

## SPARK OPEN INNOVATION GROUP PROJECT REPORT

### Background

This is a report that provides detail on the experience, as part of the SPARK Accelerator programme, of the Open Innovation Group project (OIG) delivery. The activity involved sixteen social enterprises, and the aim was to help them learn about open innovation methodologies. Partners worked with three groups of five, five and six social enterprises in the UK, Belgium and Netherlands respectively. The culmination of this work was a conference taken place on 17<sup>th</sup> January 2019 that enabled the exchange of experiences and knowledge cross border between social enterprises and stakeholders from the three partner countries.

This report has been put together so others within the Interreg 2 Seas region can benefit from the learning of this experience should they wish to support social enterprises to use open innovation methods more often and more efficiently. Questions on this report should be directed to [ana.fajardo@westsussex.gov.uk](mailto:ana.fajardo@westsussex.gov.uk).

### The OIG projects in the three countries

The aim of the OIG project was to help the social enterprises involved to learn about open innovation methods, theoretically and, as much as possible practically, in order to understand better how to implement them in their own organisations. As with the rest of the accelerator, the idea was to provide tools and information from which the social enterprises could build their further knowledge and experience on open innovation.

Although with the same agenda, in effect, there have been three different projects being delivered in each partner country in the last few months, using different methodologies and approaches. Throughout the SPARK project, we have found that it is important to use



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flexibility and adapt to the specific country circumstances in order to define, successfully, the detail of the activity to be delivered and the OIG has been no exception. This has helped us meeting the needs of the social enterprises involved much more efficiently and avoid delivery becoming a tick box exercise. The different approaches also provide more contrast for the evaluation and therefore, a richer set of conclusions are highly more likely. Below there is a summary of the project in each country; the information is structured in different ways offering a varied emphasis on several aspects of delivery, as a reflection of the very diverse experiences that have taken place.

### **The OIG project in Belgium**

De Punt worked with five social enterprises, which were selected from the twenty-five in the accelerator Belgian cohort, through a call. The social enterprises selected were very diverse in activity, but also in their respective phases of innovation. This led to the use of a general framework for the OIG project in Belgium, but also to a lot of tailored support.

The general framework involved the following steps:

- Intake to analyze challenge and set expectations.
- Follow-up meeting to list stakeholders/experts and discuss approach.
- Invitation of stakeholders to separate one-to-ones or one or two general stakeholder gatherings.
- Follow-up meeting to discuss received input and look forward to next steps.
- Instigate and stimulate next steps.

The tailored support provided:

- Extra desk research on the concept.
- Use of network('s network) for experts and other stakeholders.
- Providing information and advice on specific topics such as finance, growth, business models.

For **Allez, Chantez!** the challenge was to reach large organisations with their product. There had been some activity around this but the challenge was to make it recurrent, e.g. in the form of a subscription. Different types of experts were invited for a co-creation session such as managers from large organisations, team building agencies, communication experts, business developers. The idea was to get solutions from the stakeholders rather than feedback on any proposed solution. By the end there was a lot of valuable input for the social entrepreneur and the stakeholders were generally very pleased about process and outcomes, stating their intent to remain involved. The next steps are to fine-tune the concept, develop it further with the target group in a collective and individual co-creation sessions, and create (a) formula(s) for the concept with a communication office.

**Tuinjan** is trying to cope with high demand for their services and challenges with planning and organisation. They are looking for innovative ways to move forward, without losing touch of their mission. They are exploring the possibilities of collaborating with social employment, as a way to deliver some of their projects. The main issues dealt with were about to get focused, to be efficient and to plan well. This was hoped would enable strategic

decision making, which would save some operational time and, in turn, create time to invest in innovation. The four entrepreneurs involved took part in the strategic exercise; they looked forward five years to find common goals, in order to make an action plan to reach those goals together. They, then, got to present their strategy to a panel of business developers. The insights from external experts, combined with their own insights, have provided them with a lot of motivation. We used the time we had to research and develop their most interesting innovation case. It's a modular gardening fence, which is made from FSC wood and has potential for social employment. We got as far as several versions of the design and a few feedback sessions with potential customers and business developers. The next steps are prototyping and market testing.

**Blomkal** initially wanted to create a handbook with hints & tips to enable residential care centers to bring the garden inside or take make it easier for the elderly to go outside. This type of activity makes it possible to increase social contact and reduce isolation. The OIG team at De Punt analyzed the challenge, only to realize quite soon that a very similar handbook on the subject had been recently published by a small non-profit, specialized in garden therapy. However, they are located at the other side of Flanders and they are not very active in East and West Flanders, where Blomkal does gardening. Therefore, the social entrepreneur decided to buy the handbook and follow an introductory course. She made contact with the people behind the organization and they stayed in touch. We got together for a meeting to discuss collaboration, which turned out to be a very productive meeting with like-minded people. They are willing to spread their knowledge and start up gardening projects in East and West Flanders, with our social entrepreneur as partner for the gardening.

**Manelprints** wants to set up a workplace for disadvantaged groups (e.g. refugees) who want to share manual textile techniques, but also learn new printing techniques. The creations will be sold in order to sustain the workplace, but the main aim is to engage with vulnerable people. After some analysis, it could be concluded that she wanted to create a workplace that organizes short but intense programmes to teach and engage people with difficult access to the labour market, in order to create a maximum of social and environmental impact. A list of relevant stakeholders was produced and they were approached to attend an ideas session with an invitation containing a case study similar to Manelprints' idea and also with a link to a survey. There were a lot of responses to the survey, but only few stakeholders turned up for the session. However, this allowed for a more in depth session, which led to new ideas. The project is shifting more towards digital techniques now, in order to prepare participants in the programme for a job. 21st century skills are the focus. The next step is to fine-tune the concept and involve potential employers.

**Mr. Manchette** needs to expand its points of sale, but is in the meantime looking for new ways to create a market share in the highly competitive fashion sector. Mr. Manchette is exploring forms of (semi-) automated tailoring, which are quite innovative in Fairtrade fashion. The idea is multi-layered. A lot of Fairtrade fashion start-ups are struggling to get into stores, because clients and shop owners are hesitant. We decide to take a step back and talk to several fashion experts to get input. The first talks have been very interesting, creating goodwill and contacts that can lead to collaboration. The first steps will be to promote each other in the sector, but the next steps may be to create new concepts to break into the market with fair fashion.

The **learning points** from this OIG process are as follows:

- Co-creation of possible solutions rather than asking for feedback on a given possible solution is better to keep stakeholders involved.
- It is easier to bring different profiles of stakeholders together in early stage innovation (idea-concept) because there is a lot of room for free thinking and less specific expertise is needed, which makes the list of stakeholders to invite longer.
- It is more difficult to bring stakeholders together in later stage innovation (development-commercialization) because it often requires specific expertise, which is expensive, or experienced industry partners, which are busy.
- One-to-ones seem therefore more interesting in later stages, collective sessions seem more interesting in early stages.
- Time for a debrief is very useful after every one-to-one or collective session with stakeholders, because it leads to next steps and keeps the momentum going.
- A full innovation process, from idea to market, takes a lot of time, as we all know, so be aware that it is tempting to go too fast in order to reap results.

### **The OIG project in Netherlands**

Seinwezen managed the process followed in the Netherlands to deliver the OIG project, and it involved working with six social enterprises and providing several group sessions. The process had four main stages with different actors and information shared in each.

During the **Exploration Session**, which lasted 2.5 hrs the social enterprises had the opportunity to explore and learn more about each other's innovative ideas and how they were planning to take them forward, including responding to challenging questions on their respective ideas/projects. This helped them prepare for the **Expert Session**, which was another 2.5 hrs group session with fourteen experts with different backgrounds, which helped the social enterprises broaden their perspectives on different areas of innovation to get new insights and approaches. Each social enterprise hosted their own table with their innovative idea, which included a challenging question to start a creative open innovation process. Social enterprises received input from the experts during two rounds. With all this information, then the social enterprises enjoyed a 2 hrs **One to One Session** with the OIG project manager from Seinwezen to help them reflect on all the information provided thus far and help them refine their innovative idea and establish the why, what, how, who and

when to start creating their project. Finally, the social enterprises participated in a 3 hrs group session with David Francis from the University of Brighton, who explained to them his open innovation methodology in the **123Go! Session**. This methodology provided a theoretical background and a structured way forward to implement open innovation using an easy to follow step by step system. A summary of the 123Go! methodology can be found in Annex 2.

Below are summaries of the OIG projects for the social enterprises participating in the Dutch project:

### **Stichting De Inschakelaars**

Stichting De Inschakelaars facilitates Social Impact Initiators in neighbourhoods by connecting the right expertise to grow from initiative to a successful Social Enterprise. Their Open Innovation Group project is to bring social impact initiators in neighbourhoods to a next level by building a supporting platform with entrepreneurs and companies who have an interest in that specific neighbourhood

### **Studio Manon Juliette**

Studio Manon Juliette offers products made with recycled materials and designed by people with issues accessing the labour market, which helps them learn new skills and gain confidence. Their Open Innovation Group project is to develop a new alternative for sheltered employment by using waste into designed goods that can help prevent waste going to landfill.

### **De Oude Keuken**

Restaurant De Oude Keuken offers a personalised training programme and jobs for people with issues accessing the labour market. Their Open Innovation Group project is to develop an in house catering service package for companies or public spaces in neighbourhoods.

### **Frank Wolff Systemisch Werk(t)**

Frank Wolff Systemisch Werk(t) facilitates the connection between parties, organisations and entrepreneurs who focus on helping refugees. Their Open Innovation Group project is to build a platform and learning community for refugees in neighbourhoods to connect parties, institutions, companies who are active in a specific neighbourhood.

### **ZoefZoef**

De ZOEFZOEF is an electric car with 6 passenger seats for elderly people who need a transport service for short distances within and around their neighbourhood. Their Open Innovation Group project is to develop a smart business model based on a pilot with electric cars for elderly people in two neighbourhoods.

### **Ressies Design**

Ressies uses left-over materials to design items such as bags, hand gloves and ponchos. She offers a makers space and programme for people with difficult access to the labour market

and elderly people to produce these products. Their Open Innovation Group project is setting up a pilot location in a neighbourhood to collect waste and transform waste into products that can be bought locally or via a website.

The **learning points** from this OIG process are as follows:

- It was an important step to do an exploration session on the innovation idea and the status quo of the social enterprise to understand better, what challenges and obstacles need to be tackled during the OIG program. The fact that it was done involving only the social enterprises created a safe environment to speak and share. A community of learning for the social enterprises, preferably cross border will serve them well during future open innovation activity.
- After the experts' session, it is important to give time to absorb the information provided by the experts. Some of the social enterprises experienced an information overload whereas others enjoyed getting new input and insights. But both camps indicated that they needed time to process the information. Also important to note that there may be a gap between the knowledge an expert provides and how it works in practice for the social enterprise.
- The one to one sessions during which the social enterprises had to create a project definition made them be more specific on their innovation opportunities. They needed to choose, which created a focus and a realistic approach for the coming year. A coach can help them deal with the obstacles along the way.
- Open innovation expert should be part of any open innovation programme to ensure that SE's get a better understanding about open innovation and how to put it in practice.

### **The OIG project in United Kingdom**

In the UK, WSCC, Red Ochre and University of Brighton worked with 5 established social enterprises that were selected through an open recruitment process. The opportunity was offered to all the 25 social enterprises participating in the SPARK accelerator programme. Interested organisations were asked to submit an Expression of Interest (Annex 1) if they wanted to apply for one of 5 places available. 10 EOIs were received and 5 were selected based on the information they provided.

The process followed in the UK was different from that in Belgium and Netherlands, where there were groups and coaching sessions, mainly for two reasons:

- 1) As the provider of the one to one sessions, Red Ochre worked closely with WSCC on the OIG, which made not necessary to provide individual coaching sessions like in Netherlands and Belgium, as issues would be picked up in the one to ones.
- 2) The social enterprises involved came into the project with very clear innovative ideas and concepts for which they required help, so instead of having refining sessions we started with brokering experts to help them directly with the delivery of the innovative ideas they had proposed.

Once the selection of ideas and organisations took place, University of Brighton, Red Ochre and West Sussex County Council had a development meeting to start exploring the projects in depth and establishing the areas of support required. This exercise was key in order to ensure an appropriate understanding of issues and therefore, what sort of experts were required. The outcome of the discussions held was put to the social enterprises for their confirmation. Each social enterprise worked with at least two experts, on a one to one basis; in one case, up to 9 experts were brokered; in another case, a social enterprise worked actively with four different experts, one from another country. One key collaboration has been established with one of the social enterprises, as they have found a manufacturer for their product, which in their words, they would not have found otherwise. The value of working in this way was that the social enterprises not only benefited from the experts' direct knowledge but also from the expert's networks, which could only happen once the experts got to know the social enterprises by working directly with them.

Before brokering, the social enterprises participating were sent detailed instructions of the need for them to explore legal issues should they establish any formal partnerships or collaborations. WSCC could not offer legal advice but it did clarify for the social enterprises how important it was dealing with any legal issues at the beginning. This was a very important aspect of the process.

Each of the social enterprises in the UK also benefited from 2 hr individual sessions in May and June 2018 to learn the 123Go! methodology with David Francis from the University of Brighton. A progress meeting with each social enterprise, WSCC and University of Brighton also took place in October to ensure there were no "expert gaps" and to provide David Francis with feedback on the use of the methodology.

Below are summaries of the OIG projects for the social enterprises participating in the UK project:

### **RubyMoon**

First and only swim & active wear company to have both positive environmental and social impact: in fact. They donate 100% of their net profits to help women with microloans. Their Open Innovation Group project is to develop new complementary products to their sport



and swim wear. They are working internationally towards designing and manufacturing sunglasses and other fashion complements using discarded plastic.

### **FotoDocument**

FotoDocument is an award-winning non-profit arts education social enterprise that brings visibility to positive social and environmental initiatives around the world through visual storytelling. Their Open Innovation Group project is to re-launch their visual story-telling service, FotoStory, aimed at corporates, NGOs and public sector organisations, which will result in new marketing materials, new reach and ultimately new commissions and partnership.

### **Making Theatre Gaining Skills**

Making Theatre Gaining Skills aims to improve the life chances of young people and adults. They do this by opening pathways to employment to those that might otherwise be excluded through disability, mental health problems, or lack of qualifications. Using a specially designed pop-up theatre, they offer unique employability training through production skills workshops. Their Open Innovation Group project is to develop a strategy to enable it to become an effective community led learning centre.

### **Social Care Training Solutions**

Their mission lock as a training company is to empower workers and carers to use Trauma Informed Practice to create the transformational relationships essential for resolving Adverse Childhood Experiences and reducing associated self-destructive behaviours. Their Open Innovation Group project is to innovate their contribution to the social care sector by creating a digital care application to directly support young people in the care system.

### **Sussex Oakleaf**

Sussex Oakleaf provides a range of support services to people with mental health needs, those with a personality disorder and individuals at risk of homelessness across Sussex. Their Open Innovation Group project is seeking through open innovation methods and subsequent new partnerships, for Sussex Oakleaf to improve engagement through greater collaboration, new engagement mechanisms and by exploring how digital technologies may support engagement alongside our face to face support.

The **learning points** from this OIG process are as follows:

- It takes time to decide what to do, the more clear the idea, the easier to find experts to work with.
- To maximise open innovation networks and opportunities, the social enterprises involved must have a clear idea of what they want to do and use open innovation methods only when suitable, that is to say, some issues will be better resolved by a coach or mentor rather than by a subject expert. The project managers or those providing support, also need to understand the project in detail.
- If the social enterprises need a lot of idea refining, a lot of mentoring and one to one coaching will be required. This is the case as well for organisations that are not that mature.



- Seek the right moment to use open innovation methods. Stability in your organisation will help you reap the benefits from external input more efficiently.
- Be open and prepared to accept help from the unusual suspects; you never know who has a key contact that may benefit you.
- Casting the net wide not only concerning the innovation topic at hand but also concerning different sets of skills is the best way to get the best external input.
- There is no point in flogging a dead horse, is something is not coming together or you cannot find the right help, ask yourself why; you may need a refocus the idea or seek for different support
- Mix up experts from the public and private sectors; they tend to complement each other.
- Maximise your contacts to meet experts; your contacts may not be able to help but they may know someone that can.
- For those intending to manage open innovation projects, it is very advisable to make sure that you define the scope of said project and that you define the different roles and responsibilities, so there is clarity on any legal aspects of the project and the future open innovation collaboration that may happen.
- Having a methodology like 123Go! to provide structure to the process is really useful.
- Having a good project manager in the social enterprise, who takes responsibility for the innovative idea or project is key to make open innovation succeed. Without this, the best experts in the world may be referred to your organisation but it will come to nothing.

## The OIG conference

The OIG project, although delivered in three different countries, has had a key cross border component in the form of an international conference held in Brussels on the 17<sup>th</sup> January 2019. The event called *Social Enterprise and Open Innovation Conference: Exploring a World of Opportunity* saw forty-six SPARK project partners, social enterprises and stakeholders from the three partner regions participate in a conference programme, which was aimed at enabling cross border exchange of knowledge and experiences on the OIG project and on open innovation at large. A full report on the conference can be found in Annex 3 of this document.

The conference opened with a key note speech by Patrick Klein, Head of the Social Economy Team at DG GROW, part of the European Commission, who emphasised the importance of getting the public sector on board through procurement and of ensuring that the European Commission listens to social enterprise experts when developing public policy and localised support ecosystems.

There was also opportunity during the event to hear one social enterprise per OIG project sharing their experiences. This was followed by a discussion panel on the OIG experiences, including the three social enterprises and the OIG project managers from De Punt, Seinwezen and West Sussex County Council. The panel discussion identified important

points such as the need to broadening perspectives with expert input and to have a clear focus on implementation and not just looking at market, the role of experts and coaches can be fundamental to progress an idea, expectations on enterprise development are not always realistic as it is an iterative process.

There was also opportunity to learn more about 123Go! through a facilitated session by David Francis. This was followed by an exchange workshop where social enterprises worked with stakeholders in pairs and trios to identify the top learning points of their OIG experience. These points were then shared with the rest of the audience to ensure the exchange of knowledge and experience on the OIG at cross border level.

Finally, to conclude the event, a panel with experts from across the three regions reflected on the day and delegates had the opportunity to ask them questions, which produced an interesting debate. The panel's final reflections on their most important themes are as follows:

- It is essential that we recognise innovations through the journeys travelled by our enterprises.
- There must be an early, urgent and clear focus on business development over social impact.
- The new tools are perhaps less important than the contacts being made which enable learning, sharing and collaborating.
- A major learning point for the future is to create more time for the group to work as a group.
- Businesses and social enterprises share a commonality of issues, yet we make too much of the distinctions between them when a lot more can be achieved by opening-up new channels of learning to increase levels of social impact.
- It is all about social impact in continuing to address challenges such as distance to the labour market, poverty and social inclusion which can be solved through social innovation.
- New services and products can directly challenge established social behaviours and attitudes and new alliances are required in our sector aimed at developing approaches to furthering social causes as based on better understanding of targeted problems.
- Social enterprises experience difficulties in transitioning from project delivery to the scaled up continuous production of goods and services.
- Social enterprises should explore complementary offerings to sell more and enable impact through profitable, valuable agreements and collaborations.

## **ANNEX 1**

### **EXPRESSION OF INTEREST TO TAKE PART IN THE SPARK OPEN INNOVATION GROUP PROJECT**

**MARCH-SEPTEMBER 2018**

The Open Innovation Group (OIG) is an excellent opportunity to attract external expertise to resolve a practical, specific issue within your organisation or to help you develop a new idea. You will need to be open about what the issue or the idea is and be receptive of opinions and advice from external people, which could be another social enterprise or individuals with ideas relevant to your needs or even a university or other research establishment.

**You can find more information on what Open Innovation is, including its benefits in Annex 1. We strongly recommend that you read the information in this Annex before filling in this form.**

If your organisation is selected to take part in the OIG, we will facilitate every step of the project and support you throughout, including finding your OI partners and ensuring as much as possible that the collaboration is fruitful.

The results of the OIG project will be publicised, as part of the Spark project delivery and to encourage others to take up Open Innovation, as a way to attract useful expertise for their organisations.

If you submit an EOI and you are selected to take part, you will be expected to see the project through and be fully participative.

Please respond to the following questions and submit this Expression of Interest to [ana.fajardo@westsussex.gov.uk](mailto:ana.fajardo@westsussex.gov.uk) **by the 16 February 2018**. We will confirm whether you have secured a place in the OIG project or not by COB on 28 February 2018. The decision panel will include WSCC and Red Ochre.

The project will have the following steps (this may be adjusted if required):

1. Selection of SEs to take part based on their proposal, which need to be appropriate to be resolved by Open Innovation methods- Done by February 2018
2. Establish what kind of expertise and/or partners are needed and where they may be found-Done by early April 2018
3. Brokerage of expertise and other partners to get issues resolved and ideas developed-Done by mid May 2018
4. Planning of projects including outcomes and milestones-Done by end of May 2018
5. Delivery of projects-Done by end of August 2018

6. Any virtual and /or face to face meetings to discuss key points-Done by end August 2018
7. Wrap up and final phase, including reflection and how to embed the methods used for the future – Done by end of September 2018
8. Publication of results and dissemination to encourage others to adopt Open Innovation-From Early October 2018 onwards

**Please be succinct and clear in your responses.**

1. Name of your organisation and contact details

ANSWER:

2. Please confirm you will be available to work in the OIG project from March to September 2018

ANSWER:

3. Please confirm who within your organisation will get involved in the OIG should you be successful (up to three people).

ANSWER:

4. Please tell us what is the idea or issue that you would need help with. Please ensure you are clear on what it is, what outcomes you expect and what kind of help do you need. Also, please let us know of any potential contacts you may have already at national or International level in relation to the idea or issue.

ANSWER:

5. Please relate your idea or issue to one or more phases in the Innovation Model- attached to the email sent to you. At which stage are you?

ANSWER:

6. Please explain what outcomes you expect to achieve from your participation in the OIG.

ANSWER:

7. If there is anything else you would like to add about why you have applied for a place in the OIG, you can do so here.

ANSWER:

### **Annex 1: What is Open Innovation and what are the benefits**

Open innovation is a way to get skills, knowledge and resources to sort out issues or to further your ideas, involving external partners, and an exchange of knowledge and

ideas to accelerate the desired changes. There are several ways in which to action, depending on the nature of the work that needs the support:

1. Work with a **larger enterprise** (because they have the know-how, the market channels or the money)
2. Work with **other SMEs** (SE or not) (because they have a missing set of skills or the deep knowledge of a specific market you are interested)
3. Work with a **university or a Research and Technology Organisation** (RTO) (because they have the knowhow of a new technology or the skills to test the market or test a new idea etc.)
4. Work with the **crowd**, that is with a wider set of potential sources of input by identifying some talented individuals that have a lot to offer to your developing idea. These people can be partners (new or not), individuals with a passionate hobby in an area that is related to what you are doing or perhaps retired people that are looking to continue applying their experience and well- seasoned skills.

You can tread further info on Open Innovation theory and definitions on:

<http://www.openinnovation.eu/11-10-2017/33-routes-to-open-innovation/>

See also The University of Brighton's website on another CENTRIM project on Open Innovation and SMEs (<http://www.inspire-smes.eu>).

In addition, there are a number of crowdsourcing platforms (related to point 4 above). Although most of them focusing on profit-making enterprises, they provide useful information to understand crowdsourcing

(<http://crowdsourcingweek.com/blog/10-indispensable-open-innovation-platforms-global-corporations/>)

Amongst the benefits of open innovation, we can count:

1. Getting a fresh pair of eyes looking at your issue or idea
2. Being able to contrast and assess different ideas at the same time
3. Learn new things and benefit from skills and knowledge new to your organisation without having to make a significant investment
4. Getting to refresh and enlarge your expert, partner, stakeholder networks
5. Get your idea to market or sort out your issue with greater speed

## **ANNEX 2**

### **123 Go! METHODOLOGY**

Innovation is the process that transforms ideas, opportunities and knowledge into outputs that have value. It is possible to innovate in four domains:

- **1 Products** (what is produced);
- **2 Processes** (how activities are organised);
- **3 Positions** (how an organisation communicates with the outside world); and/or
- **4 Paradigms** (how our people think).

Many useful ideas, opportunities and knowledge assets will be outside of an organisation. If these can be combined with internally generated 'raw material' then the innovation process will be strengthened. An enterprise needs to search for ideas, opportunities and knowledge that can become springboards for innovation initiatives in its products, processes, positions and business model or paradigm. This is Open Innovation. No organisation can adopt every idea. Selection is needed. Open Innovation increases the range of strategic choices available. Also, it helps key people in an organisation to assess realistically the likely consequences of committing themselves to a particular innovation initiative. This increases their ability to answer two questions: 'Is this a good idea for us?' and 'what would it take to be successful?'

**Five key benefits of Open Innovation are:**

- **1** It saves time and money.
- **2** Being outward-looking is inspiring: it enables you to see, and feel, what is possible.
- **3** It enables your strengths and weaknesses as an innovator to be critically re-evaluated.
- **4** There are many intelligent, creative and capable people in the World: it makes sense to add their knowledge to yours to increase your range of choices.
- **5** It is faster: it is usually easier to find good ideas than to invent them yourself.

**A step-by-step process helps organisations to put Open Innovation into practice: we call it 123Go!**

- In Step One you will look inwards to decide where you might benefit from innovation and gather the insights and suggestions from everyone who has a viewpoint.
- In Step Two you will look outwards to study what more advanced organisations are doing.
- In Step Three you will undertake a future search to consider new opportunities that may be presented by political, social, technological and other changes.
- In the Go! Step you will choose which innovation initiatives you want to undertake and get organised to make progress.

123Go! is particularly useful for social enterprises as it is a low-cost way to prepare an organisation for the next stage of its development. Often people are willing to give time, knowledge and funds to those organisations that add social value. These inputs will be particularly beneficial when they contribute to a stream of targeted innovation initiatives.

## ANNEX 3

# REPORT SPARK CONFERENCE ON OPEN INNOVATION AND SOCIAL ENTERPRISE

### BACKGROUND

On January 17<sup>th</sup> 2019, the Royal Library of Belgium was home to the event *Social Enterprise and Open Innovation Conference: Exploring a World of Opportunity* under the umbrella of the SPARK Social Enterprise project. This report aims to summarise the key messages of the speakers, the key points of workshop discussions and offers overall conclusions and reflections of the whole event.

### EVENT CONTENT

Following an overview of the conference's background and purpose by Ana Fajardo, SPARK Project Manager for WSCC, the key note speech was delivered by Patrick Klein, Head of the Social Economy Team at DG GROW at the European Commission who talked about:

- Plans for training up public bodies to understand social enterprise in support of how to open- up procurement and new markets as linked to a menu and guide on best practice.
- Proposals for the creation of new social challenge innovation platforms which would match problems with social enterprise solutions through a match-making process.
- Thoughts as to how success can't be achieved without a task force of stakeholders being given access to DG's in the EU working together to coordinate service provision to benefit the social enterprise sector, which once established could be an instrument for global learning .
- Instincts on the need for the EU to listen to social enterprise experts when developing public policy and highly localised ecosystems to enable social enterprises to grow.

Then, Dr George Tsekouras, Director of CENTRIM at the University of Brighton, gave an overview of one of the SPARK project tools, the Innovation Roadmap, which can be accessed here [https://www.sparksocialenterprise.eu/wp-content/uploads/2018/02/FINAL-SPARK\\_Innovation-Roadmap.pdf](https://www.sparksocialenterprise.eu/wp-content/uploads/2018/02/FINAL-SPARK_Innovation-Roadmap.pdf), whilst posing the questions:

- How do we roll out the Innovation Roadmap tool, to enable the creation of new roadmaps for established social enterprises from which to start and implement innovation and implementation?
- How can social enterprises scale up to improve and influence lives and futures?
- What triggers opportunities for innovation?
- How do social enterprises strike the balance between social impact and financial sustainment?



Afterwards a group of three social entrepreneurs: Nina Emmett from FotoDocument (UK), Manon Juliette from Studio Manon Juliette (Netherlands) and Olu Vandenbussche from Manelprints (Belgium), presented their learning and progress as a result of the taking part in the Open Innovation Group project. They were later joined by the Open Innovation Group project managers; Yvonne Haneman from Seinwezen, Pieter Werrebrouck from De Punt and Ana Fajardo from West Sussex County Council for a panel discussion, which focused on the following key points:

- The importance of broadening perspectives with expert input.
- There has to be a clear focus on implementation and not just looking at market.
- An enterprise has to 'feel good' and offer a strong match between vision and mission.
- A wide group of stakeholders around the enterprise and coaching are both essential.
- Expectations on enterprise development are not always realistic, it is an iterative process and slow sometimes.
- The Roadmap supported participants in navigating the innovation process, yet enterprises need support from and with others to utilise it.
- The process could be taken further by investing time in 'doing' pieces of work and producing something tangible such as developing a marketing plan or designing a new website.
- The Roadmap is a great place to start, an entry point for business development and an attention-directing tool. It helps keeping the focus on resolving issues.
- Establishing a financially sustainable business model should be the priority.

Following lunch and an opportunity to reflect on the morning and to network, Dr David Francis, Principal Research Fellow at CENTRIM, University of Brighton, facilitated a session introducing the open innovation methodology 123Go! David ensured that the conference understood how 123Go!:

- Is an innovative tool in its own right and it is an instrument to 'up the game a little bit'.
- Is a new way to get things done and to help deliver and define ambition.
- Is an insightful, faster, cheaper and reliable method that works through the enterprises Product: what we offer; the Process: how we get things done; the Position: how we communicate outside; the Paradigms: the way that we think and the Provisions: the resources we can access.
- Follows a sequential yet also fluid process with Step 1: looking inwards; Step 2: looking outward; Step 3: look forwards with Go! focusing on committing to and managing the plan.

Pete Davies then facilitated a workshop session designed to enable pairs and trios of social enterprises and stakeholders, carefully matched, to evaluate their experience of the OIG project across a series of 5 inter-linked questions followed by plenary aimed at exploring themes emerging from each question, which were as follows:

### *Top learning points on process?*

- Trading income for sustainability is key and there should be more focus on types of business models aimed at reducing dependency on grant funding.
- The power of a group, peer learning, sharing experiences creates a community of innovators but a small group helps you to get to the core of it.
- Experts giving insights, ideas, advice and different viewpoints on same challenges in one go.
- More coaching on personal level is needed, you need 121 support.
- Create your own ecosystem, be prepared to apply different strategies from the beginning.
- Establish a balance of wealth creation and social impact.
- Focus on the process of business models is important; there has to be a viable business to support the vision
- Pan European connections are important.
- Don't underestimate how long open innovation models take to bear fruit.
- Big challenge is to get focus on what/how you want to be innovative. To get a result you need a clear target.

### *Top learning points on personal journey?*

- It gives motivation to know you have peers.
- Overcoming the loneliness of a one-person enterprise by asking for help and sharing, echoed by government workers challenged to change attitudes towards and understanding of social enterprise at all levels of government.
- Be prepared to give up when something is not working.
- That being a social enterprise is about being a viable business first and foremost. Shouldn't worry about structure.
- Like what you are doing and care for yourself by creating balance between giving and receiving.
- Difficult questions should be asked.
- Should be more aware of:
  - The need for help
  - Weaknesses
  - Money processes
  - Position and its implications for the future
- The OIG has helped isolated social enterprises to ask for help.
- The process has helped to focus ideas, transform into an action plan and share and ask for help.
- Gain confidence.
- Be mindful and careful of personal finances.

### *What do you absolutely regret/r would not do again?*

- Undercharging for services and products or not charging at all.

- Not developing a reserve for lean times.
- Being impatient, as it is counterproductive.
- Neglecting myself.
- Not developing a long-term relationship with advisers and supporters.
- That I didn't start earlier.
- Taking a grant just because it was offered.
- Wasting time trying to come up with a fitting definition of social enterprise.

*What are you prepared to repeat or do again?*

- Visit other enterprises to create new ideas, innovative learning and energy.
- Follow my intuition.
- Don't be afraid to do the obvious.
- Spending time and resources in acquiring accreditation.
- Stay involved with others to co-create.
- Actively network, shadow other and ask for help and coaching.
- My Social Start Up.
- The 123 Go model.
- Changing the commercial mind-set of the voluntary sector.
- Seek collaborative ways to manufacture.
- Networking, EU funding, job shadowing, seek help, coaching.

*What would be helpful going forward to help facilitate open innovation: support, funding, information, networks/platforms)*

- Create a support and action initiative which solves or gives a challenge in a group on a given day or week with funding to support this process.
- Avoid over-loading on information, not everyone likes to have many tools so choose one and provide a personal coach.
- Networks and platforms, funding, including loans, support and information.
- Stick to one mentor at the time.
- Case studies.
- Go and see projects in action.
- Support to access new markets and paying customers.
- A basic income.
- Intensive sessions with external experts (including business professionals) to check and help develop our enterprises and develop different skillsets.
- Create a European online social enterprise platform.
- Academic expertise.
- Better use of the SPARK website to ask questions and to provide suggestions.
- One hour sessions with experts to check our progress.
- Access to expertise to help develop specific and different parts of the enterprise.
- Have more outside influences, don't keep it restricted to just other social enterprises.

The conference concluded with a discussion panel, which saw Dr George Tsekouras chair a debate aimed at the future alongside Mike Herd, Executive Director at Sussex Innovation, Pol Bracke, Director at Ho-Gent, Scott Henery, Founder of Social Care Training Solutions and Robin Molenaar, Advisor at the Ministry of Social Affairs and Employment, the Netherlands Government. Discussions led to the follow questions:

- Social entrepreneurship remains in a bubble and whilst being different from regular business, faces the same issues. What can the sector learn from each-other?
- New investment could support networks but is never attached to programme funding so what could social enterprises do for themselves in developing networks and influencing decision makers?
- The Roadmap and 123Go! are sustainable methods and insights but is an organic support group needed to ensure momentum is not lost?
- Should governments be making the next steps to guard the sustainability of enterprise and how can the commission be upskilled through co-design?
- Should we blow on the sparks to ensure the sustainability of potentially scalable businesses whilst putting out the weaker flames?
- We have opened communication channels uniquely for the first time on systematic innovation, how do we keep these channels open?
- How do we spread tools to a wider audience without resources and investment?
- Ecosystem development is delegated to municipal governments so do we need a framework for social enterprise in local government?
- In the local and neighbourhood context, these environments need to be organised to enable success and to implement impact through regional innovation centres. The OECD has done this and is reporting from Jan 29<sup>th</sup> on the Netherlands eco-environment whilst Haarlem has a social enterprise action plan in development. How should these developments be reviewed and shared?

To conclude the panel were asked for their final reflections on their most important themes:

- It is essential that we recognise innovations through the journeys travelled by our enterprises.
- There must be an early, urgent and clear focus on business development over social impact.
- The new tools are perhaps less important than the contacts being made which enable learning, sharing and collaborating.
- A major learning point for the future is to create more time for the group to work as a group.
- Business and social enterprises share a commonality of issues, yet we make too much of the distinctions between them when a lot more can be achieved by opening-up new channels of learning to increase levels of social impact.
- It is all about social impact in continuing to address challenges such as distance to the labour market, poverty and social inclusion, which can be solved through social innovation.

- New services and products can directly challenge established social behaviours and attitudes and new alliances are required in our sector aimed at developing approaches to furthering social causes as based on better understanding of targeted problems.
- Social enterprises experience difficulties in transitioning from project delivery to the scaled up continuous production of goods and services.
- Social enterprises should explore complementary offerings to sell more and enable impact through profitable, valuable agreements and collaborations.

The SPARK Project Manager for WSCC, Ana Fajardo, concluded the conference by emphasising that the journey has just begun, that a good consortium has been established to build on and continue the work. Ana celebrated the view that 'we're doing something right' as 75 social enterprises have been committed for a year and half to the accelerator programme. With 14 months of the programme to run and numerous stakeholders committed to the project, it is essential that we don't lose that momentum and engage with further stakeholders via the project's action plan to ensure the legacy and sustainability of the project. Finally, Ana said that we must never lose sight of who we are creating these tools for, and that they must be flexible and adapt to the needs of social enterprises, not the other way round, for them to be truly useful.

***Overall reflections and conclusions from the conference facilitator Pete Davies:***

- Such a diverse, focused, upbeat and collaborative audience offers a network on which to build. Creating new partnerships, alliances and opportunities for mutual support and learning visits will contribute to offsetting the risks of working in isolation, will support self-care and build resilience.
- A major question was repeatedly raised on cross sector working and how best to bring business into the process which could be linked in turn to the themes of 'business first - impact second' and the importance of folding external expertise and specialist input into future programme design.
- Perhaps the efficiency and effectiveness of the work sits with the edgy conversation around whether selecting enterprises who are positioned for scalability into investment is appropriate? This chimes with the theme around how collaborations could build momentum into new markets and increased profit to enable wider impact. Ultimately, not every enterprise will succeed.
- The right conditions are required to innovate and deploy new tools and time is needed to implement, act and produce work, which would be enhanced through coaching and 121 support.
- The need to continue to lobby and influence the EU, European Governments and local municipalities and authorities to create and learn about the benefits of bespoke frameworks, ecosystems and localised planning methods to enable Social Enterprises to access markets and contracts is an essential element of cultural change leading to process change.

- The metaphor offered around how social entrepreneurs should be considered leaders of a jazz band as opposed to a string quartet appeared to resonate. Selecting and bringing experts together and offering a framework within which people innovate in as with a jazz band is a type of entrepreneurial leadership that deserves recognition and further exploration.
- The conference generated a range of positive proposals that should be considered by the project team in designing next steps and follow up programmes of work.

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