Social Innovation and Workplace Innovation in Germany

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Jürgen Howaldt

Prof. Dr. Jürgen Howaldt
Emerging technologies are the basis for new products, processes and services which can contribute to mastering current social challenges. Without them, innovation would be unthinkable today. Our country's economic future depends on how effectively we use the opportunities linked to key technologies.

The Federal Government wants to further strengthen Germany's top position in the field of technology within the framework of its High-Tech Strategy.
“The tracks of international research on innovation demonstrate that the technology-oriented paradigm – shaped by the industrial society – does not cover the broad range of innovations indispensable in the transition from an industrial to a knowledge and services-based society: Such fundamental societal changes require the inclusion of social innovations in a paradigm shift of the innovation system.”

(Vienna Declaration: The most relevant topics in social innovation research)
Main characteristics

- Co-ordination and mediation between various different groups of stakeholders who are involved in innovation activities
- Interdisciplinarity, heterogeneity and reflectivity of the processes of creation
- Emphasis on historical, cultural and organizational preconditions
- Increased involvement of users/citizens in processes of “co-development”
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<th>Co-creation</th>
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<td>1. Co-creating value with customers</td>
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<td>2. User’s involvement in innovation process</td>
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<th>Global Knowledge Sourcing and collaborative networks</th>
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<td>3. Accessing and Combining globally dispersed knowledge</td>
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<td>4. Forming collaborative networks and partnerships</td>
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<td>5. Dynamics between large companies and entrepreneurs</td>
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<th>Global Challenges</th>
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<td>6. Environmental concerns create new opportunities</td>
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<td>7. Needs in developing countries drive innovation</td>
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<th>Public Sector Challenges</th>
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<td>8. Pressure on public services create new business opportunities</td>
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<th>New Role of Technology</th>
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<td>9. Technology’s role as an enabler of innovation</td>
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*A New Nature of Innovation* (OECD 2010)

Prof. Dr. Jürgen Howaldt
Social innovation moves from the margins to the mainstream

“Office of Social Innovation in the White House”

50 Mio. US-Dollar für den „Social Innovation Fund“ – “The Fund will focus on priority policy areas, including education, health care, and economic opportunity.”
"Social innovation is a term that almost everybody likes, but nobody is quite sure of what it means."

- fair trade
- therapeutic communities
- zero carbon housing
- distance learning
- eco-cities
- slow food
- police community support officers
- world wide web
- non-emergency phone numbers
- wikipedia
- drug courts
- cognitive behavioural therapy for prisoners
- online learning platforms
- consumer co-operatives
- personal budgets
- health collaboratives
- criminal assets recovery
- co-production
- skunk works
- personalisation
- social innovation
- open source
- corporate universities
- Pledgebanks
- magazines sold by the homeless
- innovation camp
- participatory budgets
- microcredit
- timebanks
- online tax transactions
- carbon trading
- restorative justice
Social Innovation in the European Union
„Empowering people, driving change“

„Social innovations are innovations that are social in both their ends and their means.

Specially we define social innovation as new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations.

They are innovations that are not only good for society but also enhance society’s capacity to act.“

(Bepa report 2010, 9)
Social Innovation

Definition

A new combination and/or configuration of social practices with the goal of better satisfying or answering needs and problems than established practices do. (cf. Howaldt 2010 – IMO Trend Study, 26)

- may be precondition, attendant circumstance or consequence of technical innovations
- imply a change of behavioral patterns of the members of a social system
- are an appropriate strategy for enterprises to increase their innovative capabilities

Prof. Dr. Jürgen Howaldt
In this light innovation can be understood

“as a process of collective creation, in the course of which the members of a particular total population learn, i.e. invent and establish, new ways of playing the social game of collaboration and conflict, in a word a new social practice, and in the course of which they acquire the necessary ... abilities to do this.”

(Crozier/Friedberg 1993)
Research fields

- **Management and Organizational Research**
- Social Economy, CSR, Social Entrepreneur
- Creativity Research (Creative Industries)
- Local and Regional Development
  
  *(Moulaert et al. 2005)*

- **Service Innovation/ Social Services**
- **Sustainable Development/ Climate Change**
- **Social Innovation in a digital era (Enterprise 2.0; Society 2.0)**

  *(Howaldt/Schwarz 2010)*
Humanisation of Work
(1974 to 1989)

Work and Technology
(1989 –2001)

"Innovative Work Design – the Future of Work"
(2001-2006)

"Developing Skills for a Changing Economy“ and "Learning in Social Settings"

"Culture of Learning and Skills Development “ (2001 – 2007)

(2007-2011/13)
National Research and Development Programme

Working – Learning – Developing Skills. Innovation competence in a modern working world

Arbeiten – Lernen – Kompetenzen entwickeln. Innovationsfähigkeit in einer modernen Arbeitswelt

Claudio Zettel, PT-DLR/BMBF
Dilemma Map

Sustainability vs. Maximizing Short-Term Profit

Responsible Use of Human Resources vs. Cost Pressure
- Health and Prevention Management
- Establishment of Innovation Cultures
- Use of Knowledge and Human Potential

Long-Term Strategies to Increase Innovative Ability vs. Pressure to Succeed
- Fostering Social and Organizational Innovations
- Holistic Innovation Management
- Opening of Innovation Processes

Innovative Capability

Trends
- Enhancement of Competence and Knowledge Based Working Processes
- Dynamization of Working and Learning Biographies
- Tertiarization and Hybrid Manufacturing
- Generation Homo Zappiens

Time for Learning Processes vs. Time Pressure
- Continuous Competence Development
- Integrative Design of Work and Learning Environments

Need for Stability vs. Flexibilization Pressure
- Innovative Forms of Work Organization
- Management of Uncertainty
- Work-Life-Balance

Trends
- Globalization of Value Chains and Innovation Processes
- Growing Change Dynamics and Uncertainty
- Demographic Change
- Decentralization and Cross-Linking
Definition

“Workplace innovation is defined as newly combined interventions of an organisational, personnel and technological nature (‘what’). They are participatory developed by committed individuals through co-creation and co-design (‘how’). This simultaneously results in improved organisational performance and enhanced quality of working life (‘output’). The ‘outcome’ of workplace innovation is to contribute to sustainable changes related to the economy, ecology and employability and to sustainable innovative capability of organisations and individuals.”

Dortmund Position Paper
Social Innovation in SMEs – Design Characteristics

The Strategy

Social Innovation
to increase the Innovative Capability of Enterprises

- Orientating towards moral values and social perspectives on problems
- Integrating labor unions and citizens’ groups
- Highlighting the personal use for individuals who are involved in social innovation processes
- Considering population and employment characteristics for structuring the organization
- Accepting changes and alterations
- Exchanging personnel in innovation projects
- Systematic fostering of diffusion processes

DESIGN CHARACTERISTICS
Why

One of the greatest current challenges of management is to organise effectively utilisation of manpower in what deals with core processes of interactive value creation and innovation.

At the same time, in light of demographic change and apparent skilled worker shortage, the capacity of companies, to train, to recruit and to make qualified workers stay for a long period, is becoming a decisive success factor.

In this context, it will become more important for companies to offer attractive workplaces. Issues of workplace quality will regain importance.
The Future Dialogue of the Federal Chancellor

3 central questions on the future of Germany:
1. How do we want to live together?
2. From what do we want to live?
3. How do we want to learn?
Dialog for the future of the German Chancellor

WG Future of Work

Proposal: “Quality of Work” Programme 2020

Goals:

- Improvement of competitiveness and innovation capabilities of enterprises (and public institutions)
- Improvement of quality of work as precondition for strengthening personal development of employees, realizing the existing labour potential and the enterprises’ capacity to attract and commit skilled workers
- Improvement of social integration and life quality (as an important location factor)
Roundtable Federal Ministry of Education and Research

**Challenge: Grant Programme “Social Innovation”**

- Thematically focused Grant Programme (e.g. in the area of social inclusion, health, civic participation, workplace innovation…)
- Pilot grants for Regional Centers of Social Innovation (mission: supporting social innovators)
- Development of a German excellence cluster for social innovation scientific research
- Networking with the international scientific community
Social Innovation will play an important role in the Europe 2020 strategy

"Creativity and innovation in general and social innovation in particular are essential factors for fostering sustainable growth, securing jobs and increasing competitive abilities, especially in the midst of the economic and financial markets crisis."
Social Innovation Europe

“Social Innovation is crucial for Europe’s Future.”

“I want the EU’s research funding programmes to help address the unmet needs of the social innovation sector.”

“Ensuring a good research base for social innovation is of course very important.”

“I want European research and innovation funding to strengthen the capacities of social innovators.”

Commissioner for research, innovation and science Geoghegan-Quinn
Social innovation topics

e.g. SSH Work Programme 2012, recent calls

- Social innovation against inequalities
- Social innovation for vulnerable populations
- Social innovation in the public sector
- Smart specialisation for regional innovation
- Innovative policies for employment and labour markets
- Unveiling creativity for innovation in Europe
- Mobilising institutional reforms in research and innovation systems for better scientific, innovation and economic performances in Europe
- Challenge: Education systems in the 21st century
- Challenge: Making longevity an asset for economic and social development
Social Innovation – Short-time work

- Reduction of working time instead of dismissal
- Developed in collaboration between economy and politics with the goal of maintaining workplaces in times of crises
- In 2009 over 1.4 million short-time workers in Germany, which prevented a drastic rise of unemployment

http://www.bundesregierung.de/Content/DE/Artikel/2009/02/Bild/diagramm-zur-konjunkturbedingten-kurzarbeit,property=poster.jpg
Conclusion

Requirements concerning labour organisation and labour policy are increasing. The question about conditions of preservation and further development of innovation capacity at the level of organisation of human work will become the central future issue of public innovation policy, where economic, technological and social innovations interact.
Recommendation

“Work organisation is a critical factor for the success of skills development and enterprise strategies. Funding to promote Workplace Innovation should therefore be at the heart of such strategies at EU, national and regional levels. ...

A targeted transnational initiative should be launched by the European Commission to resource the establishment of new coalitions and to fund demonstrator projects in Member States which currently lack national programmes.”

Dortmund Position Paper
“The world needs more social innovation - and so all who aspire to solve the world’s most vexing problems - entrepreneurs, leaders, managers, activists, and change agents - regardless of whether they come from the world of business, government, or nonprofits, must shed old patterns of isolation, paternalism, and antagonism and strive to understand, embrace, and leverage cross-sector dynamics to find new ways of creating social value.”

(Phillps et al. 2008)
Social Innovation: Concepts, Research Fields and International Trends
Studies for Innovation in a Modern Working Environment 5
Jürgen Howaldt/Michael Schwarz

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