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# Social innovation - scaling social impact : a Danish case study

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# Working Paper

## **Social Innovation - Scaling Social Impact: a Danish Case Study**

Roger SPEAR & Carman Ka Man CHAN

**CIRIEC No. 2019/22**

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## **Social Innovation - Scaling Social Impact: a Danish Case Study\***

Roger Spear<sup>1</sup> and Carman Ka Man Chan<sup>2</sup>

**Working paper CIRIEC No. 2019/22**

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## ***Abstract***

A recurring theme amongst policymakers and researchers concerned with social innovation is how to increase its social impact, or replicate it elsewhere. This paper draws on the literature to develop a typology of strategies for scaling social impact. It then uses a Danish Case study of an innovative social enterprise to examine the rationale for strategic choices, and issues involved, when the social enterprise ambitiously scales its social impact. This experience also reveals how the strategies evolve over a number of years.

**Keywords:** social innovation, scaling, replication, social impact, social enterprise

**JEL Code:** O35 Social Innovation

## Introduction

A social innovation may be defined as: “A novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals. A social innovation can be a product, production process, or technology (much like innovation in general), but it can also be a principle, an idea, a piece of legislation, a social movement, an intervention, or some combination of them.” Phills, Deiglmeier & Miller (2008). And there are several different forms of social innovation, as indicated in the following typology (Mulgan et al., 2007; TEPSIE, 2014):

- New services and products (New interventions or new programmes to meet social needs)
- New practices (New services which require new professional roles or relationships)
- New processes (Co-production of new services)
- New rules and regulations (Tepsie, 2014).

Many socially innovative ideas may be considered to be implemented through different forms of social entrepreneurship with the main objective of carrying out social change (Dacin et. al, 2010; Austin et. al, 2006). And while social entrepreneurs may be seen as the agents of social innovation, only some of these would be carried out through social enterprise. And the focus of this paper is on social enterprises, and how they scale their social impact. Although many social entrepreneurs may be content achieving social impact at the local level, in their community, there are others who seek the Holy Grail of substantially scaling their social impact more widely. And while there are a few outstanding examples of successful scaling (Gram Vikram, Grameen, Brac), it can be very challenging (not all Grameen’s partnerships have been as successful as Grameen Phone – Yunus, 2017). There are difficult strategic choices to be made, depending on the scaling strategy. This paper addresses the issue of how social entrepreneurs scale up their initiatives to create more social impact, by examining a Danish case study of a social enterprise which over many years has adopted a variety of pathways for scaling its social impact with considerable success. The paper explores the rationale for the different strategic choices, how scaling strategies evolved, and how ambitions for systemic change have taken shape.

The research for this paper was carried out through extensive research on secondary sources of published and grey material; as well as from the research by the second author, Carman Ka Man Chan, during an internship in

Specialisterne, Denmark, when she interviewed Thorkil Sonne, the founder, and Henrik Thomson, its chief executive.

## **Scaling and Replication**

Scaling social impact has attracted an enormous amount of interest, from policy makers, practitioners and researchers (Galitopoulou & Noya, 2016; Scheuerle & Schmitz, 2016; Desa and Koch, 2014), to name a few. Indeed, a comprehensive review by Weber, Kroger, and Lambrich (2012) identified 88 journal articles or book chapters focusing on social impact scaling or related themes. Dees et al. (2004, p. 26.) noted three forms of scaling a social innovation: as an organisational model, a programme, or a set of principles.

- an organisational model – an overarching structure for mobilising people and resources
- a programme – an integrated set of actions
- principles - general guidelines and values about how to serve a given purpose.

Thus, scaling is not just about increasing the growth of a social enterprise, it is about increasing its social impact.

There are a number of definitions of scaling, but there appears to be a degree of convergence towards variations around that of Dees et al. (2004). For example: Desa and Koch (2014) adapted Dees et al.'s (2004) definition: "Scaling social impact is the process of expanding or adapting an organization's output to better match the magnitude of the social need or problem being tackled." However, the definition for this paper is less enterprise-focused, to broaden the range of strategies beyond partnerships, to include sectoral approaches: i.e. *scaling social impact is the process of maximising the impact of a social innovation to better meet the social needs being tackled.*

## ***Scaling and Replication Strategies***

Researchers have developed a number of taxonomies of scaling strategies (Scheuerle & Schmitz, 2016; Desa and Koch, 2014). One key distinction is between direct and indirect strategies. Direct includes growth of the social enterprise to expand its coverage; it also includes branching- setting up new branches (Dees et al., 2004). This strategy typically involves significant organizational growth (Dees et al., 2004; Bocken, Fil & Prabhu, 2016). Growing

or expanding a social program aims to reach increasing numbers of beneficiaries in more locations, in order to spread the organizational influence wider and deeper in the society (Lyon & Fernandez, 2012; Bloom & Smith, 2010). Scaling through growth is an ongoing process that require adjustments to the nature of social problems and external environment. Expansion and growth are typical of conventional business, with similar issues for social enterprise; and they are frequently wholly owned (i.e. acquisition, organic organizational growth) (Mulgan et al., 2007; Berelowitz et al., 2015).

But there are also indirect strategies, which recognise the importance of collaborating with others, through formally affiliating (Dees et al., 2004), licencing and social franchising (Tracey and Jarvis, 2007); it may also include forms of dissemination including open source knowledge sharing (Galitopoulou & Noya, 2016); and this may extend to promotion, and advocacy. Thus in the direct approach, the central organisation is pivotal in a hierarchy led strategy, while in the indirect approach it is just one node in a multi-nodal network strategy.

The SCALERS model (Bloom & Chatterji, 2009; Bloom and Smith, 2010) identifies seven organizational capabilities as drivers contributed to the success of scaling social impacts. This fairly comprehensive model emphasises the following capabilities: lobbying, communicating, staffing, alliance building, earnings generation, replicating, and stimulating market forces.

Different forms of collaboration or partnership are central to these indirect strategies. And as in any partnership, the replicators need to develop their capabilities to ensure the effectiveness of such partnerships (Huxham and Vangen, 2013), for example through knowledge sharing to enhance the capabilities of the partner (a process which may not be straightforward); by working to address institutional barriers; and by helping to develop appropriate networks to extend the social impact.

Scaling	Strategies	Dilemmas/Issues
<b>Direct</b>	Expand Size and Coverage	
	Branching	Centralised/ decentralised
<b>Indirect</b>	Affiliation/ Partnership	Licences; Program vs principles; Knowledge transfer
	Franchising	Ditto
	Open Source Dissemination	Commercial versus social benefit
	Advocacy/ Promotion/ Consultancy	Social benefit, but with resource needs



The choices between these enterprise strategies depends on the degree of control the organization would like to take, and the risk level of contextual factors in the target location, such as political agenda, legal framework, economic condition, society receptiveness, etc. All these factors could potentially affect the scaling impact of social enterprises (Mulgan et al., 2007; Doherty et al., 2009a).

Finally taking an even broader perspective, it is clear that social entrepreneurs often have ambitions to go beyond the enterprise in scaling their social innovation, some seek structural social change (Barinaga, 2012), or systemic change (as in the Ashoka program activities); and this may require building a broader network or coalition to develop *sectoral strategies for scaling* - as in the case of fair trade.

The indirect strategies are frequently found amongst smaller social enterprise wishing to scale, since they may not wish to grow in size, but remain community based. The indirect strategies and the sectoral strategies will be the focus of this paper.

### ***Replication***

Underlying most of these strategies is the idea that the social innovation model may be replicated in certain respects. Social replication is key part of the scaling process that involves replicating the organization, program, or a set of principles, typically to other geographic areas (Berelowitz et al., 2015), but it could alternatively be to different target groups, or providing different products/services than those provided before (Weber et al., 2012). Replication could be an effective and efficient way to scale once the foundational work has been completed, since subsequent replication can be achieved with more efficient use of time and resources (Hurley, 2016). And with the right strategy, it can be effectively adapted to new contexts (ibid). The study by Mavra (2011) on social replication pointed out that this is the most favourable strategy for social enterprises to grow whilst securing greater financial sustainability.

However, only rarely will it be possible to completely replicate the original social business model (Weber et al., 2012) - some degree of adaptation will usually be required. Replication is little more than the exploitation of a simple business formula (Winter & Szulanski, 2001). When a socially innovative idea is being replicated to other geographical areas, the contextual factors change, whilst the idea may need to be adapted to different set of society conditions, norms and cultures. The "*same innovative instrument... can work and be judged differently in different places and circumstances*" (Evers, Ewert, Brandsen,

2014, p. 11). And typically, the operations of social enterprises are usually small scale and localized (Amin et al., 2002 in Lyon & Fernandez, 2012); since social enterprise are often highly adaptive, and responsive to the localized resources and social conditions where they situated. Thus, scaling out to another geographical location could create demanding challenges of resource acquisition and network building in the new context. An organization would need changes in its organizational systems (structure, process, culture) to adjust the internal resources and capabilities to work with and through its external environment (Kerlin, 2010).

Nevertheless, to uphold the social impacts, replicators should possess the knowledge of the business model traits and valued features (Winter & Szulanski, 2001) and choose the right components that suits the geographical locations to replicate. It is important to recognise the need to deconstruct the business model. Dees et al. (2004) referred to need to identify core elements, while Bradach (2003) refers to the minimum critical specifications - the fewest elements possible to achieve the desired impact. And Austin, Stevenson, and Wei-Skillern (2006) argue that social entrepreneurs need to focus on a core “social value proposition” in order to ensure that their venture’s social purpose remains central. It will also be important to try to standardise the key features to facilitate transferability.

A credible theory of change illustrates clear causes and effects among the parts of the operation, identifies key attributes, activities or even organizational culture for success (Bradach, 2003). Replicators then make adjustments without changing the core features to achieve the same values (ibid). Thus the adaptability is a key part of replication - the business model is to be deconstructed to its essential core features, and the social entrepreneur needs the capabilities to adapt it to its new context. Thus replication and adaptation go together in order to make transferability possible.

There are few different approaches to the process of adaptation (Chowdhury & Santos, 2010):

- Processes of knowledge transfer through the use of templates specifying routines and processes; this may be through best practice blueprints, or intermediaries/consultancy companies; or through formal partnerships for knowledge sharing.
- institutional perspectives, focusing on adaptation to the local context: such as working practices, culture, norms, legal/fiscal requirements and policy frameworks and constraints.

In the case study of Chowdhury & Santos (2010) the model to be replicated with a partner involved installing village water supplies and sanitation facilities; and the core features were to do with establishing joint funding and governance arrangements for *all* villagers.

**Scaling for Systemic Change** involves stepping up a level and looking beyond a network of partners, at competitors and the whole emerging ecosystem supportive of further development of the social innovation. One way of looking at this, is to consider the supply-side, demand-side, and institutional factors (distribution/infrastructure). The supply-side is knowledge and resources relating to the diffusion of the social innovation; the demand-side is social entrepreneurs, and other adopters of the social innovation; and the institutional factors that influence the process of diffusion, and adoption so that the social innovation extends its impact, typically through some form of replication. This perspective also leads to a consideration of barriers - such as resources, market failures, awareness and cognitive barriers, legitimacy; and this leads to considerations of how they might be overcome through the development of an ecosystem; such as for fair trade, or for work integration social enterprise, or in this case study work integration for high capability people with autism/Asperger's.

### ***Evolution of Strategy***

If one develops a life cycle perspective on social innovation, how it is initiated, adopted, and scaled - leading to sectoral development, and systemic change, clearly there are different pathways that may be followed by the original social entrepreneur/innovator. Some social entrepreneurs may be satisfied with developing a community-based initiatives, and not have the ambitions or the capabilities to scale beyond this. Others more concerned with scaling, become the focal organisation in direct and or indirect strategies. Moving beyond this to the network level, there may be several organisations which are driving the scaling process; competing, or collaborating in partnerships, coalitions, and networks. And sometimes these indirect strategies may involve *transforming the business model* to a collaborative one. At the systemic level, a multitude of actors are likely to be involved in scaling directly, indirectly, and in developing the ecosystem supporting that type of social innovation. And individual social entrepreneurs are likely to follow different scaling strategies, as they adopt different entrepreneurial pathways.

The evolutionary path will typically follow certain themes: initially a social entrepreneur may find direct strategies give more control; then learning about core features and the development of know-how and its transferability

becomes important; then there may be a recognition that greater impact can be achieved by moving to indirect strategies such as partnerships; and this may entail a differentiation of roles to complement the resources and capabilities of the partners; and as a network phase develops, competition and collaboration may lead to increasing specialisation. And this will develop further with sectoral development and systemic change.

### ***Strategic choices and dilemmas***

Weber et al. (2012) note a number of different factors that influence the possibilities of scaling. These include commitment by key individuals, sufficient management competences, replicability of the social innovation, ability to meet social needs, and ability to obtain necessary resources. If these conditions are met, the scaling pathway has a number of options depending on the strategies chosen. Thus this is not a linear process, even though they may be similarities of different scaling pathways taken by social entrepreneurs. Assuming sufficient commitment, competences, and resources, the social entrepreneur will encounter different dilemmas when making strategic choices between scaling options.

Looking first at **direct strategies**, where the choice is between **expanding size/coverage** through organic growth, and **branching** - setting up new branches, there will be dilemmas of control – centralisation versus decentralisation -in both options. Branching would tend to be more decentralised, with less central control, but with enhanced possibilities of local adaptation. Branching is also more likely to reveal learning about core features, standardisation, and replicability.

Now, turning to **indirect strategies**, **affiliation/partnership** offers access to greater resources, but risks tensions between different cultures and values, and gives less control. Even formalising partnerships and the use of **licences** will still be open to tensions and conflicts. Learning about core features, standardisation, and the development of know-how about transferability should be considerable; but this is contingent upon the quality of the partnership (Huxham and Vangen, 2013). And the sharing of intellectual property opens risks associated with its future exploitation, and loss of ownership; whilst increasing the potential impact of new partner-led scaling initiatives. The same applies to **social franchising**, which is only likely to take place once a substantial degree of learning about standardisation and replication has been achieved.

Open source dissemination presents more strongly the dilemma of sharing intellectual property against increasing potential social impact by others; loose linkages or a lack of affiliation means a loss of control, with potential reputational risk. Some authors seem to indicate that social entrepreneurs should be more oriented to open source dissemination; and while this may be true, compared to conventional entrepreneurs, it ignores the hybrid character of social entrepreneurship. As Blundell and Lyon (2014) indicate a purely social logic would imply support for open source dissemination, whilst a commercial logic would emphasise the need for protecting intellectual property. There hangs the dilemma for social entrepreneurs.

The shift from direct strategies where the focal organisation is dominant, to indirect strategies where it is a key player in a network raises interesting strategic issues (this shift also represents a hierarchy versus network perspective). Several points have been raised above: increasing social impact, control, reputational risk, hybridity; but in networked models of scaling, the collaborative advantage (Huxham & Vangen, 2013) of the originating organisation becomes more and more important. And in the context of scaling, its know-how about core features, standardisation, replication, and adaptation are important in determining the extent to which it is seen as a valued partner. In addition, as scaling becomes more extensive and networked, it is likely that learning and knowledge will continually develop, and be a central source of collaborative advantage.

The next level of scaling is sectoral development, and systemic change. This might involve the focal organisation and its social entrepreneur carrying out general activities to support advocacy, promotion, and consultancy. But generally sectoral development and systemic change would imply a wide range of actors attempting to develop the ecosystem for developing a specific social innovation. There might be a coalition of such actors, where governance of the sector is an important issue; but it could also be that a market perspective on social innovation would be the best way forward. This is the subject of a future paper (Spear, forthcoming).

### **Case study of the Danish social enterprise: Specialisterne**

Specialisterne, established in 2004 in Denmark, is a social innovative business that aims to provide employment opportunities for people with autism spectrum disorder (ASD) and similar challenges, yet without intellectual disability, that is often referred to as high-functioning ASD or Asperger's Syndrome.

The company train and hire people with ASD to be business consultants on tasks such as software testing, programming and data logistics for public and private sectors. The social innovative business named itself as 'Specialisterne', translated from Danish as 'The Specialists', as they believe the people with ASD could become specialists at work if they are given with the right training, right condition and right job.<sup>3</sup>

In 2008, the Specialisterne Foundation (SPF) was founded; it owns the Specialisterne concept, knowledge and trademark. It has a vision to *"(create) a world where people are given equal opportunities on the labor market"*<sup>4</sup>, which could be regards as a utopian vision as described by Doherty et. al. (2009a). However, a utopian view of vision is usually idealistic and far from achievement (ibid). To map out the vision in a more concrete and achievable structure, Specialisterne supplements with a pragmatic vision of *"enable one million job for people with autism through social entrepreneurship, corporate sector engagement and a global change in mindset"*. This acts as a rhetorical tool and milestone to unleash energy and enthusiasm to pursue the goals (Doherty et al., 2009a).

Specialisterne adopts a mission *"to share best practices, disseminate knowledge and spread the Specialisterne model, in order to provide training, education and employment for people with autism and similar challenges"* with the moral notion of 'equality' uphold through the process. The mission unfolds the organizational identity, and clearly communicate the values and purposes of Specialisterne to stakeholders inside and outside the organization that guide strategic behaviors and decision making (Doherty et al., 2009a).

With all the vision, mission and values mentioned above, Specialisterne comes up with the major strategies as follows:

- replicate the Specialisterne operations around the world to showcase and demonstrate the skills and contribution of the autistic people
- assess and train specialist people for an active role in the labor market
- assess the markets in which specialist people can perform valuable tasks
- develop and share a management model that will enable companies and workplaces to hire and manage specialist people
- increase awareness in society of the positive contributions of specialist people.

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<sup>3</sup> <http://specialisterne.com/>

<sup>4</sup> <http://specialisternefoundation.com/about/our-logo/>

The major business activities of Specialisterne are: to work as a business consultant to recruit, assess, train and take on-board autistic people to serve wide range of technological companies on-site or outsourced. It strives to change the way companies in managing individuals. It provides human resources and management services in relation to work design, recruitment and selection, training and development. And in the daily life operation, it upholds four values as the positive lens to view every individual as unique, which are 'respect', 'accommodation', 'clarity' and 'accessibility', which could be seen as core values that are underline in all business activities.

Since it started in 2004, Specialisterne Denmark has supported more than 230 individuals with autism by creating job profiles and providing assessment. Today, the company has hired around 30 consultants who perform valuable IT services, such as software testing, data registration, quality control and information packaging for several leading IT and telecommunication companies around the world, such as SAP, Siemens, BBVA, Avanade SAP, Microsoft, HP Enterprise, etc. With 15 years of experiences, Specialisterne has become a sound solution to improve the image and life of autistic people. The model is gaining momentum, have spread to numerous locations around the globe. Specialisterne is operating in 12 countries. More than 10,000 have been hired directly through Specialisterne and indirectly by followers (social enterprises and companies).

The business expansions were replicated using different strategies. The operations in Canada, USA, Australia and Singapore were established with SPF having the right to appoint board members as sole member. Licenses were granted to the operations in Austria, Iceland, Ireland, Switzerland (not active anymore), Spain, Northern Ireland, Italy and Brazil, while partnership were established for the operations in India and Czech Republic. Specialisterne Spain is a hybrid that has small percentages owned by SPF. In addition, partnerships have been adopted in India and Czech Republic, and some of the projects to appointed organizations to use the model without the brand. Each country has different operational model adjusted to the local collaboration, culture and context. Some run on subsidies from local governments and foundations, some run on funding in collaboration with partnering companies, while some are generating income from the operation. All in all, all operations are not for-profit in the end, the income generated are putting back into the system from time to time.

SPF has a knowledge database to keep track of the back-bone DNA of Specialisterne. It is a living collection of its pedagogies about the human resources development and business development. Competence models and

templates in relations to business activities, such as recruitment, assessment, training can also be found to act as guiding documents during replication process.

The history of its activities is summarised in the table below:

**Case History Table (approximate timeline)**

<b>Date</b>	<b>Strategy Event</b>	<b>Outcome</b>
2003	Specialisterne Established	
2004	Training programme established (5 months)	
2008	Specialist People Foundation (SPF) Established – later renamed to Specialisterne Foundation	to develop partnerships; takes ownership of Specialisterne; With support from LEGO Foundation.
2009	Specialisterne school; Sonne becomes Ashoka fellow;	Established
2010	Branches in Scotland (and Poland)	Branch – Phased out later
2011	Licenses in: Iceland, Switzerland, Austria.	Licence. Switzerland phased out later.
2012	Licenses in USA, Ireland, Spain	Autism Advantage article in NY Times Magazine.
2013	Subsidiaries in Canada, UK, Germany; SAP launches Autism at Work Programme	Partnership with SAP. Germany and England phased out later
2014	N. Ireland. Project launched in Australia	
2015	Partnership: India, Czech Republic. Specialisterne Australia	
2016	License in Brazil – with links to Spain; Feasibility study for replication in China	China launched by SAP in 2017.
2017	Specialisterne Italy established with links to Spain	

### ***Analysis of Specialisterne's Scaling Strategy***

**Early stage: Work Integration Social Enterprise** is established as Specialisterne in 2003, for autistic people. It develops a number of competencies: firstly in recruiting, assessing and training this target group; secondly in designing a suitable work environment and supportive HR practices for employing this



target group; and finally it develops its market relationships to secure contracts for software testing.

**Second stage – Direct Scaling through Branches and Licenses.** Specialisterne sets up branches and licenses in a number of countries. They also build partnerships with large companies having appropriate internal Labour markets for their target group.

But the direct scaling also involves the theme of the next stage - networking: Henrik - *“Specialisterne Australia is built on two contracts that we actually carried to Australia, Hewlett-Packard and SAP, and then from that, we generate the platform that we can stand on”*. Also, the Social Capital Fund, with its strong networks in Denmark, provided important capacity building support in this stage.

**Third stage – Indirect Scaling through Partnerships** – Specialisterne is the lead organisation, driving the scaling process initially. When Specialisterne wants to increase autism employment, there must be jobs and trainee positions, Henrik emphasized, *“the corporate sector is really important because it stands up there. If there's no one to hire them, we can't create the jobs out of nothing..... so the employers must be in place”*. Specialisterne developed strong alliances with a few global strategic partnerships with giant IT corporates, including SAP, Hewlett-Packard, IBM and Microsoft. These global corporates have offices around the world, Specialisterne had made use of their infrastructure and local resources to start up in many locations to replicate the social impact. For example, the partnership with SAP brought Specialisterne to Brazil, Canada, Germany, India etc.

These global corporates are customers of Specialisterne. For Specialisterne, funding has come from both the public and public sector. For example, in Denmark, the service fee is paid by the municipality; in Australia, it is paid by the corporate partners. Sustainable revenue streams are essential for hybrid social enterprise with dual objectives of achieving social aims and financial sustainability. This has been repeatedly emphasized by both Thorkil and Henrik *“... once (the replication) kick started, financing becomes very, very important. The revenue stream must be in place”*. For example, Specialisterne Scotland, was an example that illustrated the importance of ‘earning-generating’. Henrik recalled: *“It was established based on a government funding. When they had obtained the license, the government funding disappeared....And they really needed....to get hold of the corporate sector (for revenue), they had trained candidates, but the financial crisis hit at the same time – which affected the customers need for talent.”*. In contrast, Specialisterne Denmark was funded by

both municipality and income from companies. This strategy of gaining a mix of financing helps diversify the risks. Thorkil emphasises the need to search for various funding sources through his networks with other corporates, foundations, social entrepreneurial networks, etc. Ashoka, for example, was useful in connecting Specialisterne with its support network in different locations.

Many of the corporate partners of Specialisterne committed to the partnerships for reasons of corporate social responsibility, or diversity in the workplace; but institutional measures, such as government regulations can also be important drivers, for example a law specifying that a workforce should comprise a certain percentage of disadvantaged people – typically the same as in the general population. In addition, these companies partnered with Specialisterne because they could obtain economic benefits from the collaboration while also serving the public good. Specialisterne's assessment and training empowered the autistic workers to perform as highly competent IT specialists, performing well thereby generate profit for their company, and reinforcing the policy of hiring autistic people.

During this stage, Specialisterne had already had a substantial number of partnerships, and these were increasing and influencing its pattern of scaling more and more. Its Corporate Partnerships included the following:

- TDC - important early customer; and previous employer of Sonne;
- SAP (Autism at Work Programme) employs over 70,000 people in more than 190 countries – launched 2013.
- More recent partnerships Microsoft, HP enterprise.

As scaling increased, partnership roles have become more differentiated and specialised; with Specialisterne developing its expertise in the areas of recruitment, assessment, and training; as well as their capabilities for designing a suitable work environment and developing supportive HR practices. And developing this third stage of indirect scaling involved *transforming the business model* to a collaborative one, where Specialisterne's collaborative advantage is its knowhow. Specialisterne develops its knowledge hub to strengthen its collaborative advantage, and capacity to more effectively support scaling strategies with partners. It also develops its capacity to flexibly adapt the model: Specialisterne had different models for different companies, with different durations and different training models. Specialisterne's online knowledge hub could be accessed by replicators from different locations, and it is the back-bone DNA of Specialisterne. It was a rich knowledge platform, where models, guidelines, templates and relevant documents about

assessment, recruitment, marketing and other business activities could be found. They served as ready-made references that could simply be copied to other locations. However, there was an interested note on the short guide to the knowledge database, reminded the users to adjust the local needs of the assessment process. It showed that adaptation was required during replication. Nevertheless, the database provided a good fundamental to start, Henrik said, *"The core of the model is still the same....It is the ability to assess them and ready-made them for a job"*. These models and references have been continuously tested and reviewed as different replications took place, so they were highly reliable and useful.

But gradually partners take their own initiatives, leading to the next stage: a network scaling process.

#### **Fourth stage – Network Scaling**

During this stage, the network becomes more and more important as a vehicle for scaling, with a multinodal pattern developing. Certain partners grow in importance, particularly SAP, and begin to take their own initiatives; Specialisterne's role becomes more differentiated as a specialist service provider to partners. And new partners join the network.

**SAP also becomes a driver of network scaling:** Long-term partner SAP with its global reach, becomes a very strong influence on the scaling process; and other large multinationals developed similar programs, in many cases with Specialisterne being a specialist service provider, due to its well established and growing expertise in the field. And driving this is strong leadership, Henrik: *"SAP makes the most impact.....because ... the process is driven by a Senior Vice-President, she is really high up in the organization.....So with her drive ... close to the decision, this is a good sponsor"*.

**SAP** launched its **Autism at Work programme** in 2013, with the aim of making 1% of its workforce people with autism by 2020, i.e. the same percentage as in the general population. Rather than being based on CSR, this programme was based on the idea of "neurodiversity" in employment, contributing to the overall capabilities of the company. It now employs more than 150 colleagues across 13 countries. At the start of their program their partner was the Danish company Specialisterne; they still work with Specialisterne, and other specialist organisations supporting integration into the workforce of autistic people. Typically, other partners will include NGOs since they have particularly good links with target groups, and can play an important role in promoting new initiatives. For example some local partners in Specialisterne/SAP partnership are: EnableIndia (India); Nautis (Czech Republic); Pandorga (Brazil); USA

(The Arc, DOR, Expandability); and KVJS/Integrationsfachdienst (Germany). (OECD, 2017); are main SAP Autism at Work initiative partners. The charities provides services raises awareness and understanding, and campaigns for change through specialist education and support.”

The programme has evolved over its six years, now including: internships and high-school mentorships, and SAP offers “pre-employment training opportunities” for potential employees with autism. In the US, this training lasts six weeks and covers the basics of enterprise skills and workplace etiquette. About half of those who have completed the programme have subsequently been employed by the company, although others have gone on to work for one of SAP’s customers or partners.” And its influence has extended to about 250 companies which have approached it to learn how to implement similar schemes.

Many large companies have since then adapted their HR processes to be more inclusive towards neuro diverse people. These include Hewlett Packard Enterprise (HPE), Microsoft, Willis Towers Watson, Ford, and EY. Others, including Caterpillar, Dell Technologies, Deloitte, IBM, JPMorgan Chase, and UBS, are exploring making similar adaptations. And they can draw on to the neurodiversity know-how at SAP, HPE, and Specialisterne (the original innovator of such programs).

**Exploring new replications: China Case-** The replication plan to China was first initiated by SAP. The government provides an incentive’ since companies are required to fulfill the disability employment requirement (The Chinese government has a legal regulation requiring companies to include 1.5% to 2% percentage of disabled in the workforce, or else they impose a huge fine. (IBM faces a similar challenge in China).

There were two strategic alliances that were vital for Specialisterne: China Association of Persons with Psychiatric Disability and their Relatives (CAPPDR), a national-wide organization that has connections to massive autism organizations, it will help to secure the supply of autistic people; and Stars and Rain, the biggest autism organization in China that is specialized in providing teacher and parent training about autism, will be trained and supported as the local trainer. While SAP was the alliance that support the demand and money, these two alliances brought in their network and knowledge to complete the business model. As Thorkil said, *“It is like Stars and Rain in China. They could maybe become a partner, they have the infrastructure, they just need our knowledge. That’s a very efficient way to make it work”*. SAP launched the

Autism at Work in China in April 2017, with Specialisterne supporting hiring, selection, training, and supporting with HR.

### **Sector Development:**

Specialisterne has clearly been influential, both in indirect scaling with partners, and in developing the network and sector. Thorkil always promotes Specialisterne wherever he goes, giving speeches and presentations at various autism conferences, social enterprises summits, World Autism Awareness Day, World Economic Forum, etc. These promotion efforts built reputation and attracted supporters for Specialisterne, and develop good connections with parent groups, autism organizations, academic staff, change maker networks, etc. around the world. This also helps built rich social capital to support different aspects of the business.

And SAP also drives sector development: “In 2016, SAP set up the Autism at Work summit, an annual conference for business, government, educators and other stakeholders to come together to share knowledge in this area of work. Microsoft, JP Morgan Chase, EY, DXC Technology and Ford are among those with whom SAP meets regularly and who participate in or host the summits.” (Daily Telegraph, 4/4/2019).

And as a sector develops there are more players operating in similar ways (as potential competitors), such as the following companies similar to (with some inspired by) Specialisterne: Auticon (Germany, 2011), Aspiritech (USA, 2008), Passwerk (Belgium, 2008), AQA (Israel, 2008), Autism Works (UK, 2010), Kaien (Japan, 2009); And some of these such as Auticon begin scaling internationally – it launched offices in London, and Paris, in 2016.

### **Conclusions**

This paper has focused on scaling social innovation; it draws on the literature to develop a typology of strategies for scaling social impact. It goes beyond the enterprise level of scaling, to suggest a network strategy where a plurality of actors take replication initiatives; and it goes on to suggest a sectoral level where replication strategies for systemic change are enacted. It identifies a number of strategic choices and dilemmas, associated with the hybrid character of social entrepreneurship. And it discusses how these strategies evolve over a number of years, and in particular how they involved transforming the business model to a collaborative one, where Specialisterne’s collaborative advantage is its knowhow. It draws on a Danish Case study of an

innovative social enterprise to examine the rationale for strategic choices, and issues involved, when the social enterprise ambitiously scales its social impact; as well as the evolution to different levels of scaling.

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