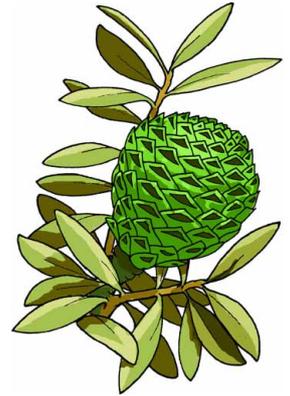


SOCIAL INNOVATION



*“A good idea attempted
is infinitely better than
a dull idea perfected.”*

— Don Letts

Much of what we take for granted in our everyday social services was once itself a social innovation. It may be hard to imagine but, just over a hundred years ago, the idea of a national health service was considered absurd, disabled people were commonly kept hidden in households and institutions, and New Zealand was the only country giving women the vote.

The 20th century was full of social innovations in Western democracies which resulted in state and community housing programmes, free education and healthcare to the whole population, superannuation for elders, financial security for single parents, and compensation for victims of accidents. Many of these innovations were catalysed by times of economic crisis and recession — the Great Depression of the 1930s was one of the most fertile periods of social innovation, creating much of the social welfare system we have today.

New Zealand was once proud to be considered “the social laboratory” of the world — a place of can-do creativity, and an early adopter of many new social ideas. We have many inspiring stories of local social entrepreneurs who created, implemented and spread these new ideas until they became an everyday part of our communities.

We remember Sir Truby King, who set up the Plunket Society which has contributed so much to children’s health, and Dr Edward Hume from Otago who led many innovations in public health. George Hogben and Clarence Beeby were instrumental in opening up educational opportunities for more New Zealanders, and Bill Sutch was a public servant who

took leadership on welfare and cultural initiatives. Sir Apirana Ngata and Princess Te Puea led public health and economic development initiatives throughout Maoridom.

We live in a time of just as much social innovation today, and we can see social innovations emerging in the hospice movement, playcentres, fair trade businesses, farmers markets, permaculture, eco-neighbourhoods, microcredit schemes, restorative justice, and civil unions.

Many of these innovations are being spurred on by the development of new technologies, especially the internet (with Wikipedia, the Open Source software movement and social networking sites like Facebook and Twitter as leading examples).

The internet brings with it a whole host of organising tools which are spectacularly lowering the costs of community organising. This leads to a greater linking up of community innovators and citizen groups around the world ... which is, in turn, leading to an even more rapid dissemination of new ideas that work.

That may well be the simplest definition of “innovation”: *new ideas that work*. However, the innovations themselves may not actually be new — an entrepreneur may be inspired to combine several existing ideas that haven’t been put together before. The point here is not the “newness” ... the point is that *it works*.

- Despite this explosion of social innovation around the globe, it is perhaps surprising to realise how little has really been known about *the process of social innovation* compared to the vast amount of knowledge and research that has been gathered on how innovation happens in science and business.

I didn’t really understand the full extent of this gap in knowledge and research until I went to a conference on social entrepreneurship at Oxford University in 2007 and listened to a presentation by Geoff Mulgan from the Young Foundation.

Mulgan started the Demos Think Tank which was a significant intellectual influence on the Blair Labour Government in Britain, as he became head of Strategy and Policy in the Prime Minister’s office. Mulgan later left this key government position to lead and revitalize the Young Foundation, an organisation based on the work of British social entrepreneur Michael Young. Under Mulgan’s leadership, the Young Foundation has become the primary centre for social innovation in Europe.

At the Oxford lecture, Mulgan outlined some research where the Young Foundation looked into just what structures existed to support and develop the field of social innovation. This research showed there were very few institutional structures devoted to understanding social innovation and fostering it. There were no systemic overviews of the field, no major datasets or long-term analyses, and (at the time) few signs of interest from the big foundations or academic research funding bodies.

And alongside this, there were clearly some very strong *dis*-incentives in the public and community sectors for people getting on with social innovation. Mulgan concluded that social innovation was at about the same stage of development that innovation in science and technology was more than a century ago:

“Although social innovation happens all around us, many promising ideas are stillborn, blocked by vested interests or otherwise



New Zealand social entrepreneurs (from top) Sir Truby King, Sir Apirana Ngata, and Bill Sutch.

marginalised. The competitive pressures that drive innovation in commercial markets are blunted or absent in the social field and the absence of institutions and funds devoted to social innovation means that too often it is a matter of luck what comes to fruition or displaces less effective alternatives. As a result, many social problems remain more acute than they need to be.”

The Young Foundation researchers estimated that 50-80% of mainstream economic growth actually comes from innovation and new knowledge. They observed that when our business and political leadership began to understand just how important this was to the economy, the work of invention and innovation was taken out of obscure laboratories and garden sheds and was backed with large scale public funding, and with the establishment of research and development departments in big companies and universities.

Mulgan believes the same will very soon become true for social innovation. The Young Foundation has been tracking the many signs of interest in fostering and supporting social innovation — with projects being developed in academia, in government and politics, in business, and throughout the community and social services sector.

- Before the first meeting of the New Zealand Social Entrepreneur Fellowship, each member was given a copy of David Bornstein’s book *How to Change the World — Social Entrepreneurs and the Power of New Ideas*. In this book, Bornstein tells the stories of some remarkable social entrepreneurs from around the world, many of whom were connected with the Ashoka “Innovators for the Public” network set up by Bill Drayton (who is popularly credited with establishing the term “social entrepreneur”).

Bornstein’s ground-breaking book was first published in 2004, and it quickly became what the *New York Times* described as “the bible” in a new field. It proved to be an early example of an explosion of many more books, conferences, journals, blogs and websites on social entrepreneurship that appeared over the next few years. At the same time, and partly in response to requests from students, almost every leading international university began to establish *social* entrepreneurship courses alongside their regular *business* degrees.

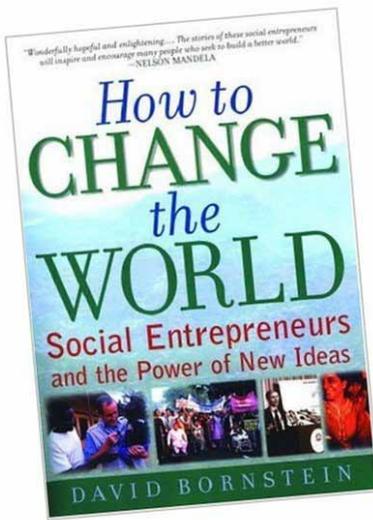
As the universities, government departments, grant-makers and foundations all took more of an interest in this field, there came the inevitable war of words and definitions about what “social entrepreneurship” actually means.

Some people have wanted to define social entrepreneurs as only those who are running profitable social businesses, and can demonstrate that they can replace government or foundation grants with market strategies that gain an income directly from the public. There are others who feel that anyone running social services is in fact a “social entrepreneur”, regardless of how they make their money. And to add to this mix, there are quite a few consultants and conference speakers who were enterprising enough to change their business cards to capture the label “social entrepreneur” — perhaps in the expectation that this may lead to a new line of work or funding.

The fascinating thing here is that most of the social entrepreneurs I have spoken to don’t seem to really care too much about the labelling. At many conferences I have watched the academics, consultants, and advisers to foundations tie themselves up in intellectual knots



New Zealand social entrepreneurs (from top) Kate Sheppard, Princess Te Puea, and Ettie Rout.



for hours as they argue over the definitions of what they are talking about. They are naturally concerned about the need to manage scarce academic and philanthropic resources — and you manage better what you can define. But, in the meantime, the social entrepreneurs themselves are just getting on with finding one another and sharing their stories of ideas and projects for making a difference.

The academics do agree that one of the key characteristics of a social entrepreneur is that these are the sort of people who love to skip over boundaries. This also means that any attempt to corral them into a definition will probably fail. They disdain the fences. They won't be trapped into black and white. They have a wild delight in surprising us with stories of how they can drag the legitimacy of something in one field of practice ... into a usefulness within a completely different field.

It surprises us because innovation has an elusive quality. It is very hard to grasp and study ... even when it is right before our eyes. The German philosopher Arthur Schopenhauer understood this when he pointed out

“The task is not so much to see what no one yet has seen ... but to think what nobody yet has thought about that which everybody sees.”

- Another common thread within the various definitions of a “social entrepreneur” is that these are people who are working to achieve *fundamental social change*. They are not just in the business of being good social service providers. They don't just want to help ... they want to solve. They recognise the important difference between *organising* a problem and *healing* it.

During the 1980s, when I was establishing the *Skills of Enterprise* business courses for unemployed people, I used to promote this work by using a very familiar Chinese proverb: *If you give a man a fish, you feed him for a day. But if you teach him how to fish, you feed him forever.* Our local self-help employment projects were very much about fostering creative initiative, and teaching people “how to fish” for the goals they wanted to achieve in their personal lives and livelihood.

But it took me many years to realise that, no matter how many self-help projects I was organising, I still wasn't making much of a dent in the overall levels of unemployment in my community. This challenged me to step back and ask myself: *What business am I really in?*

I remember walking along my local beach at dusk one evening and I could see the lights of the foreign-owned squid boats and fishing trawlers out on the horizon. This used to be a very regular sight from the Taranaki coastline. It was interesting to me that particular evening because I had just been writing about the troubles New Zealand has had creating more jobs for our young people who are keen to work at sea. Growing a local fishing industry was especially an uphill battle when our fishing quotas are sold to foreign fishing interests who can send fleets of ships down to the Tasman Sea from Asia. And these ships had working conditions that few New Zealanders would put up with for long.

It struck me at that moment that I had been making a conceptual mistake in my drive for self-help employment opportunities. The fact is that I can “teach a man to fish” as much as I

How Communities Heal

avoiding the problem	organising the problem	questioning the problem	healing the problem
reactive	responsive	pro-active	transformative
past	present	future	presence
"how-to" focused	output focused	outcome focused	"what-for" focused
instability of the community	instability in the community	inquiry in the community	creativity in the community
leaders control through top-down decisions	leaders manage through co-ordination and collaboration	leaders facilitate through alignment and leadership	leaders co-create through shared vision
fragmented structure	hierarchical structure	matrix structure	self-organised networks
dependent	individual	independent	inter-dependent
a hand-out	a holding hand	a hand-up	hands-off
argument	discussion and debate	conversation	dialogue

liked ... but there are foreign fishing trawlers coming into our harbour! Over time, this insight became instructive, and taught me that unless I could engage in *the systemic levels* surrounding our social problems, I was never really going to create the solutions I was looking for.

Some years later, at the social entrepreneurship conference at Oxford, I heard Bill Drayton give his own commentary on this same issue, and the very same proverb, when he remarked:

“Social entrepreneurs are not content just to give a fish, or to teach how to fish. They will not rest until they have revolutionised the whole fishing industry!”

- The difference between *organising* and *healing* problems has also become an increasingly important distinction in the world of philanthropy.

Bill Gates is one of the world’s richest men, and the founder of the world’s largest philanthropic institution. He tells an interesting story about when his family visited a homeless shelter, and were helping out a group that was putting together small hygiene kits that were handed out to homeless people. These kits had several personal items in them — toothbrushes and toothpaste, and soap and other items that were often not easy to get when living rough.

After working on these kits for a while, Gates’s four-year old son Rory turned to his father and remarked: “This is really nice, Dad, but if these people are homeless, why don’t we give them homes?” Bill Gates responded: “That’s a good question. A home costs a little more, but basically you’re right!”

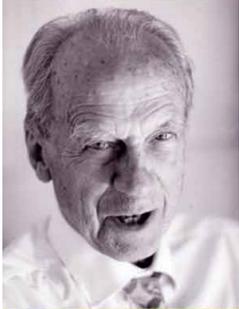
I don’t think anyone is suggesting we should stop running shelters or handing out hygiene kits. But sometimes it takes a four-year old child to point out the obvious — he is reminding us that solving the deeper problem of homelessness is our primary task here. This child intuitively understood the important difference between *organising* a problem, and fundamentally *healing* it.

Albert Einstein is often quoted as saying that the significant problems we face cannot be solved at the same level of thinking we were at when we created them. This is particularly true when addressing tough social problems — they cannot be simply managed out of existence. The social entrepreneur seeks to address these problems by guiding citizens and communities through a journey of transformation that involves changing how we are thinking, seeing and being in the world.

This journey of transformation is *how communities heal*. As the table (on the previous page) suggests, it is a journey which involves shifting our focus from avoiding or reacting to the problems ... to questioning them ... and then allowing our creativity to address the challenges by opening up a range of new possibilities.

This is a journey where it’s not just the problems that start to transform. Everything changes — the way we lead, the way we set our goals, the way we cope with instabilities and conflicts, the way we structure our organisations, and the way we understand how best to help.

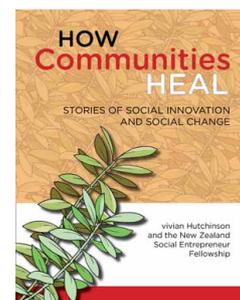
We even begin to notice some fundamental shifts in the way we talk with one another.



International thought leaders in social innovation and entrepreneurship
(from top)
Geoff Mulgan
Michael Young
and Bill Drayton

Notes and Links

- This article by vivian Hutchinson is part of the [HOW COMMUNITIES HEAL project](#) — stories of social innovation and social change featuring members of the New Zealand Social Entrepreneur Fellowship. <http://tinyurl.com/hchsocalinn>
- *Don Letts* ... filmmaker, punk pioneer and Roxy Club DJ quoted from his interview with Nick Bollinger in the *Artists in Conversation* at WOMAD Taranaki in March 2011.
- *New Zealand social entrepreneurs* ... see “*New Zealand Social Entrepreneur Historical Checklist*” by Tony Simpson (2005) at tinyurl.com/nzsefsimpson
- *Arthur Schopenhauer* ... German philosopher (1788-1860). This has become a universal insight into the nature of innovation.
- The New Zealand scientist and social entrepreneur Ray Avery says that the best personal advice he ever received came from the inventor Colin Murdoch: “*Observation is the key to innovation — never stop looking and imagining what might be hidden in the obvious.*” (*The Listener* 1st January 2011 “*The Best Advice I Ever Got*”)
- *The Young Foundation* website is at www.youngfoundation.org
- “*Social Innovation: What It Is, Why It Matters and How It can be Accelerated*” by Geoff Mulgan with Simon Tucker, Rushanara Ali and Ben Sanders (Skoll Centre Oxford Said Business School 2007) can be downloaded from tinyurl.com/mulganSWF2007
- *Oxford University* ... the Skoll World Forum on Social Entrepreneurship is held each year at the Said Business School at Oxford University, UK. vivian Hutchinson attended this Forum in March 2007... see his blog at <http://vivianoxford07.blogspot.com>
- *Geoff Mulgan* toured New Zealand in 2009 with a series of lectures entitled “*Innovating through Recession*” organised by the *New Zealand Centre for Social Innovation*.. See tinyurl.com/4yjsmn2
- *Geoff Mulgan speaking at TED Conference* in Oxford July 2009 ... tinyurl.com/mzkqlg
- *Michael Young* ... for more see <http://vivianoxford07.blogspot.com/2007/04/young-foundation.html>
- *How to Change the World — Social Entrepreneurs and the Power of New Ideas* by David Bornstein (Oxford University Press 2004) available at astore.amazon.com/nzsef-20/detail/0195334760
- *Social Entrepreneurship: What Everyone Needs to Know* by David Bornstein and Susan Davis (Oxford University Press 2010) available at astore.amazon.com/nzsef-20/detail/0195396332
- *The Meaning of Social Entrepreneurship* by Greg Dees (Duke University, 1998) paper at tinyurl.com/3pb2gxa
- *Social Entrepreneurship — the Case for Definition* by Roger L Martin and Sally Osberg in *Stanford Social Innovation Review* Spring 2007 available at tinyurl.com/3pg2h9r
- *Bill Drayton* ... see also “*Changing the World on a Shoestring*” by David Bornstein, *The Atlantic Monthly* (January 1998) at www.theatlantic.com/issues/98jan/ashoka.htm or his talk given in 2007 at Google, available at www.youtube.com/watch?v=eEc61DnLQ30
- *Bill Gates* ... story comes from profile of Bill and Melinda Gates Foundation “*Reversal of Fortune.*” by Raekha Prasad in *The Guardian Weekly* 12 February 2004.
- *How Communities Heal* ... chart adapted from vivian Hutchinson’s workshop entitled “*Organisation as an Instrument of Service*” (2005). The framework of the chart is an archetype that can be found in the field of organisational transformation, especially the writings of Harrison Owen, Willis Harman,



Linda Nelson and Frank Burns, and others. There are also concepts in this chart inspired by the work of Stephen Covey, Peter Block and the dialogues of the Stewardship Learning Community.

- More articles in this series, and further information on the HOW COMMUNITIES HEAL project can be found at www.nzsef.org.nz/howcommunitiesheal
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