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In the Nordic welfare states, social innovation is currently seen as key to improve and renew services and sustainable products, to change and empower people’s lives, to enhance public services and to provide private-public-civil collaborations. In this chapter, I provide insight into the psychosocial fabric of this current development, pointing out how identification, idealization and shame become descriptive of the psychosocial landscapes in social enterprises. Social enterprises invest in creating both social and economic value as well as reinvest their profits for the good of the enterprise, staff, volunteers and the local community. Departing from case studies, I illustrate how managers and staff identify with and idealize their social innovative missions, but find it difficult to fulfill their aspirations in the face of (neoliberal) societal and organizational contexts and conditions.
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Social innovation in welfare practices: Identification, idealization and shame

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Abstract

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Keywords

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Social innovation in social enterprises

In the Nordic welfare states social innovation is currently seen as key to improve and renew services and sustainable products, to change and empower people’s lives, to enhance public services and to provide private-public-civil collaborations (Author, 2020; Banerjee, Carney, and Hulgård, 2020). Consequently, many public, private and civil organisations engage in this renewal and in this chapter I provide insight into the psychosocial dimensions of this development. I take a departure in a number of Danish case studies of social enterprises and I delve into how managers and staff voice and reflect their social and economic mission and work situation. Social enterprises invest in creating both social and economic value and reinvest their profits for the good of the enterprise, staff, volunteers, stakeholders and the local community. The social value often deals with job training, integration, empowerment, social housing, poverty reduction or sustainable production using (social) innovation as a new approach to the social problems. Civil society is often a privileged partner to social enterprises by collaborating with voluntary associations and NGOs (Author, 2016).

I apply the concepts of identification and idealization as central for deepening our understanding of performative and professional innovative work such as that of the social enterprise. Professionals and citizens are expected to be change agents to provide socially innovative services and many are eager to perform but also burdened by this. In the following I illustrate how processes of identification, idealization, ambivalence and defence mechanisms are related to individuals’ engagement in innovative change processes. We might understand these as ‘sticky constructions’, following Britzman (2010). Britzman pinpoints how Freud positioned objections, objects, and obstacles to constitute a psychoanalytic movement as if he was always addressing a learning subject from the point of view of learning from difficulties. This may assume the form of ego defences, resistance to resistance, constructions in analysis, moral anxiety and interference of the superego, transference, love, free association, dreams or group psychology. Britzman names these phenomena ‘sticky constructions’ (Britzman, 2010, p. 20) and I argue that my psychosocial reading of identification/idealization/shame might very well be labelled a ‘sticky construction’, emphasizing that this entity represents a learning story of social innovation for us to uncover and expound.

Social innovation tends to be a grand vision to be realized through complex and demanding social practices and might be part of a paradigm shift, because it “appears as the foundation for an alternative to the neoliberal societal vision. Favoring solidarity over individualism, integration over sectoralization, and collaboration over division. At the ethical level, social innovations function as a means to learn collectively and to increase the capabilities of the most vulnerable people to better their living conditions” (Moulaert, MacCallum, Mehmood, and Hamdouch, 2013, p. 15). Social enterprises are micro-entities, but are nevertheless despite their size inscribed in the grand narrative of social innovation. We can identify two ‘schools of thought’ of social enterprises: “the earned income school of thought” and “the social innovation school of thought”, which pinpoints the two predominant strands of social enterprises (Anderson and Dees, 2006). However, many social enterprises and business enterprises combine these in a double or triple bottom line
vision that creates blended value to balance and better integrate economic and social strategies (Defourny and Nyssens, 2012).

In Denmark social innovation is a dominant concept in rhetoric and reality pointing to social innovation as a fourth way of solutions to municipal social challenges (Hougaard and Lauritzen, 2014); as radical innovation like the new lingo since public innovation can be efficient, scaled up or necessarily profitable (Mandag Morgen, 2013), as a high-level involvement strategy that strengthens the outcomes of innovation, providing greater ownership and trust (Øllgaard, 2020), and as created, produced and delivered by social actors and complementing public services placing civil society in a more important strategic role (Fuglsang and Scupola, 2019). Confronted with these favourable outlooks a critical voice is appropriate enhancing how “An increasingly impatient social sector sees innovation as the holy grail of progress stemming from the perception that traditional development, poverty-related challenges and growing levels of inequality are lost years” (Seelos and Mair, 2012, p. 45). This is a thought-provoking point of relevance for Denmark since social innovation in the format of social project experiments has been key to welfare state development (Hulgård and Andersen, 2019). Adding to this, inherent in the push for social innovation in welfare services lies a pre-understanding that favours a market and entrepreneurial approach focusing on outcome from external impact. This entails that the innovation driven by incremental organizational changes from within a public organization is overlooked or even downgraded (Seelos and Mair, 2012, p. 46). At a societal level then, we can identify an ambiguous handling of the narrative of social innovation. As I shall unfold in the following the managers and staff of social enterprises mirror the same ambivalence.

Social innovation in social enterprises: blended values, empowerment and deliveries
A number of Danish social enterprise case studies provide insight into experiences and symbolizations of social and economic value creation, citizens’ empowerment and change processes (Author, 2015b; Jørgensen and Sievers, 2015; Rosenberg, 2014; Sievers, 2016, 2019; Svensson, 2014b). For this chapter I include studies by Svensson (2014) and by Jørgensen (2017) since they provide in depth inquiries into work identification, work barriers and personal motivation for choosing a social enterprise as their paid work. One ethnographic study by Svensson focused on three social enterprises pursuing social and economic value and employing socially vulnerable citizens marginalized in the labour market. The enterprises spanned a sewing workshop, a high-profile industrial components company and a grocery shop (Svensson, 2014a, p. 133). Twenty interviews were conducted with employees and public sector case managers and fieldwork and document analysis were performed. Regarding their motives for working in the enterprises, several employees stated “that their ambition is to help create a utopian place of solidarity where people can have job satisfaction for the betterment of themselves as well as society in general” (Svensson, 2014a, p. 59). One employee pointed out how he had gradually changed his work identification from the perception of just a regular job into a high degree of enthusiasm, since the work, environment and colleagues provided a "contagious" work ethic and engagement (Svensson, 2014a, p. 27). There was strong staff identification with the enterprise: “We have made this company because we can do it our own way. We know something special. We want to create something unique and special both from how we do it and from how we market it” (Svensson, 2014a, p. 167). Another employee added that “performance and change trigger opportunities” and that the enterprise is all about being able to see future possibilities since the market is changing, along with the group of vulnerable citizens employed (Svensson, 2014a, p. 153). Consequently, this creates pressure on the employees and the enterprise, since “the trick is to keep up with changing times and if you can’t then you will go down” (Svensson,
Svensson also highlights how cutbacks lead to increased production, which provides less space for empowerment and change processes such as strengthening social relations and support for the development of vulnerable staff members. Staff interviewees asked for “upper management to hold back the axe” since this led to “frustrated employees lacking spirit” (Svensson, 2014a, p. 125). A continuous flow of deteriorating work conditions led to high turnover and sickness absence. Employees voiced notable frustration when human and social relationships were not given space. The maintenance of human relations was at the core of their professionalism and served as social navigation and as a symbolic counterbalance to the experience of a centralizing and structuring municipality, which was seen as dehumanizing and segregating (Svensson, 2014a, p. 129).

Another in-depth study by Jørgensen (2017), based on fieldwork and 15 interviews with managers and staff in two social enterprises and cooperatives providing sustainable food products and food deliveries clarified the visions of the manager and founder of one of the enterprises: “It is about creating a local community that provides spaces for all and makes us happy rather than rich and also does good for the environment” (Jørgensen, 2017, p. 110). The intentions were to create a whole new industry offering meaningful societal participation and delivering on social and environmental sustainability. Despite a very positive impact on social media and high publicity, the difficulties remained quite overwhelming in terms of staff consisting of homeless and former homeless people, financial support, a sustainable business plan and suitable facilities for food production (Jørgensen, 2017, p. 131). In the manager’s words: “I believe in a more idealistic society... [...] We have some values in our social enterprise believing that one can produce and be productive in society without being productive in the capitalist way, which destroys the environment and destroys people at the same time” (Jørgensen, 2017, p. 129). Another employee said: “For me this enterprise is about proving that homeless and other vulnerable people could actually produce something of ‘real value’, something that is good enough to be sold at the airport or in Tivoli” (Jørgensen, 2017, p. 131). The daily challenges and navigation between different visions, expectations and realities led to frustrations and tensions for staff and manager when “the calculations did not add up” and always “being shorthanded” or being unable to provide the right people for the jobs (Jørgensen, 2017, p. 112).

Despite a clear vision of social and environmental sustainability, awards and positive media publicity, the realization has been all but easy. As the manager put it: “The idea is good – that works, it is the practicalities that are difficult. It has been uphill, we have been under enormous pressure and often face day-to-day survival to provide efficient liquidity and secure the cohesion of the organization. We have not been able to sell our products to the extent needed and we are overwhelmed by the number and variety of tasks” (Jørgensen, 2017, p. 111). The employee responsible for volunteers and external collaboration said “It has been uphill to recruit homeless or marginalized people since our job is both business and job training/social work and too many are simply not up to it. Too many times I have had to make spectacular savings at the last minute - in order to provide orders” (Jørgensen, 2017, p. 112). A complicated organizational model difficult to understand for all involved, much to learn about business operations as well as social work, uncertain finances, an insecure and very small workforce, but with an ‘idea that works’ and considerable publicity, this social enterprise provides an example of bricolage, illustrating how implementation is an ambivalent affair, as the efforts
to fulfil the social and economic ambitions do not necessarily always lead to the 'win-win' situation, as the toasts speak (Jørgensen, 2017, p. 129).

Social innovation in a psychosocial perspective: Identification, idealization and shame
The psychosocial understanding of identification emphasizes that these processes are dynamic parts of our personality and professional development, where we adapt and model ourselves based on the desirable qualities and actions of another person or people, or desirable causes. These are conscious and unconscious mental processes formed at an early age but in adult life they adapt, change and continue to form our professional and personal life (Freud, 1993). Sandor Ferenczi states that “the ego is always in search of objects, i.e. individuals or ‘desirable causes’, to identify with; these can act as objects of transference or we can introject them in order to grow and mature” (Ferenczi, 1955). Due to these processes all of us are drawn to worthy causes or persons to engage and identify with, just as we learn by listening to the staff and managers in our case studies. They all engage in larger causes. The ‘grand narratives’ such as social innovation, democratic participation, empowerment or sustainability depend on professionals (and citizens) identifying with these narratives to enable them to be realized and implemented. Welfare professionals that identify with these objectives provide the ‘engine’ of welfare services but at the same time these processes might produce idealization, ambivalence and anxiety – partly rooted in the constraints of the societal, organizational and financial frameworks (Author, 2013, 2015a, 2016). But professional and personal performance also imply intra-subjectivity and inter-subjectivity contextualized by societal, cultural and organizational settings (Benjamin, 1995).

We cannot fully understand how identification and engagement by staff and managers oscillate without involving the specific organizational, economic and societal conditions for their work. What we hear is that cutbacks and limited resources affect their results and job satisfaction and actually lead to a lack of identification followed by anger, depression, despair or burnout. The societal landscape for social enterprises in Denmark is to deliver on a double bottom line of social and economic values. The economic foundation is often a resource mix combining both market income and public and private funding. Surveys have documented that social enterprises struggle to survive on a long-term basis since they often integrate vulnerable citizens with a simultaneous focus on traditional market deliveries and key performance indicators. Denmark is strong on rhetoric supporting social enterprises but weak on fiscal and financial support structures (Author, 2016b; Author, 2016; Hulgård and Chodoroff, 2019). Our case interviewees all pointed out their constrained work conditions and provided a detailed account of how this influenced their wellbeing at work. This also led to reduced options for providing an empowering and participative environment for their more vulnerable co-workers. These conditions and consequences affected the interviewees due to their strong sense of identification. The neoliberal transformation of the Danish welfare state has imposed a number of cross pressures on employees, citizens, welfare recipients and managers, because they need to apply top-down regulations and objectives while simultaneously attending to professional standards, and to citizens’ and users’ subjective needs and demands. But at the same time, these transformations have been shaped by a Nordic tradition enabling democracy and citizen participation as crucial elements of this fabric.

Neoliberal practices as framings for social enterprises
In brief, the Danish (and Scandinavian) welfare states originate from a redistributive, reciprocal and solidarity-based approach, with universalism as the guiding principle in welfare services (Esping-Andersen, 1990). Nordic economies, societies and politics imply a large public sector, a universal, all-embracing welfare state, and a high degree of economic and social equality (Enjolras and Strømsnes, 2017). The state provides free access to healthcare, social services and education and the Scandinavian countries are state-friendly societies, in which the relationship between the state and civil society is characterized by close contact and cooperation rather than distance and conflict (Enjolras and Strømsnes, 2017). In Denmark, the neoliberal transformation of the welfare state has been implemented through a number of governmental modernization programmes launched in the 1980s and followed up through the 1990s and 2000s. These were characterized by New Public Management in a mix of 'hard' traditional goals of productivity, efficiency, performativity and management and 'soft' democratic and professional goals such as the involvement of citizens and staff, democracy and inter-professional collaboration (Author, 2015a, 2016; Greve, 2006; Kamp and Hansen, 2018).

In this way, working life in the public sector has been transformed by increased managerial control over performance, productivity, output and results, but it has also enabled self-management, resistance and active individual and collective influence on work (Kamp and Hansen, 2018, p. 221). The modernization programmes initiated top-down have led to major changes in Danish society and implemented considerable innovation in welfare services, public management and organizational structures and cultures (Andersen, 2015a; Hartley, 2005). Public institutions collaborate more and have developed their internal cooperation, and increased local democracy and the co-creation of welfare services. Consequently, the outcome of these development programmes has largely been dependent on many actors, such as public servants, citizens and local politicians (Author, 2016; Sørensen and Torfing, 2011). Thus, a significant point is that although modernization programmes might have been decided top-down, they also required activation of a bottom-up approach in their realization (Author, 2016; Hartley, Sørensen, and Torfing, 2013). Modernizing the public sector also paved the way for more diversified market and welfare services, which have proven to be important for social innovation, social entrepreneurship and the development of hybrid organizations combining public and civic elements. In this way, the public sector has been streamed into a (social) entrepreneurial mindset and entrepreneurial initiatives in welfare services (Author, 2016a; Author, 2016).

The psychic economy of work

In order to understand work and its obvious and latent meanings for people, we need to unfold the societal contextualization of paid work. I have sketched out the societal framing but we need to dig deeper into the meanings and processes of work likewise. The concept of the “psychic economy” of work elaborates on how wage labour must be understood through the individual’s psychodynamic structures and processes shaped by life history and society. This concept was originally linked to the early alienated structures of industrial production, but a more contemporary application adds the social reproduction of the utility- and needs-related value of work in the form of a dynamic paradigm of work-related psychology (Meyerhuber, 2009, p. 102; Volmerg, 1990, p. 103). The fact that paid work activates a series of individual life history developmental traits can be understood through the psychoanalytic concepts of transference and displacement (Leithäuser and Volmerg, 1988). A variety of drives and needs are displaced from the individual to the specific work and working conditions in order to satisfy these needs. Consequently, in paid work it is possible to identify and analyse specific psychodynamic processes where impulse gratification consists of a certain constellation, depending on the individual life history and the available opportunities for drive satisfaction (Andersen, 2013,
The many quotes from employees and managers in my previous reading illustrate some of these dynamics. The very personal and dedicated engagement with the mission of the social enterprise trying to change the world for the better. The significant personal satisfaction by being part of changing the lives of marginalized citizens. The joy and satisfaction when they succeed in delivering social products and empowerment.

Insight into the emotional spectrum involved in these organizational and human change processes indicates not only how these efforts are sustained through people’s identification and idealization but also entails elements of ambivalence and defence. Social enterprises contain a number of features that combine challenging goals for individuals with broader societal objectives and visions. The dynamic reciprocal interaction between the goals and visions of organizational innovation which is played out in a specific societal framework leads to certain specific psychosocial manifestations, such as professional and personal fulfilment through identification mixed with dilemmas and difficulties expressed in ambivalence, defence and powerlessness. In order to fulfil the ‘grand vision’ of human growth, empowerment and social change, managers and staff have to identify with these objectives. Identification in the form of strong commitment, professional skills and strategic management is necessary to meet the objectives.

Simultaneously, we might ask whether organizational objectives of human growth and empowerment have been the subject of idealization – as a societal and labour market discourse – due to an articulation of very high objectives and expectations as labour market policy and as socio-economic strategies of local government. It is remarkable how all the interviewees voiced a very high and idealized vision and mission for their working life. Their comments were articulate and well considered. But also quite difficult to fulfil. Simultaneously, almost in the same breath they talked about their disappointments and the barriers they identified for reaching their goals. One could almost categorize these remarks as idealizations. The societal framework influences the intrasubjective and intersubjective work processes, as illustrated by the case interviewees’ indications of sadness, disappointment, and overinvestment, and feelings of being overwhelmed, powerless and resentful. Idealization from a psychosocial perspective may be understood as a libidinous (instinctively energetic) investment in a person or case, typically exaggerated and overstated. When a person idealizes, the feeling is not always acknowledged and we may therefore refer to idealization as an over-investment with various consequences. A particular hierarchy and ambivalence is established between the person and the idealized object, which creates a power relationship where the ‘little subject’ may sometimes feel overwhelmed and rendered powerless by the idealized object (person or matter); thus the idealization hampers the satisfaction of professional or emotional needs, since it may lead to states of fascination or destructive rage (Ferenczi, 1955; Freud, 1993). Hoggett adds “that performativity exploits the employee’s desire to achieve the ideal, yoking this to target setting and performance monitoring. Everything becomes quantified, including the self. Insecurity and failure lurk in the shadow of performativity and feelings of shame become pervasive” (Hoggett, 2017, p. 364). This concept therefore offers a thought-provoking understanding of how attractive visions and objectives such as social innovation may become a yoke around the neck of the dedicated people that have taken upon themselves to realize these societal and human objectives. If elements of idealization take effect, the inability to realize the grand vision leads to ambivalence, shame and despair, as we have seen in the case studies, and this may suggest that individual change agents bear an excessive burden for the processes and goals impeded by societal, economic and structural barriers. Not being able to fulfil the ideal – as several quotes from the social enterprise interviews unfolds – might produce feelings of shame
and guilt. Shame can be understood as the emotion of failure (Hoggett, 2017, p. 364). Shame is associated with the real or imagined look of the other and the fear of loss of love, abandonment and exclusion (Hoggett, 2017, p. 373).

Concluding remarks

In this chapter I have offered a reading of social innovation identified as social enterprises of an innovative character. I have situated this as a current neoliberal strategy in Denmark and suggested that this might foster a certain psychosocial cluster of identification, idealization and shame. I have used case studies to illustrate how managers and staff identify with and idealize their social innovative missions, but find it difficult to fulfil their aspirations in the face of societal and organizational contexts and conditions. This leads to various emotional reactions and defences, and ends up as a double-edged sword. On the one hand, contemporary welfare work relies heavily on identifying and engaged workers in order to meet public policies and objectives. On the other hand, politically defined standards provide a poor framework for public sector professionals leading to exhaustion and disillusion.

References


