

## THE INTERPLAY OF SOCIAL POLICY, GOVERNANCE, AND SOCIAL INNOVATION IN ADDRESSING CONTEMPORARY CHALLENGES

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### Abstract

This study looks at how social policy, governance, and social innovation work together to solve modern welfare problems. In numerous developing societies, conventional welfare systems frequently fail to address intricate social and economic challenges effectively. So, new ideas and good governance are becoming more and more important for making policies work better and making people happier. The research relies on primary data obtained via a structured questionnaire administered to university students. We used both printed questionnaires and online survey forms to make sure more people could take part. Using SPSS, the responses were coded and analyzed to find patterns and connections between the variables. The results show how important it is to work together and come up with new ways to deal with modern welfare problems. The research indicates that incorporating social innovation into policy frameworks can improve the efficacy of welfare programs and foster more inclusive and sustainable social development.

### Introduction

In recent years, social policy and governance have obtained increasing focus as societies face fast social, economic, and technological changes. Governments throughout the world are facing rising pressure to respond to complex welfare problems such as inequality, poverty, unemployment, older populations, and environmental dangers (Hemerijck, 2022; [OECD] 2023). Social policy generally refers to the set of public policies, institutional arrangements, and programs develop to enhance social welfare, lower social risks, and support weak groups in

society (Alcock,2023). Governance, on other hand, points to the processes, institutions, and decision-making systems by which public policies are developed, implemented, and evaluated (Pierre and Peters, 2020). Combined, social policy and governance shape the effectiveness of welfare systems and identify how efficiently social services are delivered to people of society.

In addition to traditional policy frameworks, the concept of social change has appears as an important approach to addressing recent welfare challenges. Social innovation mention collaborative actions, procedures, and new ideas

designed by governments, civil society organizations, and private contributors to fix social problems in more successful and lasting modes (Mulgan, 2007; OECD, 2023). These innovations frequently focus on community participation, digital systems, and multi-actor involvement, aiding more adjustable and responsive welfare measures.

The COVID-19 pandemic show the main role of effective governance and innovative policy reactions in managing social protection systems. Nations with powerful governance institutional ability, digital tools, and organized policy mechanisms may increase financial advice programs support critical social services, and react immediately to public needs (Greer et al, 2021; Schmidt et al, 2022). In various countries with fewer impactful governance structures practiced slow and shortcomings in providing welfare support revealing structural weaknesses within their social shelter systems. In developing areas like South Asia, welfare governance continues to face many systematic risks. Limited organizational ability, weak governance procedures, resource barriers and administrative inefficiencies often lower the effectiveness of social policies (Jamal, 2021; Malik and Shafiq, 2023). In such frameworks, social innovation can play an important role by presenting different solution, improving distribution of services, and boosting community involvement in policy application.

At once, globally social safety systems are under growing pressure due to demographic changes, economic instability, and increasing demands for health frameworks and social support services. According to OECD (2023) and Hemerijck (2022), many governments are now editing traditional welfare patterns and adopting more flexible practices like digital governance, local services, and public-private engagement. These improvements try hard to improve the efficiency, output, inclusiveness, and strength of well-being system. In this regard, it is important to realize the link between social policies, governance, and social innovations as a means of solving problems relating to current welfare. Learning the ways through which these areas interact can give

valuable insights on enhancing welfare services and facilitating social development.

### Problem Statement

Even though social policy is becoming more important for dealing with welfare issues, many countries still have trouble putting in place effective and complete welfare systems. (Esping-Andersen, 1990; World Bank, 2020). Weak governance structures, limited institutional ability, and lack of coordination frequently reduce the impact of social policy (OECD, 2019). At the same time, traditional social protection models struggle to react to emerging social problems such as older populations, unemployment, inequality, environmental risks (United Nations, 2021). Although social changes offer new approaches to correcting these issues, its combination within current governance and policy outlines remain restricted (Geoff Mulgan et al., 2007). Therefore, it is vital to study how social policy, governance, and social innovation interact to effectively address present-day welfare risks and improve social impacts.

### Research Objectives

1. Analyze the relationship between governance, social policy, and social innovation in addressing current-day welfare challenges.
2. Recognize main governance processes that support the efficient implementation of innovative social policies.
3. To measure the function of community engagement, technology, and ESG structures in boosting policy effectiveness and accessibility.
4. Explore how relevant aspects, such as political principles, institutional power, and welfare norms, effect the adoption of social innovations.
5. To research frameworks for unified social innovation into current policy structures to improve flexibility, equality, and attentiveness in social welfare systems.

### Research Questions

1. In what way can social policy and governance connect to each other and how they help or block the implementation of social innovations in welfare system?

2. How ESG project, digital mechanisms and participatory procedures influence the success and growth ability of social innovations?
3. How these contextual factors like administrative power, political ideology, and welfare norms affect the acceptance outputs of social innovations?
4. Which management methods and partnership practices are primarily successful in creating social policies inclusive and affordable?

#### Literature Review:

Social policy and governance have increasingly been studied through the angle of social innovation indicating recognition that traditional policy procedures alone cannot properly identify complex social issues (Borzaga & Bodini, 2014; Mulgan, 2019). Social innovations today incorporate innovation methods, helpful approaches, and new governance structures to increase public welfare more effectively than standard methods. Across urban planning, online policies, moral governance, and emergency response, social innovations become more important for improving service distribution, promoting equality, and creating long-term societal benefits (Moulaert et al., 2017; Geissdoerfer et al., 2017). However, despite wide support for creative approaches, challenges continue, including bureaucratic strictness, unequal power factors, and conflicting contributor main concerns, which can block approval, durability, and implementation (Johnston, 2014; Moulaert et al., 2017).

Descriptive review highlights the importance of governance and management systems in design the results of innovative methods. Urban social innovations commonly happen from interactions among several members, including local authorities, NGOs, corporate partners, and social groups (WILCO Project, 2018; Moulaert et al., 2017). These participants offer different opinions, resources, and objectives which can make clash but also support discussion, learning, and progress in governance practices. For example, across generations shelter projects and short urban area reusing measures highlight how grassroots innovation restores neighborhoods while difficult

created routines and granted interests (Afieroho et al., 2023). Locally-driven governance and joint development approaches boost the reliability and long-term impact of social innovations showing practical ways for creating general population importance (Afieroho et al., 2023; Mulgan, 2019). Technology perform function in design social policy and governance. On one hand, digital invention can boost visibility, efficiency, and people engagement. On the other, they can raise inequalities or collect decision-making power. Research show that humans viewing high technology issues due to digitization, skill differences, or online work prefer supportive methods like unemployment benefit, basic income for all, or firm financial aid. In contrast, digitally capable and high-income groups frequently support social investment programs, such as education and skills preparation (Bokhari & Myeong, 2024). The kindness of social protection systems also impact these interest however, severe observed challenges may overrule administrative factors, underlining the necessity for flexible governance structures that account for both objective problems and subjective view (OECD, 2023).

Social innovation more and more connected to Environmental, social and Governance (ESG) framework. Systematic reviews applying PRISMA method show that ESG implementation often based on social innovation at different stages from society effort to institutional change (Pacheco, Turro & Urbano, 2025). Studies in sustainability and power equality allow interested parties to experiment new governance procedures, improve resource justice, and arrange environmental and social objectives. Revolving economy actions for example, display how local government, public association and businesses can together foster resource reuse, equitable access, and durable sustainability (Geissdoerfer et al., 2017; Pacheco, Turro & Urbano, 2025). Combining social innovation into ESG practices not just enhance policy performance but also support community acceptance.

The COVID-19 worldwide disease delivered deeper insights into the interplay of governance, policy, and innovation. Findings from East-

Central European countries shows that administrative ability, governmental ideology, and welfare rituals mold social security responses. Hungary highlighted a work-based community with smallest direct assistance, Lithuania implemented comprehensive joblessness and family support schemes, Poland applied selective initiatives balancing business and social support, and Slovakia unified income support plans with prepared public health programs (Meyer et al, 2021). These examples points-out the significance of case-specific governance, explaining that political beliefs, election-related dynamics, and institutional heritage influence the adoption and winning of social innovations during disasters (Leslie et al, 2022).

Equity and justice combine as multi-sectoral topics in the literature. Social innovations are most impactful when they address power imbalances and confirm meaningful involvement of marginalized people. Research on energy rights highlights the importance of equal access, economic viability, and welcoming governance, while urban strategy studies show that participatory design with community groups promote integration and organizational authority (Leslie et al, 2022; Borzaga & Bodini, 2014). Social innovations frequently create tensions that encourage learning, interrupt fixed practices, and produce additional inclusive results however, strict institutions and centralized power can restrict their innovative capability (Mulgan, 2019).

Eventually, current testing and research are crucial for the stability of community-based developments. Initiatives in sustainable economies, intelligent cities and durability trials display that repeated analyses, regular reviews, and cross-industry partnership increase both impact and replicability. Governance structures that support experimentation via adjustable policies, inclusive collaboration, and assisting administrative norms are better placed to transform innovative ideas into practical, long-lasting social policies (Bokhari & Myeong, 2024; Pacheco, Turro & Urbano, 2025). In summary, literature points out that social innovation plays crucial role in raising social policy and governance results by supporting collaboration, inclusion and

adaptive corrective measures. Social innovation are effective when governance initiatives support engagement from several stakeholder, including civil society, government, and local groups, meanwhile confirming that power inequalities do not limit marginalized opinions (Leslie et al, 2022; Afieroho et al, 2023). Moreover, technological coordination and green-focused framework such as circular finance structures and ESG supply new routes for resource efficiency, equal access, and lasting societal advantages (Pacheco, Turro & Urbano, 2025; Bokhari & Myeong, 2024). Experimental proof from urban development, energy justice, and disaster response situations show that case-specific governance, flexible and stepwise testing are vital for translating innovative concepts into sustainable strategies (Meyer et al, 2021; OECD, 2023). Finally, inserting social innovation within policy structures supports adaptive, strong, and justice-oriented welfare systems prepared of dealing with contemporary challenges, from technological disturbances to social and environmental systemic changes, while encouraging policy credibility, trust, and public value across multiple communities.

### Research Methodology

This study uses a quantitative research method to review the relationship between social policy, governance, and social innovation in dealing contemporary welfare challenges. The quantitative method is used because it helps the collection of easy to measure data and allows for organized and structured analysis of participant's opinions. The main focus of this study is to understand the public views about the governance practices, government policies and the role of innovative social solutions in better public services and welfare system.

### Sampling and Data Collection

For this study data is collected from individuals throughout Pakistan without limiting the sample to any particular age group. The goal is to add people from different backgrounds to records a different perspective on governance, policies, and social innovation.

A survey questionnaire is used as the key tool for data collection. In all 126 questionnaires are

shared among respondents using both online and offline ways. To collect data, some people fill out a questionnaire online, while others use paper copies that are handed out to them. This way, more people can participate and we can get enough information. For the final analysis, only the questionnaires that were fully and correctly filled out were used, so the research results would be reliable.

**Survey Questionnaire**

The survey used for this study has a number of sections. The first part asks for information about the person, such as their gender, age, education, and province. The rest of the questions are closed-ended and use a Likert scale that goes from strongly disagree to strongly agree. These questions look at the effectiveness of public services, government actions, and policies. The first part is about government services, policies, and how they affect everyday life. The second part is about social innovation, like how working together, coming up with new ideas, and using technology can make things more honest

and efficient. Other parts talk about issues with governance, fairness, inclusion, new solutions, and ways to make things better in the future.

**Data Analysis and Ethical Considerations** We looked at the data we collected using a special tool called SPSS. This tool helps us understand the data by showing us percentages and using basic statistics to find patterns and trends. We made sure to follow all the rules to keep everything fair and honest. Before we started, we told everyone what the study was about and made it clear that they didn't have to participate if they didn't want to. We also promised to keep everything they told us confidential. The data we collected is only being used for academic purposes, which means it's just for learning and research.

**Results and Analysis**

**1 Demographic Profile of Respondents**

The study is based on 126 respondents with 100% valid responses, ensuring data completeness and reliability.

**Table 4.1: Demographic Profile of Respondents (N=126)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	83	65.9	65.9	65.9
	26-35	40	31.7	31.7	97.6
	36-45	2	1.6	1.6	99.2
	46+	1	.8	.8	100.0
	Total	126	100.0	100.0	

**Age Education**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Matric	3	2.4	2.4	2.4
	Intermediate	24	19.0	19.0	21.4
	Bachelor's	78	61.9	61.9	83.3
	Master's+	21	16.7	16.7	100.0
	Total	126	100.0	100.0	

**Gender**

	Frequency	Percent	Valid Percent	Cumulative Percent
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Valid	Male	58	46.0	46.0	46.0
	Female	67	53.2	53.2	99.2
	Other	1	.8	.8	100.0
	Total	126	100.0	100.0	

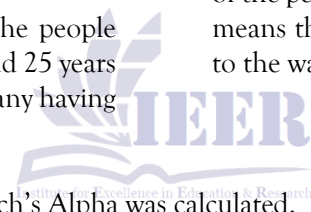
Province

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Punjab	116	92.1	92.1	92.1
	Sindh	1	.8	.8	92.9
	KP	4	3.2	3.2	96.0
	Baluchistan	2	1.6	1.6	97.6
	GB	2	1.6	1.6	99.2
	AJK	1	.8	.8	100.0
	Total	126	100.0	100.0	

Source: Author’s calculation based on survey data (2026)

The survey results show that most of the people who answered are young, between 18 and 25 years old, and have a good education, with many having

a Bachelor's degree. It's also worth noting that a lot of the people in the survey are from Punjab, which means that the results are probably most relevant to the way things are done in that region.



4.2 Reliability Analysis

To ensure internal consistency, Cronbach’s Alpha was calculated.

Reliability Statistics

Cronbach's Alpha	N of Items
.907	19

Source: Author’s calculation (2026)The value of 0.907 indicates excellent reliability, confirming that the questionnaire items consistently measure the intended constructs.

4.3 Descriptive Analysis

Descriptive statistics were used to examine respondents’ perceptions regarding governance, social policy, and innovation.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Government policies help pepole in daily life.	126	1.00	4.00	2.8095	.85524

Good governance makes government services better.	126	1.00	4.00	3.1667	.79750
Poor governance creates problems for people.	126	1.00	4.00	3.2540	.92032
Online or digital services make things easie(like apps,websites).	126	1.00	4.00	3.2222	.72541
New ideas can help improve social services(health,education,welfare).	126	1.00	4.00	3.2857	.73601
When government, NGOs, and local community work together,results get better.	126	1.00	4.00	3.3333	.66933
Strict and slow systems make it hard to bring social change.	126	1.00	4.00	3.1508	.71630
Technology (mobile apps,digital systems) increases transparency.	126	1.00	4.00	3.1508	.75966
Policies should help everyone,especially minorities and women.	126	1.00	4.00	3.1508	.78044
Unfair power or control harms people who need help.	126	1.00	4.00	3.1508	.73829
Policies should be fair for all,without discrimination.	126	1.00	4.00	3.1587	.76328

Policies work better when made according to local needs.	126	1.00	4.00	3.2143	.68827
Poor coordination between departments creates delays.	126	1.00	4.00	3.1508	.75966
Political decisions affect how policies work.	126	1.00	4.00	3.1032	.79829
Lack of resources affect public services.	126	1.00	4.00	3.3016	.72960
Slow procedures make it hard to get government help on time.	126	1.00	4.00	3.2143	.77570
Testing new ideas (pilot projects) can improve services.	126	1.00	4.00	3.1825	.68587
Environment-friendly and social projects are important.	126	1.00	4.00	3.2857	.71394
Technology and new ideas are needed to make government systems better.	126	1.00	4.00	3.3175	.80648
Valid N (listwise)	126				

Source: Author's calculation (2026)

The results clearly indicate that people think the quality of governance has a big impact on how services are delivered. Most people are fairly happy with the current policies, but they strongly believe that new ideas, working together, and using technology are crucial for making people's lives better. However, they also point out that not having enough resources and dealing with slow bureaucratic processes are major obstacles that

need to be addressed. Overall, it seems that people want to see improvements in how things are run and are looking for innovative solutions to make a real difference in their lives.

#### 4.4 Correlation Analysis

Correlation analysis was conducted to examine the relationship between government services & innovation and future improvements.

Correlations

		GovtServicesInnov	FutureImpro
GovtServicesInnov	Pearson Correlation	1	.595**
	Sig. (2-tailed)		.000
	N	126	126
FutureImpro	Pearson Correlation	.595**	1
	Sig. (2-tailed)	.000	
	N	126	126

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Author’s calculation (2026)

The results show a statistically significant positive relationship ( $r = 0.595$ ), which means that better governance and more innovation are linked to better policy outcomes in the future

4.5 Regression Analysis

Regression analysis was performed to assess the impact of government services and innovation on future improvements.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.595 <sup>a</sup>	.354	.349	.47336

a. Predictors: (Constant), GovtServicesInnov

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.240	1	15.240	68.014	.000 <sup>b</sup>
	Residual	27.784	124	.224		
	Total	43.024	125			

a. Dependent Variable: FutureImpro

b. Predictors: (Constant), GovtServicesInnov

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	GovtServicesInnov <sup>b</sup>		Enter

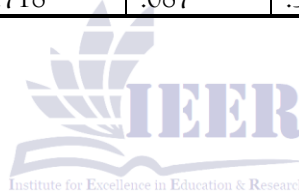
a. Dependent Variable: FutureImpro

b. All requested variables entered.

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.983	.280		3.518	.001
	GovtServicesInnov	.718	.087	.595	8.247	.000

a. Dependent Variable: FutureImpro



Source: Author’s calculation (2026)

The regression results show that government services and innovation have a big positive effect on future improvements ( $\beta = 0.595$ ,  $p < 0.001$ ). The model accounts for 35.4% of the variance, indicating that governance and innovation are significant predictors of enhanced welfare outcomes. **Conclusion** This study explored that how social policy, governance and social innovation collectively solve the current welfare problems. Results shows that governance play a crucial role to make policies successfull. People considered that government policies make their life easier and better, but their satisfaction level is limited which shows that there is fall in implementation of policies.

Study says that if governance shows transparency, accountability and efficiency then policies are more effective. But some problems in the governance system appear like limited resources, bureaucracy and weak coordination between

departments, which slows the system especially in developing countries.

The fundamental point of this research is that social innovative programs helps to make policies better and operational. When government, NGOs and local communities work together then results are more effective and sustainable. Technology is also play a crucial role to improve transparency and efficiency. Statistical results also prove that governance and innovation has positive impact and both make welfare systems better in future correspondence. In conclusion, the study stresses that making governance frameworks stronger, encouraging new ideas, and using technology-based solutions are all important for making social policies work better and include more people. To ensure long-term and sustainable development, policymakers should use flexible and participatory strategies that deal with both structural problems and new needs in society.

**Recommendations**

Based on the findings of this study, several recommendations are suggested to improve social policy, governance, and social innovation in addressing welfare challenges:1. Make Government Policies Better:

The government needs to create policies that're fair and help everyone so we can reduce poverty and make things more equal for people. This means the government should make policies that include everyone and help people who're poor.

2. Be Open and Honest:

We need to make sure the government is fair. Does what is right by stopping people from doing bad things and being more open about what they do. This way we can trust the government. Know they are working for us.

3. Try New Ideas:

We should support creative ways to solve problems that affect people especially when the government and businesses work together. This can help us find solutions to old problems.

4. Tell People What They Need to Know:

People need to know what they are allowed to do and what help is available to them so they can take part. Get what they need. This means we need to teach people about their rights and the help they can get.

5. Help People Learn and Get New Skills:

If we give people education and teach them new skills they can take care of themselves and have more money. This means people can get jobs and have a better life.

6. Get People Involved in Their Community:

Local people should have a say, in what happens in their community so we can make sure we are doing what people really need. This means people who live in a community should help make decisions about what their community needs.

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