

***Innovation in knowledge society
- new paradigms for success!***

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EU 2020, a renewed Policy for Europe

Smart Growth	Sustainable Growth	Inclusive Growth
Innovation « <u>Innovation Union</u> »	Climate, energy and mobility « Resource efficient Europe »	Employment and skills « An agenda for new skills and jobs »
Education « Youth on the move »	Competitiveness « <u>An industrial policy for the globalisation era</u> »	Fighting poverty « European platform against poverty »
Digital society: « A digital Agenda for Europe »		



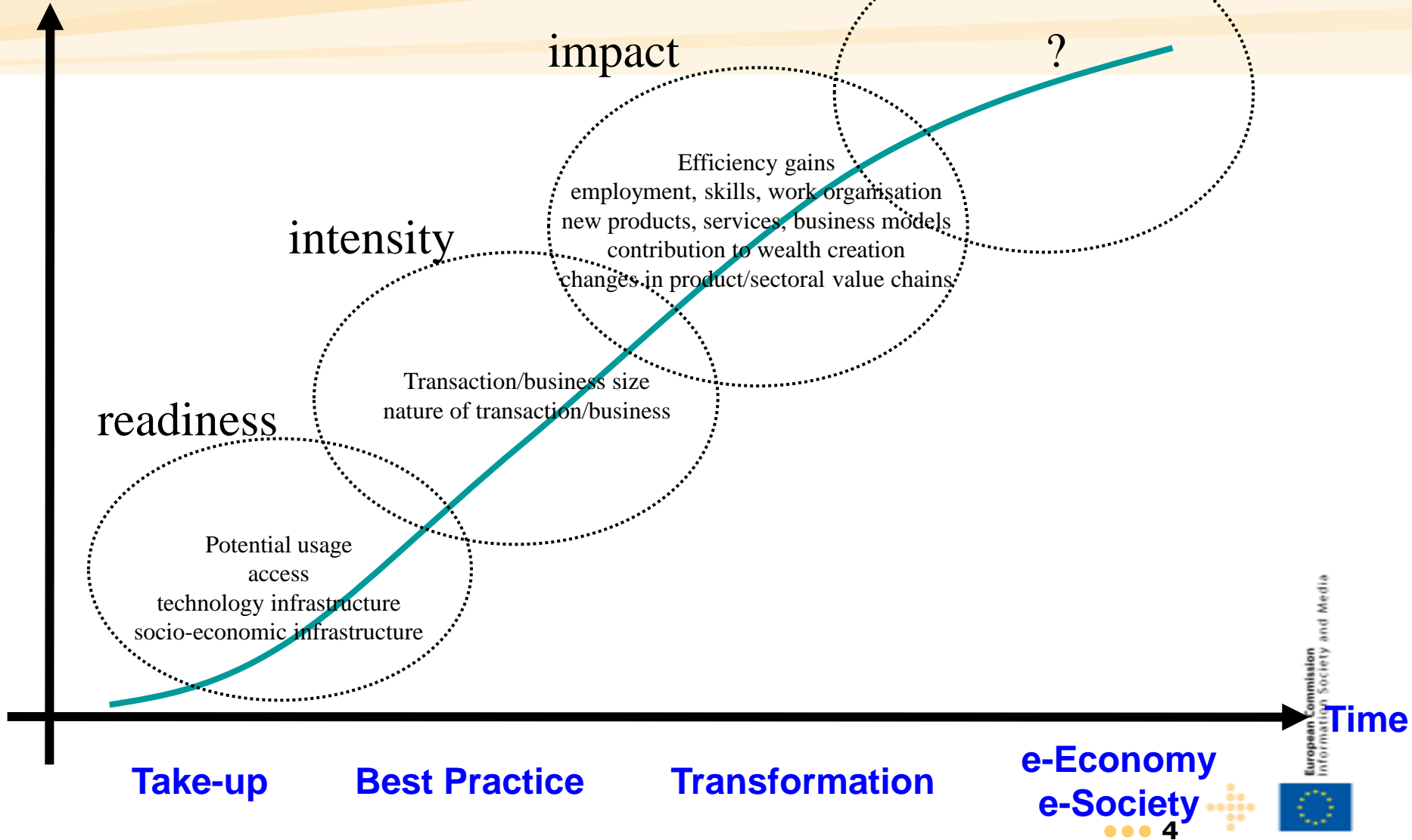
What is innovation?

- **Make things happen!**
- **Science based linear innovation is NOT mainstream anymore!**
- **User-centric innovation**
- **Open innovation**
- **Systemic innovation**
- **Experimental mash-up**
- **Require**
 - **Environments with courage**
 - **Funding with courage**
 - **Processes with courage (curiosity, exploration)**
- **Is Europe a good place to merge these? Values, ways of doing business, links cross-border? Technology infrastructure? Leadership?**



Facts and Figures

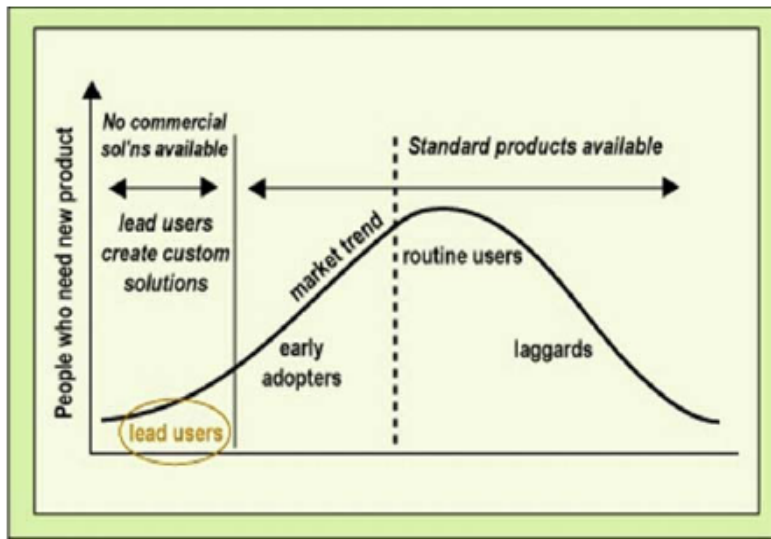
Societal
Change



European Commission
Information Society and Media

Social enterprises, drivers? (www.selusi.eu)

Our point of departure:
Could it be that social enterprises act as lead users for
social service innovation?



- ✓ *They face needs that will be general in a marketplace months or years before the bulk of that marketplace encounters them.*
- ✓ *They are positioned to benefit significantly by obtaining a solution to those needs.*
- ✓ *They implement innovations that tackle these needs.*

The World is...spiky (by Richard Florida)

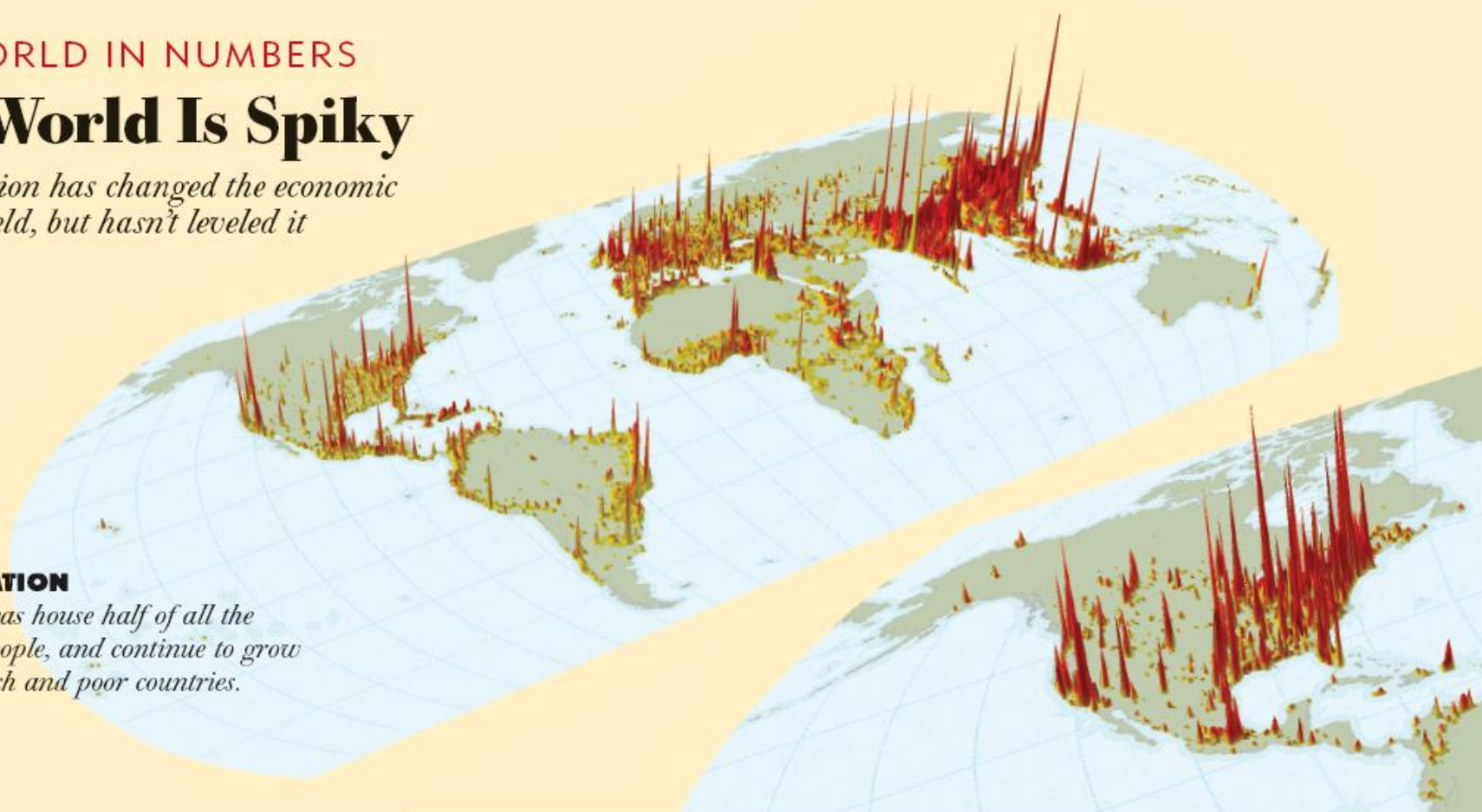
THE WORLD IN NUMBERS

The World Is Spiky

Globalization has changed the economic playing field, but hasn't leveled it

A POPULATION

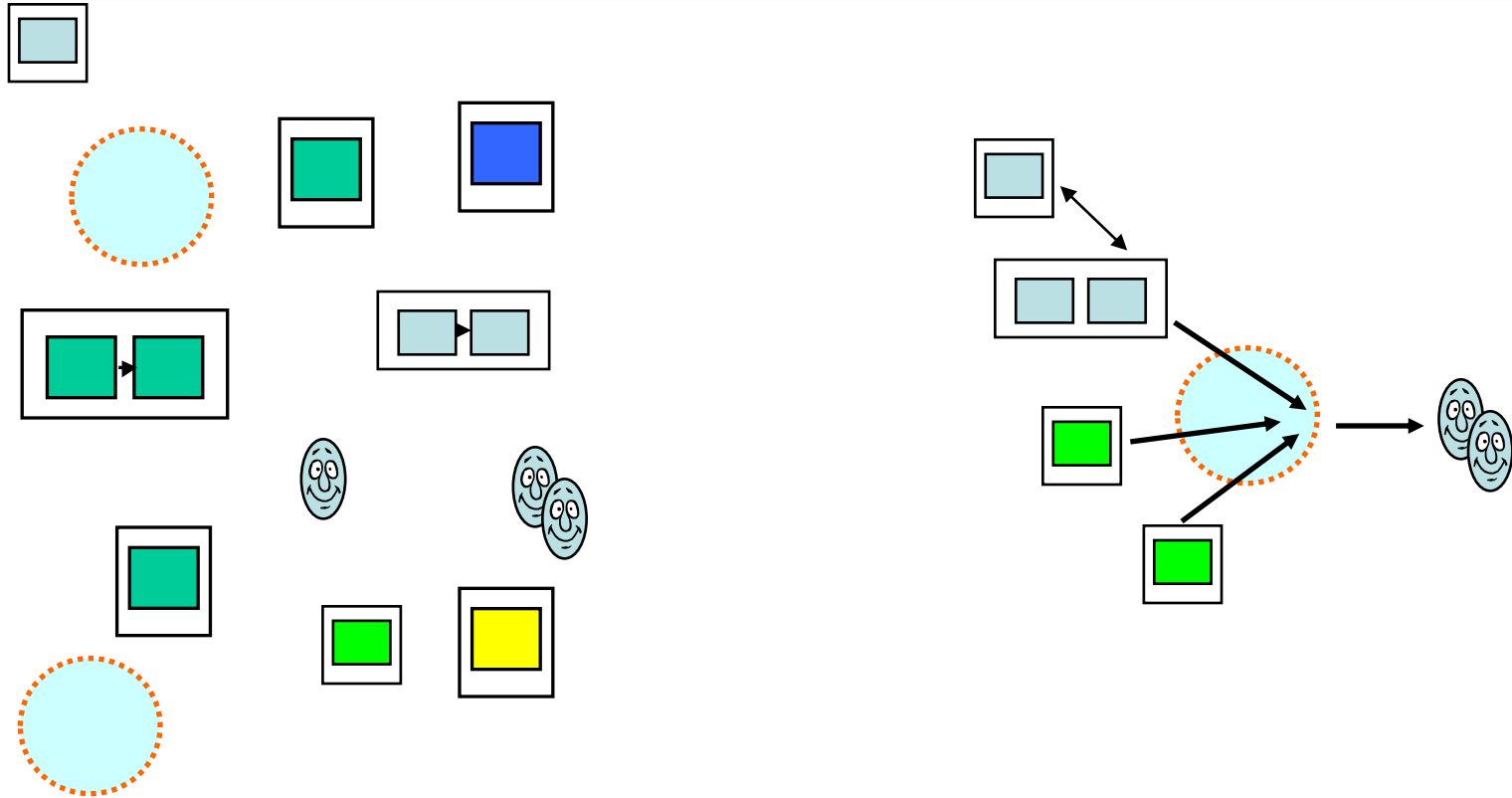
Urban areas house half of all the world's people, and continue to grow in both rich and poor countries.



PEAKS, HILLS, AND VALLEYS

The world, according to the title

Value is created in **whatever way is appropriate**, no longer dictated by organisational relations and boundaries



Innovation drivers for sure

New-to-the-market Businesses

At the time
of founding

At the time of founding:

45% of Social Enterprises report to have been the first ones in their market to provide a certain product or service.

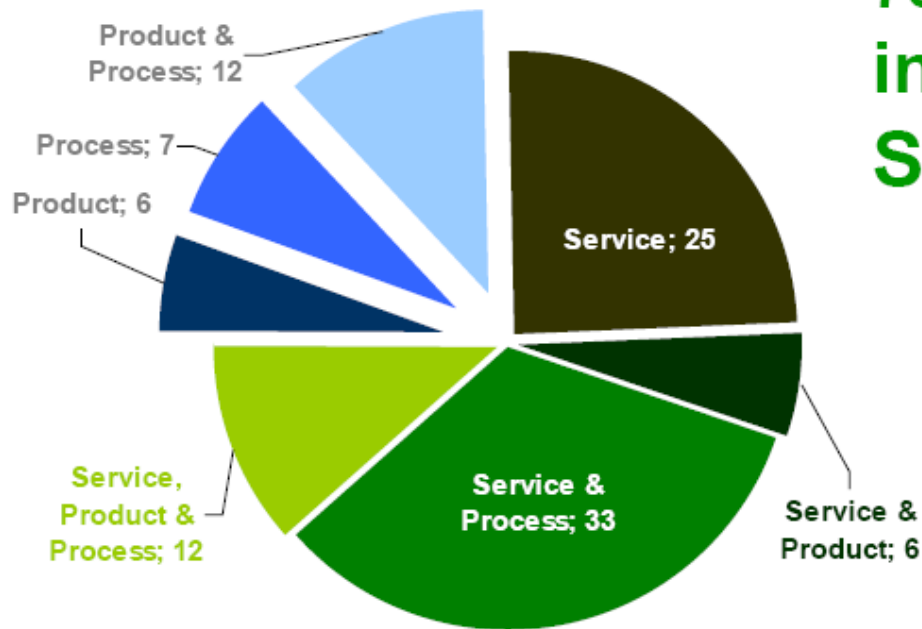
• Today

- 61% have encouraged imitation with a median of 3 organisations providing today similar products and services
- 25% of these are still the only ones
- 14% didn't know



And service drivers

What are they innovating?



75%
innovate
Services



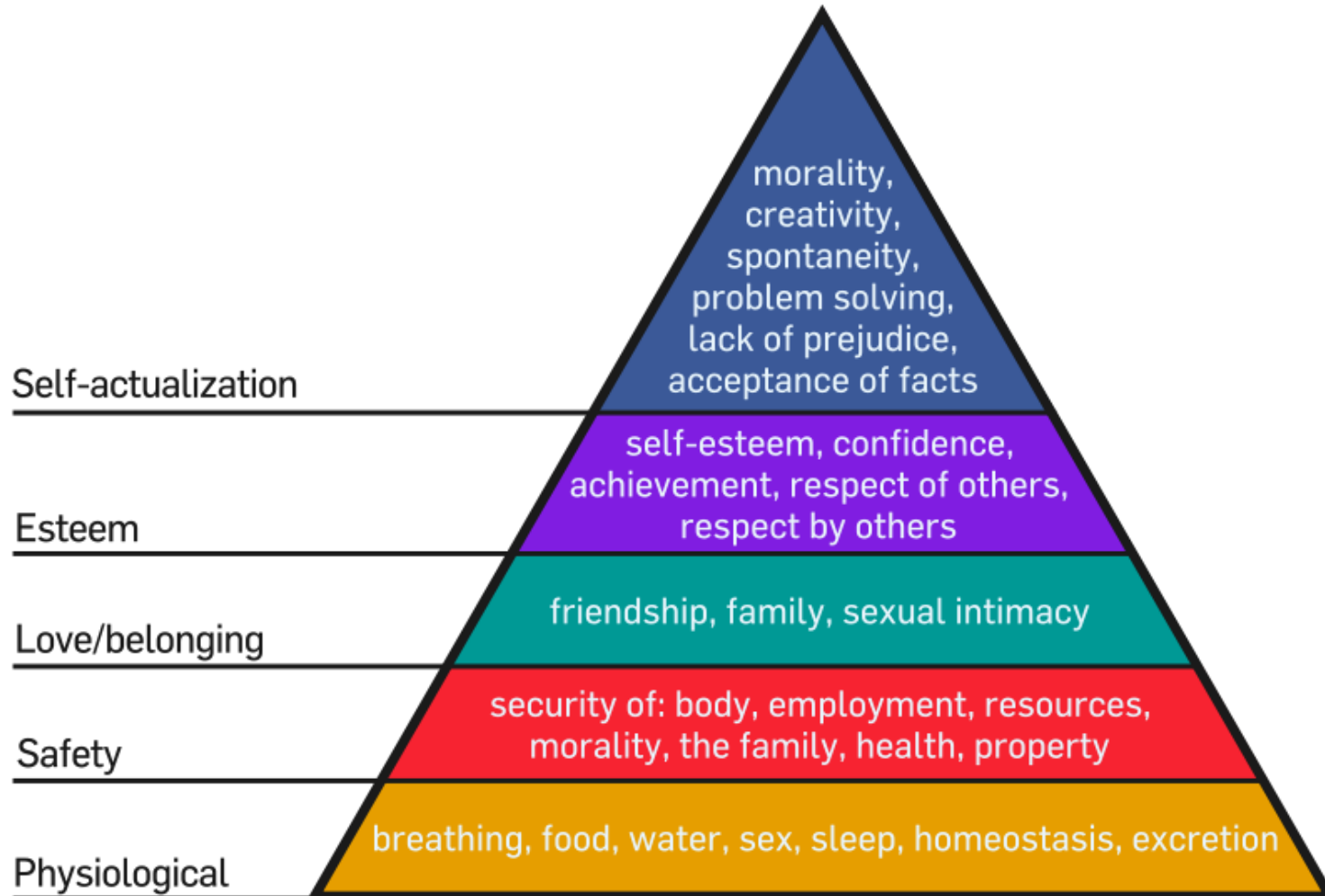
Nature of innovation - sharing

Are SE's particularly 'social' in the way they innovate, i.e. more likely to collaborate with other organizations?

- Almost all social enterprises – **90%** – have already contributed to another organization's innovation (independently of whether or not they themselves innovate).
- The innovating social enterprises typically collaborate in their innovation processes (**79%**).
- By comparison, **for-profit** companies report less cooperation in their innovation processes, e.g. overall **EU-27 benchmark 25%**
respective country-figures between 17% to 40% (Parvan, 2009)



Maslow's Hierarchy of Needs



Maslow 2.0 for organisations

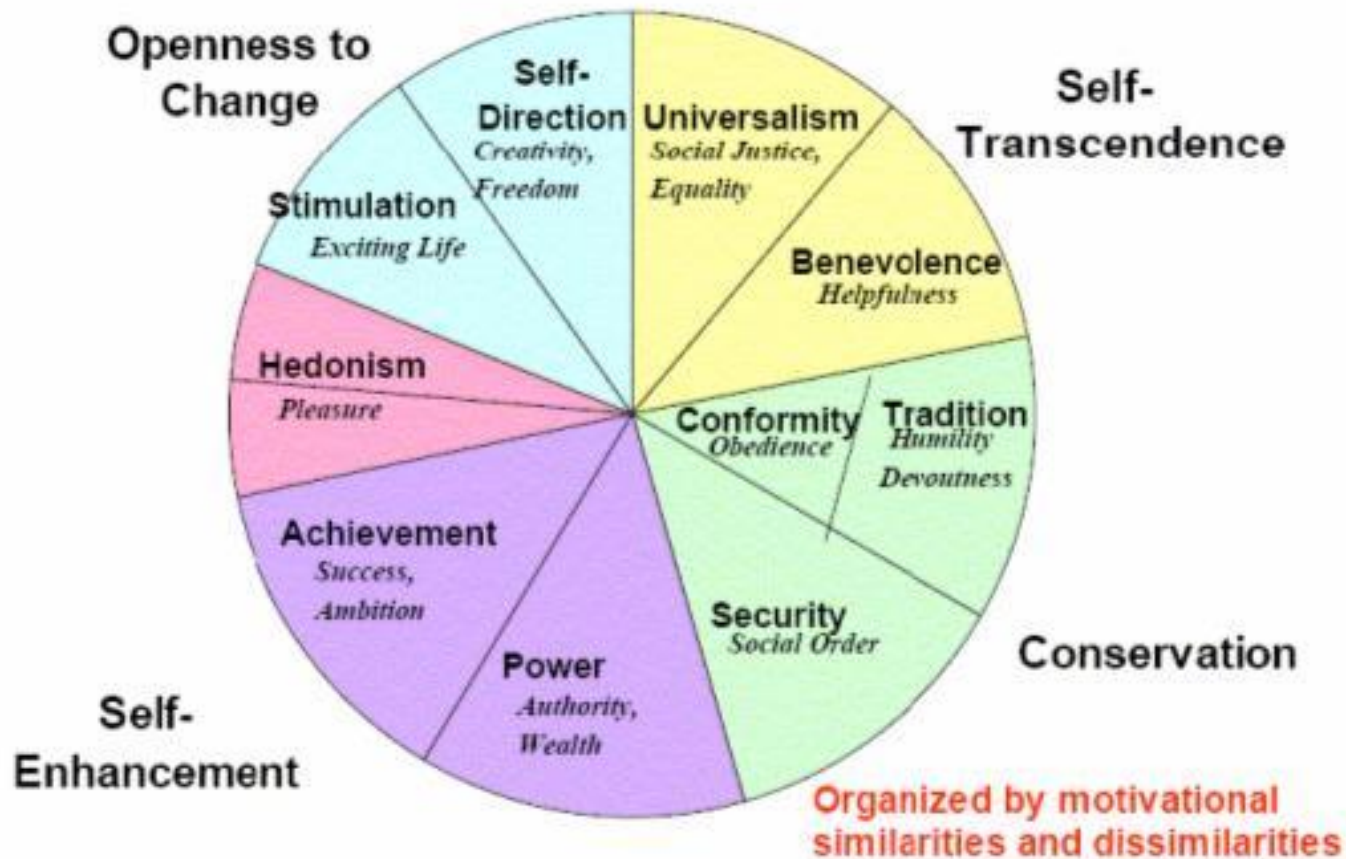


From needs to values

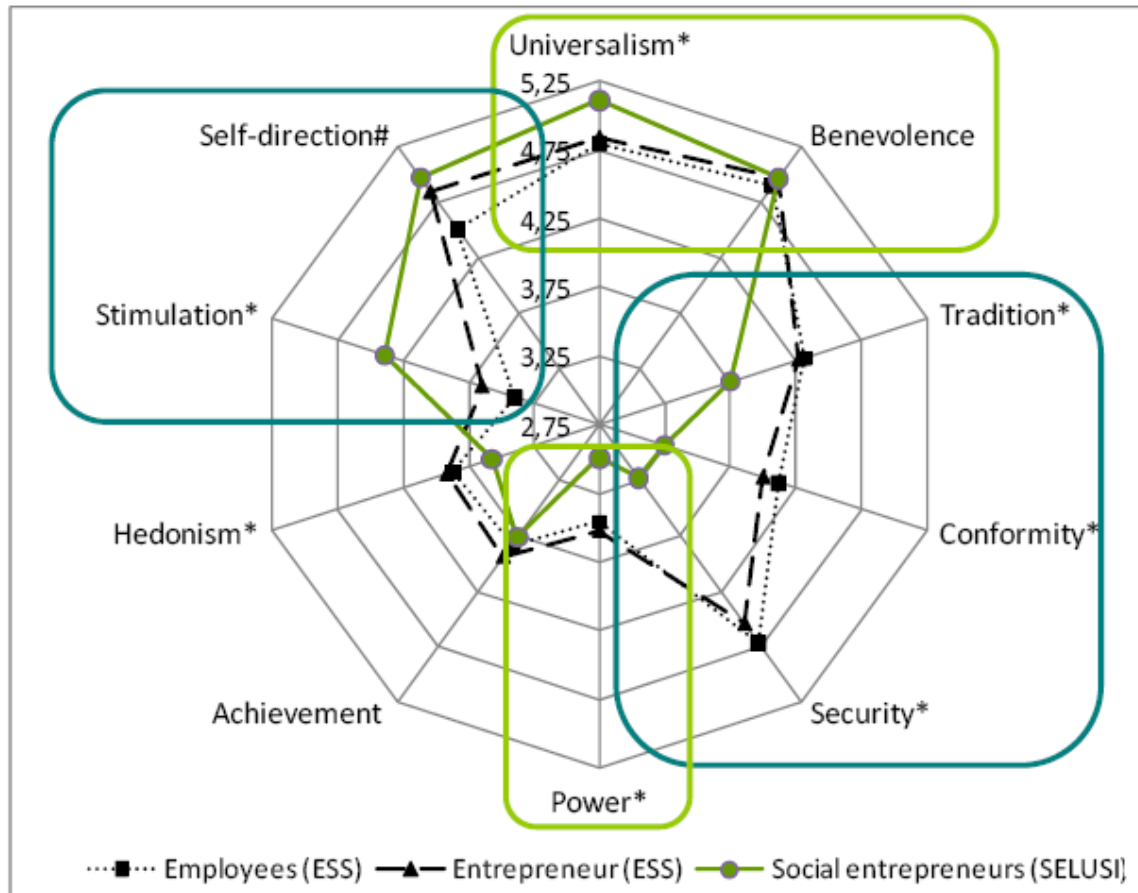
10 Basic Values – organized along 2 Dimensions

- 30 years of research led by **Shalom Schwartz** demonstrates that there is a core set of **10 values** reflecting distinct but related motivational goals, organized in **2 dimensions**
- These values and their relations with one another are similarly recognized and understood in over **70 cultures** as evidenced by multiple studies using population representative samples, samples of teachers and students. (Schwartz, 1992; 2005; 2011; Schwartz & Bilsky, 1990)
- The relations among these 10 basic values reflect their **motivational structure**, i.e. some values are in conflict with another (and therefore are opposing each other in the values circle), others are congruent (and therefore are adjacent to one another in the values circle).





What does the average value profile of Social Entrepreneurs look like?

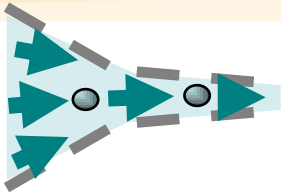


n social entrepreneurs (SE = 106 SELUSI panel on social enterprises)
 n employees = 31374
 n entrepreneurs = 5119
 Survey, ESS 2 countries results UK
 P = 25003 = 53.95, p < .001, t = 0.02 (controlling for gender, age, education)
 Differences are the adjusted marginal means with significant differences between SE vs. employees and SE vs. entrepreneurs
 # SE vs. employees only
 based on non-overlapping 95% CI's

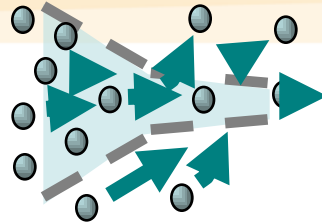
Social entrepreneurs appear to be **much less conformist** and radically **more universalist** than mainstream entrepreneurs



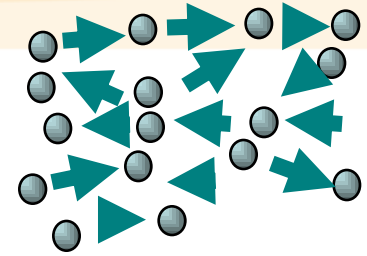
Innovation moving out of the Lab



Centralized
inward
looking
innovation
**Closed
Innovation**

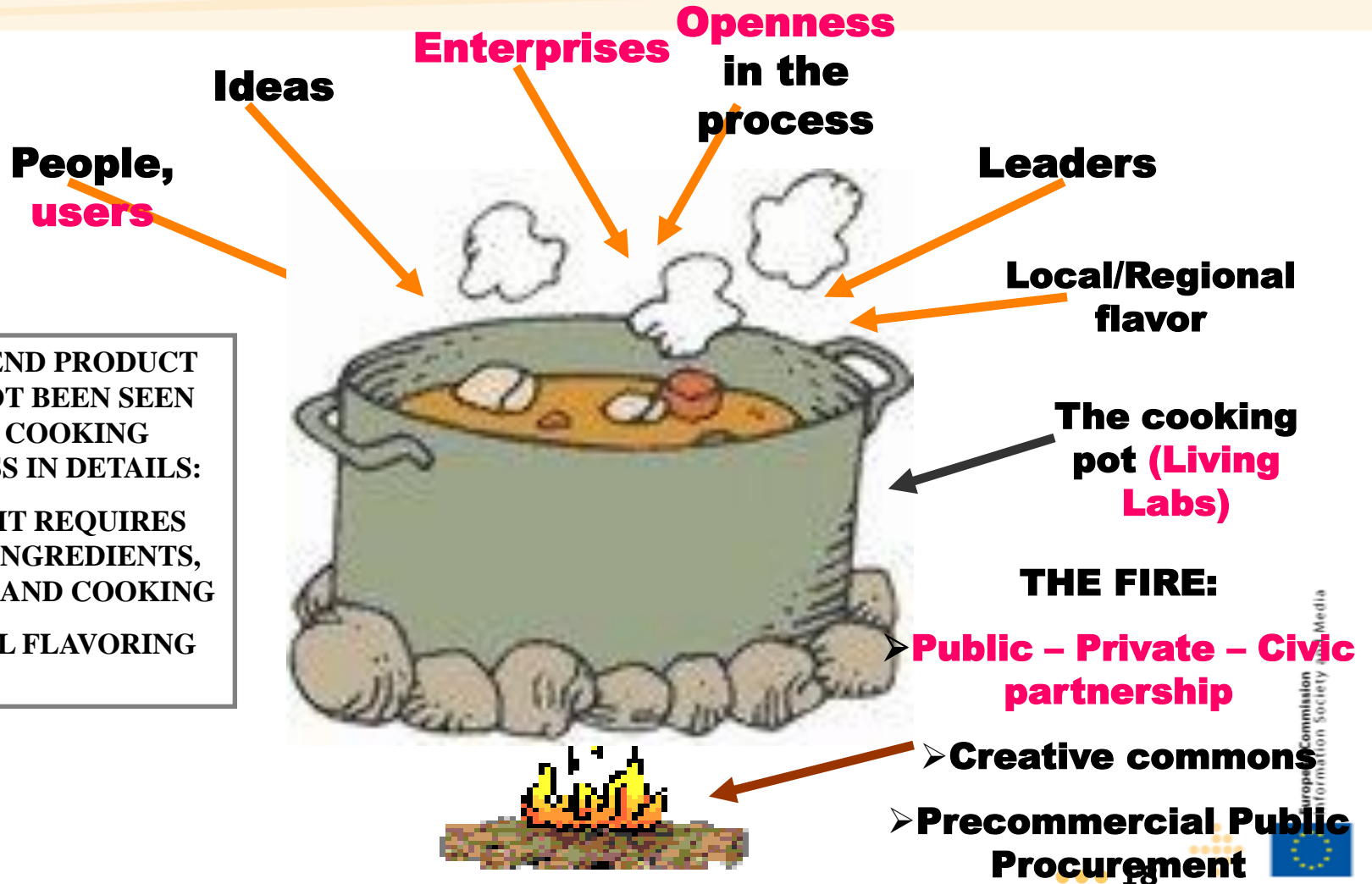


Externally
focused,
collaborative
innovation
**Open
Innovation**



Ecosystem
centric, cross-
organizational
innovation
**Innovation
Networks**

European Innovation System?



More Information

- **FP7:** <http://ec.europa.eu/fp7/ict>
- www.openinnovation-platform.eu
- **DG Information Society and Media:**
Directorate H; ICT addressing Societal Challenges
 - bror.salmelin@ec.europa.eu
- www.selusi.eu on social entrepreneurship

