

GLOBAL FORUM 2015: shaping the future  
Session S3: new innovation strategies in a  
challenging global environment  
28-29 September 2015, Oulu, Finland



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***Achieving  
greater societal  
impact through  
open, social  
and inclusive  
innovation***

# Innovating innovation

## Social innovation

- Social innovation is meeting a social need in new ways which also collaborates with, and empowers, the beneficiary, rather than just doing something to them

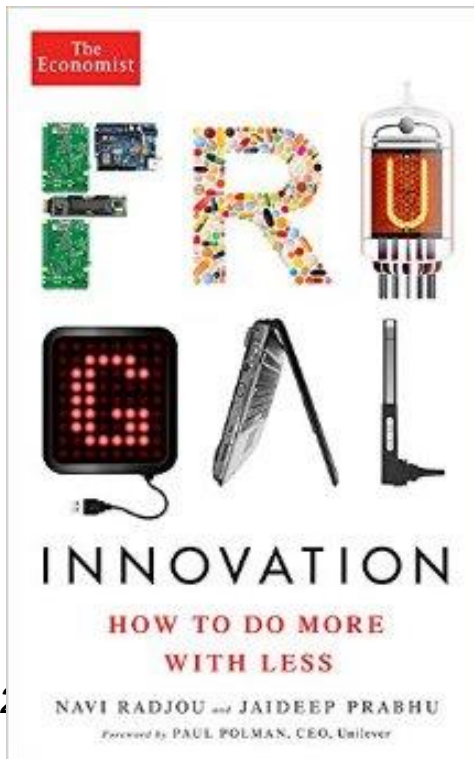


## Inclusive innovation

Doing social innovation inclusively, i.e. reaching the poorest and most excluded (Prahalad's BoP)

## Frugal innovation

- Inclusive innovation done *frugally* to maximise the performance-price ratio: *affordable excellence*
- 5 characteristics: affordability; sustainability; quality; access for the excluded population; significant outreach
- Arising from the Global South, especially India and *Jugaad* innovation: Prahalad, Mashelkar, Gupta, *et al*



# SOCIAL INNOVATION: Civil-public collaboration



## by the numbers

**\$2,001,543**

TOTAL GIVEN

**596**

PROJECTS SUCCESSFULLY FUNDED

**72**

NUMBER OF FUNDED PROJECTS THAT MAKE STREETS SAFER FOR PEDESTRIANS AND CYCLISTS

**286**

FUNDED PROJECTS IN NYC'S FIVE BOROUGHS

**\$6,957**

AVERAGE GOAL FOR ACTIVE PROJECTS

**301**

NUMBER OF PROJECTS FUNDED AND UNDERWAY RIGHT NOW

**\$35**

AVERAGE DONATION

**2**

AVERAGE MILES MOST DONORS LIVE FROM THEIR PROJECTS

**87%**

FUNDING SUCCESS RATE

**100**

CITIES WITH AN IOBY LEADER

## In Our Back Yard (USA)

- Local online crowd-sourcing & crowd-funding with website, social media, mobile & traditional activities
- Strengthening neighbourhoods through local development projects using grassroots donations & volunteers

**Social innovation:** grounded at local level; simple easy to use ICT; run by local inhabitants meeting pressing local social, economic and physical needs

# INCLUSIVE INNOVATION: civil-public-private collaboration

## Mission Leben (Germany)

- Creating and providing real work to people with learning disabilities and mental illnesses, improving life and self esteem
- 700 sheltered work places and 280,000 jobs across Germany



- ICT adapts traditional work-places to needs and capacities of individual workers with easy interfaces, plus automation tools

**Inclusive innovation:** creating valuable work for people otherwise discarded, ICT used for personalisation

# FRUGAL INNOVATION: private-public collaboration

## Narayana Cardiac Care (India)

- Only 8% global population can afford heart surgery
- Cost of cardiac surgery <\$3,000 (many pay less) cf. NYC \$50,000
- 2% mortality rate: lower than NYC
- Inspired by Walmarts, McDonalds and Starbucks' assembly-line quality with highly trained staff
- Business process reengineering & 24-hour workflow innovations



**Frugal innovation:** affordable, sustainable, excellent, excluded population (BoP), outreach: 'affordable excellence'

# **Innovating innovation:** underlying the above is *CONTINUOUS ASSET SQUEEZING / ASSET VALUATION*

- from linear economy/society: take-make-consume-dispose of assets
- to circular economy/society: enhance-retake-remake-reconsume assets

Circular economy/society:

new business & social models

## **Supply side asset squeezing / valuation**

- From 20th C mass production/consumption to 21st Century mass customisation
- From Porter's "shareholder value to shared value"
- From abundant to constrained investment capital and resources

## **Demand side asset squeezing / valuation**

- From the ownership and exclusive use economy to new forms of shared and collaborative consumption
- Access is more important than ownership, e.g. through leasing: using a service rather than owning a good (mobility rather than car)
- From consumers to 'pro-sumers' and co-creators

***Un-squeezed and un-valued assets = wasted assets = voiding huge environmental, social and economic benefits***