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Social Innovation for Public Service Excellence

How social innovation approaches can achieve public policy objectives

1. WHAT IS SOCIAL INNOVATION?

Governments around the world are grappling with a set of social challenges that are acting as a break on sustainable economic growth, leading to inequality and instability in society, and impinging upon the general well-being of their populations.

Social innovation is a response to these challenges that offers considerable promise for public managers. It offers new solutions, new methodologies and new conceptual frameworks. Success can be seen through case studies from around the world, including middle- and low-income countries in South-East Asia. While it remains an emergent field, still building a robust theoretical underpinning and establishing an evidence-base, the promise of social innovation is too compelling to ignore.

Social innovation refers to new ideas that work in meeting social goals. A social innovation approach put capacity to harness innovation at the core of public service. As a field, social innovation is emergent, practice-led and under-theorised. It should be considered more of a movement than a particular methodology, as might be the case for design thinking. Indeed, a feature of social innovation is that it combines multiple disciplines, types of actors and sectors. It combines design thinking, systems thinking and entrepreneurial action.

Design thinking is the front end of innovation, focused on the person or community that it is intended to benefit. Systems thinking is the back end of innovation, focused on the wider environment and larger 'system' within which the innovation will function, including aspects such as supply chain, stakeholders and interdependencies. Entrepreneurial action is what translates an idea into impact, with 'entrepreneurial' not being confined only to business approaches but to any creative, momentum-building way forward.

Social innovation is also more than just invention; it describes a process from initial prompt through to scale and systemic change. Six stages can be identified, through which any successful innovation will travel, although the process is rarely linear in reality. These stages are: prompts, proposals, prototyping, sustaining, scaling and systemic change, as illustrated in figure 1.

Figure 1: The Young Foundation's innovation spiral

1. Prompts
2. Proposals
3. Prototypes
4. Sustaining
5. Scaling
6. Systemic Change
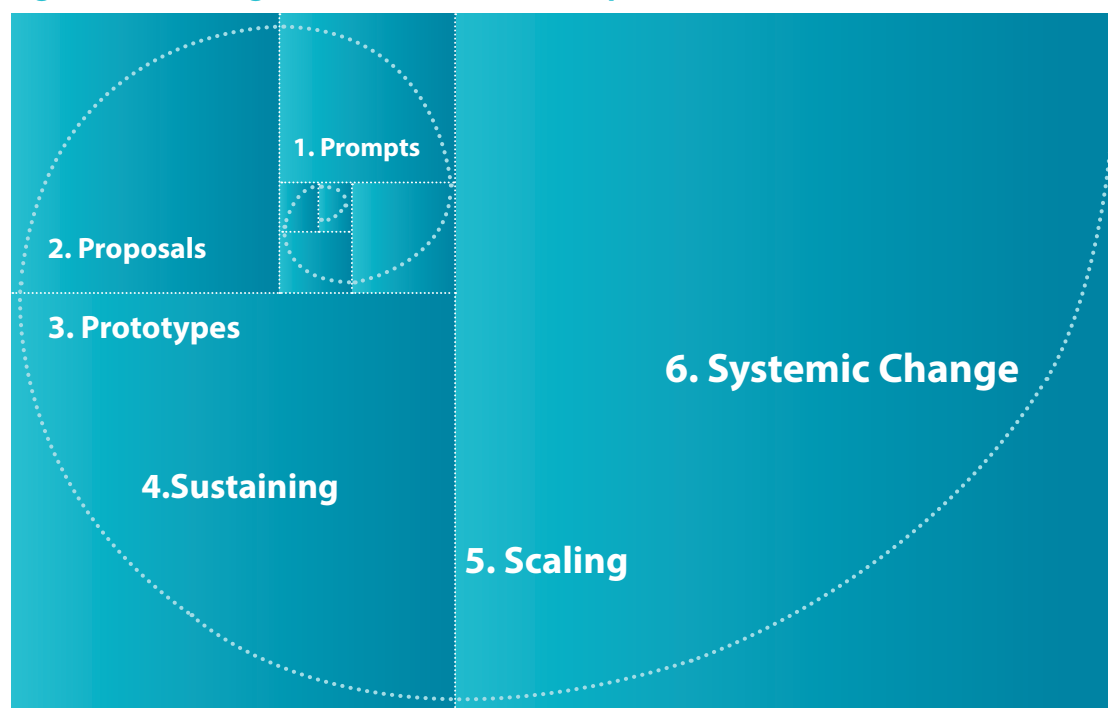
Source: The Young Foundation

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For the public manager, there are three important features of social innovation.

First, social innovation brings an experimental approach to public service. Experimentation entails an evidence-based approach, acknowledgement of the limits of current knowledge, multiple small bets about what might work, and acceptance that some attempts will fail but provide learning that builds towards future success.

Second, social innovation requires distributed systems where innovation and initiative are dispersed to the periphery and connected by networks. Public managers must support and partner with social innovators: people who initiate and lead social innovation initiatives, and who can be found anywhere within the system, but tend to be semi-outsiders and boundary spanners. For example, Promoting Equality in African Schools is a public private partnership between a non-governmental organization (NGO) and the Governments of Uganda and Zambia that runs state-funded autonomously managed schools. These schools are delivering better outcomes at a lower cost to the state and students than state-run schools.

> *Anyone can be a social innovator, and people acting as social - innovators are found everywhere.*

Third, citizens and service users can bring insights and assets to help public managers achieve their policy objectives. Social innovations are developed 'with' and 'by' users and not delivered 'to' and 'for' them. Co-design and co-production are common elements of social innovation. As a result, social innovation can build community capacity in addition to delivering direct project impacts. For example, Family Group Conferencing, a model developed in New Zealand, shifts responsibility for some categories of child protection cases from the social worker to the wider family group, harnessing the strength of family relationships.

Anyone can be a social innovator, and people acting as social innovators are found everywhere: in every sector, at every level of the hierarchy as well as outside it, of every age and background. The twin challenges for public managers are firstly, to take on the role of a social innovators themselves and secondly, to support social innovators by nurturing them, channelling their energies towards the more pressing problems, and connecting them within a bigger system.

2. FROM PROMPTS TO SYSTEMIC CHANGE

Public agencies can nurture their capacity to absorb social innovations and innovate themselves by building a diversity of relationships with other actors of all kinds and by finding ways for staff to understand others' perspectives. One powerful perspective is that of service users. Ethnography and design thinking are two tools for tapping into that perspective to gain better insight into social issues and develop solutions. An example of the power of ethnography is Te Kotahintanga, a school teacher training programme in New Zealand designed to improve outcomes for Maori children. Its significant success rate is due to the design, which was based on in-depth appreciative enquiry interviews with Maori students and their teachers. This gave new insight into how best to support their learning. Other approaches include finding ways to encourage and bring together people interested in social innovation through events, networks or alternative forms of education. Kaos Pilots in Denmark is a hybrid business and design school with a successful track-record of producing social entrepreneurs and innovators using a radically different curriculum.

Proposals and ideas for social innovation can be developed with the community through participatory decision-making, budgeting and co-design. This model has spread throughout the world. The township of Zeguo, China, invites a representative group of citizens to set the annual budget through a facilitated workshop that helps them understand the trade-offs and prioritize initiatives. Experience with a range of innovation funds (such as the NHS Regional Innovation Funds in England), prizes and camps has found that more directed approaches which support innovators with more than money tend to pay off. Outcome-based procurement approaches such as the use of social impact bonds are also 'innovation friendly' but relatively hard to implement.

Social innovations generally require substantial development in the field. When contracting and monitoring projects, emphasis should be on ensuring rapid learning and adaptation rather than on compliance with the initial plan. Social innovation initiatives can benefit from co-location in hubs or parks and from the kind of intensive support provided by incubators such as Gawad Kalinga's Enchanted

Farm in the Philippines. There are also intermediaries who help public bodies with the process of social innovation. For example, Scope Group worked with Malaysia's National Anti-Drugs Agency to shift its approach to drug users from criminalization to a treatment-based approach.
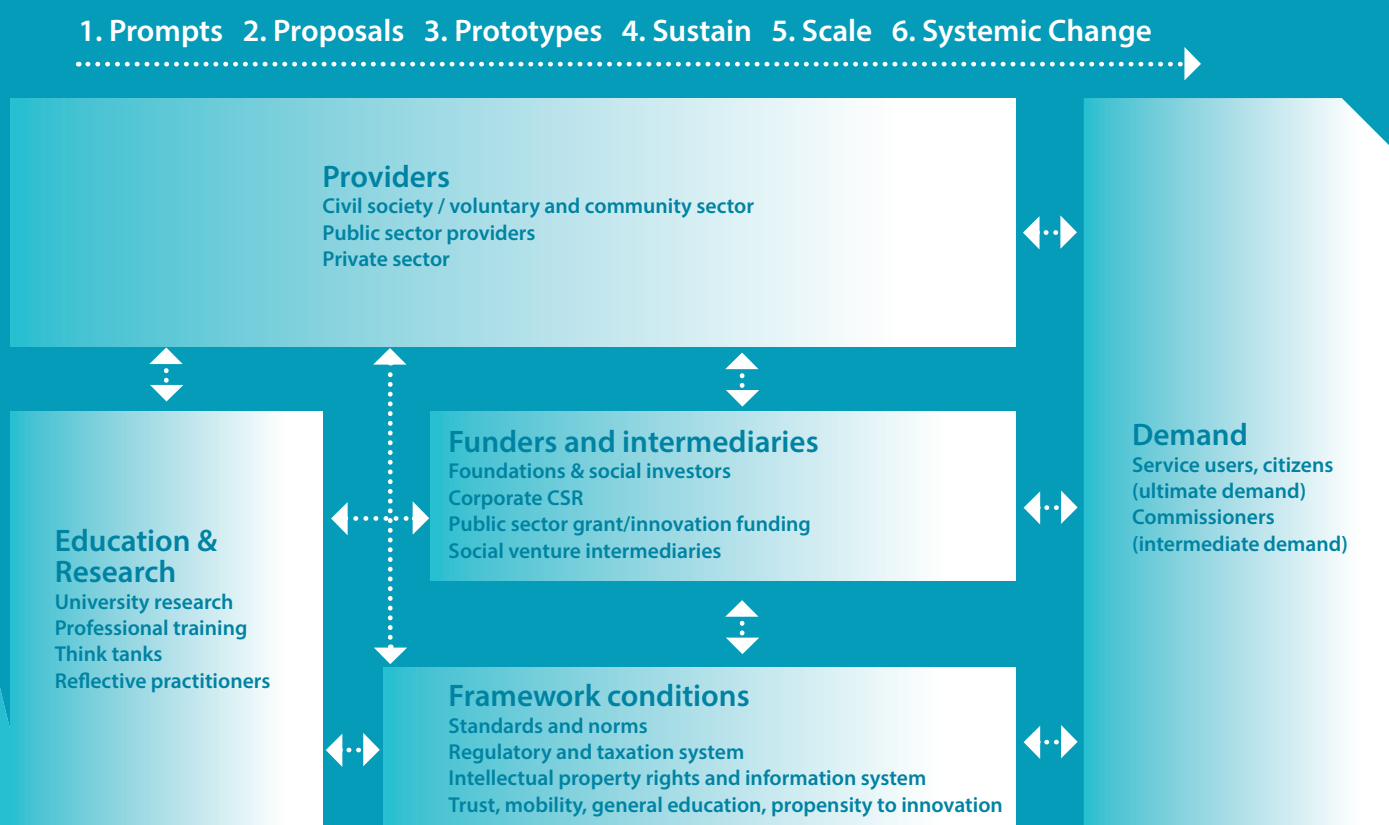
Social innovation offers two additional ways to sustain new projects beyond mainstream public management practices. The first way is through the creation of marketplaces and introduction of competition, fostering social enterprise and the concomitant social investment market. The second is through task-shifting public service functions to volunteers or micro-entrepreneurs in the community, which often achieve better and cheaper results. For example, Animateurs de Sante in Rwanda uses community-elected health workers to provide public health education, identify suspected tuberculosis cases and encourage expectant mothers to attend pre-natal clinics.

Scaling is a major challenge for social innovation. Promising approaches include facilitating horizontal learning networks, open source methodology, and replication and social franchising support. An example of the power of franchising is Huiling, an NGO in China, which operates 76 shared residencies for disabled people, adapting its business model as appropriate for different locations.

To fully tap the potential of social innovation, public managers must move beyond support of individual social innovation projects. They must integrate social innovation into the creation of a national system, building the infrastructure to support social innovation from prompt through to scale. Without such a systems-based approach, ad hoc initiatives to support social innovation will be hindered by weaknesses in other parts of the system. For example, a focus on the 'proposals' stage through an ideas fund is likely to result in a lot of great ideas that falter through lack of follow-on support. The institutional elements of a national social innovation system are illustrated in figure 2.

Figure 2: National social innovation system

1. Prompts   2. Proposals   3. Prototypes   4. Sustain   5. Scale   6. Systemic Change

Providers
Civil society / voluntary and community sector
Public sector providers
Private sector

Education & Research
University research
Professional training
Think tanks
Reflective practitioners

Funders and intermediaries
Foundations & social investors
Corporate CSR
Public sector grant/innovation funding
Social venture intermediaries

Framework conditions
Standards and norms
Regulatory and taxation system
Intellectual property rights and information system
Trust, mobility, general education, propensity to innovation

Demand
Service users, citizens (ultimate demand)
Commissioners (intermediate demand)

3. HARNESSING THE POWER OF SOCIAL INNOVATION FOR PUBLIC SERVICES

Social innovation shows great potential for public managers and offers several attractive benefits:

▶ **Improved outcomes:** By harnessing the power of social innovators and communities, public managers can gain from the energy and vision of a diverse range of innovators, the wisdom of crowds and a greater understanding of the lived experiences of citizens struggling with the very problems public managers seek to address.

▶ **Improved implementation at scale:** Social innovation offers some lessons and approaches to scaling that may not be familiar to the public manager, including the importance of behaviour change, the power of social innovators and entrepreneurs, models of replication and franchising and, most importantly, the power of co-developing solutions that a community feels are their own rather than imposed upon them.

▶ **Greater cost-effectiveness:** Social innovation seeks to build on existing community assets and capabilities rather than replacing or undermining them. It develops cross-sectoral approaches.

▶ **Improved public institutions:** Greater involvement of citizens as partners of the state in designing, developing and delivering public services can bring greater transparency and help fight against corruption within public institutions. At the same time social innovation does not just invite criticism, but constructive partnership.

▶ **A more dynamic society:** Social innovation is ambitious for the constructive role citizens play and discourages people from becoming inclined to sit back and wait for government to do things for them.

▶ **Enhanced social stability and support for the state:** Social innovation approaches can shift relations between a community and a public agency from one of confrontation to one of constructive engagement, thereby promoting stability and harmonious relations.

Realizing these benefits can only be achieved by overcoming some challenges. Social innovation will find the most fertile ground where there is trust between sectors, public managers have space and authority to use their own initiative, and government seeks to promote the general well-being of its population. Public managers need to be in a position to take a smart informed approach to risk, as the outcomes are often uncertain and the methods not yet rigorously tested. Public managers need to shift to a more facilitative role and trusting relationship that requires some 'giving up' of power to the community. They must also be patient for results and work hard to reconfigure public institutions to financially benefit from social innovation.

4. RECOMMENDATIONS

Recommendations for policymakers and public managers seeking to support social innovation:

1. **REDEFINE CITIZENSHIP:** Encourage citizens to get involved in social innovation as a form of civic duty and shared endeavour.

2. **EMBRACE EXPERIMENTATION**: Establish innovation grant funds focused on high priority social needs and social innovation labs for experimentation.

3. **INTRODUCE USER AND CITIZEN PERSPECTIVE:** Require all major projects to incorporate user perspective and voice through ethnography, design thinking or participatory decision-making.

4. **SHARE THE EVIDENCE:** Fund designated repositories of evidence of effectiveness and impact, charged with collecting and making freely available the evidence within particular priority topic areas.

5. **INTRODUCE COMPETITION:** Encourage diversity of providers by tightly defining desired outcomes and giving wide autonomy on means used to reach these outcomes.

6. **INVEST IN INNOVATION:** Fund incubators to support high-potential start-up social ventures and co-fund social investment institutions with a particular focus on unsecured lending.

7. **ESTABLISH A GROWTH AND REPLICATION FUND** to fund the process of consolidation and packaging of a successful innovation and then its diffusion or scaling.

8. **DEVELOP A NATIONAL INNOVATION STRATEGY** that integrates social innovation into all aspects of innovation strategy and the national innovation system.

9. **SUPPORT A RANGE OF INTERMEDIARIES:** Provide funding and support for a range of social innovation institutions that can apply social innovation methods and support individual social innovators.

10. **NURTURE INNOVATIVE AND COLLABORATIVE PUBLIC MANAGERS** by creating opportunities for people to become 'boundary spanners'. Build collaborative and facilitating capabilities in government.

For a more detailed coverage of Social Innovation – including a list of recommendations for practitioners – please refer to the full paper, authored by Simon Tucker (Associate Sr. Consultant, Scope Group).