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Coaching material about innovation process

Overview

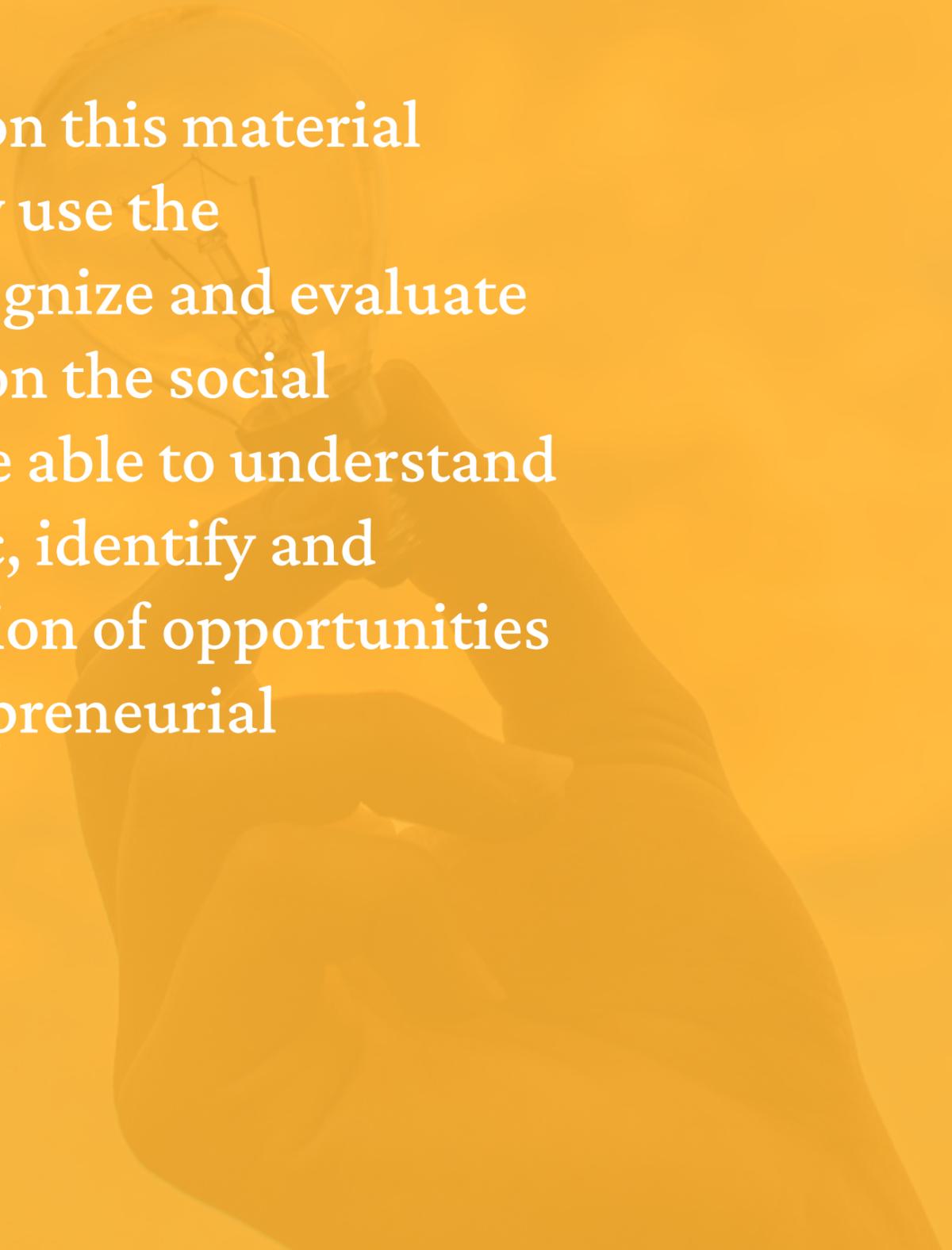
Material Description:

Introduction to the field of social innovation that covers areas such as defining the context for social innovation, overview of basic terminology characteristics and patterns of social innovation. Material introduces participant of coaching's with the concept of social innovation ecosystem and sets grounds for understanding social innovation as a cross sectoral and multi-disciplinary theme.



Learning Outcomes:

By the end of coaching sessions based on this material participants will be able to successfully use the terminology and to independently recognize and evaluate social innovation as well as its impact on the social environment in which it occurs. Will be able to understand multidisciplinary character of the topic, identify and explain factors that influence the creation of opportunities for social innovations and social-entrepreneurial endeavours.

A faint, semi-transparent image of a hand holding a glowing lightbulb is visible in the background on the right side of the slide. The lightbulb is illuminated, and the hand is positioned as if holding it from the bottom. The overall background is a solid light yellow color.

Part 1: Innovation. Introduction, general definitions.

Innovation Taxonomy - How to categorize innovation

Social innovation

Part 2. Tools and approaches for development and support of social innovation.

How to introduce and implement a social innovation?

Part 3. Financing possibilities for supporting social innovation



Part 1: Innovation.
Introduction, general definitions.

Innovation goes far beyond R&D

It goes far beyond the confines of research labs to users, suppliers and consumers everywhere – in government, business and non-profit organizations, across borders, across sectors, and across institutions.

The Oslo Manual for measuring innovation defines four types of innovation:

product innovation, process innovation, marketing innovation and organizational innovation.



WHAT IS SOCIAL INNOVATION?

Defining Social Innovation

‘Social innovation is the process of developing and deploying effective solutions to challenging and often systemic social and environmental issues in support of social progress.

Social innovation is not the prerogative or privilege of any organizational form or legal structure. Solutions often require the active collaboration of constituents across government, business, and the non-profit world.’ —Soule, Malhotra, Clavier.



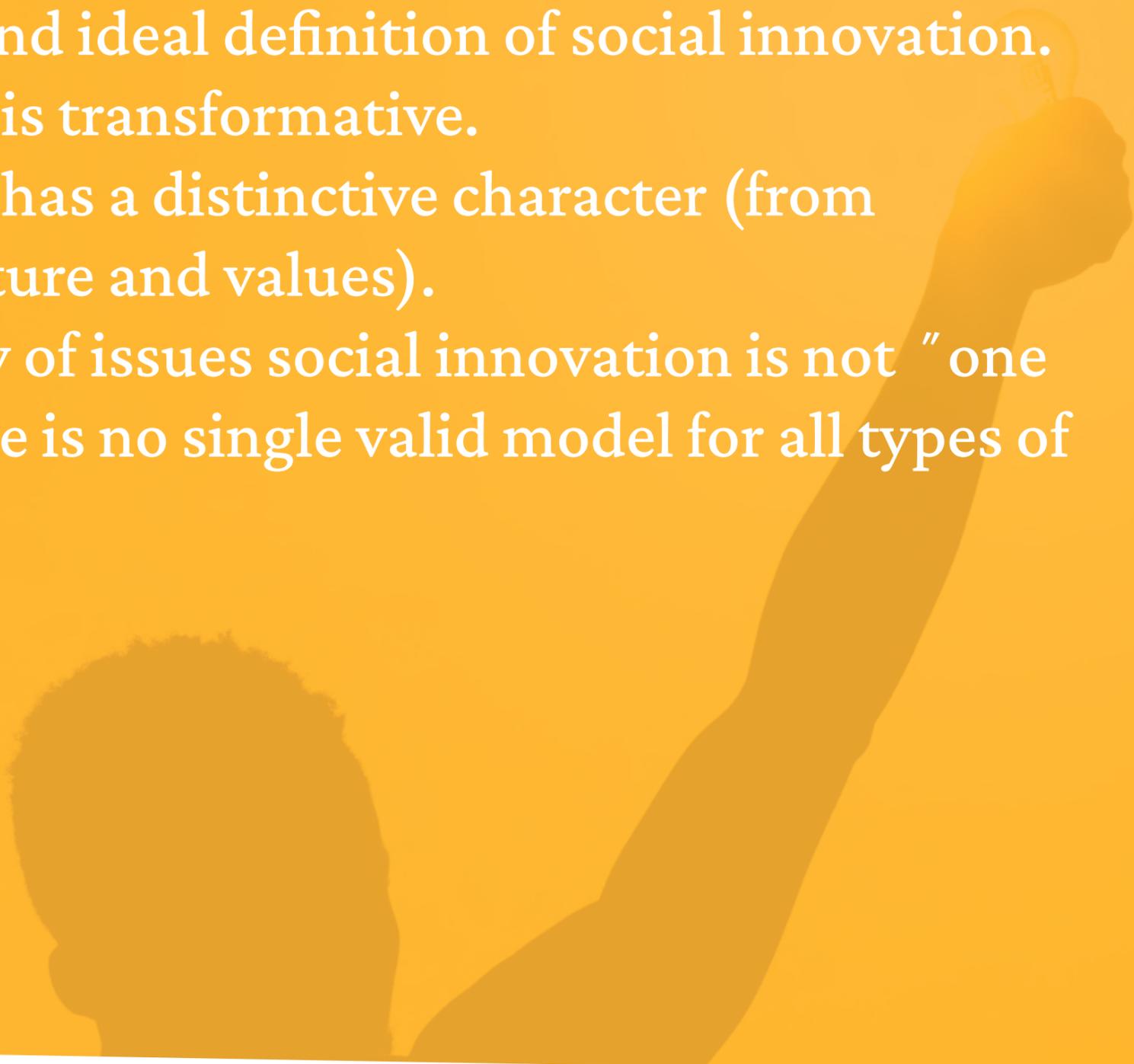
When does social innovation occurs:

Social innovations often emerge in:

1. fields where problems are intensifying (from diversity to conflict, to climate change and mental illness),
2. in fields where existing models are failing or stagnant (from traditional electoral democracy to criminal justice)
3. In fields where new possibilities are not being adequately exploited (e.g. Mobile technologies and open source methods)

There are many social challenges (political, technological and economic changes) that existing structures, policies and institutions have failed to address.

SUMMARY

- There is no final and ideal definition of social innovation.
 - Social innovation is transformative.
 - Social innovation has a distinctive character (from technology to culture and values).
 - Due to complexity of issues social innovation is not "one size fits all" - there is no single valid model for all types of social innovation.
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- A silhouette of a person's head and arm, holding a glowing lightbulb. The person is facing left, and their right arm is raised, holding the lightbulb high. The lightbulb is illuminated, casting a soft glow. The background is a solid yellow color.

Part 2. Tools and approaches for development and support of social innovation.

How CAN YOU introduce and implement a social innovation?

- Frame the question
- Diagnose problems
- Participatory methods - user driven approach – participatory methods from urbaninno toolbox
- Open innovation – what's that, how to use it.
- Participation/ Facilitating participation – platform, tools, examples
- Prototype and pilot projects

All innovations start with a central idea.

But the idea itself is often prompted by an experience or event or new evidence which brings to light a social need or injustice. Some organizations initiate the prompts themselves – **using feedback systems to identify possible problems.** Creative leaders can use symbols and demonstrations to prompt social imagination. **In many cases, research, mapping and data collection are used to uncover problems, as a first step to identifying solutions.** One of the critical challenges at this stage is in identifying the right problem. A ‘good’ problem contains within it the seeds of the solution.

Diagnosing problems is a first step to developing solutions. A key challenge is to get to the underlying causes of a problem. To a hammer every problem looks like a nail. It's always easier to deal with symptoms rather than causes. Some of the methods for digging deeper involve the analysis of systems while others involve mobilising people's own experiences and perspectives.

The diagnostic process.

The gathering and presentation of data requires a process of interpretation. This should ideally include those involved in the implementation of ideas and those affected by the proposals. Often there are conflicting interpretations, which can only be settled by trying out the suggested alternatives in practice.

WHAT IS CO-DESIGN?

There is much in Co-Design for creative professionals. But, what are we talking about when we talk about Co-Creation or Co-Design? Co-Design is a process involving end-users, customers and other relevant stakeholders in the design process to ensure the outcome meets their needs.

It is based on four steps:

- **engage,**
- **understand**
- **ideate**
- **validate.**



This approach goes beyond consultation. Instead, all stakeholders affected by or attempting to resolve a particular challenge build and deepen equal cooperation. A key tenet of co-design is that users, as ,experts‘ of their own experience, become central to the design process.

A co-creation process can enable organizations/ projects to:

- find a connection between groups that would normally not collaborate;
- raise awareness and sensitivity towards important issues with certain groups/individuals
- create a safe space for sharing
- create a common understanding
- empower minority perspectives

Link: <http://www.cocreate.training/>

You can use a simple approach how to use participatory process and easily go through it basing on steps and guidelines from **TOOLBOX OF SMART PARTICIPATORY METHODS & TOOLS**, created in frame of **URBANINNO** project, funded from Interreg Central Europe

A toolbox of Smart urban innovation participatory methods & tools is a unique tool that will help you engage end-users (citizens, consumers) into urban innovation process (developing urban development strategies, smart urban solutions, services or technologies).

WHO IS IT FOR?

The toolbox is designed for advanced users, which means that you need at least some basic experience with participatory processes (like participatory workshops). In case you don't have that, you can find a list of experts for moderating and facilitating the participatory process in your language.

HOW TO USE IT?

Toolbox will guide you through the planning of participatory process step-by-step, so the best way is to follow it through starting at step one.

HOW TO PLAN PROCESS

Step 1: Defining a problem & objectives

Defining a challenge and objectives of the process is crucial for the success of the collaboration with end-users. You might review your definition of the problem or objectives after first interaction with target groups to make it clearer.

Step 2: Building relationships

Building relationships is the first step, and is revisited for subsequent events in this continuous and ongoing process. It shows combinations of ICT tools and steps to be taken for reaching out and starting the first interactions with the target group.

Step 3: Invitations

Describing combinations of ICT tools for sharing and signing up to invitations of your interactive event.

Step 4: Starting interactions

Engage stakeholders before the event by interacting with them, giving them opportunities to give input leading up to the event.

Step 5: Participatory methods

Different participatory methods you can use at physical meetings with your target groups and stakeholders with some practical tips deriving from practice.

Step 6: Documentation

Different ways of preparing and carrying out the documentation at the event using existing technology and ICT tools.

Step 7: Follow-up

Tools and checklist for getting back to participants following the event.

Step 8: Continued Interactions

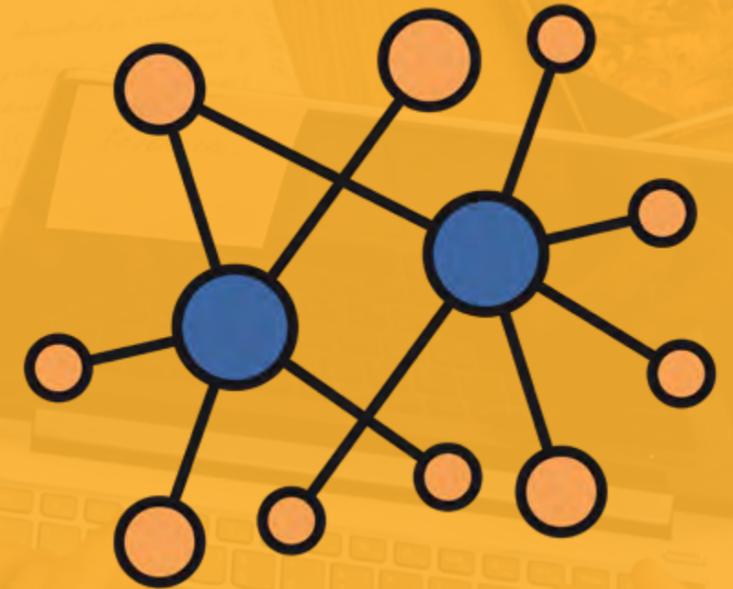
System for curating prolonged interaction of the participants from the event based on level of engagement.

Click here for more details: <https://www.user-participation.eu/>

Open innovation

The term open innovation means a situation where an organization doesn't just rely on their own internal knowledge, sources and resources (such as their own staff or R&D for example) for innovation (of products, services, business models, processes etc.) but also uses multiple external sources (such as customer feedback, published patents, competitors, external agencies, the public etc.) to drive innovation.

Example: Calls for ideas involve asking a wide range of people to suggest ideas for strategy, projects, experiments, grantees or solutions to particular problems.



PARTICIPATION

These methods are still being experimented with, and are as much about creating a culture of openness to ideas as they are about generating ideas themselves.

- Platforms for engaging citizens
- Processes for involving children in generating innovations, decision making, urban design, planning, and school management.
- Participatory planning
- Citizen petitions and other online platforms for capturing citizens' ideas on a range of matters including public service improvement.

Facilitating participation

There are also a range of techniques – widely used in the developing world – for engaging participants in more effective and meaningful ways. Much attention is now being given to meetings to make them more effective – sometimes with much more open processes, sometimes with much more formal structures. Face to face meetings remain the most important in generating commitment to innovations, but increasingly technologies of all kinds are helping to transform meetings, enabling people to interact verbally, visually, and through simulations.

- **Events and conferences for networking and learning**
- **Virtual meetings and conferences**
- **Webinars**
- **Participatory workshops**
- **Dialogue Café**

Part 3. How to finance your idea?

A wide range of financial tools can be used at these early stages: small grants, convertible loans, to quasi equity, prizes, direct commissions, and tendering. Some of the most useful approaches link money to development.

- **Grants and support for early ideas.**
- **Small grants** aimed at community organizations and local groups, usually to shape and demonstrate innovations involving volunteers and/ or community action.
- **Prizes and public challenges** can be an effective means of distributing funds and incentivizing innovation.
- **Funding for incubation**
- **EU grants**
- **National or local funding**



- **Dedicated innovation funds and internal public venture funds**
- **Social clauses in public contracts**, for example, to promote innovative methods for employing unemployed people, those with disabilities or to reduce carbon footprints.
- **Open forms of consultation and participation**
- **Participatory budgeting** enables citizens to define local priorities and allocate public money accordingly
- **Public subscriptions, lotteries, and competitions** provide another source of funding for activities at one remove from the state. In some countries (e.g. New Zealand), lotteries provide a primary source of funding for community ventures.

Grant giving

Increasingly, donors are trying to avoid some of the limitations of traditional grant funding. Some are using prize funds to catalyse innovations and others are treating grants more like investments – alongside project involvement, technical support, continuous funding, and the coverage of core costs.

- **Direct funding for individuals**
- **Award and recognition prizes** are intended to celebrate or mark a person or organisation's achievement. These prizes have become increasingly popular over the last decade for rewarding social entrepreneurs, non-profit organisations, and others working in the field.

- **Intermediaries** who allocate grants for specific projects on behalf of the donor, for example in the cultural sector.
- **Micro R&D grants** for concept development and prototyping
- **Initial Public Offerings (IPOs)** originally used by companies to sell shares to the public, are now used by non-profit organisations to secure longer-term funding with a detailed pledge to provide a social return on the ‘investment’
- **Grants as investment** including tapered grant funding, public equity, and preference shares

Creating a business

Turning a good idea into something sustainable outside of the public sector depends on a business model – a clear idea of how it will generate a sufficient income stream that covers more than costs. Effective supply and effective demand need to be brought together. Effective supply means that whatever is being provided has been shown to work and to be cost-effective. Effective demand refers to the willingness of someone to pay for what's on offer, which may be a public agency or the public themselves.



Innovative business models.

They are as diverse as business models in commercial markets, ranging from direct service provision to commissioners, through models that create value for customers to models similar to those around the web that share knowledge and intellectual property.

Business strategies.

The context for a business model is a business strategy about how the proposed venture is positioned on the economic field of play. There will be key points of control in any sector of production. In some it is retailing and distribution; in others it is a key stage in processing; or in knowledge management systems; or the control of a key input such as a critical site or personnel (as in sport). Mapping a sector will suggest the points at which a new social venture has the best chance of success, and of influencing the way the sector works.

Incomes and outcomes.

There are a range of social business models that involve recognizing the potential value of a venture's assets and disaggregating its activities to generate alternative income streams. Particularly instructive for social ventures are the lessons from the business models adopted by web companies which, like social ventures, have an interest in maintaining free access, while at the same time generating revenues indirectly as the result of the response that the free service attracts.

Business plans.

Business models together with business strategies then need to be turned into business plans. Although it is rare for a social venture to be a straightforward implementation of a blueprint (it is much more like a process of discovery and unfolding), plans help to clarify tasks, milestones, and sequencing – for example of investment in people, equipment and market growth. Business plans cannot design the future, and few survive their first encounters with reality. But they provide a chart for a venture's theatre of operations and demonstrate the competence of those engaged in taking the venture forward. Business plan assessment methods. There are many methods that help to define business models and business plans.

SUMMARY

„In today’s hyperconnected world, one country’s societal problems can become ours. Nations are facing slow economic growth, financial instability, political turmoil, hunger, poverty and disease. These are all social issues that have to be addressed, one way or the other, and such big problems generate big business opportunities. In fact, more than 80% of economic growth comes from innovation and application of new knowledge”*.



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