

**INCO-NET EECA**  
**Policy Stakeholders' Conference**  
**EU-EECA Cooperation in the Innovation Sector: Bi-regional Responses to Major Social and Economic Challenges**

Kiev, Hotel Kreschatyk  
April 25-26, 2012

**„Social Innovation: The Concept and its Potential”**

Josef Hochgerner  
Zentrum für Soziale Innovation



**Which innovations we may expect and trust in ...**

Evolution of brains and behaviour

Technologies of (m)any kind

Collaborative intelligence & intelligent collaboration

**>> Cultural evolution based on [social] innovations**

The image is a collage with a blue and white color scheme. At the top, it shows silhouettes of people in a modern setting. Below this, there are three main sections: 1) 'Evolution of brains and behaviour' showing two human heads with glowing brain activity. 2) 'Technologies of (m)any kind' showing a satellite dish and a hand holding a glowing green object. 3) A large central graphic of a globe with white silhouettes of a diverse group of people standing in front of it. The text 'Which innovations we may expect and trust in ...' is at the top right, and 'Collaborative intelligence & intelligent collaboration' is at the bottom left of the globe graphic. At the very bottom, the text '>> Cultural evolution based on [social] innovations' is written in a bold, italicized font.

## 100 years of innovation theory and current innovation research

Comparison of the 5 types of "new combinations" according to Schumpeter and the basic four main types of "innovations" according to the Oslo Manual

5 "New combinations of production factors"  
(Schumpeter 1911, and subsequent publications):

4 (technical/non-technical) types of innovation  
(OECD/EUROSTAT 2005, 29):

New or better products → Product innovations

New production methods → Process innovation

Opening up new markets → Marketing

New sources of raw materials  
Reorganization of the market position  
⋮  
Organizational innovations

75%  
Schumpeter

## Approaches to innovation

Innovations are „changes or novelties of rites, techniques, customs, manners and mores.“

Horace Kallen, 1949: Innovation, in: Encyklopedia of the Social Sciences; Vol. 8; pp. 58ff.

\*\*\*\*

“Innovation is not just an economic mechanism or a technical process.

It is above all a social phenomenon.

Through it, individuals and societies express their creativity, needs and desires.

By its purpose, its effects or its methods, innovation is thus intimately involved in the social conditions in which it is produced.”

European Commission, 1995: Green Paper on Innovation

[http://europa.eu/documents/comm/green\\_papers/pdf/com95\\_688\\_en.pdf](http://europa.eu/documents/comm/green_papers/pdf/com95_688_en.pdf)



## All innovations are socially relevant

Innovations emerge from a certain background in society,  
and have impact on social entities, i.e. institutions,  
organisations, social groupings and individuals in their various  
roles in family, business, civil society and the public

Traditional concepts, indicators and measures of innovation  
fall short of the social relevance of innovations in general, and  
of social innovations in particular.



## Definition of „Social Innovation“ \*)

„Social innovations are  
new practices to resolve societal challenges,  
adopted and utilised  
by social groups concerned.“



\*) Zentrum für Soziale Innovation, 2012:  
„All innovations are socially relevant“  
ZSI-Discussion Paper 13, p. 2,

... with reference to Schumpeter:  
»New combinations of social practices«

## Main features of social innovation (1)

- o **Distinction between idea and dissemination:** an idea becomes an innovation *in the process of social implementation* – it changes and improves *social practices*
- o **The „4-i process“:**
  - **Idea**
  - **Intervention**
  - **Implementation (or Institutionalisation)**
  - **Impact**



## Main features of social innovation (2)

**Social innovations** (like any innovation) **compete** with traditional or other new solutions – and they have a **life cycle** (until acceptance/diffusion outweighs novelty)

**No normative nature:** Social innovations are not necessarily „good“ (impact ± )

**The scope of social innovations:** the new practice does not need to be applied to the whole of society

Agnès Hubert et al. (BEPA) distinguish three perspectives to analyse objectives and impact, i.e.

- the „**social demand**“ perspective,
- the „**societal challenges**“ perspective, and
- the „**systemic change**“ perspective.

„Empowering people – driving change. Social Innovation in the European Union.“

[http://ec.europa.eu/bepa/pdf/publications\\_pdf/social\\_innovation.pdf](http://ec.europa.eu/bepa/pdf/publications_pdf/social_innovation.pdf)

## Towards an extended paradigm of innovation

### In general, innovations aim

- primarily either on economic or on social **objectives**,
- they may be **technology**-based or not;
- in the social sphere they may require formal **regulation** or not.

### Innovations, addressing primarily economic objectives<sup>1)</sup>, include

- **products**
- **processes**
- **organisational measures**
- **marketing**

### Innovations, addressing primarily social objectives<sup>2)</sup>, include

- **roles** (of individuals, CSOs, corporate business, and public institutions)
- **relations** (in professional and private environments, networks, collectives)
- **norms** (on different levels, legal requirements)
- **values** (custom, manners, mores, ethic/unethical behaviour)

1) „Oslo Manual“, OECD/EUROSTAT 2005, re. Schumpeter

2) My extension, 2011

## POTENTIAL OF SOCIAL INNOVATIONS

Area of societal development	Examples of social Innovations with systemic impact	
	Old/historic/previous s. i.	New/current/future s. i.
Science, education and training	✓ Universities; compulsory education; various pedagogical concepts (Steiner, Montessori ...)	✓ Technology enhanced learning; 'micro-learning', Web 2.0; Wikipedia; 'science mode 2'
Work, employment and the economy	✓ Trade unions; Chambers of commerce; Taylorism; Fordism; self service	✓ Flextime wage records; group work; open innovation; CSR; social entrepreneurship; diversity mgmt.
Machinery & technology development	✓ Norms and standardisation; mechanisation of house keeping; traffic rules; drivers licence	✓ Open source movement (communities); self constructed solar panels
Democracy and politics	✓ 'Attic democracy'; the state as a juristic person; general elections	✓ Citizens and 3 <sup>rd</sup> sector participation; multi-level governance
Social and health care systems	✓ Social security; retirement schemes, welfare state	✓ New principles of financial precautions; evolving life styles

# SOCIAL INNOVATIONS IN BUSINESS CORP.

Main areas where new social practices are implemented to solve social issues:

Pöchhacker  
Innovation  
Consulting &  
Zentrum für  
Soziale  
Innovation,  
2012:

Wirtschafts-  
politische  
Chancen und  
Perspektiven  
sozialer  
Innovation in  
Österreich;

Konzeptstudie  
im Auftrag der  
aws GmbH



Available at: <https://www.zsi.at/object/publication/2159> -- Also available: ZSI-Survey 2008: Kesselring/Leitner, Soziale Innovation in Unternehmen; <https://www.zsi.at/object/publication/1444>

More information on social innovation: [www.zsi.at/dp](http://www.zsi.at/dp)

Results of the conference „Challenge Social Innovation“, September 19-21, 2012, Vienna:

„Vienna Declaration on the Most Relevant Topics in Social Innovation Research“

and the Video „Schumpeter Adopts Social Innovation“

→ [www.socialinnovation2011.eu](http://www.socialinnovation2011.eu)



Prof. Dr. Josef Hochgerner

Centre for Social Innovation

Linke Wienzeile 246

A - 1150 Vienna

Tel. ++43.1.4950442

Fax. ++43.1.4950442-40

email: hochgerner@zsi.at

<https://www.zsi.at>