



SOCIAL INNOVATION IN THE EUROPEAN PERSPECTIVE

OVERALL AIM:

Gaining knowledge of the position of the European Commission in recognizing and fostering social innovation at different levels



Erasmus+

What is social innovation?

- <https://www.youtube.com/watch?v=G51ap6QO8zg>
- The Social Innovation Dialogues - Focus on the European Union
- Duration: 5,07 min

What is social innovation?

- Social innovation can be defined as the development and implementation of new ideas (products, services and models) to meet social needs and create new 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.
- They are innovations that are not only good for society but also enhance individuals' capacity to act)

What is social innovation?

- They rely on the inventiveness of citizens, civil society organisations, local communities, businesses and public servants and services. They are an opportunity both for the public sector and for the markets, so that the products and services better satisfy individual but also collective aspirations.
- Stimulating innovation, entrepreneurship and the knowledge-based society is at the core of the Europe 2020 Strategy

What is social innovation?

- Social innovation describes the entire process by which new responses to social needs are developed in order to deliver better social outcomes. This process is composed of four main elements:
 - Identification of new/unmet/inadequately met social needs;
 - Development of new solutions in response to these social needs;
 - Evaluation of the effectiveness of new solutions in meeting social needs;
 - Scaling up of effective social innovations

three key approaches to social innovation

- **Social demand innovations** which respond to social demands that are traditionally not addressed by the market or existing institutions and are directed towards vulnerable groups in society. They have developed new approaches to tackling problems affecting youth, migrants, the elderly, socially excluded etc.
- The European Social Fund and initiatives like PROGRESS traditionally link to this.

three key approaches to social innovation

- The **societal challenge** perspective focuses on innovations for society as a whole through the integration of the social, the economic and the environmental.
- Many of the integrated approaches seen in the ERDF's URBAN programmes as well as the URBACT programme fall into this societal challenge approach.

three key approaches to social innovation

- The **systemic change** focus, the most ambitious of the three and to an extent encompassing the other two, is achieved through a process of organizational development and changes in relations between institutions and stakeholders.
- Many EU approaches that involve 'stakeholders' are attempting to move in this direction such as the EQUAL programme (driven by the idea of changing the balance of power between users and providers) and LEADER

Common approaches

In general, social innovation approaches are:

- Open rather than closed when it comes to knowledge-sharing and the ownership of knowledge;
- Multi-disciplinary and more integrated to problem solving than the single department or single profession solutions of the past;
- Participative and empowering of citizens and users rather than 'top down' and expert-led.
- Demand-led rather than supply-driven;
- Tailored rather than mass-produced, as most solutions have to be adapted to local circumstances and personalised to individuals.

Types of SI

- Compared to mainstream innovations, ‘social innovations’ are critically driven by an extra motive: a social mission, and the value they create is necessarily shared value, at once economic and social
- Many social innovations have to do with **service innovation**. This includes innovation in services and in service products, new or improved ways of designing and producing services, and Innovation in service firms, organisations, and industries – organisational innovations and the management of innovation processes, within service organisations.
- **Social design** is also used as a term to describe particular approaches to social innovation.

Types of SI

- Social design is also meant to empower people at local level to invent together solutions to economic and social problems.
- It contributes to offer new values to guide public administrations' actions through collaborative working, experimentations and prototyping.
- While the techniques being developed vary considerably they rarely resemble the more traditional forms of service-planning in the public sector in which either formal meetings are the dominant form or where experts arrive at solutions by linear analysis.

Types of SI

- Social innovation practices tend to be looser, involve more people, feature more animation techniques, are more interdisciplinary, find new ways of involving users and citizens and encourage thinking out of the box.
- They deploy evidence based methods and often use techniques like benchmarking to identify good practices in the specific fields.
- There are growing numbers of examples of co-production and co-creation⁸ in which users are directly
- involved in design and delivery. In the context of cohesion policy, these approaches nearly always involve widening the range of stakeholders and deepening their engagement in deliberative planning.

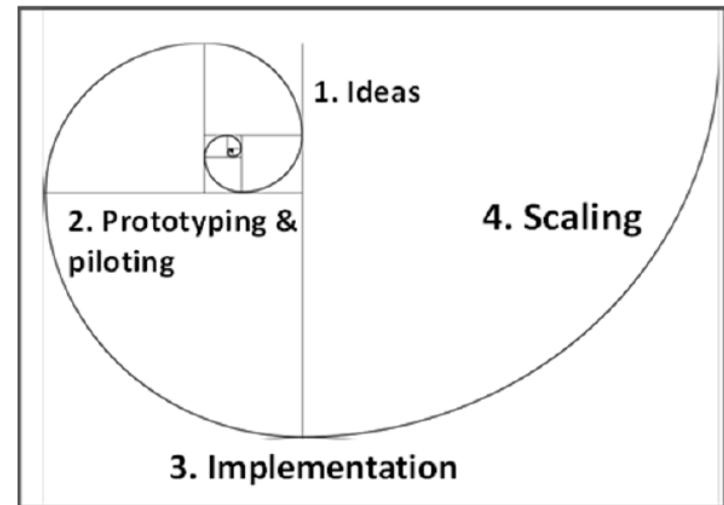
A stage model of social innovation

- Social innovations typically go through stages.
- They start as ideas, which may then be piloted or prototyped. If successful there is a process of sustaining the new model in the implementation stage – perhaps as a new venture or as a new policy within an existing institution.
- The final stage is to scale up so that the new approach makes a real impact and becomes part of the norm.
- The challenge for policy makers is to identify which ideas are the most promising to take to the pilot stage, and to identify which pilots are best able to improve on existing models of practice.

A stage model of social innovation

- Then selecting from among those pilots, the projects that should be implemented to become sustainable ventures and the ventures that should be scaled up to achieve systemic changes.
- It is important that regional authorities design programmes that stimulate a pipeline of projects at each stage which can then be promoted to the next.

The spiral model of social innovation showing the four stages⁹



The added value of social innovation in EU policies

- In the past, societal challenges such as the ageing of Europe, migration waves, social exclusion or sustainability were primarily perceived as problems that constrained the behaviour of economic actors.
- Individuals wishing to tackle them turned to traditional non-profit models as the vehicle through which to channel their energies.
- These activities have often been highly dependent on government subsidies or private donations and faced the difficulty of realising a long-lasting, sustainable difference.
- Today, societal trends are increasingly perceived as opportunities for innovation.

The added value of social innovation in EU policies

- What's more, trends in demography, community and social media, poverty, the environment, health and wellbeing, or ethical goods and services are more and more understood as growth markets.
- Just think of the growing shelf space that green (organic) and fair trade products have conquered. In addition, there is a real excitement around new entrepreneurial answers and solutions to the rapidly changing challenges that these trends raise.
- Moreover, there are a lot of business model experimentation – the emergence of hybrid organisational models, horizontal business models designed to create at once economic and social value.

The added value of social innovation in EU policies

- There is also a great need and potential for social innovation in the public sector. As social needs are evolving because of structural trends like demography and ageing, it is necessary to adapt social policies and find economic solution in times of “growthsterity”.
- Europe has a head-start. It is ideally placed to take a lead and capture first-mover benefits when it comes to implementing social innovations by pro-actively and effectively trying to fully (and fairly) realise both economic and societal benefits.
- With its strong legacy in social democracy, solidarity, civic participation, justice and fairness, Europe arguably constitutes especially fertile grounds when it comes to sustainably enabling and growing social innovation.

The added value of social innovation in EU policies

- Europe 2020, the EU's leading strategy, aims at a smart, sustainable and inclusive economy. It also points to social innovation as one of the avenues to explore to attain its targets. In the flagship initiatives “Innovation Union, "European Platform against poverty", "A Digital Agenda for Europe“ and the "Active and healthy ageing" innovation partnership, social innovation figures prominently.
- It does also in the HORIZON 2020 framework programme for research and in the new Cohesion Policy proposal.
- Four years into the crisis, Europe is facing unprecedented problems that have put in jeopardy its currency, economy and social model. Perhaps at no time since the 1940s has social innovation been so urgently needed.

The added value of social innovation in EU policies

- In the Europe 2020 Strategy the European Union has identified targets in five areas:
 1. Employment: 75% of the 20-64 year-olds to be employed
 2. R&D/innovation: 3% of the EU's GDP (public and private combined) to be invested in R&D/innovation
 3. Climate change / energy: greenhouse gas emissions 20% (or even 30%, if the conditions are right) lower than 1990; 20% of energy from renewables ; 20% increase in energy efficiency
 4. Education: Reducing school drop-out rates below 10% ; at least 40% of 30-34-year-olds completing third level education
 5. Poverty / social exclusion: at least 20 million fewer people in or at risk of poverty and social exclusion

The added value of social innovation in EU policies

- Regional level
- As the regional level is close to the local and regional economy and social tissue, with its place-based particularities, it is a good level to start to tackle these social and societal needs, and try to create blended value.
- However, if innovation at the policy level is aimed for, the regional level will often not be the last step. A lot depends on who is responsible for various policies and implementation levels (e.g. in education or health), and this varies across Member States.

The added value of social innovation in EU policies

- Public authorities at various levels need to consider a number of questions when looking at social innovation in this context:
 - How can they capitalise on the collective learning processes that social innovation engenders?
 - How can they capitalise on the transformative promise that social innovation holds for public sector service provision?
 - How can they ensure the local embeddedness of social innovations?
 - How can they promote better collaborations with the many different civic and economic agents – mainstream businesses, civil society organisations and government bodies – to harness social innovation?
 - How can they evaluate the value added of a social innovation?
 - How can social innovations be up-scaled / reproduced?

Six societal trends



Demography: Migration and ageing of the EU population

- *Migration*: The United Nations estimates that nearly 200 million people worldwide lived outside their country of birth in 2005. One-third of these international migrants resided in Europe which has a population accounting only for 8% of the world population.
- *Ageing*: Median age in Europe will increase to 52.3 years by 2050 from 37.7 years in 2003 (Brookings Institution); Ratio of retirees to workers in Europe will double to 54% by 2050 (IMF); Only 49% of men between the ages of 55 to 65 work (OECD).



Environmental Trends: Water, climate change and energy

- 20% of surface water is at serious risk from pollution; 60% of European cities over-exploit their groundwater resources; 50% of wetlands are endangered.
- If the climate of the 2080s occurred today, the annual damage of climate change to the EU economy in terms of GDP loss is estimated to be between €20 billion for the 2.5°C scenario and €65 billion for the 5.4°C scenario with high SLR.
- The EU has set itself some ambitious targets to become a low-carbon economy, known as the 20-20-20 targets. In some community-led initiatives, citizens get together and invest in renewable energy installations.



New Community Trends: Diversity and the new community providing IT solutions (digital society)

- 83% of European companies with 'diversity' policies see business benefits (EU Commission): Resolving labour shortages (42%) and enhancing reputation and standing in the community (38%).
- 150 million Europeans – some 30% - have never used the internet. This group is largely made up of people aged 65 to 74 years old. Bridging this digital divide can help members of disadvantaged social groups to participate on a more equal footing in the digital society (including services of direct interest to them such as eLearning, eGovernment, eHealth) and increase their employability and quality of life (Europe's Digital Agenda).

Six societal trends



Poverty-related Trends: Poverty , social exclusion and child poverty

- Europe is one of the most prosperous regions in the world. And yet poverty remains a huge problem, affecting an estimated 84 million people. This means that one in every six Europeans lives below the poverty threshold, with some 7 million people surviving on less than €5 a day (European Commission).
- Children (0-17) have a particularly high rate of poverty at 25%, compared to 16.4% of the total population (2010). Poverty is also high in groups facing social exclusion, especially Roma, immigrants, undocumented migrants, the homeless, people living in or leaving institutions, etc (European Commission)



Trends in health and well-being: Health inequities, happiness and caring

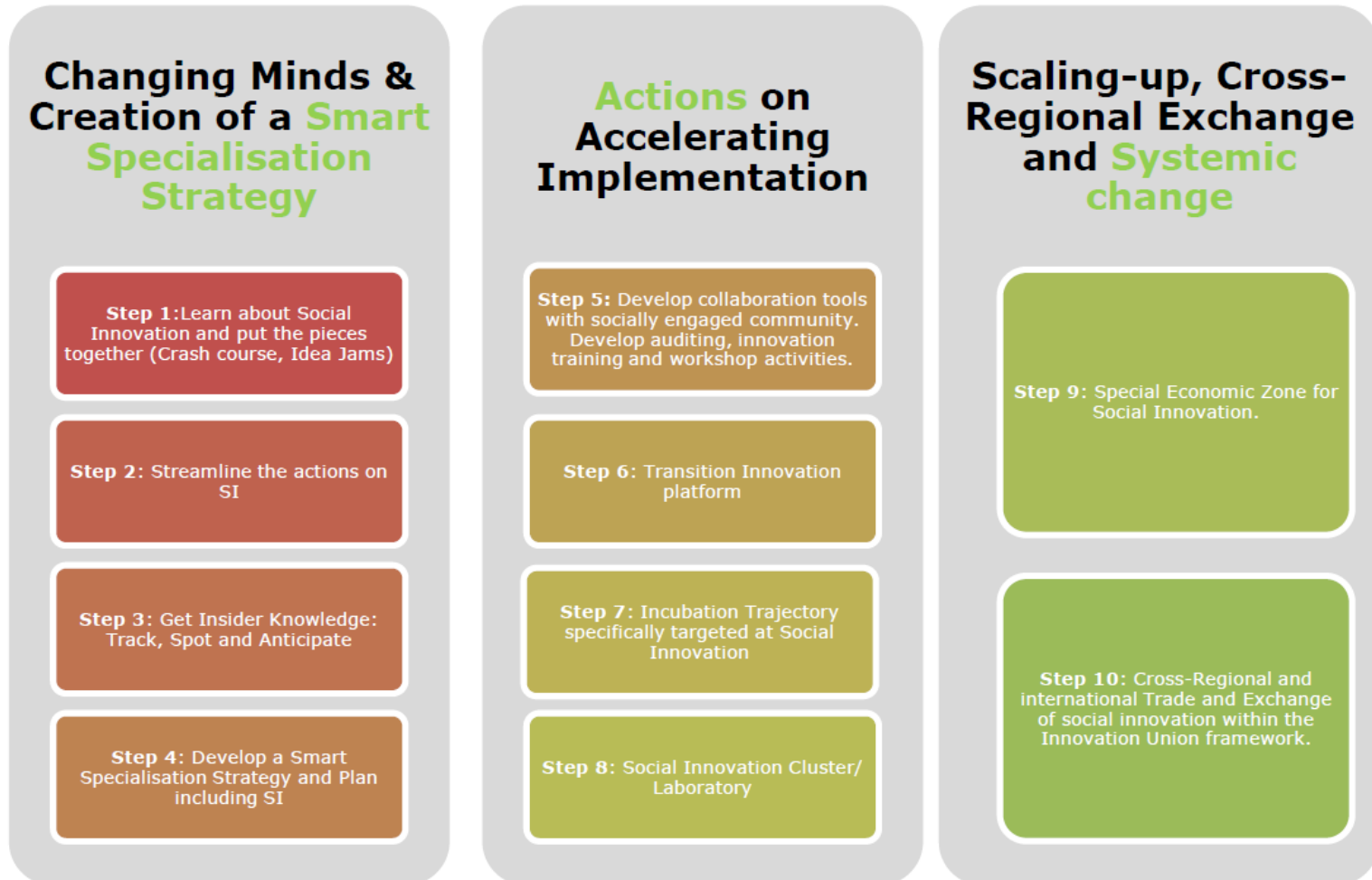
- In 2008, the health care industry consumed an average of 9.0 percent of the gross domestic product (GDP) across the most developed OECD countries.
- The health divide across the EU Region is unacceptably large; and there are persistently large, and in some cases growing, health inequities within countries.



The trend of ethical goods and services: Fair trade and local production

Shoppers spent €4.36 billion globally on Fairtrade products in 2010, up by 28% from €3.39 in 2009 (ILO).

Ten practical steps to implement Social Innovation



Ten practical steps to implement Social Innovation

Although all the steps are important, five are crucial:

Step 1: Learn about Social Innovation and put the pieces together
(Crash course, Idea Jams)

Step 4: Develop a Smart Specialisation Strategy and Plan including SI

Step 6: Transition Innovation platform

Step 7: Incubation Trajectory specifically targeted at Social Innovation

Step 8: Social Innovation Cluster/ Park

These steps can help regions to tackle existing problems, such as how to create employment for youth, how to integrate migration communities into economic life, how to provide health solutions through new ICT solutions to all population, or how to tackle poverty.



**Project "SURE - Sustainable Urban Rehabilitation in Europe"
implemented in frames of Erasmus+ Programme
Key Action 2: Strategic Partnership Projects
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