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SOCIAL INNOVATIONS IN THE ASPECT OF THE SOCIAL ECONOMY

INNOWACJE SPOŁECZNE W ASPEKTCIE GOSPODARKI SPOŁECZNEJ

СОЦИАЛЬНЫЕ ИННОВАЦИИ В КОНТЕКСТЕ СОЦИАЛЬНОЙ ЭКОНОМИКИ

Abstract


The article points to the processes of change in the economy that seek to take account of human subjectivity and its needs in economic, social and civic terms. As part of these changes, social innovations are used as innovations aimed at improving the quality of people's lives in organizational and relational terms. Opposing the systemic approach of prosociality comes the concept of the social economy as a segment of social market economy that pursues social objectives within the framework of economic activity. Social enterprises are a component of the social economy. The aim of the article is to point to social innovation in the context of social enterprises. The phenomenon of innovation, social innovation and social enterprises has been described. Social enterprises constitute an important element of the landscape of the economy, in terms of the socio-economic order, taking into account the factor of social innovation.

Keywords: *Innovation, social innovation, social economy, social enterprises*

Streszczenie

Artykuł wskazuje na procesy zmian w gospodarce dążące do uwzględnienia podmiotowości człowieka i jego potrzeb w ujęciu ekonomicznym, społecznym, obywatelskim. W ramach tych zmian zastosowanie mają innowacje społeczne jako innowacje ukierunkowane na podniesienie jakości życia ludzi w ujęciu organizacyjnym i relacyjnym. Naprzeciw systemowemu ujęciu prospołeczności wychodzi koncepcja gospodarki społecznej jako segment społecznej gospodarki rynkowej (Społeczna gospodarka rynkowa, oparta na teorii

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ordoliberalizmu, stanowi przyczynę dynamicznego i szybkiego rozwoju Republiki Federalnej Niemiec w latach 50. i 60. XX wieku, a następnie od połowy pierwszej dekady XXI wieku – mimo wielu trudności i kontrowersji wokół realizacji i ewolucji tej koncepcji (Dahl M., 2015, s. 61), który realizuje cele społeczne w ramach działalności gospodarczej. Elementem składowym gospodarki społecznej są przedsiębiorstwa społeczne. Celem artykułu jest wskazanie na innowacje społeczne w kontekście przedsiębiorstw społecznych. Zostało opisane zjawisko innowacji, innowacji społecznych i przedsiębiorstw społecznych. Jak wynika z artykułu przedsiębiorstwa społeczne stanowią ważny element krajobrazu gospodarki w ujęciu kształtowanego ładu społeczno-gospodarczego uwzględniającego czynnik innowacji społecznych.

Słowa kluczowe: Innowacje, innowacje społeczne, gospodarka społeczna, przedsiębiorstwa społeczne

Аннотация

В статье рассматриваются процессы изменений в экономике, направленные на учет человеческой субъективности и ее потребностей в экономической, социальной и гражданской перспективе. В рамках этих изменений социальные инновации применяются как инновации, направленные на повышение качества жизни людей в организационных и реляционных отношениях. Концепция социальной экономики как сегмента социальной рыночной экономики, которая преследует социальные цели в рамках предпринимательской деятельности, идет вразрез с системным подходом к процветанию. Социальные предприятия являются составной частью социальной экономики. Цель статьи - указать на социальные инновации в контексте социальных предприятий. Был описан феномен инноваций, социальных инноваций и социальных предприятий. Согласно статье, социальные предприятия являются важным элементом ландшафта экономики с точки зрения формирования социально-экономического порядка с учетом фактора социальных инноваций.

Ключевые слова: Социальное предпринимательство, социальные инновации, социальная экономика

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Statement of the problem in general outlook and its connection with important scientific and practical tasks.

The aim of the article is to point to social innovations in the context of the social economy and social enterprises, and what is more to distinguish the new non-economic roles that can be played by the business entities in society. Over the last decades, we have witnessed the ongoing changes in the

business environment. The changing conditions are characterized by the complexity of processes in the market, public and social space, as well as on the borderline between these spheres. These changes are characterized in particular by tendencies such as the build-up of changes

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in lifestyles and market needs resulting from the aging process, shortening of working time, diversification of its forms, extension of qualification time, diversification of professional specializations, professional mobility, diversification of social values, growing number of individual choices when making consumer decisions, as well as individualization of market, public and social services. The mentioned processes indicate the need to take into account market subjectivity of human subjectivity and its needs in economic, social and civic perspective. The concept of the social economy as a segment of the economy that fulfills social goals as part of economic activity comes out against this approach. In order to achieve these assumptions, innovative activities are necessary today that will combine social needs, market opportunities as well as the diversity of institutional relationships. That is why social innovations, meaning innovations aimed at solving problems in the socio-economic sphere of organization of people's lives, are becoming more and more important. The search for such segments of activity in business entities proves the progressing changes in the neo-liberal paradigm shifting to the area of humanistic economy, in which the social economy and social enterprises play a key role in the social market economy, and thus also social innovations as an element of creative implementation of economic activities in to change the quality of life in economic and social terms. Economic order is a stable form and framework conditions for the course of the management process, defining the applicable rules of the economic game within which the state, enterprises, households and individuals make decisions and implement economic activities (Pysz P., 2008, p. 37). A social enterprise is an entity of the social economy, which should

not be equated with the social market economy. More on this topic in the article: "Social enterprise" by (Florczak E., 2009, p. 36). or in the article: "A social enterprise as an opportunity to solve problems of regions" by (Gardziński T., 2016a, p. 27). The sequence of topics discussed in this study is based on the separation of the social economy and social enterprises as a new economic area that takes into account social objectives as part of economic activities. Next, the term of innovation as well as social innovation was defined as a separate scope of innovations directed at direct actions related to the quality of human life in the socio-economic space. The key topic of the study is the juxtaposition of social enterprises with social innovations and, consequently, the new and innovative area they occupy in the economy and roles they play in the socio-economic space. The research method of analyzing the problem of the social economy, social enterprises, social innovations based on Polish and foreign literature, business practice of enterprises as well as a proposition of theoretical themes in order to distinguish the issue of social innovations within the social economy and social enterprises operating in within the framework of the ordoliberal social order of the market economy. The authors assume that the optimal basis at the macroeconomic level for a social enterprise is the ordoliberal order of the social market economy. The Ordoliberal order of the social market model of a market economy supplemented with a social enterprise is, therefore, an optimal, natural and complementary socio-economic solution to the problems of the modern economy (Gardziński T., 2016b, p. 275). The social economy, apart from the social system of the market economy, does not relieve it and vice versa, it is complementary to the ordoliberal economic order, where in both

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cases the first place is in human economy and therefore actions in these areas should be taken above political divisions (Gardziński T., 2016a, p. 34).

Analysis of latest research where the solution of the problem was initiated. Aims of paper. Methods.

The research method of analyzing the problem of the social economy, social enterprises, social innovations based on Polish literature (Brdulak J., Florczak E., 2015, 2016, Hausner J., 2008, Leś E. 2008) and foreign (Defourney J 2009), business

practice of enterprises, as well as a copyright statement of theoretical threads to distinguish the issue of social innovation within the social economy and social enterprises functioning within the framework of the ordoliberal social order market economies.

Exposition of main material of research with complete substantiation of obtained scientific results. Discussion.


Social economy and social enterprise

The social economy is one of the ways to define an economic activity that combines social and economic goals. The development of the social economy is a consequence of the transformation of social systems in the second half of the 20th century, the occurrence of market imperfections, the so-called crisis the welfare state, the development of alternative employment programs, cooperation and interdependence between social and economic partners as well as the public as well as the increase in the demand for social and individualized services. The social economy indicates the subjectivity of a person in economic processes, which is why it is associated with economic activity that takes up social goals such as (Ściborska I., Mikucka-Kowalczyk A., 2016, pp. 9-27): counteracting social exclusion, providing innovative services and socially useful products, social and professional activation, job creation, integration of social groups and society as a whole, stimulating local development and strengthening social and economic cohesion, shaping awareness of economic participation and social change. From the macroeconomic approach of the

social economy, it is necessary to move to the subjective elements that make up social enterprises. The very concept of an enterprise means the form of an organization conducting business activity and pursuing the adopted goals. In building the definition of a social enterprise, the starting point is embedding it as an entity in the structures of the economy, and in turn what distinguishes it from entities with only commercial activity is a priority orientation for social activity. The definition approach to social enterprises can be divided into formal and institutional (referring to specific legal forms) and normative - referring to the very essence of functioning of the activity. (More on this topic in: (Brdulak J., Florczak E., 2011.), (Brdulak J., Florczak E., 2012), (Brdulak J., Florczak E., 2016), (Florczak E., 2016), (Florczak E., 2015), (Hausner J., 2008). In this study a broad definition of a social enterprise is built, not limited to a formal definition, but for the purposes of the enterprise, its motives for the creation and realization of social goals inside and outside the enterprise.

Social entrepreneurship is directly related to the concept of social economy and social enterprise. The "social entrepreneurship"

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presented in the literature is understood as a mechanism for creating social enterprises and as a direct method of production of goods and services by associations and foundations and other forms of the social economy. (Leś E., 2008, p. 40).

Social innovations

Analyzing the problems of social enterprises and their social mission, one should refer to the subject of social innovations, which as a phenomenon ultimately fulfill a similar function in socio-economic life. The authors use the deductive method of selected scientific publications and comparative studies to answer a research question or social innovations are, at the present time, an essential factor determining the activity of a social enterprise pursuing a social goal while remaining in conditions of competition with market enterprises?

Generally, innovations are according to the Oslo 2005 Manual implementation of a new or significantly improved product (product or service) or process, a new marketing method or a new organizational method in business practice, workplace organization or relations with the environment. Therefore, innovations may refer in the sphere of socio-economic life to such forms as: new services, new products, new processes, new platforms, new organizational forms, new rules, new financial instruments and models, new legal solutions, as well as the combinations and interdependencies of these forms.

By narrowing the significance of these solutions to the directly articulated social goals that they serve and in what circumstances they arise, we can distinguish the concept of social innovation. According to the definitions of social innovations available in the literature, the dominating statement is that social innovation is the development and implementation of new ideas (products,


services, models) in order to meet social needs and create social relations and cooperation, increasing the ability of society to act. (Wyrwa J., 2014, p. 45). Social innovations are introduced into those areas of problems that will not be solved by either the public or the market (Fostering Innovation ..., 2011, p. 21). Therefore, referring to the attributes characteristic of social innovations, one can mention (Lubimow-Burzyńska I., 2014, p.77): intersectorial context, openness and cooperation, presumption and co-production, mutualism, creating new roles and social relations, better use of resources and resources, developing resources and capabilities.

The mentioned elements refer to human subjectivity, cooperation, innovation in the sphere of relations and involvement in social impact. It should be recalled here the claim of J. Schumpeter, who emphasized that the real goal of development is not to maximize profits, but to innovate by introducing new solutions and methods in the production process. J. Schumpeter defines entrepreneurs as individuals who initiate "new combinations" in the production process. Referring to the concept of an entrepreneur introduced by J. Schumpeter (Schumpeter J., 1960, p. 50) as an innovator, J. Defourny emphasizes that nowadays one can speak of a new social enterprise. Its solutions may concern (Defourny J., 2009, pp. 4-7): marketing a new product or new product quality, introduction of alternative organization and / or production methods, creation of new market spaces, getting a new source of raw materials or renewing an organization's industry, new relations with the market, also consisting of new system solutions and a set of partnerships with representatives of various environments.

Therefore, it is reasonable to compare social innovations with social enterprises

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due to the innovative way of undertaking activities as well as the social and social impact of social enterprises in the environment.

In the literature, different types of innovations are taken into account depending on the results of changes in the socio-economic environment. According to this criterion, transformative, real and incremental can be distinguished (Makarewicz-Marcinkiewicz A., 2013, pp.110-111). Transformational innovations are those that introduce irreversible changes in the systems of production of goods. Transformational innovation can create new markets, and the special feature of its functioning is the overcoming of competition, through the "depreciation" of existing products on the market and the introduction of a new utility value. The main creators of transformation innovations are markets that gather elements of new corporations, such as: technologies, capital and human capital. In this context, the social economy introduces transformational innovations in the area of institutional dependencies and in the scope of forms of managing economic, human and relational resources for social purposes. In this approach, the social economy and social enterprises can be regarded as a transformational innovation in the consideration of human subjectivity in economics, in contrast to the classic assumptions of the neoliberal economy of unambiguous profit maximization regardless of non-market effects. This is particularly evident in the countries of economic transformation, if the state can not cope with equalizing social issues or introducing social market economy into life (Dahl M., 2015a), grassroots local civic initiatives build social economy by establishing social enterprises.

Another type is real innovation, which is somehow the second generation of

transformation innovations - these are products or systems that follow pioneer, transformational innovation. These innovations change the market reality, but not to the extent of their source, ie transformational innovations.

Actual innovations provide the company with a competitive advantage only for a certain period of time.

Social entrepreneurship in terms of real innovation consists in the establishment of already proven forms of enterprises with social goals in new spheres of the market and social environment (eg franchise social enterprises or service social cooperatives). On the macroeconomic level, this is a departure from low labor costs as a competitive advantage of the economy for real innovation (Prokopowicz, 2015a), which should be supported at the stage of shaping the social order of the market economy both in the case of market and social enterprises.

In addition, incremental innovations can be distinguished, the implementation of which does not require large expenditures. Incremental innovations boil down to improving the resources already possessed and their effectiveness. They are called red blood cells of the economy - without them, they would not survive the enterprise. (Makarewicz-Marcinkiewicz A., 2013, pp. 110-111) Incremental innovations in social enterprises rely on the development of internal functioning and relations with the market and social environment in the attempt to intensify the form of resources possessed. At the macroeconomic level, it is necessary for the state to support and finance research supporting the economy (R & D - research and development) and to strengthen cooperation between science and business (Prokopowicz D., 2016b), which should translate into incremental innovations in entrepreneurship, including social. In summary, according to the

literature, two criteria have to be met for social innovation, its process or result. The first is new: although innovations do not have to be original, they must be new to the user, context or application. The second criterion is improvement and improvement. To be considered innovative, the process or result must be more effective or more efficient than the existing alternatives. (Phills J.A., Deiglmeier K., Miller T. , 2008, pp. 34-43).

Social innovations in the policy of the European Union

Stimulating innovative activities is important because it was introduced into the program assumptions of the European Union's policy. In Europe, the trend of supporting and promoting social innovation is becoming more and more pronounced. The European Commission has published the Social Innovation Guide, which discusses the methods and directions of support for public authorities for social innovation. The guide presents a model aimed at promoting social innovation and helping regions in such problems as youth employment, migrations, social inequalities and poverty. As the report shows: social entrepreneurship is associated with social innovations, public institutions play an important role in stimulating and developing social innovation.

The European Union has included social innovations in creating a comprehensive development strategy. Social innovations supported by the ESF (*European Social Fund*) are actions aimed at finding new ways of solving social problems that have not been used so far on a wider scale. Innovative solutions to problems in areas important to public life arise to effectively respond to such problems as: high unemployment rate, maladjustment of the educational offer to the needs of the labor market, or low adaptability of employees of small and medium-sized enterprises (Ćmiel

S., p. 558). The effect of an innovative project implemented under the ESF is a new, original, previously unused model, whose innovation can be seen in three dimensions (penetrating each other and being able to occur simultaneously or independently of each other): participant of the project - focus on supporting new; atypical groups; problem - solution to a problem that until now has not been sufficiently taken into account in the state policy; forms of support - the use of new tools in solving the existing problems, it is also possible to adapt solutions tested in other countries, regions or other contexts, as well as to develop, modify the instruments used so far to increase adequacy, effectiveness and efficiency (Wendel I., 2014, pp. 10-11). Taking into account the potential of social innovations, in 2014-2020, social innovations are included under a special priority axis in the Operational Program Knowledge Education Development (POWER). In this case, social innovations in accordance with the assumptions are implemented in two conventions. The first of them is the so-called microinnovations, it is essential to promote the attitude of social innovators and individual enterprises.

The second is macroinnovations, the aim of which will be to establish boundary conditions for introducing innovative activities by entities and institutions with a broader scope of public and social competences. (Wendel I., 2014, p.11). To support the implementation of new ideas that will help solve ESF problems, it identifies four main areas: 1. transition from the education system to professional activity, 2. professional integration of people distant from the labor market, 3. lifelong learning of adults, 4. care services for dependent persons.

Social innovations in the context of social enterprises

The results of changes are a determinant of social innovations and may refer to the impact of innovation both within the enterprise and in its environment. They are the result of the activities of individuals, human teams and the entire organization and, above all, take into account intentional, deliberate changes in social structures, customs, and lifestyles created by the society itself or with its participation. They may also appear as unintentional social changes, being an additional result of technological or organizational innovation (Olejniczuk-Merta A., 2012, pp. 20-21). Based on this aspect, it is possible to distinguish soft social innovations aimed at improving the quality of life (mainly it concerns organizational and relational innovations) and hard social innovations


(technical and technological), also ultimately implementing the range of social innovations. In addition, social innovations are distinguished with a direct innovative effect and with the effect arising in the long innovation process (Olejniczuk-Merta A., 2012, pp. 19-25). In the case of social enterprises, social innovations are implemented mainly in the form of soft innovations related to the motives of starting a business, building a team of employees, using human, social and intellectual resources. In addition, the process of social innovation in the case of social enterprises can be seen in all stages of innovation, that is, from identifying the problem and needs, to implementing the effects of the manufactured products or services and in the long process of dissemination of effects and indirect effects.

Table 1. Types of innovations due to the breakdown criteria:

Criterion for the division of innovations	Types of innovations
Causes of innovation	- supply - demand
Place of applying innovation	- inside the enterprise - in the market environment of the company
New solutions for markets	- regional - national - international - global
Originality of solutions, size of changes	- radical (pioneer) - imitative (adaptive)
Origin associated with ownership of innovation	- from the company - outside the enterprise - the result of the company's cooperation in the innovation process
The way of developing and implementing innovations	- system implemented according to the developed procedure - individual
Subject - innovation contractor	- one person - a team of employees - enterprise - a company cooperating with each other within a network organization
The result of carrying out specific activities of the innovation process	- an idea for a new solution - the concept of an innovative solution - development of innovation - innovation implemented in the company, sold as a product on the market

Source: compiled on the basis of (Dolińska M., 2010), (Mazur-Wierzbicka E., 2015, pp. 100-101)

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The criteria for the division of innovations listed in Table 1 should be referred to the activities of social enterprises:

a) Causes of social innovation

In the case of social innovations in social enterprises, the demand side is conditioned by the occurrence of social problems related to unemployment or other social exclusion. An example are enterprises that are established in order to implement a specific social mission in the context of the socio-economic problems of the region. Due to the fact that the social problem is an element determining the creation and functioning of social enterprises, it can be considered that they are by definition a manifestation of social innovation in the context of the entire economy.

Due to the fact that the process of stimulating supply innovation is external to the economy and is a derivative of discoveries and ideas stimulated by the development of human science, technology and thought, social enterprises function by creating new innovative forms serving the community (an example could be Greemee Bank and micro-loans for poor people, or Benetech from Silicon Valley. The company pursues social goals using the latest technological thought, acting for education, human rights, adaptation of disabled people, civic life and the natural environment. In Poland, an example is a company from Biała Podlaska that implements social objectives in the region in the field of vocational education and local development.)

b) Place of applying innovation

Social enterprises in the context of applying innovations inside the enterprise can demonstrate an innovative organizational formula of democratic management, employee participation or involving a wide spectrum in the decision-making and management structure stakeholders. This category of innovation was used in the draft Polish law on social entrepreneurship (<http://www.pozytek.gov.pl/Projekty,ustawy,o,przedsiebiorstwie,spolecznym,3861.html>)

A social enterprise has a consulting and advisory body, which includes:

1) representatives of: employees; other employed persons; volunteers providing services to a social enterprise;

2) may include representatives: regular recipients of goods or services of a social enterprise; local competent territorial units; non-governmental organizations, if the subject of activity of a social enterprise remains in direct relation to the subject of their statutory activity

Social innovation in the market environment of the enterprise in terms of social enterprises is related to their impact and measuring this impact not only in economic but also in social terms. This approach has been applied in the methodology of measuring social added value (Głowacki J., Jelonek M., 2013), in which the components such as the level of social and professional activation of the environment, social capital involvement, implementation of deficit services and local products were subjected to quantification.

c) New solutions for markets

Social enterprises are characterized by local and regional rooting. Therefore, the issue of

the territorial activity of social entrepreneurship and its innovativeness in this context boils down to endogenous local and regional development. It should be pointed out the innovative use of local resources: social, human, cultural, landscape - for example, social enterprises operating under the project "Social Economy on the Amber Road" In the area of southern Poland, five social enterprises were created within the framework of the project. These enterprises were established by local non-governmental organizations - associations and foundations. Their characteristic feature is the nature of business activity. They deal with the creation and sale of tourist offers based on the natural and cultural values of the regions located on the Amber Greenways Route and the Green Bicycle Route and direct them to the innovative heritage tourism market.

d) Originality of solutions, size of changes

Social enterprises building their competitive advantage on the market show pioneer solutions on a national scale, as well as activities that are not taken into account by the market - an example is the social enterprise in Bałtów, which created one of the largest recreational and tourist parks in Poland. The pioneering nature of social enterprises primarily has an idea for an economic activity related to the innovative use of resources, the opening of a new market or the organizational structure of an enterprise.

Innovative adaptability of social enterprises reflects the establishment of entities with social goals as a result of borrowing

solutions in another region or environment. An example is promoting successful activities of social enterprises, which can be an inspiration for other communities (organization of Barka in Poznań, or Social Service and Trade and Production Cooperative in Byczyna, Social Cooperative "OPOKA" in Klucze).

e) Origin related to ownership of innovations

Due to the dynamics of social enterprise development in the last decade and increased interest in the social economy, social innovation comes both from the internal structure of the enterprise (an innovative form of catering, care, maintenance and cleaning services) and from outside the enterprise. External innovations are distinguished when external incentives, new emerging opportunities and demand and supply opportunities are an impulse to undertake a specific form of activity (eg FADO social cooperative, which advises companies and institutions, how to adapt their products, services and space to the needs of people with disabilities and also offers products and services for the deaf, which allow them to communicate better with the world). External ownership of innovations may also occur as a result of the company's cooperation in the innovation process (eg social enterprises in the Silicon Valley cooperating to create innovative technological solutions serving the implementation of social objectives in the global dimension - especially through Internet applications).

f) The method of developing and implementing innovations

Social innovativeness is implemented systemically according to the developed procedure primarily through legal solutions in the scope of establishing social cooperatives of natural persons or legal persons, as well as through the use of social clauses in public procurement

Article 29 para. 4 of the Act on Public Procurement

"The contracting authority may specify in the description of the subject of the order requirements related to the performance of the contract, which may include economic, environmental, social aspects related to innovation or employment, in particular concerning employment:

1) *unemployed persons within the meaning of the Act of 20 April 2004 on employment promotion and labor market institutions;*

2) *juveniles referred to in the labor law regulations for the purpose of vocational training;*

3) *disabled persons within the meaning of the Act of 27 August 1997 on vocational and social rehabilitation and employment of disabled persons;*

4) *persons other than those referred to in points 1, 2 or 3, referred to in the Act of 13 June 2003 on social employment (Journal of Laws of 2011, item 225 and 1211 and 2015, item. 1220 and 1567) or in the relevant regulations of the Member States of the European Union or the European Economic Area. "*

System solutions of social innovations may also refer to the standardization of social enterprises and the granting of social certification to social enterprises, for example, the Znak Gospodarczy Ekonomii Społecznej ("Znak [eS]") by the

Foundation for Social and Economic Initiatives. System solutions on a national scale are included in the National Program for the Development of Social Economy (mainly action IV.3 - self-organization of the social economy, task 5) (National Program ...). Poland in the context of European Union countries is at the stage of creating institutional assumptions, formal solutions and most importantly, introducing into the social practice documented standards (European Commission, 2014).

The individual way of implementing social innovations can be implemented by formally commercial enterprises that, as part of their activities, pursue social goals in an unregulated manner. An example may be American hybrid enterprises combining economic and economic activities as well as Polish commercial enterprises whose mission is to achieve social goals in their region.

g) Object - innovation contractor

In terms of the contractor, social innovations in a social enterprise can be implemented by one person who is a charismatic leader introducing change in the social environment. Such a process of social innovation development most often leads to gaining institutional partners and people supporting a given idea.

The team of employees in a social enterprise is an important element of the company's construction due to the submission of participation and democratic decision-making, which is a manifestation of the socialization of the organizational structure and employee involvement. Building favorable relationships, employing people at risk of social exclusion

is a form of social innovation in the field of social and professional integration and extends the company's goals beyond the neoclassical approach to economics.

Analyzing the subject of innovations of social enterprises one should refer to the building of cross-subject and intersectoral partnerships, which are an element of networking and creation of structures (between social, public and commercial entities) in the form of social-public, socio-private and socio-private-public partnerships.

To sum up, the role of social innovation from the point of view of socially involved entrepreneurship lies, *inter alia*, in (Matuszek J., 2015, 183-184):

- creating companies that are friendly to parents and families. A family-friendly company should create a consciousness that a company caring for employees - parents binds them with the company by understanding family problems of the employee,
- creating the opportunity to work at home,
- building the right atmosphere at the workplace. Opening up of enterprises to excluded citizens,
- development by enterprises of activities related to intellectual and creative contribution to the production being carried out,


Conclusions.

The development of social innovations and social entrepreneurship is directly related to the need for an interdisciplinary view of socio-economic processes. This is connected with the importance of explaining the role and function of the

institution and the impact of the institutional environment on the economy, and, consequently, taking into account new roles and the new significance of economic entities in the socio-economic space. Neoclassical economics did not take into

- creating attitudes with public institutions in creating public-private partnerships. However, referring also to the literature, factors that hinder the development and dissemination of activities supporting social innovation are primarily (Lubimow-Burzyńska I., 2014, pp. 72-91):
- limited financial support and insufficient technical skills that could help in the development and implementation of social innovations,
- insufficient knowledge about the needs and possibilities of civil society organizations and social enterprises,
- dispersal of activities and resources,
- lack of durability of networking,
- lack of the ability to combine the market niche with market opportunities,
- lack of proper marketing of social enterprises in the context of competitiveness,
- lack of a proper image of social enterprises,
- low level of involvement of citizens and enterprises,
- low popularity and dissemination of good practices,
- lack of proven methods for assessing the effects of actions and strategies,
- passivity and lack of creative problem solving,
- low level of public openness to change.

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account institutional aspects and non-market factors as well as the consequences of management. These problems are captured by the institutional economy, which indicated the importance of institutional innovations in the order and economic development in the modern world. Changes taking place in the economy should also be seen through the prism of institutional changes, taking into account the business environment (Siekierski J., Śliwa R., 2015, p. 140). The ordoliberal theory of economic order shows signs of complementarity with the trends of institutional economics, both in terms of the research program and analytical apparatus, which entitles them to combine them in the research process (Moszyński M., 2016, p. 18), hence the social order of the market economy at the level of the state determines the framework and innovativeness of individual sub-units with the social economy sector, and the social enterprise in it. Social innovations concern those added values that shape a new quality of social and institutional links. In the whole issue of social innovation, four separate elements of innovation must be distinguished: first, the innovation process or the generation of a new product or solution that involves technical, social and economic factors. Second, a product or invention - a result that we call the 'innovation'. Thirdly, the diffusion or adoption of innovation, thanks to which the given idea begins to function in real society.


Fourth, the ultimate value created by innovation. This reasoning points to our basic definition of social innovation: a new solution to a social problem that is more effective, efficient, sustainable or just than existing solutions. (Phills J.A., Deiglmeier K., Miller T., 2008, pp. 34-43). The key changes alongside technical and organizational changes include innovative actions that take into account the social factor. The response to these challenges is the crystallizing sector of social enterprises. social enterprises, especially in the field of diffusion of social innovations, refer to both formal and informal institutions. It should be pointed out here that institutional regulations and institutions support and objectives and innovative tasks (directives, EU and national regulations). In the context of non-formal institutions, the impact on social innovations in social enterprises is the reactions of entrepreneurs to social problems and innovative use of resources in order to improve the quality of people's lives in economic and social terms. Social enterprises are an important element of the landscape of the economy in terms of the shaped social order of the market economy, taking into account the social innovation factor.

Therefore, answering the research question and taking into account all the above conditions, social innovations should be considered as a key factor in the functioning of a social enterprise on the market.

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