EUROPEAN
POLICYBRIEF

PROJECT TITLE: BENISI

ON-GOING PROJECT

BENISI
scaling social innovation

	SUMMARY
Objectives of the project	Building a European Network of Incubators for Social innovation
Scientific approach / methodology	Action project: Support to trans-national network of incubators for social innovation. Creating a network of incubators and other enabling support organization.
New knowledge and/or European added value	
Key messages for policy-makers, businesses, trade unions and civil society actors	Building a network of incubators is a necessary element to facilitate the scaling up process of social innovation across Europe.

EUROPEAN POLICY BRIEF

Objectives of the project

We focus on social innovators with a concept that has already been successfully tested in the market and with an explicit aspiration to scale (henceforth, we refer to them as 'scalers'). We aim to better understand the nature of the scaling trajectory they actually pursue, and the relative effectiveness of different capacity support measures that we, as a network of incubators, can provide them with, vis-à-vis their innovation capability, societal and economic performance.

We also wish to enhance our understanding of the diversity of so-called 'scalers', and analyse the dominant patterns (and outliers) in the nature of the social innovation they embrace and of who they are, within and across different geographies. In addition, we also strive to draw out new, arguably more subtle insights about the innovation capabilities and process involved based our own in-depth experiences collaborating with 300 social innovators over time.

Finally, we wish to draw out the implications of our findings and experiences for EU, state-level, regional and local policy-making looking for cost-effective ways to close social innovation deficits and to foster a new wave of growth and innovation – one that rhymes positive societal impact with economic sustainability. More specifically, we aim to leverage our practical intelligence to help inform the design of effective social innovation incubator networks, incubator processes to support the scaling of social innovation and policy initiatives specifically targeted at stimulating social innovations achieve impact at scale.

Methodology

SCAN: We develop, test and refine a scan that usefully helps orient candidate 'scalers' in terms of their scaling needs and pathway, and at the same time serves as an important eligibility check. The scan also helps ensure (i) best fit with BENISI's mandate and (ii) screening consistency across all incubators.

MATCH WITH PEERS: We develop, test and refine a smart, automatized match-making mechanism that uses initial profile information to detect other relevant 'scalers' in the database. Every 'scaler' receives such a personalized list of peers within 4 weeks of enrolment into our BENISI network.

MATCH WITH OTHER SOCIAL INNOVATION ACCELERATORS (SIAN): We proactively develop a Europe-wide database (ecosystem) of entities that can help catalyse the scaling of social innovations and explicitly agreed to receive a personalized list of social innovators that fit their scope and capacities, every 2 months. In parallel, we also send the 'scaler' a personalized selection of SIAN members of possible special interest to them, again early on when they join the network. The report sent to each 'scaler' also provides them with an overview of possible resources available through our network more directly, matching the specific needs of the 'scaler' at hand.

PROVIDE SUPPORT AND DOCUMENT THE TRAJECTORY: We try to be as helpful as possible to the 300 'scalers' and systematically document the support that the 'scalers' receive over time. We hereby combine the perspective of the incubators (captured every 4 months via our own, internal database system) with the perspective of the 'scaler' (captured every 6 months via an online survey). We exploit the complementarities and differences between the different incubators to capture an unusually large range of incubation practices, and reflect on relative contribution to growth by scaling pathway.

SOCIO-ECONOMIC SCIENCES AND HUMANITIES RESEARCH

CO-CREATE, ANALYSE AND LEARN: We regularly gather (online and offline) to reflect over the individual partners' experiences, specific 'scalers' experiences, and the collective impact we are able to make.

New knowledge and European added value: Preliminary findings based on early project experiences

CAPACITY SUPPORT STRATEGIES: FAST AND SLOW

Based on our early experiences, we distinguish two distinct strategies across our scaling support activities, related to the maturity of the 'scaler' at hand:

1/ The 'slow down first' strategy: This is a strategy we use when we sense that the venture is not quite ready to scale. Our coaching role then typically adds most value. We challenge the robustness and size of the societal impact achieved and the business model used. This reality check and push back is, perhaps surprisingly so, something the scalers typically appreciate a great deal. The extra benefit that BENISI brings is twofold: [a] We can tap into our own database to more efficiently and reliably benchmark and contrast the 'scaler' at hand with similar initiatives. Take food waste, as an example. With our project, we track and support at least 10 related initiatives spread across 5 countries (Romania, Austria, Belgium Sweden and France) in this space. [b] We can present more experienced, subtle learnings we capture by conversing with the fellow incubators that support those peers. This is important since real understanding of the elements that foster growth comes from looking at the use of mechanisms that strengthen desirable outcomes as much as the suppression of mechanisms that thwart such outcomes.

2/ The 'plug in, speed up' strategy: This is a strategy we use when the venture has got a lot in place already, and all it needs is an extra push, funding, exposure, contact, and/or experienced piece of advice. The extra benefit that BENISI then affords is that: [a] we can speed up the special knowledge acquisition process involved when looking to scale across regional or nation-state borders; and [b] we can readily expose and introduce the 'scaler' to key partners: be it on the ground finding affiliates or entities that can imitate the innovation, or more in the back, connecting with commonly needed finance or legal support or expert advice about the contextual differences.

SCALERS AND THE NETWORK BENEFITS: THOSE WITH BANDWIDTH, ENTREPRENEURIAL AND POLITICAL SKILL SEEM TO BE AT THE WINNING EDGE

Networks of incubators, like BENISI, arguably constitute especially large pools of tested knowledge and contacts. However, the positive impact that these networks can make notably depend to a large extent on the 'scalers' themselves: the time and energy they are able to free up to most effectively leverage this BENISI asset. We find that only a small minority of 'scalers' are particularly skilled at activating and leveraging the network to best fit their needs. These scalers notably have enough bandwidth to absorb and quickly respond to the special insights and personalized information shared. They are typically very entrepreneurial and seem to exhibit strong 'political skills' (Ferris et al., 2005): They are socially astute, have an influence on others, are adept at developing and using diverse networks, and appear to others as possessing high levels of integrity, authenticity, sincerity and genuineness.

For those 'scalers' who lack the time and mental resources to truly engage with the network (despite their promise), presumably a more intensive consulting support is welcome and could yield more rapidly a positive result. This insight has encouraged many BENISI Partners to look for and unlock extra leverage/financial support – thanks to this, these incubators are able to go the

extra mile in providing hands-on scaling support.

SCALERS AND THEIR SCALING PATHWAYS: PREDOMINANTLY ALONE OR UNDECIDED

The overwhelming majority of our sample so far (82% of our 240 scalers), are 'scalers' with a revenue-generating activity. This may well suggest that having a revenue-generating model in place puts social innovators eager to scale at a competitive edge. Admittedly, the aspired 300 'scalers' we support and study (through our action-research, if you will) is a convenience sample. Still, thanks to the very diverse social innovator traditions and support practices our network spans, the sample of social innovations is presumably very rich – and can serve as a decent barometer for picking up on bigger trends.

The fields that the social innovations span are manifold: more or less in equal measure, they relate to poverty, health and well-being, ethical goods and services, environment and community. One trend which is far less represented in our database (so far) is the trend of migration and the elderly. The median size of the scalers is 3 FTE, though the distribution is hugely skewed, with an average firm size of 32 FTE.

As for the scaling pathway the 'scalers' pursue, two interesting findings stand out: First, most 'scalers' (and virtually all those with a revenue-generating model) state they wish to scale alone, most commonly through building up own capacity or branching. Second, half of the 'scalers' are undecided about the scaling pathway they actually wish to embark on. This in line with the intuition that social innovators have a tendency to adopt an effectual logic (perhaps more often than business enterprises), given they face high cross-border uncertainty, access limited resources and the importance of network dynamics.

Scaling up projects initiated by the public sector are difficult to detect. Most of the initiators are not able nor interested to implement their ideas and projects in another administrative area as their prime interest is to serve their own constituencies.

SCALING SUPPORT PRACTICES: FAST-EVOLVING AND EXPERIMENTAL

It is still too early to assess the relative effectiveness of the practices we are each taking to the field. Within the network, there is a huge amount experimentation on-going. Some are testing schemes whereby young leaders of a major bank are consulting in team a 'scaler', others are experimenting with fellowship schemes. The vast and vibrant experimentation confirms there is no consensus yet about what scaling support approaches are most appropriate, effective, etc. BENISI exploits this diversity to reflect over these experiments, and take stock of differences and similarities, and relative success. Unfortunately, none of these experimentations so far have embraced a more scientific, rigorous evaluation method, which limits to some degree the reliability of insights.

Based on our learnings so far, scaling social innovators are looking for these resources :
- Access to networks
- Connecting to peers
- Deep understanding of local framework and context
- Accessing to growth capital
- Finding partners and/or skilled personnel
- Coaching and capacity building

Key messages for policy-makers, businesses, trade unions and civil society actors

BENISI REALLY OPENS UP HORIZONS – COUNTERING SOCIAL INNOVATORS' HOME BIAS: Networks of incubators like BENISI are uniquely well-positioned to challenge the home bias tendency found across many 'scalers', and broaden the lens of opportunity for scaling beyond local markets. This is important if Europe wishes to expedite the spread and reach of social innovations across the whole of Europe. Without deliberate efforts to promote ambitious, European-wide goals, there is a risk that the unequal distribution of social innovations and ecosystem support today will become even more pronounced in the future.

BENISI IS A MASSIVE MACHINE TO GET GOING – THINKING LONGER-TERM: Networks of incubators like BENISI require substantial upfront investments before first real benefits from joint action and learnings can materialize. Capturing and tracking the fast evolving capacity support practices led by the different incubators, and identifying opportunities to connect, compare and learn from each other, are key steps towards creating an efficient network for impact at scale, but which require a lot of time, commitment, and perseverance. This implies that the three-year horizon that the project is conceived within, may well prove to be too narrow. Also there is a risk that the network infrastructure today reaches the so-called 'early adopters' only, and therefore remains 'underused'. It will take time before the early (let alone late) majority of 'scalers' follow suit. This suggests we should really think beyond a three year horizon, something which those BENISI members who mobilized extra financial resources to leverage the EU commitment to the project, have already well understood.

EARLY EVIDENCE SUGGESTS STRONG NEED FOR PUBLIC SECTOR LEADERSHIP –INSTIGATING AND SPREADING CHANGE BEYOND OWN JURISDICTION: Our emerging insights suggest a need for more public sector leadership at two levels. [a] At the level of priority-setting: Our data underlines that it cannot be readily assumed that 'scalers' emerge in those areas that are most priority from a policy-making perspective. For instance, the fact that we identify few 'scalers' addressing the needs of migrants and the elderly, does not mean that there is no need for more social innovation in these areas – to the contrary, arguably, given the trend of poverty amongst the elderly and the multiple vulnerabilities to which many migrants in Europe are exposed to. [b] At the level of public sector innovation: The public sector 'scalers' exhibit a comparatively far stronger resistance to change and risk aversion. This is perhaps not surprising, though requires special attention and efforts to help overcome.

PROJECT IDENTITY

Coordinator	i-propeller – Vincent De Coninck coordinator
Consortium	i-propeller, Impact Hub Company, Diesis Coop, Eurada, Impact Hub Vienna, Impact Hub Kings Cross, Impact Hub Stockholm, Impact Hub Bucharest, Impact Hub Amsterdam, Impact Hub Milan, Fondazione Cariplo, Pefondes, Innovation and Action Lab (spin-off i-propeller)
European Commission	European Commission - DG Research & Innovation - B1 - Innovation Union Policy
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Budget	999,806.00 EUR
Website	www.benisi.eu
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