

Ecosystems of social entrepreneurship. The case of Telefónica, Spain.

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In recent years, many companies have contributed to the generation of platforms to boost entrepreneurship and innovation. Changes in consumer trends have led to the evolution of these platforms towards technological innovation ecosystems, aimed at promoting green business projects with a marked social trend. These projects, in addition to generating huge benefits at the social level, also mean a profitable improvement of the brand image of the promoters. It is necessary to bear in mind that today consumption decisions are not based only on good value for money, but also on the responsible behavior of companies (Curbelo & López Domínguez, 2007).

One of the pillars of social policy undertaken by large multinationals is based on the creation of business incubators, in which different organizations serve as guides, support and financing of various commercial activities. These incubators can be analyzed from the point of view of employment, especially considering the situation of countries such as Spain. In this country, unemployment rate among those under 25 was 37.4% in 2017, in contrast to the European average of 16.1% (INE, 2019). The lack of employment opportunities in this population sector creates serious barriers to access and integration in economic activity. Recent studies have highlighted the importance of business incubators in the promotion of entrepreneurial projects and their stability in the market, decreasing the initial age of the entrepreneur (Mrkajic, Murtinu and Scalera, 2017). Thus, the possibility of opening a path of self-employment through initiatives sponsored by large corporations (Telefónica, Vodafone, BBVA, Santander Bank, Mercadona, etc.) not

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only serves as a stimulus, but also provides a facilitating role for development autonomous, covering through private initiative a space to which the State fails to reach adequately.

The company Telefónica has created in 2014 a global ecosystem of open innovation, Open Future, which has integrated all the investment tools of the business group and which gradually has added alliances with external partners as an axis of value. Open Future is based on the EBI model (innovation-based entrepreneurship), which focuses mainly on ICT.

The selection of projects is made through the opening of open public competitions with limited places. Following selection criteria with filters that prioritize the viability of the project, the degree of innovation and its scope of action within the ICT areas related to sustainability and its social utility. The incubators are distributed geographically throughout the territory where the company operates: Spain, Germany and Latin American countries, and within each country, depending on the region. There is a regional committee in collaboration with the partners (companies and local institutions). This committee assess the selection and progress of the startups.

Innovation is one of the most important requirements when assessing the relevance of the application. Generally, all digital businesses that are being created seek to satisfy a demand gap or improve the efficiency of an existing service, taking advantage of the synergies offered by digital technology. To do this, they adapt the new idea of entrepreneurship to the new tools and services available, such as BigData, IoT, AI, Cybersecurity or Digital Innovation.

The operative of the incubator measures the degree of success based on the registrations in the mercantile register. In fact, sponsored projects are presented with a time limit in the incubator that ranges from 3 to 6 months, at the end of which they are required to be registered in the mercantile registry as a previous step to put it into operation. The good results of this project are guaranteed with its portfolio of more than 400 startups, and approximately 20% work with Telefónica. In addition, 20% of the startups has women incorporated into senior management, and 70% are CEOs or founders (Telefónica, 2019).

KEYWORDS

Entrepreneurial ecosystem, social entrepreneurship, business incubators, self-employment.

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