



Boosting Innovation for a Better Social Outcome

Panel 2: Innovative Approaches Involving Private, Public, and Third Sector Partners

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Situation in Germany

Providers of social services:

- the state, the market, civil society and new types of organizations

Financing scheme:

- up to 90% of social services are state financed through social security systems

Small, but growing scene of social entrepreneurs

- Resources are changing: Centralised single source funding and ‘social/cultural capital’ / enterprise income
- New forms of spread e.g. franchising



Social Innovations

- Up to 80% of social services in a specific field are rendered by the six federal welfare associations („Freie Wohlfahrtspflege“) like Caritas, Diakonie, Paritätischer Wohlfahrtsverband, Red Cross etc. (appr. 90,000 social service providers with 1,3 million employees)
- at least 50% of all social innovations in Germany are developed by the established members of the federal welfare associations
- Often, social entrepreneurs have their offspring in established welfare organisations or work together with them



Example: Social Impact Lab offers pitch “innovation²”

Social Impact Lab: pitch for financing models

- Platform for social business around the topic of social entrepreneurship
- 10 social entrepreneurs addressing a social problem by business methods present their ideas
- Winners gain place in a social impact lab program with co-working-space and coaching through experts regarding approaches to social enterprises, strategies, models of financing

“Innovation²”:

- a new type of systemic cooperation between the voluntary welfare and social entrepreneurs
- common objective of all partners: creating and supporting innovative solutions for societal challenges



Conducive Conditions for Boosting Social Innovations

- financial support through the state or through established welfare organisations (many social startups are not sustainable)
- impulses from policy making and research
- Involvement of users to redirect professional knowledge
- interdisciplinary expertise of professionals
- networks for dissemination
- fostering a new culture of innovation in the social sector by collaboration of established welfare organisations and new startups