# Smart Organisations, Smart Managers

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#### Abstract:

Innovation in the public sector has become an important focus for governments around the world over the last decade, as they try to solve intractable policy problems. The pressure on governments to do more with less in response to shrinking budgets and expanding community expectations and obligations has led to a much greater focus upon how the public sector manages change and innovation.

Innovation means producing something new; that is, doing things differently or in a new form. Looking at the concept in a historical perspective it is an economic phenomenon — meaning new ways of producing more for less. It is the process of invention; whether that is a product, a technology, a service, a new type of production, a new process or a new form of collaboration.

In the context of innovation in this article I would like to present the General Directorate of Social Assistance and Child Protection District 6, and their innovative project called SocialXChange.

I decided to focus on the General Directorate of Social Assistance and Child Protection District 6, and their innovative project SocialXChange because the philosophy of this project and the project itself can be a model for many other organizations, private or public organizations.

SocialXChange is more than a charity shop. The program is a tool for management and allocation of resources of the 6th District community, fostering social cohesion, involvement and empowerment. SocialXChange starts from the concept that human and material resources must be used effectively to build a strong community.

The following concepts underlying this program: subsistence, saving, responsibility, dignity, stimulation, involvement, equity, transparency, integration, cohesion, ecology

**Keywords:** *intellectual capital; human capital; innovation.* 

### 1. Introduction

Innovation in the public sector has become an important focus for governments around the world over the last decade, as they try to solve intractable

policy problems. The pressure on governments to do more with less in response to shrinking budgets and expanding community expectations and obligations has led to a much greater focus upon how the public sector manages change and innovation.

To be called an innovation, an idea must be replicable at an economical cost and must satisfy a specific need. Innovation involves deliberate application of information, imagination and initiative in deriving greater or different values from resources, and includes all processes by which new ideas are generated and converted into useful products. In business, innovation often results when ideas are applied by the company in order to further satisfy the needs and expectations of the customers

Innovations are divided into evolutionary innovations (continuous or dynamic evolutionary innovation) that are brought about by many incremental advances in technology or processes and revolutionary innovations (also called discontinuous innovations) which are often disruptive and new. Innovation is synonymous with risk-taking and organizations that create revolutionary products or technologies take on the greatest risk because they create new markets. Imitators take less risk because they will start with an innovator's product and take a more effective approach. Examples are IBM with its PC against Apple Computer, Compaq with its cheaper PC's against IBM, and Dell with its still-cheaper clones against Compaq.

# 1.1. SocialXChange - more than a charity shop

The SocialXChange program was initiated in 2015 by the General Directorate of Social Assistance and Child Protection District 6. As the General Directorate of Social Assistance and Child Protection District 6 is under the direct supervision of the local City Hall (District 6<sup>th</sup>) the former mayor, mr. Rares Manescu, got involved into this project, he approved and supervised the projects of the General Directorate of Social Assistance and Child Protection District 6. Also the current mayor mr. Gabriel Mutu followed the vision of former mayor and formers managers of the General Directorate of Social Assistance and Child Protection District 6.

In the context of being smart, smart organisations, smart managers the author notes that the innovative project SocialXChane had the chance to be born in a smart organization having smart managers. We noted that even the major changed the project continue to exist.

The concept of this charity shop starts from the desire to transparently and efficiently collect donations from individuals and businesses, at a point known to the entire community, as clear, throughout the year, and to redeploy to the people in difficulty, giving them the opportunity to choose products according to their needs.

The main objective of this project is to provide both donors and beneficiaries of social assistance a way they can become socially responsible. These charities are encouraged to increase social cohesion and to prevent exclusion and increasing social inclusion of persons in difficulty at the 6th District community level.

The program is a tool for management and allocation of resources of the 6th District community, fostering social cohesion, involvement and empowerment. SocialXChange starts from the concept that human and material resources must be used effectively to build a strong community.

### 1.2. Concepts underlying the program

We can see SocialXChange program as a social innovation, as social innovation is about new ideas that work to address pressing unmet needs. We simply describe it as innovations that are both social in their ends and in their means. Social innovations are new ideas (products, services and models) that simultaneously meet social needs (more eff ectively than alternatives) and create new social relationships or collaborations.

By the time it was launghed, on 19 March 2015 till now, December 2017, the SocialXChange was governed by the concept that human and material resources must be used effectively to build a strong community. Therefore there are some concepts urderlying the program.

These concepts are: subsistence, saving, responsibility, dignity, stimulation, involvement, equity, transparency, integration, cohesion, ecology.

SocialXChange is a system through which for those with minimal material resources can obtain primarily food and hygiene products, thus ensuring real and urgent needs of food and life.

SocialXChange program is a tool for effective management of important community resources, which we tend to waste, harming the environment.

We can view it from two perspectives – one perspective is to empower all members of the community on the management of human and material resources, and on the other hand – for the deprived persons, the access to the shop products is allowed only after providing community work, this way, making them more responsible about their own existence and also about the family existence.

Lack of self-esteem, lack of motivation, social and moral decay are phenomena that affect, on the long run, every individual that came to live on charity. The project supports social inclusion and personal involvement in overcoming a temporarily bad situation.

In exchange of donated products, donors receive POINTS, that they can use to acquire various services for them, their family or employees, thus stimulate an active social life within the community.

The 6th District community has a tool that stimulates charity and promotes work in exchange of received goods. By accessing the system – all the members of the community – individuals (regardless of the social status), companies, institutions, NGOs – engage directly and actively in creating a strong community, inclusive and healthy.

The the program fights against the practices of taking advantage of peers goodness and the public welfare. Those who want help, and have the capacity to work – have to work for the help received.

The points system that we use, evaluating products within a committee and according to well-defined rules, equitable distribution, lack of money in the whole process generates a sense of trust and professionalism.

The socially disadvantaged individuals have access to the distribution program, they receive constant advice and support to overcome the crisis and finding a stable job in the real economy.

The program fosters charitable acts, public-private partnerships, the feeling of belonging to a community.

Throwing less is to breathe cleaner air, live longer and healthier. The behaviour of large companies and individuals to destroy or throw food, which doesn't meet anymore the marketing strategies is proving to be extremely harmful to the environment, effective management of resources being an important part of environmental part of this project.

# 1.3. Program objectives

The main objective of this project is to provide both donors, regardless of their turnover, and beneficiaries of social care services a way to become socially responsible. These charity acts are encouraged to increase social cohesion and prevent exclusion, increasing social inclusion of individuals in difficulty, in the 6th District community.

**A: COLLECTING:** the products that community members no longer need are collected in an accessible, known to all point, after clear procedures throughout the year.

**B: DISTRIBUTION:** in this process, the disadvantaged individuals, with insufficient financial resources, have access to prooducts, primarily basic necessities, upon which depends their short term survival.

# 1.4. Who, how and what? Why donating?

How does the SocialXChange program work?

The SocialXChange program implies who, how and what.

WHO - Any person / company / institution that wants to help people in need and contribute to their dignity.

HOW - Directly to the shops or online by filling out the donation form.

WHAT - Non-perishable food, cleaning products, home appliances for sale, toys, games, school supplies, clothing and footwear, etc.



Figure 1. How does it work? Source: https://en.socialxchange.ro/ The system was conceived as having a mutual advantage both for the giver (doner) and for the receiver (social assisted persons).

What could the doner do with the gained points?

- The doner can access a range of services: salt therapy, Tennis court rental or table tennis, children's classes (karate, chess, dance, etc.), conferences and courses rental space, space rental for kids party, kids entertainers, etc.
- The doner can take other items from the shop;
- The doner can donate the points to another person.

So the question is why donating?

Most of the time the doner are not satisfied just with the altruist gesture of donating, they need to know what happens next, they need to know what is the final outcome.

So the SocialXChange program satisfy this need of the doner.

### 2. Conclusions

The concept of this charity shop started from the desire to transparently and efficiently collect donations from individuals and businesses, at a point known to the entire community, as clear, throughout the year, and to redeploy to the people in difficulty, giving them the opportunity to choose products according to their needs.

Further more the SocialXChange program has received many awards. I would like to mention the title Best Practice received in 2015 (short after launching), at the conference "The Public Sector as Partner for a Better Society" held by the European Institute of Public Administration (EIPA).

From louncing till now, over a period of 33 month (2 years and 9 month) more than 1363 companies and persons got involved in this project, donating. A number of 295 persons have choosen to work in exchange for the received help.

In total have been donated 3.5 tons of cereals, 6300 cans of meat and veggies, 3050 liters of oil, 2.7 tons of sugar.

The main objective of this project is to provide both donors and beneficiaries of social assistance a way they can become socially responsible. These charities are encouraged to increase social cohesion and to prevent exclusion and increasing social inclusion of persons in difficulty at the 6th District community level.

The SocialXChange program can be seen as an innovative model, it can be copy and used by other local communities, and it can be seen as a tool that helps us solve somehow the problem of the social assisted persons.

It is known that in Romania many people in need prefer to receive the minimum guaranted income instead of finding some job and working, as they, the beneficiaries of social assistance, are not obliged to work in exchange. So this SocialXChange program can be seea as a tool that can determine the beneficiaries of the social assistance become socially responsible, and will prevent social exclusion.

The authors would like to emphasize the fact that the innovative project SocialXChane was born in a smart organization having smart managers. We noted that even the major changed, in 2015 when the project started the major was mr. Rares Manescu from the National Liberal Party, than later in 2016 the major become mr. Gabriel Mutu from the Social Democrat Party, the program continue to exist. This year, in September a new socialXchange shop was opened.

I would like to thank to the General Directorate of Social Assistance and Child Protection District 6 for the openness and for the support they offered me in my research for this paper.

In the future the author would like to make survey in order to find out the degree of satisfaction of the stakeholders involved in this project.

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