Directions for policy makers

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How to support and engage in social innovation

Research Brief

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Suggested citation

Acknowledgements

ITSSOIN

ITSSOIN is a research project funded under the European Commission's 7th Framework Programme responding to a call to investigate "The impact of the third sector on socio-economic development in Europe". The project is a research collaboration between 11 European institutions led by the University of Heidelberg and runs from 2014-2017.

Remark

This document partly relates to statements that have been made in previous deliverables, most prominently D 8.2, which are reiterated as essential here but not marked as citations.

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ITSSOIN'S PERSPECTIVE

Social innovation in focus

ITSSOIN has found a unique response in reacting to a Call for Research issued by the European Commission on studying the impact of the third sector on socio-economic development in Europe. Instead of trying to capture impact, which is challenging enough on the organisational level, we have focused on an endeavour that is more feasible and policy relevant at the same time: the third sector's role in generating social innovation.

We have studied social innovation in a comprehensive fashion, on two main levels: (1) frameworks, and (2) fields and organisations.

In relation to the first level, we have investigated: (1) institutional settings (covering national sizes of the third sector and civic engagement; welfare state traditions; and coordinative mechanisms in political economies) and the influence they might have on social innovation capacity; (2) policy directives codified in documents on social innovation; (3) press coverage of the third sector and social innovation; and (4) citizen perceptions of the same themes.

The importance of these different frameworks and their exploration in relation to social innovation has been derived from previous EC-funded research on the subject, more specifically a model developed in the TEPSIE project and reproduced in Figure 1.

Figure 1 Framework model for social innovation (Krlev, Bund & Mildenberger, 2014)
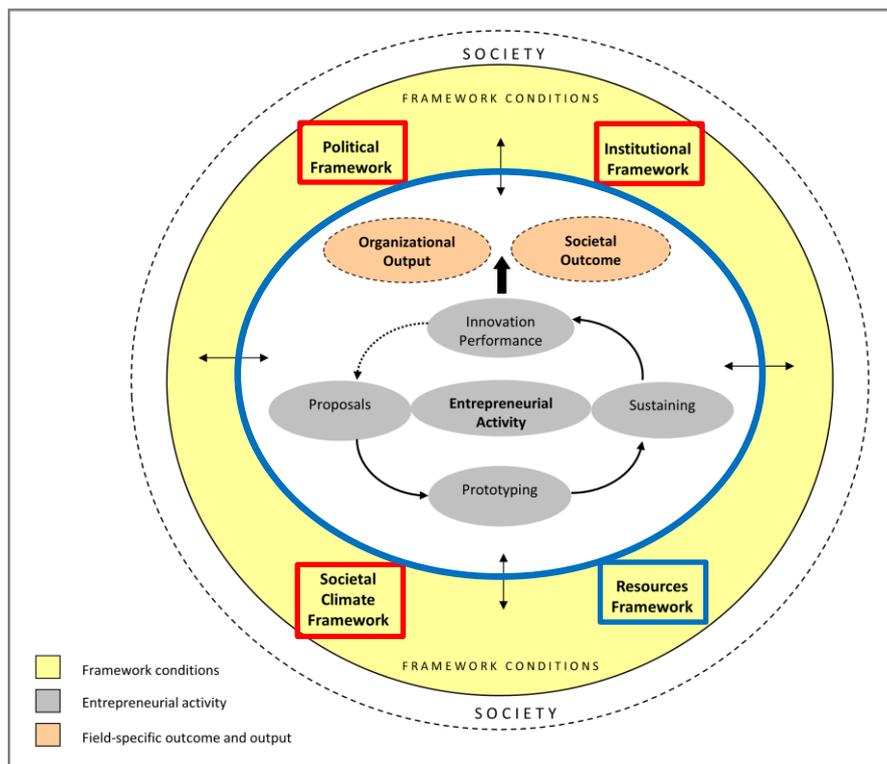
While the first part of ITSSOIN was mainly dedicated to the exploration of the institutional, policy and perceptual frameworks (highlighted in red), the second part turned to concrete innovations and conditions at the field level, comprising the availability of resources but also other factors (marked in blue).

With regard to the second main level of research, we identified and examined 'social innovation streams,' which designate new approaches, principles of action, governance forms or modes of organisation that have fundamentally affected a field of activity, and already for a certain period of time (at least for five years back from today) and across national borders, so that they are not geographically restricted. These have been identified in a two-step, cross-national expert consultation process. Table 1 summarises the social innovation streams and the fields and countries in which they were studied.

Table 1 ITSSOIN social innovation streams and country settings

Field	SI stream	Countries
Arts & Culture	Arts for spatial rejuvenation	Italy, France, Spain, The Netherlands
Social Services	New governance arrangements to reach marginalized groups	Italy, Spain, Sweden, UK
Health	The recovery approach to mental health	Czech Republic, Denmark, France, UK
Environmental Sustainability	Promotion of bicycle use in urban contexts	Czech Republic, Denmark Germany, Italy
Consumer Protection	Online financial education	Czech Republic, Denmark, Spain
Work Integration	Cross-sector partnerships	Czech Republic, France, Germany, Spain
Community development	Self-organized integration of refugees	Czech Republic, Italy, UK, The Netherlands

We started with describing the state the social innovation stream is in at present and traced ts back to its origins, spotting critical junctions, actors and other moderating factors on the way. We generated in-depth, qualitative data on each stream, but also condensed results in a quantitative analysis. The results were specific actor traits and field conditions that enabled the social innovation to occur.

Organisations paving the way for and shaping such innovations possess a high degree of 'social innovativeness', which refers to:

> 'The ability to contribute to or create solutions to previously inadequately addressed social needs – this solution shall serve both a functionalist (efficiency & effectiveness) and a transformationalist function (change) and primarily aim at improving the situation for the beneficiaries and actors involved' (Anheier et al., 2014, p. 33).

Increased social innovativeness is marked by a more frequent (overall or within the social innovation process) and more substantial (clearly recognisable or dominant) and more sustainable (lasting) involvement in the development of such solutions.

Our proposition is that certain organisational characteristics determine social innovativeness and that it is also affected by broader contextual condition, at the framework or more specific field level.

In studying social innovation streams we took an 'open sampling' approach, by using the innovation as the unit of analysis and deriving involved actors from it, rather than doing it the other way around. This enabled us to discover third sector organisations, public agencies, firms, or informal actors alike.

Complementary to the two main research pillars, we gave special attention to volunteers as (potential) micro-level actors of social innovation and the general positive effects of volunteering on volunteers. As to the latter, volunteering was found to enhance self-perceived health, subjective well-being and social relations. Yet, the effects were small, which is why we focus here on the links between volunteering and social innovation, which we tried to study in a separate work package but also within the tracing of social innovation streams described above.

In the next section we outline very briefly the key insights we generated on all the above accounts.

ITSSOIN'S CONTRIBUTION

Advancing a multi-pronged understanding of social innovation

These are the main insights we produced. The first four results below relate to frameworks, whereas points six and seven are concerned with organisations and field conditions. The fifth point on volunteering takes the in-between position mentioned above.

1. *Institutional structures:* Social origins theory, relating to the size of the third sector and civic engagement in a country, proved most useful in gauging national social innovation potential in relation to our in-depth tracing of social innovation streams and the insights aggregated therefrom. This suggests that third sector size and civic engagement indeed enhance social innovation.

2. *Policies:* Countries that showed more marked social innovation streams had policies that related the third sector and civic engagement to social innovation and focussed on the local rather than the national policy level. This link is weak and needs further testing, but was more clearly related to variations in social innovation across countries than for instance the prominence of social innovation as a concept.

3. *Media reporting:* The press deals with the third sector and civic engagement as potential remedies in times of crisis, but does not relate them to social innovation. Generally all these themes receive significantly less attention than business or politics and if there is media coverage, it is largely in line with government policies, that is non-contestant. There is thus a low degree of critical media reflection.

4. *Citizen perceptions:* Images that citizens might have in relation to social innovation are hard to impossible to trace, since they do not represent an established category in surveys. Some links can be drawn between trust (in third sector organisations) and some of the supposed societal effects of volunteering on the one hand side and social innovation on the other, but these are not robust and need further exploration.

5. *Volunteering:* Little is known about the specific roles of volunteers in social innovation and the different pathways that may lead to it. Our efforts to probe the link have revealed that the capacity of volunteers to unfold their innovative potential is mainly tied to finding an effective collaboration between professional staff and volunteers, and managing the translation of volunteers' ideas into practice.

6. *Actor traits:* There is not one single formula that determines organisations' social innovativeness. On the contrary, we have found that conditions enabling social innovation vary significantly across fields. Yet, there are some organisational traits that emerge against others. Most prominent among them are social needs orientation, external organisational openness and local embeddedness, and also but less uniformly pro-social values and voluntary engagement. All the latter proved more important than for instance variables of organisational structure (e.g., age or size), resource diversity or the ability to combine advocacy and service provision.

7. ***Field conditions:*** State prevalence and third sector prevalence emerged as stronger driving forces for social innovation at the field level than market prevalence. The importance of third sector organisations is further underscored by the fact that in our 'open sampling,' guided by independently identified social innovation streams rather than starting with a pre-defined organisational sample, the large majority of identified actors were from the third sector. At the same time and in line with previous social innovation research, actor collaboration across sector boarders was a significant enabler of social innovation. So were exogenous shocks in specific fields, such as the economic crisis or the refugee crisis that created a surge of needs and/or triggered the dispensation of resources, financial and otherwise.

Two further and major themes have emerged in the ITSSOIN research, which have policy relevance.

The first one is on (cross-sector) networks in the governance of social innovation, from its emergence to its diffusion. Third sector organisations seem to take two distinct roles within these networks: (1) they are particularly active in paving the way for social innovation, being the ones not only who care about social needs but actively try to tackle them in new ways. However, they often need other actors, with distinct capabilities, to come in at later stages; (2) even more so than 'collective' action, third sector organisations perform 'connective' actions, bringing formerly detached or isolated actors together and establishing a link to target groups.

The second major theme is about the impact of austerity and crises on social innovation. While the latter can help free resources and push actors towards fulfilling their social responsibilities, as for instance demanded in public discourse, the former often had stymieing effects on social innovation. We often encountered reluctance with innovators to call their actions innovations, motivated by the fear that this would block their incorporation into standard provision by the state. A recurrent theme was that social innovation should not be used as a reason to substitute state welfare.

ITSSOIN'S POLICY IMPLICATIONS

How to support and how to engage in social innovation

We formulate our recommendations as prompts to action and in terms of needs for further inquiry along the lines developed above.

1. *Institutional structures:* From the perspective of policy it is encouraging to learn that when it comes to institutional structures, which are generally hard to change, it is the more flexible aspects that seem to matter more for social innovation than those that are near impossible to change in the mid-term. ITSSOIN has revealed that a strong third sector landscape, and productive links to the state, as well as a high share of volunteers in the population are beneficial for social innovation. These can all be promoted to a larger extent than welfare regimes or coordinative principles in political economies, which seem to matter relatively less, can be changed.

2. *Policies:* In addition to the institutional structures above and when it comes to shaping social innovation policies, the stimulation of bottom-up engagement and the focus on local development rather than structures imposed top-down, have been identified as beneficial. The existent link here is more tentative than the one with regard to institutions and further research on the stimulating effects of policy traits is needed. Independent of this our findings suggest that policy makers can actively engage in creating favourable conditions when drafting policy agendas and initiatives.

3. *Perceptions:* Despite the fact that, in particular at the level of the EU, social innovation is embraced and promoted as a concept, little of it has yet reached the press or citizen's mind-sets. In particular with regard to the latter it is unclear whether this is in fact true, or whether our finding is only a consequence of social innovation not being a core aspect in standard social surveys. Policy makers should think about integrating such and related aspects into national statistical accounts.

4. *Volunteering:* Despite the favourability of civic engagement and volunteering implied by the findings above, very little is understood about the particular role of volunteers in creating social innovation and there is some evidence that current practice is not fully up to harnessing its existing potential. Our targeted probing of volunteer engagement in third sector organisations and the relevance of volunteering in relation to our SI streams, both suggest that volunteers are only innovative, where they are encouraged to genuinely employ their individual experience or expertise (professional, 'lived experience' etc.). While the management of such engagement and the targeted recruitment of volunteers is more challenging, volunteering when interpreted as a mere 'helping hand,' albeit important, is unlikely to produce innovation. This would have to be implemented in the design of large scale initiatives promoting volunteering.

5. *Innovators and fields of innovation:* Networks between diverse actors are key to driving social innovation. Those, who are particularly social needs oriented, externally open and locally embedded, take on central or 'hub' positions in such networks. Third sector organisations often inhabit this role. However, they cannot solve challenges on their own, but need dedicated partners with shared value sets. The formation of such networks can be steered by policy only to

degree. In some instances political steering is counter-productive, since informal and fluid structures are needed. Policy makers need a deep understanding of the dynamics and logics underlying certain fields of activity, sometimes even more specifically of certain innovation domains and types, to decide on whether or not the state should engage and how. This understanding can be advanced tremendously by research such as the one produced in ITSSOIN. What we refer to is research that acknowledges and embraces complexity in exploring social realities but at the same time works within a common framework that allows for rigorous testing of claims and propositions throughout.

The main message of ITSSOIN is that much social innovation is happening on a day-to-day basis, which effectively represents (some) answers to the current challenges of our time, which we have listed in our very first policy brief (D 1.5): sustainable financial markets, social inclusion, environmental sustainability, health and social services provision for vulnerable persons, liveable communities, employment, competitiveness.

The processes we studied are not fragmented activities but multi-actor initiatives that add up to major social innovation streams. ITSSOIN's results notwithstanding, at present we still lack a comprehensive overview of such processes and this hampers our ability to transfer learnings on frameworks, actor traits and field conditions from one setting to another. Saying that social innovations can and should be replicated clearly counter-acts the essence in our findings.

What we want to express instead is: There are some general principles, such as the ones we worked out that act at triggers in promoting or slowing down social innovation and thereby moderate socio-economic impact. We need to understand better how to operate these triggers, but we already have knowledge at hand to direct policy making right now.

For advancing social innovation we need to move away from an isolated existence of actors (be they informal initiatives, third sector organisations, public agencies, or the state), who transfer burdens from one realm into another, using 'self-regulating' social innovation as an excuse not to become active. Instead we need to find ways in which these diverse actors, with distinct capabilities and within specific settings, can interact productively. Policy can and must play an active role in making this happen. The directions we have given can enhance it.