

transformative  
social innovation  
theory

TRANSIT Brief #1

# Doing Things Differently

**Exploring Transformative  
Social Innovation and its  
Practical Challenges.**



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Many of today's social, ecological, economic and technological arrangements are confronted with significant challenges and are in need of profound change. A lot of people around the world recognize this and refuse to wait passively for changes to happen: together, they are exploring new ways of working and organizing human life. Thereby, new social values are (re)invented and new social relations are tried out.

In the TRANSIT project we investigate 'transformative social innovation' initiatives and networks in an attempt to understand processes of societal transformation. We aim to create actionable knowledge that helps social innovators, entrepreneurs and policymakers change practices and the systems in which they are embedded.

This is the first TRANSIT project brief in a series of briefs. They are written for practitioners involved in social innovation and policymakers interested in what social innovation is, what social innovators are achieving, and how their transformative impact could be enhanced through support and institutional reform.

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In this brief, we describe the transformative aims of 12 social innovation networks we have studied this far, including their models of change and the interactions with their context. Many of the networks have explicit transformative ambitions and aim to make a positive societal impact, for example through environmental sustainability, social equity and fairness, and economic resilience.

They propose values and practices such as sharing, solidarity, collective ownership, self-determination, open source and local resilience. They face a set of common challenges in terms of working with governments, monitoring and evaluation, and resourcing.

# Social innovation & transformation

With 'transformative social innovation', we refer to social innovations that contribute to transformative change by challenging, adjusting and/or providing alternatives to the dominant systems and institutions in society.

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By creating new relations and new ways of doing and thinking, they can reduce dependence on these mainstream ways of organizing social life, as well as contribute to improving existing systems.

inspiring, connecting and empowering people to realise enterprising ideas for sustainable impact



Social innovation is becoming a buzzword which is discussed around the world. There is a surge in attention and government support for social innovation, because they are seen as providing effective ways for addressing societal challenges and possible pathways towards more sustainable, inclusive and resilient societies. Policymakers have very high expectations of social innovation being able to make a positive contribution to people's lives as well as to the economy. It seems that the opportunities for social innovation to grow and develop their political and transformative influence has never been greater.

Former EU president Barroso said "if encouraged and valued, social innovation can bring immediate solutions to the pressing social issues citizens are confronted with" . The Bureau of European Policy Advisors (BEPA) argues that social innovations provide an effective way to "empower people" and "drive societal change", particularly in the context of the recent economic recession and retreating welfare states: "at a time of major budgetary constraints, social innovation is an effective way of responding to social challenges, by mobilising people's creativity to develop solutions and make better use of scarce resources".

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As researchers interested in the contribution of social innovation to transformation, we welcome this growing recognition of a creative and empowering field. However, we caution against making over-optimistic assumptions without careful analysis; there is a danger of underestimating the complexity of the challenges to transformative social innovation.

Our view is that current societal challenges are interlinked and run right through the heart of all our social and economic systems – so truly transformative change is necessary to tackle these deep-rooted issues. In a transformation, a new 'normal' is rising. This 'new normal' may replace something else or co-exist with the 'old normal'. Transformative change requires institutional reform in order to make a significant impact. Therefore, we need to understand the conditions under which the wide array of social innovations can contribute to such transformative change. This is exactly the question that we focus on in our TRANSIT research project.

# What is Social Innovation anyway? A Definition

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STUDIO

There is a lot of talk about social innovation, but what is it? We understand social innovation as the creation of new social relations and as new ways of doing and thinking. For instance, when citizens organise themselves into a cooperative who jointly own a wind turbine, they create new relations between citizens, energy users and producers. An initiative by people in which there are new social relations for doing things differently, can be considered to be ‘socially innovative’.

Social innovations are interesting because they are based on different ways of doing, thinking and interaction which may hold answers to some of the challenges of society: to create social inclusion and cohesion, to offer opportunities for meaningful work and activities for every citizen to be productive and to achieve recognition and fulfilment, to offer care in different ways and to harness science and citizenry in addressing societal challenges.


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*“When I think about social innovation, to me it’s a lot about shifting the way people act and interact with each other and the way they act with our planet”.*

Practitioner, Impact Hub Amsterdam

# Transnational networks & initiatives working for transformations

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There are many thousands of local initiatives and hundreds of networks across the world that are working on a rich diversity of social innovations. In a first batch of case studies, we have studied 12 of these networks and initiatives across Europe and Latin America. For more information on our first Batch, please discover the networks that we studied on our website.



## Transnational networks under study

**Ashoka:** *Network for financial support to social entrepreneurs*

**The Impact Hub:** *Global network of social entrepreneurs*

**Time Banks:** *Networks facilitating reciprocal service exchange allowing everyone to be an active citizen through the exchange of skills and new contacts*

**Credit Unions:** *Different types of credit cooperatives with ethical values*

**RIPES:** *Network for the promotion of social solidarity economy*

**FabLabs:** *Digital fabrication workshops open to local communities*

**Hackerspaces:** *User driven digital fabrication workshops*

**Living Knowledge Network:** *Network of science shops and other community-based research entities*

**DESIS-network:** *Network for design for social innovation and sustainability*

**Global Ecovillage Network:** *Network of villages that promote ecologically friendly development*

**Transition Towns:** *Grassroots communities working on 'local resilience'*

**INFORSE:** *International network of sustainable energy NGOs*

## Local Initiative #1

**São Paulo**  
*Brazil*

**Ashoka**  
*Hungary*

**Fair Shares**  
*UK*

**Norwich Credit Union**  
*UK*

**CRIES**  
*Romania*

**Amersfoort**  
*The Netherlands*

**Build Brighton**  
*UK*

**Science Shop DTU**  
*Denmark*

**POLIMI DESIS**  
*Italy*

**Tamera**  
*Portugal*

**Transition Totnes**  
*UK*

**VE**  
*Denmark*

## Local Initiative #2

**Rotterdam & Amsterdam**  
*The Netherlands*

**Ashoka**  
*Germany*

**Ser-Hacer**  
*Spain*

**FIARE**  
*Spain*

**VOSEC**  
*Belgium*

**Argentina**

**Hacklab Barracas**  
*Argentina*

**InterMEDIU**  
*Romania*

**NAS Design**  
*Brazil*

**Schloss Tempelhof**  
*Germany*

**Transition Wekerle**  
*Hungary*

**APERé**  
*Belgium*

They are all different, but one of the things these initiatives have in common is that they experiment with new, alternative social relations, and new ways of doing. Alternatively they are reviving old ways of doing in modern contexts in order to tackle contemporary challenges. Amongst them we observe a common search for new forms of trust, cooperation, reciprocity and autonomy, as well as respecting the environment.

Positive social impact is a hallmark of many of the initiatives and networks. This can take different forms: making neighbourhoods safe, resilient and vibrant; caring for the frail and vulnerable; redressing injustice and making democracy work; as well as living in a more environmentally sustainable way.



Although not all of the initiatives explicitly use the word social innovation, we still consider most of them to be ‘socially innovative’. They contribute to the creation of new social relations, experiment with new ways of doing and thinking or re-introduce old ways that have been lost (e.g. cooperatives, small scale communities) as to re-invent these in a new context. For instance, **Transition Towns** talk about *“relearning some things that we’ve forgotten”*.

The networks are often working for change at both local and global levels, are active nationally and transnationally, and have activities in several countries or regions of the world. For example, the **Global Ecovillage Network** supports local community projects experimenting with communal forms of living and the sharing of goods and tasks, as well as supporting a global network. Similarly, the **Transition Towns Network** supports groups of citizens in running local projects around food production, sustainable energy, transport, while also facilitating transnational networking.

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In several cases the local activities are part of various global movements: slow food, alternative currencies, open source and the solidarity or social economy. This is important: a transformation requires contextual solutions as well as change across local, regional and national scales.

Many of the initiatives are involved in new forms and ways of knowledge production. Examples are: participatory design (**DESIS**), action research (**Living Knowledge Network**) and experimental learning in special maker-spaces (**Hackerspaces and Fablabs**) where people learn to work with technologies outside the formal education system. Such knowledge is of value for achieving change in different domains. This includes the education sector which is looking to orient itself more towards problem-solving modes of knowledge production, something that is practiced and advocated by the **Living Knowledge Network**.

# Working for transformations

Locally, the networks that we studied catalyse processes of change through learning, institutionalisation and advocacy for support and political reform. Some argue that the net impact of these initiatives on society as a whole remains marginal. Others argue that the influence of social innovation projects goes beyond what they are achieving locally. They are beginning to join forces in seeking contextual and institutional changes that might achieve wider societal impact. In word and in deed they are challenging the systems of education, welfare, finance, worker-boss relations, for-profit production and may pave part of the way for political changes in those domains.



Sustainable development demands transformative change in many different areas of social and economic life, such as energy, science and education, finance, and so on. The networks and initiatives with which we work with address a wide variety of these, and most of them are broad enough so as to achieve impact in several areas, making them potentially relevant to many types of change.

The economy is especially targeted for change. Attempts to change the economy manifest in different ways. For instance, the model of social entrepreneurship as an alternative to for-profit-entrepreneurship by **Ashoka** and **the Impact Hub**. Or through political action by **RIPESS**, whose members are promoting a social and solidarity economy through advocacy and lobbying for the social economy sector. Or the example of Credit Unions: member-owned financial cooperative that actively seek to influence banking practices (private sector) and the regulation of it (public sector).

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The following transformative aspects of “the economy” are addressed across the cases:

- *Alternative forms of investment and money*
- *Local production*
- *Entrepreneurship promotion*
- *The informal/solidarity economy*
- *Alternative forms of production*
- *Localisation and local economic resilience*
- *Post-consumerism*

The overall impact of social innovations on transformation processes so far is difficult to assess. Transformations stem from the collective effect of these developments working in tandem with system reforms over which local activists have little influence.

# Narratives of change

Social innovation initiatives take different approaches to realise their transformative ambitions. Many initiatives and networks make use of explicit narratives of change. Narratives of change are storylines about how change comes about and narratives include ideas, slogans and metaphors. The **Impact Hub** network, for instance, claims that “Impact Hubs are where change goes to work”. However, strategies may be revised if underlying narratives of change evolve. While the initial focus of Impact Hubs laid on individual entrepreneurs and their (social) innovations, it shifted to supporting collaborative entrepreneurial action with social impact.



These narratives of change help to think about why change is necessary, which kind of changes are taking place or are impending, and which developments and choices help to create, an alternative, better world. Many of these narratives cross the boundaries of different domains (e.g. energy, mobility, food).

They tackle underlying and cross-cutting issues in work and life practices, in beliefs, duties and forms of association. Narratives of crises (about the debt-based capitalist economy, climate change, community breakdown) and narratives of a social economy (based on or oriented towards collaborative commons, resilient communities, peer-to-peer models of production and consumption, sharing economy, etc.) may help to align and unite disparate initiatives towards common goals.

An example of an elaborate narrative of change is the one of the Transition Towns, consisting of the following elements: that as a society we should shift away from consumer capitalism towards some kind of post-growth, localised steady state economy; that such a shift requires outer transitions as well as inner transitions in the form of cultural change, i.e. shifts in values and worldviews; and that big change can be achieved through lots of little changes: through the spread of ideas, values and positive stories to wider groups of people, including decision-makers and the powerful (e.g. politicians, business leaders) who can shape systems. **Transitions Towns** consist of “small-scale local responses to the global challenges of climate change, economic hardship and shrinking supplies of cheap energy. Together, these small-scale responses make up something much bigger, and help show the way forward for governments, business and the rest of us”.

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Narratives of change involve assumptions and it is important not to be blinded by them, but to reflect on them and adjust them (as the Transition Towns movement has done). In TRANSIT we will study the narratives of change and have a conversation about the narratives of change and investigate critical turning points (in internal organisation, external interaction and mission).

# *The Narrative of Time Banks*

Faith in the money economy and our debt-based banking system is collapsing. Along and deep recession looms. A economic competition intensifies through globalisation processes, those in work have to work harder and have less time with families, friends and neighbours. The balance between work time and time spent in family and community activities suffers. Meanwhile those without work are left increasingly marginalised. Distrust, fear, crime, and health problems related to isolation are symptoms of community breakdown. Social capital is being rapidly eroded at a time when it is most needed.

A complementary means of exchange, based on time, can help rebuild relationships within communities, keep communities strong and healthy and, at the same time, offer people useful roles helping themselves and others and delivering vibrant public services. Co-production in the form of timebanking can help to meet people's needs and promote well-being for all by tapping into abundant but neglected human resources. Time banks help individuals and communities to help themselves, reducing dependence on markets and state welfare systems on which they cannot rely.

Cooperation and networking are institutional vehicles for achieving growth in the timebanking movement. Network organizations, such as hOurworld and Timebanking UK, support local timebanks and their members with knowledge and special software, and represent them in negotiations with government, insurers, sponsors, and interested organisations. The membership organizations also implement strategies for extension and develop upscaling. They develop collaborations with like-minded social innovations, such as Transitions Towns, Community Cooperatives and Credit Unions. In the strategic vision document of hOurworld this is called "movements moving together".



## Based on the 12 social innovation networks we studied, we came across the following narratives of change:

Open Source approaches to design and fabrication  
(**FabLabs, Hackerspaces**)

Growing with the help of network structures as a unifying element  
(true for most initiatives)

Helping people to help themselves (**DESIS** and **Time Banks**),  
“making everyone a change maker” (**Ashoka**)

Co-production: pooling resources (with existing and new actors) to  
create something new (**DESIS, Living Labs** and **Impact Hubs**)

Building on concrete practices instead of visions  
and blueprints (**Fablabs**) – Experimental learning to build  
confidence, ties and artefacts

Action research for finding solutions  
(**Living Labs, DESIS, Global Ecovillage Network**)

Experimental learning in an enabling environment  
(incubation in **FabLabs, Impact Hub, Hackerspaces**)  
and new values and relationships (**Global Ecovillage Network**)

Community activism and leadership to achieve wider societal change  
(**Transition Network** and the **Global Ecovillage Network**)

Creating enabling conditions, or “ecosystems” for social innovation  
through social entrepreneurship by building supportive networks of  
individuals and organizations across sectors and discipline  
(**Impact Hub, Ashoka**) and through financial intermediation services  
(**Credit Unions**)

# What are the challenges ahead for social innovation?

For social innovations with transformative ambitions, one major challenge is the issue of growth. Many intertwined sub-challenges are implied: challenges of strategy, direction and leadership; challenges of networking; challenges of maintaining mission, integrity, core values and grassroots support; and challenges of sustainability, among others.

Amongst these intertwined sub-challenges, we identify three that are of particular importance for how social innovation practitioners address the wider contextual and institutional setting in which they operate. These are:

- **relations with government and incumbent actors;**
- **monitoring and evaluation;**
- **meeting their resourcing needs.**

These challenges are inevitably intertwined and involve internal relationships within the groups as well as external relationships with outside parties, such as businesses, NGOs and government. They concern securing conditions and funds needed for groups to operate. Here we discuss insights from our research into each challenge.



# Working with governments and incumbent actors

Governments are beginning to reframe social innovation as a resource to harness for the public good and this brings opportunities for the networks and initiatives we work with. But what do social innovators think about government? Many of those involved in social innovation are critical of gaps and deficiencies they see in established systems and arrangements. Often their innovations are intended to fill or make up for the limitations they perceive. Social innovators are therefore often critical of government (as a body) and governance (as a way to create inclusion) when they see these as unresponsive to human needs. In some cases, social innovators feel they are doing a job that government should do or is not doing well (e.g. education for marginalised people, universal health care, helping the needy).

Social innovations, nevertheless, operate across a wide spectrum, with each holding positions and adopting strategies that can be characterised as ranging from anti-establishment to more cooperative stances. It can be argued that all stances and strategies have important roles to play in transformative change: anti-establishment groups may challenge and de-legitimize existing systems and practices; those more willing to cooperate may act constructively with government and incumbents to build more legitimate systems. Both anti-establishment and more cooperative groups face hard choices and challenges in relation to upscaling. Non-cooperation may keep the initiative marginal and those engaging in cooperation with government and other establishment actors must finesse the difficult balance between being co-opted and not selling out.

Our first analysis shows that many social innovators would welcome institutional change and financial support, but this should not compromise core values and integrity, jeopardise independence of action, or come with unmanageable administrative burdens. We found various examples of government being sensitive to the needs of social innovation projects and changing their policies to facilitate initiatives. In Flanders (Belgium) social economy policies were supported under the banner of an active welfare state, shared value creation, CSR, social entrepreneurship, and inclusive economy.

We advise leaders of social innovation networks and governments to strive more together to co-create beneficial policies and institutional reforms that foster the further development of social innovations that respond to societal challenges and to recognised needs for more inclusive, sustainable and innovative societies.

Examples of institutional changes are fiscal and regulatory reforms that create opportunities and a more level playing field for social innovations, reducing or removing restrictions and administrative burdens in tendering processes that disadvantage social innovations, reviewing metrics and indicator systems to provide for more divergent values to be included in decision making, developing new funding instruments and mechanisms, and allowing the unemployed and recipients of incapacity payments to engage in social innovation activities without prejudice to benefits. More far-reaching reforms might include review of citizen rights (e.g. basic income) and responsibilities (e.g. community service). This implies that the scope of activities of social innovators at the point of seeking to upscale extend from networking with external partners, to lobbying, and to working for institutional reforms. The scope of innovation extends to institutional innovation.

*“We have political parties that come here and want to film us and believe that we are the future of social innovation in the city and then on the other side votes against us to kick us out of this place because they want to build a luxury hotel”.*

Impact Hub Amsterdam participant



**THINK  
LOCAL**  
BOYCOTT  
TESCO

# Working with governments and incumbent actors continued...

In the UK, social innovators promoting reciprocal service exchange, such as timebanking, have been afforded special fiscal status for their activities to reflect that these involve neither contractual employment nor voluntarism but represent a completely different kind of relationship. In Brazil, over the past 15 years (under the direction of the Partido dos Trabalhadores), numerous social and economic policies for the poor have been implemented, targeted at fighting poverty and enhancing access to primary education, the university, the transportation system and health system. The policies are generating numerous social innovations, particularly in the poorest groups.

Working with government nevertheless involves risks of co-optation, and has simultaneously made it more pressing for social innovation actors to work on their own political posture. This double challenge to invent, assert and acknowledge the growing political roles of the social innovation phenomena, both at level of the social innovations themselves and in linkage with public authorities, can create quite fragile dynamics of cooperation or collaboration.

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Social innovation initiatives are more likely to gain support from government at times when they are able to present themselves as possible solutions to problems that government actors face, such as economic downturns, challenges in welfare delivery, and the need to assimilate growing numbers of political and economic refugees. At such points, financial resources and improvements in institutional arrangement can begin to flow to the social innovation networks. However, it is also at such points that the transformative ambitions of the innovation can be curtailed or reduced, through processes of institutionalisation or incorporation. There are risks to the social innovations of mission drift and loss of grassroots support. There is some concern also over inconsistency and even perceived hypocrisy in government stances toward social innovation, with apparent discord between rhetoric and practice and always the risk of U-turns when new governments are elected.

Monitoring is mostly done as an informal, ad hoc activity among the social innovations. It is not done systematically, routinely, comprehensively or consistently by any of our twelve cases although the leaders of the timebanking movement are making important strides in designing monitoring protocols and integrating data collection for routine monitoring purposes into timebanking software systems. In this, the timebanking movement is substantially ahead of the other studied social innovations.



# Monitoring and evaluation

When monitoring is done, it is done mostly for internal purposes, such as to learn about the impacts, or to test, compare and refine practices or to develop and communicate transferable lessons. The focus is then on performance of activities in relation to targeted social impacts. Impact monitoring is done also to demonstrate and to communicate impact to internal and external audiences, including to actual and potential sponsors and investors. However, actual and potential sponsors are often more interested in measuring and monitoring financial performance. Their interests in monitoring can differ from those of practitioners and grassroot-members. There is also little monitoring of the contextual setting in terms of opportunities and threats, but this becomes increasingly important for social innovations seeking to upscale. Because of this, opportunities for growth and development can be missed.


Monitoring and the choice of what and how to monitor are politically charged and sensitive issues that can create internal tensions within social innovation movements and lead to tensions, also, between internal interests and the monitoring interests and requirements of external actors, such as foundations and investors. Monitoring can be seen as potentially intrusive and as an administrative burden that takes time away from core activities. It also has resource implications in terms of time, expertise and tools.

The needed competencies are not always available within the social innovations. There is also a lack of consistent and accepted monitoring frameworks, protocols, methods, and tools, although some flexible frameworks are beginning to be developed. Flexible frameworks are needed because social innovations and the social impacts they target are highly diverse and the monitoring focus of different stakeholders differs, so indicators must always be customised for context and purpose. Social innovators are encouraged to be involved in discussions of what gets measured by whom in order to preserve their integrity and have their values recognised. Many networks and initiatives indicate that they see the importance of monitoring, but often lack the necessary resources to conduct monitoring.

In a context with such an explicit desire to have positive impact, it seems meaningful to (also) ask the question: what are or may be the (unintended) negative impacts of social innovation initiatives and networks, and how can one deal with those?

This critical question is not only directed at the initiatives and networks, but also at researchers, both within and beyond the TRANSIT project:

How can we improve existing conceptual and evaluative frameworks to facilitate critical questions and meaningful conversations on both the positive and negative influence of social innovation initiatives?



**Impact** cannot  
happen in isolation.  
It requires  
**collective action.**





# Monitoring and evaluation continued...

In the case of **the Impact Hub**, there is a certain level of formalised monitoring at the global level, which focuses on (a) keeping track of the development of the network, (b) evaluating the needs of local Hubs and members, and (c) measuring the social impact by members. There is a Global Membership Survey format, which can be adapted to local Hubs. However, in most Impact Hubs there is primarily an informal manner of (self-) monitoring and evaluation, which relates to the focus on learning and the principle of striving for 'meaningful content'. Some networks and initiatives, such as **Time Banks** and **Credit Unions**, enlist support from universities, think-tanks and interested researchers for some monitoring and impact assessment needs and have made thematic studies of impacts in some key domains, such as health and elderly care.

In the **Living Knowledge Network** and **DESIS**, students and research staff work at universities with citizens on knowledge issues. The university system allows such interactions and even supports them by granting ECTS points to students.

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One way in which social innovation networks can have transformative impact on major societal systems is by working to change official system metrics that are seen as unfit for purpose because they bias decision making and skew resource allocations.

In the case of **timebanking**, the leading network organisations are working closely with health and healthcare experts in efforts to change received understandings about how individual and societal wellbeing and health are secured and to promote an indicator set that better reflects the different sources and components of good health and good health care. The proposed indicators include the contribution of strong communities as part of a preventative infrastructure that can maintain good health and high levels of wellbeing and can also be mobilised to deliver self-help, mutual help and community-based care. The indicators will provide for monitoring of the roles of strong community- and interpersonal-relationships in wellbeing and health delivery and in relieving the cost burden of health care on government and insurers. This is an example of a contextually-aware social network addressing institutional constraints and opportunities through monitoring.

*“I think my main sort of feeling about time banks now, 15-years on is frustration that it hasn’t developed further. But what is missing out of this is ... how on earth you fund this sort of infrastructure in public services.*

*There are places where that works but mostly it’s just a struggle. The thing is not going to really develop in a major way until it stops being a struggle.”*

David Boyle, co-founder of Time Banks UK



# Resources

Social innovations use specific and characteristic types of resources. They mainly benefit from labour, time and creative effort that is offered, whether on a voluntary or reciprocal basis. In both cases, this is, in the perspective of the formal economy, surplus capacity that is otherwise unused.

Many of the organisations struggle to find and secure financial resources from external actors to cover small, but critical, fixed costs of base-level operations. Requirements for impact assurance from funders are understandable, but an assured base-level of funding is critical to the sustenance of the initiatives. If social innovation is to produce greater levels of social impact it must be better and more reliably funded.

Money is well-spent in sustaining core operations as this avoids disruption and frees the organisations to do what it does best, deliver social benefits, and gives scope to raise more resources for additional activities of interest to impact investors in respect to base-level (fixed) costs. A good way of funding core costs is to pay social innovation initiatives from money saved from the public purse thanks to the initiative. Tools such as Social Return on Investment (SROI) can enable initiatives to undertake such calculations.

*Time is not enough:  
social innovation  
needs reliable  
funding*

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Annual costs for time banks with paid time bank brokers/coordinators together with the fixed costs of running a time bank range typically from around 10,000 to 75,000€, and many operate at the lower end of this range. In many cases the broker is 'paid' in part or wholly in time credits, keeping staff costs down. The financial costs of networking, software development, insurance and brokering are therefore low relative to the levels of timebanking activities they support, and the social impacts they achieve.

But there is currently no obvious source for funding these ongoing activities. In most jurisdictions there are no organisations, agencies or departments mandated to support timebanking. When grant awarding bodies or government provide some finance this is often short-term and one-time-only rather than guaranteed and ongoing. This creates a problem of funding uncertainty, insecurity and discontinuity for timebanking.

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This problem is critical for timebanking sustainability and scaling. If time is literally being 'banked' by members to obtain benefits in the future, then the time bank's survival is necessary for it to be useful, and is a key factor in the ability of a project to attract members.

What's more, insecure base-level funding is a key reason why time banks fail. Failure (even if projects subsequently re-open) has high disruption costs. The network of social relationships built through the time bank can quickly be broken down and lost, and can only slowly be rebuilt.

This is why there is a need for long-term commitment to reliable base-level funding. Experience shows that national governments are not dependable because they are prone to sweeping policy changes. Commitments to long-term funding therefore need to come from diversified and more local/regional sources, probably as part of investment in a (currently missing) cost-prevention infrastructure in areas such as preventative health care, elderly care, education, crime prevention, and criminal justice.



TRANSIT is a research project which aims to improve understanding of how social innovation can bring about empowerment and societal transformation. The research team is carrying out in-depth case studies with around 20 transnational networks and the use of engagement with social innovators, social entrepreneurs, policymakers and scientists in workshops, to gain new insights into the field. The outcomes will include training tools as well as policy and practitioner briefings like this one, to share this knowledge and help support social innovators for sustainability.

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