



EXPLORING ECOSYSTEMS FOR SOCIAL INNOVATION

A SOCIAL INNOVATION EUROPE REPORT



BMW Foundation
Herbert Quandt





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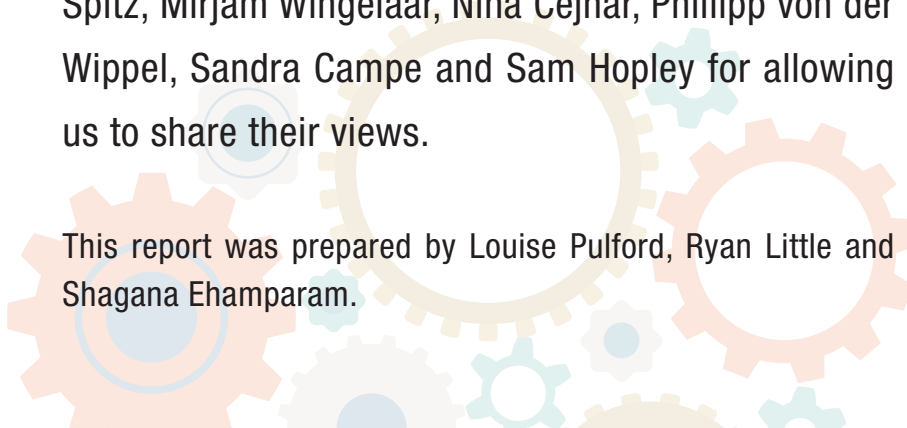
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Introduction

On 22-23 June, Social Innovation Europe and the BMW Foundation hosted the “Exploring Ecosystems for Social Innovation” in Berlin, Germany. The event gathered 70 participants from many sectors. Participants worked in European social enterprises, NGOs, funding and policy, but attendees came from as far as Canada, Malaysia and Hong Kong to Berlin, Germany, which is quickly gaining a reputation as a major centre of creativity and social innovation, particularly with respect to the sharing economy and maker movements.

The following report highlights some of the key discussions of the gathering. It draws on the opinions and perspectives of many of the participants. In particular, we would like to thank Daniel Hires, Eddie Razak, Emma Clarence, Fabian Suwanprateep, Kelsey Spitz, Mirjam Wingelaar, Nina Cejnar, Phillipp von der Wipfel, Sandra Campe and Sam Hopley for allowing us to share their views.

This report was prepared by Louise Pulford, Ryan Little and Shagana Ehamparam.





THE COMPLEXITY OF ECOSYSTEMS

WHAT DO WE MEAN AND WHY IS IT IMPORTANT?

THE PRACTICE OF USING ECOSYSTEMS AS A METAPHOR OUTSIDE OF THE NATURAL WORLD IS NOT NEW. HARVARD BUSINESS REVIEW¹ USED THIS CONSTRUCT IN THE 1990S AS A MEANS OF ANALYSING THE INTERACTION BETWEEN ALL THE ACTIVE STAKEHOLDERS AND RESOURCES CONNECTED TO A BUSINESS.

We borrow this construct for the similar purpose of analyzing the interaction between all the active stakeholders and resources connected to social innovation. A very concise expression of the desired outcome for using this approach:

“How do we turn ‘luck’ into something predictable? How do we reduce the accidental nature of the connections we make?”



PHILIPP VON DER WIPPEL,
ProjectTogether, Munich,
Germany

Interest in social innovation is growing rapidly worldwide. While this is resulting in unprecedented creativity and capacity, it is also increasing complexity. There is a pressing need to organise the field in order to nurture budding innovations and to scale and replicate mature ones. As put by Social Innovation Generation (SiG) Canada who have been exploring this concept in recent years:

“This is why ecosystems - as a descriptor, an analogy and a concept - is a powerful paradigm. Ecological thinking has long informed systems



change work as one of the most robust ways of thinking about complex systems and system dynamics. The body of thinking around ecosystems embraces adaptation, complexity and emergence.”



KELSEY SPITZ,
Social Innovation Generation,
Toronto, Canada

An ecosystem framework invites more thoughtful, systemic ways to connect the different actors at different scales simultaneously trying to influence a problem. It shifts our focus to nurturing the enabling conditions that support a thriving ecosystem for continuous social innovation to our greatest challenges.

The intent of the gathering was, together with some of the most influential organisations in social innovation, to co-create a common understanding of what role each of us plays in furthering the common

1. <http://blogs.law.harvard.edu/jim/files/2010/04/Predators-and-Prey.pdf> - James F Moore: Predators and Prey: A New Ecology of Competition.

good and how we connect with one another to work in concert. Using the ecosystem framework, we explored key concepts, including:

- Understanding the properties, features and limitations of existing systems
- Seeding and sustaining the enabling conditions for systems change
- Collaborating across sectors and organisations to execute on emerging opportunities through a shared vision

UNCOVERING TENSIONS

The discussions also gave rise to a number of tensions in the ecosystem. These include:

1. How does the social innovation ecosystem respond to external pressure from “bottom-up” (e.g. grassroots) and “top-down” (e.g. policy)? Does change most effectively come from the inside or the outside?
2. Who is being alienated by ecosystems thinking? Is this approach helpful to front-line workers?
3. How do we create a culture of innovation that succeeds in increasing the chances of having the right ideas land in the right place at the right time?



Social Innovation Europe in Berlin: Exploring Ecosystems for Social Innovation, June 2015

INSIGHTS ON ECOSYSTEMS

Throughout the various discussions, a number of key points received broad support, namely:

1. **Practice before Theory.** In general, participants preferred to agree on the features of a social innovation ecosystem while largely staying away from seeking agreement on a specific definition, as there was concern that attempting to do so would detract from the practical application of learnings in favour of more theoretical work. Of particular concern was that ecosystem should have real meaning and not drift into the territory of “buzzword”.
2. **Lack of Continuity.** The principal need for ecosystems thinking in the social innovation sector is a consequence of the fact that there is a lack of continuity between different types of stakeholders. Specifically, a social innovator does not have organised, seamless support from idea through to scale from the intermediaries, funders and policy makers that exist to facilitate such innovations.
3. **Reluctance to Compete.** There is a reluctance within the social innovation sector to acknowledge that competition has a role to play, as there is a sentiment that competition is antithetical to collaboration. Perversely, this results in less collaboration as organisations entrench their thematic and funding positions to the exclusion of co-creating with other organisations. A healthy dialogue about collaboration and competition—which allows that competition can have positive effects for the sector—is necessary. Or, as Madeleine Gabriel of Nesta put it, we need to be less nice and fail more.

4. **Culture, Not just Infrastructure.** The social innovation ecosystem is comprised of myriad organisations and institutions but is ultimately guided by people. It is the culture of the people who comprise it that sets its tone and is responsible for the strength and resilience of its infrastructure. Relationships are synapses that connect this infrastructure and that help to break down silos, collaborate and compete.

5. **Know your Role.** We need to be more considerate of what role each of our organisations can play in the ecosystem, and not try to fulfill all the roles. By specialising and working in concert with like-minded organisations, we increase our effectiveness and reduce strain on the sector’s finite resources.

“Knowing your role in the system is the best way to have an effective impact. The main problem is the lack of continuity between the different pipelines: too many programmes, funds et cetera.”



PHILIPP VON DER WIPPEL,
ProjectTogether, Munich, Germany



NEW TRENDS IN SOCIAL INNOVATION

SHAKING UP TRADITIONAL SYSTEMS

THE RAPID CHANGES OVER THE PAST SEVERAL DECADES IN TECHNOLOGY—IN PARTICULAR INFORMATION TECHNOLOGY, DISTRIBUTED ENERGY AND 3D PRINTING—HAVE FACILITATED THE RISE OF A NUMBER OF NEW WAYS OF ORGANIZING OURSELVES AND DOING THINGS. THESE SOCIAL INNOVATION TRENDS ARE QUICKLY BECOMING LARGE-SCALE MOVEMENTS, OFTEN LED BY CITIZENS FROM THE BOTTOM UP.

Whilst the unifying trait of these new movements is peer to peer action, putting more power in the hands of individuals, how does this change as these movements grow, and affect the way we are organizing ourselves? And what does this mean for the way we think about support? What kind of ecosystems are needed to support these new citizen led movements that are beginning to replace some of the traditional roles of governments and service providers?

We explored four trends, which are becoming global citizen led movements, and how they influence the way we think about ecosystems.

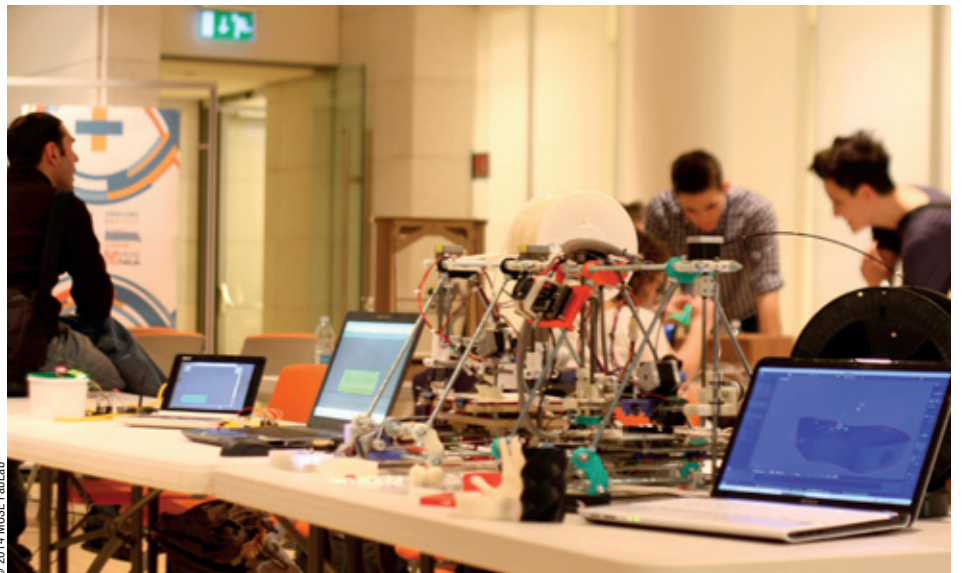
1. MAKER MOVEMENT/FABLABS

A FabLab is the educational outreach component of MIT's Center for Bits and Atoms (CBA), an extension of its research into digital fabrication and computation. It is an independent network of spaces and people, using digital tools based on fabrication, and a platform for learning and innovation: a place to play, to create, to learn, to mentor, to invent.

There are more than 500 FabLabs across 40 countries, and connecting to a global community of learners, educators, technologists, researchers, makers and innovators is a central part of the model. Because all Fab Labs share common tools and processes, the program

is building a global network, a distributed laboratory for research and invention.

FabLabs have been instrumental in the rise of the maker movement, a sub culture representing a technology



based extension of do-it-yourself (DIY), turning more people into makers, doing this for themselves, rather than just being passive consumers.

As explained by Murat Vurucu from Berlin's Fab Lab, problems can be approached at the local level by focusing on the talent and creativity of people, rather than institutions. The focus is on self-sufficiency, pragmatism, and informal collaboration. This movement is well established and is sustainable and self sufficient – there is no need for policy makers to help contribute to shaping it. The challenge for governments, therefore, is how they can create incentives in different ways.

FabLabs and the maker movement represent a new wave of DIY industrialization. It is still very much in its infancy and its potential to disrupt our notions of manufacturing is immense.

Mr. Beam is a DIY, open source, 3D printed, portable laser cutter and engraver kit, and the product of a Maker Movement initiative in Munich

More on the Maker Movement is available in the policy paper produced by the SIE consortium, **“Making Good our Future”**, which spotlights opportunities at the crossroads of social innovation, open source information and communications technology, and manufacturing. The paper argues that this convergence can enhance productivity, create public and private wealth as well as more rewarding jobs, and ultimately embed democratic practices at the core of industrial production—we call this “maker manufacturing” after the maker movement, and have identified three dimensions for this kind of innovation in manufacturing: Democratisation of Making, Supply Chains for Good, and Corporate Citizenship.

2. DIGITAL SOCIAL INNOVATION (DSI)

Digital technologies and the internet have transformed many areas of business – from Google and Amazon to Airbnb and Kickstarter. Huge sums of public money have supported digital innovation in business and government.

But there has been much less systematic support for innovations that use digital technology to address social challenges. There is a growing digital social innovation (DSI) community in Europe, with large clusters of activity around open hardware and open networks, and growing clusters on open knowledge and data.

 [Watch a video of DSI in action in the field of social innovation](#)

However, to the big established civil society organisations and NGOs, the impact of the use of digital tools

remains relatively low. Big questions remain, such as:

- How can big institutions change the way they think about DSI?
- How can open data help them make smarter decisions about what they do?
- What is the best way of integrating DSI community with the old vanguard of social innovation?

3. TRANSITION MOVEMENT

Permaculture, ecovillages and transition are three connected movements, all aiming to create visions and ideas of a sustainable future by taking community-based action on climate change and sustainability.

Permaculture offers a design approach grounded in a clear set of ethics, namely “Earth Care, People Care, Fair Shares” and in the observation of systems and their underlying principles, while ecovillages are rural or urban human-scale settlements which strive to show that ecological footprints can be reduced while living a fulfilling lifestyle.

As the youngest of the three movements, the transition concept was initiated in 2005. Like the other two movements, it has gone global in its promotion of community-led local initiatives focused on transitioning to a carbon.

An exemplary network for this is **ECOLISE**, a newly-founded coalition representing European and international transition movement initiatives, with the goal of making Europe a net-zero carbon footprint society.

 Learn more about the Transition Movement through [this report](#) from AEIDL


4. SHARING ECONOMY

Sharing economy giants like Uber and Airbnb have garnered a lot of both good and bad attention from policy

makers, media, business and consumers alike. But the sharing economy goes well beyond these newsmakers and extends to much more local, grassroots initiatives like the original **‘social street’**, which aims to re-create the positive elements of communities that urbanisation has threatened, through to inclusive, dynamic fundraising systems for community activities and enterprises like **‘Detroit Soup’**.

In order to reflect the diversity of organisations in this sector, a more nuanced understanding of what the sharing economy is, who is and is not part of it, and what its overall policy demands are is required. Indeed, using the label ‘sharing economy’ can effectively hide the diversity that exists within and overlooks the complexity of putting in place an enabling environment for something that includes companies valued in the billions to small-scale, local level activities and organisations.

It is this diversity that makes creating an enabling environment challenging. Identifying and putting in place one approach that supports small, local sharing economy organisations as well as the large, for-profit ones may be a challenge too far. Some of the features of the enabling environments will evolve as the sharing economy matures. For others, there will need to be explicit engagement by governments and other actors. But before engaging, we need to step back and differentiate the activities that are happening within the sharing economy and identify the different types of enabling environments required. For small-scale local organisations, the focus is likely to be on facilitating access to resources, putting in place supportive measures and overcoming rules and regulations that may fail to recognise the types of activities being undertaken. For larger, profit-making organisations, the focus is likely to be on ensuring regulatory frameworks respond proportionately to new ways of operating, and addressing associated risks.

 [Watch Emma Clarence from Emma Clarence Consultants discuss the potential of the sharing economy](#)

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SUPPORTING SOCIAL INNOVATION ECOSYSTEMS

THE BACK OFFICE

TWO STAKEHOLDERS IN PARTICULAR HAVE AN OUTSIZED INFLUENCE ON THE SUCCESS OR FAILURE OF SOCIAL INNOVATION ECOSYSTEMS: FUNDERS AND POLICY MAKERS. HOW CAN MONEY AND POWER BE LEVERAGED TO FURTHER SOCIAL INNOVATION ECOSYSTEMS? WE ASKED NOT ONLY THE INDIVIDUALS AT THE EVENT WHO REPRESENT THESE STAKEHOLDERS, BUT ALSO THE PEOPLE WHO ARE AFFECTED BY THEIR DECISIONS.

WHAT FUNDERS CAN DO

...from the perspective of a funder

“The old paradigm, where there is a bright line between the philanthropist with the cheque-book and the charity with the hand stretched out is changing rapidly. The more progressive foundations and social services organisations are working better and better at eye level with each other, and tackling issues of social innovation collaboratively. They know that they need each other in order to bring about change, and that they are different but equally-important parts of the same ecosystem.

I try to get a full understanding of an organisation’s values, theory of change and service delivery model as soon as possible in a conversation, as everything else will follow from that. A very promising sign for me is when an organisation really gets to understand what our foundation is about and comes looking to leverage lots of our non-financial assets, which can often be much more valuable. It shows they see us as a potential partner and

not just as cash, and means they’ve done their homework.”



Ryan Little,
BMW Foundation



[Hear from Markus Hipp, the CEO of the BMW Foundation](#)

...from the perspective of a funds recipient

“There are a few things grant makers could do to stimulate innovation further.

Initially I would encourage them to think about their slightly odd role as focal customer and how it might have the unintentional consequence of restricting rather than stimulating innovation. The best funders understand that the user or beneficiary of the innovation is the

Social Innovation Europe in Berlin: Exploring Ecosystems for Social Innovation, June 2015





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actual ‘customer’ and encourages those they fund, support, convene, marshal and measure to all line up and face them.

Too often our services and those that measure, analyse and write about them face upwards towards the source of cash rather than staying focused on the front line where the impact and actual accountability should be. When we face upwards we translate, we lobby and campaign adjusting and compromising to closer fit an established message, wasting resource. Like divers coming up for air the ‘actors’ in our value chain surface for cash. It isn’t easy.”



SAM HOPLEY,
Holy Cross Centre Trust

Year of Change, General Director Nico Kamphorst challenged all city administration employees to become ‘free range civil servants’. Like free-range chickens, they should move around freely, decide where they go, gather information here and there and bring back useful knowledge to the city administration. They should spend more time in the field, interacting with the citizens, instead of sitting behind their desks. This new proactive posture is reflected in the key qualities expected from civil servants in the Amersfoort administration’s new mission statement: curiosity, being close and accountability.

 [Hear from Amersfoort’s “free range” civil servant Mirjam Wingelaar](#)

a statutory body created to jump start wealth creation through knowledge, technology and innovation. The agency lays the foundation of innovation that inspires and produces a new generation of social innovators. This is achieved by facilitating collaboration between government, academia and industry in advancing the consolidation and execution of new ideas in innovation. From crowdsourcing platforms, 3D printing challenges, social impact innovation challenges to working with the private sector and collaborating to design a new financing model, AIM is an example that shows how, through engaging in a variety of activities where collaboration is central, they can contribute to the development of an effective ecosystem for social innovations to thrive.

 [Watch AIM social Entrepreneur Eddie Razak’s Interview](#)

In Malaysia, the central government is changing the way it works through [Agensi Inovasi Malaysia \(AIM\)](#),

WHAT POLICY MAKERS CAN DO

Many governments around the world are trying to transform the way they work. We can learn from the different ways governments are thinking differently about their role. We take a look at examples specifically from the Netherlands and Malaysia respectively.

‘Free range’ civil servants in Amersfoort, the Netherlands, are one of Europe’s best examples of innovative government. The city administration should open itself up, and civil servants should get out of their offices and play a more active role in the life of the city. In his New Year’s speech at the start of the





WHAT OUR PARTICIPANTS HAD TO SAY TO POLICY MAKERS

WE ASKED OUR PARTICIPANTS WHAT POLICY MAKERS COULD DO DIFFERENTLY TO SUPPORT SOCIAL INNOVATION ECOSYSTEMS. FOLLOWING IS A CROSS-SECTION OF THEIR RESPONSES, AS THEY TOLD THEM TO US.

Policy makers need to enhance direct dialogue with the citizens, bottom up, to better understand real needs. They also need to get out of their way, let go of their agendas, structures and conditioning and be brave enough to follow what is demanded. That might seem not logical but can lead to “real innovation” fully adapted to the needs of civil society. For the financial system, policy makers need to enhance the financial education of citizens so individuals can make informed decisions, versus just regulating systems.”



NINA CEJNAR,
Golden Deer

“I would like to see that the idea and practice of social innovation would become part of the core curriculum in schools. In a broader sense, social innovation could be an alternative path, where young people do not have to necessarily choose between, for example, business or social sector principles, but rather find a great compromise between them in the form of social innovation and social entrepreneurship. So let’s widen the spectrum of opportunities for

young people and introduce the idea of social innovation as early as possible.”



FABIAN SUWANPRATEEP,
Beyond Philanthropy

“Design and implement funding criteria to connect and integrate the social innovation and mainstream innovation domains.”



KELSEY SPITZ,
Social Innovation Generation (SiG)

“Policy makers can build a better garden for social innovators to grow. I believe the market is largely responsible for developing innovations, but it needs a good environment and favourable conditions to grow properly.

In Germany, it would make much sense if policy makers could lower the individual risk of failure to give more people the economic opportunity to put their ideas into practice.

This could be a basic income as I believe that we need to decouple work from a livelihood as technology will increasingly replace labour. However, there are a number of more moderate ideas, like a “social startup” EXIST scholarship or “voluntary social innovation year” that could help grow a culture of social innovation and entrepreneurship.

In general, policy makers can play a key role through programs and legislation to strategically focus on the growth of certain areas of the ecosystem. Of course, supporting stronger social innovation programs in education that bring more young and talented people into the ecosystem is good in any case. Finding a healthy balance in the ecosystem between hardware and software or competitors and collaborators is a challenge that policy makers can help solve.”



DANIEL HIRES,
Makesense

“We think that policy makers need an equally clear vision of how Europe can move towards a

sustainable future. Considering the impact that European activities have on global development, this need for a vision comes with a global responsibility. The most important policy initiative the EU Commission should take is to put communities at the centre of all policy making to address sustainable development and climate change. Without communities' participation in the conception, implementation and evaluation of any programme, it cannot be sustainable, lasting and durable.

Policies are needed which allow communities, neighbourhoods, administrations, politicians, journalists and others the time and space to experiment and to learn together. This includes providing the skills needed for this learning,

and the resources. Funding programmes need to be tailored to a socio-ecological, participatory and local/community based approach to Social Innovation. How can programmes like LEADER empower communities without creating an overload of administration?



SANDRA CAMPE,
ECOLISE

"Sometimes it's most effective to just get out of the way. Innovations can go faster and easier if governments are not too much involved in them. Another thing we can do is

to help increase the chances of beautiful collisions between people and ideas, challenges and innovations, by facilitating networks and putting effort in bringing people with different roles and backgrounds together. A third very important element is that we are open for contact and an open conversation. This means that people know how to reach us, that we are willing to be in contact and that we as civil servants are trusted and able to have these conversations."

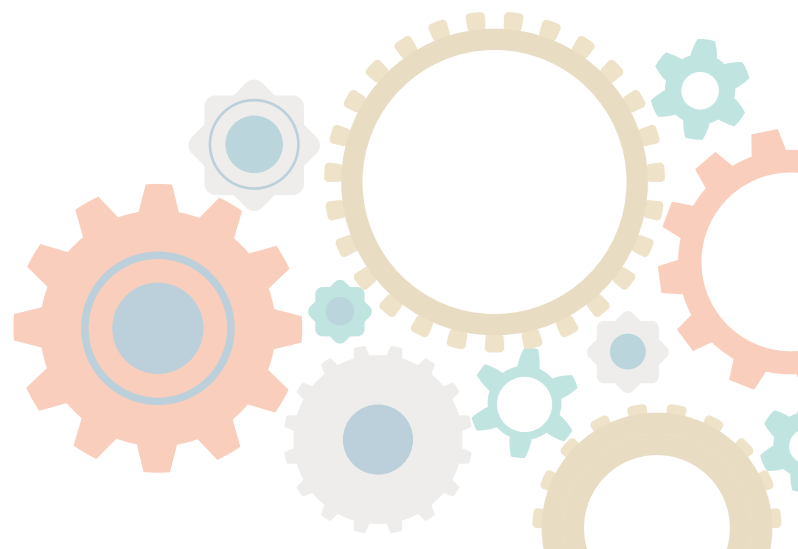


MIRJAM WINGELAAR,
City of Amersfoort



CLOSING

Ecosystems thinking is a relatively new tool for imagining the interplay of diverse stakeholders in the social innovation space. It is becoming increasingly popular among practitioners and thought leaders in the sector because it is an organising principle that is helping to make sense of an increasingly complex and crowded environment. As we begin to imagine the sector as an ecosystem, we can better identify where pastures are green and where there is drought and apply resources accordingly. We are able to build a system that nourishes social innovation at its every stage—something that can only be achieved through design and specialisation, as in nature itself.



Social Innovation Europe is made up of a consortium



DANISH
TECHNOLOGICAL
INSTITUTE



EMES network



Nesta...

