SOCIAL INNOVATION ACADEMY

How to innovate together for a better tomorrow

TOOLBOX

Social(i)Makers

Social(i)Makers is an Interreg Central Europe funded project developed from 2017 until 2020 that helps to design sustainable and impactful social innovations – that is, **products, services and models that answer to the real needs of civic communities**. The Social(i) Makers project aims to **improve social innovation capacities** by working with financiers, entrepreneurs, policy makers and citizen, trying to generate new lively ecosystems as a bottom-up result of their interactions.

The project established a **transnational educational programme** (both on line and in presence) to train and connect a learning and innovation community in Central Europe, to design and launch social innovation initiatives able to tackle the social challenges of the area. 3'000 people based in 72 countries subscribed to the Social(i)Makers' MOOC and many other attended the workshops organized locally in the partner regions.

Moreover, a series of pilot activities were implemented to **put acquired skills into practice**, by planning single actions to answer actual transnational or local social challenges thanks to the **Skyrocket Platform** – a new digital environment for social innovators, a very special space where social problems and challenges meet social solutions.

Skyrocket Platform

The Skyrocket Platform is one of the main outputs of the S(i)M project, which created a virtual space to **match social problems and social solutions**, favouring the **collaboration between problem owners and solution providers**.

The platform is designed to enable whatsoever organization to **launch and manage calls for solving social challenges**, encouraging the submission of innovative social solutions with a potential positive effect on the environment and society.

SOCIAL INNOVATION ACADEMY

How to innovate together for a better tomorrow

The Toolbox enables financiers, entrepreneurs, policy makers & citizens to collaboratively design and launch effective and sustainable social innovation initiatives by using operational instruments of

— Impact investing
— Social business
— Social innovation policies
— Technology for social innovation
— Active citizenship
— Social impact assessment
— Stakeholder engagement.

It represents the core contents of the transnational educational programme created by the Social(i)Makers project.

I want to...

— **be part of the change**

Module 1
Active citizenship

— **build a successful social business model**

Module 2
Social business

— **develop useful products/services**

Module 3
Technology &
creativity for
Social innovation

— **identify and engage my stakeholders**

Module 4
Stakeholder
engagement

— **measure and manage impact**

Module 5
Impact assessment

— **finance my social innovation**

Module 6
Impact finance

— **make use of or influence policies**

Module 7
Social innovation
policies

be part of the change

Module 1
Active citizenship

Become an active citizen!

Active citizens are **basic stones of healthy societies**.

Anyone can become an active citizen.

Most of the **problems** in our societies are **complex** and one person cannot solve all their aspects.

Resources of individuals are limited, and therefore we want to make sure we are working on changing the **core problems** and not their symptoms only.

There are **many forms of active citizenship** from following an issue through volunteering, to launching a social innovation. Everyone should choose the one that best suits her/his **personality**, **life situation** and **motivation**.

Find your cause by finding the topic in the society that you are most passionate about.
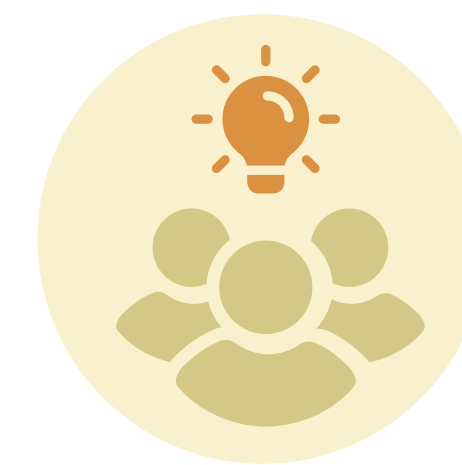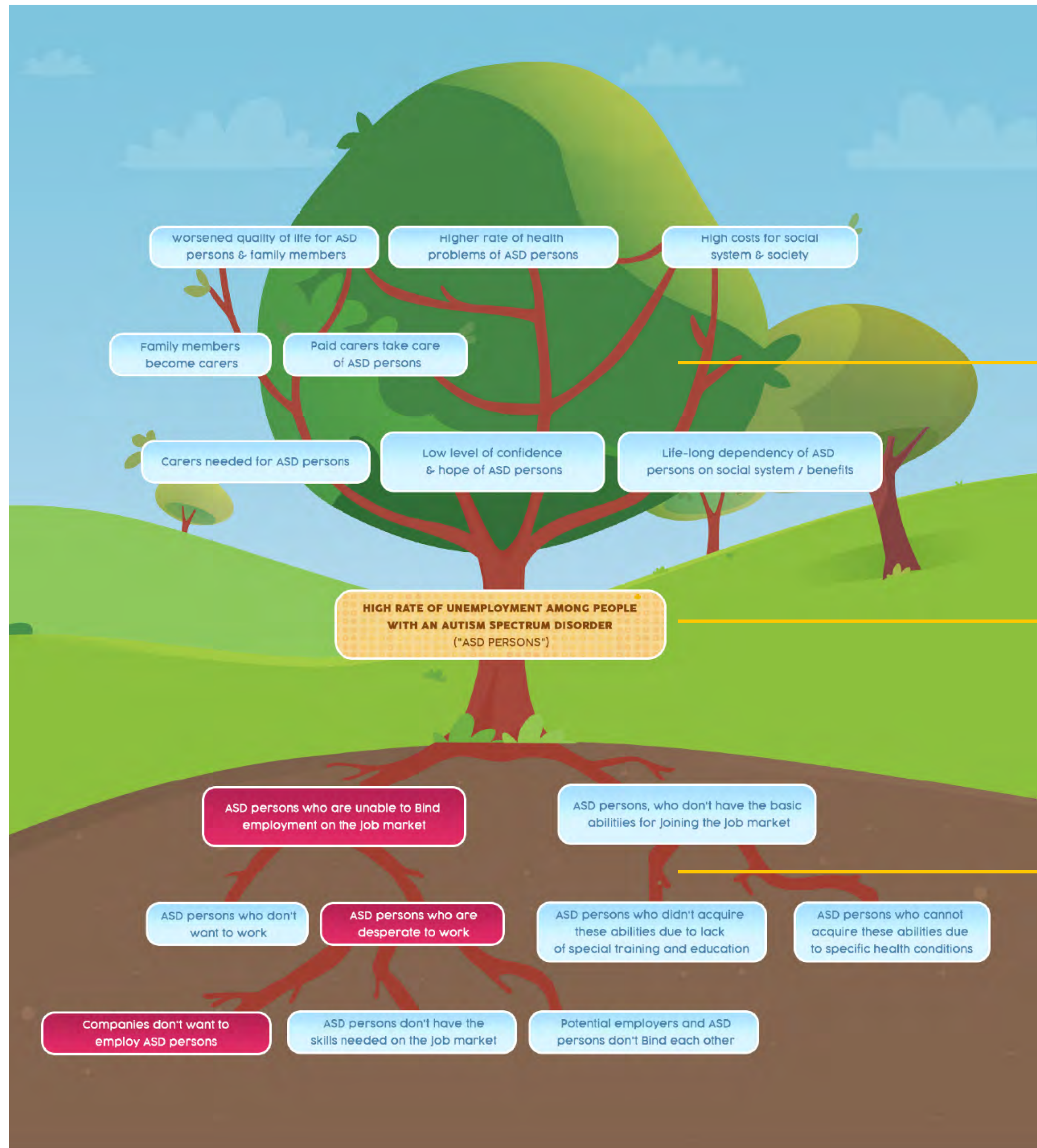
Formulate your core problem, its direct and indirect effects and its direct and indirect causes.

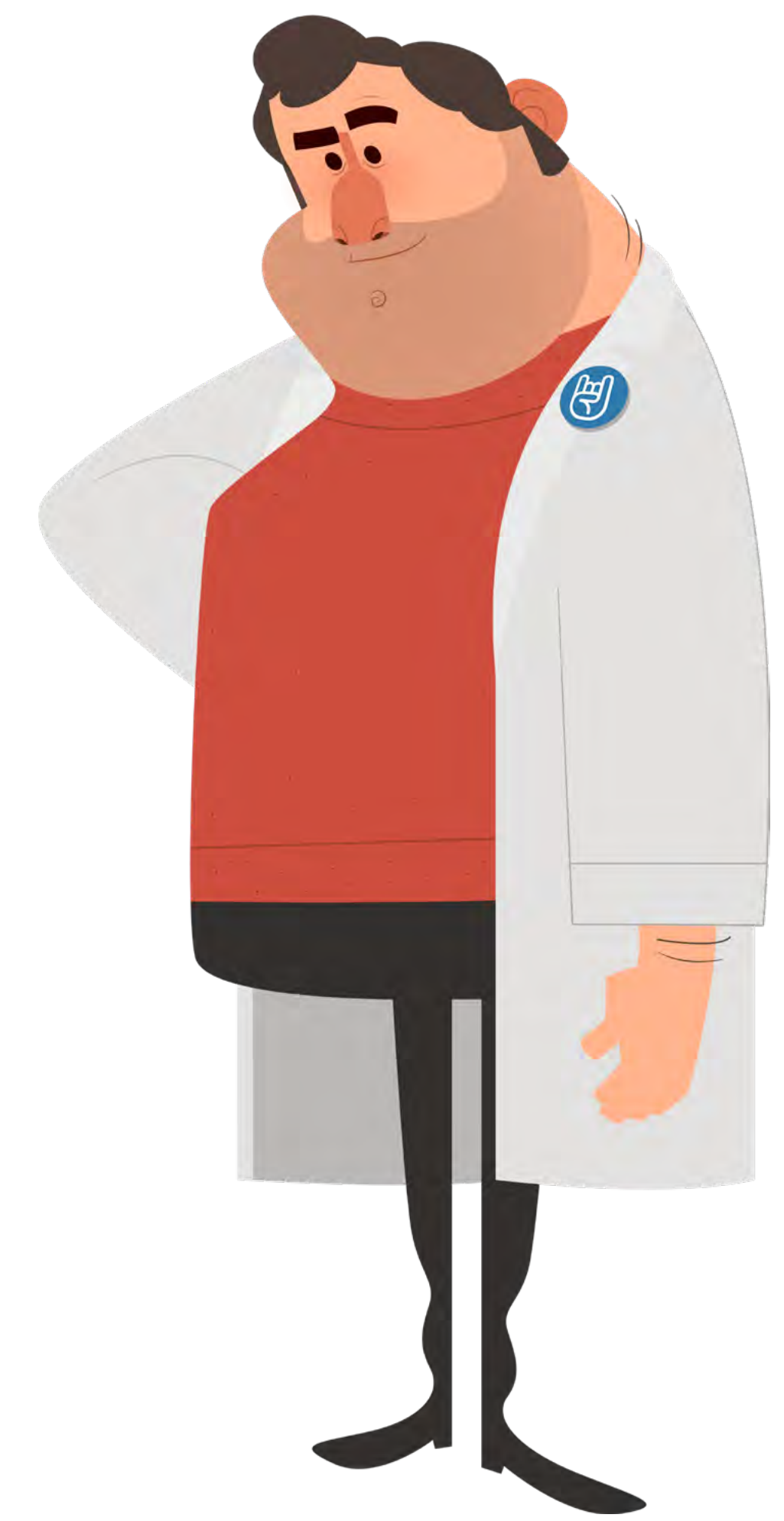Choose the form of your actively shaping the society.

Problem Tree Analysis: an overview

branches
effects / symptoms
of the core problem

trunk
core problem

roots
causes of the core problem

Tree labels:

worsened quality of life for ASD persons & family members

Higher rate of health problems of ASD persons

High costs for social system & society

Family members become carers

Paid carers take care of ASD persons

Carers needed for ASD persons

Low level of confidence & hope of ASD persons

Life-long dependency of ASD persons on social system / benefits

HIGH RATE OF UNEMPLOYMENT AMONG PEOPLE WITH AN AUTISM SPECTRUM DISORDER ("ASD PERSONS")

ASD persons who are unable to Bind employment on the job market

ASD persons, who don't have the basic abilities for joining the job market

ASD persons who don't want to work

ASD persons who are desperate to work

ASD persons who didn't acquire these abilities due to lack of special training and education

ASD persons who cannot acquire these abilities due to specific health conditions

Companies don't want to employ ASD persons

ASD persons don't have the skills needed on the job market

Potential employers and ASD persons don't Bind each other

SOCIAL INNOVATION ACADEMY   How to innovate together for a better tomorrow
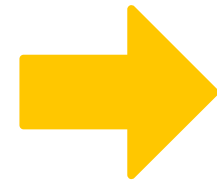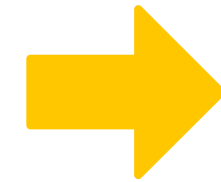
Problem Tree Analysis: step-by-step

STEP 1
Formulate the **core problem** as a negative situation and not as the absence of a solution.
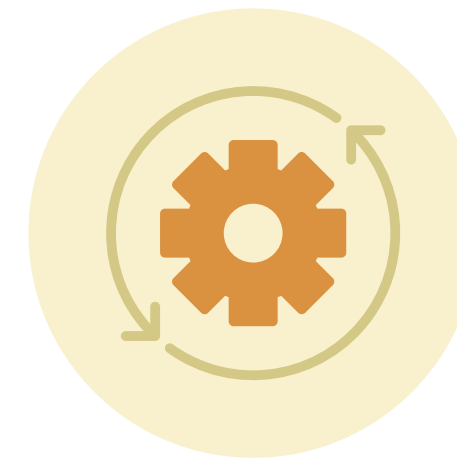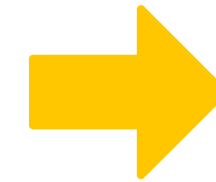
STEP 2
Identify the **direct causes** by asking "Why is this?"; in cooperation with users and other stakeholders.

STEP 3
Continue asking "Why?" until you reach the **root causes**.

STEP 4
Identify the **direct effects** by asking "What are the direct effects of the core problem?"

STEP 5
For each direct effect identify the **indirect effects**.

STEP 6
Review the problem tree, analyse the relationships of problems at different levels and **move them around** accordingly.
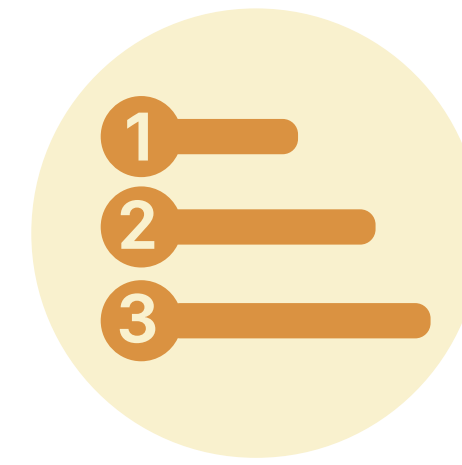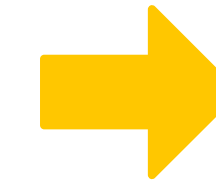
STEP 7
Draw the **arrows** pointing from each problem to each effect that it is causing.

build a successful social business model

Module 2
Social business

Remember!

— Social businesses want to develop and disseminate new products or services that solve societal problems.

— Founding a social business doesn't always follow a linear path from A to B, it often curves and loops.

— The social entrepreneur must be willing to take responsibility and the necessary self organization, enthusiasm, and resilience needed to lead a company.

— Successful social businesses integrate potential partners and supporters into the design of their business models at an early stage.

— Developing a successful business model is an iterative process: the social entrepreneur will regularly test and refine their business model.

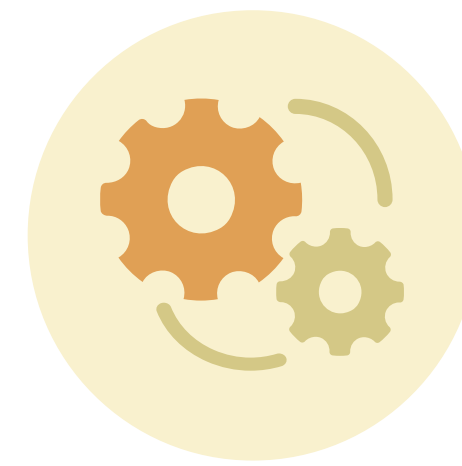— Regular market testing and the incorporation of the results is crucial.

Social entrepreneurship: six phases

1. Idea Development
Identifying the core mission.

2. Business model development
Developing the business approach that addresses the societal problem.

3. Market testing
Testing and revising the business concept.

4. Founding
Establishing the legal entity and entering the market.

5. Mainstreaming
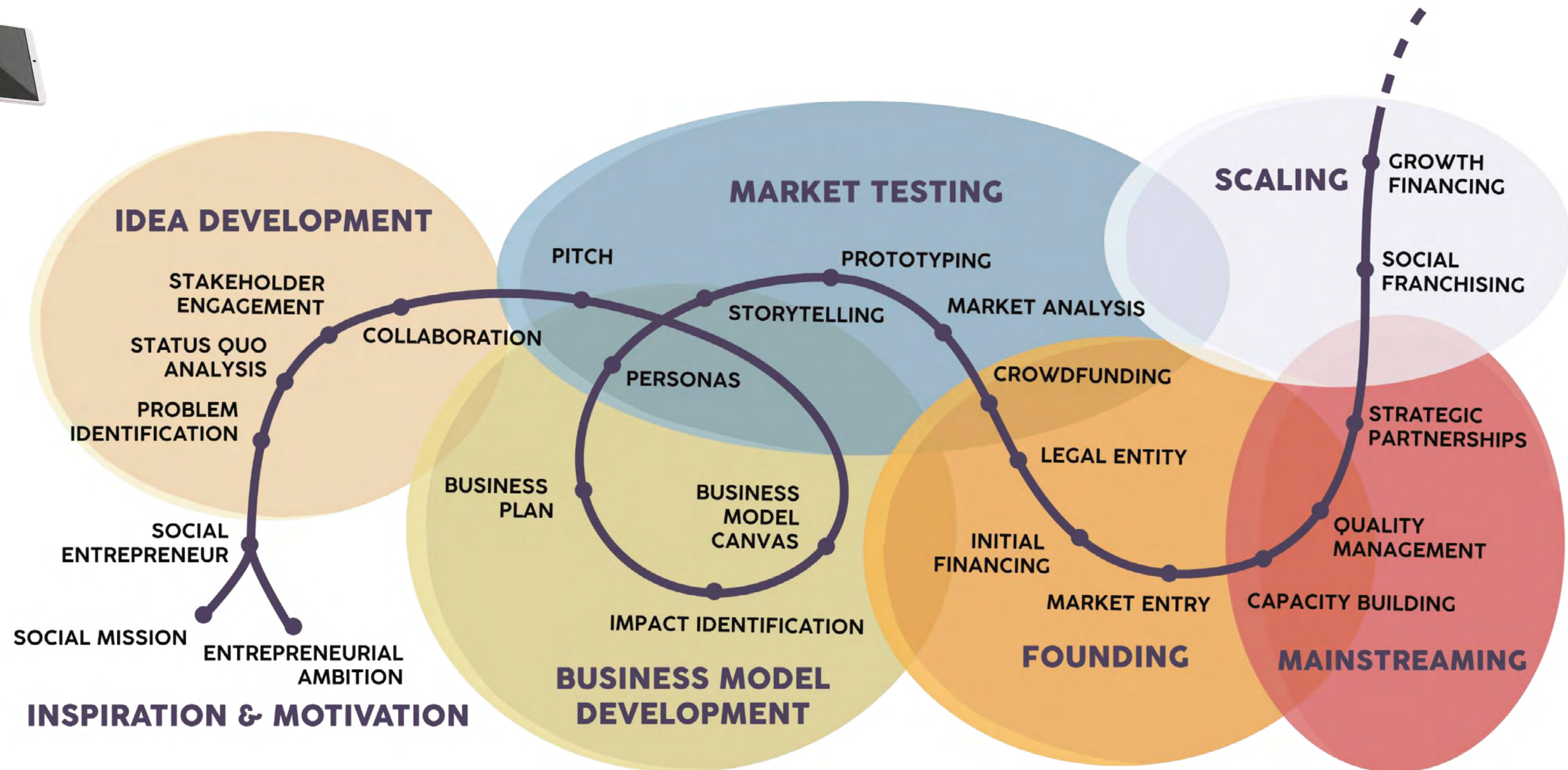Building capacity and establishing strategic partnerships.
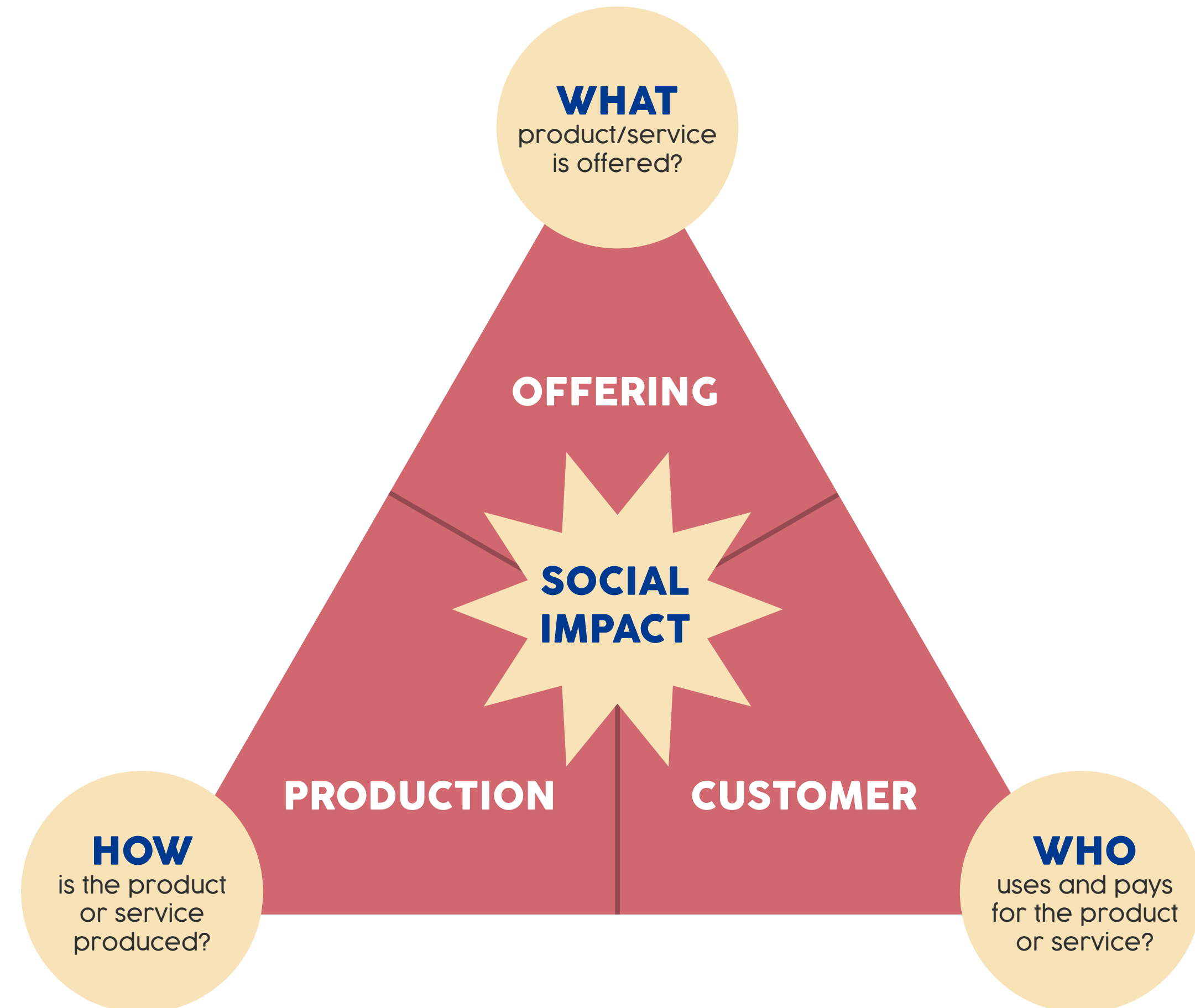
6. Scaling
Growing the business.

Social entrepreneurship: phases & milestones

IDEA DEVELOPMENT

STAKEHOLDER ENGAGEMENT

STATUS QUO ANALYSIS

PROBLEM IDENTIFICATION

COLLABORATION

SOCIAL ENTREPRENEUR

SOCIAL MISSION

ENTREPRENEURIAL AMBITION

INSPIRATION & MOTIVATION

MARKET TESTING

PITCH

PROTOTYPING

STORYTELLING

MARKET ANALYSIS

PERSONAS

BUSINESS PLAN

BUSINESS MODEL CANVAS

IMPACT IDENTIFICATION

BUSINESS MODEL DEVELOPMENT

CROWDFUNDING

LEGAL ENTITY

INITIAL FINANCING

MARKET ENTRY

FOUNDING

SCALING

GROWTH FINANCING

SOCIAL FRANCHISING

STRATEGIC PARTNERSHIPS

QUALITY MANAGEMENT

CAPACITY BUILDING

MAINSTREAMING

Creating a social impact

A **social** business creates a societal added value (i.e. social impact) in one or more dimensions of the triangle.

WHAT
product/service
is offered?

OFFERING

SOCIAL IMPACT

PRODUCTION

CUSTOMER

HOW
is the product
or service
produced?

WHO
uses and pays
for the product
or service?

Visualising your business model

The **business model canvas** enables you to distil the complexities of your business model into a one page overview.

KEY PARTNERS

Autism advocacy organisations, public equal opportunity agencies

Chambers of commerce, trade associations

KEY ACTIVITIES

Training & deploying IT consultants

Recruiting ASD persons

KEY RESOURCES

IT equipment

IT educators

VALUE PROPOSITIONS

Expert IT services

Labour market integration

CUSTOMER RELATIONSHIPS

Long-term public-private partnerships

Face-to-face client partnerships

CHANNELS

Business-to-business marketing

Public procurement procedures, advocacy

CUSTOMER SEGMENTS

Businesses requiring IT services

Public employment agencies

COST STRUCTURE

Staff & equipment costs

Training & deployment costs

Administrative overhead

REVENUE STREAMS

Contract fees

Public funding

develop useful products/services

Module 3
Technology & creativity for
Social innovation

Create value for real people!

Effective and sustainable social initiatives **must offer a real value**!

What does this mean?

A social initiative must offer its target people benefits through its products and services.

To get to your **value proposition**, you can use **design thinking**.

The principles of effective design thinking are outlined here.

Keep in mind the final users and their daily needs during product/ service development.
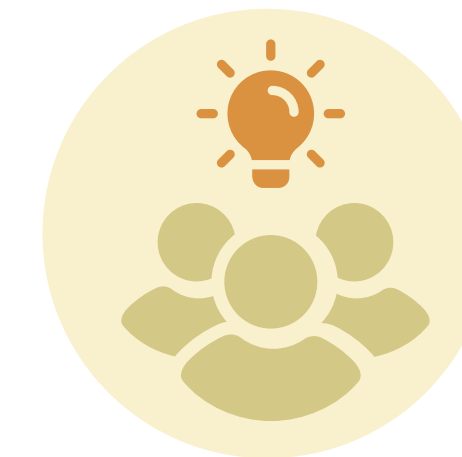
Co-create in a team to take advantage of different competencies and perspectives.

Use prototypes to test and validate solutions before scaling.

Design Thinking: an overview

4 IMPLEMENT!
Transform the validated solution in a real product/service ready to be delivered.

PRODUCT/ SERVICE

1 EXPLORE!
Understand the problem to solve by getting to know the people behind it.

VALIDATED SOLUTION

DESIGN THINKING

REAL PEOPLE WITH REAL PROBLEMS

3 TEST!
Prototype a promising solution and learn from the end-users if it works.

POTENTIAL SOLUTIONS

2 CREATE!
Imagine alternative and feasible solutions.

Design Thinking: a step-by-step explanation
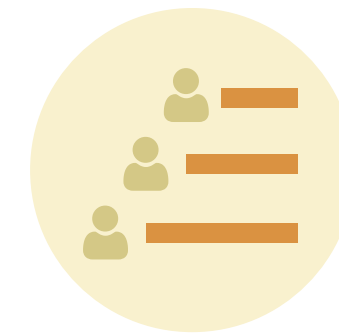
Explore your potential beneficiaries'

— Behaviors and mindsets

— Daily challenges

— Interactions with other people and organizations

Co-create potential solutions by

— Directly involving final users and other stakeholders

— Including different perspectives and expertise

Test your solution through a prototype to learn

— If it actually creates value for your target people

— How it can grow in terms of adoption
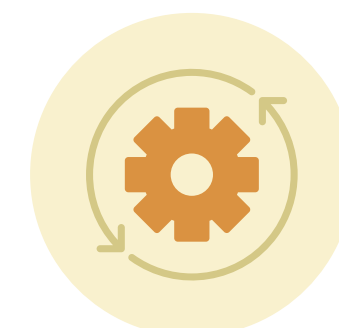
Implement the validated solution by

— Involving providers, third parties and users

— Iteratively coping with change at multiple levels

identify and engage my stakeholders

Module 4
Stakeholder engagement

Where we stand: course summary

A **stakeholder** is a person or group that's in contact with your social innovation or organization.

Stakeholder engagement is a powerful tool to help you **gain access to important resources and better understand the groups and issues** you want to address.

To understand just who to engage, you should use the stakeholder engagement tools to identify and engage with those who have high interest and high power.

Overall, it's important to remember that this takes **time and openness**!

PRIMARY STAKEHOLDER

HIGH	meet their needs	**FOCUS YOUR ATTENTION**
MEDIUM		
LOW	least importance	show consideration

POWER

LOW   MEDIUM   HIGH
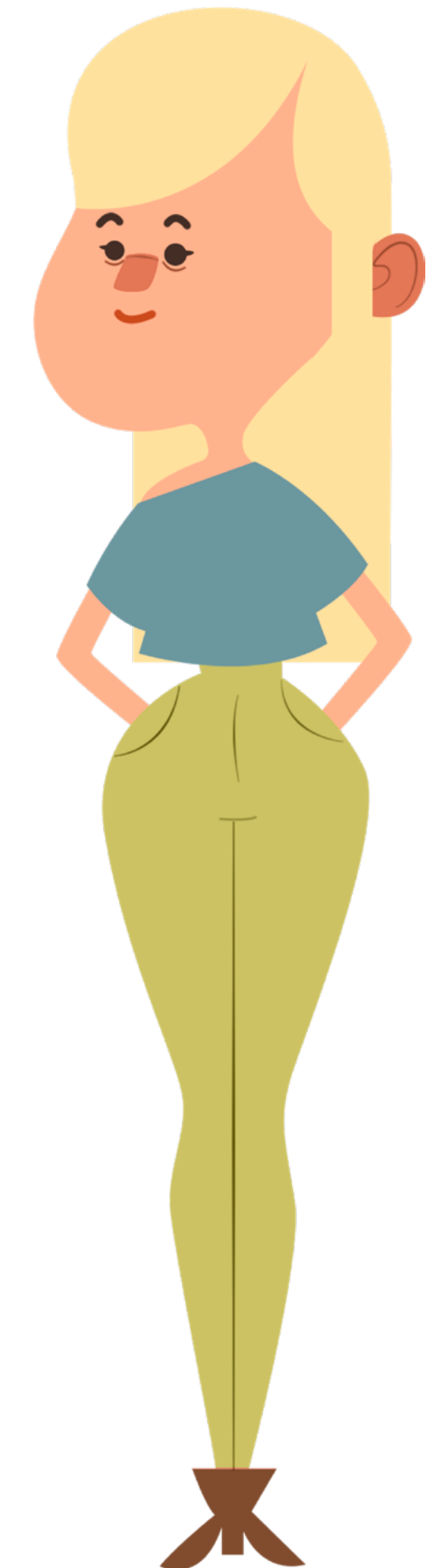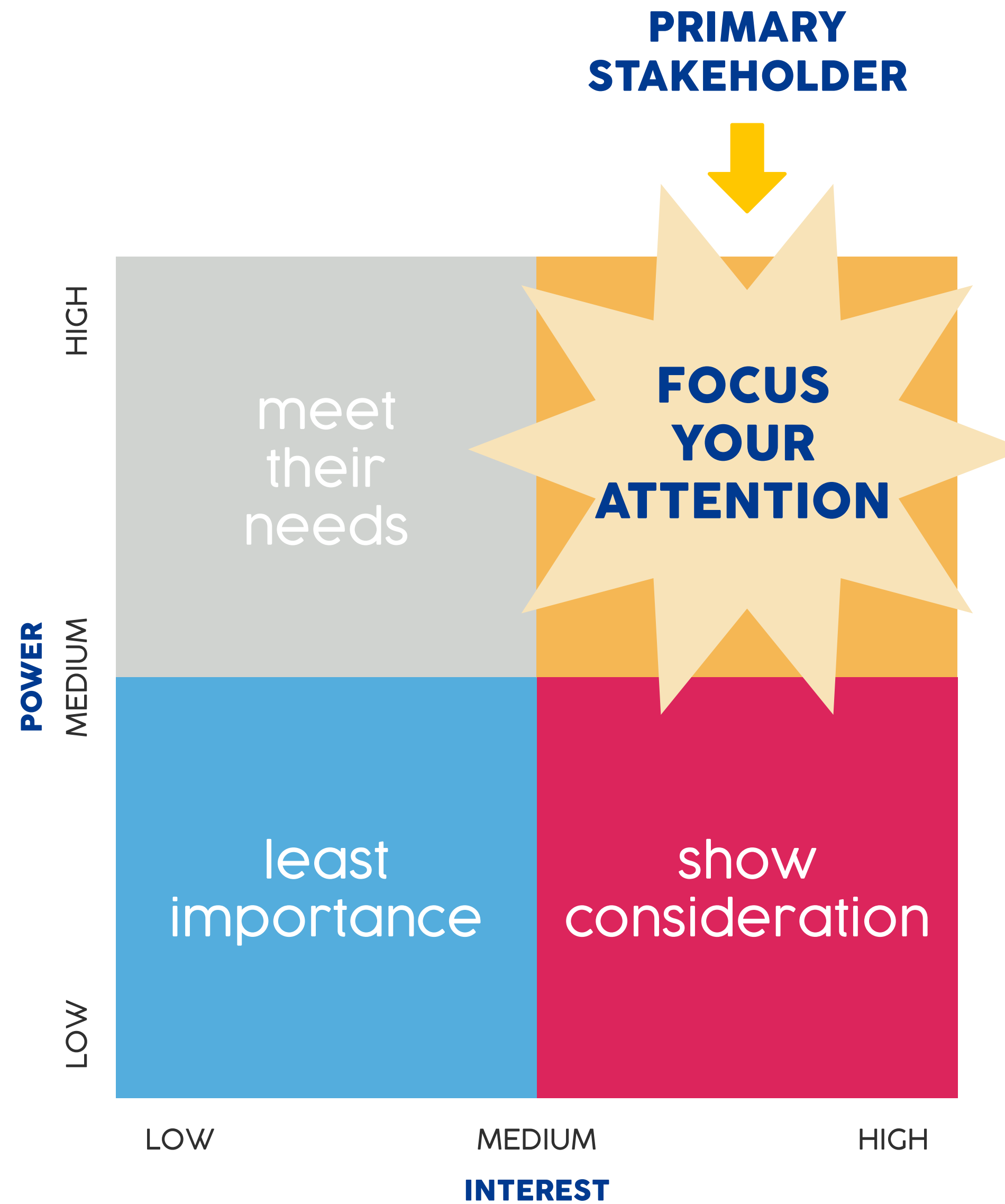
INTEREST

Stakeholder Engagement: a step by step explanation

Stakeholder mapping

— Analyze stakeholders using a stakeholder analysis table to examine power, interest, and alignment.

— Categorize stakeholders along these categories and focus the lion's share of your attention on the most interested and powerful stakeholders.

Design and engagement

— **Informing**: use one way communication to inform stakeholders about projects and activities.

— **Participating**: take steps like focus groups or town hall meetings to understand stakeholders' perspectives.

— **Collaborating**: work together with stakeholders to achieve common goals.

Reflection

— After undergoing this process, you should reflect on it to measure its effectiveness and analyze areas for improvement.

— Look at process and outcome indicators attached to stakeholder engagement goals and collect data on these regularly.

Stakeholder Engagement

STAKEHOLDER GROUP

e.g. people with disabilities

AREAS OF INFLUENCE/INTEREST

digital partecipation

ENGAGEMENT APPROACH

partecipate

ENGAGEMENT TOOLS

focus group to discuss main harries and to identify solutions

TIMING

at the end of the first quarter

RISK/RISK MITIGATION

ensure that all focus group partecipants understand questions and have the chance to state their opinion; preparations: easy

RESPONSIBILITY

focus group will be organized by project leader but moderated by external facilitator

measure and manage impact

Module 5
Impact assessment

Impact matters

How do you evaluate what you have achieved? And how can you show your stakeholders that your solution is effective?

Impact management is one way to achieve these goals.

It consists largely in **proactively measuring and using data generated by your program's activities** to ensure a causal linkage between your intervention and the intended process of change.

To do this, you must establish a **coherent Theory of Change** (ToC).

A great tool to start this process is a wellknown **logical framework called the "I-O-O-I" model** (Input-Output-Outcome-Impact). A breakdown of the links in this chain appear opposite.

Input

— Analyze the resources, monetary and otherwise, you invest in your enterprise.

Activity

— Look at the most important activities that fabricate significant results.

Output

— Record any measurable results stemming from activities.

Outcome

— Describe and analyze the positive and negative changes to the target beneficiary groups.

Impact

— Determine the material effects your program has had on the people and the planet.
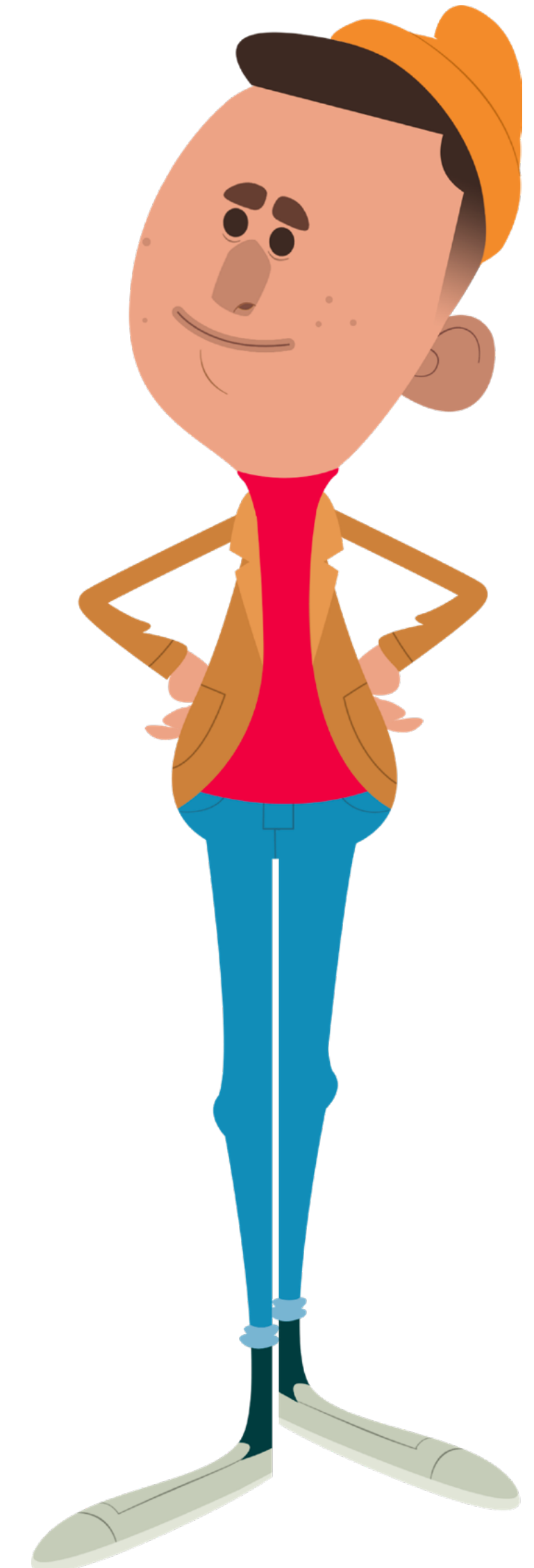
Theory of Change: an overview

Theory of Change (ToC) Analysis

TOPIC	YOUR RATING (1-10)	STRENGHTS	WEAKNESSES	IDEAS FOR IMPROVEMENT	UNKNOW INFLUENCES
Logical consistency of the entire ToC					
Are the ctivities sufficient to achieve the goal?					
Are output metrics appropriate?					
Are outcome measumerent reasonable and meaningful?					

Theory of Change (ToC) Communication

TOPIC	YOUR INPUT	YOUR COMMENTS/NOTES
List the 3 main most important impact insight & achievements for internal purposes		
Which main stakeholder groups do you want or need to communicate these insights to?		
Transform them into compelling communication messages to these external stakeholders		
Would you make differences as to which stakeholder group you communicate what and how? If so, describe and comment.		

Theory of Change: a step-by-step explanation
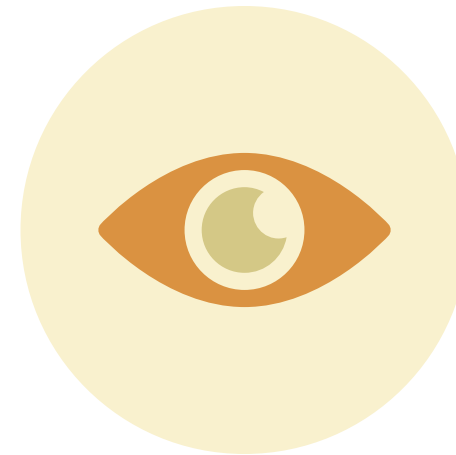
ANALYZE

Conduct an internal analysis of your impact by taking information gleaned through an exercise such as the IOOI and applying it to the ToC framework. This means looking at:

— the logical consistency of your ToC

— the sufficiency of your activities given your goals

— the suitability of your output metrics

— the ability of your outcome measurement to produce meaningful results in an efficient and sustainable way

COMMUNICATE

Based on the process above, you should synthesize this operational information into key messages for internal and external use, namely:

— key insights and achievements: These serve as a masthead for your organization's ongoing operations and as a sign of progress already achieved

— a communication plan: This is for main stakeholders who would benefit from these insights

— an action plan: This determines which stakeholders should receive what information

finance my social innovation
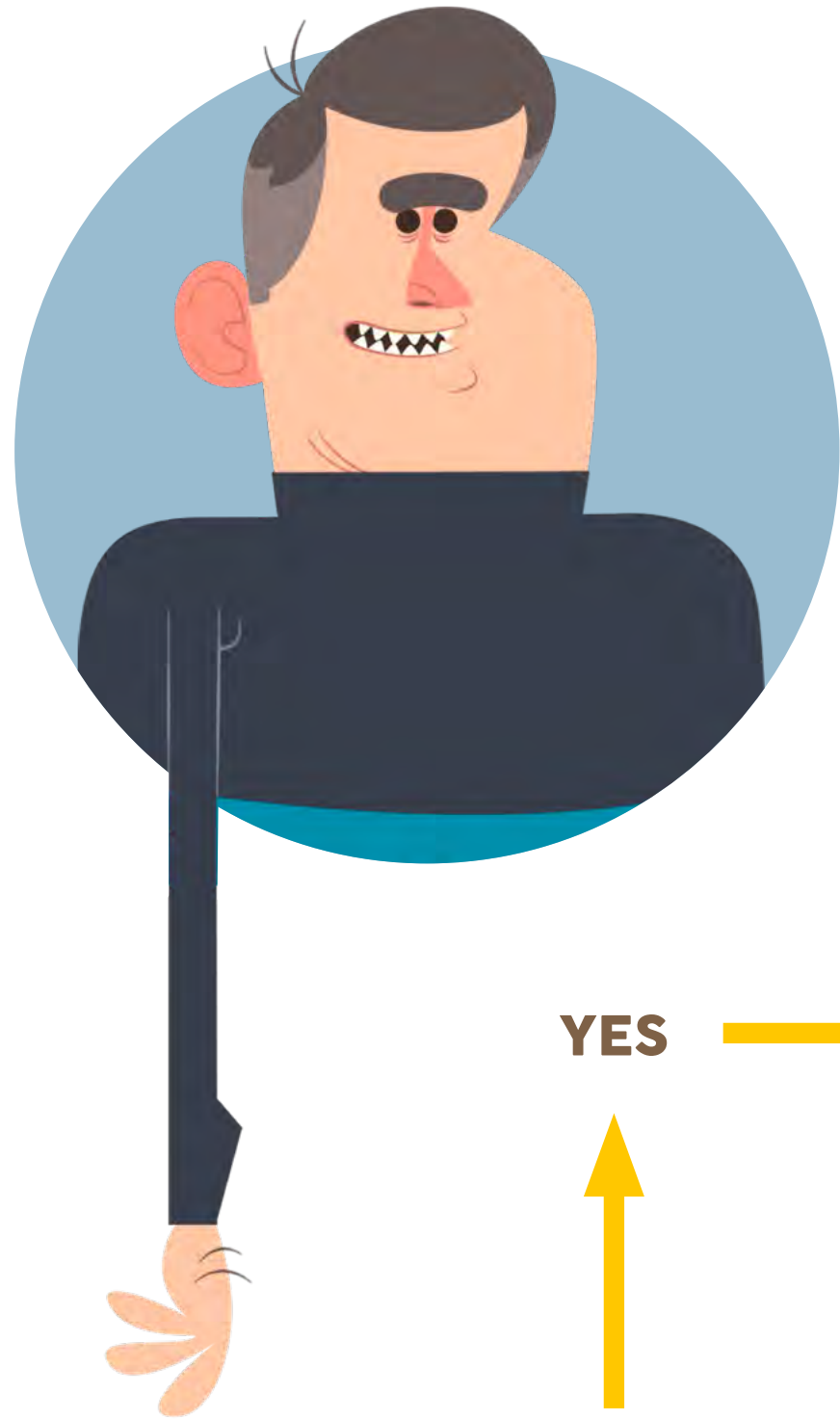
Module 6
Impact finance

Impact finance

The language of "impact finance" has a distinct vocabulary to look at the range of ways capital can be deployed for social or environmental impact.

To determine where a potential funder is, we look at two major aspects of their strategy:
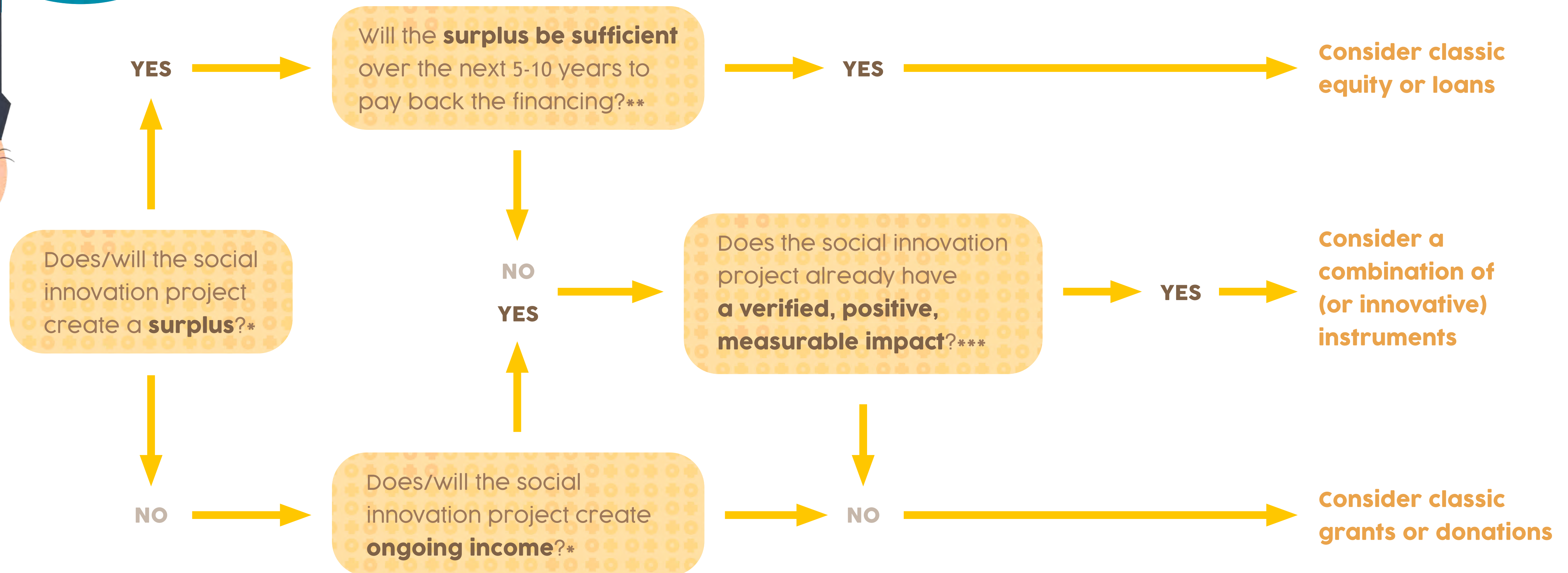1) expected return
2) expected impact.

The graphic opposite visualizes this relationship in a grid format to make it easier to remember where each type of funder falls.

In the next slide, we will translate this graph into a decision making matrix to figure out what type of investment to pursue.

Impact finance

(Venture) Philanthropy or public funding

Impact Investing

Sustenable investing

Traditional investing

Expected return

Expected impact

Investment styles
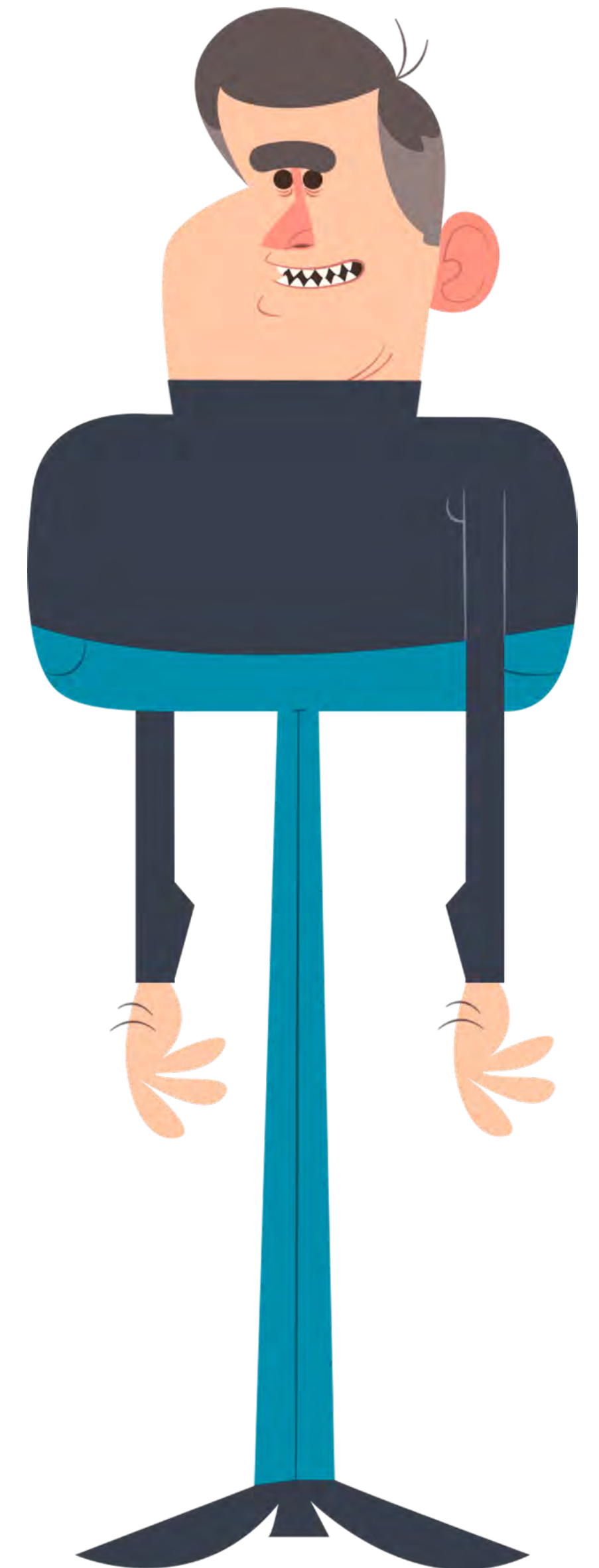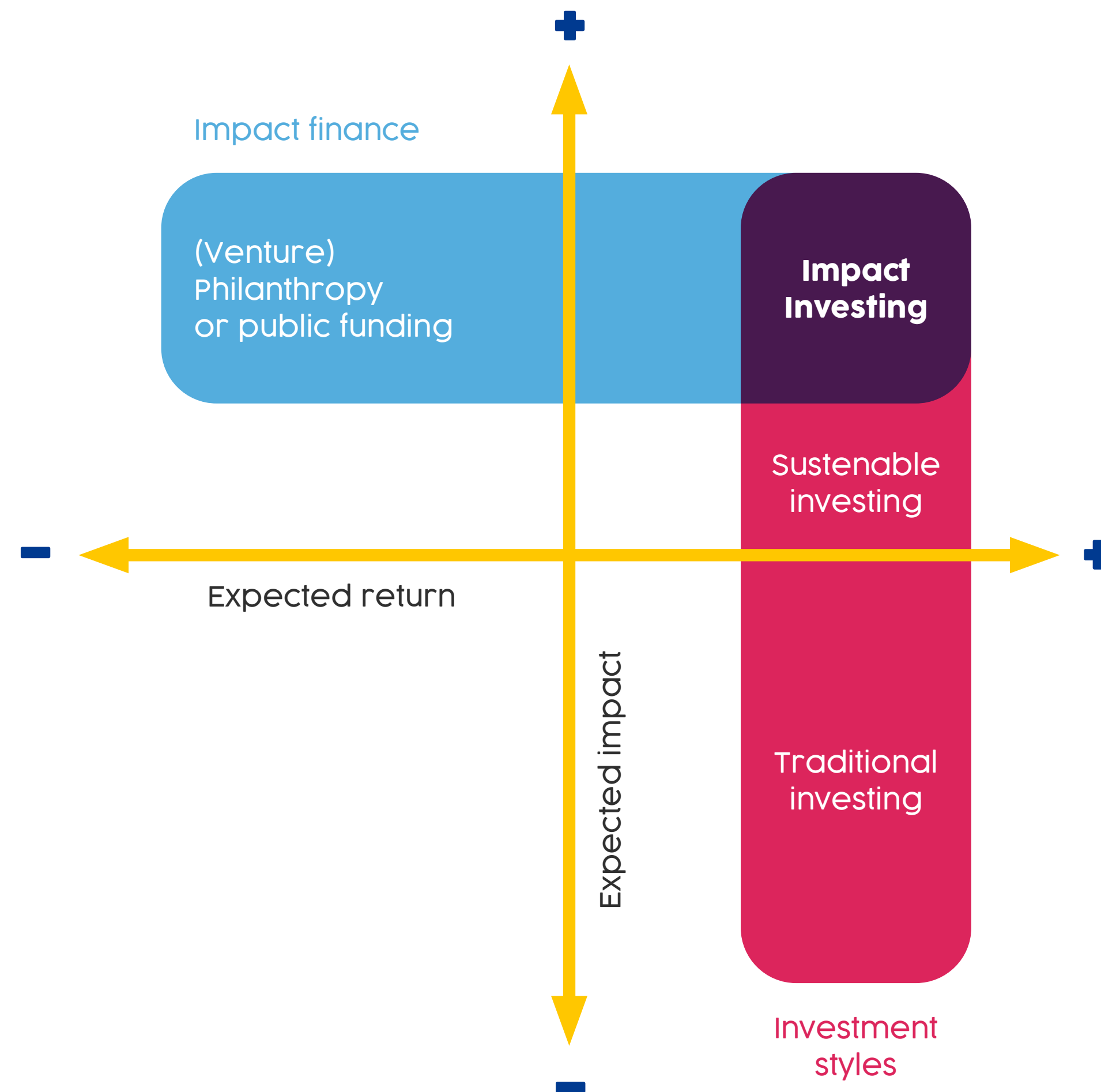
Decision Tree: an overview

YES

Will the **surplus be sufficient** over the next 5-10 years to pay back the financing?**

YES → **Consider classic equity or loans**

Does/will the social innovation project create a **surplus**?*

NO

YES

Does the social innovation project already have **a verified, positive, measurable impact**?***

YES → **Consider a combination of (or innovative) instruments**

NO

Does/will the social innovation project create **ongoing income**?*

NO → **Consider classic grants or donations**

* according to (and within) its 5-year financial forecast   ** including interest / the investors' expected returns   *** through successful pilots / proof of concept

Decision Tree:
a step by step explanation

Determine if your project creates a surplus using financial forecasts over a 5-year period.

Look at the potential for generating ongoing income this will also come from financial forecasts over a 5-year period and an understanding of the organization's costs and income.

Do surpluses generated by the project cover all the costs for the whole period? When is the break even point? Make sure this takes into consideration interest and the investors' expected returns.
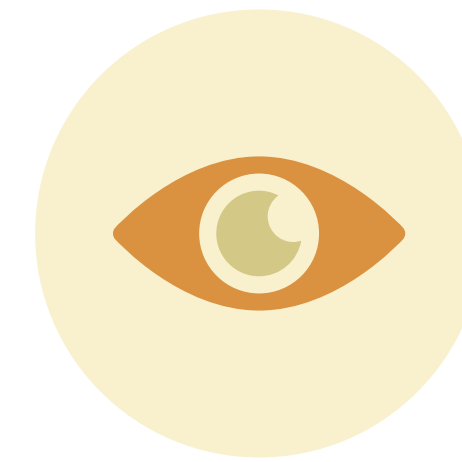
Carefully assess the potential social and environmental impacts based on actual experience.
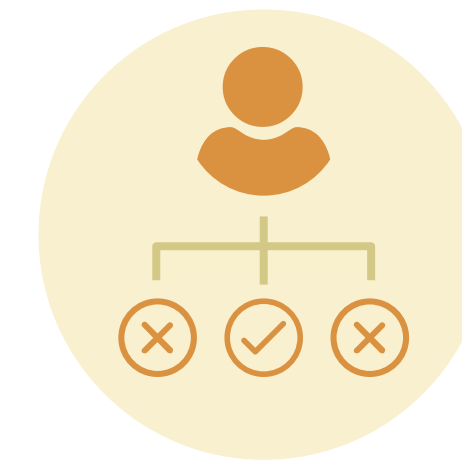
Based on these factors, choose between classic or equity loans, blended finance models, or traditional grants and donations.

make use of or influence policies

Module 7
Social innovation policies

Policy making for social impact

Policy and social innovation are in a **complex relationship**, and can be understood best by taking **a dual approach**.

What does this mean?

"Policy **for** social innovation" sees policy as an enabler, facilitator and promoter of social innovation, and could serve this role in many ways.

"Policy **as** social innovation" refers to various innovative tools and methods that could modernize policymaking processes to create more responsive and appropriate policies.

Keep in mind the final users and their daily needs during product/ service development.
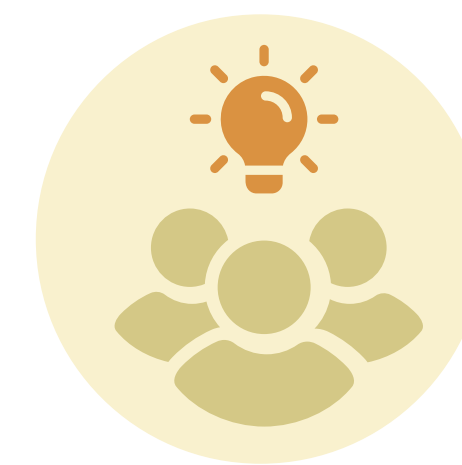
Co-create in a team to take advantage of different competencies and perspectives.

Use prototypes to test and validate solutions before scaling.
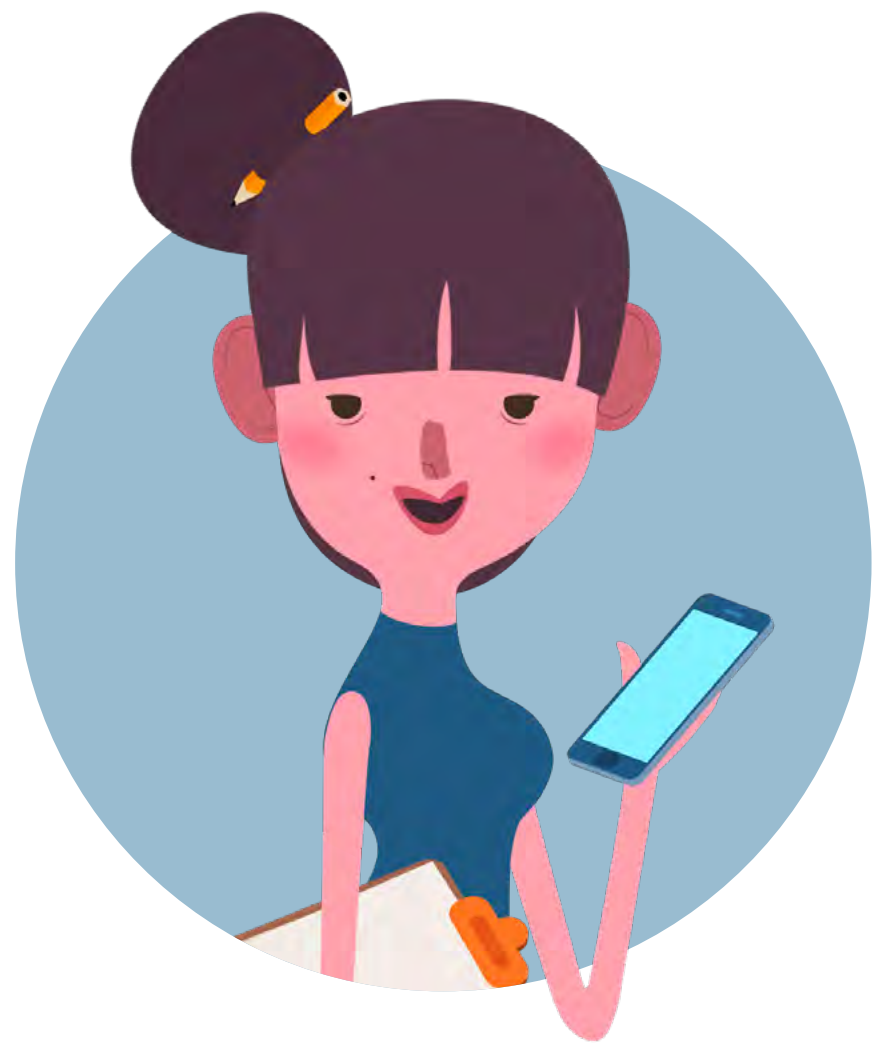
Policy FOR social innovation: an explanation

Funding

— Limitations of existing funding schemes.

— Sometimes innovative schemes are needed.

Regulation

— Regulative frameworks need to acknowledge and support the special needs of SI initiatives.

Procurement

— New procurement rules could boost the demand side for products and services of SI initiatives.
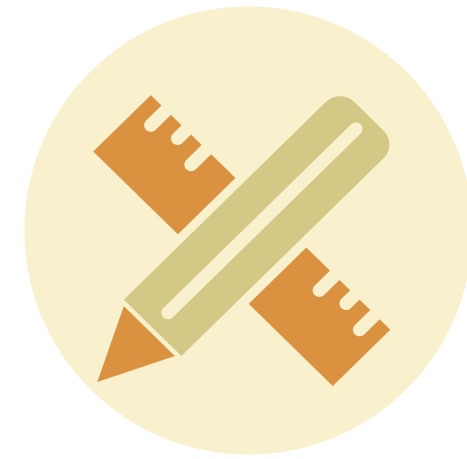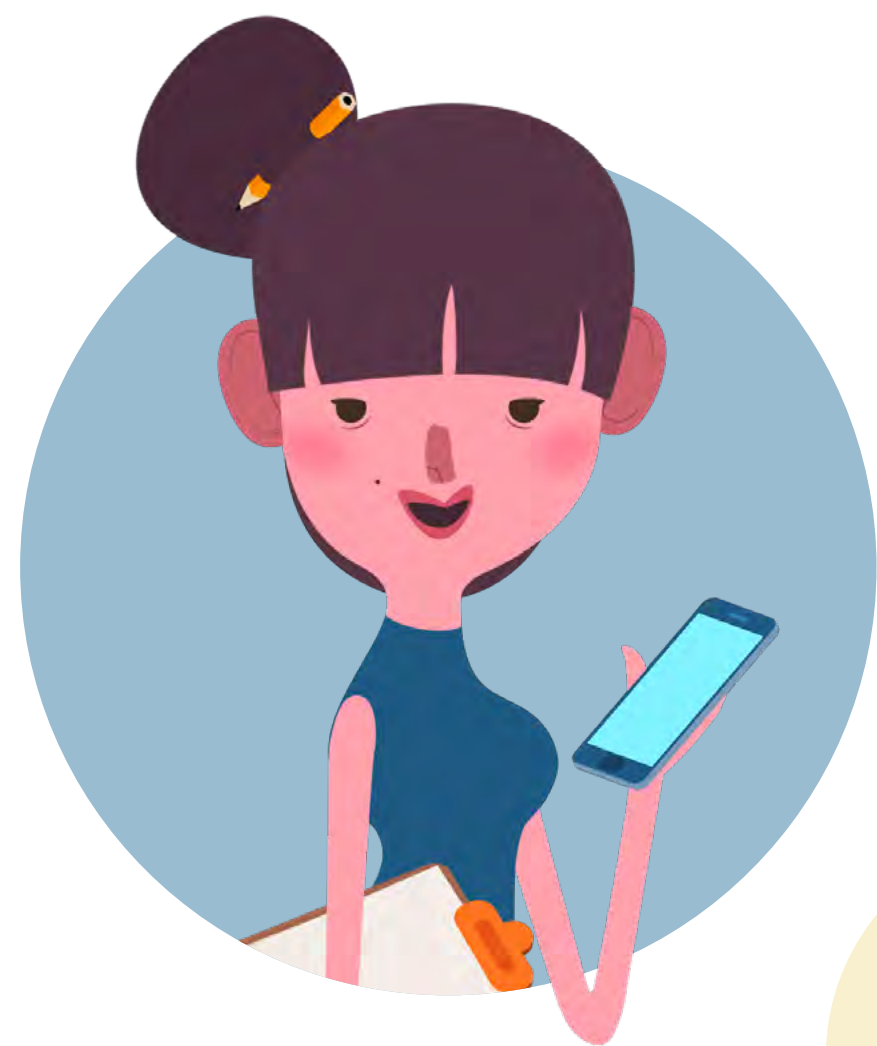
Use of assets

— Sharing public assets to use them differently could reap the benefits for citizens.

Raises awareness

— Authorities could play an eminent role in mainstreaming SI by raising awareness.

Policy AS social innovation: an explanation

Challenge focused
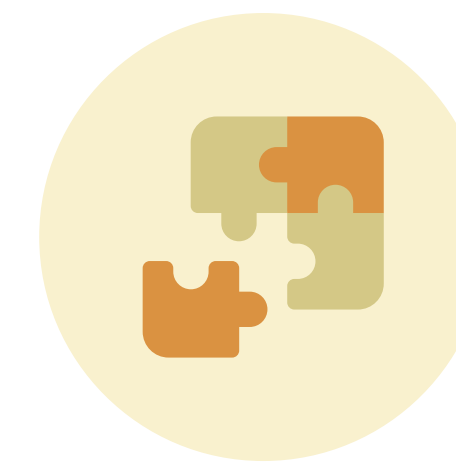— Societal challenges are usually complex, and require thorough understanding and strategy.
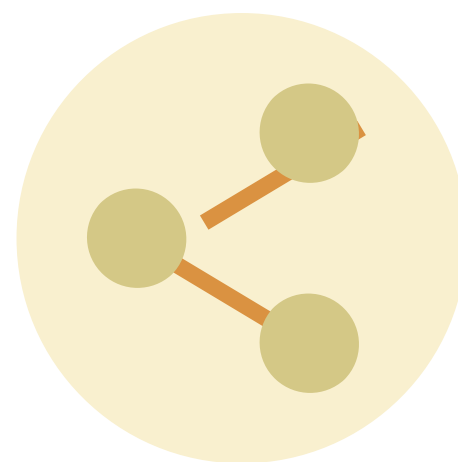
Openness
— Open mind-set is needed to transcend less effective old policymaking habits.

Human-centred design, Collaboration and co-design
— Put the final beneficiaries / end-users in the centre and invite them to codesign.
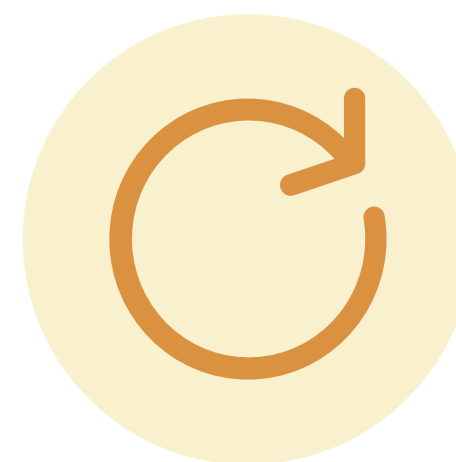
Builds capacity and skills
— Reinforcing the whole SI ecosystem, including the stakeholders is key.

Experimentation and skills
— Pilots are important to learn from.
— Pilot initiatives delivering proven outcomes could be mainstreamed or up-scaled more easily.

Iteration
— Evaluate, monitor and track proceedings and results on the go.
— Feedback loops are required to refine operations if needed.

Connecting and scaling
— Upscaling proven policies still need allies to make it effective.

Project leader

Fondazione Democenter-Sipe

Project partners

Arbeit Plus - social integration enterprises Austria

Association of Municipalities and Towns of Slovenia

Budapest Chamber of Commerce and Industry

Cooperation Fund Foundation

Economic Institute Maribor - economic research and entrepreneurship

IFKA public benefit non-profit for the development of the industry

PONTIS Foundation

Roots of Impact

Social Impact

Unione dei Comuni del Distretto Ceramico

ZSI - Centre for Social Innovation
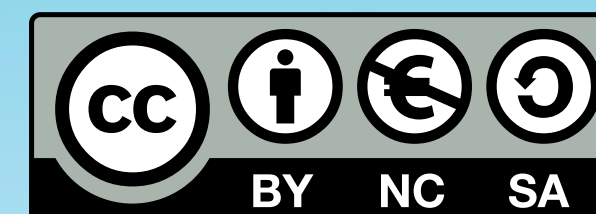
Communication and public relations

Homina

Graphics

BABAU Studio

https://www.interreg-central.eu/Content.Node/Social(i)Makers.html

✉ info@socialimakers.org

skyrocketplatform.eu/en

✉ contact@skyrocketplatform.eu

(f) Socialimakers

(🐦) SocialiMakers

(in) Social(i)Makers

SOCIAL INNOVATION ACADEMY

How to innovate together
for a better tomorrow

TOOLBOX