





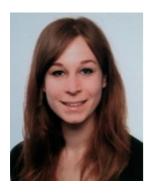
Social Innovations: Expert Opinions on the Status Quo and Future Directions

Kathrin Lurtz, Susan Müller, Dominik Rüede

GEFÖRDERT VOM



Authors



Kathrin Lurtz
Research Assistant
World Vision Center for Social Innovation



Dr. Susan MüllerAssociate Director Research
World Vision Center for Social Innovation



Dominik RüedeResearch Assistant
World Vision Center for Social Innovation

© World Vision Center for Social Innovation, Wiesbaden, 2013

Please cite as:

Lurtz, Kathrin; Müller, Susan; Rüede, Dominik (2013): "Social Innovations: Expert Opinions on the Status Quo and Future Directions"

Editor: World Vision Center for Social Innovation Institute for Transformation in Business and Society EBS Universität für Wirtschaft und Recht Rheingaustraße 1 65375 Oestrich-Winkel

Table of Contents 1 Introduction	2
2 Social Innovations in Literature	1
Social Innovation as Doing Something Good for Society	
Social Innovation as a Change in Social Practices	
Social Innovation as an Approach towards Urban and Community Development	
Social Innovations as a Reorganization of Work Processes	
Other Streams in Social Innovation Research	
3 Experts and their Backgrounds	
Center for the Advancement of Social Entrepreneurship, Duke University, USA	und,
Skoll Center for Social Entrepreneurship at the University of Oxford, UK	
Center for Social Innovation, Austria	
Center for Science, Technology, and Society at Santa Clara University, USA	
Stanford Social Innovation Review, USA	
Young Foundation and Social Innovation eXchange, UK	
Social Innovation Center at INSEAD, France	
4 Discussed Aspects of Social Innovations	
Social Innovation and Social Entrepreneurship	
The "What" of Social Innovation	
The Scope of Social Innovation	
Value Creation in Social Innovation	
5 Environmental Factors for Social Innovations	
Access to Financial Resources	
Human Resources.	
Legal framework	
Culture of Innovation	17
6 Strategies of Successful Social Innovations	18
Strategies that Deliver a Clear Value Proposition	
Strategies to Reach the Target Group	
Strategies to Leverage Resources and Increase the Impact	19
7 Important Future Research Areas	20
Basic Questions	
Impact Measurement	
Scaling, Replication, and Building Alliances	
Theoretical Underpinnings	
Levels of Analyses	
·	
8 Discussion and Conclusion	
9 References	
III Appendix	28

1 Introduction

Schumpeter argued that innovations lead to the "creative destruction" of existing products, methods, and markets; a development that ultimately leads to economic growth (Schumpeter, 1942). Since then, research on innovation has gained tremendous amount of attention. However we are observing a paradigm shift from focusing on pure economic growth towards a more holistic approach of human-well-being - and not just due to the recent economic crisis. An example supporting this contention is the Human Development Index, created in 1990 by the Organization for Economic Cooperation and Development, which offers a counterpoint to the gross domestic product, which in turn focuses exclusively on economic factors. The rise of social businesses, the increasing attention given to base of the pyramid markets as well as a heightened awareness for climate change, are other trends that exemplify this paradigm shift. Yet, innovations targeting an increase of social value—instead of economic value—have mainly been neglected in mainstream research and the public. It is precisely those innovations focusing on social value creation that shape and improve our daily lives and the way we live together in our society. Among these, there are the social innovations within the areas of education (e.g., kindergarten), poverty reduction (e.g., microfinance), or healthcare (e.g., hospices).

If innovations emphasizing the social over the economic are so important, the question arises of what we already know about social innovations?

A main body of research dealing with innovations in the social context can be found under the term "social entrepreneurship", i.e. "activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner" (Zahra, Gedajlovic, Neubaum, & Shulman, 2009: 519). However, the domain of social entrepreneurship is highly influenced by "traditional" entrepreneurship research with a strong focus on the individual entrepreneur and the startup formation process. This focus gives us, for example, knowledge on why and how social entrepreneurs succeed, the determinants of social entrepreneurship, the characteristics and behaviors of the entrepreneur and how opportunities are developed and exploited (Corner & Ho, 2010; Short, Moss, & Lumpkin, 2009). Yet, the concentration on the social entrepreneur and on the organizational implementation (in this case the social venture or the social enterprises) limits the solution space. For example, solutions initiated by the government, the non-profit sector, or companies, would generally not be discussed under the term social entrepreneurship. The concept of social innovation appears to be a ramification, as it encompasses all types of solutions—regardless of whether a social entrepreneur, the government, or any other player implements it and regardless of the format of the implementation. Investigating innovations removed from this focus gives us a fresh and new perspective on the topic.

It allows us to expand our perspective and looking at innovative solutions stemming from all three sectors, the private, public, and the nonprofit – regardless of the organizational form, whether it be new organizations, practices, or laws.

Hence, it is no surprise that social innovation has become an umbrella term capturing a wider spectrum of phenomena, gaining more and more popularity. Nowadays, not only foundations and other third sector organizations are pushing forward to develop the field, but also governments have caught on to the topic. For example, the government in the US set up the "Social Innovation Fund" or the European Union started the initiative "Social Innovation Europe" to support and develop the field of social innovations. All these initiatives contribute to shaping the term as well as setting an agenda in the field.

Nevertheless, so far our understanding of social innovation is nebulous. Although social innovations could give us detailed insights on how solutions for problems in our society are designed, a common understanding has not yet emerged. To date, definitions of social innovation are coming from different academic disciplines with divergent meanings (Rueede & Lurtz, 2012). For example, a social innovation as it is understood in sociological literature means new combinations and/ or new setups of social practices (Howaldt & Schwarz, 2010).

Without any judgment as to whether these social practices are "good" or "bad" for the society. A different stream of research defines social innovations as "innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organizations whose primary purposes are social." (Mulgan et al., 2007: 9). Here, social innovations are, by definition and in a normative sense, good for society.

With this study we aim to enhance our understanding of social innovations, of the current status of the field as well as of future developments, which drive us forward. For this, we first conducted a rigorous review of literature, highlighting past contributions and conceptualizations in the field. Second, in order to provide an overview of the current status of the field, we went out and asked ten different experts and opinion leaders how they understand the concept of social innovation and how they evaluate the current status of the field and its context regarding fields of application, framework conditions and best practices. A clearer picture on the literature of social innovation and expert opinions on the current status of the field are necessary prerequisites to further development of the research field.

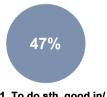
2 Social Innovations in Literature

We explored the different understandings of social innovation by searching for explicit and implicit definitions in literature. Overall, we included in our review 318 articles, reports, books, and contributions in books. which we mainly identified through key word searches in leading bibliographic databases and libraries. We then classified each article under emerging categories that portray distinct conceptualizations of social innovation. Finally, we ended up with seven distinct understandings of social innovation, with four categories used most often. (see also Table 1¹). In the following, we will highlight these four major understandings of social innovation.

Social Innovation as Doing Something Good for Society

In this stream of literature, to which the lion's share could be attributed, social innovation is understood as "to do something good in/for society". One of the shared assumptions of literature within this category is that innovations can be used to address challenges in society, to benefit groups that are struggling in society, and to improve the well-being of individuals. Thus, the general assumption of this understanding is that social innovations contribute to a better human life. "A better human life" is either based on needs or on values. Individual needs comprise for example sufficient food, adequate health, and physical shelter, whereas a value formulation articulates equality or justice as important parts of a good human life.

Table 1: Categories of Social Innovations



1. To do sth. good in/ for society e.g. Microcredits



2. To change social practices or structures e.g. car-sharing



3. To contribute to urban and community development





4. To reorganize work processes

e.g. project organization

- 5. To imbue technological innovations with cultural meaning and relevance, e.g. adapting a technological invention to cultural context
- 6. To make changes in the area of social work, e.g. street worker
- 7. To innovate by means of digital connectivity, e.g. crowdsourcing

¹ The percentages in the bubbles represent the percentage of contributions in that field compared to the overall number of found articles

The social innovations in this category can originate in every sector of society or emerge out of collaborations between representatives of different sectors in society. Although a social innovation can be both commercial and non-commercial (Ellis, 2010), the balance should be towards public value creation rather than private value creation (Phills et al., 2008).

Social Innovation as a Change in Social Practices

The understanding of social innovations as changes of social practices or social structure is mostly rooted in sociology, which regards social innovations as those that "change social practices and/or structure". Here the term "social" is understood as how people interact with each other (Aderhold, 2010) and how they organize their life in relation to each other. One of the major controversies in the conceptualizations of social innovation in this sociological category are the possible implications of a normative notion. Three different possible answers to this question have been found in this stream of literature. The first sees a normative notion as essential. the second denies a normative notion, and the third takes a middle road by referring to other concepts and theories (e.g. modernization) which should specify the "better".

Social Innovation as an Approach towards Urban and Community Development

The stream of literature that views social innovations as an approach towards urban development, is mainly grounded in a project funded by the European Commission. This project also known as SINGOCOM (Social Innovation, Governance and Community Building) was initiated to propose a model of local innovation that is strongly routed in the community.

This approach consists of three dimensions: First, satisfaction of human needs (content/product dimension), second, changes in social relations and governance (process dimension), and third, an increase in socio-political capability (empowerment dimension). The rise of this approach can be seen as an answer to the negative side effects of neo-liberalism, deregulation, and privatization as a development paradigm, and is based on values such as solidarity and reciprocity (Moulaert and Nussbaumer, 2008). Therefore, with its community development orientation, this approach is an alternative to a market-led territorial development (Moulaert and Nussbaumer, 2005).

Social Innovations as a Reorganization of Work Processes

The main characteristic of this category is that it is concerned with innovations at the workplace. In the recent literature, this type of social innovation is also called workplace innovation. Central to this stream of literature is that, besides technological innovations at the workplace (e.g., PCs, mobile applications), social innovations must be considered as well. Some scholars specify their understanding of social innovations within the organizational context and consider social innovations to be connected to the function of human resource management (Thom, 2001). With regard to the motivation for introducing social innovations in the work place and the question of who profits from social innovations, two different primary perspectives can be distinguished. The first perspective emphasizes positive economic effects (e.g., economic value generation, labour productivity), the second one emphasizes the increase in the quality of work from a humanitarian perspective (e.g., ergonomic workplaces).

Other Streams in Social Innovation Research

There are three more understandings of social innovation. Compared to the streams presented previously, they are not used that often in literature; yet, they still illustrate the different meanings and the variance of the term social innovation. Sometimes social innovations are connected to the field of social work. The street worker is a good example of this. A different appropriation of the term social innovation is the use of it to complement technological innovations. Technological innovations can only function if embedded in their cultural context. Social innovations change the aesthetic and cultural understanding of the product. Furthermore, social innovations are understood by some authors as innovations related to the increased "connectivity" in the digital world, such as facebook.

Although we identified seven distinct conceptualizations of social innovation, there is still a lack of general awareness of them. One danger we see, at this point, is that social innovation means different things to different people without them being aware of it. We believe that the concept of social innovation could be strengthened by either agreeing on one understanding of social innovation or by agreeing on the absence of consensus in regard to the categories. So far, these different understandings of social innovation are rooted in literature. However, experts in both academia and practice shape our understanding of social innovation, as they work in university centres, government initiatives or foundations that promote and "advertise" the term. Hence, since literature gives us valuable insights on past research and conceptualizations in the field, we need to gain experts' opinions in order to shed light on the current understandings and developments of social innovation.

3 Experts and their Backgrounds

Actors within the general public shape the emerging term 'social innovation,' actively giving the term meaning. In order to explore the current status of the field and investigate trends, we interviewed highly engaged experts from leading organizations in the field. Appendix 1 shows detailed information on the questions we asked regarding the following larger topics: information on the organizations for which the experts work, their definitions of social innovation, its fields of application, best practices and methods, as well as research and trends. We found three categories of actors shaping the discussion about social innovation: foundations, government institutions, and research centers. Overall, most of the experts from leading institutions in the field belong to the first two categories, presented in chapter 2. In total, we conducted 10 semistructured interviews with experts from eight organizations at an average length of about one hour:

- Prof. Paul Bloom, Adjunct Professor of Social Entrepreneurship and Marketing, Center for the Advancement of Social Entrepreneurship, Duke University, USA
- Paul Carttar, Director, Social Innovation Fund, USA
- Jonathan Greenblatt, Director, White House Office of Social Innovation and Civic Participation, USA
- Pamela Hartigan, Director, Skoll Centre for Social Entrepreneurship at Oxford, UK
- Prof. Josef Hochgerner, Director, Center for Social Innovation, Austria

- Prof. James Koch, Professor of Management, Center of Science, Technology, and Society at Santa Clara University, USA
- Prof. Johanna Mair, Editor, Stanford Social Innovation Review, USA
- Louise Pulford, Head of the Social Innovation eXchange (SIX), Young Foundation, UK
- Prof. Filipe Santos, Associate
 Professor of Entrepreneurship, Social Innovation Center at INSEAD,

 France
- Prof. Luk van Wassenhove, Professor of Technology and Operations Management, Social Innovation Center at INSEAD, France

The organizations for which these experts work are highly engaged in the field of social innovations. In order to understand the influence of those organizations in the field, we will look at their background and their work in the next section.

Center for the Advancement of Social Entrepreneurship, Duke University, USA

In 2002, the Center for the Advancement of Social Entrepreneurship (CASE) was created based on the observation that sector boundaries are blurring and that business concepts can have a positive social impact by addressing social needs. As one of the first centers addressing this topic, the CASE vision is that of an entrepreneurial, impact-oriented social sector. Barriers between sectors should be broken down and the most effective approach to tackling a social problem should succeed, regardless of its origin.

The founder of the center, Greg Dees, was one of the first researchers in the field of social entrepreneurship. This center has, in recent years, made it an authoritative institution in shaping the field social innovation.

White House Office of Social Innovation and Civic Participation / Social Innovation Fund. USA

The Office of Social Innovation and Civic Participation within the White House was established in 2009 by President Obama and is a leading, government-initiated activity on social innovation that attracted wide public attention. The mission is to strengthen community leadership, increase investment in creative community solutions and foster new models of partnerships. Key principle is therefore a result-oriented, bottom-up, and participatory approach that aims to overcome traditional barriers between sectors. One of the initiatives to achieve these goals is the Social Innovation Fund (SIF), a program of the Corporation for National and Community Services.

The SIF is designed to address economic opportunities or future development. The SIF provides \$50 million to be matched by intermediary organizations dollar-for-dollar, which then in turn grant the total on a dollar-for-dollar matching basis to local initiatives. Through this procedure, as of July 2012, sixteen intermediary organizations already granted funds to around 200 local initiatives.

Skoll Center for Social Entrepreneurship at the University of Oxford, UK

Launched in 2003 with financial support of the Skoll Foundation, the Skoll Center for Social Entrepreneurship, located at the Saïd Business School at Oxford University, aims to promote the advancement of social entrepreneurship worldwide. The aim is to foster social transformation by developing talent in education, advancing research that is meaningful for academics and practitioners and creating a collaborative hub by bringing people together. First, to develop talent, courses are offered in cooperation with other faculties. In addition, scholarships for a fellowship program are provided. This program is designed to support students with their ventures aiming to create sustainable, social, and environmental value. Second, to support research, an annual research grant is set up. The main areas of research interest at the center are social innovation, social finance and measurement, and impact studies. Third, the Skoll World Forum, which took place for the fifth time in 2012 and brought together over 900 people from 66 countries, exemplifies a collaborative hub activity and emphasizes the center's position as a focal point in the social innovation community.

Center for Social Innovation, Austria

The Center for Social Innovation (ZSI) in Vienna is an independent scientific research institute, founded in 1990 by private persons. This pioneering organization in the Germanspeaking region is an association under Austrian law and currently employs around 60 people.

The ZSI emphasizes the importance of combining scientific research and practical application by conducting research, executing educational and advisory activities, and providing networking services.

The main goal of the center is to bridge the gap between advancements in our information-based society and its resulting social needs. This is achieved through transdisciplinarity across scientific disciplines and societal sectors. The ZSI finances itself through projects and is structured along three main units: First, the unit "Work and Equal Opportunities" concentrates on innovative topics in the area of labor markets and employment. Second, the unit "Research Policy & Development" focuses on the interface of technological innovations and practical application (mostly on a policy level). Third, the unit "Technology and Knowledge" concentrates on social conditions and the social consequences of technological use. The Center for Social Innovation in Vienna was one of the first institutions to use the term "social innovation". Though social innovation became a very popular phenomenon in recent years, they already used the term in their founding name in 1990.

Center for Science, Technology, and Society at Santa Clara University, USA

Founded in 1997, the Center for Science, Technology, and Society (CSTS) focuses on three major activity areas: innovation, social entrepreneurship, and impact capital. The center's interdisciplinary approach contributes to building a community of scholars, providing an integrated education and serving as an intersection point between the university and society.

The mission of the CSTS is to promote the use of science and technology to benefit underserved communities worldwide, primarily by working with socially-minded entrepreneurs. The CSTS implements its mission through its flagship program, the Global Social Benefit Incubator (GSBI), the Frugal Innovation Lab (FIL), and its numerous educational and public engagement activities. For example, the GSBI is designed for dedicated social entrepreneurs and comprises virtual sessions as well as in-residence classes with the aim of empowering social entrepreneurs in their pursuit of social ventures.

Stanford Social Innovation Review, USA

The Stanford Social Innovation Review, founded in 2003, was the first journal that addressed leaders across all sectors pursuing social innovation and social change. It is published by the Stanford Center on Philanthropy and Civil Society at Stanford University. The aim of the journal is to produce and share knowledge of cross-sectors solutions that work in solving society's most pressing problems. The journal integrates theoretical and practical work to spread knowledge on social innovation to leaders in nonprofit, business, and government sectors.

It is the first and most influential journal in the field, which makes its opinion on social innovation extremely relevant.

Young Foundation and Social Innovation eXchange, UK

The Young Foundation was created in 2005 by merging the Mutual Aid Centre with the Institute of Community Studies, which has existed since the early 1950s.

The name of the foundation traces back to Michael Young, one of the most influential social thinkers of the 20th century in the United Kingdom, who set up over fifty different ventures. One of the most prominent ventures created by the Young Foundation was the Open University, specifically designed for people unable to attend traditional campus universities. By providing distance learning opportunities, the Open University promotes equal educational opportunities regardless of the students' geographical or educational background.

The activities of the foundation comprises conducting research (see e.g. The Open Book of Social Innovation published in 2010), investing and setting up new ventures, executing local projects and facilitating international exchange through the Social Innovation eXchange platform. Also, as one of the heavyweights within the European discourse on social innovation, the foundation currently employs around 60 people who are working on about 40 different ventures. Themes addressed by the foundations' work are, among others, ageing, housing, education, health, justice, parenting, wellbeing, and youth transitions.

Social Innovation Center at INSEAD, France

Founded in 2007, the Social Innovation Centre at INSEAD brings together a diverse group of leading INSEAD research teams. Currently, there are five research groups covering broad issues such as sustainability, corporate social responsibility, and ethics as well as more specialized topics such as healthcare management and humanitarian research and, last but not least, social entrepreneurship. Through this structure, the centre's aim is to cover social innovation comprehensively within a business-oriented environment.

Due to INSEAD's background as a business school, the focus lies on business model creation and inclusive market-based approaches. Therefore, current global environmental and social challenges offer fertile soil for business oriented solutions. namely social innovations. The activities of this cross-disciplinary centre comprise (a) research that is meaningful for academic and practical purposes, (b) education to inspire people having a positive impact on society through business activities, and (c) outreach activities to connect different people, groups, and organizations with a shared interest in such topics. Along with the Skoll Center for Social Entrepreneurship in Oxford, INSEAD's Social Innovation Center is among the "oldest" and most influential organizations in the field of social innovation in Europe.

Throughout the text, examples of social innovations that were mentioned by the experts are displayed in text boxes. Most of the examples mentioned by the experts were linked to the topics of education, healthcare, employment, integration. Other fields of application, environment and poverty reduction, were named as very important, without concrete examples

4 Discussed Aspects of Social Innovations

How do experts form these leading institutions understand social innovation? This next section intends to explore this and provide insight into the details and difficulties of the term social innovation.

Social Innovation and Social Entrepreneurship

As the social innovation is often used synonymously with social entrepreneurship, the question arises of how these two concepts differ. Overall, the concept of social innovation captures far more than the one of social entrepreneurship.

As one interviewee stated, citing the example of mobile phones "social innovation is the transformation in society that occurs when introducing a mobile phone, whereas social entrepreneurship would be the act of putting a mobile phone in a sustainable way in the hands of people in developing countries" (Santos, F.). Social innovations are something that can follow a social entrepreneurial act; however, there are numerous other origins of social innovations. Social innovation can stem from companies with corporate social responsibility programs, or with new business development programs, from the daily work of nonprofit organizations, from governments or from cross-sector-collaboration.

"What is most fundamental about [social] innovation is that it is a process, but it's a process of improvement. It's a process whereby ideas translate into practices that actually improve the outcome" Paul Carttar

Social innovations were mostly seen as wider institutionalized change whereas social entrepreneurship is more about opportunity recognition and founding an organization to address a specific problem.

In general, social innovations can be described as a broader phenomenon, independent of an organizational setting and as a general process of institutionalizing an idea that results in a specific improvement. Social innovation is more of a space rather than a concrete definition; a space in which social change can be investigated. In sum, all experts agreed that the concept of social innovation differs from social entrepreneurship, which is seen as a general phenomenon and an umbrella term. As yet, the concept of social innovation is illdefined, as the following statement illustrates: "To me social entrepreneurship is much more defined than social innovation; anything can be social innovation" (Hartigan, P.).

The "What" of Social Innovation

Even though literature on classical innovations offers a broad set of options in regard to the question of what is an innovation or on the nature of innovation, most definitions constitute them as products, processes, or services. More broadly defined, understandings of classical innovation include ideas, thoughts, or behaviors. Roger (1995) for example defined the nature of innovation as idea, practice, or object. The analysis of the experts' statements showed that a similar broad picture exists with regard to the nature of social innovations.

The "what" of social innovations can be categorized as 1) social innovation as a process, 2) social innovation as a change of behavior or a change in practice, 3) social innovation as new ways of organizing (Table 2.). Even though all experts emphasized one of the following patterns they did not define them as mutually exclusive.

Table 2: The What? in Social Innovation

The <i>What?</i> in Social Innovation	Quote
Process	"It's a process whereby ideas translate into practices that actually improve the outcome." (Carttar, P.)
Change of Behavior	"Innovation is the change in behavior that flows from the idea" (Carttar, P.)
New Ways of Organizing	"I think a really important feature of social innovation is different ways that we interact with each other as a society and different ways that we collaborate" (Pulford, L.)
New Ways of Organizing	"I look at technical innovations as an enabler, that's why I talk about business models [as social innovations]" (van Wassenhove, L.)

The process understanding of social innovations incorporates a larger picture of innovations from the origins of problem definition, over to finding a solution, resulting in a large scale social impact. The Center for Social Innovation in Vienna describes that process as the "4I process" of problem identification, invention, implementation, and impact. A process view can also emphasize the process of legitimization and institutionalization of a social innovation in society through markets, governments, laws, and services in the third sector.

Closely related to the process view is that of social innovations as change of behavior. The emphasis here is on the large scale impact or the widely diffused innovation which in the end caused a change of behavior or a change practice. Filipe Santos explained this view on social innovation with the example of mobile phones used in developing countries: "Imagine you put a mobile phone in the hand of a person. The things the person can do with it, the transformation of practices that it creates, in the communication systems in society, in the availability of information, in the ability to reach markets that were not reachable before and in the exchange of information and money, that I think is a social innovation" (Santos, F.). When looking at the relationship towards technology, the emphasis here is on the way people are using it and will find innovative ways to use it.

The third perspective on the nature of social innovation, are innovations as "new ways of organizing". Experts here emphasized the newness of business-models and new ways of working together or connecting people from different sectors like the public, nonprofit, or business sector.

The different ways of collaborating, the new ways of interacting and the potential of bringing different people with different backgrounds together, highlights the complex structure. Business models can play an important role here. New ways of organizing can be supported by concepts or business model innovations that allow targeting customers formerly excluded from the market.

"These new business models can be operationalized to a point where they can actually be beneficial to people rather than to intermediaries or larger companies" Luk van Wassenhove

One famous example in this context is the Aravind Eye Hospital, where the social innovation lies in the business model: highly standardized surgeries, high division of labor, and low production cost for artificial lenses needed as replacements for natural lenses of cataract patients, lead to a low cost production system. That, in turn, allows Aravind to cover all costs and generate a surplus even though only one third of the patients can afford to pay for the eye surgery. Those who can not afford to pay are treated for free. Thus, the architecture of the value creation and the revenue model, two essential parts of the business model, can be regarded as the social innovation.

Magic Me

The organization Magic Me provides inter-generational work in the UK. One of their projects is called "Cocktails in Care Homes" Once a week volunteers from Magic Me go to a different care home for elderly people to conduct events with party music and cocktails – providing a nice atmosphere for conversations between the residents and the volunteers.

The Scope of Social Innovation

Looking at definitions of "traditional" innovations, the diffusion of the respective innovation is a defining characteristic. Innovations can be classified as such if they are "successful" on the market or include the stages of "broad-based utilization, dissemination, and diffusion of the technology-based outcomes" (Roberts, 1987: p.3). Even here, however, the degree of penetration, as well as the adopting unit is somewhat unclear. The same is true for social innovations: A key element that participants determined to be either crucial or not to the social innovation definition, is that of scope. For example, as James Koch stated "I like your focus on separating those [social innovation and social entrepreneurship], because social innovation, I think, is really about large scale systems change" (Koch, J.).

"Social innovation, I think, is really about large scale systems change" James Koch

In comparison to social entrepreneurship, social innovation is something that is disseminated and institutionalized so that it makes the organization, established by social entrepreneurial forces, obsolete. Following this, the term social innovation, per definition, includes a larger change in society. US experts generally think of social innovation as being developed at a community-level and scaled or replicated afterwards to increase impact. Even if their definition of social innovation includes the emphasized element of scalability, their focus follows a bottom-up logic. Scalable innovations are then those that first work best at a community or local level. However, standardized social innovations

However, standardized social innovations might not work across different cultures and contexts.

If one community finds an innovative solution for poverty reduction, for example, this standardized concept might not be applicable in a different context. As such, there is a potential conflict between scalability and community-based projects because they appear to be mutually exclusive.

"There are cases where small innovations make the difference, especially in their context where they are applied" Joseph Hochgerner

Despite this conflict, the experts agree that the definition of social innovation should incorporate some kind of diffusion, i.e. acceptance by the people who benefit from the social innovation. As one interviewee stated "not every social innovation has to change the world or be applicable to the society at whole. There are cases where small innovations make the difference, especially in their context where they are applied" (Hochgerner, J.). Social innovations do not per se have to reach a large amount of people.

Aravind Eve Care Hospital

The Aravind Eye Care Hospital in India provides high-quality eye care, specializing in cataract surgery. Due to highly-standardized processes, highly trained staff, high division of labor and low-cost artificial lenses, the organization is able to provide high quality services at low cost. Two-thirds of the patients treated in the clinic receive the feedback for free. They are cross-subsidized by the people who can afford the service. With the combination of providing a low-cost, high-quality service and cross-subsidy, the organization is able to conduct a high number of surgeries per year.

Value Creation in Social Innovation

Whereas classical innovation literature emphasizes and discusses the concept of newness, this point seems to be less important in the field of social innovation. Instead, definitions on social innovations emphasize value creation. Social innovations do not per se have to be new, or previously unknown. What is more important is the question of value creation. Contrary to classical innovations, experts also emphasized the importance of value creation for society over private value capturing: "If the main purpose is to create value for society in an area that is currently neglected, then you are a social innovator; instead, if the purpose is to create value mainly for a certain group of people, it is not a social innovation, it is generating wealth for society versus a certain group of people" Filipe Santos

"Solutions are result-oriented, so you need to be able to measure them; they are driving the conversation from outputs to outcomes, and from inputs to impacts" Jonathan Greenblatt

Thus, social innovations are defined as an improvement over a previous stage. In order to track or verify this improvement, social impact has to be measured and demonstrated. This notion of impact is key to the concept as the main driver for social innovation is to create outcomes and impact, not necessarily the creation of financial viability at the organizational level.

The "Social" in Social Innovation

If value creation is an important aspect of social innovation, the questions of what we determine as valuable for our society comes up. Or put differently, what is the "social" in social innovation? Mainly we can distinguish between two types of looking at the "social" in social innovation.

The first type emphasizes a more sociological understanding of the term social, arguing that the "social" in social innovation is not to be interpreted as a normative objective of improving society. Especially, since it is nearly impossible to determine what is meant by *improving* society; due to measurement difficulties and due to different viewpoints. Also, almost any commercial innovation creates value for society as well. For these groups of experts, the understanding of social is based on Max Weber's definition as being intended and directed towards others, with interaction being at the heart of social action; independent of the question whether the outcome of this interaction can be classified as "good" or not.

The second type of pattern, which was followed by the majority of the experts, entailed the view that social innovations need to improve society and societal well-being in order to be labeled as a "social innovation". Yet, how can we determine what is good for our society and for different people? Interestingly, some experts did not try to define "social" or "good" from the outside, but based it on the primary intention of the social innovator to contribute to society in a positive way. They argued that otherwise if you take a normative approach and address certain needs for example defined by UN Millennium Development Goals some important aspects, not included by those goals, could be neglected. Other attempts to capture the normative side of social innovations include the aspect of fairness of social innovations or in limiting social innovations to the social sector (see Table 3).

Table 3: The "Social" in Social Innovation

<i>"Social"</i> as normative	Quote
Yes	"It has to be about, how did you change lives. How did you make someone better, better educated, more secure financially, healthier physically, whatever the issues you're trying to drive on. If you can't take social innovation and reduce it to how it changed someone's life, it's not going to work." (Greenblatt, J.)
Yes	"We are obviously talking about innovations that are in the social sector, that are innovations around improving society and people." (Pulford, L.)
No	"Social innovation does not always bring positive benefits to all of society." (Hartigan, P.)
No	Not every social innovation is social in the sense of being good. Just take the case of and the discussions about ACTA (Anti-Counterfeiting Trade Agreement), how do we respond to this? Is it a social innovation if control gets improved or not. What about transparency? (Hochgerner, J.)

5 Environmental Factors for Social Innovations

Social innovators, individuals or organizations, often realize their ideas against great odds. Yet, governments, private investors, the media, and other actors can actively create a supportive climate that will ultimately lead to a higher level of social innovations that engage in mitigating societal problems. Among the enabling factors mentioned by the experts are access to financial and human resources, legal framework conditions, and a supportive culture.

Access to Financial Resources

In industrialized countries traditional start-up entrepreneurs can rely on developed financial markets providing different financial instruments for the different phases of starting and developing a company.

At the moment, initiators of social innovations cannot rely on a comparable environment. However, the interviewees mentioned promising developments and initiatives that will help social innovators to get access to financial resources.

James Koch, for example, recognizes a large number of high net worth individuals willing to provide patient capital in the form of grants, equity, or combinations of both. A combination of both could mean that an investor provides the nonprofit portion of a hybrid venture with a grant, but becomes an equity investor in the for-profit portion.

"Our role is to create and enable an environment. It ensures that a kind of locally driven entrepreneurial spirit can really flourish and we can lift it up. So that others can see what works, learn from it, they can either adopt those best practices, or imitate those approaches" Jonathan Greenblatt

In addition to private impact investors, governments can choose to financially support social innovators. An interesting example is the Social Innovation Fund started by the Office of Social Innovation and Civic Participation at the White House. The fund provides financial resources in order to support powerful social innovations. The money is provided through a mechanism that allows high leverage and that uses the knowledge that is already in place: The Social Innovation Fund provides money to intermediaries who are experts in their field. These intermediaries double the amount of money they received from the funds and then pass the money on to the high-impact nonprofits they choose. The amount of money, which now has already doubled, needs to be matched by the nonprofit as well. With that, the money invested to increase the impact for a certain cause has quadrupled

Human Resources

Human resources and education is another key enabling factor for social innovations. Yet, many education systems do not specifically foster the development of problem-solving skills and self-efficacy. Often educational institutions rather emphasize knowledge acquisition. Initiatives such as the Junior Achievement program or the Network for Teaching

Entrepreneurship are laudable initiatives that aim to offset this shortage. Both programs provide thousands of students with the opportunity and a forum in which to develop solutions to customer problems. Similar initiatives are needed in the area of social innovation, regardless of whether they are coming from governments, universities, or social entrepreneurs in the education sector.

Teach for America

Teach for America provides a two-year teaching experience that attracts graduates of the top universities of the United States. Participants teach in lowincome communities throughout the US. The organization aims to eliminate educational inequity and help participants of the program, the so called "corps members", make not only a direct impact on the students they teach, but also use their experiences and insights to tackle the root causes of educational inequality throughout their lives. In order to achieve the organization's vision that "one day, all children in this nation will have the opportunity to attain an excellent education" (Teach for America, 2012). As stated on the organization's website "in the 2012-13 school year, more than 10,000 corps members will teach 750,000 students". (Teach for America, 2012)

"We need young people that are in the position to take decisions. People who take a fresh look at the things and take a different approach to tackle problems" Josef Hochgerner

The need for social innovation education also becomes apparent when social innovators cannot find the staff needed to further develop their social ventures. One of the experts mentions that most social ventures lack a middle management, simply because they cannot find people with the right skill sets.

Legal framework

Social innovations are often, although not always, implemented through new ventures. To accompany the needs of social enterprises or social businesses, some interviewees see the need to establish new legal forms that fit the needs of social enterprises. Some countries are already taking action in this direction. For example, a number of states in the United States have passed legislation to establish the "low-profit limited liability company" (L3C), a legal form that was created to facility investments in for-profit ventures aiming to create social value. The legal form bridges a gap between nonprofit and for-profit investing and simplifies compliance with the rules of the Internal Revenue Service.

Culture of Innovation

As shown by The Global Entrepreneurship Monitor, the world's largest international research project on entrepreneurship, the level of entrepreneurial activity in a country depends on factors that are influenced by the culture of a country, such as the fear of failure or the status given to successful entrepreneurs in society. Societies with an entrepreneurial or innovation friendly culture happen to have a higher rate of total entrepreneurial activity. Probably, the same is true for the level of activity related to social innovation. Yet, while some factors influencing the innovation culture of a country might be difficult to change, there are still measures that can be taken by governments, educational institutions, companies, the media and other actors to create a more innovation-friendly culture.

For example, awards that create a culture of recognition for social innovators are one instrument that can be applied with this regard. In Austria, one such successful award is called "Sozial Marie" recently awarded for the eighth time. The prize is presented May 1st on the occasion of Austria's "Labor Day" and receives wide media coverage. Each year, 200 to 300 applications are turned in and the winners receive 15.000, 10.000, and 5.000 Euros respectively. The twelve runners-up receive 1.000 Euros each. The winners not only benefit from the prize money, but also from the media attention.

REDF Innovations

The San Francisco-based organization REDF Innovations (Roberts Enterprise Development Fund) creates jobs and employment opportunities for people who have had work problems in the past or who have served time in jail. REDF provides people with the opportunity to help themselves out of very problematic circumstances. They can take pride in what they are doing. Thus, they empower people in order to get out of poverty. REDF is an interesting organization: It is a venture philanthropy organization that provides grants to a portfolio of nonprofits in California in order to expand their activities and provide goods and services demanded in the market and staff intentionally with people who would otherwise have difficulties in finding a job. REDF is supported by donors and the Social Innovation Fund (REDF, 2012).

6 Strategies of Successful Social Innovations

Social innovations aim to mitigate or solve problems in quite different fields. Yet, it seems there are some approaches that work well across different cases and fields of application by ensuring that the target group can be reached, leveraging the social innovator's resources, or increasing the societal impact.

Strategies that Deliver a Clear Value Proposition

An important aspect for a successful social innovation is the clarity of its value proposition. Beneficiaries, partners, volunteers, investors, and employees need to know exactly what it is that the social innovation brings about for society.

"Models that offer a discrete service to specific individuals seem to work better than nonprofits whose work is expected to have broader community impact that is harder to understand" Paul Carttar

Social innovations need to target a specific problem and "customer". Also, it needs to be clear on the way in which the mechanisms of a social innovation differ from or improves upon existing solutions.

Vision Spring

The organization Vision Spring, an organization also supported by the USAID Development Innovation Ventures, brings low-cost eyeglasses to neglected communities in the developing world. It offers affordable glasses to the base of the pyramid market, by enabling local entrepreneurs to sell them. Impact is not only created by helping people to see again (and thus going to school or pursuing their regular work) but also by creating local start-ups and with it, new iobs2012).

Strategies to Reach the Target Group

The interviewees mentioned two strategies to ensure that the targeted beneficiaries are actually reached by the respective social innovations. The first strategy is to solve problems from the bottom-up, a strategy that seems to be extremely relevant as social innovations need to fit into the local cultural context. Often, social innovations aim on changing behaviors that are rooted in culture and are thus difficult to change. Having locals on board who are involved in the project right from the beginning can dramatically increase the chances of successful implementation of a social innovation. Just think of social innovation aiming to change behavior related to family planning issues, health care, food habits, or the role of women in society. If such changes are the objective of the social innovation, the solution must be embedded in the cultural context.

"We don't need sort of top-down programs to do it, we need to cultivate bottom-up practices" Jonathan Greenblatt

The second strategy is linked to the price of the offered product or service. Beneficiaries of social innovations are often poor. Thus, the question becomes how to ensure that they still have access to the product or service provided through a social innovation? Luc van Wassenhove sees two viable options to sell a product or service to poor people. Option number one: lower the price of the product or service dramatically, so that it becomes affordable for everybody; even for the poorest of the poor. Option number two: offer a high quality product that attracts customers who can afford to pay a reasonable price and, at the same time, try to keep down costs. Then, any margin can be used to cross-subsidize the segment of customers who can not afford to pay the full price.

A good example for the latter is the Aravind Eye Care Hospital mentioned on page 13.

Strategies to Leverage Resources and Increase the Impact

Three other strategies allow leveraging resources and increasing the impact of a social innovation. Both aspects are extremely relevant to social innovations that are often based on scarce resources.

First, the *implementation of engagement mechanisms* can be highly effective for leveraging resources. Wikipedia is a good example for this approach. The way the online encyclopedia is set up encourages 100,000 authors to regularly contribute articles—without any financial rewards. What motivates the users to put hours and hours of work in an online encyclopedia is the idea of serving as an expert in their specific field and contributing to the vision of creating a knowledge base that is free to everyone.

Specialisterne

Specialisterne (Specialist People Foundation) provides employment options for autistic people. The company founded by Thorkil Sonne, father of a child with autism who refused to see autistic people as unemployable. Instead, he saw a great untapped potential with unique talents. He launched a for-profit IT company that specialized in services, realizing that people with autism are extremely good at tasks such as software testing, quality control, or data entry (Forbes, 2012). The custom-designed office culture meets the needs of the employees and helps them to deliver high-quality work and gain selfconfidence after seeing that their work is valuable to the company. The company, which markets itself as providing better results than traditional companies, is now one of the most competitive companies in Denmark for software testing.

Girls on the Run

Girls on the Run is a US-based transformational learning program for 8 to 13 year-old girls. The organization conducts after-school programs that include lessons on self-esteem, body image, exercise, and healthy living and goal setting. For example, the girls work towards running a 5k road race at the end of a three month program. They already have 150 sites around the county. Thus, they have managed to scale effectively. Volunteers play an important role in helping the endeavor stay financially sound. Also, they generate income by holding races around the country that people pay entry fees to enter. It is a labor-intensive program which includes coaches who run the after-school programs, but they work together with

Next, the *collaboration with partners* including the government, large companies, NGOs, and nonprofits can help leverage resources. Just think of OneWorld Health, a "nonprofit drug development program with a mission to discover, develop, and deliver safe, effective, and affordable new treatments for diseases disproportionately affecting people in the developing world" (www.oneworldhealth.org). To follow their mission, the company employs an "Open Source Drug Development". Partners can help to identify available drugs or screen molecules. Biotech and pharmaceutical companies can provide patents they are not using. Also, the company works together with governments of target areas and the World Health Organizations. Such crosssector collaborations can leverage available resources and help ensure that the social innovation reaches its goal more effectively.

Capacity building and empowerment is the third strategy that helps to leverage resources and increase the reach of a social innovation. Examples of social innovations that enable capacity building are manifold. The Aravind Eye Care clinic is one example. Not only do they train their own employees, including highly trained nurses and eye doctors. They are also an international training institution for ophthalmic professionals and trainees, engaging in research, consultancy, and education of blindness prevention workers.

Further examples aiming to build up capacity include social innovations in the education sector such as the *Knowledge is Power Program* or *Girls on the Run*. The ultimate goal is to empower the girls involved in these programs to enhance their ability to manage their lives successfully, so that "over time the social innovator or the social entrepreneur becomes almost obsolete and the system runs by itself" (Santos, F.).

7 Important Future Research Areas

The development of a field is both reflected and influenced by researchers: Researchers are trying to understand what is currently happening in the field but also trying to shape the field, thus helping to organize transformational processes. If we want to understand a field, its current status and possible future directions, it is therefore interesting to hear what experts believe are the current and future research topics.

Basic Questions

The experts agree that the topic of social innovation is currently under-researched. As mentioned already, basic research questions have yet to be answered —one of the most fundamental questions being: What exactly are social innovations?

Important Future Research Areas

Foundations

- Definitions and distinctions
- The nature of social innovations
- A taxonomy of social innovations
- Mechanisms of social innovations

Impact measurement

- Value measurement on individual and societal levels
- Proxies to measure impact

Scaling, replication, and building alliances

- Transferring social innovations to other contexts
- Minimum specifications of a social innovation

Theoretical Underpinnings

- Inductive theory building
- Usage of insights from various disciplines

Levels of Analysis

- Considering different levels of analysis
- Analyzing the eco-system social innovations are embedded in

As previously explained, a number of different definitions are currently in circulation (Rueede & Lurtz, 2012). This is not unusual for a rather young field of research and a similar situation has been evident in the field of social entrepreneurship (Austin, Stevenson, Wei-Skillern, 2006; Santos, 2012). However, definitions providing a more distinct picture of social innovations could certainly benefit the theoretical advancement of the field and increase its legitimacy.

Exploring the "nature" of social innovations is another basic aspect that deserves further attention. This includes the "formats" or "variations" of social innovations. Social innovations can certainly be based on products (e.g. malaria bed-nets), services (e.g. a program supporting youth employment), movements (e.g. urban gardening), or new government regulations (e.g. unconditional basic income). Certainly, further variations and refinements will be seen in the future. The classification of social innovations would help researchers and practitioners distinguish between different types of social innovations and surely prove to be quite useful.

Wikipedia

The online encyclopedia is certainly a social innovation that has a great impact on our lives. Currently, 22 million articles are available online, accessible for everybody and free of charge. It is an example of a social innovation that manages to empower people to participate and contribute knowledge (Santos, F.). The articles have been written by volunteers who do not get money for their contribution. Of course—as anybody else—they have free access to the website, but are not paid for contribute regularly. Due to the contributions from users all over the world, the project can be managed by a relatively small number of people, about 150. The project has a clear focus on creating value for society, and not on value capture.

Increasing the understanding of the nature of social innovations should also increase knowledge of the mechanisms of social innovations.

Studies that help us understand which business models or "mechanisms" are better suited to creating value for society than others are, to our knowledge, not currently available. The identification of these patterns would be crucial to understanding value creation, improving business models, or scaling and replicating models. However, it would not be sufficient to focus exclusively on the business model. It will also be necessary to understand the contexts of social innovation. What does it mean to implement a social innovation that helps underprivileged kids in Germany? What does it mean in the US? How is it different in France?

Impact Measurement

The ability to measure the impact of social innovations is important for several reasons. If we lack knowledge of the outcome of social innovations, we lack the "navigation device" that allows us to appropriately manage and allocate resources. Also, social innovators need to be able to communicate their impact towards investors, sponsors, volunteers, and other stakeholders.

Yet, simply claiming that social impact measurement is needed does not make the task any easier. Social innovators often create value that cannot be easily quantified. Just think of behavioral change or increased self-confidence among underprivileged school children. What does not alleviate matters, is the fact that social value creation often takes place on multiple levels such as on the individual and the societal level. For example, it is relatively easy to track how many school students participated in, let's say an educational program targeting students from low-income backgrounds to increase their educational attainment.

Yet, it is a lot harder to calculate the societal impact this might trigger. A long-term objective might be to increase the percentage of well-educated people in a country. However, the schooling career of an individual will never be a mono causal issue and can probably not be attributed to one intervention only. Thus, we will need to develop proxies to measure value. Ultimately, the field would benefit from categories and standards for how to measure the impact of social innovation.

Scaling, Replication, and Building Alliances

Increasing the impact of social innovations is a key field of interest. Yet, some social innovators are sometimes mainly interested in improving their direct environment, for example the situation in their neighborhood or the school their children are attending. Yet, their ideas might have the potential to increase societal values in different regions and different parts of the world. This means that social innovations need to be transferred to different contexts and that mechanisms of scaling and replication need to be understood well. James Koch mentions various ways of scaling a social innovation, including imitation or growth. Also, in order to prepare social innovations for scaling, he suggests finding a construct of "minimum specifications" necessary to, for example, make a social movement happen or help a particular technology become the platform of choice.

Alliances and partnerships can be another important way to accelerate social impact. Important fields of research include cross-industry partnerships or alliance building: how can different partners collaborate effectively? What are their options for joint funding, lobbying, or marketing approaches?

Campaign for Tobacco-Free Kids This US-based organization is working on decreasing the number of young people who smoke. The organization has taken two main measures: First, they have a lobby that tries to directly increase the prices of tobacco products and which makes them more expensive and makes young people less likely to smoke, as they can't afford it. Furthermore, the organization filed a lot of lawsuits, quite costly to the tobacco industry, which also resulted in price increases, since they have to pay for settlements and legal fees. The organization's theory of change is to increase the price of tobacco, so that kids can no longer afford to buy tobacco products in the same quantity

Also, as Johanna Mair emphasizes, it becomes extremely interesting to understand how different industries are dealing with the topic of social innovation and to explore the cross-industry options that arise.

Theoretical Underpinnings

At the moment social innovation is a rather a theoretical field. To overcome this situation, James Koch suggested applying methods such as meta-analyses of cases in which a group of carefully selected cases are analyzed and researchers try to identify patterns in order to build an inductive theory. Such qualitative studies (case studies) could be followed by larger studies that involve randomized controlled trials and/or the establishment of databases that would finally allow social innovators to benchmark themselves against others (Bloom, P.).

Also, more research that is informed by existing theories and guided by interdisciplinary insights including those from marketing, management, entrepreneurship, strategy, sociology or psychology can lead to better measurements as well as better research design and studies.

Levels of Analyses

Researchers should always be clear about the level of analysis that interests them. With regard to social innovation research, this could include the individual, the team, the organization, the solution, or the industry. Professor Hochgerner even suggests looking at the level of the "world society" to understand the affects of a globalized economy. Also, the eco-system in which social innovations are embedded might be of interest. This incorporates other players, enabling conditions, and environmental factors (Mair, J.)

Vision Spring

The organization Vision Spring, an organization also supported by the USAID Development Innovation Ventures, brings low-cost eyeglasses to neglected communities in the developing world. It offers affordable glasses to the base of the pyramid market, by enabling local entrepreneurs to sell them. Impact is not only created by helping people to see again (and thus going to school or pursuing their regular work) but also by creating local start-ups and with it, new jobs.

8 Discussion and Conclusion

Social innovation is currently a hot topic. Our present economic and social challenges have caused us to reevaluate and revise our system of beliefs. Social innovations can be an important tool in facing those challenges.

Good Gym

The UK-based organization was founded with the idea that gyms normally are a waste of energy and human potential. They help people to connect with others who want to run or help them in other ways. Their aim is to fight against isolation of old people.

If we, coming from a diverse set of actors, governments, nonprofits and companies, open our narrow view of social entrepreneurship, try to understand and foster social innovation, we can open a whole new spectrum of possibilities with which to address the problems of our society.

In the business sector, the trend to move away from employing "normal" corporate social responsibility measures towards a more holistic view on the role of business in society, leads to a heightened importance of the role of social innovations in business. Companies can solve problems in society by creating and entering new markets. Our experts saw a clear trend that companies are beginning to take on more responsibility and move away from the previous destructive path of externalizing large parts of their impact. In the future, companies will have to adopt blended value or shared value approaches, in which each company needs a commercial perspective on value in order to exist and to satisfy shareholders, but also a social perspective towards the development of society and solving problems in society. In this paradigm, the value created by companies is always a combination of commercial and social aspects with organizations having different priorities on one or the other aspect.

However, it is not only the opportunities for new markets and future business that let companies change their current behavior, but also the increasing pressure from the public to become more engaged and operate more responsibly and from employees who demand engagement simply because they do not want to be part of a company that destroys the planet.

In the nonprofit sector we can also observe a focus on more innovation and professionalization. Measuring outcomes, reporting and then improving operations has become an important task for nonprofit organizations in various fields. Constantly checking which new methods work best in fulfilling their social mission is key in generating social innovations. Our analysis showed that especially measuring social impact and thereby focusing on value creation is an important element that defines a social innovation. Our study in the field has therefore implications for practitioners in the nonprofit, business, and government sector as well as for thought leaders and academic centers.

In order to foster rethinking of business, as well as pushing more nonprofit organizations forward to generating social innovations, we need a common understanding on what they are, how they function, and what environment they need. Especially the government can play a key role in setting up structures such as legal forms, education systems, frameworks, or support for capital markets in impact investments. Leaders in each sector need a clear, precise, and consistent idea of what social innovations are, in order to innovate.

It is not enough for each sector to work on its own toward social innovation. In order to grasp the whole spectrum of possibilities of social innovations, we need to collaborate across sectors. We need to align our competences and skills so that the total becomes more than the sum of its parts.

9 References

Aderhold, J. 2010. Probleme mit der Unscheinbarkeit sozialer Innovationen in Wissenschaft und Gesellschaft. In Jürgen Howaldt, Heike Jacobsen (Eds.): Soziale Innovation. Auf dem Weg zu einem postindustriellen Innovationsparadigma. 1st e: 109–126. Wiesbaden: Springer.

Corner, P. D., & Ho, M. 2010. How Opportunities Develop in Social Entrepreneurship. *Entrepreneurship Theory and Practice*, 34(4): 635-659.

Ellis, T. 2010. The new pioneers. Sustainable business success through social innovation and social entrepreneurship. New York: Wiley.

Forbes (2012). Turning a Societal Need into a business Niche.

Howaldt, J., & Schwarz, M. 2010. Soziale Innovation–Konzepte, Forschungsfelder undperspektiven. In J. Howaldt (Ed.), Soziale Innovationen. Auf dem Weg zu einem postindustriellen Innovationsparadigma: 87-108. Wiesbaden: Springer.

Howaldt, J., & Schwarz, M. 2010. Social innovation: concepts, research fields and international trends. 1st ed. Aachen: IMA/ZLW.

KIPP 2011. 2011 Report Card. http://www.kipp.org/report-card-2011. August 21, 2012.

Moulaert, F., Nussbaumer, J. 2005. The social region. In European Urban & Regional Studies 12 (1): 44–64.

Moulaert, F., Nussbaumer, J. 2008. Social Innovation between Local and Global. In Wolfram Elsner, Hardy Hanappi (Eds.): Varieties of Capitalism and New Institutional Deals: Regulation, Welfare and the New Economy: Studies in Evolutionary Political Economy: 259- 277. Cheltenham, U.K. and Northampton, Mass.: Elgar.

Mulgan, G., Tucker, S., Ali, R., Sanders, B. 2007. Social Innovation. What it is, why it matters and how it can be accelerated. Oxford Said Business School - Skoll Centre for Social Entrepreneurship.

Phills, J., Deiglmeier, K., Miller, D. 2008. Rediscovering Social Innovation. In Stanford Social Innovation Review 6 (4): 34–43.

REDF. 2012. REDF Creates Jobs That Change Lives. http://www.redf.org/aboutredf. November, 14, 2012. Rogers, E. M. 1995. The diffusion of innovations (4th ed.). New York: Free Press.

Rueede, D., & Lurtz, K. 2012. Mapping the Various Meanings of Social Innovation: Towards a Differentiated Understanding of an Emerging Concept EBS Business School Research Paper No. 12-03.

Schumpeter, J. A. 1942. Capitalism, Socialism and Democracy. London: Routledge.

Short, J. C., Moss, T. W., & Lumpkin, G. T. 2009. Research in social entrepreneurship: past contributions and future opportunities. Strategic Entrepreneurship Journal, 3(2): 161-194.

Teach for America. 2012. Our Organization. http://www.teachforamerica.org/our-organization. August 21, 2012.

Thom, Norbert (2001): Human Resource Management-Development Tendencies and Future Perspectives. Management, 6 (1-2), pp. 155–175.

Zahra, S. A., Gedajlovic, E., Neubaum, D. O., & Shulman, J. M. 2009. A typology of social entrepreneurs: Motives, search processes and ethical challenges. Journal of Business Venturing, 24(5): 519-532.

10 Appendix

Interview Guideline

Introduction: Your Organization

What was your primary motivation to engage in social innovation?

What are the social innovations your organization supports?

Topic 1: Social Innovations

What are the key characteristics of social innovation?

What are distinguishing features of social innovations compared to

technical innovations?

social entrepreneurship?

social activism?

Are social innovation bound to institutions like nonprofit organizations?

Topic 2: (Potential) Fields of application

What are <u>currently</u> the major fields of applications for social innovations?

Sector focus (healthcare, educations, human rights, development...), Why?

Regional focus (Developed or developing counties, informal vs. formal economy)?

What are <u>future</u> fields of application?

Topic 3: Best practices and Methods

What would be good examples for social innovations? Why (what makes them a "good example")?

In the context of developing counties?

In the context of industrialized countries?

In the context of social innovation, what works in terms of applied strategies, techniques, heuristics, or mechanisms useful to set up and/or implement social innovations?

What would be good examples for framework conditions for social innovations

Social Innovations 28

Topic 4: Research

For practitioners

Do you know about any research results that have been helpful to you?

What should be the focus in research in your opinion?

For researchers

What are the prevailing topics, methods, and theories in SI research?

What should be changed to advance the topic?

Topic 5: Trends

What are the major trends in the field of social innovation?

Which role do innovation contest play? Do you know any other methods?

What are the framework requirements to foster social innovations?

How do you estimate the potential of social innovations?

World Vision Center for Social Innovation



The World Vision Center for Social Innovation combines the competences of two strong partners, EBS Business School and World Vision Germany. Through research, teaching, executive education, and consultancy services the center aims to advance academic knowledge and address contemporary social challenges. Since 2011, the World Vision Center researches on "social innovations in Germany", a project funded by the German Federal Ministry of Education and Research.

The center is part of the Institute for Transformation in Business and Society (INIT). The institute addresses the role of (social) innovations in business and society. Both perspectives are important: How can organizations and entrepreneurs positively change business and society through social or technical innovations? And how can organizations and entrepreneurs respond to changes in business and society? www.ebs-init.de