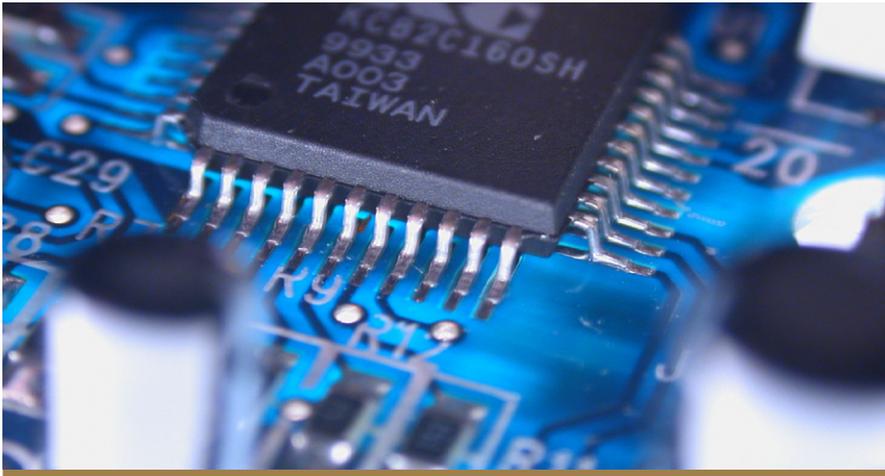




## Shaping Social Innovation

Where do social innovations come from?



**Social innovations enable new solutions for tasks of a public benefit nature. Social inequalities, the impact of demographic change and ecological conflicts, among others develop in a very dynamic way and require existing institutions to change.**

Social innovations represent a promising approach for meeting societal challenges. Companies and governments are called upon to mobilise new forces and develop new responses and strategies. The concept of social innovation derives its meaning from the traditional, technology-oriented concept of innovation. In science and research, there is also a growing need for differentiated discussion of the concept of social innovation. Additionally analysed in these fields is the role of social entrepreneurs in the development and scaling of social innovation.

Social innovation is one of the main research topics of CSI. The institute has set itself the goal to promote and continually contribute to the advancement of social innovation. Therefore, CSI participates in two international research projects in the 7th Framework Programme of the EU, both of which are concerned with the theme of social innovation: INNOVSERV (an online platform for innovative social services) and TEPSIE (Theoretical, Empirical and Policy foundations for Social Innovation in Europe). The institute makes a significant contribution to the analysis of the relationship between

social economy and social innovation; the statistical coverage of social innovation scalability and adaptability of "best practices"; and not least of all, to the theoretical sharpening and defining of the concept.

An increasingly dense sequence of events shows a growing public and political interest in the topic of "social innovation". On February 27th, a multi-stakeholder conference led by the Ministry for women, seniors, families and youths (BMFSFJ) took place in Berlin on the promotion and dissemination of social innovations in Germany. The BMFSFJ invited a variety of perspectives to shed light on the issues of social innovations. From a development viewpoint of CSI, representatives from various foundations and academic institutions were also present, such as public welfare organisations, social investors and social entrepreneurs.

The conference debate launched under the theme, "What are the challenges". The exchange with representatives of the social

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## Editorial

Dear Readers,

The second part of our Institute's name is becoming increasingly relevant: In large research cooperation projects funded by the 7th Framework Programme of the EU we address social innovation. We work with our European partners both on a more general perspective of the issue as well as on the more specific field of social service innovations. Leading partners are the Young Foundation from Britain and the Danish Institute of Technology on the one hand and the Institute for Diaconical Management at Heidelberg University on the other.

Social Innovation is closely tied to the mobilization of entrepreneurial potential for the solution of social problems. Our research on social entrepreneurship, on which a volume of empirical results from collaborative research on Germany will be published at VS Verlag in summer is directly connected to social innovation issues. However, in working with the German Welfare Associations we realize that the field is characterized by long traditions of 19th century origin.

In future the relationship between social entrepreneurship and political advocacy will be crucial for social innovation. In a lot of innovation fields we realize that on the one hand new services and products are being developed, but on the other political advocacy shapes the value driven and highly regulated markets in which these services are provided. We will therefore increase our research efforts in this field in future.

Please note our Executive Training opportunities in autumn this year! We wish you productive and interesting reading.

Volker Then  
Helmut K. Anheier  
Stefan J. Geibel





## Stay in Touch

### Alumni Association Launches Event on Career Opportunities

**Former and current students discuss their job searching experience and their expectations towards training courses.**

The first event of CIS Alumni Association hit the bull's eye. The event, along with former and current students, was meaningful for its participants and entailed a lively discussion on the theme: Management Careers in the Third Sector—On Searching and Finding Executives. To address the most important challenge that arises after studies, members of the Alumni Association invited to CSI Mr. Jörg Busenbender, a reputable recruitment consultant.



Discussed job opportunities: Students and graduates of the CSI

In addition to the job-related topic, students from all five cohorts took the opportunity to get to know each other and to make contacts with fellow students from various years. Afterwards in the library, Mr. Busenbender extensively addressed questions from the students and alumni, continuing the

exciting discussions into the informal part of the evening.

We are as proud as we are thankful that the self-organised alumni association of CSI has completed its first event so successfully. A

special thanks to Uta Mielisch, who moderated the evening superbly, and the board members, Manon Gödiker und Michael Hamm, who promoted the organisation emphatically from the beginning.

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## Teaching: International

**Fifth year students begin their second semester.**

Characteristic of CSI students is the diversity of their academic qualifications and professional background as well as their origins. A heterogeneous group of participants in many ways:

They come from Tatarstan, Afghanistan, Bulgaria, Austria, Switzerland and China and have studied history, anthropology, sports or science. They work as programme managers in a foundation, are manager assistants of a well-known development project or act as a thoughtful "change agent" in a well-known for-profit company. Supporting each other, they enrich each other in content.

The organisation team also benefits from the diverse voices that allow a continuous development in the quality of teaching as well as the improvement of study conditions.

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## Shaping Social Innovations

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entrepreneurial start-up community quickly realised that compared to previous debates, there was a unanimous emphasis on a cooperative effort for social innovation. A growing interest in cooperation also became apparent in innovation competitions. Workshops were based thematically to the "principles for socially entrepreneurial commitment".

Questions regarding the impact report were addressed, as were financing options and the capacity to break down barriers for careers in the corporate social sector. The workshops were inspired by the idea to encourage and initiate concrete improvements within the landscape of social innovation. The interaction between different actors also stood out. In another workshop, the cooperation potential of public welfare organisations with social entrepreneurs was made clear.

The afternoon focused on growth and the spread of social innovations. In the workshop on financing social enterprises conducted by KfW and Ashoka, Thomas Scheuerle delivered a keynote speech on the market potential of social enterprises. The lecture was hosted by the KfW in cooperation with CSI.

In another workshop on transfer mechanisms for social innovation, an idea was presented concerning a "pledge foundation", which would act as an intermediary for conducting investment grants and provide security for social investment on the side of the investors. Host Cristoph Lizbach from BMFSFJ emphasised a further aspect, one that should lead to serious future steps: the establishment of an expert council for social innovation. Most participants strongly agreed.

These efforts make it clear that social innovation is a quickly growing topic, its relevance recognised by the number of participating stakeholders. A comprehensive understanding of what social innovation is or is not, however, has yet to be agreed upon at national and international levels..



## Learning from Odysseus

### Improving Social Interventions with Choice Architectures

**Do I already have an organ donor card? Should I separate the garbage, stop smoking?**

**Many social investors such as foundations or NGOs want to support us in such situations to make decisions which are useful for us, or for society. They could learn from Odysseus.**

When Odysseus wanted to sail around the island of the Sirens, he stuffed his fellow sailors' ears with wax and tied himself to the mast. In doing so, he influenced his future decision situation by wise precaution – and became the first to listen to the enchanting song of the Sirens without steering his ship into the cliffs.

Like Odysseus, foundations, NGOs or social entrepreneurs can "design" choice situations in a way to achieve their social and environmental objectives in a particularly efficient and successful manner. Investigating ways to do so is the goal of the research project, "The Behavioral Dimension of Social Investment" (BeDSI) by Dr. Robert Münscher (Centre for Social Investment, CSI) und Prof. Dr. Christiane Schwierén (Alfred-Weber-Institut für Economics, AWI) at Heidelberg University.

In a team of project staff from both CSI and AWI, we analyse the transferability of proven choice architectures on the substantive and sector-specific challenges for foundations and NGOs.

In addition, we develop a grid approach to the development and assessment of promising new choice architectures. Empirical tests of the effectiveness of the approach in selected areas of social investment form the third phase of the project.

The BeDSI-Project thus aims to demonstrate an untapped potential for social investors. We already know that by considering well-known behavioural economic principles, social interventions can avoid disadvantages for decision-makers and in many cases increase the efficiency of the intervention in a simple and cost-effective manner. Such principles address, for example, the typical problems that people have with the control of their own actions, emotions or attention. To bind oneself for precaution, as did Odysseus, can help. Today, the website "Stickk.com" uses a similar principle. It offers users to agree on a binding contract obliging them to reach a personal goal (e.g.,

lose weight). If they do not succeed, a specified amount of money goes automatically to a charitable organisation.

While companies have been using behavioural economic principles for some time (i.e. think of automatically prolonging subscriptions for magazines or sports clubs), policy makers have only recently started to consider active "choice design" (especially in the USA and the UK).

What is still completely lacking, however, is a systematic analysis and empirical test of the benefits of choice architectures for the field of social investment, i.e. private, charitable commitments. Which types of social interventions might benefit from improved choice architecture? In which fields has choice design already been practiced? What quantifiable social value added can it deliver? Over the next two years, the BeDSI-Project will try to find answers to those questions.

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#### Example: Fundraiser

How much is donated to a good cause depends, among other things, on the presentation of the call for donations. Studies on fundraising for blood donation have shown that both more and larger donations are made if the campaign is advertised as a measure to "prevent death" rather than as a way to "save lives" (cf. Chou and Murnighan, 2013).

Behind this is the principle that people rather tend to avoid losses than to achieve gains or improvement ("loss aversion principle").

## SKF Foundation Study: Strategy & Impact

### CSI Developed a Strategy Model and Exemplary Impact Analysis

**How can a foundation in a country like Norway successfully promote regional development? Which strategic options does it have, and how can the social impact of such a philanthropic commitment be demonstrated?**

The Norwegian foundation, "Sorlandets Kompetansefond" (SKF) has promoted the regional development in southern Norway since its foundation at the turn of the millennium with about 50 million euros. In light of its 10th anniversary, SKF commissioned the CSI to develop a strategy and impact study.

By way of a portfolio analysis of all projects of the foundation since its inception, CSI developed a sustainable strategy model for SKF.

In order to test the three main approaches of this strategy model, in a second project phase the CSI realised three impact analyses, one on each investment approach. The studies used Social Return on Investment (SROI) approach and are available online:

[www.csi.uni-heidelberg.de/downloads/...](http://www.csi.uni-heidelberg.de/downloads/...)

[...Creating\\_Impact\\_in\\_Southern\\_Norway.pdf](#)

[...SROI\\_Evaluation\\_UiA\\_Mechanics.pdf](#)

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### Creating Impact in Southern Norway

A Social Return on Investment Report to the Competence Development Fund of Southern Norway

This report was elaborated by Dr. Volker Then, Dr. Robert Münscher, Beniamino Callegari, Stephan Stahlschmidt, Lukas Wedemeyer, Patrick Bungard & Anika Striffler  
Centre for Social Investment, Heidelberg University



## Personalia

Max Vetter majored in psychology with a focus on organisational, clinical and social psychology at the Ruprecht-Karls University in Heidelberg and the University of Western Ontario (Canada). He completed his studies in February 2012.



During his studies in Heidelberg and later at the University of Mannheim, Max Vetter collected experience in research and teaching. Internships and activities in areas of human resource, management consulting and organisational development supplemented his experiences outside of the university context.

Since December 2012, Max Vetter has worked at CSI as a research assistant in a new project, The Behavioural Dimensions of Social Investment (BeDSI). This project is funded by the FRONTIER Innovations Fund at the University of Heidelberg and was set up as part of the future strategy of the University for Excellence Initiative, which encourages small to medium sized projects that are characterised by scientific excellence and innovation potential.

Max Vetter works on the BeDSI-Project at the interface between social psychology, behavioural economics and social investment. He examines how different types of choice architectures influence the success of nonprofit projects or social interventions. In addition, he is preparing his dissertation.



## Executive Trainings – Transfer of Knowledge

### CSI Extends its Course Offerings for Executive Training

Aspiring and established leaders in civil society organizations will have the opportunity to develop their skills in new executive training courses offered by the CSI.

Upon the successful completion of various research projects in the areas of impact measurement and social entrepreneurship, the CSI filters the collected findings and brings them into focus during the executive trainings. These trainings are moderated by experienced scientists and consultants of CSI who have an excellent reputation as experts in their fields and have developed the subject over many years of involvement.

With support from experienced speakers and



coaches, the „Executive Training for Social Entrepreneurship“ purposefully promotes the development of individual projects, focusing on the current development phases of individual ventures.

The „Executive Training for Impact Measurement“ teaches approaches developed by CSI and transports them into practice.

Also new and offered in autumn 2013 is a training on „Foundation Strategies for Impact.“ The CSI bundles the results of years of work on effective strategies of foundations in an intensive seminar.

The three training courses at CSI link their own experience with the scientific findings of expert speakers, knowledgeable and experienced practitioners and the know-how of other participants. The result is a network of different perspectives and qualifications that, by focusing back to their own perspective, helps to initiate substantial progress in one's own company. Small groups support the learning process and personal development of participants even more effectively by the experts in academia and practice that offer to precisely align to their individual goals, prior knowledge and needs.



Our training courses are aimed at practitioners from the nonprofit sector as well as from the public sector or business enterprises that are engaged with questions concerning the social impact of their organisation or understands themselves as entrepreneurial within a larger organisation. We deliberately do not limit the participants to certain organisations, but rather aim to support specific tasks.

The training courses will be held on a semi-annual basis.

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### CSI Executive Training 2013: Dates

- Social Investment and Impact 07.11. - 09.11.2013 (English)
- Executive Training for Social Entrepreneurship 21.11. - 23.11.2013 (German)
- Foundation Strategies for Impact 28.11. - 30.11.2013 (English)

We look forward to your applications!

For more information, please visit our website: [www.csi.uni-heidelberg.de/lehre/expert\\_angebote.htm](http://www.csi.uni-heidelberg.de/lehre/expert_angebote.htm)

## Imprint

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