Overview

1. **Innovation culture in the industrial society: The prevailing paradigm of innovation and innovation systems**

2. **Extending the paradigm by introducing the concept of social innovation: Definition and the 4-i process**

3. **Permeation of social innovation in the knowledge society: Ideas, organisations and emerging infrastructures**

4. **Trends and examples of measures and support on European and national levels**
Innovations are embedded in social change

1. Innovation culture...

1. Innovation culture...

"ALL INNOVATIONS ARE SOCIALLY RELEVANT"

Innovations, including social innovations, are part of social change, based on culture & frames of reference


Innovations intending economic value added: products, processes, marketing, organisational change in business

Innovations intending social impact: roles, relations, norms, values in all sectors of society

Cultural patterns, frames of reference and dynamics of social change

Humans by Design:
Optimisation in the 21st c?

Brave New World:
Optimisation of human behaviour in social systems – 20th century

Innovations are part of social change, based on culture & frames of reference

2
Innovations expand the range of human action...

... and facilitate sometimes spectacular achievements:

Not one big innovation, nor a series of innovations only!

→ result of a powerful socio-technical system, enabled by a particular innovation culture

The dominant innovation culture favours engineered changes by technology in societal sediments:

- Technology made, skin of society
- The power structures in society
- Modes of communication in society, between individuals, organisations, organisations and artefacts
- Frames of reference, shaping manners, mores, myths & rites
- The balance or imbalance of emotions in society (security / insecurity, hope / fear, empathy / hatred ...)

→ http://www.socialinnovation2011.eu (9 min.)

100 years of innovation theory and current innovation research

Comparison of the ‘new combinations’ according to Schumpeter with the ‘main types of innovations’ according to the Oslo Manual

<table>
<thead>
<tr>
<th>New combinations of production factors (SCHUMPETER 1911)</th>
<th>Innovations in the corporate sector (OECD/EUROSTAT 2005, ‘Oslo Manual’)</th>
<th>New combinations of social practices: social innovations, established in the form of ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>New or better products</td>
<td>Product innovations</td>
<td>Roles</td>
</tr>
<tr>
<td>New production methods</td>
<td>Process innovation</td>
<td>Relations</td>
</tr>
<tr>
<td>Opening up new markets</td>
<td>Marketing</td>
<td>Norms</td>
</tr>
<tr>
<td>Reorganization of the market position</td>
<td>Organizational innovations</td>
<td>Values</td>
</tr>
<tr>
<td>New sources of raw materials</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Recommended Video „Schumpeter adopts social innovation“

→ http://www.socialinnovation2011.eu (9 min.)
**The classic and dominant business concept of innovation**

*Innovation* is the successful implementation of a new product or process (including organisational, marketing or service novelties) into a market: "Commercialisation" and diffusion.

<Thumb-rules> to assess the fundamental economics of innovation:

**From ideas to innovation:**

(a) The probability of success

- 100 Research ideas
- 10 Trials / prototypes
- 1 Innovation

(b) The costs of success

- 100 € to market implementation
- 10 € for technology development
- 1 € spent for research

---

**WHY SOCIAL INNOVATION?**

Social change, development, crises and 'Grand Challenges': Resources and solutions

Social Innovation for Social Action!

1. Innovation culture...

Collaborative intelligence & intelligent collaboration >> Cultural Evolution
“The tracks of international research on innovation demonstrate that the technology-oriented paradigm – shaped by the industrial society – does not cover the broad range of innovations indispensable in the transition from an industrial to a knowledge and services-based society: Such fundamental societal changes require the inclusion of social innovations in a paradigm shift of the innovation system.”

*Cf. the “Vienna Declaration: The most relevant topics in social innovation research”, 2011, adopted by the conference CSI.*

*Information online: [www.socialinnovation2011.eu](http://www.socialinnovation2011.eu)*

---

**“THE GREAT TRANSFORMATION”**

*Karl Polanyi, 1944:*

Economic processes separate from society, dominate social relations instead of being regulated to benefit societal needs

- Will there be social innovations to integrate economy in society?
- Humankind (the ‘Knowledge Society’) owns affluent knowledge & other resources. However, too little of existing capacities is used in current practises.
- Society becomes an annex to the economy and “market forces”
The termination of the "golden age of capitalism"*)

Wages remain static whilst productivity increases, USA 1959-2005

Index of productivity
1959 until 2005 (USA)
(1959=100)

Index of hourly compensation of production and non-supervisory workers
U.S. Data, Source: Economic Policy Institute

*) Eric Hobsbawm

The termination of the "golden age of capitalism"

Wealthier society provides less additional welfare

GDP (BIP) compared to ISEW (Index of Sustainable Economic Welfare)
in Austria, 1955 – 1992

Source: Stockhammer et al. 1995
The social dimensions of innovation

**Innovations are »changes or novelties of rites, techniques, customs, manners and mores.«**


****

»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.«


---

**THE CONCEPT OF SOCIAL INNOVATION**

An analytical definition of „Social Innovation“ *)

Distinction between idea and implementation: an idea becomes an innovation in the process of its factual realization – it changes social action & practices

»Social innovations are new practices for resolving societal challenges, which are adopted and utilized by the individuals, social groups and organizations concerned.«

ZSI-Discussion Paper 13, p. 2: www.zsi.at/dp

*) Zentrum für Soziale Innovation, 2012: „All innovations are socially relevant“
HOW TO CREATE SOCIAL INNOVATION?

The „4-i process“ of social innovation development:

- Idea >> What is the issue, what could be the solution?
- Intervention >> Conceptualisation, define approaches, methods
- Implementation >> Using resources, breaking deadlocks, cooperation
- Impact >> Measures of quality, range and scales, life cycle!

Only if there is notable impact, according to the objective(s), besides, or even without an initial certain intention, an idea becomes an innovation.

Success criteria: Novelty or superiority of the solution; benefit to the target group(s); sustainability; replicability and scaling (not feasible in any case).

HOW TO IDENTIFY SOCIAL INNOVATIONS?

Evaluation criteria, applied by „SozialMarie“ – Award for Social Innovation in Austria and neighbouring countries:

- Idea >> Novelty in absolute terms or in new environs
- Intervention >> Involvement of the target group(s)
- Implementation >> Effectiveness after acceptance
- Impact >> Replicability (potential to serve as a model)

Main types of social innovations: Roles, relations, norms and values which shape new practices of doing things in modified patterns of interaction and participation.

### Areas relevant to social change

<table>
<thead>
<tr>
<th>Science, education and training</th>
<th>Examples of social innovations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old / historic / previous</td>
<td>New / current / future</td>
</tr>
<tr>
<td>Universities; compulsory education; Kindergarten; pedagog. concepts e.g. Montessori ...</td>
<td>Technology enhanced learning; ‘micro-learning’; Web 2.0; Wikipedia; ‘science mode 2’</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Work, employment and the economy</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Old / historic / previous</td>
<td>New / current / future</td>
</tr>
<tr>
<td>Trade unions; Chambers of commerce/labour; Taylorism; Fordism; self service</td>
<td>Flextime wage records; CSR; social entrepreneurship; diversity mgmt.; collaborative consumption</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technologies, machinery</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Old / historic / previous</td>
<td>New / current / future</td>
</tr>
<tr>
<td>Norms and standardisation; mechanismisation of house keeping; traffic rules; drivers licence</td>
<td>Open source movement (communities); self constructed solar panels; decentralized energy prod.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Democracy, politics and justice</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Old / historic / previous</td>
<td>New / current / future</td>
</tr>
<tr>
<td>‘Attic democracy’: the state as a juristic person; general elections</td>
<td>Citizens participation; 3rd sector; equal rights; gender mainstreaming</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social and health care systems</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Old / historic / previous</td>
<td>New / current / future</td>
</tr>
<tr>
<td>Social security; retirement schemes, welfare state</td>
<td>Reforms of financing and access to welfare (e.g. ‘birth right portfolio’)</td>
</tr>
</tbody>
</table>

### Analysing social innovation examples

**Public sector: Municipality of Kapfenberg (AT) – „Future for all“**
- **Idea**
- **Intervention**
- **Implementation**
- **Impact**  
  >> Issue poverty – social assistance without stigmatisation  
  >> „Activity Card“  
  >> Transport, Caritas, Supermarket, Cafe, Sports ...  
  >> Participation, elevating quality of life and cohesion

**Business sector: ERSTE Bank (AT) – „2nd Savings Bank“**
- **Idea**
- **Intervention**
- **Implementation**
- **Impact**  
  >> Issue private persons excluded from financial services, re-inclusion  
  >> Collaboration with insolvency advisers and social care NGO  
  >> Access to bank account, guidance by the NGO and bank volunteers  
  >> Learning, inclusions, empowerment, scaling

**Civil society: Miracle Gardens – Curtesni Vrtovi (Varaždin / HR)**
- **Idea**
- **Intervention**
- **Implementation**
- **Impact**  
  >> Issue: Provision of high quality fruits and vegetables for deprived  
  >> Negotiating with the municipality to use idle land (2012: 7000m²)  
  >> Contract to est. community gardens, collab. with polytechnic school  
  >> Organic food, empowerment, model case, extension (2nd yr: 13000 m²)
THE PASSAGE FROM THE PAST

Organisations

- UN Off. of Partnerships: Global Summit 2012
- Business Panel: Future of Innov. EC, 2009
- UN Off. of Partnerships: Hong Kong 2011
- European Social Agenda EC, 2010
- Business Panel: Future of Innov. EC, 2009
- European Social Agenda EC, 2008
- SINNERSIAK
- Social Innovation Ltd.
- Dortmund, 1994
- European Social Agenda EC, 2010
- UN Off. of Partnerships: Global Summit 2012
- Business Panel: Future of Innov. EC, 2009
- UN Off. of Partnerships: Hong Kong 2011
- European Social Agenda EC, 2010
- Research: FP7 EC, 2011 & Horizon 2020
- Support

- Flagship Innovation Union EC, 2010
- BEPA Report EC, 2010
- National policies and strategy RTDI-Programmes 2010 ff
- European Social Agenda EC, 2011
- Flagship Innovation Union EC, 2010
- BEPA Report EC, 2010
- National policies and strategy RTDI-Programmes 2010 ff
- European Social Agenda EC, 2011
- Research: FP7 EC, 2011 & Horizon 2020

Concepts

- 12 book titles re. Social innovation 1944-1994
- Stuart Conger, 1974 ‘Social Invention’
- Horace Kallen, 1932
- William Ogburn, 1922 ‘Cultural lag’
- Schumpeter, 1911
- Social thought in the 19th c.

Support

- ‘Science Mode 2’ (Nowotny et al.), Citizen Science; ZSI ‘research-application sl.’
- Research organizations, research programmes, research projects → H2020 ...
- Indicators and measurement of social innovation → still weak, MERIT, SROI ...

BUILDING SOCIAL INNOVATION SYSTEMS (1)

Towards a social innovation system for research, education and development — key requirements and existing examples:

- Incorporation of SI in universities, vocational training and adult education facilities → good examples Tilburg U., Danube U.
- (Academic) Education and (vocational/professional) training to establish a professional profile of social innovators → M.A. in Social Innovation
- Innovation in science (working in a research-education-services triangle) → ‘Science Mode 2’ (Nowotny et al.), Citizen Science; ZSI ‘research-application sl.’
- Research organizations, research programmes, research projects → H2020 ...
- Indicators and measurement of social innovation → still weak, MERIT, SROI ...

Infrastructures emerges from:

- Infrastructure merges from:
- Organisations in science and praxis
- Social thought in the 19th c.
- Institute of Social Innovation London, 1985
- CRFES, Canada U. Of Quebec, 1988
- Institute of Social Innovation Ltd.
- Dortmund, 1994
- Center for Social Innovation
- Stanford U., 2000
- Social Innovation Ltd.
- Dortmund, 1994
- UN Off. of Partnerships: Global Summit 2012
- Research: FP7 EC, 2011 & Horizon 2020
- Social Innovation Europe EC, 2011
- Flagship Innovation Union EC, 2010
- BEPA Report EC, 2010
- National policies and strategy RTDI-Programmes 2010 ff
- European Social Agenda EC, 2011
- Research: FP7 EC, 2011 & Horizon 2020
- Support

3. Permeation into Innovation systems

- Incorporation of SI in universities, vocational training and adult education facilities → good examples Tilburg U., Danube U.
- (Academic) Education and (vocational/professional) training to establish a professional profile of social innovators → M.A. in Social Innovation
- Innovation in science (working in a research-education-services triangle) → ‘Science Mode 2’ (Nowotny et al.), Citizen Science; ZSI ‘research-application sl.’
- Research organizations, research programmes, research projects → H2020 ...
- Indicators and measurement of social innovation → still weak, MERIT, SROI ...

3. Permeation into Innovation systems
BUILDING SOCIAL INNOVATION SYSTEMS (2)

Towards a social innovation system for research, education and development — key requirements and existing examples (ctd.):

- **Funding** → EC, National Funds, new PPP/Quadruple Helix, Foundations, crowd funding, ...
- **Measures supporting individual social innovators at policy levels from local to international** → setting up and developing SI incubators
- **Public relations and communication (magazines, networks, various media)** → Platforms like SIX, SIE, ESSI
- **Clarification of legal aspects between open source and IPR** → utilisation and impact of SI, methodology handbooks and guides etc.

Anchors exist and may further develop within national systems of innovation. Beyond these, national and international SI-institutions become necessary as intermediaries between civil society, the state and the business sector.

Key sources of information about examples and funding policies:

**Empowering people – driving change. Social innovation in the European Union.**
Background study, leading the European Commission into the area of social innovation.
BEPA (Bureau of European Policy Advisers), 2010

**THE OPEN BOOK OF SOCIAL INNOVATION.**
Robin Murray, Julie Caulier-Grice, Geoff Mulgan, 2010
Presents a lot of cases from public, private and civil society sectors and information about various forms of support in ...
- the public sector
- the grant economy
- the market economy
- the informal or household economy

**GUIDE TO SOCIAL INNOVATION**
European Commission, prepared by DG Regional and Urban Policy and DG Employment, Social affairs and Inclusion with inputs by various other DGs, 2013
Includes examples of social innovation funded by the Structural Funds and modes of funding
Social innovation and the EUROPE 2020 Strategy:
“...to design and implement programmes to promote social innovation for the most vulnerable, in particular by providing innovative education, training, and employment opportunities for deprived communities, to fight discrimination (e.g. disabled), and to develop a new agenda for migrants’ integration to enable them to take full advantage of their potential...”

EU Programme for Employment and Social Innovation (EaSI):
proposed budget of €815 million for 2014-2020

Overview of EU funded research projects under the „Social Sciences and Humanities“ programme in the 7th EU Framework for Research, Technology Development and Innovation:

„SozialMarie“
The international Austrian award for successful social innovations

Eligible for submission are projects of the:
- social economy (civil society initiatives, NPOs/NGOs, associations)
- public sector, administrations
- private sector, businesses

Applications since 2004:
- about 2500
- 1st prize: €15,000
- 2nd prize: €10,000
- 3rd prize: €5,000
- Total prize money awarded (to a number of now 135 awardees): €420,000...

www.sozialmarie.org

A different approach re. funding and stimulating ideas cf. „The European Social Innovation Competition“ at http://socialinnovationcompetition.eu/
European Commission – DG Enterprise:

**European Social Innovation Competition**

“The Competition, launched in memory of Diogo Vasconcelos, invites Europeans to come up with new solutions to reduce unemployment and minimize its corrosive effects on the economy and our society both now and in the future. Social innovation is not only desirable, it is necessary.

It doesn’t matter if you haven’t found the right investor for your ideas yet. We can help you bring your project to life as part of our Social Innovation Academy.”

Three winning projects are awarded financial support of € 30,000


---

EIB – European Investment Bank:

**Social Innovation Tournament**

“The Social Innovation Tournament established by the EIB Institute in 2012 is the flagship initiative of its Social Program. The Tournament seeks to promote the generation of innovative ideas and reward opportunities promising substantial societal benefits or demonstrating best practices with tangible, scalable outcomes. It targets the creation of social value in relation to the fight against social exclusion. It thus covers projects in a wide range of fields, from education and health care to natural or urban environment, through new technologies, new systems, and new processes.”

http://institute.eib.org/programmes/social/social-innovation-tournament/
3. Permeation into innovation systems

Social Innovation: Driving Force of Social Change

International Consortium Members:
SI-DRIVE involves 15 partners from 12 EU Member States, 10 partners from other parts of the world, and 14 high level advisory board members: all in all 31 countries involved.

blue: EU research partner, red: non-EU research partner, green: Advisory Board

This project has received funding from the European Union’s 7th Framework Programme for research, technological development and demonstration under grant agreement no 612870.
A network of social innovation scholars and institutions (umbrella organisation):
Educators, promotors, researchers and practitioners of social innovation

Legal status: Association according to Austrian Law
Members: Individuals (physical persons) and institutions, i.e. legal bodies like ZSI (AT), SINERGIKA (ES) and universities, currently one from Austria, two from Germany, two from Spain; candidates (IT, NL...).

Head office: ZSI – Centre for Social Innovation, Vienna
Executive Board: J. Hochgerner, Vienna, H.W. Franz, Dortmund, A. Unceta-Satrustegui, San Sebastian

Activities:
- Education & Training (e.g. M.A. SI, Summer Schools), Provision of Online Learning; SME-Training ...
- Conferences, media, p.r. and promotion of social innovation
- Research: Development of methodologies, indicators towards an ‘Oslo Manual’ for S.I.
- The role of ESSI in the project (IP) „SI DRIVE: Social innovation – Driving force of social change”

Master of Arts in Social Innovation

Danube University Krems, Austria
Department of Interactive Media and Technologies for Education – Centre of Interactive Media
Duration: 5 Semester, 120 ECTS, extra-occupational, blended learning

Launch of 2nd course of study: October 6th, 2014
Admission until end of 2014
Information: www.donau-uni.ac.at/masi
Working for social profit since 1990:
ZSI bridges knowledge generation and knowledge application to reduce gaps between social needs and technically increased economic capacities of the knowledge society.

How we do it: The ZSI „RESEARCH – APPLICATION – SLALOM“

START: Identify a topic („knowledge gap“), e.g. in 1994: „Ethnic Economies“

Knowledge implementation: Practices
- Coordination of networks
- Advisory services
- „Ownership“
- Consulting
- „Ownership“
- Consulting, networking
- „Ownership“
- Research

Knowledge generation: Research
- Research
- Research
- Research
- Research

Knowledge diffusion: Education
- Education schools, univ.
- Public relations, pub.
- Education, vocational training

Types of clients:
- Public Authorities
- Intermediaries
- Foundations
- Civil Soc./NGOs
Social Innovation Laboratory
Zagreb – Beograd – Skopje

Who?
- Civil society organisations and networks from HR, SRB and MKD
- Founded 2011

What?
- Aims to improve quality of life in the Western Balkan Countries
- Acts as platform for social innovations where knowledge, ideas and practices meet to find solutions for development challenges in the regional socio-economic context.

www.socinnovationlab.org/

SINERGIAK SOCIAL INNOVATION
(University of the Basque Country – Spain)

Does Action-Research in three fields:
Social Innovation, Creative Industries, and Innovation in the Public Sector

EUROPEAN PROJECTS: TRANSCREATIVA (leader), SIMPACT (partner), Creative Job (partner); OTHER PROJECTS:
Ergolab (living lab), GIPUZKOA CREATIVA (creative industries), RESINDEX (social innovation indicators), Social Innovation Eco-Systems (Evaluation public policies), Gipuzkoa Workplace Innovation (regional public policies).

Provides education and training:
MA in Social Innovation and Creative Industries (University of the Basque Country)
Creative Poles: Competencies in solving social problems and creative industries
Social Innovation Summer Schools

Supports social innovation implementation through:
ERGOLAB: Innovation by users. HEDABIDE: Social Innovation Communities. TRANSCREATIVA: competencies and engagement unemployment young people
Tilburg Social Innovation Lab
Netherlands

Who?
- Four Universities from the area of Tilburg, founded 2011.

What?
- Joining forces to make a visible contribution to the development of the region Brabant as the Region for Social Innovation.
- A “do-tank” in which methods and innovations are generated.

How?
- Involving regional stakeholders
- Providing suitable interdisciplinary knowledge

SOCIAL INNOVATION NETWORKING

SOCIAL INNOVATION EUROPE
https://webgate.ec.europa.eu/socialinnovationeurope/
SIE is building and streamlining the social innovation field in Europe.
The initiative is funded by the EC, DG Enterprise and Industry

SIX: Social Innovation eXchange
http://www.socialinnovationexchange.org
Over the last seven years, SIX has inspired, connected and supported thousands of individuals and organisations, across sectors and industries, to build the field of social innovation globally.

Identifying, connecting and building up SI Incubators:
http://www.benisieurope.eu/
BENISI will identify and scale up over 300 social innovations and will accelerate their scaling up.
http://transitionproject.eu/
Transnational Network for Social Innovation Incubation – TRANSITION – supports the scaling-up of social innovations across Europe by developing a network of incubators.
4. Trends and examples

Selected activities on national levels:

Austria: Enquete to move SI forward (Programmes and instruments in support of SI)

Croatia: Preparing a social innovation support programme 2014-2020 (advised by OECD)

Finland: The Funding Agency for Innovation addresses SI → www.tekes.fi/en/tekes/

Germany: Declaration «SI for Germany» www.openpetition.de; www.hightech-strategie.de/
    Ideas competition ‘Land of ideas’: http://www.land-der-ideen.de/
    Competitions for creating CSO’s business plans: www.startsocial.de

NL: Declaration «Invest in SI», Kennisland & Waag Society
    Open Letter on social innovation to the new European Commission. Lobbying for
    social innovations and their importance from the local and regional levels up to
    the most important social innovation of the 21st century: Governance in favour
    of societal development beyond the Nation State, and Management of
    Abundance → www.esiw.nl

Sweden: Social Innovation in a Digital Context, Lund U., 60 ECTS www.luii.lu.se/education/sidc

Switzerland: National Fund for Research is drafting an SI research programme

Thank you for your attention 😊