Section excerpted from:

INSIGHTS

4th-Year Students' Reflections on Design for Social Innovation

COMMUNITY

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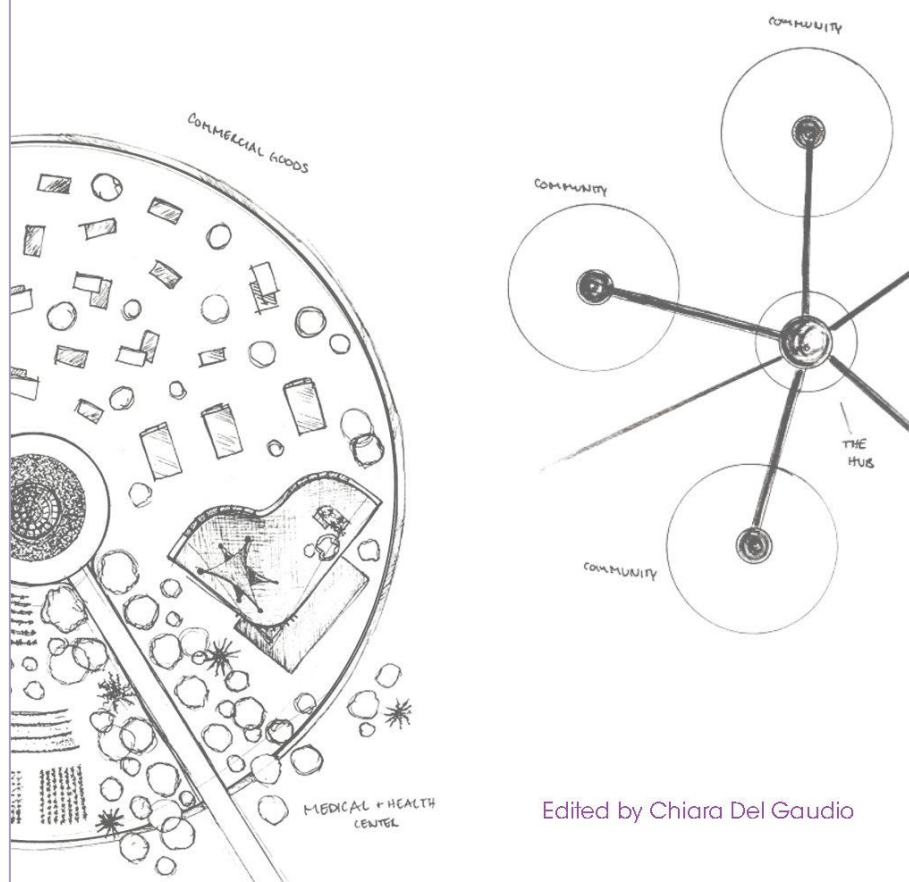
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How Social Innovation Hubs Impact Start-ups

SOCIAL INNOVATION - INNOVATION HUB - START-UP - PHYSICAL SPACES

Social Innovation, Innovation and Start-ups

An increase in investment in start-up companies is important as it can have a beneficial impact on their respective local economies. Start-ups have a positive impact on macroeconomic well-being by providing a surplus of jobs to their nation (Dilger, 2018). According to the financial journalist, Amy Fontanelle (2019), "A start-up is a young company founded by one or more entrepreneurs to develop a unique product or service and bring it to market." (para. 1) Social innovation can be broadly defined as:

> innovation in meeting social needs of, or delivering social benefits to, communities - the creation of new products, services, organizational structures or activities that are 'better' or 'more effective' than traditional public sector, philanthropic or market-reliant approaches in responding to social exclusion (Moulaert et al., 2013, p. 1).

In recent years, innovation hubs have increased in popularity due to the competitive advantages a firm can achieve through participation in this social innovation. Innovation hubs provide a co-working space that allows for companies to have access to tools and infrastructure that aim to help young start-ups thrive. An innovation hub "works as a catalyst of ideas, an incubator of new initiatives and tangible demonstration that new economic models and ways of living are viable and could be desirable" (Manzini, 2015, p. 199). It is a type of organizational structure dedicated to innovative projects (O'Hare et al., 2008). This paper will explore how the physical, social and knowledge infrastructure provided by social innovation hubs affects the development of new creative businesses.

The end-users, in this case, are fledgling business ventures otherwise known as start-ups. With start-ups having no history or profit to show, investments in start-ups are very risky (Fontinelle, 2019). Based on this, it is evident that one of the main challenges is to prove the validity of the concept proposed by the proprietors of the company. Proving validity to potential investors is crucial as the success in overcoming this challenge will mean a greater amount of revenue to be put into developing a concept, whether it be a physical product, phone application, consumer electronics, for example. In fact, with limited financial and structural resources, it becomes even more challenging to validate a concept. To positively influence innovation, the design of a space should bear four key attributes in mind: a time and place to engage in creative thinking, technology to facilitate the process and human facilitation (Magadley & Birdi, 2009). These spaces are designed in a manner that nourishes the innovation needed for start-ups to be competitively advantageous. The following section will explore how the design of a Social Innovation affects the development of a company.

Centre for Social Innovation and its Impact

The *Centre for Social Innovation* (CSI) in Toronto, Canada is a company that provides infrastructure to companies in need of access to tools and spaces needed for business development. The company has three locations in Toronto and one in New York City. According to the CSI website, the benefits of being a member of CSI include having access to the spaces that are part of its infrastructure. The spaces come equipped with high-speed internet, meeting rooms, photocopy and fax machines and other tools which may be necessary for members to develop their own business. The design of meeting room 4, showcased on their website (Centre for Social Innovation, n.d.), at

the Annex Location in Toronto will be analyzed here to understand how effective it is in fostering innovation through its design.

The room is spacious and has a large amount of natural light. It is also equipped with a projector screen and a white board. Room 4 provided by CSI is able to meet these requirements because:

1) It is an infrastructure (place) that makes it possible to have intended meeting and working spaces at a specific time.

2) The centre has the technology available to foster the ambitions of the company by providing basic supplies such as a printing machine, a kitchen, Wi-Fi, furniture, and a white board to illustrate ideas to others. Apart from the office supplies, the Centre for Social Innovation has a tool library where people may rent desired tools, which are supplied through donation by people who no longer use them.

3) The design of the rooms is human-centred and optimized for human use. These rooms have furniture chosen that allows easy communication between the users. This can be seen through the orientation of the table centred in the middle of the room with all the chairs facing inward to maximize interaction between the users within the room.

A firm in the early development phases is at a crucial point of its business venture. Entrepreneurs are learning the fundamental lessons and challenges, such as proving validation to investors, which will later define their process of executing their business proposition. Innovation hubs can provide a space that allows for this learning process to be ever more effective. For a space to foster innovation, it needs to have the four attributes of a time and place for creative thinking, complementing available technology and, be human centred. As shown through the case study of the Centre for Social Innovation in Toronto, this innovation hub has proven to be beneficial for start-ups.
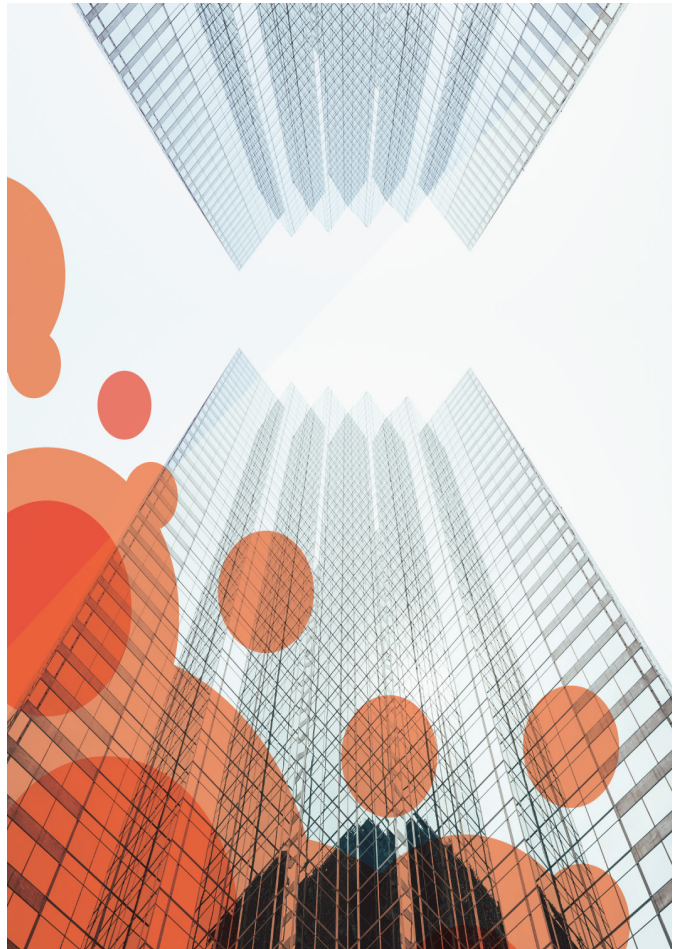
"To positively influence innovation, the design of a space should bear four key attributes in mind: a time and place to engage in creative thinking, technology to facilitate the process and human facilitation."

(Magadley & Birdi, 2009)

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