

## *Hubs and Incubators for Social Innovation*

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Prepared by Konstantin Lazutin

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### **Participants:**

- **Brussels, Belgium:**
  - Toon Diegenant, *I-Propeller / Open Innovation*
  - Agnes Hubert, *European Commission, BEPA*
  - Luisa Sanches, *European Commission*
  - Henriette Van Eijl, *European Commission*
  - Peter Droell, *European Commission*
  - Liesbet de Letter, *European Commission*
- **Copenhagen, Denmark:**
  - Anto Tomic, *City of Malmö*
  - Hjalmar Falck, *City of Malmö*
  - Arian Ratkoceri, *City of Malmö*
  - Fiona Winders, *City of Malmö*
  - Fredrik Björk, *Malmö University*
  - Anna Bäckman, *Swedish Agency for Economic and Regional Growth*
  - Birthe Mueller, *Red Cross*
  - Anders Emilson, *Malmö University/MEDEA*
  - Bjarne Stenquist, *City of Malmö*
  - Annette Larsson, *City of Malmö*
  - Falk Jandt, *City of Malmö*
  - Emma Englundh, *City of Malmö*
  - Maria Bredin, *City of Malmö*
- **London, UK:**
  - Alice Casey, *NESTA*
  - Edward Andersson, *Involve*
  - Nick Marsh, *Sidekick*
  - Inderpaul Johar, *The Hub Westminster*
  - Alice Fung, *The Hub Westminster*
  - Laura Bunt, *NESTA*
  - Kirsten Bound, *NESTA*
  - Geoff Mulgan, *NESTA*
  - Simon Tucker, *The Young Foundation*
  - Kine Nordstokka, *Social Innovation Exchange*
  - Connor Friesen, *Social Innovation Exchange*
  - Louise Pulford, *Social Innovation Exchange*
  - Konstantin Lazutin, *Social Innovation Exchange*

- Tricia Hackett, *The Young Foundation*
  
- **Espoo, Finland:**
  - Bryan Boyer, *Sitra*
  - Elina Kiiski, *Sitra*
  
- **Madrid, Spain:**
  - David Cortes, *SIS*
  
- **Oslo, Norway:**
  - Cathrine Skar, *KREM*
  - Thomas Berman, *Devoteam Davinci*
  
- **Paris, France:**
  - Simon Sarazin, *Imagination for People*
  
- **Toronto, Canada:**
  - Allyson Hewitt, *SIG*
  - Eli Malinsky, *Centre for Social Innovation*
  - Lisa Torjman, *SIG*
  
- **Bratislava, Slovakia:**
  - Giulio Quaggiotto, *United Nations Development Programme*

- Louise, London:** Recently there has been a huge increase in social innovation in the number of hubs and incubators created. Our focus, however, should be on the outcome – what are the reasons for creating a hub, what are we trying to explore? Today there is a selection of interesting projects present and our focus should be on how we can help each other, how our work is focused and does not repeat itself.
- Bjarne, Copenhagen:** Malmo is the third largest city in Sweden. Recently it underwent a transformation from a largely industrial city to a modern European city. Nevertheless, 33% of all the children are still growing up in families that are considered poor. A large proportion of population came from abroad. Employment levels are still low.
- These problems were tackled by the *Big City* and *Welfare for All* programmes which gave more than €200 million funding, but the problems remained unsolved. In 2010 five areas of the city were selected as pilot areas for innovation process with focus on testing and experimenting. There has been a shift from identifying these areas as ‘problem areas’ to thinking of them as ‘innovation areas’. Innovation forums were set up as tools to support the innovation process. Ideally, we want to create a structure that could span across municipality, across all citizens. Currently we are working on ‘incubator for jobs and social innovation’, which is still in development.
- Louise, London:** There is a couple of questions that Malmo would like us to go through, though before that there might be some questions from the participants to the Malmo delegation. My first question would be whether you would like to add anything to the presentation or comment on the work you have been doing.
- Eli, Toronto:** I’m curious about the amount of money allocated for the Malmo project. Also, how firm is the idea itself, what is its stage of development?
- Bjarne, Copenhagen:** There is no money apart from a small amount from the European Government that can be brought in. There are also resources that are available via our partners. Also, there is political commitment at looking at the social innovation as a tool. There is no blueprint on how the project should be done.
- Allyson, Toronto:** Is there a plan to incorporate technology and innovation?
- Bryan, Finland:** I think I’ve missed the areas of innovation which have been described.
- Bjarne, Copenhagen:** The areas are small, characterized by the absence of education, high levels of unemployment, etc. Malmo has been trying to find ways to link modern technology with these areas, but it is still a work in progress.
- Allyson, Toronto:** MaRS is a convergence innovation centre. We have looked at various areas of social science; we have tried to integrate social innovation across different areas. Sometimes utilizing new ways means new markets, but sometimes it also means looking a bit different at the product itself. The field of community economic development has a great deal of experience that can be used in Malmo.
- Bjarne, Copenhagen:** There is a huge need to bridge the gap, to bring people of these areas to the education and job markets.

- Louise,  
London:** I would now like to go around all the cities and ask for contributions.
- Eli, Toronto:** We are a non-profit organization, we run shared workspaces for social innovation ventures, much like The Hub. We are fairly large and try to create an atmosphere where every opinion matters. Soon we will be opening a new workspace at a location with considerable presence of ‘visible minorities’ – it is our effort to bring our work some place we haven’t tried before. The most important message I have is that the only way to create a cooperative environment is the slow way. Also, when you talk about creating such a space, you have to include the participants themselves in the discussion. One of the ways to do that is to engage communities in defining the programme, in creating the workspace, rather than just giving it to them. It is a difficult way, but it’s the only way to do it.
- Allyson,  
Toronto:** We have been trying to find the ‘pools of leadership’ within communities; it has been difficult, but it is essential.
- Lisa, Toronto:** MaRS is right in the downtown of Toronto, and not every person sees himself or herself entering this building. The biggest barrier of entry is whether people feel represented by the model, whether they feel that they are involved. Before you co-create, you should exercise co-envisioning to make sure that people themselves are a part of the project. The best piece of advice we can give is to design with, not for people.
- Louise,  
London:** I would like to ask David Cortes in Spain to talk about his experience setting up SIS and about the challenges he had to overcome.
- David, Madrid:** We were trying to create the conditions for co-creation. One of the most important things in creating a co-creative culture is changing the field of view, changing focus from needs of the community to the assets of the community. You need to know what kind of skills and assets people have. They might not have skills about the latest technology, but they surely have useful skills. Another point is prototyping – if you want to be innovative, then your errors and failures have to be cheap. What Naples has recently done is a great idea – they ask the community how they can open up their council. Ultimately it is the process of empowering people.
- Edward,  
London:** I echo the points about early engagement, especially when you deal with communities that have a long history of being rejected by the government. I am also thinking about the incentives for people to take part in the process – what’s in it for them? Also, the feedback has to be quick, which would allow people to see what they are participating for and that their participation is appreciated. An easy way to make things going is to direct all the available resources to asking the community what innovations they need. Another point is about physical and virtual innovation centres. Physical spaces are easy to explain and to understand, but this can also become a problem if people start to take them as simply office or conference space.
- Laura,  
London:** We all seem to start to understand that there is a need to apply a specific method towards a certain outcome. My question to Malmo is – what are you working on? Is it promoting the idea of co-creation in general or is it building an incubator, which is more concrete, more disciplined and works only with very few projects? We at NESTA are more concentrated on innovation methods and testing them against different outcomes.

**Alice, London:** The key to success is starting things in the right way. A great way to start is talking to people about the assets they can bring, rather than thinking about what needs to be fixed in the community. Be careful not to underestimate the assets that people have – they will surprise you. Also, you need to know your own limits, what kind of effort you yourself can bring in. It's about understanding the existing culture that might be present in those areas and about how open people who work on the ground are to working within this culture. As always, to talk about this is much easier than to do it.

As tools go, challenge prizes are a great way to break the ground. The most important thing to understand is that you will get a great number of ideas that will not be so great or innovative, but you still need this stage to break the ground. All in all, most important is to do things with people, not for people, but it's also the most difficult thing to do. It is important for people not to see this as just another government consultation.

**Tricia, London:** I am working on social communities in the Young Foundation, as well as on the issue of social sustainability. Traditionally, we have been working with central and local government, but recently with private sector, too. We are thinking about the right ways to build authentic engagement by the community?

**Louise, London:** Simon, how do we start the things in the right way?

**Simon, London:** There is a real tension between the venture-based approach and the approach of community-empowered co-creation where you look for community ideas that don't really need to be financially profitable. Co-creation is incredibly important. However, radical innovation is only achieved if you follow one person or a small team. It is impossible to achieve innovation by following a large group of people, which is a popular myth. It is incredibly difficult for people to think of something different from what they encounter every day, to think of something that changes the status quo. My final point is that unless you are very clear about what exactly you want, you might get into trouble later on.

**Brussels (???):** This work on social innovation is crucial, it has to be inserted in the overall work that we are doing. I think you have to go further with your intentions. We have to shift our support from simply redistribution of revenue. Incubators are just one of the multitude of policy instruments on innovation. We have to think about the issue of governance, about creating the government bodies that would actually run these projects. The European Commission has extensive experience of envisioning regional policy. An example of this is a guide that has been published by the EC recently which was prepared with the help of various networks across Europe.

**Toon, Brussels:** I am running an innovation consultancy for companies. I have been thinking about how we can generate more development for social enterprises. Depending on the region you will find that attracting social innovation is not so popular yet. Once you attract the people and give them opportunity to incubate, you need to take them to the entrepreneurs, take them through development of their plan and their ambition. Another thing we have to think about is upscaling – we should think about scaling social enterprises from the very start.

**Inderpaul,** Regardless of what we think, we always are at a physical space, thus there is no completely virtual co-creation space. We are using rather old-fashioned

- London:** commercial ideas and terms (scaling, etc.) that are not really working that well for social innovation. We have to start at a small scale before talking about upscaling. This problem is not only endemic to Malmo, but is rather a systemic crisis across Europe – the crisis of understanding of how we innovate, how we organize human resources. Thus, we have to be more careful about the argument.
- Bryan, Finland:** I would like to support the argument of limited territory. When we talk about incubating, what is it that we are incubating? Are we looking only for new businesses? I would underscore what Indy was saying about thinking systemically. You are incubating not just social ventures, you are incubating the whole new Malmo.
- Elina, Finland:** Citizen-driven social innovation is now growing in Finland. One has to keep in mind, though, that the good projects always have extremely motivated individuals, and that's something you can't build a structure for. National government in Finland is very close to the people and to active individuals which allows for fruitful cooperation. It can be this way in Malmo, too.
- Cathrine, Norway:** There seems to be no lack of desire from the public sector to participate, the problem is connecting this work with something else. There indeed is a systemic issue across Europe. We have to make sectors interact in the different way to achieve results.
- Louise, London:** I would now like to turn to Simon in Paris and while he speaks I would like others to think about final questions and remarks.
- Simon, Paris:** When we speak about the difference between the slow and radical innovation, we can look at the free software movement. We can see how a lot of people are working on the free software and on the projects such as Wikipedia. We should look at the way they work because the way they do it is radically changing how people traditionally work on projects. With free software, everyone can easily adapt the project to their own needs. The business model of free software is very useful and can be easily adapted for our purposes. We have found it very useful for our co-working space.
- Louise, London:** Let's have our final comments. Where would we like to go with all this?
- Giulio, Bratislava:** Just a quick thought about reverse innovation. Some of the most interesting examples of social innovation come from Africa. Another example is how two villages in Afghanistan were connected to discuss and solve their problems. Connecting people is a great way to solve their problems.
- Lisa, Toronto:** I agree with Bryan. Maybe we need to take a step back and think whether we are creating a new Malmo. Entrepreneurship is all about failure, but feedback about the failure is extremely important, and we have to take that into account. We also need to think about how we measure our efforts.
- David, Madrid:** It's important to think about the future behaviour of the platform we are building. Analogy with technology is very interesting and we can borrow a lot from there.
- Geoff, London:** What was very interesting in this discussion for me is how we talk about extremely different things under the label of incubators. However, we should not have a discussion praising or criticising one's own tool or incubator. We should talk about what works and what doesn't. For me this discussion is just a mapping of space, a first step that we take in solving this

problem.

**Louise,  
London:**

It appears we have come full circle in this discussion, thinking about what and why we are trying to do what we do. Malmö is clearly not alone in this challenge, as all the people here were engaged in the discussion. Thanks everyone for participation and for being honest.

**Bjarne,  
Copenhagen:**

We are immensely grateful for the input and for the chance to meet everyone, the discussion has been extremely stimulating. We are looking to keep in touch.