Global Challenges and a Comprehensive Innovation Policy – A Systemic Perspective on Social Innovation

Prof. Dr. Jürgen Howaldt

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Social Innovation: Local Solutions to Global Challenges
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There are countless approaches and successful initiatives that illustrate the strengths and potentials of social innovations to cope with these challenges and **to open up new avenues for a sustainable future.**
1.005 SI Cases all over the world

Region, where the initiative was implemented

47 Cases N/A
Social Innovation Community (SIC): SI Research Landscape

Working on conceptual clarity and theoretical foundation of SI is becoming increasingly important for dealing with specific thematic areas, e.g. (Domanski & Kaletka 2017):

- Public sector innovation
- Digital social innovation
- Intermediaries
- Social economy
- Cities and regional development
- Collaborative and sharing economy
- Community-led innovation
- Corporate social innovation

https://www.siceurope.eu/sites/default/files/field/attachment/exploring_the_research_landscape_of_social_innovation.pdf
In Europe, a new generation of EU funded projects has contributed to theoretical foundation of Social Innovation Research with a special focus on its relation to social change and its transformative potential.

“The evaluation of various FP funded projects […] reveal[s] that the intellectual capital constructed through the concepts, approaches, policies and practices of SI has matured to an extent whereby we can no longer demote SI to a vague, confusing, half-baked or conflictual concept without theoretical or practice grounds.” (Moulaert et al., p. 43f)
Limited Transfer and Scaling

Transfer of the solution

No transfer
Transfer

Form of the transfer

By project partners: 35.7%
Adoption by new users: 25.4%
Adoption by external organizations: 17.0%

Territorial transfer of the solution

National Territory
Local Territory
Regional Territory
International Territory

Scaling

Increased Target Group
Network Extension
Organisational Growth
Institutionalisation
Multipliers
Imitation
Differentiation
Extension to other Policy Areas
Franchise
Accreditation

Total (N=851)

No transfer: 34%
Transfer: 66%

Total (N=997)

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“Processes of diffusion and institutionalisation are very complex and cannot be seen as mere result of the intention of an actor or a group of actors. So while Social Innovation is associated with "planned and coordinated actions" (Greenhalgh et al. 2004, p. 1), the process of Social Change is much more complex.”

Howaldt/Schwarz 2016, 56
“...the real causes of change consist of a chain of certainly very numerous ideas, which however are different and discontinuous, yet they are connected together by even far more numerous acts of imitation, for which they serve as a model.” (Tarde 2009b, 26)
### Case Studies (Policy Fields)

<table>
<thead>
<tr>
<th>Cases</th>
<th>Practice Fields</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td>18 <em>Disadvantaged groups, new learning arrangements, new digital environments, quality improvement, partnership education and economy</em></td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>10  <em>Youth unemployment and vulnerable groups, social entrepreneurship, workplace innovation</em></td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>10  <em>Circular Economy, Alternative sustainable food production and distribution, Alternative sustainable food production and distribution, smart city context</em></td>
</tr>
<tr>
<td><strong>Energy Supply</strong></td>
<td>7  <em>Energy collectives, Providing examples and inspiration, Local production of energy</em></td>
</tr>
<tr>
<td><strong>Transport and Mobility</strong></td>
<td>9  <em>Car-sharing, mobility of vulnerable groups</em></td>
</tr>
<tr>
<td><strong>Health and Social Care</strong></td>
<td>15  <em>Shift in care location, self-management, Integrated care delivery, E-health, m-health, New models of care</em></td>
</tr>
<tr>
<td><strong>Poverty Reduction</strong></td>
<td>13  <em>Micro financing &amp; safety nets, community capacity building &amp; advocacy, displacement &amp; refugees</em></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>82</td>
</tr>
</tbody>
</table>
Increasing Importance and Undeveloped Potential

Like technological innovations, successful social innovations are based on numerous presuppositions and require appropriate infrastructures and resources. This includes a new role of public policy and government for creating suitable framework and support structures, the integration 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).

But at the same time

“… policy field related documents of public authorities such as the European Commission, the United Nations, the OECD, the World Bank, etc. often do not refer to social innovations (exceptions are Horizon 2020 documents as well as publications of other DGs such as DG Employment, Social Affairs and Inclusion and DG Internal Market, Industry, Entrepreneurship and SMEs).”

Source: Compiling report
Main Barriers

- Funding Challenges: 51.7%
- Lack of Personnel: 18.4%
- Knowledge Gaps: 17.5%
- Legal Restrictions: 16.5%
- Missing Political Support: 14.1%
- Absence of Participants: 12.5%
- Lack of institutional access: 10.4%
- Lack of Media Coverage: 7.6%
- Competitors: 6.3%
- Political Opposition: 5.7%
- Other: 32.1%

N=765
A worldwide, open and diverse community of scholars working on innovation and competence building in the context of economic development. Our major purpose? To contribute to academic knowledge creation and exchange in the field of innovation and development.

The European Forum for Studies of Policies for Research and Innovation (Eu-SPRI Forum) aims to strengthen the vibrant but dispersed interdisciplinary community of researchers focusing on interdisciplinary dimensions related to policy and governance in the field of knowledge creation and innovation.
Systemic View on Innovation

The concept of innovation systems (Freeman 1987) offers an explicit perspective on interactive learning and focuses on the relations between the different elements of the system rather than just the elements themselves.

„There are many specifications and definitions of the Innovation system approach. For us, innovation system should be defined as ones that include all important ….factors that influence the development, diffusion and use of innovation´, as well as the innovations themselves.

Hence, innovations can be seen as the output, whereas the innovation system is … constituted by a set of activities or determinates that influence such output.“ (Borras/Edquist 2018, p. 23)
Holistic innovation policy is defined as a policy that integrates all public actions that influence or may influence innovation processes. It takes all activities into account. (Borras/Edquist 2018, 39)

- R&D
- Education and training
- Creation and changing of organization and institutions
- Interactive learning
- Financing of innovation processes
- Consultancy processes
- Incubation
- ......

These activities are the hypothetical determinants of the development and the diffusion of innovation. Together they define important aspects of an innovation system. (following Borras/Edquist 2018, 25)
Interconnectedness of Social and Technological Innovation

In many areas (including several of the policy fields studied in SI-DRIVE, i.e. Employment, Energy, Mobility and Health), the social and technological dimensions of innovation are strongly interconnected and can hardly be separated from each other in explaining Social Change.

Referring to Ittermann et al. (2016); Hirsch-Kreinsen et al. (2015), p. 7
The Digital Transformation and the Consequences for Society

“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.... 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.”

Prof. Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, (pp. 1)
Save the date

5th Global Research Conference
Social Innovation and Socio-Digital Transformation
Towards a Comprehensive Innovation Policy
28-29 October 2019
Dortmund
High-Tech Strategy Federal Government – Innovations for Germany

"We employ a comprehensive term of innovation which covers not only technological but also social innovations, and we include society as main actor."

"Especially, we need technological and social innovations leading to new services for new markets and which are characterized by societal benefit. Services require distinct patterns of innovation."

"Social innovations can contribute to overcoming the challenges of societal and regional change."
Comprehensive Innovation Policy

Social Innovations are requiring specific conditions because they aim at activating, fostering, and utilizing the innovation potential of the whole society.

A comprehensive Innovation Policy has to focus on new participation and collaboration structures, co-creation and user involvement, empowerment and human resources development as basic conditions for social innovation.
### Social Innovation Index

#### Index methodology

The EIU built the Social Innovation Index 2016 to assess the capacity of 45 countries to enable social innovation. The Index includes seven quantitative data points and 10 qualitative scores by EIU analysts, grouped into four pillars. Data points within each pillar are normalised (from 0–100, where 0=worst and 100=best) and assigned weights. Scores for each pillar are then calculated and also normalised out of 100. Each pillar is given a different weight in the overall score, which is also out of 100.

The pillars, their weights and constituent indicators are as follows:

<table>
<thead>
<tr>
<th>Policy and Institutional Framework (weight: 44.44%)</th>
<th>Financing (weight: 22.22%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Existence of national policy on social innovation</td>
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<tr>
<td>• Social innovation research and impact</td>
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<tr>
<td>• Legal framework for social enterprises</td>
<td></td>
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<tr>
<td>• Effectiveness of system in policy implementation</td>
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<tr>
<td>• Rule of law</td>
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<tr>
<td>• Availability of government financing to promote social innovation</td>
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<tr>
<td>• Ease of getting credit</td>
<td></td>
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<tr>
<td>• Total public social expenditure</td>
<td></td>
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<th>Entrepreneurship (weight: 15%)</th>
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<tbody>
<tr>
<td>• Risk-taking mindset</td>
</tr>
<tr>
<td>• Citizen’s attitude towards entrepreneurship</td>
</tr>
<tr>
<td>• Ease of starting a business</td>
</tr>
<tr>
<td>• Development of clusters</td>
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</tbody>
</table>

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<th>Society (weight: 18.33%)</th>
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<tbody>
<tr>
<td>• Culture of volunteerism</td>
</tr>
<tr>
<td>• Political participation</td>
</tr>
<tr>
<td>• Civil society engagement</td>
</tr>
<tr>
<td>• Trust in society</td>
</tr>
<tr>
<td>• Press freedom</td>
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</tbody>
</table>

A detailed methodology is provided in an appendix.

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The Economist, Old problems, new solutions: Measuring the capacity for social innovation across the world 2016, p.17
Ecosystem of Social Innovation

The Triple Helix

Prof. Dr. Jürgen Howaldt
“We challenge key institutions to re-examine themselves: philanthropic organisation must be bolder to increase the flow of funding into social innovation; universities must reimagine their purpose, seeing themselves as a resource for society, not just academia; our political institutions need to reconnect to people and share power; private sector companies must realign around purpose.”

Louise Pulford, 2019
Academia’s Role in the Quadruple Helix

The field of SI is thereby far from having a balanced quadruple helix. It turns out “that the public and the private sector as well as the 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” (Domanski/Kaletka 2018: 207)
Increasing Importance of Universities for Society
Social Innovation: A Challenge for Universities

Today we see universities and research institutions confronted with the challenge of realizing their potential in the sense of a comprehensive understanding of innovation regarding technological and social innovations.

- To integrate the topic of social innovation in class and teaching
- To research social innovations and to give an impulse to processes of societal change
- To include societal actors at an early stage in research and transfer and to increase the potential of innovation for SI in the society
Social Innovation: New Research and Teaching Concepts

When researching social innovations and their preconditions, those approaches and constellations draw interest in which science is an active driver and stakeholder of the process. Therefore, new concepts and formats are required.

- Participatory Action Research
- Design-Thinking
- Transition Research and Design
- New Mode of Knowledge Production
- Citizen Science
- Responsible Research and Innovation
- Social Innovation Centres/Labs/Incubators
“While technological innovation is already a mature concept, the notion of social innovation is just gaining momentum. Similarly, a sound infrastructure supporting the creation and diffusion of social innovations has yet to be built. The establishment of social innovation labs in different parts of the world and in a variety of institutional settings presents how important steps have been taken in formalising the social innovation ecosystem. Furthermore, supportive policies and programmes on national and European levels can further anchor social innovation in society.”
Infrastructure for Social Innovation

- MindLab, Dänemark
- Innovationloop, Schweden
- Sliperiet, Schweden
- Midpoint Center for Social Innovation, Niederlande
- Tilburg Social Innovation Lab, Niederlande
- Social Innovation Lab Kent, UK
- GovLab Austria, Österreich
- The Australian Center for Social Innovation (TACSI), Adelaide, Australia
- Center for Social Innovation, Toronto, Kanada
- MaRS Solutions Lab, Toronto, Kanada

KoSI-Lab Internationale Fallstudien 2017 & 2018
Typology of Social Innovation Labs

Five key characteristics:

- provide institutionalised processes and spaces for experimentation (organisations or organisational units, structures & resources),
- facilitate innovation processes (use innovation methods, e.g. co-creation, collective intelligence, design-thinking),
- work on societal challenges and demands framed as specific questions,
- engage with cross-sectoral, multi-stakeholder teams,
- create ‘practice inventions’ (socially innovative initiatives) as prototypes with high innovation potential.
“To find a way to bring together the triple objectives of smart innovation-led growth, inclusion and sustainability, we must first answer the critical question of how to direct innovation to solve the pressing global challenges of our time” (Mazzucato, p. 2)

“To engage research and innovation in meeting such challenges, a clear direction must be given, while also enabling bottom-up solutions” (Mazzucato, p. 4)
"The aspiration of transformative change were captured most recently in the UN Sustainable Development Goals….This third framing involves a questioning of how to use science and technology policy for meeting social needs and addresses the issues of sustainable and inclusive societies at a more fundamental level than previous framings or their associated ideologies and practices."

"Our core position is that the existing R&D and national systems of innovation frames for science, technology and innovation policy are unfit for addressing the environmental and social challenges."

(Schot/Steinmüller 2017, p. 4; 14)
Alternative narratives are needed

“Alternative narratives and theories of change are a pivotal driving force behind physical change: they serve to communicate and clarify why the world has to change, who has the power to do so and how this can be done. These narratives are not just about story-telling, as they also inform and direct physical action: …

Initiatives have different narratives, ranging from lifestyle change and inner transformation, to changing economic models and redesigning products, to political activism and fundamental institutional change.”
(Manifesto for Transformative Social Innovation, p. 13)
A long history of Social Innovation research

- Semantically, from the outset, the terms “Social Innovation” and “Social Innovator” were closely linked to processes of **social transformation as specific forms of Social Change**.

- At 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. The term tends to become a universal label for describing any social phenomena and processes of change (Godin 2012, pp. 21).
Untapped Potential for Understanding Social Change

Theories of Social Innovation have yet untapped potential for understanding change. What appears in the MLP as a rigid socio-technical regime is rather a fluid interplay between practices and arrangements that mutually influence each other in their stability and dynamism.

Social innovations are always the result of complex emergent processes, over which no single actor has control.
New Social Imaginaries

“Decisions about innovation…are motivated by imaginaries of the future.”
(Jens Beckert, 173)

The question of how social transformation processes can be set in motion steers attention towards “new social imaginaries, as ways in which people imagine their social existence, which enable us to carry out the collective practices that make up our social life.“
(Taylor 2002, 106)
Conclusion

As the conditions to explore the potentials of the natural sciences and to make them usable for society were created through a systematic innovation policy in the middle of the last century, at the beginning of the 21st century we need just as great a pioneering spirit in search for new social practices that enable us to secure the future and allow people to live a richer and more fulfilled human life.
The Future of Innovation is about Social Innovation

‘In the European Union, we are going to put more money into social innovation, not because it’s trendy, but because we believe that the future of innovation is about social innovation.’

Carlos Moedas