

# Social innovation agent: human rights management for social security transformation

## Abstract

This article shows the practical application of social innovation agents for being able to generate relational capital for the management of an alliance for social security human rights defenders. Our objective is to promote a collaborative work platform from the quadruple helix model to visualize and raise awareness among key actors and stakeholders to transform the social security pensions of public servants through socially innovative proposals.

**Keywords:** social innovation, human rights, social security pensions, public servants, alliance management

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## Introduction

The issue of pensions in Mexico is of great complexity, since it includes, at the federal level, seven institutions that provide benefits in contributory and non-contributory schemes, without taking into account the subsystems created in the states, municipalities, and universities. In Mexico, pension systems are made up of four pillars: pillar zero, which includes a minimum pension granted to the elderly to reduce their vulnerability and poverty, because they are at an age that makes it difficult for them to participate in the economically active population, through a non-contributory pension.<sup>1</sup>

Pillar one, called defined benefit pension or pay-as-you-go pension, is a mandatory regime, workers must contribute with quotas established following the law of the corresponding Social Security Institute, through a tripartite contribution (employer, worker, and federation), proportional to the contribution base salary.<sup>2</sup>

Pillar two, defined contribution pension or individual capitalization pension, is a mandatory system where the resources are those generated by each individual with their contributions and savings, in addition to the returns on investments, which constitute the benefits of their pension. This system is the one in force for the Law of the Mexican Social Security Institute (IMSS), valid until today, which was a resounding failure for pensioners.<sup>3</sup>

Pillar three corresponds to voluntary savings schemes, which can be individual accounts, private pension savings schemes, and ad hoc plans of employers, which are discretionary. Consequently, the pension system is diversified, with disparate stipulations and requirements among them and unequal benefits for the worker population.<sup>4</sup>

According to Vázquez-Colmenares,<sup>5</sup> there are more than a thousand different pension systems, models, and schemes in Mexico, each one with its own contribution rates, replacement rates, rules, incentives, conditions, and benefits. For this reason, in terms of pensions, we consider that it is a divided, exclusive, and unequal system in terms of benefits and beneficiaries, where pensions are granted through various institutions that serve different target populations. Precisely, that's the case of the Jalisco pension model for state employees and the governmental institution in charge.<sup>6</sup>

### Pension institute of the State of Jalisco (PISJ)

We can describe the Pension Institute of the State of Jalisco, based on the Institutional Plan 2014-2018, which conceptualizes the

institution in charge of granting social security benefits to its members and pensioners. It oversees granting retirement, old age, disability, widowhood, and orphanhood pensions. It also provides medical care-, short-, medium- and long-term loans for the acquisition of assets and mortgage schemes.<sup>7</sup>

In terms of its vision and mission, the former states that it is the institute that provides social security benefits to its members and pensioners in a responsible, efficient, legal and manner; also its mission is to be the institution that provides social security benefits to public servants, as well as beneficiaries, to guarantee a dignified and quality life through the granting of pensions, medical attention, loans, as well as additional social and cultural benefits, which contribute to the satisfaction of the needs of education, rest and recreation.<sup>8</sup>

For the present text, we focus on the two types of pension models for state employees: the retirement pension and the old age pension, both financed by the PISJ fund, and constituted mainly by the contributions of the public servants affiliated with the institute and the public employer entity. According to article 39 of the state law, the contribution from the year 2017 is 32.0 % of the base salary of contribution, the same that continues in force in the present fiscal year 2022, of the total before indicated, the employer's contribution, represented 20.5 %, while the affiliated public servant contributed the equivalent of 11.5 %. Currently and as a result of the mismanagement of the monetary funds of the pensioners, the JSPI is at risk of a financial crisis that will affect its beneficiaries.<sup>9</sup>

### Human rights, social security and social innovation

Human Rights are the set of prerogatives based on human dignity, whose effective realization is indispensable for the integral development of the person, established in the national legal order, originally in the National or local Political Constitution, international treaties, and legislation of the country. Likewise, the Mexican government has signed and ratified several international treaties and conventions on human rights that also contemplate the protection of labor rights, among which the following are highlighted in this work concerning social security.<sup>10</sup>

Proposals for social innovation (SI) public policies to promote the transformation of the human rights of social security in terms of pensions for public servants in Jalisco are needed and urgent. SI is a concept of recent use in the public sphere, a situation that has motivated the emergence of spaces for training and reflection on the subject in the last decade.<sup>11</sup>

Social innovation is a strategic action from a scheme that promotes the management of intellectual capital (human, structural, social) and the prospective, technical human, and territorial character for the development of effective social solutions, influencing the generation of systems for social development, through the formation of communitarian collectives, for the design of projects and the formation of social leadership that could be able of promoting learning in communities for behavioral and cultural change.<sup>12</sup>

Based on the above, SI allows us to link key actors that could be able to develop the management of intellectual, relational, and social capital for the design and evaluation of social projects. Social innovation projects for the welfare and quality of life of public servants are needed, for this reason, we present the following social innovation proposal.

### Alliance-network initiative

We promote the creation of municipal governmental decision maker Alliance-Network and university researchers in the field of state pensions, which is essential for the transmission of information to generate useful knowledge transmission between governmental and academic spheres. From our perspective of socially innovative management, the Network allows the consolidation of multidisciplinary aspects with the transversal axis of human rights to consolidate human dignity. For this purpose, we articulate a network alliance between the International Center for Social Innovation for Development, the Socially Human Management Collective, graduate students of the master's degree in Social Innovation and Welfare Management all of them from Guadalajara University, governmental decision-makers, and the civic organization Reflection and Labor Action Center.

The problem of pensions for public servants has different points of view, with public and private actors, therefore, we achieved concrete actions to conceive a platform that allows initiatives for the welfare through the nexus generated in my role as manager of social innovation.<sup>13</sup>

In consideration of the cross-cutting axis of human rights, we propose the piloting of a program directed to decision-makers of the Municipal Government of Zapopan, Jalisco. The purpose of this program was to regularize the legal situation of all temporary labor contracts for public servants, who are active at the present date, studying specific personnel files to determine the years of service worked and not contributed to PISJ. Once the program's target population has been identified, a link with the JSPI administration was established to estimate the economic cost of regularizing the situation of each of the public servants with temporary labor contracts. Also, negotiations with JSPI and alternatives to support the program should be considered. The program must be approved by the City Council, establish the bases containing requirements and guidelines for the operation of the program, and finally, its subsequent implementation.

Our role as the manager SI allows the linking of actors to solve complex problems, considering the basic competencies required in socially innovative management, which are:

- 1) Project Management and
- 2) Social Innovation

which implies the human right to social security in terms of pensions for public servants, a space for debate must be generated to allow integrative critical thinking, effective communication and decision making (stakeholders).

Attending the reform process to the Law of the Pension Institute of the State of Jalisco, last September 9, 2021, through DECREE 28439/LXII/21, the process of amendment of Article 33, a fact that implies the recognition of the human right to social security in terms of pensions for supernumerary public servants as of the year 2022.

For this reason, it represents a new paradigm for the Municipal Government of Zapopan, Jalisco, since as of January 1, 2022, it incorporated all supernumerary public servants before the Pension Institute of the State of Jalisco, a situation that generated the proposed solution called "Initiative PISJ Contribution Regularization Program", an government action initiative for the Municipal Government of Zapopan, Jalisco, to resolve the issue of contributions to IPEJAL in the period of the years of service before the reform in which the supernumerary public servants have worked in the Municipal Government of Zapopan, Jalisco. It is important to point out that the problem of supernumerary public servants described above applies to all the Municipal Government Administrations of the State of Jalisco, by the above, the proposed action "Initiative PISJ Contribution Regularization Program" can be replicated, after a legal case study corresponding to each municipal government.<sup>14</sup>

In conclusion, the Government Action of the Zapopan City Council called "Initiative PISJ Contribution Regularization Program" will address a future problem for the centralized public administration of the Municipality, the human right to social security in terms of pensions is inalienable and imprescriptible for public servants.

For this reason, through the prospection of a problematic situation in the future, the temporary labor public servants are potential plaintiffs and with this, we demonstrate the importance of proposing the resolution of a possible and evident conflict. We also purpose a Discussion Forum that will be to provide a space for reflection and critical thinking about the PISJ and the challenges involved in a work agenda for 2030.<sup>15</sup>

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None.

### Conflicts of interest

The author declares that they have no direct or indirect conflicts.

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