Social Innovation for Public Service Excellence

Author: Simon Tucker

UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in more than 170 countries and territories, we offer global perspective and local insight to help empower lives and build resilient nations.

The Global Centre for Public Service Excellence is UNDP's catalyst for new thinking, strategy and action in the area of public service, promoting innovation, evidence, and collaboration.

Cover image
BY-ND Anouk Delafortrie for EC/ECHO / www.flickr.com/69583224@N05

CONTENTS

List of figures

EXECUTIVE SUMMARY

Governments around the world are grappling with societal challenges that are acting as a brake on sustainable economic growth, leading to inequality and instability in society, and impinging upon the general well-being of their population.

Social innovation is a response to these challenges that offers considerable promise for public managers. It offers new solutions, new methodologies and new conceptual frameworks. Success can be seen through case studies from around the world, including middle- and low-income countries in South-East Asia. While it remains an emergent field, still building a robust theoretical underpinning and establishing an evidence-base, the promise of social innovation is too compelling to ignore.

Social innovation refers to new ideas that work in meeting social goals. A social innovation approach puts capacity to harness innovation at the core of public service. As a field, social innovation is new, practice-led and under-theorized. It should be considered more of a movement than a particular methodology, as might be the case for design thinking. Indeed, a feature of social innovation is that it combines multiple disciplines, types of actors and sectors. Social innovation is also more than just invention; it describes a process from initial prompt through to scale and systemic change.

For the public manager, there are three important features of social innovation.

First, social innovation brings an experimental approach to public service. Experimentation entails an evidence-based approach, acknowledgement of the limits of current knowledge, multiple small bets about what might work, and acceptance that some attempts will fail but provide learning that builds towards future success.

Second, social innovation requires distributed systems where innovation and initiative are dispersed to the periphery and connected by networks. Public managers must support and partner with social innovators: people who initiate and lead social innovation initiatives, and who can be found anywhere within the system, but tend to be semi-outsiders and boundary spanners.

Third, citizens and service users can bring insights and assets to help public managers achieve their policy objectives. Social innovations are developed 'with' and 'by' users and not delivered 'to' and 'for' them. Co-design and co-production are common elements of social innovation. As a result, social innovation can build community capacity in addition to delivering direct project impacts.

Anyone can be a social innovator, and people acting as social innovators are found everywhere: in every sector, at every level of the hierarchy as well as outside it, of every age and background. The twin challenges for public managers are firstly, to take on the role of a social innovators themselves and secondly, to support social innovators by nurturing them, channelling their energies towards the more pressing problems, and connecting them within a bigger system.

Public agencies can nurture their capacity to absorb social innovations and innovate themselves by building a diversity of relationships with other actors of all kinds and by finding ways for staff to understand others' perspectives. One powerful perspective is that of service users. Ethnography and design thinking are two tools for tapping into that perspective to gain better insight into social issues and develop solutions. Another approach is finding ways to encourage and bring together people interested in social innovation through events and networks.

Proposals and ideas for social innovation can be developed with the community through participatory decision-making and co-design. Experience with a range of innovation funds, prizes and camps has found that more directed approaches which support innovators with more than money tend to pay off. A shift to outcome-based procurement rather than pay for activity is also 'innovation friendly', but relatively hard to implement.

Social innovations generally require substantial development in the field. When contracting and monitoring projects, emphasis should be on ensuring rapid learning and adaptation rather than on compliance with the initial plan. Social innovation initiatives can benefit from co-location in hubs or parks and from the kind of intensive support provided by incubators.

Social innovation offers two additional ways to sustain new projects beyond mainstream public management practices. The first way is through the creation of marketplaces and introduction of competition, fostering social enterprise and the concomitant social investment market. The second is through task-shifting public service functions to volunteers or micro-entrepreneurs in the community, which often achieve better and cheaper results.

Scaling is a major challenge for social innovation. Promising approaches include facilitating horizontal learning networks, open source methodology, and replication and social franchising support.

To fully tap the potential of social innovation, public managers must move beyond support of individual social innovation projects. They must integrate social innovation into the creation of a national system, building the infrastructure to support social innovation from prompt through to scale.

While social innovation shows great potential for public managers, it is not without its challenges. It will find the most fertile ground where there is trust between sectors, public managers have space and authority to use their own

BY-NC Edith Valle / flickr.com/cedimnews

initiative, and government seeks to promote the general well-being of its population. Public managers need to be in a position to take a smart informed approach to risk, as the outcomes are often uncertain and the methods not yet rigorously tested. Public managers need to shift - and be genuinely empowered by their political masters to shift - to a more facilitative role and trusting relationship that requires some 'giving up' of power to the community. They must also be patient for results and work hard to reconfigure public institutions to financially benefit from social innovation. Framing and strategizing precedes solution design, and requires different processes than prototyping or design thinking. There is a risk of jumping too soon into doing things (prototyping, design jams, games) without proper reflection. Much of what follows is conceptualized in this reflection and should be part of social innovation.

1. INTRODUCTION

Thank you for reading this Discussion Paper from the UNDP's Global Centre for Public Service Excellence (GCPSE). The GCPSE, a joint initiative of the Government of Singapore and UNDP, was established in September 2012 to do three things: to promote evidence on how best to create and sustain excellence in public service; to support innovation and reform; and to convene events that encourage new ways of tackling reform.

Our ambition therefore, is to act as a catalyst for new thinking, strategy and action in the area of public service. In support of UNDP's ambitious strategy for helping to achieve international and national development goals, we at the GCPSE are striving to enhance the quality of the activities of UNDP and its partners in more than 170 offices in developing countries, regional centres and headquarters.

Social, economic and political processes are, of course, complex and happen differently at different times in different contexts. We aspire to discover, distil and disseminate the evidence of 'what really works' to promote effective, efficient and equitable public services. Although research findings about development processes agree that there are no blueprints, easy answers or quick fixes, surely better evidence will help us learn, from both theory and practical experience, those general principles and transfer-able solutions that may best inform local practices.

This Paper contributes to that objective. It builds on the GCPSE's 'Theory of Change' that four factors were critical in the success of the 'Singapore Story' and other examples of rapid and sustained development: effective co-operation between a country's Political and Administrative Leadership; a strongly motivated Public Service; the government's capacity for Long-term Planning, Foresight and handling complexity, while retaining the capacity to innovate.

Social innovation and its related fields (public services innovation, social entrepreneurship, social enterprise, social investment, design thinking) have generated much interest in recent years. Social innovation as a self-defined field has emerged only within the last decade or so but interest has spread quickly around the world. The existence of social innovation is certainly not new, but social innovation as a self-aware field and a phenomenon recognized and taken seriously by policy makers and public managers certainly is new.

This Discussion Paper was developed to inform the *Public Service Innovation Lab[1]* consultation on the Co-design of Public Policy and Services, organised in Singapore on 2nd and 3rd December 2013. The consultation provided an opportunity for both experts and practitioners to discover and debate Social Innovation trends and applications, informed by two discussion papers – one on Design Thinking and this paper on Social Innovation.

---

1 See http://www.undp.org/content/undp/en/home/ourwork/capacitybuilding/publicservice/PSI-Lab/.

Methodology and Structure

This paper provides an introduction to the philosophical underpinnings of social innovation, and an overview of some of the more important methods, approaches and trends being employed around the world to contribute to the development of public policies and the delivery of public services. It includes initiatives emanating from within government and outside government, and provides nearly 100 examples of social innovation methods and references to key research papers. It is inevitably partial and incomplete given the global scope and emergent nature of the field of social innovation, which is very broad and diverse, and still poorly defined and documented. This paper therefore seeks to whet the appetite of readers, who will need to follow up on the leads in which they are most interested, to obtain a full description and build the case for adoption in their own country.

The primary audience for this paper is reflective practitioners and policymakers in low- to middle-income countries, especially in South-East Asia. Many examples included in this paper are drawn from such countries and are therefore directly relevant to the target audience. Also included are examples from high-income countries, where the current 'state-of-the-art' and more mature social innovation systems are most often found.

Chapters 2 and 3 provide an introduction to social innovation and its philosophical underpinnings. Chapters 4 to 9 provide an overview of methods, approaches and trends loosely grouped around the six stages of innovation. In reality, the innovation process is not linear and the stages are not discrete, so some of the methods introduced will be relevant at multiple stages. Finally, Chapters 10 and 11 consider specific issues for public managers, overall conclusions and key recommendations.

> *A key role of public managers is to productively partner with social innovators.*

2. WHAT IS SOCIAL INNOVATION?

Social innovation refers to new ideas that work in meeting social goals.[2] Social innovation is an emergent, practice-led and under-theorised field. Practitioners and examples of social innovation can be found around the world, but it is currently most established in North America and in Europe. It has developed with ill-defined boundaries, meanings and definitions. A useful working definition is provided by the TEPSIE[3] project, perhaps the most definitive research study into social innovation to date:

> **"Social innovations are new solutions (products, services, models, markets, processes etc.) that simultaneously meet a social need (more effectively than existing solutions) and lead to new or improved capabilities and relationships and better use of assets and resources. In other words, social innovations are both good for society and enhance society's capacity to act."[4]**

The project was a five-year pan-European collaboration led by The Young Foundation and the Danish Technological Institute.

Elements of social innovation

Social innovation is better seen as a broad movement than as a single methodology or even a tightly defined field. The core and common elements are highlighted in Figure 1.

The TEPSIE approach to defining social innovation (and The Young Foundation approach upon which it is based) is very inclusive and may be useful within the field to help practitioners transcend some of the silos that have long existed between subdomains that draw on different disciplines and traditions, such as social entrepreneurship and social design. From the perspective of public managers and policymakers a simpler approach may be more useful. There are three key strands to this movement that distinguish social innovation approaches from other approaches to public management, shown in Figure 2. First, social innovation is a development of innovation theory and management, but applied to social and public policy goals. Second, social innovation is inherently collaborative. A key role of public managers is to productively partner with social innovators (who may also be public managers) including by 'co-framing' the problem and then 'co-solving' it. Third, social innovation seeks to harness and strengthen society's

---

2 G. Mulgan, S. Tucker, R. Ali & B. Sanders, 'Social Innovation: What it is, why it matters, how it can be accelerated', Basingstoke Press London , 2007

3 "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE), European Commission – 7th Framework Programme, Brussels: European Commission, DG Research. www.tepsie.eu

4 The Young Foundation (2012) 'Social Innovation Overview - Part I: Defining social innovation'. A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE), European Commission – 7th Framework Programme, Brussels: European Commission, DG Research. See also G. Mulgan, S. Tucker, R. Ali and B. Sanders, 'Social Innovation: what it is, why it matters, how it can be accelerated,' London, Basingstoke Press, 2007. See also a number of publications from Nesta, London: G. Mulgan, 'Ready or Not? Taking Innovation in the Public Sector Seriously' (2007); N. Bacon, N. Faizullahwocial Venturing', Social Innovator Series(2009),'How to Innovate: The tools for social innovation' (2009), and 'The Open Book of Social Innovation'(2008).
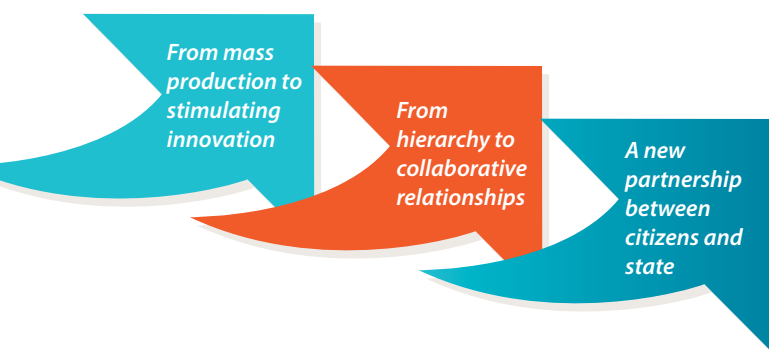
Figure 1: Core and common elements of social innovation
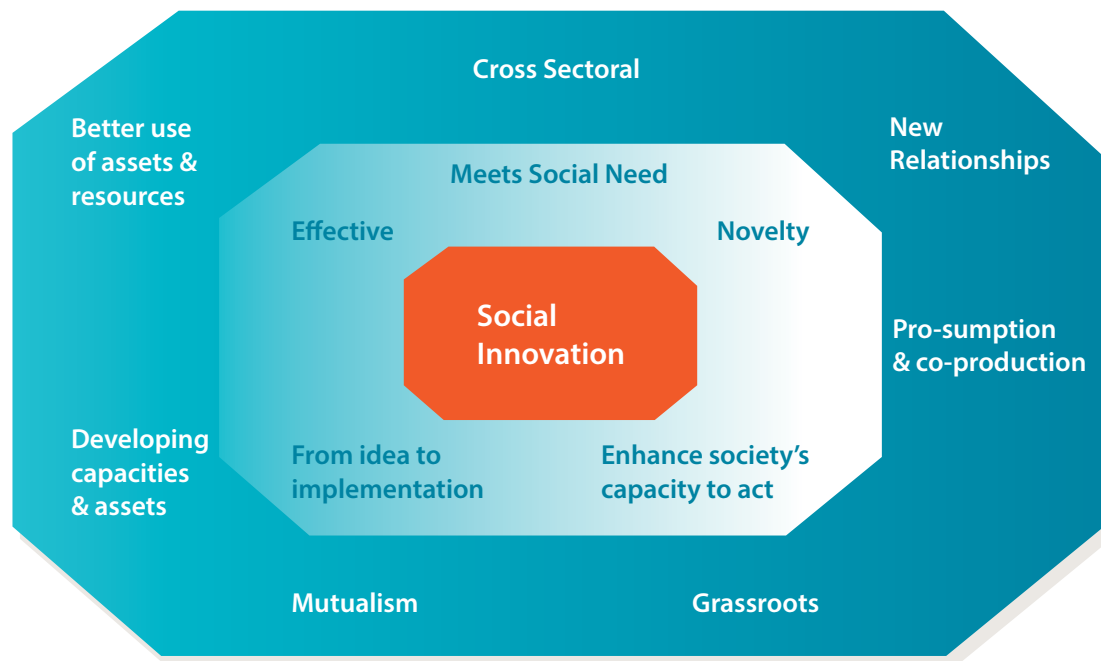
Credit: TEPSIE, www.tepsie.org

capacity to act to promote general well-being by creating new partnerships between citizens and the state. Each of these three distinguishing features is explored in turn in this paper.

Figure 2: Three strands of social innovation for the public manager

From mass production to stimulating innovation

Governments around the world are grappling with social challenges that act as a break on sustainable economic growth, lead to inequality and instability in societies, and impinge upon the general well-being of their populations. These challenges vary somewhat between countries by income level, geography and other circumstances but the list will be familiar to all: climate change, pollution, volatile weather conditions and deforestation. Demographic changes are leading to an ageing population in some countries with a consequent impact on the need for elder care and housing. In other countries there has been an explosion of youth, leading to concerns about

disengagement, unemployment and social unrest. As the emphasis within the world economy shifts towards industry, services and knowledge creation, the world needs ever more highly educated workforces. Progress in eradicating communicable diseases has brought with it a rise in long-term medical conditions, so as people live longer they are also likely to live more of their life with a disability. The striking feature of these social challenges is that they cannot adequately be addressed through economic growth alone, and have proven stubbornly resistant to traditional policy levers.

These social challenges tend to be complex, defying linear, top-down policy responses. Complex problems do not have a single 'end' or a 'solution' and so greater importance is attached to the process of managing them than trying to resolve them per se. Addressing many of these complex challenges requires a paradigm shift and behaviour change.

There is also growing recognition of the importance of relationships in achieving many social goals. Relationships help with social mobility, general well-being, resilient communities and elder care, for example. A lack of constructive relationships is a good indicator for criminal behaviour, economic inactivity, poor health and depression. Solutions to these problems therefore cannot be delivered in the way that commercial products are delivered – they require the participation, cooperation and 'buy in' of users, the beneficiaries of services.

It is important not to confuse 'innovation' with 'technology' or 'engineering'. Innovation applies to everyday life, and in reality is much broader than technology or engineering.[5] It can apply

---

[5] J. Schumpeter, 'The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle', Harvard University Press, Cambridge, 1934.

to new products such as the Jaipur Foot[6] radically redesigned prosthetic leg in India; new services such as Vodafone's M-Pesa[7] mobile banking system in Afghanistan, India, Kenya and elsewhere; new processes such as participatory theatre in South Africa; new markets such as Fair Trade; new platforms such as regulatory changes or networks such as Tyze[8], which helps older people track informal and formal care in Canada, the United Kingdom (UK) and United States; new organizational forms such as Community Interest Companies in the UK or Low-Profit Limited Liability Companies in the United States; and new business models such as Narayana Hrudayalaya[9] ultra-low cost healthcare in India.

As public managers find their role becoming harder, they are also coming under increasing scrutiny as citizen expectations rise with increased levels of income and security and experience of customer service from the private sector. Social media shines a new spotlight on the way government officials behave and the way public services are provided, and technology is creating new ways for citizens to hold governments to account.

The old model of public management was developed in the period of mass production and draws on a machine-based mental model. It is a centralized command and control structure whose function is to bring standardisation and efficiency in order to raise volume of outputs and overall quality. Like the controller of a machine, the role of the public manager is to direct activity through top-down strategies and performance management, while the role of frontline public workers is to deliver a standardized service to citizens who are passive recipients. If the activity at the front end does not conform to plan, then corrective action is needed. The model relies on a good plan to start with. It assumes that the environment in which public managers operate is reasonably certain and known, if only the right technical expertise can be brought to bear. Public managers are therefore in a crucial and privileged position, depending on their position in the hierarchy.

Unfortunately this traditional model is not suited to the nature of social challenges today. Social innovation responds to this by putting capacity to harness innovation at the core of public service. It faces the fact that we often do not know as much as we would like about the nature of the problems

test multiple hypotheses as quickly and cheaply (and safely) as possible. So, too, should public managers adopting a social innovation approach. With multiple initiatives, some overall lack of coherence, conflict and competition may need to be tolerated. Experimenters also can expect to fail, probably many times, in order to ultimately make a breakthrough. This poses particular challenges for the public manager. 'Performance management' in a social innovation context shifts from ensuring compliance with an agreed plan to looking for maximal rate of learning - in other words departing as fast and far from plan as needed to achieve the agreed outcomes.

From hierarchy to collaborative relationships

Social innovation reconceives public administration as requiring distributed systems where innovation and initiative are dispersed to the periphery and connected by networks. Social innovation can come from anywhere but often ideas, insights and innovations come from the margins, or from the interstices between disciplines, departments or domains of responsibility, which are often the neglected or forgotten spaces.

For the public manager, an important aspect of social innovation is forging partnerships with the people innovating. Innovators are often mavericks and misfits – people prepared to think differently and stand out. As Czech President and Poet Vaclav Havel argued, power often stifles creativity, and generally it is those on the margins that have the space, sometimes the eccentricity, to think radically. They can be called reformers, activists, changemakers, social entrepreneurs or civil or policy entrepreneurs. The Gawad Kalinga Community Development Foundation refers to them as the 'middle brother', between the 'older brother' of government and corporations and the 'youngest brother' of ordinary citizens, as illustrated in figure 3.

Figure 3: Gawad Kalinga's middle brother changemakers