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Paving the Way to Measurement – A Blueprint for Social Innovation Metrics

A short guide to the research for policy makers

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TEPSIE

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RELEVANCE

Why measure Social Innovation?

The current interest in tackling the challenge of measuring social innovation is driven by at least two factors. First, there is undoubtedly a need for tackling long standing as well as new social challenges and meeting current social needs more effectively. The means of choice for doing so is social innovation. Thereby, and this leads us to the second major reason, social innovations can play a pivotal role in serving as competitive future advantages of European economies and societies. This is underscored in the latest EU policy agenda:

"Europe has a head-start. It is ideally placed to take a lead and capture first-mover benefits when it comes to implementing social innovations by pro-actively and effectively trying to fully (and fairly) realise both economic and societal benefits. With its strong legacy in social democracy, solidarity, civic participation, justice and fairness, Europe arguably constitutes especially fertile grounds when it comes to sustainably enabling and growing social innovation."[1]

This comes with the need to express this future potential not only in multi-stakeholder discussions and political proclamations but to ground it in facts and figures. The discursive aspect is of course necessary to galvanise and mobilise sensitize key constituencies for the issue, but the field would benefit considerably from an evolving data system that can serve as a reliable reference to the formation of arguments and decision making.

In the wake of these demands, the issue of social innovation measurement has become a significant priority for individual national states and Europe as a whole. These efforts on the macro level are complemented by an intensified discussion about social innovations on the organisational (micro) level and the impact they create. Social innovation metrics on the macro level and social impact measurement systems thus jointly contribute to enhance our understanding of social value creation that is central to the viability of contemporary and future societies. This applies especially in challenging times like those we are currently experiencing where cycles of financial and economic crises and resulting social unrest (e. g., due to unprecedented levels of youth unemployment in Southern Europe and a resulting lack of political voice in reform processes as witnessed in Greece) threaten social cohesion and thus the foundation of societies.

The combined micro and macro level view is reflected in the field of technological innovation measurement, where innovation is investigated at the level of individual firms as well as the much more complex and aggregated national level. Due to its more encompassing scope and its inherent relevance to policy making, we have focused on the latter in developing a *Blueprint for Social Innovation Metrics*.

It should be stressed that there are significant overlaps between technological and social innovation, both in their practice and research. We therefore try to harness existing knowledge in the field and tap into existing data sources on national technological innovation systems. A

[1] European Commission, *Guide to social innovation*, 2013, 10, retrieved 03-05-2013, <http://ec.europa.eu/regional_policy/sources/docgener/presenta/social_innovation/social_innovation_2013.pdf>, 10.

common trait to both approaches to measurement is that these systems primarily display innovation *potential* in a forward looking way. This is done by extrapolating future innovations on the basis of the existence of certain triggering factors. We have taken a similar approach in developing the Blueprint, which represents the first attempt to measure social innovation at the national level, by including aspects like the availability of financial streams for developing social innovations or cultural factors which foster innovation, like openness to experimentation and risk.

In the field of technological innovation, however, there are more metrics available that have the character of outputs. This is for instance the case, when the innovativeness of a nation is expressed by the number of patents or trademarks. Since social innovation is much more service-based and even more importantly explicitly includes new "models, markets [and] processes"[2], such output measures are much harder to apply. Patents for instance are ruled out, since such aspects are simply not patentable and would not only fall through the cracks of the measurement system, but be missed out entirely. What is more, social innovation contains a normative dimension, in the sense of 'being good for society', which is largely absent in the classical concept of innovation. It is thus faced with the challenge of measuring more subtle aspects, which means it is necessary to both adopt existing metrics and complement them with new aspects.

In short, the developed Blueprint for Social Innovation Metrics proposes to measure social innovations as responses to existing social needs and simultaneously stresses the creation of social value in contributing to societal 'well-being'. This is done with a focus on innovation enabling conditions and therefore on social innovation potential.

How is this relevant to policy?

Policy makers are key actors in creating favourable conditions for the emergence, realization and scaling of social innovations. To account for the status quo and determine future lines of action they must know existing potential for social innovation as well as the factors that can trigger it. The proposed Blueprint contributes to this in mainly four ways:

- ***Provision of rationales for action (EU, national & regional level).*** By developing a macro-level approach that can be adopted in scope the Blueprint covers all areas of policy making.
- ***Operationalization of Social Innovations.*** The measurement tool assists in translating the theoretical and largely abstract concept of social innovation into facts and figures.
- ***Complement to impact measurement approaches (at the organisational level).*** The macro-level approach can complement existing efforts of enhancing organisational measurement, which will help to establish a comprehensive perspective on social value creation.
- ***Increase of political legitimacy.*** By contributing to evidence based policies on the basis of a deepened understanding of social innovation, the Blueprint may have an indirect effect on the legitimacy of social innovation activities both on the side of target groups and society at large.

In doing so the Blueprint responds to the important questions of where social innovations happen and how they might change societies. However, it is not restricted to the discourse of these aspects, but rather explores them in an empirically framed way that will deliver valuable insights on how statistics at the national level and EU level would have to be framed to respond to the policy requirements posited above.

[2] The Young Foundation (2012) *Social Innovation Overview – Part I: Defining Social Innovation. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE)*, European Commission – 7 th Framework Programme, Brussels: European Commission, DG Research, 18.

WHAT WE KNOW

Towards an indicator system – Review of existing models

During the last decades indicator systems for capturing technological innovations have made a major leap forward. Social innovations differ in important respects from technological innovations, but they also share many traits and framework factors, which make it worthwhile to review existing methodologies in order to assess which of the existing elements can be built upon. The aim is to harness synergies instead of establishing a completely new and detached approach to measurement.

In developing the Blueprint we have focused on existing innovation indicator concepts that account for inputs, enabling factors, outputs and processes in a combined and well-balanced fashion. By doing this we pay tribute to the current 'state-of-the-art' of innovation research.

The analysis of about 30 existing approaches to innovation measurement has revealed two models that we deem most fit to inform the development of the new Blueprint. These have been chosen, since they realize the balance of different levels of analysis in the most sophisticated way:

The first model we took as a starting point for our new proposition is the one developed by **NESTA**.[3] The focus in this approach lies on mapping a set of 'wider framework conditions', which "(…) may be seen as providing the resources, incentives, capabilities and opportunities for firms to innovate".[4] These conditions are attached to the functional components of innovation, i. e., stages of the innovation process: (1) Knowledge creation (as a source for the 'spark of invention'); (2) entrepreneurship (as the mode of action for turning the idea into a practicable model); (3) selection (as a step of refinement for choosing the most promising such model); (4) mobilising resources (for offering and spreading the developed product, service or practice).

From this model we have adopted the idea to assign framework conditions to the key functional stages of the innovation process in order to illustrate the interplay of the indicators. At the same time we have built on this model by proposing two major alterations. First, we have systemized and grouped individual items into four dominant framework groups:

(1) Political framework;
(2) Institutional framework;
(3) Societal climate framework;
(4) Resources framework.

Second, we have not linked the framework conditions (e. g., the political framework) to any one specific part of the innovation process (e. g., the selection of ideas). Instead we posit that the different parts of the framework influence the social innovation process to different degrees at different stages and the extent to which this happens depends on the specific social need.

[3] N Miles, C Wilkinson, J Edler, M Bleda, P Simmonds, J Clark, *The wider conditions for innovation in the UK. How the UK compares to leading innovation nations,* NESTA, 2009, 8 ff.
[4] K Allman, J Edler, L Georghiou, B Jones, I Miles, O Omidvar, R Ramlogan, J Rigby, *Measuring Wider Framework Conditions for successful innovation. A system's review of UK and international innovation data*, NESTA, 2011, 13.

The second model we made use of was the 'model for measuring innovation in public sector organisations' developed by the **Department of Innovation, Industry, Science and Research of the Australian Government**.[5] The Australian Government differentiates internal and external drivers and barriers that affect the innovation performance and capability of public sector organisations, like institutional culture as an internal aspect and legislative factors on the external side.

Based on this model we have decided to incorporate the aspect of expressing the result of the interplay between the different drivers (in our case the framework conditions) as innovation performance (in terms of organisational outputs and societal outcomes). In addition we have incorporated the idea of 'innovation barriers and drivers'. In the proposed model the social innovation process is shaped by the nature of the framework conditions depending on whether they promote or hinder social innovation.

How to operationalize Social Innovation?

These indicator systems represent excellent starting points and have provided useful insights for our own model. In addition to the selected conceptual aspects, these two models are characterized by an above average degree of affinity to the subject of social innovation. This applies in particular to the model of the Australian Government, which aims to measure public sector innovations and thus deals with the provision of public goods. The latter also plays an important role in the context of social innovation, but is analysed under the viewpoint of cross-sector contributions rather than in a sector-specific way.

This example underlines the indicators at times will have to be tailored to meet the particularities of social innovation and the challenge of capturing it. To do so it is useful to sketch the traits of social innovation that are particularly relevant to its measurement. Social innovations are characterized by certain criteria, which are addressed each in turn. The table below outlines how the Blueprint is designed to react to the respective criteria. This can be done by addressing each specific aspect or by deliberately excluding it from the measurement system.

Social Innovation Criterion	How to take the criterion into account in the measurement of social innovation
Newness	As the Blueprint is not supposed to measure single cases of social innovation, the criterion of 'newness' is not explicitly incorporated. Instead the nature and existence of social needs (the 'social need situation') at the national level is dealt with in a very generic way and represents the reference point for innovation potential.
Improvement	Changes in society's capacity to fulfil unmet social needs are measured in this approach. By doing this we can trace improvements in the social need situation of societies as well as their 'capacity to act'[6] to resolve these needs. From this perspective the outcomes of social innovations are simultaneously enablers of subsequent social innovations, which call

[5] Australian Government – Department of Innovation, Industry, Science and Research *Working towards a measurement framework for public sector innovation in Australia. A draft discussion paper for the Australian Public Sector Innovation Indicators Project*, 2011, 24

[6] Compare to The Young Foundation (2012) *Social Innovation Overview – Part I: Defining Social Innovation. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE)*, European Commission – 7 th Framework Programme, Brussels: European Commission, DG Research, 18.

	for an iterative model.
Sector Neutrality	The proposed approach is not focussed on a single sector because social innovation can occur in any sector.
Level of Emergence (individuals, organisations etc. in a cross-sector perspective)	We measure innovation potential and enablers at different levels, thus respecting the openness to the different sources of social innovation and their collaborative aspect.
Process of Social Innovation	Despite the chaotic nature of social innovations, a process circle of social innovation is being applied, which is central to our model. Reciprocal influences of framework conditions in relation to this process account for flexible and entrepreneurial acting in the social innovation process.
Qualifying improvements	Through monitoring changes in social needs as well as social innovation enablers in a longitudinal way, improvements of society's capacity to act can be measured. However, as mentioned above, this aspect is more vital to the evaluation of social innovations in the wake of social impact measurement for instance and less so to our macro level approach.
(Qualifying) Social Needs	The approach directly addresses social needs and the outputs and outcomes that are in flux within society.
Legitimacy of Social Needs	By analysing the collaborative dimension of the social innovation process (interactions in networks and broader "innovation systems") combined with the availability of a *diverse set* of resource flows the model indirectly provides a proxy for the legitimacy of social innovations.
Urgency of Social Needs	The element of urgency is expressed by the degree of legitimate claims that are being made towards a specific issue. This is approximated by including the intensity of discourses around specific issues.

In a nutshell, there is a complex set of requirements that the developed model has to respond to adequately, in particular with respect to the 'social' elements that have to be measured. This requires the model to systematically link the measurement model to the existence and perception of social needs and challenges and to frame social innovation as a response to the latter.

Therefore the model highlights that the actors involved in social innovations have to be primarily '(social) mission driven' instead of profit-maximising and articulate this clearly. This aspect also played a role in making the process of 'idea selection' a central component of the model, because it is linked to two aspects that are crucial for social innovation: (1) It contains a strong link to the inclusion of target groups in executing voice in the evolution of the 'best' approaches; (2) it depends on the initiation of a broader process of societal legitimisation. These two civic aspects serve as the fundamental basis and form the normative frame for subsequent steps like economic issues of financing or political negotiations of the involved constituents, which are influenced by power positions.

THE SOCIAL INNOVATION FRAMEWORK MODEL

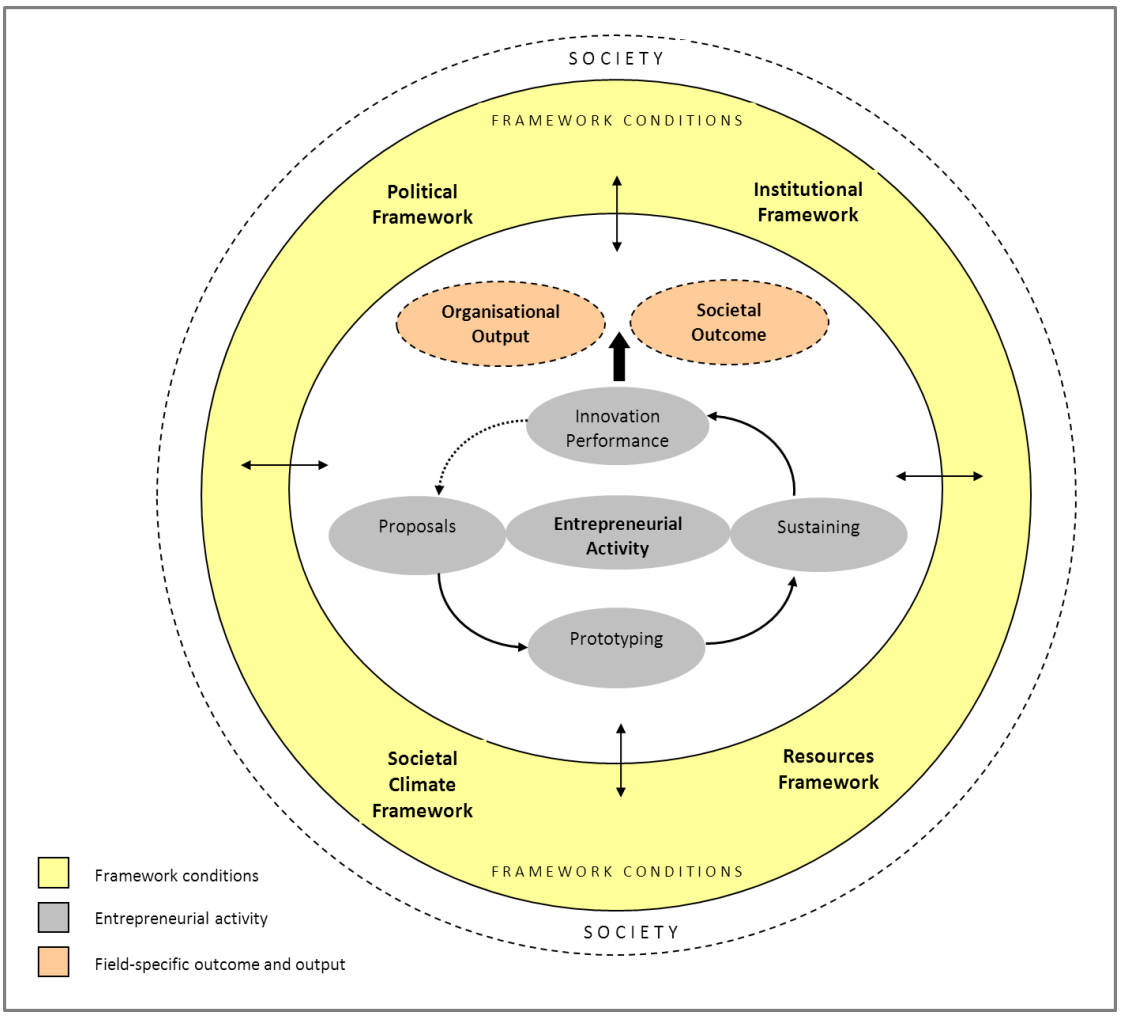
Three interrelated levels to the measurement of Social Innovation.

As outlined in the discussion so far, we have framed social innovation measurement in terms of three interrelated levels that form part of the innovation cycle as outlined in the figure below'. Although they cannot be discussed comprehensively here, their main principles and interrelations will be outlined before each category is illustrated with a set of indicators.

(I) Entrepreneurial Activities.

The elements of knowledge/idea creation, idea selection and mobilising resources have been introduced earlier and reframed in the proposed model as being part of the entrepreneurial process of social innovation, which entails taking risks and the realization of new ideas against all odds, if necessary. They have also been linked to earlier contributions of the TEPSIE project, by framing (1) the creation of ideas to culminate in the articulation of *proposals*, (2) the selection of ideas to be enhanced by a process of *prototyping* and (3) the mobilisation of resources to be vital to *sustain* the proposals and prototypes, i. e., to turn them into practice.[7] All three stages contribute to the eventual *innovation performance* (4). The latter is embodied in the dimensions of output and outcome (or impact) and accounts for what has been achieved by the activity of the social innovation.

Simultaneously it may alter social needs and initiate an iterative process, which is open to short-cuts and interdependencies between the phases. Entrepreneurial activity is at the core of our model and refers to a set of actions, characteristics, attitudes and behaviours that can be traced back to the innovator (individual or organisation. These represent active forces working towards innovation ('push factors').



(II) Field Specific Outputs and Outcomes.

This level represents the results of the innovation activities. Outputs refer to measurable outputs that can be easily linked to a specific organisation or individual. Outcomes on the other hand are much harder to measure and it is hard to connect them directly to separate organisational activity. The proximity of outputs and outcomes to the framework conditions indicates that these outcomes might themselves serve as (new) enabling conditions and thereby contribute to enhancing "society's capacity to act".

With respect to the diversity of social needs, we opt for differentiating between different fields of social needs. That is why the model treats outputs and outcomes in a field specific way. To give an example in the field of environmental protection: The number of rides of a car sharing community would be considered an output, while the reduction in air pollution by CO_2 would be the outcome.

(III) Framework Conditions.

The framework conditions represent the dominant 'pull-factors' for social innovation. Based on theoretical discourses and empirical framing of the individual elements, we posit in the language of rational choice theory that these represent the main context factors and determine the conditions for the activity of social innovators. Due to their complexity they require more detailed explanation:

(1) The *political framework* represents the set of incentives and interventions that derive from the political system and that are intended to foster social innovations directly or indirectly. The latter would for instance apply with regard to the unrestricted civic use of ICT and social media. These are not meant as monetary-based incentives that are offered by the national government but instead promoting activities such as social innovation prizes initiated by the government.

(2) The *institutional framework* represents the set of values, rules, norms and laws that regulate the human and organisational actions on the societal level. It is important to stress that that the process of the initiation, discussion and adoption of laws is part of the political framework. However, once a law has been passed and incorporated into the existing set of laws, it becomes part of the institutional framework.

(3) The *societal climate framework* covers the attitude towards change as well as openness to the development and (social) innovation. It also covers the existence of shared set of needs and awareness as well as legitimacy within society for these.

(4) The *resources framework* incorporates the existence and availability of resources which are potentially relevant for the innovation process, especially for the scaling of social innovation. This can include but is not limited to: monetary resources, knowledge and creativity, volunteers, ICT, networks that deal with aspects of innovation, etc.

Interrelations.

The interaction of the different levels is determined by the elementary mechanism of *demand and supply* of social needs/problems as well as for solutions addressing the latter.

The promotion of renewable energy in Germany is an illustrative case at hand. The increasing demand for renewable energy articulated by citizens (societal climate framework), has led to the establishment of renewable energy cooperatives as a supply side reaction (entrepreneurial process). This triggered the prioritisation of the topic on political agendas (political framework) and thus altered the framework conditions in favour of renewable energy friendly policies and legislation (institutional framework), which has tremendous effects on both supply factors (provision on markets) and demands (satisfaction of consumer needs, but also scepticism due to price increases). Both the latter in turn have implications for the societal climate framework and open spaces for new/continued social innovation cycles.

[7] The Young Foundation (2012), *Social Innovation Overview – Part I: Defining Social Innovation. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE),* European Commission – 7th Framework Programme, Brussels: European Commission, DG Research, 2012, 33ff.

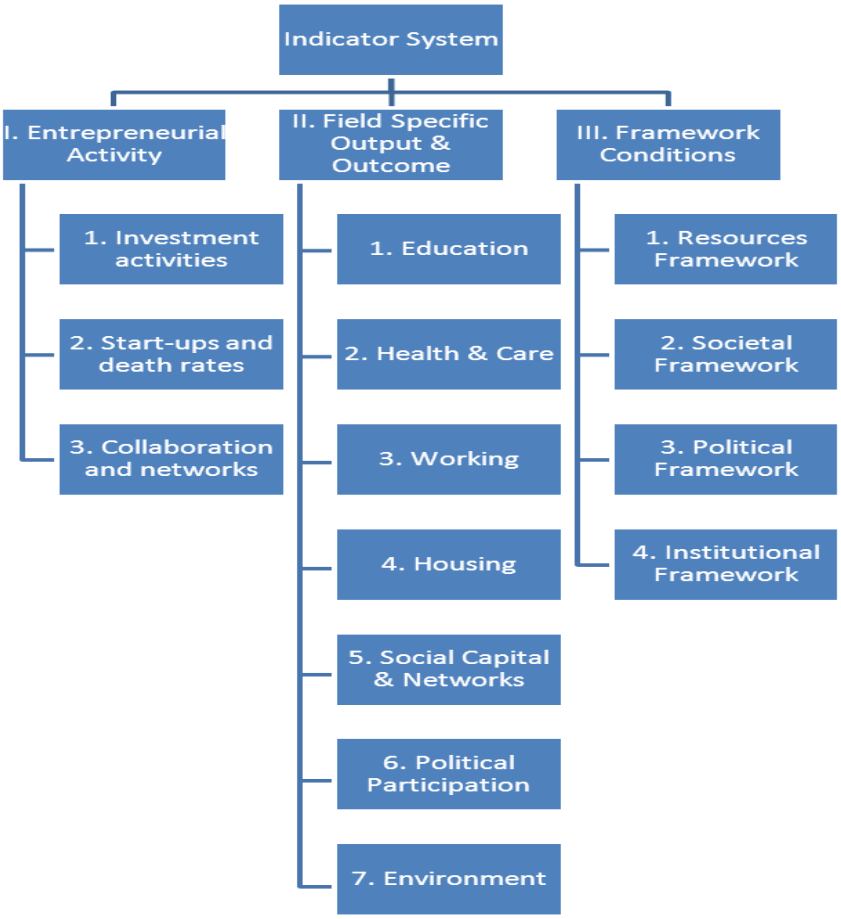
INDICATORS

In search of indicators and data sources

Building on the framework model presented above, we have identified particular categories for the variables to inform the screening of available individual indicators, what is needed for their adoption as well as gaps in the data with regard to *social* innovation.

The categories that we have built differentiate the three introduced levels further: (I) entrepreneurial activities, (II) field-specific organisational output and societal outcome, (III) framework conditions. These levels have been divided into sub-indicators. The following figure summarises the structure of our Blueprint for purposes of data gathering and data analysis.

The Blueprint has to be understood as scoreboard. This means that we opt for illustrating and analysing each level, its sub-categories and subsequent individual sub-indicators separately and to refrain from aggregating them to a single index. The reason behind this is their multi-faceted nature which is a result of the complexity of social innovation and the scope of dimensions that influence it. This approach also allows for uncovering specific strengths and weaknesses within national social innovation systems as well as their statistical mapping and analysis.



This blueprint uses two different types of data to capture social innovation potential. In general it is important to harness data sources that are directly linked to the categories that have been identified and explained in the preceding discussion. This data can be divided into two subgroups, which bring the 'innovation' and 'social' aspects together:

1) Established metrics that are directly connected to ***innovation measurement in private or public sector organisations*** or measurement systems that are dedicated to topics, which are related to innovation like the one of 'competiveness'. These include: Innovation Union Scoreboard (European Union), Global Innovation Index (INSEAD), Innovation in Public Sector Organisations (NESTA), Measure Public Innovation in the Nordic Countries (MEPIN), Global Competitiveness Index (WEF).

2) Metrics that focus on ***social, normative or environmental dimensions***, which are particularly appropriate for capturing the 'social' aspect of social innovation. These include: OECD Better Life Index, European System of Social Indicators (GESIS), Civil Society Index (CIVICUS), National Footprint (Global Footprint Network).

In certain cases these conventional data sources have to be complemented by completely new (one might call them 'innovative') data sources that have not yet been applied as social or innovation measures. This applies in particular to the identification of current ***social needs***. One tool that could for instance be used is the 'Google trends' (see below) search that reflects internet user interest in certain topics by analysing search terms. Although this can only serve as a proxy, it might provide a simplified and accessible road to at least get an impression of the awareness and/or the acuteness of current needs measured by the interest of individual citizens.

As promised at the outset, the following *excerpt* from the comprehensive list of metrics aims to bring the framework to life (for the complete list, please consult the extensive version of the Blueprint). The following table contains dimensions, sub-categories, individual items and the respective metrics to measure social innovation. It not only specifies individual items, but also qualifies existing data sources that could be tapped into. In a first attempt to test data availability, the selected items have been expressed in current figures. Cases where figures could not be retrieved, because they would have to be adapted to be used to measure social innovation or were simply missing, have been highlighted. This has been done in an illustrative way for the TEPSIE partner countries (Denmark, Germany, Greece, Poland, Portugal and UK).

When compared to the figure above, it becomes evident which parts of the Blueprint have been selected for illustrating its applicability and connected data availability. The first dimension of 'Entrepreneurial activity' is exemplified by the sub-categories 'investment activities' and 'entrepreneurial start-ups and death-rates', which each contain individual items. For the dimension of 'Output & Outcome' the field of education has been chosen and is divided into items grouped under the headline of 'equal opportunities' or 'skill acquisition' for instance. In the case of framework conditions, the 'resources framework' and the 'societal framework' are displayed and subdivided further. We have deliberately chosen to display figures in a neutral way, which contains no evaluative component of 'better or worse'. The latter needs to result from a closer examination of the reliability of the proposed indicators for social innovation measurement and thus of an improved understanding of social innovation.

Indicator dimensions	Proposed metrics (data source)	Illustrative data					
		DK	DE	GR	PL	PT	UK
I. Entrepreneurial Activity							
1. Investment activities							
Investment in innovation by: …social economy organisations	Expenditure on innovation activities by firm size (Community Innovation Survey)	Used in ordinary innovation metrics → *No equivalent for social innovation currently available*					
…public sector	*No data currently available*	*No data currently available*					
2. Entrepreneurial start-ups & deaths							
Number of start-ups	Early-stage Social Entrepreneurship as percentage of the working population in 2009 (Global Entrepreneurship Monitor)	-	0.7%	2.0%	-	-	2,2%
Number of death rates	Enterprise death rate (OECD Business demography database)	Used in ordinary innovation metrics → *No equivalent for social innovation currently available*					
Business environment for starting a business	Days needed to start a business (International Bank for Reconstruction and Development/World Bank (2009), *Doing Business 2010,* United States*)*	6	18	19	32	6	13
II. Output & Outcome							
1. Education							
1.1 Equal opportunities / inequalities							
Disabilities	Equal opportunities / inequalities regarding disabled people (EUSI)	*No data currently available*					
Gender	Equal opportunities/inequalities regarding women / men: Women in Tertiary Education (2009, SIMon) (EUSI)	58.2%	51.4%	50.1% (2008)	57.9%	53.4%	57%
Migration	Share of foreign students in all students: Foreign students as a percentage of total tertiary enrolment 2000, 2004, 2009 (OECD)	9.6%	10.5%	-	0.8%	4.8%	20.7%
1.2 Skill acquisition							
Social and personal competence	Educational attainment, Percentage of people, aged 25 to 64, having at least upper-secondary (high school) degree, 2010 or latest available year (OECD Better Life Index)	76%	86%	65%	89%	32%	75%
Subject-specific and methodical competence	PISA results in reading, Reading, Age 15, (2009, OECD) (ranges from 0-1.000)	495	497	483	500	489	494
III. Framework conditions							
1. Resources framework							
1.1 Financial resources							
Monetary variables of the social economy	Share of expenditure as percentage of GDP (national sources, GDP in 2010 at current prices and current PPPs), inflation- adjusted (Data refer to different organisational populations)	7.9%	3.7%	-	0.5%	3.5%	2.5%
Public social expenditure	Total public social expenditure as percentage of GDP (2009, OCED Social Expenditure Statistics)	30.2 %	27.8 %	23.9 %	21.5 %	25.6 %	24.1 %
Private spending	Private social expenditure as percentage of GDP (2009, OCED Social Expenditure Statistics)	2.7 %	2.0 %	1.8 %	unclear	1.6 %	5.3 %
2. Societal framework							
2.1 Demand for social innovation							
Interest in shared social needs	'Google Trends' tool (Google)	*Application to be developed*					
Request for change	Articulated requests to the EU Parliament (EU Parliament, national parliaments)	*Application to be developed*					
2.2 Social engagement and attitudes							
Political participation	Signing a petition (2008, European Value Survey) (have done / might do)	61.7% / 19.6%	57.7% / 30.0%	19.0% / 34.3%	21.2% / 50.4%	21.0% / 32.0%	66.3% / 20,5% (2009)
Memberships in civil society organisations	"Do you belong to an organisation / group in environment, ecology, animal rights" (2008, European Value survey)	15.6%	3.8%	2.4%	0.8%	2.1%	6.7% (2009)
Citizens' attitudes towards entrepreneurship	"One should not start a business if there is a risk it might fail" (Strongly disagree/disagree) (Flash Eurobaro.)	56% / 12%	33%/ 10%	37% / 13%	27% / 5%	31% / 3%	35% / 27%

RECOMMENDATIONS

The illustration of the indicator system and its very basic testing has not only shown that there are a considerable number of reference points for the measurement of social innovation, but also that 'innovation' and 'social' metrics can be combined in a productive way. However, it has also served to uncover gaps in the map of social innovation metrics that need to be developed (further). Based on the lessons learned from the Blueprint we can make recommendations on three levels: Methods, Scope of indicator systems and Actor involvement.

These are formulated as recommendations of what TO DO (with regard to the indicator system), what we hope there is TO LEARN (on national innovation systems), where we see opportunities TO DEEPEN potential insights (on the regional level), what we think needs TO BE DEVELOPED (in organisational level statistics to enhance the capture of social innovation), who we believe it is important TO ENGAGE (in the suggested actions).

TO DO

Put the indicator system into action

The proposed methodology is based on a considerably large set of assumptions that are linked to a theoretical concept that is only just emerging. This leads us to suggest that there are particular links between enabling (or hindering) factors, the process of social innovation and outputs and outcomes as illustrated in our model – but the validity of the connections between the individual elements needs further testing. However, mere theoretical testing will not be sufficient in this case. What needs to be done is an empirical testing that puts the proposed Blueprint into practice and contributes to filling the remaining gaps in indicator systems. This would be best performed in a longitudinal way that allows for capturing the interplay between framework conditions, changes in needs and social innovations that address these needs. A long-term perspective is also vital to understanding underlying mechanisms and means for their promotion in a targeted way. In the same way ineffective or flawed cause and effect relationships could be uncovered and fine-tuned accordingly.

In short, the proposed Blueprint is certainly far from perfect, but a valuable prompt for discussions about how to measure social innovation and a tool for identifying existing data gaps. Its stepwise practical application would furthermore lead to insights on how to weight indicators and how to embed individual items into a scorecard in a meaningful way. The Blueprint thus presents a point of departure that would be worthwhile utilizing to enhance measurement and the framing of social innovation. If left as it is and not tested in practical application the Blueprint will not be able to unfold the potential it might hold to develop our understanding and empirical grasp of social innovation further.

TO LEARN

Identify patterns of national social innovation systems

A second perspective on the development of social innovation measurement lies in the cross-country perspective. It is far from certain that framework conditions are similar across diverse country backgrounds. While we assume that the general categories would hold and be useful in identifying and selecting indicators, their application will reveal whether there are context-specific adjustments that would have to be made. Especially in today's times of crisis it would be vital, upon this background, to work out whether there are constellations of framework conditions that are more effective in fostering social innovations and dealing with challenges than others. In the optimal case, this would also help to qualify a typology of social innovation systems, since we assume that there is no single best way to foster social innovation, just as there is no single way of measuring it. Finally, this would provide a better understanding for constellations of involved actors and stakeholders. For instance a state with a weakly developed social welfare infrastructure might cope with this circumstance by energising a landscape of flexible and financially strong foundations that might be able to (partly) make up for this deficit.

TO DEEPEN

Develop indicators at the regional level

In its current state the indicators provided in the Blueprint aim at the level of national states. However, as hinted to earlier, these could also be adapted for use at the regional and municipal level. This would of course require a process of refinement and adaptation with respect to localities. In parallel to the reasoning on the national state level, we believe that it is worthwhile to develop the regional application of social innovation measurement, since it is probable that there will be regions within countries with both differing degrees of social needs and responding innovation capacity. In a similar way it might be necessary to develop ways to tailor the proposed model to the requirements of sectors or organisational fields. This might proof useful although social innovation is supposed to happen across all sectors and the proposed Blueprint as presented here does therefore not differentiate between these. A more fine-grained application of the model would in any case simplify the tracing and testing of actual connections between framework factors and the innovation process.

TO DEVELOP

Improve statistics at the organizational level

The short insights into the indicator system and available data sources, has underlined that there are a lot of challenges in particular with regard to the measurement of entrepreneurial activity. These stem from the fact that we are currently unable to filter 'social mission driven organisations' across sectors. A differentiation guided by sector and legal form has proved to be ineffective in the face of social innovation. Repeatedly it has become clear that social innovation is a hybrid

phenomenon drawing from all sectors. For instance there are a considerable amount of organisations labelled 'for-profit', which contribute to the public good. This applies to the areas of fair-trade or microcredit among others. Therefore it seems more than desirable to include new sets of criteria that cover whether an organisation follows a social mission and to capture this in statistics.[8] Only by doing so will it be possible to identify the (potential) contributors to social innovation, which is essential to estimating aggregated social innovation potential. As highlighted in the definition of social innovation this should not only cover mere outputs, but also pay attention to processes, as social innovations are social in their "ends and *means*".[9] This includes aspects of organisational governance, e. g., with regard to the consultation of target groups or other forms of stakeholder involvement (compare to TEPSIE's contribution on engaging citizens in social innovation).[10] Capturing governance models in organizational statistics would enhance our capacity to identify actors that are social also in their means. An auspicious option to achieve this goal would be to include such aspects in the 'Community Innovation Surveys' of the EU. This in turn would come with the necessity of defining which (types of) organisations would have to be addressed.

TO ENGAGE

Multiple actors to contribute their strengths

These recommendations have to be realized in an inclusive way, tapping into the distinct competencies of different key actors. Upon action of policy makers at the EU, national and regional level with regard to social innovation measurement and the improvement of available statistical information, researchers could help to drive the understanding of social innovation systems and in particular their empirical analysis further. This would help social investors, be it private actors or the state, to direct resource allocations towards social innovation potential. With regard to the current political agenda this seems a vital component to the future of the EU and would not only enhance political steering and help to steer investment decisions, but also be an effective support to social innovators in the field. These, however, have to be involved as actors in the process not merely consulted; since they are the ones how shape the process and can provide the best insights on how to refine its measurement. This applies not only to the existence of social needs, but also to enabling and hindering frame working conditions.

[8] This is in line with the recommendations contained in Hubrich, David-Karl; Schmitz, Björn; Mildenberger, Georg; Bund, Eva (2012): *'The measurement of social economies in europe - a first step towards an understanding of social innovation'. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE)*, European Commission – 7th Framework Programme, Brussels: European Commission, DG Research, 16ff.

[9] R Murray, J Caulier-Grice, G Mulgan, *The Open Book of Social Innovation*, 2010, 3, retrieved 27-05-2013, <http://www.nesta.org.uk/library/documents/Social_Innovator_020310.pdf>, 3.

[10] Davies, A and Simon, J, (2013). *Engaging Citizens in Social Innovation: A short guide to the research for policy makers. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE)*, European Commission – 7th Framework Programme, Brussels: European Commission, DG Research.

CONCLUSION

The developed 'Blueprint for Measuring Social Innovation' can serve as a valuable point of departure for the implementation and further development of measuring social innovation. Although it does not allow us to trace individual social innovations and their direct relations to framework conditions, we believe, it provides an excellent proxy for social innovation potential by following the rationale of the measurement of technological innovation. It has become evident that *social* innovation is more complex than innovation more generally, and that this is partly because it happens at the cross-roads of different sectors.

If policy makers take this assumption seriously, they would be well advised to test the developed Blueprint and respond to the statistical needs outlined to understand social innovation in a more comprehensive and precise way. The Blueprint can be a significant tool to enhance the understanding of social innovation, but also to direct political steering and regulation as well as informing social investment to enable social innovations to unfold. This would be a huge opportunity for policy makers to live up to the claim of realizing Europe's *"first-mover benefits when it comes to implementing social innovations"*.