## Social Innovation, Co-creation and Living Labs beyond Triple Helix from Research into Practice into Research Dr Katri-Liis Reimann, Associate Professor, Tallinn University, Estonia Visiting Fellow, Northumbria University , UK kllepik@tlu.ee



ProVaHealth

TALLINN UNIVERSITY School of Governance, Law and Society Supported by (European Union) European Regional Development Fund (Tallinn University's ASTRA project, TLÜ TEE)

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## The Concept of Innovation

 An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations (Oslo Manual,OECD, 2005)

## Types of innovation

- Product innovation: A good or service that is new or significantly improved (technical specifications, components and materials, software in the product, user friendliness or other functional characteristics)
- **Process innovation:** A new or significantly improved production or delivery method
- Marketing innovation: A new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing.
- Organisational innovation: A new organisational method

in business practices, workplace organisation or external relations.









## Social innovation

Innovations that are both social in their ends and in their means (European Commission, 2010)

Innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purpose are social' (Mulgan et al., 2007)





## Diffusion of Innovation theory



Everett Rogers (1995)

## The Adoption – Decision Process



## Innovation barriers

- Institutional and organizational differences
- Organisational and cooperation culture
- Different goals, values
- Fear to fail
- Political agendas
- Maintaining status quo
- No measures for innovation and success
- No rewards

Bugge, M. et al (2011). Measuring Public Innovation in Nordic Countries. Oslo: Nordisk Innovasjon

#### Living Lab

• A Living Lab is a research and innovation concept. Living labs deal with user-centred, open innovation ecosystem, often operating in a territorial or regional context (e.g. city, agglomeration, region), integrating concurrent research and innovation processes within a citizen-public-private partnership (Schumacher 2013)



Source: Adapted from Sanders and Stappers, 2008

Lehmann et al (2015)

# Living Labs







#### Living Lab Criteria

- User-centered
- Open innovation mindset
- Real life context
- Promoting innovation process in quadruple-helix partnership



# Characteristics which effect LL outcome

Environment:

- Planned lifetime
- Scale
- Relation to the real environment
- Openness of the process
- User Community
- Ecosystem strategy
- Technical Infrastructure
- Management
- Research

Approach:

- Sustainability
- Co-creation
- User cooperation
- Evaluation

Veeckman et al. 2003; Bergvall-Kareborn et al (2013)



Adapted from: A map of social enterprises and their eco-systems in Europe. Synthesis Report. (2015). Luxembourg: Publications Office of the European Union.



## **ProvaHealth Project**

- To create better collaboration between Health Living Labs in the Baltic Sea Region
- To ensure smooth access to Living Lab services for SMEs
- To improve market uptake of new products and services in health
- Enforce innovation, create new enterprises and growth of SMEs
- Improve peoples health, well-being and quality of life



## Benefits and Challenges of Living Labs

Benefits	Challenges
Continuous testing and feedback (Hyysalo	Effective cooperation (Hyysalo & Hakkarainen
& Hakkarainen 2014)	2014)
Decreased business risk (Launonen &	Communication barriers (Dutilleul et al.
Viitanen 2011, p. 112-113)	2010)
Promote learning (Garci'a- Naya et al. 2010)	Management (Launonen & Viitanen 2011, p.
	116-117; Niitamo et al. 2012 )
Enables research activities (Jarnagin &	Technology context and usability (De Moor
Brabley 2008)	et al. 2010)
Increased amount of innovations (Karin et	Enabling knowledge flow (Kehayia et al.
External recourses (Nilterna et al. 2012)	2014) Recourse allocation (Nilterna et al. 2012)
External resources (Niltamo et al. 2012)	Resource anocation (Niltamo et al. 2012)
Experiential test results (Scandurra et al.	Information control (Martinez-Torres
2015)	2014)
Real environment testing (Launonen &	Trust creation (Niitamo et al. 2012)
Viitanen 2011, p. 112-113; Kehayia et al. 2014)	

Haurinen A. (2015)

## **SME Survey Results**

Needs

- coherent testing and service provision
- Translation services for product description
- Accelerate product development processes
- validation
  - to understand new markets, testing done earlier
  - gain users opinion
  - Optain CE-label
  - Expectations
- Feedback from users to almost ready-made products
- Internationalisation get recognition from other public sector organisation, LL as an accelerator
- Feedback from professionals, co-creation and partnership

### **Transnational Living Lab Concept**

 Success criteria: knowing stakeholders, contact person in each medical institution, showroom, market knowledge, valuable service, process descriptions, cost-effective testing service, specialisation, high quality expertise, user involvement, access to customers, sales, value for the health professionals, generation of funding for research, R&D work for companies to make better business, knowledge for students

#### Self-Assessment Tool-box



An idea is a proposal for a project or a process. Supposed target audience, functionality and hypothesis are described in a proposal for an idea. The aim of the ideas phase is to prepare your Living Lab for work with the target audience.



## Co-creation in Võru County



## Estonian co-creation pilot

- Problem: standardized services do not meet all users' needs which results in decrease in the level of well-being
- Hackathon outcomes: Engaged representatives of all sectors, new solutions, experience of co-creation, new networks/contacts
- Outcomes of new solutions: new opportunities for employment for vulnerable groups, new community projects which are sustainable (incl financially), increased number of volunteers, willingness to use hackathon by public sector
- Long-term Impact: Increased sense of being a responsible community member and increase in well-being
- Co-creation/Hackathon as the new norm

 Various levels: Hackathon a a research object New solutions (services) as a result of hackathon









# Challenges

- Building trust between stakeholders
- Willingness to change
- Every participant in co-creation has multiple roles
- Who is the hackathon's end-user
- Managing the variables including power differentials
- The role of mentors/facilitators
- Allocation of resources
- Scattered and fragmented data



## Value proposition of co-creation (hackathon)

Value dependent on the stakeholder needs Social innovation:

- Providing a neutral space for co-creation
- Structured processes managed by mentors/experts
- Ensuring democratic participation from all diverse stakeholders
- Rapid prototyping
- Increased quality via thematic experts
- Experience of co-creation
- New networks/contacts
- Hackathon's scalability and replicability
- Co-budgeting
- Co-creating data



## The Dark Side of Innovation

- Scaling and expanding the network
- Traditional public procurement social value not recognized
- Courage to take risks
- Bureaucracy
- Social impact measurement
- Organisational cultures

#### ACCESS TO PRIVATE FUNDING Tailor-made matchmaking – Polar Bear Pitching – Oulu Investor Days

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## Social Impact Bond

Diagram of the proposed SIB structure:



## Opportunities





#### **Research Coordination Objectives**

- Coordination of gathering information about the ways to prepare graduates beyond disciplines using collaborative, generative, problemsolving approaches;
- Scope the nature of Higher Education- led Multi-Disciplinary Innovation (MDI) in promoting Social Entrepreneurship (SE) and Social Innovation (SI);
- Development of a Pan-European Public Sector Innovation Lab and supporting agencies that develop public policy;
- Development of understanding principles and practices of design-led entrepreneurship; Input for partners' network on MDI opportunities and tools



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# Thank you!

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