Leading Innovation using Social Capital in Public-Private Partnerships

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Abstract

Social capital is a multidimensional concept used by scholars from different disciplines to demonstrate the benefits of accessing resources through relationships in social networks. More specifically, scholars have found that social capital can accelerate positive innovation outcomes. As a scholar-practitioner, my purpose in addressing How is social capital created and used to facilitate innovation in PPPs? is to help leaders in both public and private sectors find ways to collaborate more effectively to manage innovation. In a connected global economy, the ability to share costs, resources and risks across sectors is critical to develop and sustain competitive advantage. Unfortunately, research has shown that in practice, many PPPs fail to achieve anticipated innovation outcomes, due in part to a breakdown of social relations between partners. A qualitative research study investigated critical incidents on innovation projects in PPPs, from the perspective of innovators across sectors. Taking an interdisciplinary approach, I was guided by the metatheory of critical realism, which made it possible to identify the generative mechanisms that may have triggered innovation outcomes. Three modes of inference were used to analyse interview data, which referenced different industry sectors and types of innovation, producing a holistic understanding of the interaction of social capital and innovation in PPPs. The article presents a conceptual model that explains how relational, cognitive and structural social capital interact with boundary spanning practices to facilitate innovation. The model can guide innovation management in partnership contexts and assist leaders across the private and public sectors.

Keywords: Innovation, social capital, public-private partnerships, boundary spanning