

Carol Yeh-Yun Lin · Jeffrey Chen

# The Impact of Societal and Social Innovation

A Case-Based Approach

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# Foreword 1

*Why is Societal and Societal Innovation critical? What process behind it will give impact for the future well-being, and for whom? How does the Y-approach look like? What cultural aspects will amplify the impact process of Societal and Social Renewal?*

One of the very thought-stimulating events of last year, on the subject of societal renewal, might have been the Nobel Peace Prize awarded team, December 2015, called the Tunisian National Dialogue Quartet. The team under female leadership initiative worked in a cross-sectorial approach during many years to reach a peaceful unique reframing societal innovation impact. See more on [http://www.nobelprize.org/nobel\\_prizes/peace/laureates/2015/](http://www.nobelprize.org/nobel_prizes/peace/laureates/2015/).

This interesting book is now addressing three different perspectives and eight interesting cases for further learning on these issues of utmost importance for our future well-being.

One distinction of Societal Innovation is as a systemic change in the interplay of the state and civil society. It is a relative of social innovation, but differs from it by considering the state to be an important co-creator in achieving sustainable systemic change (Lehtola and Ståhle 2014).

There are different societal innovation types to address, and to be viewed in different perspectives, beyond social innovation, among others the following process approaches (from forthcoming OISPG Yearbook 2016):

- as a **Lumification process**, or signal process for need of Renewal and sustainability navigation based on perception of societal intelligence from knowledge navigators;
- as a **new Societal Rulemaking process** for a joint co-creative reframing thrust, as COP21 in Paris December 2015, or as civil rights innovations, like in Denmark with its ministerial prototyping Mind-Lab, or as in Malaysia pioneering urban design with its super multimedia corridor and related specific e-law making, or the new business hybrid form in USA called L3C—Low-Profit Limited Liability company, or SBC—Social Benefit Company in Australia;

- as a **Peace Innovation process** by triggering reduced friction and conflict resolution among citizens, by innovative harmonizing of citizens relational interaction, such as ACSI—Aalto Camp for Societal Innovation in Finland;
- as a **Digital Dialogue process across borders**, generations and cultures, such as Living Bridges Planet, that will both initiate local social innovation processes as well as create reframing collective perspectives.

Robert Putnam has been very well known for his work on importance of social capital, and its bonding between citizens as well as bridging between groups of views. This might be the context for social entrepreneurship and its innovations. A global thrust is in progress on social innovations in many countries. One of the early pioneers were NESTA, in UK, see [www.nesta.org.uk](http://www.nesta.org.uk). In Sweden there has been a lot of prototyping on this, see more on [www.socialinnovation.se](http://www.socialinnovation.se), as a pentahelix forum striving to develop social innovation and social entrepreneurship. Social innovation might be cultivated by the growing global networking. The very first global Social Innovations Hackaton is now taking place on March 19, 2016, in New Delhi, India, with among others the Hon. President of India. There is the Social Entrepreneurs Club online with more than 30,000 members. There is also the annual SOCAP event in San Francisco, gathering more than 10,000 participants, of impact investors, social entrepreneurs. See [www.socialcapitalmarkets.net](http://www.socialcapitalmarkets.net) with a special Nordic Impact week, see [www.nordicsgosocap.org](http://www.nordicsgosocap.org). Recently a startup accelerator for social ventures started in Lund, Sweden, [www.sopact.org](http://www.sopact.org) with special thrust for social entrepreneurs.

Most likely we need to go from re-research to a new supplementary approach called **Fore-search** to pick up weak or strong signals, reframe, refine, prototype, and amplify the processes of renewal beyond the regulatory institutional framework. For this the reframing the mapping of NIC-National Intellectual Capital, [www.bimac.fi](http://www.bimac.fi), will be a most helpful navigation for societal leadership!

Happy Inspirational Reading

Leif Edvinsson  
The World's First Professor on Intellectual Capital

## Reference

- Lehtola V, Ståhle P (2014) Societal innovation at the interface of the state and civil society. *Eur J Soc Sci Res* 27(2):152–174

## Foreword 2

In the current world economy the richest group of countries are all driven by innovation. The two other groups in the World Economic Forum's classification are factor or efficiency-driven, or something in between. In all well-educated nations, the general trend is towards increasing innovativeness. Indeed, in the past few decades innovation has continued to gain importance in the world economy.

Innovative solutions are needed not only in the economic realm, but the same goes for many social challenges such as poverty, aging, health care, climate change, and carbon emissions. An effective response to these challenges will call for collaboration between public and private organizations as well as initiatives by citizens, communities, entrepreneurs, and organizations. The requirement of innovativeness is no longer confined to business and technology, but cuts across all processes, structures, and cultures of our societies. Social and societal innovation not only contribute to finding the solutions needed in society, but they also enhance the capacity of the society to act, react and renew itself.

There is a growing awareness on the need for social and societal innovation, but there is still a scarcity of models, methodologies, and institutions to support them. The book at hand provides valuable tools that will certainly deepen our understanding of innovation and promote the implementation of innovation beyond the traditional framework. The authors present an interesting model, explaining the necessary processes and the successful criteria for both societal innovation (macro) and social innovation (micro), from the triggering stage to the self-organizing stage. The two-stage *LERP to PEARL* model points out the way to the creation of an innovation enabling environment, and shows how a proper trigger can contribute to turning these kinds of innovations into the driving force of social advancement. The insights presented can help to identify, support, and assess the gradual transformation from conventional innovation to societal or social innovation processes.

The cases—or success stories—presented in this book serve not only as powerful demonstrations, but also help to identify common patterns of innovation emergence. The authors have studied four macro-societal and four micro-social innovation cases. The former cases describe the transformation of four UNESCO

creative cities—Kanazawa in Japan, Lyon in France, Ostersund in Sweden, and Norwich in the UK—and the latter cases the Paper Windmill Theater for children, NCCU's EMBA-NPO for a dying rice village, the Taiwan Taxi Academy Association for taxi drivers, and Four Way Voice for immigrants and migrants in Taiwan.

The authors use various lenses through which they illustrate these interesting cases and discuss the criteria on the basis of which they can be regarded as innovative. Furthermore, they explore the processes through which innovation is created and look at how innovation can be modeled simply enough. A major asset of this book lies in the diversity of its analyses. First, the authors make a clear distinction between the concepts of social and societal innovation and discuss how they overlap. Second, the case material makes this an attractive read, but it also serves as a basis for a more general description. The highly interesting real-life examples of societal and social innovation are combined with a careful analysis of the specified criteria for innovation. Third, the authors develop a theoretically well-grounded, but also usable model that can be applied by academics and practitioners alike.

Overall, this book is the most welcoming contribution to current innovation research and will hopefully reach a wide range of readers from different branches.

Pirjo Ståhle  
Professor of Knowledge and Innovation Management  
Aalto University



## Foreword 3

Taiwan is a resilient nation, willing and able to implement innovative solutions to myriad challenges across society. Having realized substantive economic and social growth through the successes of technology and knowledge-intensive industries, universal education, and a vibrant civil society, key figures from academia, industry, government, and the public have invested energy and resources into implementing innovation.

Yet how do we acknowledge these efforts? How do we translate their successes into inspiration and further implementation, as we face greater global challenges and their local manifestations?

For this, we need additional innovative conceptual tools. This book by Dr. Carol Yeh-Yun Lin offers such tools, and includes insights for anyone in the field of innovation, regardless whether approaching from a research, policy, business, or personal interest.

Combining pertinent representative cases of social innovation oriented towards regional development and social good, Dr. Lin presents creative and thorough models for understanding both social entrepreneurship and creative cities and rural areas, providing valuable research analysis and policy development tools for anyone interested in understanding and effectuating the creation of a sustainable future.

As Dr. Lin rightly indicates, innovation starts and ends with people, rather than technology, where the emphasis on research and policy is often misapplied. Human needs and concerns drive innovation, and regardless of its form, an innovative solution is always *for* human society. Taiwan has been fortunate to enjoy great success in technological innovation, and the concurrent economic development afforded a stable platform of quality public and private institutions that have enabled further social growth.

For example, in education, it has been nearly 15 years since the publication of the *White Paper on Creative Education*, and the projects it inspired at all levels have evolved to address creativity, imagination, and now equity, as Taiwan strives to provide equal universal access to rich educational experiences to foster imagination, creativity, and innovation in all children.

Yet to achieve such a lofty, though worthy, goal, support is needed from an ecosystem of stakeholders. Social innovators are able to recognize gaps in society, and rather than view these as problems, they utilize their unique perspectives, networks, and abilities, to turn these challenges into opportunities. While the Ministry of Education, identifying the need to expand access to educational resources to rural areas, has supported large-scale educational and research initiatives of the past 2 years, the case of the Paper Windmill Theater discussed in this volume precedes these efforts in addressing the cultural gap by a decade, bringing professional theater to all of Taiwan's children using innovative fundraising mechanisms, all without taking government funding. This is just one example of niche-finding and gap-filling through collaborative efforts of various stakeholders in this book.

Each case is a unique response to a particular problem context. This work helps us analyze and identify key factors of success, resulting in implications from policy, both in the public and private sectors. More significantly, it identifies the unique strengths, strategies, and stories of each of these cases. It is hoped that showcasing these narratives will inspire others to explore their immediate context in relation to their own unique potentials, and thereby understand how best to implement needed change in new and imaginative ways.

As Dr. Lin indicates, there is a need to evaluate innovative efforts so that we can better recognize and share what works. This can both facilitate the spread and implementation of these particular strategies, while inspiring new solutions.

I encourage you to approach this text as a possible catalyst. Readers will not only walk away with a better understanding of how social innovation occurs and can be evaluated through exemplary cases, but may also be found their senses tweaked and sensors re-tuned, oriented to seeing problems as possibilities, and society as a platform for continual collaborative construction.

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# Foreword 4

## Expectations for Social Force

The three mechanisms that support human development are politics, economy, and society. In the past century, although there were two World Wars and a few oil crises, on the whole, most countries experienced considerable political, economic, and social progress accompanied by continuous technological innovation. At the end of the Cold War, the free market, democratic elections, and social welfare seem to have been the main trends in most countries.

From the experience of various countries over the last two decades, many political, economic, and social systems of the last century have been losing their functions this century, such as failed markets, disabled governments, and the increasing gap between the rich and the poor, urban and rural areas. Various conventional indicators are not able to adequately reflect the feelings of ordinary people. As a result, the “Occupy Wall Street” and “99 versus 1 %” protests took place in the United States. In Taiwan, the “Sunflower Student Movement” challenged and even overturned traditional and mainstream thinking. While countries as well as international political and economic organizations are still searching for even better operations to devise a new model, emerging new clue has emerged; namely, the grass roots “social force” has becoming a promising impetus for “innovation.”

Starting from the Taiwan Ministry of Culture’s initiative to promote “community building” more than 20 years ago, local bottom-up efforts have made up for the operations which the central government and big business failed to deliver. In 2006, Steve Chang of Trend Micro and a famous writer Wenhua Wang left the business together and founded the “Flow Social Enterprise.” In 2007, the “Sensing the Future” of National Chengchi University also held a full-day forum devoted to “social enterprise and innovation.” Unlike nonprofit and charitable organizations of the past, a new possibility has unfolded before our very eyes which go beyond the level of corporate social responsibility. In recent years, two young graduates

from National Chengchi founded a social enterprise community platform, “SEs Flow,” which has become very active indeed.

Professor Lin’s book, *The Impact of Societal and Social Innovation—A Case-Based Approach*, is the product of this rising wave of the “social innovation movement.” An important contribution of this book is its differentiation of “societal innovation” from “social innovation” at the very beginning, which provides a guideline for practitioners, concept facilitators, and learners to follow in this great movement.

In terms of “societal innovation,” Prof. Lin chose four cases of UNESCO-nominated Creative Cities, including Kanazawa in Japan (Crafts and Folk Art), Lyon in France (Media Arts), Ostersund in Sweden (Gastronomy) and Norwich in the UK (Literature).

The United Nations aims to inspire cities to start systemic and structural transformation through obtaining the title of “Creative City,” while at the same time encouraging the participation of the general public and stakeholders. City transformation through the combined support of citizen and government is basically consistent with the definition of “societal innovation.” Of course, the Creative City may not cover all social problems, such as energy, environmental protection, poverty and so on, but that does not prevent us from understanding “societal innovation.”

Professor Lin’s ambition was not limited to introducing these cases, but to unveil the initiation, leadership, and influences of societal innovation through observing the development processes of these Creative Cities. In addition, she also engaged in a dialogue with related theories and deduced a two-stage transformation model from “LERP” (leader, execution, resources, and partners) to “PEARL” (partners, execution, activation, resources, and leadership of multiple constituents). This model is characterized by its generalized applicability, clearly exemplified in these cases. Cities that follow this model should have similar results.

Similarly, cities are fighting for such titles as “Cultural Capital” of the European Union or “World Design Capital” of the International Design Association, seeking out opportunities for renewal and rejuvenation through structural and holistic transformation. Taipei 2016 “World Design Capital” is titled with the main theme of “social design.” Unfortunately, due to various reasons, the city failed to grasp this opportunity to conduct a comprehensive program of “societal innovation,” but produced instead only some sporadic activities and positive outcomes. If Prof. Lin’s book had been published earlier, the relevant stakeholders would have had greater consensus and involvement in the undertaking, including the use of design to solve many problems of urban landscaping and thus would have achieved better results.

In terms of micro-level “social innovation,” Prof. Lin chose four cases from Taiwan, including the Paper Windmill Theater Company, National Chengchi University’s EMBA NPO, the Taiwan Taxi Academy Association, and Four Way Voice. These four examples were originally designed for a specific community to meet their specific needs: facilitating drama experience for children in rural areas, supporting an organic rice ecosystem, improving the work of taxi drivers, and enhancing the social integration of migrants in Taiwan.

Although starting from a particular community, accomplishing such tasks still needs the participation and cooperation of multiple parties. The key point is each program has to be activated by a grass roots organization, which serves as a social force, a manifestation of social innovation, and innovation for solving social problems. After the local initiative, perhaps the government and enterprises will join in to form PPPs (public-private partnerships). When the initiative occurs in civil society, the development is more sustainable and healthy. While these cases all have their setting in Taiwan, with detailed description and the “LERP-PEARL” model induction, the contents should have cross-regional and cross-cultural replicability.

This book vividly introduces eight cases in various countries which can provide reference and inspiration for readers interested in the topic. The dynamic “LERP-PEARL” model proposed by Prof. Lin is summarized from societal and social innovation processes; it has an initial persuasiveness and is worthy of further testing. In addition, it can be easily seen that Prof. Lin is well versed in the literature of the field and has taken into account various relevant theories. Therefore, the book is also suitable as a textbook and a reference book for social innovation.

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# Preface

Having published 13 books about national intellectual capital with Springer, I was given the opportunity to take part in a three-year government project about regional intellectual capital in 2013. My responsibility was to study international cases for benchmarking regional development in Taiwan. I devoted my time to researching the success formula of UNESCO-nominated Creative Cities and was impressed by the successful transformation of each city I studied.

I found that a two-stage transformation, namely, a triggering stage and a self-organizing stage, is required to ensure the lasting success of any transformation. I named the model “LERP-PEARL” for a reason. LERP—representing the categories of leader, execution, resources, and partner—is a special kind of honey produced by a type of Australian bee. It is a nutrient that facilitates growth, symbolizing the fact that nurturing environments are crucial at the initial stage of city transformation. “PEARL” stands for the enlarged partnerships, execution, activation, resources, and leadership of multiple constituents that are required at the second self-organizing stage for making a creative city sustainable. Literally, a “pearl” is a precious gem that catches people’s eyes. When applying the model to city transformation, once the initial transformation is successful, it has to become desirable to attract the attention of relevant parties to get more partners involved. Cases of UNESCO Creative Cities manifested the successful transformation processes of societal innovation.

Also as a professor of business administration, I was intrigued with the change in perception of my new generation students. In their eyes, the definition of “success” is not merely a high salary, a high position, fancy cars, and beautiful homes. Achieving social purpose to help improve the environment they live in is as important as earning a good living. The successful social innovations of our students and the noble deeds of our professors and some organizations prompted me to report their stories.

Professor J.J. Wu, a distinguished professor at National Chengchi University (NCCU), played a key role in the success of Paper Windmill Theater for children. Mr. Owen Wang, an EMBA student at NCCU, was an important initiator of the

NCCU EMBA-NPO to save a dying rice village. Professor Hou, a Ph.D. graduate of NCCU, helped transform the image of taxi drivers in Taiwan through his research project. A university press—Lihpao reporter Mr. Chang together with Prof. Lucy Chen established the “*Four Way Voice*” newsletter to soothe the nostalgia of Southeast Asian migrants in Taiwan. Through observing and investigating the evolution of the four endeavors in Taiwan, I found the LERP-PEARL two-stage model also fit these four social innovation cases.

During the past 10 years, I have had the privilege to work with and learn from Prof. Leif Edvinsson of Sweden and Prof. Pirjo Stahle of Finland. Together, we developed the ELSS (Edvinsson, Lin, Stahle and Stahle) model for National Intellectual Capital and built a website ([www.bimac.fi](http://www.bimac.fi)) to raise people’s awareness regarding the values of intangible intellectual capital. I am also indebted to Profs. J.J. Wu and J.T. Wen who have taught me, guided me, and shared with me many stories of social innovation. I am particularly thankful to the above four professors who not only nurtured me academically, but also spent time to write a foreword for this book.

I am very happy that the concept of social innovation is spreading widely throughout the world and is increasingly being implemented. More and more people (especially young ones) are trying to create a better world through their innovative social endeavors. In addition, the cases introduced and the LERP-PEARL model proposed in this book will enable top-level decision-makers to learn to appreciate the value of societal innovation and thereby create a sustainable society, city, region, or nation in the future.

Taipei, Taiwan

Carol Yeh-Yun Lin

# Contents

<b>1</b>	<b>Introduction</b> . . . . .	1
<b>2</b>	<b>Definition and Comparison of Societal Innovation and Social Innovation</b> . . . . .	5
2.1	Societal Innovation . . . . .	8
2.2	Social Innovation . . . . .	11
2.3	Transformation Processes . . . . .	14
2.4	Social Innovation Versus Social Entrepreneurship Versus Social Enterprise. . . . .	14
<b>3</b>	<b>Cases of Societal Innovation.</b> . . . . .	19
3.1	Innovative Endeavors for a Whole Society as Societal Innovation . . . . .	20
3.1.1	Kanazawa in Japan—City of Crafts and Folk Art . . . . .	23
3.1.2	Lyon in France—City of Media Arts . . . . .	30
3.1.3	Ostersund in Sweden—City of Gastronomy . . . . .	37
3.1.4	Norwich in the United Kingdom—City of Literature . . . . .	41
<b>4</b>	<b>Two-Stage Model of Societal Innovation</b> . . . . .	51
4.1	Transition Management . . . . .	51
<b>5</b>	<b>Cases of Social Innovation</b> . . . . .	63
5.1	Micro-level Social Innovation . . . . .	64
5.2	NPOs in Taiwan . . . . .	67
5.3	Paper Windmill Theater . . . . .	68
5.4	NCCU EMBA-NPO . . . . .	76
5.5	Taiwan Taxi Academy Association . . . . .	82
5.6	Bao Bon Phuong—Four Way Voice by Taiwan Lihpao . . . . .	91
<b>6</b>	<b>A Two-Stage Model of Social Innovation</b> . . . . .	99
6.1	Summary . . . . .	111



- 7 Conclusion and Policy Implications . . . . . 113**
- 7.1 Policy Implications . . . . . 118
- 7.2 Future Directions . . . . . 122
  - 7.2.1 Address Unmet Societal or Social Needs  
Through Cross-Sector Partnership . . . . . 123
  - 7.2.2 Measure the Impact of Societal and Social Innovation . . . . . 123
  - 7.2.3 Make Innovation and Systemic Change a Core Element  
in Meeting Social Demands and Societal Challenges . . . . . 124
  - 7.2.4 Change the Top–Down Decision-Making Culture  
to Stakeholders’ Involvement in Policymaking . . . . . 124
  - 7.2.5 Recognize the Contributions of Social Entrepreneurs  
and Enterprises . . . . . 125
  - 7.2.6 Cases Combining Both Societal Innovation and Social  
Innovation Will Help Unveil a Comprehensive Measure  
to Create a Better Society and a Better World. . . . . 125
  
- References . . . . . 129**
  
- Author Index . . . . . 135**
  
- Subject Index . . . . . 137**