PressAcademia
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RJBM
ISSN 2148-6689
Research Journal of Business and Management YEAR 2022 VOLUME 9 ISSUE 1

EFFECT OF THREE INNOVATION COMPONENTS IN BUSINESSES ON SOCIAL INNOVATION

DOI: 10.17261/Pressacademia.2022.1537
RJBM- V.9-ISS.1-2022(2)-p.13-27

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Date Received: January 27, 2022 **Date Accepted:** March 15, 2022

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To cite this document
Sekerdil, R., Gunes, E., (2022). Effect of three innovation components in businesses on social innovation. Research Journal of Business and Management (RJBM), 9(1), 13-27.
Permanent link to this document: http://doi.org/10.17261/Pressacademia.2022.1537
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ABSTRACT

Purpose- The aim of this study is to provide a theoretical understanding of transformational leadership, dynamic capabilities and business model innovation processes that may be necessary for strategic management in enterprises, and to investigate the interaction of these factors and their effects on social innovation as a tool. In this context, the effects of dynamic capabilities and the contributions of transformational leadership in business model innovation processes were tried to be determined, the effect of intra-organizational dynamics on innovation and how the mentioned three innovation components shape social innovation were investigated.

Methodology- Quantitative research method was used in the research and survey forms were used within the scope of the study. 198 employees working in SMEs in Istanbul were used as sample. In order to test construct validity of the study; factor analysis, correlation analysis were used to measure the severity and direction of the relationship between the variables and regression analysis was used to measure causality between variables.

Findings- The transformational leadership variable does not explain the social innovation variable. The Business Model Innovation variable explains the social innovation variable by 8%. The Business Model Innovation variable explains the transformational leadership variable by 10%. Dynamic Capabilities variable explains social innovation variable by 10%. Although the Dynamic Capabilities variable explains the transformational leadership variable at a rate of 17%, its contribution was found to be weakly positive.

Conclusion- Social innovation cannot be carried out only by social entrepreneurs, non-governmental organizations and the state. Businesses enable their employees to change their perspectives on life and integrate them with society. Therefore, individuals within the organization can be socially innovative as well as benefit directly or indirectly from social innovation. Based on this phenomenon, it is known that business model innovation, transformational leadership and dynamic abilities are meaningful among themselves in the business literature. This significance has been tested in social innovation in business organizations.

Keywords: Transformational leadership, business model innovation, dynamic capabilities, social innovation, strategic management.
JEL Codes: 030, M10, M54

1. INTRODUCTION

With the effect of increasing global competition and sustainability concerns in recent years, being beneficial to the society and corporate social responsibility have started to gain importance in profit-oriented businesses. In the face of social problems and needs such as poverty, unemployment, female workforce, child employment, education, migration, natural disasters, disability, health problems, social innovation attracts more and more attention of businesses to use as an element of strategic management. The production of new products and services focused on solving social problems with an innovative perspective has an important role in increasing the quality of society.

In order to realize social innovation, various components and activities are needed within the organization. In the organizational context, a culture of innovation should be created within the institution with managerial strategies and visionary approaches such as using, transforming and disseminating information, institutionalizing, creating institutional memory, and transferring. Employees can learn innovation with many technical applications such as correcting mistakes, eliminating deficiencies, making quick decisions, fast communication, effective learning, effective teaching, making comparisons, prohibiting, warning and controlling. As can be seen here, the fact that it has too many functions such as increasing and diversifying communication at both individual and unit level, being audio-visual, directing time beyond time management with smart applications, also indicates how difficult it is to follow and control. In this respect, formation of innovation is very important to understand the effect of transformational leadership in the organization. The resource-

based approach enables employees to learn while doing work and to increase their dominance in the work they learn. This process empowers the employee. In this way, the dynamic abilities of the employee increase. As a result, the employee discovers new ways related to his job. The relative degree of innovation, the influence and direction of leaders is related to the proximity of the business model to the market. In this context, it is thought that three innovation components (transformational leadership, dynamic abilities, business model innovation) in businesses have a positive effect on social innovation.

In this paper, with the aim of providing a theoretical understanding of transformational leadership, dynamic capabilities and business model innovation processes that may be necessary for strategic management in enterprises, the interaction of these factors and their effects on social innovation as a tool will be investigated. Firstly, relevant literature will be searched and hypotheses will be determined. The effects of dynamic capabilities and the contributions of transformational leadership in business model innovation processes will be tried to be determined, the effect of intra-organizational dynamics on innovation and how the mentioned three innovation components shape social innovation will be investigated. Then quantitative research method will be used for analysis and findings will be discussed.

2. LITERATURE REVIEW

Social innovation is different from business innovations realized by organizations motivated by the priority of profit maximization and it is defined as "innovative activities and services that are motivated by the goal of meeting a social need and developed and disseminated through organizations whose primary purpose is predominantly social" (Mulgan et al., 2007: 8). There are seven currents of literature on social innovation with different perspectives: sociological perspective, creativity research perspective, entrepreneurship perspective, welfare economics perspective, practice-based perspective, community psychology perspective, and regional development perspective (Choi and Majumdar, 2014: 9). These perspectives are summarized in the table below.

Table 1: 7 Perspectives of Social Innovation

Field	Author	Perspective
Sociology	Zapf (1991); Gillwald (2000); Heiskala (2007); Kesselring & Leitner (2008); Howaldt and Schwarz (2010)	It has been investigated with regard to its significance in changing social practices and structures and leading therefore to social evolution and social change.
Creativity research	Mumford (2002); Mumford and Moertl, (2003)	It investigates strategies and tactics that are used to generate and implement social innovations, the factors that influence the development of ideas for social innovations, and the social settings which lead to the acceptance and diffusion of these ideas.
Entrepreneurship	Swedberg (2009); Ziegler (2010)	It is addressed by the social innovation school of social entrepreneurship. Since the social innovation school builds heavily on Schumpeter's theory of entrepreneurship, it views social entrepreneurship and social innovation as closely related concepts.
Welfare economics	Pol and Ville (2009)	It has the potential to improve either the quality or the quantity of life. Quality of life includes aspects such as material well-being, education opportunities, health domain, job security, family life, community life, environment (climate and geography), political freedom and security, and gender equality.
Practice-led field	Mulgan (2007); Phills et al. (2008); Murray et al. (2010); Caulier-Grice et al. (2012)	This stream of literature is more interested in the practical applications of social innovation rather than in building theories on the topic. Hence, literature of this type often attempts to offer strategies and road maps for creating social innovations, rather than explaining social innovation within a theoretical context.
Community psychology	Fairweather (1967)	The goal of community psychology is to bring social change to communities and to improve the quality of life of the members through the introduction and dissemination of innovative solutions, i.e. social innovations.
Territorial development	Moulaert et al. (2005)	The social rationale of these social innovations is the inclusion of excluded groups into spheres of society such as the labour market, the education system, and socio-cultural life.

Source: Choi and Majumdar, 2014: 9-25.

Three levels of social innovation can be identified. First, there are increasing innovations in goods and services to address social need more effectively or efficiently. This is the goal of many successful charities and nonprofit organizations. From this perspective, social innovation can be a good business opportunity. Second, there is institutional innovation, which aims to reorganize existing social and economic structures to create new social value and results. This level of social innovation is often driven by experts who reposition new technology or intellectual capital for social rather than purely economic purposes. However, while the focus is social, this type of innovation should not be separated from economic issues: corporate social innovation is often a response to problematic patterns of economic exchange between sectors or societies. Finally, disruptive social innovation directly targets system change from the start. This is the domain of social movements and "political" actors, groups and networks that seek to change power relations, alter social hierarchies and reframe problems for the benefit of disenfranchised groups (Prahalad, 2005; Hamalainen and Heiskala, 2007; Hall, 1992, 1993 cited in Nicholls and Murdock, 2012: 4-5). There are three highly talented managerial premises in social innovation: Integrating Corporate Social Responsibility into business strategy with a strong commitment from top management; separating activities related to the development of social innovations from the rest of the organization, following the structural sophistication model; to apply the principles of open innovation to the development of social innovations by including non-profit organizations as a source of ideas for new social innovation projects and utilizing them to ensure the adoption of new products and services (Altuna et al., 2015: 271-272).

Organizations and effective leaders who feel responsible for society and future generations should simultaneously focus on current activities, emerging and more radical possibilities that may be the main activities of the future (Mulgan et al., 2007: 16-17). Westley et al. (2014) pointed out that leadership plays a key role in the success of social innovations (Milley and Szijarto, 2020: 4). At this point, transformational leadership comes to the fore.

Transformational leadership occurs when leaders increase subordinates' interest, create awareness and acceptance of the group's goals and mission, and mobilize subordinates to put the group's interests above their own. Transformational leaders can achieve these results in several ways: they can be charismatic and inspire their followers; they can meet the emotional needs of each subordinate and provide intellectual stimulation to subordinates (Bass, 1990: 21). The transactional leader is extrinsically motivated and works with the rules of the organizational culture, while the transformational leader is intrinsically motivated and redefines or changes the organizational culture on the basis of his or her vision for a more satisfying future status (Avolio and Bass, 1995: 203). Transformational leadership has four dimensions: charisma, inspiration, intellectual stimulation, and individualized consideration. Having charisma in the eyes of subordinates is essential to the success of the transformational leader. Charismatic leaders have great power and influence. His subordinates want to identify with him and have a high degree of trust in him. Charismatic leaders inspire and excite their subordinates with the thought that it is possible to achieve great things with extra effort (Bass, 1990: 21). A leader inspires by motivating his followers and shows them with his own actions. It creates team spirit and creates goals for the future, an attractive and shared vision with the audience, adopts the audience and sets an example by showing strict adherence to them (Erkuş and Günlü, 2008: 191). Intellectually stimulating leaders can show their subordinates new perspectives on old problems, teach them to see difficulties to solve problems, and emphasize logical solutions (Bass, 1990: 21). Individualized attention is like a support force that provides positive or negative feedback support to the audience who are expected to complete their tasks by learning from their successes and mistakes (Avolio and Bass, 1995: 202). Transformational leaders pay close attention to the differences among their subordinates and act as consultants to those who need help to grow and enhance (Bass, 1990: 21).

Organizations need to be more flexible, adaptable, enterprising and innovative to meet the changing demands of today's environment. In order to realize this change, it is important to choose the appropriate leadership style (Sarros et al., 2008: 145). It has been argued that transformational leadership, unlike transactional leadership, is particularly effective in enabling the follower's innovative behaviors (Pieterse et al., 2009: 609). Positive relationships were found between transformational leadership behaviors and organizational innovation (García-Morales et al., 2008: 188; Hsiao & Chang, 2011: 621; Khalili, 2016: 2277; Junga et al., 2003: 525; Reuvers et al., 2008: 227; Imran et al., 2009: 678). It has been determined that transformational leaders can foster an innovation environment that encourages creativity of employees, act as a lever to facilitate innovations of R&D teams (Jaiswal and Dhar, 2015: 30), in addition to generating ideas, it positively affects innovative work behavior including idea application (Afsar et al., 2014: 1275); support innovation in business units (Howell and Avolio, 1993: 891), and have a positive effect on the implementation of large-scale innovation programs (Geijsel et al., 1999: 309). It has been determined that CEO transformational leadership has a direct positive effect on organizational innovation (Zuraik and Kelly, 2018: 1460). In this context, it is thought that transformational leadership, which is a type of leadership focused on change and innovation, will positively affect social innovation.

H1: Transformational Leadership tendencies affect social innovation tendencies positively and significantly.

Another variable that is important for realizing social innovation is dynamic capabilities. Vezina et al. (2019: 1399) found that the management of dynamic capabilities is central to social innovation and provides a real management input through the analysis of the micro-processes at work in the social innovation process. The field of “dynamic capability” has developed

very rapidly in the last decade. This field is closely related to the resource-based view, which is a very active area of research. Like the resource-based view, the focus is on key issues such as competencies and company performance that are important in strategic management. It is similarly relevant to strategic renewal, adaptation and growth. However, unlike the resource-based view, the emphasis is on dynamics. It includes talent lifecycles and temporal dynamics, as well as the lifecycles and evolutionary paths of firms and industries. It links innovation and organizational learning as it deals with the mechanisms of change, which in turn links it to knowledge management and provides a knowledge-based perspective. Mechanisms also refer to processes, a broad topic of fundamental importance in both management research and practice. To date, progress has been made by bringing together and recombining different theoretical and scientific traditions. This has contributed to the wealth of research on dynamic capabilities, but has generated some controversy. Despite widespread use of the dynamic capacity structure, a universally accepted definition has been slow to emerge. This may be partly because the definition provided by Teece, Pisano, and Shuen (1997) is broad enough to provide opportunities for others to reinterpret and expand the concept (Easterby et al., 2009: 1-2). Table 2 contains definitions expressing dynamic capabilities.

Table 2: Definitions of Dynamic Capabilities

Teece, Pisano and Shuen (1997)	It refers to the ability to restructure, organize and integrate internal and external competencies in rapidly changing environments.
Eisenhardt and Martin (2000)	They are the organizational and strategic routines through which firms acquire new resource configurations as markets emerge, collide, divide, evolve and die.
Zollo and Winter (2002)	They are learned, determined collective activities to change operational processes and improve activities.
Nielsen (2006)	They compete in their ability to innovate and develop, as well as their ability to use existing resources and capabilities.
Ambrosini and Bowman (2009); Festing and Eidems (2011)	Firms restructure their resources and competencies to take advantage of environmental opportunities and make dynamic adjustments between their internal functions and the external environment.
Pavlou and El Sawy (2011)	It is a set of capabilities that helps to reconfigure existing operational capabilities to adapt to the environment.
Helfat and Peteraf (2003)	It is the ability to use and benefit from coordinated abilities at the organizational level to result in tangible and intangible production inputs.
Ju et al. (2016)	They are the institutional and strategic routines that organizations achieve when entering markets, exploring markets, competing in the market, deciding to leave the market, when they exit the market, when they develop the market, when they reach the end of their market life cycle, to combine new resources.

Sources: Easterby et al., 2009: 2; Eisenhardt and Martin, 2000: 1107; Zheng et al., 2011: 1036-1037; Nieves et al., 2016: 159; Piening and Salge 2015: 82; Ju et al., 2016: 7.

The characteristics of dynamic abilities are as follows (David, 2017: 43-44; Pavlou and El Sawy, 2011 cited by Nieves et al., 2016:159-160; Eisenhardt and Martin, 2000 cited by Zheng et al., 2011:1036- 1037; Fallon-Byrne and Harney, 2017: 22-24):

1. It includes the detection, capture, and transformation required to design and implement a business model.
2. It requires developing and coordinating its resources.
3. It expresses self-development, an endless cycle of expansion.
4. Performance result is uncertain.
5. They are processes that can work both in dynamic environments and in environments that do not undergo rapid change.
6. Learning mechanisms are their driving force.
7. Restructures resources and capabilities within and outside the organization, so that firms can take advantage of environmental opportunities.
8. It is expressed as perceiving the ability to identify, interpret and follow opportunities in the environment.
9. It is expressed as learning the ability to renew skills with new information.
10. It is expressed as coordinating the ability to organize and implement tasks, resources and activities.
11. It can be distinguished from operational or collaborative capabilities by their relationship to change.
12. It provides the opportunity to search for new opportunities and to anticipate the threats of competitors.

13. It enables companies to create, assimilate and integrate knowledge simultaneously and continuously to maintain continuous levels of innovation.
14. The ability to implement process innovations qualifies as a dynamic capability because process innovations represent changes in the way things are done in the firm.

The emergence of dynamic capabilities theory can be seen as the conceptualization of key elements of organizational change such as innovation, organizational learning, and knowledge management. Dynamic capabilities exist to "reconstruct" and "renew" existing resources and "create" new ones (Dixon et al., 2014; Wang et al., 2015). Changes in the way routines are done in the organization can be characterized as a dynamic capability as it is applied as a process innovation. Dynamic capabilities theory emphasizes the importance of activities aimed at producing, acquiring, integrating and disseminating knowledge in order to ensure that processes can be restructured within the organization (Fallon-Byrne and Harney, 2017: 22).

Dynamic capabilities can be viewed as a preparation for organizational change that facilitates firms' business model innovation. Firms need to have mechanisms to perceive the need for business model innovation. They can develop dynamic capabilities that enable them to systematically innovate their business models. Dynamic capabilities help the firm create and capture value by encompassing activities, processes and leadership skills where the need to change/innovate existing business models is recognized and the necessary assets are accessed and organized in the pursuit of new value creation. In the implementation of the new business model, unpredictable internal and external changes can be responded with agility and flexibility (Leih, Linden and Teece as cited in Foss and Saebi, 2015: 11). This requires dynamic capabilities.

The direct relationship between dynamic capabilities and a firm's value creation and competitive advantage addresses the capacity of dynamic capabilities to detect and shape opportunities and threats, capture and improve opportunities, consolidate, protect and maintain competitiveness through restructuring as necessary. The capacity of an organization to change its business model underlies dynamic capabilities, and researchers have alternately implied their capacity to create, integrate, and restructure dynamic capabilities (Weerawardena and Felix, 2011: 1221-1222). In this context, it has been revealed that innovation (management innovation) encourages the development of dynamic capabilities, there is a strong overlap between dynamic capabilities and innovation (management innovation), and these capabilities are changed (Heiko, 2011: 1238-1249). In this regard, it is important to understand dynamic capabilities and business model innovation.

In parallel with the definition of dynamic capabilities to perceive, capture and restructure opportunities; social innovation can be redefined as the capacity to detect opportunities and threats, seize those opportunities, and restructure both internal and external resources, as well as operational capabilities to meet societal needs on a non-profit basis (Claver-Cort´es, Marco-Lajara, Manresa-Marhuenda & García-Lillo, 2018; Vézina et al., 2019 cited in Tabaklar et al., 2021: 147-148). In other words, dynamic capabilities can be thought of as stages in the social innovation process. Perception refers to the ability to identify a societal demand for social transformation. Capturing talent is about turning societal demand into a commercial offering. Restructuring is about institutional innovation to integrate real and new knowledge through innovative routines (Vézina et al., 2019: 1399). The Table 3 shows the integration of the stages of dynamic capabilities into the innovation process with social skills.

Table 3: A Three Stages Model of The Social İnnovation Process

Stage	Dynamic Capability	Expression of social innovation capability	Dominant organising processes	Expression of social innovation capability
1	Sensing: capability to identify an opportunity	Social transformation: capability to identify a societal demand for social transformation	Governance and mission-led Bottom-up and deliberative	What is the social dimension of the mission? What is the social demand that is not satisfied? What are the possible social transformation projects?
2	Seizing: capability to seize the opportunity	Social innovation: capability to shape societal demand into a new product/service	Decentralised process of boundary product definition Corporate-business unit ongoing dialogue	How can the social demand be satisfied by our operations? What social innovation is needed to meet this social demand?
3	Reconfiguring: capability to reconfigure resources	Organising innovation: capability to integrate actual and new knowledge through innovative routines	Operational cospecialization connecting mecanisms Mission committed culture and employees	How can this social innovation be fostered by our (tangible and intangible) resources? What new knowledge is needed? What organisational innovation would allow new knowledge to be integrated, consistently with the enterprise's mission?

Source: Vézina vd., 2019: 1409.

H2: Dynamic capabilities trends positively and significantly affect social innovation trends.

In terms of business models, linking social needs directly with economic activities is an innovation, and thus the use of economic activities to approach social needs represents a social innovation of traditional (economic) entrepreneurial activities. In a learning society, business and the nonprofit sector are in a mutual learning process. Each has a significant impact on the other, and both go through a process of social innovation based on new business models, as in community-related business models or social enterprises (Lisetchi and Brancu, 2014: 90-91). There may be potential conflicts between opportunities determined according to different social, economic and environmental logics, but these can be managed by designing innovative business models (Nicholls and Murdock, 2012: 23).

Because business model innovation is a complex process where action and cognition are intertwined, it is not a two-stage understanding and execution process, but a multi-stage, multi-mechanical learning process that can occur with drifting and jumping patterns. It is necessary to take into account which business model will be most effective and how an effective learning process will be carried out to reach a new business model (Berends et al., 2016: 200). Focusing on the business model to achieve sustainable development offers opportunities for more comprehensive, long-term and radical solutions because changing the business model can have implications for all the activities, processes and resources with which a company creates, delivers, captures and exchanges value (Teece, 2010 as cited in Baldassarre et al., 2017: 176). Within the scope of dynamic capabilities, it is very important to understand the contribution of organizational innovation and organizational learning to business model innovation as tools, the contributions and interactions of the transformational leadership style that may be required for intra-organizational leadership and political maneuvers. According to Chesbrough (2010: 400), if a leader with significant decision-making power is committed to business model experimentation, the chances of success increase significantly. However, if they hinder business model redesigns or innovations, it will be nearly impossible for other managers to experiment, create learning processes, or effectively implement a new business model.

The design and operation of business models will change according to the capabilities of the firm. The preparation, development, implementation, transformation of the business model creates the outputs of dynamic capabilities. Supporting dynamic capabilities with organizational routines and management skills so that they can be used within the firm, is includes integrating, restructuring and building. The strength of dynamic capabilities is critical to sustainability capability, including the design phase of the business model, down to long-term profitability. There is a layer of dynamic capabilities that can be broken down into micro-foundations (meaning the tuning, recombination and development of mundane capabilities) and higher-level capabilities, which are above routine operations and management. These are second-order dynamic capabilities that include new product development, expansion into new sales territories, assignment of product authorizations between divisions of large companies, and other actions that constitute intelligent managerial decision-making under uncertainty. These top-level capabilities are applications that include restructuring to meet the needs of the future, ensuring that structures work in the best way, developing business models to capture changing opportunities, and new plans for the future (David, 2017: 40-41).

When the business model as a whole is evaluated, it is still complex how to pre-assess the sustainable impacts of innovations to be made in the business model and their impact on the business model. Developing innovations is a fundamental approach, as innovations drive sustainability and describe the way the organization creates value. However, there is no general agreement on the concept of "business model". While American academics focus on business model classification and open innovation policies, European academics focus on modeling and design approaches (Evans et al., 2017:2). Table 3 includes business model definitions.

Table 4: Definitions of Business Model

Teece (2010)	It is the restructuring of business capabilities to adapt to a company's changing business environment.
Osterwalder and Pigneur (2009)	It explains the logic of how an organization creates value, how it provides value.
Mullins and Komisar (2009)	It refers to an economic model that shows the expenditures and investments you have made for various purposes at a certain time and determines whether you make a profit at the desired value.
Chesbrough (2010)	It is a useful framework for linking ideas and technologies to economic outcomes.
Ganbardella and McGahan (2010)	It is a mechanism for converting ideas into revenues at acceptable costs.
Debelak (2006)	It is the means by which a business aims to generate income and profits.
Watson (2005)	It includes the cost, structure and customer value of the company's operations, components, functions and processes.
Rappa (2010)	It explains where it is located in the value chain and how it makes money as a way of doing business that generates income on a sustainable basis.

Slávik (2014)	It is a machine that works for making money, a group of resources and activities, of varying degrees and operations, that aggregate decisions and results, serving to deliver value and deliver results to the customer.

Sources: Evans et al., 2017: 2, Antikainen and Valkokari, 2016: 6-7; Slávik and Bednár, 2014: 20-21.

More recently, the definitions of business models have also included the concept of social innovation and social value creation, which is closely related to social enterprises (Easterly and Miesing 2007, Stoner and Wankel 2007 cited in Alegre and Berbegal-Mirabent, 2016: 1161). While some researchers argue that business model innovation should be new to the firm (Johnson et al., 2008; Osterwalder et al., 2005), others argue that it should be new to the industry as well. Koen et al. (2011) classifies business model innovation with three dimensions of innovation in technology, value network, and financial barrier ratio, while Giesen et al. (2007) and Lindgart et al. (2009) conceptualized business model innovation as innovations in the value proposition, revenue model, and business model. Bucherer et al. (2012) expressed business model innovation either by the origin of innovation (in response to a threat or opportunity) or by the degree of innovation (according to breakthrough in the industry, incremental and comprehensive innovation) (Foss and Saebi, 2015: 7).

Innovation is the constant replacement of existing, routine, repetitive jobs and behaviors with new ones that are more risky and uncertain in the organization. For this reason, it is difficult to manage and maintain creative behaviors in organizations. Restructuring resources and changing routines according to innovation is not an easy task (Fallon-Byrne and Harney, 2017: 22). Business model innovation depends on making changes and interacting with all components due to the processes and businesses it contains. These changes and the abundance of components make it difficult to predict whether the business model will be successful. Organizational learning is an important issue to better understand the business model innovation process: business model innovation is seen as a cognitive phenomenon, defined as representations, cognitive tools exist, based on logics and plans; these elements point to a cognitive area (Berends et al., 2016:183). Since these cognitive elements are in the business model, it is possible to connect all the parts together, to inform them of innovations and to transfer them to new applications with dynamic capabilities. Studies on innovation and organizational design show that this internal restructuring may also require reorganization of the organizational structure, the development of know-how capabilities and new organizational practices. Restructurings carried out to move the organization to a better point can cause changes and innovations within the organization. In this respect, restructuring is an element of dynamic capabilities.

Because the business model describes how an organization creates value, the business model canvas can be used as one of the competitive strategies. The business model canvas describes the relationship between business owners and their partners and customers. There are nine interrelated blocks on this canvas: (1) customer segment, (2) value proposition, (3) channel, (4) customer relationships, (5) revenue stream, (6) key resources, (7) key activities, (8) key partnership, (9) cost structure. An effective business model should answer some basic questions about the causes and goals of the company and should be simple for those involved to understand. The business model canvas is one of the most popular on the market (Slávik and Bednár, 2014: 23).

Figure 1: Business Model Canvas

<table>
<tr>
<td rowspan="2">Key Partners
From our point of view:
• Who are our key partners?
• What are the roles of our partners?
• What resources do we need from our partners?
• How do the partners benefit from the cooperation?
From customer point of view:
• How does the customer experience our partners?
• What kind of partnerships does the customer have and how should they be taken into account?</td>
<td>Key Resources
From our point of view:
• What skills and knowledge do we need?
• What other material and immaterial resources and tools are required?
From customer point of view:
• What skills and knowledge is required from the customer's side?
• What other customer's material and immaterial resources and tools are required?</td>
<td rowspan="2">Value Proposition
From our point of view:
• What value are we selling?
• What are the elements of our offering?
• What is unique in our offering?
From customer point of view:
• What value is the customer buying?
• What are the elements of customer needing?
• Which customer's challenges and problems need to be solved?</td>
<td>Value Creation
From our point of view:
• How is our offering embedded in the customer's world?
• How can we facilitate the customer to reach their goals?
From customer point of view:
• How does the value emerge in customer's practices (also from mental and emotional experiences)?
• How are customer's long term benefits accomplished?</td>
<td rowspan="2">Customer's World and Desire for Ideal Value
From our point of view:
• How do we get a deep insight and holistic understanding of customer's world (context, activities, practices, experiences), their future strategies, and customer's customers' world?
From customer point of view:
• Why does the customer buy?
• What kind of benefits does the customer aspire?
• Functional
• Economic
• Emotional
• Social
• Ethical
• Symbolic
• If there were no limits, what would be the customer desire for ideal situation and world?</td>
</tr>
<tr>
<td>Mobilizing Resources and Partners
From our point of view:
• How do we coordinate multiparty value creation?
• How do we utilize and develop partners and resources?
From customer point of view:
• How can the customer utilize and develop partners and resources?</td>
<td>Interaction and co-production
From our point of view:
• How can we support customer co-production and interaction between us and the customer?
From customer point of view:
• What are customer's activities during the use and different use contexts?
• What are the customer's mental models of interacting with us?</td>
</tr>
<tr>
<td colspan="3">Cost Structure
From our point of view:
• What are the costs inherent in our business model?
• What are our other sacrifices?
From customer point of view:
• What costs and other sacrifices are required from the customer?</td>
<td colspan="3">Revenue Streams and Metrics
From our point of view:
• What is our earnings logic and how is our financial feedback generated?
• How can we apply customer value-based pricing?
• What else valuable do we get than money?
• What are the key performance metrics of our business success?
From customer point of view:
• For which benefits is the customer really willing to pay and how?
• What is the financial value that the customer gets?
• What are the key performance indicators of customer's business and how are we following them?</td>
</tr>
</table>

Source: Ojasalo and Ojasalo (2015: 321).

Adopting the dynamic capabilities perspective, it is argued that dynamic capabilities are key precursors to business model innovation and implementation. Dynamic capabilities are found in the collective learning and culture of the organization and the entrepreneurial skills of the senior management team. Therefore, entrepreneurial managers have primary responsibility for recognizing the need for business model change, adjusting or inventing business models, arranging necessary assets, and restructuring the organization (Foss and Saebi, 2015: 15). According to Doz and Kosenen (2009), companies need strategic agility to change their business models in search of strategic innovation. This requires leadership meta-skills in the perception of the environment, maintaining unity in the leadership team, and the ability to reallocate resources to support new models. In this context, firms should address leadership issues to ensure that business model experiments are managed effectively and the results of their experiments take action within the organization (Chesbrough, 2010: 361-362). Successful business model innovation requires concerted and collaborative efforts from the top management team, whose leadership involvement must match the type of business model innovation envisaged. In fact, different business model innovations are associated with different management challenges and therefore require different leadership interventions to be successful (Stieglitz and Foss as cited in Foss and Saebi, 2015: 12-13). There are several barriers to business model innovation, but the way forward is for leaders to openly adopt an experimental stance towards business model innovation. Leaders can allow high fidelity, low cost, fast performance, and the initiation of useful informative experiments. These new data should be reflected in new exploratory models, enabling leaders to take action based on these findings and overcome the barriers that surround and protect the current business model (Chesbrough, 2010: 362).

Companies are expected to adjust the way they do business by bringing organizational and cultural changes in business practices and attitudes that integrate the needs and aspirations of sustainable development. This is where business models come into play (Birkin et al., 2009 cited in Alegre and Berbegal-Mirabent, 2016: 1159). Business model innovation is seen as a very important tool to encourage hybrid organizations and institutions that can combine social and economic dimensions (Mongelli and Rullani, 2017: 446). Social businesses "have to walk a fine line between achieving a social mission and meeting the requirements of the market", which entails maximizing value not only for shareholders but for all stakeholders. In order to walk in this line, it needs to innovate in existing business models, include other activities and create special business models (Santos, 2012, cited in Mongelli and Rullani, 2017: 461-462).

H3: Business model innovation trends positively and significantly affect social innovation trends.

3. DATA AND METHODOLOGY

The research was applied to SMEs in the province of Istanbul. The reason for the application of the research on SMEs is that they are more flexible than corporate and large companies, they produce fast solutions, they have to bear high costs due to factors such as access to financial resources, operating in a dynamic environment. Metropolitan life makes human resources very important. This seriously affects SMEs. Quantitative research method was used in the research and survey forms were used within the scope of the study. The questionnaire form consists of 2 main parts. In the first part, dynamic capabilities, transformational leadership, social innovation, business model innovation scales are included, and the second part includes questions about demographic information. The social innovation scale developed by Reşat Şekerdil, Burak Demir and Evrim Güneş (2020) was used as a 5-point Likert-type scale consisting of 8 questions. A 5-point Likert-type scale consisting of 19 questions on Transformational Leadership, developed by Reşat Şekerdil and Evrim Güneş (2022), was used. The Business Model Innovation scale developed by Verma and Bashir (2016) was used as a 5-point Likert-type scale consisting of 21 questions. A 5-point Likert-type scale consisting of 12 questions was used on Dynamic Capabilities, developed by Kaplan (2015). Science package program was used in the process of testing the main problem and sub-problems of the research. Frequency and percentage distributions have been revealed in order to reveal the demographic characteristics of the employees of the organization that make up our sample.

4. FINDINGS AND DISCUSSIONS

In order to determine whether the employees in the organization affect dynamic abilities, transformational leadership, social innovation, business model innovation, regression analysis was carried out, and correlation analysis was carried out to determine the direction of the relations. The results of demographic analysis are shown in Table 5. The results of dynamic capabilities scale, transformational leadership scale, business model innovation scale and social innovation scale analysis are examined with reliability analyzes in Table 6, factor analyzes in Table 7, correlation and regression analyzes in Table 8. The hypotheses related to the research results are shown in Table 9.

Table 5: Demographic Analysis

		198	**%**
Gender	Female	86	43,4
	Male	112	56,6
Age	18-28	93	47,0
	29-39	67	33,8
	40-50	23	11,6
	51 and above	15	7,16
Education	High school	75	37,90
	University	101	51,0
	Post Graduate	22	11,10

43.4% of the participants are female and 56.6% are male. Considering the distribution by age groups, it is seen that 47% are between the ages of 18-28, 33.80% are between the ages of 29-39, 11.60% are between the ages of 40-50, and 7.16% are 51 years old and over. The education of the participants in the sample is 37.90% high school graduate, 51.0% university graduate, 11.0% postgraduate.

Table 6: Reliability Analysis

Variables	**Cronbach Alpha(α)**	**Number of Items**
Dynamic Capabilities	0,962	12
Transformational Leadership	0,952	19
Social Innovation	0,890	8
Business Model Innovation	0,970	21

This coefficient, which takes a value between 0 and 1, shows whether the expressions in the scale show a homogeneous unity and whether they measure the same thing. The reliability of the scale, depending on the alpha coefficient: 0.00 ≤ α < 0.40, it is not reliable, 0.40≤ α < 0.60 reliability is low, 0.60≤ α < 0.80 is highly reliable, 0.80≤ α < 0.100 scale is said to be highly reliable (Kayış, 2014: 405). The Cronbach Alpha value of the Social Innovation scale is 0.890. The Social Innovation scale is highly reliable. The Cronbach Alpha value of the Dynamic Capabilities scale is 0.952. The Dynamic Capabilities scale is highly reliable. The Cronbach Alpha value of the Transformational Leadership scale is 0.952, and Transformational Leadership is highly reliable. The Cronbach Alpha value of the Business Model Innovation scale is 0.970. Business Model Innovation is highly reliable.

Table 7: Factor Analysis

Variables	Number of Items	Factor Loads	Explained Variance	KMO	χ2	Df	p
Dynamic Capabilities	**12**	**0,502-0,778**	**%79,843**	**0,955**	**2197,185**	**66**	**0,000**
Sensing Opportunities	4	0,854-0,925	%78,798	0,845	534,033	6	0,000
Capture Opportunities	4	0,861-0,905	%78,160	0,838	511,798	6	0,000
Restructuring	4	0,857-0,918	%79,280	0,847	542,938	6	0,000
Transformational Leadership	**19**	**0,553-0,906**	**%80,904**	**0,942**	**3142,149**	**105**	**0,000**
Charisma	6	0,749-0,899	%93,242	0,882	800,560	10	0,000
Individual Interest	6	0,687-0,848	%93,760	0,896	970,257	10	0,000
Being a source of inspiration	5	0,821-0,892	%96,804	0,715	580,685	6	0,000
Social Innovation	**8**	**0,705-0,798**	**%56,651**	**0,918**	**691,859**	**28**	**0,000**
Business Model Innovation	**18**	**0,508-0,770**	**%75,82**	**0,958**	**3014,493**	**153**	**0,000**
Value Proposition	5	0,882-0,890	%77,21	0,879	747,460	10	0,000
Channels	2	0,923-0,923	%85,154	0,500	133,300	1	0,000
Cost of Our Competitors and Human Capital	5	0,812-0,849	%68,579	0,840	522,925	10	0,000
Value Networks, Connecting with Partners	3	0,836-0,910	%79,543	0,700	324,715	3	0,000
Asset – Capabilities and Income sources	3	0,879-0,903	%79,747	0,738	297,209	3	0,000

KMO (Kaiser – Meyer – Olkin) and Bartlett's Test" is used as a criterion of sample adequacy. It is an indicator that compares the magnitude of the correlation coefficients with the magnitude of the partial correlation coefficients. A KMO value of 0.90 is considered excellent, 0.80 very good, 0.70 good, 0.60 moderate, 0.50 weak, less than 0.50 (Kalaycı, 2014: 322). Since the KMO value of the Social Innovation Scale is 0.918, the data set is very well suited for factor analysis. (X2=691.859; df=28 ; KMO = 0.918; p< 0.05). In terms of common variance values, it is 0.798 with the highest variance in the Social Innovation Scale structure and 0.705 with the lowest variance. The items in the Social Innovation Scale explain 56.65% of the variance. Since the KMO value of the Business Model Innovation Scale is 0.958, the data set is very well suited for factor analysis. (X2=3014,493; df=153; KMO = 0.958; p< 0.05). In terms of common variance values, it is 0.770 with the highest variance and 0.508 with the lowest variance in the Business Model Innovation structure. The items in the Business Model Innovation Scale explain 75.82% of the variance. Since the KMO value of the Dynamic Capabilities Scale is 0.955, the data set is perfectly suitable for factor analysis. (X2=2197.185; df=66; KMO = 0.955; p< 0.05). In terms of common variance values, it is 0.778 with the highest variance and 0.502 with the lowest variance in the Dynamic Capabilities Scale structure. The items in the Dynamic Capabilities Scale explain 79.843% of the variance. Since the KMO value of the Transformational Leadership Scale is 0.942, the data set is perfectly suitable for factor analysis. (X2=3142.149; df=105; KMO = 0.942; p< 0.05). In terms of common variance values, it is 0.906 with the highest variance in the Transformational Leadership Scale structure and 0.553 with the lowest variance. The items in the Transformational Leadership Scale explain 79.843% of the variance.

Table 8: Correlation and Regression Analysis

Correlation Analysis, Regression Analysis: Entered Model - Dependent Variable: SI													
	Correlation	**R**	**R^2**	**Adj. R^2**	**Sig. F Change**	**Durbin-Watson**	**F**	**Sig.**	**B**	**Std. Error**	**Beta**	**T**	**Sig.**
DL	0,121	0,121	0,015	0,010	0,089	1,601	2,913	0,089	0,059	0,035	0,121	1,707	0,089
EK	0,033	0,033	0,001	-0,004	0,645	1,611	0,213	0,645	0,014	0,030	0,033	0,461	0,645
Bİ	0,116	0,116	0,013	0,008	0,104	1,594	2,665	0,104	0,054	0,033	0,116	1,633	0,104
KA	0,175	0,175	0,031	0,026	0,014	1,619	6,207	0,014	0,080	0,032	0,175	2,491	0,014
DY	0,328	0,328	0,108	0,103	0,000	1,645	23,635	0,000	0,184	0,038	0,328	4,862	0,000
YY	0,324	0,324	0,105	0,100	0,000	1,681	22,950	0,000	0,174	0,036	0,324	4,791	0,000
FY	0,334	0,334	0,112	0,107	0,000	1,632	24,661	0,000	0,181	0,036	0,334	4,966	0,000
FS	0,274	0,274	0,075	0,070	0,000	1,620	15,933	0,000	0,141	0,035	0,274	3,992	0,000
İS	0,297	0,297	0,088	0,084	0,000	1,613	19,004	0,000	0,179	0,041	0,297	4,359	0,000
VYGK	0,286	0,286	0,0816	0,0769	0,000	1,621	17,404	0,000	0,156	0,037	0,286	4,172	0,000
DEAOB	0,308	0,308	0,095	0,090	0,000	1,662	20,509	0,000	0,157	0,035	0,308	4,529	0,000
RMİS	0,221	0,221	0,049	0,044	0,002	1,600	10,094	0,002	0,134	0,042	0,221	3,177	0,002
K	0,282	0,282	0,080	0,075	0,000	1,638	16,934	0,000	0,129	0,031	0,282	4,115	0,000
DÖ	0,271	0,271	0,073	0,069	0,000	1,595	15,497	0,000	0,149	0,038	0,271	3,937	0,000
Correlation Analysis, Regression Analysis: Entered Model - Dependent Variable: DL													
EK	0,879	,879	0,773	0,772	0,000	1,860	666,97	0,000	0,742	0,029	0,879	25,825	0,000
Bİ	0,952	,952	0,907	0,906	0,000	2,139	1909,86	0,000	0,952	0,021	0,913	43,702	0,000
KA	0,913	,913	0,834	0,833	0,000	1,578	985,42	0,000	0,856	0,027	0,913	31,391	0,000
DY	0,426	,426	0,181	0,177	0,000	1,417	43,457	0,000	0,489	0,074	0,426	6,592	0,000
YY	0,482	,482	0,232	0,228	0,000	1,502	59,340	0,000	0,530	0,068	0,482	7,703	0,000
FY	0,370	,370	0,137	0,133	0,000	1,412	31,130	0,000	0,410	0,073	0,370	5,579	0,000
FS	0,358	,358	0,128	0,124	0,000	1,437	28,793	0,000	0,377	0,070	0,358	5,366	0,000
İS	0,329	,329	0,108	0,104	0,000	1,378	23,744	0,000	0,404	0,083	0,329	4,873	0,000
VYGK	0,322	,322	0,104	0,099	0,000	1,438	22,707	0,000	0,359	0,075	0,322	4,765	0,000
DEAOB	0,273	,273	0,075	0,070	0,000	1,424	15,830	0,000	0,286	0,072	0,273	3,979	0,000
RMİS	0,362	,362	0,131	0,126	0,000	1,408	29,502	0,000	0,448	0,082	0,362	5,432	0,000
K	0,159	,159	0,025	0,020	0,025	1,492	5,090	0,025	0,148	0,066	0,159	2,256	0,025
DÖ	0,306	,306	0,094	0,089	0,000	1,407	20,229	0,000	0,344	0,077	4,4978	4,498	0,000
Correlation Analysis, Regression Analysis: Entered Model - Dependent Variable: DY													
YY	0,930	0,930	0,865	0,864	,000	1,736	1257,379	,000	0,891	0,025	0,930	35,460	,000
FY	0,959	0,959	0,920	0,919	,000	2,2512	2242,346	,000	0,924	0,020	0,959	47,353	,000
FS	0,947	0,947	0,898	0,897	,000	1,743	1719,373	,000	0,868	0,021	0,947	41,465	,000
İS	0,755	0,755	0,570	0,568	,000	1,850	260,276	,000	0,808	0,050	0,755	16,133	,000
VYGK	0,690	0,690	0,477	0,474	,000	1,856	178,428	,000	0,670	0,050	0,690	13,358	,000
DEAOB	0,644	0,644	0,415	0,412	,000	1,840	139,108	,000	0,587	0,050	0,644	11,794	,000
RMİS	0,739	0,739	0,546	0,544	,000	1,777	236,176	,000	0,797	0,052	0,739	15,368	,000
K	0,564	0,564	0,318	0,315	,000	1,947	91,480	,000	0,458	0,048	0,564	9,565	,000
DÖ	0,710	0,710	0,505	0,502	,000	1,885	199,639	,000	0,696	0,049	0,710	14,129	,000

The Pearson correlation coefficient is used to measure the degree of linear relationship between two continuous variables. In other words, the question of whether there is a significant relationship between the two variables is answered. The Pearson correlation coefficient r takes values between -1 and +1". If it is in the negative direction, it is said that there is an inverse relationship, and if it is in the positive direction, there is a relationship in the same direction. If 0, there is no relationship between the two variables. Pearson correlation coefficient interpretation is; r = 0.00-0.25 very weak, 0.26-0.49 weak, 0.50-0.69 moderate, 0.70-0.89 high, 0.90-0.100 very high (Sungur, 2014: 116). The correlation coefficients between dynamic capabilities, transformational leadership, social innovation, business model innovation variables are shown. Durbin-Watson coefficient is used to test autocorrelation. "The DW value ranges between 0-4 and values close to 0 indicate extremely positive correlation, values close to 4 indicate extremely negative correlation, and values close to 2 indicate no autocorrelation." (Ağca and Büyükaslan, 2016: 214) The Durbin-Watson statistics value, which shows whether there is autocorrelation between the values, is 1.660, and it can be said that there is no autocorrelation. There is no significant relationship between transformational leadership and social innovation, transformational leadership sub-dimensions Individual Interest, Inspiration and social innovation variable ($p>0.05$). Charisma ($r=.175$; $p<0.01$), which is the sub-dimension of transformational leadership, seems to have a very weak and positive relationship.

A weak and positive relationship between Dynamic Capabilities and social innovation ($r=.328$; $p<0.05$), and Sensing Opportunities ($r=.274$; $p<0.05$) with Dynamic Capabilities sub-dimensions very weak and positive, Capturing Opportunities

(r=. ,334; p<0.05), Restructuring (r=.324; p<0.05) and social innovation variable were weak and positive. "Business Model Innovation" has a significant but weak effect on "social innovation" (r=.297; p<0.05), Business Model Innovation sub-dimensions has a significant but weak effect on "social innovation"; Value Proposition (r=.271; p<0.05), Channels (r=.282; p<0.05), Cost of Our Competitors and Human Capital (r=.271; p<0.05), Value Networks, Connection with Partners (r=.308; p<0.05), Asset – Capabilities and Income sources (r=.286; p<0.05). As a result of the regression analysis, the transformational leadership variable does not explain the social innovation variable (p>.000). As a result of the regression analysis, the Dynamic Capabilities variable explains the social innovation variable by 10% (β=0.103; F = 23,635 p=, 000). Dynamic Capabilities explain social innovation with sub-dimensions of Sensing Opportunities 7%, Capturing Opportunities 10%, Restructuring 10% (p<0.05). As a result of the regression analysis, the Business Model Innovation variable explains the social innovation variable by 8% (β=0.084; F = 19,004 p=, 000). The sub-dimensions of Business Model Innovation explain social innovation with Value Proposition 6%, Channels 7%, Cost of Our Competitors and Human Capital 4%, Value Networks, Connection with Partners 9%, Asset – Capabilities and Income sources 7% (p<0.05). It is seen that there is a very high and positive relationship between the transformational leadership and the sub-dimensions of Individual Interest and Inspiration (p>0.05). A weak and positive relationship between Dynamic Capabilities and transformational leadership (r=.426; p<0.05), and Sensing Opportunities (r=.358; p<0.05) with Dynamic Capabilities sub-dimensions very weak and positive, Seizing Opportunities (r=. ,370; p<0.05), Restructuring (r=,482; p<0.05) and transformational leadership variable were weak and positive.

"Business Model Innovation" has a significant but weak effect on "Transformational leadership" (r=.329; p<0.05). Business Model Innovation sub-dimensions has a significant but weak effect on "Transformational leadership"; Value Proposition (r=.306; p<0.05); Channels (r=.159; p<0.05), Cost of Our Competitors and Human Capital (r=.362; p<0.05), Value Networks, Connection with Partners (r=.273; p<0.05), Asset – Capabilities and Income sources (r=.322; p<0.05). As a result of the regression analysis, the Dynamic Capabilities variable explains the transformational leadership variable by 17% (β=0.177; F=43.457 p=.000). The Dynamic Capabilities sub-dimensions, Sensing Opportunities 12%, Seizing Opportunities 13%, Restructuring 22% explain transformational leadership (p<0.05). As a result of the regression analysis, the Business Model Innovation variable explains the transformational leadership variable by 10% (β=0.104; F=23,744 p=.000). Business Model Innovation sub-dimensions, Value Proposition 9%, Channels 2%, Cost of Our Competitors and Human Capital 12%, Value Networks, Connection with Partners 7%, Asset – Capabilities and Income sources 32% (p<0.05). It is seen that there is a very high and positive relationship between Dynamic Capabilities and the sub-dimensions of Dynamic Capabilities, Sensing Opportunities, Seizing Opportunities, and Restructuring (p>0.05). "Business Model Innovation" has a significant but moderate effect on "dynamic capabilities" (r=.568; p<0.05), Business Model Innovation sub-dimensions has a significant effect on "dynamic capabilities"; Value Proposition (r=.505; p<0.05), Channels (r=.315; p<0.05), Cost of Our Competitors and Human Capital (r=.546; p<0.05), Value Networks, Connection with Partners (r=.415; p<0.05), Asset – Capabilities and Income sources (r=.477; p <0.05). As a result of the regression analysis, the Business Model Innovation variable explains the dynamic capabilities variable by 56% (β=0.568; F=260.276 p=.000). Business Model Innovation sub-dimensions, Value Proposition 50%, Channels 31%, Cost of Our Competitors and Human Capital 54%, Value Networks, Connection with Partners 41%, Asset – Capabilities and Income sources 47% (p<0.05).

In summary, the transformational leadership variable does not explain the social innovation variable (p>.000). The Business Model Innovation variable explains the social innovation variable by 8% (β=0.084; F = 19,004 p=, 000). The Business Model Innovation variable explains the transformational leadership variable by 10% (β=0.104; F=23,744 p=0.000). Dynamic Capabilities variable explains social innovation variable by 10% (β=0.103; F = 23,635 p=, 000). Although the Dynamic Capabilities variable explains the transformational leadership variable at a rate of 17% (β=0.177; F = 43.457 p=, 000), its contribution was found to be weakly positive.

Table 9: Hypotheses

H1: Transformational Leadership tendencies affect social innovation tendencies positively and significantly.	Not Verified
H2: Dynamic talent trends positively and significantly affect social innovation trends.	Verified
H3: Business Model Innovation trends positively and significantly affect social innovation trends.	Verified
H4: Transformational Leadership tendencies positively and significantly affect dynamic talent tendencies.	Verified
H5: Transformational Leadership trends positively and significantly affect business model innovation trends.	Verified
H6: Business Model Innovation trends positively and significantly affect dynamic capabilities trends.	Verified

5. CONCLUSION AND IMPLICATIONS

As it is known, in the literature, social innovation has been framed with a classification that includes social entrepreneurship, social policies, non-governmental organizations and public institutions. Likewise, in the literature, businesses, employees, customers, suppliers, entrepreneurs, and authorities regulating commercial mechanisms have been framed with a comprehensive classification. In our opinion, this framework represents a classical approach. The starting point of this study is the fact that social innovation cannot be carried out only by social entrepreneurs, non-governmental organizations and the

state. Businesses enable their employees to change their perspectives on life and integrate them with society. Therefore, individuals within the organization can be socially innovative as well as benefit directly or indirectly from social innovation. Based on this phenomenon, it is known that business model innovation, transformational leadership and dynamic abilities are meaningful among themselves in the business literature. This significance has been tested in social innovation in business organizations.

The aim of this study is to provide a theoretical understanding of transformational leadership, dynamic capabilities and business model innovation processes that may be necessary for strategic management in enterprises, and to investigate the interaction of these factors and their effects on social innovation as a tool. Another aim is to reveal the fact that businesses can be accepted as units that design the lifestyles of individuals and societies, emphasize world peace and the sense of humanity, and increase the control and effectiveness of public power, beyond the units that invest, produce and provide employment. For instance; businesses can provide opportunities that the state cannot access, do or provide within the scope of sustainability and social responsibility studies. With the qualified human resources in the enterprises, they can have teams that are more equipped, educated and with good governance skills than those working in public institutions and organizations. Businesses can contribute to the elimination of the deficiencies of public personnel and the supervision of public authority by transferring the increased information capacities in the field they work to public services. In this context, it is possible to see businesses as journalists. In terms of integrating the resources they have with the society in an effective and efficient way, it is possible to directly increase the working life and the quality of work life for employees, namely individuals, by investing in these areas. It should not be forgotten that as the number of prudent business people increases, the welfare of countries increases. In this context, evaluating businesses with classical approaches is now like sitting at home by candlelight. This study also expresses the inadequacy of non-governmental organizations. Non-governmental organizations are also organizations after all. They can engage in social initiatives in line with their goals and objectives and within the scope of their power. However, the target audience and local distributions of each vary from region to region and condition to condition. Thus, since the impact of every non-governmental organization will have a relative impact like every business, it will be possible to benefit from relative social policies and social services.

Our aim in this study is not to call on businesses to stop making profits. On the contrary, the market is no longer responsive because of the same products and services. Both profit will be made and the commercial and social experiences obtained by increasing the number of beneficiaries in the society can be turned into gains at the public level, the top ideal that turns from the classical company understanding to social life design is discussed.

These evaluations do not make companies sublime. It points to those who can be sublime or it is desired to draw attention to how they can gain and maintain these features. However, there are measurable and unmeasurable behaviors in organizational behavior. For instance; the situational approach states that there is no single best leadership style. Abstract and broad concepts such as leadership, entrepreneurship and innovation lead to the emergence of new styles in every condition and context. This situation can also be seen in other behavioral tendencies of organizational behavior. Thus, there may be difficulties in tools and models that can truly measure the behavior that is desired to be measured in enterprises. This limitation can also be explained by the concept of bounded rationality.

In fact, since the focus of decision making is to reach the most satisfactory decision, it is not possible to expect organizational behavior issues to explain all the actions and activities of the organization. It is seen that the results obtained in this study provide weak and low rate explanations in general. In this context, it can be stated that the literature makes important contributions to the understanding of the subjects by separating the subjects, but eliminates the areas where new information can develop as a result of the analysis and synthesis of the information. Therefore, this study is based on the assumption that the most satisfactory decisions belong to the managers, and "what will happen if it happens?" It has questioned the handling of findings and perspectives in order to encourage studies that can answer the question. This inquiry makes suggestions for future studies on which stage and in which areas social innovation can be included in the activities of businesses. Since the quantitative scale tools are limited and the purpose of discovery of qualitative research creates concerns about the explanation of abstract and broad concepts in the universal sense, another suggestion is to develop different approaches and tools to overcome these concerns.

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