

Task 7.4

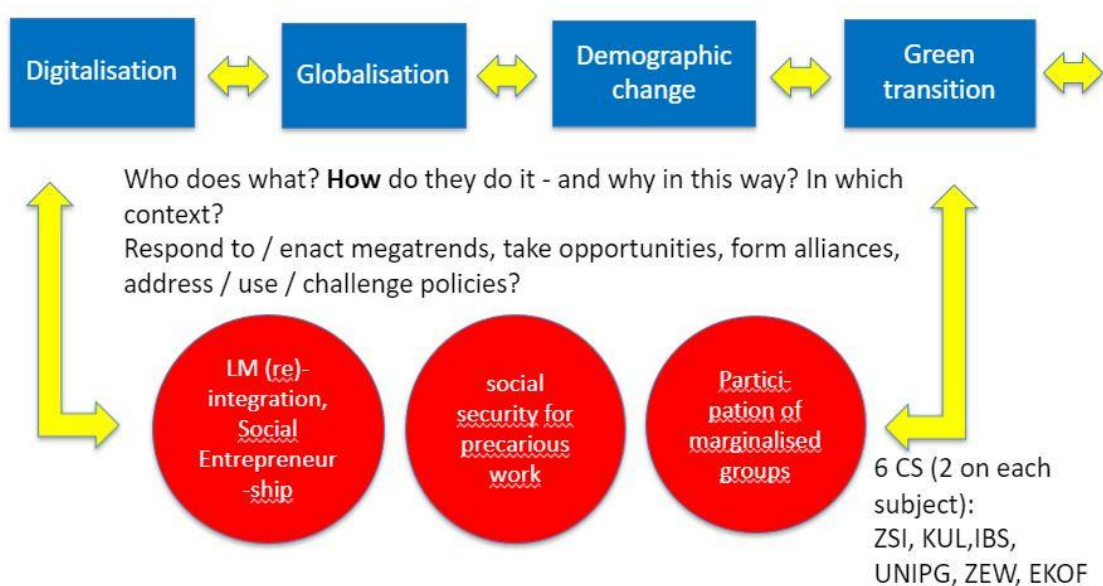
(Re)assessing social innovations in social policy

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1. Task description

Task 7.4 conducts follow-up case studies of documented local or regional social innovations on (i) labour market (re-) integration and social entrepreneurship, (ii) social security for atypical and precarious forms of work, (iii) interest representation and participation of vulnerable and marginalised groups. Cases are selected to cover different welfare state regimes (Austria, Belgium, Germany, Italy, Poland, Serbia), and conducted through desk research, interviews with 4-6 innovators and stakeholders, and presentations of these initiatives in WeLaR events. Through direct interactions of related social innovation initiatives and a comparative analysis, long-term impacts, prerequisites and obstacles will be revealed. This work complements, validates and also challenges our insights from WPs 3-6 and inspires peer learning.

Figure 1. Overview of Task 7.4



2. Background / Setting

Welfare systems need to adapt themselves to render societies more resilient, reduce inequalities and afford citizens and inhabitants effective protection from changing risks (such as job losses and reskilling needs due to technological change, the Green transition, or restructuring of economic sectors due to the Covid-19 pandemic). In this context, not just institutional change and social policies, but also social innovations have been shown to play a part. They are initiated and developed by various alliances of innovators: municipalities or regions, labour market services, social entrepreneurs, established or new NGOs, groups of people with a particular need or challenge and their advocates, and so on. Achieving social impacts is the very point of social innovation (Howaldt, 2019), and external or self-evaluation has increasingly become common practice. Indeed, there has been considerable professionalisation and institutionalisation of social innovation especially since the 2008 financial crises, up to the development of “ecosystems” of social innovation and especially social entrepreneurship (Anheier, Krlev, & Mildemberger, 2019).

Social enterprises are active in wide range of fields. Nevertheless, they concentrate in social and health services, work integration, local development, other challenges (Borzaga et al. 2021).

However, the labour market is a specifically institutionalised field with a strong role of public authorities, established actors and rules, both through legal regulation and social partners’ agreements (Oeij & van der Torre, 2015). Hence, in the labour market social innovation is found in a continuum ranging from dedicated social innovation approaches to public-private partnerships, public-sector innovation (for example innovations within labour market services) or the incremental development of new approaches by established actors. This was shaped by labour market reforms and moves towards liberalisation and/or decentralisation after 2000, but recently inclusive and holistic approaches are also gaining ground (Clasen & Clegg, 2022). Labour market social innovations need to embed themselves with national labour market regimes, top-down policies, public sector innovation and reform initiatives, and institutionalised conflict and negotiation of the interests of employers and workers.

3. State-of-the-art

Social innovation covers a range of practices, aspirations and schools of thought – but there are ample social innovations that do not identify with that terminology. A frequently used definition has been developed by the FP7-SI-DRIVE project:

“a new combination or figuration of practices in areas of social action, prompted by certain actors or constellations of actors with the goal of better coping with needs and problems than is possible by using existing practices. An innovation is therefore social to the extent that it varies social action and is socially accepted and diffused in society.”
(*si-drive.eu*)

Aspirations of SI initiatives range from “repairing” unintended and disadvantageous consequences of societal or economic change, through the “modernising” of social practices, to “transformation” of social systems. However, social innovation may also simply “coexist” with other social practices (Howaldt, 2017). Still, the majority of social innovations were found to remain small, localised, and modest in terms of their aspirations for upscaling and systemic change by, for example, the SI-DRIVE project (Howaldt, 2019; Howaldt, Schröder, Kaletka, Rehfeld, & Terstriep, 2016; Millard, Holtgrewe, & Hochgerner, 2017). Research on social innovation has moved from the empirical and descriptive to more theoretical approaches in recent years (Howaldt, Butzin, Domanski, & Kaletka, 2014; Moulaert, Jessop, Swyngedouw, Simmons, & Van den Broeck, 2022; Moulaert, MacCallum, Mehmood, & Hamdouch, 2014). Research paradigms mostly integrate practice theories, and also draw on theories of technological and business innovation, and on institutional approaches. Recent “transformative” approaches also connect with political economy (Moulaert, Jessop, Swyngedouw, Simmons, et al., 2022), theories of power (Avelino, 2021) and systems theories (Satalkina & Steiner, 2022).

As it is the case with social innovation, many conceptualisations exist for social entrepreneurship and social enterprises as well. Social entrepreneurship can be understood “as an entrepreneurial process or activity that creates social value” (Saebi et al.,), social enterprises as hybrid organisations that achieve social objectives through economic activities. The EU-level reports also regard the dimension of inclusive ownership-governance of an integral part of social enterprises (Bozarga et al. 2021). The current lines of research on SE comprise a) the role of the social entrepreneur with regards to their social mission, prosocial behaviour and other personality traits (Waddock & Steckler, 2016); b) conflicts due to the dual aims of social enterprises (Smith, Gonin & Besharov, 2013); c) the institutional settings that enable SE or that SE can change through its activities (Phillips et al., 2015); d) assessing and measuring the impact created by

social-entrepreneurial endeavours (Grieco et al., 2015). Additionally, research from EU¹ and the OECD² map and compare national social enterprise ecosystems (Bozarga et al., 2021).

Labour-market related social innovation has mostly been institutionalised in the context of social entrepreneurship. Increasingly, this includes financing infrastructures across a start-up lifecycle and also targeting private capital, various awards, training and support facilities, incubators etc. Social investment approaches are central here, and are being reinvigorated in European social policy (Vanhercke, Sabato, & Spasova, 2023). Other approaches with a focus on the social economy, solidarity economy or more recently, the economy of proximity address public, private and non-profit goods and services and aspire to reshape labour markets around social value, human needs and their interplay (Moulaert, Jessop, Swyngedouw, & Simmons, 2022).

Depending on the structure of labour markets and LM policies and actors in each country, established social enterprises such as the large Continental European welfare providers, co-operatives in Southern Europe, charities and NGOs, both for-profit and non-profit training and learning providers, and start-up companies play a part in labour-market-related social innovation. Their best-documented fields of activity are in labour market inclusion for varied vulnerable and marginalised groups, providing jobs and training, often in combination with personal and business services or with sustainable products, for example with regard to the circular economy (OECD/European Union, 2022). Recently, digital platforms and apps to store CVs, receive job offers and career guidance for various vulnerable groups are also being developed in partnerships of public institutions, NGOs and IT companies (for example, jobiri.com), although this is also a field of private-sector enterprises.

Other social innovations address changes in the labour market beyond conventional employment although the value of atypical and precarious forms of work is somewhat controversial in both social policy and social innovation contexts. For example, around 2017, the “platform economy” was sometimes still considered a socially innovative provider of jobs and labour market access to people with difficulties in the conventional labour market (Addarii & Lipparini, 2017) while researchers already found that platforms offered precarious and low-wage work and in Europe were often used for second jobs (Huws, Spencer, Syrdal, & Holts, 2017;

¹https://ec.europa.eu/social/main.jsp?advSearchKey=socentercountryreports&mode=advancedSubmit&catId=1307&doc_submit=&policyArea=0&policyAreaSub=0&country=0&year=0

² <https://www.oecd.org/cfe/leed/social-economy/social-entrepreneurship.htm>

Zysman et al., 2017). Increasingly, for-profit platforms appear to exacerbate rather than improve employment insecurity. They often hire vulnerable workers who lack more stable alternatives (Kaczmarczyk, Kowalik, & Lewandowski, 2022; van Doorn, 2020).

However, initiatives organising platform workers are gaining ground, both in cooperation with established trade unions and through worker self-organisation (Cini, 2023; Lamannis, 2023). Indeed, such cooperations may offer unions an inroad to shaping new and atypical forms of work in favour of workers. Other organising initiatives address new and atypical workers such as home-carers in often precarious employment/freelance contracts (for example, the [IG24](#) initiative organising (bogus) self-employed home-carers in Austria). Some initiatives that react to the challenges of atypical work to social security of workers and the welfare state follow more of a co-operative than an organising model. For example, the originally Belgian [SMART co-operative](#) aims to act as a virtual employer/support infrastructure to freelancers in the creative industries and has expanded to several European countries.

4. Advancement compared to the state of the art

Much research on social innovations, either large-scale mapping exercises (such as [socialinnovationatlas.net](#)), case studies or comparative analyses are restricted to snapshots at one particular point in time. Case studies generally describe some genesis and history of the case in question, but observations over a longer period of time are rare in the field of social innovation. This is also an institutional limitation in evaluation and impact assessment. As many social innovations, especially those funded through public programmes, take the shape of projects, their evaluation procedures only cover their assigned time period. However, wider impacts, ranging from an innovation's sustainability to its uptake, upscaling in its various forms, or institutionalisation (e.g. in social services or policies) tend to materialise over a longer time, and there is little known about these longer-term impacts. For this reason, we focus on documented and somewhat established social innovations and explore their development in the light of changing labour market conditions. . Not least, we aim to participate in the process of embedding and networking social innovation in the labour market by involving expert respondents from the case study in the knowledge exchanges of WeLaR foreseen in WP8.

5. Research to be done

To address the important subject of social innovation in social policy and welfare systems with limited resources in this project and widen the perspectives on the possibilities of improvements in welfare policies and systems, Task 7.4 conducts follow-up case studies of documented social innovations in the fields of:

- labour market (re-)integration and social entrepreneurship (for example, social enterprises also supporting Green initiatives such as waste avoidance or recycling),
- social security for atypical and precarious forms of work (such as the originally Belgian [SMART cooperative](#) providing artists with social security),
- and interest representation and participation of vulnerable and marginalised groups in policies addressing these issues (such as various union and company-level initiatives organising workers in the gig economy, but also workers in the informal or semi-formal sector).

6. Methodology

Cases and selection criteria are identified on the national and European level by each partner with support from ZSI, and innovators and other actors in these initiatives included in the stakeholder community in such a way that each subject is covered in a range of welfare regimes.

Six case studies are conducted (following a co-created reporting guideline) through desk research, expert interviews with 4-6 innovators and stakeholders per case (if possible, representing several cohorts of participants), and also live or virtual presentations of initiatives at dedicated project and stakeholder workshops. Cases that are successfully internationalising (such as the SMART cooperative) can be explored by several partners. Through direct interactions of related initiatives, case-specific and comparative analysis, a picture of longer-term impacts and their prerequisites and obstacles will be developed to complement, validate and also challenge the project's insights and engage and inspire peer learning across domains among stakeholders. Comparative analysis within each subject area is conducted by the task leader, and again discussed and validated by stakeholders. Insights may be validated and refined by live or virtual presentations of initiatives at dedicated project and stakeholder workshops that may also involve interviewees if appropriate.

7. Data sources

Data sources are documents of the respective initiatives and interviews with some 4-6 innovators, promoters, stakeholders, clients or users (where possible) in the respective case that cover the cases' respective histories and contexts, from ideation to upscaling, mobilisation of resources, learning processes within and beyond the organisation/initiatives embeddedness in local, regional, national and possibly international “ecosystems”, and ways of addressing ongoing societal and policy changes.

These interviews will be recorded and transcribed in line with project partners' usual practice.

Social enterprises and their ecosystems in Europe. Comparative synthesis report

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