

An aerial photograph of the Earth showing continents and oceans, overlaid with a white geometric grid of triangles. The text is centered over the image.

# ATLAS OF SOCIAL INNOVATION

NEW PRACTICES FOR A BETTER FUTURE

# **ATLAS OF SOCIAL INNOVATION**

**NEW PRACTICES FOR A BETTER FUTURE**





# PREFACE INTO A NEW ERA OF SOCIAL INNOVATION

The importance of Social Innovation for successfully addressing the social, economic, political and environmental challenges of the 21st century has been recognised at European and global level. There is a growing consensus among practitioners, policy makers and the research community that social innovation enhances the society's capacity to act. What better way to turn social and economic challenges into opportunities for all?

Social Innovation has played an important role in EU policy and research for many years. The European Union actively promotes Social Innovation and used it with success to reach policy goals. For instance, the European Social Funds have introduced the principle of social policy experimentation, based on methodological guidelines empowering actors to innovate. Research and innovation policies have made social innovation a research topic, promoted a common understanding, created networks and supported the scaling up of promising social innovations. The latest example is the 2 million Euro „Horizon Prize for Social Innovation“: Based on a public vote, the prize will be focused on travel mobility for elderly people, incentivising creative solutions which combine technological, social and behavioural features.

Social Innovation will play an important role in the future of Europe. When President Juncker laid out scenarios for the Future of Europe, a Europe that protects, empowers and defends, he announced a social summit for November 2017. This summit will be followed by an international conference in Lisbon dedicated to Social Innovation.

The present Atlas of Social Innovation is a particularly well timed contribution to this debate: 25 international partners of the EU funded SI-DRIVE project have mapped over 1.000 cases of social innovation all over the world. This global

mapping is complemented by a treasure of insights from leading international experts, reviewing new trends in Social Innovation and examining the possible role of Social Innovation in the next generation of public policies.

By taking stock of social innovation achievements the Atlas of Social Innovation contributes to a better understanding how Social Innovation may contribute to advance inclusive and wealth-creating public policies. It helps to identify potential future opportunities not only in terms of societal well-being, but also of growth, jobs, and business development for Europe.

This Atlas of Social Innovation is built on a long tradition of social innovation research in the European Union in the past framework programmes that made Europe a global center of social innovation research. I am very grateful to the authors of this Atlas for having made this achievement visible. Thank you!

As we seek to build the European future we want, I wish this publication many readers. May it inspire the next generation of public policies and may it encourage all those innovators who experience the difficulties of innovation, which means in its Greek origins "introducing change to the established order" - a pre-requisite to enhance our society's capacity to act.



**Peter Dröll**  
European Commission Directorate General for Research & Innovation

# INTRODUCING THE ATLAS OF SOCIAL INNOVATION



*Jürgen Howaldt / Christoph Kaletka / Antonius Schröder / Marthe Zirngiebl*

Social Innovation is on the rise: As a lived practice, social innovations take countless approaches and present a wide array of success stories. On a policy and public level, interest in the concept has been growing over the last years and the international scientific debate has gained momentum. At the same time, there is an increased awareness of the complexity of challenges modern societies are facing and the subsequent requirement that innovation processes have to meet. Like technological innovations successful social innovations are based on a lot of presuppositions and require appropriate infrastructures and resources.

Against this background, a new generation of EU-funded projects<sup>1,2</sup> worked on a better understanding of the conditions under which social innovations develop, flourish and finally increase their societal impact. In this respect, SI-DRIVE ([www.si-drive.eu](http://www.si-drive.eu)) made an important contribution by developing and testing a comprehensive and analytical definition, which describes social innovation as a new combination or figuration of social practices. Using these analytical lenses, the project's 25 international partners mapped and scrutinized over 1.000 cases of social innovation all over the world and selected over 80 cases for an in-depth case study analysis.

The Atlas of Social Innovation presents SI-DRIVE's empirical results and the broad variety of this phenomenon. It takes a unique approach in portraying experiences, theoretical considerations, and lessons learnt from all around the globe and across disciplines ultimately presenting Social Innovation's many connotations and nuances. To display the concept's multifaceted nature in one book, articles by leading experts complement SI-DRIVE's insights into the world of Social Innovation. The Atlas of Social Innovation delivers new intelligence on the diversity of social innovation approaches in different parts of the world used by practitioners, researchers and policy makers, reflecting the diversity, broadness and usability of Social Innovation, proving the variety of actors and their interaction and exploring the systemic character and concept of Social Innovation.

The first part Social Innovation Landscape – Global Trends reveals the importance of Social Innovation addressing social, economic, political and environmental challenges of the 21st century on a global scale. It demonstrates the need for Social Innovation to overcome the great societal challenges and social demands and presents a broad range of important topics that are essential for a better understanding of the key



elements and the potential of Social Innovation. The articles explore new avenues and concepts of innovation, make use of new tools (e.g. design thinking) and form alliances with other streams of research and practice (e.g. sustainable development). The second part Social Innovation in World Regions provides an overview of various types of Social Innovation in different local or regional settings. Looking at the different world regions Social Innovation has various meanings, can take different forms and engage a diversity of actors. The third part Social Innovation in Policy Fields uncovers that Social Innovation is omnipresent in the policy areas of education, employment, environment and climate change, energy supply, transport and mobility, health and social care, and poverty reduction and sustainable development. The Atlas of Social Innovation's final part Future Challenges and Infrastructures demonstrates that social innovation processes and the underlying resources, capabilities and constraints are also very much related to the actors of the different sectors of the social innovation ecosystem (policy, economy, science and civil society). This includes a new role of public policy and government for creating suitable framework and support structures, the integration of resources of the economy and civil society as well as supporting measures by science and universities (e.g. education for social innovation performance, know-how transfer).

One of the most important insights of the Atlas is that given the strong need for Social Innovation highlighted by the various policy field experts, and, bearing in mind the drivers but in particular also the barriers for Social Innovation, a social innovation friendly environment still has to be developed in Europe as well as globally.

By gathering the leading experts, the Atlas opens up new insights in the current trends of social innovation research. Building up a knowledge repository for a growing community of practitioners, policy makers and researchers it should open up new avenues to unfold the potential of social innovation in the search for new social practices enhancing a better future.

<sup>1</sup> besides SI-DRIVE ([www.si-drive.eu](http://www.si-drive.eu)), see SIMPACT (<http://www.simpact-project.eu/>), TRANSIT (<http://www.transitsocialinnovation.eu/>) and CrESSI (<http://www.sbs.ox.ac.uk/faculty-research/research-projects/cressi>).

<sup>2</sup> For an inventory of FP6 and FP7 projects see the European Commission's "Research on Social Innovation" ([https://ec.europa.eu/research/social-sciences/pdf/project\\_synopses/ssh-projects-fp7-5-6-social-innovation\\_en.pdf](https://ec.europa.eu/research/social-sciences/pdf/project_synopses/ssh-projects-fp7-5-6-social-innovation_en.pdf))

# CONTENTS

## Preface – Into a New Era of Social Innovation

Peter Dröll.....4

## Introducing the Atlas of Social Innovation

Jürgen Howaldt / Christoph Kaletka / Antonius Schröder / Marthe Zirngiebl ..6

## Social Innovation on the Rise – Results of the First Global Mapping

Jürgen Howaldt / Christoph Kaletka / Antonius Schröder..... 12

## THE SOCIAL INNOVATION LANDSCAPE – GLOBAL TRENDS

### Desperately Seeking: A Shared Understanding of Social Innovation

Jürgen Howaldt / Josef Hochgerner ..... 18

### Social Innovation and Resilient Societies

Frances Westley..... 22

### Social Innovation and Territorial Development

Frank Moulaert / Pieter Van den Broeck ..... 26

### The Concept of Social Entrepreneurship

Alex Nicholls / Tanja Collavo ..... 30

### Economic Underpinning of Social Innovation

Judith Terstriep / Maria Kleverbeck..... 33

### Social Innovation and the Capability Approach

Rafael Ziegler ..... 37

### How Social Innovation Underpins Sustainable Development

Jeremy Millard..... 41

### The Interplay between Social Innovation and Sustainability in the CASI and other FP7 Projects

Desislava Asenova / Zoya Damianova ..... 44

### Transformative Social Innovation and its Multi-Actor Nature

Flor Avelino / Julia Wittmayer ..... 47

### Social Innovation as a Chance and a Challenge for Higher Education Institutions

Mark Majewski Anderson / Dmitri Domanski / Jürgen Howaldt..... 51

### Workplace Innovation as an Important Driver of Social Innovation

Peter Oeij / Steven Dhondt / Frank Pot / Peter Totterdill ..... 55

### Gender and Diversity as Cross Cutting Themes

Wendy Cukier..... 58

### ICT-Enabled Social Innovation (IESI): A Conceptual and Analytical Framework

Gianluca Misuraca / Dimitri Gagliardi ..... 62

### From Social Design to Design for Social Innovation

Alessandro Deserti / Francesca Rizzo / Onur Cobanli ..... 66

### Social Innovation Addressing Societal Needs and Challenges

Ursula Holtgrewe / Jeremy Millard ..... 70

### Resources, Constraints and Capabilities

Steven Dhondt / Peter Oeij / Antonius Schröder ..... 74

### Actors and Roles in Social Innovation

Anna Butzin / Judith Terstriep ..... 78

### Ready for Take-off? Processes of Social Innovation

Dieter Rehfeld / Doris Schartinger / Matthias Weber / Wolfram Rhomberg... 82

### Building Blocks of a Typology of Social Innovation

Maria Rabadijeva / Antonius Schröder / Marthe Zirngiebl..... 85

### The Unanswered Question: Social Innovation and Social Change

Jürgen Howaldt..... 89

## SOCIAL INNOVATION IN WORLD REGIONS

### Social Innovation in Western Europe: Networks and Programmes as Drivers

*Peter Oeij / Steven Dhondt / Suzanne Solley / Amanda Hill-Dixon*..... 96

### Britain: Where Next for the Social Innovation Eco-System in the UK?

*Charlotte Heales*..... 99

### Social Innovation in Germany – Revival of a Prominent Concept

*Jürgen Howaldt / Judith Terstriep*.....102

### Social Innovation in the Netherlands

*Peter Oeij / Steven Dhondt / Merel Ooms*.....105

### Social Innovation in Nordic Countries:

*Thomas Andersson* .....108

### Understanding Social Innovation in Italy

*Elena Como*.....111

### The Social Innovation in the Basque Country

*Marta Enciso Santocildes / Antonia Caro González / Javier Castro Spila* .....114

### Social Innovation – an Emerging Concept in Eastern Europe

*Desislava Asenova / Zoya Damianova*.....117

### How to Create an Ecosystem for Public Sector Innovations in the Western Balkans: A Focus on Croatia

*Mirna Karzen*.....120

### Social Innovation in Turkey

*Sencer Ecer / Deniz Ece Dalgic*.....123

### Social Innovation in Russia: Easier Said than Done

*Vladimir Il'in / Ilia Kuzmin / Andrei Popov / Tatiana Soloveva / Svetlana Terebova*.....125

### Social Innovation in Latin America and the Caribbean

*Maria Elisa Bernal / Simone Cecchini*.....128

### Social Innovations in Brazil: How Do Social Innovations Flourish?

*Carla Cipolla / Rita Afonso* .....131

### Social Innovation in Chile

*Dmitri Domanski / Nicolás Monge-Iriarte*.....134

### Colombia: Overcoming a Conflictive Past through Community Based Social Innovation

*Nicolás Martín Bekier*.....137

### Social Innovation in Québec and the Co-Construction of Knowledge

*Juan-Luis Klein* .....140

### Social Innovation in Africa: Huge Diversity but Common Themes

*Jeremy Millard*.....142

### Patterns of Social Innovations in the Middle East & Northern Africa (MENA)

*Mohamed A. Wageih / Maha Ashraf Attia / Abdel Hamid Zoheiry*.....144



**How to Grow Social Innovation in South Africa**  
*Bev Meldrum / François Bonnici* .....147

**On the Role of Social Innovation in the GCC Countries**  
*Ingrid Andersson / Thomas Andersson* ..... 150

**Social Innovation in China: The Ideal, Model and Policies**  
*Ka Lin* .....153

**Seek, Share, and Spread: The Three Key Words of Seoul City's Social Innovation**  
*The HOPE INSTITUTE*.....155

**Social Innovation in South Asia: An Emerging Alternate Development Paradigm**  
*Swati Banerjee*.....158

**The Unfolded Potential of Wastewater in Thailand**  
*Aneta Slaveykova Nikolova / Sara Libera Zanetti*.....161

**Social Innovation in New Zealand: Cultural Values Matter**  
*Anne de Bruin / Christine Read* .....164

## SOCIAL INNOVATION IN POLICY FIELDS

**Creating Spaces for Innovations in Education and Lifelong Learning**  
*Antonius Schröder / Alexandra David / Ileana Hamburg*.....170

**Linking Practice Fields of Social Innovations in the Domain of Employment**  
*Peter Oeij / Steven Dhondt / Wouter van der Torre*.....173

**Social Innovation with Environmental Impact: Current and Future Challenges**  
*Doris Schartinger* .....176

**Social Innovation in Mobility and Transport**  
*Anna Butzin / Maria Rabadjieva*.....179

**Factors Shaping Social Innovation in Energy**  
*Merel Ooms / Annelies Huygen / Wolfram Rhomberg* .....182

**Disrupting Cultures for Health and Social Care Innovation**  
*Charlotte Heales*.....184

**Tackling Poverty by Confronting Society's Poverty of Imagination**  
*Jeremy Millard*.....188

# FUTURE CHALLENGES AND INFRASTRUCTURES

## Social Innovation – The Last and Next Decade

*Geoff Mulgan* ..... 194

## Scaling Social Innovations – Gaps & Opportunities

*Kriss Deiglmeier* ..... 198

## Creating a Centre for Social Innovation

*Tonya Surman* ..... 202

## The Future Is Social – or There Is None!

*Norbert Kunz* ..... 205

## Social Innovation Ecosystems

*Dmitri Domanski / Christoph Kaletka* ..... 208

## Networks and Capacity Building in Social Innovation

*Louise Pulford* ..... 212

## The Future of Social Innovation in the EU

*Agnès Hubert* ..... 216

## Empowerment, Co-Creation and Social Innovation Ecosystems

*Josef Hochgerner* ..... 220

## SI-DRIVE Policy Declaration

..... 224

**Authors** ..... 230

**Editors** ..... 240

**Imprint** ..... 242

**The SI-Drive Project** ..... 243

**List of Partners** ..... 244

# SOCIAL INNOVATION ON THE RISE – RESULTS OF THE FIRST GLOBAL MAPPING

**WHAT OVER 1.000 INITIATIVES AND PROJECTS WORLDWIDE REVEAL ABOUT THE POTENTIAL OF SOCIAL INNOVATION TO ADDRESS THE GREAT SOCIETAL CHALLENGES.**

The project SI-DRIVE “Social Innovation: Driving Force of Social Change” mapped 1.005 social innovation initiatives belonging to seven policy fields on all five continents of the world. The results of the comparative analysis give insights into the highly diverse world of social innovation, the variety of actors and their interaction, and the systemic character of the concept.

*Jürgen Howaldt / Christoph Kaletka / Antonius Schröder*

## CHALLENGING INNOVATION PATTERNS

Recent years have seen new forms of innovation emerging, both as an object of research and development: social innovations appear in a variety of forms and influence people’s lives. They change the way we live together, work or handle crises. Likewise, they are driven by different societal sectors and cross-sectoral networks and individuals. There is a growing consensus among practitioners, policy makers and the research community that technological innovations alone are not capable of overcoming the social and economic challenges modern societies are facing. We find a vast and growing number of social innovation initiatives all over the world, reflected as well by the global mapping of more than 1.000 cases in the different world regions of SI-DRIVE.

The global mapping uncovers countless approaches and successful initiatives that illustrate the strengths and potentials of social innovations in the manifold areas of social integration through education and poverty reduction, in establishing sustainable patterns of consumption, or in coping with demographic change. At the same time, social innovations are gaining importance not only in relation to

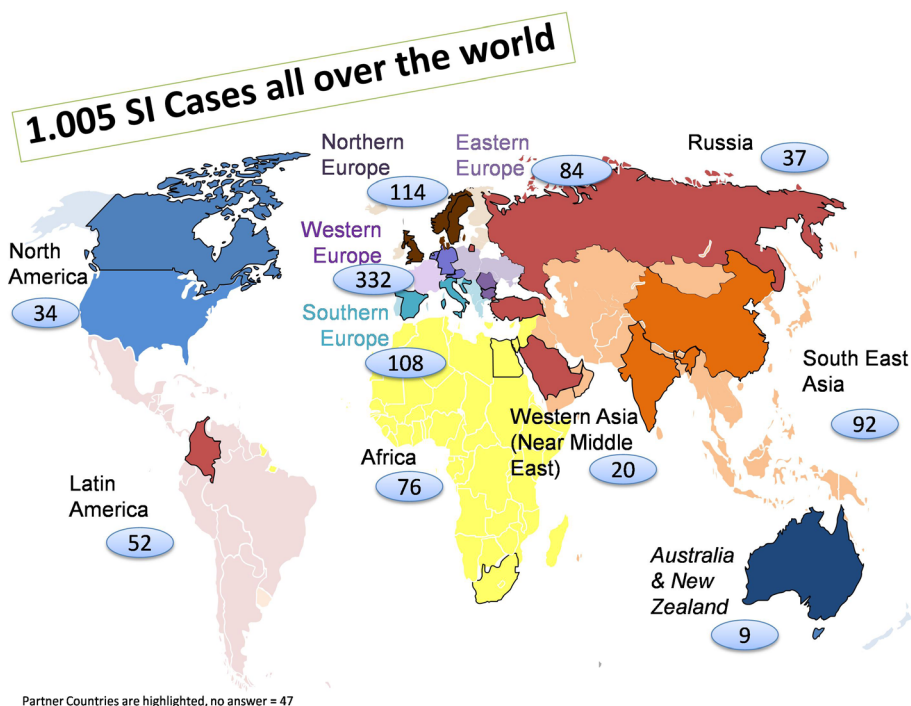
social integration and equal opportunities, but also in respect to the innovative ability and future sustainability of society as a whole.

## AN ECOSYSTEM FOR SOCIAL INNOVATIONS

Although social innovation is widely recognised as an important development phenomenon, it has traditionally been perceived as being limited in scope. One key reason for this is that for a long time, the social innovation discussion was predominantly anchored within civil society – and still is in many parts of the world. Yet such a limited understanding is not sufficient for developing the potentials of social innovation. Instead, it is necessary to develop a comprehensive concept of social innovation, which looks at its various manifestations, actors and cultural contexts, and frees the term from the narrow confines of a limited rather traditional economic orientation that is focused on the concept of social entrepreneurship.

A comprehensive understanding of social innovation emphasizes the different societal sectors and the surrounding ecosystem for social innovation on the scene. The ecosystem





of social innovation “is in very different stages of development across Europe, however. In all countries, though, the ecosystem is under development and there are a number of important factors enabling the development of social innovation, including important support and impetus from the EU” [1, p. 7]. At the same time, the mapping revealed an underdeveloped status of conceptualisation and institutionalisation. There is no shared understanding of social innovation (including a clear differentiation from other concepts such as social entrepreneurship or technology innovation) and no integration in a comprehensive (social) innovation policy. Policy field related documents of public authorities such as the European Commission, the United Nations, the OECD, the World Bank, etc. often even do not refer to social innovations (exceptions are Horizon 2020 documents as well as publications of some DGs). Only in a few countries as e.g. Colombia, Germany, Italy, Sweden, the United Kingdom and the USA, politics has taken up social innovation. However, in most of the countries there are no policy institutions with direct responsibility for Social Innovation.

## SOCIAL INNOVATION – A BABYLONIAN CONFUSION

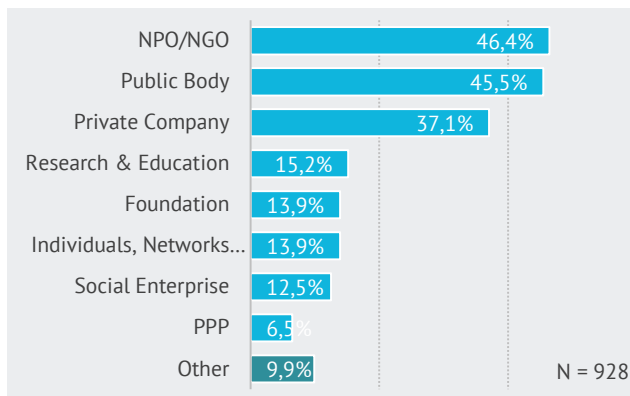
Even though a broad spectrum of social innovations is present in the policy fields, all Policy Field Reports of SI-DRIVE notify an unclear understanding of the concept of social innovation. They further report on social innovation in their policy fields, which are not labelled as such and call for further social innovations to respond to the societal challenges the world is facing.

The mapping revealed the variety and diversity of social innovation worldwide, the different social innovation initiatives and practices, concepts and approaches, innovation processes and actor constellations, the variety of processes and networking through which social innovation occurs.

## SOCIAL INNOVATION – A JOINT FORCE

The mapping results reaffirm the assumption that the concept of social innovation cannot be limited to one focus, be it social entrepreneurship or social economy, and demonstrates that widening the perspective is crucial for understanding the concept in its entirety. A broad range of actors is involved in the mapped social innovation initiatives. The global mapping clearly shows the participation of partners from all sectors. The public, private, and the civil society sector are represented to a high degree in all policy fields and world regions. The majority of mapped initiatives has been developed and implemented in a social network in which more than one sector is involved. We can say that cross-sectoral collaboration of the public sector, civil society and the private sector is playing a key role, and becomes even more important on the level of practice fields (see Howaldt’s contribution on Social Change).

In this context, a constructive partnership between the sectors is a very important factor in order to reap the full potential of social innovation. Social innovations are first and foremost ensemble performances, requiring interaction between many actors. These findings indicate that cross-sectoral collaborations are of great importance, whereby as



Different sectors are involved in social innovations (multiple answers possible)

might be assumed a general dominance of the civil society cannot be detected (see graphic on sector involvement).

The great importance of empowerment of beneficiaries and citizens in the social innovation concept corresponds with the fact that almost half of the initiatives mapped by SI-DRIVE state a direct user or beneficiary involvement. However, the rates of involvement differ in the policy fields and world regions. Social innovations aim at activating, fostering, and utilising the innovation potential of the whole society. Empowering the beneficiaries, increasing their capacities to meet social needs and giving them 'agency' is an indispensable component of social innovation. Thereby, we find various forms of user involvement from the development or improvement of the solution over providing feedback, suggestions and knowledge to the adaptation of the social innovation idea for personalized solutions.

Empowerment and human resources and knowledge development show one of the core challenges of social innovation initiatives all over Europe and also in other world

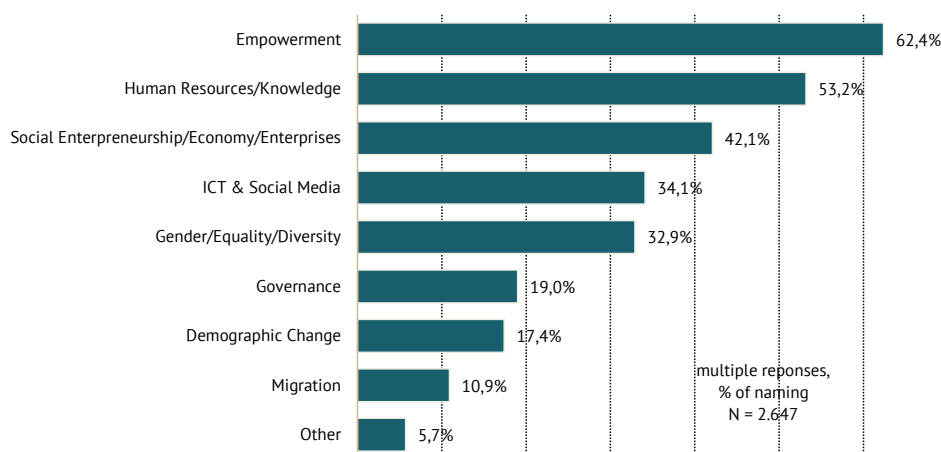
regions. A central concern of the initiatives is about the people involved, be it promoters or users, and increasing their competences and capacities to act (see bar chart cross-cutting themes addressed).

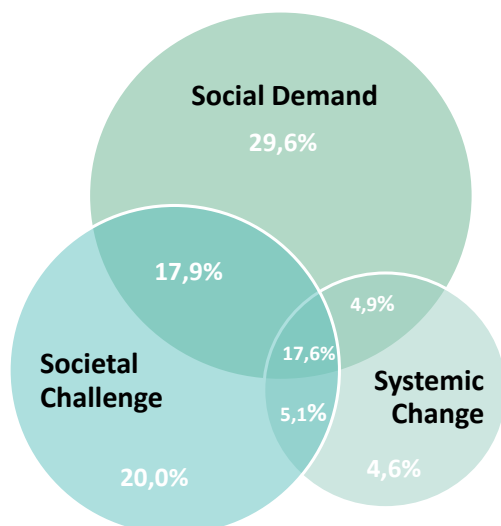
Alongside with the growing importance of social innovation and the variety of actors within the innovation process we perceive an awareness of the complexity of innovation processes, along with increasing demands as far as the management and governance of innovation are concerned. In this regard, the question arises which governance structures support the growth of social innovations that are set as combined actions.

To unfold the potential of social innovation it is important to develop a comprehensive understanding of social innovation. Considering the complexity of innovation processes we need to focus on the cross-sector dynamics of social innovation and the diversity of actors and their roles and functions within the innovation process (including their interaction in networks etc.) on the one hand and the framework conditions including governance models, addressed societal needs and challenges, resources, capabilities and constraints, on the other hand.

The mapping also reveals the capacities of social innovations to modify or even re-direct social change and to empower people – i.e. to address a wide variety of stakeholder groups, as well as the broader public, in order to improve social cohesion and to allow for smart, sustainable and inclusive growth. The mapping activities shed light on the great many, often nameless but still important, social innovations responding to specific and every-day social demands or incremental innovations. The distinction between three different output levels is taken up by the SI-DRIVE project, but also has to be modified to some extent. There is a strong relationship between social demands, unmet social

## CROSS-CUTTING THEMES ADDRESSED BY THE INITIATIVE





Addressed societal level (N=953)

needs societal challenges and transformative social change in different policy fields and approaches (see graphic on addressed societal level). However, the very idea of systemic change implies the involvement of multiple institutions, norms and practices, as well as the introduction of multiple kinds of complementary innovations to cope with the high complexity of problems, which require structural changes in society. Only then will we be able to realize the excessive expectations of ground-breaking systemic social innovations (or radical innovations in the common language of innovation theory and research), and transformative change.

## CONCLUSION: ESTABLISHING FRAMEWORK CONDITIONS

The mapping activities of the SI-Drive project depict countless approaches and successful initiatives that illustrate the strengths and potentials of social innovations in the area of social integration through education and poverty reduction,

in establishing sustainable patterns of consumption, or in coping with demographic change. Social innovations are gaining in importance not only in relation to social integration and equal opportunities, but also in respect to the innovative ability and future sustainability of society as a whole.

At the same time, the mapping underlines the importance of establishing framework conditions for social innovations to diffuse and realise their full potential. Supporting infrastructures similar to those that have been developed for the area of technology funding within the last decades as well as an innovation policy directed at the social innovation are missing. In a few countries, politics has taken up social innovation. But in most of the countries there are no policy institutions with direct responsibility for Social Innovation. Another shortcoming is the occasional direct involvement of universities and other research facilities in initiatives. Making the topic a part of their strategies is an important future challenge.

The good news is that there is an increasing awareness and promotion of social innovation: In many countries, the promotion of social innovation itself by the EU has served as a driver and opportunity for various actors to embrace new ways of working, access to new funding streams, and promotion of change at a national level. Even though a lot has been done during the last years, there are still some important steps to take in order to move social innovation from the margin to the mainstream of the political agenda.

The key results of the mapping are available as a download: <https://www.si-drive.eu/wp-content/uploads/2016/12/SI-DRIVE-CA-short-2016-11-30-Druckversion.pdf>

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# 01 /

# THE SOCIAL INNOVATION LANDSCAPE – GLOBAL TRENDS

Social innovations have emerged in recent years as objects of both research and practice. They exert an influence on people's lives in a variety of forms. They change the way we live together, work, handle crises, and make the most of opportunities.

Social Innovation is not an isolated concept; rather, it holds strong ties to other schools of thought and research traditions. As diverse as the new practices labelled Social Innovation are, the conceptual underpinnings draw on the experience of a variety of disciplines contributing to the rich, multi-layered nature of the phenomenon.

The following chapter provides insight into current research streams focusing on Social Innovation in various ways. The articles provide an overview of different conceptualizations focusing on social practices, resilience, entrepreneurship, the capability approach, the multilevel perspective, workplace innovation, social design, and more. Furthermore, the chapter sheds light on cross-cutting themes such as gender, diversity and ICT. Before concluding with an excursus on the relationship between Social Innovation and Social Change, the chapter presents SI-DRIVE's main theoretical findings on societal needs and challenges addressed, Social Innovations' resources, the actors involved, the process dynamics at play and the emerging building blocks of a typology.

# DESPERATELY SEEKING: A SHARED UNDERSTANDING OF SOCIAL INNOVATION

Why we need a shared understanding of how to unfold the potential of social innovation in order to better understand how social innovation leads to social change.

Jürgen Howaldt / Josef Hochgerner

The development of a theoretically sound concept is an important challenge to unfold the potential of social innovation. Defining social innovation as a new combination or figuration of social practices allows integrating the many different (and sometimes conflicting) meanings of social innovation and offers a new perspective on the multiplicity of the concept of social innovation. This also offers the opportunity for a better understanding of the relationship of social and technological innovation and lays the foundation for further scientific research.

## A NEW PERSPECTIVE ON INNOVATION

The importance of social innovation for successfully addressing the social, economic, political and environmental challenges of the 21st century has been recognised not only within the Europe 2020 Strategy but also on a global scale. There is a growing consensus among practitioners, policy makers and the research community that technological innovations alone are not capable of overcoming the social and economic challenges modern societies are facing. The global mapping of social innovation initiatives uncovers countless approaches and successful initiatives that illustrate the strengths and potentials of social innovations in the manifold areas of social integration through education and poverty reduction, in establishing sustainable patterns of consumption, or in coping with demographic change. At the same time, social innovations are gaining in importance not only in relation to social integration and equal opportunities, but also in respect to the innovative ability and future sustainability of society as a whole (see article „Social Innovation on the Rise“)

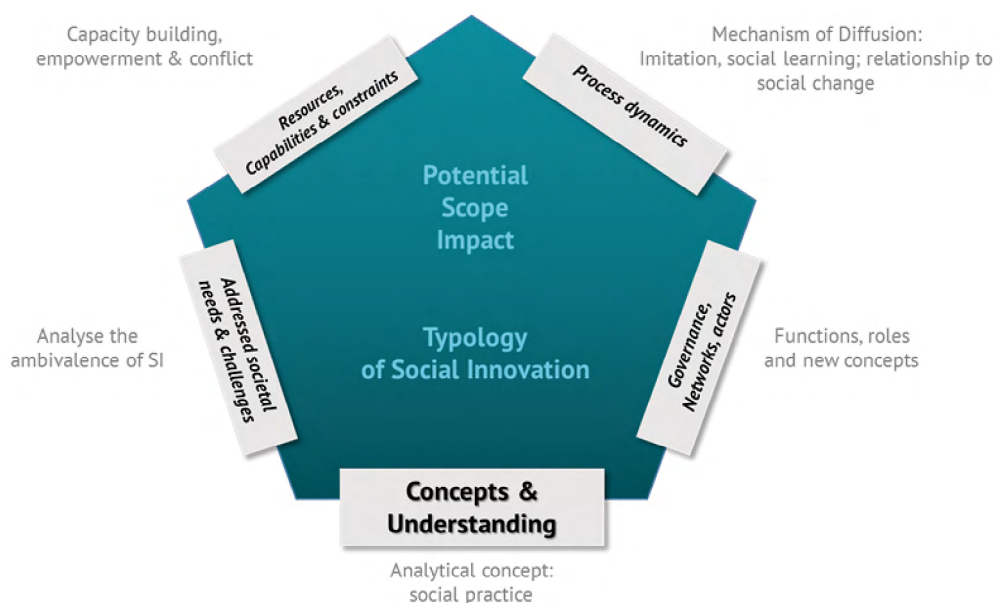
## A LONG HISTORY OF DISCUSSION

The term social innovation can be traced back to the early 19th century, long before technological-economic connotations determined the common understanding of innovation. Lacking a theoretically mature definition, it was first mainly related to the socialist revolution. Later it became associated with social reforms taking place especially in the areas of education and work [1]. At the beginning of the 20th century, a new meaning of the term emerged: *Social innovation as the advent or adoption of a new behaviour or a new practice*. These practices encompass all areas of society, such as gender relations, formal and informal education, management, governance as well as everyday life, established habits and cultural customs. Recently the term served as a *universal label* for any social phenomenon and process of change.

## HIGH EXPECTATIONS MEET AN UNDERDEVELOPED CONCEPT

Accordingly, it comes as no surprise that the global mapping revealed an underdeveloped status of conceptualisation and institutionalisation. There is no shared understanding of social innovation (including a clear differentiation from other concepts such as social entrepreneurship or technological innovation). A plethora of vastly diverging subject matters and problem dimensions as well as expectations for resolving them are subsumed under the heading 'social innovation' without making distinctions between different social and economic meanings, the conditions governing its inception, its genesis and diffusion, and without clearly distinguishing it from other forms of innovation.

Thus, on the one hand a *broad spectrum of social innovations* is present in different policy fields. On the other hand, all policy field reports of the SI DRIVE project notify an unclear



understanding and call for conceptual clarification of the concept. Policy field related documents of public authorities such as the European Commission, the United Nations, the OECD, the World Bank, etc. often even do not refer to social innovations (exceptions are Horizon 2020 documents as well as publications of some DGs).

## A DEFINITION BASED ON SOCIAL PRACTICE THEORY

Inspired by the increasing political and public interest in the concept, the *international scientific debate has gained momentum throughout the last years* [2]. Against the background of a largely neglected theoretical conceptual discussion and the implied conceptual weakness of the notion, aspirations to stimulate an interdisciplinary discourse are on the rise. At the same time, there is an increase in attempts to systematically differentiate between research streams, to strengthen the different perspectives theoretically, and to establish social innovation as an analytical concept with a well-defined research subject.

With the aim to develop a theoretically sound concept of social innovation the SI DRIVE project focusses on *social practices* as the central object of analysis. Taking its cue from Schumpeters basic definition of innovation, *social innovation* is seen as a *new combination of social practices* in certain areas of action or social contexts. What distinguishes social innovations from other manifestations of social change is that they are driven by certain actors in an intentional targeted manner with the goal of better satisfying or answering needs and problems than is possible on the basis of established practices. An

innovation is therefore social to the extent that it is socially accepted and diffused in society or certain societal sub-areas and ultimately becomes institutionalized as new social practice. Just like any innovation social innovation does not necessarily provide impact that is 'good' for all or 'socially desirable' in an extensive and normative sense [3].

Based on this definition it was possible to develop *five key dimensions*, which fundamentally affect the potential of social innovations, their scope, and their impact. Starting from social practices as the central object of analysis the pentagram of the five key dimensions summarises the key dimensions. It helps to understand the complexity and ambivalence of innovation and to take a strict scientific approach of looking at and analysing social innovations throughout their life cycles, from ideation and intentions to actual implementation and impact. *Impact* may be discerned quite inconsistently (ranging from 'good' to 'bad') by different social groups, strata, or generations [4]. The pentagram structure was the basis to apply the social innovation concept in theoretical and empirical research to all sectors of society (public, private business, and civil society) as well as to European and other world regions.

The advantage of this kind of approach to elaborate a general theory is that it gives leeway to integrate main elements to describe social innovations: eco-system, diffusion and imitation, combining different policy fields, policy (top-down) and grassroots (bottom-up) driven initiatives, system related/integrated, system complimentary or subsidiary initiatives, taking advantage of technological developments, etc.



### A SHARED UMBRELLA DEFINITION

Searching for “practices” allows to cover a broad spectrum of social innovations in different policy fields and world regions, including even including even initiatives which are not explicitly called social innovations. At the same time the concept helps to understand how social innovations procure new practices (e.g., policy instruments, new forms of cooperation and organization). Particular methods, processes and regulations are developed and/or adopted by citizens, users, beneficiaries, customers, entrepreneurs, politicians etc. in order to meet social demands and to resolve societal challenges better than by existing practices. From this perspective, the research focuses on analysing the process of invention, implementation (introduction to a context of use), diffusion and institutionalisation of new social practices in different areas of social action.

governance models, addressed societal needs and challenges, resources, capabilities and various constraints.

At large, social innovations aim at activating, fostering, and utilising the innovation potential of the whole society. Involving target groups and empowering beneficiaries, increasing their capacities to meet social needs and giving them ‘agency’ is an indispensable component of social innovation. Thereby various forms of user involvement emerge, such as the development or improvement of the

Taking its cue from Schumpeters basic definition of innovation, social innovation is seen as a new combination of social practices in certain areas of action or social contexts.

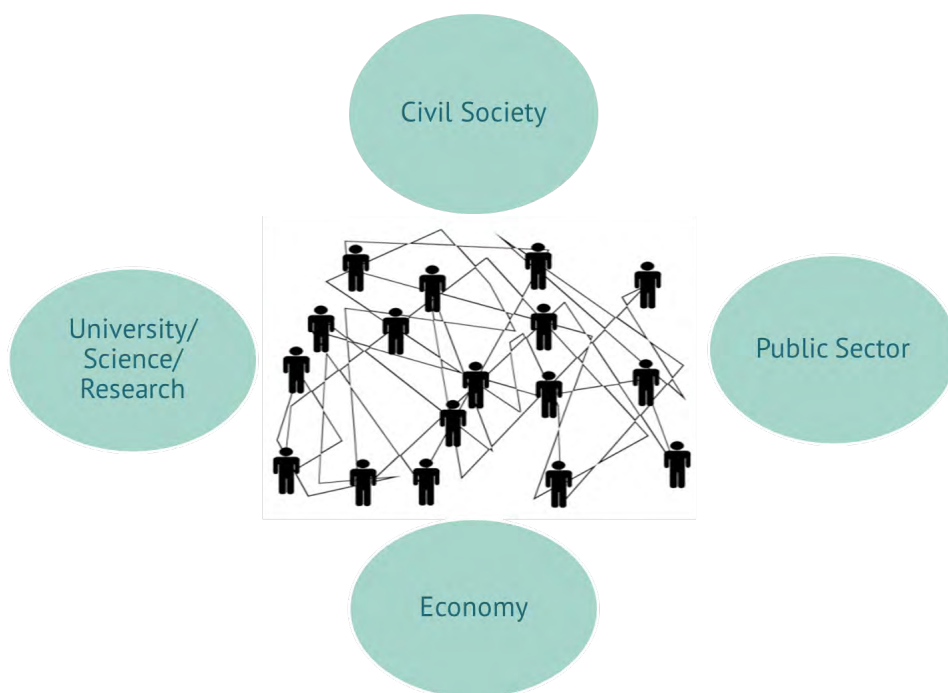
### SOCIAL INNOVATION – A JOINT FORCE

Social innovations in a sense of new practices are *omnipresent* and appear in a variety of forms *changing the manner in which we live together*. Thereby, a constructive partnership between societal sectors is a very important factor in order to reap the full potential of social innovation. Social innovations are first and foremost *ensemble performances, requiring interaction between many actors*. Considering the complexity of innovation processes we need to focus on the cross-sector dynamics of social innovation and the diversity of actors and their roles and functions in the innovation process. Player often interact in networks etc.) across boundaries, yet still they are subject to limiting or conducive framework conditions such as

solution, provision of feedback, suggestions and knowledge, onto the adaptation of the social innovation idea for personalized solutions. Against this background cross-sector cooperation and empowerment appear as indispensable features of a concept of social innovation that is ready to take substantially part in a comprehensive innovation policy.

### NEW TECHNOLOGIES ENABLING NEW SOCIAL PRACTICES

While in many social innovation initiatives and practice fields technologies do not play an important role (e.g. integrated care; income support, reduction of educational disadvantages) in others technology is essential (E/M



Health; Repairing, Re-using and Recycling). Even though in different practice fields and social innovation initiatives the role of technology varies greatly, the possibility to take advantage of new technologies for tackling social problems often motivates or triggers action.

Overall new – but also the re-use of old and basic – technologies may offer new opportunities for social innovation. Technology can be, an enabler, an instrument, a supporter, a form of substantiated knowledge, and a prerequisite for diffusion. Especially the potential of social

Developing a theoretically grounded concept of social innovation is key to create an integrative theory of socio-technical innovation.

media and mobile technologies happen to drive social innovations. In this regard novelties in technology can be a crucial to spark off new social practices. Yet looking at the same issue from the other side, in many cases new technologies are made viable and effective by the implementation of cooperative practices shaped by participating collectives.

This underlines the enormous relevance of social innovations concerning effective measures (including the application and utilisation of new technologies) to cope with, e.g., climate change: Policies for energy management (less energy consumption and more efficient energy supply) rely on technologies. However, their deployment will hardly be feasible and effectual if practices (behavior, norms, values) were to remain invariant. The SI-DRIVE concept of social innovation, based on social practices, helps to better comprehend the differences between social and technological innovation as well as to recognise that they are closely interlinked and support each other.

## CONCLUSION

Developing a theoretically grounded concept of social innovation is key to create an *integrative theory of socio-technical innovation*. Such a new paradigm considers social innovation not only a precondition for, a concomitant phenomenon with or a mere consequence of technological innovations that should compensate for shortcomings in policy areas beyond the established RTD (Research and Technology Development) policies.

The great challenge for contemporary innovation research lies in analysing its potential in the search for new social practices enhancing a secure future evolution and allow people to live “a richer and more fulfilled human life” [5, p. 108]. SI-DRIVE made an important contribution by developing and testing a comprehensive and analytical definition which describes social innovation as a new combination or figuration of social practices.

This definition of social innovation allows integrating the many different (and sometimes conflicting) meanings of social innovation and offers a new perspective on the diversity of the concept of social innovation. Empirical research results of SI-DRIVE demonstrate that this approach integrates the manifold meanings of social innovation under a shared umbrella. Moreover, it leads to a common notion and guidance for scientific research, funding policies and practical utilisation in practice on society’s micro-, meso- and macro levels.

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# SOCIAL INNOVATION AND RESILIENT SOCIETIES

Social innovation is the third leg in a stool of resilient societies. Building resilience requires reducing vulnerability of excluded and endangered populations. Social innovation draws on the diversity and richness of these, sometimes marginalized, populations to find novel solutions to intractable problems.

*Frances Westley*

In 1972, Bunker Roy and a small group of colleagues set up the Barefoot College in Tilonia, Rajasthan, India. Their vision was an interesting and catalytic one, joining old and new, traditional and radical. Informed by the teachings and philosophy of Mahatma Gandhi – giving the poor and the dispossessed the means to produce their own necessities – the Barefoot College trained the poor to build their own homes, to become teachers in their own schools, and to produce, install, and operate solar panels in their villages. Roy and his colleagues also emphasized empowering women in general and grandmothers in particular. As a result, “professional” expertise was placed in the hands of the poorest of the poor and the weakest of the weak: village women.

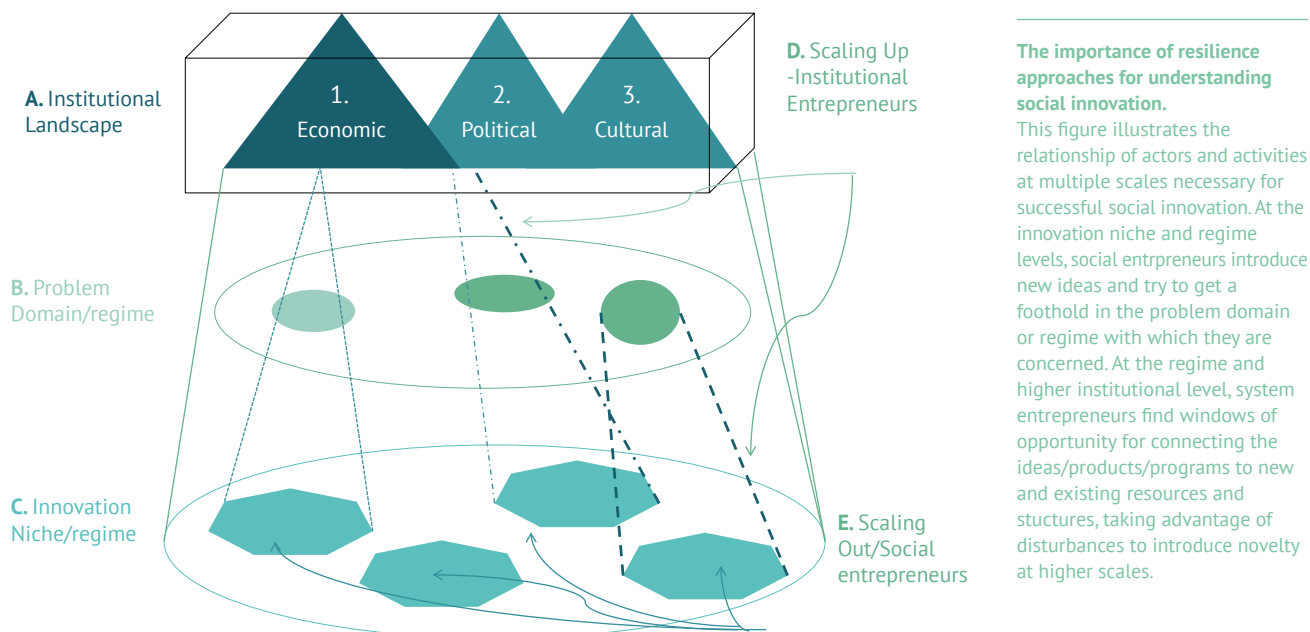
In one way, Barefoot College’s innovations were deeply radical – challenging the conventions of village life, professional associations, and traditional culture. In another way they were classic bricolage, a term drawn from the junk collectors in France and defined as “making creative and resourceful use of whatever materials are at hand (regardless of their original purpose).” In this case the juxtaposition of elements not normally combined addressed a cluster of intractable problems including the health needs, gender inequalities, energy needs, and educational needs of the developing South.

A social innovation may be defined as “any project, product, process, program, platform or policy that challenges and, over time, changes, the defining routines, resource and authority flows or beliefs of the broader social system which created the problem in the first place” [1]. By this definition, Barefoot College is clearly a social innovation, and a successful one, that has spread across the developing world: women from African villages have traveled to India to learn about its ideas and practices, and graduate students from North America are applying the concepts to aboriginal communities in the North. On the other hand, portable homes for the homeless, while an invention that gives the homeless living in urban

areas shelter from the cold and a place to sleep undoubtedly relieves suffering in the short run, but in the long run does nothing to address the root causes of homelessness. Creating support networks for those with disabilities gives their families the comfort that they will be safe and secure after their death, but does not allow those with disabilities to escape their financially dependent status.

Resilience theory is becoming more popular as a lens to focus on linked social-ecological systems at all scales, from the individual, to the organization, to the community, to the region, and to the globe. As a theory, it is deeply interdisciplinary, representing the intersection of psychology, ecology, organization theory, community studies, and economics [2; 3]. It is similar to sustainability science in that it is a whole system approach that posits inextricable links between the North and the South and between the economy and the environment. But it differs in that it focuses on the balance between continuity and change, a continuous (or infinite) cycle of release, reorganization, growth, and consolidation that characterizes all resilient living systems.

This “infinity loop” or “adaptive cycle” as it has been caused, represents the balance between continuity and change that is at the heart of resilience. In the release and reorganization phases, new elements may be combined in new ways. In the growth and consolidation phases, these new combinations attract resources and capital and deliver returns in energy, biomass, or productivity on which the system depends and thrives. To understand this concept, think about a mature forest, with energy and physical capital stored up in biomass. A forest fire triggers a release of energy and resources. New life forms spring up in the fertile ground, absorbing the nutrients quickly. Some of these forms are species that have lived in that forest before; others are new. Not all can survive, so a pattern of dominance results in some species dying out and others accumulating biomass to grow to a mature forest. Resilience theory suggests that a serious loss of



system resilience happens only when the system gets trapped at some point in the cycle: System resilience lies in the continuous movement through the cycle, causing the system to adapt or transform in the process.

Now consider this cycle applied to innovation, either technical or social. As Joseph Schumpeter outlined in *Capitalism, Socialism, and Democracy*, entrepreneurs come up with new ideas, using the resources available (release phase). Some ideas fail, but others are further elaborated onto proposals for new products, programs, processes, or designs (exploration phase). If these are strong enough to attract new resources (financial, cultural, political or intellectual), they are launched (exploitation phase). If they secure a market, they mature and become part of the established system. Here too we see a similar pattern: the association of old and new ideas in the idea generation stage; a shakeout of competing ideas and organizations in favor of those able to attract the most resources; a pattern of dominance and consolidation of successful ideas and organizations; and the institutionalization of the innovations so that they become business as usual.

The similarity between the cycle of innovation and the cycle of the release and renewal of resilient ecosystems is striking. But resilience theory suggests that for the broader system (the organization, the community, or the broader society) to be resilient, it is not enough to innovate. Inventions and innovations need to infuse societal institutions with new life and purpose. Although many innovations allow for adaptation (such as portable homes for the homeless that allow the homeless to live more successfully in extreme temperatures), other innovations, more disruptive and radical, are needed to keep the system from becoming rigid at higher scales. For example, the internet has challenged how we work, how we relate and how we distribute resources. It is not enough to create an innovation and to deepen the

niche, nor is it sufficient to replicate it in other contexts. For an innovation to truly build long term social resilience, it must “scale-up”, taking advantage of disturbances in institutional arrangements so as to create real change at the level of our economy, our political system, our culture and our legal system.

Resilience theory has many lessons to teach people involved in social innovation. The most important is the need to look at a problem systemically. Western culture has a long history of introducing solutions (particularly technical ones) designed to solve a specific problem, without considering the broader system impacts the solution might have. Consider the race to develop biofuels. The current preoccupation with finding energy sources to replace fossil fuels and petroleum-based products threatens to neglect the multiple system impacts that the production of biofuel has on the environment and society. For example, because biofuels can be grown on poor land (a plus from the point of view of producers), they are likely to absorb land currently used for subsistence agriculture in the developing world, making food security even more precarious.

Another example of negative unintended consequences on the larger system is the development of ecotourism in the Galapagos Islands. The islands offer unparalleled biodiversity. To maintain this diversity and to stimulate the local Ecuadorian economy, ecotourism companies compete to bring small groups of tourists to the islands. The government controls how many people can disembark on an island, but there is less control over the number of boats that can sail or motor close to an island. As a result, the increasing numbers of boats have caused drastic erosion of the coral reefs. What may seem like a panacea can turn out, when viewed from the point of view of the larger system, to be an illusion.

Understanding resilience can also help social innovators balance top-down and bottom-up approaches to crafting solutions. For example, relief agencies were concerned that the trauma of displacement would cause Eritrean women living in refugee camps to suffer post-traumatic stress. But it turned out that as long as the women were able to create coherent accounts or stories and share them with others, their stress was manageable. Similarly, when efforts were made to provide people with their traditional foods (such as “famine foods”), communities were much more resilient in the face of famine. Because of experiences such as these, international relief organizations are increasingly working closely with local people (by listening and learning) rather than immediately responding with top-down solutions.

### WHAT SOCIAL INNOVATION BRINGS TO RESILIENCE

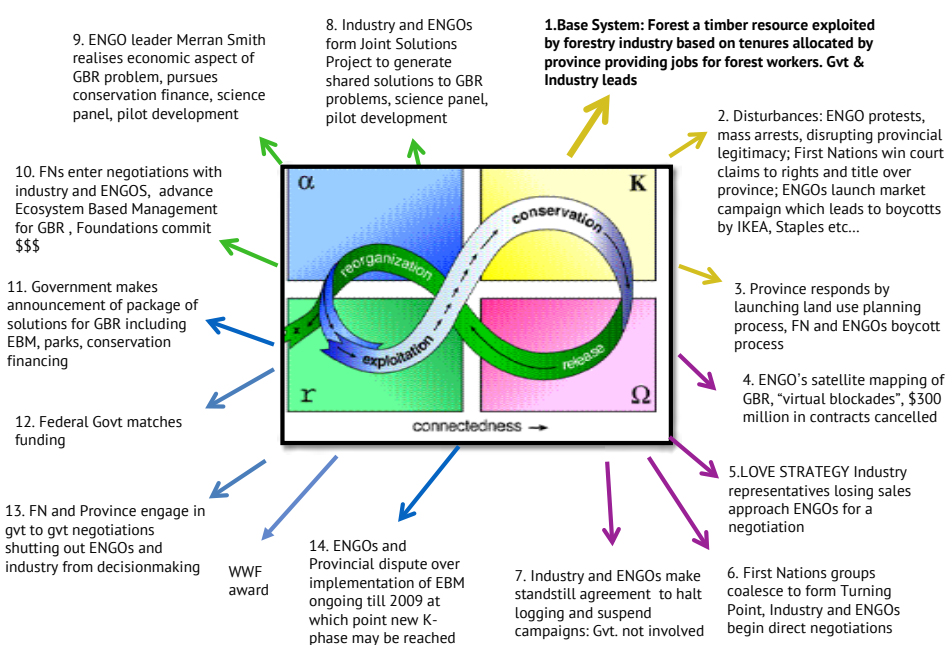
One of the most important attributes that a social innovation approach offers is that it helps people understand the process by which social systems adapt or are transformed. In particular, the approach shines a light on the various actors (such as social entrepreneurs and system entrepreneurs) who help these processes happen.

A large amount of research on social entrepreneurs has been undertaken. Less research has been done, however, on the system entrepreneurs who are responsible for finding the opportunities to leverage innovative ideas for much greater

system impact. The skills of the system entrepreneur are quite different from, but complementary to, those of the social entrepreneur.

The system entrepreneur plays different roles and uses different strategies at different points in the innovation cycle/innovation cycle, but all of these roles are geared toward finding opportunities to connect an alternative approach to the resources of the dominant system. Opportunities occur most frequently when there has been some release of resources through political turnover, economic crisis, or cultural shift. In the Great Bear Rain Forest in British Columbia (BC), Canada, a political and economic crisis was provoked by the success of aboriginal land claims in the BC courts and the success of Greenpeace International's marketing campaign. This crisis created an opportunity for system entrepreneurs (a coalition of several NGOs) to convene a series of meetings and facilitate a process that allowed stakeholders who had been vehemently opposed to one another (aboriginal groups, logging companies, logging communities, the BC government, and environmental NGOs) to put aside their differences and begin to create solutions.

As these solutions multiplied, the system entrepreneurs moved into a new role: that of broker. They created bundles of financial, social, and technical solutions that offered a real alternative to the status quo. Once workable coalitions of actors and ideas had been forged, system entrepreneurs assumed yet another role – selling these ideas to those



### Great Bear Rainforest Through the Adaptive Cycle

Different strategies of system entrepreneurs at different phases of the innovation cycle are presented. Beginning with number 1 (yellow arrows) we see system entrepreneurs working to create disturbances in the rules and relationships that governed the forestry industry in British Columbia. International campaigns to stop consumers in Europe from buying old growth forest products had an impact on the economic viability of the BC logging industry. Successful land claim lawsuits launched by Canada's west coast First Nations, weakened government of the land. This opened a release phase, forcing government and logging companies to the table, where they began to explore solutions (purple arrows) and broker deals for a package of social innovations (red arrows). In the exploitation phase, critical political, cultural and financial resources were mobilized, leading to institutionalization of elements of the Great Bear Rain forest strategy (conservation phase).

able to support the alternative with resources, policies, and media support. When policies were made to formalize new protection policies, financial support packages, and cultural promotion, the system entrepreneurs changed roles yet again by going back to the beginning of the cycle and reframing and challenging the status quo. In the process, the capacity of the social system as a whole to manage such transformations and adaptations had been strengthened. The same process is being used in a modified form in current negotiations around the boreal forest [4].

In many instances, this kind of transformation takes many years. It requires a long period of preparation in which an innovative alternative is developed and then scaled up when a window of opportunity opens. In a recently completed historical study of innovations that ultimately changed the institutions that had created the problem in the first place, it became obvious that for real social transformation, we may need to think in terms of decades and even centuries. Success involves brokering partnerships with initiatives in what Stuart Kauffman has termed “the adjacent possible”, initiatives with more momentum that could carry the innovation further than it could on its own steam. So we see the early social entrepreneurs who created the National Park System in North America, at times joined forces with the conservation biologists, and at others with the railroads being built to the west who were encouraging tourism. These partnerships both strengthened the original innovation and created tensions and paradoxes that carried forward through successive stages. We were also able to see the activity through time of social entrepreneurs, system entrepreneurs and policy entrepreneurs who carried the idea forward through the years [5].

Of course, “managing for emergence” is easier in some cultures than others. Some cultures allow ideas to move freely and quickly, combining with other ideas in the kind of bricolage necessary for innovation. Studies of resilience at the community, organizational, and individual levels suggest

that these same qualities characterize organizations and communities that are resilient to crisis and collapse. The characteristics that these organizations and communities share are low hierarchy, adequate diversity, an emphasis on learning over blame, room for experimentation, and mutual respect. These are all qualities that support general resilience. If they are attended to, the capacity for social innovation will also increase, creating a virtuous cycle that in turn builds the resilience of the entire society.

## CONCLUSION

People involved in social innovation and people involved in creating a resilient society adaptation and transformation are dynamic, cyclical, and infinite. Social innovation is not a fixed solution either; it is part of a process that builds social resilience and allows complex systems to change while maintaining the continuity we rely on for our personal, organizational, and community integrity and identity.

To create a resilient society, it is important not to rely solely on the social entrepreneurs who come up with innovative ideas. Neither should one rely solely on government to create innovative opportunities. Instead, we should watch for those moments when crisis, disaster, or strategic vision opens a window for securing resources for the most promising alternatives.

Last, it is important to focus on a new kind of entrepreneur who complements the social entrepreneur: the system entrepreneur. The system entrepreneur identifies the promising alternatives to the dominant approach and then works with networks of others to stimulate and take advantage of opportunities for scaling up those innovations. Working at the level of the whole system, system entrepreneurs develop the alternatives, attract the resources, and work toward the moment when the system tips [6].

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# SOCIAL INNOVATION AND TERRITORIAL DEVELOPMENT

The article stages spaces and places as habitats of hope and change, resistance and social innovation, with high potential of socio-political transformation. It summarizes two long-term action research trajectories, one in Europe and one in Québec, showing the importance of socially innovative initiatives, governance and institutionalization processes.

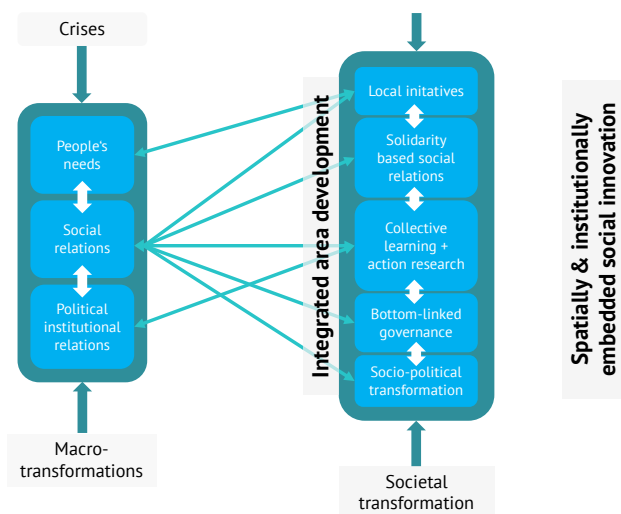
Frank Moulaert / Pieter Van den Broeck

In the 1980s, in Europe and Canada, social innovation was rediscovered as both a scientific concept and an action slogan for analysing and guiding territorial development, especially in urban areas. Mainly referring to two action research trajectories, one focused on Europe, the other on Québec in Canada, this short article addresses area-based community development from a social innovation perspective. It explains how bottom-linked governance is a *conditio sine qua non* for durable socially-innovative urban commons and why neighbourhoods, socio-spatially identifiable localities and spaces, work as breeding grounds for social innovation.

In section 1, it sheds light on the place of social innovation in territorial development. In the subsequent two sections, it explains two trajectories of territorially rooted socially innovative action- research. The article closes by making some more general reflections on spaces of SI.

## SOCIAL INNOVATION: FROM URBAN STUDIES TO TERRITORIAL DEVELOPMENT

Urban studies and the disciplines practicing them have been among the main incubators of social innovation theory. Although the concept of social innovation goes back to the 17/18th century [1] and has been used in many different contexts since then, it only reached scientific status in the debates starting with the social movements in the 1960s, the role of social innovation in the social economy and corporate responsibility, and as a structuring principle in the analysis of local development trajectories and how they have nourished socio-economic change in neighbourhoods, cities and (semi-)rural localities [2]. The original historical meaning of social innovation refers to social change and social transformation. Today its meanings are more diverse and show affinities to different macro-ideologies, the most important being caring neoliberalism and socio-political transformative social innovation [3]. According to the *first ideology* social innovation should pursue more equity among citizens and social groups by 'socialising' market mechanisms: eliminating market failure, thus creating the necessary opportunities to make the market more inclusive, for example by integrating more fragile workers within existing firms, or by providing institutional spaces in which social economy initiatives can build up their own activities, yet in harmony with the market. The *second ideology* starts from the failure of governance and politics in different spheres of society and considers social innovation as a strategy and process not only to satisfy individual and collective needs abused by the market, but to strengthen the solidarity content of social relations between people involved in social innovation initiatives, as well as call up these relations as triggers of socio-political empowerment. Urban studies have almost naturally adopted the view of social innovation following the second ideology; naturally, because of the material, social and political conditions inherent to a territory looking for renewed human development.





Territory in this approach is defined as the localised interconnected spatial forms of the relations between actants (agents, beings, natural substances) living and acting there. These forms can be physical, natural or social. A useful way to characterise a territory is by way of a systems metaphor, as for example done in the Integrated Area Development approach [4] which divides the city in different spheres referring to social and ecological functions which, through different types of (collective) agency, seek integration or enter into greater conflict. In this metaphor *social innovation is organically present in three ways:*

- as the strategies of agents seeking satisfaction of their material, economic, ecological, political and socio-cultural needs;
- as the improvement of spatialised social relations between agents and the socio-ecological relations between actants – a tripartite sustainability perspective in relation building. Improvement here refers to pursuing values such as solidarity, reciprocity and association; respect between and rejection of exploitation of actants by actants;
- as the building, from the revived social relations up, of new territorially based political relations – new governance systems inseeded by the experiences in the socially innovative governance systems cooperatively constructed by socially innovative agents (organizations, social economy firms, associations of actors and actants, etc.).

The (re)building of territory and territorial community is based on the interaction between these spatially embedded strategies, social relations and socio-political empowerment leading to new governance dynamics. In this (re)building process, the intrinsic relationship between action and research is of high interest. By itself, this relationship is an expression of a social innovation practice: it

applies the basic principles of improved social relations and governance to the action-research process itself. When defined, produced, managed and implemented together with all actors involved, research not only is instrumental to understanding and building social innovation, it also becomes a socially innovative practice itself, renewing the theory and practice of research, questioning its hegemonic assumptions, conventions and methods, and stimulating researchers to take up cross-bred roles between research and practice.

We now present two action research trajectories focusing on social innovation in urban territories, and especially the neighbourhood or the 'quartier'. Both trajectories start in the 1980s, but in different parts of the world, with teams who only learned to know each other at the later stage of their research activities (in the 1990s) and started to work together. Both teams have also worked on 'La région sociale' or the 'Social Region' [2][5]. Both trajectories are based on

close relationships between action and research, with roles of different actors often exchanged or shared between actors. For example, consultation, participation and co-construction events are typically the concerted responsibility of researchers, local organizations, leaders of development corporations, etc.

## INTEGRATED AREA DEVELOPMENT IN EUROPEAN CITIES

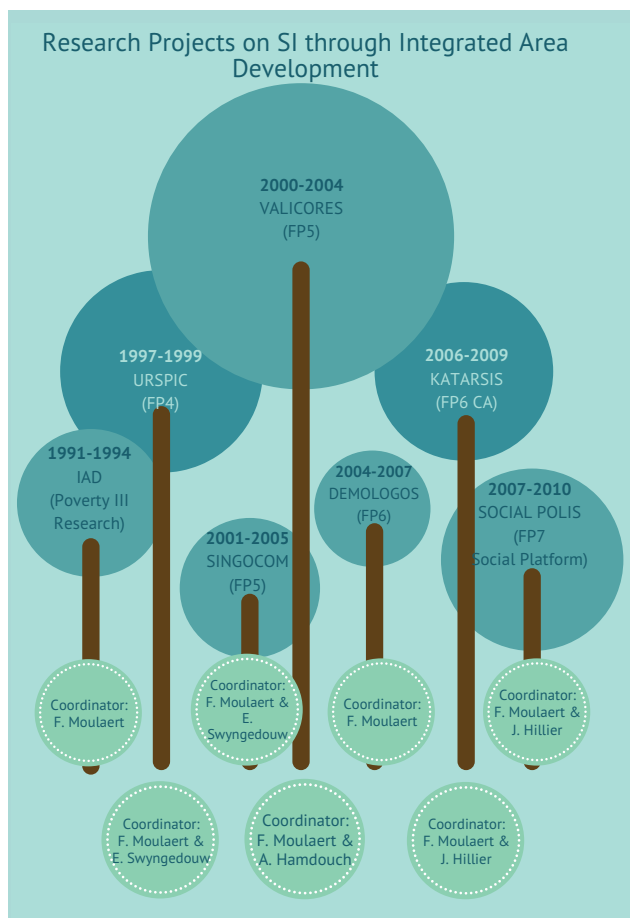
This action- research trajectory started in the late 1980s / early 1990s as part of the research activities of the European Commission's Poverty III programme, and lasted till 2005. It covered seven research projects with specific objectives, focused on fighting social exclusion in cities and localities, and on analysing their structural and institutional features in which social innovation materialises or could so in the future. Most of these research projects were funded by the EC's Framework Programmes (see infographic on the chronology of research projects).

The base model of this trajectory was Integrated Area Development (IAD), explained above. The model was built through observing socially innovative development trajectories, especially in urban neighbourhoods in decline, e.g. in cities like Bilbao, Antwerp, Athens, Charleroi, Milano etc. Connecting (integrating) strategies, actors, assets, social

Urban studies have almost naturally adopted the view of social innovation following the second ideology; naturally, because of the material, social and political conditions inherent to a territory looking for renewed human development.

dynamics and neighbourhoods showed the promising way forward for socially inclusive local development. The implementation of the model was supported by institutional dynamics and policies of the time such as the European Commission's Urban Programme, other sections of the European structural funds, national, regional and city-wide urban development programmes in the EC Member States. Several successful cases were identified such as neighbourhood development in North East Antwerp, Quartieri Spagnoli in Naples, Olinda in Milano [4]. The IAD model kept its status as both an analytical guide and action framework in the subsequent projects. URSPIC and DEMOLOGOS focused on the structural and institutional dynamics of alternative territorial development. SINGOCOM gave a more concrete content to the opportunities for social innovation in diverse institutional contexts. VALICORES examined the relationship between social and other types of innovation in development and innovation (systems). KATARSIS and SOCIAL POLIS worked hard to operationalise





Chronology of research projects on social innovation through integrated area development

models for socially innovative action research developing new modes of (transdisciplinary) cooperation between actors, not only applicable at the local level, but also in a wider spatial network.

## TERRITORIAL DEVELOPMENT AND ACTION RESEARCH IN URBAN QUÉBEC

Territorially based action research involving scientists, activists, union members, associations and politicians has played an active role in territorial development in Québec since the 1960s. As of the 1980s the role of civil society associations became more explicit. For the Québec case, where interaction between the different state levels (Federal, Provinces, Québec being the only francophone province) and civil society organizations, has been overall synergetic over the last half century, we can argue that “it is a good example of a configuration in which social cohesion relies on important social innovations that have occurred since the 1960s” [6, 7] in many fields, the most important probably being labour, living conditions and local development. Klein et al. characterise the nature of these social innovation dynamics as the interaction between collective governance, co-production of (social) services, co-construction of public

policies and the plural character of the economy. In local development, these dimensions have adopted particular territorial forms. In terms of governance, under pressure of several waves of economic crisis, a more endogenous development perspective was adopted, which went along with a decentralization in state structures (agencies) and the creation of bodies of cooperation and co-production, in which the role of civil society organizations working from specific areas became strategic. Given the economic needs, social movements increasingly took economic initiatives, yet in full respect of the principles of economic democracy. In Montreal, for example, this change in governance was materialised in the creation of Community Economic Development Corporations (CDEC) whose main objectives are to promote the collaboration among the actors at the neighbourhood level to launch ‘partnership-based development projects, support local entrepreneurship for job creation, and improve the employability of unemployed people [7]. The reliability of this approach led to the creation of Local Development Centres (CLDs) as “multiservice organizations bringing together socioeconomic, political and local community centres”. The CLD are operating across Québec, also in outlying regions, at the level of the MRC (“Municipalité régionale de comté”; freely translated as Regional County). In the neighbourhoods, these new governance dynamics created space for influential roles of social movements, especially a leadership position within the Communitarian Development Corporations in Montréal (CEDC). The latter could be considered as an institutionalization of successful bottom-up experiments at the neighbourhood level. Indeed these new state-civil society forms of cooperation created opportunities for co-production and the development of a plural economy. The plural economy model is based on consensus building between economic, social, cultural and political actors, working together to let education, cultural, social services (not the least health services), labour market training and enterprise creation in various sectors synergise with each other. Within the CEDC, soft and hard economic concerns are no longer profiled as antagonistic, but as *reinforcing each other*.

## ALTER SPACES FOR SOCIAL INNOVATION ACTION AND RESEARCH

The two trajectories of territory-rooted social innovation explained in this text show the importance of the interaction between new socially innovative initiatives on the one hand (housing experiments, people-centred learning, solidarity-based work spaces, alter networks of action research, etc.), governance and institutionalization processes on the other hand.

The involvement of civil society organizations in the building of new forms of territorial cooperation fostered more democratic forms of governance (especially bottom-linked governance), opening up the range of economic activities

to social services and culture, stimulating attitudes of entrepreneurs to new corporate forms (social and solidarity enterprises), socially innovative forms of work organization and solidarity relationships between citizens and actors within and beyond the territories.

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The strength of the Quebec model compared to that of many of the European countries, is that state and civil society symbiosis has led to shared institutionalization, while in the European context the state and private market sector have pushed civil society organizations into a subsidiary role; and this despite the innovative role many of these actors have played in setting up socially innovative initiatives and modes of governance [3][4][6]. In Western Europe neoliberalism has privileged policies which reduce social innovation initiatives to instruments for rationalising the welfare sector and accompany socially innovative enterprises onto the road to the market economy. This trend also tends to reinforce the trend to reduce social innovation to the

creation of social enterprises, thus underplaying different other dimensions of social innovation such as building solidarity relations in neighbourhoods and democratising urban governance. Fortunately, there is mushrooming of social innovation initiatives beyond the state realm that keep

experimenting new social initiatives, relationships and modes of governance. Moreover, hope has risen because of the growing disapproval of citizens with European neoliberalism, with electoral expressions more in favour of territorial development despite the global market. The political translation of the Indignados movement into Podemos and other political formations, strongly defending new housing and neighbourhood policy in local governments, is probably the most explicit expression of such transformation till now. But also the

fighting back on both the Left and the Right of rural communities regain the right to local initiatives in agriculture, food production, culture and education, social services and so forth, as expressed during the recent French (presidential) electoral campaign, is politically significant.

Spaces and places as habitats of hope and change are a very important focus in social innovation action research today. In addition to the references cited in this short article, several other cases of places of resistance and social innovation have recently been covered in the literature as triggers of socio-political transformation, judged as absolutely necessary to guarantee the future of happiness for all [8].

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# THE CONCEPT OF SOCIAL ENTREPRENEURSHIP

Have you ever wondered how the world will be able to tackle the ‘wicked’ problems that beset us all such as climate change, mass migration, global poverty or the current grotesque levels of inequality? This article will explore one set of ‘clumsy’ solutions to these problems – social entrepreneurship.

*Alex Nicholls / Tanja Collavo*

## INTRODUCTION

Social entrepreneurship represents one of the most notable innovations in global civil society in recent times. While many of the activities and approaches associated with this term are not in themselves new – for example, social enterprises’ use of business models to generate income to support social programs – the evolution of a discrete organizational field for such action does represent an important structural change in the institutions of social action [1]. Although the term “social entrepreneur” was first coined as long ago as the 1970s, it has only been in the past twenty years or so that the term has started to gain traction within a range of interrelated discourses across civil society, government, and the private sector. Such discourses have been shaped and driven forward by a range of new field-building organizations, such as foundations, fellowship programmes and networks, as well as by governments, international organizations (e.g. The European Union) and many academic institutions.

However, the institutionalization of social entrepreneurship as a new “conceptual apparatus” with which to make sense of innovation in civil society remains an ongoing, and sometimes controversial, project, not least because it is seen by some as signifying the marketization of collective action and of civil society activities previously based around participation, active citizenship, and political change. Indeed, some has conceived social entrepreneurship as simply a mechanism by which business (and the state) can co-opt and compromise the integrity and independence of civil society rather than reinvigorate and diversify its models of societal change. While such critiques represent a useful corrective to some of the hyperbole that has been associated with social entrepreneurship, they also misinterpret the particular distinctiveness of this new field of action:

namely, that it aims to generate outcomes that are superior to conventional models through innovation in, and disruption to, the status quo of public, private, and civil society approaches to the provision of social and environmental goods. In this way, social entrepreneurship is best understood in a linear – rather than disruptive – relationship with the historical norms of social and community action.

What is distinctive about social entrepreneurship are not the institutional elements it embodies, but rather the patterns in which it assembles familiar material into new, sector-blurring, organizational logics and structures. Actions of this kind are able to harness organizational hybridity to drive innovation and change that is focused on social and environmental outcomes, often by generating positive externalities and communities’ participation to their own empowerment and/or improvement. For civil society, social entrepreneurship has come to represent a new stream of activity that aligns the objectives of achieving scale in

What is distinctive about social entrepreneurship are not the institutional elements it embodies, but rather the patterns in which it assembles familiar material into new, sector-blurring, organizational logics and structures.

systemic social change with the goal of empowering individuals as “changemakers” [2][3]. For government, particularly in the United Kingdom, the for-profit social enterprise model offers an attractive approach to marketizing social welfare programs without proposing a fully-fledged

privatization of the state [4]. For the private sector, social enterprise provides a model to access otherwise inaccessible market opportunities such as the poor at the Bottom of the Pyramid movement; state welfare budgets; and a growing body of “ethical” consumers [5]. Engagement with social entrepreneurship has also provided other commercial benefits, both as a means by which flagging Corporate Social Responsibility (CSR) strategies can become a part of the core activities, and as a new arena for ‘impact’ investment that is typically uncorrelated with conventional capital markets.

## DEFINING SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is intrinsically a difficult phenomenon to pin down and describe. Its very nature calls for a combination of logics and activities typical for the social and public sectors with logics and activities associated with the business sector. Because of such hybridity, social entrepreneurship as a concept usually is context- related and expressed through very different forms and combinations.

Social entrepreneurs and enterprises operate in a broad range of sectors: from arts and culture to banking, from real estate development to agriculture. Furthermore, their hybrid nature can manifest itself in different ways. For example, social enterprises and entrepreneurs can solve wicked problems through innovation or create employment opportunities for marginalized people and communities. This variety makes it difficult to circumscribe the phenomenon, since this may cause the exclusion of important projects and innovative solutions.

Dacin et al. identified 37 different definitions of social enterprises and social entrepreneurs [6]. These definitions mentioned, as core characteristics of this new phenomenon, concepts as varied as innovativeness, creation of social change, embeddedness in a specific community, adoption of virtuous entrepreneurial behaviors, diffused ownership and financial sustainability. The only common trait among these 37 different views is the description of social entrepreneurs and enterprises as able to mobilize resources primarily for the creation of a positive social and/or environmental impact and the association of social entrepreneurship with optimism and social change.

Today, social entrepreneurship is a fluid and contested phenomenon. Indeed, in some senses, it is a field of action in search of an established institutional narrative and conception. Largely, the diversity of discourses and logics that characterize social entrepreneurship reflects the internal

logics and self-legitimizing discourses of a broad range of influential, resource holding actors who are actively engaged in building the field, rather than any particular “reality” [7]. Thus, government has conceptualized social entrepreneurship as the solution to state failures in welfare provision. Civil society has conceived it instead as a space for new hybrid partnerships, a model of political transformation and empowerment, or a driver of systemic social change. Finally, for business, social entrepreneurship has represented a new market opportunity or a natural development from corporate social responsibility and socially responsible investment.

Despite evidence that social entrepreneurship is growing in influence as a field of action, significant questions remain concerning the definition of its limits and boundaries, particularly in terms of how broad or narrow its scope should be. At its simplest, social entrepreneurship is private action for public good. Nonetheless, there is now some broad agreement that a number of other dominant characteristics set the boundaries of such action.

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First, all social entrepreneurship shares a primary, strategic focus on social or environmental outcomes that will always override other managerial considerations such as profit maximization. Second, there is always evidence of innovation and novelty either in challenging normative conceptions of an issue, in the organizational models and processes that are developed, or in the products and services that are delivered (and sometimes in all three of these dimensions). Third, there is always a strong emphasis on performance measurement and improved accountability, aligned with a relentless focus on improving the effectiveness of organizational impact and scale and the durability of outcomes. Finally, much of social entrepreneurship blends logics and organizational models from across the three sectors of liberal democratic society, namely, the state, private business and civil society. These blended models – such as social enterprises or businesses for a social purpose – introduce innovation to challenge the status quo. These defining factors can be further refined under four headings: sociality, innovation, market orientation, hybridity.

Beyond these four defining elements, a detailed analysis of the discourses around social entrepreneurship globally also reveals four categories of definition. The first view of social entrepreneurship is characterized by a focus on social enterprises as businesses trading for a social purpose. This perspective has been developed by funding organizations such as Social Enterprise UK in the UK and research networks such as EMES across Europe. The second discourse around social entrepreneurship focuses instead on social entrepreneurs. It depicts them as ‘hero’ innovators and disruptors, changing the status quo of multiple sectors to create a fairer and more equal society. The main proponents of this view are international organizations like Ashoka and the Skoll Foundation. The third view describes social entrepreneurship as the realization of initiatives – either business-like or charity-like – that benefit the community where they are implemented, increasing the participation of marginalized groups and people in the local economy or society. This type of discourse was predominantly found in the U.K. at the origins of the sector but has been gradually marginalized from public discourse. Such a conceptualization is still nonetheless endorsed in the U.K. by intermediaries such as the School for Social Entrepreneurs and, to some extent, UnLtd. Finally, especially in the U.S., social entrepreneurship is seen as the undertaking of revenue-generating activities and trade from the side of non-profits that want to enhance their financial independence and sustainability.

The four contextual views of social entrepreneurship are generally included, at least to some extent, in the three main schools of thought within the research literature. The “social entrepreneurs as innovators and disruptors view” is closely related to the school of thought referred to by Defourny and Nyssens as “The Social Innovation School of Thought” [8]. The “social enterprises as businesses” view is instead connected to the “EMES approach to social enterprise” and, to a certain extent, to the scholarship looking at social

practices of businesses. The understanding of social entrepreneurship as the undertaking of income-generating activities matches instead the „Earned income“ school of thought. Finally, the view of “social entrepreneurship as community initiatives” can be seen as implicitly encompassing the definitions of social entrepreneurship as collective activity, solving failures of either the public or private sectors.

## CONCLUSION

This chapter has suggested that social entrepreneurship represents a new, important, and growing subsector of civil society. It also proposes that this new field encompasses a variety of sector-blurring discourses that are being driven by significant institutional changes in modern societies. Research suggests that social entrepreneurship is something of an umbrella term for a wide variety of organizational forms and activities, but also that boundaries can be set for the field in terms of the presence of four qualifying factors at the organizational level: sociality, innovation, market orientation, and hybridity. However, these boundary conditions are being expressed in the context of three larger sets of discourses and logics in the field globally: social entrepreneurship as business for a social purpose, social entrepreneurship as hero-lead social change, social entrepreneurship as community development and action. As a consequence, there remains some ambiguity and contestation surrounding the concept of social entrepreneurship. Yet, this very ambiguity may also be strength as it facilitates this emergent sector to be adaptable and innovative when faced with the most demanding problems of our time.

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# ECONOMIC UNDERPINNING OF SOCIAL INNOVATION

## SOCIAL INNOVATIONS' CONTRIBUTION TO INCLUSIVE GROWTH

**Social innovation will realise its potential contribution to inclusive growth only to the extent it can unfold its social and economic impact for beneficiaries as well as society at large. For social innovation to flourish an inspiring environment that provides support and enables mutual learning is essential.**

*Judith Terstriep / Maria Kleverbeck*

### INTRODUCTION

Europe is confronted with many complex and interrelated socio-economic challenges such as youth unemployment, migration, ageing population or poverty to name but a few. Individuals and groups affected by hard to solve problems resulting therefrom – also referred to as wicked problems – face significant constraints notably in their ability to fully participate in social, economic, cultural and political life. Social innovations emerging in Europe and around the world offer a promising avenue to sustainably address the problems at hand.

However, social innovation will realise its potential contribution to inclusive growth only to the extent it can unfold its social and economic impact for vulnerable and marginalised populations as well as for society at large. It is argued that empowering these groups helps to overcome the daunting problem of resource shortcomings by enhancing peoples' quality of life through empowerment of individuals to engage in society which strengthens integration, welfare, and social cohesion in the long-term. In this sense, exclusion is not viewed as individual inadequacy, but is imputable to institutional blockings and shortcomings, market failures, public sector silo thinking and growing fragmentation of the civil society. One can logically conclude that a shift from viewing vulnerable groups as burden to society to one that values their individual potential and their contribution to society constitutes a cornerstone in the social debate.

The paper is organised as follows: next the meaning of »economic underpinning« is introduced followed by a presentation of SIMPACT's model of components, objectives and principles (COP) which was used to elaborate sustainable business models (section 4). The last section discusses the role of a conducive environment for social innovation.

**Social innovation refers to novel combinations of ideas and distinct forms of collaboration that transcend established institutional contexts with the effect of empowering and (re)engaging vulnerable groups either in the innovation process or as a result of it.**

*Terstriep (2016), p. 5*

This article substantially builds on the findings of the FP7-SSH project »SIMPACT«<sup>1</sup>, which centred on the economic dimension of social innovation in an attempt to better apprehend social innovations' impact on social and economic transformation [1].

### THE MEANING OF »ECONOMIC UNDERPINNING«

By placing emphasis on the economic underpinning of social innovation, SIMPACT points to the pivotal role of social innovation as a lever for individual wellbeing, collective welfare, social justice and effectiveness, in sum sustainable social impact. Such orientation contributes to bridging the gap between large scale societal challenges and small-scale social innovation activities.

Social innovation as novel combination of ideas and distinct form of collaboration cover a broad range of practices that transcend levels of governance (micro, meso, macro), institutional boundaries and sectors (public, for-profit, not-for-profit or social enterprise). At the micro level the many small, locally embedded initiatives address a variety of distinct needs. By empowering vulnerable groups, they actively facilitate processes of inclusion. At the meso level



it is about institutional change. That is, social innovators as »rule breakers« challenge existing practices, established welfare and market institutions (e.g., rules, laws, attitudes, modes of governance). At the macro level, social innovation entails a new division of labour between the sphere of politics, i.e. welfare regimes and institutions that govern them, civil society and market-driven economy.

### INTERPLAY OF COMPONENTS, OBJECTIVES & PRINCIPLES

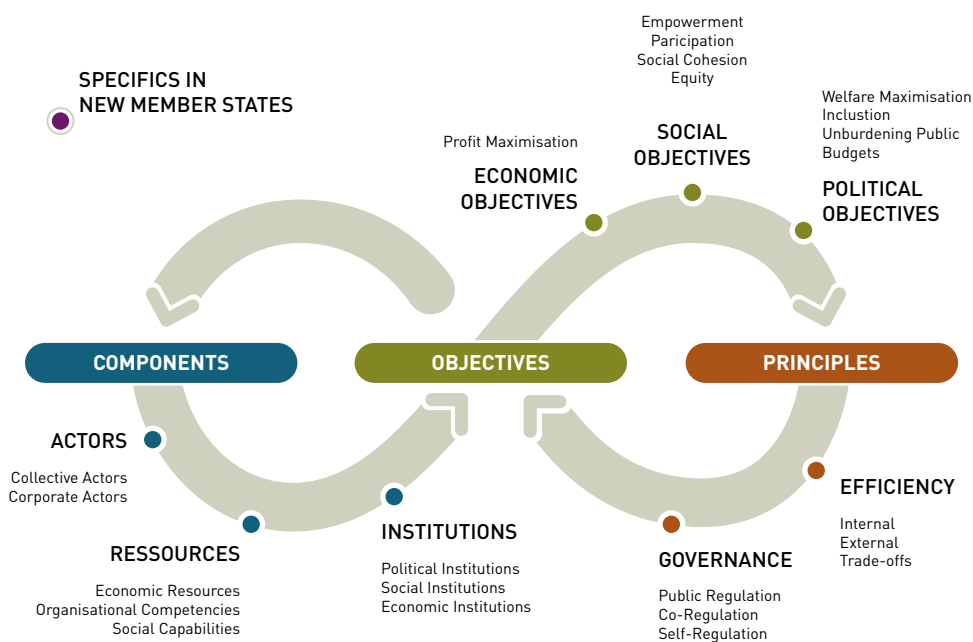
Social innovation as an evolutionary process comprises the development, implementation, practical application and consolidation of novel combinations of ideas and collaboration among a variety of actors. Hence, social innovations are characterised by an iterative process of experimentation and learning with an open end including abandonment and failure. That is why the economic foundation of social innovation hinges upon the proper identification of social innovation actors, resources and institutions (i.e. components), actors' objectives and under-lying principles (COP).

**Components** comprise actors and resources as production factors and institutions as given context factors. From an economic perspective, actors from civil society (formal and informal), the economic and policy field are central elements. The nature and extend of resources mobilised throughout the innovation cycle substantially affect the solution. Commonly, social innovators have to combine economic, political, social and personal resources to bring their solution into life. Knowledge is assessed as an essential economic resource for social innovators' seizing opportunities. Social resources interact with economic resources and include, for

example, relational capital. In turn, they imply investments in relational assets, knowledge sharing routines, complementary resources and capabilities. In addition, political resources such as human rights either influence or complement the use of economic resources. Finally, political, welfare, social and economic institutions can be designed to empower social and economic actors as well as to foster social innovation. Moreover, social innovators are embedded in a specific institutional context where actors' behaviour and interactions take shape.

**Objectives** comprise social innovators' motives and goals which are either economically or socially driven or a combination of both. Economic objectives comprise, for example, profit maximisation, cost reduction, welfare maximisation, discharge of public budgets, whereas social objectives embrace empowerment, social cohesion, solidarity or quality of life. Foremost, social innovators' motivation bases on commitment and collaboration.

**Principles** refer to mechanisms of decision making and interaction between actors and the context. With regard to the economic foundation of social innovation, efficiency and modes of governance are most relevant principles. Acting under conditions of resource scarcity, efficient resource allocation in accordance to actors' objectives is crucially important for social innovation actors to achieve their objectives. Modes of governance describe mechanisms of decision making, leadership and ownership and range from public regulation to co-regulation and self-regulation. Distinct modes of efficiency can best be described as dilemmas [3]. Examples are contradictions and trade-offs between economic and social goals, short-term success and long-term impact, competition and collaboration.

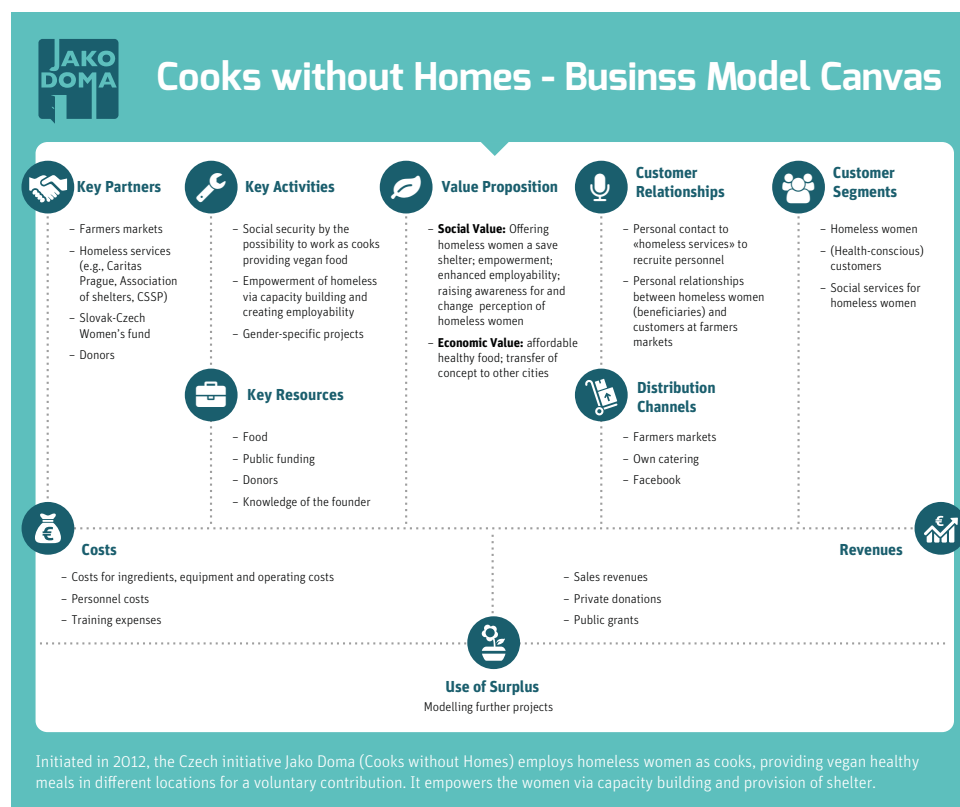


In the social innovation process, the outlined elements are mutually dependent. The model anticipates that the interplay between factors within an element and the dynamics between components, objectives and principles drive social innovations' economic and social impact. For example, subject to the actors involved in the innovation process available resources such as knowledge, human and relational capital, and finance are expected to vary, and therewith affect the scope of action. Likewise, the specific institutions actors are embedded in may fuel or hinder social innovation, while in turn – over the course of time – actors' innovations ideally result in institutional change. Moreover, social innovation actors' objectives are shaped by actor constellations and motivations on the one hand and available resources on the other hand. Changing objectives or diffusion of the solution might call for the involvement of new or distinct actors, whereas the allocation of resources to achieve defined goals is closely related to modes of efficiency and governance.

Hence gaining a detailed understanding of the components, objectives and principles as well as underlying processes and contexts of social innovations allows to explore potential levers and mechanisms that accelerate social and economic transformation, develop improved business models as exemplified in the following, and elaborate public policies that support social innovation processes.

## SUSTAINABLE SOCIAL INNOVATION BUSINESS MODELS: UNITING SOCIAL AND ECONOMIC INTERESTS




Our research has revealed that social innovation business models are shaped by the vision of creating, delivering and capturing social and economic value. They are structured as multi-actor models, crafting multiple value propositions (e.g., combining economic and social objectives) for various target groups and depend considerably on broad networks of supporters [4].



Business Model Canvas »Jako Doma«, Source: Adapted from [4]

Due to resource scarcity, most social innovations are operated under a bricolage approach often resulting in frugal solutions. Although pursuing primarily a social mission, most social innovation initiatives rely significantly on additional revenue streams to sustain their operations. Hence, hybridity, i.e. creating a commercial offer from a social mission, emerges as a common feature of social innovation business models. Social innovators may choose, for example, to work with beneficiaries whose capabilities are perceived by traditional companies as antagonistic (e.g. long-term unemployed, ex-offenders) or may lack necessary distribution channels. It follows that social innovation business models are built on the social mission and on finding complementarity between economic and social transactions [5]. In addition, social innovation business models are often structured around a divergence in the allocation of costs, use and benefits resulting in multiple value propositions and distinct customer segments.

Economic value is captured through the derivate currency of social value. Distinct from traditional business models, value is not only created by satisfying demands but also through the process of delivery (e.g. used resources, service delivery). Founded in 2012, the Czech social innovation initiative »Jako Doma«, for example, not only generates social value through the provision of healthy vegan food at farmers markets for a voluntary contribution, but also by employing homeless women as cooks. In other words, social value is what allows social innovators to create a unique offer and

SI BUSINESS MODEL	DESCRIPTION
 <p><b>Beneficiary as Actor</b></p>	Social value is generated through the active use of beneficiaries in the production of a commercial value proposition.
 <p><b>Beneficiary as Customer</b></p>	Social value is generated through goods or services that are sold to beneficiaries at below market rates subsidised by financing supporters.
 <p><b>Beneficiary as User</b></p>	Social value is generated through goods or services that are delivered to beneficiaries through the support of financing supporters.
 <p><b>Community Asset</b></p>	Social value is generated through the active use of all assets in the community to create mutual benefit supported by the actors themselves.

### Social Innovation Business Models

thus, competitive advantage. Finding the appropriate business model able to generate economic value while maintaining and increasing social value is thus crucially important for social innovation organisations' long-term success. Komatsu et al. [5] identified four types of business models:

The construction of a business model is connected to the use of a set of service design tools meant to sustain the development of each of its building blocks.<sup>ii</sup>

## A CONDUCTIVE ENVIRONMENT FOR SOCIAL INNOVATION

Next to the business model, for social innovation to flourish an inspiring environment that provides support and enables mutual learning is essential. In due consideration of social innovations' local embeddedness, the region is a promising space to design such social innovation ecosystem. To overcome the strategic and operational shortcomings outlined

in the previous section, networking and collaboration emerge as a common pattern in social innovation. Although the concrete composition of such networks varies largely, they all share trust, reciprocity and relational capital as a basis of interactions stemming from a combination of contingency and strategic planning. According to SIMPACT's empirical findings, a well-established regional social innovation ecosystem has to meet four requirements:

1. Provision of an open and enabling environment that functions as seedbed for a broad range of distinct social innovation activities and is open to change.
2. Presence of supporters and promoters facilitating social innovation activities and help ensuring a fertile balance between economic and social objectives are present.
3. Regional governance capacities that utilise social innovation in a broader frame of problem solving and future shaping of integrated project (e.g., smart or sustainable city).
4. Local/regional nodes and pipelines beyond the region that allow for an accelerated circulation and combination of knowledge.
5. Acknowledgment; the importance of applying open innovation practices to not only increase the flow of knowledge, but also to enhance social innovations' effectiveness.

## CONCLUSION

To successfully shape future transition processes from micro level social innovation activities to the solution of macro level socio-economic challenges it is necessary to better harness the societal and economic potential of the many dispersed local social innovations. Also, it is to be acknowledged that social innovations' contribution to inclusive growth is essentially based on open innovation models and sustainable business models characterised by distinct forms of interactions which, in turn, require behavioural shifts at the level civil society, public and private sectors.

<sup>i</sup> SIMPACT – Boosting the Impact of Social Innovation across Europe through Economic Underpinning» has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under Grant Agreement No. 613411.

<sup>ii</sup> SIMPACT's «Social Business Toolbox» is available at <http://simpact-project.eu/tools/business.htm>

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# SOCIAL INNOVATION AND THE CAPABILITY APPROACH

The capability approach, an influential development in ethics, provides a way for the consideration of justice and democracy at the core of social innovation. It creates space for a critical reflection on and promotion of social innovation that is social both in its ends and in its means.

*Rafael Ziegler*

## INTRODUCTION

Social innovation and the capability approach (CA) belong to the family of progressive approaches to social change. Both cousins subscribe to the view that social improvements are possible and that there is a valid place for intentional efforts and hope in such changes. Both cousins had a growth spurt in the post-Cold War era. With the fall of the Berlin Wall, the chances in favour of shared, global development suddenly seemed better. At the same time, economic globalization increased environmental unsustainability and economic inequality. Innovation as a driver of economic development thus appeared in need of qualification. Social innovation emerged and with it, a shift in focus from change in products to change in practices [1]. In parallel, economists and philosophers called for a shift away from development as merely economic growth in favour of a focus on human development based on the CA. This alternative conception of development provides a way to establish justice and democracy firmly at the core of social innovation; in turn, social innovation provides a reservoir of practical ideas to explore the CA.

## THE CAPABILITY APPROACH: INTRODUCING THE COUSIN

In a series of classic contributions, economist and philosopher Amartya Sen argues that even philosophers in their discussion of justice tend towards an economic view, focused on goods and services, to the detriment of the question what people can do with these goods and services. As an alternative to such 'commodity fetishism', Sen, in co-operation with philosopher Martha Nussbaum and a growing, multi-disciplinary research community, developed an approach primarily focused on the opportunities and freedoms of people: the capability approach.

An example illustrates the shift in focus: three people receive the same amount of money. The first one is a healthy, young person, the second person has a physical impairment and the third person needs to take care of an infant. The effective opportunities associated with the same amount of money are different for each. For the person with the physical impairment, getting around is more difficult than for the other two. For the parent with the infant, there will be many additional care requirements that reduce the effective opportunity of using the money.

Shifting from money to goods, a variation of this point can be made: The same three people each receive a bicycle, the first person can use the bike, but not the person in the wheelchair; the parent can in principle use the bike, but it is not really useful – useful would be a special freight bicycle with a place for children and shopping bags etc. In short, once we pay attention to ends rather than means, the diversity of people and the diversity of their goals immediately becomes apparent. The CA tries to provide an improved space for taking this point seriously [2]:

- It posits an ethical focus on treating each person as an end. It says that we cannot calculate value or welfare in the aggregate but ultimately need to treat each person separately.
- Introduces the concept of functioning as the activities and states that make up a person's well-being or ill-being (for example, 'being healthy' or 'being sick').
- Introduces the concept of capability as the freedom of a person to enjoy various functionings that they value and have reason to value (we saw above that having a bike is not the same as having the opportunity to use it; in CA terminology, different people have different 'conversion functions', i.e. the ability of transforming a resource into a functioning).
- Puts a focus on agency: the ability of persons to pursue the goals that they value and have reason to value calls for an involvement in the process; people are not only

passive recipients of goods and welfare (in the second example, better than 'bikes for all' is a prior discussion of the appropriate means of mobility).

- Emphasizes pluralism: it is important to think about capabilities and functionings in the plural. Reductions to one single welfare measure only have intermediate, pragmatic justification (in our first example, money and income do not replace a discussion of the diverse ends of diverse people).
- Emphasizes diversity: as the bike example shows, treating people as equals and as ends does not mean treating them the same. The differences amongst people, including their personal traits and social and environmental contexts, also need to be considered.

For policy, the CA promotes an increased focus on functionings, such as years of school or life expectancy for the discussion of the development of a country, policy or project. Annual Human Development Reports give information around the Human Development Index that collects data on education, health and standard of living – and in this way, seeks to improve the informational basis of policy development and evaluation.

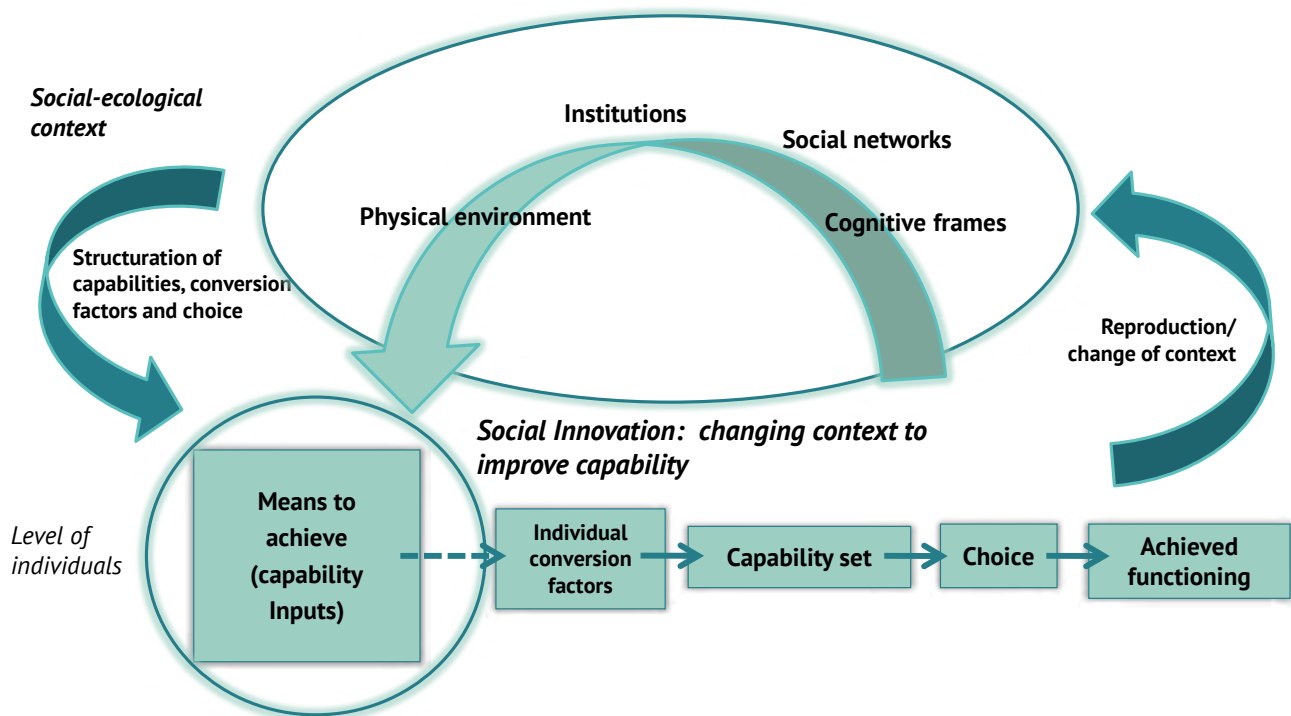
While functioning can be measured, capability freedom is much more difficult to be captured quantitatively. For this reason, the qualitative development of the CA as a multi-disciplinary approach across the social sciences and humanities is just as important.

### A DEMANDING COUSIN I: ETHICS AND SOCIAL INNOVATION

The CA suggests a number of points for social innovation initiatives, policies and research. The first point is a distinct focus on the role of social innovation. In current societies, issues tend to be delegated to experts, sectors and specialized policy processes. While this dynamic is a part of modern societies, its downside is well known: silo-thinking and reductionist approaches that fail to connect the dots. The CA emphasizes both the plurality of values and goods, as well as their interlinkages. It has been used, for example, to empirically explore the causal relation between democracy and sufficient nutrition/health. In this way, it invites a distinct

While functioning can be measured, capability freedom is much more difficult to be captured quantitatively.

focus on social innovation in modern societies: capability innovations as the establishment and strengthening of capability interlinkages amongst sectors, for example between health and political participation. It highlights an integrative impulse that social innovation can contribute to highly differentiated societies. Social theory adds to this point that such impulses will only be effective if they change the social contexts, i.e. the institutions that regulate choices, the social networks that provide people with voices within





institutions (which frequently need to first be created for a social innovation) and the cognitive frames that help interpret rules, legitimate issues and so forth. The graphic on the CA illustrates this point.

Second, the CA suggests a critical focus on policy. A CA-analysis of social innovation policy finds much official endorsement of social innovation as a participatory approach that includes people not only as passive welfare/aid recipients but also as agents co-determining ends and means. However, it finds only limited evidence of practical policies to implement such rhetoric [3].

Social innovation researchers point out that social innovation is neither good nor bad. This is an important point, not least as good intentions can have bad outcomes.

Third, the least-advantaged in society frequently lack the capability to associate and to make their voices heard [4]. As a practice-oriented approach, the CA seeks to provide tools that improve the capability to associate and increase informed, collective action of the disadvantaged [5].

Fourth, with a view to specific social innovation initiatives, its focus on persons as ends puts the emphasis on value scrutiny: are the values of social innovators also those of the people they help? What about value conflicts and trade-offs in the initiative and its environment, for example if it is easier to support the least disadvantaged of the marginalized rather than supporting at higher costs and less prospect of success the most marginalized?

In the background, the pioneers of the CA suggest two broad avenues for the further exploration of these evaluative questions:

- A focus on basic justice and central capabilities: If social innovation is to address pressing social needs, a focus on entitlements and basic rights suggests itself. What are the main areas of injustice and marginalization, and how does social innovation tackle these? For this question, Nussbaum proposes a list of central capabilities as a comprehensive starting point for basic justice violations.
- A focus on discussion and social choice: If social innovation is to include people not only as recipients but as active participants, how is it linked to the public discussion of ends and means? Sen specifically underlines the importance of public discussion, and the roots of democracy, which are not only Western, in such a discussion.

Finally, a word on ethics in relation to social innovation research. Social innovation researchers point out that social

innovation is neither good nor bad. This is an important point, not least as good intentions can have bad outcomes. However, they sometimes like to add to this that their own research is value-free, not normative. Here things become trickier: social innovation discourse includes a normative element.

The European Union defines social innovation as ‘the development of new ideas (products, services and models) to meet social needs and create social relationships or collaborations. It represents new responses to pressing social demands, which affect the process of social interactions.

It is aimed at improving human well-being. Social innovations are innovations that are social in both their ends and their means.’ What are pressing social demands? What is human well-being? These are normative questions about what is right and what is good. Claims about social innovations are normative claims about improvements and well-being. While social scientists can make important contributions on the distribution, mechanisms and impact of

social innovation, they must know what a social innovation is so as to undertake such positive analysis. This point is all the more important as, frequently, the initiatives studied as social innovations do not label themselves as social innovations. An implicit or explicit normative vision shapes the selection process. Moreover, social innovation research is situated in a context of calls for transformative change, sustainable development and so forth. With the CA, research and policy can make this ethical aspect explicit.

The CA is a leading approach in the discussion of justice and democracy, but intellectual honesty requires us to note that there are alternative ethical theories. The good news is that the emphasis on agency and discussion in practice promotes precisely this: consideration of a variety of views.

## A DEMANDING COUSIN II: SOCIAL INNOVATION AND ETHICS

The emphasis of the CA on freedom and choice also raises further ethical questions:

- (a) What about beings deserving of moral concern, but not able to make choices, i.e. cannot act as moral agents asking and giving reasons?
- (b) What about moral agents who upon closer perspective do not act according to the reasons they say they value, i.e. who, even on their own terms as agents, make bad choices [6]?

The first question takes us to animal and environmental ethics. Some pioneering works notwithstanding, the CA-focus on choice tends towards a human-centred perspective, which treats the environment as an end only and not something that we stand in a valuable relation to, or even as including valuable ends in itself. Social innovation as a



phenomenon of practice is less limited by such a conceptual heritage. Many social innovation initiatives are actually just as much about protecting other species. For example, better living with bees in cities. Or better relating to an entire ecosystem, as in the big jump movement, which seeks to reconcile people with their rivers via joint swimming events. In this way, social innovation helps overcome narrowly human-focused research approaches in favour of a more-than-human world.

Similarly, in the absence of rational decision-making and action new ways of thinking are called for: nudges and concrete alternatives if people are not only to talk about values, but also to change their practices. Again, social innovation offers a reservoir of studying creative ways of problem reconfiguration, alternative options etc. that is relevant for human development and the all-too-human problems all of us face in dealing with change in practice.

## OUTLOOK

Innovation is part of the anatomy of modern societies. Social innovation gets to a core issue, and opens it up for new actors, networks and ideas. Due to this structural link, it also faces the challenge of making a structural difference rather than being co-opted and the 'social' only playing an

Social innovation research is situated in a context of calls for transformative change, sustainable development and so forth. With the CA, research and policy can make this ethical aspect explicit.

ornamental role. Part of the challenge is to firmly link social innovation to justice and democracy. For this, the CA insists on the role of humans as agents in social processes. Its emphasis on central capabilities as requirements of justice worldwide points to the areas where social innovation is needed most. It does so with a focus on human diversity in actual contexts. Paraphrasing Ivan Illich, the way to a better world has to be taken by bike, to which the CA adds an ethical-pragmatic question: what kind of bike, for whom, with what end? It is not more products that are needed, but more space for people to effectively ride towards the doings and beings they value.

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# HOW SOCIAL INNOVATION UNDERPINS SUSTAINABLE DEVELOPMENT

Social innovation has been the anonymous bedrock of global sustainable development for many years, but mainly disguised by a plethora of other labels.

*Jeremy Millard*

Although global sustainable development initiatives have been deploying social innovation principles and practices for many years, it is only recently that they have started to use this term and engage with SI networks and concepts. The two have much in common, and the UN' Sustainable Development Goals (SDGs) for 2030 are bringing them together for mutual benefit.

## TWISTS AND TURNS IN DEVELOPMENT PRINCIPLES AND PRACTICES

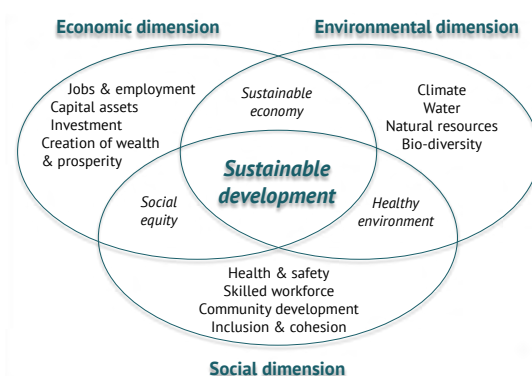
For most years since 1945 a market, technology-driven and top-down approach to development has been the norm through practices based on ideas around so-called modernisation, growth, structuralism and dependency [1]. These all accept the primacy of top-down macro-economic interventions, typically imposed by the 'Washington consensus' led by the IMF and the World Bank through their lending and funding policies. In effect, national governments have been coerced to adhere to the so-called 'global forces' that largely ignore existing social and institutional conditions and needs. A reaction came in the mid-1970s with the more bottom-up 'basic needs' approach which attempted to take account of social and economic needs as reflected in specific contexts and through a specific focus on poverty alleviation by activating people in society. However, these new ideas lacked any rigorous theory or widespread political backing, so the early 1980s saw a re-established neo-liberalist hegemony in which transformative social change was once again seen as needing a strongly market-based framework across all areas of society.

Although the more simplistic and extreme interpretations of this approach have since ebbed, a great deal of its furniture remains today and still determines much societal policy, despite the economic and financial crisis of 2008. However, over the last twenty years, and despite the continued overall

sway of neo-liberalism, promising new frameworks have started to be built in the development context, most notably the so-called post-development and human development theories, and in particular the ideas of sustainable development especially as articulated through the United Nations system.

## MEETING THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE FUTURE

Much of this has been driven by the realisation of the dangers of climate change and other environmental concerns, and their growing and pernicious impacts on social and economic development generally, and on the least developed countries and the most vulnerable populations in particular. The United Nations' sees sustainable development as meeting the needs of the present without compromising the ability of future generations to meet their own needs. It has since developed frameworks for global development, most recently in 2015 through the Sustainable Development Goals (SDGs) to be achieved by 2030. As illustrated in the figure on the three dimensions of sustainable development, sustainable



The three dimensions of sustainable development

development is seen as the guiding principle for balanced long-term global development consisting of the three dimensions of economic development, social development and environmental development, so that if any one dimension is weak then the system as a whole is unsustainable.

## THE 'OLDEST PROFESSION' IN HUMAN DEVELOPMENT

Unlike the UN's previous global development goals, the SDGs have been signed up to by almost all countries around the world, including the so-called developed countries in Europe and elsewhere, by the emerging economies like India and Brazil, and by the developing countries. The SDGs were also developed through intense and widespread consultation, involving a large number of organisations drawn from all sectors, including governments at all levels, civil society, businesses and academia. At the same time, the UN system and other decision and policy makers have started to recognise that historically all human development has relied on changing social practices and cultures, whether imposed top-down or developed perhaps more slowly from the bottom through ordinary people's everyday ways of living and working, adapting to their specific needs and their changing environments.

As a result, the UN now acknowledges that social innovation approaches are needed as mainstream tools for delivering sustainable development, alongside large-scale public and private funding, although until recently the term 'social innovation' has rarely been recognised or used. Today, however, the role of bottom-up social innovation in designing and delivering public services to income-poor and marginalised people in a gender sensitive manner, especially when based on local acceptance and advocacy campaigns, is seen as an important issue in achieving the SDGs by 2030.

## SOCIAL INNOVATION AND SUSTAINABLE DEVELOPMENT GO HAND-IN-HAND

For example, the United Nations Social Development Network is supporting Asia-Pacific countries' use of social innovation to tackle ageing population and gender inequality [2]. In India, building a mass social movement around the lack of basic utilities and services, through the mobilisation of opinion and advocacy across as many groups and interests as possible, can help change the behaviour and attitudes of both citizens and service providers to issues like public health. The potential benefits of public-civil partnerships in northern Ghana, where the former provides the framework

and expertise and the latter provides community activism, knowledge and resources, is a core issue addressed in the high impact 'School for Life' basic education initiative in rural areas. In 2001, a bottom-up social innovation was launched in Brazil's dry north-east by a network of civil society institutions and small farmers working to promote co-existence and local empowerment. One million cisterns were built for capturing rainwater to provide rural families with healthy drinking water year round regardless of when the rains come. This was undertaken in partnership with the government and the private sector, but retained its strong focus on ensuring the democratisation of access to water in order to ease the lives of the poor and especially women whose task it normally is to

obtain water for family use.

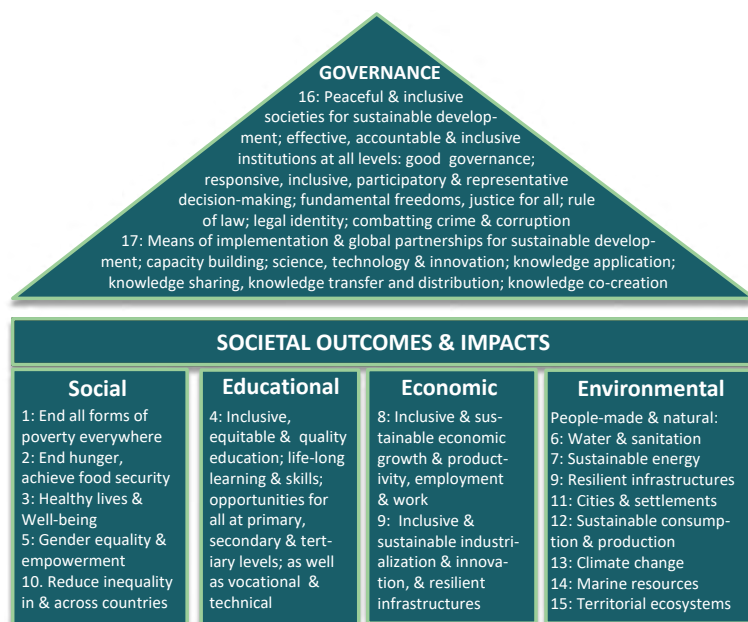
The experimental cistern was designed to capture rainwater, and is easy to build at low cost, using local knowledge and support from local authorities, universities and companies for technical assistance. The result is not only good quality drinking water but also the empowerment of family

farmers, women and local organisations, as well as their capacity to influence public policy [3].

Social innovation is thus increasingly recognised as an important component of the new innovation framework necessary for sustainable development. In addition to most developed countries, it is starting to become embedded and recognised in many developing countries and emerging economies. It helps to meet social needs (for example for an education or health service) in a new way that also involves collaboration with, and the empowerment of, the service user or beneficiary. It works with them rather than just doing something to them as passive recipients, also developing their own capabilities around and ownership of the service, and thereby transforming their social relations and improving their access to power and resources.

## CHARTING THE FUTURE TOGETHER

The increasing dialogue between the social innovation and sustainable development communities is also helping to chart the future policies and principles of societal development at all levels. It has only been over the last ten years that the recognised sources of innovation in society have started to include civil society. In an analogy with how DNA produces living cells in biology, the only model of innovation up until then was the so-called 'triple helix' that purported to twist together the three intertwining and intimately interacting strands of government, the private sector and research institutions. More recently, civil society has been added as the fourth innovation source to make up the 'quadruple helix',



The UN's 17 Sustainable Development Goals, 2016-2030

and this has happened at the same time that the concept of social innovation has come to the fore in both academic discourse and policy frameworks, especially in developed countries. Social innovation has indeed been one of the driving movements insisting on the recognition of civil society as an essential source of innovation, interacting with the others.

Today, by insisting on an important role for the environment, not only as a passive and suffering bystander but also as a source of innovation in its own right, the UN's approach to sustainable development has provoked a burgeoning movement proposing the recognition of the 'quintuple helix' model. This argues that nature, as biological and ecological systems, has been the prime source of evolutionary innovation, and that many social, economic and technological innovations have, both deliberately and subconsciously, aped and mimicked nature for hundreds of years. A useful rule of thumb might therefore be: if we have a problem, the first impulse might be, how has nature solved this or something similar? As an innovation source, unlike the components of the quadruple helix, nature does not have its own agency or conscious purpose, but if global society is to solve the massive and often existential challenges it faces (like climate change, employment, food resources and demographics) it needs both to be inspired by as well as work with natural systems. Thus, a socio-ecological transition is proposed as the framework for sustainable societies and development in the

future [4]. Environmental and ecological concerns are also a prime focus of social innovations, for example by recognising the need to much better contextualise and localise social development, the use of digital technologies like 3D printing which ape the way spiders secrete their web, the circular economy and re-cycling, self-leading teams in organisations and an ecosystems approach to successful social and business networks. Indeed, living assets in the form of people on the one hand, and nature as biological systems on the other, are the only real sources of innovation as these underpin what governments, businesses, researchers and communities do in order to innovate and develop.

The figure on the social development goals maps the 17 UN SDGs against the five elements of the quintuple helix: government and governance; social; educational; economic; and environmental.

Unlike previous development frameworks, this illustrates how the SDGs now comprehensively cover and attempt to interlink all elements necessary for sustainable development, with four direct impact pillars, plus the governance capstone to promote and enable their achievement. Social innovation works across and supports all 17 SDGs and all components of the figure. It is helping to create a new mind set and supportive framework for sustainable development as an essential part of the new innovation and knowledge paradigm [5].

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# THE INTERPLAY BETWEEN SOCIAL INNOVATION AND SUSTAINABILITY IN THE CASI AND OTHER FP7 PROJECTS

Social innovation is a broad concept that has been deliberated from the perspective of diverse academic disciplines for quite a long time. Yet, its interplay with sustainability is a topic that has not been widely discussed but still deserves attention.

*Desislava Asenova / Zoya Damianova*

The global environmental and societal challenges lead to rethinking the role of innovation in the context of sustainable development [1]. Sustainable development could be defined as a new paradigm of development that introduces sustainable ways of conducting activities that respect environmental limits and at the same time result in social and economic development. It also represents a form of social innovation that could influence human existence and cut across all sectors of our economy and society [2]. Social innovation, in turn, can play a key role in enhancing sustainability by changing existing and creating new social practices for building a sustainable economy and lifestyle. The conjunction between sustainability and social innovation is subject to several projects funded under the Seventh Framework Program such as: CASI, ITSSOIN, SI-DRIVE, SPREAD, TRANSIT, WWWFOREUROPE. The projects' results are expected to bring this relationship up to a new level [3].

## INNOVATION IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT

Sustainability could be achieved if Europe manages to ensure greener, cleaner and more equitable economic growth, which is based on green business practices, environmentally-friendly technologies and services, education and employment opportunities for all [3]. When considering transition towards sustainable economic growth, the main challenge remains in addressing innovation not only from an economic and environmental, but also from a social perspective. Although the concept of innovation has mostly been related to economic issues, environmental and societal concerns (e.g. unequal access to scarce natural

resources, aging workforce, environmental degradation, climate change or poverty) have lately led to rethinking innovation in the context of sustainable development. European institutions have realized the need to go beyond a traditional understanding of innovation, focusing mainly on technological solutions and market-oriented innovation [1]. In this regard, Annika Surmeier who is a research assistant at Philipps University Marburg, shares that *"From an innovation perspective, new forms of innovations – including social innovation, inclusive innovation, base-of-the pyramid innovation, and eco-innovation – are gaining stature in the scientific community and among policy makers as technological or science-based innovations alone are insufficient to address these challenges"* [4].

"[...] social innovation - innovation without which sustainable development will simply be a grand illusion rather than a paradigm in practice."

Nigel John Roome [1]

According to a report of the European Sustainable Development Network [2], strong linkages between sustainable development and social innovation exist but research still does not address them in depth. However, there are some projects that have already paved the way towards studying the interplay between social innovation and sustainable development.

## SUSTAINABILITY AND SOCIAL INNOVATION IN THE CASI PROJECT

CASI ("Public Participation in Developing a Common Framework for Assessment and Management of Sustainable Innovation") is an EU project funded by the Seventh Framework Program (FP7) for Research and Technological Development. The project was implemented in response to



one of the Societal Challenges in the focus of Horizon 2020 program, namely “Climate action, environment, resource efficiency and raw materials”. It considers innovation as a key driver of societal progress and encourages debate on conceptual dimensions, policy boundaries, and good practices linking innovative pursuits with sustainability objectives.

Within the CASI project the interplay between social innovation and sustainability has been examined through activities such as an online survey, desk research, and the development of a data base with relevant practices of social innovation across Europe and beyond.

The online survey was spread among sustainability and innovation experts across the entire EU. Its major aim was to collect experts’ opinion on different issues related to the concepts of sustainable innovation and sustainable development. The analysis of survey results showed that respondents found social aspects of sustainability as highly relevant to sustainable innovation and thus were considered necessary to be taken into account in the design and development stages of the innovation process. However, social innovation was regarded as less relevant to sustainable innovation in contrast to other types of innovation such as product and system innovation. In other words, the majority of respondents claimed that it was more likely for a product or system innovation to develop as sustainable innovation and contribute to achieving sustainable development rather than for social innovation.

The interplay between sustainability and social innovation has also been discussed in two chapters of the first annual report developed as part of the CASI project. The authors of the report argue that social innovations play important role in the transition to a more sustainable society. They claimed that societal challenges, such as climate change, demand a paradigm shift which integrates social innovation in the innovation system. They also discussed the Seventh Environment Action Program running until 2020 (EAP), the key EU program for sustainability, stating that although the EAP does not refer to the concept of social innovation, this type of innovation could contribute to achieving the objectives of the program. Promoting technological developments only would not be enough. According to the authors, social innovations hold the potential to better address societal issues and satisfy societal needs. Unlike the EAP, the EU Framework Program for Research and Innovation, Horizon2020, gives prominence to the importance of social innovation and its role for achieving sustainability. It is believed that the introduction of social innovation in the policy field of sustainability could be facilitated by the further development of the scientific base of social innovation, the

integration of the new innovation paradigm within the innovation programs combining technological and social innovations, and the validation of social innovation in different fields.

Within the CASI project, a number of sustainable innovation cases have been mapped as well. Those cases represent practices of social and technological innovations that inquire into the distinct factors of sustainability. The cases show that sustainable innovation could also be social and that social innovation could lead to sustainability. A variety of collaborative consumption practices (e.g. car-pooling and co-housing projects) have been analyzed and have proven

that concerns related to resource efficiency could inspire social innovation and result in sustainable solutions. One example is the UbiGo Mobility service in Sweden that encourages citizens to turn to a more sustainable lifestyle by giving them the opportunity to test more efficient modes of travelling. Environmental concerns and social issues, such as poverty and limited access to good education, are also areas in which social innovations emerge. The 3D Ecobus mobile education center in

Bulgaria is an example of how an innovative training tool can result in building sustainable habits related to protecting the environment. Social innovators, in turn, have admitted the benefits that new practices can bring in fields such as environmental protection, poverty reduction, and education.

A stronger focus on social innovation in future policies, addressing the transition to a sustainable society, is recommended by the CASI project so as to supplement the previous focus on technological innovations. Social innovations are considered to play a crucial role in sustainability by introducing new societal practices that contribute to building sustainable economies and lifestyles [3].

## OTHER PROJECTS THAT ADDRESS THE CONJUNCTION BETWEEN SUSTAINABILITY AND SOCIAL INNOVATION

There are many projects funded under the FP7 that do research on different aspects of social innovation. Some of them address the interplay between social innovation and sustainability. Besides CASI, examples of such projects are SI-DRIVE, ITSSOIN, SPREAD, TRANSIT, WWWFOREUROPE. Among other things, these projects explore concepts such as a new transformative social innovation theory, a new analytical basis for a socioecological transition, environmental sustainability and consumer protection in finance, a multi-stakeholder dialogue towards a sustainable lifestyle, several mapping processes of existing social innovation cases for

“Social innovation will play a key role in sustainability by changing existing and creating new societal practices in order to build a sustainable economy and lifestyle.”

CASI [3]



sustainability, a management framework and a pluralism of policy recommendations.

The projects listed above highlighted the interplay between social innovation and sustainability in various ways. CASI created a database of more than 200 practices of sustainable innovations of which almost a quarter is by origin a social innovation. ITSSOIN studied the impact of social innovation activities on the organization's transformational performance. SI-DRIVE compiled seven analytical policy reports in the field of education and lifelong learning, employment, environment and climate change, energy, mobility and transport, health and social care, and poverty reduction and sustainable development. SPREAD created a sustainable baseline report while TRANSIR developed a theoretical approach and WWWFOREUROPE compiled a compendium of case studies on socio-ecological transitions. Many of the projects' activities comprise a mapping of social innovation initiatives which contributes to disseminating good practices across Europe.

However, enhancing the role of social innovation for sustainability rests upon the following:

- EU policies to ensure a better visibility and labeling of the role and concept of social innovation.
- To outline the sustainable aspect in the FP7 results together with the conjunction of social innovation and sustainability, and spread the core results [3].
- To create adequate framework and support structures for social innovations.
- To establish policy institutions that would be directly responsible for social innovations.
- To ensure a shared understanding of social innovation that distinguishes it from other concepts and types of innovation.
- To find new ways of developing and spreading social innovation practices that consider participation of relevant actors, civil society and even users [5].

To sum up, social innovation holds the potential to contribute to a better understanding of innovation processes and moving the central focus of policy towards a new paradigm of sustainability in which social innovation plays an important role [3]. Lately, an increased awareness and promotion of social innovation is observed in many countries. However, further efforts are still necessary in order to place social innovation high on the political agenda [5].

## PROJECTS THAT ADDRESS THE CONJUNCTION OF SOCIAL INNOVATION AND SUSTAINABILITY

### CASI

([www.casi2020.eu](http://www.casi2020.eu))

The CASI project investigates the scope of sustainable innovation as a societal phenomenon. It contributes to increasing understanding of sustainable innovation and explores the impacts of practices representing social and technological innovations. Thus the project helps determine the scope and priorities for national and EU policy making.

### TRANSIT

([www.transitsocialinnovation.eu](http://www.transitsocialinnovation.eu))

The nexus of social innovation and societal transformation, conceptualised in terms of sustainability transformations is explored as part of the project. The project introduces the concept of transformative social innovation as a way to analyse the interaction between social innovation initiatives and the dynamics of sustainability transformations.

### ITSSOIN

([www.itssoin.eu](http://www.itssoin.eu))

The project investigates the impact of the Third Sector and of civic engagement on society. It aims to prove that the Third Sector is best placed to produce social innovation, especially through stimulating civic involvement and participation.

### SI-DRIVE

([www.si-drive.eu](http://www.si-drive.eu))

SI-DRIVE aims to extend knowledge on social innovation by integrating diverse theories and research methodologies, mapping SI practices on European and global level, and conducting in-depth analyses and case studies in order to ensure relevance to policy makers and practitioners.

### SPREAD

([www.sustainable-lifestyles.eu](http://www.sustainable-lifestyles.eu))

SPREAD Sustainable Lifestyle 2050 is a European social platform project that gives opportunity to different societal stakeholders to contribute to creating a vision for sustainable lifestyles in 2050. The project results in developing a roadmap for strategic action for policy makers and provides innovative ideas related to achieving sustainable lifestyles in European societies.

### WWWFOREUROPE

([www.foreurope.eu](http://www.foreurope.eu))

WWWFOREUROPE is a research project which aim is to change the course of economic policy in the direction of a socio-ecological transition. One of the questions that the project addresses is related to the way social and technological innovations could be supported in order to contribute to social and ecological sustainability.

All these projects address to a certain extent the interplay of social innovation and sustainability and lay the foundation of studying the topic. The projects' outcomes are expected to bring the relationship between the two concepts up to a new level.

Projects addressing SI and Sustainability

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# TRANSFORMATIVE SOCIAL INNOVATION AND ITS MULTI-ACTOR NATURE

Transformative social innovation is a multi-actor phenomenon where we can see the emergence of a hybrid sector that blurs and challenges the boundaries between the traditional sector logics, including new elements, roles and challenges from all of them.

*Flor Avelino / Julia Wittmayer*

Discourses on social innovation – both academic and public – display a strong tendency to associate social innovation with civil society. Mulgan et al., for instance, define social innovation in terms of “innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purpose is social” [1]. Considering social innovation as changes in social relations, involving

new ways of doing, knowing, organising and framing, we decouple it from its origin, motive, intention or type of actor [2]. This allows us to consider a diversity of empirical phenomena as social innovation, including for instance the global Ecovillage Movement (community-oriented), the Social Entrepreneur Network Impact Hub (market-oriented) as well as the international phenomena of Participatory Budgeting (government-oriented) [3].

**transit**

- 12 Research institutes in Europe and Latin-America
- 4 years 2014-2017
- 20 Transnational networks under study
- 100+ Local manifestations investigated in 25 countries (EU, Latin-America & other)

**1** transformative social innovation theory

### 20 Transnational Networks under Study in TRANSIT

- **Ashoka:** Network for financial support to social entrepreneurs
- **Basic Income Earth Network:** Discuss & promote basic income
- **Credit Unions:** Network of different types of credit cooperatives
- **DESIS-network:** Design of social innovation and sustainability
- **European Network of Living Labs:** Research, development & innovation
- **FABLABS:** Digital fabrication workshops open to local communities
- **Global Ecovillage Network:** Network of eco-villages and other intentional communities
- **Hackerspace:** User driven digital fabrication workshops
- **INFORSE:** International network of sustainable energy NGOs
- **International Co-operative Association:** Cooperatives for sustainable inclusive housing
- **Participatory Budgeting:** Network of communities & municipalities reinventing how public money is spent and prioritized
- **Living Knowledge Network:** Network of science shops
- **RIPES:** Network for the promotion of social solidarity economy
- **Seed Freedom Movement:** Defending seed freedom & biodiversity
- **Shareable – Sharing Cities:** Connecting urban sharing initiatives
- **Slow Food:** Linking food to sustainable development
- **Impact Hub:** Global network of local hubs for social entrepreneurs
- **Time Banks:** Networks facilitating reciprocal service exchange
- **Transition Towns:** Grassroot communities working on “local resilience”
- **Via Campesina:** Aiming for family farming to promote social justice

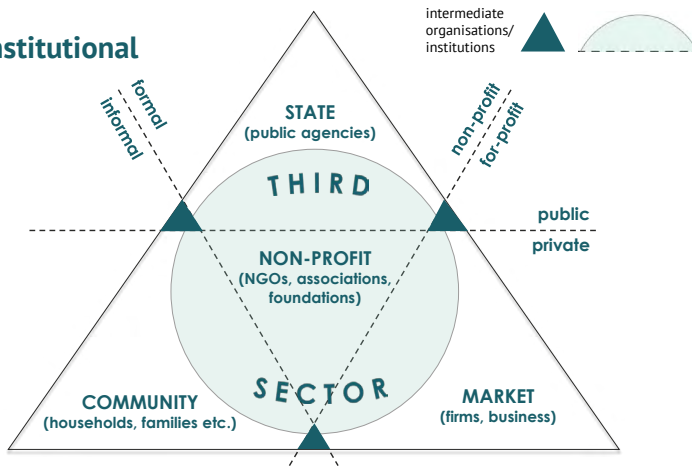
## TRANSFORMATIVE SOCIAL INNOVATION

In the project TRANSIT “Transformative Social Innovation Theory”, we are interested in transformative social innovations (TSI). TSI refers to the process by which social innovation contributes to transformative social change. As part of TRANSIT, we completed in-depth studies of 20 transnational networks (see infographic on the TRANSIT project), including over 100 local initiatives spread across 25 countries, primarily in Europe and Latin America. One of the observations in the comparative analysis across cases [4] is that all cases include a myriad of different types of sectors and actors in different roles. In the following, we outline the Multi-actor Perspective, a heuristic framework to disentangle actors, their roles and their (shifting) relations in social innovation.

The MaP also distinguishes between the levels of sectors, individual actors (e.g. entrepreneur, consumer, policy maker) and collectives (e.g. organizations, groups). At the level of sectors, the distinction is based on general characteristics and ‘logic’ (i.e. formal vs. informal, for-profit vs. non-profit, public vs. private). Sectors and other collectives are often referred to as ‘actors’, in the sense of being viewed as entities that hold agency (e.g. “the government is responsible”). While sectors in themselves can be considered ‘actors’, they can also be seen as specific ‘institutional logics’ in which more specific collective or individual actors operate and interact. From this perspective, sectors are sites of struggle and/or cooperation between different individual actors (e.g. the state as interaction between voters and policy makers, the market as interaction between consumers and producers). Individual actors often play multiple roles in different sector

logics; e.g. a policy-maker is also a neighbour, consumer and possibly a volunteer in his free time (see figure on the level of individual actors).

### Multiple institutional logics



Multi-actor Perspective: level of sectors (Adapted from Evers & Laville [6])

### A MULTI-ACTOR PERSPECTIVE ON TRANSFORMATIVE SOCIAL INNOVATION

We argue that social innovation can be initiated by any kind of actor, at any level of aggregation, with any kind of motive or intention. At each level, actors may be involved in initiatives (projects, programmes, partnerships) and networks, which – intentionally or unintentionally – contribute to

social innovation. Moreover, the shifting relations between actors, and the shifting boundaries between different institutional logics, are a manifestation of transformative social innovation in themselves.

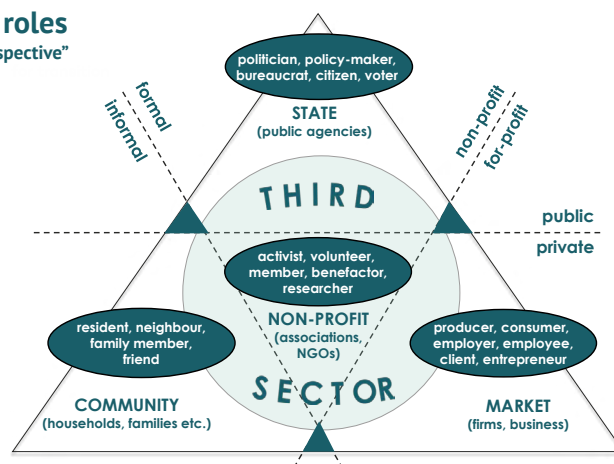
### A MULTI-ACTOR PERSPECTIVE

The Multi-actor Perspective (MaP) [5] distinguishes between four actor categories along three axes: 1) informal – formal, 2) for profit – non-profit, and 3) public – private (see figure on level of sectors):

- The **state**: non-profit, formal, public
- The **market**: formal, private, for-profit
- The **community**: private, informal, non-profit
- The **Third Sector**: an intermediary sector in between the others

The Third Sector includes the non-profit sector, but also many intermediary organisations that cross the boundaries between profit and non-profit, private and public, formal and informal. It includes phenomena such as social entrepreneurship, ‘not-for-profit’ social enterprises, and cooperative organisations.

### Individual roles “Multi-actor Perspective”

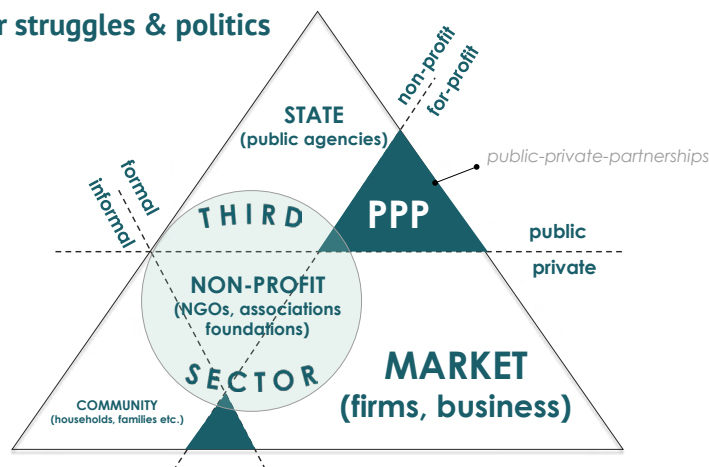


Multi-actor Perspective: level of individual actors



Many social systems (e.g. in energy, housing, education, health, food, transport) in Western societies have been dominated by a two-sector state-market logic during the last decades, while the influence of the community and the Third Sector have been underestimated (see figure on dominance of state-market actors and PPPs). Increasingly, welfare states have out-sourced services to the market, resulting in a wide variety of 'public private partnerships' (PPP) and wide-spread neo-liberal discourses in which state-driven bureaucratic logic, combined with an economic market logic, has been increasingly applied to all dimensions of life and society.

### Power struggles & politics



Dominance of state-market actors and public-private partnerships (PPP)

However, along with the interest in social innovation, there is a renewed interest in the Third Sector as "a way out of the stalemate that has resulted from a decade and more of management-driven public sector 'reforms'" [7]. It is expected to combine the efficiency of private firms with the social commitment of public services, and to democratize the relationship between owners, consumers and workers. We also observe a new surge of 'community-based' initiatives, and a state that is increasingly calling upon 'the community' to take over public services. This is especially apparent in discussions on welfare state reform such as the 'Big Society', as part of which governments are re-organizing their responsibilities and tasks vis-à-vis their citizens. This raises a bewildering amount of challenges and questions on how and why 'the community' is supposed to take over in a world where state- and market-logics have prevailed for decades. If we reflect on the power relations, as illustrated in the figure on power struggles and politics, a 'retreat' by the (welfare) state in order to make space for the community could also lead to the market (rather than community) logic taking over.

With transformative social innovation, we refer to the process by which social innovation challenges, alters and/or replaces dominant institutions [8]. From a Multi-actor Perspective, this raises the question how and to what extent social innovation challenges, alters and/or replaces the dominant institutional logics of, within and across the state, market, community and the Third Sector.

With societal challenges and trends such as the economic crisis and changing welfare states, it seems that a 'hybrid sector' is emerging, challenging existing institutional boundaries.

### COMPARING AND DISCUSSING THREE SOCIAL INNOVATION CASES FROM A MULTI-ACTOR PERSPECTIVE

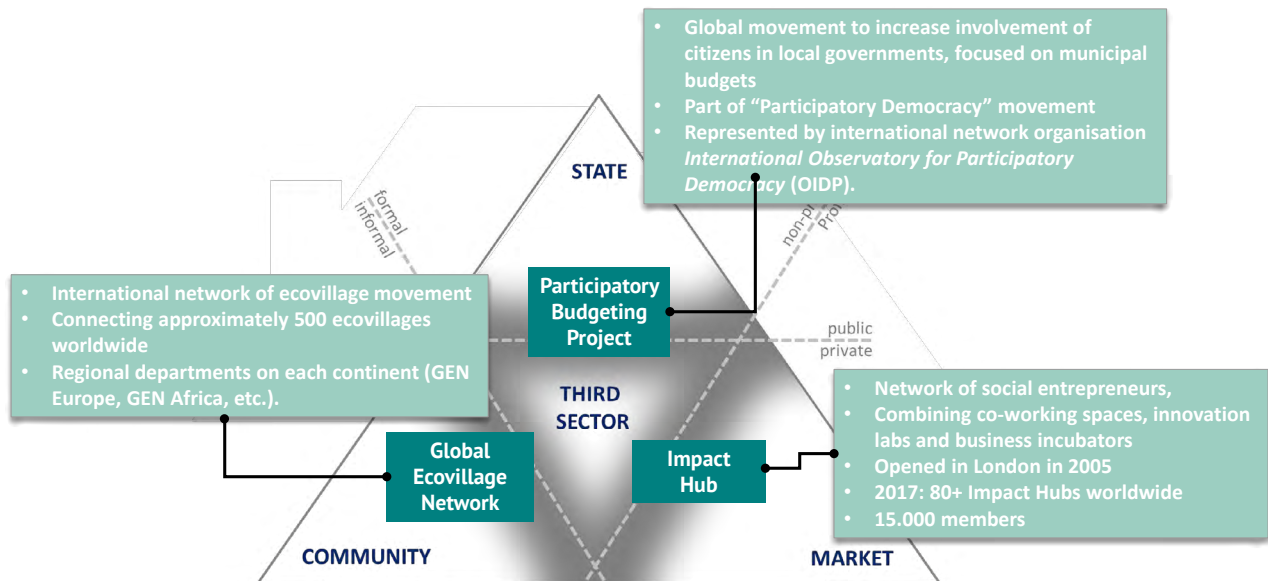
We explore three distinct cases: networks that work with social innovation and have transformative ambitions, which represent different orientations in terms of the main institutional logic in which they operate:

- **Impact Hub** network of social entrepreneurs (mostly market-oriented) [3]
- **Global Ecovillage Network** (mostly community-oriented) [3]
- **Participatory Budgeting** (mostly state-oriented) [3]

The graphic of the MaP on Impact Hub, Ecovillages and Participatory Budgeting provides a short summary introducing each of the three networks.

Comparing the three networks under study using the MaP, we observe the following. First, all display a remarkable multi-actor and institutional diversity. Often, they are formalised as non-profit associations or foundations, and as such are part of the non-profit sector. However, they also operate at the intersection of different sectors and institutional logics to redefine and renegotiate sector boundaries. As such, sector boundaries are not a static given – they are very much blurring, shifting, contested and continuously negotiated by these networks.

Second, these networks **challenge existing social relations and reshape the roles of individual actors**. For instance, participatory budgeting challenges the relation between citizens and local governments, the Impact Hub strengthens the role of social entrepreneurs, and ecovillage reconfigures the relation between the individual and the community. In assuming different roles across sectors, individuals act as crucial nodes that translate, spread and connect social innovations across different sectors and localities.



A Multi-actor Perspective on Impact Hub, ecovillages and participatory budgeting

Third, the networks have **transformative potential by challenging, altering and replacing institutional boundaries**. In the case of the Impact Hub, the boundaries between for-profit and non-profit logics are challenged, in ecovillages between formal housing regulations and informal community-led settlements, and in participatory budgeting, between local governments and citizens. This manifests in confrontations between initiatives and authorities, and often leads to legal or political discussions on adapting regulations. As such, the networks play an important role in (re)negotiating institutional logics. In doing so, however, there is also a risk that network ideas are (ab)used to legitimise the dismantlement of the welfare state and subsequent budget cuts. One could argue that such unintended effects weaken their transformative potential, as these effects contribute to actually reproducing a dominant, institutionalised trend of neo-liberalisation.

Many critical debates and concerns about social innovation relate to the unequal power relations between different sectors and institutional logics. The state logic and in particular the market logic have become very dominant in the past decades. With societal challenges and trends such as the economic crisis and changing welfare states, it seems that a 'hybrid sector' is emerging, challenging existing institutional boundaries. This could be seen in terms of an integrating, hybrid domain, which is transcending the traditional separations by blurring and mediating the boundaries between the traditional sector logics, as well as including new elements, roles and challenges from all of them.

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# SOCIAL INNOVATION AS A CHANCE AND A CHALLENGE FOR HIGHER EDUCATION INSTITUTIONS

Why Higher Education Institutions are important for social innovation and how they can promote social innovation initiatives and projects.

Mark Majewski Anderson / Dmitri Domanski / Jürgen Howaldt

## ON THE UNTAPPED POTENTIAL OF ACADEMIA IN THE FIELD OF SOCIAL INNOVATION

Social innovations are often developed at the interfaces between different societal sectors. The links between them are mainly created by single organizations and initiatives. Many of these institutions consider themselves as a coupler between different parts of the society. They develop new, joint methods of research, guidance, consultancy, promotion and financing. Nevertheless, in a knowledge society academia may have the most important role in developing, testing and

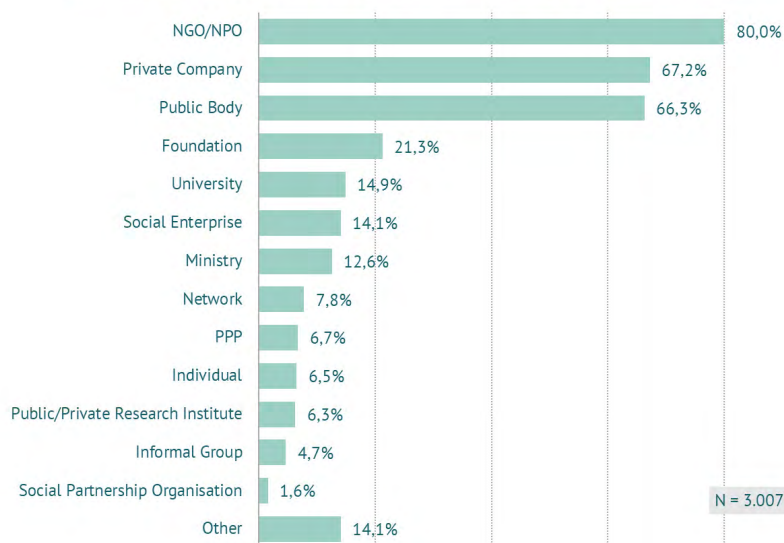
diffusing social innovations. Higher Education Institutions (HEIs) and research institutes represent important platforms to promote intensive exchange between different disciplines, business sectors and cultures.

However, the results of the global mapping of the research project SI-DRIVE (with about 1000 cases) show that HEIs do not engage systematically in the field of social innovation so far. Universities participated in only 14.9 percent of the reviewed initiatives and in total organizations from the field of research and education were involved in slightly more

than 21 percent of social innovations (see graph). Hence, this sector plays a relatively small role compared to other societal sectors when it comes to developing and diffusing social innovations [1].

This raises the question of the role of universities in social innovation processes. The marginal engagement of research and education institutions is in strong contrast to their essential role as knowledge providers in classical innovation processes as well as one of the pillars of the triple helix model and an indispensable part of the concept of innovation systems. Furthermore, while in natural and technical sciences there is a long tradition of innovation support accompanied by formation of qualified human resources, in social sciences there is still a lot of unexploited potential in this regard.

### Partners involved in the Initiative by Type (multiple responses, % of all engaged partners)



The results of SI-DRIVE's global mapping show a low participation rate of academia in social innovation initiatives.



In Germany, this issue was explicitly addressed through the declaration Social Innovations for Germany, elaborated by actors from all societal sectors and presented to the Federal Government in 2014.

While their potential remains largely untapped, HEIs represent ideal partners to help break down or at least mitigate against multiple barriers to social innovation. They can serve as intermediaries between the subversive nature of social innovation and its need for institutional and political recognition. They can provide appropriate R&D for robust, empirical evaluations of the effectiveness of social innovation, offering an understanding of what can accelerate and scale-up social innovation. Just as technical expertise in specialized areas can support commercial businesses and give them the means to help grow and expand; the same technical expertise can be offered to social innovators. But in addition to this, HEIs are providers of a range of logistical support to their community that can provide real added value to social innovation: through the exploitation of their tacit and codified knowledge; through capacity building, mentoring and training; through the use of specialized equipment; through the provision of real and virtual spaces for networking, hot-desking or more formal incubation facilities; through selection and evaluation expertise; through lobbying.

### IMPLEMENTING SOCIAL INNOVATION AT HEIs: THE EXAMPLE OF LASIN'S SOCIAL INNOVATION SUPPORT UNITS

The LASIN Project (Latin American Social Innovation Network) [2] is an initiative funded under the European Commission's Erasmus+ Capacity Building Programme. It specifically seeks to address the issues raised above by establishing units specialized in social innovation support in eight HEIs in Latin America (Chile, Colombia, Brazil and Panama) and also to widen the Network into other countries and institutions throughout the region. Each of these Social

An essential characteristic of the SISU is that it is a physical space, as much as possible exclusively dedicated to social innovation.

Innovation Support Units (SISUs) have developed a model for driving social change within their local communities through research, training and knowledge exchange, tailor made to the needs of their communities but also playing to the strengths of their University. What they share is a common purpose: to harness the facilities, knowledge and

resources at their disposal to serve their communities in an innovative, effective and sustainable way.

An essential characteristic of the SISU is that it is a physical space, as much as possible exclusively dedicated to social innovation. It should be a space for dialogue, where different societal stakeholders (e.g. policy makers, academics and experts, representatives of a local organization or

HEIs represent ideal partners to help break down or at least mitigate against multiple barriers to social innovation.

community, and the private sector) are invited to engage with each other, to discuss their ideas and create innovative solutions in order to tackle commonly recognized problems or discuss issues where there may be conflicting perspectives. This means that a SISU does not act only when ideas are already developed, but it actively works to foster new ideas, by encouraging new collaborations and relationships; and making connections between the different stakeholders in society. It should also be a space for innovation and co-design, where new ideas can be developed with a participatory and co-design approach between universities and society. By being based in a HEI, the SISU participates in this process by providing its own internal resources (staff) and allowing society to access resources available within the university (academics, students, tacit and codified knowledge, infrastructure, space, networks etc.), and bringing together different stakeholders in society to one place (citizens and communities; public and private sector etc.).

In order to help guide the partners to establish their SISU but also as a way of benchmarking their progress, a number of evaluation criteria were defined: strategic position within the university (in particular the degree of institutional commitment), stakeholders and users (both external and internal), physical space (including size and signage), equipment (including an inventory of specialized equipment), communication and promotion, process for delivering support, users (internal and external).

A generic blueprint for the SISU was developed jointly by the Universidad de Desarrollo in Santiago de Chile and Universidad de Brazil. As part of this blueprint, a set of clear objectives were defined: to increase social innovations, social enterprises and new projects; to identify new funding opportunities, including microcredit resources; develop new collaborations between university academics, students, communities and social programmes in order to lend academic credibility; create new innovation models (foundations, cooperatives, not-for-profit companies). In particular, the SISU blueprint underlined the importance of the SISU for the communities with which they worked,

contributing a hands-on experience to the learning process, connecting learning experiences to the social context, boosting innovative ideas and maximising context, and providing students and academics with the capacity, motivation and experience to engage with the community and drive social change.

The Blueprint also recommended a number of characteristics that the SISU should adhere to:

- **Creativity:** the SISU is a creative environment, which is not only generated by the physical spaces it offers but also through people who work within them. The SISU encourages the presence of people in their facilities. A SISU encourages people to use spaces and resources available to develop ideas, projects and also enhance and generate knowledge.
- **Collaboration with society:** a SISU will not deliver or provide a top-down solution to a society, as experts from university providing knowledge to passive citizens but will recognize the diffused creativity available in society and that social innovations often emerge from bottom-up initiatives such as citizens' activism, emerging spontaneously from a specific group of people. A SISU recognizes and relies on existing capabilities and resources in people and institutions.
- **Open-door policy:** a key policy of a SISU should be to have an open-door policy in order to attract social innovators but also any kind of stakeholder. This is a key factor for supporting projects but also to raise awareness inside and outside LASIN's institutions. In this way, a SISU is a hub that connects multiple stakeholders around societal problems.
- **Mutual-learning process:** a SISU will foster knowledge exchange between universities and society in a mutual learning process. Universities recognize the knowledge embedded in society (e.g. traditional knowledge) and, at the same time, they make scientific and technological knowledge available to society. This defines the innovative status of a SISU using new and resourceful strategies to tackle societal demands.
- **Innovative copyright policy:** social innovations are the result of collaborations between different stakeholders in society to face commonly recognized challenges. Traditional copyright policies may not be appropriate in a SISU if it is to foster the right environment for the development of social innovation, it might hinder the process.
- **Academic credibility:** an active SISU contributes to academic credibility in the realm of social innovation (as universities have done in scientific and technological innovation through institutes and dedicated centres).

## OUTLOOK: SOCIAL INNOVATION AS A CHANCE AND A CHALLENGE FOR HEIs

The role that HEIs are playing in social innovation has evolved in recent years. Besides researching transformation processes, more approaches in which science itself is

considered an active participant in processes of social innovation are increasingly coming to the fore. Concepts such as Design Thinking or Transformative Research with focus on active participation of stakeholders are becoming more important for the work of HEIs with their environments [3]. Through transformative research, science seeks to solve societal problems by activating processes of societal change. Against this background, creation of appropriate structures (Living Labs and other spaces for exploration and learning) that help to develop knowledge based on experience in order to establish new social practices has received growing attention and needs to be further promoted. Only by sensitizing people about societal problems and possible solutions, HEIs can advance the development of social innovation with community members. Through concepts, such as Service Learning or Explorative Learning, knowledge and experience of students are taken on and links between academia and society are developed, with the latter becoming an important partner in addition to economy. This also includes the question of new modes of knowledge production and scientific co-creation of knowledge aiming at an integration of practitioners and social innovators in the innovation processes.

Nevertheless, there are several challenges that HEIs need to meet in order to advance in the area of social innovation. First, they need to better understand what is social innovation: while more and more HEIs recognize the importance of social innovation for societal development and the need to engage in this area, they do not necessarily understand what social innovation is exactly about (e.g., it is often confused with the area of University Social Responsibility, which does not necessarily refer to (social) innovations). On the one hand this is not surprising considering the lack of conceptual clarity in this area. But on the other hand, while solid academic knowledge on social innovation remains scarce, many universities still rarely – if at all – participate in social innovation research. Hence, as

### Social innovation should be integrated along the three missions.

long as those who work in this area and aim at introducing change have no clear concept and understanding of social innovation, it will be difficult to succeed. While in the EU social innovation has become an increasingly important research topic in recent years, in many parts of the world it is still quite seldom. This leads us to the next challenge.

Thus, second, social innovation should be integrated along the three missions. As described above, social innovation is appearing on a growing number of universities' agendas, sometimes even becoming an important part of their development strategies. Some universities offer classes and degrees, such as Master or Bachelor. Others focus on

research in social innovation. Probably the most common way for universities to engage in this topic that we can observe is related to manifold activities within what is usually referred to as the third mission (here mainly understood as social responsibility, outreach and engagement). Nevertheless, we can rarely see a university where social innovation is integrated in all three missions. Moreover, the challenge is not only to develop activities in teaching, research and the third mission. It is the issue of integrating social innovation along the three missions in a comprehensive way: the work in every 'mission' needs to be connected to the work in other missions, so that it can benefit from the others.

Third, there are two interrelated, fundamental characteristics of university support for social innovation that need to change:

- i) social innovation support activities tend to be ad hoc and largely altruistic, universities have not recognized or systemized a process to measure the social return on investment;
- ii) as a result, while commercial innovation is recognized and institutionally supported by well-established knowledge transfer offices, there is no professional support function within universities for supporting social innovation. Until now, neither the infrastructure nor the funding has existed to make this possible, largely because governments and even university executives have been resistant to the notion of social innovation as an effective socioeconomic instrument. The adoption of social innovation at a policy level by governments throughout the world is creating an environment in which institutional support for this area is becoming increasingly prevalent with funders willing to invest in projects.

Fourth, there is a challenge of integrating both the top-down and the bottom-up perspective. Usually, when universities assume their role as socially responsible institutions regarding their environment they start developing initiatives, which are supposed to favour different target groups (e.g. communities). However, such initiatives tend to be designed and implemented from the university's perspective, missing to involve the target group

HEIs have to learn how to work with target groups on equal footing and how to integrate their own perspective with the latter's perspective.

right from the start. It is not surprising then that projects developed by HEIs do not necessarily respond to the needs, the ideas and the visions of communities and other target groups. HEIs have to learn how to work with target groups on equal footing and how to integrate their own perspective with the latter's perspective. As shown above, projects such as LASIN have already started to address this issue.

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# WORKPLACE INNOVATION AS AN IMPORTANT DRIVER OF SOCIAL INNOVATION

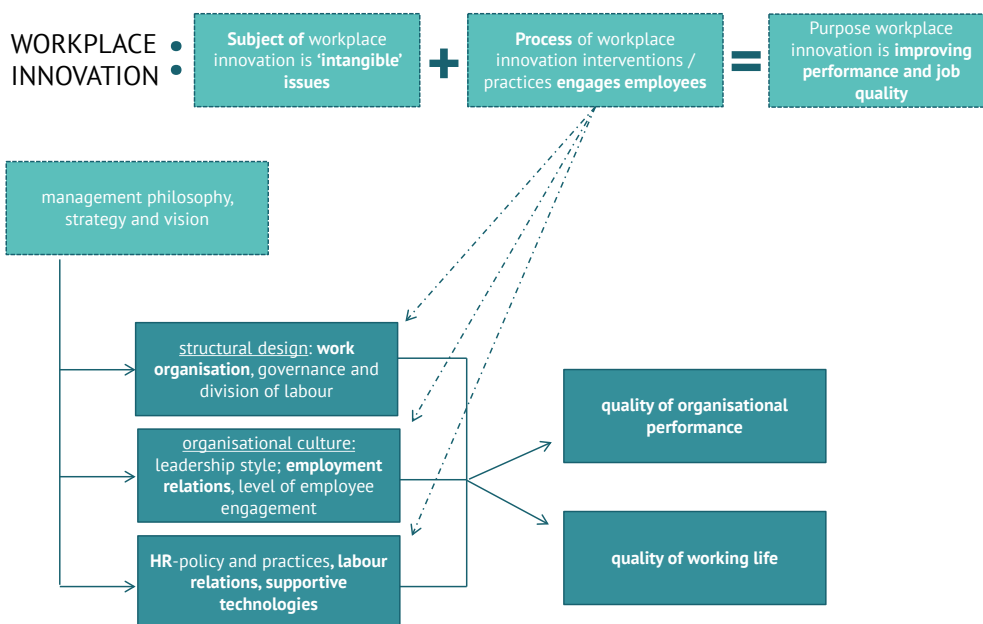
The project SI-DRIVE “Social Innovation: Driving Force of Social Change” includes a specific practice field within the policy domain of Employment, namely Workplace Innovation. Workplace Innovation can be positioned at the level of organisations and companies, where it has a significant effect on the participation of employees, the quality of their jobs, and the sustainable employability of the labour force.

*Peter Oeij / Steven Dhondt / Frank Pot / Peter Totterdill*

## WORKPLACE INNOVATION

Workplace Innovation (in short WPI) is about two things: the process of innovation and the subject of innovation. The process of WPI is to engage and involve employees when the organisation develops or implements renewal and change. This ‘bottom up’ approach means that employees have a say in the process. The subject of innovation is not so much the new product, service, business model or technology, but the renewal and improvement of ‘soft’ and ‘intangible’ issues. For example work organisation (good job design, self-managing team work), human resource management (measures that engage employees), labour and employment relations (that enhance employee

commitment) and supportive technologies (not ‘steering and controlling’ technologies). The purpose of WPI is to contribute to organisational performance (efficiency, competitiveness and innovative capability) and quality of work (productive, healthy and meaningful jobs) simultaneously. WPI thus enables an organisation to adapt to new circumstances and to adopt new technologies, by making better use of human talents and capabilities. The figure on workplace innovation combines the subject and process of workplace innovation. Often management starts to initiate renewal. Modern managers engage employees in the process of developing and implementing interventions and practices. Such cooperation ensures to strive for gains for both the organisation and its employees [1].



## LINK WITH SOCIAL INNOVATION

Social Innovation addresses social needs by social means. ‘Social’ in the context of WPI refers to non-technical innovations and emphasizes good quality jobs and employee participation [2]. Social Innovation assumes that people in need take the initiative to address social problems. But people only start doing this when they are empowered, and one condition that ensures such initiatives is when people have meaningful work. Participation through work enables participation in society. Such participation is designed via WPI – as employee engagement and involvement – through the process of bottom up innovation.

## WORKPLACE INNOVATION IN PRACTICE

Although WPI can take many forms, its hallmark is employee engagement – a supportive organisational culture – and employee involvement – decision latitude for employees. Two examples of the 2015 Eurofound report on Workplace innovation in European companies [1] will make this clear.

### Leadership as a basis for WPI

“We want this to be a business where views are listened to and where communications are open and honest. We also want this to be a workplace where positive ideas are encouraged and where achievements are celebrated” says the Head of HR of an Energy producing company in the UK. The introduction of Open Forums replaced the previous company-wide meetings and suggestion schemes which had struggled to stimulate open and constructive dialogue and feedback. The CEO’s open leadership creates trust and employees feel confident about the future. According to one employee: “It is interesting isn’t it, you go to the Open Forums and people will say what they think and absolutely nobody will turn round and go, I can’t believe he said that. (...). That’s really empowering I think.”

### Partnership with unions as a firm ground for WPI

In a Danish Service organisation organisational changes are discussed by the manager and the union representatives. They have a partnership and value each other’s opinions. The implementation approach consisted of a number of steps: 1) management took initiative, 2) external consultants supported the process, 3) experiments were conducted (e.g., a work team tested new meeting practices), 4) ‘invitation’ to share the same knowledge for all by training, and 5) implementation of the practices. No rigorous evaluation was done but adjustments were made along the way. Both management and employees

believe that it is important to design the process in a manner that creates ‘enthusiasts’ amongst the employees. The union representative explains: “It gives a huge boost to the company that we work together to create a great workplace”. The employees believe that, even though management determines the direction, they have to have the trust to be able to discuss it: “It should be perfectly legal to say our outspoken opinion to our manager – and it is. There may well be disagreement, but you have to be able to discuss things” (employee).

The Eurofound report presents cases of implemented WPI-interventions that range from organisational structure changes to modifications of culture through behavioural changes. Most examples are driven by the desire to improve the quality of work and performance simultaneously. And most have chosen a bottom up approach to implement those changes.

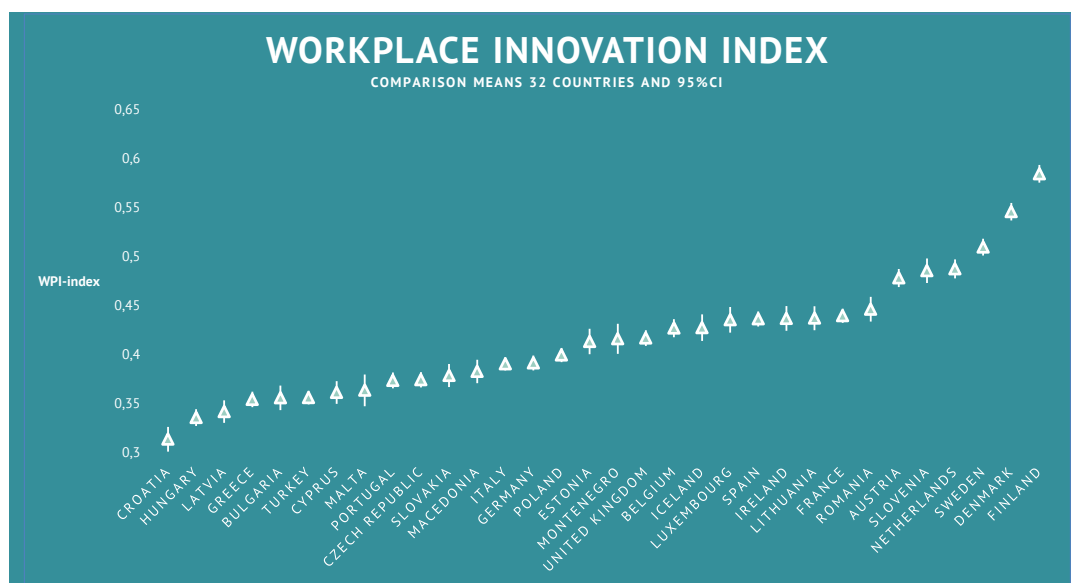
This report examines the motives behind the adoption of WPI and describes its implementation across companies in Europe. It analyses the impacts of WPI from the perspective of the different players – organisation, management, employees and employee representatives – in 51 companies across 10 EU Member States. The analysis reveals that while there is significant variation in the types of WPI practices in companies, the process of why and how these practices are implemented shows considerable similarity. While the reasons for introducing WPI are mainly related to enhancing efficiency, competitiveness and innovation, one positive result seems to be to strengthen the position of employees and employee representatives. As a result, WPI outcomes often lead to both enhanced economic performance and a better quality of working life for all concerned [1].

## WORKPLACE INNOVATION ACROSS EUROPE

What constitutes an organisation as one with a ‘workplace innovation quality mark’? According to most WPI definitions [3] such an organisation has a ‘work organisation’ where job autonomy and self-management flourish. They have an ‘organisational culture’ where learning, trust and involvement are made effective. Their ‘structure and systems’ support equality, reduce organisational walls and ceilings and foster integration of activities and goals. And, finally, the ‘relational coordination’ mirrors dialogue, honest communication and involvement in change.

The European Company Survey of Eurofound measures several characteristics of these elements and this enables the construction on a ‘workplace innovation index’: a measure that informs about the level of WPI-maturity of





companies. For this purpose several variables were selected from the Survey that, e.g., measure the engagement and involvement of employees and the presence of job autonomy [4]. Using the WPI index, EU countries (including Montenegro, Macedonia and Turkey) can be ranked (see graphic on the average WPI maturity across organisations in Europe).

A high potential to both making organisations more innovative and productive, and at the same time crafting jobs where people can become participative in Social Innovation at the organisational level.

With the average score between United Kingdom and Belgium, one can, roughly speaking, observe that Scandinavian countries and many parts of Western-Europe accommodate most WPI-mature companies. These countries have the longest traditions of social dialogue and worker-management-cooperation.

## CONCLUSION: MAKE MORE USE OF WPI

The empirical facts to date about Workplace Innovation reveal a high potential to both making organisations more innovative and productive, and at the same time crafting jobs where people can become participative in Social Innovation at the organisational level. Yet, there is a world to win if one considers that the Eurofound study's background indicates that only 5 to 10% of European companies have reached a high WPI-maturity level. In recent years the EU has opened up pathways to WPI by integrating it into their programmes on research, innovation and social improvement, and also as part of their innovation policies, namely complementing technological innovation with WPI [3][5]. In alignment with the underuse of WPI, the EU innovation policies are regrettably dominated by technological and business model innovation. The potential of WPI is not limited to the level of organisations, but WPI can also contribute in alleviating societal issues of unemployment, employee representation and social dialogue, and social cohesion. One major initiative to pave the path has been EUWIN (European Workplace Innovation Network), which disseminates state of the art knowledge about WPI. A next step is for practice to learn from the many examples in their ever-growing knowledge bank [6].

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# GENDER AND DIVERSITY AS CROSS CUTTING THEMES

An analysis of approaches to diversity across in-depth case studies of social innovation. Diversity and inclusion are critical to achieving many of the UN millenium goals – including poverty alleviation, education and employment – and so it is not surprising that they appear as cross cutting themes in SI-DRIVE social innovation cases. Our analysis suggests, however, that they seldom address the systemic roots of exclusion, and are thus unlikely to result in systemic change.

Wendy Cukier

## INTRODUCTION

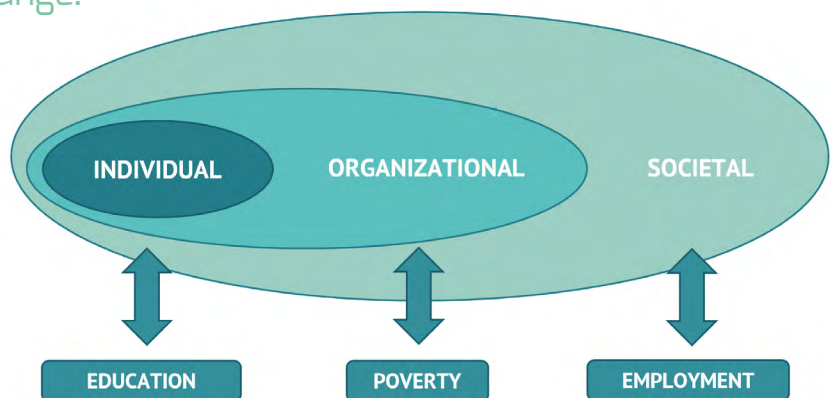
Key to the UN sustainable development goals is a commitment to human rights and equity. While definitions of diversity are often context specific and multidimensional, we understand dimensions to include gender, race/migrant status, disability, indiginity, as well as sexual orientation and gender identity and age. There is growing evidence that diversity and inclusion are linked to positive outcomes not just at the individual level, but also, for organizations and societies [1][2]. There is also evidence that the economic, social and political exclusion of groups defined by demographic characteristics underpin many pressing global issues, including poverty, health, and violence. This snapshot reviewed 82 in-depth case studies of social innovation

Marginalized social groups are typically framed as target populations for social innovation initiatives, rather than as potential agents of change.

initiatives, and finds that gender, migrant status and disability serve as prominent cross-cutting themes, while race, ethnicity and aboriginal status are less frequently noted. We find that marginalized social groups are typically framed as target populations for social innovation initiatives, rather than as potential agents of change. Nor do there tend to be discussions of the systemic barriers which prompt their marginalization (sexism, racism, etc.), and consequently they have limited potential to generate systemic change.

## DIVERSITY ACROSS CONTEXTS

Definitions of diversity terms are fluid, varying across time and regions. Gender has traditionally been based on the male/female dichotomy, but there has been an acceptance that the concept, along with sexual orientation, is more complex and multi-dimensional. Understandings of race, ethnicity, and migrants also vary considerably. In Europe, for example, there is resistance to discussions of race, rooted in part on the legacy of WWII. In other countries, “migrants” constitute a designated group, and are a racialized “other.” Official and popular understandings of disability also vary greatly, with some nations deeming it a narrow range of physical/intellectual impairments, while others conceive it as encompassing mental health and addictions. Indigenous people also garner more attention in some countries than others. Though commonly used, there is growing recognition that categorizations of individuals according to demographic markers are problematic, and that



Ecological Model – Social Inclusion and Change

intersectional effects (e.g. race, class, gender) produce consequential variations in the lived experiences of what are often erroneously perceived as “homogenous” groups (e.g. Indigenous Peoples, African Americans).

## WHY DIVERSITY MATTERS?

Women are essential for local, national and global development. Across developing countries, studies show that investing in women’s education produces socio-economic benefits [3]. In industrialized economies, studies have linked women’s leadership to corporate performance [4]. Research also finds that immigration and cultural diversity more broadly are positively correlated with regional development and economic prosperity [5].

Despite these documented benefits of diversity, complex social structures perpetuate inequality and exclusion. Such structures are constituted by barriers at the societal (e.g. legislation, norms and stereotypes, structure of women’s work); organizational (e.g. policies and practices and informal networks, overt discrimination and unconscious bias) and individual level (e.g. attitudes, skills, behaviors). Significant variation across nations and organizations are instructive in highlighting the sort of barriers marginalized groups faced. Moreover, a review of existing indices used to benchmark diversity and inclusivity can help to inform impact assessments of social innovation initiatives.

Increasingly, we see empirical efforts have been made to study and benchmark social inclusion at the macro level. For example, the Gender Inequality Index produced by the United Nations incorporates measures of women’s reproductive health, government representation (via parliamentary seats), educational attainment and labor market participation. The Social Institutions and Gender Index (OECD) considers discriminatory family codes, laws which limit women’s control over their bodies, civil liberties and ownership rights. The Gender Equality Index (European Union) accounts for income, health, and violence against women. The Gender Empowerment Index (UN) includes factors like participation in high-paying positions with economic power and female share of income.

The Migrant Integration Policy Index measures access to institutions like education, health, and the labor market, along with family reunion policies, and pathways to nationality and permanent residence. The Migrant Integration Statistic by Eurostat is similar and The European Civic Citizenship and Inclusion Index produced by the British Council also considers anti-discrimination, family reunion and naturalization policies. Broader indices of inclusion, such as the Global Inclusiveness Index (Hass Institute, UC Berkeley) focus on the occurrence of group-specific violence (e.g. ethnic, race, religion, sexual orientation), political representation of marginalized groups, income inequality, and anti-discrimination laws.

Despite these documented benefits of diversity, complex social structures perpetuate inequality and exclusion.

In high-income countries, businesses and non-profits have begun to benchmark diversity and inclusion at the organizational level. Forbes Magazine, for example, publishes a ranking of corporations based on measures of age, country of birth, disability, and ethnicity. The Lucerne School of Business publishes another holistic diversity index for major Swiss organizations with at least 250 people, taking into account age, gender, nationality, religion and health. The Disability Equality Index, produced by the American Association of People with Disabilities and the U.S. Business and Leadership Network, uses survey data on organizational culture, employment practices and support services to rank companies with respect to their treatment of disabled employees. And there are many other variations. At the individual level, Project Implicit (Harvard University) has created a widely used test, with multiple variants, which assesses attitudes and unconscious bias. These indices can inform evaluations of the impact of social innovation initiatives and the logic models to drive systems change.

## DIVERSITY & SI DRIVE INITIATIVES

The 1005 initiatives documented by SI-DRIVE creatively address a plethora of social problems across several domains (see article “Social Innovation on the Rise - Results of the first Global Mapping). In-depth case studies of 82 of these conducted by SI-DRIVE were examined, revealing that roughly a third (31.7%) explicitly referenced gender (including a variety of derivatives, e.g. “girls”, “woman”, “female”), and smaller groups referenced “migrant status” (18.3%), disability (14.6%), aboriginal status (4.9%) or race/ethnicity (3.7%).

## GENDER

Across case studies, it was recognized that gender shaped the experiences of individuals with poverty, or with institutions such as schools or the labor market. Several initiatives sought to help women overcome specific barriers. The Istanbul Metropolitan Municipality Lifelong Learning Centre (Turkey) and Servicios Sociales Integrados cooperative (Spain), provided women with skills training to facilitate workplace participation. Mama Works in Russia also helped women by providing flexible work arrangements and financing young mothers’ business projects. The Dignity and Design initiative in India similarly provided sewing machines and small scale garment production equipment for 21,225 marginalized people (of which more than 90%

	Gender	Migrant	Disability	Race/ Ethnicity	Aboriginal People
Total Mentions	350	95	47	4	4
Unique Case Studies	26 (31.7%)	15 (18.3%)	12 (14.6%)	3 (3.7%)	4 (4.9%)

**Note:** “Total” mentions refers to the raw number of times words associated with theme appeared across all case studies.

#### Themes across SI-DRIVE Case Studies (82 Total)

are women), who previously survived by scavenging. The Iss mich (Eat me!) project, offered flexible employment to young mothers lacking education and skills in catering and delivery services in Germany. Meanwhile, Strengthening Popular Finances (Ecuador) facilitated access to commercial bank credit for rural women, empowering them to potentially start their own business or make other meaningful purchases.

Each of the abovementioned initiatives sought to facilitate labor market entry, through education, equipment or capital, while leaving the underlying social structures prompting the absence of such resources unaddressed. Seldom were women depicted as agents of change. For example, Sweden’s Qvinnovindar, a women’s only wind energy cooperative, strove for sustainability through alternative energy. The She Taxi initiative in Kerala, India, employed female drivers to provide safe travel for women at high risk of sexual violence, thereby also enhancing their workforce participation, but also, their daily life.

## MIGRANTS

Immigrants and refugees were mentioned across nearly a fifth (18.3%) of case studies, especially in relation to poverty reduction (38.5%) and education (38.9%). Several programs addressed the needs of migrants in traditional ways, such as through meeting their unfulfilled educational needs. PROSA (Austria), for example, aims to provide access to education for asylum seekers who are not yet eligible for public education. The Talent Scout program (Germany) similarly aims to provide flexible and accessible education, including basic language classes, technical and skills-based education, to marginalized groups, including refugees. Lernhaus (Austria), an institution providing free tutoring, though not specifically targeting migrants, also services a significant share of children from this community. The Learning Circles (Colombia) program also emerged to promote the educational attainment among children from vulnerable groups, including those from displaced communities. A UNESCO evaluation found that Learning Circle students scored higher in math and language tests than their conventional school counterparts. However, no comparably rigorous efforts to evaluate the impact of like initiatives were reported.

Other initiatives sought to provide support for the lesser recognized needs of migrant communities. For instance, the Luggage Hands-Free program in France provides storage lockers for homeless people, and particularly migrants, who face stigmatization as they cart their belongings with them throughout the day.

A few also recognized the agency and assets of immigrants and opportunities for mutual benefit. The Taste of Home (Croatia) initiative, for example, provides migrants with the opportunity to introduce their hosts (via cuisine) to the culture and customs of their countries of origins, building mutual understanding. The Scattered Hospitality (Italy) also advanced integration of refugees by matching them with a host family with whom they stayed with from six months to a year, building social networks, knowledge of their new communities, and enhancing mutual understanding of difference. This asset-based approach, however, was far from the norm.

## DISABILITY

Roughly one in seven (14.6%) in-depth case studies cited individuals with disabilities. Their referencing was most common in case studies associated with mobility (33.3%) and education (22.2%). Again, social innovation initiatives typically aimed to ameliorate the problems this group faced, rather than to empower them. The Whizz-Kidz, a charity in the UK, coordinates with multiple actors, providing pro-bono support across the different stages of the wheel chair acquisition process. Similarly, LIFEtool GmbH (Austria) is dedicated to supporting people with physical handicaps, learning disabilities or other impairments through computer technology that scans and translates eye movements into icon-based, spoken or written forms of communication. Similarly, JAKOM is an assistive technology developed in Croatia, which aims to improve the communication abilities of autistic persons with communicational impairments. In certain cases, serving people with disabilities was merely an aspect of the practice field recognized by initiatives. The SEKEM foundation, for instance, was said to operate, among other programs, a school that catered specifically to disadvantaged social groups, including individuals with disabilities. We found no examples which explored mutual benefit or an asset based approach.

## DISCUSSION

Many of the examined cases offered useful strategies for ameliorating social problems which have been left unresolved by governments and conventional economic markets. While there was some evidence that initiatives were successful on a small scale, there was only limited evidence of scalability. There was also little evidence of initiatives tackling structural and systemic barriers to inclusion. Most of the discussions on women, migrants and persons with disabilities, with few noted exceptions,

revolve around their marginalization and exclusion, with very little focus on how these groups can serve as assets for their communities. We posit that existing indices of diversity and inclusivity could inform future efforts to systematically evaluate the impact of social innovation initiatives. In addition, we believe there is room to critically assess the potential shape of initiatives that target broader systemic barriers currently hampering social inclusion, rather than addressing their manifestations in a piecemeal fashion.

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# ICT-ENABLED SOCIAL INNOVATION (IESI): A CONCEPTUAL AND ANALYTICAL FRAMEWORK

Information and Communication Technologies (ICTs) are permeating any single aspect of human life. Employing these technologies is vital for the modernisation of social services in terms of service design and delivery in areas such as childcare, education and training, employment services or social care. This "social investment perspective" shows that social policy is not just a cost, but rather an investment for the future.

*Gianluca Misuraca / Dimitri Gagliardi*

## ICT-ENABLED SOCIAL INNOVATION (IESI)

**"A new configuration or combination of social practices providing new or better answers to social protection system challenges and needs of individuals throughout their lives, which emerges from the innovative use of Information and Communication Technologies (ICTs) to establish new relationships or strengthen collaborations among stakeholders and foster open processes of co-creation and/or re-allocation of public value" [1].**

The definition originates from the work of the European Commission's Joint Research Centre – Seville, in partnership

with the Directorate General for Employment, Social Affairs and Inclusion. The research focuses on assessing the impact of ICT-enabled social innovation and providing evidence-based support to the EU Social Investment Package for Growth and Social Cohesion (SIP) [2], which urges European Union Member States to prioritise social investment and the modernisation of their welfare systems [2].

The IESI research developed a knowledge base with evidence on the impact of ICT-enabled social innovation across the EU. It collects and analyses over 600 initiatives across the EU, exploring the emergence of ICT-enabled social innovation in different areas [3].

ICT-Enabled Social innovation creates positive societal impact and systemic change through developing new products, such as assistive technologies for people with disabilities; new services, such as knowledge sharing portals; and new processes, such as peer-to-peer collaborations and crowdsourcing. It often results in new organisational forms, shaped on the basis of public-private partnerships, and are acting as intermediary between social needs and social service providers.

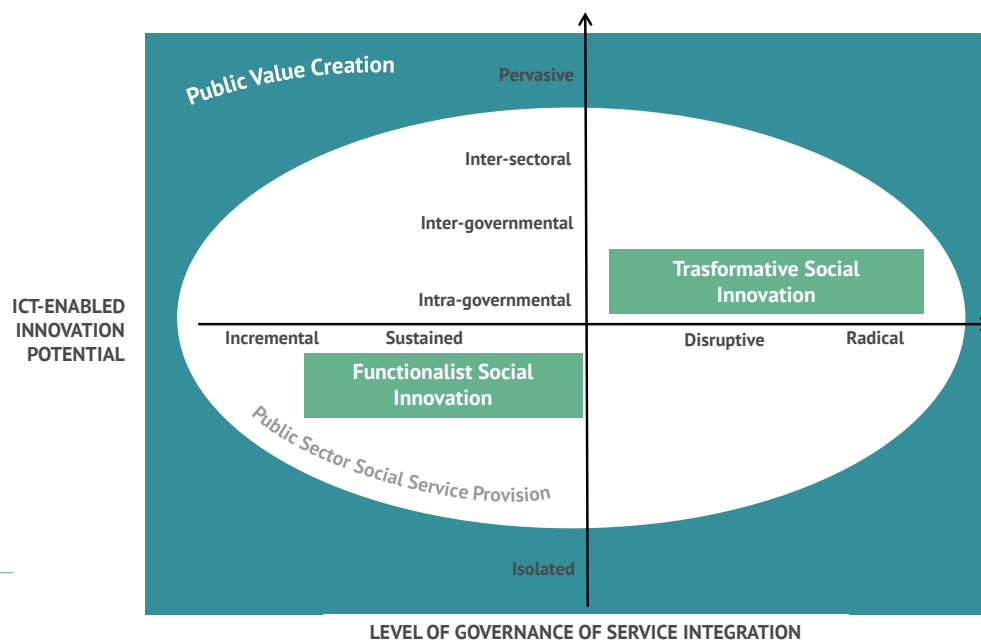
Examples of initiatives include:

**Shadow World, Finland** is an initiative of the Ministry of Health and Social Affairs targeting children growing up in households where parents suffer from substance misuse. It provides information, support and means to deal with such difficult life situations.

It includes an online portal that contains a blog, a directory of addresses where children can find help, a checklist, an anonymous free online consultation service and a message board. This, in combination with face to face interaction, helps providing counselling and mentoring services.

**FreqOUT!, UK** addresses the problem of disengagement of the disadvantaged youth in UK – often from ethnic minority groups-. It offers new forms of education and training for those hard to reach. It targets young people (14-25) through the use of advanced digital media tools and connects them to creative professionals and industry in new and exciting ways. This initiative is leading to improvements in ICT skills; soft-skills and hard-skills bridging to formal learning participation.





IESI Analytical framework  
(Source: own elaboration)

## THE CONCEPTUAL FRAMEWORK

The IESI conceptual and analytical framework was developed through an extensive review of the state of the art, and further validated through the study of a number of initiatives operating in Europe and beyond. The research looks at initiatives bridging the gap between social innovation and service innovation, building on a multi-agent framework. In other words, the research focuses specifically on innovative social services conceived and deployed in a context of co-creation where citizens, service providers, social entrepreneurs and third sector organisations play a prominent role in the innovation process and where the actions are sustained by public stakeholder agencies in a rapidly evolving context.

The framework is designed in a Cartesian coordinates system and by studying where initiatives sit along each dimension, one can assess the extent to which they are able to respond to complex social issues and challenges. Initiatives can fall into two main areas in which they can have impact [1][3]:

- **Public sector social service provision:** organisations are involved at different levels as main service providers through traditional public service delivery mechanisms. Services in this sphere can also be contracted out through concessions, outsourcing, or other public-private partnerships systems. Organisations from the private or third sector and citizens are involved; though they normally play a subsidiary role. In some cases, however, the design and provision of innovative social services may be initiated by private or third sector organisations and may be embedded in the public service delivery system.
- **Public value creation** broadly refers to the 'value created by government through services, law regulations and other actions'. Public value provides a broad measure of outcomes,

the means used to deliver them, trust and legitimacy.

It addresses issues such as equity, ethos and accountability, which may generate value for the stakeholders involved in the innovation processes. Generating public value for citizens depends on the quality of service delivery which is measured in terms of service availability; satisfaction levels; importance; fairness of provision; and cost.

Social innovations enabled by ICTs may increase the value of public service delivery compared to traditional service delivery mechanisms. Each initiative can be interpreted through the lens of different approaches. In the functionalist tradition, social innovation is the answer to a social problem. It concerns with the creation of social services to meet a demand which neither the state nor the market is responding to. The transformative approach sees social innovation as the driver of institutional change. Thus, the resolution of social problems is part of a broader perspective involving change in institutions and society.

The IESI framework extends along four main dimensions:

- 1) typologies of ICT-enabled innovation potential;
- 2) elements of social innovation;
- 3) levels of governance of service integration; and
- 4) types of service integration.

## TYPOLOGIES OF ICT-ENABLED INNOVATION POTENTIAL

Information and Communication Technologies support socio-economic inclusion of actors in many contexts and enable social innovation processes through many channels. Indeed, ICTs per se are not a policy instrument at the same level of direct public services, regulation, taxation or grant

giving. They provide channels and tools to improve efficiency and effectiveness of the social service systems. The opportunity for ICT-enabled social innovation lies in the design of innovative social policies and service delivery mechanisms for their effective implementation.

To operationalise the framework, a systematic classification of the different impacts of ICT-enabled innovation was applied. The framework was developed by Misuraca (2012) and further elaborated in Misuraca and Viscusi [4]. It consists of:

**a. Technical/incremental innovation:** use of ICTs to facilitate automation of repetitive tasks and thereby improve efficiency thus improving quality and efficiency of the internal and external business processes.

**b. Sustained/organisational innovation:** use of ICTs to support, facilitate or complement existing efforts and processes to improve organisational mechanisms of service provision. This implies change at organisational, managerial, or governance/institutional level, such as the creation of new organizational forms, the introduction of new management methods and techniques, and new working methods, as well as new partnerships or business/financial models.

**c. Disruptive/transformational innovation:** use of ICTs to initiate or improve new services or to create new mechanisms for service delivery which would be impossible otherwise (e.g. use of ICTs for learning purposes beyond office/school hours).

**d. Radical/transformational innovation:** substantial use of ICTs that takes place outside recognised institutional settings and aims to radically modify the existing mechanisms of service provision. This may lead to conceptual innovation, reframing the nature of specific problems and their solutions.

## ELEMENTS OF SOCIAL INNOVATION

The second dimension of the IESI conceptual framework – elements of social innovation – builds upon and extends on previous literature, and focuses on the relationships between stakeholders by dividing social innovation into the following four categories:

**a. Need-driven/outcome-oriented production:** outcomes are intended to meet the needs of society or specific groups in society in a long lasting way.

**b. Open process of co-creation/collaborative innovation networks:** end-users and other relevant stakeholders participate in the development, implementation and adoption of these innovations.

**c. Fundamental change in the relationships between stakeholders:** the ways in which stakeholders relate, interact and collaborate with each other are radically

changed. Social innovation may be seen as a 'game changer', breaking through 'path dependencies'.

**d. Public value allocation and/or re-allocation:** in achieving these values it is important to look beyond the presumed or achieved consequences of the innovation in terms of effectiveness or efficiency. The public values pursued by social innovation also try to ensure that the innovation is appropriate, for instance, as it adds to the value of democratic citizenship, or really addresses – in terms of responsiveness – the needs of citizens.

## LEVELS OF GOVERNANCE OF SERVICE INTEGRATION

The third dimension of the framework of analysis concerns the need to address integration of social service provision to increase the coordination of operations within the social service system, to improve efficiency and to produce better outcomes for the beneficiaries. Integration has evolved significantly over the last decade as governments search for ways to address beneficiaries' needs and manage increased caseloads with reduced resources. In this period, integration progressed through the implementation of schemes based on traditional and emerging ICTs, new funding models, and a more dynamic relationship between governments, citizens, and service providers from the private and not-for-profit sectors.

However, where several different classifications of integration can be found, no clear and precise definition of the concept of 'service integration' emerged. The definition of service integration, adopted for the purpose of the IESI research, thus refers to the ways different ICT-enabled social innovations contribute to enhancing social service delivery through integrated approaches and coordination at governance or functional level.

Therefore, the following levels of governance of service integration were considered:

- **Isolated.** No integration of services at administrative or strategic level with government operations.
- **Intra-governmental integration.** Single level of government. Includes integrated case management, designing service delivery according to the needs of individuals rather than service providers; frontline integration to offer clients a 'single window'; back-office integration to provide the necessary support structures; and co-location of practitioners, services and back-office functions.
- **Inter-governmental integration.** Collaboration across multiple levels of government. Includes database integration, coordinated case management, and joint procurement.
- **Inter-sectoral integration.** Collaboration between government and service delivery providers in private or non-for-profit sectors. Includes joint investment strategies, co-location of staff and formal networks of service delivery organisations.

- **Pervasive.** Service integration beyond the traditional boundaries of administrative/operational integration, embedded in a new *modus-operandi* where service providers and beneficiaries co-produce service innovating delivery mechanisms and reallocating resources/roles to maximise public value creation.

## TYPES OF SERVICES INTEGRATION

From an operational/organisational perspective, the integration of services enhances effectiveness in terms of improved outcomes, efficiency and reduced costs. It increases capacity and value for money, improves strategic planning and system integrity, and reduces demand for crisis services. Moreover, from the beneficiary's perspective, it provides simplified access, holistic and customised support, faster response times, improved outcomes and user experience. Therefore, as part of the IESI analytical framework, the initiatives are analysed according to their type of service integration:

- **Funding:** pooling of funds or pre-paid capitation at various levels.
- **Administrative:** consolidation/decentralisation of responsibilities/functions; inter-sectoral planning; needs assessment/allocation chain; joint purchasing or commissioning.
- **Organisational:** co-location of services; discharge and transfer agreements; inter-agency planning and/or budgeting; service affiliation or contracting; jointly managed programmes or services; strategic alliances or care networks; common ownership or mergers.
- **Service delivery:** centralised information, referral and intake; case/care management; multidisciplinary/interdisciplinary teamwork; joint training; around-the-clock coverage.

## DISCLAIMER

The views expressed in this chapter are purely those of the authors and may not in any circumstances be regarded as stating an official position of the European Commission.

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To understand the role of ICT-enabled social innovation in support of the modernisation of social protection systems, the relationship between different welfare systems and social service provision models was studied [5]. Relevant examples are the following:

**LITTLE Bird, Germany**, is an online portal employed to facilitate access to childcare. This is an example of collaboration/co-creation where ICTs are used to improve allocation/matching the supply and demand of childcare; it delivers increased benefits to society as more parents may be in work and children are cared for, also it delivers savings for the state.

### Digitalisation of Social Security Services, Italy.

The scope of the initiative was that of simplifying administrative procedures, improving control of information by citizens, and producing savings in the management for the administration of the public sector as a whole. ICTs helped fostering the collaboration between government and service delivery providers in the private and non-for-profit sectors. New investments in ICTs provided the instruments to improve accessibility, traceability, accountability, monitoring and controlling, with a subsequent increase in the level of quality of services delivered and a reduction in undue benefits and frauds. The digitalisation resulted in a reduction in management costs, registering savings of 7% per year, contributed to the efficiency of the organisational system through a more efficient allocation of the internal staff and a decrease in workload, resulting in savings of around 1,000 full-time equivalents.

## ACKNOWLEDGMENTS

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# FROM SOCIAL DESIGN TO DESIGN FOR SOCIAL INNOVATION

Social innovation has many challenges in practice due to the complexity of stakeholders and ecological systems involved in the framework of value co-creation. Service design is emerging as a more effective approach in order to enhance SI co-design and long-term stakeholder involvement for achieving the purpose of adoption and diffusion.

*Alessandro Deserti / Francesca Rizzo / Onur Cobanlı*

## THE EVOLUTION OF SOCIAL DESIGN

Design has a long tradition of relation with the social. A recent British report classified social design into social entrepreneurship, socially responsible design, and design activism [1]. Social design has gained momentum in design research during the last ten years, a development which can be seen as having several roots. Some of these roots go back a few decades, to the writings of Papanek [2] in 1984, while others are of newer origin, as for instance in the area of service design that intersects with public sector innovation and the emergence of new societal challenges.

Even though it is impossible to state all of the reasons behind this phenomenon, some of them can be clearly identified as being external to the discipline's development and being much more reliant on complex socio-economic trends.

Many countries still do not show clear and strong signs of recovery from the global economic downturn that has started in 2008 and caused a structural lack of resources, particularly affecting the public sector. The economic, demographic, social and environmental long-term challenges call for deep changes, questioning many of the assumptions that have underpinned public services, posing new challenges for institutions, policy makers, civil servants and communities. While austerity measures were adopted all over the world, societal challenges are intensifying: youth unemployment, elderly healthcare, immigration, social inclusion and other wicked problems press public institutions with the contradictory request of delivering new services or restructuring the existing ones, achieving a higher effectiveness with less resources. Contemporarily, we are also observing the rise of a "social design" movement that is characterized by a socially-oriented objective instead of predominantly commercial or consumer-oriented ends. In

fact, there is already a widespread acknowledgement of the role of design and its potential in facing societal challenges and helping social innovations (SI) to flourish.

In particular, there is an increasing awareness of the impact design has on understanding and framing problems and finding solutions in collaboration with communities, influencing societies and the wider environment. According to a recent report from the Arts and Humanities Research Council [1], we can also consider social design as a design-based practice aimed at collective and social ends, rather than predominantly commercial or consumer-oriented

There is an increasing awareness of the impact design has on understanding and framing problems and finding solutions in collaboration with communities, influencing societies and the wider environment.

objectives, which operates across many fields of application, including the local and central government, as well as policy areas such as healthcare and international development.

Despite the wide acknowledgement of design as a strategic tool for developing SI initiatives, especially Design Thinking, and the urgency in which social issues are rising, the 26 business case studies of the SIMPACT project revealed that design is still underestimated or not considered as a resource in SI praxis. We introduce here the notion "of design culture as a specific system of knowledge, competences and skills that operates within a specific context to develop new products, that mediates between the world of production and consumption and that coordinates multiple factors related to technology, market and society" [3].

Against this background, the introduction of a design culture and practices within the context of social innovation does not solely rely on the collaborative dimension between end users or the beneficiaries and the initiator of a SI. Design Culture brings with it both the design capability to strategically meet the needs of the users and the design competences to deal with constraints related to all of the factors that affect the process of innovation development (technological, organisational, infrastructural, commercial, etc.).

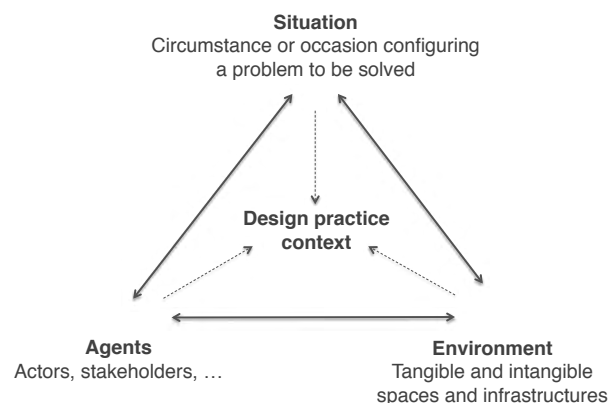
## COMPLEX PARTICIPATORY DESIGN PROCESSES

In the tradition of co-design many researchers [4] have focused on the potentiality of end-users' collaborations and prototyping to engage stakeholders in the exploration of innovation. In this tradition it is possible to consider two basic modes. The first one is the dialogue mode, which deals with the processes of collaborative design and tools for engaging users and other stakeholders in collective creative envisioning together and eventually in rethinking the current state. This mode grows from practices that have their roots in close connection with participatory design tradition, but also 'beyond usability' research, dealing with experience design and empathy. The second one is the prototyping mode that addresses in particular the ways in which designers tend to reflect and make sense of complicated and often yet non-existing things by giving shape, sketching, visualizing and prototyping in various ways. These two conceptual modes are most of the time overlapping in practice and they are today converging to the foundations of those design labs (living labs, urban living labs, ecosystem of innovations) that are blooming in a variety of initiatives. These labs are similar to new R&D contexts in cities, in scientific parks, in territories, and in private companies. They are shaped by envisioning innovation through the establishment of strong connections

Design Culture brings with it both the design capability to strategically meet the needs of the users and the design competences to deal with constraints.

with the network of stakeholders that belongs to a place; through fostering long-term engagement with local communities which leads to the emergence of new everyday practices that point to new opportunities for design.

Contrary to those living labs that emphasize technology evaluation or adaptation, these co-creation spaces make use of a situated and human-centred approach for local communities to develop innovation. Design, in these contexts, works directly from the particular conditions and resources of the local communities engaged in each of the project pilots in order to employ relevant service systems



### The situatedness of design culture

that may facilitate social innovation. Scalability in this approach comes about not through the similarity between communities but through the robustness and generic qualities of the service design concepts.

## HOW SOCIAL DESIGN OPERATES TODAY: AN EXAMPLE OF A DESIGN DRIVEN SOCIAL INNOVATION PROJECT

Within the context of the European project "My Neighbourhood", a long-term experiment of SI design has been conducted by a team of design researchers. The Milano pilot experiment has taken place in the Quarto Oggiaro neighbourhood, located in the northwest area of Milano, not far from where the 2015 Expo took place. Here, the entire SI design process was conducted thanks to a strong collaboration between the Politecnico di Milano (holding a long tradition in design and in urban planning research), the Municipality of Milano, the associations and volunteers that operate in this area, and the people who live there. This mixed design team performed all the activities and

managed the interactions with the local communities and stakeholders in order to engage them in the co-design process and in the SI experimentation. The pilot run over a course of one year and a half, with the first months being dedicated to exploring and approaching the neighbourhood.

The design team started understanding physical aspects of the neighbourhood, the characteristics of its population, its socio-economic dimensions, the main actors operating in the context, the relation between the neighbourhood and the rest of the city and the characteristics of the urban services already offered in the neighbourhood.

Following this, a period of intensive co-design meetings started. In this phase, the design team established four different design tables, involving designers, urban planners, people from the Municipality of Milano, representatives of





Interviews with Quarto Oggiaro Neighbours  
(photo: Francesca Rizzo)

the local associations, and people from the neighbourhood. Each table started from a complex discussion on the relevant neighbourhood issues, ending with a list of main challenges:

- regenerating disused and derelict public areas;
- improving social life and inclusion of elderly people;
- preventing school drop-outs and creating job opportunities for young people;
- exploring and testing new potential entrepreneurial opportunities and businessmodels for start-up companies.

Starting from these challenges, the design tables then worked to elaborate four possible service ideas as smart solutions for the framed problems. Out of four, two ideas were selected for the whole development and testing process. In the following we will shortly introduce one of them.

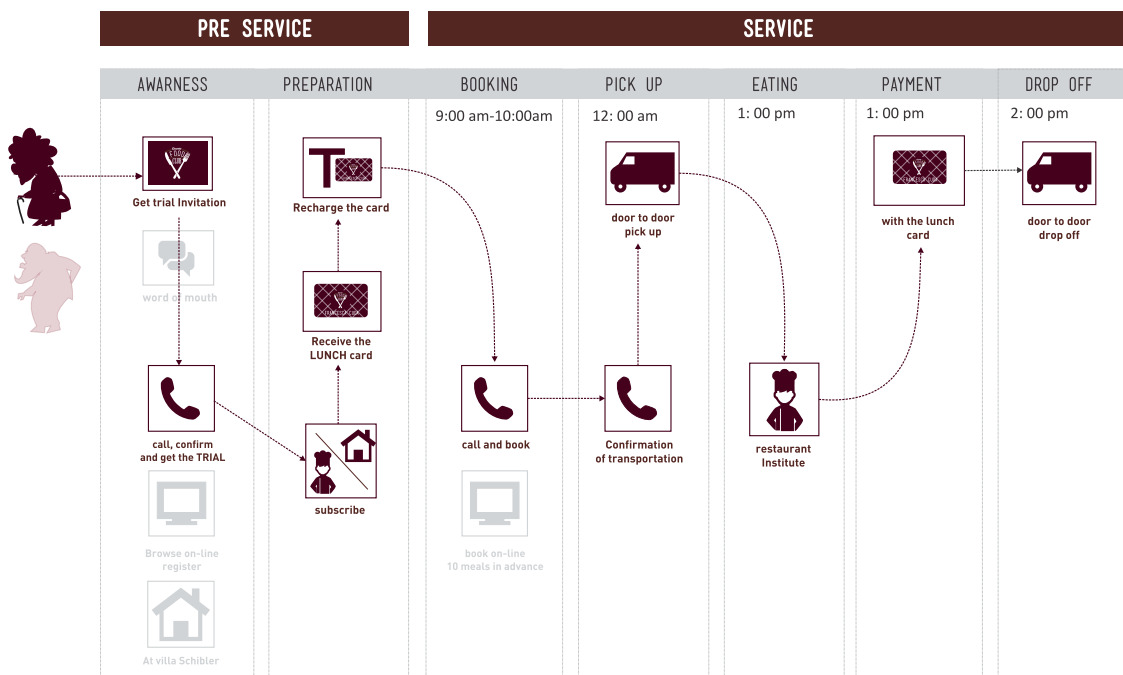
### The Quarto Food service

Quarto Food Club addresses the relevant needs of the quite large community of elderly people living in Quarto Oggiaro.

It is a service that combines the need to deliver food to vulnerable single elderly citizens with that of improving their social life, enjoying a meal prepared with special care and dining in a sociable environment to relieve their sense of loneliness. At the same time, the service aims at responding to another issue in the neighbourhood, namely unemployment rates among young people, by involving students from local hoteling schools, who can receive credits for the practical training, and who are given the opportunity to enter in a real food preparation and catering experience. Specifically, the service involves two high schools in Quarto Oggiaro where students prepare every week some meals as part of their training for catering and food preparation. Starting from this resource, the service idea is to deliver these meals to a group of elders living in the neighbourhood,



### CUSTOMER JOURNEY



preparing for the occasion a kind of social space in the schools, where elderly can enjoy the meal together, getting in touch with each other and with the students. The students will also have benefits from this interaction, as they will receive academic credits while their work will be recognised by real end-users.

The implementation of the service required the development of a formal partnership: it will be realised thanks to the agreement between the professional hoteling schools (providing the food preparation and the venue) and some local associations (providing the contact with elderly people and a van for the transportation from the private places to the school and vice versa).

Through ordinary activities of food processing, students will prepare – one to three days per week – meals for the target group. An IT platform will support the process of the meal and trip booking, and a personal rechargeable lunch card will be provided to the users to partially cover the costs of the meal and the service.

## CONCLUSIONS

Regarding the diffusion of design and especially of Design Thinking as the most suitable methodological approach to develop successful Social Innovation (SI), the debate here is still superficial and lacks a serious elaboration in the field of design practices and how they can be applied to SI processes. In particular, Design Thinking is advocated, today, as the most suitable method for designing SI solutions without, however, distinguishing the strategic level of policy from the operative level of the solutions.

If, at the general level, we observe a contradiction between the idea of SI as a kind of bottom-up process and that of design as a process of innovation led through the application of specific design competences (design-driven innovation),

we also want to underline one bias that is occurring in the field of SI: Design Thinking has been applied until now to analyse ex-post processes of SI. In this regard, we have seen a proliferation of studies that has tried to demonstrate how SI development can be described with user-centred design principles, which call for the involvement of end-users and beneficiaries in the development process of the solutions.

While there is much buzz surrounding design for SI, real practices seem to be quite distant from the application of basic principles of design. Moreover, it is also true that design shows a high potential for SI mainly for two fundamental reasons: i) SIs address problems that present high levels of complexity due to their intrinsic correlation with societal challenges; ii) SIs require the involvement of different actors in order to solve these challenges.

Regarding the first dimension, these kinds of problems are often chronic and unmet, even if the forms in which they appear are completely new. For instance, advanced countries in different historical periods have faced migration, yet if we think of it as it is emerging in Europe these days; we can perceive, for example, the new difficulty that arises from the impossibility to control the flows. As a result, we need the collaboration of new and old expertise to face them.

Regarding the second dimension, the needs SIs address show a high degree of complexity due to the high number of actors involved in their solutions. This factor imposes a process of mediation capable of aligning and forming agreements between the involved stakeholders.

This complexity, however, has been largely misunderstood, with the idea that the mere involvement of users in setting ideas and understanding their needs would correspond to the introduction of design and its practices in SI development.

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# SOCIAL INNOVATION ADDRESSING SOCIETAL NEEDS AND CHALLENGES

Social innovation tackles social needs as they arise;  
should it also aim to change the system?

*Ursula Holtgrewe / Jeremy Millard*

Social innovations address social needs and tackle societal challenges. However many if not all social needs can be traced back to the social, cultural and institutional contexts and systems within which they arise. This leads to debate on treating symptoms versus addressing root causes, compensating for adverse societal developments versus contributing to social progress. Considering the complexity and ‘wickedness’ of social problems and societal challenges, on the one hand, social innovators might also address these larger scale structural issues. On the other hand, this requires considerable effort and could result in complex and unforeseeable consequences. SI-DRIVE estimates only a third of social innovations aim to address systemic change. How can social innovations change the system, and how does ‘the system’ change them in the process?

To provide answers from SI-DRIVE’s evidence, there are at least two narratives about social innovation and its relation to the social system: one based on levels of intervention and one based on loops between structure and agency. In this contribution, we outline each perspective and finally integrate them in a model (see the Agency-Outcome-Structure model) that integrates agency, outcomes and structure and sketches the affinities between the elements. This model suggests a double-pronged strategy in which bottom-up approaches simultaneously solve problems and develop the agency of social innovators and beneficiaries, whilst top-down approaches create supportive political and regulatory frameworks and also mindsets and ways of living and working.

## SCALING THROUGH THREE SOCIETAL LEVELS

Social innovation seeks to deliver beneficial outcomes that directly address societal challenges like climate change, inequalities and poverty, labour market and employment issues, gaps in healthcare and education systems, and demographic issues like ageing and migration. According to

BEPA [1], there are three societal levels at which social innovation may deliver such outcomes:

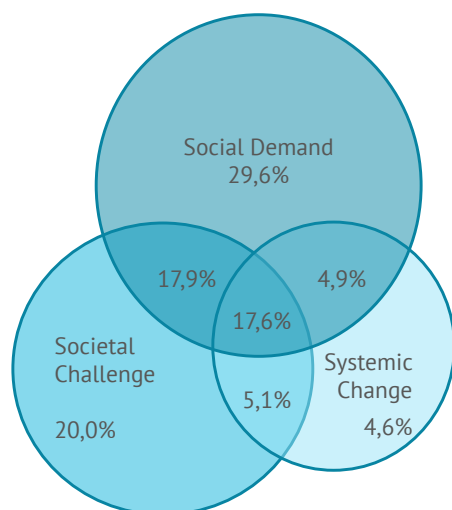
1. The social demands level, tackling specific problems faced by specific groups on the ground that are traditionally not addressed by the market or existing institutions and often impact vulnerable people much more than others. These are typically seen at the micro level.
2. The societal challenges level, tackling challenges that affect people at a larger social scale or across whole sectors, often manifest through complex mixes of social, economic, environmental and cultural factors and that require new forms of relations between social actors. These are typically seen at the meso level.
3. The systemic change level requiring some fundamental transformation of the way society, its institutions and actors operate, for example by changing governance structures, and creating more participative arenas where empowerment and learning are both the sources and outcomes of well-being. This is typically seen at the macro level.

This hierarchical notion of levels represents a useful taxonomy of the possible results and aims of social innovation, and provides a simple model of the relationship between social innovation and social change. However, it implies a somewhat linear, functionalist and perhaps overly simplistic view of society. It tends to focus on changes that are intentional and immediately valuable to the participants and beneficiaries, as well as ultimately for society at large, whilst ignoring complex and unintended consequences.

## SI-DRIVE AND THE THREE LEVELS

An analysis of the stated objectives of SI-DRIVE’s social innovation cases, when mapped on the three BEPA levels, results in the following patterns (see figure on BEPA levels addressed by SI-DRIVE):

- Social demand is addressed by 70 % of cases; health and social care, as well as poverty reduction and sustainable development, are strongest at this level.
- Societal challenges are addressed by 61 % of cases; environment and energy supply are strongest here.
- Systemic change is addressed by 32 % of cases; education and environment are strongest.



BEPA levels addressed by SI-DRIVE case objectives (N=953)

Although all three levels are well represented, it is clear that most social innovations focus on the two lower levels. Almost half of all cases (45.5 %) address more than one level, and 17.6 % address all three. However, these results refer to the stated objectives of social innovations rather than their actual outcomes, as the data do not provide evidence on outcomes or how they might have been achieved.

Although systemic change overall plays a smaller role than the lower levels, there are differences in the importance of all three levels across the seven policy fields of SI-DRIVE. For example, in healthcare (83 %) and poverty reduction and sustainable development (78 %), most social innovations aim to satisfy a social need. In both policy fields, social innovations clearly deal with the real, concrete needs and demands of individuals and small groups at local level. In contrast, environment (72 %) and energy supply (87 %) are more focused on tackling a societal challenge, which mirrors the recognition of climate and environmental issues in the UN's and EU's priorities at the meso level. Cases in education (48 %) and environment (46 %) strongly address systemic change at the macro level. This is noteworthy and may, again, reflect political programmes and stated priorities, but may also hint at current institutional and systemic failures to deliver solutions in these fields, thereby opening up space for social innovation aiming at the top level. The level of systemic change is less important for employment (19 %), transport and mobility (20 %) and energy supply

(25 %). Thus, different policy fields are more or less focused on the more systemic aims of social innovations, but this approach still does not reveal the actual relationships, if any, between the levels.

## FROM SOCIETAL LEVELS TO LOOPS

Social scientists and historians argue that social and systemic change in most cases is not simply about meeting a set of social challenges. Social change is multi-dimensional, complex and results from multiple interrelated actions, modes of learning, conflicts, tensions and diverse forms of cooperation and compromise, each of which can give rise to both intended and unintended consequences [2]. Social innovations interact with their societal contexts in numerous ways. Put succinctly, elements of 'society' such as social practices, individual and collective actors, cognitive frames, and value judgments feed **into** social innovations as well as derive from them. Thus in turn, these changed or changing social practices, actors, cognitive frames, and value judgments form the **outcomes** of social innovations.

To explore the relationships and dynamics between social innovations and their societal context and between the analytical levels, social theory provides the useful distinction of agency and structure:

- Structure: the recurrent patterned arrangements of rules and resources, habits, conventions, institutions and cognitive frameworks that influence or limit the choices and opportunities available to societal actors.
- Agency: the capacity of individuals and groups to make sense of structures, to act upon them, to reason and make choices.

Structure and agency in this view are complementary forces. Structure both constrains and enables human behaviour, and humans are capable of reiterating or changing the social structures they inhabit, although this typically requires collective action on a relatively large scale and timeframe.

Social change is multi-dimensional, complex and results from multiple interrelated actions, modes of learning, conflicts, tensions and diverse forms of cooperation and compromise, each of which can give rise to both intended and unintended consequences

Social change is therefore two-sided and multi-leveled with constant iterations and loops between the two sides. Social innovations change their institutional, social and cognitive environment, through the agency of all involved, whilst their respective environment – through its structures and institutions – changes the social innovation. This two-sidedness is an area of tension. For example, public policy

“can be understood as a product of the interrelations between institutions, social networks and cognitive frames, whilst [social innovation] seeks to change field dynamics” as the dynamics of their respective field or context [3]. This provides one possible explanation for the limited aspirations of SI-DRIVE’s cases to address systemic change: current policies are likely to select and favour social innovations that do not significantly challenge the field in which they operate, often at the cost of limiting the aspirations and potential positive impacts of social innovation.

### MECHANISMS OF SOCIAL CHANGE: LINKING LEVELS AND LOOPS THROUGH STRUCTURE AND AGENCY

The SI-DRIVE project has investigated nine specific mechanisms by which social change occurs [4]. These mechanisms have varied roots in structural-functionalist, evolutionary and conflict-based social theory, but provide useful sensitising concepts for case analysis and comparison. They can also be mapped on the three analytical levels:

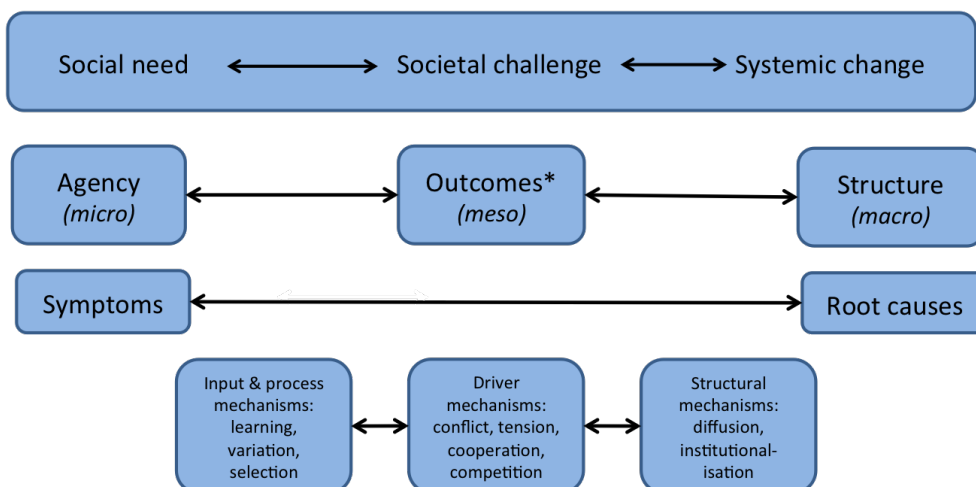
1. Input and process mechanisms: learning, variation and selection are considered input and process mechanisms and tend to focus mainly on innovators and beneficiaries, and on addressing social needs at the micro level. They contribute to the development of agency and of capable actors.
2. Driver mechanisms: conflict, tension/adaption, competition and cooperation are mechanisms that drive social innovation. They tend to address the meso level of organisations, networks and embedded practices, and the interrelations and interactions between actors.

3. Structural mechanisms consist of how innovations (including technological) diffuse, the role of other innovations complementary to social innovation, as well as planning and institutional change. They tend to focus largely on underlying structures and root causes, and are thus at the macro level of systemic change.

Successful, scaling social innovations are characterised by their compability and connectivity with their institutional and also cultural and normative environments.

### INTEGRATING LEVELS AND LOOPS

Analysing the more detailed SI-DRIVE cases of social innovations, there is “a pattern that can be generalised: successful, scaling social innovations are characterised by their compatibility and connectivity (in a non-technical sense) with their institutional and also cultural and normative environments. This implies a certain incrementalism. As social innovators ensure support, engage stakeholders and create networks, they may shed the more disruptive or transformative aspects of their social innovation. (...) There appears to be a trade-off between the possibilities of local, specific and targeted social innovations and institutional compatibility, unless top-down policies deliberately open and support spaces for creating and sustaining variety” [5].



\* Outcomes, for example, as expressed in the SDGs and in EU policies

Agency-outcomes-structure model and possible alignments: the model integrates agency, out-comes and structure and sketches the affinities between the elements.



Drawing on these insights, the BEPA micro, meso and macro level model might be integrated with the social theory of structure and agency, and with the mechanisms of social change through SI-DRIVE's empirical evidence.

The graphic on Agency-Outcomes-Structure shows a model that integrates agency, outcomes and structure, and sketches the affinities between the elements.

BEPA's trilogy of social demand, societal challenges, and systemic change corresponds with the micro, meso, and macro level of social analysis that address individuals and social groups, organisations and institutions, and societies, or societal systems at large. On each level and between levels, social structure and agency interact – and indeed, this is the way in which social demands, societal challenges and systemic change come about. Nevertheless, agency appears more prominent on the micro and meso levels, whereas the level of systemic change appears to be shaped by more inert, or at least more durable, social structures. An interpretation with more focus on agency is that incumbent and self-interested institutional or policy actors lock social innovations in on the levels of meeting needs and addressing challenges but avoid addressing the systemic root causes of needs and challenges [3].

## A MODEL OF AGENCY-OUTCOMES-STRUCTURE

Whether these effects are system- or power-related, exploring relationships between levels and mechanisms of social change yields a set of possible strategies for social innovation:

1. A micro-level strategy to build agency, which tackles the on-the-ground symptoms of societal needs and challenges largely from a bottom-up perspective, and directly engages the beneficiaries in meeting their own needs.

2. A meso level strategy between agency (micro level) and institutional structure (macro level) through the building of adequate organisations, networks or modes of collaboration, that consciously connect agency and structure, through a focus on pursuing the objectives of the social innovation to produce real, desirable outcomes.
3. A macro level strategy to change institutional or systemic structures by tackling the (root) causes of societal needs and challenges largely from a top-down perspective, and changing the underlying framework structures which often cause the need in the first place.

Social innovations are primarily devised and implemented to meet social needs, solve problems and address societal challenges. To foster and utilise the full innovation potential of and for the whole of society, these strategies can complement one another. A two-pronged strategy develops firstly, largely from the top, conducive or supportive societal structures that range from more formal policy and regulatory frameworks and appropriate funding to softer governance issues and systems of thinking, belief and ways of living/working. Secondly, largely from the bottom, new forms of participation and collaboration, co-creation and user involvement, empowerment and human resources are developed. This reflexive complementarity picks up on the distinction of agency and structure, albeit in a more processual way: social innovations need to develop both agency and structures conducive to their development, which in the process may reproduce or change the social innovations themselves. While currently social innovations mostly focus on the micro level of meeting social demands and solving local problems and complementary multi-level strategies may in the long run circumvent institutional blockades and bring about systemic changes indirectly [6].

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# RESOURCES, CONSTRAINTS AND CAPABILITIES

Human and financial resources as well as organisational capabilities are needed to overcome the manifold constraints social innovators are facing. To unlock the potential of social innovation for the whole society new (social) innovation friendly environments and new governance structures (ecosystems) have to be set-up to foster social innovations in their different stages of development.

Steven Dhondt / Peter Oeij / Antonius Schröder

## INTRODUCTION

If social innovations want to become successful, they need sufficient resources, they need to deal with a whole set of constraints and they need to have capabilities to manage these resources and constraints. For social innovators, the use and access to these resources is somewhat different than for technological and business innovators. A clear understanding of these differences can guide social innovators in developing strategies to better deal with resources and developing capabilities that eventually result in social change.

Successful social innovations represent actions by intrinsically motivated people, peers or networks of people, who succeed in gaining the support of significant others, such as civil society, volunteers, professionals, and people concerned from different sectors, including policy agents.

*Resources* and *constraints* can best be handled as interconnected topics. Having too little resources is clearly an important constraint for a social innovation. Many social innovators are personally driven and motivated by societal challenges or local or individual demands. Therefore, the first and most important resource is clearly *human resources*, i.e., the collaboration and cooperation between people. Successful social innovations represent actions by intrinsically motivated people, peers or networks of people, who succeed in gaining the support of significant others, such as civil society, volunteers, professionals, and people concerned from different sectors, including policy agents. *Financial funds* are another interconnected crucial resource largely determining the survival and scaling-up of a social innovation initiative. Social innovations lack own, public

and market funding. The difference with technological and business innovations is that social innovations are often focusing on social value creation and rarely have sound economic business cases which could make them sustainable. And clearly, without sufficient financial back-up they often disappear after a while. *Rules and regulations* (regional, cultural and governmental frameworks) can initiate and support social innovation, but often they can be considered a constraint. They vary between the different policy fields and world regions. Social innovators need to overcome these barriers, and they are not always very well equipped

to do that. There are no national or international agencies overseeing unfair competition in the social innovation field.

This brings us to our third term. *Capability* can be defined at the individual but also at the organisational level. Individuals may have capacities

to achieve new goals. When talking about capabilities for social innovations, we mainly focus on the organisational level, a business' ability to organise processes and relevant resources and to realise desired innovation objectives [1]. According to Hadjimanolis [2], some key capabilities of innovation are technical ones, such as the capability to produce ideas, to develop them into products. Other skills are marketing and service skills, legal skills to protect intellectual property, the ability to network, to form alliances and to span inter-firm boundaries. According to Lawson and Samson [3] – beside the fundamental vision and strategy of an innovation – competences, culture and new technologies are sources for innovation capabilities that are closely related to the SI-DRIVE philosophy.

## WHAT DOES SOCIAL INNOVATION PRACTICE TELL US?

Based on the empirical results of SI-DRIVE [4], specific human and financial resources as well as organisational capabilities are needed to overcome a huge list of different constraints.

### Human resources: intrinsically motivated people, leadership style and mutual learning

Social innovations need motivated and active persons. Such individuals are not only needed to invent but also to drive the innovation. They do not have to be as knowledgeable as scientific experts for technological innovations. These 'human resources' can come from everywhere and can have any kind of competence related to the problem solution. However, scaling of social innovations requires specific and diverse (managerial) competences from social innovators. Most failed social innovations look back at lacking competences of their initial promoters and actors.

The **leadership style** of social innovators needs to be suitable. Start-ups and smaller social innovations rely greatly on charismatic leadership and on such initiators which are sufficiently concerned by the challenge lying ahead and probably have a sufficient connection to the concerned milieu. Larger social innovations rely more on "collective leadership" where the management structure is not so much depending on single persons.

**Mutual learning, absorptive capacity building and empowerment** are highly relevant to further develop the initiatives and to reach sustainability. Mutual learning takes mostly place at the individual level of the people involved and can also refer to the people targeted by a solution. Social learning of society actors and system players takes place through recognition, assimilation and implementation of new information and knowledge. However, capacity building is often linked to the initiative itself and interrelated to "path

Universities could and should engage much more in supporting social innovations by knowledge provision and exchange, evaluation, new ideas, process moderation, advocacy for social innovation, technological solutions, and others.

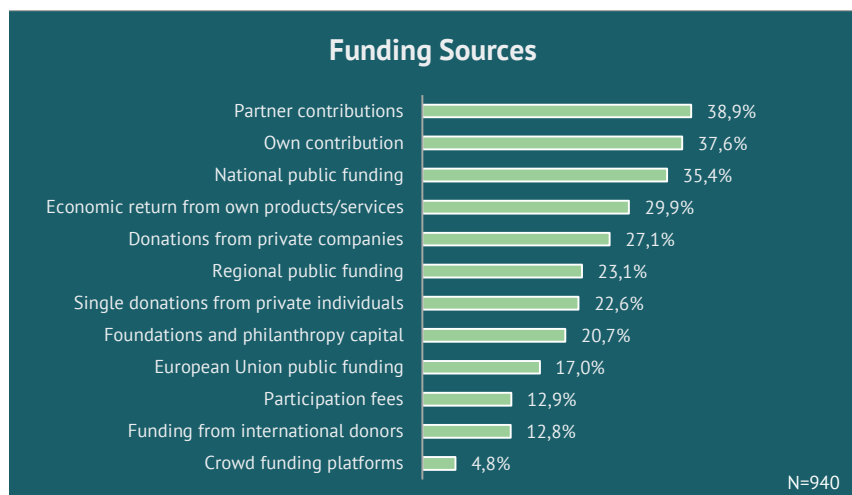
dependencies of development" – as experiences from the past will inform actions in the future. Capacity building (also for public institutions, system representatives) and empowerment create win-win situations for producers and users alike. Intermediary organisations and institutions for capacity building are evolving, with the goal to cooperatively equip initiatives with the right skills, competencies and even resources to be successful.

Compared to the high engagement of science in technological innovations, the underdeveloped role of universities within social innovations has to be stressed. Universities could and should engage much more in supporting social innovations by **knowledge provision and exchange**, evaluation, new ideas, process moderation, advocacy for social innovation, technological solutions, and others.

### Financial resources: Social innovations depend on diverse funding sources

Social innovators clearly face a complicated funding situation. Often, we are talking here of private citizens or individual representatives of organisations that are starting a local, possibly limited initiative. This always means that they mainly rely on **own funding**. But more sources are necessary and available to social innovators. The global mapping reveals a wide range of different financial sources which serve as backup for social innovation initiatives. The main funding sources are internal contributions of the initiatives

(own and partner contributions), supplemented by (European, national, regional) public funding. Civil society (foundations, philanthropy capital, international and individual donors) is a highly relevant funding source as well. Social innovators sometimes rely on profits made by sales from own products or services, participant fees, and crowd funding. Social innovators thus depend on a broad range and highly diverse combination of funding sources. They don't do this just for the fun of it or as a strategic risk diversion, rather they have no choice and need to combine sources to help their initiative survive.



This diverse funding situation also leads to the use of diverse and **specific business models**. As commercial competition with other social innovations is not in the mind-set of most of the initiatives, there are different and obvious attempts to survive, e.g. with the help of concepts such as social enterprise, corporate social responsibility programmes or measures, hybrid revenue models (sponsored by sales, fees, etc.), licensing models, associations funded by fees, small business (market competition).

### Organisational capabilities

Social innovators are mainly driven by societal challenges and local social demands. This is clear when thinking about general societal challenges like climate and demographic change, society's frustration with ineffective systems, measures and regulations, system and policy gaps and failures. Social innovations want to solve these challenges. Local demands on, for instance, social inclusion, labour and education needs, reducing mismatches, and demanding new and innovative social solutions are leading to new social practices. All demands push intrinsic motivated people from different sectors to take up their (personal and/or civil) responsibility. Social innovations are driven by a sense of urgency and are pushing up the public and political agenda with social needs and demands that are not yet covered by the formal system. To deal with these drivers, the following organisational capabilities for social innovators need to be in place:

- Social innovations need to be embedded in environments in which they can connect to important stakeholders. **New governance systems** or innovation friendly environments are needed, supported by an open government giving leeway for and fostering experimentation.
- Social innovators need to be able to use and take-up **new technological possibilities**.
- Social innovators need to understand the role of complementary innovation. Whereas **complementary innovation** in some policy and practice fields is more of technological nature, others are related to new business models making social innovations more sustainable.
- **Dealing with compatibility to the dominant institutional setting** is a capability easily overlooked. Selection, adoption, diffusion and imitation, and social change are mainly depending on the connectedness with the (formal) system the initiatives are embedded in.

### Dealing with constraints

The global mapping demonstrates that a variety of constraints for the upscaling of social innovation exists, mainly focusing on the initiative itself: lack of funding, lack of personnel, knowledge gaps. Although there is a mix of funding sources and funding is not the main driver, it is by far the main challenge for social innovations. Against the background that empowerment, human resources, and knowledge are the main cross-cutting themes for social innovation initiatives, the appointed lack of personnel and knowledge

Social innovators will need to develop a broad spectrum of strategies to get required resources and develop relevant capabilities.

gaps are relevant barriers as well. Although legal restrictions and lack of policy support are not in focus generally, the in-depth case studies divulged that they are very relevant for development and institutionalisation.

## THE WAY FORWARD

Our analysis shows that social innovations have, in comparison to technological and economic innovations, similar but different and more challenging properties. Social innovations require substantial human resources, unlocking the potential of society as a whole for specific solutions. They are reliant on different funding sources and face drivers and barriers often related to each other. Driven by societal challenges and local demands, they often are depending on individual persons, lacking personnel and managerial skills, appropriate funding and political / policy support.

### What does this mean for upscaling and institutionalising social innovations?

Social innovators will need to develop a broad spectrum of strategies to get required resources and develop relevant capabilities. Our results show a high innovation capacity and a high level of society's empowerment by broad and diverse financial and personnel resources of social innovation initiatives that are mainly situated in the implementation and impact phase stage. The integration of partners from all societal sectors building an innovation related ecosystem, diverse funding sources, the diverse know-how of partners, a broad user and beneficiary involvement and a high number of volunteers could be seen as an already existing excellent basis for further development towards an ongoing institutionalisation of the initiatives, their diffusion and adoption. As well, existing initiatives of such kind can become an inspiring movement, successful practices can be adopted, and solutions can be modified and developed for other societal challenges and social demands. The needed resources and capabilities as well as the appearing constraints vary in the different process stages of social innovations (such as idea, invention, implementation, institutionalisation and diffusion). They change over time and are allocated differently to the specific development phases of social innovations.

### What does it mean for the support of social innovators?

There is a need for a **social innovation friendly environment** and new **governance structures** supportive to the innovators. Especially if compared to technological development infrastructures and support structures (like National Innovation Systems) it becomes evident that the instruments for social innovations have to be improved. If it, for instance, comes to funding it is important to take advantage of new technologies and to set-up sustainable business plans. Social innovators ideally would require some kind of basic funding in the start-up phase. Local innovation laboratories for social innovation are helpful to get start-ups launched. In the upscaling and institutionalisation phase, social innovations require extra co-funding sources next to existing participant fees and own contributions. Of course, social innovations could benefit from possessing a stronger “business” orientation and more managerial capabilities.

A specific social innovation friendly environment is demanded (fostering **social innovation ecosystems** with partners concerned from civil society, economy, policy and science). It, however, needs to be different from other (technological or economic) innovations because of the need to unlock and use the *potential of the whole society*.

Universities and research centres should become more relevant drivers for social innovation. Only about half of the social innovations are supported by **external experts**. Science and research – and this is different from technological innovation – are not having a relevant role as a trigger or driver (this is underlined by the low number of involved universities and research institutions as partners of initiatives).

An innovative environment – established and supported by (new) governance structures and politics – needs a **supportive legislative environment** (giving ‘space’ for experimental innovations), specifically concerning political support on the local level. Especially in policy fields with a high level of regulation by formal systems (like education, employment, health) **new governmental structures** are needed, providing

An innovative environment – established and supported by (new) governance structures and politics – needs a supportive legislative environment (giving ‘space’ for experimental innovations), specifically concerning political support on the local level.

new leeway for experimentation. This could be done by an ‘open government’ which itself is embedded in broader open governance systems encompassing all of society’s actors. In this context, the public sector needs to adapt its roles and relationships with these others actors” [5, p. 3].

### CONCLUSION

Resources, constraints and capabilities are as manifold as social innovations. They differ within the innovation development stages. Human resources, knowledge and empowerment are continuously developed by mutual learning of all actors involved within social innovation processes, leading to capacity building and new capabilities. Empowerment is an important result and a driver, concerning not only beneficiaries and innovators but also societal actors including (parts of local) communities. Lack of personnel is one of the main barriers for upscaling and all social innovators experience funding constraints, different sources have to be harnessed. Main drivers are (local) social demands and societal challenges as well as individuals/groups/networks; main barriers are the search for funding, missing (policy) support mechanisms, lack of personnel and (managerial) skills.

However, to *unlock the potential of social innovations for the whole society* it is necessary to set-up a social innovation friendly environment with new governance structures: supporting relevant and appropriate resources fitting to different stages of the innovation process, fostering new (organisational) capabilities and overcoming process and system related constraints.

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# ACTORS AND ROLES IN SOCIAL INNOVATION

The article explores different actor types and roles in social innovation processes. It discovers which actors take over the role of developers, promoters, supporters and knowledge providers. A second focus is on users and the question how they are involved in the development of social innovations.

Anna Butzin / Judith Terstriep

## INTRODUCTION

Actors and the social networks in which they are involved are governed by modes of interaction, dynamics of power and the social, cultural, and institutional frame they are embedded in. Modes of interaction describe how decision-making and leadership are managed in social innovations and how this relates to self-regulation, co-creation and policy-making.

Transformations in governance are an influential context factor for social innovations that are developed by different actors. The opening of political processes and participatory approaches give market and civil society actors leeway for developing their ideas for social initiatives. It is evident that social innovation initiatives engage a wide variety of actors and networks in a diversity of roles and functions, which is part of what allows the initiatives to respond to social problems. Based on SI-DRIVE's empirical findings, this article highlights actors and roles in social innovation processes.

## A VARIETY OF ACTORS AND ROLES

Social innovations are initiated in and provided by all parts of society, including public sector bodies and companies, NGOs and other actors of civil society [1]. Public sector actors can act as promoters of social innovations, providing resources such as funding, increased support for networking, capacity building and digital technology, or through new legal frameworks, commissioning as well as by applying research and working alongside social innovation. Companies engage in social innovation initiatives by developing new business models, providing specialised competences, and resources such as hard infrastructure. Civil society is a source of social innovation. It includes networks of political activists who are engaged in a wide range of issues, such as human rights,

marginalized groups, sustainability, gender equality etc. Despite local roots, strength of civil society lies in cellular organisation not centrally governed or coordinated. Civil society stands for key actors and promoters of social innovation, and their mode of organisation can be considered a social innovation itself as it allows the formation of social movements and other innovative social engagements.

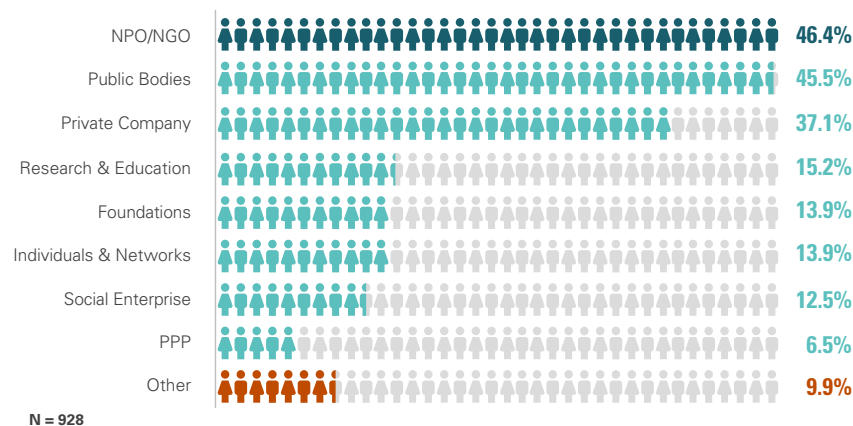
Actors may have more than one role in an initiative which is subject to change over time.

Terstriep et al. conceptualise different roles for actors within social innovations [2]. They offer a typology that has also been applied in the quantitative analysis of this article. It is distinguished between four major categories of actors, namely developer, promoter, supporter and knowledge provider which come from the public and private sector as well as civil society, including NGOs and NPOs. It is important to acknowledge that no clear demarcation between the categories exists, they are rather characterised by blurred boundaries. Moreover, actors may have more than one role in an initiative which is subject to change over time.

**Developers** are the inner core of social innovation initiatives, initiating and operating the solution. These actors are seen as being able to translate knowledge about unsatisfactory circumstances into an innovative idea in order to improve the situation. Furthermore, these actors have the ability to not only invent but also to develop and implement the idea in order to make it a social innovation. **Promoters** of social innovations are involved in social innovation processes as partners that provide infrastructural equipment, funding, and connect initiatives to superior policy programs. In addition, **supporters** refer to actors facilitating the spread and diffusion of social innovations through, for example, dissemination or lobbying activities. Accounting for the

importance of knowledge as key resource in social innovation processes, a further category is devoted to actors that provide special knowledge relevant to spur and enrich the development process (*knowledge providers*).

social innovations. Distinct from technological innovation, social innovations often originate from grass roots of civil society, and users respectively beneficiaries might replace research institutes as knowledge providers.



Actors engaged in Social Innovation Initiatives (multiple responses; % of cases)

### TYPES OF ACTORS

Empirical evidence underpins the variety of actors involved in social innovation, as the analysis of the EU-funded SI-DRIVE project illustrates. A central task of SI-DRIVE was to map and analyse more than 1000 social innovation initiatives [3]. With a share of 46 % and 45 % of the mapped initiatives, NPOs/NGOs and public bodies respectively are core actors involved, followed by private companies (37%). Being involved in only about 15 % of the mapped social innovation initiatives, research institutes tend to play a subordinated role (see figure on actors engaged in social innovation initiatives). Partly, the lack of involvement by research organisations can be explained by specifics of

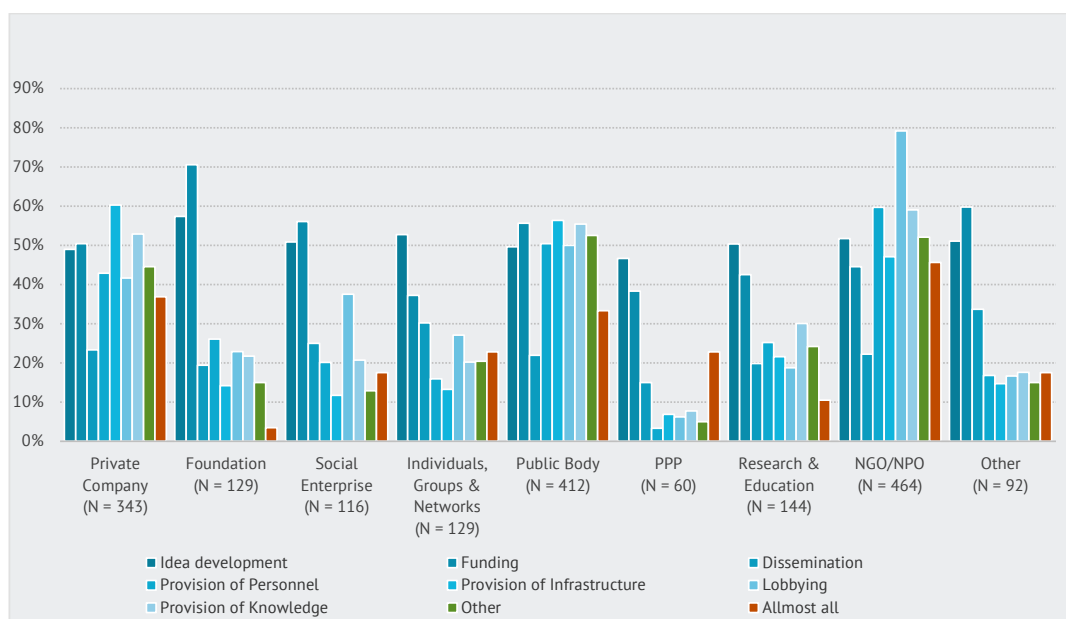
### FUNCTIONS OF ACTORS

Detailing the different functions according to the actors allows for the identification of specialisation patterns (see figure on Actors' functions by type of actor). Results indicate that private companies' function as provider of infrastructures (60%) clearly exceeds their other support activities. Although on a slightly lower level, likewise, this applies to public bodies (56%), whose function as funder (56%) and knowledge provider (55%) is equally marked. Foundations' primary function is associated to funding social innovation

initiatives (71%) and to idea development (57%). Individuals, groups and networks' support is on idea development (53%), as is the case for research organisations (50%). NGOs/NPOs have taken up the function of lobbying, which exceeds their other activities with a share of 80%. Social enterprises' focus is on idea development (56%) and funding (51%).

### ROLES OF ACTORS

The role as a central developer is foremost assigned to NGOs/NPOs (60%). Public bodies (45%) and private companies (38%) rank second and third as central developers. All other actors can be ascribed a less central role as initiators and operators of social innovation initiatives. Public bodies take

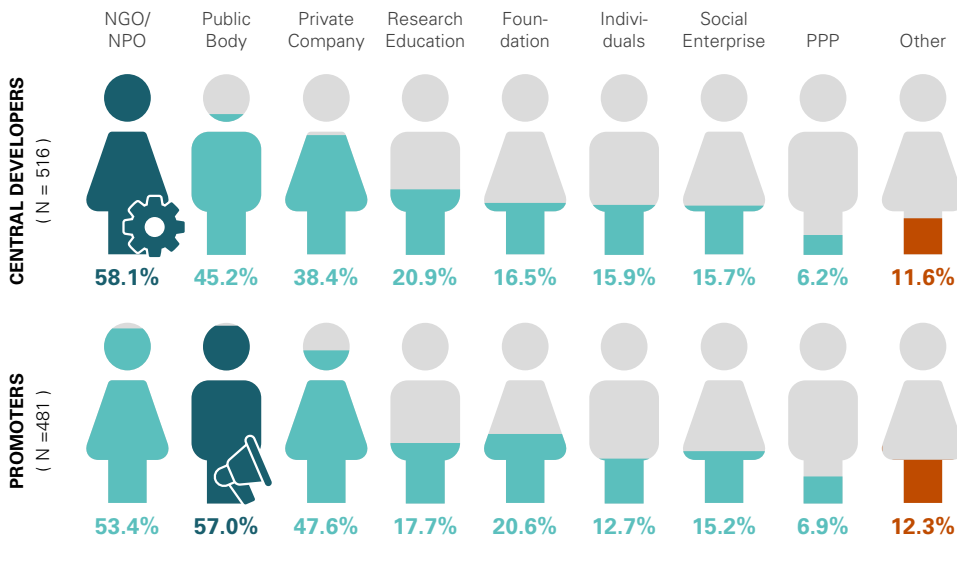


Actors' functions by type of actor

the lead as promoter of social innovations (57%), followed by NGOs/NPOs (53%), and private companies (47%). Research organisations, foundations, individuals, groups and networks as well as social enterprises and public-private-partnerships are less influential (see figure on central developers and promoters).

success of the solution strongly depends on users' acceptance and active participation. On the contrary, the category "users as co-creators" refers to users' direct involvement in the development and/or improvement of the social innovation as one partner of many stakeholders. This category is clearly to differentiate from *users as innovators*, where the users

are the initiators and core developers of the solution, while in later phases of the innovation process the social innovation may have been adopted by other organisations to advance its implementation. The share of users as innovators (13%) supports the insight that individuals are involved in initiating social innovations. Users as adapters, i.e. personalisation of readily available solutions, have been identified in 10% of the cases. Users as funders are only of minor relevance.



Central developers and promoters by type of actor (% of cases)

## USER INVOLVEMENT

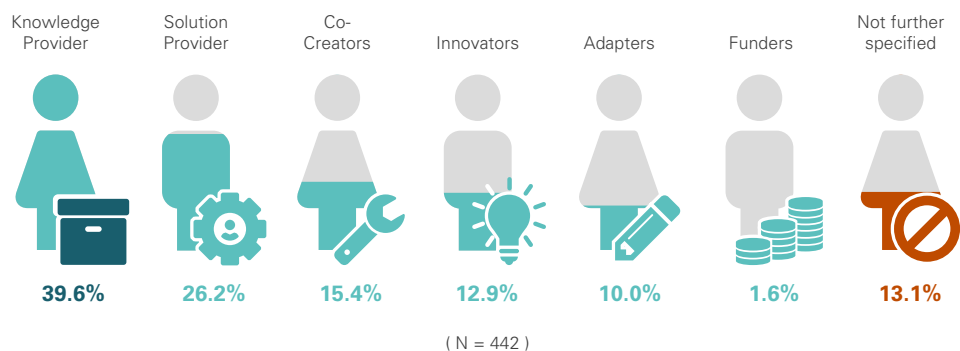
Users are involved in the development or improvement of the solution in about half of the mapped cases (N=442). *Users as knowledge providers* is the most common form of user involvement (40% of the cases involving users). More precisely, users provide knowledge throughout the social innovation process in form of dialogues, feedback, testing and experimentation, suggestions for further improvement as well as tutoring. These findings correspond with the observation that users have a substantial role in social innovation processes that goes beyond the mere utilisation of the solution provided by others. Moreover, it suggests that social innovation initiatives rely on users' specific knowledge and feedback to meet their needs properly.

This is further substantiated by the involvement of *users as solution providers*, which ranks second (26%), and *users as co-creators* which, at some distance, ranks third (15%). Concerning the former, users are not part of the solution's development process, but provide the readily available solution to other users. Forasmuch, it can be assumed that the

## CONCLUSION

Social innovations are characterised by a wide range of actors involved, who may have various roles which fluctuate across different innovations and the development process of a single innovation. In fact, as social innovation research has progressed, we have seen the identification of an increasing number of actors, suggesting that social innovation emerges and develops within a complex and dynamic ecosystem. This ecosystem is comprised of both supporting and constraining factors and social innovation actors both enact existing practices and attempt to enact any new or modified ones.

Spurred by individuals, the driving force or inner core of social innovation initiatives can be labelled as a "trio" of



Form of user involvement in Social Innovation (multiple responses, % of cases)

NGOs/NPOs, public bodies and private companies. Schematised specialisations are problem identification based on socially relevant knowledge (individuals, NPO/NGO), the set-up of pilots and projects as well as the provision of resources to coordinate the social innovation processes (public body), as well as infrastructure provision (private companies). The inner core takes over tasks related to the crucial development of a social innovation initiative. A wide spectrum of actors can take over the role of promoters. Being temporarily involved, they provide specialised competences and resources to address challenges and/or problems arising in due course of the innovation process.

Cross-sector collaborations emerge as a common pattern in initiatives that are developed in alliances, while actors fulfil specialised functions that allow for taking advantage of complementarities and synergies. In this respect, it is important to note that boundaries between the functions

With a share of 46 % and 45 % of the mapped initiatives, NPOs/NGOs and public bodies respectively are core actors involved, followed by private companies (37%).

can be blurred: NPOs/NGOs represent the civil society and provide problem identification and solutions based on societally relevant knowledge; public bodies are able to set up programmes and projects and have the resources to coordinate social innovation processes; private companies provide infrastructures. All of these specialisations are equally relevant for a successful social innovation initiative. Besides their primary function, NGOs/NPOs, for example, engage in lobbying and funding etc., whereas private companies also contribute to idea development and funding. In particular, the strong involvement of private companies illustrates that the progress of social innovation is not restricted solely to social enterprises, but also is relevant for the mainstream business community.

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# READY FOR TAKE-OFF? PROCESSES OF SOCIAL INNOVATION

This chapter argues that the process dynamic of social innovation depends on the societal domain where the social innovation is anchored and on the mode and intensity of interaction. Nine types of social innovation, derived from the process dynamics point of view, are presented and discussed.

*Dieter Rehfeld / Doris Schartinger / Matthias Weber / Wolfram Rhomberg*

SI-DRIVE is about the relationship between social innovation and social change. The process dimension of social innovations is one of the five key dimensions of SI-DRIVE and concerns the creation and structuring of institutions as well as behavioral change. In theoretical terms, the process dimension asks for the mechanisms that bridge between individual social innovation initiatives (micro level) and social change (macro level).

The range of social innovations that have been studied in SI-DRIVE's global mapping and case studies seem to be very heterogeneous and experimental. Flourishing, stagnating and withering activities can be found in all policy and practice fields. This broad range of social innovation activities corresponds to different ways of diffusion or dissemination of social innovation. Contributing to an increased understanding of the processes of social innovation, we have to transcend the limits of the single social innovation activity and study

the interplay between different social innovation projects and actors from different social fields, supporters as well as opponents. Further on, we have to avoid overly simplification in reducing the process dynamics to scaling or imitation.

In this chapter we present a more differentiated view on the process dynamics of social innovation. Based on the results of the global mapping and the SI-DRIVE case studies, we start with two basic assumptions.

First, **process dynamics depend on the societal domain** where the social innovation is anchored. We concentrate on three dominating societal domains: the civil society, the economy as well as politics. When we talk about societal domains we see that each societal domain is driven by a specific logic, however, aspects of the other societal domains can be found as well.

Societal field Interaction	Economy/Market	Civil Society	Politics
Fragmented/Niche	I Company based	IV Temporary Niche	VII Experimental
Fragmented but partially framed	II Entrepreneurial	V Community based	VIII Embedded
Societal/Global	III Disruptive	VI Global movement based	IX Top Down

Types of social innovations from a process dynamics perspective



Second, **process dynamics are often grounded on the mode and the intensity of interaction.** The modes of interaction are the classical ones: competition, cooperation and hierarchy. The intensity of interaction depends on the degree of exchange between the social innovation activity and on the strength of the general idea that is behind those activities.

In addition, we include further aspects like the amount of professionalization of social innovation activities, the societal dynamic behind those activities (digitalization, migration, demographic change, environmental and energy issues), and the role of politics.

The table presents the nine types of social innovations derived from a process dynamics view. The nine boxes within this table stand for the process dynamic that results from the interplay between the two dimensions. It is important to keep in mind that these are ideal types and in reality there are many examples that stand in between these types and in the course of development, social innovation activities can move from one box to another.

Referring to the different societal domains, we observe three types that are anchored in the **economic domain**.

**I Company based** social innovations are driven by companies and focus on the internal structure of the company. Patterns of implementation are fragmented, meaning that companies normally implement isolated solutions. Exchange or common platforms are marginal, political support can be found only in very few cases. The driving forces behind such activities are demographic change, shortage of qualified labour and economic pressure. The process dynamic is low, maybe slowly rising, because of ongoing pressure. This type is best documented in the practice field of workplace innovation (see article on Workplace Innovation as an important driver of Social Innovation).

**II Entrepreneurial driven** social innovations are based on a new balance between economic and social goals. They follow professional business models and aim at least at limited scaling. The interaction is competitive and market driven, however, does not only take place via prices, but also via reputation. In spite of competition, entrepreneurial social innovations are framed by several platforms, associations or networks across geographic boundaries. The dynamic is different from country to country and depends on factors like the welfare system and the traditional division of labour between state, market and civil society, the specific legal frame for social led enterprises, the social innovation ecosystem as well as funding opportunities.

**III Disruptive** social innovations are based on digital business models and are often financed by venture capital. They are typically associated with the mode of the shared economy that is based on sharing and marketing individually owned goods. They are disruptive as they act against given political

standards or regulations that are seen as a hindering factor. Interaction is market driven and competitiveness is based on a large community, that renders scaling essential. Because of strong competition the organization of common platforms and exchange between the social innovators is very limited. Competition, partially on a global scale, and digitalization are the driving forces behind a high dynamic, at least at the beginning of the business' activities. In the long run, the dynamic depends on further (de)regulation and the power of established actors. This type is typical for social innovation activities in the practice field of car sharing.

Three types of social innovation are anchored in the **domain of civil society**:

**IV Temporary niche** stands for a type of social innovation that is limited in time and space. It is driven by often highly engaged actors who aim at solving a specific local problem. Individual engagement is dominating, personal social networks are used. Pragmatism or muddling through goes hand in hand with a low degree of professionalization and with high support from volunteers. Political support is limited and often remains informal. Interaction with other social innovation initiatives is limited and there is no reference to a global societal trend. In consequence the dynamic is often limited. As far as scaling or upgrading takes place, this type shifts to type two when it becomes marketed or to type seven when it achieves reliable political support. Examples for this type can be found in many practice fields, e.g. in displacement and refugees or new models of care.

**V Community based** social innovations have a strong focus on self-organization, in some cases they aim at strengthening local communities. They are based on a broader local community and the organization of the network is in need for a certain degree of professionalization. Local politicians are often involved, financial support by government funding is used as far as possible. Action is taking place at local level, however, communication strategies are launched from time to time. Often they are backed by a global societal trend (e.g. environment, renewable energy, local food) and to some extent; by formal or informal, national or global networks that provide orientation. The local dynamic is high and stable in the long run; spill-over for instance from autonomous energy supply to local food is possible. An overall self-enforcing dynamic is an untapped potential so far and depends on political factors (decentralization or regionalization, funding, regulation, and so on). This type of social innovation is characteristic for practice fields in the area of environment and energy (local production of energy, energy services, repair, re-use, and recycling, sustainable primary production of food).

**VI Global movement based** social innovation is anchored in civil society and is not directly a result of SI-DRIVE's global mapping or case study activity. Civil societies differ across countries and the notion of "multiple modernity" takes into

account that there is no common global way to modernity. Nevertheless, there are some social innovations that become adapted all around the world. Cooperative modes of car sharing, activities to protect and empower women, local food and local energy supply are just a few examples. Depending on the state of a civil society as well as on regional or national cultures, these activities are implemented in very different ways; however, there is always a common idea behind such activities. Imitation, learning, and adaptation are the key modes of interaction. This type of process dynamic differs from previously discussed types as it does not stand for a single project, but for a group of projects that are receiving increasing attention. So far, the dynamic is growing but still limited in scope. Maybe the future dynamic of those social innovations depends on further modes of informal and flexible interaction in the way Appadurai [1] calls it “cellular”. Some impression of the potential of this type can be found in the practice fields of community capacity building and integrated care.

Three further types are anchored in the **political domain**.

**VII Experimental** social innovations are based on funding programs, are organized as projects, and are limited in time and scope. Those funding programs cover a broad range of activities and a certain degree of professionalization is essential for the initiatives due to formal conditions and terms of the calls. The projects stand for themselves and are fragmented; interaction is very weak as an organized exchange between the different social innovation projects does not occur in most instances. Therefore, we cannot expect widespread dynamics from this type of social innovation. Nevertheless, there are some projects that provide strategies and the instruments for that are embedded in a practice field, implying that this activity shifts to type eight.

**VIII Embedded** social innovation stands for a type of social innovation that is more or less an integrated part of a specific practice field. This type of social innovation is based on financial resources from government. This could relate to specific calls to provide new solutions in a certain practice field, or resources are provided in the context of implementation. In the first step, social innovation activities of this type are fragmented, as in type seven, however, if successful they give impulse to strengthen the welfare system in compensating for its weaknesses. There is a certain dynamic as these social innovation activities have

There are general trends in social innovation but the dynamic take-off would require that the potential of social innovation is exploited systematically in the context of the related practice and policy fields.

the potential to become an established part of the welfare system. In this context, professionalization and the development of a business model are crucial and we can expect that there often is a shift to type two (entrepreneurial social innovation). Typical examples can be found in the practice fields of youth unemployment, mobility of vulnerable groups, reduction of educational disadvantages, providing examples and inspiration, and last, integrated care.

**IX Top-down** social innovations are based on central political programs that combine incentives, support, nudging, regulation and prohibitions. The mode of interaction is hierarchical, but the dynamic depends on the acceptance and the active involvement of the people addressed. In some cases policy provides the impulses, a frame for the practice field, and enables the rise of activities from civil society and/or economy. The best known example for a failed top down social innovation is the prohibition of alcoholic drinks in the USA in the 1930s, and more recent examples are non-smoking incentives and regulations. In our case studies we find examples in the practice fields of income support as well as in centralized countries like China or Russia.

Summing up, we have to be aware that these types are ideal types and the matrix is static in nature. The examples studied have shown that social innovation activities can move from one type to another in the course of their life-cycle, and in particular between the different columns. For instance, car sharing is rooted in small-scale, local projects of self-organization and nowadays can be considered an entrepreneurial if not disruptive business. This includes the change from civil society or policy embeddedness towards market driven activities. Further on, there is a potential to shift from a fragmented niche – via more interactive or framed social innovations – to a global dynamic. Most of our case studies are in the two upper rows, most likely as the majority still is of a rather young age. There are general trends in social innovation but the dynamic take-off would require that the potential of social innovation is exploited systematically in the context of the related practice and policy fields. The challenge thus is to move into the boxes of the third row in order to unfold the potential of social innovations. This move can take place in civil society; it can be market driven, or part of policy strategies.

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# BUILDING BLOCKS OF A TYPOLOGY OF SOCIAL INNOVATION

## INVESTIGATING THE RELATIONSHIP BETWEEN SOCIAL INNOVATION AND SOCIAL CHANGE

Up to now, endeavours to distinguish between different types of Social Innovation have remained sporadic efforts by single European initiatives. Building upon the empirical results of the SI-DRIVE project, this article sketches the first characteristics of a typology distinguishing between different types of Social Innovation along their relation to the formal system or the social-cultural environment they are operating in.

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### MAKING A CASE FOR A TYPOLOGY OF SOCIAL INNOVATION

Innovation has many faces: It can be technological, it can concern the organisational level or the workplace, or its main characteristic may be that it is disruptive or incremental (to name but a few of the most common types of innovation studied in innovation literature). Social Innovation can be placed among those main archetypes of innovation. In addition, the field of Social Innovation itself can distinguish several types based on the theoretical and empirical analysis of SI-DRIVE.

Despite the growing public and academic interest in Social Innovation throughout the last decade, attempts to classify different social innovation initiatives have remained sporadic efforts by single European research projects. The most popular example is BEPA's distinction of three levels addressed by social innovations namely that of social needs, societal challenges, and systemic change (scrutinized in the article Social Innovation Addressing Social Needs and Societal Challenges). This is partly due to the fragmented landscape of Social Innovation concepts (see article *Desperately Seeking a Shared Understanding of Social Innovation*). A well-defined concept of Social Innovation, which can clearly be distinguished from other forms of innovation, is the pre-requisite for differentiating types of Social Innovation within these conceptual boundaries.

The project SI-DRIVE set out to develop building blocks of a social innovation typology. On the one hand, this typology builds upon SI-DRIVE's definition of Social Innovation as a new figuration of social practices and, on the other hand, it distinguishes different types of Social Innovation by their relationship to social change. Hence, these first considerations

Despite the growing public and academic interest in Social Innovation throughout the last decade, attempts to classify different social innovation initiatives have remained sporadic efforts by single European research projects.

can be regarded as the first steps towards a complexity reducing typology to understand which social innovations are more fruitful for social change and which are not. Given the diversity of social innovation initiatives all over the world, the aim is not to develop one central all-encompassing typology but to lay the ground for one that is able to answer this specific question.

In addition to using SI-DRIVE's definition of Social Innovation as a frame of reference, the typology approach presented here builds on SI-DRIVE's empirical results of the global mapping (see article *Social Innovation on the Rise*) and the in-depth case studies.

### TYPOLOGY, TYPES, AND CLASSIFICATION – CHOOSING A METHODOLOGICAL FOCUS

The starting point of this article is the assumption that the world of Social Innovation is full of different types. Yet, the very concept of the *type* is far from being clear-cut. Common

notions are e.g. ideal types, empirical types, structure types, or prototypes [1]. The multiple applications of the term *type* show that it is not reserved only for “grouping” as typology, but is also used interchangeably with the term class or category. Most confusion surrounding the concept of typology stems from it being used interchangeably with the term classification. A typology can be seen as a specific type of classification being mainly distinct in the method used to build them. In that sense, typology refers to a multidimensional conceptual classification used mainly in social sciences. It stands in contrast to other forms of classification such as taxonomy, which is a classification based on empirical data and used mainly in natural sciences such as biology [2]. Moreover, while classifications focus on grouping items in homogenous sets, typologies are based on the concept of the ideal type – types developed with respect to a certain predefined outcome [3]. The purpose of typologies lies in measuring the fit or deviance of variables of real entities to those of the ideal types. Accordingly, the typology may contain ideal types which are not observed in reality, but still represent a possible path for achieving an outcome. Therefore typologies allow specification of non-linear relationships between constructs and explanation of complex phenomena [3].

From this background, the typological approach is a useful tool and a enriching contribution to the development of a comprehensive theory of Social Innovation. SI-DRIVE’s theoretical underpinnings (in specific the key dimensions and mechanisms of social change) and the data collected during the two empirical phases (mapping 1 with 1005 cases and mapping 2 with 82 in-depth case studies) provide an opportunity to analyse and group social innovations in many different ways. In the following, a typological approach of SI-DRIVE, working with ideal types, is presented to distinguish between social innovations’ multiple ways to interact with the formal system (or social-cultural environment) they are related to.

## SOCIAL CHANGE THROUGH SYSTEM INNOVATION

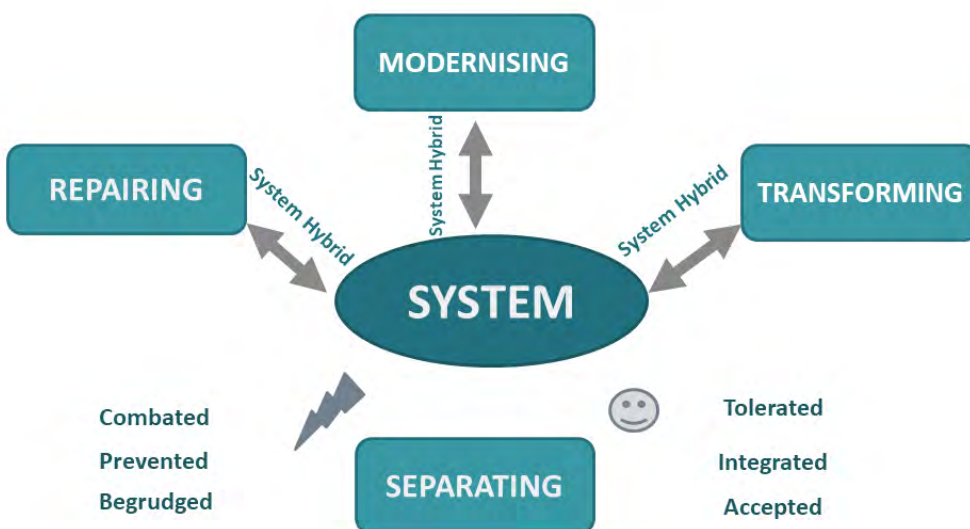
The SI-DRIVE results reveal that the initiatives’ overarching (world) regional, national, political and cultural context has to be taken into consideration. This background finds its replication in condensed formal systems (education, health, transport, energy, employment, environment systems), characterising the range and possibilities of social innovations to develop, scale, diffuse and institutionalise, and in the end foster processes of social change. Looking at the empirical results (especially of the in-depth case studies [4]) it becomes apparent that there are four different ways in which social innovations interact with the system it is operating in and using it as a lever for social change.

### Social Innovation and its Interaction with the Formal System:

Four different types of social innovation emerge out of their interaction with the formal system. Three of the types engage with the system. Here, social innovations might emerge within or outside the system or form a hybrid. One type acts completely separated from the system as either a potential friend or foe.

The proposed typology [5] comprises the four ideal types **repairing**, **modernising**, **transforming** and **separating** which can take different forms of interaction with or distancing itself from the system. This typology sees social change as interplay between the social innovation at hand and the formal condensed system with its institutions, formal actors and routinized practices at hand. Thus, to grasp social change it is important to look at the system’s reaction when dealing with a social innovation aka a new social practice.

In the first type “**transforming**”, social innovations change the system radically. **Transforming** the system through social innovation is often a kind of hidden agenda in the initiatives but not seen as realistic or actively done.



**Social Innovation and its Interaction with the Formal System:** Four different types of social innovation emerge out of their interaction with the formal system. Three of the types engage with the system. Here, social innovations might emerge within or outside the system or form a hybrid. One type acts completely separated from the system as either a potential friend or foe.

However, there are some examples like Uber or Airbnb but also micro-financing and car sharing which affect the existing system with significant market impact. To transform a system a certain critical mass has to be reached, the practice field should have led to a lot of imitation, and imitation streams led to new social practices on a macro level, leading to social change.

#### Example: Transforming Social Innovation

**Agrosolidarity** has innovated in community capacity building strategies, with direct participation from rural agriculture families. The organisational structure is built on concentric circles formed by families, associative groups organised by product, process or services, mutualist associative figures, sectionals organised by micro-regions, regional Federations, and finally the Agrosolidarity National Confederation.

In the second type “**modernising**”, social innovations are leaving the system’s core identity untouched. **Modernising** the system is looking at the existing structures and is intending to improve the system. This type includes the improvement and supplement, for instance, of the health, education and employment system by digital solutions. For example, distant telemedicine like *Smart Elderly Care* (China) or *Care* (Russia) allow for the efficient and effective provision of home care for the elderly, providing a digital service which older people can use to contact medical professionals in the event of emergency or when they need medical information. Another

#### Example: Modernising Social Innovations

Especially, in the field of environment and energy there are a lot of cases that modernise the existing system with cross-sectoral and -responsibility solutions. The project *dynaklim* set up a regional network spanning across several administrative institutions, civil society organisations and local businesses to design a roadmap empowering the Ruhr region (Germany) and its actors to improve climate change adaptation.

good example for modernising an existing system (i.e. education) across separated responsibilities is setting up new overarching structures for lifelong learning (*HESSENCAMPUS*, Germany) across adult and vocational schools, training institutions and different public responsibilities to manage existing institutions from a learner’s perspective.

The third type of social innovations called “**repairing**” does not question the system as such but repairs single subunits. **Repairing** the system is the mainly represented type in the

SI-DRIVE mapping, often done by grassroots initiatives and focusing on specific system gaps or failures and vulnerable groups. For instance in the education sector there are several groups which are falling out of the system and where civil actors take care about: *Lernhaus* (Austria) is offering education measures for adult migrants because compulsory schooling is not formally responsible. Other activities are focused on measures for structurally disadvantaged children (with a migrant background) like *Tausche Bildung für Wohnen* (Exchange Education for Habitation) in Germany. *Abuelas Cuentacuentos* (Storytelling Grandmothers) is an example from Argentina tackling insufficient reading abilities of boys and girls with the help of senior citizen volunteers (grandmothers), in a programme that has expanded inter-generational dialogue and gives a leading role to elder people.

#### Example: Repairing Social Innovations

**Integrated Social Services (Servicios Sociales Integrados)** is an initiative founded by about 300 women, working irregularly (without a labour contract or social security). The cooperative creates self-employment opportunities to provide social services to elderly people at their homes: a high quality service for elderly people that rather continue living at their homes and at the same time a stable and prestigious job for the women. The initiative helped the women to get out of the informal economy into a more formal and legal part of the labour market.

In the policy field of Employment, *Mama Works* (Russia) is supporting young mothers in improving their labour market competencies through training, job search and even creating their own work. *LIFETool* (Austria) demonstrates the use of computer based technology to support people with physical or mental disabilities, particularly such which make speech difficult.

These first three types of social innovations act within or outside the system and either are transforming, modernising, or repairing it internally or externally. Another approach these types of Social Innovation take is to form a system hybrid. Either the social innovation is initiated outside of the system and merges into it or it can be initiated by the system itself with institutionalisation taking place outside of it.

The fourth type of Social Innovation, “**separating**”, acts completely separate from the system. On the one hand, this can take the form of peaceful co-existence, i.e. the social innovation is tolerated or even accepted or (partly) integrated (becoming – mainly in a later stage – part of the system and forming a system hybrid). On the other hand, a social innovation can antagonise the system at hand, in result being combatted by it, prevented from the beginning or begrudged. However, the potential shift from formerly separated social



innovations to system hybrids shows that social innovations are by no means stable, but dynamic, in principle changing their character and type during the innovation process, based on the acceptance, activities and attitude of the relevant system players. In that sense, different actors of the system, or in general actors taking part in the social innovation at hand, might influence the relationship between a social innovation and the system. This can lead to path dependencies. For example, in a system that is coined by strict regulations which do not allow any other practices to enter, a social innovation will remain separated from it. System **separating** initiatives are e.g. Repair Cafes like the *Repair and Service Centre (RUSZ)* in Austria that are setting up an own separate service and a market element (in peaceful co-existence to the big electronic trade companies). *She Taxi* (India) is offering safe travel options for women because of apparent attacks on women in public and other means of transportation. Antagonistic examples could be found in political movements like *Anonymous* and the *Arab Spring*, but also in extreme types of self-supplies in energy und nutrition (dropout cooperatives like rural communes) based on antagonistic lifestyles to the mainstream. The shared economy might also be seen as an example, setting up an antagonistic model of consuming.

#### Example: Separating Social Innovations – Tolerated

*Friluftsrämjandet* (Outdoor Association, Sweden) is an alternative education draft operating outside of formal education. It organises a wide array of outdoor activities based on local clubs for local communities with the purpose to learn about nature and team building by doing things together across age, religion, political opinion, etc.

## CONCLUSION

Because of the high process dynamics and the different development stages it is evident that the same social innovation initiative might be related to different types in the course of its development. The typology described is one example that will help to define the relation of social innovations to the existing system and their strategies based on the chosen clarification. System (in)compatibility and relation is one of the main success or failure factors for the development, diffusion and institutionalisation of social innovation initiatives. Therefore it is relevant to have a clear position and relation to the existing system structures. To unfold the potential of Social Innovation it is of high importance to define and require leeway to act in or outside the formal system and its institutions, taking up social demands not covered by the system actors. However, the typology described here only presents one of many possible typologies. Social innovations are diverse in terms of the actors involved, their level of maturity, their intended outcomes, and their sectoral alliances. All these aspects provide possible entry points for other typologies aiming to answer different research questions as the one of social change posed here. Ideal types, thus, might not only be constructed in relation to their interaction with the formal system, but can also describe the process dynamics (see article Ready for Take-off? Processes of social innovation) or describe their role in the social innovation ecosystem (see the six models described in Empowerment, co-creation and social innovation eco-systems).

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# THE UNANSWERED QUESTION: SOCIAL INNOVATION AND SOCIAL CHANGE

HOW SOCIAL PRACTICE THEORIES CONTRIBUTE TO A BETTER UNDERSTANDING OF PROCESSES OF SOCIAL CHANGE AND WHY WE HAVE TO FOCUS ON THE EMBEDDEDNESS OF ANY INNOVATION IN A DENSE NETWORK OF INNOVATION STREAMS.

To understand the relationship between social innovation and social change is highly important in order to unfold the potential of social innovation. A recourse to social practice theory and the theory of Gabriel Tarde help us to understand the complexity of innovation processes. It opens up a new perspective on the embeddedness of social innovation and the governance of social change processes.

*Jürgen Howaldt*

## INTRODUCTION

Though there is widespread recognition of the need for social innovation and a long history of academic debate, there is no clear understanding of how social innovation leads to social change. Thus, in their analysis of European projects of recent years, Jane Jenson and Denis Harrison reach the following conclusion: “Although social innovations pop up in many areas and policies and in many disguises, and social innovation is researched from a number of theoretical and methodological angles, the conditions under which social innovations develop, flourish and sustain and finally lead to societal change are not yet fully understood both in political and academic circles” [1, p. 7].

## SOCIAL INNOVATION AND THEORIES OF SOCIAL CHANGE

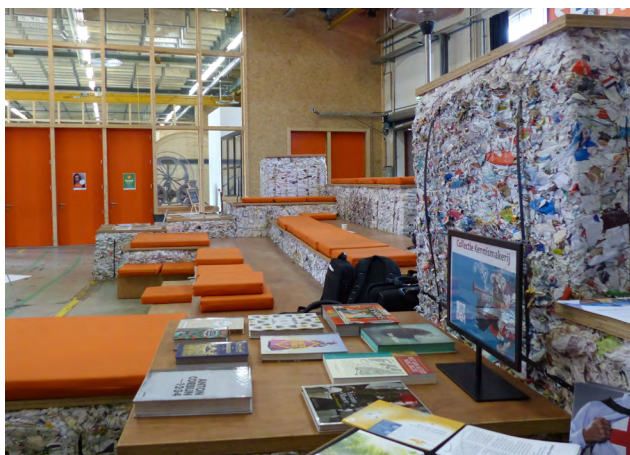
The terms “social innovation” and “social innovator” first appeared more frequently at the beginning of the 19th century – and hence long before the technological and economic appropriation of the term “innovation” [2]. Semantically, from the outset, they were closely linked to processes of social change and societal transformation as specific forms of social change. Without their content being precisely defined, they were widely used, primarily in Britain and France, with both a positive but also a negative connotation in discourses about a socialist transformation. The main focus was the fundamental transformation of the social system and the structures that support it: in other words, the transformation of the order and institutional structure of society as a whole. With the rise of the concept

of social reform in the mid-19th century, social innovation acquired a connotation associating it more closely with intended transition or transformation processes that affect part of society, with an intention orientated towards problem-solving, such as in the fields of education, working conditions, and equal opportunities.

In the 20th century, William F. Ogburn is often cited as the first sociologist who explicitly addresses the importance of social innovations, as part of his theory of social change. He sees inventions and innovations – understood as “a combination of existing and known elements of culture, material and/or non-material, or a modification of one to form a new one” [3, p. 56] – as being the most important cause of change. Social change is understood as an emergent innovation process, in which new innovations – being it technological or social ones – can be the trigger.

Even more important for a better understanding of the relationship of social innovation and social change is a recourse to Gabriel Tarde, the long-forgotten classic exponent of a sociology of innovation. Tarde’s approach allows us to widen a perspective, which was narrowed to economic and technological innovations by Schumpeter, and after him by the sociology of technology, to include the wide variety of social innovations. In the social theory of Gabriel Tarde, development and change stem from inventions and initiatives, which are imitated and thus become social innovations [4]. Social imitation is therefore kept in motion by innovation, and social change is explained via initiatives and inventions that are imitated.

The strength of such a concept of social innovation that is grounded in social theory is, that it enables us to discover how social phenomena, conditions and constructs come into being and transform. The countless and nameless inventions and discoveries change society and its practices through equally countless acts of imitation, and only as a result do they become a true social phenomenon. “In the realm of the social, everything takes place as invention and imitation, with imitation forming the rivers and inventions the mountains” [4, p. 27]. For Tarde, imitation is the central mechanism of social reproduction and of social change. “All similarities of social origin that belong to the social world are the fruits of some kind of imitation, be it the imitation of customs or fashions through sympathy or obedience, instruction or education, naïve or carefully considered imitation” [4, p.38]. Since imitation always involves variation as well, imitations simultaneously transform innovations into social structures and practices. Added to this are individual initiatives and rebellions against prevailing morals, customs, rules – interruptions or crossings of imitation streams – which are transferred and imitated from person to person, leading to social innovations [5].



Social innovations open up opportunities for the development of new social practices. For example, the “Kennismakerij” a centre for knowledge creation in Tilburg (Netherlands), where potential social entrepreneurs can meet and exchange ideas (photo: Eva Wascher)

## SOCIAL INNOVATION AND THE DYNAMICS OF SOCIAL PRACTICES

Combined with the practice-theory perspective on the dynamics of social practices and social change, this approach opens a new perspective on the role of social innovation in processes of social change. Defining social innovation as a new combination or figuration of social practices allows integrating the many different meanings of social innovation and offers a new perspective on the relationship of social innovation and social change. This understanding of social innovation as a new combination or figuration of practices in areas of social action, prompted

by certain actors with the goal of better coping with needs and problems than is possible by use of existing practices also implies a specific understanding how social innovation leads to social change. An innovation is therefore *social* to the extent that it *varies social action, and is socially accepted and diffused in society* (be it throughout society, larger parts, or only in certain societal sub-areas affected).

The societal and governance systems, in which the social innovations are embedded, are complex and the problems addressed are *deeply rooted in established practices and institutions*. Against this background, SI-DRIVE developed the concept of the *practice field* defined as a general type of different initiatives within one thematic area at meso level for analysing the complex interactions of different innovation activities. While an initiative is a single and concrete implementation of a solution to respond to social demands, societal challenges or systemic change (e.g. Muhammed Yunus’s Grameen Bank which lends micro-credits to poor farmers for improving their economic condition), a practice field describes general characteristics common to different projects (e.g. micro-credit systems). The practice field approach allows analysing the processes of diffusion beyond the micro-level of single small scale social innovation initiatives and a data collection at a more societal level, where wider user groups and a certain societal impact has been reached and where moments of societal change are observable. At the same time, the approach allows us to study the interplay between micro or small scale developments and their merger at the macro-level.

## SOCIAL INNOVATION AND SOCIAL CHANGE – A COMPLEX RELATIONSHIP

Against this background, the global mapping of the SI-DRIVE project revealed the capacities of social innovations to modify or even re-direct social change and to empower people – i.e. to address a wide variety of stakeholder groups, as well as the broader public, in order to improve social cohesion and to allow for smart, sustainable and inclusive growth. The mapping shed light on the great many, often nameless but still important, social innovations responding to specific and every-day social demands or incremental innovations.

However, these initiatives and projects are diverse and complex in their aims and effects. Like any innovation, social innovations too, regardless of their protagonists’ intentions, are in principle ambivalent in their effects, and new social practices are not per se automatically the “right” response to the major social challenges and the normative points of reference and goals associated with social transformation processes. With their orientation to the solution of social and ecological problems that cannot be sufficiently dealt with via traditional forms of economic and government activity, many social innovations to a certain extent carry out repair

# 1005 Cases of Social Innovations

## Policy Fields with corresponding Practice Fields

### EDUCATION & LIFELONG LEARNING (178 CASES)

Reduction of educational disadvantages - 44 Cases  
 New learning arrangements, interactive education - 41 Cases  
 Entrepreneurship education and promotion - 18 Cases  
 Alternative forms of educational activities and training - 17 Cases  
 New strategies and structures for lifelong learning - 17 Cases  
 Occupational orientation, early pupils career planning - 15 Cases  
 New digital and virtual learning environments - 13 Cases  
 Quality improvements, setting of new educational standards - 13 Cases

### ENVIRONMENT & CLIMATE CHANGE (72 CASES)

Alternative sustainable food production and distribution - 24 Cases  
 Protection and restoring of ecosystems & biodiversity - 19 Cases  
 Re-use and recycling - 17 Cases  
 Sustainable (strategic) consuming, sharing economy - 12 Cases

### EMPLOYMENT (136 CASES)

Job search support & matching - 43 Cases  
 Training & education - 31 Cases  
 Social entrepreneurship - 26 Cases  
 Workplace innovation & organisational innovation - 20 Cases  
 Working conditions and working environment - 16 Cases

### TRANSPORT & MOBILITY (59 CASES)

Managing multimodality - 16 Cases  
 Transportation for people with reduced mobility - 13 Cases  
 Smart Working, Smart Commuting - 11 Cases  
 Fostering alternative transport modes - 10 Cases  
 Citizen initiated public transport - 9 Cases

### POVERTY & SUSTAINABLE DEVELOPMENT (140 CASES)

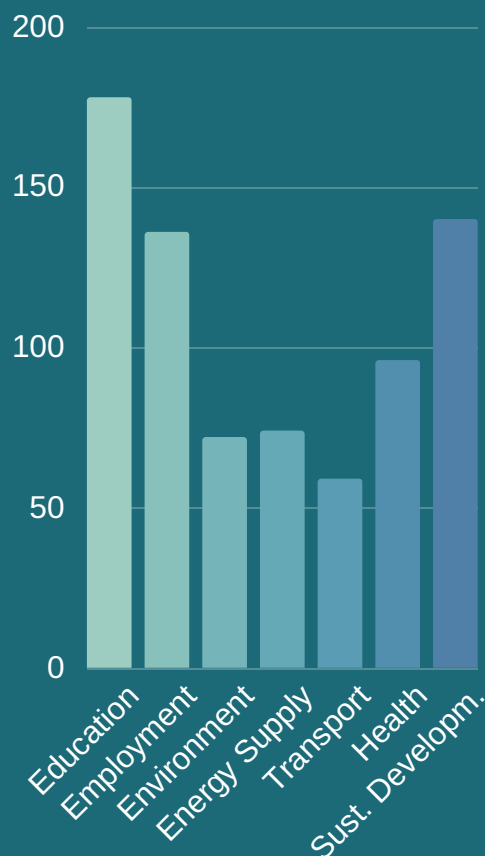
Disadvantage, vulnerability, discrimination - 44 Cases  
 Lack of integrated support to the poor or excluded - 20 Cases  
 Sub-standard or dangerous accommodation - 15  
 Inadequate financial resources - 14 Cases  
 Un-nutritious or unhealthy food - 14 Cases  
 Unemployment or under-employment - 12 Cases  
 Inadequate good quality work - 11 Cases  
 Place-specific poverty or exclusion - 10 Cases

### ENERGY SUPPLY (74 CASES)

Energy collectives - 34 Cases  
 Providing examples and inspiration - 16 Cases  
 Energy services - 12 Cases  
 Local (domestic) production of energy - 12 Cases

### HEALTH & SOCIAL CARE (96 CASES)

New models of care - 44 Cases  
 E-health, m-health - 21 Cases  
 Shift in care location - 16 Cases  
 Integrated care delivery - 15 Cases



functions without fundamentally changing the prevailing practices and associated institutional structure. Moreover, many projects and initiatives do not develop the hoped-for impact on society and instead often remain limited to the local, experimental level (see article on social innovation on the rise). Other initiatives adopt a wider perspective, and orientate their actions towards the major social challenges and the establishment of related new forms of cooperation between different actors and across sectors, combined with a redefinition of the relationship between social and economic value. They generally aim to modernise existing structures. Only a few initiatives have an explicitly transformative aim in the sense that they want to contribute to a fundamental change in practice formations and the institutional structure of society. Given this, and the fact that the long-term impacts on existing practices and institutions have hardly been examined, so far, the question of the relationship between social innovations and transformative change has now also become a key question for social innovation research [6].

## GOVERNANCE OF SOCIAL CHANGE PROCESSES

Such an understanding of the role of social innovation in processes of social change has implications for the governance of social change processes. A policy informed by practice theory therefore focuses on social practices and social innovations instead of on technologies and the external influencing of attitudes, behaviours and decisions. It starts with the disruptive contradictions between

established ways of life and forms of practice, and between social problems and existing problem-solving deficiencies and relies on enhancing society's ability to reflect in observing and actively shaping transformation processes. Social practices – and hence social innovations too – are always the result of complex emergent processes, over which no single actor has control. Politics does not intervene in this process from outside, but is instead part of the social arrangements which configure the social practices. It focuses on empowering actors to suspend established routines and patterns and appropriate learning governance formats. Instead of a linear, sequential view of the relationship between invention, innovation and diffusion, transformative change is seen as the social, collaborative reconfiguration of social practices, which is fed from the interplay between multiple invention and imitation [5].

The shift in perspective on social innovation directs the focus towards the experimental shaping of social learning processes, onto mechanisms of imitation and hence onto non-linear, non-sequential forms of spreading, institutionalisation and routinisation. The question of how social transformation processes can be set in motion steers attention towards “real utopias”, understood as “institutions, relationships and practices which can be developed in the world as it currently is, but which anticipate the world as it could be and help move us in this direction” [7, p. 11].

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# 02/

## SOCIAL INNOVATION IN WORLD REGIONS

The results of the global mapping of the SI-DRIVE project reveal the importance of Social Innovation addressing social, economic, political and environmental challenges of the 21st century on a global scale. Social Innovation has become a ubiquitous concept with high dynamics. However, social innovations arise in specific cultural contexts around the world. Many of the social innovation initiatives are deeply rooted in local settings and embedded in a network of existing social practices and institutions.

In this chapter, insights into the variety of social innovations in different countries and world regions are presented. This broadens the perspective, ranging from nuances to communalities and common topics, driving the global phenomenon of Social Innovation. We follow the tracks of Social Innovation around the world.



# SOCIAL INNOVATION IN WESTERN EUROPE: NETWORKS AND PROGRAMMES AS DRIVERS

Networks and cooperation are vital for social innovation (SI). Policy which stimulates the development of SI ecosystems is likely to encourage the sustainability of social innovations. This chapter focuses on Western Europe, detailing how networks, individuals and groups are the main drivers in social innovation and providing examples of such networks.

*Peter Oeij / Steven Dhondt / Suzanne Solley / Amanda Hill-Dixon*

## INTRODUCTION

Many studies of social innovation (SI), such as SI-DRIVE, point to the role of networks and collaboration as drivers of success [1], although we cannot say conclusively that these are necessary conditions for social innovation. In countries like Turkey, China and Russia, for example, the data shows that governmental support for social innovation is indispensable. Secondly, networks and collaboration operate differently in Europe than elsewhere, due to societal differences. In many European countries, people have relatively high trust in the government/democratic system. Moreover, several SI-DRIVE cases represent innovative ways of solving of social issues without public body involvement. The article will explore what the SI-DRIVE data tells us about:

- the importance of networks and collaboration;
- stimulating the dissemination and scaling of SI through networks;
- institutionalising SI and installing SI ecosystems as examples of a structural approach to networks.

## SOCIAL INNOVATION AND NETWORKS IN WESTERN EUROPE

Social innovations are not new, but have gained increased recognition in recent years, especially in Western Europe. They do however differ from pre-1990s initiatives, mainly due to the context: in a period of austerity, social innovations are seen as substitutes for public tasks. SI-DRIVE has explored 1005 cases of social innovation globally, of which 256 were based in Western European countries.

The adoption of social innovations, and the development of environments that foster them, differs between countries.

For example, in the 2016 Social Innovation Index, the UK came 2nd after the USA, whereas Spain was ranked 28 of 45 OECD and G20 countries reflecting their respective capacity for developing SI. This suggests the UK has an institutional framework and policy context suited to SI. The extent to which other Western European countries have developed enabling environments for social innovation differs, with some common themes:

- In the past five years, SI has become increasingly popular at a European, regional and national level. The recent financial crisis and austerity policies have driven the demand for more SI.
- There is still great disagreement regarding defining social innovations. Such debate is particularly evident around the extent to which highly commercial initiatives like Airbnb and Uber should be considered as social innovations.
- Cooperation between stakeholders via networks is seen to be crucial to the success of social innovations.
- We will focus on this last observation: how do networks help?

## KEY DRIVERS OF SOCIAL INNOVATION

The SI-DRIVE mapping suggests that while an innovative environment, ICT, financial resources, solidarity, and governance and politics are important for the development of social innovations, 'networks, individuals and groups' was particularly significant. Table 1 illustrates that this is more relevant in the EU (63,6%) than in the rest of the world (51,4%). Within the EU itself, these drivers are seen to be slightly more relevant in the North (71,6%) than in the West (66,4%), and financial resources were much less significant as a driver in these regions. Solidarity, closely connected to 'networks, individuals and groups', was the second most

	EU Regions				EU	Non-EU
	North	West	East	South		
Networks, individuals & groups	71,6%	66,4%	47,6%	57,1%	63,6%	51,4%
Innovative environment	20,3%	22,1%	29,4%	31,8%	24,5%	24,6%
ICT	28,1%	33,3%	38,9%	40,7%	34,3%	44,4%
Solidarity	5,7%	34,3%	27,8%	39,5%	29,4%	22,2%
Governance and politics	36,4%	30,4%	21,1%	6,3%	28,2%	38,0%
Financial resources	13,0%	14,5%	39,3%	23,5%	20,4%	33,8%

Table showing the percentage of initiatives which regarded these drivers as being among the top three most important (% importance; N=1005)

frequently reported key driver of SI in Western Europe (34,2%), reiterating the importance of collaboration for SI in the region.

Qualitative research conducted with 82 of the 1005 case studies (of which more than a third were in Western Europe) concluded that factors which constrain and enable social innovation are relatively similar across different policy fields. The case study analysis illustrates that at the beginning of a project, human capacity and learning are the most relevant factors. Cooperation is subsequently a key mechanism for the latter stages of diffusion, scaling, adaptation and institutionalisation. Although concerning a wider scope than Western Europe, this qualitative research also found that institutions and their cultural environments were particularly vital in the sustainability and scaling-up of social innovations. The research also evidences the crucial role of a complete and well-functioning 'ecosystem' for social innovations to successfully scale.

### THE IMPORTANCE OF COOPERATION AND PARTNERSHIPS

Related to networks, individuals and groups, among our 82 in-depth case studies, we found that cooperation is more common in Western Europe and outside Europe, than in the rest of Europe and it is more common for social innovations in Western Europe to act in partnership (75 %) than to operate alone (58 %). Partnerships in the study were built across a number of actors: between the social innovator and either public organisations, private organisations, civil society/NPO/NGO(s), and with research institutions/universities. However,

	Western Europe	Rest of Europe	Non-EU
Operation alone	58%	50%	60%
Co-operating with one or more partners	76%	60%	84%

Percentage of social innovations working alone or working with 1+ partners (number of cases ranked 1, 2, 3 within the policy field; multiple responses)

the number of cases does not allow a deeper indication of the importance of these partnerships.

The SI-DRIVE research suggests that existing cooperation, partnerships, networks, individuals and groups are significant drivers in the development of SI in Western Europe. The next section looks into the impact of EU programmes as drivers for networking and collaboration.

### EU PROGRAMMES TO DRIVE COLLABORATION

**BENISI** was a three year project working and connecting with 13 partners, the majority in Western Europe, and 300 social innovations. It supported the scaling-up of social innovations across Europe. Its focus was creating new and meaningful jobs for young people who experienced unemployment and underemployment.

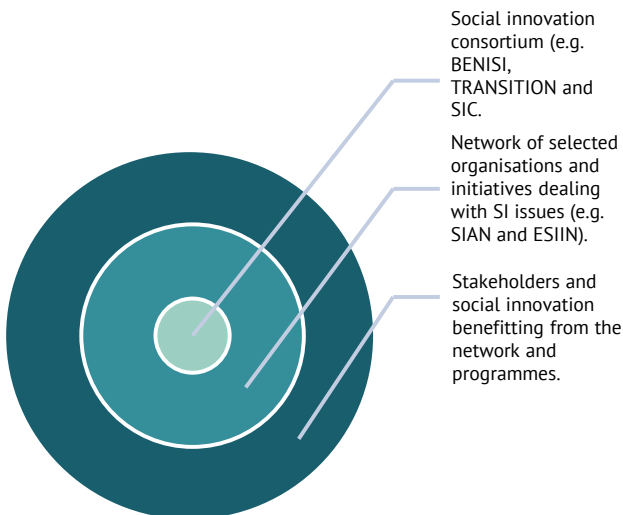
**TRANSITION** was a 30 month programme built around a consortium of eight organisations from the UK, Italy, France, Ireland, Portugal and Spain, across six scaling centres, supporting a pool of 300 social innovations. TRANSITION involved the scaling-up of social innovations across Europe in order to expand their reach and impact. It also provided learning output on effective scaling methodologies in different regions.

In this section, we briefly explore examples of key EU programmes which have facilitated collaboration and networks of SI in Western Europe.

Evidently, the main commonalities between the programmes are the support provided for scaling-up, creation and development of networks and shared learning for social innovation. From these consortia, networks are developed, which in turn involve and integrate society more broadly. We give two examples of these supporting networks for social innovation. ESIIN and SIAN are networking initiatives developed from TRANSITION and BENISI consortiums. Both of these networks involve the identification, promotion and scaling-up of SI initiatives by joining skills, resources and capabilities of its members.

To understand the impact of these networks, we look at two cases, Make A CUBE3 (Italy) and BEEODIVERSITY (Belgium), that have benefitted from membership of the ESIIN and SIAN networks. The results are from our interviews and observations.





An illustration of social innovation networks and consortiums

Networks like these have played an important part in the development of social innovations, providing experimentation and a link to social innovation labs such as ENOLL. In doing so, the networks have contributed towards building a social innovation community in Western Europe. Social Innovation Community (SIC), a Horizon 2020 project, is one such project.

**MAKE A CUBE3** is a social innovation incubator based in Italy. They connect SMEs, non-profit and for-profit organisations with local start-ups to produce innovative organisational cultures, processes, products and services. MAKE A CUBE3 has benefitted from membership of ESIIN as the network allows them to connect with other experts working on related social business projects. They also benefit from the knowledge of markets and local contexts of other organisations.

**BEEODIVERSITY** is a project designed to boost food diversity and human wellbeing by protecting bees and their natural environments. The organisation conducts numerous non-commercial activities with various actors to bring about global change. BEEODIVERSITY was a member of SIAN and has been able to expand quickly and efficiently through access to local knowledge, contacts, funders and businesses in the network.

## CONCLUSION: NETWORK CONTEXTS CAN BE STRATEGICALLY USED

We have seen that networking and collaboration is crucial and has been built upon the sharing of knowledge, experiences and resources of those involved. EU programmes have helped to support community building and disseminate examples of social innovations in Europe.

From BENISI and TRANSITION, a number of recommendations connected to networks and partnerships were made:

1. There is a strong need for a mechanism to foster partnerships and peer-to-peer support. Through partnerships, accelerators can provide better curriculum, connections, and expertise on specific dynamics.
2. Foster collaboration amongst impact enterprises, starting a business to address these issues involves common growth challenges, which all impact enterprises face.
3. The strength of the network lies in sharing, learning and scaling for the benefit of innovators.

Future research should focus on the best strategies to support network contexts. More attention to SI ecosystems may be necessary. The SI-DRIVE study indicates that, whilst such ecosystems are important, universities and knowledge institutes are less often a partner compared to economic-technological ecosystems. The advantage of future SI ecosystems is that networking support can be made more sustainable.

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# BRITAIN: WHERE NEXT FOR THE SOCIAL INNOVATION ECO-SYSTEM IN THE UK?

The UK has a well-developed social innovation (SI) eco-system that has helped drive the rapid advancement of SI, particularly through social enterprise. However, whilst the UK continues to lead, there are further opportunities for research and capacity building beyond the field of social enterprise.

*Charlotte Heales*

## THE UK'S SOCIAL INNOVATION LANDSCAPE

In the UK, like many other places in the world, the definition of social innovation (SI) is fluid. It can be as broad as “new ideas that work” or as narrow as “innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purposes are social”[1], but typically definitions fall somewhere between the two [2].

The language of social innovation is well developed in the UK and, whilst its use is often still confined to specific communities, it is understood among a broad range of actors within government, civil society, and research institutions [3]. This indicates a certain degree of institutionalisation of SI and indeed, policies that are supportive of SI have proliferated over successive governments, indicating an enduring level of ‘buy-in’ among policy makers. As a result of this, UK policies have been instrumental in the creation of one of the most developed SI eco-systems in the world, having provided capacity building and funding to both demand and supply side interventions.

## LEGAL AND REGULATORY FRAMEWORKS

Measures for supporting SI have included the development of some of the world's first legal structures, built specifically for social enterprise, as for instance the development of frameworks for Community Interest Companies (CICs) and Community Share Offers.

This can be seen as working in conjunction with work around regulation. The UK's Financial Conduct Authority (FCA) became the first regulatory body in the world to create a Regulatory

Sandbox, an initiative which releases innovative business models from the strictures of some regulation in return for conforming to close monitoring and evaluation. Following this, the model has also been trialled by Ofgem, the UK's energy regulator. This represents a progressive approach to regulation which can help to address market failure by reducing barriers to innovative ventures in sectors where consumers have poor levels of choice.

## COMMISSIONING AND FUNDING

Commissioning has also been a focus of government action and the Social Value Act (2012), which requires commissioners to consider the broader social benefits of using certain providers, has been an enabler of socially innovative approaches to providing services. In addition, the UK's ‘Buy Social’ campaign, started by Social Enterprise UK, encourages people, as well as private and public sector organisations, to buy from social enterprises.

In the UK, funding mechanisms for SI are many and various, and range from traditional grant funding to more ground-breaking models. Big Society Capital (a wholesaler of social investment capital) and Social Impact Bonds were developed in the UK, representing global firsts, and being clear examples of the pioneering role that the UK has taken. In addition, the UK Government has taken additional action to provide tax relief for social investment funding in order to encourage private investment in social innovations and social enterprises.

## SUPPORT AND RESEARCH

The UK remains a hub of research around SI with many institutions (e.g. the Saïd Business School) having dedicated programmes to social innovation. There is also a thriving sector of social innovation intermediaries, including organisations such as The Young Foundation, NESTA, the School for Social Entrepreneurs and the Social Innovation Exchange (SIX), providing cutting edge work supporting SI.

## BEYOND THE PROGRAMMATIC

However, if we look at many of the above stated examples we can see that whilst SI in the UK is understood as being distinct from social enterprise, it is also the case that developments in social innovation have been particularly focused on enabling these business models. This must be seen in the context of a lasting programme of state austerity since around 2010, during which social enterprise has been held up as one solution to the challenge of meeting social needs despite the rolling back of the state.

Among many SI actors, it is recognised that social innovation goes beyond the programmatic [4]. The emphasis on social enterprise and design-focused SI has been positive for creating new innovative products and services. However, SI is also about new partnerships between actors, new

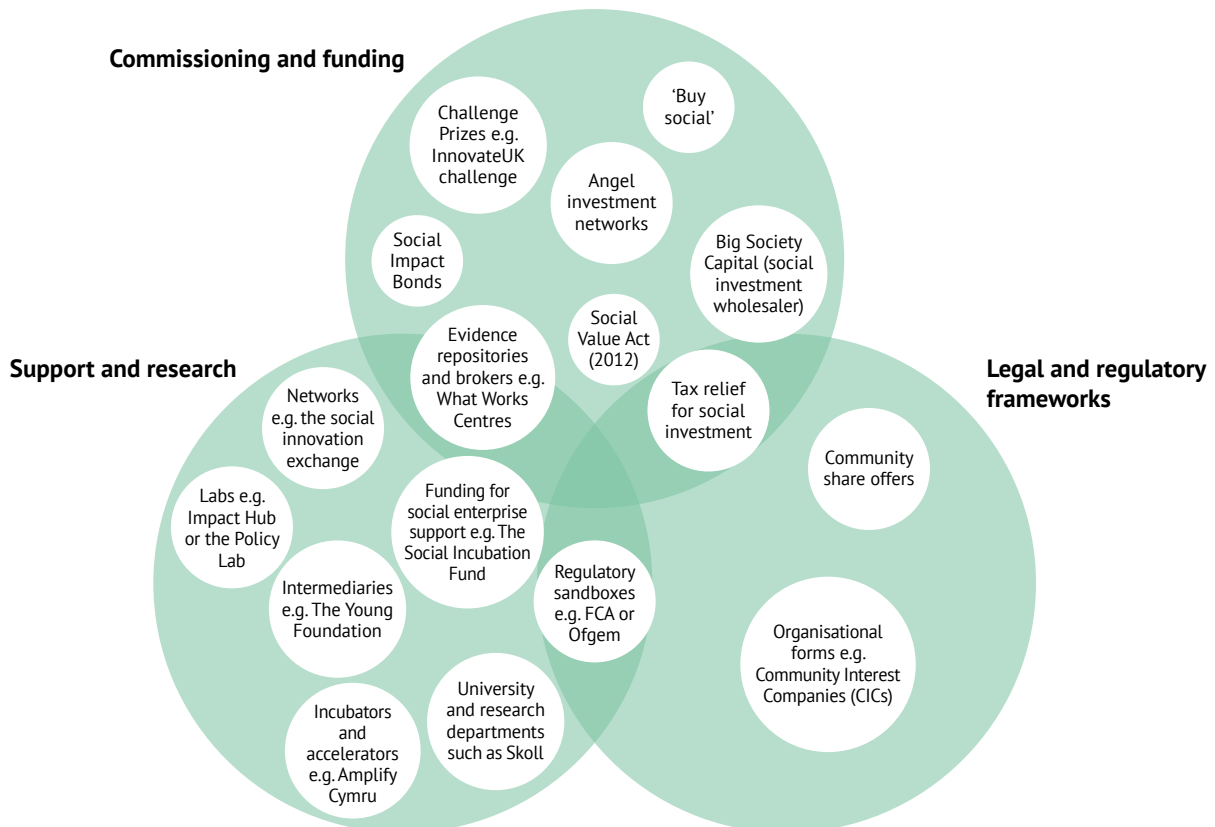
business models, new ways of working etc. Indeed, many of the pioneering examples in financing and regulation can be seen not only as enabling socially innovative enterprises but also as innovations in and of themselves.

The UK is also making inroads in the public sector which appear to be increasingly focusing activity on social innovations, and particularly in ways which move beyond specific programmes of work and focus instead on changing practices. Examples of this include the work of the Behavioural Insights Team (BIT) which has utilised a behavioural science approach in order to change the ways in which government interacts with citizens.

## USING THE TOOLS AND METHODS OF SOCIAL INNOVATION

There is increasing focus too, on the use of the tools and methods of SI, again, particularly by the public sector. Beyond user-led design approaches, public bodies have been utilising new approaches in order to engage with actors in new ways and adopt new working practices. The user-led design approach is the idea that user experience and expertise is valuable in identifying need and developing ideas for solutions.

In 2012, for example, Argyll and Bute Council's Children and Families Service Department utilised a co-design methodology



Examples of enabling factors from the social enterprise ecosystem in the UK

in order to design a new funding mechanism along with local third sector organisations. They found that this process allowed them to remove unnecessary administrative burdens on civil society and provided greater flexibility without sacrificing quality assurance.

In another example, the customer engagement team of Warwickshire County Council decided to improve the commissioning of services for people with learning difficulties by incorporating five people with learning difficulties onto their panel of trained peer reviewers. Whilst such approaches require sensitive and careful management, the process was seen to have had positive results.

## STRATEGISING FOR SOCIAL INNOVATION

Indeed there are a number of examples of local authorities and specific government departments utilising the tools and methods of social innovation. However, there is a lack of coordination in the way in which this occurs. Frequently these approaches arise in an ad hoc fashion and learning from them also is informal.

There is more that can be done in order to entrench social innovation more broadly across different sectors and in a more connected way. There is also space for these collaborative social innovations to diffuse into new sectors, beyond public bodies and into areas such as community-led social innovation and corporate social innovation.

The UK's Department for International Development, for example, has looked strategically for opportunities to develop corporate social innovations through initiatives such as their partnership with Vodafone (which resulted in corporate social innovation in the form of mobile money transfer service 'M PESA') and their strategic partnerships window within their Girls Education Challenge work. However, such approaches are, again, sporadically implemented.

## CONCLUSIONS

The UK has a claim of having one of the most advanced environments for social innovations in the world. The social enterprise sector is strong and increasingly well supported. However, social enterprise is only one potential model for social innovation. Despite the development of clear field leading practices, the entrenchment of frameworks for SI remains uneven. There is more that can be done to mainstream the concept across societal actors and the use of socially innovative practices.

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# SOCIAL INNOVATION IN GERMANY – REVIVAL OF A PROMINENT CONCEPT

From Bismarck's 'National Security System' to today's energy transition, throughout history innovation made in Germany has been far from being purely technological in nature. Yet, public policy has only recently shown interest in the concept of social innovation culminating in the broadened understanding of innovation laid out in the country's national 'High-Tech Strategy'.

*Jürgen Howaldt / Judith Terstriep*

## SOCIAL INNOVATION: MADE IN GERMANY

Germany is the largest economy in Europe and a leading export-oriented industrial nation. For many years, Germany's national High-Tech Strategy (HTS) mainly targeted technological innovation. More recently, however, substantive advancements towards a comprehensive, interdepartmental innovation strategy have been made. In this sense, the strategy emphasises "an expanded concept of innovation that includes not only technological innovation but also social innovation – and that includes society as a central player." [1, p. 4]

Germany is well known for its art of engineering and industrial production communicated through its quality label 'made in Germany'. Germany also has a long tradition in the field of social innovation as is evident in historic examples such as the 'kindergarten' or Bismarck's 'National Security System' shaping the German welfare system. Krupp's welfare program, for example, provided extensive social benefits for employees (e.g. flats and medical provision) and built a long-term, generation-spanning attachment of the employees – similar to the contemporary social responsibility programs of corporations.

Inventions such as the 'dual system of vocational education' or the 'Energiewende' (energy transition) are well known examples of recent social innovations made in Germany.

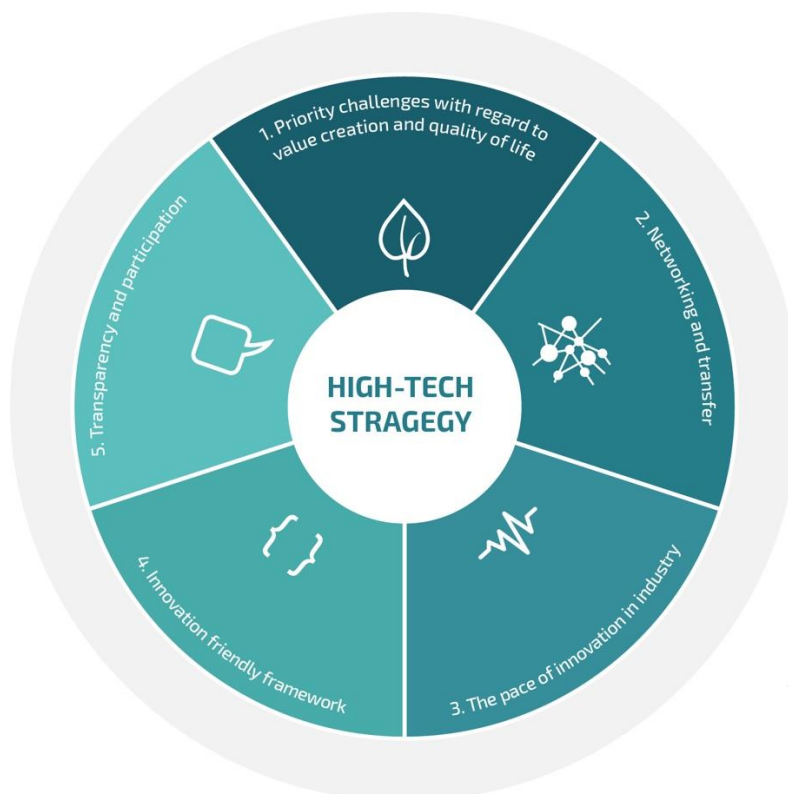
## THE REDISCOVERY OF A LONG-FORGOTTEN CONCEPT

While Germany has established an astonishing support infrastructure for technological innovation with science parks, university-industry cooperation and start-up development accompanied by extensive research programs, social innovation hardly played a role. Likewise, the academic innovation discourse has long been dominated by a strong focus on technological innovation. Approaches that criticised such narrow understanding of innovation and called for shift in innovation research towards the interplay of social innovations, social conflict and social change appeared only occasionally. In this context, social innovation was understood as the implementation of new social and socio-political ideas and institutions.

Largely forgotten, the term 'social innovation' was revisited by Wolfgang Zapf in 1989. According to Zapf [2], social innovations constitute "new ways to attain goals", especially in regard to new forms of organisation, new regulations, and new lifestyles that would alter the direction of social change and solve problems better than previous solutions, thus worth to become imitated and institutionalized.

Triggered by a rise in the scientific discourse social innovation has begun to receive renewed attention by policy makers and the wider public only since 2010. Still, the elaboration of a common concept of social innovation's role in systemic change and societal transformation is pending. Against this backdrop, Howaldt and Schwarz [3] call for conceptual onward development beyond outdated concepts of socio-technical innovation-research and define social innovation as "an .... intentional recombination or reconfiguration of social practices (p. 54)". This growing awareness of social innovation





Core Elements of the German High-Tech Strategy (Source: adapted from [1, p.4])

is also reflected in publicly funded studies covering a diversity of topics, such as the variety of initiatives in different fields of action, the design of effective public support mechanisms or impact investment and social entrepreneurship [4].

### CIVIL SOCIETY AS DRIVING FORCE

Initially, the renewed public discourse foremost was driven by grassroots movements: Committed individuals or small locally embedded networks functioned as key initiators who over time were supported by private endowments such as Ashoka or the Schwab Foundation.

Gradually, institutionalisation and the formation of support infrastructures as social impact hubs and centres for social entrepreneurship coincide the growing engagement of civil society actors in social innovation activities. Network structures started to evolve and events as the Vision Summit ([www.visionsummit.org](http://www.visionsummit.org)) – which has taken place since 2007 – attract public attention. In 2014, a network of partners from civil society, economy, policy and academia published the Declaration “Soziale Innovation für Deutschland” (“Social Innovation for Germany”). Although there remains considerable potential for optimisation by integrating social responsibility activities in core business, a recent survey of 600 large German companies (> 250 employees) illustrates that companies as well as civil society actors are overall committed to address emerging and longstanding challenges to society (e.g., demographic change, digitisation, social inequality).

### SOCIAL INNOVATION AS PART OF THE HIGH-TECH STRATEGY

While holding leading position in technological innovation, Germany lags behind the European discourse and other European countries in regard to social innovation. Notwithstanding the stronger orientation of the German innovation strategy towards the grand societal challenges, traditionally social innovation has been perceived as being limited in scope and conceptually ‘fuzzy’. Especially the limited understanding of social entrepreneurship along with the normative orientation on solving social problems does not seem to be sufficient for unfolding social innovations’ full potential. Instead, it is necessary to develop a comprehensive concept of social innovation, which accounts for its various manifestations, actors and cultural contexts. Accordingly, the development of a common understanding of social innovation (including a clear differentiation from other concepts such as social entrepreneurship or technology innovation) is precondition for an uptake of the concept in a comprehensive innovation policy.

Strongly backed by political parties and research programmes in some Federal States (e.g. North-Rhine Westphalia and Baden-Wuerttemberg), the approval of Germany’s ‘New High-Tech Strategy’ (HTS) in September 2014 was an important milestone in this direction. The HTS establishes thematic priorities in research and innovation, with priority 1, 2 and 5 explicitly referring to social innovation. [1, p. 5]. Priority 2 centres on expanding universities’ collaboration with industry and society and priority 3 aims at strengthening

dialogue and participation. It is envisaged to strengthen interested citizens' opportunities to shape innovation policy, including formats for dialogues and public participation in research.

This expanded innovation concept has become most apparent at the Second International German Forum held in 2015, where Chancellor Angela Merkel and experts from around the globe discussed innovations and how they can improve wellbeing, prosperity and progress. One important question discussed was how the interplay of policy, business, academia and civil society could be organised to facilitate holistic innovations and devise effective solutions. This question was taken up by the conference 'Innovation for Society – New ways and methods to unfold the potential of social innovation' in September 2016 funded by Germany's Federal Ministry for Education and Research (BMBF). The congress in Berlin offered opportunities for national exchange between academia and practitioners from the field of social innovation. The two-day congress offered a platform for initiatives and communities of social innovation in Germany to meet and connect. It also offered the opportunity to discuss new topics and introduce new instruments for funding innovation.

## CONCLUSION

In recent years, the public debate on social innovation has gained momentum. As part of the HTS social innovation is expected to play an important role in shaping the future of the German economy and society. The digital transformation of economy and society will further increase the importance of social innovations. Triggered by the debate surrounding 'Industry 4.0', digitalisation affecting economies and social life as a whole calls for a closer look at the interplay of social and technological innovation. Technological innovations have the potential to positively impact the diffusion of social innovations and vice versa technological innovations frequently develop their full potential only in combination with a social innovation [5].

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# SOCIAL INNOVATION IN THE NETHERLANDS

The Netherlands is catching up with social innovation. In the former century combating social problems was a task of public organisations and government, largely carried out top down. Today the responsibility to tackle social issues is partly shifting to public-private partnerships, social enterprises and communities.

*Peter Oeij / Steven Dhondt / Merel Ooms*

## SOCIAL INNOVATION: A DYNAMIC CONCEPT

Social innovation has developed in a particular way in the Netherlands. During the 1980s and 1990s a policy driven approach dominated the combat of social problems in Dutch cities regarding social exclusion, housing, poverty, education and employment which was called 'social renovation' (sociale vernieuwing) [1]. Whilst the social renovation policy in those times was based on a rather elaborated welfare state model and carried out by public organisations, today's social innovation presents another picture. Economic and technological changes propelled more market driven and bottom-up initiatives, limiting the role of public bodies. Social innovation in its current definition actually supports innovation in the economy.

Consequently, social innovation in the period 2001 - 2012 in the Dutch context strongly focussed on how new ways of organising, employment and industrial relations, deploying human talents, and enhancing labour productivity could support organisational performance and the implementation of new technologies. Then labelled social innovation, the (English) term today used for these practices is workplace innovation. Its social element is to take employee engagement and participation as a point of departure and to strive for a good quality of work [2]. A concrete result was the foundation of the Netherlands Centre for Social Innovation (where 'social' must be read as 'workplace') and, more recently, the development of sectoral policies to combine technological innovation with workplace innovation (so called 'top sector policy' [topsectorenbeleid]).

Following what other countries started with earlier, since 2010 social innovation initiatives and policies from the perspective of the broader European definition of social innovation have been developing in the Netherlands. Thus far these initiatives included processes and activities which

were (only) covered by other concepts such as active democracy, citizens' initiatives, social enterprises and social infrastructure. Still to this day (2017), however, social innovation is neither embedded comprehensively in policies on innovation and knowledge, nor in the creation of public value in combination with market failure. One example is that it is not possible for MyWheels – car sharing – to acquire an official registration as 'social innovation' in The Netherlands, opposed to other countries such as the UK. Perhaps some forms of car sharing are just a commercial innovation and not a social innovation.

**Social innovation is not embedded comprehensively in policies on innovation and knowledge, nor in the creation of public value in combination with market failure.**

Despite the emergence of many examples of activities and initiatives that we today would label as social innovation, the Dutch government is just starting to develop strategies to guide and encourage these initiatives, by creating the infrastructure and funding opportunities needed to further boost social innovation.

## MANIFESTATIONS OF SOCIAL INNOVATION

The Dutch advisory council for Science and Technology mapped social innovation in the Netherlands and identified four forms of manifestation of social innovation [3]:

1. Individuals or organisations directed at specific social goals. These are initiatives like self-managing cooperations aiming for goals such as small scale energy production, elderly care, collective disability insurance, local currency



Example of urban gardening in Rotterdam (photo: Peter Oeij)

systems for local trade, and ensuring the public service of a local town centre. Social enterprises sometimes emerge from these initiatives.

2. Innovative virtual networks/platforms directed at (non-specific) social goals. The goals are less specific compared to their form, which is all the more innovative. Examples are guerrilla gardening (in city areas) and transition towns (sustainable and social townships). This form uses online platforms to exchange knowledge and design collective action.
3. Consortia or alliances directed at specific social goals. These are partnerships, often including public organisations and public means to cooperate regarding a social goal. Also ecosystems of private partners can be part of these alliances, such as the Dutch Sustainable Growth Coalition, in which multinationals strive for sustainability; or the Alliance Citizenship, in which schools and scientists develop what the role of citizenship can look like for the educational system. Workplace innovation is regarded as exemplary for this manifestation form as well.
4. Consortia or alliances directed at (non-specific) social goals. These are organisations or networks whose aim is to experiment with social innovation and innovative processes for diverse goals. Examples are social labs, living labs, field labs and impact hubs, which function as incubators. Such



Car sharing

consortia bring designers, scientists and practitioners together to develop prototypes and pilots for various social issues, ranging from ethics, big data, bioscience, to safety. Academic workplaces, for example, are networks of practitioners, researchers, policy makers and educators that carry out research for practice. They gather questions from the public and return the knowledge to them after the research has been carried out.

Unfortunately no quantitative overviews of social innovation in the Netherlands are available that inform on the empirical incidence of social innovation or that present a systematic analysis or evaluation of the field [3].

## GOVERNMENTAL ACTIVITIES

Thus far governmental interference seems to have stressed only workplace innovation and the 'do-democracy'. Workplace innovation has been stimulated via the European Social Fund which has been subsidizing projects in relation to human resources, labour relations, labour productivity and social dialogue, all under the banner of workplace innovation. Do-democracy refers to citizen participation in solving social problems and new forms of governance, in which public bodies step back or engage in partnerships with citizens and their representing organisations. The role of the government is to eliminate regulatory obstacles, ensure facilities and room for experiment, and guarantee representativeness and equality.

Inspired by the Obama-administration some municipalities started to experiment with public-private partnerships which fund effective social services through a performance-based contract, so called social impact bonds. This stimulated social entrepreneurship initiatives to build business cases around social issues [4]. Social Impact Factory, for example, is a platform of the City of Utrecht that helps to 'match' entrepreneurs with 'social return' objectives [5]. It was inspired by other actions developed by the Cities of Rotterdam and Amsterdam. A more general policy is that municipalities are requesting from entrepreneurs to spend 5% of their commission on 'social return' when the amount

## Thus far governmental interference seems to have stressed only workplace innovation and the ‘do-democracy’.

contracted out by the municipality exceeds € 100.000. Social return can be effectuated by creating jobs or by offering support or knowledge regarding local initiatives or social enterprises. This urged the central government to stimulate social entrepreneurship [4].

Compared to European and non-European frontrunners in social innovation, the Netherlands have just started their strategy of stimulation, namely building up an infrastructure and developing modes of financing [3].

urban gardening, education, social design, sustainable energy production and energy saving, digital social innovation, new governance, active citizenship, innovative workplaces, corporate social responsibility, sustainable living and housing, and all kinds of ‘labs’. These initiatives can address diverse social and economic problems and thus decrease the ‘burden’ for governments in times where responsibilities seem to shift to civic society, assuming – too easily perhaps – that their members become more ‘resilient’. Yet, “A key challenge for social innovation in the Netherlands is how this relatively active but dispersed movement can join forces, gain more influence and broaden the concept of social innovation towards innovation for the social.” [2].

## MORE COHERENCE IN THE FUTURE?

There are many social initiatives, experiments, websites, innovators, communities, designers and practitioners active in society dealing with social innovative solutions to combat social issues. These activities can be found in health care,

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# SOCIAL INNOVATION IN NORDIC COUNTRIES

## THE ROLES OF LEADERSHIP AND POLICY

The Nordic countries exhibit a particular welfare model with a notable presence of social innovation that has evolved over time. This article takes stock of its origins and development, and examines whether Nordic social innovation serves to complement or substitute for sound institutions and the lessons thereof for policy.

*Thomas Andersson*

### INTRODUCTION

The Nordic region, which includes Denmark, Finland, Iceland, Norway, and Sweden, is typically viewed as located in the periphery, enduring a harsh climate and a history marked by violence and autocracy. From the late 19th century onwards, however, it developed strongly both in terms of economic growth and social cohesion. Although its “welfare regime” model displays commonalities with market-oriented democracies more broadly, the Nordic model carries its particular features.

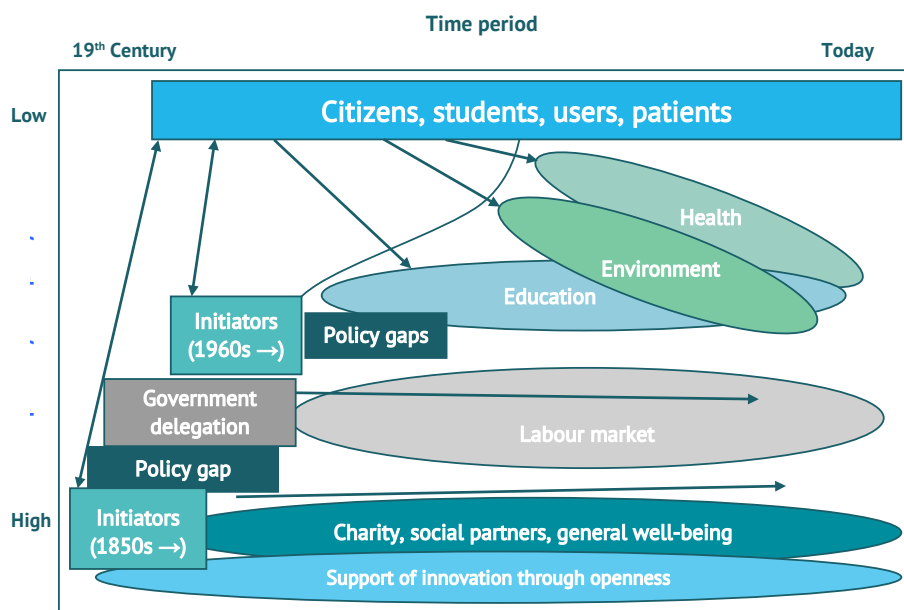
In this article we reflect on the origins and special nature of social innovation in the Nordics, and how its role has changed over time. In particular, we consider whether social innovation can be argued to be the result of institutional strength, or whether its occurrence runs in contradiction to institutions, and what policy lessons this brings. While taking partial note of variation across the individual Nordic countries, an exhaustive coverage in this regard goes beyond the scope of this presentation. The general description comes the closest to the case of Sweden, being the largest of the Nordic countries. The cases of social innovation referred to (marked in italics) are listed at the end of this chapter.

### THE NORDIC CONTEXT FOR SOCIAL INNOVATION

The original governance model of the Nordic countries was autocratic and over the years these countries have come to rely on “big government”. As the old class society and its rigid separation of social classes – the “four estates” – retreated, however, an independent agricultural class arose, income differences became modest in international comparison, and “constructive” social relations and participatory governance arose [1].

At least in Sweden, principles for the delegation of powers, decentralization, and high accountability for public administration took hold already in the 17th century (see illustration). Later, broad-based educational reforms, encompassing general schooling, were introduced and combined with ambitious investment in basic infrastructure (electricity, railways). In this context, a series of technological and commercial innovations occurred in the late 19th century, coinciding with an entrepreneurial spurt [2]. Social innovation was seen as aligned with charity, responding to gaps in existing policy by diminishing poverty and supporting unprivileged classes, but also to boost general well-being. With the vertical axis in the illustration, indicating the degree to which social innovations are compatible with policy, while the horizontal axis denotes time, this is illustrated by early waves of social innovation starting out in the low-left corner. Examples related to charity and addressing social issues include *Myrorna* in Sweden, and *Maternity Box* in Finland. Meanwhile, techno-commercial breakthroughs drew upon high receptiveness to new ideas, spanning the business sector, government and the general public.

Yet, in its upper part, the illustration shows as well that social innovations in the Nordics display an inherent interplay with categories of individuals and citizens that operate independently of policy. From the 1960s, there was a growing impact of this kind. A revolt against autocracy manifested itself in social innovations such as *Fryshuset* and *Alternative City* in Sweden, or *Christiania* in Copenhagen, which aimed for empowerment of those in need. Later on, as will be returned to below, diverse stakeholders pulled waves of social innovation in education, environment and health, which stood even further apart from mainstream policy. In some of these fields though, social innovations and policymaking have gradually started to converge, as illustrated by their downward sloping movement.



Stylised illustration of the social innovation process in the Nordics

In industrial relations, by contrast, the responsibility for wage negotiation and employment conditions became orderly delegated by government to industrial partners, based on the expectation of constructive collaboration between unions and employers. In Denmark, this situation later contributed to the acceptance of reforms in support of flexible labour markets. In Finland, the government, along with industrial partners, currently collaborate in an experiment with basic citizen salary. In Sweden, major unions such as TCO and Unionen take a lead in finding ways to accommodate the “platform economy” [3].

## NEW DEVELOPMENTS AND THE ROLE OF POLICY

The advance of Information and Communications Technology (ICT) now offers citizens, in capacity as professionals, patients or students, new means to respond to neglect or failed services, translating into social innovations based on intensive networking. Various schemes for certifying environmental impacts help underpin the rise of environmentally friendly products or companies. Some aim to invoke adjusted behaviours among large numbers of people, e.g. with regard to energy or transport. A special category of initiatives promotes multiculturalism through bonding across cultural barriers, e.g. *Taman* and *Dilemma Workshops*. Through e-health patients gain better access to information and claim ownership to their medical journals. In education, platforms such as *Mattecentrum* or *Grandfather* link students to sources of assistance, compensating for weak learning support in mainstream institutions. On this basis, social innovation has emerged as a driver of change in everyday life for big parts of society.

In smaller towns, they often support mainstream innovations in private firms, including Small and Medium-Sized

Enterprises (SMEs), which use sophisticated new solutions but perhaps not necessarily high-tech. In larger cities, and around universities, social innovations draw on modern technologies, including interactive ICT tools, as encapsulated in “Smart City” projects. Leading Nordic actors in this regard include Gothenburg and Århus (water management), Copenhagen and Stockholm (port projects), and Oulu (Arctic City). With the development of ICT-based “Ideation platforms” and using open data, Helsinki has positioned itself as a pioneer in improving public services through citizen engagement [4].

The ability of social innovations to take off depends partly on the response of mainstream institutions. In Finland, the *Maternity Box*, the *Karelia Project* and *Storycrafting* enacted powerful, beneficial revamping of conditions in health and education through embracement by the public sector. *Self-dialysis* and *Esther* belong to the many cases bred by Futurum in Jönköping, Sweden, as a means to strengthening patient engagement. With *Biophilia*, the Icelandic government made use of social innovation as a means to stimulate creativity and cultural learning. In many cases, however, social innovations were defied for long periods of time, and eventual success occurred despite rather than thanks to policy. For the Norwegian case of *Olweus*, scaling occurred through commercialisation by private businesses in the United States. *NASF*, the North Atlantic Salmon Fund, acted against all odds on the existing market and policy imperfections that drove the fish stocks towards extinction, overcoming destructive conflict between Net men, land owners and other stakeholders. Eventually achieving international cooperation to halt the over-fishing, this social innovation case eventually became an accepted means for compensating the lack of viable national as well as international policymaking.

## CONCLUSIONS

The Nordic framework for social innovation serves to reconcile the standing of a strong state with individuals that take active part in fulfilling their needs, commonly benefitting from initiatives originating outside the realm of mainstream institutions.

To what degree is this high prevalence of social innovation the result of favourable policy? While originating in autocracy and continuously reliant on “big government”, governance embedded principles of decentralisation and social participation from early on. Focusing mostly on poverty and facilitating social mobility, social innovations initially evolved as a complement to mainstream institutions. In social affairs and industrial relations, it followed delegated responsibility by government to the industrial parties. Across a range of domains, however, including education,

environment, new health issues, and in support of multiculturalism, social innovation has arisen as a force to compensate for the lack of functioning institutions. New tools, notably ICT and social networks, are in the process of altering their profile from low-key activity to becoming a potent force for social change where improvement is most needed.

Institutional acceptance and also active assistance for scaling solutions remain greatly important for the ability of social innovations to fulfil their potential. Having said this, policy-making needs to refrain from seeking dominance for its own sake. The lesson rather is that policy should strive to support generally favourable conditions for citizen engagement and step in to support the uptake of social innovation when that is clearly helpful for realizing the benefits. In other cases, policy should let social innovation run its course as a force capable of responding to, and filling, the gaps.

## CASES OF SOCIAL INNOVATION REFERRED TO

NAME	WEBSITE	CATEGORY	COUNTRY
Myrorna	<a href="http://www.myrorna.se">www.myrorna.se</a>	Recycling	Sweden
Maternity Box	<a href="http://www.kela.fi">www.kela.fi</a>	Integrated care	Finland
Fryshuset	<a href="http://www.fryshuset.se">www.fryshuset.se</a>	Empowering youth	Sweden
Alternative City	<a href="mailto:www.alt-stad@algonet.se">www.alt-stad@algonet.se</a>	Collective living	Sweden
Christiania	<a href="http://www.christiania.org">www.christiania.org</a>	Sharing economy	Denmark
Taman	<a href="http://www.taman.se">www.taman.se</a>	Cultural bridging	Sweden
Dilemma Workshop	<a href="http://citiesofmigration.ca/good_idea/the-dilemma-workshop/">http://citiesofmigration.ca/good_idea/the-dilemma-workshop/</a>	Cultural bridging	Sweden
Mattecentrum	<a href="http://www.mattecentrum.se">www.mattecentrum.se</a>	Learning support	Sweden
Grandfather	<a href="http://www.klassmorfar.se">www.klassmorfar.se</a>	Learning support	Sweden
Karelia project	<a href="http://www.karelia.fi/en">www.karelia.fi/en</a>	Lifestyle change	Finland
Storycrafting	<a href="http://www.edu.helsinki.fi">www.edu.helsinki.fi</a>	Learning support	Finland
Self-dialysis	<a href="http://www.plus.rjl.se">www.plus.rjl.se</a>	Integrated care	Sweden
Esther	<a href="http://www.qulturum.se">www.qulturum.se</a>	Integrated care	Sweden
Biophilia	<a href="http://www.biophilia@mrn.is">www.biophilia@mrn.is</a>	New learning possibilities	Iceland
Olweus	<a href="http://www.episcenter.psu.edu">www.episcenter.psu.edu</a>	Bullying prevention	Norway
NASF	<a href="http://www.nasfworldwide.com">www.nasfworldwide.com</a>	Ecosystem restoration	Iceland

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# UNDERSTANDING SOCIAL INNOVATION IN ITALY

The persistence of the economic and social crisis is putting Italy under pressure and eroding its capacity to react. The emergence of bottom up social innovations shows great potential, but a stronger institutional environment and a more systemic approach are needed to mobilise resources and achieve significant social impact.

*Elena Como*

## THE NEED FOR SOCIAL INNOVATION IN ITALY

Despite being the eighth richest economy in the world, Italy presents many challenges and contradictions that make it an important ground for the flourishing of social innovation. While its main challenges are similar to those of other European countries (ageing population, rise in chronic diseases, high unemployment, management of immigration flows, among others), Italy is finding it particularly difficult to react. With over one third of youth aged 20-34 that are neither in employment nor in education or training (NEET), over 4.5 million people in absolute poverty (+140% since 2005), a dramatic drop in social trust and political participation, Italy is struggling to find the energy to reverse its trend.

Within this scenario, there is a real need for innovative responses and solutions. The ground is set for social innovation to give an important contribution, to mobilise society's best resources and creativity, to build new partnerships and collaborations, and to propose new ways to tackle problems, making the best use of available resources, while combining these with the new opportunities coming from digital technologies.

## A DYNAMIC CIVIC ENVIRONMENT IN A WEAK INSTITUTIONAL CONTEXT

In Italy, social innovation appeared in the national agendas only in 2012, when a dedicated task force was set up under the Ministry of Education, University and Research (MIUR), with the aim to produce a first document towards the Italian Social Innovation Agenda. In 2013, MIUR further issued two

calls for projects on smart cities and social innovation, and a third call for the creation of "social innovation clusters". The same year, the Ministry of Labour and Social Policies established a Task Force on Social Enterprise and Social Innovation. In 2015, a dedicated workshop promoted by MIUR in Rome discussed the state of the art and made some practical proposals to better incorporate social innovation in the government agenda.[1] Despite these efforts, however, in the past years concrete actions to

support social innovation remained fragmented, lacking a comprehensive and long term policy framework.

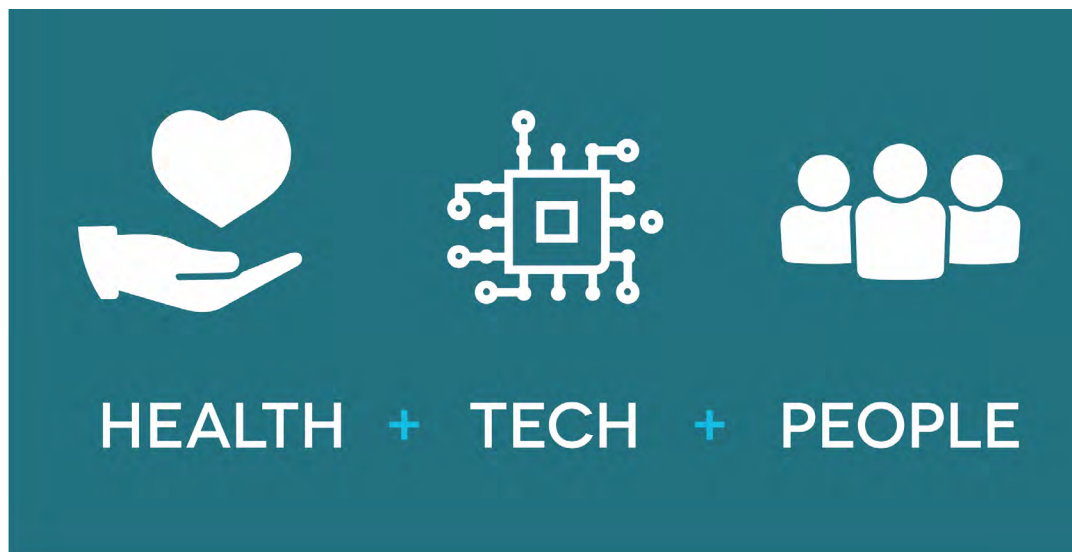
At the same time, in Italy social innovation is increasingly known at the local and micro level, and a number of

actors and networks have embraced the issue in the past years. A few dedicated incubators and accelerators emerged (9 of which affiliated to global Impact Hub Network), private foundations started supporting social innovation projects, other actors such as the Italia Camp group emerged on the scene, and the British foundation NESTA announced the launch of its Italian branch. Last but not least, a number of research centres and consultancies started working in this field.

## WHERE SOCIAL INNOVATION CAN FLOURISH

Despite the lack of a strong national policy, social innovations are emerging here and there in Italy, from the initiative of public, private and non-profit actors.[2] Often times, they emerge where a favourable context or sectoral policy exists

*The ground is set for social innovation to give an important contribution, to mobilise society's best resources and creativity, to build new partnerships and collaborations, and to propose new ways to tackle problems, making the best use of available resources, while combining these with the new opportunities coming from digital technologies.*



that opens up a space for innovation in a specific sector, allowing for experimentation, recognition of what works well, and scalability of best practices. The research project SI DRIVE, by looking at selected policy areas, demonstrated the importance of public policy contexts to enable effective and sustainable social innovation. In the healthcare field, for example, it showed that social innovations are being successful in Italy when they promote new services that are consistent with the overall evolution of health policies (e.g. strengthening home care), and when they use technology (e.g. e- or m-health) in ways that reinforces the broader digitalisation efforts of the public health system. Grafting coherently within such policy contexts, social innovations can bring their specific added value, for example by addressing social aspects of the services (e.g. patient empowerment), building cross-sectoral collaborations (with housing, mobility, etc.), or addressing new needs and target groups that were previously neglected.

When it comes to innovating immigration services, to give a different example, one of the most interesting social innovations emerging in Italy is the development of new models to support refugees and connect them with local communities. Thanks to the professional support of specialised

**The growing dynamism of social innovation in Italy is fostering awareness on the need to understand and evaluate the social impact produced by these new solutions.**

non-profit organizations, and in collaboration with local authorities and administrations, families can host refugees in their homes and help them integrate in the local community. This happens in full integration with the governmental immigration programme SPRAR, which covers their living

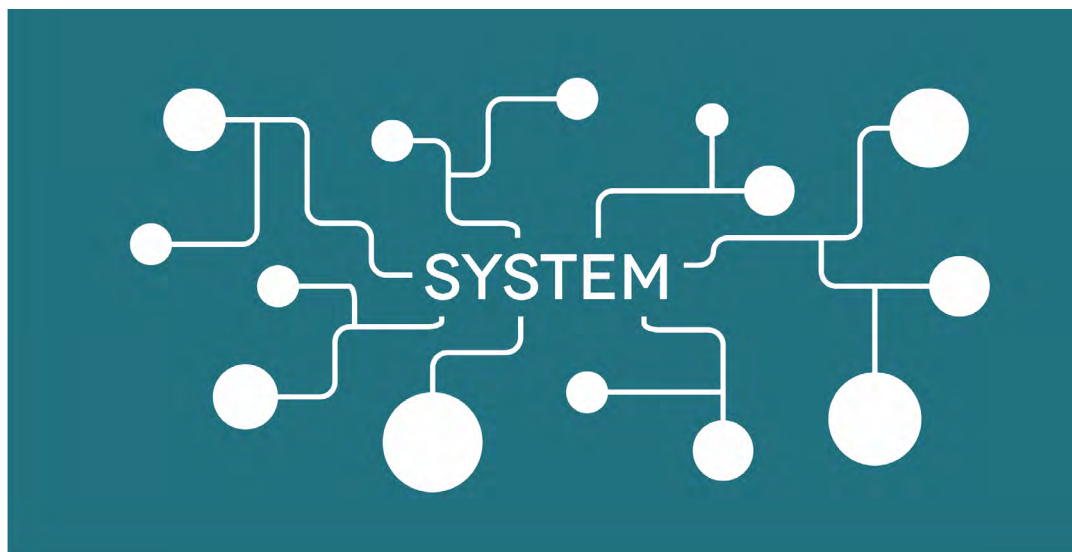
costs, and the much needed health, legal, and work integration services. In the energy sector, the existing policies to incentivise decentralised production from renewable sources have also enabled social innovation, by paving the way to the birth of local energy communities of prosumers.[3]

### ACTING AS A SYSTEM, UNLOCKING THE RESOURCES

Italy has an incredibly rich third sector, a vibrant entrepreneurial fabric, and a great pool of knowledge and creativity which represent its potential for innovation. One of Italy's acknowledged weaknesses, however, lays in its fragmentation and difficulty to act as a "system", bringing together different actors around a common strategy to pursue shared goals. Attention to this challenges has been growing in the past years [4], and some best practices started to emerge, as demonstrated for example by the efforts of the city of Milan to foster the growth of a "social innovation ecosystem" at local level. [5]

Another challenge concerns the financial resources. The steady reduction of funding, especially in the public sector, can be a driver for social innovation, making new solutions more urgent and pushing the system to exploit existing assets in new creative ways; nonetheless, some form of funding is also needed to develop and scale up social innovations. At present many innovations, especially those in the public and non-profit sphere, are either self-financed or funded by local, national, and European grants. A law for crowdfunding was adopted in 2013, while other funding models (such as impact investment funds) are slowly emerging but yet not mature in the country.





## TOWARDS MORE MARKET-ORIENTED SOCIAL INNOVATIONS

Social innovations may also take the form of new products and services that combine social impact with a clear market orientation. The importance of having market-oriented social innovations has become increasingly evident, considered the difficulty that purely non-profit solutions encounter when it comes to ensuring sustainability. However, in the Italian context, where 98 % of companies are small and medium enterprises, the social innovation discourse is explicitly known by a relatively small minority. It is mainly the large companies that engage with this concept, usually in association with their CSR practices. At the same time, in the past years Italy has seen the birth of a relevant number of social start-ups, which tried to create brand new businesses around an original idea to solve a social problem. The start-up movement in Italy has been supported by a number of incubators, networks, and programmes or prizes; however, only a minority of the ideas has become actually sustainable on the market. In most cases, successful market ideas have a strong technological nature, as demonstrated by the e-health field, or the transportation sector.

## CONCLUSIONS: UNDERSTANDING THE IMPACT AND FUTURE OF SOCIAL INNOVATION IN ITALY

The growing dynamism of social innovation in Italy is fostering awareness on the need to understand and evaluate the social impact produced by these new solutions. Social impact assessment has never been very widespread in the country, and this has been a weakness for all those organizations that, working for a social objective, are unable to demonstrate their impact. At the same time, the lack of evidence on impact makes it difficult to establish which innovations can really be considered “social”, and how effective they actually are in solving the addressed social challenges. The recent diffusion of impact assessment practices and the interest demonstrated by the public institutions (see for example the mandatory impact assessment required by the recent national grants to fight child educational poverty) can be seen as a positive development that may help the affirmation of social innovations in Italy, foster the adoption and replication of successful solutions, and help continuous learning and improvement.

Lastly, a key role in Italy is played by all those communities, networks, and spaces, such as coworking spaces, living labs, or incubators, that are an essential part of the overall ecosystem, and support social innovation by experimenting and fostering new forms of knowledge sharing, socialization, and cross-sector collaboration and contamination.

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# THE SOCIAL INNOVATION IN THE BASQUE COUNTRY

The Basque country is known by many people, among other features, for its landscape, gastronomy and cultural life. But maybe, the real meaning of being an Autonomous Community and the effects on its regional economy, social organization and the international dimension are not so well known. The Basque Country is also a leading region regarding Social Innovation.

*Marta Enciso Santocildes / Antonia Caro González / Javier Castro Spila*

## 1. INTRODUCTION

The Basque Country (Euskadi, in Basque language) is an Autonomous Community in Spain, situated in the easternmost part of the Cantabrian coast. It has an area of 7,234 km<sup>2</sup> and its location serves as the union link of the European Atlantic axis. The official languages are Spanish and Basque. It is organized in three Provinces (Territorios Históricos): Bizkaia, Gipuzkoa and Araba. The main cities are Bilbao, Donostia-San Sebastian and Vitoria-Gasteiz, respectively, the Capital, where the Basque Parliament and the headquarters of the Basque Government are located.

## 2. THE BASQUE COUNTRY: CONTEXT AND DYNAMICS

### 2.1. Regional context

Latest social and economic indicators show an improvement in unemployment and poverty data and present the actual features of population and economic activities and sectors.

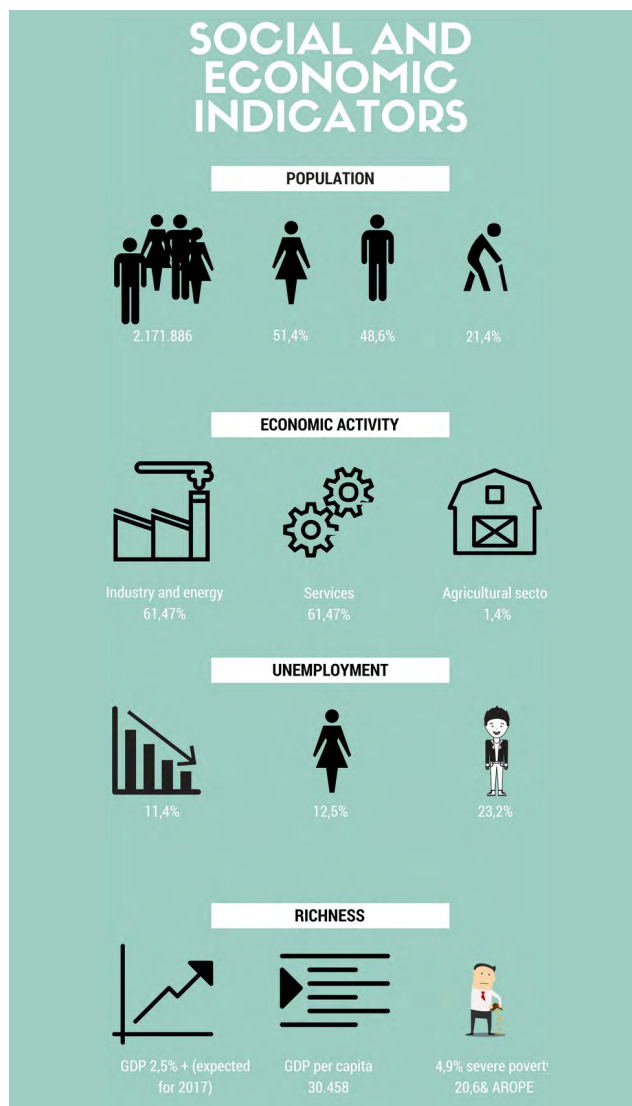
### 2.2. Institutional dynamics

The political system establishes a distribution of competences. Policy areas like Education, Industry, Culture, Health and Social Services, or Employment, are managed by the Basque Country Government. Taxes are collected by the regional treasuries, and a quota (called Cupo) is paid to the State for the services provided, together with a contribution to the Spanish regional solidarity fund. This tax system meets the requirements established by the European Court of Justice under the Azores tax scheme (2002), confirmed by a specific Judgement about the Basque Country (CJEU, 2008) on institutional and political; procedural; and economic and financial autonomy.

The Basque Country was strongly hit by the 1970s crisis. This period of time coincided with the evolution of Spain from a dictatorship to a democratic system, with the Constitution coming into force in 1978.

Severe measures (taxation, labor relations, legal aspects, financial schemes, etc.) were adopted to overcome the devastating industrial, economic and social effects provoked by the crisis, that lasted over 10 years, affecting the following decades. Nearly 40% of the active population worked in industrial mature and long term sectors, mostly focused on siderurgy and ship building, and their auxiliary services. Nowadays, the main challenges faced by the Basque Country are different in nature and can be summarized in three: a) an ageing population; b) youth and long-term unemployment; and c) education.

From the 1970s to the current challenges, social innovations have been an intrinsic component of the entrepreneurial and inclusive nature of the Basques. Numerous initiatives, measures and policies have generated concrete tailor-made solutions to activate, foster, and utilize innovation potential and overcome unmet social needs. Particular emphasis has been given to educational needs (to overcome labor market mismatches and reduce early school leavers) and lifelong learning to update professional competences. At the same time, the process has also shown a strong commitment with social inclusion of vulnerable persons. Inclusion is one of the main drivers of the Basque Social Innovation. According to Braithwaite [1], a social innovation ecosystem is born out of necessity and depends on the nature and varies depending on the specific contextualized social demand or challenge confronted.



Social and Economic Indicators of the Basque Country

### 3. SOCIAL INNOVATION IN TRANSITION

Social innovations are processes that generate transformative social changes, improve social cohesion, foster inclusion and allow for smart, sustainable and inclusive development and growth.

Although, social innovative initiatives in the Basque Country, are deeply rooted in the social economy (i.e. educational and industrial cooperatives that have stimulated the regional development for more than four decades), these undertakings were not labeled Social Innovation. Being so, Social Innovation is only an emerging phenomenon in the Basque Country. This is deduced from an

analysis of the progressive inclusion of Social Innovation in the Science, Technology and Innovation Plans (PTCI). The PTCI is one of the Policy Innovation tools used by the Basque Government to foster regional development.

Examining the innovation process, its main strategies and programs, the Social Innovation Agenda in the Basque Country can be understood from a diversity of paradigms that have evolved from the 1980s to the present:

**First Phase – the technological paradigm** gave preference to the development of technological centers, industrial clusterization and the technological absorptive capacity of companies focused on driving the entrepreneurial Development & Innovation. Social Innovation was not included in the agenda as such, but allusions and concerns on social challenges.

**Second Phase – the Techno-scientific paradigm** pushed the inclusion of universities in the Basque Innovation System and formulated, for the first time, a specific strategy for Social Innovation based on boosting experimental projects, clusterization and the evaluation strategy.

**Third Phase – the current relational paradigm** is structured around the Smart Specialization Strategy in which social innovation is no longer a specific axis of the innovation policies but has become a transversal working axis.

Thus, in the last ten years, Social Innovation in the Basque Country has broadened from social economy actions to be included in the regional system of innovation boosted by universities, technological centers, companies, financial institutions, local development agencies as well as local public administrations. This means the creation of numerous connections, **based on cross-sectorial collaborations and networking**. Constellations of actors that have required

TECHNOLOGICAL PARRADIGM	TECNO-SCIENTIF PARADIGM	RELATIONAL PARADIGM
Technological infrastructure: Creation of Technological Centres 1982	Plan of Competitiveness and Social Innovation (2006-2009)	Plan of Science, Technology and Innovation (2015)
Strategic Technological planning (PET - 1990)	Interinstitutional plan of Economic Promotion (2000-2003)	Plan of Science, Technology and Innovation (2020)
Plans of Industrial Policies 1991-1995 / 1996-1999	Plan of Science, Technology and Innovation (2001-2004)	Digital Agenda for Euskadi 2020
Plan of Industrial Technology 1993-1996	Plan of Science, Technology and Society (2010)	Basque strategy of Aging 2015-2020
Plan of Science and Technology 1997-2000	NANOBASQUE, BIOBASQUE Strategy	Regional Smart Specialization RIS3
1980-2000	2001-2010	2011-2020

The emergence of three paradigms

the diversity, at time conflicting, but complementary actors with a shared vision to form constructive and committed partnerships.


There are examples of vertical interactions, if they are built around the lifecycle of a social innovation from idea to scaling up (i.e., experience of Peñascal Kooperatiba); or horizontal ones, if they become a holistic collaboration around a complex problem, with various actors assuming different roles and levels of responsibility. One example is the Basque Social Innovation (BSI) consortium; the Ageing challenge that has been tackled by the Basque Government, the Biscay and Gipuzkoan provincial councils, the Deusto interdisciplinary Research Platform together with the European Commission and regional and international partners. All these efforts have been awarded with the highest EU recognition as a Reference Site by the European Innovation Partnership on Active and Healthy Ageing. The transformation of the City of Bilbao is another good illustration of public-private partnerships capable of transforming a declining industrial city into a modern post-industrial one.

#### 4. LESSONS LEARNED: TOWARDS A BASQUE SOCIAL INNOVATION ECOSYSTEM

The Basque case shows that only complementary innovations and contextualized enabling conditions can produce systemic change and/or structural transformations in society (e.g. the Transformation of the City of Bilbao). Three lessons are possible to obtain from the social innovation experiences toward a social innovation ecosystem in the Basque Country. The first lesson is linked to the public-private alliances to support social innovations at different levels. The second lesson is related to boost the absorptive capacity at organizational level to the interpretation and transformation of social problems into social innovations. The third lesson is related to the creation of social innovation spaces (networking and consortiums) to promote collective and open innovations in smart strategies to solve social problems.

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## TOWARDS A SOCIAL INNOVATION ECOSYSTEM IN THE BASQUE COUNTRY

To become a truly effective Innovation ecosystem, that turns not-yet-fully connected innovations into a systemic coordinated approach, Basque stakeholders need to work in the following five axes:

### CONTEXT

To have a deep knowledge of societal needs and an early identification of challenges. This requires regular foresight analysis able to anticipate adequate coordinated social innovations and entrepreneurial projects that enable:

- intergenerational dynamics and quality of life for the elderly;
- measures to boost employment, with special attention to long-term and youth unemployment; and
- lifelong learning programmes to maintain an updated and dynamic, flexible labour force capable to adapt to rapidly evolving labour markets.



### PEOPLE AND CAPABILITIES

To strengthen social innovation capacities at social, organisational and institutional level. Boosting an SI ecosystem in the Basque Country will demand a) the empowerment and involvement of direct users or beneficiaries to identify and implement potential solutions (Mulgan, 2006); and b) leaders that generate ideas, based on and triggered by orchestrated social engagement, with trust and creativity being consolidated as driving agents of change.



### CONNECTIONS AND NETWORKING

To explore and develop new forms of realigned cooperation and social participation, generating local transformations but working internationally connected ('glocal' view). Therefore, special focused has been paid a) to boost international collaboration and participation in European projects (i.e., F7-SI-DRIVE, H2020-SIC) with the aim to position the Basque Country as a SI leader; and b) to disseminate good practices that raise awareness and value regional social innovation.



### POLICIES

To develop new relationships between public innovation and social innovation and to ensure long-term structural changes meeting a twofold need: to generate different levels of institutionalisation; and public policies that are outcome-based and demand-led (i.e., Bilbao NextLab, Smart Specialisation Strategy).



### SOCIAL IMPACTS

To measure the functioning and achievements that each intervention has for people, organisations, systems and society at large, there is a need to envisage new evaluation systems that monitor endeavors from early designing to ex post stages.





# SOCIAL INNOVATION – AN EMERGING CONCEPT IN EASTERN EUROPE

**WILL THESE COUNTRIES MANAGE TO OVERCOME THE BARRIERS THAT HINDER THE DEVELOPMENT OF SOCIAL INNOVATION AND TAKE ADVANTAGE OF THE ENABLING FACTORS OR WILL THE CONSTRAINING FACTORS PREVAIL?**

The term social innovation is relatively new in the countries in Eastern Europe. However, there have been many initiatives in the region that could be classified as such and that occur in a variety of fields such as education, energy, environment, transport, etc. Although the innovation policies in the region are not specifically focused on the development of social innovations, there are also drivers and successful practices that demonstrate the potential of this type of innovations to achieve positive impacts. [1]

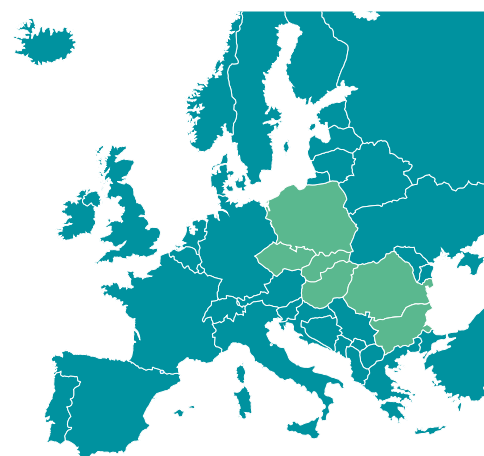
*Desislava Asenova / Zoya Damianova*

## INNOVATION PERFORMANCE IN EASTERN EUROPE

The Eastern European countries covered in this article are: Bulgaria, Romania, Hungary, Slovakia, Poland and the Czech Republic. According to the European Innovation Scoreboard, the innovation performance of these countries stayed below that of the EU average during the last decade. [2] However, the future perspectives for the innovation potential of the Eastern European region seem optimistic. Eastern Europe has the opportunity and capacity to contribute to a better

Social innovations could play a key role in boosting innovation performance of the Eastern European region

future by developing innovations that would address certain challenges, such as reducing poverty, reaching social cohesion, and coping with environmental issues. In this regard, Mr. Martin Kern, the Interim Director of the European Institute of Innovation and Technology, states that *“There is great untapped potential for innovation in the Central and Eastern European Member States! We should use it to further enhance Europe’s competitiveness and our position in the global innovation performance”* [3]. In addition, social innovations could play a key role in boosting innovation performance of the Eastern European region.



Map of Europe, the countries highlighted in the map are addressed in the article.

## THE CONCEPT OF SOCIAL INNOVATION IN EASTERN EUROPE

Social innovation is a relatively new concept in the Eastern part of Europe, which only recently started gaining popularity. There are initiatives in the region that comply with the definition of social innovation but these have neither been recognized as such, nor have they been researched or analyzed. Sometimes, even innovators themselves are not aware that what they are doing could be considered social innovation. Desk research results show that instead of social innovation, social enterprise is the term that is more commonly used in the countries under scrutiny. Both terms are linked to



activities of the third sector and the alternative provision of social services by civil society. In Hungary, for instance, social enterprise is much more used than social innovation, while in Poland, Bulgaria and Romania the term is applied in the context of social economy and social entrepreneurship. In Slovakia, social innovation is usually used as a synonym for social affairs [1].

Although social innovation still is not a widely spread concept in Eastern Europe, there are some projects funded by the European Commission that aim at popularizing the concept not only in Eastern Europe but in Europe as a whole, by mapping and analyzing social innovation practices. Examples of such projects are SI-Drive [4] and CASI [5], both funded under the FP7.

### EXAMPLES OF SOCIAL INNOVATION INITIATIVES IN EASTERN EUROPE

What social innovations in Eastern European countries have in common is that they are mainly related to activities of civil society organizations, introduced either in response to social needs or in order to address certain challenges. These innovations mainly occur in the field of education, environment, transport, and energy. Examples are:

- **Education** – “Jumpido” in Bulgaria is an educational software for primary school students that offers a new methodology of learning mathematics through a set of educational games and at the same time encourages children to engage in sportive activities.
- **Environment** – “Farmama” in Slovakia is a project concerned with urban farming. It publishes manuals and tips for growing, storing and using herbs, fruits and vegetables and aims at encouraging people in urban areas to farm on their balconies.
- **Energy** – the “Unit for Social Innovation and Research” in Poland is an initiative that aims at facilitating the creation of meaningful social innovations that solve real-life social problems and challenges, one of which is the reduction of energy use.
- **Transport** – a project in South Moravia (the Czech Republic) equips buses with trailers and trains with additional compartments for transporting bicycles, thus making rail and bus services compatible with using a bicycle [1].

More examples of social innovation initiatives are listed in the infographic. All these examples prove that countries in Eastern Europe seem to be fertile ground for social innovation and social entrepreneurship to take root to meet existing social needs. Detailed information on social innovation initiatives in the countries under scrutiny can be found in the case study reports developed as part of the SI-Drive project [4] and in CASIPEDIA which is an online platform with social and sustainable innovation practices that have been mapped within the framework of the CASI project [5].

## Social Innovation initiatives:

### Examples from Eastern Europe



#### Environment

- 1) "Let's clean Bulgaria in one day" (BG)
- 2) "Green Sofia" (BG)
- 3) "Urban Community Gardens" (RO)
- 4) "Let's do it, Romania!" (RO)
- 5) "Farmama" (SK)



#### Education

- 1) "Jumpido" (BG)
- 2) "Digital School" (PL)
- 3) Dynamic Entrepreneurship (PL)
- 4) "Colabs" (HU)



#### Energy

- 1) "Warmth for the children" (BG)
- 2) "Recycling Map" (RO)
- 3) "Unit For Social Innovation and Research" (PL)



#### Transport

- 1) "Aha! Car Platform" (BG)
- 2) "Helping cyclists travel on public transport in South Moravia" (CZ)

Overview of social innovation initiatives in environment, education, energy and transport in Eastern Europe (note: The “Canva” online tool was used for creating the infographic).

## ENABLING AND CONSTRAINING FACTORS THAT INFLUENCE SOCIAL INNOVATION IN EASTERN EUROPE

Research in the domain of Social Innovation reveals that several factors exist that foster the development of social innovation in Eastern Europe. Among them are the existing financial programs and instruments, the positive reforms in the regulatory environment for social enterprises and the strong individual leadership of innovators, who often are the ones initiating social innovation. However, what is still needed in Eastern European countries, with regard to fostering social innovation, is awareness raising about successful social innovation initiatives and the mobilization of more volunteers. The lack of a volunteering culture, in turn, is among the factors that hinder the development of social innovations in the Eastern part of Europe. Together with the lack of funding on national level, a lack of social and policy support for social innovation initiatives and an underdeveloped entrepreneurial culture, an unfavorable environment for the development and scaling of social innovations is created.

What is still needed in Eastern European countries, with regard to fostering social innovation, is awareness raising about successful social innovation initiatives and the mobilization of more volunteers.

Even though these obstacles are expected to continue hindering the development of the social economy in Eastern Europe in the coming years, social innovations seem to be the best solution to meeting social needs and tackling societal challenges.

## CONCLUSION: THE PRESENT AND FUTURE OF SOCIAL INNOVATION IN EASTERN EUROPE

As already mentioned, the term social innovation is still not widely spread in Eastern Europe and remains relatively unknown. It could be claimed that social innovation in this part of the continent nowadays is primarily a result of the efforts of the third sector and social entrepreneurs, mainly occurring as response to pressing societal challenges not addressed by public policies. For that reason, social innovation initiatives in the region are very successful in the field of providing social services (mainly to vulnerable groups and Roma minorities), education and employment opportunities.

Yet, the spread of such initiatives is hampered by the unpopular view on voluntarism in the countries under scrutiny and the conservative attitude of policy-makers and institutions towards social innovations. What brings hope that social innovation in the region could boost are the active, open-minded and amenable to innovations young people [1].

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# HOW TO CREATE AN ECOSYSTEM FOR PUBLIC SECTOR INNOVATIONS IN THE WESTERN BALKANS: A FOCUS ON CROATIA

The public sector plays a critical role for the process of developing an ecosystem for social innovation in Croatia, as the lessons learned from Zagreb reveal.

*Mirna Karzen*

## OVERVIEW

In the Western Balkans policies dealing with a number of issues including social care, health, poverty reduction, education and employment are primarily the responsibility of national governments, with less involvements from other actors including public and private sector and/or civil society organizations. However, this also varies depending on the country and the level of public discussions and involvement. While public administration is involved in public service provision (but not necessarily advancing social innovation), civil society is active in looking for innovative approaches to service delivery and cooperation with other sectors. Private sector actors are slowly opening up towards social impact investment through start-up initiatives or accelerator programs supporting entrepreneurs. There are also other non-state actors including a growing sector of social entrepreneurs, social cooperatives, and start-ups.

While public administration is involved in public service provision (but not necessarily advancing social innovation), civil society is active in looking for innovative approaches to service delivery and cooperation with other sectors.

They are involved in the area of social business and/or social impact through initiatives supported and/or launched by donors (e.g. UNDP in Montenegro, Macedonia and Kosovo; OECD etc.) [1].

Public sector innovations in Croatia for example are still very much at their early stage with some attempts to increase knowledge and capacity of public sector administrators about the importance of social innovations. Those initiatives have been organized by civil society organizations like Social Innovation Laboratory (SIL) and some others (NGO for creative development, SLAP and Cluster for Eco and Social Innovations and Development, CEDRA). There was an attempt to increase awareness about social innovation by the Association of Cities that has few years ago established an "Award for Social Innovations". The award was only active for about two years and was transferred into the "Smart Cities Innovation" award focusing on different categories of smart cities: smart communities, smart environment, smart mobility, smart administration etc.

When talking about the development of an eco-system for supporting social innovations in the public sector, one of the most progressive attempts has been an effort for establishing innovative services and engaging citizens in the design and delivery of public services. This challenges the traditional model of public service provision, as it changes the roles of citizens, communities and the government. Co-design, often interchanged with the terms co-creation, co-production and co-developing, can be defined as "a creative approach that supports and facilitates the democratic involvement of people in addressing social challenges" [2].

Co-production, as in the case of the City of Zagreb, was prompted by a set of pressures, including growing citizens' desire to be involved in public affairs, and awareness that new public service delivery models are needed as a response

This process will help transform the city from a passive recipient of information to an active, supporting mechanism that nourishes social innovation and urban development and could stimulate organic growth of social innovation in Zagreb.

to increased expectations among citizens, emerging social challenges and their pressure on public budgets. One way of responding to the growing demand for public services is to consider citizens as partners and collaborators rather than only passive recipients. In this way, co-production represents a model for public service reform [2].

### DEVELOPING AN ECOSYSTEM FOR URBAN INNOVATIONS IN THE CITY OF ZAGREB

In January 2017, Social Innovation Laboratory started a social innovation experimentation program with the City of Zagreb officials using the “design-thinking” approach to develop social innovations (as innovative services) on a city district level. Goal of an almost a year-long program was to raise the capacity of city employees and officials about social innovation and a social innovation process through the co-design/co-creation methodology that enables key stakeholders in creating innovative solutions to local challenges. Long-term goal of this experimentation process with the City of Zagreb was to position the city as a relevant actor in facilitating social innovation processes and supporting participative development of an urban social innovation ecosystem.

One of the most important outcomes of this process was also to use the results but also the process itself as a basis for developing (co-creating) new city policies that would support and sustain the creation of urban innovations on a city district level. City policies may include: new or a better use of funding schemes; education for city employees on social innovations; training programs for all stakeholders in the City of Zagreb; subsidies for private owners of abandoned properties in the city center etc.

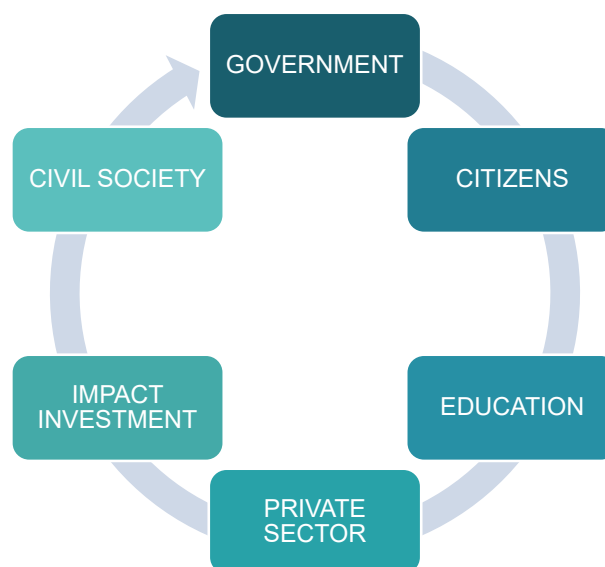
#### Detected needs and challenges

The City of Zagreb plays an important role in developing a social innovation ecosystem, which has not yet emerged fully in the city despite some sporadic initiatives and activities. Social Innovation Laboratory will continue working with the city on involving decision makers in the process and addressing the benefits of engaging in such an ecosystem. This overview addresses what is presently lacking as well as potentials for establishing a healthy

and sustainable social innovation ecosystem. Detected needs have included:

- 01 A strong political will to be open and transparent, to listen, communicate and engage citizens.
- 02 Creating a critical mass of stakeholders.
- 03 Participation and co-creation, led by key actors (intermediaries; networks).
- 04 An entrepreneurial approach.
- 05 A partnership between researchers and other “unusual” suspects.
- 06 The creation of specific programs focusing on experimenting, educating, mentoring, financing.

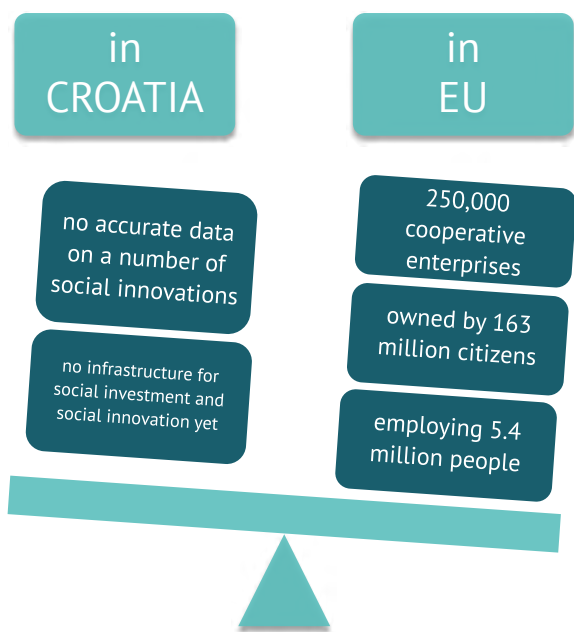
In order to address prerequisites needed for establishing a healthy ecosystem it is of crucial importance to involve decision makers at a city level in the social innovation processes. This process will help transform the city from a passive recipient of information to an active, supporting mechanism that nourishes social innovation and urban development and could stimulate organic growth of social innovation in Zagreb. Only then, sporadic initiatives and organizations working in the social innovation field and any other relevant actors could generate synergies with long-term effect on the society.



Key actors of the social innovation ecosystem in Zagreb [3]

#### Lessons from the process

Involving city officials to engage and practice social innovation primarily challenged slow and demanding bureaucratic procedures that previously affected collaboration on a horizontal city department level and vertical top down and bottom up stakeholder levels. Through a series of practical workshops and supporting activities, city officials were put in real-life scenarios and developed new services together with citizens, civil society, experts and businessmen.



Comparison of data on social innovation/social enterprises in Croatia vs. Europe

Practicing social innovation methodology therefore has opened the door to building relationships of trust, mutual understanding and realization that a multidisciplinary approach was the only way to address existing and future urban challenges. Changing mindsets was a crucial first step in acknowledging the obstacles cities and decision makers were faced with. It prepared the ground for embracing a more structured social innovation methodology as something that should be formalized, integrated within the city and implemented through every day operations. Experimenting with social innovation through a hands-on approach within the public sector has proved to be an effective method of learning that could organically lead to systemic change and a redesign of transparent and efficient public services that respond to citizen needs.

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# SOCIAL INNOVATION IN TURKEY

## CASE STUDIES IN THE POLICY FIELDS OF ENVIRONMENT, POVERTY, AND EMPLOYMENT ALONG WITH LESSONS DERIVED FROM THEIR STORIES.

We provide an overview of the current state of social innovation in Turkey: how socially innovative projects develop solutions to challenging social and environmental issues amid financial and organizational barriers. An outlook for the future of social innovation in Turkey is offered.

*Sençer Ecer / Deniz Ece Dalgic*

### MAIN POLICY FIELDS OF SOCIALLY INNOVATIVE PROJECTS IN TURKEY

Socially innovative developments in Turkey are mostly found in the policy fields of environment, poverty, and employment. The case studies that we selected and analyzed are the most salient ones in these policy fields. The areas of energy, health and transportation are not covered due to few social innovation activities and pervasive government involvement in these fields.

Social Innovation is not formally positioned at the policy level in Turkey. Governments of local municipalities may, however, encourage Social Innovation in their areas, financially support and collaborate enthusiastically on an ad hoc basis where they are aware of projects. However, the concept of social entrepreneurship is more commonly used and has some traction at policy circles.

### THE BIGGEST CHALLENGE FOR SOCIALLY INNOVATIVE PROJECTS

The biggest challenge for socially innovative projects is that the individuals involved may have difficulties in funding their endeavor on a continuing basis, a problem exacerbated by the muddled legal status of such projects. Therefore, many socially innovative projects will never reach an advanced stage due to the innovators' inability to remain committed to the project in the face of financial insecurity. This problem may prevent the innovation from spreading

beyond the initial stillborn project. Concerns regarding personal finance as well as career risks may also represent a barrier to taking action on socially innovative ideas by social entrepreneurs.

### SOCIAL INNOVATION PROJECTS THAT ARE MORE ENDURING AMID FINANCIAL AND ORGANIZATIONAL BARRIERS

Many socially innovative projects will never reach an advanced stage due to the innovators' inability to remain committed to the project in the face of financial insecurity.

As part of our work in the SI-DRIVE project, our team at Istanbul Technical University identified several active and effective social innovation projects in the areas of environment, poverty, and employment. We found that these projects are more resilient in the face of financial and

organizational barriers, and have survived to reach a scale at which tangible benefits could be produced. Our conclusion is that chances for success and significant impact from Social Innovation will be much greater for projects in which actors are more likely to represent local communities. Similarly, success comes when the broader goals of a Social Innovation in the policy field cut across social groups.

In the field of employment, a few large-scale social innovation projects are initiated by government agencies. The case study ISMEK (Istanbul Metropolitan Municipality Lifelong Learning Center) is a good example of the policy fields Education and Employment ISMEK is a mass education organization by the Metropolitan Municipality of Istanbul,

Egalitarianism, fight against poverty, economic prosperity, social rural development, and the empowerment of women are the main issues that many NGOs and associations deal with in Turkey.

which comprises art and vocational courses. The organization aims to increase the personal knowledge of people living in Istanbul, improve their vocational and artistic perceptions, equip them with the urban culture, help them to be actively included in production processes, and contribute to their efforts to have an income and hence increase their chances of employability. Trainings and services are free of charge and are performed in accordance to individual and societal needs, in compliance with the regulations of the Ministry of Education. [1]

International support and local preferences play an important role in the field of environment. Also, fighting poverty has a long tradition rooted in the Turkish society. Mainly for these reasons, Social Innovation made significant inroads in the fields of environment and poverty in Turkey.

Agricultural Marketing ([tarimsalpazarlama.com](http://tarimsalpazarlama.com)) is an example of a cross-cutting social innovation including the environmental field. It represents the first online platform in Turkey for farmers to sell their products without “middlemen” involvement, to track new information about, e.g. stock market prices etc. and farming as well as to search for new technologies. The initiative aims to mitigate losses from farming that typically cause the farmers to migrate to cities and eventually end up unemployed. The project has been supported by sponsorships from the private sector but

progress was not smooth. The initiators think that rules and regulations sometimes become barriers to growth. [2] [3]

Egalitarianism, fight against poverty, economic prosperity, social rural development, and the empowerment of women are the main issues that many NGOs and associations deal with in Turkey. The Kavar-Basin Rural Development Project came up with concrete solutions to these issues in a socially innovative framework. The project was initiated by the Özyegin Association. The main partner of the association is the Ministry of Food, Agriculture, and Livestock. The project has successfully alleviated poverty in the Kavar region, a part of Bitlis province. [4]

## CONCLUDING REMARKS

In general, the biggest challenge for socially innovative initiatives relates to the initiators' difficulties to funding their endeavor on a continuing basis, barring substantial financial support from the government or private sector. We observed that in almost all projects, the leaders are idealistic and determined about their projects; hence charismatic leadership played an important role, and we predict this will continue to be the case. The general economic environment will also be important as we expect individuals to develop interest in Social Innovation only in a gradual fashion, taking part time off from their professional lives before eventually moving to it full time. We further observed that government involvement is advantageous, especially for the policy fields of poverty reduction and employment. We see more potential for Social Innovation in the fields of transportation and mobility, particularly in the metropolitan areas of Turkey; however, do not expect drastic changes in other policy fields in the near future.

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# SOCIAL INNOVATION IN RUSSIA: EASIER SAID THAN DONE

Currently, social innovation in Russia is a relatively new phenomenon. Despite a growing demand for innovation in the social sphere on the part of the state and society, innovation is not disseminated on a large-scale basis. So, how is social innovation implemented in Russia?

*Vladimir Il'in / Ilia Kuzmin / Andrei Popov / Tatiana Soloveva / Svetlana Terebova*

## WHAT IS DONE

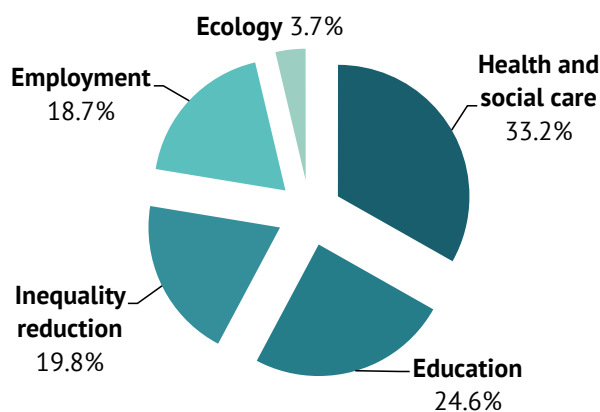
In the modern world, social innovation is used more and more often as an efficient tool to address the most acute social issues and mitigate their negative effects. Social innovation becomes useful when new social challenges emerge and traditional methods and tools cannot always provide a solution thereto.

Social innovation is a relatively new phenomenon for Russia. In contrast to the situation in developed European countries, where civil society plays a major role, in Russia special importance in the dissemination of social innovation initiatives is attached to the authorities who understand the significance of their development and, consequently, promote social activity in areas that the government considers most important. The importance of the

In Russia special importance in the dissemination of social innovation initiatives is attached to the authorities who understand the significance of their development and, consequently, promote social activity in areas that the government considers most important.

authorities is due to several reasons. First, administrative, legislative, financial, and other barriers impede the implementation of social innovation [1]. An example of such barriers can be found in the fact that the innovation policy in Russia is focused on science and technology and there is no legislation that would govern the development of social innovation. Second, Russians have low community commitment, which is the main issue that public organizations have to address [2]. Third, Russian people have mental barriers due to which they tend to treat any innovation or change in their social reality with apprehension.

Nevertheless, the first major initiative to support social innovation and, in particular, social entrepreneurship belongs to private business. In 2007, LUKOIL President Vagit Alekperov founded the Regional Social Programs Fund (RSPF) "Our Future". In 2011, the Government of the Russian Federation established an autonomous non-profit organization, the "Agency for Strategic Initiatives", to provide support to non-profit organizations (NPOs). One of the Agency's goals is to find promising initiatives in social entrepreneurship in Russian regions. Besides, since 2013, centers for innovation in the social sphere (CISS) are being established with the aim to promote social entrepreneurship. In practice, however, these organizations only support small and medium-sized



Social innovation projects implemented in Russia, broken down by policy fields

Source: compiled by authors with the use of the data of the Fund "Our Future" [4]

businesses rather than socially oriented NPOs. Also, if looking at the activities of the “Our Future” fund, a similar tendency to neglect the support for NPOs can be observed. According to experts, these tendencies relate to governmental interests to focus on social business rather than socially oriented NPOs, as well as the overall perception that social entrepreneurship is similar to small and medium business [3].

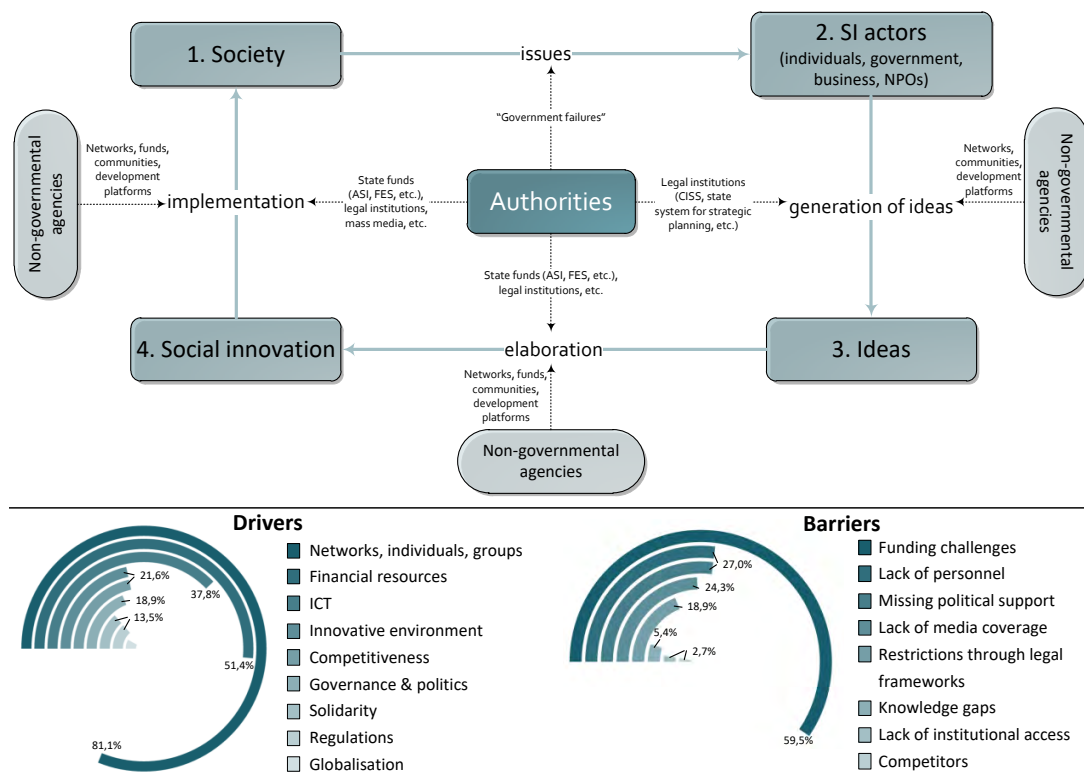
Despite certain difficulties, social innovation in Russia is implemented nationwide. According to RSPF “Our Future”, the fund has promoted 187 innovation projects in Russia from 2007 to 2016 [4]. Social innovation in Russia is implemented mostly in the following areas: health and social care (33%), education (25%), inequality reduction (20%), employment (19%), and ecology (4%).

### RUSSIAN LANDSCAPE OF SOCIAL INNOVATION

Russia developed its social innovation landscape in conditions where lingering problems were aggravating and new problems emerged. Traditional methods of state influence used to address the issues have not produced the desired effect. In particular, employment of the disadvantaged, provision of health services to the elderly, and access to high-quality education remain quite serious problems.

Alongside the authorities, the main initiators of social innovation are individuals, the business community, and non-profit organizations. An important role in generating ideas and developing projects belongs to non-governmental organizations as these accumulate and implement advanced domestic and foreign experience with the help of information and communication technology. These are mainly legal institutions (centers for social innovation, state strategic planning system, etc.) which form a kind of vector defining priority areas. This aspect is important at the stage of project implementation since support provided by public funds to innovation initiatives depends largely upon the niche occupied, and rather is contextual than system-wide.

According to practitioners, it is not a coincidence that major barriers to the development of social innovation exist in Russia. These include for instance limited financial resources and lack of state support. As a result, social entrepreneurship, which combines both social and economic goals, becomes one of the main promoters of social innovation. At the same time, due to the absence of clear “rules of the game”, it is difficult to engage in social innovation activities since they require a firm legal basis. Besides, under such circumstances, the government often makes subjective choices in favor of those organizations receiving financial, educational, advisory, infrastructural, and informational support.



Nevertheless, the number of social innovation projects increases each year. The society is in great need of change and in a situation where government efforts in addressing critical social issues are not efficient enough, people themselves are encouraged to participate in community activities. A special role in this process belongs to the individual. Many projects were created and now operate on an altruistic basis; their development depends directly on the commitment of their leaders and the cooperation of their teams. However, financial sustainability of the project remains a crucial factor for the survival of social initiatives.

## WHAT IS TO BE DONE

At present, Russia makes efforts to develop a friendly environment for social innovation. There are certain achievements related to the establishment of various institutions supporting the implementation of social innovation and relevant infrastructure is being developed. People begin to understand the importance of civic engagement and their participation in addressing social issues – all this promotes the emergence of new social practices. At the same time, there still exist certain barriers to the development of social innovation.

In the future, managing social projects at the national and regional levels will require efforts by public authorities who should clearly define the legal framework and should form a favorable environment for the development of social innovation.

In the future, managing social projects at the national and regional levels will require efforts by public authorities who should clearly define the legal framework and should form a favorable environment for the development of social innovation. As for the scientific community, it should elaborate the theoretical and conceptual foundations for the long-term monitoring of social innovation implementation in Russia's constituent entities. It should further advance forecast indicators and a strategy for governmental policy in this sphere. The implementation of these measures can streamline and promote the diffusion of social innovation and help to solve or mitigate many social problems existent in Russia.

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# SOCIAL INNOVATION IN LATIN AMERICA AND THE CARIBBEAN

In Latin America and the Caribbean, a very active civil society has been able to bring about much social innovation at the local level, in order to face challenges related to poverty, inequality and social exclusion. However, challenges remain in scaling up and replicating successful initiatives.

*Maria Elisa Bernal / Simone Cecchini*

## SEEKING TO IMPROVE THE LIVING CONDITIONS OF THE POPULATION

Latin America and the Caribbean are a hotbed of social innovation. This is due, in part, to the fact that the region, one of the most unequal on the planet, has not yet been able to establish genuine welfare states. Different actors, including civil society, local communities and, at times, local governments, have been very creative in devising initiatives to face social and developmental problems which had not been solved, or which had partial solutions that left aside a large share of the population, especially the poorest. Innovative solutions have thus been found to tackle issues like income generation, mother and child mortality, school desertion and low levels of learning, and intra-family violence [1]. However, the main goal of these initiatives was never to be innovative, but rather to improve the living conditions of the population.

## LESSONS LEARNED

Several lessons can be drawn by analyzing the characteristics of social innovation in the region [2]. Firstly, it is key that local communities are in the driving seat, a point that unfortunately is not yet understood by some international organizations and development agencies. Solutions have to be built together with the community, even when trying to implement a proven model that has been developed in places with a similar context. The microfinance project “Strengthening Popular Finances” developed since 2004 by the Ecuadorian Populorum Progressio Fund (FEPP) in several provinces of Ecuador is an excellent example of long-term commitment to communities, which led to the active participation and empowerment of local partners. Instead of FEPP offering financial intermediation, communities undertook the management of microfinance institutions, with the understanding that they are subjects of their own local

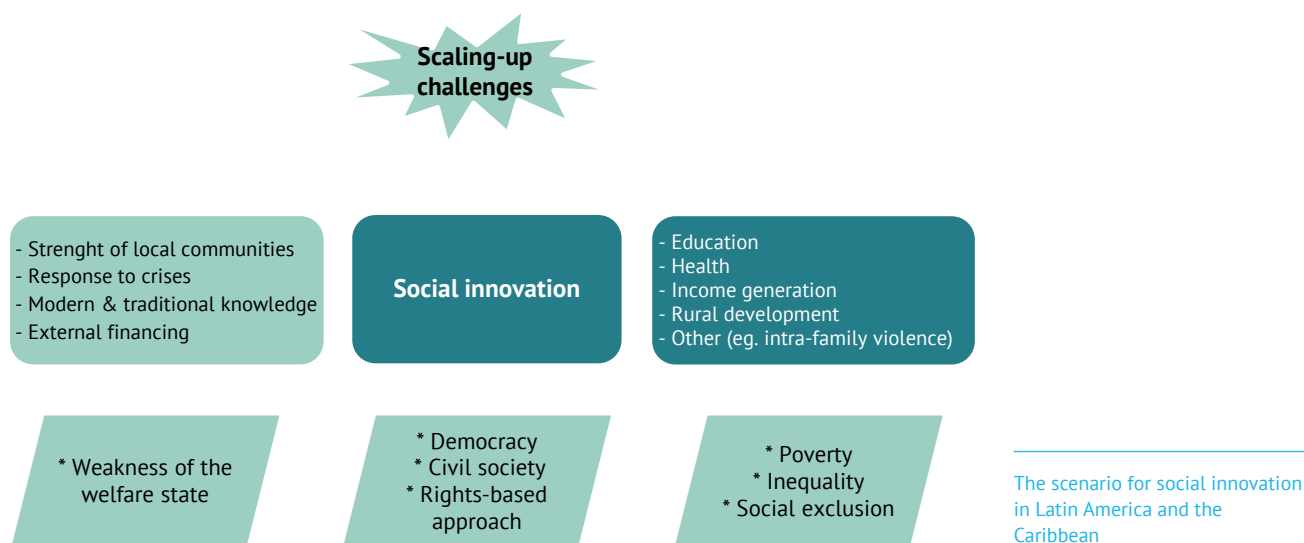
development. Similarly, the “Lèt Agogo” (“Lots of Milk”, in Creole) project in Haiti is another example of active and long-lasting participation by local communities. In 2001, local micro milk producers, with the support of the NGO Veterimed, organized a cooperative system which allows

**The main goal of initiatives was never to be innovative, but rather to improve the living conditions of the population.**

them to process and sell dairy products, contributing to overcome poverty. Since 2007, Lèt Agogo has been supplying several rural schools in the Limonade an Cap Haitien area.

Secondly, major social innovations have been adopted during crises, such as the one Argentina underwent in the early 2000s. Community leaders are the firsts to actively seek solutions to the social and economic consequences of crises, frequently with the support of local administrations, professionals and civil society organizations. This is the case with the education project “Storytelling Grandmothers”, an initiative in which older volunteers read books to children. This project took place in the Province of Chaco, Argentina, which suffered heavily from the consequences of the 2001-2002 crisis, not only in terms of higher levels of poverty but also of worsening reading habits [3].

Thirdly, success is often achieved thanks to the development of synergies between modern and traditional –even ancestral– knowledge. Indigenous people’s knowledge is particularly valuable, as demonstrated by the fact that they have been able to preserve natural resources better than anybody else. The “Student Lodging with Families” project in Bolivia, which allows children living in remote rural areas to attend school



by providing lodging at host families, was inspired by the Aymara ancestral custom of Utawawa. While in Utawawa families that live far from school send their children to live with a relative or friend and in exchange the child works, this project innovated by eliminating child labor [4].

Fourthly, external financing has proven key in most cases, under the condition that those providing the financing do not require very short-term results and understand that innovations have their own development and consolidation cycle, which in the region is of at least five years.

Lastly, developing income generation activities has proven less difficult than creating formal employment. As a consequence, many public programs have fostered the development of micro and small enterprises as a tool to reduce poverty. However, two points must be kept in mind: i) while production makes sense at the level of individual enterprises, associative practices have proved much more successful – and need to be fostered – in relation to the purchase of inputs (lowering the buying prices of raw materials and machinery), technical assistance and marketing; and ii) it is important to start from the labor capacities already established in the target population, rather than necessarily teaching new professions.

## WHY AREN'T MOST INNOVATIONS GENERATED BY GOVERNMENTS?

With the exception of municipalities, most social innovations in Latin America and the Caribbean are not generated at the government level. On the one hand, innovation implies a trial and error process that carries the risk of failure. Failure

has high political costs and additionally it can lead to judicial processes. On the other hand, development and consolidation of an innovation generally requires a time span which is greater than the duration of a government; this creates difficulties in a region where at each government change the direction of public policy also changes.

Furthermore, it is not easy to carry out an innovation that has an impact on large sectors of the population. Pilots have to be made first on a smaller scale, but always considering that it should be an innovation that can be scaled up. Brazil provides two successful examples of innovations developed at small scale which ended up being extended to the whole country: conditional cash transfers and the “Social Mother” health program [5]. With respect to the first case, researchers at the University of Brasília studied the causes of the low levels of school assistance and high desertion, especially in

rural communities and formulated the following question: “If children do not study because their families are poor, why not pay their parents in order to send them to school?” A project implementing this idea

was first carried out in 1995 in the cities of Campinas and Riberão Preto, and in the Federal District. In 2001, it was converted into the “Bolsa Escola” national program run by the Federal Ministry of Education and in 2003 into the “Bolsa Família” program coordinated by the Federal Ministry of Social Development, which today reaches 13.6 million households.

The “Social Mother” program, in turn, which provides support to at-risk families by trained women belonging to the community, was launched in 1999. It is the result of efforts made by the local government of Sobral, in the State of Ceará, which set up a committee with health personnel,

academia and community leaders to devise solutions in order to reduce child and maternal mortality. Together, they identified the socio-economic factors that explain child and maternal deaths, which include poverty, lack of family support and lacking knowledge of risk factors. The program succeeded in reducing child and maternal mortality at levels below the national average, and was thus taken up as a model in the entire State of Ceará and later scaled up in the entire North Eastern region of Brazil by the Ministry of Health.

## CHALLENGES FOR SOCIAL INNOVATION

Even if Latin America and the Caribbean is a very innovative region, many challenges exist at the implementation level. The greatest is definitely scaling up and replicating successful social innovations in a creative manner. Having an impact on large population groups and extending initiatives to other places is very difficult, within the same country or internationally. Very few governments test and evaluate pilots at the local level in order to convert them into a national-level public policy [1]. Academia, international organizations and development agencies can play an important role at this regard, and successful models can also be replicated creatively by local communities and civil society organizations, although this has happened infrequently so far.

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In conclusion, governments should support civil society and local communities seeking new alternatives to solve structural and emerging social problems. In particular, they should promote the evaluation of social innovations by academic institutions, adapting them as public policies, scaling up those initiatives that have succeeded in reducing poverty and improving the living conditions of the population.

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# SOCIAL INNOVATIONS IN BRAZIL: HOW DO SOCIAL INNOVATIONS FLOURISH?

The different research activities about social innovation in Brazil indicate that this country has been, for many reasons, a “cradle” of social innovation.

*Carla Cipolla / Rita Afonso*

## BRAZIL (AND RIO DE JANEIRO)

Brazil has many problems related to social inequality, poor public management of resources, and a lack of access to basic public services and rights, such as education, technology and security. In the city of Rio de Janeiro, the situation is no different, despite this being the second-largest city in the country. It has been defined for decades – and still faces the problem – as a “broken city” [1]. This refers to the enormous inequality existing between the slums (where the city’s poorest residents live “in the hills”, usually in informal settlements) and the rest of the city (whose residents live on the “asphalt”). There is a sizeable percentage of residents living in asphalt areas who can be classified as middle class: it is reported that 45 % of Rio de Janeiro’s residents live in residential condominiums, composed of housing units in condominium tenures or buildings containing such units [2]. Among these, only 10 % are in the wealthiest areas of the city (the South), with very few in the poorest areas. Other Brazilian cities may have different characteristics, but the city of Rio de Janeiro is taken as the main reference for our analysis. Historically, Brazil has been an important experimental ground for the development of social innovations in theoretical and practical terms, even if they have never been classified or named as such before. Famous examples include Participatory Budgeting and World Social Forum in Porto Alegre, and experiences such as the Theatre and the Pedagogy of the Oppressed, respectively by Augusto Boal and Paulo Freire.

## TYOLOGIES FOR SOCIAL INNOVATION IN BRAZIL

Nowadays, in the Brazilian scenario with a special focus on the city of Rio de Janeiro, it is possible to highlight five types of social innovation by clustering the central themes addressed by the initiatives. There are other examples in each of these typologies, and some cases could be classified

in multiple typologies (the most representative one for each case is presented in the table).

## IDENTIFYING ASPECTS OF BRAZILIAN SOCIAL INNOVATIONS

Many of the Brazilian social innovations arise in response to unmet social needs and the lack of access to basic resources. It is common sense in Brazil to affirm that groups in this situation (and all Brazilians in general) are “creative” when it comes to finding ways to face and overcome their own problems. This echoes the social innovation theories [1] which recognize the creative capabilities of ordinary people to be “heroes” of everyday life by creating and developing new solutions, without expert guidance or government support. This proactive attitude is particularly important to groups trying to cope with the lack of resources and education, which may see themselves (and be seen) as passive recipients of help or assistance. One of the main channels used by these groups, to find a way of escaping their restricted environment, is culture (e.g. FLUPP). Actions related to the production and consumption of culture are overcoming visible and invisible barriers in the city, and are reverting the flow of information and people from the centers to the peripheries, where many powerful cultural manifestations are taking place (e.g. Norte Comum).

Creative capabilities can also be observed in other groups, usually (but not exclusively) among young people: members of the urban middle class who have access to knowledge and resources. Such individuals are seeking alternatives to unsustainable patterns of production and consumption (e.g. Movimento Roupas Livres, Caronaê) or want to find meaningful work (e.g. Impact Hub in São Paulo).

Classification	Description	Example	Challenges
1 - Government and SI	Social innovations promoted by governments at different levels, with the aim of changing the way the government makes decisions on behalf of the population	<i>Participatory Budgeting</i> (Porto Alegre, Fortaleza, Belo Horizonte) - Inspired more than 1,500 cities worldwide in deciding how governments (municipal or neighborhood) invest their resources on behalf of the citizen.	<i>Strengthening of democracy and more participation in city hall decisions</i>
		<i>Lab Rio</i> (Rio de Janeiro) - Action of the municipal government of the city of Rio de Janeiro, in which young residents help construct the city's strategic planning.	<i>Promoting youth participation in city hall decisions</i>
2 - Culture and SI	Actions linked to culture, arts and communication	<i>FLUPP</i> (Rio de Janeiro) - A literary festival that occurs in many favelas in Rio, which were covered by a public security policy called "Pacification".	<i>Changing the stigma that favela residents have no interest in reading or writing</i>
		<i>Papo Reto</i> (Rio de Janeiro) - Creation of a real-time security system, through a WhatsApp group that communicates to residents the security conditions in the favelas of Complexo do Alemão.	<i>Overcoming insecurity caused by inter-drug and police conflicts</i>
3 - Networks and SI	Initiatives that are part of or build a national, local or international network	<i>Impact Hub</i> (Rio de Janeiro, São Paulo, Belo Horizonte, Recife, Florianópolis and Curitiba) - Co-working space for entrepreneurial activities, part of the international network Impact Hub.	<i>Creating an environment conducive to the work of young entrepreneurs</i>
		<i>Norte Comum</i> (Rio de Janeiro) - Shifts the cultural production to peripheral areas in the city of Rio de Janeiro. Created a local network that covers more than 10 neighborhoods.	<i>Overcoming the lack of cultural attractions in the poorest areas of the city</i>
4 - New consumption and production patterns, sustainable behaviors	New and conscious forms of production and consumption	<i>Movimento Roupa Livre</i> (Rio de Janeiro, São Paulo, Florianópolis, Recife, Salvador) - Large events to sell used clothes and teach the public to customize them.	<i>Changing unsustainable production and consumption patterns</i>
		<i>Caronaê</i> (Rio de Janeiro) - car-sharing system (app) operating in a public university in Rio de Janeiro.	<i>Improving mobility standards</i>
5 - Universities and SI	New ways to exchange knowledge at university	<i>Universidade das Quebradas</i> (Rio de Janeiro) - Promotes new interactions between academic and popular knowledge.	<i>Promoting interaction between academic and popular knowledge</i>
		<i>DESIS Lab</i> at University of Brazil (Rio de Janeiro, Belo Horizonte, Curitiba, Florianópolis and Porto Alegre) - member of an international network, Design for Social Innovation and Sustainability, composed of more than 40 labs in the universities.	<i>Promoting a sustainable and innovative future</i>

Aspects of social innovation in Brazil

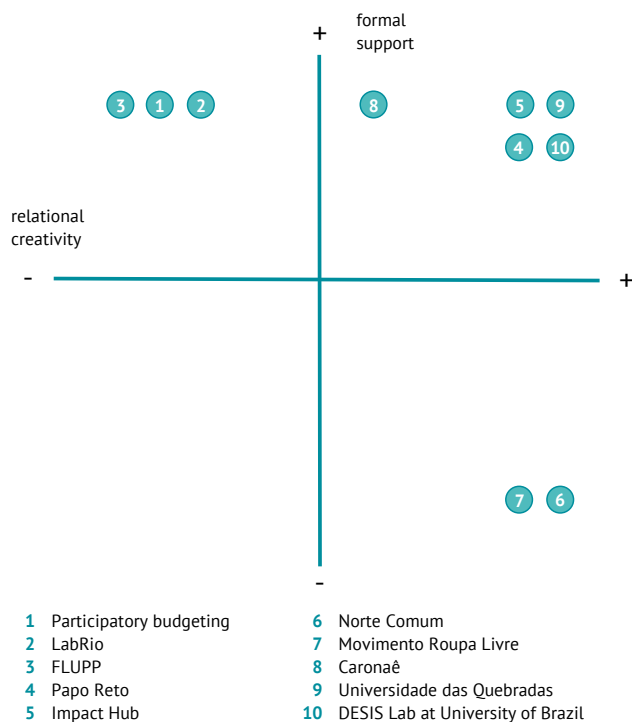
Brazilian social innovation initiatives are not strictly related to income generation for low-income or poor groups, i.e. they go beyond what we know as entrepreneurship, based on the offering of new products or services. This indicates the need to maintain a broad focus when analyzing and supporting the emergence of new social innovations, even in a developing country.

Many social innovation initiatives rely on the use of ICT. These technologies prove to be useful for creating new communicative patterns in the city and promote new connections between slums and the outside areas (e.g. Papo Reto). As a result, not all of them spread in the form of networks, and when they do, this happens on a small scale, for instance connecting different initiatives in the same city (e.g. Norte Comum). In addition, international

networks have been influencing the emergence of social innovations in Brazil (e.g. Impact Hub and DESIS Network). Not all Brazilian innovations are easily replicable; they may be related to a local context and emerge due to a specific set of institutional stimuli (e.g. specific policies) which activate local resources in a unique way (e.g. FLUPP).

Initiatives may be largely based on interpersonal face-to-face relationships and encounters, i.e., the kind that occurs in small groups, on a small, local scale. An important aspect in social innovations in Brazil is the interpersonal relational issue [4], which allows groups to overcome individualism and renew the social fabric in large cities such as Rio de Janeiro.





Matrix placing social innovation initiatives in their relation to institutional support and interpersonal relational characteristics

## MATRIX – INSTITUTIONAL SUPPORT X INTERPERSONAL RELATIONAL CHARACTERISTICS

Each social innovation initiative presented before can be classified on a matrix. The vertical axis indicates how far an initiative relies on interpersonal relational qualities and autonomous creativity to operate. The horizontal axis indicates to what degree the initiative relies on formal support, which includes support provided by the government, public policies, universities and international networks.

As suggested by the matrix, formal support encourages the emergence of social innovations, but initiatives are not limited to those that receive such support. Many initiatives rely exclusively on the autonomous creativity of individuals and interpersonal relational qualities, and still manage to emerge.

## CONCLUSIONS

The analysis shows different types of social innovation initiatives in Brazil, with a special focus on the city of Rio de Janeiro.

Many initiatives are responses to the day-to-day social problems of people and groups and provide a means of accessing rights, goods and services. Others are organized by middle class representatives looking for new possibilities to improve their everyday lives in urban contexts. Therefore, such initiatives are an important vehicle for promoting social change processes [5] in Brazil, and have enormous potential to rebuild the social fabric, reduce inequality, and promote sustainable consumption and production patterns.

At the moment, Brazil does not have continuous policies requiring government agencies to support social innovation, but despite this, initiatives have always flourished. Universities and international networks are playing a role in these processes, but initiatives also grow based on diffused creativity, interpersonal relationships and the will to strive for a better quality of life.

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# SOCIAL INNOVATION IN CHILE

In a country characterized by high economic growth but huge inequality, a diverse social innovation ecosystem has emerged, with the public sector playing a pioneering role in fostering social innovation.

*Dmitri Domanski / Nicolás Monge-Iriarte*

## 1. CHILE – A COUNTRY BETWEEN GROWTH AND INEQUALITY

According to the UNDP's Human Development Index, Chile is Latin America's most developed country. Together with Argentina (ranked seven positions below Chile) it is the region's only country with "very high human development" [1]. At the same time, the Chilean case shows that high economic growth and an increased commitment to social policy do not save a country from being socially and economically almost as unequal as decades before. One of the world's most growing economies is characterized by huge income inequality [2] as well as a tremendous quality gap between public and private services in such fundamental areas as education and health care. Furthermore, as a country whose economic growth depends to a significant degree on exploiting natural resources, especially copper, Chile has been facing severe environmental problems. In recent years, this has also led to social conflicts.

While common solutions have not been sufficient to meet the major challenges of the Chilean society, academic knowledge on social innovation in Chile is still very scarce [3]. The role of innovation in the Chilean economy became a subject of research not before the second half of 1990s. Since that time, the main focus has been made on the weakness of the Chilean economy in general and its companies in particular in terms of technological innovation. The central argument expressed by a range of academics has been dealing with the risk of the country's economy relying on natural resources due to a possible decreasing demand (as a consequence of technological progress) and the finite nature of some of them. Indeed, the Chilean path of economic development

**While common solutions have not been sufficient to meet the major challenges of the Chilean society, academic knowledge on social innovation in Chile is still very scarce.**

has contrasted remarkably from that of most of developed countries. Low public and private investments in R&D as well as a small share of industrial goods on Chilean exports reveal that – although there are examples of successful innovation initiatives – technological innovations have not been the key to the country's economic success.

Hence, the most discussed question in this regard has been how innovations can be better promoted in Chile in order to enhance the economy's competitiveness (especially in the long term considering the dependence on natural resources). However, despite of a number of important contributions made on this topic, it seems that the debate has quite

stagnated. What is needed is a new discourse in the sense of what we call "the new innovation paradigm" [4] that is open towards society. This paradigm provides a comprehensive concept of innovation including the increasing role of social innovation in successfully addressing social, economic, political and environmental challenges.

## 2. A DIVERSE SOCIAL INNOVATION ECOSYSTEM EMERGING

Like in many countries, the third sector has been the main pillar in development of social innovations in Chile for a long time. Some initiatives, e.g. TECHO or Socialab, have become well-known all over Latin America. There are numerous community-led social innovations and social entrepreneurs, some of them also analysed in SI-DRIVE's global mapping that have successfully introduced new social practices in areas, such as education, health care or

environment. In contrast, the role of the business sector in social innovation in Chile is not very clear. Generally, it is limited to Corporate Social Responsibility (CSR), and while human and financial resources have increased in this area, little is known about business companies' involvement in social innovations. Furthermore, regarding the controversial nature of the CSR concept, the question remains whether the private sector has really assumed its role as one of the players within the Chilean social innovation ecosystem. However, increasing application of the concept of Shared Value (which goes beyond CSR) through development of innovative solutions together with communities and other actors [5] indicates that there is a certain shift towards a more conscious role of business companies regarding social innovation.

In recent years, academia has become an important promoter of social innovation in Chile. Most activities can be found within the third mission, mainly in terms of University Social Responsibility, whereas social innovation activities in teaching and research remain scarce. In 2013, the Network for Social Innovation in Higher Education, NESIS Chile, was founded by universities from different parts of the country. Social innovation initiatives take place in an increasing number of universities. Some universities have already systematically addressed this topic through creation of programmes or even social innovation centres and labs. Their profiles differ a lot: while some focus more on introducing new social practices, such as innovative forms of co-operation, others support introduction of new technological solutions in order to create social value. Altogether, for Chilean universities the concept of social entrepreneurship plays a dominant role in the area of social innovation. Even more, social innovation is often understood as social entrepreneurship. One challenge for Chilean universities is to widen their concept of social

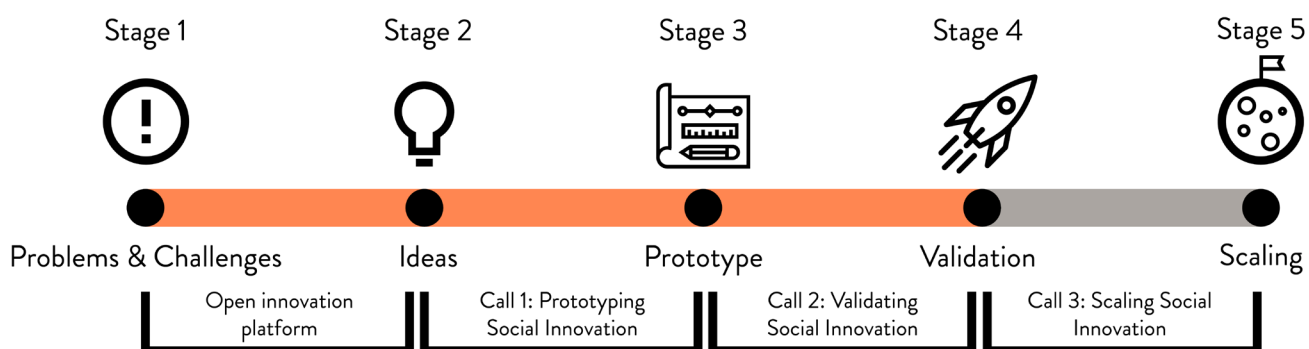
innovation which would go beyond entrepreneurship and technologies. Another challenge has to do with overcoming a top-down approach, which in Latin America is often referred to as *asistencialismo*. Usually, universities' commitment is driven by the ambition to improve the situation of their environment with its communities affected by inequality and other problems. As in many other parts of Latin America, Chilean universities tend to put their problem-solving capacity over the real necessities of the community. They not only deliver instead of co-creating, they also run the risk of missing the demands of the people. Therefore, there is a task of learning to empower communities rather than to make them passive recipients and to facilitate and to moderate processes of social innovation rather than to define and to dominate them.

### 3. THE PIONEERING ROLE OF THE PUBLIC SECTOR

While all societal sectors have gone through interesting learning processes, recently it has been the public sector probably evolving in the most remarkable way, with the Chilean Government adopting the concept of social innovation in order to face social and environmental problems. Proof of that is the emergence of initiatives, such as the contest Chile de Todos y Todas where non-profit organizations can get funding for their innovative projects (up to \$US 30.000), or the Laboratorio de Gobierno, a lab for public innovation.

In this context, the most important social innovation policy in Chile has been driven by the Chilean Economic Development Agency (CORFO). The Programme for Social Innovation started in 2015 and aims to foster the co-creation of social innovations, through co-financing projects which create new and better social practices. For the Chilean Government, social innovation is

For the Chilean Government, social innovation is not just about social entrepreneurship.



not just about social entrepreneurship; there are different ways to reach social innovation (public policies, academic projects, etc.). The programme includes five stages: (1) Definition of problems and challenges, (2) Ideation, (3) Prototyping, (4) Validation and (5) Scaling (see illustration).

In the first stage, social and/or environmental problems of a specific territory are identified with the participation of different local stakeholders. Then, challenges are defined (for example, increasing access to water). Stage 2 begins with the launch of a web platform, where innovators can upload their ideas to solve challenges and receive mentoring from experts in different fields. Likewise, workshops are conducted to improve the projects, understand if they fit with the programme objectives, and know how to apply to the next step. Stage 3 consists in a special call for organizations to co-create prototypes with local communities (in a period of 15 to 21 months). Each one of the selected initiatives gets a grant up to \$US 61.000, which represents 80% of the total budget. Stage 4 is a national call to validate prototypes by offering a grant up to \$US 154.000 for each project. The last stage is under construction, but the plan is to support projects to scale up and deliver their solutions to multiple contexts.

CORFO's Programme for Social Innovation is a pioneering policy approach which seeks to shape and foster a new concept of facing societal challenges. The programme itself has been co-created and improved based on different sources of feedback. It has proved its relevance not only through funding and supporting initiatives, but also through creating and propping up social innovation ecosystems in order to develop new social practices.

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# COLOMBIA: OVERCOMING A CONFLICTIVE PAST THROUGH COMMUNITY BASED SOCIAL INNOVATION

Colombia has an exciting history of transformation: homicide and poverty rates were reduced dramatically within 15 years. A part of this story is related to urban and social innovations, as well as their official support through policies, government agencies and public projects.

*Nicolás Martín Bekier*

## A NEW COUNTRY

In the last couple of decades, Colombia has made great efforts to leave behind its troubled image from the 1980s and 1990s, when many considered it a near-failed state controlled by violent mafias. Since then, it has increasingly been known for more positive references, including its economic revival, famous singers, athletes, natural landscapes and biodiversity.

Poverty in Colombia has dropped from 53.7% in 2002 to 28% in 2016, and extreme poverty from 19.5% to 8.5% [1]. Most importantly, violence levels have shrunk dramatically from the days of Pablo Escobar and the peak of paramilitary and guerrilla groups' activities. In 1991, Colombia was widely known for its violence, where cities like Medellín had a horrific rate of 433 homicides per 100,000 inhabitants (6,810 homicides). Since the fall of the drug cartels, the paramilitary groups and the peace agreement with the Colombian Revolutionary Armed Forces (FARC) guerrilla, there has been a big reduction of violence levels, where in 2016 Medellín had 18.7 homicides per 100,000 inhabitants (more than a 20 fold reduction from past levels), while there were 15.8 in Bogotá [2]. Although levels are still high compared to Europe, they're lower than for many other main cities in Latin America, or the United States of America.

## INNOVATING THE WAY TO PROSPERITY

In addition to economic growth, the path for improving life conditions and reducing poverty and extreme poverty is full of stories and policies fostering social innovation. For a

long time, the reduction of poverty was a national priority and triggered the creation of the "Social Prosperity Department" (DPS) which, without being a ministry, had several times the budget and size of many of them, as well as a seat in the Council of Ministers. Within DPS, a special area named National Agency for the Superation of Extreme Poverty (ANSPE) was created, which among others coordinated "Red Unidos", a national network of more than 10,000 'social co-managers' selected based on local leadership experience. Red Unidos was created with a capacity to directly partner with and monitor 1,5 million families in poverty conditions in order to provide preferential access to social services and conditioned subsidies, focused on overcoming poverty conditions and traps, based on a multi-dimensional poverty approach.

*In the last couple of decades, Colombia has made great efforts to leave behind its troubled image from the 1980s and 1990s*

Within ANSPE, there used to be a Center for Social Innovation (CIS). The CIS promoted constant activities to share best innovative practices from local communities, while mapping and disseminating social innovations identified to overcome extreme poverty. The CIS mapped several local social innovations, many of which influenced public policy in several ways.

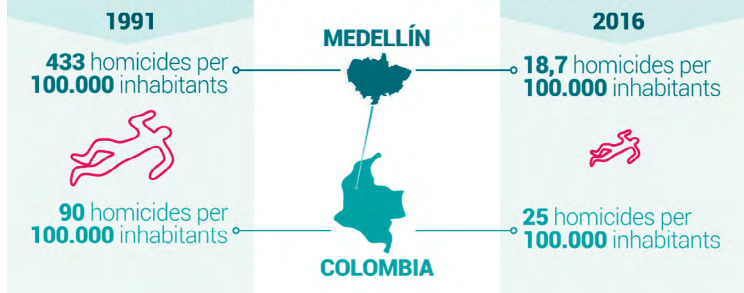
An example is the Agrosolidarity experience, a community based national network of rural agriculture families, that come together both to improve their life conditions and influence public policy for having fair conditions and



# POVERTY REDUCTION



# VIOLENCE REDUCTION



Reduction of poverty (2002-2016) and violence (1991-2016) in Colombia

sustainable agriculture practices. They do so relying on a decentralized structure with self-management and sustainability principles that integrate direct participation from peasant families in a multi-level aggregation model. This allows them to combine cooperative and circular economies with advocacy and citizen mobilization activities towards structural problems such as land ownership inequalities. In Colombia, land is highly concentrated: the rural Gini coefficient, which measures inequality, was 0.9 for 2016, i.e. 25 % of owners own more than 95 % of the land [3]. These topics are of such importance that within the six sections of the Colombian peace agreement signed on November 2016, the first two concerned land ownership and use, and local political participation and representation.

effect on children. For example, Escuela Nueva's Learning Circles, a case included in SI-DRIVE's global mapping, was created for forcefully displaced children who have trouble integrating in formal schooling systems. Based on student-centered principles that consider students as active participants and teachers as guides, they have used the infrastructure of community spaces for educational activities, while integrating formal education institutions, parents and social leaders. As with many other community based innovations, they have influenced public policy and adapted to respond to wider social challenges. For instance,

## INNOVATING THE WAY TO PEACE

As reported by the Norwegian Centre for Conflict Resolution, the Colombian peace process with the FARC integrates multiple innovations that may be helpful for other peacebuilding efforts around the world. Many of the innovations integrated into the Colombian peace process come from previous lessons learnt during multiple unsuccessful negotiations during the 50 years of conflict with the FARC, as well as close cooperation with experienced international leaders who were also part of other peace processes [4].

In parallel, many community based innovations have emerged to respond to the humanitarian crisis prompted by the armed conflict which affected the main population, including an



The creation of community based social innovations

Learning Circles have expanded beyond children that have been forcefully displaced to also integrate families from various contexts that face problems adapting to the school system.

### THREE STEPS FORWARD, ONE STEP BACK

Despite the support of social innovation actions and policies to overcome poverty and violence, including those within the peace agreements, there are big concerns of their sustainability in the long term as well as recent setbacks. In 2016, for the first time in 14 years, poverty and extreme poverty levels grew, going from 27.8 to 28%, and from 7.9 to 8.5% respectively. During 2016 DPS had a 25% budget cut, and ANSPE, including its Center for Social Innovation, closed and merged with the general DPS team. Also, the process for creating a national Social Innovation Policy halted. Furthermore, the social innovation teams in some of the government agencies have shrunk or disappeared.

Regarding the peace process, it lost political support after the plebiscite resulted in more than half of participating citizens rejecting the peace agreement. Although the agreement was adjusted, approved by congress and later formally signed, the implementation and many of its structural proposals have been threatened. Adding upon this, an increasingly polarized political climate, and the presidential elections of 2018 – with some candidates highly critical of the peace process – can affect its stability. Although the FARC has already handed in their weapons, the possibility of overturning some of the agreements by a next government can influence the creation of new violence and the continuation of structural inequalities.

### COMMUNITY BASED SOCIAL INNOVATIONS AS A PATH FORWARD

In Colombia there are many territories in rural areas with high poverty levels, where the government has not been present, or has been very weak. In these contexts, people are

used to rely on each other for solving collective challenges, more than on government institutions and regulations. As documented by the Colombian cases reported in SI-DRIVE, many community based social innovations help to address the needs of basic rights, and influence the creation or adjustment of public policies.

At the same time, citizen movements combined with actions based in local communities had a big influence in special historical moments. The ‘Septima Papeleta’ movement organized by students mobilized more than 7 million persons to cast a symbolic vote that pushed for the creation of a new constitution in 1991. The ‘No Mas Farc’ street mobilization of 2008 was probably the most relevant political setback for the FARC, where more than 8 million people marched on the streets demanding them to stop armed violence, including kidnappings and other actions affecting citizens.

Community based social innovations will continue having a key role for building and maintaining the path for further prosperity and peaceful coexistence in Colombia’s new historical chapter.

Currently, both government officials as well as peace activists of different political ideologies agree that the only hope for a continuation of bringing violence levels down and to avoid new surges of violence, depends on the capacity of citizen mobilization towards the protection of life as the most basic human right. As well as with other moments in history, the impact of these mobilizations depends on the capacity of citizens to organize and innovate through specific actions with enough power and momentum to create new political realities. It is to expect that community based social innovations will continue having a key role for building and maintaining the path for further prosperity and peaceful coexistence in Colombia’s new historical chapter.

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# SOCIAL INNOVATION IN QUÉBEC AND THE CO-CONSTRUCTION OF KNOWLEDGE

Based on the concept of co-construction of knowledge developed by the Center for Research on Social Innovations (CRISES), this text focuses on the mode of development applied in the Province of Québec (Canada). Part of an epistemological revolution, it asserts that collaborative research is a key for co-constructing social innovation.

*Juan-Luis Klein*

## BACKGROUND: THE UPHEAVAL OF THE 1980S

The place which CRISES gives to the question of the co-construction of knowledge is very much defined by its initial mandate, or vision, of promoting links with and between actors. CRISES was created in 1986. In that year, the province of Quebec, like other industrialized societies, faced a profound economic and social crisis, the crisis of Fordism. This phenomenon consisted of the relocation of manufacturing production to areas that were more profitable. Throughout Quebec, and in particular in Montreal, this crisis resulted in plant closures, job losses, a significant increase in unemployment and poverty.

At the same time, civil society actors in local communities and neighbourhoods began experimenting with solutions to the problems caused by this crisis. Some of these solutions proved to be effective responses to devitalization and have been sustained over time. The experiments took place in organizations, in businesses and in local social milieus. When they were shown to be positive and began to spread, they became major social innovations that have contributed to changing public policy in several areas, among them support for business creation, community services, housing, affordable child care, labor market insertion and territorial development [1]. Organizations associated with social movements were then seen as promoters of collective actions that are oriented towards a more democratic model of development and rooted in civil society.

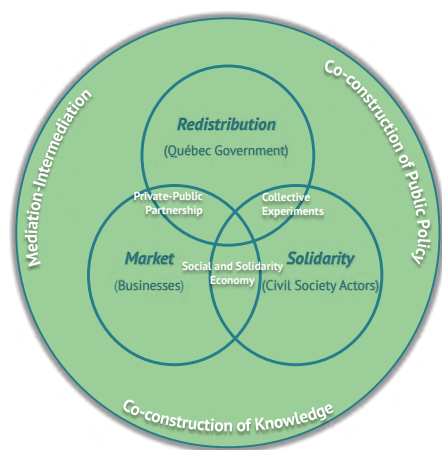
Therefore, research partnerships between innovative organizations and social science researchers were able to evolve in a fairly natural way. In that context, without abandoning the critique of capitalism, or the analysis of what was being destructed, CRISES focused on what was

emerging following the aforementioned social experiments and also was prefiguring a new mode of regulation [2]. This explains the choice of social innovation as an object of research, with regard to social transformation. It also explains why researchers opted to work with those innovative actors and to promote and possibly formalize their experiments.

For the researchers who embraced this line of thinking, this transformation of the role of collective actors meant a change of perspective. Their work preceding the Fordist crisis was focused more on social, economic and spatial inequalities in the context of capitalism. The social innovation approach, however, follows an actionalist perspective that focuses on social action and social movements. This switch responded to the great paradigmatic changes that swept the world at the time. The work carried out by the CRISES researchers together with the social actors formed part of this turning point insofar as they encouraged it, whereby they contributed to the implementation of various types of experiences, in particular regarding community development, financial tools enabling stakeholders to take an active part in the support and creation of jobs, and the structuring of a solid and recognized social economy sector [3].

## THE CO-CONSTRUCTION OF KNOWLEDGE AND SOCIAL TRANSFORMATION

Partnership-based research is therefore a part of the genetic makeup of CRISES. For the Center, it is a key to the co-construction of knowledge and calls on research to be reflexive about problems, the solving of which requires a collaboration between the actors as well as autonomy and criticism. Reflexivity refers here to a process wherein researchers and practitioners in practice fields become aware that they are part



### Social Innovation Oriented Québec Model Regenerated During the 80s

of the reality they are analyzing and for which they are in part responsible. Researchers are therefore not only observers. They are also actors because, through the knowledge they produce, they contribute to the definition of truth and the legitimacy of knowledge. As for autonomy and criticism, it concerns the ability of researchers and actors to envision new paths and new institutional frameworks for social transformation. It constitutes an epistemological opening that includes the will to question established knowledge, in order to promote social transformation.

The co-construction of knowledge corresponds to an epistemological vision. This vision makes it possible to produce knowledge that can be mobilized for action and that takes into account the normative and ideological foundations on which innovations are built. CRISES, given the experimental capacity provided by its links with innovative actors in the Quebec context, has become a component of a social innovation ecosystem in which various forms of participation, organization, financing and even democracy can take shape and which, when disseminated and institutionalized, constitute a milestone in a hybrid and composite model of governance combining social, public and private spheres. Moreover, it is thanks to this perspective that the interrelations between social actors, facilitated through the partnership-based research, enable CRISES to go beyond specific projects and to characterize the innovation system of the Québec model.

In fact, a synthesis of the research conducted at CRISES to date, revealed the main characteristics of the social innovation system that was established in Quebec in the 1980s in response to the crisis of Fordism and which shaped the so-called Québec model. These characteristics

are: 1) participative and shared governance, in terms of mediation and intermediation between political, community and private actors; 2) the co-construction of public policies, particularly in the areas of social services and territorial development; and 3) the implementation of a pluralist economy that is based on the social and solidarity economy and that coordinates the mechanisms and logics of the market, redistribution and solidarity [4].

### THE CHALLENGE POSED BY THE END OF A CYCLE

The cycle of innovations that regenerated the Québec model during the 1980s continued until the beginning of the 2000s. From then on, however, the actors' capacity of experimentation became increasingly constrained given the concomitant institutionalization of this renewal. Moreover, in 2003, and again in 2014, newly elected governments sought to change the governance of the Québec model to align with the New Public Management approach, thereby calling into question the continued existence of several organizations and programs that had emerged during this process. In fact, as demonstrated by Lévesque [5], the new neoliberal government is fundamentally changing the governance of the Québec province, a transformation that is less about privatizing public institutions than about imposing the governance methods of private business on them.

Thus, in the face of this new crisis, experimentation and innovation are yet again put onto the agenda, calling on civil society actors to become involved and exposing new problems and aspirations that prompt new experiences in local communities. It also calls for collaboration between researchers and actors as a means to forge new paths to change the existing order while preserving the main achievements [5]. This crisis should be taken as an opportunity by researchers and actors in practice fields to launch a new cycle of innovations oriented to the fight against poverty and exclusion, recognition of experiential knowledge, achieving gender equality, participation and the ecological transition [5].

We are convinced that alternatives exist, and that they must be explored and revealed. CRISES tries to contribute to the construction of a cognitive framework that makes these alternatives visible and viable.

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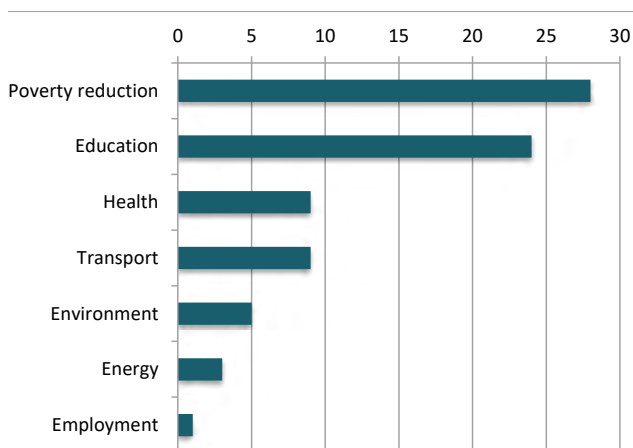
# SOCIAL INNOVATION IN AFRICA: HUGE DIVERSITY BUT COMMON THEMES

## HOW SOCIAL INNOVATION SUPPORTS AFRICAN COUNTRIES BUT COULD BE BETTER FOCUSED

Social innovation in Africa is making significant contributions to alleviating poverty and supporting sustainable development, but is doing so in a lopsided manner. Although it is a difficult balancing act, there is generally too little focus on the economy and employment as well as on the need to engage with and influence institutional and political structures that are key to long-term success.

*Jeremy Millard*

The main social innovation focus in Africa is on alleviating poverty, marginalisation and exclusion, whilst also ensuring that progress is sustainable in both environmental and socio-economic terms. All aspects of development are in prime focus except employment and jobs, both of which are essential for medium- to long-term prosperity and thus also for societal stability, tackling migration, and providing resources for welfare.



Policy fields addressed by social innovations in Africa (n=79)

The figure also shows that many social innovations in Africa are supporting education as an important element of a thriving economy, as are health and transport, whilst some environmental and energy issues are also being tackled. Poverty reduction, education and healthcare are very common social innovations in other global regions as well, but employment is equally important elsewhere and the environment similarly receives more support from

social innovators than in Africa. It is clear that tackling the most immediate issues facing Africa is indeed being supported by social innovation, but that longer-term issues are receiving less attention. [1]

### CIVIL ACTORS PREDOMINATE BUT FIND IT DIFFICULT TO WORK WITH OTHERS, ESPECIALLY THE PUBLIC SECTOR

As in other global regions, social innovations in Africa see important contributions from actors from across the public, private and civil sectors. However in Africa, the public sector is less active than elsewhere (29% compared to 33%), and civil society actors much more (40% compared to 35%). In North Africa, this imbalance is more acute with even less involvement of public actors (19%) and more civil organisations (44%). In contrast, the involvement of private companies is much greater in North Africa (37%) than in Sub-Saharan Africa (27%) as well as in other global regions (32%).

The qualitative evidence from SI-DRIVE also demonstrates that the key role of civil actors in Africa is even more pronounced than elsewhere, as well as showing that they tend to act more on their own, and especially without strong support and involvement from public actors. This evidence also corroborates the contrasts within the continent, with both civil and private sector actors tending to dominate social innovations in North Africa with relatively weak public involvement. Clearly, the underlying cultural, social and political characteristics of these two large sub-regions within Africa are directly reflected in their approaches to development and, in particular, to social innovation.



The key role of civil actors in Africa is even more pronounced than elsewhere, as well as showing that they tend to act more on their own, and especially without strong support and involvement from public actors.

It can be concluded that most social innovations in Africa are bottom-up and focus on empowering the target group, especially women and disadvantaged groups, as well as developing human resources and knowledge. The evidence also shows that networks and relationships to individuals and groups are by far the most important drivers of social innovation in Africa, and also underlines the generally unsympathetic or unaware public sector, although as noted there are very large variations.

## RECENT TRENDS POINT TO IMPROVEMENTS IN CONFIGURING SOCIAL INNOVATION

Although it is difficult to generalise, social innovations in Africa often start informally and some remain so. However, there is an increasing tendency for closer cooperation between civil society and both the private and public sectors through more formalised arrangements. This is shown by international donors and investors who increasingly look to civil society to undertake development work through social innovation, but also typically insist that such partnerships are active. As in many global regions, funding is often the biggest barrier to social innovation in Africa, but also the lack of political support and understanding, as well as the lack of appropriate personnel and knowledge.

Other sources further show that social innovation actors in Africa are starting to look more long term and focus increasingly on the economy, infrastructure, energy and the environment, as challenges that are often even more challenging in Africa than elsewhere. For example, the lack of access to reliable electricity for tackling poverty and economic growth is spurring solutions requiring a multi-pronged approach [2]. This includes the need for Africa, on the one hand, to focus on technological innovation and technology leapfrogging, for example by taking advantage of the rapidly declining price of solar energy, increased battery capacity and the proliferation of mobile phones. On the other hand, it is also imperative to understand that solutions are mainly not

technological but more related to institutional capacity and local politics, especially the control of energy infrastructures.

Thus, it is important to focus not just on technological innovations but also on financial leap-frogging and empowerment at the lowest economic rung of a country. This also implies that the regulatory and political climate must simultaneously constitute an ecosystem of empowerment of opportunity, income and wealth, for example through innovative consumer finance techniques, and creative for-profit business models.

## LOOKING EVEN FURTHER FORWARD

The backdrop to the future of social innovation in Africa is rapid population growth that, although is now reducing quite significantly, remains a challenge. Linked to this is the rapid urbanisation as Africans move increasingly from villages to towns and cities where the population is rising even faster due to better medical and other facilities in these areas. Another significant ongoing trend, which social innovation needs to address, is increasing inequality in all African countries, despite the overall significant reduction in absolute poverty over the past twenty years. This is a global phenomenon but is particularly acute in Africa, and although significant development gains have been made that reduce demographic growth, continuing sustainable development is not yet assured and might easily be set back.

It is clear that Africa can benefit more than perhaps any other global region from the purpose, sense of direction and targets specified in the United Nation's Sustainable Development Goals (SDGs) for 2016 to 2030 (see article 'How Social Innovation Underpins Sustainable Development'). The SDGs cover all aspects of development, as well as having the huge advantage, unlike earlier development frameworks, of attracting support from all types of actors, and prioritising mutual support and learning between countries, South-South, North-South as well as North-North. They also have the advantage for the first time of focusing on institutional capacity and development as a key enabler of delivering the targets, as well as recognising that all actors, especially civil society and the private sector, alongside governments and public administrations, have a very important and increasing role to play. Social and inclusive innovations are a critical part of this recognition.

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# PATTERNS OF SOCIAL INNOVATIONS IN THE MIDDLE EAST & NORTHERN AFRICA

The financial economic crisis in 2008, followed by the Arab Spring in 2011, proved how deeply rooted the challenges in the region are. No rapid solutions but a steady transformation toward Sustainable Development is needed. Achieving this, better understanding and empowerment of social innovations in Arab States are crucial in order to speed up this transition.

*Mohamed A. Wageih / Maha Ashraf Attia / Abdel Hamid Zoheiry*

In 2013, the OECD stated that extreme poverty afflicts fragile states. There are three causes of illegal migration: economic (i.e. unemployment), socio-political (i.e. inequity, insecurity), ecologic (i.e. natural disasters). Such factors are correlated to Sustainable Development (SD) and transforming communities to be more resilient.

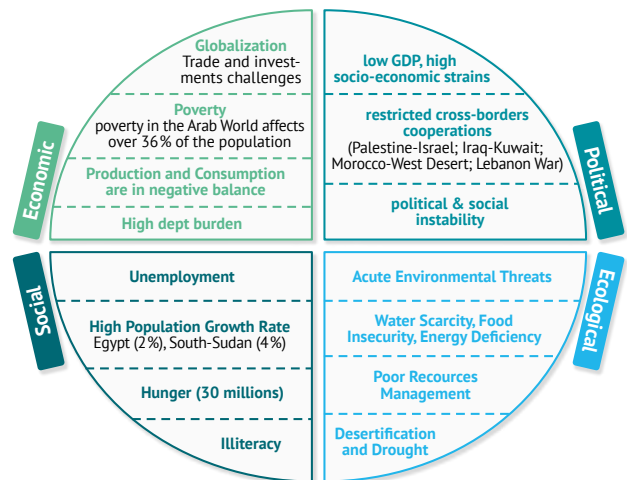
The economic marginalization and socioeconomic disparities in the Middle East and Northern Africa (MENA) were the main reasons for the 2011 uprisings. As a result, illegal immigrants risked the attempt to cross the Mediterranean Sea toward Europe, looking for safety and a better life. In fragile States, improvements could be achieved via engagement of both the national priorities (top-down) and smart social innovation (SI) practices led by the public (bottom-up).

## SI GOVERNANCE STRUCTURES IN ARAB STATES (TOP-DOWN):

According to the UN Economic & Social Commission for West Asia [1], MENA states are facing serious challenges affecting transition toward SD.

Currently, the UN-2030 Agenda and its 17goals represent a reference for Arab States' policies. The League of Arab States assists governments in advancing the cross-board development, whilst the Council of Arab Ministers develops a regional SD framework and monitors SD implementation. While national SD initiatives by ministries dispersedly exist, participation of private sector and civil society has recently increased significantly [2].

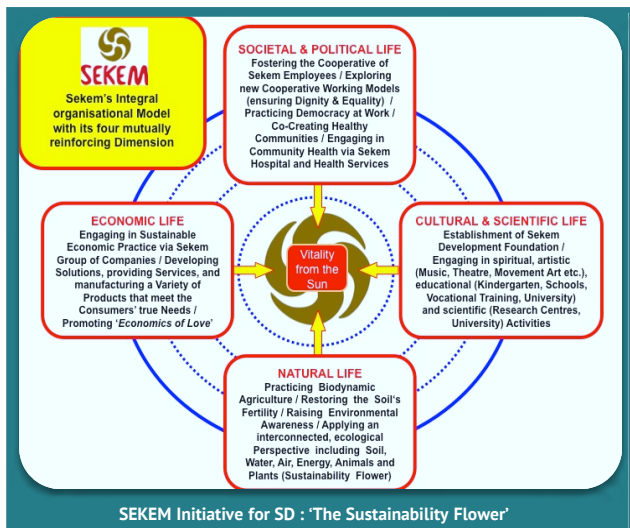
In 2016, many Arab States launched their Vision 2030 for SD. Though there have been significant multiplications in SI initiatives and empowerment of the communities' role after the revolutions, there were no definite national SI-policies facing critical societal challenges. Thus, SI is not explicitly enforced in the ambitious national strategies at the macro level.



Challenges affecting SD implementation in Arab World

## SI PRACTICES (BOTTOM-UP)

SI practices for SD can address many of those challenges leading to political stability and related transition towards green economy. In Egypt, for instance, there are various societal challenges (i.e. population growth, extreme poverty, food insecurity) that need innovative solutions [3]. State and non-state SI practices shared common objectives including employing/empowering youth and women, disabled and



**Case Study: SEKEM Initiative**  
SEKEM was founded in 1977, with the aim of enriching the sustainable human development. Its vision is sustainable development (SD) towards a future where every human being can unfold his or her individual potential; where mankind is living together in social forms reflecting human dignity; and where all economic activity is conducted in accordance with ecological and ethical principles. SEKEM's mission is the development of the individual, society and environment throughout a holistic concept integrating economic, societal life, cultural life and ecology. SEKEM's model for sustainable development integrates different spheres of life to a holistic whole where all parts are at the same time independent and interconnected.

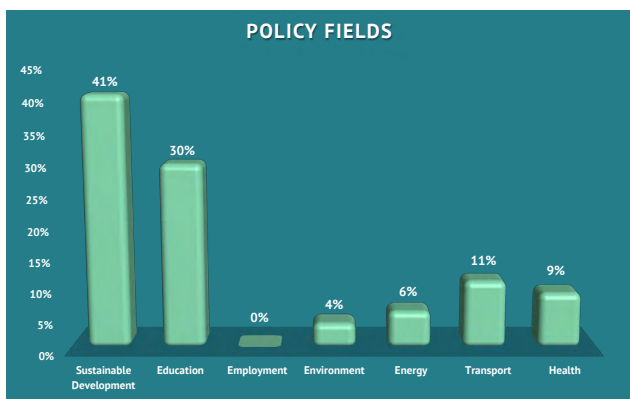
SEKEM Initiative for SD "The Sustainability Flower"

other marginalized groups especially in rural/slum areas, as well as providing them with proper education and services to improve their quality of life. By providing a package of services to beneficiaries, initiatives like SEKEM are built on multi-dimensional practices. [4]

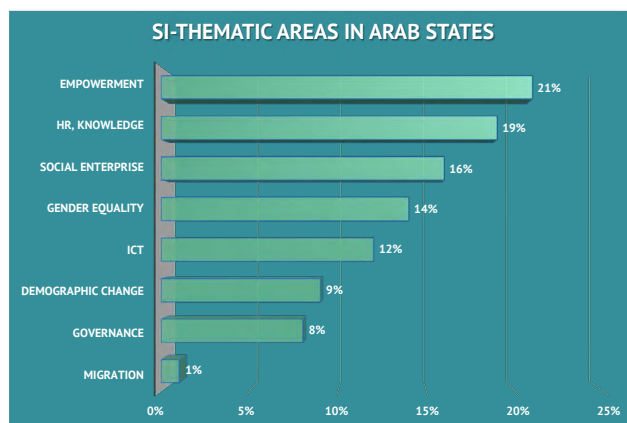
**ASSESSING SI PRACTICE FIELDS IN MENA**

After two rounds of SI-DRIVE mapping in MENA [5], the results show a predominate interest towards Poverty Reduction and SD as well as Education. Considering unemployment as the main cause of poverty, it can be noticed that it could effectively be solved via SI that provides more jobs. Interestingly, however, employment was not represented. The MENA region is still open for SI practices and promising opportunities are present. After 2011, SI initiatives have emerged tackling unemployment (i.e. with a focus on social entrepreneurship). Consequently, foreign organizations invested millions to fight poverty via employment. Such initiatives are still in the development phase so it is still too early to measure their impacts. While women in MENA are facing many socio-economic

and cultural obstacles (illiteracy, unemployment, cultural restrictions, early marriage, etc.), there is a fairly balanced gender ratio of SI case-founders. Why has this been the case? As SI is a bottom-up approach more often, SI initiatives are, in essence, concerned mainly to tackle immediate needs of the people, whilst tending to ignore the wider societal structures which have caused these social needs. Statistics [5] indicate that MENA women are active and play a significant role in community development. Thus, SI initiatives for gender equity, women empowerment, support of early education for young girls and women's rights in work environments (i.e. wages, sexual harassment, working hours, etc.) are needed to be openly advanced at all levels. Governments and media need to be involved in this process.



Mapped SI Cases per Policy Field in Arab States



Themes of mapped SI practices in MENA

**COMMON SI THEMES FOR SD**

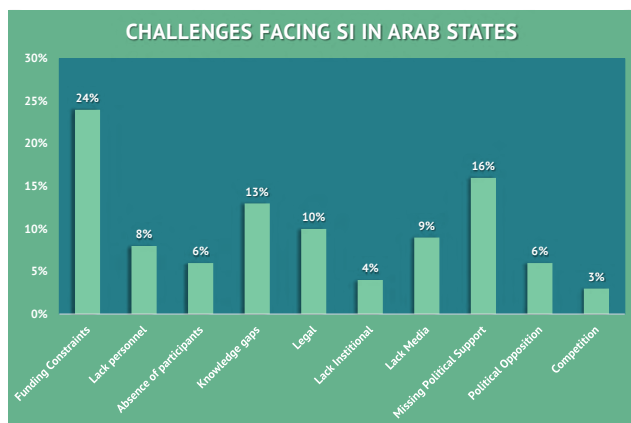
The analysis of data (see figure 'SI-Thematic Areas in Arab States') shows that 'Empowerment', and knowledge development are the most common themes, aligned with a user-centered philosophy of SI directly engaging beneficiaries and with the benefit of income generation.

Conversely, migration received least attention which could be due to the more social nature of these areas. For governance, limited practices can be seen as well. This might be due to the influence of the central state or the federal structure in MENA countries. [5]

## BARRIERS TO SI PRACTICES

The overriding barrier [5], as expected, but not to a far extent, was funding challenges. We underline that there is a distinction even among Arab countries where initiatives in the Gulf States might suffer less from ‘funding shortages’. On another note, limited political support and political opposition are highly interlinked, each of which are clearly more likely to affect poverty as the implementation of policies and initiatives might not be enforced at a large scale. Combining both makes them the second main challenge. That draws attention to the importance of governmental (top-down) support in the MENA region.

Also, the knowledge gap is another important challenge. Once again, it is interlinked with a lack of educated and trained persons. This indicates the importance of education to achieve inclusive economic growth and prosperity as diminishing technology/knowledge gaps is highly dependent on skilled personnel.



### Challenges facing SI practices in MENA

In contrast, competition is not as evident in the Arab region as it might be in developed economies. This is not a surprise as the presence of massive challenges leads to a high need for more SI practices with limited competition, except for external funds and aids.

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## ROOTS BEYOND SI PRACTICES IN ARAB WORLD

The analysis of motivations for social innovative solutions [5] shows that most individual cases have more than only one motive. It is clear that local social demands and societal challenges are considered as beneficiary-centered drivers and that they are clearly the most common motive, whilst inventions and new technologies as drivers are still relevant but less likely. This is again in line with the user-centered SI philosophy of directly engaging the beneficiaries, compared to more traditional and technology-driven innovations. As for barriers, policy incentives have limited impact on driving SI. The gap between governments and domestic SI practices can be recognized. Such a crack leads to a limited impact of SI practices in the Arab world and an absence of an effective social movement.

SI for SD is an effective tool that may solve challenges and achieve national prosperity.

## WALKING TOWARD THE FUTURE IN MENA

Since the 2011 revolutions, Arab people have high expectations and hopes. SI for SD is an effective tool that may solve challenges and achieve national prosperity, but with a clear commitment of all actors. In MENA, such an interlink between SI and SD needs to be realized more with the aim of finding solutions to the root causes, rather than just the symptoms. Cross-border cooperation is essential for sharing resources and transferring good practices, aiming at saving time, effort, and finances. Cooperation along with investments in social, economic or environmental (the SD dimensions) areas would alleviate critical challenges that need immediate interventions and which would then pave the way for solving other issues consequently. Domestic SI initiatives need to start from within the local communities. They need to reflect on policies that would ensure commitment of the people who would realize the importance of the undertaken actions, leading to more ownership of initiatives in these communities. When integrated within an ecosystem, there would be supportive actions to engage in international efforts, overcoming challenges that have a common denominator with other countries.

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# HOW TO GROW SOCIAL INNOVATION IN SOUTH AFRICA

**“Necessity is the mother of invention, and in Africa it has been the mother of innovation.”** [1] With the growth of the sector in South Africa this also holds true for social innovation. As the number of social innovations rise, an ecosystem has grown up around them, placing universities as key role players in their support.

*Bev Meldrum / François Bonnici*

Sitting at the bottom of the African continent, South Africa has the third largest economy, and is its most developed country. Seen as the favoured destination for investment, and repeatedly receiving the largest amount of start-up funding on the continent, it has been a focus for social innovation in sub-Saharan Africa.

However, it also faces the ‘triple challenge’ of poverty, inequality and unemployment. With one of the highest rates of unemployment (25%) and as one of the most unequal countries – with the wealthiest four percent of households receiving 32% of total income, while over half of South Africans is living below national poverty line, and more than 10% live in extreme poverty. [2]

This tension between a favourable innovation climate and extreme social challenges creates an environment where many of the opportunities for innovation have an implicit social impact.

## GROWTH OF SOCIAL INNOVATION IN SOUTH AFRICA

With an increasing recognition of the emergence of social innovation in South Africa in recent years, an ecosystem and support structures have grown. Universities, civil society and private sector foundations have led the way in delivering support to social innovators, with government showing considerable interest in different regions of the country. Incubators and social innovation competitions have been launched which have achieved considerable success. What has yet to happen for a consolidated strategy to be developed is to support the growth of social innovation in the country.

Similar to most countries, social innovation has been happening for decades before a label or directed support was provided. From grassroot movements to technology

start-ups, citizens have been empowering themselves and exploring new methods, tools, models and ways of organizing to accelerate social progress. Much of this work happened without much recognition or understanding of the terms social innovation or social entrepreneurship.

**This tension between a favourable innovation climate and extreme social challenges creates an environment where many of the opportunities for innovation have an implicit social impact.**

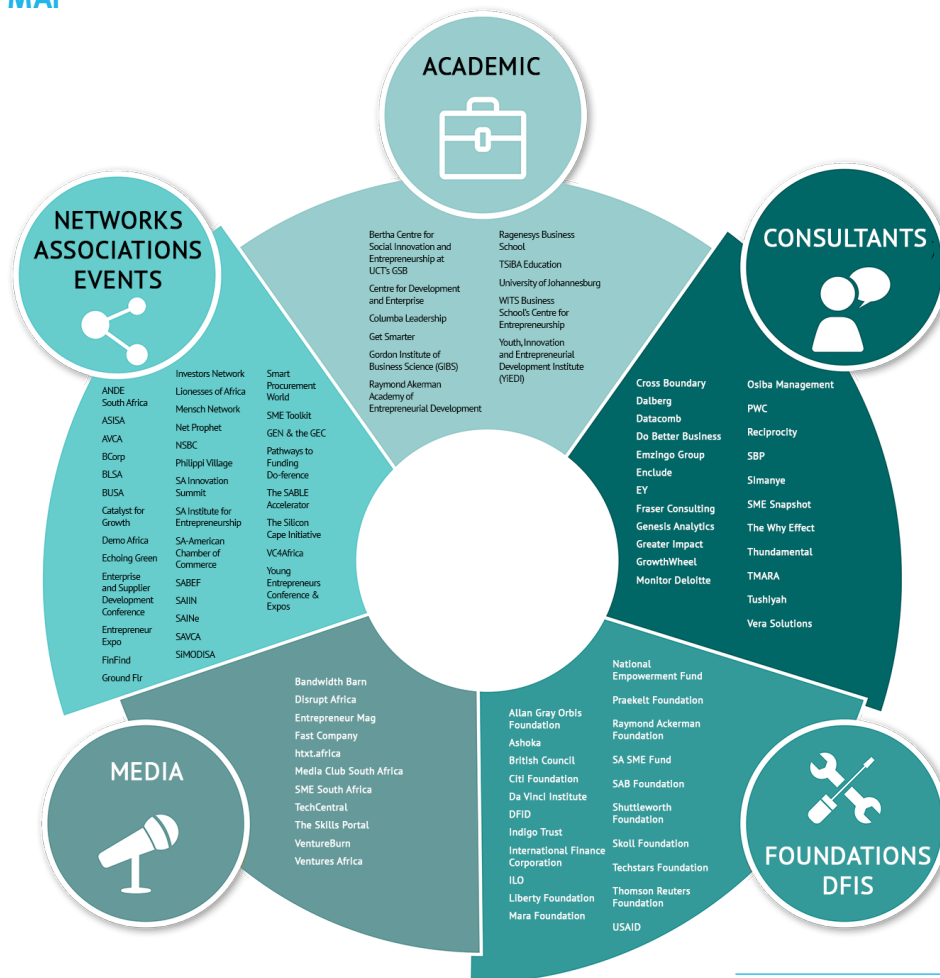
Ashoka pioneered the early recognition and understanding of social entrepreneurship in South Africa. Early networks, such as the African Social Entrepreneurs Network also started to organize events and advocate for social entrepreneurs. Funders such as UnLtd (now LifeCo UnLtd South Africa) launched in South Africa and invested in what are now some of our most successful social enterprises.

Two university centres were pivotal in bringing legitimacy and recognition to the people and the innovations in this emerging field: the Network of Social Entrepreneurs at the University of Pretoria Gordon Institute of Business Science, and the establishment of the Bertha Centre for Social Innovation and Entrepreneurship at the University of Cape Town Graduate School of Business.

The majority of support for social innovation that has grown up is focused on South Africa’s two major cities – Cape Town and Johannesburg. Some activity has begun to expand to other towns across the country. However, expanding the support for social innovators across the country remains a real challenge as the size of South Africa is 1.22 million km<sup>2</sup>.



## SOUTH AFRICA'S ENTREPRENEURIAL ECOSYSTEM MAP



Map of South Africa's entrepreneurial ecosystem (Image courtesy of Aspen Network of Development Entrepreneurs (2017))

## FOCAL AREAS FOR SOCIAL INNOVATION

There has been a growing interest from impact investors in social innovations. As more investors have entered the space, there has been some frustration as the limited number of social innovations that have reached a mature level and are ready for investment has yet to match the growing number of investors. But impact investing is not the only financial tool being developed for social innovation. Work is being done by the Bertha Centre on developing blended finance options, looking at peer to peer lending and supporting the growth of the crowd-funding sector in the country. In July 2017, South Africa's first social impact bonds were launched with the provincial departments of health and social development. The bonds focus on Early Childhood Development interventions and include funding for home and community based services for young children.

With government health services being underresourced and oversubscribed, the area of social innovation in health remains a real opportunity for development. With the

support of government, innovations in the health sector are beginning to take ground. The last couple of years have seen the introduction of MomConnect, a USSD text service for pregnant women through every stage of their pregnancy, and partnerships with Kheth'Impilo, which introduces innovations around HIV/AIDS and tuberculosis into governmental health services across the country. In 2015, one of the largest government hospitals in South Africa, Groote Schuur, introduced social innovation competitions for its staff in order to raise the profile and increase the impact of innovations that are happening on the ground. Finally, the Bertha Centre led a consortium of partners with the World Health Organization to research social innovation in health, not just in South Africa but also in other emerging economies. [3]

Innovation in the tech sector is well established in South Africa. It has the fourth most developed growing mobile communication market in the world, internet penetration is at 52 % and 37 % of the population have access to smartphones. It is no surprise then that social innovation

in the technology sector is growing. Technology-driven social innovations make up the majority of applicants for incubators and competitions. More to that, some programmes, such as Barclay's accelerator Think Rise, R Labs and Tech Lab Africa, are focusing solely on supporting technology solutions.

Education is a key area of concern in South Africa. Low performing schools, a lack of resources and a high drop-out rate before the end of high school are some of the issues the country is facing. From organizations that provide school principals with corporate mentors, to those which provide learning opportunities outside of school hours, these interventions remain on the periphery of the schools' strategy and significant change in the education system has yet to happen.

## FUTURE OF SOCIAL INNOVATION IN SOUTH AFRICA

Addressing the social challenges that South Africa faces depends on the success of social innovation so that it becomes vital that the energy and resources invested in it continue to grow. Mills Soko, the Director of the Graduate School of Business, described it as such:

**“When it comes to the development challenges facing this continent, we don't need bright glares or dazzling innovations – we need slow burning and sustainable fires that bring about systemic change.” [4]**

A strategic approach to developing support for social innovation that involves government at national, provincial and local level, as well as companies, NGOs and universities could well be the next step that is needed. Ultimately, social innovation in South Africa needs to be about empowering people to develop their own solutions, whether they are citizens, public servants or professionals in civil society or the private sector. Institutions can support this journey, but need to put the citizens and their needs at the centre.

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# ON THE ROLE OF SOCIAL INNOVATION IN THE GULF COOPERATION COUNCIL COUNTRIES

This article examines the role of social innovation in the Gulf Cooperation Council countries. Tracking its evolution from the early stages of Bedouin culture and invention by necessity through the issues of a nature-based economy and eroding traditional knowledge, it underlines its key importance in future reforms.

*Ingrid Andersson / Thomas Andersson*

## INTRODUCTION

Appreciating exchange rates, bloated government and weak incentives for competence development, entrepreneurship and innovation, are typically viewed as mechanisms for natural-resource wealth acting as a curse, rather than a source of benefits [1]. The Gulf Cooperation Council (GCC) countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) to some extent suffer from these problems, but still displayed high economic growth in recent decades. Special conditions, reflecting their harsh natural environment and particular history, are of high relevance to their development path. In this article, we examine the origins and role of social innovation in these countries, including with respect to future reforms and long-term prosperity.

## UNIQUE ROOTS FOR SOCIAL INNOVATION

Over the millennia, nomadic Bedouin life became interwoven with the camel and unique capacity for survival in the desert, escaping the influence of invaders along with laws and regulation of civilization as usual. The result was the rise of governance principles and traditions based on reciprocity, which incorporated remarkable loyalty among the kinship but also hospitality to strangers among its salient features.

The provision of “charity”, i.e. support for the less fortunate, further represents a deep-rooted cultural tradition across much of the Middle East. On the other hand, poverty and misfortune is associated with cultural stigma, growing out of an equally deep-rooted belief in the power of fate. This in turn brings “shame” for those affected, while making

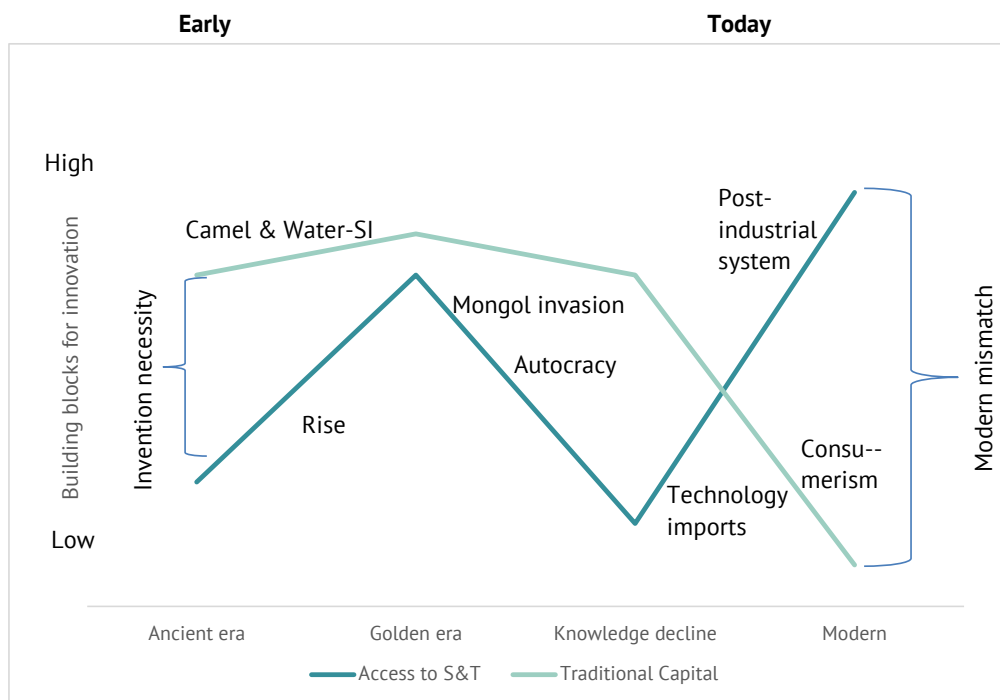
those who are healthy confident their luck is there to stay, until they deserve otherwise.

The need of managing their most pressing environmental issues further spurred invention. Water is a case in point. The qanat (canal) management system, found in Yemen, but present in related forms through large parts of North Africa and South Asia, was key to the organisation and survival of local communities. A special variant, the Omani falaj, developed sophisticated methods for how to divide the rights and usage of water in an equitable and efficient manner during cycles of varying availability [2]. In effect, its widespread diffusion and usage fed the capability of its people and institutions to compromise and achieve consensus.

While 3/4 of the 4000 known falaj were still in use at the start of the millennium, by today most have fallen into disuse. Technical knowledge needed to manage and maintain the falaj resides with the older generation and is gradually disappearing. As traditional water management has given way to irrigation, agriculture’s share of Oman’s water consumption swelled to approximately 90 percent. Overuse of aquifers blends with loss of biomass, erosion and desertification. With natural water resources disappearing, to secure water supplies, the GCC countries invest massively in costly and energy-intensive desalination facilities.

## A HOST OF CONTEMPORARY CHALLENGES

Although being the cradle of science a millennium ago, following the Mongol invasions in the 13th century and the



Phases of relevance for social innovation

subsequent influence of Ottoman Sultans, Indian Mughals and other authoritarian rulers, the Middle East suffered the retreat of critical thought, along with general engineering and innovation capabilities [3]. As technology imports and oil exploitation took off, the GCC countries gradually developed features of post-industrialised societies. Still today, however, their high investment in infrastructure, construction, education and the social sector remains dependent on natural resource rents. Their governance model has each public service leaning towards micro-management and turf-mentality. Citizens are offered land allocations, subsidised utilities and consumerism, based on a vision of the state as a “father”, expected to deliver to its “children”.

Stakeholder influence, including by extended families and tribes, meanwhile, remains strong. The term “wasta” indicates the significance of relations, rather than competence, in deciding who gets a job or is promoted. Girls outperform boys in most lines of education but women meet with special barriers in the work place. The overly young population

The key role taking shape for social innovations is less about attention to misfortune, but rather to instill a mindset that is conducive to behavioural change more broadly, i.e. openness to new solutions in response to outstanding issues.

(average age of 21-24 years) has rapidly gone wired and hooked on to consumerism. In standardized operations, costs are kept low by the arrival of low-wage immigrants, which account for some 90 percent of the population in Qatar and the UAE, while the share is about half in Oman and 30 per cent in Saudi Arabia.

A tension between old and new attained center stage with the Arab spring, from 2011 onward. Aspiring young generations articulated new demands using digital communication tools, for better jobs and a say in their future [4]. Several entrenched governments tumbled in Northern Africa and the Middle East, and in some civil war rages to this day. With the exception of Bahrain, the GCC countries tried to cushion the impact through handing out more favors and/or more press freedom and room for own-initiative by citizens.

## EVOLVING ROLE OF SOCIAL INNOVATION

The importance of diversifying the economy is critical to the GCC, even more so following the recent oil price decline. Innovation, entrepreneurship and enterprise start-ups are pushed for to broaden the economic base and to generate new high-value added jobs. This includes the introduction of “Smart city” tools and dynamics, e.g., Masdar in Abu Dhabi and Lusail City in Doha, or the “healthy communities” initiative” in Oman.

In the social sphere, several institutional initiatives have set out to counter the fast rise of non-communicable disease (NCDs). Kuwait’s Dasman Institute embraces a comprehensive strategy to counter diabetes. Screening of the Emirati

population by HAAD (Health Authority Abu Dhabi), uses individualised health insurance cards that feed into personalised web portals equipped with interactive services aimed to stimulate prevention and personalised health management.

Still, mainstream policy perpetuates “business-as-usual” consumption, production, education, trade, and investment practices [5]. A combination of traditional values and heavy bureaucracy keeps restraining “bottom-up” initiative, and efforts that aim at “no-profit” and “social good” meet with suspicion by the authorities. Following the Arab spring, however, mechanisms were introduced to register NGOs, which, in addition, became eligible for public support. This opened the door for institutionalisation of previously informal initiatives. The change has been most noticeable in health and social services, to some degree in education, and to a lesser degree with regard to the environment. Examples include movements to spread awareness of health disorders such as diabetes and cancer, or assist those with certain handicaps, such as autism. Some aim to counter drug abuse, or providing special assistance to children with learning difficulties. A network of women entrepreneurs in Saudi Arabia started a movement for organising relevant training.

Some such initiatives meet with slow progress, as in the case of efforts for Saudi women to be entitled to a driving license, or to participate in sports. Attempts in the environmental field, targeting, e.g., tree planting, eco-food or recycling of used products, are stymied by poor awareness among policymakers as well as the general public. As schemes remain absent for recycling, even the collection of hazardous waste such as batteries, all kinds of waste keep going to landfills throughout the GCC. Meanwhile, traditional sustainable practices, and associated forms of social organisation, are on the course of perishing.

## CONCLUSIONS

Social innovation in the Middle East is not new, but once made up the gist for managing a harsh climate and complex social relations. After an early “golden era” in science and technology retreated during the realms of autocratic governance, technology imports and oil exploitation have been accompanied by high growth, but also dependency on natural resource rents and an inflated public sector. Policy frameworks are typically “top-down” while also fragmented across government “pipes”.

As a consequence, a mismatch has taken hold between a post-industrial economy marked by high ICT penetration and the retreat of traditional capital reduced by consumerism, as illustrated in Figure 1. The key role taking shape for social innovations is less about attention to misfortune, but rather to instill a mindset that is conducive to behavioural change more broadly, i.e. openness to new solutions in response to outstanding issues. This implies greater effort in education, the work place and the market place, as well as prevention of health disorders and accidents, and more responsible energy, water and transport decisions. Weakening of natural resource earnings must now be met by more comprehensive policy reforms, with focus on accepting and inspiring citizen engagement on matters of key importance for future prosperity.

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# SOCIAL INNOVATION IN CHINA: THE IDEAL, MODEL AND POLICIES

Social innovation has been a popular idea in China since 2000. The exploration of “social management innovation” is a powerful driving force of innovation in the public sector, and in the private sphere, activities relating to social entrepreneurship yet generate many innovative initiatives.

*Ka Lin*

## SPREADING THE IDEAL OF SOCIAL INNOVATION

Following the fast-paced economic growth that led to new types of development over the last three decades, China shifted its strategy of industrialization from one focusing on labor-intensive industry and investment-based production in the early days of economic reform, to one focusing on innovation-oriented growth in the late 1990s. As an example of the state’s regulation on technological innovation that took place in 1995, the government publication “Decision on Accelerating the Progress of Science and Technology” placed great emphasis on technological innovation and managerial

China shifted its strategy of industrialization from one focusing on labor-intensive industry and investment-based production in the early days of economic reform, to one focusing on innovation-oriented growth in the late 1990s.

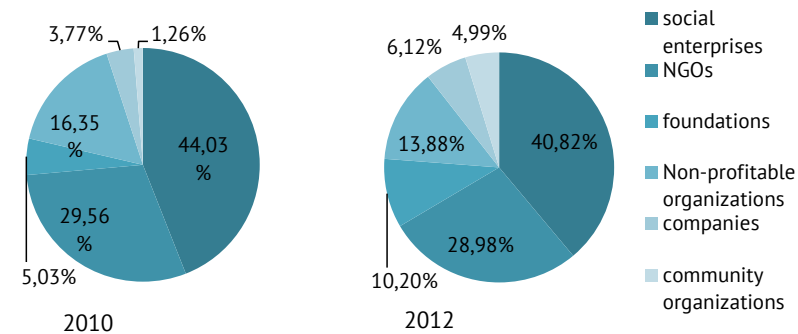
innovation. This policy also highlighted the need for social innovation in both the business and social sectors. In the social sector, innovative actions were generated mainly in two policy areas after the mid-2000s; one was social management at the local and community level, and the other was in the service area. The state also encouraged a strategy of mass entrepreneurship and innovation in the business sector to cope with the challenge of decreased economic growth rates in the so-called “new normal” era, which advocated the adoption of innovation-driven development as a national strategy. It also emphasized the significance of the notion of social innovation as a guideline for national development. Innovative actions in the social

sphere took place mainly in two thematic areas: social management at the local and community level, and in the service area. Established on the ground of these developments, we present an overview of social innovation practices in China.

## SOCIAL INNOVATION IN THE PUBLIC SECTOR

In the public sector, the reforms in the state’s administration system led to a reshaping of innovative practices by strengthening the coordination among social actors and enhancing public participation in social governance. In this process, various forms of collaborative bodies were created as resources for innovation activities through the interaction among the social agents. For instance, in Hangzhou city, which was rated among the top five Chinese cities with regards to living standards, happiness and livability in 2015 and 2016, the interaction between the public and private institutions/organizations were promoted, which not only boosted the morale and encouraged the social harmony but also stimulated innovative practices and provided

new ways of social administration. These collaborative bodies extended new areas of exploration for public goodness and also pioneered different experiments to reform the structure of public administration. These experiments led to different models of social management, such as the Shenyang model, Wuhan model, Nanjing model, Shenzhen model and Shanghai model. The Shenyang model features free elections for community leaders with an increased degree of autonomy. The Nanjing is characterized by empowering the local residential committees. The Yantian model of Shenzhen city focuses on the separation of the residential communities and government agencies on a local level. The Shanghai model supports the roles



in 2012 [1]. The data reveals that the major contributors of social innovation activities are social enterprises and NGOs.

## SOCIAL INNOVATION IN THE SERVICE SECTOR

The demand for social innovation is intensified in the service area, and in particular in the field of elderly care.

### Social Innovation Projects [1]

of local offices to expose new frontlines of social administration for the enhancement and the effectiveness of the system. Due to their unique characteristics, each of these models can compete with and boost each other to raise the social and administrative value of these innovations.

## SOCIAL INNOVATION IN THE PRIVATE SECTOR

With regard to social innovation in the workplace, the notion of corporate social responsibility (CSR) has been promoted and practiced by many companies. Since the mid 2000s, CSR standards have been adopted by many companies to enhance the efficiency of human resource management. Besides, after the Wenchuan Earthquake in the Sichuan province of China in 2008 the private charity sector grew rapidly. In the last decade, the construction of platforms for charity increased the transparency of private donations, which encouraged private firms to actively engage in charitable activities. Non-governmental organizations (NGOs) are still the innovation agents in the private sector for generating resources of welfare. In order to support this development, the state has relaxed the threshold for their registration in the last three years. Local authorities have also been allocated a large amount of public finance to support NGOs; accordingly they have contracted NGOs for the execution of social programs and delivering of services through reinforcing their financial capacity. The graphs illustrate the strengths NGOs have in generating innovative practices. The survey includes the projects of social innovations implemented by different social agents. Nationwide, 161 projects were included in the champion of social innovation awards, selected from 22 provinces and autonomous regions in 2010. In addition to this, a handsome number of more 249 projects were selected

China has an aging society with the population aged over 65 now accounting for 10.8% of the population [2]. Due to this pressure, there is an urgent need to develop elderly care services using modern technology. In this context, smart elderly care has become an emerging area for elderly care services, as it can integrate effectively community care, health care and personal services [3]. Meanwhile, municipal governments conducted experiments on care insurance programs in the 2010 and also explored various ways of care arrangements to integrate community care, health care and personal services for urban and rural residents. Beyond the area of elderly care, social services for disabled people have been extended by setting up various local programs, such as respite homes and convalescent homes. Voluntary services for other dependent groups have also been organized in the many ways which are flourishing well [4]. For instance, the provision of education services which are delivered through nationwide "Hope projects for poor families". These actions are a hallmark of local initiatives and societal mobility, performed with the support of experienced social workers and professional services from welfare administration.

## CONCLUSION

Social innovation has been promoted as a national development strategy in China since the mid 2010s.

New ideas, models of organizational behavior, schedules and policy programs have been tested for social innovation. Those developments cultivate a climate that favors social innovation as a general notion. The state recently declared four guiding principles for social innovation, namely "innovation, coordination, ecological, openness and shareness". These ideas support social innovative practices in different ways and thus support their development despite a number of social challenges.

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# SEEK, SHARE, AND SPREAD: THE THREE KEY WORDS OF SEOUL CITY'S SOCIAL INNOVATION

The city of Seoul has made social innovation relevant to citizens' daily lives and has brought fundamental changes to how we live and are connected to others. Innovations in public service, the sharing city, and the autonomous districts are the main areas showing the three key concepts of social innovation actively pursued in Seoul.

*The HOPE INSTITUTE*

## INNOVATING PUBLIC SERVICES

### Visiting Community Service Center: Chatdong

In 2014, a mother and her two daughters committed suicide due to the hardships of life in Seoul, leaving the last words "We are badly sorry..." and setting aside a small amount of money for rent and utility bills. No welfare services were available for them, even though they were without income due to poor health conditions. The incident shocked Korean society and spurred changes in social support systems, including welfare services.

Responding to this incident, the Seoul Metropolitan Government took the social innovation approach, which changed not only the welfare service system itself but also how to deliver services to the right persons at the right time. By shifting the concept of welfare service delivery from "going for" to "coming to", the **chatdong** program, meaning visiting community service, was launched. Previous welfare services were only available to those who walked into the center, but through the **chatdong**, civil servants (called "our village action officers") come to meet people and offer needed services. Action officers also find available resources in the community and connect people to take care of each other. As visiting welfare planners, they work hard to eliminate welfare blind spots, such as in the tragic incident in 2014, by locating neglected poor households and linking them to the correct support. Unused space in community centers was opened for social support activities and education. Since the **chatdong** project started in 2015 and in 80 villages (dong) of 13 autonomous districts (gu), 12,281 households were newly assessed as being in poverty. The project expanded to 342 villages in 2017[1].

## SHARING CITY INNOVATION

### Car Sharing, Bicycle Sharing, and Seoul Innovation Park

Another aspect of social innovation in Seoul is sharing. The "sharing city" is not just a symbolic concept but a critical means by which Seoul – as a mega city with ten million residents – tackled chronic urban problems such as traffic, pollution, and parking. Car sharing initiated by the 'Nanum Car' project displays Seoul's innovative public policy. This solution utilizes private car sharing services while the city effectively provides public parking spaces to them. It was

The "sharing city" is not just a symbolic concept but a critical means by which Seoul – as a mega city with ten million residents – tackled chronic urban problems

successfully implemented, and usage and interest among citizens continue to grow. As of 2015, it had 1.9 million registrations and 4,011 users on a daily average [2]. 'Ttareungi' is a public bicycle sharing system. Residents in Seoul who were fed up with traffic jams and air pollution responded enthusiastically to these green wheels [3]. In 2015, the service launched with 2,000 bicycles in 150 places, and in 2017, the scale expanded to 5,600 bicycles in 450 places. Further plans will make the program even more convenient, with up to 20,000 bicycles and a smart phone app.

Sharing in Seoul is economic, eco-friendly, and not limited to things or vehicles. For instance, Seoul Innovation Park shares spaces and more than that – it shares innovation itself. It is the place to display innovation ecosystems as



Social Innovation in Seoul City: Seek, Share, and Spread

fields of activities, not just theoretical links. It provides a park for residents, a research center for innovators, and an incubation space for young entrepreneurs. It is where resources and knowledge are shared, and social values are embraced. Youth Hub, Social Innovation Support Center, Village Community Support Center, and many other social innovation groups are located in this park. Synergic networking and collaboration are also shared. By the end of 2015, about 190 groups had joined.

## SPREADING SOCIAL INNOVATION THROUGH SOCIAL ECONOMY

### Gangdong Social Economy Support Center

For social innovation cases it is important to scale up and to spread. Many local organizations play an important role in this regard. Gangdong Social Economy Support Center is one of the prominent intermediary organizations initiated in 2012. The Center's goal is to create a sustainable social economy ecosystem, including private, public, and citizen sectors. It aims at building a social economy hub through networking between social economy groups and private partners, while discovering new social economy players such as social enterprise, ventures, and entrepreneurs. Ultimately,

it promotes the social economy of the district of **Gangdong** and enhances the capacity of the community [4]. The district's problems of lacking an industrial infrastructure as well as being a bedroom community for commuters had to be confronted, however, the Center is now leading community-based social economy revitalization. Distrust among inhabitants and social fund starvations have been overcome by the active volunteer work of local people. Residents could develop their capability to express their own voices about local pending issues through a bottom-up process. Especially by focusing on pursuing contributions and development in the community, intermediary organizations like the Center activated existing local community networks and conducted trainings to awaken the value of the social economy and inspire social innovation in the process.

## SPREADING SOCIAL INNOVATION THROUGH SUSTAINABLE DEVELOPMENT

### Dobong-gu's private-public governance

Traditional development concepts usually concentrated on civil engineering and mega-sized construction, which often resulted in weakened local finance, civil conflicts, and environmental degradation. Tackling these issues, **Dobong**,

When facing various urban issues and social challenges, Seoul listens to citizens' voices by way of collaborative governance and innovation, and thus achieves social innovation together with its citizens.

one of the autonomous districts of Seoul, pushed ahead with a policy reflecting sustainable values of environment, society, and economy by pioneering a shift toward software-centered development. It enacted a Sustainable Development Ordinance in 2015, a first among basic local governments [5]. To provide a basic plan for sustainable development, the district organized a Sustainable Development Committee. One way to understand how the social innovation perspective of **Dobong** is working is to see it in the form of governance. It openly elected members of the Committee to reflect various opinions from residents and experts. In order to stipulate a sustainable development vision and goals, it operated a special committee to confirm the vision of “**Dobong**, where people and nature connect, and where everyone wants to live”, and held a ceremony to declare it with the city's inhabitants. **Dobong** has ongoing discussions between the Sustainable Development Committee members and civil workers to establish related action plans and unit tasks. Escaping from government-centered administration, the district built a new, social innovation-oriented administration paradigm that harmonizes with sustainable development through consensus among local members.

## CONCLUSION

When facing various urban issues and social challenges, Seoul listens to citizens' voices by way of collaborative governance and innovation, and thus achieves social innovation together with its citizens. Under the leadership of Mayor Park Won-Soon, Seoul initiated social innovations in various areas. It has brought new changes through public service innovation, sharing city innovations, and innovation dissemination across autonomous districts. By doing so, one-sided public welfare services were switched to more interactive ones in which people can live their everyday lives with a stronger sharing spirit and sustainable city environment, and these innovative policies ultimately can be disseminated into basic administrative units. Seoul is assiduously pushing the wheel of social innovation in order to make bigger changes for the Korean society.

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# SOCIAL INNOVATION IN SOUTH ASIA: AN EMERGING ALTERNATE DEVELOPMENT PARADIGM

Can social innovation offer a pathway to guide the future of development strategies in the South Asian region? This paper attempts to unpack this question by exploring the emerging realms and types of social innovations and the potential and challenges of the same towards transforming the marginalities of poor and marginalized communities.

Swati Banerjee

## THE REGION

South Asia as a region is increasingly gaining importance in the international geo-political scenario. Some of the commonly included countries in this region are India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives. The region is characterized by great diversity and specificities vary within each country in the region.

Within the diversities, multi-dimensional forms of poverty emerge as a crucial characteristic and a key concern in the region. Based on recent data for specific sub regions, the incidence of poverty is seen as highest in South and South-West Asia (at 36%), followed by South-East Asia (21%), East and North-East Asia (13%), and North and Central Asia (8.2%) [1].

## SOCIAL INNOVATION: AN EMERGING PARADIGM

Social Innovation in the region is still an emergent field and the context of poverty and deprivations drives social innovation efforts in the region. The school of thought on 'JUGAAD INNOVATIONS' traces the historicity of social innovations in the region as emerging from immediate and survival needs of people, termed 'Jugaad' in India. In contemporary times, social innovation is slowly emerging as an important paradigm where social value creation becomes the primary objective. However, the term social innovation is variously and interchangeably used with development and development practice and is at the crossroads of various realms including society, economy and technology. Social entrepreneurship and start-ups are also key emerging innovation realms in the region.



South Asian Region

## SOCIAL INNOVATION AND SOCIAL CHANGE: STRATEGIES FOR TRANSFORMATION

According to Mulgan et al. [2], social innovation is understood as new ideas and activities that address unmet social needs. Implicit within this understanding is the potential of social innovation as a process of social change especially within the context of poverty, marginalization and multiple forms of deprivation. Different countries in the South Asian region have their own social innovation landscape and have developed their specific social innovation strategies. As evident from SI-DRIVE's global mapping of various

social innovation initiatives in India and other countries in the region, tackling poverty and multiple marginalities has been the primary focus. SI-DRIVE's understanding of the key dimensions of Social Innovation including 'governance, networks, actors and their roles, process dynamics, resources, drivers and barriers' [3] along with the contextual understanding formed the basis of the mapping exercise. The key practice fields as revealed through this study and the author's grassroots engagements include among others – Financial Inclusion and Micro Enterprise Development, Equal access to Resources, Social Mobilization and Livelihoods Promotion, Alternate Education, Social Action with Marginalized Groups, Women's Collective Agency Development and Empowerment, Inclusive Health Practices, Disaster Preparedness, and Improvement of Quality of Life Initiatives. Community organisation and participation of local people in grassroots innovation has been a major process in community led strategies. There has also been a focus on technology and design innovation for improving quality of life and quality of services. From the understanding of social innovation practice fields and projects/organizations, it has also been observed that organizations which are transgressing both social and economic needs is a model that is increasingly emerging, as they are trying to address larger social challenges of poverty; inequality and simultaneously trying to organize the poor and marginalized for their rights.

One of the success stories in social innovation leading to poverty reduction and empowerment of marginalized communities in the region (with a focus on women) over the past 30 years has been the development of micro-finance

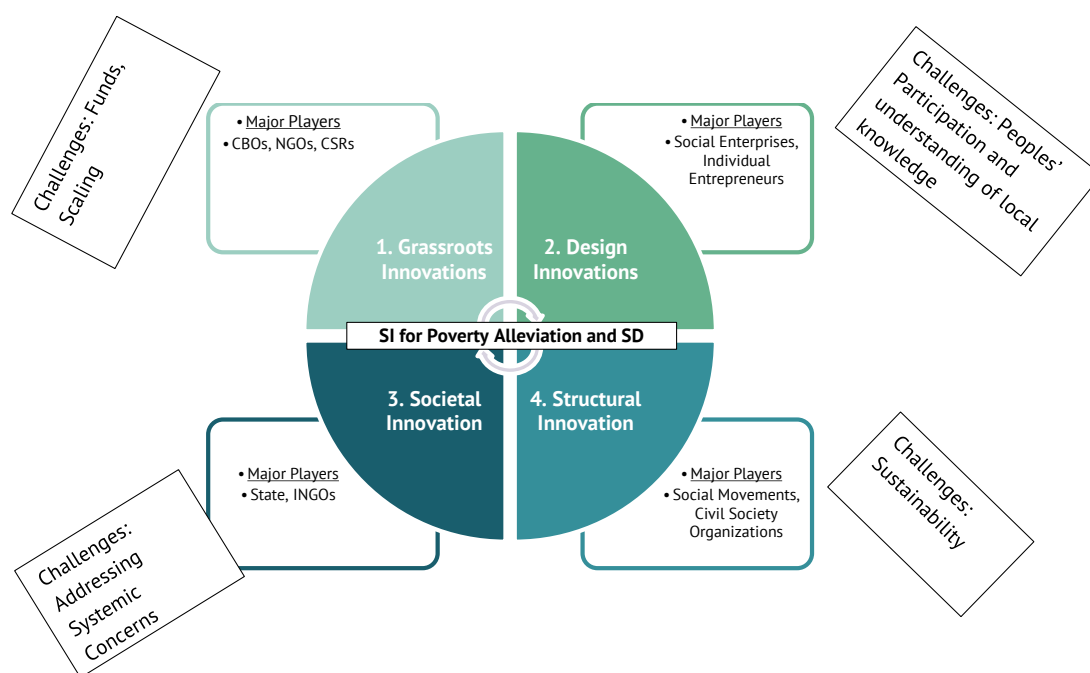
institutions (MFIs) and the formation of self-help groups (SHGs) as institutional forms of poor that facilitate financial inclusion and social empowerment. SEWA in India and Grameen Bank in Bangladesh are some of the examples of the impact from the above-mentioned innovation strategies.

## EMERGING TYPES OF SOCIAL INNOVATION

Social innovations in the region can be broadly categorized into four major types:

The emergence and types of social innovation in the region as located within the four broad types is delineated below:

- 1. Grassroots Innovation/Community led Innovation** – primarily focuses on the processes of intervention in addressing socio, economic and political problems at the local level, e.g. water unavailability in rural communities through peoples' participation and community led solutions.
- 2. Design Innovation** – focuses primarily on the outcome of an intervention through improving or designing a new product or service through new or better technology/ design, e.g. internet based solutions for marketing of farm produce. Such innovations also often follow a hybrid model combining social and business objectives.
- 3. Societal Innovations** – primarily focuses on changing both the process and product/service for tackling large and severe societal challenges like poverty, illiteracy etc.
- 4. Structural Innovation** – focuses on changing the overall innovation environment in addressing the larger structural inequities and exclusion, e.g. gender/caste/race atrocities.



Apart from the above, there are many overlapping innovations and increasingly there is a trend towards greater degree of overlapping or hybrid innovations.

### CONCLUSION: POTENTIAL AND CHALLENGES OF SOCIAL INNOVATION IN TRANSFORMING MARGINALITIES

Since South Asian countries are highly populated having a large number of people staying below the poverty line, people centricism in innovation offers a vision for impacting lives, especially of the marginalized groups. However, there are many challenges including funding, scaling opportunities, existing societal and structural inequities. Another important roadblock is the lack of concrete South – South co-operation in the region. There is a need to not only tackle the societal problems at the level of each country but also at the regional level with renewed mutual trust and co-operation. There is also a need for greater convergence and building cross sectoral alliances. Within such specific constraints, social innovations still offer a great promise to guide and build the future of change strategies in the region. The future vision for social innovation in the region is, therefore, 'People Centric Social Innovation', which is transformative in its approach and aims to address societal needs by centering on the concerns of marginalized people, their context and strategies to address them. Thus, grassroots innovations that lead bottom-up solutions for sustainable development responding to the local situation and the interests and values of the communities involved is the other key direction for future responses within people centric social innovation.

The future vision for social innovation in the region is, therefore, 'People Centric Social Innovation', which is transformative in its approach and aims to address societal needs by centering the concerns of marginalized people, their context and strategies to address them.

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# THE UNFOLDED POTENTIAL OF WASTEWATER IN THAILAND

Water is a common good, but what about wastewater? Is wastewater something that should just be flushed away or is it a stream of opportunities? How social innovation can drive sustainability in wastewater management: a story line from Bangkok, Thailand.

*Aneta Slaveykova Nikolova / Sara Libera Zanetti*

## WASTE WATER: A WELL KEPT SECRET

“Water is the driving force of all nature” wrote Leonardo da Vinci. So, it is natural to wonder: why do we waste it? And why do we pollute it? Water is the main constituent of most, if not all, living organisms, including us! Where there is water, there is life! But is this how you feel when strolling along the banks of Chao Phraya, Thailand’s main river that runs through Bangkok as an artery of a precious stream? No, probably not.

Water contamination is, in fact, one of the biggest environmental challenges that the Thai Capital is facing, where 75 % of all the waste generated at domestic level by households and restaurants along the waterway and its tributary system of canals is discharged into the river untreated [1]. This matches regional estimates by UN ESCAP, whereas, 80 to 90 % of all wastewater in developing countries of the Asia Pacific region is still discharged untreated to fresh water bodies and oceans [2], leading to irreversible damage to water ecosystems and dramatically reducing the availability of fresh water stocks for the needs of the society.

In a middle-income country like Thailand that is facing seasonal water shortages, a sustainable wastewater management needs to encompass planned water reuse (WR) on a large scale and social innovation as a driver for community engagement. In fact, WR is influenced not only by water demand and supply, but also by economic and social factors, and at foremost, by the needs of the most vulnerable and socially marginalized communities, who suffer the most from water shortage [3]. In Thailand, giant steps still need to be made on WR, with only six per cent of the wastewater being presently reused [1], and with improved social awareness and community engagement.

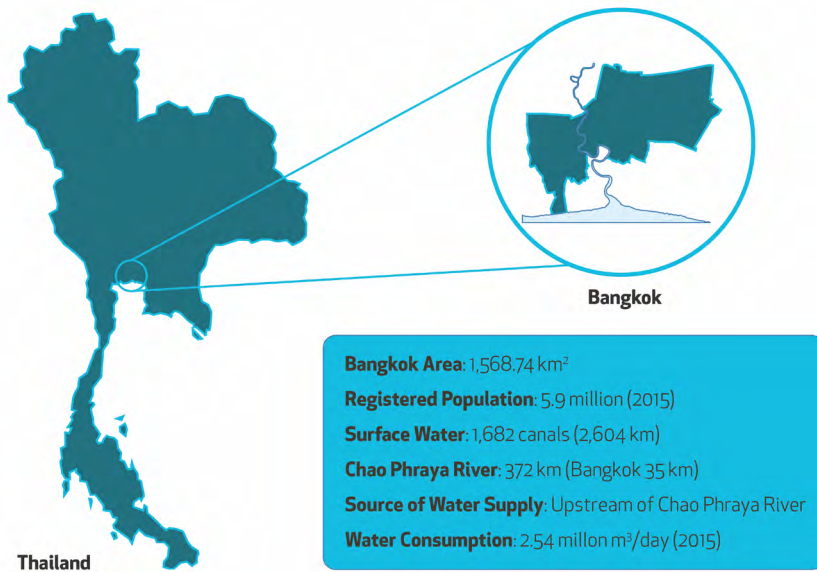


Source: UNESCO (2017), [www.unesco.org/new/en/natural-sciences/environment/water/wwap/media-corner/](http://www.unesco.org/new/en/natural-sciences/environment/water/wwap/media-corner/)

“Wastewater is an untapped resource” [4]: largely available, but scarcely used. WR has an intrinsic value not merely from an economic angle, but also from an environmental and social perspective. However, one of the major constraints to WR development is public acceptance and general trust in the reliability of the treatment system [3]. So, what can help closing the loop in the water cycle? Social innovation can bridge this gap!

Social innovation, de facto, is the development of new projects and ideas to better address issues related to the most socially vulnerable and marginalized through their inclusion in the social system. Ergo, social innovation with its system thinking and participatory approach can be a powerful driver for investments in wastewater management and WR. Active participation and engagement of local communities is pivotal to upscaling domestic wastewater management and WR, as they embody a steering stakeholder group directly involved in wastewater management. Often community actors and initiatives cannot wait for public authorities’ response to solve their problems and meet





The Bangkok Area (adapted from [2])

their needs, so they are starting to roll their sleeves and take action to clean their neighboring water bodies. And this is exactly what is happening along Bangkok’s river.

### SOCIAL INNOVATION AND COMMUNITY BASED MANAGEMENT ALONG THE CHAO PHRAYA CANALS

In 2015, upon demand from nine communities living along two canals, solutions to clean up the water ways from the sludge and floating debris were initiated using the bio-grease treatment methodology developed by Best Care International Thailand (BCI), an organization specialized in promoting solid waste and waste water management at the community level. The bio-grease treatment is an innovative technology integrating aspects of biotechnology, such as selected microbial strains, and nanotechnology to eliminate odors and grease from the wastewater. This method helps preventing grease formation, which can obstruct the drainage, and has proven successful not only through the application of septic tanks, but also within rivers and canals [5].

Following this successful approach, the Bangkok Metropolitan Administration (BMA), the local government responsible for providing wastewater treatment, supported replication in additional 150 local groups living along five different canals in eight districts. Through community engagement and thanks to wastewater management activities, such as biotechnology treatments, and environmental education campaigns, considerable improvements in the water quality have been made. Water clarity has increased, while odor and floating sludge have been reduced if not eliminated. In only two years, the communities benefitted from improved

water quality and increased opportunity for reuse in agriculture. In addition to the environmental benefits, wider community participation generated economic activities and additional income from producing soaps, using the water hyacinth as fodder and materials for furniture, and growing from organic agricultural crops irrigated with the improved water from the canals [5].

This strategy was further promoted through educational programs for other communities developed and funded by the BMA and was showcased at the regional project on Decentralized Wastewater Treatment System (DEWATS), which focused on a sustainable solution for rural areas and peri-urban zones with rapid urbanization rates, like the Bangkok metropolitan area [4]. Besides,

DEWATS provides tools for business opportunities and community empowerment. This generated a dramatic change in paradigm. BMA jointly with BCI established educational programs on waste and wastewater management, aiming at instilling a sense of environmental and social responsibility in every citizen, targeting four distinct interest groups: communities; educational institutions; political establishment; religious spaces.



Waste water management along the Chao Phraya Canals (photos: Aida Karazhanova)





The embeddedness of clean water and sanitation (SDG6) within the UN's sustainable development goals [6, p. 14]

“Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime”, says an English proverb. Education is indeed a powerful tool! UN ESCAP is promoting this approach as well as other regional examples, through the SDG Help Desk, which provides interactive on-line e-learning opportunities.

## TAKE HOME MESSAGE

This experience shows that social innovation can steer and advance wastewater management. Clean water is a human right, as well as a common good that requires a joint effort for everyone's well-being. Social innovation is a participatory process that can be initiated at different levels: by community groups, local governments, or bigger organizations, both

private and public. Following this example, private enterprises are currently starting training and environmental awareness activities involving other communities in three different districts in the Bangkok metropolitan area.

The case portrayed also reveals that empowering local communities throughout education can give fruitful results and strengthen partnership with local governments, to encourage community collaboration in managing natural resources, like water. “There is no life without water” and there is no development without social accountability; the interlinkages among the three dimensions of sustainable development, its social, economic and environmental aspects, as depicted in the illustration of the sustainable development goals, show how they are strictly interconnected and can indeed be met simultaneously.

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# SOCIAL INNOVATION IN NEW ZEALAND: CULTURAL VALUES MATTER

Cultural values of Māori, New Zealand's indigenous people, are important catalysts of social innovation in New Zealand. Collective Māori social institutions, interactions and connections form a nested ecosystem, embedded in pan-Māori contexts and a colonial history. They inform Whānau Ora, a public policy social innovation, and can underpin community responses to crises.

*Anne de Bruin / Christine Read*

## INTRODUCTION

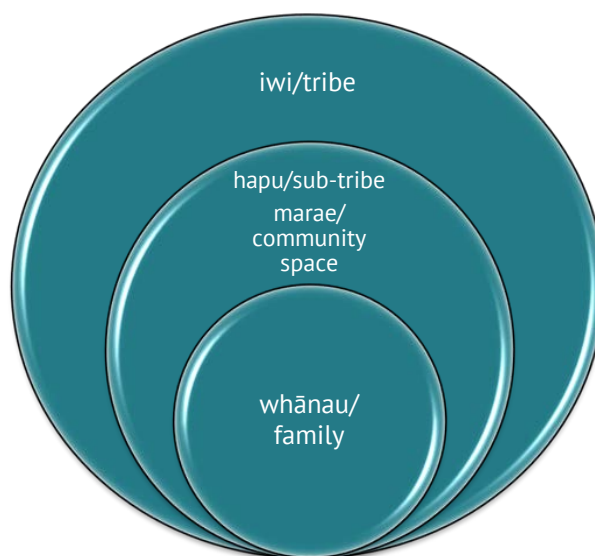
Māori, the indigenous people of New Zealand (NZ), are often framed in deficit discourses of poor health, educational underachievement, high levels of imprisonment and poverty [1]. They comprise a minority population of 15 %, marked by a history of colonisation, primarily by settlers from Britain in the later 19th century, and in contemporary times from diverse sources, contributing to an increasingly multicultural NZ society. Relationships between Māori and settlers are mediated by NZ's foundational document, the Treaty of Waitangi, first signed in 1840, and breached over successive settler generations. Recently, however, Crown (Government) settlements with individual tribes have been a means to redress the economic and social disruptions of Treaty breaches. Growing resources and cultural confidence generated by these settlements form a base for tribal entities to advance wellbeing of their members, economically, socially and culturally, and for the emergence of Māori social innovations. Values embedded in adaptive Māori social institutions, that sustained Māori cultural practices through histories of colonisation, are increasingly providing the basis of social innovation.

We use the Whānau Ora policy, a state response to longstanding, negative outcomes for Māori in economic and social wellbeing, and the response to the Kaikoura Earthquake in the South Island of NZ; to demonstrate that cultural values matter for social innovation.

## MĀORI SOCIAL INSTITUTIONS

The Māori social institutions of whānau (extended family), hapu (sub-tribe) and iwi (tribe) represent the nested

hierarchy of collective relationships [1; 2]. Together with the marae (community space), they constitute the ecosystem that provides the scaffolding of Māori social life.



Nested ecosystem of Māori social institutions

Whānau relationships are emotional but also have a spiritual dimension, explicitly acknowledging connections of ancestors as well as the unborn, through the actions and practices of those living everyday life together in the present [2]. Hapu refers to relationships between extended groups of whānau who share not only ties of ancestry, but also economic, social and political interests and responsibilities. The marae is the space for negotiating these shared connections and responsibilities and as such is the site of transmission of culture [2]. It is both a physical entity and a social institution.

It signifies a collective, place-bound connection and cultural identity, which is enacted through cross-generational participation in shared cultural practices. Iwi are the overarching tribal entities that historically have occupied a geographical area, and have responsibility for the sustainable use of its resources. Iwi relationships are based on a shared history and genealogy that inform its economic, political and social responsibilities to the hapu and whānau living within its boundaries.

Traditional Māori values are based on several principles, including manaakitanga (care and hospitality), rangatiratanga (leadership, autonomy, self-determination), whanaungatanga (kinship ties) and kaitiakitanga (guardianship), encapsulated in a Māori worldview – a way of being and acting. This worldview underpins innovative Māori responses to community challenges. Manaakitanga for instance recognises that respect, care, generosity and hospitality, are necessary qualities for the well-lived collective life. Neither based on an expectation of reciprocity, nor contractually based, they serve to provide a sense of security and wellbeing in their everyday enactment.

## KAIKOURA EARTHQUAKE

In November 2016, a 7.8 magnitude earthquake hit Kaikoura, a town of around 2080 permanent residents and a popular tourist destination. Damage to transport routes isolated the town. Houses were damaged. Water, electricity and sewerage systems were disrupted. Residents and tourists trapped in Kaikoura were largely dependent on their own resources. The challenge of responding to this crisis was taken up by Kaikoura's marae, Takahanga Marae, with support from its iwi, Ngāi Tahu. The marae promptly opened its doors to those in need, providing food, shelter and comfort to the homeless and stranded. It became a distribution centre for supplies and a liaison centre for emergency services. Local whānau and hapu supported those in need, while the Ngāi Tahu iwi drew on experience from the earlier Christchurch earthquakes to provide additional support. Hapu and iwi acted innovatively in using the resources to hand, drawing on traditional expressions of leadership, hospitality and social connection.

Cultural practices centred on the marae, proved eminently adaptable during crisis. Networks of relationships/connections enabled Takahanga Marae to repurpose in the



Whānau Ora Policy [3]

aftermath of the quake. Facilities and skills in accommodating and feeding large numbers on the marae, were repurposed to support a displaced population. Connections to its local community enabled it to coordinate with local government emergency responses, connect to national government and emergency structures and access skills and resources in the wider Kaikoura community. Connections between the marae and a wider iwi leadership structure, with experience in emergency mobilization of community support in the Christchurch quakes, facilitated a transfer of tribal resources. This ecosystem of Māori social institutions, informed by values of manaakitanga, rangatiratanga and whanaungatanga, supported the marae to confidently and innovatively adapt cultural practices to deal with post-quake crisis circumstances. This process enabled the wider, non-Māori population to perceive traditional Māori practices and values as creating a space of possibility for social innovation.

## WHĀNAU ORA

Social innovations based on Māori cultural values, are beginning to address more complex and intransigent problems that have sustained a sense of crisis in Māori economic and social wellbeing. Negative health, education and employment status of many Māori whānau (families) has prompted innovations in social service delivery that encapsulate Māori cultural values. Whānau Ora is one such policy. It focuses on whānau vitality being pivotal for

individual members, collectively and individually, to reach their potential. As the figure on Whānau Ora shows, whānau lies at the core, services are devolved to commissioning agencies who become intermediaries that work with local partners to ensure 'navigators' link with whānau to deliver the customised support and services each whānau needs to achieve wellbeing.

Whānau Ora sits alongside mainstream social services and its navigators assist families find their way through these services when needed. In its focus on whānau as the site of remediation and regeneration, it seeks to impact on the environment in which whānau live. It offers support to build social, cultural, economic and educational resources within the whānau and achieve physical and mental wellbeing. It therefore represents a 'bottom-up' strategy at the whānau level, fostering and supporting better relationships and connections between Māori and state organisations, thereby enhancing the wellbeing and empowerment of Māori in NZ society.

## CONCLUSION

Social institutions of Māori life form an adaptive ecosystem of interrelationships, interactions and influence located in both place and history. This ecosystem, underpinned by cultural values, is increasingly an integral facet of social innovation in NZ. Culture matters! It is a source of community resilience in crisis times and has potential to effect transformational social change through policy innovation.

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# 03/

## SOCIAL INNOVATION IN POLICY FIELDS

The articles in this chapter illustrate the strengths and potential of Social Innovation in the manifold areas of social integration through education, employment and poverty reduction. The chapter also discusses establishing sustainable patterns of consumption in areas like energy supply, mobility and environment, and in coping with health challenges under conditions of demographic change. The economic and political crises of the past years have taught us that growth needs to be inclusive. Social integration, equal opportunity, but also the future sustainability of society as a whole, can only be fostered by allowing social innovations to gain more importance and relevance.

Social Innovation, in this sense, focuses on changing social practices to overcome societal challenges, meeting social demands, and exploiting inherent opportunities in better ways than done before, referring to the different context specificities. The high diversity of Social Innovation is reflected by the variety of initiatives and their fields of action.

# CREATING SPACES FOR INNOVATIONS IN EDUCATION AND LIFELONG LEARNING

Social Innovations within Education and Lifelong Learning are still under value, their potential has to be unlocked!

*Antonius Schröder / Alexandra David / Ileana Hamburg*

The transition from an industrial to a knowledge-based society and constant technological and societal change is challenging Education and Lifelong Learning (E&LLL), demanding more and more short-termed and new structural answers. Beneath different approaches to modernise and improve E&LLL, Social Innovation is becoming prominent in policy, scientific and public debates globally.

## INCREASING IMPORTANCE AND UNDEVELOPED POTENTIAL OF SOCIAL INNOVATION

The policy field of Education and Lifelong Learning is characterised by different national education systems, differing sometimes across the regions of a country and divided into separated regional or area related responsibilities. While the formal (primary, secondary and tertiary) education system mainly is centralised, Vocational Education and Training (VET), as well as Lifelong Learning

**New social practices in Education and Lifelong Learning are developed in an incremental way, mostly in relation to the formal education systems, its structures, frameworks and policies – serving local demands and using leeway on the regional/local level.**

(LLL) of adults, are mainly decentralized (local municipalities and/or industry sector related). Although there are a growing number of social innovation initiatives in Education and Lifelong Learning a lot of initiatives are not labeled as such. A comparison across global regions

demonstrates that policy visibility, awareness, recognition and acceptance of the Social Innovation concept still need to be fostered. This would lead to the need to unlock the quantitative (in terms of numbers of initiatives, diffusion and imitation) and qualitative (in terms of success and impact) potential of Social Innovation in Education and Lifelong Learning.

Yet, there is already a great variety of social innovations, mostly related to gaps and failures of the formal education system. The context of social innovations is characterised by the dominance of the (*formal*) education system, affecting tangential societal *function systems* (such as politics, law, and economy), different target groups and *subject areas* (disadvantaged groups, family, employment, rural areas, etc.) and substantive *concepts of reference* (e.g. self-actualisation, individual learner personality).

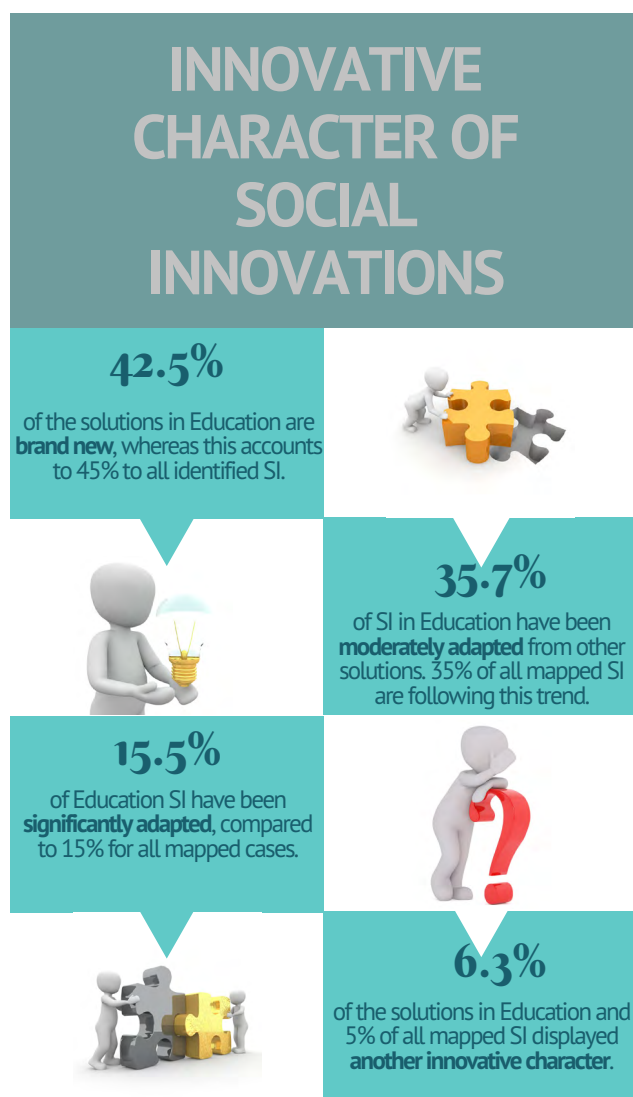
New social practices in Education and Lifelong Learning are developed in an incremental way, mostly in relation to the formal education systems, its structures, frameworks and policies – serving local demands and using leeway on the regional/local level. The main motivations, triggers and drivers mentioned in the global mapping of SI-DRIVE have been (local) social demands and (general) societal challenges, individuals/groups/networks and, not to forget, charismatic leadership. About half of the initiatives are intending a systemic change. Brand new practices appear as well as the copying of new solutions with modifications.

## SOCIAL INNOVATIONS ARE DRIVEN BY DEFICITS AND LIMITATIONS OF THE EDUCATION SYSTEM

Social innovations are often identifying and solving the deficits and limitations of the education system. A lack of official solutions or programmes for the problem at hand

All in all, social innovations in Education and Lifelong Learning reveal an ongoing paradigm shift from an institutional to a learners' perspective, leading to a holistic approach: from top-down to bottom-up.

is the main starting point. While knowledge about the impacts and recommended routes of reform (from, for example, the PISA and PIAAC studies, labour economics and also education sciences with an increasingly comparative focus) is widely spread, the institutionally dense education systems with their often interlocked regional, national and federal state-level responsibilities have strong path dependencies and vested interests that encourage the development of *rather compensatory than transformative* social innovations.



Innovative character of solutions in Education and Lifelong Learning compared to all mapped social innovations

## PARADIGM SHIFT TO A HOLISTIC APPROACH OF LIFELONG LEARNING

All in all, social innovations in Education and Lifelong Learning reveal an ongoing paradigm shift from an institutional to a learners' perspective, leading to a holistic approach: from top-down to bottom-up as well as from teacher to learner-centred approaches, based on a comprehensive understanding of learning and a need to offering milieu specific solutions. In fact, the holistic approach adopted by social innovators can be considered the legitimation for social innovators as they work distinct from the formal system.

*Combining Social Innovation with the Lifelong Learning strategy*, the individual personality of learners and the learning process (not just learning phases or punctual activities) have to be the starting and reference point for every learning environment. On the one hand this leads to the already described holistic approach of social innovations with a comprehensive understanding of learning (taking into account all areas and forms of learning and competences) and the learners personality, environment (e.g. family learning history) and biographical (learning) history. On the other hand this comprises a *paradigm shift from an institutional perspective to a strict learner's and learning process perspective*, enforcing new overall and comprehensive structural principles within the education system and beyond. The reconstruction and partly new construction of traditional structures of education are necessary, building up a Lifelong Learning system instead of innovating only within the borders of (formal and separated) educational institutions and areas, arranging Lifelong Learning possibilities in a more flexible way, especially at the local level.

## NEW GOVERNMENT STRUCTURES NEEDED: ECOSYSTEM OF SOCIAL INNOVATION

Individual engagement, charismatic leadership and communities of practice as drivers of Social Innovation have to be embedded in collaborative governance structure to deal with the multifaceted problems and solutions in a holistic way. Aiming at enriching the top-down governance with a bottom-up perspective social innovations need a development of given structures *from fragmentation* (with separate rationalities and target-orientations, different public responsibilities) *to overarching and connected governance structures*. New governance structures should improve collaboration beyond, across and within the silos and focus on the learners' demands instead of an institutional perspective.

However, an *innovation friendly environment* is important, fostering collaboration between different sectors (e.g. through the implementation of networks as platforms to

learn, exchange knowledge and expand the solution), between research and practice, and guaranteeing the availability of seed funds specialised to support practical experimentation and new forms of learning. This also includes an extended role of universities: knowledge provision and exchange, evaluation, new ideas, process moderation, advocacy for Social Innovation, technological development to support learning possibilities and access, and others.

## CONCLUSIONS

Based on the empirical results of SI-DRIVE, the concept and implementation of Social Innovation in Education and Lifelong Learning should be fostered intensively. To conclude, policy has to:

- Unfold the potential of Social Innovation by improving acceptance, understanding and visibility of the concept of Social Innovation
- Set-up new governance structures and promoting an education social innovation ecosystem
- Provide more flexibility, leeway for (bottom-up) innovation, for new forms of formal, non-formal and informal learning, compatibility of social innovations with the education system
- Take over a new role, fostering Social Innovation and its impact, not only by funding, stimulating and unlocking Social Innovation but also by coordinating and integrating them in the existing system, giving leeway or changing the education and lifelong learning system if necessary
- Take into account variety and regional, local differences
- Focus on the holistic and cross-sectoral approach, taking the Lifelong Learning strategy and concept serious, focusing on the learner's perspective: "Solutions for the learners and with the learners".

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# LINKING PRACTICE FIELDS OF SOCIAL INNOVATIONS IN THE DOMAIN OF EMPLOYMENT

Social innovations in Employment are scattered. If social innovations want to achieve sustainable, social changes, they require integration to create more coherent 'social innovation of employment'.

*Peter Oeij / Steven Dhondt / Wouter van der Torre*

## SCATTERED FIELD OF SOCIAL INNOVATION IN EMPLOYMENT

Reducing unemployment is the major social change goal in Employment. Labour market institutions regulate unemployment. Rules and regulations guide employers to create jobs. Despite these institutions and regulations, unemployment remains high. Specific labour market target groups have great difficulty to acquire paid work or meaningful (unpaid) labour market experiences, e.g., elderly workers, migrants, handicapped people, women and young persons. Due to expenditure cuttings, labour market

Room has been created for social innovation initiatives and even though the ambitions of these initiatives are high, in practice they remain scattered and isolated.

institutions have scaled back their support efforts, as for instance schooling and training, or wage subsidies for employers. Room has been created for social innovation initiatives and even though the ambitions of these initiatives are high, in practice they remain scattered and isolated. If these social innovations are to achieve social changes, i.e., sustainable employment, they require integration.

The global mapping of social innovation of Employment resulted in 136 identified cases [1]. Analysing all cases lead to three practice fields, namely *youth unemployment* (& other vulnerable groups), *social entrepreneurship* (& self-creating opportunities), and *workplace innovation* (& working conditions). The Policy Brief [2], which reports about the case study research (based on a selection of ten out of these 136 cases), revealed that *youth employment* is strongly related to

traditional policy making and employment organisations that already were in place before the term social innovation was getting into vogue. Social innovation initiatives face an uphill battle. They seem hardly able to contest the role and responsibility of public policy and the state. The initiatives are limited in nature. Initiators, such as foundations and individuals, for example, organize training and opportunities for target groups to acquire job experience. They are often funded by local or international programmes, however, their sustainability and upscaling is limited once this funding or program support ends.

*Social entrepreneurship* is represented by individuals or organisations which use a profit driven initiative to combat a social issue, i.e. by helping others in creating jobs or training persons to enhance their competencies. These initiatives are sustainable for as long as the business case of their social innovation is economically viable. In

practice, upscaling is not likely to occur. However, social entrepreneurship and self-creating opportunities seem to become a new normal for participants: platforms and the Internet offer a low threshold for start-ups. Apart from funding start-ups and providing expertise and training for entrepreneurs, public policy plays a limited role.

*Workplace innovation* and working conditions differ from the earlier two practice fields, and remain mostly an affair at the level of organisations, of employers and employees. Therefore, it is rarely an issue for employment policymakers and employment organisations. Workplace innovation is initiated by organisations in order to improve their performance and their job quality; engagement and involvement of employees is crucial for success. Improving working conditions is a related topic, often driven by legal obligations to at least guarantee minimum levels of proper working environments.

Sustainability of work, in the case of workplace innovation, is rather positive because employees, and often unions or work councils, participate in their implementation. Scaling is however not in the interest of individual organisations and competition between organisations can be a barrier for cooperation.

Social innovation in Employment has a paradoxical relation with public bodies. The analysis of the practice fields youth employment and social entrepreneurship suggests a shifting responsibility of social security tasks from public policy to private and civilian initiatives; contrary to these two practice fields, the initiative for workplace innovation came from work organisations and not public bodies. At the same time, social innovations cannot escape public intervention. Analysis at a higher

Apart from 'traditional' employment issues, new challenges emerge on European labour markets as a consequence of new technologies, impacting economies and jobs.

level, the *comparative analysis* of the 136 cases [1], reveals a dominant role for public bodies. It appears that people ('individuals, networks and groups') are the main driver to lift off social innovation initiatives. But in order to sustain and scale up, these initiatives lack institutions and a solid eco-system, as youth employment remains entangled in

'old institutions', social entrepreneurship is mainly driven by charismatic go-getters, and workplace innovation solutions are kept hidden behind company walls for the sake of market competition.

### SOCIAL INNOVATION AND POLICY: HOW TO INTEGRATE THE PRACTICE FIELDS TO TRIGGER SOCIAL CHANGE?

If sustainable employment is the main social change goal, then support from policy is necessary to integrate the isolated initiatives. While unemployment figures dropped significantly since the economic recovery after 2015, the employment chances for vulnerable groups are still precarious, such as the persistent high youth unemployment

in Southern and Eastern Europe. Apart from 'traditional' employment issues, new challenges emerge on European labour markets as a consequence of new technologies, impacting economies and jobs. Whilst new technologies offer opportunities for jobs, e.g. in the IT branch, there is also a threat that digitisation, robotics and automation

may eliminate jobs of lower and middle skilled employees. The challenge for social innovation is not only to formulate answers against the loss of the quantity of jobs, but also to respond to the loss of the quality of jobs, as technological innovation result in 'digital Taylorisation' of jobs.

Workplace innovation measures/ activities at organisational level ...	... affecting social innovation at societal level will enable ...
- design autonomy and learning opportunities into the work of teams and jobs, and organise for more self-managing behaviour	- entrepreneurial and intrapreneurial behaviour good for business and employability; reduces employment risks
- open and transparent and non-ambiguous communication	- feeling heard, experiencing trust and stimulate non-defensive dialogue; results in better problem solving
- time, space and resources for learning and experimentation	- stimulates creating ideas and accepting to make mistakes; results in innovative behaviour
- supportive leadership and genuine care for others	- the reduction of power play and conflict, and result in trust and respect
- a certain level of job security, and honest rewarding/fair pay	- a sense of belonging and enhance social cohesion and better inter-relationships
- constructive labour relations, employment relations and industrial relations	- a business orientation based on common goals and cooperation

Integration is key to overcome the disparate nature of social innovations in Employment. The integration of the three practice fields into one coherent chain of 'social innovation of employment' requires the alignment of labour market and education activities of governmental bodies, training and experience-building goals of social entrepreneurs, and the human resources management activities of employers that are targeting employee engagement (i.e. workplace innovation). Furthermore, the separate social innovation initiatives must be connected through knowledge sharing and linking stakeholders. The needed commonality regards the three fields is in the first place to acknowledge more prominent roles for job seekers, trainees/interns and employees, which point to the importance of bottom up governance approaches. This means that target groups are provided a say in their deployment. In the second place, actors should recognize that there is a chain, between labour market entrance, improving the employability of labour market participants, and internal and external labour mobility in companies and organisations: the appropriate terminology is lifelong employability or lifelong careers. Thinking in chains would for example link social innovation with workplace innovation ('social innovation in the workplace'), as in the table [3].

## CONCLUSION

Overall, we observe that social innovation initiatives remain unconnected to create critical mass for sustainable change in employment. To enhance sustainable employment for target groups, policy makers need to conceptualize an integrative view on social innovation in employment including all stakeholders. To overcome isolation and stimulate upscaling such an integrative approach could align social innovation initiatives with existing activities and policies in the domain of employment, human resources, and training and education, at the level of work organisations, labour market institutions as well as individuals and their communities.

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# SOCIAL INNOVATION WITH ENVIRONMENTAL IMPACT: CURRENT AND FUTURE CHALLENGES

In the future, social innovation in Environment is seen to have an even stronger role in enabling positive changes in behavior and often they have an explicitly local role. However, it is also the ambition of many social innovation initiatives in Environment to bring new solutions to environmental problems in providing a local context to often global environmental problems.

*Doris Schartinger*

## ENVIRONMENTAL CHALLENGES AND SOCIAL INNOVATION

Detrimental environmental impact can take a multitude of forms, many of these, like the deterioration of oceans and marine habitats, the stratosphere or rainforests, cannot be felt everyday by individuals on a local level. However, these areas of the environment are influenced by the everyday behavior of individuals on a local level which is often motivated by short-term profit thinking and an emphasis on individual over social benefits (tragedy of the commons).

It is the ambition of many social innovation (SI) initiatives to bring new solutions to environmental problems in providing a local context to often global environmental

These areas of the environment are influenced by the everyday behavior of individuals on a local level which is often motivated by short-term profit thinking and an emphasis on individual over social benefits.

problems. SI in the area of Environment combines at least social and environmental goals. However, it seems a particularity of the area that many SIs add economic goals as well (see figure on the goals of SI in environment and below).

A more sustainable economy is a major issue in SI in the area of Environment. This is hinged to more sustainable production chains, to all aspects of the circular economy (i.e. long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling) and to consumer patterns and consumer choice. The strong dependence on consumer choice entails increased awareness of (un)sustainable behavior and puts emphasis on citizens' engagement and inclusion more generally. Manifold challenges in the areas of environmental and climate policy are currently addressed at different levels – national, EU and global; and focus on e.g. climate change, air pollution, energy efficiency, resource efficiency and sustainable consumption & production, biodiversity, or water management and water pollution [1].

<b>Environmental goals</b>	<ul style="list-style-type: none"> <li>❖ Reduce waste</li> <li>❖ Repair items</li> <li>❖ Spare food</li> </ul>
<b>Social goals</b>	<ul style="list-style-type: none"> <li>❖ Integrate homeless</li> <li>❖ Engage rural populations</li> <li>❖ Employ jobless</li> </ul>
<b>Economic goals</b>	<ul style="list-style-type: none"> <li>❖ Start a business</li> <li>❖ Survive on the market</li> <li>❖ Grow in size</li> </ul>

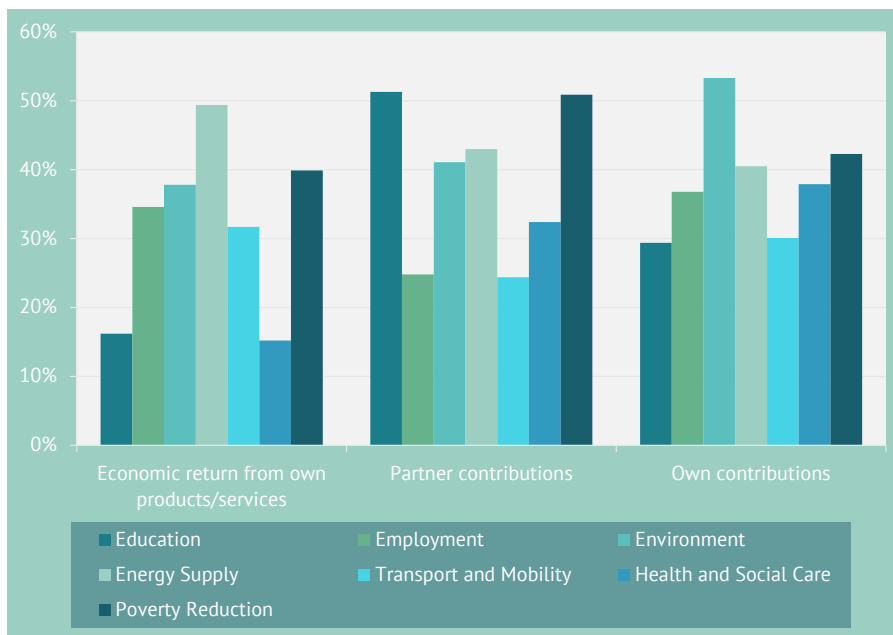




## FUNDING CHALLENGES

In Environment, many initiatives rely on private companies. This seems a “special feature” of all three sustainability related areas, i.e. Environment, Energy Supply and Transport and Mobility. The strong involvement of private companies as actors in the SI initiatives in Environment also explains the prominent role of economic returns from own products and services in the funding of these SI initiatives. In general, internal funding through own contributions are most relevant for environmental initiatives (53%), followed by partner contributions (see figure on the main sources of funding).

As many SI initiatives actually add a third set of goals – economic goals – to their predefined social and environmental goals, latent demand becomes a critical factor. The supply of environmentally motivated, innovative social services often starts without actual estimates of markets, customers, or demand. Initiators of the SI initiatives perceive a tension or societal challenge, often kickstarted by statistics or personal experiences, and they do not have in advance knowledge if their business ideas sell. Successful SIs are those where demand “pops up” as soon as service offerings take concrete form. Thus, SI initiatives have an important role as they provide real feasible alternatives to the existing ways of doing things. But they face additional challenges in coping with economic goals as well.



Main sources of funding of SIs in Environment

## POLICY CHALLENGES

In the policy field of Environment, relations to policy are not one-directional [3].

On the one hand, there is impact from policy on SI. SI initiatives do receive active public support, be it in the form of financing through public programs or buy-ins through politicians. On the other hand, SI initiatives in Environment often develop because they want to have an impact on policy, or compensate for missing policy – social innovators want to influence policy. Here, policy change is in focus and policy is seen as the arena to achieve change. And a third connection to policy is that some social innovators desire explicit measures to support SI initiatives, e.g. more favorable fiscal and legal conditions for SIs to be implemented.

## CONCLUSION – THE FUTURE ROLE OF SOCIAL INNOVATION IN ENVIRONMENT

The future of SI is very much seen as a bridge between society and government, where governments are in a (governance) crisis and prone to populism. They may provide feasible alternatives to incumbent practices in matching hidden supply and demand (e.g. repair, food waste). Thus, in the future SI is seen to have an even

stronger role in enabling positive changes in behavior and often they have an explicitly local role. However, there is also a fear expressed by many social innovators that the increase of SI is connected to a withdrawal of governments’ responsibilities (austerity policies).

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# SOCIAL INNOVATION IN MOBILITY AND TRANSPORT

This article is based on research of the work package on social innovation in mobility and transport of the EU-funded SI-DRIVE project and highlights the most important findings. A detailed elaboration of social innovations in mobility and transport are discussed in the final report of the working package [1].

*Anna Butzin / Maria Rabadjieva*

## INTRODUCTION

Social innovation initiatives for alternative mobility flourish. Surely, the most prominent example is car sharing, which is diffusing all over the world in diverse forms. However, there are many more ideas around: walking school busses, citizen initiated public transport, the critical mass movement, car-sharing, etc. Some of these are well known, while others are not. Within the work package “social innovation in mobility and transport” of the EU-funded SI-DRIVE project, we grouped these different solutions into three clusters (see figure on practice fields). The clusters are characterised by similar practice fields of social innovation, understood as more general focus areas, or bundles, of social innovation initiatives.

The cluster on green mobility and transport includes practice fields of social innovation fostering co-modality, e.g. through sharing initiatives implementing new practices related to usership rather than ownership. It also includes social innovation facilitating the use of electric mobility and multi-modality, i.e. the use of different transport modes on the same trip.

Many social innovation initiatives are based on slow transportation. There are no instances of striving for high-speed transport or long-distance trips. Instead, projects use walking or cycling as their starting point and strive to integrate them into daily activities. As a consequence, slow mobility has a strong local emphasis.

There is also a considerable inclusiveness/access dimension assigned to social innovation in mobility and transport to establish or increase access to basic needs fulfilment and societal life. These practice fields address the needs of people with reduced mobility, address new transport possibilities realised by citizen initiated public transport, gender sensitive transportation, etc.

The commonality among all these practice fields is engagement of actors different from those of the traditional mobility and transport system. The motivation of actors within these initiatives is to realise their idea of innovative mobility and to address the social problems of the immediate or wider environment by offering mobility solutions. Little is known about these initiatives in terms of actor constellations and roles, drivers and barriers, and the dynamics related to the innovation process. Based on this background, this article aims to characterise the initiatives as they relate to involved actors and financing, and to draw conclusions for policy making.

## SPECIFICS OF SOCIAL INNOVATION IN MOBILITY AND TRANSPORT

Quantitative data of 128 social innovation initiatives in mobility and transport were compared against data of 877 social innovation initiatives in other SI-DRIVE policy fields. Accordingly, four major distinctions were found to characterise the social innovation initiatives in mobility: the initiatives often have strong economic relevance; a volunteer workforce is still a crucial asset; policy plays an influential role as a driver; and technology is a central complementary factor. This is summarised in the following [1] [2].

**Economic relevance.** The initiatives include a strong economic dimension. The most commonly engaged actors are public bodies, private companies, and NGOs (see figure on the economic relevance). Different mobility icons have been used throughout the figures of this article to underline the variety of mobility and transportation initiatives). Many of these actors have not been involved professionally in the mobility and transport system before. Private companies are especially actively engaged in mobility and transport initiatives as compared to all other cases studied in SI-DRIVE (47% against 45% and 42% against 36%). There is economic interest for example in many car and bike sharing initiatives, but many

companies are also engaged in smart working and smart commuting approaches as part of their corporate social responsibility strategies. Another difference is the low engagement of NGOs compared to all the other studied SI-DRIVE cases (29% against 49%). Economic return from own investments is the most important financial source, directly followed by national public funding and own contributions from members of the initiatives. Philanthropic capital, foundations, and different kinds of donations play only a marginal role in financing mobility and transport initiatives, which is a striking difference to the other SI-DRIVE cases.

However, **volunteers** play a crucial role in mobility and transport initiatives and the average number of volunteers involved in mobility and transport initiatives is much higher than in the other policy fields [3]. The reason is globally distributed networks of people engaged voluntarily in specific initiatives.

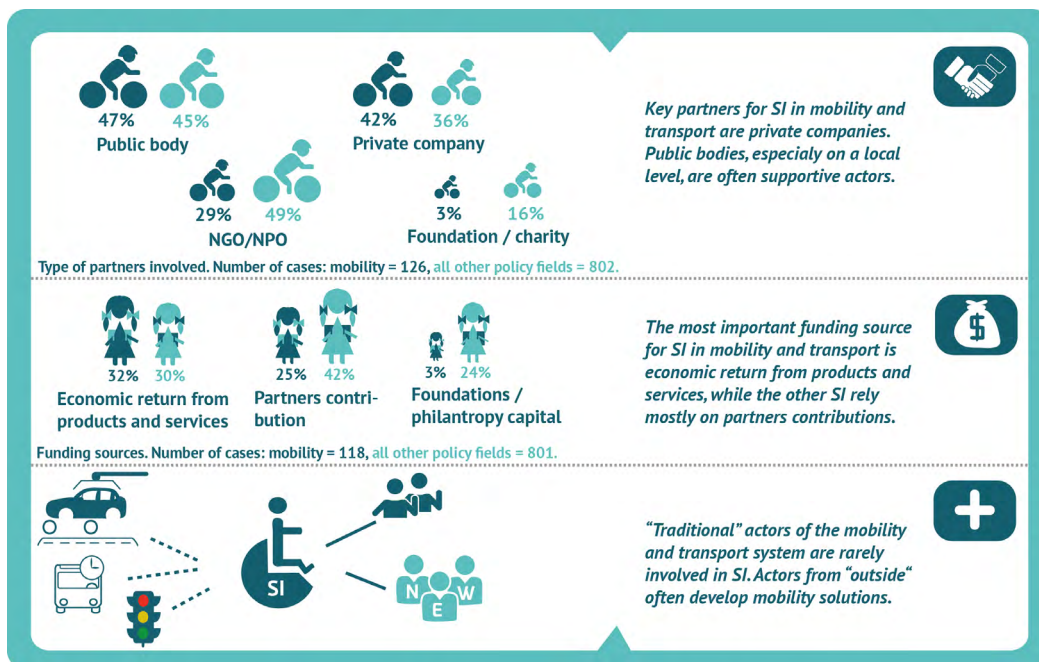
**Importance of politics.** Political strategies are a driver in 24% of the mobility initiatives, compared to only 6% in all other cases. Especially in the implementation phase, actors of the initiatives often interact with public bodies. Nevertheless, there are differences between the political levels (see figure on the importance of politics). Local policy often supports local social innovation initiatives. With some exceptions, many initiatives remain unnoticed when it comes to national policy.

**Technology as a complementary factor.**

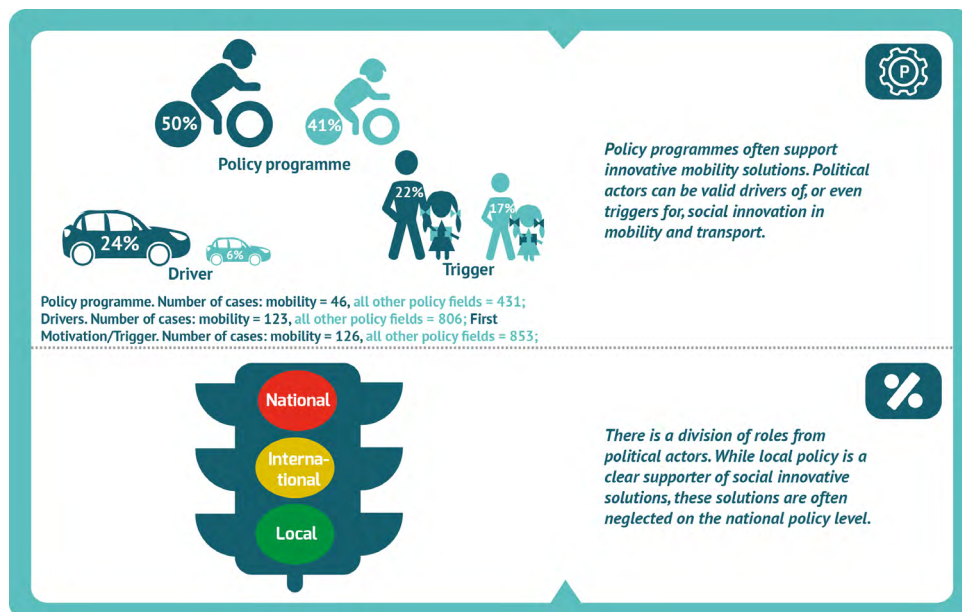
Technology is a substantial part of the social innovative initiatives in most practice fields [1, p. 15ff]. ICT and internet-based services are cross-cutting themes for mobility initiatives, technological solutions such as GPS tracking, electrical vehicles, on-board computers for car-sharing vehicles, computation in wheelchair delivery systems, and other technological features contribute to acceptance, growth, and spread of the initiatives (see figure on technology) Technology may not always be the first incentive or trigger for starting an initiative, but it plays a complementary role and has, in some cases, even made it possible to spread a solution across the globe (e.g. car-sharing and carpooling).



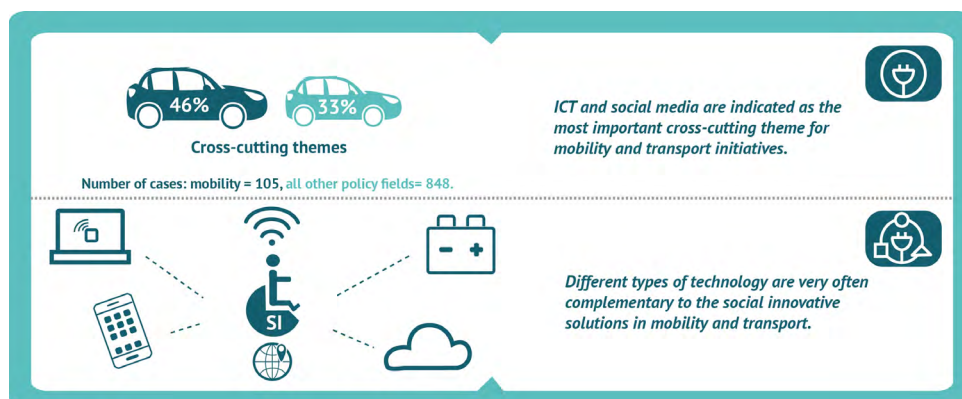
Practice fields in mobility and transport



Economic relevance of social innovation in mobility and transport. Empirical data from Butzin & Rabadjieva [2].



Importance of politics. Empirical data from Butzin et al. [1]



Technology in mobility SI. Empirical data from Butzin et al. [1]

## CONCLUSION

The support of social innovation initiatives as a driver for change in the mobility and transport system implies support from different kinds of actors. The understanding of mobility and transport actors needs to be broadened and go beyond the established sectoral boundaries to spread the many ideas developed in social innovation initiatives.

It is one of the central challenges of the European mobility and transport system to realize the potential of merging technological solutions and new social practices. First successful attempts underline the scope of possibilities: the practice of car-sharing is continuously further developing in light of solutions provided by smartphones and apps

(one-way car-sharing), and technologies of intelligent transport systems increasingly include human decision-making and behaviour to achieve higher efficiency. A massive change in power structures and re-orientation strategies are related to these latest developments. For example, does car-sharing heavily affect the business model of many established car manufacturers?

Furthermore, social innovation can be supported by creating incentives for companies, schools, and other actors to use alternative transport modes. There are many approaches fostering alternative transport modes that need be better communicated to be spread more broadly. Local decision makers can actively promote the spread of social innovation by engaging in the implementation of ideas in their municipalities that have originally been developed elsewhere.

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# FACTORS SHAPING SOCIAL INNOVATION IN ENERGY

In the energy domain, social innovation initiatives can help speed up the transition towards a sustainable energy system. However, their impact on this overall goal depends on the format of the social innovations and the amount of initiatives which are in place. This is in turn strongly shaped by factors which vary between countries and which are discussed in this article.

*Merel Ooms / Annelies Huygen / Wolfram Rhomberg*

## INTRODUCTION

There is a growing consensus around the world that social innovation (SI) can help address societal challenges in various domains. In the domain of energy, there are many of these challenges to overcome. For environmental reasons, a transition towards a renewable energy system needs to be made. SI initiatives such as energy cooperatives or other collaborations of consumers, businesses and governments can help to speed up this transition. During the SI-DRIVE project it became clear that the format and amount of SI initiatives differ widely between countries. In order to be able to understand how SI can lead to social change, it is important to know the factors shaping it. By addressing these factors, it is possible to create an environment in which SI can flourish.

This article is based on several research activities by the partners in the project. References to these reports are given at the end of this article. The factors presented are recognised and validated by the experts involved in the project as influencing SI.

## FACTORS SHAPING SOCIAL INNOVATION IN THE ENERGY DOMAIN

A first factor shaping SI in the energy domain is the geography and the natural resources of a country. Some countries have indigenous fossil energy resources (such as the Netherlands, Poland and Romania) which reduce the incentive for sustainable energy and therefore SI. Other countries have excellent conditions for production of sustainable energy such as wind power (Denmark), hydro power (Sweden and Austria) or even tidal power (United Kingdom and Ireland). Following this, SI initiatives develop which use these conditions.

As a starting point for SI, the existing energy system, or status quo, differs in every country and influences SI. In France and Belgium, for instance, there are large capacities of nuclear energy. As these are already in place, the costs of abandoning them make it more difficult to stop using them. Existing production facilities can therefore hamper the growth of SI and other initiatives for sustainable production. However, this is also a political choice. In the case of Germany the existence of nuclear energy production facilities strengthened the wish to find sustainable (local) alternatives.

*In order to create space for SI and consumers in general, most legal systems have to change significantly.*

A related factor is the energy policy in a country. Each EU Member State chooses its own particular way of implementing EU-targets on CO<sub>2</sub>-reductions. Policies and the attention for SI therefore differ between the Member States. The research showed that non-coherent or unstable energy policy hinders the growth of SI. On the other side of the spectrum, funding and public support programmes stimulate the growth of SI. Other stimulating measures are removing administrative barriers and offering institutional support. Another difference is that there are countries such as Denmark and Austria where local governments cooperate directly with SI initiatives and countries with more hierarchical, central governance and less cooperation.

The legal system of a country influences the scope of action for SI. Traditionally, the legal systems of the Member States incorporated regulations designed for top down energy systems with large players and rather passive consumers. In order to create space for SI and consumers in general, most legal systems have to change significantly. An example is that active consumers (so-called prosumers)



should be able to supply energy directly to others. However, for instance in the Netherlands, this is not yet possible.

Another factor is the structure of the energy market. The energy markets of all EU Member States were liberalised following EU directives. These introduced competition into markets which were previously mostly governed by public monopolies. In a liberalised energy market, small enterprises and citizens are given the same opportunities to enter the market as the incumbents. From the results of the project it can be derived that SI flourishes more in countries with a stronger degree of liberalisation. In those countries barriers to enter the market are removed and it has led to the emergence of new market players such as SI initiatives. In other countries incumbents are still dominant, which makes it difficult for new players to enter the market.

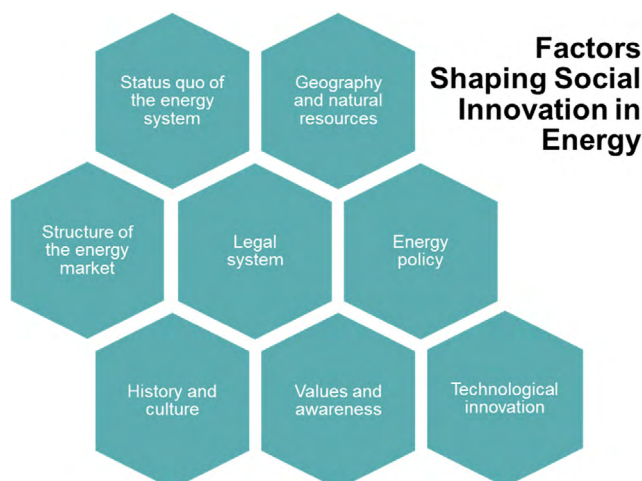
The history and culture of a country also influence SI. For historical reasons, in some Eastern European countries, trust among citizens and between citizens and government is rather low and cooperatives have a negative connotation. Because of that, energy cooperatives are less likely to develop there. In Denmark however, local cooperatives are historically and culturally embedded and are therefore an important part of the renewable energy system. Also the activities of initiatives are determined by history and culture. In countries, for instance, where families play a central role in society, it is more likely that initiatives will be directed at families.

Related factors of influence are the general values of people concerning sustainability and awareness of this topic. In some countries, citizens have strong positive values regarding sustainability and high awareness. This can stimulate the growth of SI since there will be more potential starters and followers of initiatives. Specific values which can foster SI are also the appreciation of local communities and active citizenship.

A last important factor stimulating SI in a country is technological innovation in renewable energy generation options, including solutions which allow small scale production and stimulate energy efficiency. When these technologies are available in a country, small-scale initiatives have the ability to produce energy, which is crucial for the development of SI. In countries with higher availability of the latest technology, also more initiatives will develop which make use of these technologies. Additionally, SI initiatives can grow and diffuse when these technologies are affordable and attractive business cases can be developed.

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Eight distinct factors shaping Social Innovation in Energy

## FACTORS IN CASE STUDIES

The SI initiatives studied in the project all reflect, to a certain extent, the way these factors take shape in a country. In this paragraph we provide some examples. In the case 'Energy Lady and Energy Kid' in Turkey, for instance, women and children are provided with knowledge on how to save energy. This shows that there seems to be a lack of awareness, and that families play a central role in society. The case 'GoiEner' in Spain is an energy cooperative which is started in a liberalised market, and is using the latest technologies for producing renewable energy. Lastly, the case 'Model Region Thayaland' in Austria is an example of cooperation between the local government, businesses and citizens who strive to become more self-sufficient in their energy production. This reflects trust in each other and the ambitious goals reflect high values and awareness concerning sustainability.

## CONCLUSION

The landscape of SI in energy is very diverse. Examples are energy collectives producing sustainable energy together, initiatives to raise awareness of the importance of energy saving or governments setting up programmes to collaborate with businesses and civil society to reach local goals. The format and amount of initiatives varies between countries, which is determined to a large extent by the national, regional and local context. The factors presented in this article play an overall role in different countries. By adjusting these factors, it is possible to improve the conditions for SI.

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# DISRUPTING CULTURES FOR HEALTH AND SOCIAL CARE INNOVATION

Despite the institutionalised nature of the health and social care sector, which may be a challenge to innovation, social innovation is seen to be growing. This impact can be further increased through relationships and partnerships which challenge the conventional cultures and values of the sector.

*Charlotte Heales*

## HEALTH AND SOCIAL CARE: INSTITUTIONALISATION AND INNOVATION

Social innovation in health and social care is a growing field. Some examples of innovations include:

- i) 'Physical Activity on Prescription' where patients and health and social care personnel are made aware of and are encouraged to consider physical activity as a complement and/or priority measure
- ii) 'Smart Elderly Care' where elderly people can phone a centre and their calls are being answered by staff who use an online platform to put out a call for assistance and
- iii) 'Dementia Adventure' which provides training and consultancy in the provision of carefully designed holidays or trips for people with dementia and their carers. Health and social care is a highly institutionalised sector and this can present challenges for social innovation. We argue that to have impact, social innovators must leverage relationships and bring together actors in order to meet and/or overcome the social values, demands and expectations which define how health and social care contexts operate.

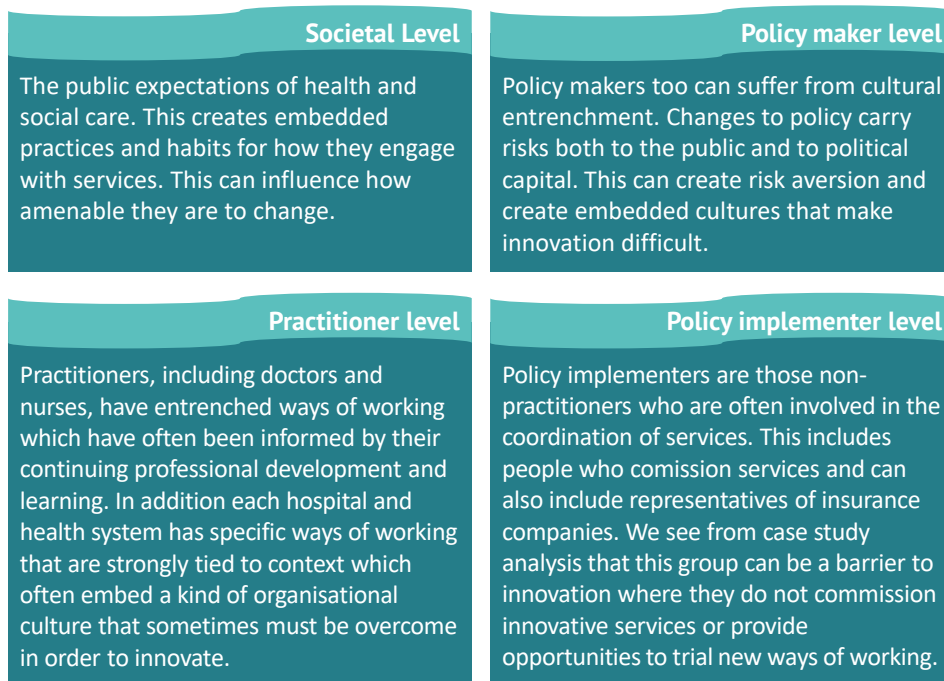
The work of the SI DRIVE project has revealed the strong role that charismatic leaders play in disrupting the entrenched cultures of health and social care and initiating innovation. During the case study analysis, it was found that across practice fields and countries, initiatives were often reliant – particularly in their early stages – on a committed individual with great personal motivation to create change. However, it was also found that these individuals were not able to drive change alone. One of their greatest skills was in convening collaboration, either formal or informal, between different types of actors.

Health and social care is a field which frequently demonstrates high levels of medical and technological innovation. The incorporation of new approaches and learning often occurs across countries, driven by the internationalism of much of the professional community, by the desire for systems to learn from each other, by the expectations of patients for the latest technologies, and by companies which look to sell their – often medicalised – solutions into the global market place for competitive advantage.

However, some social innovations, with their focus on changing relationships and practices, appear to face more barriers to absorption and this appears to be strongly related to the 'social' nature of social innovation. If we look to socially innovative approaches such as 'integrated care', we can see a clear degree to which an approach which has the potential to yield positive outcomes for patients has been difficult to implement because it requires disruption to existing professional relationships and pathways. SI-DRIVE's case study analysis and policy and foresight workshops have indicated the extent to which cultural change is frequently necessary in order to build socially innovative approaches.

## DISRUPTING CULTURES

Innovation in health and social care often relies upon practitioners reacting to situations in ways that are tried and tested. The levels of accountability in health and social care mean that risk aversion can be a pervasive force within this policy field, creating a culture where change can be difficult to implement. In addition, the routinised processes of health and social care and social expectations around their provision can also contribute to a kind of cultural calcification. This cultural embeddedness can be conceived



Levels of cultural embeddedness

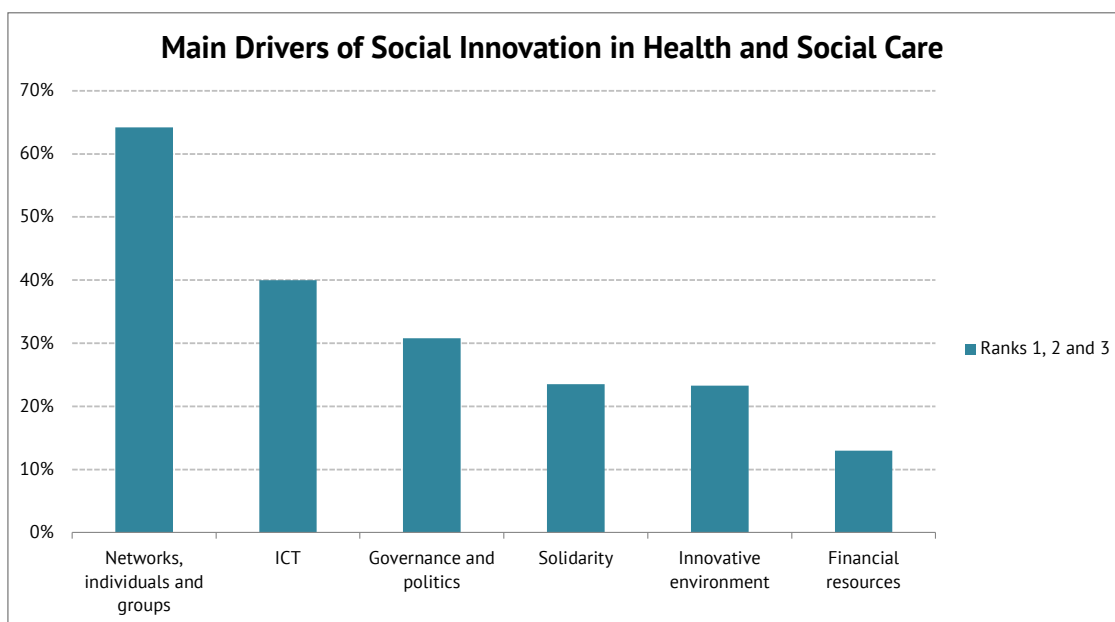
of as occurring at four levels (see figure on the levels of cultural embeddedness).

Culture creates particular and deep-rooted pathways for action which can be difficult for innovators to overcome.

The example of DocReady offers insight into how social innovation can help to circumvent this. The intervention recognised that young people with mental health problems frequently do not receive the help that they need because they often find it difficult to talk about their feelings in a way that doctors understand. Instead of changing the way doctors interact with their patients, the app looks to change the ways

young people talk about their feelings with doctors, making it easier for them to diagnose. Recognising the difficulty in overcoming the routinised processes of diagnosis, the app decides instead to work in a different space.

However, it is not always possible to work around culture. Sometimes it must be worked with. Our empirical work as part of the SI-DRIVE project demonstrates the ways in which key actors, collaborations and partnerships can be a mechanism for overcoming this barrier. Through the charismatic leadership of key individuals and the partnership of diverse stakeholders, it is possible to disrupt existing pathways to action, creating new ways of providing care.



Drivers of health and social care innovation for cases (Mapping 1 of SI-DRIVE [1])

## UNDERSTANDING THE ROLE OF ACTORS AND INTERACTION

The importance of actors for social innovation in this policy field was borne-out in Mapping 1 [1], where 'networks, individuals and groups' were identified as a driver by 64 % of initiatives in health and social care.

This finding was also mirrored in the case study analysis, where initiatives across practice fields demonstrated the importance of actors, and in particular collaboration, in driving forward social innovation. We found that initiatives are reliant on a range of different assets in order to effectively implement their project. These assets include necessary expertise; ability to impact the behavior of the target; ability to create an enabling policy environment where necessary; ability to fund the project; access to resources (such as buildings or technology) which are necessary to create the solution; enough time and capacity to deliver the initiative. We find that collaboration is a key way in which innovators build up these assets which can help them to work within their context.

## COLLABORATION AS A FORCE FOR CHANGE

As such, collaborations of different types of actors appear to be important, not just for the distinct knowledge bases that they bring, but also because of the different types of influence that they can exert. We define four different types of innovation actor active in this field.

Different types of actors can influence different types of cultural entrenchment. Policy makers, for example, frequently have the ability to change the underlying mechanisms of the health care system, they sometimes have the ability to open up funding, and their buy-in can be a great convening force. However, they have less ability to affect the on-the-ground actions of practitioners. Indeed, providing buy-in can often be one of the most effective ways of creating change, the example of the mobile health innovation MomConnect in South Africa is an example of this. MomConnect is a free mobile service for pregnant women and new mothers. It connects more than one million women to vital services and to appropriate information. Since it's launch in 2014, it has sent out more than 58 million messages and 95 % of health clinics across South Africa are now participating in the initiative. Despite a highly bureaucratic environment, beset with barriers, the involvement of the Minister for Health enabled the project to create change and be scaled, albeit such support can be unstable.

Types of social innovation actor				
	Citizen innovator	Policy innovator	Technical innovator	Practitioner innovator
Who am I?	I'm a member of the public. I use health and social care services and I have clear insights into how my needs might be better met. I can offer understanding of the ways in which people engage with services.	I'm a policy maker. That means I work in government, or creating policy for a health providing institution. I have a professional responsibility to find ways to improve things and have access to levers including funding and regulation.	I'm a person with specific non-practitioner expertise. That might mean I'm a web developer, or a researcher. I bring new skills to the field of health and social care and can facilitate new opportunities to improve care.	I am a practitioner working in health, such as a doctor, nurse or care visitor. I innovate when I see a need among my patients or a way of providing services better. I have insight into the way that practitioners work.
When I initiate a project...	I often need the help of others in order to launch my ideas. Sometimes I need help negotiating the funding landscape or building a business model.	I often need the input of others in order to ground my ideas in practice and experience.	I often need expertise from a wide variety of stakeholders in order to understand the policy field. I frequently need institutional knowledge as well as the insights of service users, in ensure my innovation meets needs.	I often need the input of others in order to refine my idea. Collaboration with policy makers is also frequently useful in order to scale ideas.
I can help others innovate by...	I can complement other innovators on a project by offering insight into whether an initiative is fit for public use. Other innovators often use co-design methods in order to engage my opinion.	I'm frequently a useful partner for those innovators trying to institutionalise. I can provide support and funding. I can provide positive structural changes like regulatory support and- perhaps most importantly- my 'buy-in' can facilitate rapid growth.	I can provide new ways of approaching problems and can provide the technical insight to push an innovation further. I might provide new ways to approach a problem or provide useful insight into understanding impacts.	I can provide routes in to practice and can be useful at getting ideas implemented. What is more engagement with me can help to change cultures among health providers and can help to adjust innovations to make uptake more likely.

The motivation and action of committed individuals can be a considerable driver, but ultimately a common feature of successful innovations is the collaboration of a diverse set of stakeholders, each of whom offer different and often complementing competencies and insights which are necessary to successfully disrupt entrenched cultures.

can help to drive innovation by (a) creating innovations that work to the existing social values and expectations of patients and (b) creating movements among patients which can change the culture among these actors. For example, many of the electronic and mobile health interventions considered as part of the SI-DRIVE project included a co-design element which used citizens' input to radically change the shape of the intervention.

Technical innovators have the potential to bring new knowledge and skills to a problem, to improve a solution, or help to demonstrate its impacts. From a technological perspective, they can often help to embed solutions in existing practices thus making uptake easier. Moreover, practitioners can often help to create change through their understanding of existing practices and their insight into the problems being faced within health and social care delivery.

## CONCLUSIONS

Our research – as part of the SI-DRIVE project – has demonstrated the importance of collaboration as a force for creating change in health and social care. The motivation and action of committed individuals can be a considerable driver, but ultimately a common feature of successful innovations is the collaboration of a diverse set of stakeholders, each of whom offer different and often complementing competencies and insights which are necessary to successfully disrupt entrenched cultures. We find that within health and social care innovation we work best when we work together.

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# TACKLING POVERTY BY CONFRONTING SOCIETY'S POVERTY OF IMAGINATION

## SOCIAL INNOVATION CAN HELP TACKLE POVERTY USING ITS CROSS-CUTTING AND COLLABORATIVE APPROACH

Poverty reduction is literally the number one Sustainable Development Goal agreed by virtually all countries and the United Nations to be achieved between 2016 and 2030. Social innovation has a critical role to play because poverty, despite significant reductions between country averages from 2000 to 2015, remains the major constraint to successful sustainable development. Moreover, social innovation's cross-cutting and collaborative approach is precisely what is needed to tackle the highly complex and interrelated challenges that poverty presents.

*Jeremy Millard*

### POVERTY IS NOT JUST ABOUT MONEY

In many developing countries, absolute poverty is measured as not having enough money and other resources to survive. In developed countries like Europe, poverty is not just having a low income but is also about being left out of mainstream society. Hence the 'poor' may not want for the basic survival needs of life, but if their income or circumstances mean they are not able to participate in society's normal activities, they become marginalised and vulnerable, which means their lives are also poor socially, culturally and economically. Poverty is thus highly complex and, especially in developing countries, is often inextricably linked to environmental stress and climate change as well as gender and power relations.

Given the multi-dimensional approaches that social innovation offers which can integrate across sectors and build collaboration between multiple actors, it is often uniquely placed to find and implement integrated solutions to poverty. Social innovations generally find a significant role for civil society, in addition to public bodies and businesses. However, those that specifically tackle poverty tend to do this even more, as well as draw on a richer ecosystem of partners with very large numbers of 'other' actors, such as foundations, social enterprises, informal groups, social partnership institutions, schools, charities, religious groups, research and university institutions, cooperatives, networks and individuals. Indeed, many of these are typically very close to the poor and vulnerable

as they have greater local and contextual knowledge and are more nimble than more mainstream actors they act, in effect, as 'trusted third parties'. This rich ecosystem characterising social innovation for tackling poverty can indeed help reduce poverty as it confronts the poverty of society's imagination when it does not draw on all society's assets and actors.

### THE PREDICAMENT OF POVERTY

Basic questions need to be asked about how the social needs of the poor are articulated. On the one hand, the poor typically find themselves in a condition of overall relative powerlessness, whilst on the other hand the poor – and especially the communities in which they live – possess huge potential, resilience and latent ability to be a big part of their own solution. This means there should be less focus just on nitty-gritty 'problem solving' and more on the opportunities open to the poor in their specific context. Thus developing the agency of the poor through awareness raising, advocacy and mobilisation, as much as possible through their own efforts, is critical. However this is not enough. Most social innovations are concerned only to meet immediate needs by increasing the agency and empowerment of beneficiaries, without recognising that typically these are often the symptoms of more structural root causes, which are hardly addressed.

Some successful social innovations tackle these issues, though it takes time and patience. For example, an initiative run by an NGO in very poor areas of northern Ghana saw an opportunity to use the talents of local inhabitants possessing some basic education by training them as so-called 'barefoot' teachers to provide basic literacy and numeracy skills to children in local villages.

However, it was soon realised that one of the keys to this was to work on changing local power structures through painstaking consensus and capacity building, particularly by empowering women in village life. From this, in turn, other complementary innovations are being enabled, such as involving women in local entrepreneurship schemes and supporting local radio stations and media productions as job opportunities for some of the locally educated youth. This example also illustrates the need to address, as far as possible, some of the structural root causes, in this case local power structures and the role of women, in order to meet a range of social needs. [1]

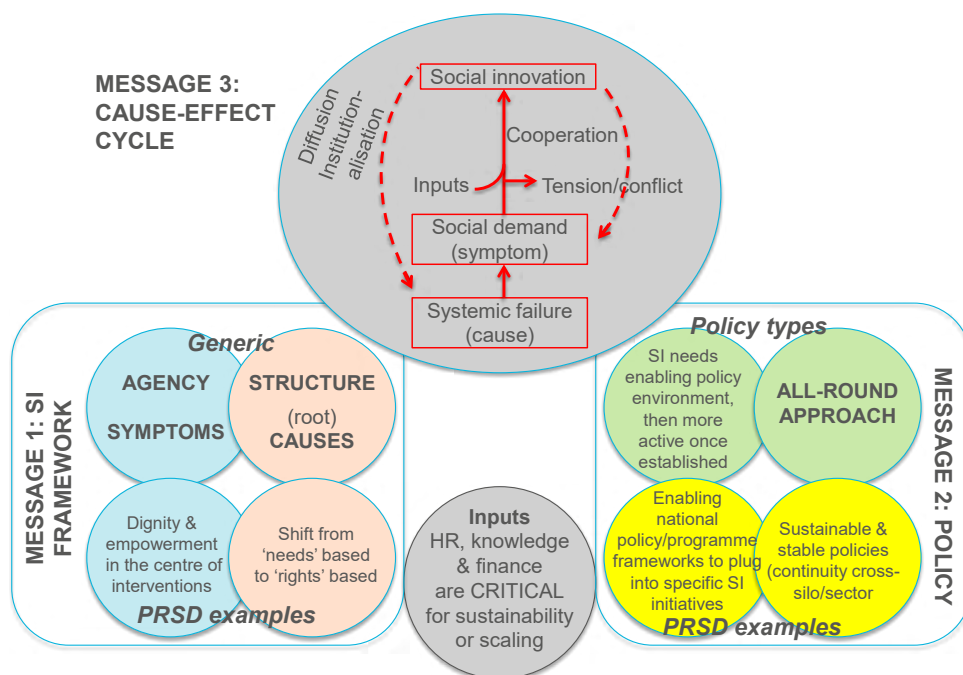
Most social innovations are concerned only to meet immediate needs by increasing the agency and empowerment of beneficiaries, without recognising that typically these are often the symptoms of more structural root causes, which are hardly addressed.

their family's or their community's future. [2] This is not the traditional 'poverty trap', normally thought of as a self-reinforcing mechanism which sees the individual sink further into hopelessness through their own lack of effort due to laziness or low intelligence. Instead, it recognises that poor people more than others in society typically have to contend with a highly complex and unpredictable social and economic environment.

This shows the need for structural readjustments, laws, regulations, cross-agency and non-government collaborations, and similar, in addition to directly tackling the symptoms of the pressing need on the ground. The goal should be to make the poor's lives as easy and as simple as possible so they can focus on solving their own problems of scarcity rather than grappling with a complex system that is often not contextually embedded. Other examples include the early 2017 employment tribunal ruling in the UK that Uber must no longer classify drivers as self-employed but instead as employees with the right to receive the national living wage and holiday pay. This legal change considerably simplifies drivers' lives and provides them with more long-term security. An Indian example is the use of ICT to promote the financial inclusion of the poor by simplifying and linking up contextual structures and supports around them through the world's largest biometric ID system. This means that the earlier complex systems of subsidies and

### WHAT ACTUALLY IS POVERTY, AND WHAT CAN BE LEARNT TO TACKLE IT?

As shown above, SI-DRIVE's work on the role of social innovation in tackling poverty has shown the importance of improving both the agency of the poor as well as addressing the wider societal structures which typically produce poverty and other social needs in the first place. This is complemented by other recent research showing that the poor in any society have precarious structures within which to live and work so that they typically expend all their effort simply surviving from day to day or week to week, and do not have sufficient time or energy to plan for and invest in their own,



Key messages for poverty reduction and sustainable development

benefits for the poor are instead provided through a one-stop shop with simple identification, both raising awareness of what the poor are entitled to and making it very easy to access their rightful benefits.

## KEY MESSAGES IN TACKLING POVERTY

SI-DRIVE partners summarised these and other insights into a number of key messages for poverty reduction and sustainable development (PRSD), as sketched in the diagram.

Inputs of people, knowledge and finance are necessary but not sufficient conditions. It is also important to provide a conducive framework that develops the agency of the poor and marginalised as well as ensuring that the structures that surround them do not increase their burdens or mitigate their efforts. In this context, it is essential to ensure that the poor's dignity is respected and enhanced, and that their basic needs are recognised as 'rights' within

these structures rather than simply needs which may or may not be met. There is a general cause-effect cycle, for example of system failure leading to acute social demands. However, designing approaches to tackle this is complex and difficult due to the mix of actors involved, the conflicts and tensions that arise and the different collaborative innovations needed across the ecosystem. This means the policy framework should take an all-round cross-sector approach, that both enables the poor's and their communities' efforts to have impact, as well as actively supporting promising innovations from a variety of actor constellations.

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## FUTURE CHALLENGES AND INFRASTRUCTURES

While many social innovations have been around for decades (e.g. the social security system), others are still in their infancy (e.g. car sharing). In addition, while technological innovation is already a mature concept, the notion of Social Innovation is just gaining momentum. As demonstrated in the previous articles, Social Innovation is a global phenomenon whose traces can be found in every world region. One key question has remained unanswered thus far: What does the future of Social Innovation look like?

The following articles will provide an outlook on the next decade, explore opportunities and constraints to the growth of social innovation initiatives, and evaluate the role social innovation labs will play in this development. They highlight the importance of ecosystems and infrastructures and make a case for a European Agency specialized in Social Innovation.

# SOCIAL INNOVATION – THE LAST AND NEXT DECADE

Social innovation has become much more visible over the last few years. But how much has really been achieved? And how will it prosper in a potentially more hostile climate dominated by populist politics and social resentments? This chapter takes stock of what has and hasn't been achieved over the last decade and sets out a roadmap for the one ahead.

*Geoff Mulgan*

## THE LAST DECADE

In 2006 an event in Beijing led to the creation of SIX, the Social Innovation Exchange. It brought together foundations; innovators; social entrepreneurs; and corporates, along with senior figures from governments. It set out a rough roadmap to making social innovation more mainstream (and led to the report 'Social Silicon Valleys' [1]) at a time when many were trying to build on what had been achieved in supporting social entrepreneurship to promote more systematic approaches to social change. Looking back it's surprising how much of what that report advocated in 2006 has materialised, including new sources of finance, social R&D, opening up public commissioning, incubators and accelerators as well as more extensive, rigorous, imaginative and historically aware research on how social innovation happens and how it can be helped. The implementation of these ideas has often been messy and fragmented. There have been many pioneers and advocates. But the movement has come a long way forward.

National cultures remain very diverse – and what social innovation means in Bangladesh (home of some of the strongest institutions for social innovation like BRAC and Grameen) or Kenya (home of Ushahidi and some of the most dynamic digital innovation) is very different from what it means in a US city, or a European nation. But there are some common patterns.

One is the spread of *social innovation centres and labs* – physical spaces and organisations aiming to promote social

innovation in the round, with prominent examples in places as diverse as Adelaide, Rio, Bihar and the Basque Country and many others. Some are based on foundations (like the Lien Centre in Singapore or Bertha in Cape Town), others on buildings (such as the Centre for Social Innovation in Toronto). Some have found a home in universities (like ESADE in Barcelona) others on the edge of governments.

There's been a big expansion of *social investment funds*: although only a small minority focus on innovation, these provide a new route to help innovations grow to scale, and of new funding tools that can support social innovation such as crowdfunding platforms. Many governments have created *social innovation funds* (from Hong Kong and Australia to France and the US) and fairly comprehensive *national policy programmes* have been introduced in a few countries, from Malaysia

to Canada. The European Commission has also incorporated social innovation into many of its programmes including the European Social Fund, and the Horizon 2020 science and research funding. The United Arab Emirates now commit 1% of public spending to public innovation – a rare example of shifting towards more serious allocations.

There are dozens of *university research centres* (from Dortmund and Waterloo to Barcelona) and courses for undergraduates and mature students.

*International NGOs* – such as Oxfam, Mercy Corps, and the Red Cross – are taking innovation much more seriously, as a way of responding to new technological opportunities and

There's been a big expansion of social investment funds: although only a small minority focus on innovation, these provide a new route to help innovations grow to scale, and of new funding tools that can support social innovation such as crowdfunding platforms.

challenges, as are many UN agencies, notably UNICEF and UNDP. Many big firms have announced initiatives using the social innovation label, including tech firms like Hitachi and Dell and consultancies like McKinsey and KPMG, though one of the disappointments of the last decade is that most are little more than cosmetic.

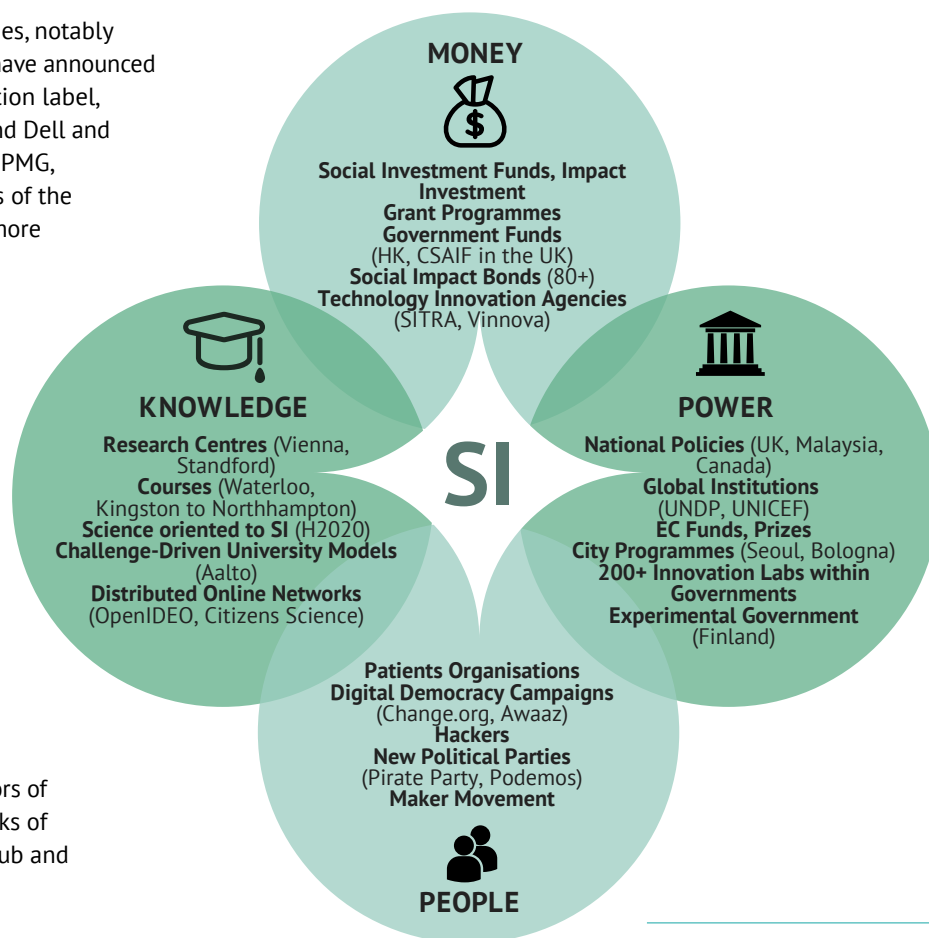
*Social innovation skills* are becoming much more widely accessible – e.g. through the ‘DIY Toolkit’ used by over one million people worldwide, and content provided by organisations like IDEO. *Digital social innovation* has taken off – around 2000 organisations were recently mapped by DSI Europe, and there are thousands of others around the world sometimes described with the ‘civic tech’ label. There are hundreds of *social innovation incubators* and accelerators of all kinds, and transnational networks of social incubators such as Impact Hub and SenseCube.

Quite a few *mayors* are now defined by their commitment to social innovation (such as Won Soon Park in Seoul or Virginio Merola in Bologna). There are *social innovation prizes* in the US, Europe, China and elsewhere), new tools such as *Social Impact bonds* (over 80 in the UK, US, Australia); and new legal forms – like Community Interest Companies and B-Corps.

There are new campaigning tools – like Avaaz and Change.org – and new kinds of *social movement* pioneering social innovation in fields like disability, refugee rights and the environment. There are *social innovation media* – such as the Stanford Social Innovation Review (which has partly shifted away from focus on US non-profits to a more international and cross-sector perspective), *Apolitical* or the Good Magazine. And there have been some significant *surveys* of the global social innovation landscape, including from the Economist Intelligence Unit, and regional surveys in Latin America, East Asia and Europe.

Finally, there has been at least some progress in clarifying boundaries and *definitions*. It’s better understood that social

**Social innovation is not the same as social entrepreneurship, or enterprise, or creativity, or investment, though these all overlap.**



#### Summary of achievements

innovation is not the same as social entrepreneurship, or enterprise, or creativity, or investment, though these all overlap. My own preference for definitions remains the simple one – social innovation refers to innovations that are social in their ends and their means. But there are also plenty of alternatives.

The diagram in this article summarises some of what has been achieved.

#### FALSE STARTS?

Not everything has worked. Obama’s Office for Social Innovation in the White House did a lot of good work but did not survive the change of President. The UK’s Big Society programme likewise didn’t survive a change of political leadership.

There have also been some uneasy transitions. Traditional innovation agencies have adopted some of the language of social innovation but with uneven results (although Sweden’s Vinnova, Finland’s SITRA, Canada’s MaRS and Malaysia’s AIM have all done well in complementing technology support with a new focus on social innovation, most have not).

Organisations associated with the earlier wave of programmes devoted to social entrepreneurship have struggled to achieve a better balance between support for individuals and the broader needs of innovation (given that the model of a single individual developing an innovation, a venture and then growing it remains very rare).

The field of social innovation also has shown its share of risks. One is fetishising innovation as an end in itself rather than a means to other ends. For most organisations most of the time innovation may be much less important than

The field of social innovation also has shown its share of risks. One is fetishising innovation as an end in itself rather than a means to other ends.

effective implementation of existing ideas or adoption of ideas from elsewhere (I used to advocate that governments should spend around 1% on their own innovation, but that the majority of time, money and effort should go into good implementation). Innovation can often seem exciting and sexy while implementation and adoption are dull. But innovation without a wider system for implementation and adoption risks being pointless.

The most important challenge is that the scale of activity is still small relative to the scale of needs. The projects and initiatives listed above are modest and most of the organisations mentioned above are fragile. In some fields (including, at times, impact investment) hype has greatly exceeded reality so far. Meanwhile vastly more innovation funding still goes to the military than to society, and the world's brainpower is still directed far more to the needs of the wealthy and warfare than it is to social priorities. More worrying is the shift in climate. Relatively centrist, pragmatic governments of both left and right were sympathetic to some of the arguments for social innovation. By contrast authoritarian leaders of the kind who are thriving now tend to be hostile, suspicious of civil society and activism of any kind, and much more favourable to innovation that's linked either to the military or big business.

So what could be achieved over the next ten years during what may be a less favourable climate? What could organisations with power and influence do to strengthen the most useful forces for change?

The most important challenge is to achieve, and demonstrate, big inroads on the major issues of our times.

## 10 POSSIBLE PRIORITIES FOR THE NEXT 10 YEARS:

1. **Tackle big challenges and at the right level of granularity:** the most important challenge is to achieve, and demonstrate, big inroads on the major issues of our times such as ageing; unemployment; stagnant democracy or climate change. This will require moving on from the units of analysis and action of the previous era. Much past activity focused on the individual (social entrepreneurs and innovators); the individual venture, or the individual innovation. At the other end of the spectrum have been very macro initiatives that try to change the behaviour of all businesses, or all charities, or a rather abstract discussion of systems change at a global level. Often the most impact will come from tackling issues at a middle level – specific sectors in specific places. For example: how to sharply improve the performance of the housing sector, or childcare, or training in a city or region. Here collaborations between foundations, municipal government and others have the potential to achieve significant and lasting impact.
2. **Grow funding at serious scale** – a significant proportion of R&D spend, both public and private, needs to be directed to innovations that are social in both their ends and their means. Funding needs to grow steadily – to ensure there is capacity to use money well. It also needs to be plural, including: grant funds, investment through loans and equity, convertible funding, matched crowd funding as well as public procurement, outcomes based funding and bonds, as well as participatory budgeting.
3. **Link action to evidence of impact** – every aspect of social innovation needs to be attuned to evidence and a willingness to find out what achieves most impact. This doesn't mean making a fetish of randomised control trials or costly evaluations. But it does require doing much more to embed analysis into the everyday work of organisations; where possible to test alternative models; adoption of common standards of evidence; and promoting a sophisticated understanding of how to discover what works, where, and when.
4. **Connect into movements, activism and democracy** – social innovation in many countries will need to become more, not less, political, willing to campaign on many fronts. That means going far beyond 'clicktivism', including direct action in countries where the political climate is hostile to social and civic action. It means linking individual social innovations to broader programmes for change, while also tapping into the emotions that so often drive social change. Politics, and being active in democracy, is vital for social innovations to thrive.



**5. Make the most of digital and**

**6. *shape the next generation Internet*** – there's been an extraordinary flowering of digital social innovation and civic tech, particularly around open data, open knowledge, the maker movement and citizen science. But these haven't yet made strong links to previous generations of civil society organisations and charities, and many have struggled to achieve large scale.

**7. *Broader and deeper social innovation skills*** – social innovation depends on capabilities: knowledge about how to generate ideas, develop them and scale them. Those skills are scarce and sometimes as much undermined as helped by fashions. We need much more widespread support for practical skills in design, prototyping, pilots, experiments, social investment, evaluation and iteration. These need to include online tools and Massive Online Open Courses, mobilising existing universities and colleges and creating more grassroots academies.

**8. *Better adoption*** – it's often assumed that social innovation is all about radical new ideas, and out of the box thinking. But most innovation in most fields is much more about adoption and incremental adaptation. The first question for any innovator should be – what can I borrow or adapt? And funders should give more weight to smart adoption rather than originality.

**9. *Mature policy debate*** – we're beginning to see serious national policies around social innovation. To help these evolve we'll need better comparative analysis of multiple national strategies, and ideally competition – as well as

reflection on how the goals of innovation policy and social innovation policy might be better aligned, so that policies around funding, new legal forms, tax incentives, procurement and commissioning are better aligned.

**10. *Continuously reaching out*** – the risk of any field such as social innovation is that it becomes inward looking or an echo chamber. Many in the field are urban, well-educated and young. But the most useful innovation comes from diversity; encounters of people from different backgrounds.

Too many of the discussions a decade ago around social entrepreneurship and innovation were celebratory and promotional. Not enough were informed by action, and the tough lessons of practice. That led to initiatives like SIX which aimed to be guided by practitioners, and oriented to learning as well as celebration, as well as being more global in spirit, recognising that no part of the world was leading.

**Practice continues to lead theory. As we face a potentially more hostile climate there'll be even more need for alliances between practitioners and interpreters who can help to take the kernels of new ideas and show their broader transformative potential.**

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# SCALING SOCIAL INNOVATIONS – GAPS & OPPORTUNITIES

Silicon Valley is a hub of technology innovation. But when it comes to social innovation, it is a global phenomenon where solutions emerge from the skills, resources, and perseverance of people across the planet. Three systemic barriers block many social innovations from scale – and finding solutions to these barriers is a call to action.

*Kriss Deiglmeier*

Record-breaking heat and hurricanes. Refugees with no place to go. Increasing poverty and income inequality within some of the world’s richest countries. At the roots of these tremendous problems are a tangle of causes that demand massive action across a multitude of actors – they demand social innovation at scale.

Aiming to understand patterns that enable social innovations to scale their impact over time, I worked with colleagues at Stanford University’s Center for Social Innovation to examine a breadth of social innovations that have evolved from small, localized experiments to achieve widespread impact [1]. We studied the emergence and scaling of ten social innovations and analyzed the paths traversed to reach new users, beneficiaries, and geographies. Through our research, we identified three recurring barriers to scale and studied the approaches employed to overcome these barriers. These findings can illuminate work to support other social innovations along a trajectory to greater impact, so that proven solutions gain the momentum needed to move the needle on the enormous challenges of our time.

## WHAT DO WE MEAN BY SCALE?

The definition of scale is not universal. According to Duke University’s Center for Advancement of Social Entrepreneurship, “Social innovations have scaled when their impact grows to match the level of need.” Jeffrey Bradach provides an alternate perspective: “How can we get 100x the impact with only a 2x change in the size of the organization?” [2] By design, we did not set a precise definition of scale, because we wanted to explore the factors that had been important for a broad range of social innovations to achieve widespread impact over the past 30 years, and understood that scaling impact can look different for different innovations.

To analyze a social innovation’s growth, Geoffrey Mulgan identified pathways to scale including advocacy, networks, franchising, and growth of an organization with some direct control.[3]

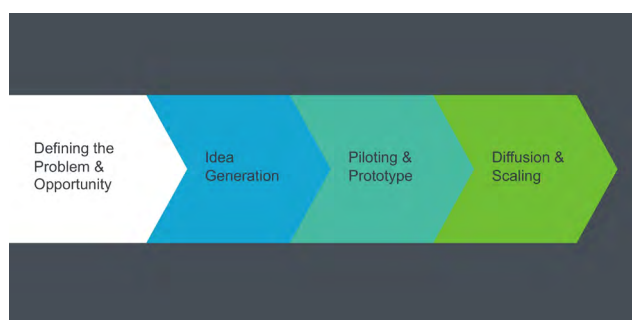
## PATTERNS OF GROWTH & REPLICATION

<b>Type 1</b> <b>General ideas and principles</b>	Spread through advocacy, persuasion and the sense of a movement; e.g. the idea of the consumer cooperative.
<b>Type 2</b> <b>1+design features</b>	Spread through professional and other networks, helped by some evaluation: e.g. the 12 step program of Alcoholics Anonymous.
<b>Type 3</b> <b>1+2+specified programs</b>	Spread through professional and other networks, sometimes with payment, IP, technical assistance and consultancy. E.g. some methadone treatment programs for heroin addicts would be an example, or the High Scope/Perry model for early years.
<b>Type 4</b> <b>1+2+3+franchising</b>	Spread by an organization, using quality assurance, common training and other support. E.g. the one third of independent public schools in Sweden that are part of a single network would be an example; or Grameen’s growth in Bangladesh and then worldwide.
<b>Type 5</b> <b>1+2+3+4+some direct control</b>	Organic growth of a single organization, sometimes including takeovers, with a common albeit often federated governance structure. E.g. Amnesty International or Greenpeace.

Our research affirmed that scaling a social innovation often entails an assortment of the strategies listed in the table, employed thoughtfully over a very long time to build momentum, support for, and widespread adoption to achieve deep and sustained impact.

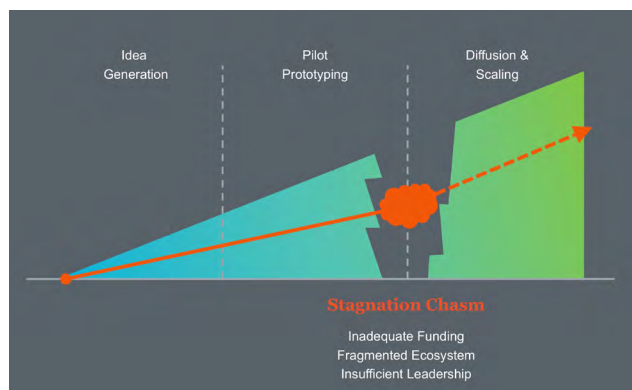
### THE INNOVATION CONTINUUM

The innovation continuum describes the process through which social innovations evolve to create impact at scale, and helps us to identify the needs, opportunities, and strategies most critical at various points in a social innovation’s trajectory.



#### Stages of innovation

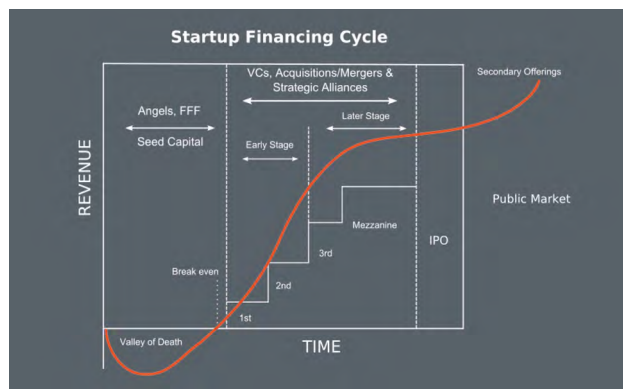
As we applied the innovation continuum to the cases we studied, we identified barriers to scale that often trap social innovations in a “stagnation chasm” before they achieve diffusion and scaling. Many factors contribute to the stagnation chasm, however, three barriers repeatedly block social innovations from reaching their broadest impact: scarce funds for growth, the fragmented nature of the social innovation ecosystem, and deficiencies in leadership. If we are serious about propelling proven social innovations to achieve widespread impact, we must find solutions that overcome these barriers.



#### Social innovation continuum

Social innovators face a convoluted path to mobilize the resources needed to amplify the impact of their work. Of the strategies for scale in Mulgan’s chart, some are very capital intensive; others less so. Yet even the least capital intensive network approach to scaling social impact requires resources, as it takes time and expertise to navigate the relationships and complex interdependencies that are critical to success. Some ventures may benefit from earned revenue streams that provide funds for growth, but earned revenue is not guaranteed in the social innovation space, especially for innovations that serve people with no ability to pay. Thus, in order to scale impact, external funding is usually needed, whether from donors or from investors, depending on the legal structure and financial prospects of the venture.

An analogous struggle occurs in for-profit entrepreneurship: the “valley of death” refers to the time between a startup company’s first funding and when it begins to generate revenue. In the valley of death, the firm is vulnerable to cash flow requirements and likely to fail before it has reached its full potential. Most companies do not make it across the valley of death. However, as illustrated in the graph on traditional start-up financing, there is a well-developed progression of funding once a new company has crossed the valley of death, with various sources of capital that enable profitable for-profit ventures to scale.



#### Traditional start-up financing

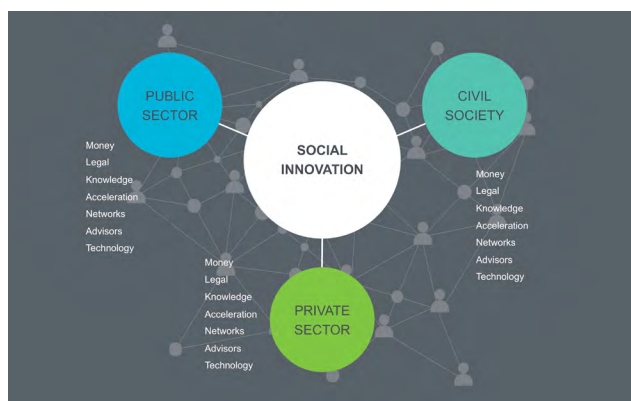
For social innovations, the progression of funding is vastly different. In the stagnation chasm, mezzanine funding and growth capital are scarce even after a program has been proven effective. There are many reasons for this funding gap. First, despite the promising emergence of impact investing, market forces do not push mainstream capital toward social innovations, as the promise of market rate financial returns can rarely compete with traditional industries. Second, social innovation funders are often drawn to the novelty of the idea stage. Funding new ideas and programs provides supporters with the satisfaction of being a part of something novel and catalytic, but social innovations cannot thrive without revenue to support continued growth. Third, scaling social innovations is a

long-term process, and it is rare for funders to make multi-year commitments and stand by leaders through the ups and downs that come with efforts to create long-term change. Many new funders have led careers in the private sector, and bring expectations for market-driven efficiencies that may not be realistic when working in troubled economies, with marginalized people, or on issues where market forces hinder rather than help drive desired behaviors. Moreover, for nonprofit organizations, philanthropic capital is limited and can be very difficult to access, especially for replication or scaling the reach of an innovation. Funding social innovations to reach scale requires an unwavering commitment to the end goal and a great deal of patience and flexibility.

Understanding the barriers to this tier of funding, and learning from social innovations that have successfully mobilized growth capital, will position us to better deploy resources so that proven innovations are able to scale their impact. The scarcity of funding for growth is a primary cause of the stagnation chasm. This systematic problem is further exacerbated by fragmented ecosystems and leadership deficiencies in the sector.

### A FRAGMENTED ECOSYSTEM

Engaging various actors from across the private, nonprofit, and public sectors is critical in scaling social innovations. Unfortunately, the importance of cross-sector partnerships can present a major barrier to scale. No matter what the issue – health, environment, or education – once a multi-sector approach is employed, the ecosystem complexity is magnified. Each sector has its own set of resources, incentives, knowledge, and networks. Mutual awareness is low, and meaningful coordination is even more uncommon. Current incentives do not encourage collaboration, and few organizations are positioned to weave together efforts, resources, and activities from all three sectors to drive social innovations on a broad scale.



Fragmented ecosystem

### LEADERSHIP DEFICIENCIES

The funding landscape and fragmented ecosystem require highly adept people to shepherd social innovations through the long journey to widespread social impact. Unfortunately, attracting and retaining highly skilled people to navigate these complexities is a challenge for several reasons. First, the leadership skills required at the beginning of a venture are very different than what it takes to cross the stagnation chasm. Personal charisma and brash can-do serve an entrepreneur well in the ideation and piloting phase, but as an innovation matures, more subtle skills are required to build a powerful team, manage an expanding board of directors, and broker successful partnerships. Systems thinking becomes more important as innovations develop, requiring expertise in advocacy, public policy, thought leadership, and navigating complex collaborations. Moreover, as the organization scales so does the operational complexity. This requires effective cross-sector teams with skilled CFO's, CMO's, and more. In fact, you need an entire management team and staff who thrive working in complex eco-systems. Finally, salaries and compensation for this work often lag those offered by traditional companies and intrinsic motivation can only go so far. Funders should prioritize appropriate compensation and professional development for leaders and their teams who can produce the results that will spark impact at scale.

As a field, we need to develop a deeper understanding of the leadership skills needed for entire organizations to successfully push social innovations across the stagnation chasm, secure necessary funding, and effectively engage all sectors in the effort. These insights can inform the way the field invests in the development of ideas, leaders, and organizations.

### CASE STUDIES – EMISSIONS TRADING AND FAIR TRADE

Consider two of the social innovations we studied: emissions trading in the United States to address acid rain pollution; and fair trade globally to ensure that producers receive a fair price for the goods they produce.

Emissions trading in the United States emerged as an approach to address the problem of acid rain from the 1950's through the 1990's. The process was slow and riddled with tension between sectors, with deeply fragmented, and often hostile, relations between nonprofit, industry, and government sectors. For years, most manufacturers fought to raise and extend the emissions reductions targets, and environmental nonprofits were unwilling to consider alternative approaches for industry to comply with 1970 Clean Air Act standards. This stand-off eventually shifted, and it was in fact industry that led and supported the first official emissions trading market

in 1979. It took another decade, at which point leaders from all sectors were willing to collaborate, to finally reach the passage of marketable permits trading. By the end of the 1990s, the Environmental Protection Agency reported one hundred percent compliance with the program, at lower cost than projected; evidence that the approach could now be considered successful.

U.S. emissions trading as a social innovation faced two predominant barriers to scale: a fragmented ecosystem and a leadership deficit. Over time, both of those barriers were overcome as leaders from all sectors shifted from a defensive to a solutions-oriented approach. Civil society actors first protested the problem, then galvanized forces to implement legislation through key nonprofit organizations, and over time shifted from attacking innovative implementation solutions to a willingness to collaborate. Government agencies emerged to align stakeholders and enforce standards, and industry representatives evolved to proactively shape regulation rather than reject it. Within each sector, leaders had to consider differing viewpoints to reach a solution that could bridge a fragmented ecosystem.

Now consider the example of fair trade, a social innovation that has achieved impact at scale, despite economic disincentives, scarcity of growth capital, and a fragmented ecosystem. Fair trade started after World War II with a handful of experiments by well-intentioned groups of people. Among them, the Church of Brethren imported cuckoo clocks from Germany and the nonprofit Ten Thousand Villages bought needlework from Puerto Rico. Fair Trade remained a nascent idea for decades until the establishment of intermediaries. Many intermediaries such as the Fair Trade Organization helped it to scale by setting standards and verifying adherence, in effect synchronizing the diverse grassroots efforts that had emerged across the United States and Europe. Southern fair trade organizations emerged in the 1960s and 1970s, aiming to support producers in Africa and Latin America. New alliances helped to bridge the fragmented ecosystem and connect supply and demand around the shared goal of greater equity in international trade. When fair trade expanded into the coffee industry, major nonprofits and corporate buyers entered the demand side of the market. Ultimately, scale was fueled when large global retail outlets such as Walmart and Starbucks became sellers of fair trade products, in addition to traditional outlets.

When fair trade emerged as an idea, market solutions to social problems were rare, and the small shops and nonprofits leading the movement struggled to attract growth funding. As fair trade built momentum, leadership from the nonprofit and private sectors employed higher-level skills to reach a broader market, institutional funding became a viable option, and intermediaries and certifying organizations helped to unite the fragmented ecosystem.

## THE FRONTIER FOR SCALING SOCIAL INNOVATIONS

Given the complexities of social and environmental problems, it is clear that traditional disciplinary approaches are not up to the task. In order to strengthen a social innovation ecosystem that will support impact at scale, we need to:

- Research more deeply the barriers of the stagnation chasm to better define viable solutions
- Challenge for-profit and nonprofit funders to address the dearth of growth capital to scale proven innovations
- Educate, support and expand people who can effectively bridge the fragmented ecosystem
- Invest in leaders, teams and entire organizations that are able to persist and overcome the stagnation chasm.

The opportunity for impact mirrors the immensity of the need. This can be done. We have learned that for-profit innovation grows in countries with strong “innovation systems,” which include the financial, managerial, technical, and other support for entrepreneurs and ideas. To create vibrant “social innovation systems,” it is upon us to nurture a global ecosystem that can support the social innovation process from ideation all the way through scaling, so that the promise of proven solutions can reach the people and places most in need.

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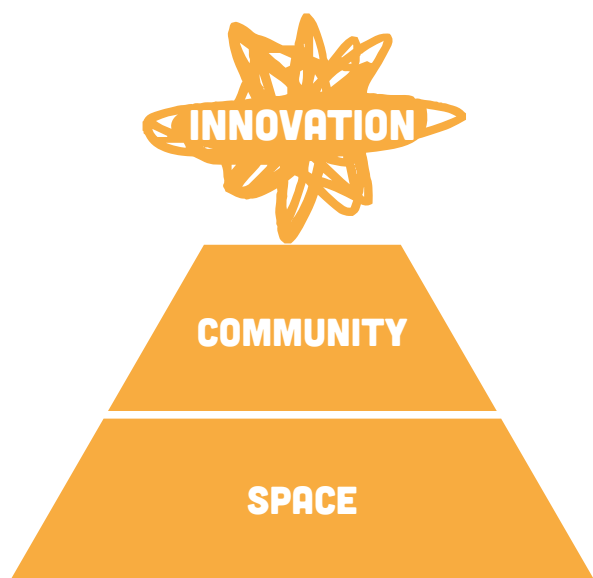
# CREATING A CENTRE FOR SOCIAL INNOVATION

The Centre for Social Innovation is a nonprofit social enterprise, a global pioneer in coworking, and a community and catalyst for people and organizations that are changing the world. We host over 1,000 organizations that employ 2,500 people and generate over \$250 million per year in combined revenue.

*Tonya Surman*

At the Centre for Social Innovation (CSI), our goal is to build social innovation ecosystems. We know that social innovation is unpredictable. There are too many complex variables at play, and as those variables dance together they create an emergent process whose consequences confound quantitative analysis and detailed prescription. That's why we avoid attempts to engineer specific outcomes, and focus instead on using experience and theory to craft the conditions for success. We create social innovation ecosystems by providing a coworking space, community and launchpad for people who want to change the world.

Our theory of change is most succinctly communicated through the corresponding graphic.



## CSI's theory of change

Let's talk about each level of the pyramid, starting with the foundation: space.

## COWORKING SPACES AND CROWDFUNDED REAL ESTATE

CSI is a global pioneer in coworking. Today, coworking has been mainstreamed into a multi-billion-dollar business. Back in 2004, CSI created a coworking space that may have been the first of its kind in the world. When we started our goal was to address two issues at once. First, we wanted to address the fact that so many social mission organizations lacked good, affordable space. Second, we wanted to seize the opportunity of sharing space provided for promoting collaboration between organizations across sectors.

Coworking meets crucial organizational needs. By sharing the cost across many organizations, we could all enjoy the amenities that are possible for a certain scale of enterprise, like a full-size kitchen, advanced printers and meeting rooms. The coworking model also provides organizations with the flexibility to scale their physical space up or down to match their needs during different phases of their life cycle.

We knew that we needed to go beyond conventional office design. While many office spaces are austere and artificial, we designed our space to be warm and nourishing. We wanted the kind of people who choose to work on some of the hardest social and environmental challenges to feel comforted by their environment. More than that, we knew that with the right design we could help them feel great. When people feel great they are going to be helped in doing their best work, and they will be encouraged to look up from their desks and seek out connections with their peers.

The idea caught on and we were soon looking for more capital to expand and welcome more organizations. Our response: a new idea for a community bond that allows an organization to leverage financial contributions from its supporter base by providing a reasonable return, with



reduced bureaucratic barriers, to anyone who wants to support the organization's social mission.

We have since organized two more community bond campaigns to raise millions of dollars from hundreds of individuals and organizations to buy two buildings in Toronto. These buildings are islands of security for our community, now surrounded by a sea of sharply-rising property prices. The community bond has since been replicated and scaled up around the world, creating a lasting social innovation.

Since starting its first location in Toronto, CSI has grown to include 162,000 sq. ft. under management spread across five locations in Toronto and New York City. We are also testing out a new program to partner with the new generation of coworking spaces that have developed since we opened our doors a decade ago, with our first affiliate site in London, Canada.

## CULTURE AND COMMUNITY

While coworking meets a fundamental need for space, it is community animation that builds a community that can foster a social innovation ecosystem that collaborates, innovates and succeeds in unpredictable ways.

Community animation is the glue that holds a shared workspace together and the air that breathes vitality into the lives of everyone who moves through it. From social networking events to issue-based summits, and from a weekly "salad club" lunch potluck to our intranet platform, we bring our members together for work and pleasure.

Social innovation occurs best in environments that are diverse. Innovation rarely occurs within uniform or static structures. It happens at the edges, where differing approaches bump up against each other and stimulate new ways of thinking.

Social innovation occurs best in environments that are diverse. Innovation rarely occurs within uniform or static structures. It happens at the edges, where differing approaches bump up against each other and stimulate new ways of thinking. The diversity of our ecosystem leads to new opportunities and robust and flexible responses to common challenges. For us, this means doing away with the silos that keep sectors and structures apart. We often refer to the 'social mission sector' – an umbrella term that includes all the individuals and organizations whose primary mission is to produce some benefit for people or planet.

We don't create change by doing the same things we've always done. By introducing diversity, we provoke discovery.

The CSI community reflects this diversity, and we are always striving to be more inclusive. Our social mission members include nonprofits, charities, for-profits, entrepreneurs and activists working in areas from health and education to arts and environment. We don't create change by doing the same things we've always done. By introducing diversity, we provoke discovery.

If the community is the body of CSI's innovation ecosystem, then our culture is the DNA. Over the years, we've developed an intentional culture with nine values that bring us together and inspire our success. The culture mixes high-performance with fun, and celebrates our authentic individuality while emphasizing that our greatest success will come through our collaboration.

The secret to our culture is our commitment to acting on our values. CSI supports social innovation by others, and practices social innovation itself. We are a lab and we embrace this role wholeheartedly. For one example, while it's possible that we could have found other ways to raise the money we needed to buy buildings for our coworking space, the community bond was a way to live our purpose. It is collaborative, entrepreneurial, and system changing, and the more we act on our values the greater our ability to attract and animate our community.

In this way, our culture brings our vision into reality: a world where people and the planet come first. Where our systems – economy, government, culture and communities – serve to create a healthy, just, resilient and sustainable society full of meaning, equity and happiness. Where everyone can take meaningful action to be co-creators of their world.

Our unique culture and the quality of our community can be hard to quantify, but our members routinely describe it as being an essential part of their experience at CSI, and something that differentiates us from other coworking spaces.

## LAUNCHPAD FOR SOCIAL INNOVATIONS

Potential social innovations emerge as our community connects in our spaces, and we provide a launchpad for their success. We act as an incubator and accelerator for social enterprises and other social mission organizations, both member and non-members. Our space and community

create rich soil for new projects to grow. Over the years we have supported and nurtured projects that have failed, and others that succeeded and gone on to spin off their own organizations.

Interventions and learning opportunities that help make connections and stimulate new thoughts and ways of doing. We are a platform that brings innovators together with capacity-building workshops, informal social mixers, our Intranet network, and more. We foster individual and collective growth and create an environment that produces original action. Historically, we have adopted a light touch. We do not program with an expectation of uniform engagement. We offer opportunities for individuals to ‘find their own level’; to dip in and dip out of the community in a way they find comfortable and natural. And when a new idea begins to surface, that same gentle touch helps it to grow.

Today, we are increasingly focused on acceleration programs and online platforms. Our acceleration programs bring together a cohort of social entrepreneurs working in a defined area, such as climate change and community health, and provide them with training and mentors to help them succeed. Our online platforms will create new connections between members outside of our home cities of Toronto and New York, and make it easier for social entrepreneurs to find the resources and knowledge they need to succeed.

As the community has grown and developed, so too has the breadth of the community’s reach and the depth of its social and economic impact. The ultimate goal is social impact, that can be difficult to measure, and even harder to aggregate across so many different areas of focus. For that reason, we offer the chart as a snapshot of the community’s economic impact and the growth in staff, volunteers and revenue that participants in our premier acceleration program enjoyed while working with us.

**CONCLUSION**

Social innovation refers to the whole cycle of creating, applying, spreading and evaluating new and renewed ideas to put people and planet first. At CSI our motto is that “It’s up to us!” because we are focused on the power of citizens to take initiative to create social innovations, and understand that this work must be supported with an ecosystem approach. For that reason, our work is biased toward local, emerging, citizen-led initiatives. We offer people a chance to share space and collaborate with other people who want to be part of the solution, and we support them by living our values and building a platform for their success. We’ve found this to be a reliable way of improving the chances for social innovation in an unpredictable world.

[Snapshot of the community’s economic impact and the growth in staff, volunteers and revenue](#)

# BUILDING THE NEW ECONOMY

CSI members are turning social, environmental, economic and cultural challenges into opportunities to create jobs and make the world a better place.

**MEMBER STUDY**

**PAID STAFF**

Category	Start	End	Change
PAID STAFF	~7	~22	214%

**VOLUNTEERS**

Category	Start	End	Change
VOLUNTEERS	~180	~265	48%

**REVENUE**

Category	Start	End	Change
REVENUE	~\$100,000	~\$560,000	461%

*The results, on average, of eleven CSI Agents of Change whose impact was studied over a 12 month period.*

**JOBS & IMPACT**

**TOTAL JOBS**

## 2,176

Number of jobs CSI supports

**NEW JOBS**

## 270

The top 20% of CSI members each create 1.7 new jobs per year

**ECONOMIC IMPACT**

## \$250M

Annual revenue generated by CSI members

**TOP  
FOCUS  
AREAS**

1. Education
2. Community Development
3. Health and Well-Being
4. Environment

5. Children & Youth
6. Arts & Culture
7. Equality & Human Rights
8. Social Justice

# THE FUTURE IS SOCIAL – OR THERE IS NONE!

Our society is facing many social challenges while everything that we need to solve these challenges has already been invented. What we need are people who want to find new solutions and proactively create change in this world. The non-profit Social Impact supports those who develop new approaches to make the world to a better place by scaling social innovations.

*Norbert Kunz*

## INTRODUCTION

By the end of the Cold War at the latest, neoliberalism prevailed in Western and Central Europe as a dominant paradigm. In principle, the advocates of this school of thought assume that the market should regulate and shape all sectors of society. The consequences of this approach become apparent in the conditions of our world order. The gap between rich and poor, developed and developing countries is growing, resulting in wars, distress, escape. Natural resources are heavily exploited and the dangers of ecological disasters remain ignored. There are currently no major national or global strategies to stop this trend. However, there are more and more civil society organizations and dedicated individuals who are looking for an alternative to a growth-oriented economy.

**It is about the survival of civilization. No more and no less!**

This economy kills – the pope came to this conclusion three years ago in the *Evangelii Gaudium* [1]. This statement broadly remained unnoticed since, after all, the pope is not an economic expert. Recently, the Research Institute of the WEF in its *Global Risk Report 2017* [2] has also come to the conclusion that social and economic inequality, social polarization and exclusion as well as the consequences of climate change will have an essential impact on the global development. It is furthermore noted that technological progress is steadily withdrawing from social control, resulting in major and unpredictable risks to mankind. Additionally, the world's powerful people are asked to take measures to reduce poverty and instability.

It appears to be contradictory: Those who benefit the most from the capitalist market economy are the ones asking for its reform.

However, this understanding and realization is necessary: it is about the survival of civilization. No more and no less!

## IMPACT ON GLOBAL DEVELOPMENT

We need to rethink the economy! The thesis that the individual utility maximization can nurture the social wealth has proven itself wrong.

The fetish of profit and growth will lead us to a disaster. We do not need more consumption, more technological innovations, or more business innovations. What we need is a new attitude, a new understanding of the essence and character of business. What we need are better and smarter products and production processes that account for our limited resources. We need work relationships that allow fair pay for the labour. We need trade relations which allow a fair exchange between producers and consumers. What we need is the understanding that the most favourable form of social problem solving is to not let the problems arise at all.

## INNOVATIVE SOLUTIONS

The solution of social problems should be the starting and final point of all thoughts on innovation and must include all social spheres. The traditional way of dividing responsibility between politics, business and civil society is obsolete.

With regard to these aspects, no new technological innovations are needed. Everything that we need to solve these social challenges has already been invented. However, it is necessary to have the willingness, the joy and the desire to change – to develop and spread social innovations.

## SOCIAL ENTREPRENEURS

Equal to the private sector, entrepreneurs are also often the drivers of social innovation. The difference of these entrepreneurs to the traditional ones is, that they see their goal in solving a social problem. They strive primarily for social value and recognition, and not for private profit. Just a few years ago, it seemed naive to believe that the scene of these “do-gooders” had any influence on business and society. But now these exotics are getting more and more attention. The European Union launched the Social Business Initiative, and the current coalition agreement and the German engagement strategy state the support of social entrepreneurs. More and more companies and welfare organizations are looking to engage in cooperation with social entrepreneurs. Nevertheless, there is still no coherent public strategy to promote social innovation and social entrepreneurs.

There is still no coherent public strategy to promote social innovation and social entrepreneurs.

## SPECIAL NEEDS OF SOCIAL ENTERPRISES

In December 2015, the study “Challenges of the founding and scaling of social enterprises”, commissioned by the German Federal Ministry of Economics and Energy (BMWi), has been published. Although the study only takes commercial-based social enterprises into account, it clearly indicated that social enterprises need different framework conditions and a different funding infrastructure than traditional founders. Thus, the authors of the study conclude: “Consulting services are of particular importance to social enterprises (e.g. on legal issues, financing options, concretization and implementation of the business idea and scaling of the company). There is a corresponding need for high-quality support structures. This need cannot currently be covered by the classic central places (e.g. chambers, institutions for economic development) or

the consultants, which are more oriented towards general founding support.” [3] Despite this finding, nothing has happened since.

## STARTUP SUPPORT SYSTEMS

As a result, the non-profit Social Impact gGmbH – which is mostly funded by foundations and donations – is the only reliable, high-quality support programme for social startups and social entrepreneurs in Germany that includes all different phases of the founding process. Social Impact has established Social Impact Labs to support the creation of social enterprises and to scale social innovations. The Social Impact Labs are a platform for social entrepreneurs and social startups as well as for all organizations and companies that want to promote social innovations. The Social Impact Labs offer space for work and co-creation, networking, shared services and exchange for everyone interested. Social Impact Labs provide social startups with a special support programme that is adapted to their specific needs. They receive a free-of-charge co-working spot for a period of 8 months and can benefit from a comprehensive qualification, coaching and mentoring programme.

## THE SCHOLARSHIP PROGRAMME

The graph shows the development phases of the Social Impact incubation programme. Only those participants are accepted into the programme that present a socially innovative idea and that can show that a significant social added value will be created with the development of the product or service. The projects are evaluated by internal and external experts. Only 10 - 15 % of the applicants are accepted into the programme. Based on this intensive preselection process, a special development and qualification plan is created for each Social Startup Team.



Development phases of the Social Impact incubation programme

The participants have to qualify from phase to phase in order to be able to benefit from the versatile and differentiated support offers tailored towards the individual needs of social startups.

In the first two months, the focus is on the “Theory of Change”. The key question is whether the intended target can actually be achieved. Only after a successful completion of this phase, the social business model is thoroughly examined. After about 5 months, the social startups have to present their business model to an independent jury, which decides whether further support should be given. In the subsequent phases, the Social Startups receive intensive support in preparing the founding and financing of their projects. The model shows that the participants have to qualify from phase to phase in order to be able to benefit from the versatile and differentiated support offers tailored towards the individual needs of social startups.

Throughout the process, the teams are not only supported by the Social Impact experts but also by many mentors from the business sector (SAP, HANIEL, Deutsche Bank, etc.) and by welfare organizations (PARITÄT).

The success of the programme is impressive:

- more than 2,000 Social Startup teams have applied for a place in one of the Social Impact Labs throughout Germany,
- 430 teams were accepted into the programme,
- 70 teams are currently working in the labs,
- more than 200 teams have already founded a business; more than 1,000 jobs were created,
- the crowdfunding offer of Social Impact generated nearly € 1.6 million for the teams (until May 2017).
- In addition, in 2016 Social Impact has received grants amounting to more than € 350,000 that were distributed to the teams,

- the teams won nearly 200 national and international awards. In 2015 and 2016 the German founder award went to a team from the Social Impact Lab.
- In the meantime Social Impact gGmbH has set up six labs in Germany (Berlin, Hamburg, Leipzig, Frankfurt, Duisburg and Stuttgart) and established the largest social entrepreneurship incubation programme in Europe, both in Germany and Eastern Europe.

However, the success of the Social Impact Programme is also an indicator for how much potential for addressing societal challenges is not untapped because of the lack of public support for social innovations.

The success stories of our alumni showed how important a startup support system is for their development. The programme “Dialog macht Schule” supports students from non-educational families with an immigration biography from the seventh grade in developing an awareness for democracy and social participation. At selected schools dialogue groups take place regularly over a period of 2-3 years. Starting out with topics that are important for the students in their personal learning and living environment, they then develop insights into the current political, cultural and social life to expand their views and perspectives and to develop a differentiated approach towards questions of identity, religion and society. Another good example is the startup “Original Unverpackt”, the first supermarket in Germany which avoids disposable packaging. Instead of the usual product packaging and plastic bags, the customer can bring their own storage containers or take reusable containers in the store and fill them with products from the wide range of goods. The background of the idea is that valuable resources such as water and oil are exploited for the production of packaging.

These examples show that entrepreneurship and social commitment are not contradictory. They are role models for others and contribute to the development of the social entrepreneurship scene – not only in Berlin but all over Germany where a growing number of people want to launch a social enterprise and find solutions to the problems and deficits in this world.

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# SOCIAL INNOVATION ECOSYSTEMS

Social innovation ecosystems enable or inhibit the development of social innovations. They consist of actors from different societal sectors and their environments with legal and cultural norms, supportive infrastructures and many other elements.

*Dmitri Domanski / Christoph Kaletka*

## 1. WHY SOCIAL INNOVATION ECOSYSTEMS? A MULTI-SECTORAL PERSPECTIVE ON SOCIAL INNOVATION

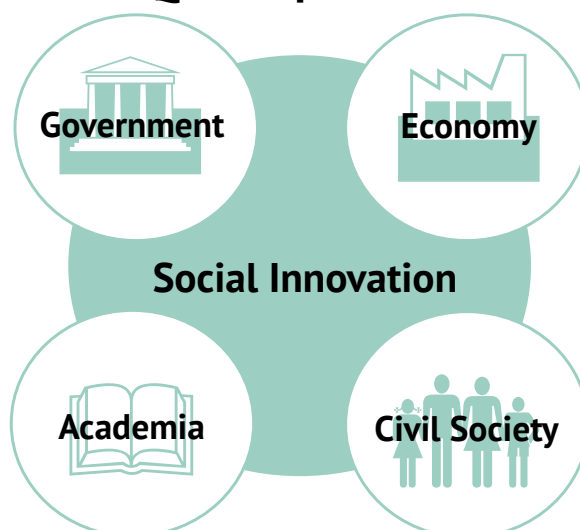
Social innovation research does not originate from a systemic concept of innovation (which became dominant in the Innovation Studies during the 1980s), but mainly from quite isolated, often uni-sectoral perspectives or actor-centred approaches. For decades, scientific work in the field of social innovation predominantly focused on social economy and on social entrepreneurship as the main topics. This almost exclusive view fails to recognise other key aspects of a comprehensive concept of social innovation, among them, social innovations in the public sector and the role of business economy as well as of academia. At the same time, contributions regarding such question as “how institutional and social networks and interactions between levels of governance can work to enable or constrain local innovation” [1] have been important for the development of the research field of social innovation.

The need for better understanding the complexity and systemic character of social innovation can also be stressed by taking a closer look at the field of Innovation Studies. While social innovation research has been strongly characterised by focusing on the third sector as the main societal sector and driver of social innovation, or on the social entrepreneur as its protagonist in order to explain how social innovations emerge in societies, concepts such as innovation systems or the triple helix are based upon different components, among them almost always a conceptual operationalisation of drivers, barriers and governance (even if these might be labelled in different terms). The concepts both recognise appropriate constellations of key actors (i.e. in particular universities, industry and government) and complex interactions among them as being important for development of technological innovations. An important question is to what extent such

concept as (national and regional) innovation systems can be useful in order to further develop the concept of social innovation ecosystems.

Empirical results of the SI-DRIVE project show that multiple types of partners are involved in social innovation initiatives. Findings from the project’s global mapping of social innovations confirm that the public and the private sector as well as civil society are relevant for social innovations on a more or less equal footing, with science and research only taking a minor role in social innovation initiatives. Hence, in spite of increasing activities by academia that can be detected in areas such as university social responsibility, social innovation is still far from having a balanced quadruple helix. The potential of science and research remains largely untapped – a strong contrast to the essential role they play in classical innovation processes.

## Quadruple Helix



## 2. SOCIAL INNOVATION ECOSYSTEMS: IN SEARCH OF A CONCEPT

A systemic approach to social innovation focuses on the interfaces of the so far differentiated and largely separate self-referential societal sectors of state, business, civil society and academia, of their corresponding rationalities of action and regulation mechanisms, and at the associated problems and problem-solving capacities.

Such collaborations are picked up by at least two different heuristic models, the quadruple helix on the one hand, where government, industry, academia and civil society work together to co-create the future and drive specific structural changes, and the social innovation ecosystem on the other hand, which also asks for interactions between the helix actors, adds the notion of systemic complexity and looks at both, the serendipity and absorptive capacity of a system as a whole. Academic knowledge on social innovation ecosystems is very scarce and the concept is still fuzzy.

The development of a scientific concept of social innovation ecosystems is much more demanding than just trying to adapt concepts such as innovation systems or triple helix to the area of social innovation. This task implies a much better understanding of what social innovation ecosystems are about. One precondition for

*The ecosystem perspective goes beyond actor-centred concepts and has to include governance models, potentially supportive infrastructures, and even legal and cultural norms which take effect in a specific ecosystem and which make a difference.*

fulfilling this task has to do with understanding social innovation from a multi-sectoral perspective. In this regard social innovation research could learn indeed from the area of Innovation Studies. Another precondition is to comprehend such ecosystems as environments in which social innovations emerge: these innovations are different from technological innovations, which take centre stage in the established concepts mentioned above. Furthermore, the ecosystem perspective goes beyond actor-centred concepts and has to include governance models, potentially supportive infrastructures, and even legal and cultural norms which take effect in a specific ecosystem and which make a difference. Therefore, social innovation ecosystems consist of actors from different societal sectors and their environments.

The results of the first global mapping of social innovation initiatives conducted within the project SI-DRIVE provide empirical insights into these environmental conditions that initiatives are depending on today. They show that

new ways of developing and diffusing social innovations are necessary (e.g. design thinking, innovation labs etc.) as well as the necessity of a new role of public policy and government for creating suitable framework and support structures, the integration of resources of the economy and civil society as well as supporting measures by science and research.

## 3. CHALLENGES FOR RESEARCH AND PRACTICE

The five key dimensions of social innovation, a methodology used in the SI-DRIVE project, help to better differentiate internal and environmental factors initiatives are facing.

### 3.1 Concepts and understanding of social innovation

The global mapping of SI-DRIVE uncovers countless approaches and initiatives that illustrate the strengths and potentials of social innovations in different parts of the world, with their different economic, cultural, religious and historic backgrounds. Overall, social innovations are gaining in importance, not only in relation to social integration and equal opportunities, but also in respect to the innovative ability and future sustainability of society as a whole. At the same time, the understanding of social innovation varies a lot from actor to actor and also from ecosystem to ecosystem. For example, while in some ecosystems, the understanding of social innovation is mainly influenced by

a strong involvement of cooperatives and a dominant role of the social economy, in other ecosystems the issue of social inclusion through technological innovations shapes the concept. Also common is the lack of a clear understanding of social innovation through those who are part of the ecosystem. Better understanding social innovation, including its relationship to technological innovation and innovations which

seek for economic rather than social value creation, would help the actors within the ecosystems to work in a more targeted way.

### 3.2 Objectives and social demands, societal challenges and systemic changes that are addressed

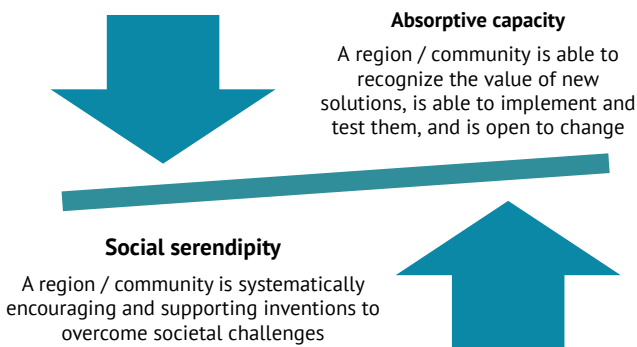
This research dimension focuses on the desired output and motivation of social innovation and its initiatives. With regard to the different levels on which output is generated, BEPA suggests that “the output dimension refers to the kind of value or output that social innovation is expected to deliver: a value that is less concerned with mere profit, and including multiple dimensions of output measurement” [2]. In this understanding, social innovations:

- respond to social demands that are traditionally not addressed by the market or existing institutions and are directed towards vulnerable groups in society [...],
- tackle ‘societal challenges’ through new forms of relations between social actors, [...] respond to those societal

challenges in which the boundary between social and economic blurs, and are directed towards society as a whole [...], or contribute to the reform of society in the direction of a more participative arena where empowerment and learning are both sources and outcomes of well-being” [2].

Results of SI-DRIVE's global mapping reveal that actors of innovative projects and initiatives increasingly try to address social needs and societal challenges instead of focusing primarily on economic success and profit. The need to respond to a specific societal challenge or a local social demand are by far the main motivation and trigger for initiating and running a social innovation. More than 60% of the initiatives have started from this perspective.

As the mapping reveals, there is an abundance of approaches and initiatives exploiting the strengths and the potential of social innovation in order to support societal integration through education and poverty reduction, to implement sustainable consumption patterns or to manage demographic change. However, social innovations do not only become increasingly important for ensuring social cohesion and equal opportunities, but also for the innovative capacity and resilience of companies and society as a whole.



Serendipity and absorptive capacity in social innovation ecosystems

### 3.3 Actors, networks and governance

Who are the actors that shape social innovation ecosystems? At a first glance, the answer seems quite obvious: NGOs and NPOs, companies, social enterprises, public authorities, universities and research centres, just to mention the most typical ones. However, it is not always easy to identify what type of organisation is involved in social innovation, as many social innovation actors are hybrid organisations. Also challenging for work on ecosystems is that many actors are actively participating in social innovation initiatives without using the term social innovation and often without even knowing that they are working on social innovations. While social innovations may play an important role in a national or regional ecosystem, an explicit focus by actors is often missing. It is a task of research to consider all relevant actors which requires a careful study of an ecosystem far beyond the usual suspects.

Moreover, a true challenge for both research and practice has to do with the development of new governance models for social innovation ecosystems. Regarding the importance of empowerment, co-creation and citizen involvement for social innovation, traditional patterns and mechanism seem obsolete. Against this background, Sgaragli's approach to social innovation ecosystems in terms of "a paradigm shift where grass-root, bottom-up, spontaneous movements and communities of change are shaping new ecosystems" as well as regarding the "replacement of existing governance models with ones that are more open, inclusive and participatory" [3], opens up a different perspective that needs to be explored through empirical studies.

### 3.4 Process dynamics

Questions about transferability and scalability within a given or to another ecosystem dominate social innovation discourses. Scaling in terms of different modes of organisational growth is a typical way. While scaling is a more prominent strategy within a given ecosystem, transfer and adaptive replication more often takes place in a different setting, which helps to reach completely new target groups. The initiating actors – social entrepreneurs, project managers,

Approach	Strategy	Overview
Replication	'Scaling out'	Organisation attempt to replicate their social innovation in other geographical areas
	'Scaling up'	Organisations attempt to affect a wider system change by tackling the institutional causes of a problem
	Mission networks	A social entrepreneur rids of traditional aspects of organisational control (brand, intellectual property, etc.) to influence and create other 'change makers' within the system
Non-replication	Open Source	The core intellectual property of the innovation or organisation is turned into an open source tool for others to take up
	Other (less explored potential strategies)	Including: <ul style="list-style-type: none"> <li>Affiliation with new partners</li> <li>Direct/indirect dissemination of ideas</li> <li>Working to change policy environments</li> <li>Social movement building</li> </ul>

Summary of main scaling strategies [4]

activists, groups, networks and so on – have a motivation, an intention or a strategy to disseminate their solution for a social problem. There are even further activities an actor can initiate in order to overcome the limits of organisational growth. The summarising table shows the different modes of scaling or dissemination strategies that had been discussed in the Critical Literature Review of SI-DRIVE.

Social innovation ecosystems can only develop their full potential if there are people who have the necessary skills to work in this area.

### 3.5 Resources, capabilities and constraints

Social innovation initiatives are enabled or inhibited through different types of resources, capabilities and constraints, depending on the co-operation of actors, (supporting) networks, cross-sector triple and quadruple helix collaboration, combinations of knowledge backgrounds, user involvement, and institutional conditions. They are closely related to the social innovation ecosystem and infrastructure for social innovations. Resources (financial or other) for social innovation ecosystems are definitely not a big issue on most of policy-makers' agendas. Many ecosystems are poor in terms of resources available for social innovations: funds are scarce, experts are seldom and knowledge is missing.

SI-DRIVE's global mapping shows that lack of funding is the biggest barrier for social innovators and that own resources represent their main financial source. However, it is much

more than just money. Social innovation ecosystems can only develop their full potential if there are people who have the necessary skills to work in this area. Here, universities could play an important role. At the same time, developing capabilities for social innovation ecosystems is a key task for actors from all societal sectors.

## 4. CONCLUSIONS AND OUTLOOK

The ecosystems of social innovation are in different stages of development across Europe and beyond. In all countries “there are a number of important factors enabling the development of social innovation, including important support and impetus from the EU” [5]. The status of the social innovation activities differs in the different world regions, in regard to the existence of a (shared) understanding of social innovation, the dissemination of the initiatives, the societal challenges addressed, the actors involved, and more. The societal and governance systems, in which the social innovations are embedded, are complex and the problems addressed are deeply rooted in multifaceted societal and structural issues. At the same time, many initiatives are small in scale: Only a minority of social innovations are leaving the narrow context of the initiative and the local or regional level, and if so, mainly scale within the own initiative. Therefore, an important task for future research is not only to better understand social innovation ecosystems themselves (e.g. along the different dimensions presented above), but also to explore connections between ecosystems which would facilitate diffusion of social innovations.

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# NETWORKS AND CAPACITY BUILDING IN SOCIAL INNOVATION

The world we live in is more connected than ever, and networks are very much in vogue. Networks are no longer just for socialites; they are a powerful tool for creating societal impact. So why has this phenomenon occurred, and what does it mean for organisations of the future?

*Louise Pulford*

Networks are very much in vogue, and rightly so. The world we live in is more connected than ever, and networks are directly linked to productivity and capacity building. The practice of investing in relationship and building social capital is no longer seen as the territory of senior executives and socialites. The number of organisations who are building networks, or who are taking a network approach to how they work, is on the rise.

We see more foundations drawing on their alumni networks, universities aligning their approaches, and traditional NGOs working collaboratively to improve access to resources. They are all seeking approaches that are more collaborative, creative and continuous, thus increasing the sustainability of their collective impact.

There are several reasons why this network phenomenon has occurred. Especially three reasons are particularly important for those who work in Social Innovation. First of all, the impact potential of individual social change organisations frequently depends on the robustness of the enabling ecosystem that they are operating in. Secondly, networks can practically speed up the process of learning. Since innovations often happen simultaneously in different places, networks can help innovators become visible outside of their own silos in order to connect and learn from each other more readily. Finally, networks also build capacity more quickly. Given the fact that Social Innovation is a relatively new and expanding field, supporting shared learning is a valuable way of accelerating how frequently deployable insights are developed, scaled and, finally, spread.

However, building and facilitating an effective network is not easy. The Social Innovation Exchange (SIX) has been building and nurturing a global cross-sector network of Social Innovation organisations and individuals over the

*They are all seeking approaches that are more collaborative, creative and continuous, thus increasing the sustainability of their collective impact.*

past nine years. With 16000 members (individuals and organisations), SIX helps to build the necessary relationships, capital and knowledge to increase social impact. At SIX, we have been analysing what we mean when we talk about using a network approach.

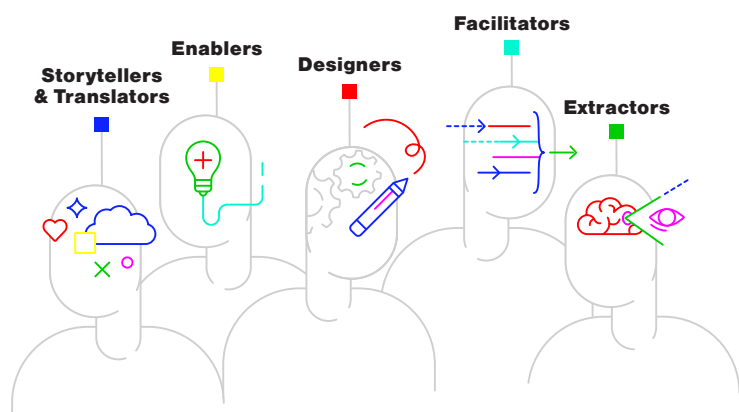
The way networks work is just as important as what networks do. Below, seven principles and key features on which the SIX network approach is based are summarised.

1. People focussed – We strengthen our partners by believing in them, motivating them and legitimizing what they do.
2. Trust building – We build trust and enable our partners to engage honestly.
3. Anchor and reframe – We bring together different people and groups aligning them through learning and a shared vision and holding their interactions.
4. Productive disruption – We support people to take risk and ask difficult questions making them comfortable with uncertainty and change.
5. Practice action – We value social impact rather than ideas, taking people through practical processes to seek knowledge and solutions.
6. Connect as peers – We connect people based on interest area not on job title.
7. Empower – We build on assets and stimulate self discovery and democratize innovation.

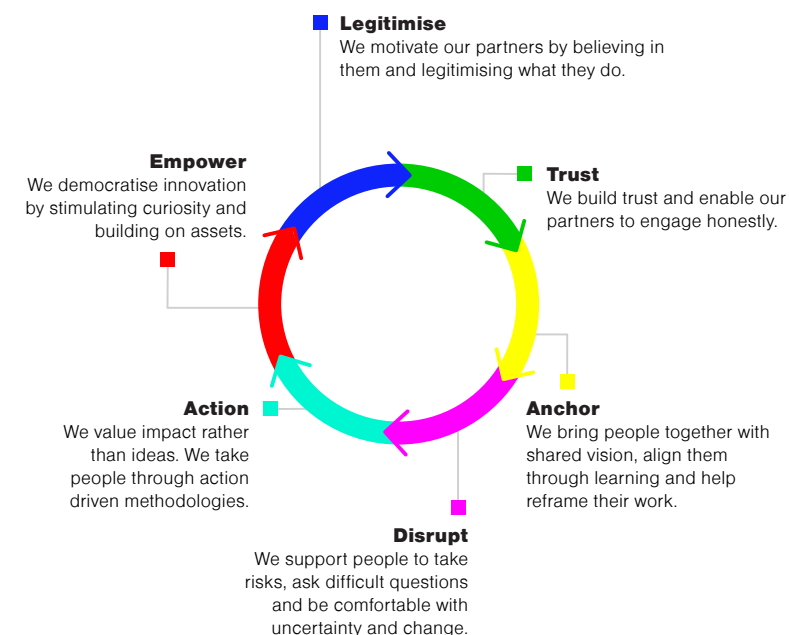
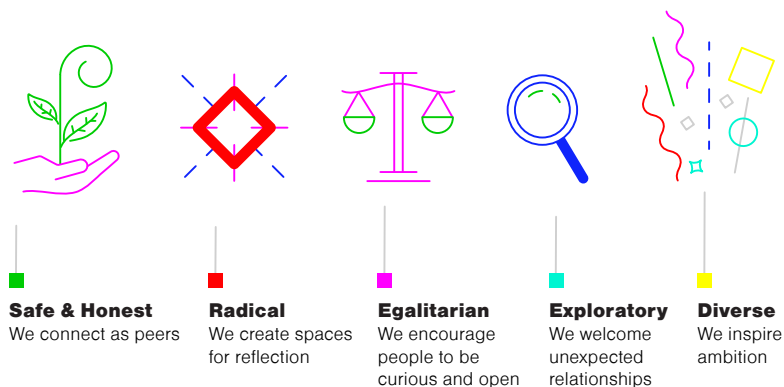


However, the role of the network is much deeper than simply connecting. In the following, five roles are described that networks should play in order to be most effective.

### We are...



### We create environments which are...



**Providing a strategic foresight** – Networks must remain relevant and current, providing strategic foresight. This means we believe that networks have a responsibility to continuously seek out and leverage strategic opportunities and connections. Their role should be in both thinking and doing, and they should connect to policy, power and practice simultaneously. There is a global breadth of knowledge that can support practitioners to leapfrog ahead by borrowing great proven ideas and adapting them to local circumstances. To stay relevant, network secretariats must keep the horizon scanning functionality, always on the lookout for new people and projects – the value is more than the sum of its parts. A network approach means an ability to seek and identify topics and themes that bring value to the community in the present and for future challenges.

**Strategic curation** – This means taking advantage of the evolving strategic foresight that network facilitators gain from their members. If the curation approach and strategy is shaped carefully, its direction, sequence of activities and focal points will combine to expand the field’s shared knowledge and impact.

This approach will be supported by strong secretariats. There are several ways to structure a network and the advantage of a strong secretariat is that we can support core functions such as information sharing, networking, building strong peer relationships, knowledge-building, strengthening the distributed capability of the network to have agency. Strong secretariats can also develop and deploy specific strategies built around goals such as capacity building, policy engagement and field building. Growing slowly, organically helps build a strong foundation – this means inviting people to be a part of it, and encouraging distributed leadership across the breadth of networks and organisations served.

**Trust building** – Carefully building trusting and trusted relationships is central to a network’s effectiveness. Trust can be built by action as well as attitude.

Whether a network has a formal membership or not, effective networks rely on the power of “pull” in order to keep

people and institutions connected into and active in support of network activities. This also implies working in partnership with organisations in the network. The more activities, whether these are events, research papers, or trainings, are conducted in partnership, the more trust is built and the more effective the work will be. Networks never act alone.

A cocktail for reciprocity – Power dynamics are always at play in any network that includes diverse groups of people. As conveners, it is crucial to never forget where the initial connections come from. Relationships are always reciprocal and layered. This is how networks develop and grow broad-based partners and collaborators across sectors and diverse regions.

**Building a narrative and brand** – A challenge for networks in this field is developing a powerful and viral narrative, making it much simpler to explain to people in the mainstream what exactly “Social Innovation” is and why it is so important. The narrative helps to build brands, which in turn attract people to become a part of the network, which, in turn, increases the impact.

However, taking this approach is not easy, and there are several challenges that Social Innovation network organisations face.

### 1. Operating at the periphery of mainstream innovation system – How do we get ‘social’ into the water supply?

The dominant global thinking and organisation of innovation policy and innovation ecosystems is still centred on STEM innovation (science, technology, engineering and mathematics) and business model innovation. As a result, Social Innovation is often invisible to the main innovation system, and therefore continues to operate in its own silo. Challenging this dominant innovation narrative remains a daunting, but indispensable task if Social Innovation is to have the impact it seeks and networks play a key role in this mainstreaming strategy.

### 2. The power of weak ties – How should we manage the tension of depth vs. breadth?

Network theory highlights the power of weak ties versus strong ties. Focussing on weak ties enables people and organisations to reach a large number of diverse and relevant contacts for knowledge or action. There is always a trade-off between size and depth; openness and building a core

of like-minded people. This needs to be a conscious choice. The language of Social Innovation is challenging for some organisations and sectors, therefore being aware and sensitive of this will effect how networks are built and how open you choose to be.

### 3. Ensuring network sustainability – What is the right business model for a network?

Finding the right business model to support the core functions of networks requires an innovation all of its own. Membership fees are just one way to fund a network, and may not be appropriate depending on the choice of breadth vs. depth. In recent years, several networks have been established as part of European Commission funded projects, and there is now money available to support the core function of a secretariat which works across several countries. This is quite unusual compared to other parts of the world where several Social Innovation networks struggle to secure such core support and are forced into more diverse business models, seeking funding from events, training, research work and consultancy, rather than just core network building functions.

## BUILDING NETWORKS OF THE FUTURE

Networks of the future need to be more digitally robust, providing a space for online connection and interaction. Whilst face to face interaction is crucial for building relationships, we can not ignore the role and potential of technology to be able to support peer-to-peer connections and collaborative value creation. Much more robust platform development provides an opportunity for the growth of Social Innovation networks by enabling them to harness the distributed knowledge of peers around the world in more effective and ongoing ways.

As Margaret Wheatley and Deborah Frieze describe in “Using Emergence to take Social Innovations to Scale” [1]: “In spite of current ads and slogans, the world doesn’t change one person at a time. It changes as networks of relationships form among people who discover they share a common cause and vision of what’s possible.”

If we want to enable more organisations to leverage knowledge and resources more effectively, and build capabilities through networks, we must ensure networks are carefully managed.

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call of civil society for more EU action in this field: creative initiatives were burgeoning, out of a tradition of social economy organisations. They were looking for recognition, exchanges and new rules and resources to be deployed at European level.

The institutional mobilisation in the European Commission crystallised in 2010 around the new ten years growth strategy: “Europe 2020 for a smart, green and inclusive Europe”, with targets to be reached by 2020 for employment, research, energy and climate change, education, poverty reduction and social inclusion. Social Innovation found a fertile ground in this policy exercise and commitments to grant it programs and resources flourished.

Around 2010, ideas, interests and institutions opportunistically came together to push EU policies to integrate Social Innovation as a significant component. The work of a specific group in the services of the Commission helped to insert Social Innovation in the key initiatives and brought legitimacy and resources to actors inside and outside institutions.

In this period, the European Union deployed its resources in many fields, including in structural initiatives like the “partnership on active and healthy ageing”, to add two healthy and active years to the lives of people. Also in 2011, the social business initiative (SBI), strongly backed by three commissioners, took up the challenge of strengthening the social economy by taking action to improve the recognition of social enterprises, simplify the regulatory environment and the access to funding. It culminated in a large meeting of stakeholders who signed the Strasbourg declaration in January 2014.



Title of the BEPA Report: Social Innovation. A Decade of changes. [3]

## UNFINISHED BUSINESS

Addressing social demands by the contribution of dynamic and imaginative charities and social entrepreneurs, with the occasional contributions of generous donors, is not a sustainable way to address the societal challenges of our time. The commitments to Social Innovation made by the Commission as part of Europe 2020 and later its social investment strategy provided many of the elements of an agenda for change, ranging from supporting networking and funding for grass root Social Innovations and social entrepreneurs to experiments of social policy instruments, research in methodologies and changes in governance modes in order to recognise social policies as an investment in the future. These commitments were embedded in policy documents and their contribution to the reform of social policies and to behavioural and systemic changes were promising, going as far a revival of the debate on indicators of growth “beyond GDP” initiated by the Commission in 2007.

Unfortunately, by 2015, the failure to reach the mid-term targets set for the Europe 2020 strategy, justified strategic changes and President Juncker, who took office in 2015, decided on different policy priorities. While it can be argued that the two defining documents of the recent period, the Commission’s “White paper on the future of Europe” and the “European pillar of Social Rights”, stress the social nature of the challenges facing the European Union, the institutional construction and political attention which boosted developments on Social Innovation vanished.

## THE CASE FOR A SOCIAL INNOVATION INSTITUTE

The institutional construction for Social Innovation entailed **governance instruments** (a permanent inter service group, policy guidance by a group of commissioners, initiatives to power public sector innovations, European innovation partnerships, reform of public procurement), **financing capacities and facilities** (a specific programme, access to venture capital, a regulatory framework for social investment funds, Microfinance and crowdfunding, an impact investing scheme), **capacity building instruments** (prizes, mapping of social enterprises, a data base of labels and certifications, incubators and networks, a collective awareness platform initiative, digital innovation platforms, multi stakeholder platform for corporate social responsibility, skills development and exchange) and **research** (financing of research and pilot projects) [3]. Some were embedded to stay and others were left to vanish.

The need for a stable structure to pursue a “transformative agenda” was mentioned in the Strasbourg declaration. Also, drawing on lessons from the experience of other transformative policy objectives (e.g. gender equality) and given the political nature of internal instruments (group of

An institute would be the natural place to develop new modes of governance, to ensure appropriate financing is available, to engage with stakeholders and policy makers for capacity building, and to be a resource centre for data and research.

commissioners, inter service groups), the option for a sustainable European effort to develop Social Innovation, is the creation of an independent institution in the shape of a European Institute (or agency). This would have to be confirmed by a feasibility study [4], however given the political and administrative investments done so far and the reaffirmed need to find innovative solutions to the challenges faced by European economies and societies, an institute would be the natural place to develop new modes of governance, to ensure appropriate financing is available, to engage with stakeholders and policy makers for capacity building, and to be a resource centre for data and research.

## WHAT IS A EUROPEAN INSTITUTE (OR AGENCY)?

There are now over 40 EU agencies that are distinct from EU institutions, and have been set up to accomplish specific tasks, such as promoting environmental protection, transport safety, multilingualism or gender equality. They span over Europe and are providing services, information and know-how to the general public. Each agency has its own legal personality. Some answer the need to develop scientific or technical know-how in certain areas; others bring together different interest groups to facilitate dialogue at European and international level.

The largest wave of European agencies came at the turn of the century. The literature on European integration and governance highlights three types of reasons behind the creation of EU agencies in the early 2000: (1) to improve the legitimacy of decisions, (2) to ensure the continuity of policies against the changing preferences of successive political majorities and (3) to cope with the increased size of the EU which ends the time of consensual decision making process used so far.

In a functional perspective, the literature on the role of epistemic communities on policymaking and expertise in the European Union [5] raise three principles for policy making which confirm the appropriateness of an agency for a European Social Innovation policy:

- a policy development must be based on verifiable and reliable data, and grounded in **expertise**
- a policy must be able to garner support even beyond its immediate constituency: **participation and legitimacy**
- a policy needs to remain clearly circumscribed and identifiable: **specificity**.

## EXPERTISE

The development of EU wide knowledge on Social Innovation has so far been developed mainly by academics and practitioners within large and small research projects and occasional policy experiments within the boundary of administrative regulations. Evidence and theoretical insights produced have shed light on the need to monitor fast moving policy developments in their diversity, to empower networks to explore areas beyond the boundaries of traditional policy making and avail resources to experiment. No doubt that a small and reactive body as an institute would be fitter to fill in these tasks and act as a resource centre for data and knowledge than many different silos in administrations.

## POLITICAL PARTICIPATION AND LEGITIMACY

As EU policy-making has become more complex, due to the diverse situations amongst and within its member states, citizens are at an increasing loss and legitimacy is sinking, fuelling a need for change and to empower citizens. Social Innovation is both a space to “make people gain the feeling that they can influence their surrounding and the direction of events” (TRANSIT) and a way to produce legitimacy through its social aims.

## SPECIFICITY

In the early stage, the need to recognise Social Innovation with a single definition seemed a condition for its success but almost a decade later, research and practice have produced a complex picture of different types of Social Innovations, from the practical answer to a punctual issue (e.g. the creation of a social enterprise to serve the needs of a community) to culturally disruptive and transformative initiatives on a large scale (e.g. the circular economy). Battles of definitions will continue to surround Social Innovation, a “quasi concept” according to Jane Jenson [6], where being polysemous is a strength.

## HOW TO PROCEED?

Agencies are mostly funded by EU budget, and the ordinary legislative procedure applies to their establishment. Decentralised agencies were set up to respond to emerging individual policy needs. They are heterogeneous in nature,



size and goals, which, despite efforts to harmonise their regulations, do not comply with “one size fit all” rules. Their only bible is a “non-binding common approach to EU agencies” agreed on in 2012, after a long institutional controversy, leaving a decent amount of flexibility to fix ad hoc objectives, size, structure and scope for a European Social Innovation Institute.

## CONCLUSION

There has been steady progress in building up institutional support for Social Innovation in the last decade at European level. The EU has been able to act as a catalyst in developing initiatives, instruments, projects and research to support new ways to address societal challenges. Initially, Social Innovations were seen as participative instruments to respond to new needs which were not addressed by the state or the market. However, it has grown into a promise to “empower people and drive change”.

Digital developments are not the least reason to continue exploring the potential of Social Innovation as a transformative process. Inequalities, changes in family

structures and the labour market, the mitigation of climate change and populist attacks on democracy are interlinked challenges which are weakly addressed by traditional policy making and where Social Innovation works at its best.

Drawing from the experience of other transversal policy fields (gender equality), the creation of an autonomous institution in the form of a Social Innovation institute, is necessary for the continuity of the policy but also to preserve its specificity, mobilise its epistemic communities and assert its legitimacy. The idea is not to discharge institutions of their responsibility to develop innovative policies but on the contrary to support and advise them in their tasks by experimenting on policies co-designed with an active citizenry.

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# EMPOWERMENT, CO-CREATION AND SOCIAL INNOVATION ECOSYSTEMS

While co-creation and empowerment are generic features of social innovation, initiatives are embedded in an environment which can sometimes be supportive or even hostile. Research in SI-DRIVE provides examples for a variety of manifestations, leading to a typology of six models.

Josef Hochgerner

## EMPOWERMENT

Empowerment is one of the most specific features of social innovation processes on the one hand, and of outcomes (potential impact) on the other hand. This was emphatically highlighted by the European Commission in an early key document on social innovation: *“The process of social interactions between individuals undertaken to reach certain outcomes is participative, involves a number of actors and stakeholders who have a vested interest in solving a social problem, and empowers the beneficiaries. It is in itself an outcome as it produces social capital.”* [1]

Co-creation and empowerment can be determined as generic features of all sorts of social innovation. Over and above these characteristic properties any social innovation is embedded in an eco-system.

## CO-CREATION

According to an understanding of social innovation as a new figuration of practices, i.e. how to act when individuals, groups or organisations intend to solve social issues, some form of collaboration is always essential and indispensable. The fundamental concept of *social action* explicitly connects the *intention of an actor with another person or group*. Thus, an interactive relationship between social entities comes into being, that is crucial for the generation of social innovation and its outcomes: a rather loosely form of relation is to accept the action of someone else – yet the more mutual and trusted a relationship becomes, the better the impact. This is why SI-DRIVE emphasises *“co-creation”* and participation next to *“empowerment”*, as verified by the results of the research [2].

## ECO-SYSTEM

Research proved that social innovation still appears to be a fragile as well as blurry term, if compared to the common understanding of innovation and Research, Technology Development and Innovation (RTDI) -policies in the framework of measures to enhance technological progress and economic growth. It is therefore highly relevant to also look at what determines the conditions for success or failure of social innovation initiatives, the so-called *“social innovation eco-system”*. The comprehension of social innovation eco-systems includes, first of all, patterns of the pre-conditions to instigate and implement social innovations.

Such patterns are formed by potential causes (in the sense of *issues, needs, challenges and desires*) as well as by *facilitating instruments (knowledge, competencies, funding, drivers* and varieties of actors which may be *individuals, organisations and institutions* in all societal sectors), and obstructive factors and *impediments*, too. Moreover, an eco-system might bear the potential to ensure the sustainability of results and impact. An effective social innovation eco-system usually is required to hedge lasting impact of social innovations.

## LEARNINGS FROM SI-DRIVE CASES

Concluding from the mapping and in-depth case studies selected from a total of 1005 examples, observations confirm that some form of co-creation plays a role in all social innovations; additionally one of the effects – impact – of social innovations is empowerment. Therefore *co-creation and empowerment* can be determined as *generic features* of

all sorts of social innovation. Over and above these characteristic properties any social innovation is *embedded in an eco-system*, in fact ranging from conducive to hostile socio-economic or cultural environments, just think of the struggle of women in Saudi Arabia for car-driving permit.

So, empowerment, co-creation and eco-systems make a difference *beyond* peculiarities in relation to the five key dimensions of social innovation, i.e. *concepts, societal needs, resources, process dynamics, and governance* [3, p. 5]: There are various forms of co-creation, different directions and efficacy of empowerment, and modifications by a spectrum of respective eco-systems. A focus on the ways of collaboration in social innovation processes, and on impact by empowerment under conditions of respective eco-systems enables to determine characteristic modes or typical varieties of social innovation. The specifics and differences of certain modes of social innovation are best explained by key features of concrete social innovations, as identified and thoroughly analysed in the SI-DRIVE case studies. Hence, a sample of case study extracts illustrates the following generic typology.

## SIX MODELS OF SOCIAL INNOVATION

**(1) Social innovation** as new or improved service  
In this case innovators identify needs and provide solutions for a target group with particular demands. Yet even in this case social innovation may not be seen as something ready-made to be bought and consumed off the shelf, because acceptance and adoption of the new practice(s) require adaptation or imitation as a minimum of joint activity. Such types of social innovation are *most* likely in policy areas like health, care, raising children, education, poverty, where beneficiaries come into play in the stage of implementation. Yet of course, there are such cases of providing social innovation *for* somebody in need in all policy fields surveyed.

### Example “MomConnect”

*Policy Field: Health and Social Care | Region/Country: South Africa (Republic of South Africa, RSA)*

MomConnect is a free mobile service for pregnant women and new mothers. It might be termed a “Public Start-up”, carried out and made possible by private companies, foundations and others in a consortium of more than 20 partners. The main driver and initiator was the National Department of Health; so it is a case of government buy-in social innovation (like many other e/m health care examples). Launched 2014, the mobile phone based service connects more than one million women to vital services of 95% of all health clinics across RSA. The service is not one-directional, as it enables critical feedback and thus stimulates also innovation in the clinics and other service providers, e.g. of education and training.

**(2) The DIY-model:** Social innovation as self-help  
In the case of “Do-It-Yourself” (DIY) the social innovation typically is initiated and carried out by a certain group of people or an organisation to benefit their own good and value. The initial *raison d'être* is to create the possibility of working toward fulfilling a specific demand of members. Because of the perceived lack of other opportunities they develop new forms of collaborating and organising processes. If successful, such initiatives want to expand and tend to change the prior social demand perspective to a societal challenge perspective, hoping the own model may become adopted and replicated on larger scale.

### Example “Nova Iskra”

*Policy Field: Employment | Region/Country: Europe (Serbia)*

Nova Iskra is a network of designers and creative consultants, aiming at an alternative model of business organisation, following innovative principles such as diversity management in the way of co-working and new forms of governance. The workplace innovation affects management, relationships with users and other stakeholders, and the work environment itself. Success explicitly is perceived by the number of people empowered, namely some 9,000 beneficiaries by 2016.

### (3) Social innovation emerging from co-creation

This is the case of a direct start-up aiming at social innovation and to achieve objectives of public interest. “Start-up” does not necessarily mean to become a company – be it for-profit or non-profit. It may remain, at least for some time, an “initiative” of individuals collaborating without a formal structure. Yet as it grows through attraction of new members, occasionally involving companies and other organisations, an appropriate formal structure will be required to enable a reasonable extension to *co-working* following the stage(s) of *co-creation*.

### Example “Qvinnovindar”

*Policy Field: Energy Supply | Region/Country: Europe (Sweden)*

A women only initiative in the field of wind energy production emerged since 2007 because of the fact that a group of ten women found it impossible to participate by investment in existing wind power projects. As they could not afford the minimum investment required, the prime idea was to enable women with economic potentials lower than usual investors to also produce wind energy – and encourage (empower) them to better take part in ecological and economic affairs by bundling their individual resources.

#### (4) Social innovation as cooperative

Social innovation as a cooperative places participation of like-minded players in the foreground. However, the significant feature of such cases is that cooperatives want to transcend solely own concerns. An initiative of this kind may be the result of only one person as prime creator, yet it can be as kicked-off as well by a group of people, a civil society organisation, a scientific or research institute, a private company or a government department. In its core, however, the project to launch and implement a social innovation typically is carried out by close participative cooperation in what usually is considered a civil society cooperative. Nevertheless, after implementation and either in the course of its development or in case of replication the organisational framework may become varied or more diverse because of novel processes of participation and cooperation.

##### Example “Dignity and Designs”

*Policy Field: Poverty Reduction and Sustainable Development | Region/Country: Asia (India)*

Dignity and Designs (D&D) is a craft and marketing social enterprise committed to social and economic empowerment of women, free from practices of bondage and sexual violence in labour dedicated to the lowest cast (Dalit). Starting from concepts of rehabilitation, on to providing new skills (e.g. apparel making) D&D shows elements of becoming a mass movement – slowly mainstreaming the concern of inclusion, capacity building and livelihoods promotion of poor and marginalised communities, particularly women.

#### (5) Social innovation initiated to drive social change

Examples of this kind combine from the beginning explicitly the objective to deal with issues of a specific target group in society with the further perspective to influence social change on a broader scale (→ societal challenge perspective). Such initiatives first look at often age-long lasting problems of insecurity or inequity, and from there develop an innovative concept to intervene and improve quality of life and/or working conditions of the particularly affected target group. When implemented, success may pop up sometimes quickly for a small part of the target group, yet in the long run it may gradually change the social issue to the better.

##### Example “dynaklim”

*Policy Field: Environment and Climate Change | Region/Country: Europe (Germany)*

dynaklim aimed to develop a climate change strategy for the region (mainly North-Rhine Westphalia) and increasing Germany's adaptive capacity by anchoring an awareness of the necessity of adaptation within society. The initiative was started by a science lead

consortium, having had worked together previously and had generated a high degree of trust and collaborative experience. Because of the size of the societal challenge addressed, the cooperative efforts reached out to public, private and civil society groups and organisations, based on scientific research and evaluation. Funding was received from the Federal Government for a period of five years, ending in 2014. The downside of the experience was an important learning: after finalisation of the project many participating municipalities returned to their administrative routines, although these had been found inadequate to solve the problem at the beginning. This clearly illustrates that the process of social change requires process methodologies in order to secure permanent impact of social innovations. Piecemeal public investment in – maybe even consecutive – projects does not suffice.

#### (6) Support measures improving the social innovation eco-system

Accelerated since about ten years, an increasing number of organisations aim to support the creation and advancement of social innovation – some in general, some in a particular mode or sector. Such centres, labs, or hubs (to name the most frequently used notions) may be seen as an emerging infrastructure for social innovation. Their evolution proceeds along the lines of what was implemented many decades ago by policies to boost technology development and, ultimately, *economic growth*: Technology Centres or Technology Parks, Business Incubation Centres, various funding programmes for RTDI and favouring start-ups. There is, world-wide, a delay in setting up similar research and *social development centres* which should facilitate *social change and societal evolution* (social and cultural evolution) besides economic growth. Existing organisations of this kind are usually civil society organisations (NGO's,

##### Example “Social Impact Hub”

*Policy Field: Employment | Region/Country: Global (Australia)*

Two organisations with the same objective, created in Germany on the one hand (focusing on developments in Germany), and in Australia (expanding as a global network of hubs) on the other hand, are specialised on start-up assistance for social enterprises and advancement of particular target groups. Empowerment and co-creation are cornerstones of their work, enabling individual self-confidence as well as creating work organisations that display novel properties of quality, inclusion, fairness and other human values not sacrificed on behalf of business profit and economic growth. consecutive – projects does not suffice.

partly co-financed by private foundations and other donors). Other sources of facilitation are knowledge production by science and research organisations, and promotion and encouragement of social innovators by awards, festivals and publications in various media.

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# SI-DRIVE POLICY DECLARATION: SOCIAL INNOVATION ON THE RISE – CHALLENGES FOR A FUTURE INNOVATION POLICY

## PREAMBLE

Taking up the results of the Conference “Challenge Social Innovation” resulting in the Vienna Declaration 2011 the European Union funded project SI-DRIVE is further elaborating the theoretical and methodological frame for Social Innovation. SI-DRIVE provides for the first time an evidence based overview of various types of Social Innovation in different world regions and central policy areas (education, employment, environment and climate change, energy supply, transport and mobility, health and social care, and poverty reduction and sustainable development). The results reflect the diversity, broadness and usability of social innovations, proving the variety of actors and their interaction as well as exploring the systemic character and concept of Social Innovation.

There is an increasing awareness and promotion of Social Innovation: in many countries, the promotion of Social Innovation itself by the EU has served as a driver and opportunity for various actors to embrace new ways of working, access new funding streams, and promote change at a national level. Even though good progress has been achieved in recent years, important steps remain to be taken in order for Social Innovation to move from the margins of policy to the mainstream.

Against this background and based on the theoretical and empirical findings of SI-DRIVE this declaration is summarising the consequences for a Social Innovation Policy of the future.

## I. SOCIAL INNOVATION ON THE RISE – THE EMERGENCE OF A NEW INNOVATION PARADIGM

Social innovations have been emerging in recent years as an object of both research and practice. They are exerting an influence on people's lives in a variety of ways. They

change the way we live together, work, handle crises and make the most of opportunities. Likewise, they are driving different societal sectors and cross-sectoral networks and individuals. A growing consensus among practitioners, policy makers and the research community shows that technological or business innovations alone are not capable of overcoming the social, economic and environmental challenges modern societies are facing. A vast and growing number of social innovation initiatives all over the world show the need to understand better what social innovations can achieve and how best they can be deployed.

Social Innovation, in our sense, focuses on changing social practices to overcome societal challenges, meeting (local) social demands, and exploiting inherent opportunities

Social innovations are the main object of research of the SI-DRIVE project. The global mapping of more than 1,000 social innovations and the in-depth analysis of more than 80 examples from around the world demonstrate the variety of conditions and approaches leading to success. They illustrate the strengths and potentials of social innovations in the manifold areas of social integration through education, employment and poverty reduction, as well as in establishing sustainable patterns of consumption in areas like energy supply, mobility and environment, or in coping with health challenges under conditions of demographic change. The economic and political crises of the past years have taught us that growth needs to be inclusive. Social integration and equal opportunities, but also the future sustainability of society as a whole, can only be fostered by allowing social innovations to gain more importance.

Social Innovation, in our sense, focuses on changing social practices to overcome societal challenges, meeting (local) social demands, and exploiting inherent opportunities in better ways than done before, referring to the different context specificities, being more than social entrepreneurship and different from pure technological or business development. Such a concept of Social Innovation is broad enough to encompass its whole variety and potential, and clear enough to distinguish Social Innovation from other concepts like technological, business or open innovation. Against this background, four important topics are related to Social Innovation with regard to future challenges of our societies.

### Social Innovation, democracy and participation

Social Innovation builds on the desire of citizens to participate. With the expansion of the participation repertoire, social innovations challenge the current content of the whole range of 'democratic' and other types of politics. Participating citizens strengthen established structures both of democracy and of peaceful and prosperous societies more generally. At the same time, these citizens contest the existing power relations in government, in the market, in work organisation and in their local communities. National, regional or local participation currently does not sufficiently unlock the potential of civil society in co-creating solutions for problems and demands that are theirs. Politics of all types need new ways to empower citizens, to give the citizens responsibility for problem solving, to enable them to design and implement their own solutions, and importantly to dramatically improve their own agency to do so increasingly in the future.

### Social Innovation and the economy

Social innovations create social and economic value. Social innovators, social entrepreneurs and the social economy can deliver new jobs and new sustainable growth opportunities. However, it is still largely misunderstood that Social Innovation also has a number of beneficial impacts well beyond traditional growth and employment effects, for instance by strengthening social cohesion, civic participation and commitment. The ability of social innovations to foster economic and social returns at the same time makes Social Innovation a promising option for creating more sustainable, just and resilient societies. Under this perspective social innovations are also a growing economic factor, reflected by the remarkable participation of economy partners in social innovation initiatives and the growing interests of companies for this kind of innovation going beyond pure corporate social responsibility. The economic potential of the broad range of social innovations is still underdeveloped and underestimated.

The ability of social innovations to foster economic and social returns at the same time makes Social Innovation a promising option for creating more sustainable, just and resilient societies.

### Social Innovation and the ecological transition

Social innovations can also create and increase ecological and environmental value. They have a very important role in moving society through the socio-ecological transition necessary to combat, or at least mitigate, climate change and other environmental stresses and degradations, the challenges of which are set to increase dramatically in the foreseeable future. Many social innovations already act upon the understanding that it is living assets, both human and natural especially working together, which are the only real sources of any type of innovation, including technological and business innovation. Natural systems often show the way for successful social innovations, such as ecosystem development, diversity and interdependence, re-cycling and re-using assets, circular societies as well as economies, and learning systems through co-creation and an understanding that any under-used asset is a wasted asset.

### Digital transformation needs Social Innovation

Digital technology has disruptive effects, dismantling current social relationships. To cope with these challenges, citizens and other actors need to understand how to master the digital transformation and put it to the service of society. Technological innovation needs to be strongly influenced by Social Innovation. Technological and social innovations can work hand-in-hand to create new services and products

“We are witnessing **profound shifts across all industries**, marked by the emergence of new business models, the disruption of incumbents and the reshaping of production, consumption, transportation and delivery systems. On the **societal front**, a paradigm shift is underway in how we work and communicate, as well as how we express, inform and entertain ourselves. Equally, **governments and institutions** are being reshaped, as are systems of education, healthcare and transportation, among many others. New ways of using technology to change behaviour and our systems of production and consumption also offer **the potential for supporting the regeneration and preservation of natural environments**, rather than creating hidden costs in the form of externalities.”

Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, in: *The Fourth Industrial Revolution*. Crown Business: New York, 2017. pp. 1-2.

with benefits for the whole of society, as well as opening up new markets. Technology can become a pillar for the social good. *“Further innovations in technology and business are imperative; yet in order to reap their full potential, and at the same time creating social development that is beneficial to cultures as inclusive as diverse, **social innovations will make the difference.**”* (Vienna Declaration 2011: The most relevant topics in social innovation research)

## II. A NEW INNOVATION PARADIGM REQUIRES A NEW INNOVATION POLICY

If Social Innovation can play its full role, our societies can generate new and unexpected benefits. SI-DRIVE has shown that societal challenges can be tackled with social innovations. However, it remains an important task for policy to establish proper framework conditions for social innovations. Current economic, social and innovation policies in the EU member states are too general to create these conditions. Support for Social Innovation requires dedicated policy approaches. This is likewise the case at the national and EU-level. From the past, we understand that specific policies were created to support technological innovation. Social Innovation requires better funding and support infrastructures and it needs better connecting to technological and business innovation in order to reap the full benefits resulting from the synergies between all three.

The good news is that there is an increasing awareness and promotion of Social Innovation. The EU through successive Framework Programmes for Research and Innovation, alongside other international organisations like the UN, the OECD and the World Bank in different parts of the world, are important drivers and promoters of Social Innovation. For example, the UN's Sustainable Development Goals for 2016-2030 are relying increasingly on social innovations, seeing Social Innovation as a key tool in development efforts. Various actors embrace new ways of working, access new funding streams, and help promote change at national level, mainly because of such support. We are, however, only at the brink of changes. Despite good progress in recent years, important steps remain to be taken in order for Social Innovation to move from the margins of policy to the mainstream. SI-DRIVE has developed insights to understand why it is important to foster Social Innovation through policy, and which approaches are most effective, in Europe as well as globally.

### **We need a clear framework reflecting the diversity of social innovations!**

For a long time, the prevailing understanding of Social Innovation was restricted to actions of civil society to overcome market failures. This definition is too limited, leaving social innovations as interpreted in purely economic terms. Social innovations are much more than just social entrepreneurship or supplying solutions the market cannot

solve itself. Social innovations deal with all types of issues, including so-called ‘wicked problems’, i.e. highly complex and inter-related challenges; they are about continuing experimenting with social solutions that not only create economic value, but also social cohesiveness. In addition to directly addressing social problems and needs, social innovations serve to develop the agency (skills, competences, awareness and confidence) of individuals and groups, so they are better able to address their own problems and, perhaps more importantly, create and exploit their own opportunities in the future.

Social innovations deal with all types of problems, including so-called ‘wicked problems’, i.e. highly complex and inter-related challenges, they are about continuing experimenting with social solutions that not only create economic value, but also social cohesiveness. In addition to directly addressing social problems and needs, social innovations also focus on developing the agency (skills, competences, awareness and confidence) of individuals and groups, so they are better able to address their own problems and, perhaps more importantly, create and exploit their own opportunities in the future.

### **Social Innovation requires better funding and support infrastructures**

A comprehensive understanding of Social Innovation further emphasizes the different societal sectors and the surrounding ecosystems for overcoming such ‘wicked problems’ as well as exploiting inherent opportunities. Although the ecosystem of Social Innovation is in very different stages of development across Europe and globally, it is under development everywhere. Still, further progress is required across a range of important factors enabling the development of Social Innovation, including appropriate incentives and support schemes!

One of the most important challenges of the future is finding the right incentives and support schemes for Social Innovation. Funding, sustainability modes and support in-kind formats need to be developed enabling impulses for the development, experimentation and diffusion of social innovations, building on the input of actors in relevant sectors as well as public funds and supports. The incentive structures should facilitate social innovators to combine social and technological innovations in a synergistic way. The incentive approach should allow cross-over actions, mainstreaming social innovations, and integrating the user and beneficiary perspective into solutions and initiatives.

We need to learn about differential financing and sustainability models to initiate and upscale social innovations, and about the timely phase-out of public or other funding (for example by philanthropies, businesses

and crowd-funding) once social innovations have become mainstream and sustainable. These models do not always need to end-up as market solutions, but need to take into account solutions in which civil society actors can continue their activities. Valuing social impact should be an accepted model alternative to technological or market related added values.

Within these new approaches, we need to interlock the roles of EU, other international organisations and national funding and support. In the European context, only by combining European open coordination with the national activities of Member States we can help to unlock the Social Innovation potential in every European region.

### **We need to unfold the potential of social innovations to enable systemic social change!**

Social innovations are proven approaches to achieve systemic social change. Such social change requires a fruitful context in which acceptance of social innovations is guaranteed.

Three components are essential in this context. First, support for Social Innovation requires a (cultural) climate that helps to understand and support the function of social innovations. This climate needs to start in the schooling system. The focus in education needs to be on what are the main societal challenges and opportunities and what citizens can do by themselves to solve these challenges. Furthermore the opportunities have to be exploited to understand the needs of citizens and on how to create sufficient freedom for social innovations to evolve in parallel with, and complementary to, other mechanisms of change in society.

Second, Social Innovation is also about changing the rules of the game taking into account that the social order is not to be taken as given forever. Social innovators can show how they 'bend'

the rules to achieve necessary changes. Societies should allow for this deviating behaviour as a

resource for creating variety. Policy makers can adapt their agendas in view of the inspirations provided by social innovators. In other words, social innovators act as antennas of the changes needed in society.

Third, and equally important, an enabling climate for social innovations also arises by bridging measures: awareness and support platforms, networks and infrastructures for social innovations to diffuse. Such bridging measures cannot be planned in a top-down manner, but instead require learning in real-time. We thus need new experimenting spaces to unlock the potential of Social Innovation for society as a whole!

**Support for Social Innovation requires a (cultural) climate that helps to understand and support the function of social innovations**

Policy has a role to play in providing venues for new human resources development in support of Social Innovation. Appropriate experimental spaces and living labs are needed to optimize the learning process with social innovations. Experimentation in such a way should deliver new research concepts, such as transformative research, design thinking, nexus thinking, open innovation/co-creation, behavioural approaches, holistic thinking which sees individuals and communities as complex multi-need entities requiring joined-up approaches, living labs and Social Innovation centres. These and other concepts arising from and/or supported by Social Innovation, can unlock the potential in society and enable the participation of relevant actors and civil society. Especially in policy fields with highly regulated formal systems (like education, employment, health) new and more open governance structures are needed guaranteeing new leeway for experimentation.

### **We need new governance of eco-systems to create sustainable social innovations with a high societal impact!**

The absence of a comprehensive Social Innovation policy corresponds with the low maturity status of the social innovation ecosystems. While social innovation initiatives and practices have drawn a lot of attention within the last years in the different world regions, being imitated by manifold actors, networks of actors and diffused widely through different societal subareas, the ecosystem of Social Innovation is in very different stages of development across Europe, however. In all countries, though, the ecosystem is under development and there are a number of important factors enabling the development of Social Innovation, including important support and impetus from the EU. One of the major challenges will be the development of these eco-systems.

The holistic, cross-sectoral approach of social innovations brings the different societal sectors and a surrounding ecosystem for Social Innovation on the scene. To solve the problems and demands in a social innovation process, activating all the relevant and motivated stakeholders from all the societal sectors concerned (public, economy, civil society and science) new and dynamic governance systems have to be established. This includes a new role of public policy and government for creating suitable framework and support structures, the integration of resources of the economy and civil society as well as supporting measures by science and universities. Policy makers have to have a vision of the role of Social Innovation, and have to include social innovations in their own actions. New governance systems or innovation friendly environments are needed to connect important stakeholders, supported by open governance systems to enable and foster experimentation.



Support for Social Innovation requires a governance approach, less a 'government' approach. An open governance structure with open assets, services, engagement, structures, organisations and processes from which side or sector ever will link and integrate not only the different responsibilities inside government structures, but also link and integrate these with the worlds outside for specific purposes of creating (public) value. Cooperation between silos across different administrations, levels and locations, sharing infrastructures and resources, balancing centralisation and decentralisation as well as top-down and bottom-up approaches should lead to a comprehensive government approach embedded in a governance structure interacting with all the relevant societal actors to solve the recent and upcoming societal challenges and social demands.

### **We need more involvement of universities and research centres to support social innovations!**

Currently, social innovations lack knowledge support, especially from scientific knowledge partners such as universities and research centres. Underpinning the development of social innovations with sufficient expert knowledge and professional models can importantly contribute to a more favourable environment for social innovations. From our research results, it is clear that universities and research centres are not sufficiently integrated in the development of social innovations. In the social innovation ecosystem or quadruple helix they currently still have a minor role, especially when compared with their major role in technological or business innovation. These knowledge partners could support social innovators and innovations in manifold ways, including knowledge exchange, the integration of new technologies, monitoring and evaluation, impact assessments including social impact frameworks, pilot and demonstration projects, supporting managerial competences, providing space and processes for self-reflection, as well as introducing and implementing some of the above new concepts. In this way, social innovators will be able to enhance their capabilities and overcome their constraints as well as research and education is fed by experiences and outcomes of social innovations.

Today we see universities and research centres confronted with the challenge of realising their potential in the sense of a comprehensive understanding of innovation of both technological and social kinds. This includes research on Social Innovation and giving impulses to processes of societal change, its integration in teaching as well as research, the inclusion of societal actors at an early stage in research and knowledge transfer, and increasing the overall potential of innovation by also mainstreaming Social Innovation.

### **We need an EU resource centre and focal point for Social Innovation in the form of a European Social Innovation Agency!**

Initially, the European institutional framework for supporting Social Innovation which allowed this new concept to emerge

in EU and national policies, included new governance instruments (a permanent inter service group, policy guidance by a group of commissioners, initiatives to power public sector innovations, European innovation partnerships, reform of public procurement), new financing capacities and facilities (a specific programme, access to venture capital, a regulatory framework for social investment funds (EuSEF), the development of microfinance and crowdfunding, an impact investing scheme), capacity building instruments (social innovation prizes, mapping of social enterprises, a data base of labels and certifications, the creation of incubators and networks, the Collective Awareness Platforms (CAPs) initiative, digital innovation platforms, multi stakeholder platform for corporate social responsibility, skills development and exchange) and research with the financing of large research projects including pilot projects in areas of e inclusion, e health, e government. These were spread throughout the services of the Commission. Some were embedded to stay and others were not renewed or left to vanish with changing political preferences.

The need for a stable and transversal structure to pursue what is a "transformative agenda" was mentioned in the "Strasbourg declaration" (January 2014). This was upheld by two strong reasons. The embedment of Social Innovation in one of the central EU policies: the single market and the new investment approach to social policy with its transformative agenda to answer the needs of European societies in their recovery from the economic crisis. Over and above, the needs to make sense of economic growth and to respond to the pressures for more participative societies are coming up with the EU social agenda trying to connect to citizens' needs. Scanning the panoply of EU instruments to focus attention and resources on a transversal political objective and drawing lessons from the experience of other transformative objectives (e.g. gender equality), the appropriate option to explore is the creation of a small and reactive, autonomous institution in the shape of a European Agency.

Given the political and administrative investment done so far and the reaffirmed need to find innovative solutions to the challenges faced by European economies and societies an agency would be the natural place to develop counselling on new forms of governance, to make sure appropriate financing is available, to engage with stakeholders and policy makers on the importance of capacity building and to become a resource centre where the data and case studies researched so far could be documented and made available to feed research and practitioners. The idea is not to discharge institutions of their responsibility to develop innovative policies that work, but on the contrary to support and advise them in their tasks, and to better connect all existing initiatives and policies with an active citizenry.

The great challenge for contemporary innovation research lies in analysing the potential of Social Innovation in the creation of new social practices that enhance an inclusive, equitable, democratic, participative and, above all, socially anchored future.

paradoxes in innovation policy at present. This new paradigm is characterized by three key categories: (1) the innovation process opening up to society, (2) its orientation towards major societal challenges, and (3) a stronger recognition of non-technological and non-business innovations geared to changing social practices.

### III. THE NEXT STEP IN SOCIAL INNOVATION RESEARCH

The task of understanding and unlocking the potential of Social Innovation is on the research and policy agenda alike. In recent years, the social sciences and humanities have received more support to develop solutions, as can be seen in the international debate where Social Innovation is treated as a distinct type of innovation and rendered more accessible as an object of empirical investigation. In Europe, a new generation of EU funded projects has developed a sound theoretical understanding of Social Innovation and its relation to social change, of its economic underpinnings, its incubation, its transformative potential and other relevant aspects.

The research conducted by SI-DRIVE and partner projects has contributed to the development of a theoretically grounded concept of Social Innovation as key to an integrative innovation theory. This approach opens up fundamentally new perspectives on recognized problems and opportunities, thereby simultaneously unlocking new possibilities for action, especially in the light of the basic confusions and

The great challenge for contemporary innovation research lies in analysing the potential of social innovation in the creation of new social practices that enhance an inclusive, equitable, democratic, participative and, above all, socially anchored future. This will allow people to do meaningful work and to live richer, more fulfilled and prosperous lives. Building on the results of SI-DRIVE, future social innovation research must prioritize three major topics:

- The (international, national, regional, cultural, social, economic, political) context of Social Innovation – what is going on pertaining to the modes, dynamics and forces (including real power structures in spheres of economies and politics) of social change?
- Further insight into the possible and favourable outcomes and impacts of new practices, ranging from improving the living and working conditions of vulnerable or disadvantaged social groups to triggering, enhancing or driving favourable social change and/or limiting/compensating the impact of less beneficial social change.
- The relationship to technological and business innovation in processes of transformative change (e.g. the ‘digital transformation’, the socio-ecological transition, etc.).

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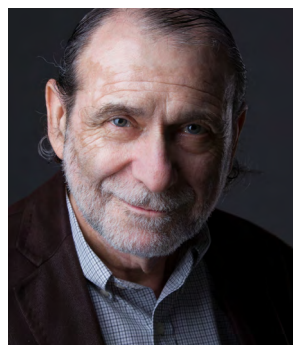
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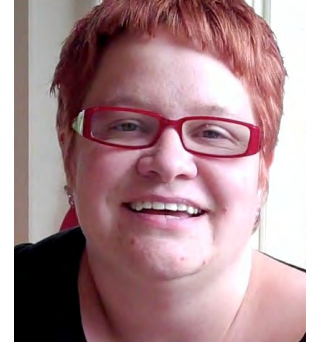
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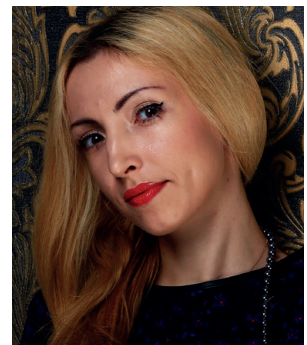
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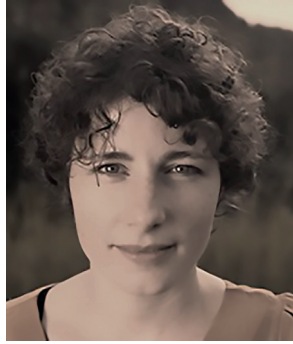
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# THE SI-DRIVE PROJECT

## SOCIAL INNOVATION: DRIVING FORCE OF SOCIAL CHANGE

The SI-DRIVE project (2014-2017), funded within the 7th Framework Programme of the EU, aimed at deepening our knowledge about Social Innovation as a driver of social change. This knowledge helps to underpin policy actions of the EU, of other international organisations and of policy makers. The understanding of the concept and framework of Social Innovation leads to better designed and targeted policy support measures, and to more effective implementation and upscaling of social innovations.

### SI-DRIVE thereby has resulted in:

- A better understanding of the relationship between policy and Social Innovation;
- A better understanding of how social innovations can have an important role in societal transformations;
- Clear evidence of the importance of policy support for Social Innovation;
- Recommendations for policy makers at the national, EU and global levels, taking into account the policy context.

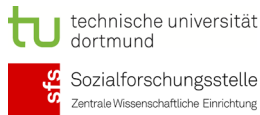
Based on the developed theoretical framework and the empirical results the experts and partners of SI-DRIVE (25 partners from all over the world and 13 high level advisory board members) elaborated main policy recommendations summarised in the declaration. The recommendations pertain to advances in our understanding of Social Innovation, in supporting and resourcing social innovation initiatives, and in measuring and governing social innovations. The recommendations are addressed to all actors with an interest in stimulating Social Innovation.

### The empirical basis of SI-DRIVE includes:

- more than 1,000 mapped social innovations all over the world,
- more than 80 in-depth case studies,
- the results of fourteen conducted policy and foresight workshops in seven policy fields (education and lifelong learning, employment, environment and climate change, energy supply, transport and mobility, health and social care, poverty reduction and sustainable development),
- the recommendations of two International Policy Round Tables.

[www.si-drive.eu](http://www.si-drive.eu)

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