

A Review of Social Innovation Initiatives in Malaysia

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Abstract

Social innovation is becoming increasingly recognised as a solution for social challenges which the conventional government policy approach or market are unable to address. Social innovation is defined as a new solution that simultaneously meets social needs more effectively than the existing solutions, and leads new and improved capabilities and relationships. It also allows assets and resources to be improved in a better manner. In other words, it has a positive impact on society, as it enhances the capacity to act. Despite the fact that it is an emerging field in Malaysia, making the term 'social innovation' a recent articulation in public policies, several existing initiatives have been carried out by various government ministries and agencies as well as the third sector entities that successfully adopted the social innovation approach in addressing society's needs. Thus, this paper aims to review the implementation of socially innovative initiatives in Malaysia that promote the socio-economic well-being of the society, particularly low-income and marginalised groups. The findings demonstrate that there are four main forms of social innovation initiatives for socio-economic well-being in Malaysia, namely, i) microfinancing; ii) social entrepreneurship; iii) public service delivery and; iv) grassroots innovation (science and technology-based). This paper concludes that several social innovation initiatives in Malaysia have shown substantial improvement in uplifting the socio-economic well-being of the people, and have had considerable support from the government as well as the third sectors. Nonetheless, to ensure a greater impact by the initiatives, extra attention should be offered to provide a sufficient and comprehensive enabling environment with equal supply and demand side measures, as there exists a lack of a clear and coordinated social innovation framework in Malaysia. Furthermore, there is a need to conduct further research on grassroots social innovation in supporting the national STI Policy, as there is a lack of government reports and studies that have been done to analyse the socio-economic impact of the initiatives.

Keywords: Social Innovation; Innovation; Social Entrepreneurship; Policy; Malaysia

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■ 1.0 INTRODUCTION

Consistent with today's rapidly changing world, the complexity of social and economic challenges calls for innovative approaches that are not only capable of catering for the diminishing resources, but also of effectively addressing various socio-economic issues such as poverty, income inequality and social exclusion. The government's traditional assistance is inadequate to address these challenges (Urama and Acheampong, 2013), and the budgetary constraints stemming from the global financial crisis might further dampen the situation. In response to these complex situations, the significance of social innovation has increasingly sparked the interest of policymakers, academicians, practitioners as well as the public (Potter et al., 2010). Several regions and countries have formally adopted social innovation as a tool in government policies and initiatives. In the United States (US), the Office of Social Innovation and Civic Participation was established in 2009 to catalyse innovative ways of encouraging the government to conduct its business in different ways, meanwhile, the United Kingdom (UK) introduced the 'Big Society' in 2010 to obtain more innovative ideas in solving social challenges by opening up public services to stakeholders.

The rationales of adopting social innovation in public sector are mainly to overcome crucial challenges such as the increasing demands in specific services due to the increase in life expectancy as well as to respond to budgetary crisis in public sector (Bekkers et al., 2013). Moreover, economic growth is no longer automatically translated into social well-being, in which there are countries with significant economic growth and rising inequality between population and countries (Harayama and Nitta, 2011). Hence, despite the fact that social innovation is recognised as a potential tool to solve socio-economic challenges, it should be clearly understood that it is the result of joint efforts, creativity and a shared vision of various actors across disciplines, with no one sector that monopolises (Noya, 2011). In addition, the Organisation for Economic and Development (OECD) also highlights that social innovation include new mechanisms and norms to consolidate and improve the well-being of individuals, communities and territories in terms of social inclusion, creation of employment and quality of life (OECD, 2011, p.13).

Being a country that is progressively pursuing to become a high-income nation by 2020, an inclusivity agenda has always been the central tenet of Malaysia's government, putting the marginalised group, especially those at the bottom 40 percent (B40) households, among the top priority. Albeit that, social innovation is just recently articulated in the public policies and strategic plans such as National Policy on

Science Technology and Innovation (NPSTI), the Eleventh Malaysia Plan, 2016 - 2020 (11MP), Malaysian Social Enterprise Blueprint, 2015-2018 (MSEB), Ministry of Women, Family and Community Development's (KPWKM) Strategic Plan 2013-2017 and KPWKM's Transformation Plan 2014-2018. Several existing socially innovative initiatives are already in place in response to the socio-economic challenges. The introduction of National Economic Policy (NEP) way back in 1970s and the subsequent policies as well as the introduction of a national initiative such as the Government Transformation Programme (GTP) that has resulted in remarkable achievements such as poverty rate reduction from 49.3 percent in 1970s to 0.6 percent in 2014 (Economic Planning Unit [EPU], 2014b) and also income inequality (Gini Index) that managed to be narrowed down from 0.513 in 1970s to 0.401 in 2014 (EPU, 2014c).

Therefore, this paper reviews socially innovative initiatives in Malaysia that aimed at improving socio-economic well-being of the society, particularly the marginalised and low-income households. This paper concludes with the research limitations and the need for further research to better understand this emerging research field. This has to be done especially in the perspective of enabling an environment of better support as well as the need for stakeholders to encourage more social innovative solutions that will create a greater impact. In addition, this paper also proposes further study to be conducted on grassroots social innovation to comprehensively analyse the socio-economic impact of the initiatives towards the society. The rest of the paper is organised as follows: Section 2 discusses in detail on social innovation Malaysia from policy and implementation perspectives and provides some analysis while Section 3 concludes the paper.

■ 2.0 SOCIAL INNOVATION IN MALAYSIA

Malaysia's government always emphasises on the importance of innovation as a key for the nation's growth. In the perspectives of economic or business innovation, efforts to enhance innovation as a source of economic growth can be seen from various initiatives such as the promotion of collaborative innovation platform among the government, academia and private sector; the annual increase of expenditure for research and development (RandD) to gross domestic product (GDP); and the increased access to finance and incentives for technology innovation. Moving from an agriculture-based economy in 1957 to innovation-led economy starting in 1990s, Malaysia has sustained rapid and inclusive economic growth and is recognised as one of the most successful Southeast Asian economies (OECD, 2016). Globally, Malaysia is ranked 25th out of 138 economies in the Global Competitiveness Report (GCR) 2016-2017, ahead of economies such as South Korea, Iceland and China (World Economic Forum, 2016) and 23rd out 190 economies in the ease of doing business, outranked several developed countries such as France, Switzerland and Japan (World Bank, 2017).

Recognising the needs for more innovative approaches to tackle socio-economic challenges especially in the current economic landscape, Malaysia's government also recognised innovation as a tool in dealing with the challenges by putting in efforts to foster an innovative culture in the society including the establishment of several agencies that are mandated to carry out initiatives aimed at improving societal well-being through innovation and creativity. In addition, considerable efforts have also been given by the government to transform public service delivery through the introduction of new and innovative ways of delivering services. Apart from the government's initiatives, there are also quite a number of other initiatives carried out by third sector entities such as private sector, non-profits organisation, including non-governmental organisations (NGOs) as well as private individuals, having the common aim that is to address the needs of the society. The growing numbers of third sector entities in social field indicate that there is an increasing awareness on the needs to work on the burgeoning socio-economic challenges to which it also creates the opportunities for the government to work hand in hand with the private entities and maximise the existing resources for greater social impact.

2.1 Social Innovation in the Policy

In terms of public policy, the term social innovation is recently stipulated in public policies and strategic plans as follows:

- The **NPSTI** is a primary and overarching policy designed specifically to coordinate all national frameworks in STI. This policy is grounded on five foundations, namely, STI for Policy; Policy for STI; Industry Commitment to STI; STI governance; and STI for stable, peaceful, prosperous, cohesive and resilient society. Based on the five foundations, this policy focuses on six strategic thrusts, namely, advancing scientific and social research; development and commercialisation; developing, harnessing and intensifying talent; energising industries; transforming STI governance; promoting and sensitising STI; and enhancing strategic international alliances. This policy outlines 'encouraging social, grassroots and prosumer driven innovation' as one of the measures under Strategic Thrust: Energising industries in which the aim is to elevate the innovative capacity of the industries to ensure their competitiveness and the country's continued prosperity (Ministry of Science, Technology and Innovation [MOSTI], 2015a).
- The **11MP** is the latest five-year development plan that outlines strategies that aims to realise Vision 2020 by focusing on delivering high impact on both capital and people economies at low cost to the government. It outlines six strategic thrusts and six game changers. Innovation is highlighted as one of the game changers that focuses on relational capital by improving collaboration among the stakeholders. Strategies for social innovation are mainly to improve social service delivery for a greater social impact. The strategies are, strengthening collaboration through a whole-society approach and developing a social financing model (EPU, 2015).
- The **MSEB** is a three year roadmap that outlines three strategic thrusts that act as the catalysts to the building blocks of the development of social enterprise sector in Malaysia. The strategic thrusts, namely, Social Entrepreneurship: inspire a movement;

Ecosystem: create an enabling environment; and Institution: affect systematic change. Each of the strategic thrust has specific outcomes that need to be realised. ‘Establish knowledge base to inform policy and development, spurring social innovation’ is one of the specified outcomes under the strategic thrusts Ecosystem: create enabling environment (Malaysian Global Innovation and Creativity Centre [MaGIC], 2015).

- The **KPWKM’s Strategic Plan** was formulated by focussing on more inclusive and fair implementation planning through social innovation and productive welfare. This document outlines seven new strategic thrusts that emphasise on the efforts to increase self-sufficiency of target groups by making them continuously active and productive at local and international level as well as increase the capabilities of KPWKM’s staff in delivering effective and efficient service delivery (KPWKM, 2014a).
- The **KPWKM’s Transformation Plan** that was developed in accordance to the GTP outlines five strategic thrusts, 14 strategic measures and 47 initiatives. The 47 initiatives were categorised in three areas of transformation, namely, social innovation (28 project/activities/programme); National Blue Ocean Strategy (NBOS) (10 project/activities/programme); and organisational transformation (9 project/activities/programme). The initiatives under social innovation includes, Deinstitutionalisation; Retirement Village Complex and Anjung Kasih (KPWKM, 2014b).

2.2 Social Innovation in the Implementation

Social innovation initiatives in Malaysia can be classified according to the approaches of implementation, detailed out as follows:

i. Microfinancing

Among the earliest form of social innovation initiatives are the ones that promote financial inclusion for the low-income households through job creation opportunities and income generation, thus microfinance is one of the most prominent examples. Microfinance, which according to Ledgerwood (1999) is “the provision of financial services to low-income clients, including self-employed”, is used as a tool by the government and NGOs in many countries in the world to alleviate poverty and empower the poor segments of the society (Munoz, 2010). Microfinance typically aims to fill the gap of the existing financing service by providing the underprivileged, access to finance to enable them to start microenterprises. These groups of people often face the difficulties to get access to finance because of their inability to provide collaterals. The innovativeness of microfinance is in terms of the flexibility of its features that makes it different from the conventional type of loans; for instance, the flexible repayment mode according to borrower’s business cycle (Mokhtar et al., 2012) which can simultaneously reduce financial stress (Field et al., 2012). In Malaysia, microfinance was one of the measures introduced in the 1980s to eradicate poverty (Mokhtar, 2011) in which at the time of independence, was one of the major issues that Malaysia was grappling with.

Amanah Ikhtiar Malaysia (AIM) was the earliest microfinance institution established in Malaysia, followed by Yayasan Usaha Maju (YUM) and The Economic Fund for National Entrepreneurs (TEKUN) (Mokhtar, 2011). Both AIM and YUM replicate the Grameen Bank model from Bangladesh targeted at poor people, whereas TEKUN provides loans to both poor and not-so-poor (Mokhtar et al., 2012). Realising that the majority of enterprises in Malaysia are small medium enterprises (SMEs), the government introduced a sustainable microfinance framework called *Pembiayaan Mikro* in 2006 that outlines three strategic initiatives, namely, to define the parameters of an appropriate micro financing product; to raise awareness on micro financing and to attract the participation of financial institutions in providing micro financing solutions. *Pembiayaan Mikro* provides unique financing features that meet the needs the microenterprises such as access to financing with no collaterals, simple application procedure and quick approval and disbursement (Central Bank Malaysia, 2009). To date, participation of financial institutions in *Pembiayaan Mikro* have increased to 10 institutions, consisting of three development financial institutions and seven banking institutions (Central Bank Malaysia, 2014).

Several studies have been done on the achievement of microfinance programmes in Malaysia with regard to poverty eradication and scholars widely agree that Malaysia’s microfinance programmes have shown improvement in raising the income of the people. Omar et al., (2012) highlighted that the exclusively designed microfinance programme by AIM targeting specifically at the poor people has positively increased the borrowers’ income and reduced poverty rate. Findings by Terano et al. (2015) in their study on microcredit programme among the small business entrepreneurs in Malaysia are also consistent with those by Omar et al. (2012), in which they further suggested that the microcredit programme by AIM has not only increased the income of the borrowers but also the communication and teamwork among the borrowers have resulted in improved level of satisfaction and motivation among them. For the record, 413,278 entrepreneurs have benefitted from a total of RM8.6 billion loans provided by AIM and TEKUN during the period of Tenth Malaysia Plan (10MP) (EPU, 2015a).

ii. Social Entrepreneurship

Social entrepreneurship is “the practice of combining innovation, resourcefulness and opportunity to address critical social and environmental challenges” (Said Business School, n.d.). Unlike business entrepreneurs that focus primarily on solving problem for pure economic returns, social entrepreneurs are driven by their vision to solve social challenges for social returns (Austin, Stevenson and Weiskillern, 2006). In Malaysia, social entrepreneurship has recently become one of the significant agendas in enhancing socio-economic well-being of the people and the country is recognised as one of the top 10 countries for social entrepreneurs in 2016 according to Thomson Reuters Foundation poll on the best countries for social entrepreneurs. Currently, there are about 100 social enterprises operating in Malaysia, in various areas such as education, environmental sustainability, women and youth. Among the social enterprises (in which the list can be retrieved from Hati.my), the largest open directory of NGOs including social enterprises in Malaysia are, Extraordinary People

Impacting Community (EPIC): *builds relationships between the urban and rural divide through the activity of building homes for underprivileged communities*; EcoKnights: *provides environmental outreach programmes for communities and industry players*; and Teach For Malaysia: *recruits, trains and supports the country's most promising future leaders, who teach as fellows in high-need classrooms all over the nation*.

Comprehending the roles of social enterprises and social entrepreneurs can bring about potential transformative changes to the society, Malaysia Global Innovation and Creativity Centre (MaGIC) Social Entrepreneurship (SE), a dedicated unit under within MaGIC was set up in 2013 to spearhead the development of Malaysia's social enterprise sector. This unit is entrusted to accomplish the vision of making Malaysia as the regional leader for people economy. In this regards, MSEB, a three-year roadmap was prepared outlining three strategic thrusts that act as catalysts to the building blocks namely, to 'inspire a movement', to 'create an enabling environment' and to 'affect systematic change'. The total of RM20 million fund was allocated for MaGIC SE to finance social enterprises (MaGIC, 2015), targeting the number of social enterprises to increase up to 1,000 by the year 2018 (NST, 2015). In fulfilling the given mandate, MaGIC SE runs several key activities for the community such as introducing the communities to what social entrepreneurship is and collaborate with the third sectors; develop network and strengthening relationship with the local communities to encourage them to venture into social entrepreneurship; and conduct programmes such as SE Workshop, SE Boot-camp and MaGIC SE Accelerator Program to social entrepreneurs. Amplify Award that rewards a grant up to RM150,000 per recipient was also introduced to assist Malaysia's top social enterprises to proliferate their impact via new business capabilities and scale up their operation (MaGIC, 2017).

Meanwhile, a more recently introduced initiative is the Social Public-Private Partnership (SPPP) in 2015, a new social service model aimed at addressing social gaps by delivering high value at a lower cost and focuses on collective action between government and private sector. SPPP is a project under the National Blue Ocean Strategy (NBOS) led by Agensi Inovasi Malaysia (AIM), in partnership with Public Private Partnership Unit (UKAS, Prime Minister's Department) (AIM, 2015). 'Payment by results' model was introduced as incentive provided by social impact investors for social purpose organisations to conduct social interventions and reimbursed by the government once the agreed outcomes have been achieved. Recently in March 2017, Social Outcome Fund (SOF) was launched with RM3 million investments to finance social intervention projects by the social purpose organisations (NST, 2017).

iii. Public service delivery

Mulgan (2014) asserted that innovativeness in public sector refers to the process of "creating, developing and implementing practical ideas to achieve a public benefit" (Mulgan, 2014). In addition, Tucker (2014) highlighted that building a diverse relationships with other actors in different fields and cultivating their understanding of the perspective of others, particularly the service users is one way of nurturing social innovation in public agencies. In Malaysia, the evolution of public service delivery from the government as a central role in providing services, to the involvement of public as a part of the government's initiatives is among the efforts to increase the trustworthiness of the society towards public service. The efforts to transform Malaysia's public service delivery can be seen through the various initiatives under the GTP. GTP, which is driven by NBOS, focuses on prioritised areas that matter the most to the society, in line with the slogan "People First, Performance Now". The implementation of GTP intends to challenge bureaucracy by shifting the traditional mindset to a more citizen-centric mindset (Mahbob, Sulaiman, Rahim, Jaafar and Sulaiman, 2013); hence, the result can be felt by each member of the society. The GTP consists of seven National Key Results Areas (NKRAs) namely, Reducing Crime, Fighting Corruption, Assuring Quality Education, Raising Living Standards of Low-Income Households, Improving Rural Development, Improving Urban Public Transport, Addressing Rising Cost of Living and an additional one NKRA, namely, Public Service Delivery Transformation (previously was under Economic Transformation Programme (GTP) (Performance Management and Delivery Unit, 2015).

Out of the various initiatives carried out under the GTP using the NBOS approach for each NKRA, several initiatives can be highlighted in the context of this paper in which they directly touch the low-income and marginalised groups. These initiatives are mainly to ensure the low-income and marginalised groups have an equal access to basic necessities. Consequently, this will further empower them to actively take part in economic activities to generate income and work towards reducing a continuous reliance on government support. The examples of initiatives under the NKRA: Addressing Cost of Living that serves to provide equal access to basic necessities are:

- a) the distribution of targeted financial assistance such as *Bantuan Rakyat 1Malaysia* (BR1M), *Baucar Buku 1Malaysia* (BB1M) and *Bantuan Khas Awal Persekolahan 1Malaysia* (BKAP1M) and,
- b) access to affordable goods and services such as *Klinik 1Malaysia* (K1M): provides access to affordable basic healthcare; *Kedai Rakyat 1Malaysia* (KR1M): provides essentials goods to low and middle-income community in urban areas; *Menu Rakyat Malaysia* (MR1M): provides affordable breakfast and lunches to low and middle-income earners and students; and *Perumahan Rakyat 1Malaysia*: provides affordable housing for middle-income households in key urban centres. Over five million households and more than six million students from primary to the tertiary level were assisted to cover their living expenses under these initiatives (PEMANDU, n.d.).

Moreover, in the effort to encourage the low-income and marginalised groups to generate their income and uplift their standard of living, the third sectors were also engaged in the implementation of several initiatives. Under the NKRA: Raising Living Standards of Low-Income Households; for instance, 1AZAM programme; Anjung Singgah; and Home help for vulnerable groups were among the initiatives developed to empower the low-income and marginalised groups by actively involving the third sectors in the implementation. In this regards, the government also facilitates and encourages the participation of the third sectors as they also play prominent roles under NKRA.

This includes helping them to expedite tax exemption and establish awareness campaign and NGO resource matching. The objectives of 1AZAM programme which was introduced to help the low-income and extreme poor are to increase income and provide job opportunities to enable them to become self-sustain. The 1AZAM programme is a collaborative efforts involving multiple ministries and agencies. During the second phase of its implementation, it has also partnered with NGOs and the private sector to widen its range and the funding of initiatives (PEMANDU, 2015). In terms of achievement, in 2015 alone, more than 193,000 people have benefitted from 1AZAM Programme and the total of 85,866 people have increased their income by not less than RM600. The implementation of Anjung Singgah initiative also involves the collaboration between government, corporates and NGOs to serve the homelessness by providing them basic necessities and help them to find job. Since the inception, Anjung Singgah has benefitted 1,000 homeless people. Another example of initiative that was implemented by NGOs while being coordinated and monitored by the Department of Social Welfare Malaysia is the Home Help for Vulnerable Groups. The main objective of this initiative is to provide support to individuals who are unable to adequately care for themselves at home.

iv. Grassroots innovation (science and technology-based)

The term grassroots innovation is defined as “innovative product or process created at the bottom of the pyramid, usually due to necessity, hardship and challenges” (Hilmi, 2012). This form of social innovation focuses on individuals as the agents for innovation who undertake innovative efforts to solve problem that generally happen outside of formal organisations (Bhaduri and Kumar, 2011). From the perspective of Malaysia, the government supports grassroots innovation to help the marginalised through the application of science and technology (SandT) in their daily lives via the implementation of several initiatives. These initiatives are championed by ministries and agencies such as:

- a) Ministry of Science, Technology and Innovation (MOSTI): the ministry that was mandated to lead the national science, technology and innovation (STI) and
- b) Malaysian Innovation Foundation (Yayasan Inovasi Malaysia, YIM): an agency that was entrusted to promote and inculcate creativity and innovation among Malaysian citizens, particularly children and youth, women, rural folk, people with disabilities as well as NGOs.

Prior to NPSTI, Technology Application Programme (TAP) or TAPMOSTI@COMMUNITY, a programme introduced in 2009 was implemented, focusing on the application of SandT in the society targeting at marginalised communities including the small medium enterprises (SMEs) at rural and urban areas (Ismail, 2011). Apart from increasing the awareness of the society, TAPMOSTI@COMMUNITY was also aimed at benefitting the communities in terms of improving the quality of life (Ismail, 2011). RM20 million was allocated for this programme involving 180 projects under seven agencies as the project implementers (Ismail, 2011). Subsequently, in 2015, MOSTI introduced social innovation as one of the elements in broadening the scope of research and development (RandD) funds (MOSTI, 2015) and MOSTI Social Innovation (MSI) was launched with the objective of improving the well-being of the society through the implementation of project, services, capacity and skill building or innovation output using the existing technology that can be implemented sustainably (MOSTI, 2016). About up to RM20 millions out of the total approved RandDandC Fund was reserved for the implementation of MSI (MOSTI, 2015). As a start, the implementation of MSI involves outreach programme to the grassroots level and scaling up innovative ideas from the outreach programme. Subsequently, Social Innovation Challenges is conducted to obtain impactful ideas that are suitable to be conducted under MSI. MOSTI's minister, as reported in The Borneo Post, pointed out that over 100 projects under MSI were kick-started in 2015 (Bahari, 2016).

In addition, there are several other grassroots innovation initiatives carried out by YIM, such as are Innovation Walk, Mainstreaming Grassroots Innovations (MaGRIS) and Inclusive Innovation under the High Impact Programme (HIP6) of the SME Masterplan 2012-2020. Innovation Walk is an initiative that involves the participation of passionate volunteers as scouts to scout for innovators from all segments of Malaysians (YIM, n.d.). The identified potential innovations will be further developed through various platforms provided by both private and public institutions (YIM, n.d.). Whereas, MaGRIS, a newly introduced initiative in the 11MP is a project to enhance the business development of potential grassroots innovation, through collaborations of various stakeholders such as government, industry, community and youth, including providing capacity building opportunities to the parties involved (YIM, n.d.). This project aimed at finding innovation at the lower part of technology with a common and simple ways to solve problems, providing equal opportunity to all Malaysian innovators to express their concept. RM30,000 development grants will be awarded to innovators who have the potential to showcase their innovation in changing the lives of the communities (YIM, n.d.). Another programme, namely, Inclusive Innovation Programme, an initiative introduced in 2015 was designed to empower the B40 income households, to promote the transformation of communities and improve business environment for SMEs in the rural areas by providing them assistance in terms of financial, technical and management (SME Corp. Malaysia, 2015).

2.3 Analysis on Social Innovation Implementations

Generally, social innovation appears to be increasingly recognised by the government and third sectors in Malaysia due to its potential in paving the way for optimal socio-economic impact. Although the current poverty rate in Malaysia is less than one percent and income inequality index has narrowed down to less than 0.50, there are still many households in Malaysia in the category of B40 income group households with an estimation of 2.7 million households recorded in 2014 (Economic Planning Unit, 2015). This income group has a higher

risk to become poor due to economic shock; hence, most of the government initiatives focus on uplifting the B40 households towards middle class society (EPU, 2015a). In this regards, the common aim of the initiatives is to improve the socio-economic well-being of the society, especially the marginalised and the low-income households by providing them equal access to necessities and empower them to actively take part in economic activities to generate income and become more self-sufficient. Taking into account the current economic condition and budgetary constraints, the government is proactively encouraging the involvement of the third sectors in the formulation and implementation of initiatives to optimise resources and improve efficiency and effectiveness of initiatives by tapping in public ideas and users' perspectives at the forefront of mindset.

In brief, social innovation initiatives in Malaysia is visualised as the following Figure 1.

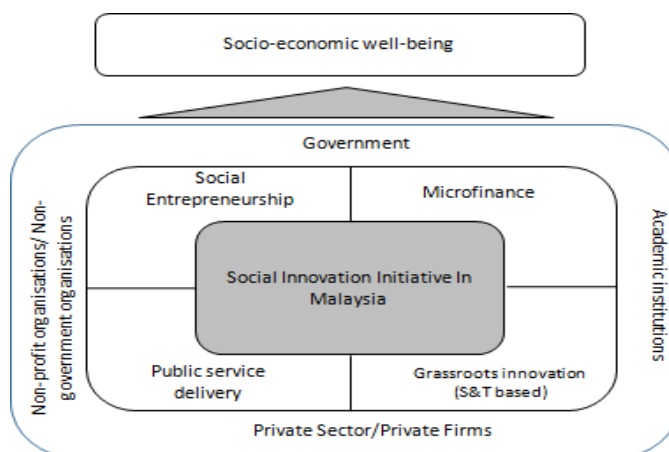


Figure 1. Overview of social innovation initiatives in Malaysia

From the perspective of the initiative's implementer, there are four main actors that pose crucial roles in social innovation initiatives' implementation, namely:

- c) the government including the academic institutions;
- d) private sector/private firms;
- e) non-profit organisations, including NGOs and
- f) private individuals.

Principally, the government plays the most important roles as both the facilitator and enabler. To enable and foster the ecosystem of social innovation in Malaysia, the government is providing financial supports, non-financial support as well as skill enhancement training. The examples of financial supports that are provided by the government are grants, prizes and performance-based awards to innovators including social enterprises and grassroots innovators to upscale their activities. The non-financial support provided by the government includes business development support as well as mentoring and coaching activities. In terms of skills enhancement, tailored courses or programmes on social entrepreneurship and social innovation are also offered in several local universities to cater to the need of having the right skills to drive social innovation initiatives. The government also actively encourages the participation of different actors in the implementation of the public service delivery initiatives by providing unique roles for each actor.

Additionally, the private sector or private firms also play an imperative role to do good to the society. The involvement of companies in social innovation initiatives is typically in terms of providing investments through public-private partnership projects with the government, opening up for wider range of funding and financial assistance for social innovators. Whilst, the NGOs, including social enterprises and social entrepreneurs act as the intermediaries between the government and private sector in carrying out their duties to solve the identified issues on the ground. These groups of people are those who deal directly with the society and have greater access to the communities. Individual philanthropists are also actively carrying out philanthropic work in various areas, including involvement in volunteering and charity projects with the common aim of helping those who are less fortunate.

Although the identified initiatives in this paper are categorised into four forms of implementation, they are not mutually exclusive and might be overlapped. However, the categorisation is provided to make clear that each of the initiative engages in different approaches towards meeting social needs and are all aligned with the mandate entrusted to the ministries and agencies. In addition, the highlighted social innovation initiatives in this paper are those that are directly related to socio-economic perspective of the marginalised and low-income households in Malaysia.

■ 3.0 CONCLUSION

This paper reviews the existing social innovation initiatives in Malaysia that serve to address the current socio-economic challenges. Despite the fact that social innovation is only recently articulated in several public policies and action plans, the concept has been adopted in several existing initiatives. This paper found that there are quite a number of socially innovative initiatives in Malaysia that have existed for more than a couple of decades. Some of these initiatives emerged following the introduction of NEP whereby they were strategized to provide solutions to the issues of poverty and inequality. These were the prominent challenges that have led to the socio-economic imbalances prior to the 1970s. As inclusivity has always been the government's aspiration, the succeeding implementations of policies and initiatives continue to bring astounding achievement in solving these two issues.

The implementation of social innovation initiatives in Malaysia that serve to improve the welfare access and income opportunities of the low-income and marginalised groups are commonly practiced in four main forms, namely, 1) microfinancing; 2) social entrepreneurship, 3) public service delivery and 4) grassroots innovation (science and technology-based). The implementation mechanisms were developed to cater to the current needs from the perspectives of the current economic landscape and users who were driven in the efforts of reducing high dependency on the government's assistance while ensuring efficient and effectiveness of initiative implementation for sustainable outcome in the future. Several initiatives have also evidently demonstrated outstanding achievement in uplifting the socio-economic well-being of the society. The government plays some of the most important roles in the implementation of these initiatives, not only as the implementer but also as the facilitator and enabler. Moreover, the third sectors are also engaged actively through collaboration activities. However, despite the increasing efforts invested by every actor in the implementation of the initiatives, it appears that there is a lack of clear and coordinated institutional framework for social innovation in Malaysia. There should be an equal supply and demand measures to ensure the social innovation ecosystem's gap is filled. Therefore, it is crucial to look into the enabling environment that can support social innovation to continue to flourish. In addition, there is a need to conduct further study on grassroots social innovation in supporting the national STI Policy as there is a lack of government report or study that has been conducted to analyse the socio-economic impact of the initiatives.

The author is aware that there are some limitations of the study in which the parameters used were based on the specific keywords gathered from desktop research and may not have captured some important information that were not available due to limited access.

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