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Policy Brief

Strengthening Open Social Innovation in Germany

Lessons from #WirvsVirus

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#COVID-19
#WirvsVirus
#OpenSocialInnovation

The Open Social Innovation initiative #WirvsVirus mobilised people from all sectors (civil society, government and private sector) to address the COVID-19 crisis. The programme consisted of a hackathon to develop ideas and an implementation programme to support social innovators in turning ideas into solutions. #WirvsVirus was impactful on many dimensions. Yet the experiment was not perfect and much remains to be learned. Most importantly, Germany needs to improve the enabling conditions for Open Social Innovation. This policy brief makes suggestions on how to improve these by creating an Open Social Innovation ecosystem and modernising Germany's public administration.

Vodafone Institut für Gesellschaft und Kommunikation

1 Facing a crisis collectively as a means to drive systemic change

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?

Party platforms, thesis papers, various non-fiction books, scientific studies, and discussions in (social) media mostly focus on finding the right answers to these challenges. However, we also **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.** #WirvsVirus applied an "Open Social Innovation" approach to organise this process. Social innovation as a process aims at generating new and valuable products, services, and practices to tackle problems in our society. **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.** The #WirvsVirus organisers structured the process as a Hackathon and a six-month implementation programme (see page 3: The #WirvsVirus Hackathon and the Implementation Programme). The open approach they chose allowed for collaboration from all sectors of society and was effective in multiple ways:

- First, **#WirsvVirus led to solutions for better crisis management** (e.g. improvement of the health agency software SORMAS for COVID-19 management). Furthermore, mobilising the creative potential of citizens increased the response speed (e.g., the Federal Employment Agency integrated the UDO chatbot for short-time employment benefit (subsidized furlough) applications on its website already two weeks after the hackathon).
- Second, **the majority of participants in the hackathon and in the implementation programme reacted positively to the government's invitation to take action**. Digital volunteering or engagement mobilises expertise for solving societal problems that might otherwise remain untapped.
- Third, **the method enabled learning and networking**. Learning ranged from acquiring knowledge about new digital tools and ways of working to better understanding the rules of the game in different social worlds – the foundations for successful collaboration. For example, people from the tech start-up sector worked together with people from the social sector. Learning and networking create great value and are resources for overcoming future challenges.

> **The #WirvsVirus Hackathon and the Implementation programme**
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> The #WirvsVirus Hackathon was organised by civil society organisations (Code for Germany, D21, Impact Hub Berlin, Project Together, Prototype Fund, Social Entrepreneurship Netzwerk Deutschland, and Tech4Germany), endorsed by the German federal government, and supported by various foundations. The organisers issued an open call asking for solutions to problems caused by the COVID-19 crisis in March 2020 (e.g., digitisation of healthcare processes). In total, the #WirvsVirus Hackathon mobilised around 26,000 citizens who developed about 1,500 ideas.
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> In the hackathon's aftermath, the #WirvsVirus implementation programme supported 130 innovators of social innovation projects to further develop and scale their ideas. The Federal Chancellery officially endorsed this programme, and several foundations and corporations provided funds. Tools included networking opportunities with experts, weekly calls for knowledge exchange and community building, calls for knowledge transfer, and a digital platform where teams could request resources from supporting companies (e.g., legal advice). This implementation programme distinguishes #WirvsVirus from other hackathons where participants generate many ideas, but the organisers take little action to support their implementation afterward.

2 Seven recommendations for strengthening open social innovation

#WirvsVirus has shown what is possible. Certainly, there is still much to learn and improve. **Political decision-makers can support open social innovation by ameliorating enabling conditions**. They can create space for thinking outside the box, provide financial support, and generate recognition for this approach to collective problem-solving. Grounded in our research, this policy brief addresses how can we foster collaboration between government, civil society and the private sector.

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

The infrastructure for organising the open social innovation process requires financial resources for activities such as mobilising (e.g. create a website for issuing the open call and promoting it), monitoring and moderating the community and offering networking opportunities (e.g. bringing together innovators with government agencies). In the case of #WirvsVirus private and public funding partners such as the KfW Foundation, BMW Foundation Herbert Quandt, Vodafone Institute and others supported this infrastructure.

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, innovators invested their own time, expertise, networks, and, in some cases, their own financial resources. Additional funding was provided by the Federal Ministry of Education and Research by adapting an existing programme for funding open-source software development. Some innovators received stipends. Moreover,

philanthropists financed a crowdfunding matching fund, which was another opportunity for innovators to raise funds. Innovators could also access a broad range of non-financial resources through the implementation programme. Various companies, foundations, and think tanks such as Google, BCG Digital Ventures, Ragnarson, and Develocraft, etc., provided pro-bono support and execution capacity for teams (e.g., mentoring, legal advice, taking on coding or marketing tasks).

However, there are still significant gaps in funding for middle and later phases of the social innovation process. An exception is the Björn Steiger Foundation, which supported the Public Health Innovation Network (an alliance of innovators forged during the implementation programme) in their scaling efforts. Notably, there are many foundations, philanthropists and programmes focusing on supporting social innovators. However, the **lack of coordination among these endeavours results in a fragmented funding landscape for Open Social Innovation.**

Funding is crucial. Not every citizen can afford a long-term intensive engagement. Lack of support can lead to exclusion and lack of diversity. Improving funding and enabling conditions in general lead to greater opportunities for everyone.

There is another point to consider when establishing the ecosystem. How to mobilise citizens for challenges lacking media attention? Consequently, we address in our recommendations how to expand mobilisation opportunities for future initiatives.

We recommend the following:

Recommendation 1: Expand financing opportunities.

When designing the ecosystem, all relevant stakeholders must be considered. For example, social welfare organisations ('Wohlfahrtsverbände') can play a central role in scaling social innovation. **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). The government can also tap into new sources of funding such as dormant financial assets to finance Open Social Innovation initiatives. Finally, the government can systematically learn from the experiences of other countries with (digital) social innovation foundations, such as from the example of Nesta in the United Kingdom.

Recommendation 2: Strengthen digital volunteering and engagement

Open Social Innovation benefits from being inter-generational, intersectoral and diverse. Diversity broadens the knowledge base and enables innovators to have a deeper understanding of problems, and to be more responsive to the perspectives of different user groups. Additionally, this enhances the legitimacy of Open Social Innovation. Instead of reproducing a male-dominated start-up culture, Open Social Innovation proactively involves different societal groups in the innovation process.

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 programmes with cohorts).

Companies can **expand corporate volunteering programmes** and take advantage of the training opportunities associated with Open Social Innovation. Moreover, the

private sector can agree on common standards for corporate volunteering pro-grammes. The government, in turn, can provide benefits for participation in certified Open Social Innovation programmes if not create specialised programmes for **social innovation sabbaticals for professionals**.

To achieve more diversity, the government can **support learning or educational associations** and initiatives that teach digitisation- and innovation-related skills (e.g., coding, agile processes) and, at the same time, bring more diversity to the pre-viously male-dominated picture in the tech sector through their activities (e.g., new digital learning cultures). Members of these associations could potentially be recruited for Open Social Innovation initiatives. Exemplary examples of such associations are Code Curious Berlin or the School of Machines, Making & Making-Believe.

Finally, in connection with Recommendation 1, we emphasise that sustainable digital volunteering need to be accompanied by a solid base of paid, full-time staff members.

Recommendation 3: Utilise the potential of educational institutions as engines for social change

Educational institutions can recruit (students, teachers and researchers) for Open Social Innovation initiatives. **We advise that all educational institutions incor-porate 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 capa-cities 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

Open Social Innovation is a viable approach to generate solutions for problems and challenges that traditionally fall under the responsibilities of public administration. **Public administrations successfully collaborated with innovators during the course of #WirvsVirus. This was possible due to forward-looking decision-makers and employees at the local, state or federal level, who understood the potential of these ideas and were willing to take a risk.** The GovLab of the Arnsberg district and the Saarland state government are among the best-practice examples: They pro-actively worked with innovators and supported them in developing solutions. These pioneers are role models for a necessary cultural change in public administrations.

However, we also noticed that **too many barriers prevent effective collaboration** across sectors. From the innovators' point of view, these range from disinterest in collaboration to expressions of interest without follow-up to a belittling attitude towards the services that civil society innovators can provide. What are the sources of these barriers? Public administrations struggled to reconcile an open and flexible

culture of innovation with the requirements of an administrative-bureaucratic logic. Public administrations usually cooperate with established (and mostly large) organisations. This makes it difficult to classify and value flexible, small teams of innovators. However, public administrations may also reject an idea because it simply does not work. Not every solution coming from civil society is automatically a good one.

Hence, we recommend:

Recommendation 4: Establish organisational and cultural interfaces

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.** For example, the Federal Ministry of Labour (BAMS) successfully experiments with these methods. For example, the ministry deploys user journeys before the start of a traditional legislative process to gain a better understanding of how a law would change the realities of citizens' lives.

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. Given the role of the public sector as a high-volume buyer, this is an essential skill. Building up these skills requires a combination of leadership by example, clear objectives, appropriate recruitment and personnel policies (including sufficient human resources), and the expansion of recognition and best-practice exchange formats (e.g. celebrating successful integration of external innovators' ideas). Establishing dedicated organisational units (e.g., innovation labs, innovation agencies, or transfer centres) as well as designated roles (e.g. innovation scouts) can complement competence building. However, if such units are too loosely coupled to administrative hierarchies, there is a risk that they will be perceived as foreign bodies and thus unable to operate effectively.

Recommendation 5: Open Social Innovation – best practice catalogue on dos and don'ts

We also recommend the creation of best practice guidelines on Open Social Innovation. Why is this necessary? 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). **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.

Recommendation 6: Enable scaling in federalism

Decentralisation offers opportunities: Local authorities know their citizens´ needs and problems. During #WirvsVirus, several innovators tested their solutions at the local, state or federal level. **However, we noticed serious flaws in the ability to scale solution beyond the local level or across states**. For scaling, federalism can be a

barrier. In the example of #WirfürSchule this barrier could be overcome: The innovators presented their solutions at the Conference of State Ministers of Education and Cultural Affairs. Even if this opportunity led to few concrete offers, it was an important design element to enable scaling of solutions.

Going forward, when launching Open Social Innovation initiatives at the municipal level, organisers need to pay attention how best-practice projects can be shared with other municipalities or states, e.g. by involving working groups and networks of the municipal umbrella organisations. 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).

Recommendation 7: Enable data access for innovators

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 (e.g., the Coronavis initiative developed a publicly accessible overview of intensive care bed capacities in Germany). We learned that public or publicly funded agencies were denied access to data. **Germany recently put forward a data strategy to make more datasets available to the public – civil society innovators would welcome the rapid execution of this strategy.**

3 Open Social Innovation as an Instrument for Political Participation

Open Social Innovation 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. It also goes beyond the usual forms of citizen participation (e.g. collecting opinions in consultation processes). **Open Social Innovation offers the opportunity for citizens to engage and act.** We hope that policymakers will recognise the potential of Open Social Innovation. However, policy makers also need to do their homework. **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 empty promises. After all, #WirvsVirus is not the first experiment in Germany to rely on bottom-up innovation to solve societal problems. Numerous civil society digital refugee projects emerged in 2015. The conclusion: There are successful examples for embedding some projects into existing systems, but reports of systemic hurdles prevail. This policy brief shows that these hurdles remain. Thus, there is still much to be done.

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, to proactively manage expectations about what open social innovation can potentially achieve.

The #WirvsVirus research project

Prof. Johanna Mair (Hertie School and Stanford University) and Thomas Gegenhuber (Leuphana University and JKU Linz) have been following the #WirvsVirus hackathon and the implementation programme together with the research assistants René Lührsen and Laura Thäter since its inception. The objective of this project is to generate learnings on how to organise Open Social Innovation.

As learning partners of #WirvsVirus the team tracked the process in real-time and over time. In addition to regular exchanges with the #WirvsVirus organisers, the research team created a respectful, collaborative environment for co-production and learning with all stakeholders involved. The team conducted 200+ semi-structured interviews with teams, organisers, mentors, supporters, and political and civil society actors. The team participated in community calls, observed jury decision and funder meetings, and analysed publicly available and non-public documents related to the planning and strategising of #WirvsVirus.

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