481). It resembles collective social entrepreneurship (Montgomery et al., 2012) but does not necessarily apply business rules. Similar to the social economy enterprise, it combines the goal of transforming society with a localized, bottom-up process in which multiple actors engage in some democratic governance (Tortia et al., 2020; Vezina et al., 2017).

We can understand social innovation as the provision of "new ideas, products or processes that intentionally seek the alteration of power structures" (simplified from Nicholls & Ziegler, 2019, p. 4).[1] Social innovation introduces change into an existing system of socio-economic relationships that constrains certain types of activities. We assume that social innovation creates social value when it lifts specific constraints on activities, products, or services that are *valued* through mechanisms that transcend the market price (Schumpeter, 1908; Sen, 1999). As the alteration of power relations is implicit in social innovation initiatives, we adopt an empowerment perspective and focus on their emancipatory potential (Haugh & Talwar, 2016; Maclean et al., 2013; Montgomery et al., 2012; Ziegler, 2017b). In this context, we are interested in the following question: '(How) Does social innovation create empowerment and generate social value?

Our work combines theorizing on social innovation (Moulaert et al., 2013; Jacobi et al., 2017; Nicholls, 2006) and empowerment (Follett, 1924; 1941; Sen, 1992) to speak to realities that seek to create social value (Lashitew et al., 2020; Montgomery et al., 2012; Sacconi, 2006; Vezina et al., 2017). We depart from some conceptual building blocks that originate in Sen's capability approach (1992; 1999), self-determination theory (Ryan & Deci, 2011), and Follett's work on coactive power (1924; 1941). After comparing three case studies in which collectivities engage in social innovation with a mixed-method strategy, we derive a common micro-process model of how social value can be created.

[1] Similar definitions can be found in Henderson, 1993; MacCallum et al., 2009; Moulaert et al., 2013; Vezina et al., 2017.

In our emblematic cases, new systems of exchange combine economic and social needs:

1. German interest communities defend the local provision of public water in order to maintain community-values and to safeguard the environment (see Pless & Appel, 2012; Fowler et al., 2019).
2. Italian solidarity purchasing groups enact political consumerism to support small-scale production of organic food, in line with similar instances of voicing against mass retailing (Freestone & McGoldrick, 2008).
3. Dutch complementary currencies set up alternative exchange mechanisms to overcome the felt powerlessness face the global financial system (Meyer & Hudon, 2019; Siqueira et al., 2020).

Our empirical evidence suggests that specific organizational designs are relevant for promoting empowerment and social value creation, such as co-production and horizontality in decision-making processes, and collective sharing of responsibility (cf. Tortia et al., 2020). Using such "communal schemas" (Blatt, 2009) based on reciprocity produces solidarity, relational capital, and shared values. In our analysis, such organizational features mediate a process of mutual influence amongst participants (Follett, 1941). As our case studies are instances of collective and collaborative entrepreneurship, our findings are particularly relevant, e.g., for social enterprises or cooperatives (Poledrini & Tortia, 2020; Tortia et al., 2020).

The paper is structured as follows: we first introduce the building blocks of our theoretical understanding of social innovation, autonomy, and empowerment. Next, we introduce our case studies and the mixed-method strategy we used to collect relevant primary data. On the basis of our qualitative and quantitative findings, we derive a common process model of empowerment. In the discussion section we focus on the conditions for social innovation to trigger social value beyond their own participants' empowerment.

2 | CONCEPTUAL FRAMEWORK

In what follows, we present the relevant literature underpinning the concepts of social innovation, capabilities, empowerment, and social value creation. While social impact measurement has experienced remarkable attention and development (Mulgan, 2010; Nicholls et al., 2019), there is still no consensus on how to conceive and capture social value creation (Lehner et al., 2022), especially in a transversal manner that could be applicable to different cases and contexts (Dees, 1998; Nicholls, 2006; Unerman & Chapman, 2014). More specifically, the impact measurement of social innovation is still in its infancy (Antadze & Westley, 2012; Shaw & de Bruin, 2013; Nicholls et al., 2015). While empowerment has been put into connection with social innovation and its impact (Haugh & Talwar, 2016; Nicholls et al., 2019), specific links and barriers that may prevent social change still remain uncertain (Haugh and O'Carroll, 2019).

Conceptually, our work deepens this discussion by contextualizing social innovation initiatives within a capability approach perspective (Chiappero-Martinetti et al., 2017; Sen, 1999; Tiwari, 2017). With respect to the extant literature, we focus on micro-processes of empowerment. The recent discussion on the antecedents to empowerment has mainly focused on individual processes in which personal competencies or skills foster reaching own aspirations (Mojo et al., 2016) or those of one's social group (Tremblay & Gutberlet, 2012). Our analysis, instead, distinguishes between the two separate, although related, concepts of individual autonomy and (processes of) empowerment (Deci, 1971; Follett, 1941), and provides a reconstruction of the important role that

mutual influence—mediated by organizations as the ones proposed in social innovations—can play. Our results represent a critical contribution to the empirics in the field: we neither focus on single case studies (Haugh & Talwar, 2016) nor compare multiple cases for illustrative purposes (Montgomery et al., 2012), but instead adopt a—less common—comparative analysis (Kroeger & Weber, 2014; Voorberg et al., 2015) Our findings therefore represent new insights on the social obstacles people may face, and how specific co-creational aspects in social innovation promote empowerment and social value.

2.1 | Social innovation, change of power relations for the creation of social value

Social innovation shares fundamental features of the social economy enterprise (Tortia et al., 2020) as it combines social ends and social means (BEPA, 2010). Because it explicitly targets a social need, social innovation is often simply interpreted as doing "good" to society. Ayob et al., and Fagan (2016) distinguish between two major strands of social innovation literature. In the *weak* tradition, the positive contribution of social innovation to society is seen from a utilitarian point of view (Pol & Ville, 2009) as any increase in utility—of any social group or the entire society, without necessarily modifying structural power asymmetries. In the *strong* tradition, any positive effects of social innovation will ultimately modify extant power relations (Avelino, 2017; Henderson, 1993; MacCallum et al., 2009; Moulaert et al., 2013). We follow the *strong* tradition and adopt a definition of social innovation as new ideas, products, or processes that *intentionally seek* to alter power structures and improve human capabilities (simplified from Nicholls & Ziegler, 2019, p. 4).

Crucially, the alteration of power structures implies lifting constraints on specific actions. When social innovation succeeds in altering the power structures that have determined a social need, social value may follow if such actions are *valued* - by those who get access to them. Such *value* is determined independently from market value (Rindova et al., 2009; Schumpeter, 1908; Sen, 1992). However, why and how do people value such activities? We rely on Sen's work to respond to such questions.

2.2 | Capabilities, autonomy, and social value

We build on Sen's (1992; 1999) normative framework to outline that social value can be created by removing social obstacles and enabling people to choose for themselves in line with their *values*. The capability approach is a theoretical perspective that defines capabilities in terms of the "real freedom people have to lead the life they have reason to *value*" (Sen, 1999, p. 19, emphasis added). According to Sen, a valuable life is a life that allows people to have the freedom to realize—in autonomy—those beings and doings they value and to choose for themselves what is a "flourishing life" (Nussbaum, 1995).

Whether or not people can act on behalf of what they value implies a certain degree of autonomy in their decision-making. Self-Determination Theory (Deci & Ryan, 2000) has extensively treated autonomy, defining it as a "desire to self-organize experience and behavior and to have activity be concordant with one's integrated sense of self" (p.231). Ryan and Deci (2011) argue that an individual's motivation can range from controlled (non-autonomous) to self-determined (or autonomous): 'a person is autonomous when his or her behaviour is *experienced as willingly enacted* and when he or she fully endorses *the actions* in which he or she is engaged and/or *the values* expressed by them' (Chirkov et al., 2003, p. 98, emphasis added).

Autonomy is, therefore, crucial for individual human flourishing. However, it does not only depend on individual wills and intentions: it also requires some power to achieve, which people may or may not have in the contexts where they are embedded. Collective action, which embeds the aspirations of the single individual into shared intentionality (Olson, 1989; Searle, 2005), may expand individual autonomy when it helps lift constraints on *valued* actions.

Individual action may produce indirect changes in the autonomy of others—that are exposed to the same (or similar) constraints. Such influence beyond one's personal life (Drydyk, 2013; Ibrahim & Alkire, 2007) helps us in tracing a line between autonomy (a person's state of affairs) and empowerment (not just personal outcome).

2.3 | Empowerment: from individual autonomy to coactive power

While autonomy produces individual benefits, it is tied to empowerment when it implies easing constraints for a broader group. We, therefore, reflect on the particular kind of power implied by the concept of empowerment. According to Follett (1924), a crucial distinction is between the concepts of *power-with* and *power-over*. Power-over is coercive and underpins those power structures in which some reside at higher positions of societal hierarchy with respect to others. Changes in power-over always require repositioning some at the expense of others. *On* the other hand, power-with is of a coactive kind and requires mutual influence between different parts: "if there is an interactive influence going on all the time between you, power-with may be built up" (Follett, 1941, p.105).

Empowerment is a sort of "genuine power" in as much as it "is not coercive control, but coactive control" (Follett, 1924: xiii in Boje & Rosile, 2001, p. 101). When the autonomy of (more) individuals combines and "interpenetrates", that is when "coactive power" in society can emerge (Follett, 1941, building on Hegel, ibidem, 2001, p. 101).

To trace empowerment processes, it becomes relevant to consider both the effective expansion of decision-making aspects (i.e., individual autonomy) and the capacity of a group to remove barriers to expand the choices that members in that community may have (coactive power).

Figure 1 summarizes the critical elements identified in the literature review, and how they interrelate.

2.4 | Research strategy and research design

The critical empirical question at the heart of our analysis is: (How) Does social innovation, by enhancing human autonomy, create empowerment and generate social value? The first hypothesis we seek to test is whether social innovation is positively associated with the individual autonomy of participants. We expect participation to associate with an increase in autonomy.

The second hypothesis we investigate is whether social innovation facilitates the extension from individual autonomy to coactive power—we study *how* this happens within a social innovation context. We combine our results to discuss under which circumstances social innovation—by empowering individuals and communities—produces social value.

Differences between social value-seeking initiatives are such that comparing cases is typically challenging (Dees, 1998; Nicholls, 2006; Unerman & Chapman, 2014). So far, the literature tends to focus on single case studies (Haugh & Talwar, 2016) or comparing multiple cases for illustrative purposes (Montgomery et al., 2012). Nevertheless, methodological advancement in the compara-

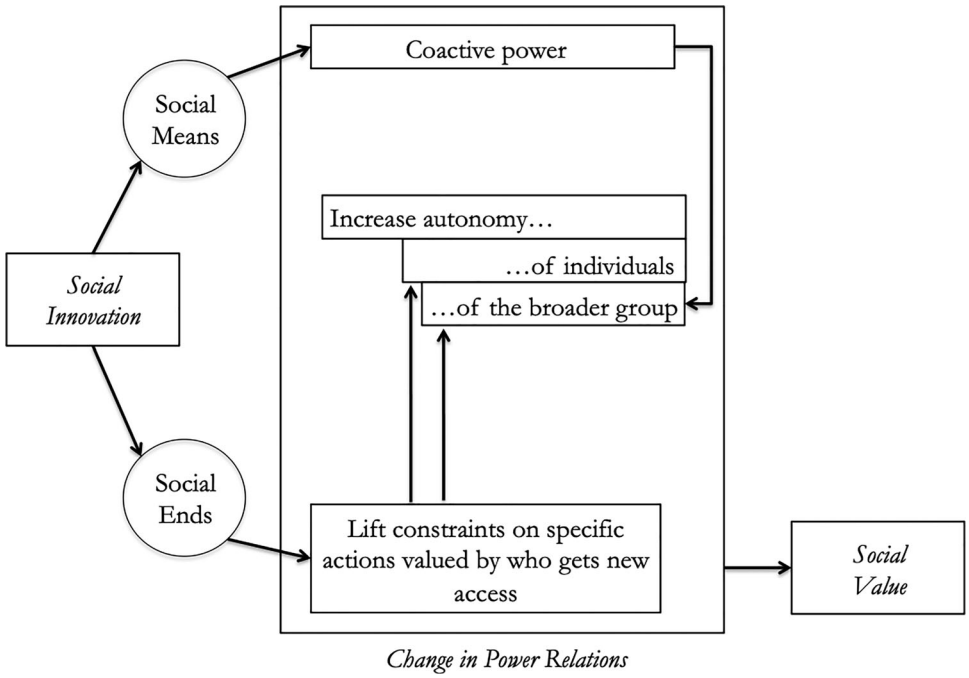

FIGURE 1 Synthesis of the literature connecting social innovation and social value.

tive analysis of social value creation is much needed (Kroeger & Weber, 2014). We propose to put empowerment at the heart of such comparative efforts and opt for a measure of autonomy that synthetically accounts for the internal drive, external constraints, and the effects of *the interpenetration* of different individuals' autonomy (Deci, 1971; Follett, 1941). We measure autonomy at the individual level and investigate how it changes with participation within three social innovation case studies.

2.5 | The rationale for case selection and case studies description

We purposefully select three cases (Patton, 2002) of social innovation in which the collective struggle against constraints to autonomous choices seeks to modify power relations. Indeed, in the three cases we investigate, groups of individuals gather to gain power over a situation they perceive as constraining. The acquisition of control over local natural capital (German case), over the production chain of the food they consume (Italian case), and over a part of the monetary system (Dutch case),are all emblematic examples of the search for power. The specific criteria we considered for our purposeful selection of cases were as follows: the initiative (1) needs to address a "social need" implying a lack of power tied to socio-institutional constraints; (2) has motivations that go beyond mere profit-seeking; (3) is "innovative"—proposing a new solution to the need addressed; (4) is implemented contemporaneously in a multitude of contexts within the same country and (5) relies on efforts mobilized by a collective entity. We intentionally allow for some differences across cases, in particular in terms of sectors (water management, food supply, finance), innovation life cycle (early adopters, scale-up phase, mature innovation), and

overlap between social innovators and targeted beneficiaries: this gives more depth to our effort to compare empowerment effects.

The Interest community for communal drinking water supply (IKT) in Germany is a non-profit organization aiming to structure a network of local activists promoting decentralized drinking water supply and wastewater treatment. Centralized systems are perceived as constraints to local management and preservation practices. It is a mature innovation (the first initiatives began in 1986) that, in some cases, has already ended with success (preservation of the local water supply) or failure (connection to the centralized distribution system). Implementation contexts are prevalently formally organized and characterized by a complete overlap between social innovators and beneficiaries (citizens) since initiatives occur in small peripheral communities where all inhabitants are involved (Ziegler, 2017a). IKT represents a social innovation because they address the social need to gain control over the local sources of water; the innovative solution they propose is to provide assistance allowing communities to self-manage their water supply and distribution.

Solidarity purchasing groups (SPG) in Italy are self-organized groups of consumers that buy collectively from selected organic and local suppliers. Their activities aim to bypass mass retailers' intermediation, which they perceive as constraints to consumption patterns that promote solidarity values and favor small productions (Maestripieri, 2019). Unlike community cooperatives (Montgomery et al., 2012), SPGs only sometimes constitute formal organizations: they operate as a cultural association or as an informal group, weakly organized between groups through a non-formalized network at the local and national level. They are in their scale-up phase, experiencing sustained diffusion in the country since the foundation of the first SPG in 1994 (Maestripieri, 2019). Social innovators (the consumers) tend not to overlap with beneficiaries (the suppliers), who are rarely involved in the management and definition of the initiatives' goals. SPGs are a social innovation because their demand for specific consumption goods creates an alternative end-market for solidarity-inspired producers that would otherwise not be competitive with the mass food retail system. The social need they address is to gain control over the distribution of basic goods (e.g. food) by bypassing the industrial system of production and distribution; the innovative solution they propose is to modify the process of consumption.

Complementary currencies (CC) in the Netherlands are neither issued nor guaranteed by governments or their delegates. They comprise local exchange trading systems (LETSs), regional money, time banks, commercial barter systems, and cryptocurrencies—all promoting economic transactions outside the legal tender—in this case, the euro (van der Linden & van Beers, 2017). CCs seek to "voice" alternative economic models and goals, such as "community-building, social capital creation, boosting local economies, valuing marginalized labor, and enabling collaborative consumptions to reduce environmental impacts of current lifestyles" (Seyfang & Longhurst, 2013, p. 75). CCs usually opt for formal structures, and there is variability in their non-profit constituency. It is a relatively recent innovation; many of our implementation contexts are in their early-adopters phase. There is variability in terms of overlap, with some contexts not separating social innovators from beneficiaries; and others keeping management distinct from the users of the service, which have no voice in goal-setting.[2] CCs are a social innovation because they address the social need to bring back more economic/ entrepreneurial opportunities within a profit-oriented economic system. The innovative solution they propose is to self-manage currencies without depending on a central institution, which creates alternative exchange systems.

[2] In such a case, the social innovators are the managers of the complementary currency.

The cases are similar in size (5–17 median number of active members) and involvement of participants: mobilizing a median of 1–2 hours of weekly voluntary work, with monetary contributions being frequent but inversely proportional to the amount of money contributed. All cases are ethically driven, based on membership and consumer co-production (Chaney, 2019), which allows us to classify them as social innovations in line with our definition. The IKT stands for political and sustainability struggles of minorities in favor of transformative thinking (Roberts & Geels, 2019) in the management of common pool resources (Brodnik & Brown, 2018; Ostrom, 1990). While SPGs stand for situations in which certain producers (e.g., small-scale, ethically oriented) seek to overcome a lack of power on the market (Prahalad, 2004), CCs stand for struggles to improve collaborative consumption (Barnes & Mattsson, 2016), access to credit, and monetary liquidity while fostering demand for local products.

2.6 | Research methods

We opt for a mixed method approach because our research goals require a deep exploration of processes (qualitative investigation) and some standardization to test for and compare the insurgence of empowerment across cases (quantitative analysis). Our integration strategy across methods uses qualitative data to inform the design of the quantitative data collection (Bazeley, 2011; Bryman, 2009).

The subjects of our investigation are individuals (beneficiaries and social innovators) who experience the social innovation in a specific local reality—the implementation context. Social innovators are the initiative's promoters at the local level, and beneficiaries are the target population meant to experience a benefit. Beneficiaries and social innovators may overlap or not, according to cases. We focus on beneficiaries to observe autonomy, whereas social innovators are our informants on organizational designs applied in the implementation contexts.

3 | DATA COLLECTION

We adopt a sequential design (Small, 2011), which implies using different kinds of data generated by several qualitative and quantitative techniques. We implement the data collection work in three main phases. (1) Desk analysis collects information in order to identify and randomly sample social innovation implementation contexts; (2) the second step gathers information among social innovators in each sampled context; (3) the final step focuses on beneficiaries at the individual level. All data are—from the start—conceived as being nested in a multi-level design (country-context-individual): each respondent (social innovator or beneficiary) belongs to a specific social innovation implementation context, in line with the logic of an embedded single case study (Yin, 2003, p. 39). Below is a description of the three phases:

3.1 | Phase I: Sampling of Implementation Contexts

Social innovations are grass-root citizens' initiatives of which an official census is unavailable. We consider the single implementation context the most appropriate minimum ecological unit of analysis to study empowerment effects. We reconstructed a complete list of the initiatives' universes through desk analysis and explorative interviews with experts. For each case study, we

then randomly selected 30 contexts—in a non-proportional stratified sample (Corbetta, 2003) that accounts for differences in structural vulnerability of the local contexts in which the social innovation is occurring: for each case, 33% of implementation contexts are located in regions with high, medium and lowest vulnerability, respectively.[3] This sampling procedure keeps conditions of structural disadvantage under control in our analysis of empowerment processes.

3.2 | Phase II: Characterizing the Implementation Contexts

During the second phase, we gathered data about each implementation context using a form and a semi-structured interview (Brinkmann, 2018) with social innovators. The form (administered before the interview and composed of closed questions) gathered data on members, revenues, the type of innovation promoted, and the list of beneficiaries involved in their activities. We elaborated a common template for the semi-structured interviews with mainly open-ended questions about local enabling factors and constraints; the specific features of their activities; the values and objectives of their mission.[4] In total, we collected 95 semi-structured interviews and their corresponding form across the three cases.[5]

3.3 | Phase III: Beneficiaries' Perceptions

In the third phase, we gathered data at the beneficiaries' level. First, for each social innovation case, we organized a group discussion with about 8–12 beneficiaries that volunteered to participate. The group discussion was centered on listing how participation in the initiative enhanced their autonomy, the outcome being a collectively defined set of life-dimension-specific tags that we validated against the results of the semi-structured interviews with social innovators. Second, we implemented an internet-based survey that addressed beneficiaries (social innovators provided contact lists) and collected responses from 101 German, 925 Italian, and 201 Dutch beneficiaries. The questionnaire proposed questions covering socio-economic characteristics, degree of involvement, and subjective perception regarding benefits from participation and autonomy.

We asked three questions capturing subjectively perceived autonomy levels at three different points in time: the present (today), an equal distance in the past (three years before), and the moment before the individual joined the social innovation (before joining SI). Respondents were asked to reply by selecting a value ranging between zero (low autonomy) and ten (higher autonomy) along a Likert scale.[6] This allows measuring an individual's motivation along a continuum, ranging from non-self-determined/controlled to self-determined/ autonomous (Wilson et al., 2012).

[3] To quantify contextual vulnerability, we combine Eurostat indicators on structural vulnerability (at-risk-of-poverty rate (NUTS2 level), the employment rate (NUTS3 level), and GDP (NUTS3) into a composite index C by harmonic mean, which implies imperfect substitutability across sub-dimensions. For further details and a sensitivity analysis, see (Chiappero-Martinetti et al., 2003).

[4] We developed the data collection instruments in English; once validated by each local unit, we translated them into German, Italian, and Dutch. Interviews were transcribed and translated partially back into English.

[5] 30 for the German and Dutch cases and 35 for the Italian cases.

[6] Reply options "I do not know" or "I do not want to answer" were provided.

Our work extends previous empirical applications of self-determination theory (Vaz et al., 2016). However, it makes an essential modification to the question design through which self-determination, or autonomy, can be measured. We do not use multiple items (Pieterse et al., 2010; Spreitzer, 1995; Zhang & Bartol, 2010). Instead, we opt for a single question applicable to different life dimensions, allowing for greater comparability across cases. The methodological design allows plugging case-specific substantive categories (Caracelli & Green, 1993) that emerged from group discussions with beneficiaries into the specific survey questions (Table 1). Reply options to each question included "Yes, I feel more autonomous now"; "No, my situation has not changed"; "No, I feel less autonomous now".

Our final nested dataset, which we use for quantitative analysis, comprises 518 beneficiaries' responses, covering 16 out of 30 IKTs, 32 out of 35 SPGs, and 28 out of 30 CCs implementation contexts.[7]

4 | DATA ANALYSIS

The quantitative analysis focused on measuring and comparing the autonomy levels of beneficiaries, their change after involvement in social innovation, and their decomposition by life dimension. Multi-level regressions allowed estimating the statistical relevance of features of the implementation context on beneficiaries' autonomy levels.

Our qualitative analysis focused on how social innovation may foster empowerment. While we initially conceived our template for the semi-structured interviews to investigate the organizational structure of implementation contexts, several dimensions emerged inductively as being related to individual autonomy and empowerment, in particular co-production, horizontality, collective responsibility, and personal sense of self-efficacy. Group discussions with beneficiaries, on the contrary, had the scope of investigating their empowerment from the start; discussions became additional qualitative material. We then used content analysis based on an interpretive approach (Strauss & Corbin, 1998) to identify the most critical extracts related to empowerment. Extracts of interviews and group discussions were manually coded and inductively organized in a second-order group of codes—see Tables A1 and A2 for details on primary and secondary coding.

5 | RESULTS

5.1 | Evidence for increased autonomy

Our survey data show that beneficiaries report positive changes in perceived autonomy. Across cases, levels of autonomy today are similar; and beneficiaries report a more significant change in autonomy since joining the social innovation than with respect to three years ago (Table 2). We find evidence for greatest increases in autonomy in the German case (29%)—having the longest duration of activities. The Italian (17%) and Dutch (13%) increases in autonomy are smaller.

Figure 2 shows the percentage of beneficiaries reporting increased autonomy since engaging in

[7] We restrict the nested dataset to complete responses on the entire survey and to those beneficiaries that neatly match the implementation contexts for which we also gathered information among social innovators. For space reasons, we only present a segment of the broader data collection here.

TABLE 1 Reported autonomy changes in selected life-dimensions: group discussions informed the formulation of questions used in the survey.

	German case (IKTs)	Italian case (SPGs)	Dutch case (CCs)	
		Cultural		
	the relations with authorities	the relationship between producers and consumers	meeting people with the same interests and values	
		Economic		
	financial aspects of water supply, e.g. water price	the choice of products to produce and their quality	the ability to save/have access to more goods and services	
		Natural		
Considering	the ability to protect water as natural resource	the ability to contribute to the care and quality of the environment	the ability to contribute to environmental care by sharing, reusing local products	**…has the participation in the social innovation contributed to your autonomy?**
		Political		
	participation in decision-making regarding water provision and treatment	choice of the productive model, such as sustainability, ethics and solidarity	practical implementation of a new way of thinking	

Note: Elaboration by the authors based on group discussions with beneficiaries.

TABLE 2 Reported levels in perceived autonomy and % change, all cases.

Mean values of autonomy on a Likert scale (st.dev. in parenthesis)			
	IKT (DE)	**SPG (IT)**	**CC (NL)**
Today	7.5 (*2.0*)	7.8 (*2.0*)	7.9 (*1.4*)
Three years ago	7.2 (*2.3*)	7.0 (*2.4*)	7.4 (*1.5*)
Before joining SI	5.6 (*2.7*)	6.2 (*2.7*)	6.9 (*1.9*)
median values of autonomy change; percentage change with respect to			
Three years ago	0%	0%	0%
Before joining SI	29.20%	16.70%	12.50%
Nr. observations	74	147	146

Note: Elaboration by the authors, Cressi Survey Data, 2016.

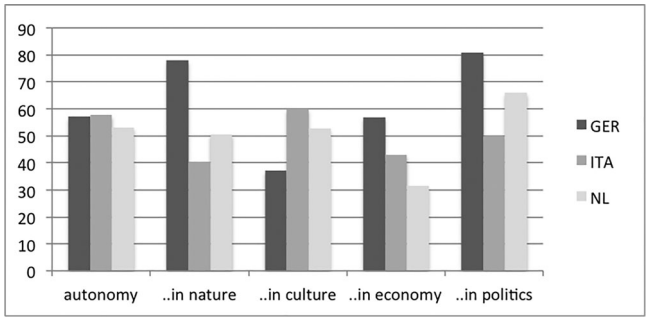

FIGURE 2 Perceived autonomy increases of social innovation beneficiaries, in overall, and within specific life dimensions, three European cases compared. Elaboration by the authors, Cressi Survey Data, 2016.

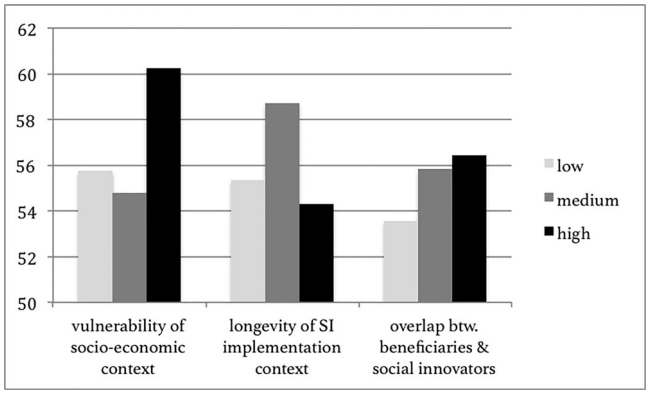

FIGURE 3 Perceived autonomy increases among social innovation beneficiaries, by features of the implementation context. Elaboration by the authors, Cressi Survey Data nested in Qualitative Form Data, 2016. Vulnerability cutoffs: p(33) and p(67) along the distribution of our structural vulnerability indicator; Longevity categories: <8y; 8–17y; >17y; Overlap categories: >50% of beneficiaries contribute with voluntary work and participate in goal-definition (high), either of the two (medium) or none (low).

social innovation. Across cases, more than 50% report positive change, but we find that different social innovations are associated with autonomy changes in different life dimensions.

In our nested dataset, we can stratify our beneficiaries' responses according to features of their social innovation implementation context (Figure 3): we find more beneficiaries report increases in autonomy in vulnerable contexts where the at-risk of poverty rate is higher, and employment and GDP are lower; in implementation contexts that are active since 8–17 years; and where overlap between social innovators and beneficiaries is more pronounced.

Most beneficiaries reported to be personally benefitting from the initiative: 77%(IKT), 79% (SPG), 89%(CC); mainly in terms of "improved empowerment" (88%) and from having found a

TABLE 3 Multi-level regression estimations of the probability to report an increase in autonomy with respect to three years before.

Dependent variable: % change in autonomy in last three years			
	Coefficient	**Std. Err.**	***P*-value**
Level 1 (individual beneficiary)			
Autonomy gap before SI	0.381	0.068	0.000***
Years involved	−0.064	0.022	0.003***
Benefitting	0.618	0.452	*0.171*
Expected impact: change in mentality	0.302	0.305	0.322
Expected impact: change in relations	0.526	0.275	0.056*
Intensely participating in discussions	−0.298	0.321	0.354
Level 2 (social innovation implementation context)			
Beneficiaries/social innovators			
Partial overlap	0.576	0.417	*0.168*
Full overlap	0.185	0.452	0.682
R-square	16.20%		
R-square (level 2)	92.63%		
Nr. observations	308		
Nr. of social innovation contexts	69		

Elaboration by the authors, Cressi Survey Data nested in Qualitative Form Data, 2016. Significance: ***p<0.01; **p<0.05; *p<0.10

"local way" to achieve their goal (91%) in the perception of German citizens; mainly in terms of market inclusion in Italy, with agricultural producers "earning a fair price" (87%) and "having the possibility to stay on the market" (65%); mainly in terms of "social inclusion" (63%) derived from collaborative consumption in the Netherlands. Such declarations of increased self-determination echo our results in autonomy changes.

We run a simple multilevel model[8] on our nested data and find that 17.5% of the variability in autonomy increases within a comparable past (3 years) can be attributed to the implementation context. In our preferred specification (Table 3), our single covariate at level 2 is the overlap between beneficiaries and social innovators. Such factor explains 92.6% of the full contextual effect—although the *p*-values associated with such factor are not statistically significant in the linear regression. We exclude the gender and age of beneficiaries because they are consistently insignificant in our estimations.

Individuals with lower values of autonomy before joining the social innovation are more likely to report autonomy increases, whereas participation for more years is slightly negatively associated with it. This confirms the decreasing rates of return in autonomy increases that emerged in Figure 3. Individuals who expect social innovation to impact personal or business relations are more likely to report increases in autonomy, hinting that either the predisposition or the exposure to "interpenetration" (Follett, 1941) could make a difference.

[8] Multilevel models are hierarchically linear regressions—also known as random coefficients models (Snijders & Bosker, 2011; Raudenbush & Bryk, 2002). They account for the multicollinearity of observations nested at a higher level—as in the case of our beneficiaries nested in social innovation contexts.

5.2 | A common narrative of pathways of empowerment

In what follows, we draw on our qualitative interviews with social innovators and group discussions with beneficiaries to understand how social innovation catalyzes empowerment processes.

5.3 | Increases in individual autonomy

The collaborative practices proposed by social innovation initiatives allow "voicing" (Hirschman, 1970) of own values that may be neglected in the existing social system. This represents an opportunity to pursue activities aligned with "own conceptions of the good" (Sen, 1985). The mere possibility to interact with others regarding a particular topic that persons morally care for already constitutes an opportunity for personal autonomy, in as much as participants feel appreciated by other members:

> "All members have to offer something for exchange, and by exchanging what they offer, they receive appreciation/esteem. It shows that all people can contribute something to society." [CC beneficiaries group discussion]

By appreciating identities that may usually be marginalized in the social system, social innovations provide that kind of "interstitial spaces" (Furnari, 2014) in which individuals may be able to exit their standard, formal identities—e.g., tied to a specific job or sector—to express a new version of oneself.:

> "You step up on a table to see things from a different perspective, even just ehm… to get out of your 'home', out of your way of life, out of your way… of managing yourself, to understand how you are mentally organized and that you need to upset it, ehm… […] It changes the way of thinking, it changes your way of thinking." [SPG, 7]

As participants experiment with new perspectives that expand their self-understanding of their situation, they enlarge their sense of "self-efficacy" (Conger & Kanungo, 1988). Social innovations further intensify such experiences because they typically require the activation of processes of "convening" (Montgomery et al., 2012), in which the resources of disparate participants are mobilized. Participants must provide engagement and time within the initiative, which offers the chance to self-determine what they want to achieve via the social innovation:

> "If you want to be part of a SPG you must realize you are not entering a supermarket where you can find everything you want, you become a member because people need your participation to make it work." [SPG, 27]

So, a first group of elements tied to the individual experience of the single participant is likely to positively affect autonomy by expanding one's self-efficacy, feeling appreciated, and discovering new "versions" of oneself (Table A1). This represents an opportunity to experience one's integrated sense of self (Deci & Ryan, 2000) and resembles an enlargement of that "real freedom" to lead a life one values (Sen, 1999). Social innovation catalyzes this process by providing the opportunity of teaming up with like-minded people to voice a goal.

5.4 | From individual autonomy to mutual influence

Our common narrative next traces the extension from individual autonomy to mutual influence. Experienced opportunities for autonomy trigger a generalized sense of happiness and well-being associated with implicit social interactions with "valued others" (Creed et al., 2014). Teaming up with like-minded people and establishing new social ties is an essential feature of these collaborative initiatives:

> "We know all our members. This is very important. At commercial banks this is completely different. We have an emotional relation with our members… We often see problems coming, and try to help members with problems." [CC, 15]

While social interactions may drive the pleasant experience, it is not always clear whether this is a positive, unexpected consequence or the critical motive for joining a social innovation, either for a mere search for friendship or to achieve integration into the local society and some mutual help. The probability of meeting like-minded people is catalyzed by a certain self-selection into the social innovation that resonates with specific inclinations and curiosities:

> "Participation is important, but only if you have informed yourself first […] without citizens wanting to discuss and to get informed about a problem nothing will happen. The key point is first to get informed, and then to go public with a clear problem understanding and a rough idea of the solution." [IKT, 37]

> "It is clear that a person that decides to enter a SPG and to spend part of her own time in it, is for sure a person which anyways already has a bit of sensibility, a bit of capacity… that she has already been asking herself questions, isn't it?" [SPG, 33]

5.5 | The organizational mediation of mutual influence

Social innovations represent an organizational mediation for claims made by like-minded people. Processes of "framing" (Montgomery et al., 2012) are relevant in this sense, as they offer opportunities for creating a shared vision of the world and for mobilizing collective resources for the cause. Social innovations intend to be social in their ends and means. Besides bringing new products or processes, they put collaborative relations at the center stage (Maclean et al., 2013; Ziegler, 2017b). This requires shared values, which lead to relationships of trust, friendship, cooperation, and association. We find these to be based on a general reliance on reciprocity in which typical power relations and hierarchies (consumers-producers; authorities-citizens) are being challenged:

> "An hour is the same for all members, no matter if you are a bank director or if you polish shoes." [CC, 30]

Such shared values that recall Blatt's (2009) "communal schemas" are also the foundational pillars for the organizational design adopted, which is co-creational and horizontal. Co-creation is inherent throughout the process: from defining objectives and goals to everyday functioning

in the single implementation context. Decision-making is horizontal and inclusive, which may become a limit when it causes delays because of the complexity a co-creational environment faces when seeking to account for different voices (compare "multivocality", e.g. in Montgomery et al., 2012; Tortia et al., 2020):

> "We prefer to be very slow in things, even if we are often pressured by who wants us to decide - producers or others; with the risk of being considered slow [...] We for sure prefer shared decisions, even if we have to wait a month." [SPG, 22]

Delays seem to be "prices" to be paid for the inherent advantage of coactive power, which elicits creative behavior from participants by equally sharing the responsibility to co-construct the social innovation. Such collective responsibility mainly manifests in the intensity of volunteering that the initiatives mobilize and depend upon, which represents a critical value-added but also a potential limitation because of challenges in reach, efficacy, and stability:

> "We depend on our energies, on our strengths and therefore... those are subjected (she laughs) to losses, increases, enthusiasm." [SPG, 30]

5.6 | From mutual influence to exerting coactive power

So far, we have described how a certain self-selection along specific inclinations and curiosities leads participants to collaborate with like-minded people and voluntarily contribute to an organizational reality. By providing a space for expression and exchange of opinions, social innovations allow such initial curiosity to develop, mainly through the intensity of social interactions and of "relational capital" (Blatt, 2009) that such experiences provide. We identify Follett's (1941) "interpenetration" in how participants experience the richness of different opinions about a topic, being subject to or kicking off peer and imitation effects that allow their own opinion to evolve, to gain in structure and reach:

> "Everyone brings an own contribution, even in a simple assembly... [...] you understand what others think... about the very same problem [...] this is what I like, it is stimulating." [SPG, 10]

> "Confrontation creates a strong feeling of togetherness" [IKT beneficiaries' group discussion]

Crucially, the "interpenetration" of opinions and the mutual influence this implies will lead to some degree of standardization and adoption of a common language that can foster knowledge diffusion (see Boschma, 2005).

5.7 | Pressure on the socio-institutional context

Such a socially mediated knowledge creation and diffusion process alters the landscape of cognitive frames present (and prevalent) in the social context. Whether new knowledge/ways of

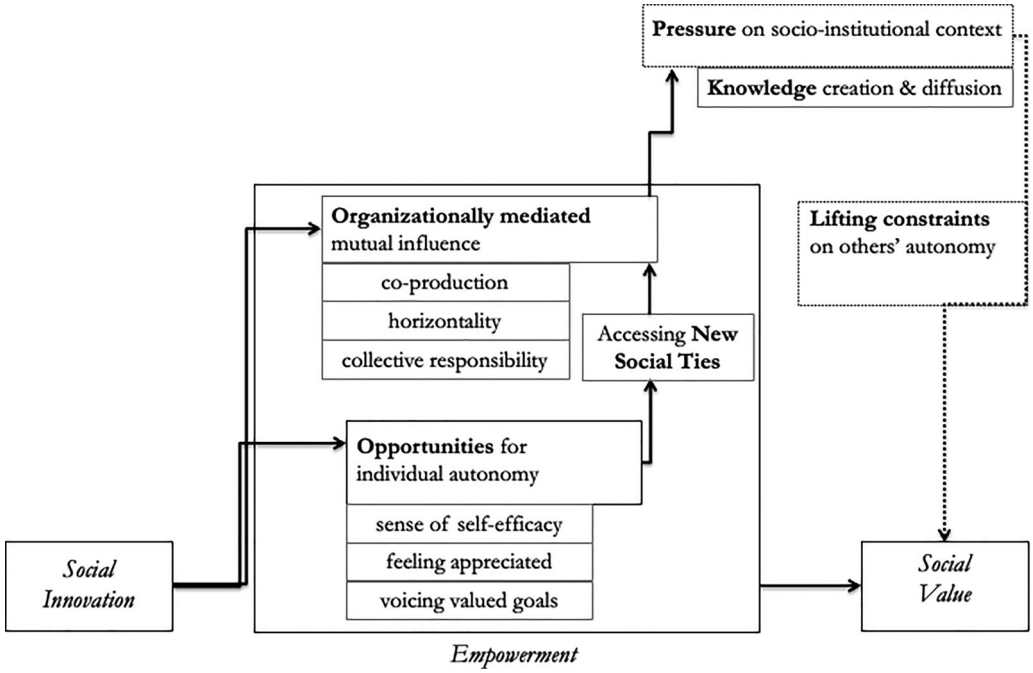

FIGURE 4 Synthesis of results: observed micro-process of empowerment. Elaboration by the authors.

thinking can effectively diffuse beyond a specific reality has to do with the nature of networks that the initiatives generate: do only relatively homogeneous profiles of participants team up together, or are social innovations able to facilitate social ties that break typical mechanisms of network creation? Our evidence is mixed (Table A2), showing, on the one hand, homophily for people who morally care about the same topic and, on the other, the capacity of "multivocality" (Montgomery et al., 2012; Tortia et al., 2020). Despite such difference, members inspire others with their behaviors or arguments, sometimes in more homogeneous (SPG) and sometimes in more heterogeneous (CC) contexts.

Autonomy increases at the individual level, therefore, manifest in the possibility of pursuing *valued* activities. Jointly, participants in a social innovation experience empowerment when they learn new things, which makes everyone more aware of one's position and role in society. Social innovation catalyzes such a process through a socially mediated process of knowledge production (see "framing" in Montgomery et al., 2012) facilitated by a specific—horizontal and co-creational—organizational design.

Figure 4 summarizes the micro-process of empowerment that emerged from our case study analysis. Social innovation catalyzes empowerment through direct increases in autonomy and - indirectly - by providing an organizational setup in which *coactive power* can unfold. Eventually, the pressure to remove constraints on autonomy goes beyond the specific collectivity and changes the socio-institutional context, producing additional social value (dotted line in Figure 4).

6 | DISCUSSION

6.1 | Implications for theory

Our conceptual model has built on Sen's (1992; 1999) normative framework to outline that social value can be created by removing social obstacles and enabling people to choose according to their *values*. Our study highlights how collectively organized exchange systems can foster social value: the *coactive power* (Follett, 1941) emerging from mutual influence among participants removes social obstacles, mainly through creating and diffusing new knowledge.

For further theory development, a key question remains whether the social value creation we focused on also implies social change (Avelino, 2017; Moulaert et al., 2013) by reaching a broader group. In our analysis, first, social value is created among participants because of the space provided for"collective voicing" as an alternative to individual "exit" from the market (Hirschman, 1970). Collectives "make declarations" (Rindova et al., 2009), which go beyond an individual's expression of a *valued* opinion and have significantly greater reach than one's personal life. Furthermore, social value is created by removing social obstacles that were perceived as constraining personal autonomy: our quantitative findings show that social innovations enable participants to increase their autonomy. We find this is not neatly conditioned on social innovators and beneficiaries to overlap. However, it may be an important factor as we, e.g., find the greatest empowerment effects in the German case in which such overlap is most pronounced (see Figure 3).

An open question remains how to assess whether such reach also goes beyond the specific collectivity participating in the social innovation—achieving systemic change. This can only happen when the removal of constraints that a social innovation achieves for its members also kicks off changes in the socio-institutional context. Our qualitative findings suggest that initiatives exert pressure for change by creating and diffusing new knowledge—through potentially new (or more robust) social networks (see Weick, 1995). It is, however, difficult to empirically assess the strength of such pressure. Systemic changes may require considering completely different time lags (Pierson, 2004) than those used to register individual changes in autonomy: while subjective perceptions may change rapidly, the spill-over effects of processes of knowledge-creation and sharing may require longer (and difficult to anticipate) time-frames. This is further complicated if initiatives extensively rely on "communal schemas" (Blatt, 2009), which require voluntary work and reciprocity, like in the cases described. How deep and constant does personal engagement have to be to create such medium to long-term effects?

Given that enthusiasm for an initiative is likely to fluctuate, what could be an appropriate time frame for measurement? How long will it take before participants changing their minds will influence enough other people to change their way of thinking, too? In such an indefinite longer frame, broader structural effects of social innovation may materialize or not, in line with the risk of "capture", according to which "social innovations are more likely to adapt to, and be shaped by than disrupt their institutional environments" (Sinclair et al., 2018, p. 12). While social innovations may be laying seeds for subsequent social change, only long-term perspectives are likely to assess their overall impact on the socio-institutional context properly (Mildenberger et al., 2019; Westley & McGowan, 2017).

6.2 | Implications for practice

Our study has process implications for other initiatives that aim for social value creation (Brieger et al., 2020; Freudenreich et al., 2020; Haksever et al., 2004; Santos, 2012; Tortia et al., 2020). Firstly, it is noteworthy that a series of business-related concepts are present in initiatives that do not necessarily apply business rules. In particular, strategies such as "framing", "convening", "multivocality" (Montgomery et al., 2012), the use of "communal schemas", and relying on "relational capital" (Blatt, 2009) are relevant in our case studies, too. This makes observing communitarian organizational practices even more interesting for business research, as the commonalities may be more relevant than expected.

Our study suggests that collective processes—beyond the individual initiative of an entrepreneur—are critical vehicles for achieving social value (Montgomery et al., 2012). First, collective "voicing" allows unpacking the black box of social value by helping understand what people "value" (Sen, 1999). Our empirical findings suggest that relationships based on reciprocity, horizontality, and solidarity are *valued* intrinsically. As such values are not automatically a priority in contexts based on competition, we suggest adopting organizational designs that facilitate the development of "relational capital" (Blatt, 2009) as a transversal facilitator of social-value creation (Fowler et al., 2019).

Second, our qualitative findings confirm that organizational design leads to empowerment. We identified two organizationally-mediated catalyzing effects: first, relying on communitarian practices that push for shared responsibility and horizontal decision-making (see Blatt, 2009) provides like-minded people with the opportunity to gather around a shared (*valued*) concern (see Zimmermann, 2012); second, horizontal and co-creational organizational designs kick-off mutual influence and knowledge creation that empowers participants and is necessary (although not always sufficient) for social change.

Initiatives that seek social value creation may therefore want to start with removing barriers to collective action, as this leads to empowerment, changes in mentality, and common grammar for values and norms (Boschma, 2005) that have the potential to provoke social change (Beckert, 2010).[9] While not all horizontal and collaborative processes may experience massive scaling-up, they can often represent innovative examples for market-driven business-learning—e.g., ethically-inspired supermarkets in Italy (Maestripieri, 2019) have stemmed from SPGs or similar initiatives. Consumer cooperatives or credit unions are other potential evolutions of the cases we described.

6.3 | Limitations and future research

Through the mixed-methods approach and the autonomy question design we adopted, our study makes a significant methodological contribution by advancing the possibilities for comparing social-value-seeking initiatives. Summarizing our main insights and considering potential limitations, our study shows that empowerment unfolds in processes that cross the individual and group levels. While subjective measures at the individual level account for what people "value", qualitative analysis in which groups/collectivities are in focus allow registering the importance of

[9] Other research findings suggest that empowerment fosters innovation (Bhatnagar, 2012; Burpitt & Bigoness, 1997; Çakar & Ertürk, 2010; Pieterse et al., 2010; Spreitzer, 1995). Innovation can, of course, be an explicit target but may be viewed as functional for creating social value when it lifts constraints of actions valued beyond market value.

social relations and of mutual influence. Our quantitative results found evidence for autonomy increases but suggest that questions that go into too much detail about specific life dimensions targeted by an initiative may hamper the possibility of comparison. Our comparative results also caution regarding the time frame to adopt for empirical analysis: we find empowerment effects may take some time to reify, but not in a linear fashion—while participants reap most benefits at early stages of personal participation, a critical time of survival of the implementation context may provide the best organizational setup for group empowerment.

We flag two potential limitations of our study. Subjective data may introduce biases, e.g., in recalling temporal effects by respondents (von Jacobi & Chiappero-Martinetti, 2017), which could be avoided by collecting panel data. Also, a focus on mental states and an individual's subjective assessment may be influenced by adaptation to circumstances and different aspirations (Robeyns, 2017). For example, we find quantitative evidence that autonomy increases are more frequent in more vulnerable contexts and among people that expect social relations to matter.

Second, we confirm the self-selection of participants (von Jacobi & Chiappero-Martinetti, 2017; Mihci, 2020), which makes it challenging to attribute directions of causality between participation and individual autonomy. Our study, however, highlights the deep interconnection between empowerment and specific personal inclinations implied by self-selection: more significant voluntary investments rooted in enthusiasm give more *momentum* for that "interpenetration" process leading to coactive power (Follett, 1941) as individuals get exposed to diverse opinions within a safe environment of like-minded people who share moral values. Our qualitative analysis shows that exposure to mutual influence has essential feedback effects on a person's sense of self-efficacy (Conger & Kanungo, 1988) and a group's cognitive proximity and cohesiveness (Boschma, 2005; Fairhurst et al., 2020). Empowerment reifies in a person's ability to learn and be more aware of one's position in society (see Dallmayr, 1993), but self-selection mechanisms are key to such a process. We suggest it may be counter-productive to try and eliminate such endogeneity.

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APPENDIX

TABLE A1 Autonomy.

Opportunities for individual autonomy	
Voicing own values (what is "good")	"We try to be aware of the choices we make; the product is important, price is important, but the choice behind it is far more important: the political choice behind it…basically what we eat, also what we eat is a political choice (he laughs)." [SPG, 4]
	"We want to introduce money that doesn't listen to the laws of financial markets, but money that supports the objectives of the users." [CC, 5]
	"This hamlet does not want to be steered, it wants to steer itself…We have always gone our own way…Not to the detriment of the state, but on condition that it makes sense to us" [IKT28]
Feeling appreciated	"The relationships that the SPG maintain with the producers are based on the appreciation of the worker and on solidarity, for which the producer does not feel like a seller only, but feels considered as a person." [SPG focus group with beneficiaries]
Freedom to be yourself (capability)	"More than fun, we feel good, we find satisfaction; we express… We have the possibility to express ourselves and to do something different than the business-as-usual, isn't it?" [SPG, 8]
Sense of self-efficacy	"Ensure independence so that people can self-determine (…)" [IKT, 19]
From individual autonomy to mutual influence	
Contact with valued others	"In my opinion, it is funny to go out to get my box of oranges and then to find people that greet and kiss me, asking me how things are going and… (…) I found it pleasant, with people that at the end I met just few times, but… I think that there is this spirit…quite…friendly, isn't it?" [SPG, 28]
	"The need, anyway, of staying together, yes, ALSO the quality of food, but the fact anyhow to meet someone… I wanted to enter in SPG not really for… but for meeting new people, for creating new friendships, that's it!" [SPG, 17]
	"Then, the consequence is the connection, the relationship, but this is the consequence, it is not our primary goal." [SPG, 23]

TABLE A2 Organizational mediation

Organizationally mediated mutual influence	
Shared values	"The economic part is not the most important of CC38; values as social cohesion, neighbourship, solidarity, human values, self-development and social involvement are more important." [CC, 38]
	"We willingly pay a bit more to have a good product if we are certain that it is a good product, because we also look at the person behind it, not just at the product itself." [SPG, 6]
Collaborative process/co-creation	"Innovative is especially THE WAY they implemented the 17 plants together; with work contributed by the villagers and mutually accounted for via a time banking system." [IKT, 14]
	"[It promotes] the innovation in the productive system… in the moment in which we tell the producer, ok, we have peculiar needs and the producer meets these needs, then he INNOVATES his own productive system." [SPG, 27]
	"Producers get interested in new things: one producer began producing a new type of biscuit only for the SPG (the producer would not have started this by himself)" [SPG focus group with beneficiaries]
Collective responsibility	"We are used to listen. Most people are used to hierarchical thinking. This already starts at schools. The schoolmaster is always right. A change in thinking is needed. When we started, we had a culture of waiting for the board. But CC38 is an association so all members are responsible […] we should assist each other to think ourselves and to take on responsibility…" [CC, 38]
	"All the work the founders do for CC09 is voluntary and unpaid; it is a kind of hobby and they are ideologically motivated." [CC, 09]
	"Protest is simple, it is much harder to be constructive: to gather 500 people against a windmill, I need 10 minutes; but to be constructive, motto: let's do something, for 2–3 years; you call there and you call there… where people REALLY need to show commitment" [IKT, 42]
Mutual influence	"Participants share knowledge and learn from each other; as a consequence knowledge increases." [CC focus group with beneficiaries]
	"A barrier might be… the application of a fully democratic model, so how we decide. Many times decisions are left boiling for days and days, months and months […] We do these eleven plenaries to decide… we go forwards, we go backwards; I mean, it is an element that even discourages participation to be honest: what ought you think if you have to go to a meeting at nine in the evening and then leave at eleven, midnight at home and we still haven't' decided anything?" [SPG, 20]
Knowledge creation	"To mutually pass on the information so that then, if somebody from elsewhere asks something, one can speak the same language and knows what is going on with the others. That the information is wide-spread and covers the whole spectrum." [IKT, 4]
Knowledge diffusion	"Becoming an SPG producer makes you grow. Some of us were not responsible consumers when we began producing." [SPG focus group with beneficiaries]

(Continues)

TABLE A2 (Continued)

Organizationally mediated mutual influence	
…within homogenous networks	"The sensibility for certain discourses of how you buy and what you buy is rather elitist and therefore there is… it belongs to a world that elaborates certain thoughts about… about equity and for sure it is rather a reality that belongs mostly to the intellectual bourgeoisie" [SPG, 7]
…within heterogeneous networks	"We are very diverse… one member is alcoholic and has large debts. For her CC32 is her network. We also have members who live in poverty. One has a chronic disease. She is not mobile and she uses CC32 to exchange goods for services. Sometimes it is shocking to experience… One other member has a brain disease, but we still attempt to involve her in CC32… These people do not participate in the labour process; they seldom leave their house and have a small network… […] We find it important that these people still can participate." [CC, 32]