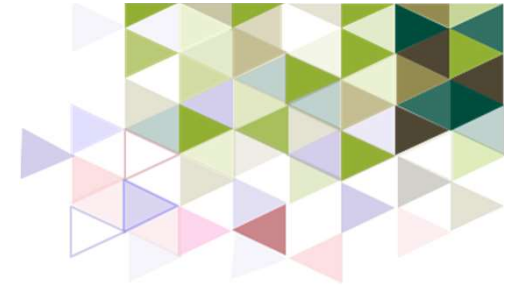




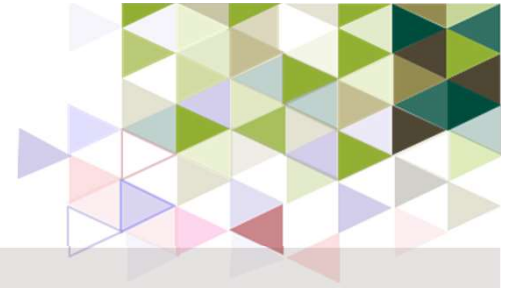
Eberswalde University
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SIDT SOCIAL INNOVATION & DIGITAL TRANSFORMATION

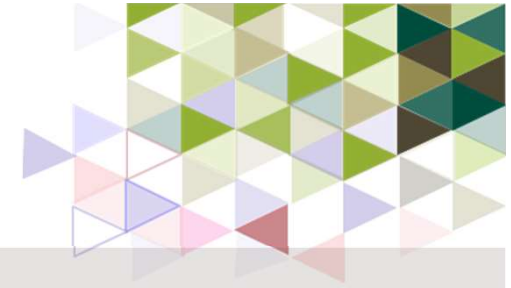
Unit 5 – Social Innovation

Prof. Dr. Britta M. Gossel



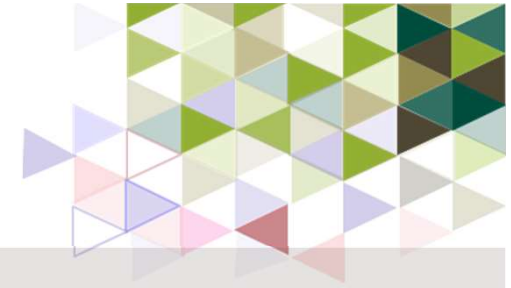
Schedule

- What is social innovation?
- Social innovation: Evolvement of a field.
- Levels & dimensions of social innovation
- Social innovation and complexity



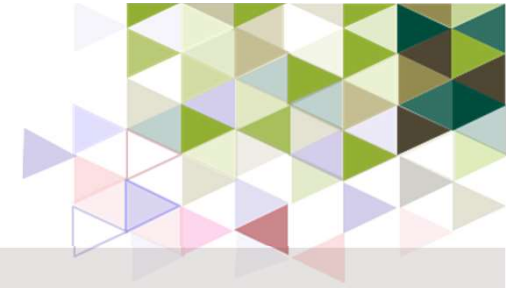
Social innovation

- Social innovation is an emerging field explored by a diverse range of definitions and meanings reflecting its multidisciplinary nature as a practice-led field that includes varying practices across countries, cultures, and fields of action (The Young Foundation, 2012)
- **Social innovation** as “*a novel solution to a social problem that is more effective, efficient, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals*” (Phills, Deiglmeier and Miller, 2008, p. 39)
- To bring structure to this fuzzy field, van der Have and Rubalcaba (2016, p. 1930), in their comprehensive review, derived two core components: **social innovation** entails
 - “1) a change in social relationships, -systems, or -structures, and
 - 2) such changes serve a shared human need/goal or solve a socially relevant problem”.



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

- Remember Schumpeter I (Innovation & entrepreneurs) and II (Innovation & larger companies) as initial point of innovation research.
- In 1940s, the federal government of the US began to **foster scientific and technological development** through grants and research contracts in order to broaden the opportunities for technical careers and **to accelerate the process of innovation**.
- Device Research Conference (DRC) – opened in 1942 – played a key role: many innovations were here presented first. → **public & private investments** in innovations produced antibiotics, vaccines, electronics, computers ...
- 1970s another turn: Entrepreneurs were encouraged by the promotion of the free market of capitalism, by government policies, or by transferring universities to small businesses → Rise of **high-tech startups**, that helped to redesign the technology landscape.

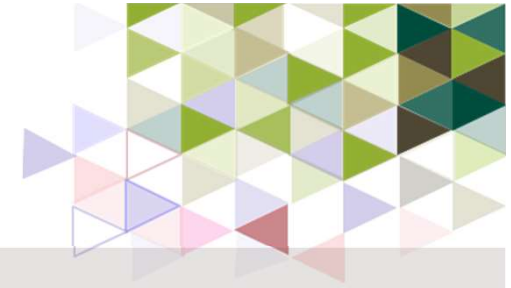


Social innovation – evolvement of the field (Adro & Fernandes, 2020)

- Social innovation has **not for a long time** been taken into account as a very conducive field for innovation, much owing to the prominence of the linear model.

$$\text{Innovation} = (\text{technological}) \text{ Invention} + \text{Market opportunity}$$

- Today, this paradigm is changing!
- „In fact, the notion of innovation is **no longer just and only aimed at responding to the problems of market competitiveness**, technological advances in the most varied areas from medicine, sciences or even military industry
- The idea of innovation is increasingly being referred to in order to tackle social issues in order to improve the quality of life and society.“ (Adro & Fernandes, 2020, p.24)



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

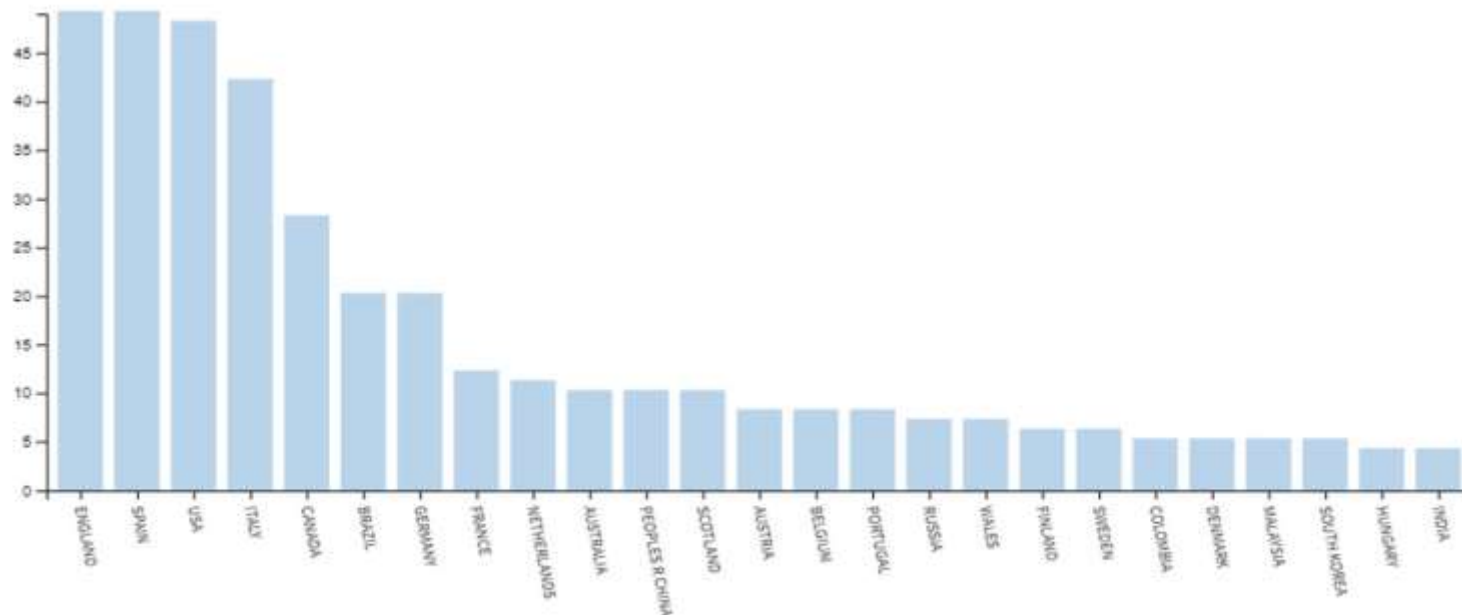
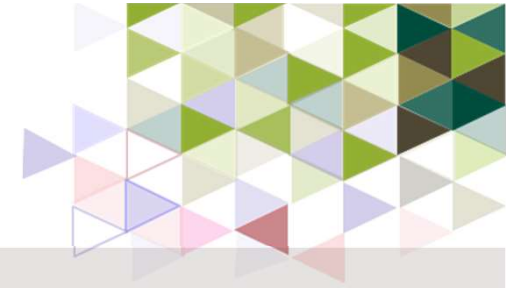


Fig. 1 – Publications by countries with “social innovation” in the title **Source:** *Web of Science*

Aldro & Fernandes (2020): Literature review, 331 publications (published from 1970-2018)



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

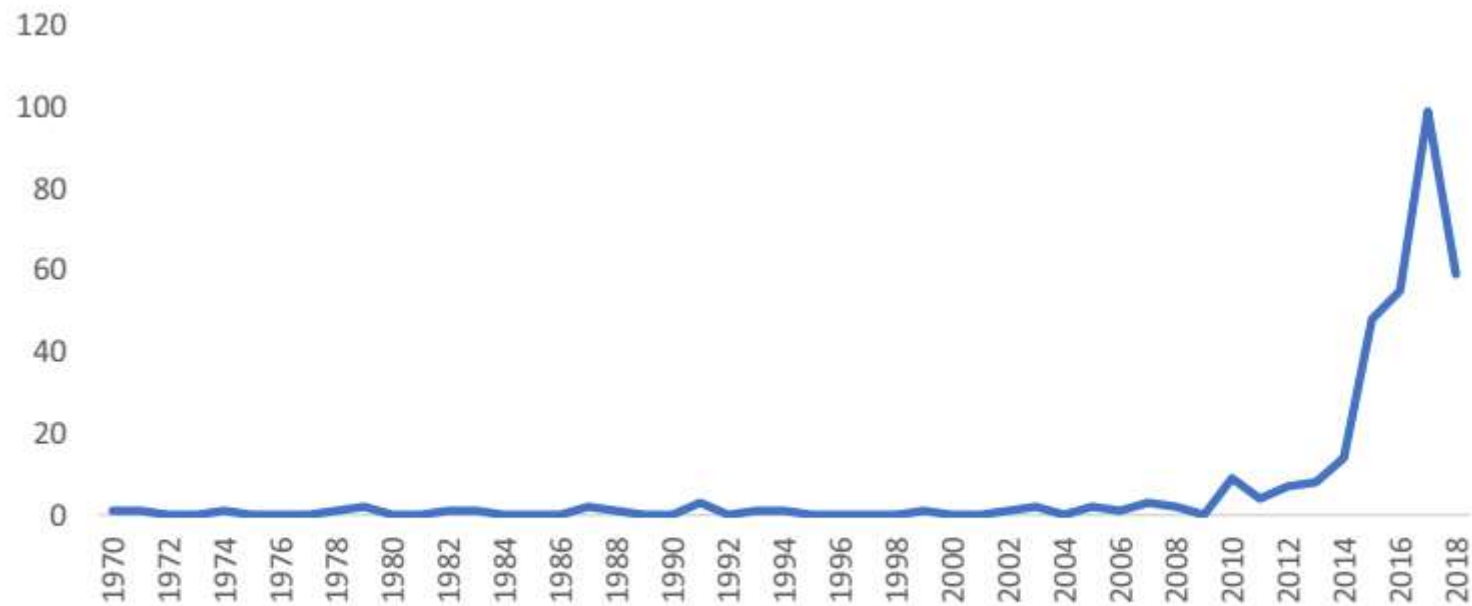
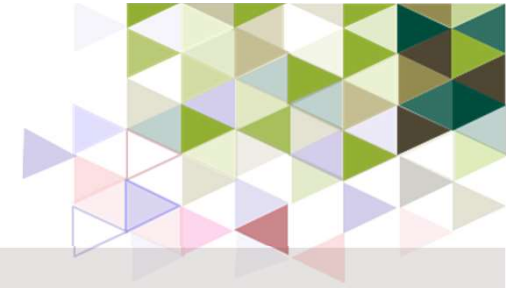


Fig. 2 Publications by year with “social innovation” in the title **Source:** Web of Science

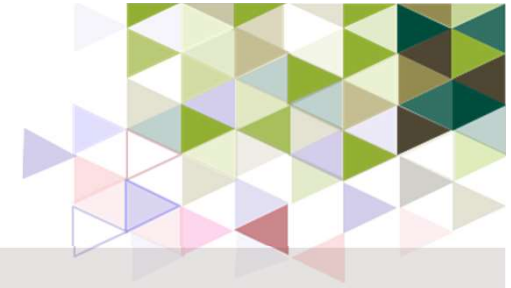
Aldro & Fernandes (2020): Literature review, 331 publications (published from 1970-2018)



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

Table 4 – Social innovation definitions

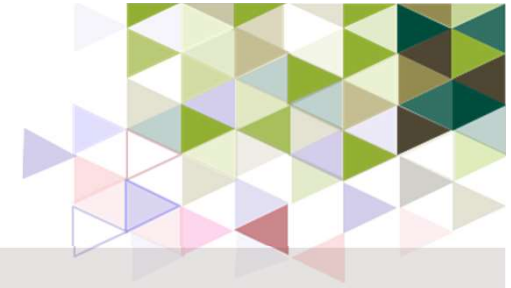
Authors/year	Definitions
Mumford (2002)	Generation and implementation of new ideas for people and their interactions with social systems.
Mulgan (2006)	Innovative activities and services motivated by the goal of achieving social needs and predominantly diffused through organizations whose purposes are primarily social
Farfus et al. (2007)	Search, discovery, experimentation, development, imitation and adoption of alternative social arrangements to produce something.
Brunstein et al. (2008)	Event where unprecedented solutions are put into practice, aiming at solving situations involving social precariousness.
Lettice and Parekh (2010)	Wealth creation can be part of the SI process, but it is not an end in itself
European Commission (2010)	How associations, institutions and social entrepreneurs use the ingenuity to address social needs that have not been detected and solved by the market and by the public sector.
Phillips et al. (2015)	Ideas that meet social goals: reconfiguration of social practices, promotion of social development
Voorberg et al. (2015)	Responding to social challenges, which seek to improve long-lasting results of social welfare across organizational boundaries and jurisdictions
Ludvig et al. (2018)	Response to social challenges that necessarily involves the voluntary commitment of civil society actors.



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

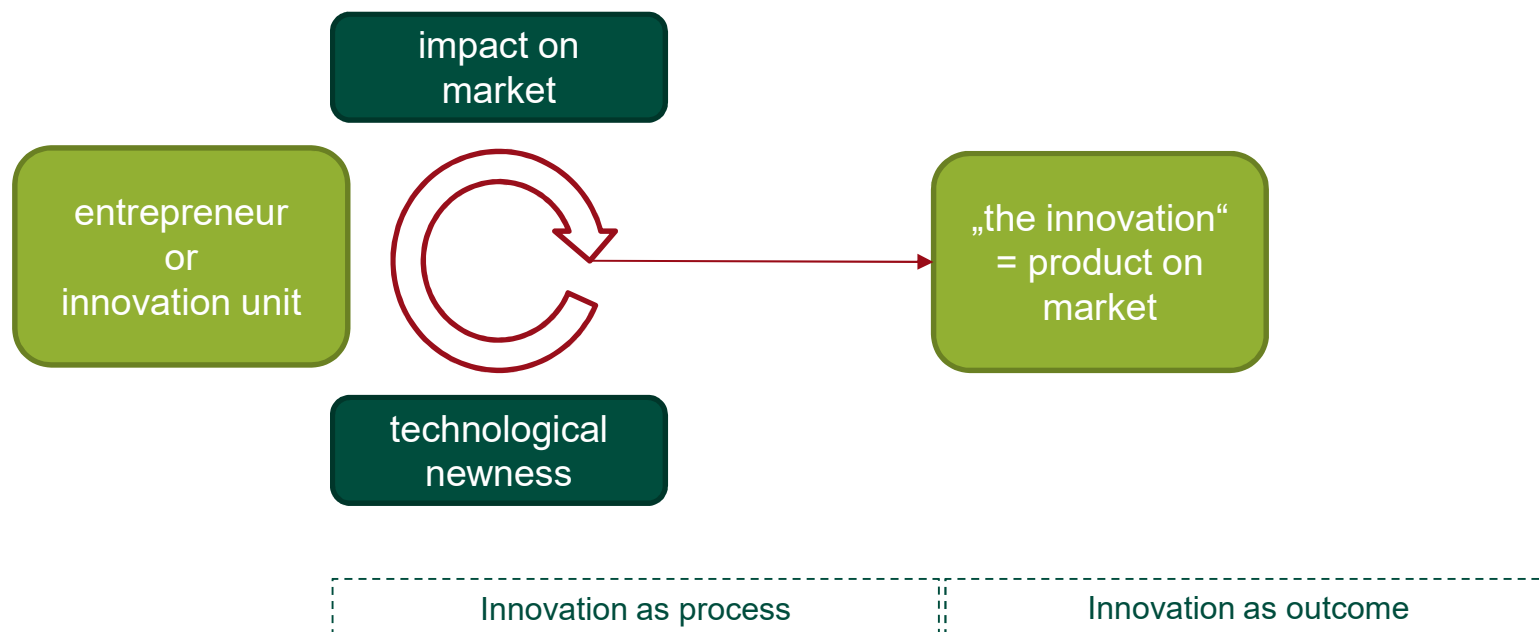
Agents of social innovation

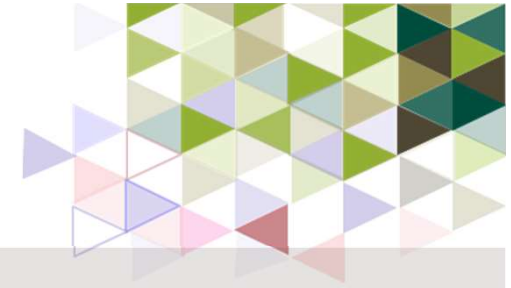
- Social innovation mobilizes every citizen to become an active part of the innovation process. → **Social innovation is not undertaken in isolation** by isolated entrepreneurs, but is shaped by a wide range of organizations and institutions that influence developments in certain areas.
- Mulgan et al. (2007): three types of agents in social innovation
 - Individuals
 - Social movements
 - Organizations
- ... while other agents (governments, companies) can coordinate with social innovation projects, but **innovation comes from society itself**. (Social groups represent the bees that fertilize the trees, that is, companies and governmental institutions, according to Mulgan et al., 2007)



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

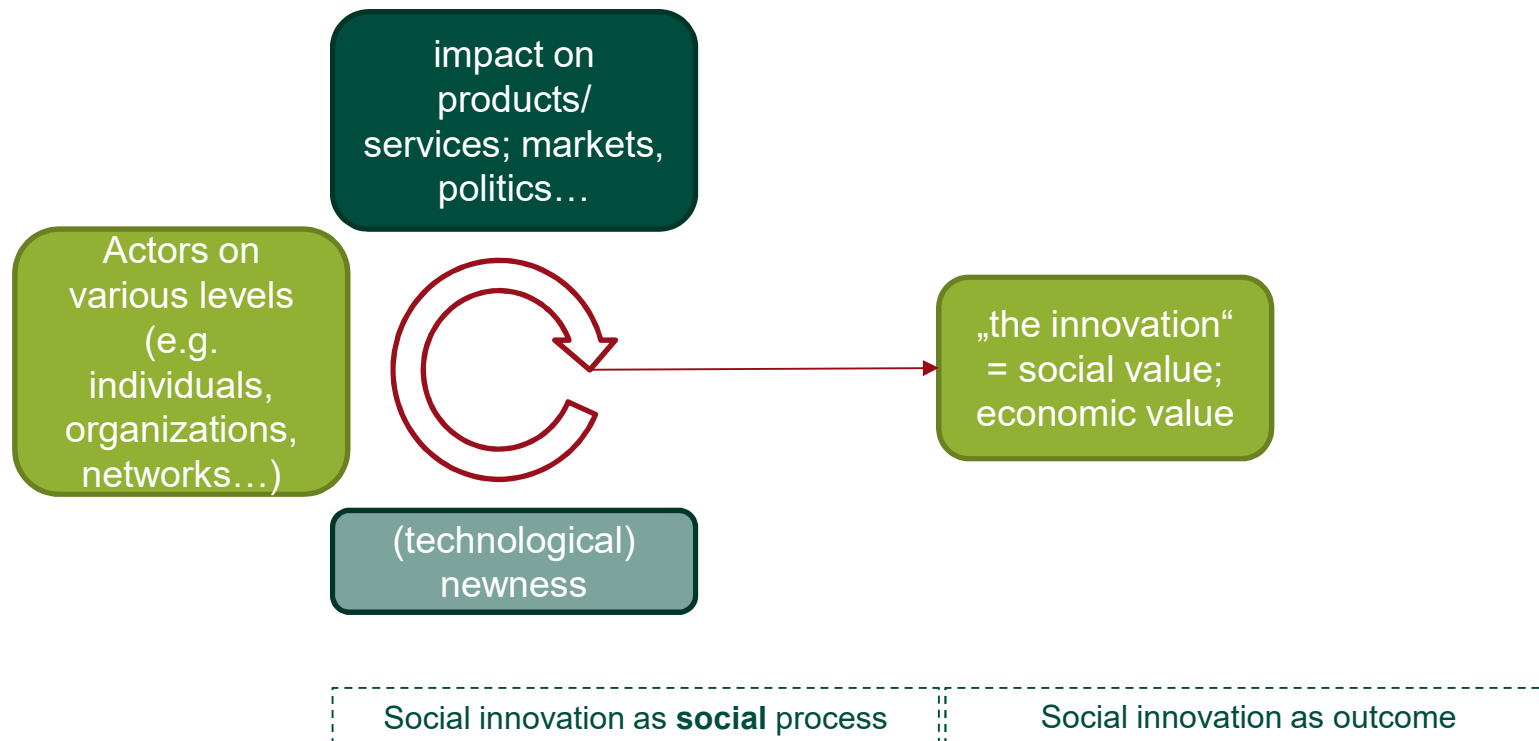
Process of (technological) innovation

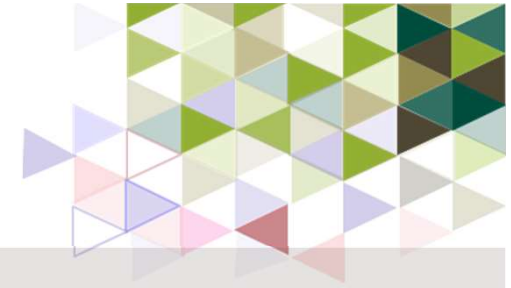




Social innovation – evolvement of the field (Adro & Fernandes, 2020)

Process of social innovation

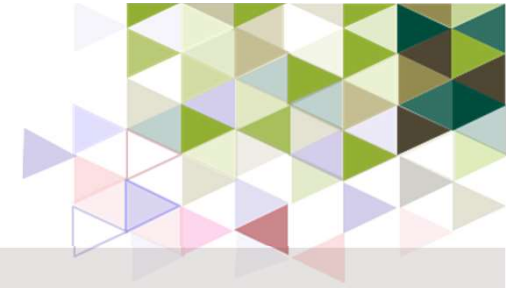




Social innovation – evolvement of the field (Adro & Fernandes, 2020)

Differences to other forms

Social Innovation	Innovation	Reference
Triggered by people and communities	Triggered by profit or competitive business pressures	Dawson & Daniel, 2010
Improve both, economic and social performance	Improve economic performance	Juliani, 2014
Involving large number of people → substantial investment of resources	Limited number of people involved	Mumford & Moertl, 2003
Carried out by organizations whose purpose is social	Carried out by organizations whose purpose is to maximize profits	Mulgan, 2006
Approach to problems driven by supply of needs	Approach to problems driven by a market logic	Rao-Nicholson et al., 2017



Social innovation – evolvement of the field (Adro & Fernandes, 2020)

Differences to other forms

Table 5- Summary of differences between innovation and social innovation (profitable and non-profit sector)

	Profitable sector	Non-profit sector
Unit of analysis	Companies	Community or organization
Innovation Process	Maturity phase	Early
Innovation Protection	Professional secrecy	Disclosure



Levels & dimensions of social innovation (Nicholls & Murdock, 2012)

Levels of social innovation

- Level: incremental
- Objective: to address identified marked failures more effectively (e.g. negative externalities and institutional voids)
- Focus: products and services
- Example: Kickstart, Aurolab, Afghan Institute of Learning



Sakana Fund > Afghan Institute of Learning

Project

Afghan Institute of Learning

Objective

To provide women and children with education, health care, health education, teacher training, workshops in peace and leadership and legal aid, to create a healthier and better educated population with greater capacity to build a self-sustaining, self-reliant Afghanistan.

Challenge


Afghan women, children and youth are eager to learn, develop their capacity and improve their lives. But Afghanistan is one of the poorest countries in the world and one of the worst places to be a female. It has low life expectancy, a high rate of maternal and infant mortality and high child malnutrition rates. The literacy rate of females in Afghanistan is one of the lowest in the world —17%. The country has suffered from decades of war and civil strife restricting education and economic development. Many girls are forced to marry young, and women and widows who never had the opportunity to go to school are unable to help support their families. Additionally, the traditional Afghan approach to education uses rote memorization and dictation, which doesn't foster problem solving and critical thinking skills.

Approach

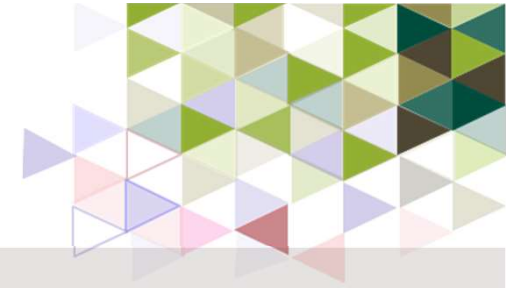
CHANGING A WOMAN'S LIFE IMPROVES A COMMUNITY AND BUILDS A NATION.

The Afghan Institute of Learning (AIL) believes in a community based tailored, holistic approach that: raises the literacy rate, teaches job skills enabling women to contribute to their families and communities, ensures women and children are safe and know their rights, provides access to health care, education, legal aid and food aid and promotes Afghan culture and peace.

Everything we do is interconnected because people need good health to learn and work and quality education and job skills to create economic development. Afghanistan needs the half of its population that is female to contribute their talents and skills to helping communities thrive. We believe that by lifting the lives of Afghan's women and children, we lift the entire country. From its founding in 1995 in the Afghan refugee camps, AIL has grown to where it is today educating tens of thousands and providing health services to hundreds of thousands each year.



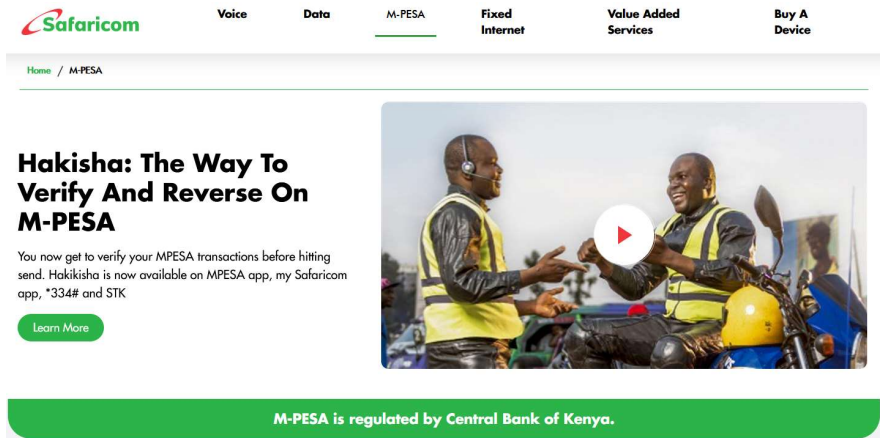
Click to Watch Video



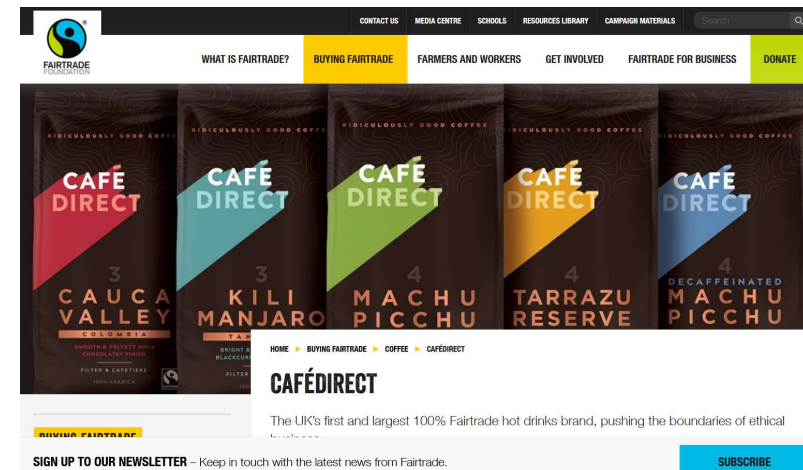
Levels & dimensions of social innovation (Nicholls & Murdock, 2012)

Levels of social innovation

- Level: institutional
- Objective: to reconfigure existing market structures and patterns to create new social values
- Focus: markets
- Example: MPESA, Institute for One World Health, Cafédirect



The screenshot shows the Safaricom M-PESA website. The header includes the Safaricom logo and navigation links: Voice, Data, M-PESA (highlighted), Fixed Internet, Value Added Services, and Buy A Device. Below the header, there's a section titled "Hakisha: The Way To Verify And Reverse On M-PESA" with a video player showing two men in yellow vests. A green banner at the bottom states "M-PESA is regulated by Central Bank of Kenya."



The screenshot shows the Cafédirect website. The header includes the Fairtrade Foundation logo and navigation links: CONTACT US, MEDIA CENTRE, SCHOOLS, RESOURCES LIBRARY, CAMPAIGN MATERIALS, and a search bar. Below the header, there's a section titled "WHAT IS FAIRTRADE?" with a yellow "BUYING FAIRTRADE" button. The main content area features five bags of Cafédirect coffee: CAUCA VALLEY, KILI MANJARO, MACHU PICCHU, TARRAZU RESERVE, and DECAFFEINATED MACHU PICCHU. A green banner at the bottom states "SIGN UP TO OUR NEWSLETTER - Keep in touch with the latest news from Fairtrade."



Levels & dimensions of social innovation (Nicholls & Murdock, 2012)

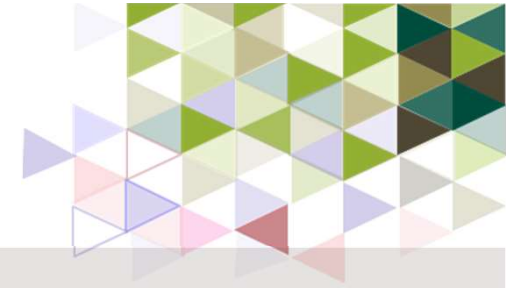
Levels of social innovation

- Level: disruptive
- Objective: to change the cognitive frames of reference around markets and issues to alter social systems and structures
- Focus: politics (social movements)
- Example: Greenpeace, BRAC, Tostan



Tostan
Dignity for All





Levels & dimensions of social innovation (Nicholls & Murdock, 2012)

Dimensions of social innovation

Table I.2 Dimensions of social innovation

	Social Process (Example)	Social Outcome (Example)
Individual	Co-production (Southwark Circle)	Lost-cost healthcare (Aravind Eye Hospital)
Organization	Wiki-production (Wikipedia)	Work integration social enterprise (Greyston Bakery)
Network/Movement	Open source technology (Linux)	Non-traditional training and education (Barefoot College)
System	Micro-finance (Grameen Bank)	Mobile banking (MPESA)



Social innovation and complexity

- For Frances Westley, social inclusion, socio-ecological resilience and social innovation are intimately connected.
- Westley defines social innovation as an *“initiative, product or process or program that profoundly changes the basic routines, resource and authority flows or beliefs of any social system. Successful social innovations have durability and broad impact. While social innovation has recognizable stages and phases, achieving durability and scale is a dynamic process that requires both emergence of opportunity and deliberate agency, and a connection between the two. The capacity of any society to create a steady flow of social innovations, particularly those which re-engage vulnerable populations, is an important contributor to the overall social and ecological resilience”*.



Frances Westley

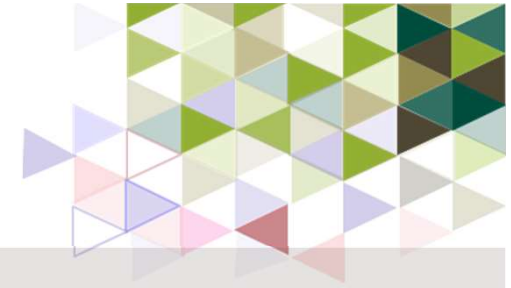
F Westley, *The Social Innovation Dynamic*, Social Innovation Generation, University of Waterloo, 2008, viewed on 14 May 2012, <http://sig.uwaterloo.ca/research-publications>



New science of scaling

- Most of what we understand today about scaling up social change has been borrowed from 19th-century industrial expansion, 20th century pharmaceutical regulation, and 21st-century technology startups.
- These paradigms are insufficient for contemporary social innovation.
- They reflect an old mind-set in which organizations rather than impacts are scaled up, scaling is an imperative, bigger is better, and the purpose of scaling is commercial success.



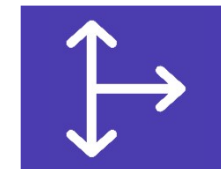


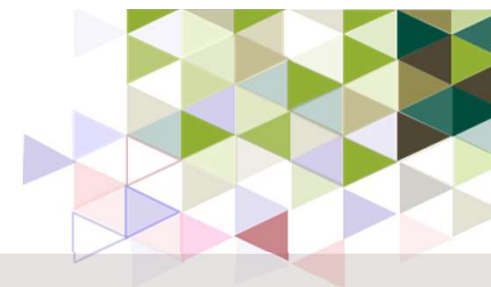
Systemic perspective on scaling

Scaling is “increasing the impact [...] [of an approach] to better match the magnitude of the social need or problem it seeks to address”. (Dees 2008)

Three types of approaches for scaling for social innovations:

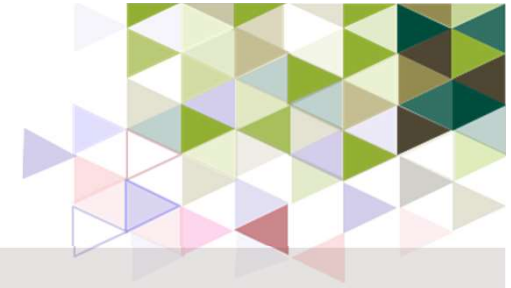
- **Scaling Up:** changing policy or impacting laws to change the broader institutional ‘rules of the game’.
- **Scaling Out:** most often thought of as ‘scaling’ in the social sector: when an organization can successfully replicate a particular social innovation in different communities, in order to reach greater numbers of people.
- **Scaling Deep:** changing the deeper values, cultural beliefs, meanings and practices of people, and the qualities of their relationships, to bring about change.





Scaling strategies

Scale up: impacting laws and policy	Scale out: impacting greater numbers	Scale deep: impacting cultural roots
Based on the recognition that many good ideas or initiatives never spread or achieve widespread impact.	Based on the recognition that the roots of social problems transcend particular places, and innovative approaches must be codified in law, policy and institutions.	Based on the recognition that culture plays a powerful role in shifting problem domains, and change must be deeply rooted in people, relationships, communities and cultures.
Strategies		
Policy or legal change efforts: New policy development, partnering, advocacy to advance legal change and redirect institutional resources.	<ul style="list-style-type: none"> • Deliberate replication: Replicating or spreading programs geographically and to greater numbers • Spreading principles: Disseminate principles, with adaptation to new contexts via cogeneration of knowledge 	<ul style="list-style-type: none"> • Spreading big cultural ideas and using stories to shift norms and beliefs • Investing in transformative learning and communities of practice



Scaling up

Scaling Up: changing policy or impacting laws to change the broader institutional ‘rules of the game’.



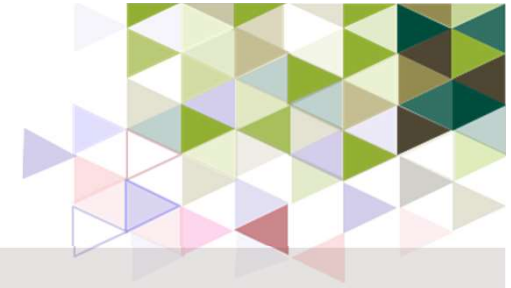
- **Advocacy work**

- Influence public policymakers (Maseno and Wanyoike, 2020)
- Influence other organizations (Bauwens et al., 2020)
- Raise public awareness (Onyx et al., 2018)

- **Legitimacy work**

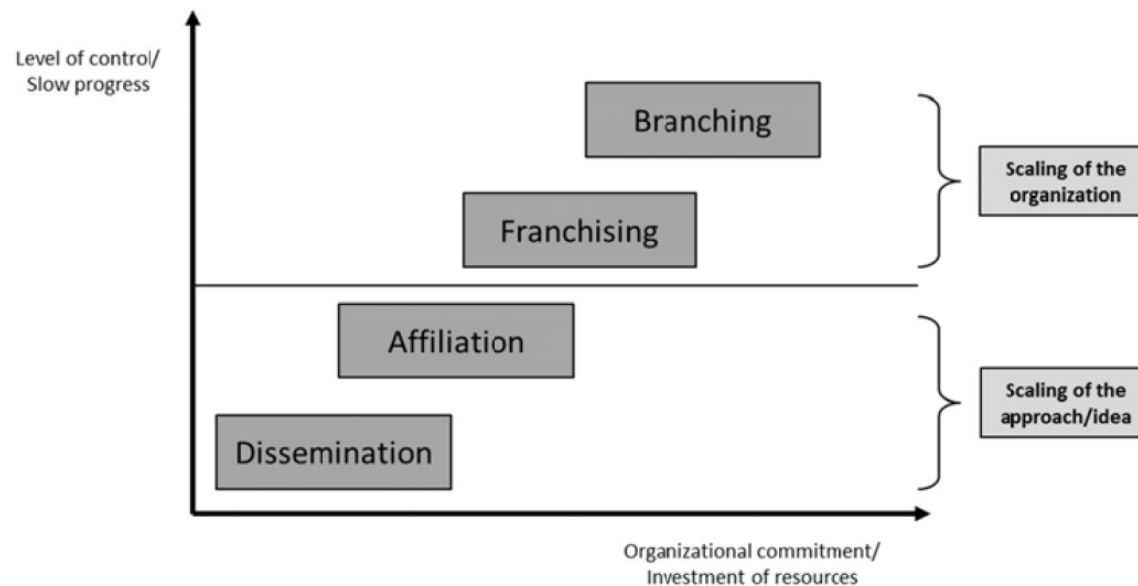
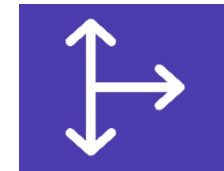
- Build legitimacy of individual SEs (Granados and Rosli, 2020)
- Build legitimacy of the SE sector (Perrini et al., 2010)

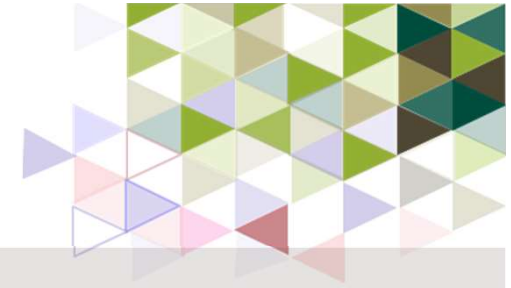




Scaling out

- Scaling out is a strategy where an organization takes a tried and validated operating model to multiple locations with the aim of reaching more beneficiaries
- This is also called a “replication strategy” and has received the most attention from practitioners and academic scholars.

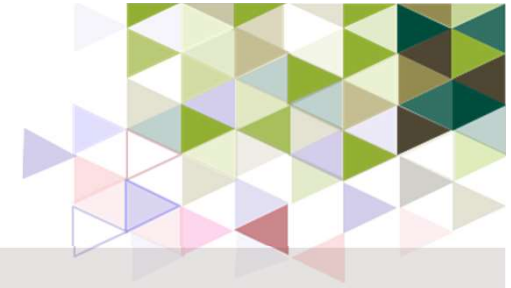




Scaling deep

- Scaling deep is a strategy where the organization improves the environment in which it operates in order to enhance the impact on its beneficiaries.
- In contrast to the scaling-out strategy, scaling deep does not entail increasing the geographical footprint but is concerned about improving the quality of impact in a location.
- Scaling deep involves “not just understanding the environment but also shaping that environment to support organizational goals”. (Bloom & Dees 2008)
- For example, this might include the promotion of collective action within the community, more inclusive participation of all the members within the community, facilitating access to inputs and markets and reducing information asymmetries.
- Well-known practice fields include car-sharing, urban gardening and repair cafes.





Assessing scaling potential

- Not all innovations are scalable. Some innovations – or parts of them – work extremely well for people in one context or under very specific conditions.
- Innovations with the potential to scale most quickly and broadly typically demonstrate the following criteria, against which innovators can assess scaling potential:
 - **Relative Advantage:** Is the innovation demonstrably better than existing alternatives?
 - **Evidence-based:** Is the innovation testable and is its potential impact backed up by research?
 - **Compatibility:** Does the innovation easily fit with the current system and work in context?
 - **Weak Competition:** Is there demand for the change the innovation brings, or do similar solutions already exist?
 - **Simplicity:** Does the innovation easily integrate into existing structures and systems, or does it require significant investments in technology, training, or new facilities?
 - **Value for Money:** Low-cost innovations are more likely to have broad acceptance.