



Enterprise Development and Innovation Facility

**BUSINESS-ACADEMIA-GOVERNMENT-CIVIL
SOCIETY PARTNERSHIPS FOR
SOCIAL INNOVATION
CROATIA**

Zagreb, Croatia 2 July 2015



This project is financed by the
European Union





Presentation outline

Social innovation – definition

Business-academia-government-society partnerships

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Social innovation – definition



Social Innovation

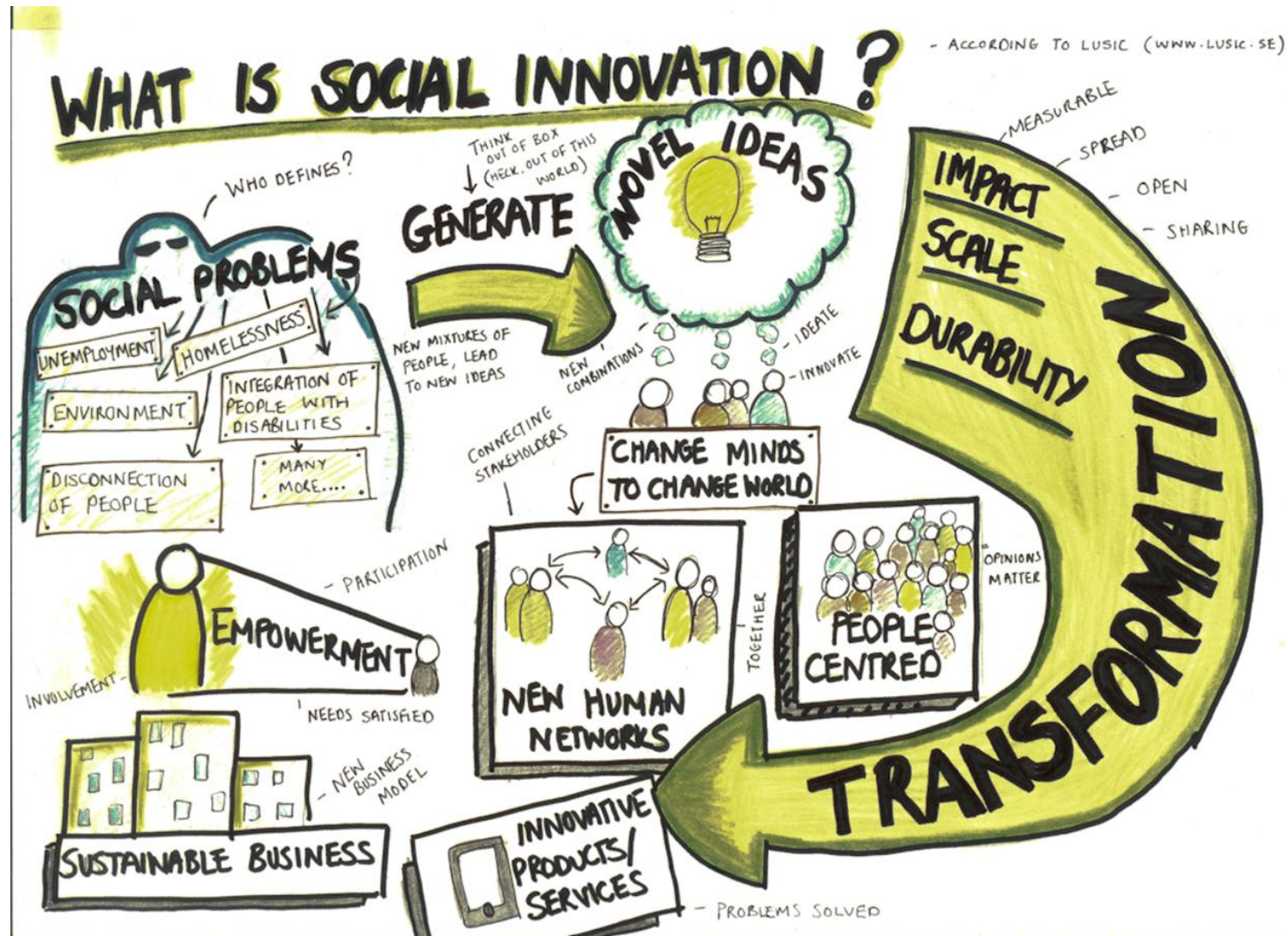
Social innovation seeks to respond to the societal challenges which include among others:

- Migration
- Health
- Ageing/ youth
- Poverty
- Social exclusion
- Environment
- Energy saving
- Ethical consumption
- etc

Social innovation can take place within government, the for-profit sector, the nonprofit sector, or in the spaces between them.



What is social innovation





Social Innovation definition

- Social innovation “*can concern conceptual, process or product change, organisational change and changes in financing, and can deal with new relationships with stakeholders and territories*”(OECD LEED Forum on Social Innovations);
- Social innovation seeks new answers to societal problems by:
 - Identifying and delivering *new products or services* that improve the quality of life of individuals and communities.
 - Identifying and implementing new labour market integration *processes*, new competencies, new jobs, and new forms of participation, as diverse elements that each contribute to improving the position of individuals in the workforce. (*Open source methods/ microcredit / distance learning*)





Why social innovation?

- Tackles societal challenges that governments are facing and where there is a need for a change in an entrepreneurial way.
- Can create conditions for increased competitiveness at a local level.
- Through closer interactions with citizens allows modernise and improve processes of interaction.





How to initiate social innovation?

Social Innovation Ecosystem Elements

Framework Conditions for social innovation

- Governance of social innovation
- Demand-side policies for social innovation
- Social innovation promotion
- Social innovation community

Human Capital

- Education for social innovation
- Involving diaspora
- Peer-to-peer learning / mentorship

Infrastructure

- Incubators and accelerators
- Collaboration spaces
- Science and technology parks

Financial instruments

- Public support
 - Direct
 - Indirect
- Non-public support



Business-academia-government-society partnerships



Business-academia-government-society cooperation actors

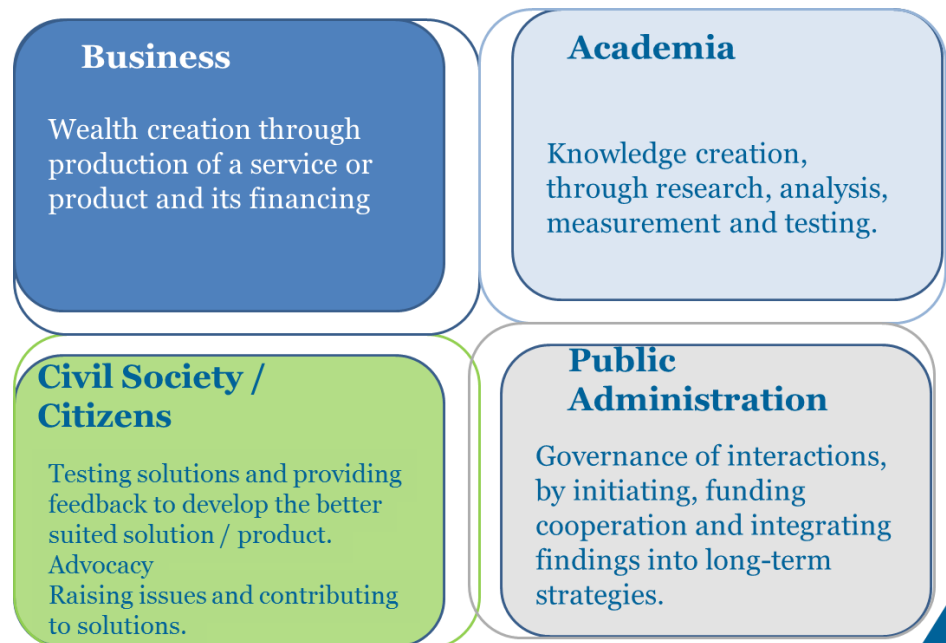
Government	Business	Academia	Civil Society / Citizens
<ul style="list-style-type: none">• Relevant ministries;• Local government;• Funding agencies (SME/ R&D and innovation);• Public seed/VC funds	<ul style="list-style-type: none">• Businesses (manufacturing/ service);• Business associations;• Clusters;• Chambers of commerce;• Private finance actors	<ul style="list-style-type: none">• Universities;• Research institutes;• Academic research groups;• Centres of excellence	<ul style="list-style-type: none">• Social enterprises;• Consumer associations;• NGOs;• Talented individuals
Facilitators / Enablers			
<ul style="list-style-type: none">• Technology transfer offices,• Incubators and accelerators		<ul style="list-style-type: none">• Science and technology parks,• Innovation centres	



Why are business-academia-government-civil society partnerships important?

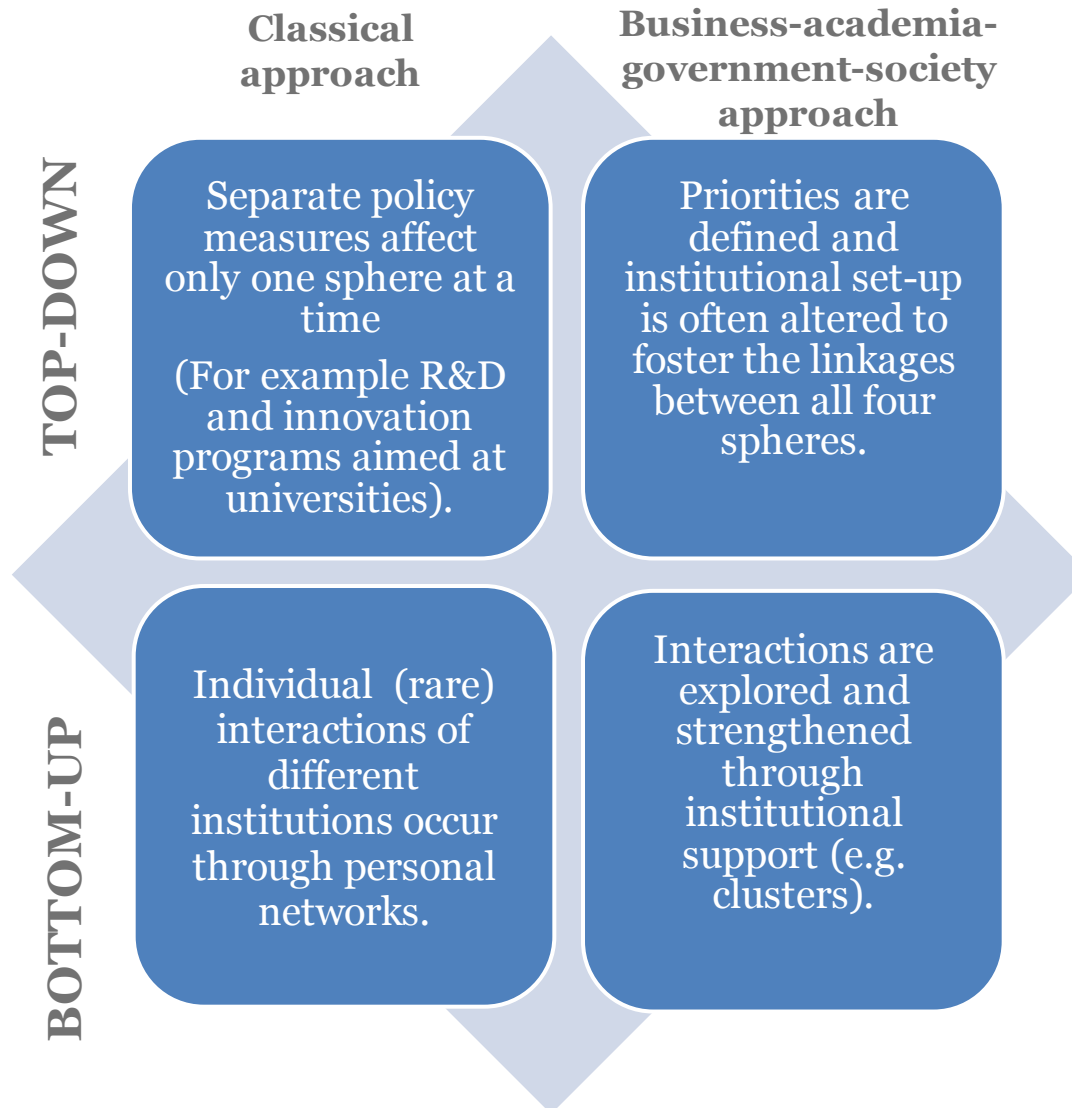
- Innovation creation as a result of interactions within and between University, Industry, Government and Civil society (or citizens) institutional spheres;
- Collaboration with the aim to drive structural changes far beyond the scope of any one organisation could achieve on its own;

- Four pillars of the knowledge-based economy:





Typology of partnerships – mechanisms for interaction



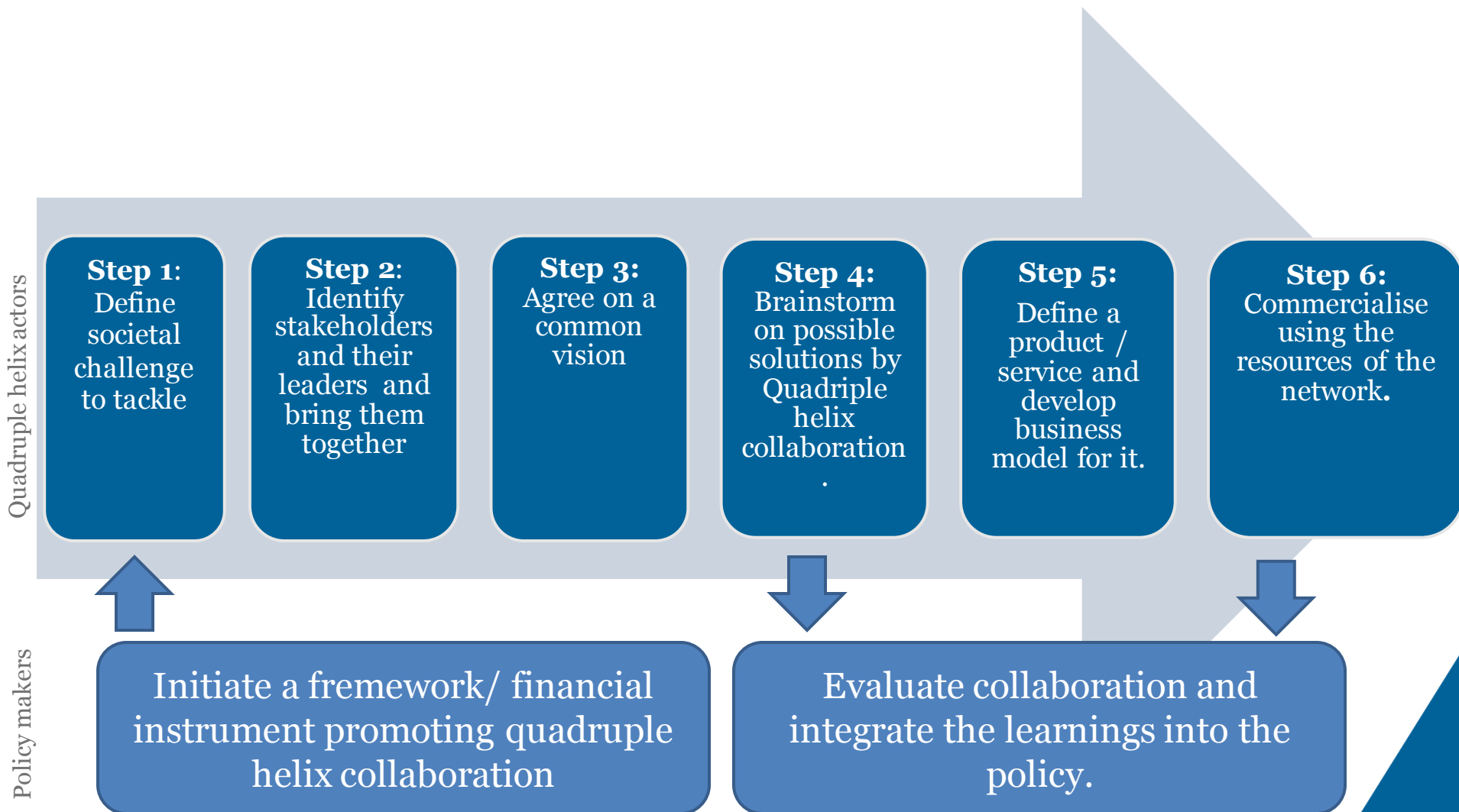


EU relevant financial instruments to promote quadruple helix cooperation

- **Horizon 2020** (EU Research and Innovation Programme)
 - Innovation proposals focused on societal challenges
 - SME Instrument
- **COSME** (the Competitiveness of Enterprises and Small and Medium-Sized Enterprises Programme)
- **EaSI** (EU Programme for Employment and Social Innovation)
- **European Social Innovation Competition**
- **ERDF and ESF** funds available through local authorities



The creation of quadruple helix actions





Role of the national/regional/local authorities based on the CLIQ project

CLIQ Project (2008-2011)– Creating Local Innovation through a Quadruple Helix was an INTERREG IVC project aiming at strengthening Local and Regional Authorities' policy and capacity to support innovation more effectively.

- Enabler (finances, infrastructure)
- Decision maker (steering, policies, incentives..)
- Supporter (development, linking, information, education, empowerment)
- Utilizer (develop own services and organisation)
- Developer (renewing public institutions)
- Marketer (raising awareness)
- Quality controller ("quality checks" in co-creation)



Snapshot of situation in Croatia



Croatia: relevant strategies

- **The National Strategy for the Creation of an Enabling Environment for Civil Society Development (2012-2016)**
Social innovation is indicated as one of the ways in which civil society organisations (CSOs) can contribute to social and economic development.
- **The Strategy for Fostering Innovation in the Republic of Croatia (2014-2020).** One of its thematic pillars is to support the cooperation and knowledge transfer between business, academia and government. One of the priorities is to solve societal challenges through the application of social innovation.
- **Strategy for the development of social entrepreneurship for the period 2015 – 2020.** The main aim of the strategy is focused on establishment and improvement of the legislative and institutional framework for the development of social entrepreneurship.

Consistent approach through several strategies focused on promotion of actions relevant to social innovation.



Croatia: major challenges

- **Legislative barriers:** Status of social enterprise/ recognition of some professions.
- **Access to finance:** No special financing instrument exists yet with a special focus on social innovation apart from foundations and CSR-type schemes.
- **Lack of systemic approach:** lack of enabling environment and organisational leader in the government.
- **Lack of incentives for collaboration:** currently no incentives for business-academia-civil society cooperation.
- **Understanding of social innovation and its examples:** There is still much confusion over social innovation.



Croatia: snapshot of stakeholders

Business

- Entrepreneurial intentions in 2013 was 19.6 percent compared to EU average to 13.5 percent.

Academia

- a well-educated population, and very strong pockets of research excellence (U Zagreb and Rudjer Boskovic Institute)
- 28 higher education institutions.
- High productivity of researchers

Civil Society / Citizens

- High eco-awareness and civic values
- Over 48,000 civil society org.
- 40-150 social enterprises /1,331 Cooperatives
- Existing infrastructure (Impact Hub Zagreb, CEDRA)

Public Administration

- Engaging ERDF and ESF
- Openness to social innovation and social entrepreneurship



Case studies and examples



Business-academia-government-society partnerships example of PLAN C



Flemish Transition Network for Sustainable Materials Management

OVAM, the Flemish Public Waste Agency, started Plan C in 2006. This is a transitional network that brings together over 150 individuals and organisations (from the public sector, the business world, academia and NGOs) to jointly create breakthroughs in sustainable material management (**Societal challenge = Ecology/ Waste Management**).

The network has agreed on a vision “to develop sustainable solutions”, agreed by all of the stakeholders.

Trigger cooperation is a next step which was ensured through regular workshops focused on particular subjects have taken place inviting interested stakeholders. Examples of subjects included: the Internet of Things, recycling mattresses, cradle to cradle (C2C). Example of the challenge: “*The Additive Design Challenge invites thinkers, makers and doers to put 3D printing at work for people and planet.*”

The methodology of Plan C to guide experiments from initial idea, to proof of concept and eventual to transition in materials management has been developed in a learning-by-doing approach.

Examples of experiments are situated in the field of product-service systems, chemical leasing, landfill-mining, closed loops of materials, product design, local production and consumption. 8 strategies & 100 cases were produced. Several social enterprises were initiated.



ActionTank – Enterprise and Poverty

The Action Tank Entreprise et Pauvreté (“Enterprise and poverty”) is a non-for-profit association that aims at implementing and developing innovative and sustainable business models in order to alleviate poverty and social exclusion in France.

Today the Action Tank reunites a number of large multinational companies, NGOs and a research community who have joined forces with the same purpose: contribute to the reduction of poverty and social exclusion in France.

Members: Initiated by Commission in charge of poverty alleviation (Martin Hirsch)



Example of projects: **Optique Solidaire**

Since 2011, ophthalmology practitioners established association «Optique Solidaire » with the aim to provide disadvantaged groups with access to high-quality equipment produced in France.

It brings together all actors of eco-system in France including:

Ophthalmologists, 550 opticians, 15 assistance centers, 6 producers of glasses etc.

Beneficiaries get glasses at minimum price using a special voucher ‘Pass Optique’, which they can get once every 3 years.

Impact: out of 6000 Pass Optiques sent, 550 people have benefited from it since 2011. Which is over 9% of potential beneficiaries.

Societal challenges:
Poverty
Health





The FabLab (digital fabrication laboratories) is an MIT developed concept set up to inspire individuals and businesses, to turn their ideas into new products and prototypes, by giving them access to a range of advanced digital manufacturing technology. The challenge in Leuven (BE) was to open up active manufacturing to as broad a public as possible, including students, young designers, but also social economy actors, and unemployed people – turning the technology into a tool for re-integrating people into economic life.

FabLab Leuven is “open source hardware” for students and public at large, let’s say: a library with user-friendly machines to make almost anything out of wood or plastic. Machines include laser cutters / 3D printers.

- Option 1: use machines for free but leave your design in public library so that others can use it.
- Option 2: pay for your time/ resources.

Objective: ensure that students learn new skills. Trainings were organised for unemployed and those willing to get a new set of skills on how to use machines.

Partnership: Academia (KU Leuven), city of Leuven, Leuven Student Association, i-propeller

Societal challenges:
Resource efficiency
Creating new jobs
Youth employment





Shanghai Social Innovation Park



The Nest is a physical historic site of 23,000m² situated in Shanghai's Huangpu District that provides space for a unique platform to boost social innovation in China. This multi-million dollar project will be established at the site of the old Shanghai Municipal Orphanage. Since 2013 NEST helps incubate and support social entrepreneurs through management training and capacity building. It has a specific focus on disabled.

NEST has been created as a partnership between public and private partners as well as civil society. The Shanghai Ministry of Civil Affairs (SH MOCA) has invested in the renovations and regeneration of the site. The Nest is operated by NPI, a local not-for-profit organization serving the development of the social sector in China. Private companies such as Microsoft, PWC and Accenture are collaborating with the NEST through their CSR policies and involve a number of social enterprises. NPI also is involved in a number of research projects (Ex. SEFORIS –FP7) analyzing the impact of social entrepreneurs in China.

At present, about 20 social enterprises and NGOs are a part of the project and more than 50 enterprises are expected at full occupancy.

Societal challenges:
Cultural heritage
Health / disabled
Training and skills



<http://en.npi.org.cn>



MindLab –Public Sector Innovation

A cross-ministerial innovation unit which involves citizens and businesses in creating new solutions for society. Based in the Danish Central Government, MindLab is tasked with bringing a human-centred design approach to public sector challenges. MindLab draws on the perspectives of citizens, businesses and government staff to redesign services around their experiences.

MindLab – owned by the Danish Ministries of Business and Growth, Education, and Employment – as well as Odense Municipality - provides an innovation lab function for government.

Example: Industry code website

Challenge: When carpenters, coaches or designers register their companies, they are often so unsure about what industry code to use that they contact a number of public offices for help. Industry codes are a frequent source of statistical errors, pressure on public sector telephone lines and erroneous company inspections.

Methodology: Qualitative interviews of 8 new single-person businesses, Interviews with 5 business centres, Observations of and interviews with 4 employees of the Danish Business Authority and 3 employees of Statistics Denmark. work was carried out using various visual formats, which made it easier to experiment and collaborate as the solution took shape. This involved using storyboards, videos, sound clips and rough mock-ups, for example.

Solution and impact: The solution has two strands: a self-service website based on companies' needs and everyday language and a completely new feature, namely a website for the case officers who work with industry codes across agencies. A business case developed for the project shows that the new website will save companies and authorities approximately DKK 24 million over the period between 2011 and 2015. This equates to the investment delivering a **full return 21 times** – in addition to improving the user experience.

Societal challenges: Involvement of citizens

*Location: Copenhagen,
Denmark*

Team: 12 ppl

*Annual spent : 1.1 million
(2012) (90% from
Danish government)*





Montreal case study

Challenge: the garment industry has experienced crises and restructurings resulting from market globalisation

Solution: community economic development corporations (CDEC), which are local civil society-based organisations in support of entrepreneurship and local development. CDECs goal is to assist local stakeholders in identifying common objectives for partnership-based development projects. CDEC undertook to network designers with manufacturers, raw material suppliers, and distributors (LAB). Cluster project based on sharing which initially was sharing of equipment and finally became a trusted environment for sharing ideas.

Societal challenges:

Creating new jobs

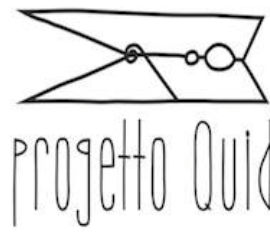
Youth employment

Waste management



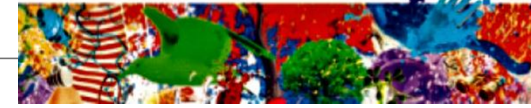


QUID, Italy



WINNER
of

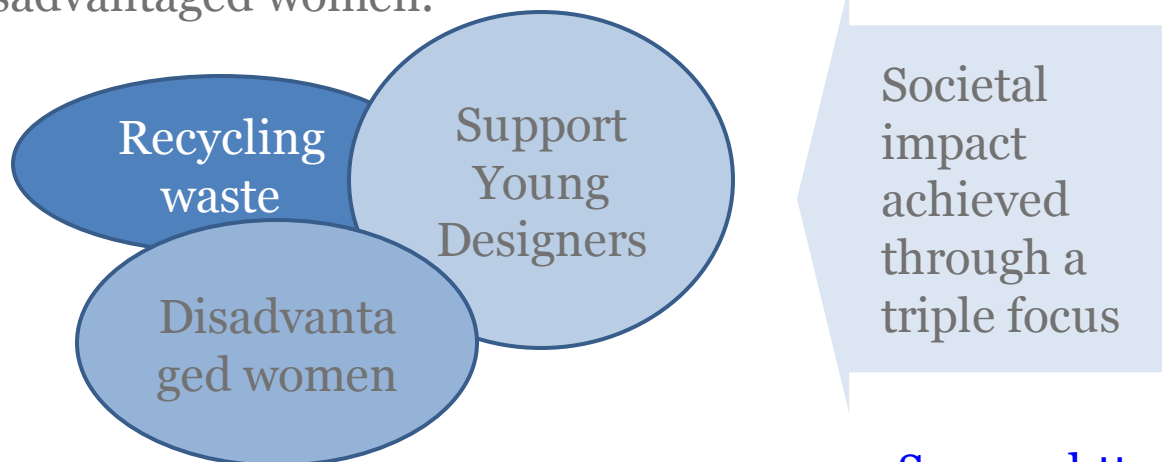
European Social
Innovation
Competition



Combining chic and social, boosting local employment with a new fashion brand that is 100% ecological, young, smart, irresistible and affordable?

QUID, a new, independent Made in Italy brand, creates affordable, limited edition collections assembling and restyling first-quality unused materials from established 'Made in Italy' brands in partnership with young emerging designers whilst employing exclusively disadvantaged women.

Societal challenges:
Resource efficiency
Creating new jobs
Youth employment



Source: <http://progettoquid.it>



Conclusions and discussion



Conclusions

1. Social innovation can bring solutions to societal and systemic challenges, but it requires enabling environment, infrastructure and collaboration of the major actors.
2. Quadruple helix partnerships is a relevant methodology to make businesses, public authorities, academia and society collaborate and develop relevant solutions.
3. Many elements potentially exist in Croatia to ensure successful collaboration among the actors such as (infrastructure, mindset, finance under the EU ERDF/ ESF contributions).



THANK YOU

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