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social innovations –
Their characteristics and impacts,
cross county comparisons
and implications for policy support

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Introduction

The paper identifies key characteristics of social innovations in Central and Eastern European countries, and factors shaping them. The analysis is based on the database accumulated within the international prize SozialMarie, awarded annually to social innovations since 2005 by Austrian foundation Unruhe (Unrest),¹ and on grant applications submitted in the first call explicitly targeting social innovation support within the ESF in the Czech Republic in 2013.²

Our analytical approach is structured according to innovation supply and demand sides. Innovation supply is represented by solutions submitted (for the social innovation prize or grants) by social innovators. Innovation supply reflects available innovation capacities. Innovation demand, i.e. the need for new solutions, is specified in the selection criteria by the (support) providing bodies. The analysis of innovation supply and demand characteristics and interplays is used for recommendations making the support of social innovations (potentially) more effective.

In our analysis we looked for the factors shaping social innovation environment and demand in the CEE countries, their common patterns and country specifics, and their development in time (such as in reflection of economic crisis). More specifically, we are interested in immediate motivations (drivers) of social innovation activities. In case of individual innovation solutions (innovation supply), we evaluate their innovation intensity, the roles of capacities of innovation agents (including their networking and learning patterns), and target groups (in terms of participation and empowerment). In case of policy implications, we want to find out how the social innovation characteristics influence the sustainability and impact of innovation activities and how a systemic policy support can make the impact higher.

The methodology of social innovation evaluation, applied in the paper, is based on our expert work for the Ministry of Labour and Social Affairs in the Czech Republic (2011-2012),³ and itself combines diverse approaches to social innovation evaluations. Besides the SozialMarie submission database and the application database of the social innovation call in the CR, we also use the results of online survey undertaken in September 2013. We used the contacts from both databases to update and concretize the already available information to further deepen the analysis on the identified social innovation factors and characteristics.

The paper is structured into six parts. In the first part we summarize diverse approaches to social innovation definition and evaluation which we found relevant for our analysis. In the second and third parts we present the characteristics shaping social innovation demand (eligibility and evaluation criteria applied for project selections) and supply (submitted innovation solutions, their motivations and available innovation capacities). The fourth part combines the supply and demand as-

1 Anna was appointed member of SozialMarie Jury in 2012, which was an impulse for promotion of social innovations in the CR. We want to thank Mrs Nora Somlyódy from SozialMarie office for her support regarding the project database and other relevant information required for our research.

2 Anna and Saeed produced a guidebook for potential applicants of social innovation projects (Kaderabkova, Saman, 2013) and Anna became an innovation consultant to the ministry, advising both the project applicants and the ESF call managers. This experience has been of great value for our knowledge on social innovation capacities in the country and their development requirements.

3 More specifically, we evaluated innovativeness of the largest support programme financed by structural funds (ESF) since 2007, and formulated a number of measures for targeted support of social innovations (Kaderabkova, Saman, 2012). The recommendations were partly applied already in 2013 when the social innovation call was opened by the ministry. Other recommendations are being implemented gradually to build up a systemic support for the social innovation capacities and activities in the new programming period starting in 2014.

pects of analyzed social innovations to identify their matches or interactions. The fifth part includes more detailed information on innovation characteristics of sample projects, based on online survey. The last part includes conclusions of our analysis and related policy recommendations.

1. Theoretical foundations

Evaluation of social innovations requires specification of criteria which are measurable (or at least convincingly justifiable) so that the individual solutions can be ranked (to decide about support provision), and their determining factors identified (to make the support more effective). Compared to profit-seeking business innovations, in case of social innovations there is no definition which would be generally accepted by academics or professionals. It is not only because of the novelty of social innovation concept itself, but also and mostly due to its context specifics playing an important role both as shaping and assessment factors.

Taking into account the given limitations, for the purpose of our evaluation, we restricted our focus to those factors or criteria which we consider as most important for decision about (public or private) support for social innovations. The chosen criteria are based both on knowledge available in academic papers and on our own experience as policy advisors with formulation and application of social innovation evaluations. Among the large and ever increasing number of academic papers dealing with social innovation concept, we were in particular inspired by those which combine theoretical approaches with practical applications.

Young Foundation and SIX (Social Innovation eXchange) Network (see BEPA, 2010) define social innovations as “innovations that are social both in their ends and in their means”. We consider this definition as a good start, however, the attributes of social needs (which we consider as approximation of innovation demand) and social means (considered as innovation supply) need to be specified so that the evaluation criteria can be formulated.

Westley and Antadze (2010) define social innovation as “a complex process of introducing new products, processes or programs that profoundly change the basic routines, resource and authority flows, or beliefs of the social system in which the innovation occurs. Such successful social innovations have durability and broad impact.” In line with this approach and in representing the evolution of a single innovation from idea to maturity, Peterson’s concept of adaptive cycle is used, providing a heuristic for understanding the dynamics that drive both continuity and change, and includes release (through creative destruction), conservation, growth, and reorganization stages. The key aspect for innovation success is the capacity of innovators (individuals and organizations) for moving through all stages continuously in a loop, without being trapped (locked-in) in transitions.

Drawing on the survey of current approaches, the TEPSIE consortium defined five core elements, which should be present in any social innovation (Young Foundation, 2012). (1) The goal of social innovation is to meet a social need defined as (potentially) causing serious harm or socially recognisable suffering. (2) Social innovations are new to the field, sector, region, market or user (but not necessarily unique or original), or are applied in a new way. (3) Social innovations are practice-led from idea to implementation, i.e. not only promising changes but actually making them happen. (4) Social innovations are process innovations, they enhance society’s capacity to act, empower beneficiaries by creating new roles and relationships, developing assets and capabilities and/or better use of assets and resources. The process of social innovation often entails changes in social relations, especially in terms of governance; and increases the participation of vulnerable, marginalised and/or under-represented groups. (5) Social innovation creates outcomes which are more effective than existing solutions. It creates a measurable improvement in terms of quality, levels of user satisfaction, rates of adoption or a reduction in costs or higher level impacts such as improved wellbeing or social cohesion.

Social innovations can be classified according to a number of characteristics. Castro Spila (2012) identifies dimensions and modes of social innovations used for evaluations by SINNERGIAK. Dimensions of social innovation include: (1) modes of participation in the innovation process, e.g. bureaucratic (through formal channels), interactive (through events), (2) new values promoted through the innovation (equality, freedom, integration), (3) creativity, or the techniques used to develop new ideas (design thinking, brainstorming), (4) learning, its mechanisms and assessment tools used (evaluation experts, participatory evaluation), (5) knowledge aspect, i.e. mechanisms to

accumulate information and share knowledge (computer systems, regular meetings, sporadic meetings), (6) structure of cooperation, which can be through organizational proximity (types of partners) or geographic proximity (regional, state, international), (7) financing and the sources of funding (public, private, mixed, own resources).

Modes of social innovations are differentiated according to the primary tools of change such as (1) technological: new technologies introduced, (2) political/ institutional: new regulatory frameworks (laws, regulations), (3) organizational: changes in organizations or new organizations, (4) cultural: changes in behavior, attitudes or perceptions of target groups.

Our evaluation model (presented in part 2) combines the above mentioned approaches, together with the criteria applied on the SozialMarie Prize submissions. The model is influenced by the purpose for which it is used, however, not much in the criteria applied, as they are largely similar to the approach of TEPSIE, but rather in their prioritization. For the decision on public support provision (as in the case of social innovation call in the CR), the impact and sustainability of the innovation solution is the key aspect (as in Wesley and Antadze), and other characteristics are evaluated primarily in respect to their capacity to enhance it.

2. Innovation demand: eligibility and evaluation criteria

SozialMarie Prize for social innovation (SMP) started in 2005⁴ and since then 135 submissions have been awarded. Currently innovations from whole Austria, Hungary and the Czech Republic can be submitted. In Slovakia, Poland, Croatia, Slovenia and Germany projects must not be located more than 300km away from Vienna. Definition of social innovation applied in the SMP was formulated by the Social Innovation Center in Vienna (in 2008): “Social innovations are new concepts and measures to resolve societal challenges, adopted and utilized by social groups concerned.”

There are no eligibility restrictions regarding the innovation field or measures, but only the already implemented and still running innovations are accepted for evaluation. The evaluation criteria follow four dimensions: novelty, involvement, effectiveness, and perception:⁵

(1) Novelty (innovation in project idea): new social approach or new solutions, new ways of looking at a social problem, addressing new or previously ignored target groups, (2) Involvement (innovation in accessing target groups): concrete and enduring benefit for the target group, enhancement of its potential and societal esteem, (3) Effectiveness (innovation in implementation): inventive, resourceful, creative and courageous implementation and effects, adoption to changing needs, cooperation capacity, (4) Perception (innovation as an example): integration into local and regional environments, fostering external dialogue, linkages, cooperation, and attracting attention from outside.

Social innovation call (SIC) was opened in 2013 by the Czech Ministry of Labour and Social Affairs. According to the definition in the call, “social innovations are new and better solutions which meet urgent social (or societal) needs, and, at the same time, they create new social interactions and cooperations.” The eligibility criteria reflect the innovation demand formulated by the ministry. Compared to the SMP, the eligibility criteria in SIC explicitly target social innovations capable of demonstrating a social impact which is measurable (in terms of cuts in public expenditure on social services) and sustainable (after the project support termination).

The evaluation criteria are specified in the project documentation, in so called innovation proposal, and they include novelty, need, impact, implementation, action capacity, and sustainability. As the explicitly targeted support for social innovation projects is quite new in the Czech Republic, specific support for the applicants is provided to help them not only to meet the eligibility criteria but also to maximize the innovation intensity (and hence the impact) of their proposals.

4 SozialMarie itself can be considered an example of social innovation, as in the time of its beginning, the concept was quite new and unknown even in Austria. In Hungary, the sustained increase of applications started in 2010, in the Czech Republic only in 2013. In Hungary, there are other initiatives supporting SI awareness, which is not the case of the CR, so the role of the SMP was important also in shaping the public support measures for SI as opened in 2013 by the ESF call.

5 The perception criterion has half the weight of the other three dimensions.

(1) Novelty of the solution (compared to the existing approaches), creation of own innovation or transfer/adaptation of innovation developed elsewhere, eventual modifications within the innovation transfer, innovation radius (new to the organization, country, target group), (2) Need for the innovation (inadequacy of the existing approaches and/or the demand from stakeholders), the causes and implications of the unsolved problem and its possible developments without solution, why the past approaches failed (persistence of the problem), (3) Impact of the innovation in terms of achieved improvement compared to the current situation (base-line), the methods of impact measurement (together with project monitoring and evaluation), conditions or barriers for maximizing the expected impact (e.g. through upscaling, mainstreaming).

(4) Implementation of innovation in individual stages of innovation cycle (milestones and transitions to higher ones), including process characteristics of the new solution, risks and uncertainties of innovation and risk management approaches, criteria for an eventual project termination, (5) Action capacity of the innovation organization (previous experience with innovation solutions), diversity of involved partners and stakeholders, empowerment and engagement of target groups as co-creators of the innovation, new social interactions, cooperations and networks, (6) Sustainability of the new solution based on the newly developed (or previously unused) capacity of the target group and/or new incentive structure effectively changing its behaviour, (matching innovation supply and demand), financial requirements and sources of funding.

3. Innovation supply

SozialMarie has so far (from 2005 till 2013) attracted 2048 submissions (see Table 1) mostly from Austria, Hungary and Czech Republic. The unique nature of the SMP database⁶ (its extent and history as well as diversity of applications in terms of institutional sectors, founding resources, type of impact) gives possibility to look for the factors shaping the innovation supply from bottom, when there has been no specifically targeted social innovation support.

Austrian submissions have been the most numerous and so far they represent 71 % of the total. However, in time they are decreasing, both in absolute terms and their shares in total submissions, down to 39 % in 2013. The changing country distribution shows the increasing attractiveness of the SMP in Hungary and the Czech Republic the whole territories of which were made eligible in 2010 and 2013 respectively (compared to the original 300 km distance limit). While the increase of applications from Hungary has been rather steady since 2010, the increase in the Czech submissions in 2013 was quite steep.⁷ It will be interesting to see if the newly opened call for social innovation support from the ESF in the CR will have some impact also on the submissions for the SMP in 2014 round.⁸

6 On the SMP website, 2046 projects are included in the searchable database (see www.sozialmarie.org).

7 The increase reflected active promotion of the SMP in the CR, including press conference, workshops, direct email campaigns (also supported by the ESF team at the CR Ministry of Labour and Social Affairs).

8 The call has been supported by extensive awareness raising through seminars on social innovation concept and implementation, in which on average 50 (potential) project applicants participate every month from June to November 2013. On the seminars, the SMP project database is presented and selected examples of social innovations introduced for inspiration.

Table 1: Number of submissions for SozialMarie Prize (country distributions)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
AT	226	258	180	154	78	159	148	133	121	1457
AT %	95,4	89,3	93,8	70,6	81,3	76,8	55,8	57,1	39,3	71,2
	1	5	5	43	10	41	69	73	82	329
CZ	4	0	0	12	4	5	43	21	88	177
SK	3	5	4	2	0	2	4	3	4	27
SI/ CR	3	21	3	7	4	0	1	3	13	55
	237	289	192	218	96	207	265	233	308	2045

Note: Remaining three submissions of 2048 total came from Germany and Poland. AT% = share of submissions from Austria in total submissions. Source: SozialMarie Database, own modifications (retrieved on 31.8.2013).

With the decreasing shares of Austrian submissions and increasing shares of Hungarian and Czech submissions, the SMP is becoming truly international in its focus, and also (potentially) more inspiring thanks to country diversities (both economic and social).⁹ Another important aspect is the opportunity for cross-country learning and awareness raising in the CEE region, as the SMP shows that the countries traditionally considered as (economically and technologically) less developed (such as the new EU members) can produce interesting and inspiring social innovations which would otherwise remain unnoticed nationally or internationally.¹⁰

9 It will be interesting to see the impact of inclusion of the whole territory of Croatia considered for the future (there were 12 Croatian submissions in 2013 round).

Table 2: Ranking of fields in number of tags in the SMP submissions (2005-2013)

Handicap (1)	43	63	43	37	27	45	71	58	66	453
Work / Unemployment (2)	49	67	38	36	23	66	60	38	48	425
Migration / Ethnicity (3)	38	42	32	39	22	43	60	47	49	372
Adult education/ Awareness (4)	22	19	13	17	31	68	72	55	61	358
Art / Culture (5)	48	45	25	30	19	30	46	41	58	342
Informal education/ Leisure (6)	15	42	23	33	14	43	59	42	55	326
Health / Care	26	31	28	14	19	36	60	34	47	295
Poverty / Homeless / Indebted	22	31	19	20	8	45	40	40	47	272
Family / Youth welfare	14	18	6	14	15	39	43	41	62	252
Psychosocial impairments	26	18	9	17	23	41	25	15	24	198
Formal education	19	17	18	20	10	18	24	31	23	180
Women / Men-specific work	27	38	10	18	9	20	21	16	16	175
Local / Regional development	8	8	6	11	10	17	28	34	50	172
Violence	9	11	8	15	6	27	23	9	17	125
Addictions	5	12	8	10	8	8	7	5	7	70
Crime / Justice / Offender help	2	2	3	5	5	2	5	5	6	35

Source: Own calculations based on SozialMarie database of submissions.

We based our analysis of the factors shaping innovation supply in the SMP database on the field statistics specified in individual submissions. Altogether there are 16 fields of which the innovators chose one or more to best describe their focus. The total number of field tags (roughly) doubles the number of submissions. Most submissions specify two focus fields. The frequency of tags is ranked in Table 2 (in descending order).¹⁰

The fields include both the social needs (problems) and approaches to their solutions. In the submissions, one targeted social need is usually combined with one solution approach. The three most frequently tagged fields (1 to 3) represent the most frequently addressed social needs – handicap, work/unemployment, migration/ethnicity (about 30 % of all tags). The following three fields (4 to 6) represent the most frequently used approaches to solution – adult education/awareness, art/culture, non-school education/leisure time pedagogy (about 25 %).

¹⁰ As our experience from the CR shows, when looking abroad for learning opportunities, almost exclusively they are sought after in the “West”, even though the context proximity of the new EU members often could make innovation transfer easier and more effective in the region.

Changes in time and country distributions of field tags are interesting (the detailed statistics for individual years and countries is presented in annex 1). Some structural patterns have been rather stable, as the combinations of prioritized fields (needs and solutions) in individual countries. In case of Austria (see Table 3) the most frequent priority combinations have been work and unemployment together with migration (as problems) with adult education (as approach to solution). In time we can observe some changes, but only slight. The addressed problem of unemployment has been consistently linked to handicap and migration. Before the crisis, in 2007, and in 2013, the priority became the problem of handicap, in the years between, the solution approach, i.e. adult education/ awareness raising, was prioritized.

Table 3: Ranking of fields in number of tags in the SMP submissions and nominations (2005-2013)

	Austria		Hungary		Czech Rep.		% of total	
	abs	%	abs	%	abs	%	subm	nom
Handicap	317	10,8	67	8,9	58	15,9	10,8	4,7
Work / Unemployment	315	10,8	51	6,7	35	9,6	10,1	9,4
Migration / Ethnicity	290	9,9	53	7,0	20	5,5	8,9	13,4
Adult education / Awareness	268	9,2	52	6,9	30	8,2	8,5	11,4
Art / Culture	228	7,8	78	10,3	26	7,1	8,1	4,3
Informal education / Leisure	202	6,9	84	11,1	25	6,9	7,8	5,9
Health / Care	203	6,9	55	7,3	31	8,5	7,0	6,3
Poverty / Homeless / Indebted	173	5,9	70	9,3	15	4,1	6,5	8,5
Family / Youth welfare	150	5,1	56	7,4	34	9,3	6,0	4,5
Psychosocial impairments	152	5,2	26	3,4	12	3,3	4,7	4,7
Formal education	119	4,1	45	6,0	12	3,3	4,3	7,5
Women / Men-specific work	143	4,9	11	1,5	9	2,5	4,2	5,7
Local / Regional development	107	3,7	40	5,3	19	5,2	4,1	5,7
Violence	85	2,9	35	4,6	21	5,8	3,5	0,0
Addictions	99	3,4	11	1,5	10	2,7	3,0	4,7
Crime / Justice / Offender help	51	1,7	13	1,7	2	0,5	1,7	1,6

Note: % = share of the field in total tags of submissions in given country, % of total = share of the field in total tags of submissions and nominations in the SMP respectively. Source: Own calculations based on SozialMarie database of submissions and nominations.

In case of Hungary and the Czech Republic, the developments in time are more difficult to assess due to the limited number of submissions prior their full inclusion in the SMP. Structural patterns and differences in the whole country samples are, however, quite well identifiable. The structure of

Hungarian submissions is very different compared to Austria. Till 2009, the problem of handicap dominated, but afterwards the priority fields include solution approaches as non-school education/leisure time pedagogy and art/culture combined with the need of solution for poverty/homelessness/indebtedness. The target groups are therefore mostly children and young people from poor regions which require more creative solution approaches, at the same time compensating for bad economic and social conditions of their families.

The ethnicity is part of the problem, but compared to Austria, the poverty dominates and is considerably (though not exclusively) linked to Roma population. In Austria, the problem is linked rather to the immigration, which is ethnically more diverse. The solution is sought more specifically in the support of work and employment through adult education and awareness raising. In Austria the disadvantaged groups have the basic needs secured by the social system and the innovation solutions mostly attempt to further improve the opportunities for their labour market and societal integration. The supporting programmes are mostly financed or co-financed by central or regional governments and implemented by professional NGOs.

In Hungary, even the basic needs of the disadvantaged are not met. The current social system in the country is not able to tackle this problem, which induces self-help or bottom-up initiatives open for non-traditional, creative solutions. They are financed partly from private donations, extensively based on voluntary work, initiated and implemented by dedicated “non-disadvantaged” individuals (such as university students). Under the notion of non-traditional we have in mind such approaches which are based on increasing the action capacity of the target groups, and hence their capacity to solve or co-solve their problems. The traditional approaches are based on paternalistic, top-down alleviation of symptoms through social benefits. As the increasing ethnically linked aggression in Hungary (but also in the Czech Republic) demonstrates, these approaches do not work, as they do not address the causes of the problems.

The case of the Czech Republic can be considered as somewhat in the middle between the Austrian and Hungarian patterns. The stable priority field has been handicap in the CR, and compared to Austria and Hungary it is the most frequent one. Its dominant position does not change even with the increase of the number of total CR submissions. The second most frequent priority need includes work/unemployment, i.e. more specifically the problem of integration of handicapped groups into labour market.

In this combination we can identify the role of the ESF support which explicitly targeted the foundation and development of social enterprises (or social economy) in the CR. They were most frequently based on creation of jobs for handicapped people through business activities. Thanks to this support, the concept of social enterprises became quite popular and for wider public also represents the “understandable” example of social innovation. This is also one of the reasons why in the solution approaches the submissions from the CR show (at least apparently) bigger diversity compared to Austria and Hungary.

The share of submissions linked to ethnicity is low in the CR compared to the other two countries. In case of immigration the reason is rather obvious, as the CR (as well as Hungary) has not been so far its target. In case of Roma population, the solution approaches have been more institutionalized, and therefore quite traditional. This does not mean that the problems are not persisting, but thanks to rather extensive state financial support their urgency was somewhat covered. The problems were dealt with by NGO professionals (quite generously funded by state programmes) and kept more or less out of sight. More specifically, in the CR (compared to Hungary or Slovakia), the regional inequalities remain low, and the so called socially excluded localities are numerous but smaller in scale.

Social innovation call within the ESF so far (till 30.9.2013) has attracted 85 innovation concepts (submitted for informal consultations) and 38 innovation proposals (submitted for formal evaluation). The final deadline for project applications is 30.12.2013, so even more innovation proposals are still to be submitted. Innovation concepts are one-page presentations of key aspects of innovation solutions (i.e. novelty and need of innovation solution, targeted improvement, target groups as co-creators of the solution), innovation proposals are six-page elaborations of social innovation projects in line with eligibility and evaluation criteria (see part 2).

As to the motivations of project applications, they are diverse. Most applicants (from NGOs) already have experience with public support (funded from the ESF). The projects include some novelty and some improvement, and they respond to some social needs, most frequently of handicapped people or their relatives who care for them, and of people who cannot get or keep employment. The proposed innovations are mostly of incremental nature (just slightly modifying already applied practices), based on the knowledge of the immediate context, with minimum risks or uncertainties.¹¹

As to the submitted solution approaches, as already mentioned, the most popular are social economy initiatives used as the source of income for NGOs replacing the decreasing share of public support. Another usual solution approach is based on education and training activities and some consultancy (which have been heavily funded by the ESF programmes). The project applicants are mostly creating the solution for the disadvantaged target groups, not with them. The proposed activities include partial and simultaneously developed improvements, but not a systemic change which would make the solution sustainable and its social impact measurable (and hence ready for upscaling and mainstreaming).

In other words, the social innovation call has not attracted innovation solutions, or, the innovation intensity of the project proposals remains low. Only about 10 % of the applications so far can be considered as prospective, i.e. satisfying the eligibility and evaluation criteria adequately.

4. Innovation supply and demand interplay

We approximate the interplay of innovation supply and demand through the comparison of fields prioritized in the submitted innovation solutions with those nominated for the award (in case of the SMP, see Table 3) or public funding (in case of the SIC).

In the SMP, the most frequent field in the submissions has been that of handicap in 2005-2013. Among the nominated projects, however, it is successful only in the Czech Republic in combination with work/unemployment, and family/youth welfare. The nominated projects from the CR are mostly based on the application of social economy concept. In case of Austria and Hungary, the migration and ethnicity fields, respectively, are most frequently nominated (with the country specific differences mentioned above). In both countries they are combined with adult education and awareness raising. On the other hand, they differ in links to work/unemployment (in Austria which is in this aspect similar to the CR) and to poverty (in Hungary where it is more specifically linked to children in pre-school and school ages).

In the SI call, while the most frequent field in the project applications is the social economy (for the labour market integration of handicapped or their relatives), the highest innovation intensity is linked to the applications combining more diverse and at the same time more target group specific (activating) approaches. The reason is that in case of social economy applications, the projects do not deal with the problem of sustainability or social impact measurability, the target groups do not co-create the solution. The proposed economic activities (subsidized job opportunities) depend decisively on public support without which they are not viable. The handicaps are viewed not as an opportunity, as an asset, but as a burden which is to be overcome thanks to the help from the “healthy” professional care or job givers.

The project applications with high innovation intensity of the proposed solutions put the target groups and their disadvantages in the center; they are themselves the engine of the solution. Another common aspect is the active involvement of new types of partners, such as businesses which are interested in new approaches to social responsibility compared to the traditional charity contributions. They want to become innovation actors themselves and are also open to less “attractive” disadvantaged groups.

11 The strong risk avoidance can be also attributed to the evaluation practices of standard project applications in the ESF programmes. Any risk or uncertainties were considered as disadvantage of the projects. Therefore the principle of the social innovation call, that when there is no risk or uncertainty, there is no innovation, is rather difficult to deal with for the applicants.

5. Social innovation characteristics

For a more detailed insight into social innovation characteristics in the SMP submissions, we used a short questionnaire. We were interested in novelty and improvement of the innovative solution compared to the current practice, the impact related to the solution and methods of its measurement, factors shaping the innovation demand, types of created social interactions, cooperation and networks and mechanisms of their development, participation and empowerment of target groups and other innovation agents, stages of innovation cycle and progress to higher ones, especially innovation upscaling and mainstreaming, forms of financing and its sustainability conditions (internal and external financing and other sources), capacities of innovating organizations (the full questionnaire is presented in annex 2).

In terms of innovation supply, altogether we got 60 replies (30 from Austria, the rest from other CEE countries) of the total 620 approached respondents. Most innovations were based on their original idea (56 %), smaller part was inspired by existing solutions (31 %) or actually changed the original idea (12 %). As in case of the whole SMP database, the sample is also dominated by the needs of handicapped (their activation, employment, self-esteem) or their relatives, and integration of minorities (improving their access to social support and employment prospects).

In terms of impact, the sample is biased in favour of innovations which were implemented and are still running (31 %), even expanding (39 %), and quite a large part inspired others for follow-up (47 %). Two thirds of innovations demonstrated impact immediately or within one year after implementation. Some innovations experience difficulties regarding their sustainability (see below), but most of the included examples can be considered as successful. Therefore their characteristics are interesting to overview, even though the sample is too small for identification of causal relations.

Rather surprisingly, the answers are quite vague when explaining the novelty and impact of the implemented innovations. The respondents mostly describe what activities they undertake to improve the target group capacities for integration into labour market or society in general, but they do not capture the actual change caused by their innovation. This is similar to what we observe in project applications in the social innovation call, where the formulation of measurable impact caused difficulties even to “experienced” project applicants.

Financial resources for innovations come from regional or local governments (18 % of cases with about 83 % contribution), foreign resources (15 % of cases, mostly from EU funds covering on average 78 % costs), and individuals (10 % of cases with average 75 % contribution). The shares of national governments, businesses, and target groups themselves dominate in funding of about 7-9 % of activities respectively.

In terms of demand or need for the innovation, the most frequent was the improvement of self-esteem or quality of life of the target group (37 %), followed by urgent or critical need of the target group (e.g. health services, sanitation, food) and civic society development, e.g. for solution of some local problem (25 % and 24 % respectively), and capacity development (e.g. education) for employment or income independence (14 %).

As we suppose that the innovation solution is needed when the existing approaches are considered as inadequate (or the market fails), we asked which body should be actually responsible to meet the demand or need. The answers were distributed rather evenly, with similar shares of government and community (28 % and 27 % respectively), and to lesser extent of NGOs (23 %), while the roles of business sector and individuals are considered small (both 11 %). In cross-country comparisons, the role of government and community is considered to be more important in Austria than in other CEE countries.

When the innovation solution is needed and implemented, the ultimate test of the success is its sustainability. Even though two thirds of respondents report expansion of their innovations, only one fifth of the analyzed sample has no problem with the sustainability. The most frequent is the lack of financial resources (36 %) followed by lacking external (non-financial) support such as from government (29 %). On the other hand, the problem of lacking visibility (or awareness) is perceived as small (10 %), and negligible is the lack of interest of the target groups (2 %).

In cases of self-esteem and quality of life of the target groups, the most responsible body expected to satisfy the need is government, followed closely by community. This type of innovations struggles more often with the lack of financial resources to become sustainable, and is also the most numerous among the innovations reported as terminated. Government is also viewed as the most responsible in case of urgent or critical needs, when the more challenging is the lack of external support (such effective legislation) rather than of financial resources. In case of civic society development, the community and also individuals are considered as most responsible, as the more formal or institutionalized social actions fail. Thanks to the direct involvement of citizens, sustainability problems are rare in grassroots initiatives.

The active or central role of target groups is quite important in the innovation solutions (only 14 % made the innovation explicitly “for” the target group), but with diverse intensities. Most frequently, the feedback from the target group is incorporated in implementation or target group influences the innovation implementation (31 % both). A more active role of target groups is still less frequent, such as being the source of innovation idea or participating in innovation generation (15 % and 17 % respectively). More passive role of target groups is usual in capacity development activities.

6. Conclusions and policy recommendations

Evaluation of social innovations is a challenging task as it cannot be based on a set of broadly accepted and measurable criteria as those applied for the traditional, profit seeking innovations undergoing the (objective) test of market. The evaluation criteria for social innovations (as the social innovation themselves) are therefore mostly context or purpose specific. In our approach, we consider impact and sustainability of innovation solutions as the ultimate success criterion. The key factor of the success is the action capacity of target groups which become empowered (co)creators of innovation solution. The innovation effectively motivates them to change their behaviour as the reward for the change reflects their own preferences. Hence innovation supply and demand matches.

There are a lot of other innovation characteristics worth considering (and they might be eventually prioritized by provider of the support as specifics of innovation demand), but the triad of impact-sustainability-empowerment, in our opinion, makes the innovation solution systemic, powerful (up-scalable) and durable as compared to only partial and temporary improvements. Making the implementation of an innovation idea impactful and sustainable is the most difficult part

Then another challenge is for the socio-economic system (or its key stakeholders) to allow for the desirable changes to be implemented (and up-scaled) by innovators and their followers. In this aspect the motivations for innovation solutions (and their acceptance) have been markedly strengthened by social and economic hardships aggravated by decreasing disposable income during recent crisis (including its public finance segment). The demand for social innovation solutions itself is not sufficient, however, it must be met with adequate innovation capacities, which brings us back to the impact and sustainability criteria.

Social innovation submissions are interesting and rich sources of information about (context specific) innovation capacities and needs and their interactions. As there are no mapping exercises undertaken in the field of social innovations (comparable to traditional or business sector innovations, such as community innovation surveys), the awards and calls open for submissions from wider (professional or civic society) public can bring invaluable suggestions for increasing innovation performance of regions or countries.

Our analysis, based on two databases of innovation solutions (one relevant for CEE countries, one specifically for the Czech Republic), showed available capacities, with some cross-country differences in innovation demand focus. However, understanding and/or application of criteria of sustainability, impact and empowerment in proposed or submitted innovation solutions appeared as rather challenging. In case of the SMP submissions, the reason might be that the criteria are not explicitly mentioned in evaluation. But even in the surveyed sample, their explanations, when explicitly required, were quite vague.

This capacity weakness (linked to so far prevailing passive role of target groups) is even more pronounced in the project applications submitted for the social innovation call in the CR in 2013, in

which the impact achievability and sustainability are the ultimate eligibility conditions. In the consultations provided to the applicants, the biggest obstacle is to change the attitude to these conditions, turning them into the integral part and driver of the proposed innovation solutions. In the social field, this change appears difficult, especially for experienced or professional project applicants (such those linked to ESF funding).

The sectoral structure of social innovation activities in CEE countries is dominated by NGOs mostly funded by public (national or regional) resources. Even when innovations are demanded to decrease this dependence, the proposed solutions are actually as much expensive or even more so as the existing approaches. More interesting can therefore become grassroots activities, responding to the local or small group specific and usually urgent needs (such as poor Roma families, homeless, prostitutes), which are not (at least at the beginning) linked to the public money pipelines. Such projects can be rather cheap to run and develop with quite a visible impact, but they are difficult (or even impossible) to up-scale or mainstream.

Fields dominated by professional NGOs (and their associations) and generously (and continuously) funded are more resistant to (radical) innovations. They typically include the support for integration of disadvantaged groups into labour market, usually through education and counseling activities. Instead of measurable impact they produce outputs, they are quite costly and expensive (regardless the impact absence). They alleviate symptoms but are not able to cure the cause of the problem or even to prevent them. The target groups are more or less passive objects of care which is provided to them by professionals.

Implications of our analysis for social innovation support are threefold. Firstly, the public funding allocation must be linked to the conditions of impact and sustainability together with target group empowerment. At the same time, the limited knowledge capacities of innovation actors must be taken into account and systemic help provided for meeting these conditions effectively. In other words, the capacity for innovation solutions is to be enhanced by adequate infrastructure, as it is common in case of traditional (business) innovations (the systemic support of which started in programming period 2007-2013).

Secondly, the support for development of social innovation capacities and its effects must be systematically evaluated, which requires extensive and regularly repeated surveys as undertaken for innovations of business sector. Cross-sectoral, regional and (inter)national experience sharing and networking is to be supported, as the knowledge on social innovations has been expanding tremendously. A lot of information is being gathered in a number of databases linked to social innovation awards, platforms or support programmes which can be used for mapping of available innovation capacities, including transfer and imitation of solutions developed elsewhere. Implemented innovation activities should be evaluated in terms of their impact and sustainability for eventual up-scale and mainstreaming.

Thirdly, the support for innovation solutions should be as diverse as possible in terms of instruments used, scale of implementation, stages of innovation cycle, sectoral or organizational background of innovators themselves, and other characteristics. The diversity of innovation solutions which are eligible for participation is one of the most interesting characteristics of such events as SozialMarie Prize. More specifically, it became apparent when the Prize became truly international in last years. Hopefully, the unique experience and knowledge accumulated in the SMP history, though still short, very impressive indeed, will be evaluated more systematically, also in terms of impact and sustainability of the solutions submitted so far and in the future.

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Annex 1: SozialMarie Prize Submission Statistics (number of tagged fields, 2005-2013)

	Adult	Art/								Non-					Work/	Other	
Austria (2005)	3	20	46	2	13	41	25	19	34	7	15	20	26	9	26	48	5
other countries (2005)	2	2	2	0	1	2	1	0	4	1	0	2	0	0	1	1	0
Austria (2006)	10	16	42	1	15	57	29	15	39	7	36	27	16	10	35	58	2
other countries (2006)	2	3	3	1	3	6	2	2	3	1	6	4	2	1	3	9	0
Austria (2007)	7	12	23	3	5	40	28	16	29	5	20	19	9	7	8	36	6
other countries (2007)	1	1	2	0	1	3	0	2	3	1	3	0	0	1	2	2	0
Austria (2008)	9	13	24	4	12	24	11	12	29	8	23	12	15	12	15	25	7
other countries (2008)	1	4	6	1	2	13	3	8	10	3	10	8	2	3	3	11	6
Austria (2009)	8	26	17	3	13	21	16	7	20	8	12	7	18	5	7	18	9
other countries (2009)	0	5	2	2	2	6	3	3	2	2	2	1	5	1	2	5	2
Austria (2010)	6	61	18	2	28	35	27	8	37	16	27	30	32	22	18	54	20
Hungary (2010)	2	6	12	0	8	6	8	10	6	1	14	12	8	4	0	8	5
other countries (2010)	0	1	0	0	3	4	1	0	0	0	2	3	1	1	2	4	0
Austria (2011)	5	53	15	1	22	38	30	13	45	16	22	21	16	16	14	38	16
Czech Rep (2011)	0	8	12	1	5	16	9	4	8	4	12	1	5	3	3	4	5
Hungary (2011)	2	11	19	3	15	16	20	7	7	8	24	16	3	4	4	14	9
other countries (2011)	0	0	0	0	1	1	1	0	0	0	1	2	1	0	0	4	2
Austria (2012)	2	40	21	2	21	34	17	17	31	20	25	20	9	8	10	21	8
Czech Rep (2012)	1	0	0	1	6	10	5	1	1	1	0	3	2	0	1	7	0
Hungary (2012)	2	15	20	2	13	14	11	12	13	12	17	17	3	1	3	7	7
other countries (2012)	0	0	0	0	1	0	1	1	2	1	0	0	1	0	2	3	1
Austria (2013)	1	27	22	2	21	27	20	12	26	20	22	17	11	10	10	17	12
Czech Rep (2013)	1	18	11	3	20	21	14	7	6	12	10	8	2	5	4	17	15
Hungary (2013)	5	13	23	1	17	15	12	4	17	15	21	20	8	1	1	11	7
other countries (2013)	0	3	2	0	4	3	1	0	0	3	2	2	3	1	1	3	4

Source: Own calculations based on SozialMarie database of submissions and nominations.

Annex 2: Social Innovation Questionnaire

1 Please give us some information about your organization:

2 Please give us some information about your social innovation:

Name of your innovation
Started in (year)
If finished, when (year)

3 What was the demand or need for your innovation?

- Urgent or critical need of the target group (e.g. health services, water, food, safety)
- Capacity development (e.g. education) for employment (income independence)
- Improvement of self-esteem, quality of life of the target group
- Civic society development, e.g. for solution of some local problem
- Other:

4 What sector or body is actually supposed to meet the demand or need?
Who should be responsible?

- Government
- Business sector
- NGOs
- Community
- Individuals
- Other:

5 What is NEW about your innovation?
Please explain very briefly the key point:

6 Was the innovation yours or inspired by others?

- It is our original idea
- It was inspired by existing solution
- We changed the original idea
- Other:

7 At what development stage is your innovation?

- The innovation was implemented and is running
- The innovation has been expanding
- The innovation inspired others
- The innovation is running out
- Other:

8 What is the role of target group in your innovation?
How active and empowered are they?

- They were the source of the idea
- They participated in the idea generation
- They influenced the innovation implementation
- Their feedback is incorporated in implementation
- We make the innovation for them
- Other:

9 Is your solution sustainable? What sustainability problems do you encounter?

- Lack of financial resources
- Lack of visibility/awareness
- Lack of external support (e.g. government)
- Lack of interest of the target group
- No problem with sustainability
- Other:

10 How long did it take to see the impact of your innovation? By impact we mean the actual change (improvement or solution of the problem) thanks to the innovation.

- Almost immediately
- During the first year
- After one year
- After two years
- Other:

11 How large is target group of your innovation?

Please give the number of persons and eventually a sign: (+) growing, (-) decreasing.

12 What is the structure of funding resources for your innovation? Please estimate in %.

- Government (national)
- Government local or regional
- Foreign resources (e.g. ESF)
- Business sector
- Individual donors
- Target group themselves (e.g. fees)
- Other:

13 What are the costs of your innovation per year in EUR?

14 What is the IMPACT of your innovation? What did your innovation actually change? What benefit did it bring to the target groups?

15 What measures would you recommend for the support of social innovations and innovators on national and/or European levels?