

Policy brief
**Strengthen
Open Social Innovation
in Germany**

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Summary

#WirvsVirus and #UpdateDeutschland are the most prominent examples of Open Social Innovation initiatives. In Open Social Innovation an open call is issued to all sectors of society (civil society, public sector, private sector) to participate in this process – from idea generation to scaling solutions. Both government and civil society can initiate such a call for collective action. This policy brief makes suggestions on how to improve enabling conditions by creating an Open Social Innovation ecosystem and modernising Germany's public administration.

Problem description

Germany faces numerous challenges. These were known before the COVID-19 crisis and were in part exacerbated by it. For example, how can we accelerate the digital transformation to make the public administration more citizen-oriented? How can we ensure that we can act better and faster as a society in the face of other challenges, such as climate change? We need to think and talk about how we can organise processes that generate solutions to societal problems – and at the same time help improve and change systems.

We would like to highlight two barriers preventing Germany from unleashing the full potential of Open Social Innovation:

1. Fragmented funding landscape

Innovators developing ideas and solutions require financial resources in the development cycle – from early (product) development to testing and improvement of the solution and from maintenance of innovative efforts to scaling. In the early phase, there are a growing number of funding opportunities provided by the public and private sectors. However, there are still significant gaps in funding for middle and later phases of the social innovation process. In sum, the lack of coordination among public and private sector actors results in a fragmented funding landscape for Open Social Innovation.

2. Ill-equipped public administrations

Public administration officials participating in Open Social Innovation are critical for learning. But innovating and collaborating across public administrations, civil society and private sector is time and resource intense. Features of the German public administration often hinder innovation and collaboration. A lack of sufficient number of qualified personnel, insufficient funds, and inadequate digital infrastructure – be it hardware, software, or applications – are part of the day-to-day reality in large parts of public administrations in Germany. Moreover, federal ministries but also state and district level governments and municipalities are often caught in webs of (local) rules, jurisdiction or simply traditional patterns of interactions that at first sight prevent them from opportunities to collaborate and learn from new partners. Given these barriers, it is not surprising that successful collaborations between citizen innovators and public administrations are the exception and not the rule.

Policy options

Political decision-makers can support open social innovation by ameliorating enabling conditions.

Field of action 1: Establishing an (open) social innovation ecosystem



Expand financing opportunities

The government could facilitate a focused conversation among all relevant stakeholders to develop coordinated resource offers, including subsidies and loans, along the social innovation process. In addition, it can fill potential gaps through specialised programmes, for example, by supporting the social start-up founding phase or extending the EXIST start-up grants to include social innovation-related projects. Example for specialised programs are the development of new funding schemes which emerged during #UpdateGermany. The City of Hamburg translated the Prototype-Fund Model of the Federal Ministry for Education and Research (BMBF) to the provincial level. While many governmental funding schemes ask that an initiative is located within the same province, the City of Hamburg defined that an initiative needs to create impact in Hamburg to be eligible for funding. This is an opportunity to foster scaling of social innovation across states.



Strengthen digital volunteering and engagement

One way to encourage and support young people is to offer a voluntary social innovation year. The government can build on existing programmes that accompany and validate participation (e.g., Project Together programme). The government also can provide benefits for participation in certified Open Social Innovation programmes in the corporate volunteering context, if not create specialised programmes for social innovation sabbaticals for professionals. To achieve more diversity, the government can also support learning or educational associations and (civil tech) initiatives that teach digitisation- and innovation-related skills (e.g., coding, agile processes) and, at the same time, bring more diversity to the previously male-dominated picture in the tech sector through their activities (e.g., new digital learning cultures).



Utilise the potential of educational institutions as engines for social change

We advise that all educational institutions incorporate Open Social Innovation to teach learners the value and opportunities of participation and engagement as well as important practical skills (e.g., experience in interdisciplinary teamwork). The states could provide incentives (e.g., project week offerings, credit for internships, etc.) for schools to participate in these initiatives. (Applied)

Universities could offer seminars to generate execution capacities for projects and to impart application-oriented knowledge to students. Moreover, university administrations need to consider (junior) scientific staff's contribution of scientific expertise to Open Social Innovation projects in promotion policies.

Field of action 2: Strengthening the interface between open social innovation and the public sector



Establish organisational and cultural infrastructures

As a first step we suggest closing the cultural gap between the working methods of innovators and the methods used in public administrations. 'New' ways of working, such as agile and user-centric methods, should be part of a public administration's daily work routine. Moreover, the government needs to make sure public administrations have a sound digital infrastructure at their disposal and sufficient qualified personnel. In the second step, public administrations need to build up Open Social Innovation competencies. This includes the ability to 'curate' solutions from 'outside', i.e. to evaluate them, to mediate between actors relevant for implementation, and, if functionally suitable, to integrate a solution.



Showcase best practices and rethink procurement processes

Public administrators constantly face the issue of how they can proactively engage and cooperate with innovators without violating existing regulations and conventions (e.g. neutrality requirements or public tender rules). In the first step, we suggest that the government takes stock of effective collaborations between public administrations and innovators and publishes a publicly accessible best practice catalogue. If innovators approach administrations and they react with reluctance due to legal considerations, this guide could dispel those concerns. At the same time, such a guide could help innovators to better understand the rules public administrations need to adhere to. In the second step, it is necessary to rethink procurement processes and experiment with more flexible and adaptable procurement processes (e.g. multi-stage processes, more leeway for funding dedicated to innovative efforts).



Scaling leveraging federalism

Decentralisation offers opportunities: Local authorities know their citizens' needs and problems. However, there might also be serious flaws in the ability to scale solution beyond the local level or across states. For scaling, federalism can be a barrier. States and the federal government could support this with transfer formats (e.g. barcamps) and financial incentives to transfer best practice solutions from one context (e.g. from municipality A) to another context (to municipality B). In sum need a culture and incentive system that rewards learning from each other and fosters collaboration across and within various governmental levels.



Improve open data and software infrastructure

Open Government Data describes the goal of making government data sets available to the public in machine-readable form. Innovators can use these datasets to develop applications. We learned that public or publicly funded agencies denied data access to civil society innovators. Germany put forward a data strategy to make more datasets available to the public – civil society innovators would welcome the rapid execution of this strategy. Another instrument is fostering Open Software within public administrations, following the principle "Public Money, Public Code." Solid public application infrastructures based on open source would make it easier to citizen innovators to dock on with their ideas to existing systems.

Open Social Innovation as an instrument for political participation

Open Social Innovation offers the opportunity for citizens to engage and act; it represents an opportunity to rethink the relationship between the government and its citizens. Democracy is more than the possibility to cast one's vote in an election. Open Social Innovation differs from the usual forms of citizen participation (e.g. collecting opinions in consultation processes). We hope that policymakers will recognise the potential of Open Social Innovation. However, policymakers also need to do their homework. Open Social Innovation is not about outsourcing the tackling of societal challenges to social entrepreneurs. Instead, it represents an opportunity to identify and address weaknesses in the institutional set up. Issuing calls for Open Social Innovation without improving the enabling conditions will jeopardise the legitimacy and potential of this approach to collectively tackle societal problems. Invitation for joint action cannot end up as an empty promise.

Let's look ahead. Many of today's questions and policy challenges would benefit from an engagement with an Open Social Innovation. For example, how can we connect policy agendas on digitisation and sustainability to implement the EU Commission's 'European Green Deal'. Open Social Innovation processes can harness the creative potential of citizens and involve them in the development and implementation of digital and sustainability strategies. An open call for action for such topics must not start with a hackathon. Other formats such as barcamps, innovation competitions or, incubator programmes fulfil a similar role. However, these formats alone will not generate effective solutions and impact. Open Social Innovation requires collaboration along all steps of the social innovation process. Moreover, it is important to scope out the challenge, to define the relevant stakeholders and to proactively manage expectations about what Open Social Innovation can potentially achieve.



1. Expand financing opportunities



2. Strengthen digital volunteering and engagement



3. Utilise the potential of educational institutions



4. Establish organisational and cultural infrastructures



5. Showcase best practices and rethink procurement processes



6. Enable scaling in federalism



7. Improve open data and software infrastructure

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**Addressing Germany's
governance challenges**

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