

SWITZERLAND: TECH BEACON DISCOVERS SOCIAL INNOVATION

Switzerland has often topped the Global Innovation Index and prides itself for an environment that allows innovative minds to flourish – at least when it comes to technological and scientific innovation. Social Innovation has taken a backseat, with stakeholders only recently discovering potentials.

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(POTENTIAL) DRIVERS OF SOCIAL INNOVATION

The features that make Switzerland a preferred setting for technologically innovative industries could make it a hub for social innovators once the notion has spread. So far, federal and cantonal governments have not made a concerted effort to promote social innovation nor can we make out a common understanding of the term, but we see activities to let the concept take root. The following actors have already established themselves as drivers of social innovation and/or could become key to unlock the country's potential:

We see activities to let the concept take root.

Business

Both social entrepreneurs and traditional companies have the potential to initiate social innovations. Historic examples show that Swiss entrepreneurs do not shy away from social responsibilities, with, for instance, today's largest retailer Migros having made further education accessible to the masses in the late 1940s. Currently, companies have started to embrace new roles as a consequence of their CSR toolbox, letting multinationals join forces with NGOs and development agencies. Such collaborations are likely to increase, as many companies are mindful of the UN Sustainable Development Goals (SDGs), with, for instance, pharmaceutical companies such as Roche and Novartis or transnational giant Nestlé reporting on their contributions towards attaining the SDGs.

Social entrepreneurs

Although research has shown that social entrepreneurs are not the main drivers of social innovation, they are still among those creative forces that are shaping our perception of new approaches to existing problems. In Switzerland, social enterprises have been particularly well received when they

address pressing social issues. As a case in point, Dock Gruppe AG has become synonymous with a successful, market-oriented social enterprise that offers long-term unemployed people a chance to work and earn a salary. Simultaneously, the company has become known as a provider of recycling services that would normally have to be outsourced abroad [1]. It has thus inspired traditional companies to rethink their supply chain and integrate social enterprises in their own processes. As the notion of social entrepreneurship has spread widely and co-creation spaces such as the Social Impact Hubs have popped up in various cities, such ventures will increasingly influence traditional business approaches.

Civil society

Social innovations aim at the common good, which is why many argue that their acceptance ultimately depends on civil society. Switzerland prides itself of a particularly strong citizenry: 80% of its citizens take part in at least one voluntary association ('Verein'), and the political system fosters civic engagement through frequent calls to the ballots and popular initiatives. Such initiatives have been and continue to be the seed for profound changes in how social issues are addressed. For instance, the association 'Grundeinkommen Initiative' is exemplary of how the volunteer force in Swiss society can trigger social innovations. Thanks to the association, Switzerland was the first country to vote on the introduction of a universal basic income in 2016. Although the popular initiative failed, the referendum triggered a debate in society regarding alternatives to the current social security system.

Foundations

Foundations are particularly suited to further social innovation as they may embark on new avenues that public funding institutions might deem too risky. According to recent figures, more than 13,000 foundations manage 97.4 billion Swiss francs in total [2]. The majority of them concentrate their activities on social issues, education, and

DRIVERS OF SOCIAL INNOVATION



BUSINESS

TRADITIONAL BUSINESS AS SOCIAL INNOVATOR

A retail company opening up further education to the masses - multinationals pursuing the SDGs and collaborating with NGOs and social enterprises..

SOCIAL ENTREPRENEURS

ENTREPRENEURIAL ANSWERS TO SOCIAL ISSUES

Giving long-term unemployed people new perspectives - and stopping outsourcing abroad at the same time.



CIVIL SOCIETY

KEY TO ACCEPTANCE OF INNOVATIONS

Voluntary associations and direct democracy as means of popular involvement and drivers of political debates.

FOUNDATIONS

GIVING NOVEL APPROACHES A CHANCE

From funding opportunities for social innovators to the establishment of academic centers - foundations serve as initiators and multipliers.



GOVERNMENT

RE-THINKING THE BEATEN PATH

Agencies encouraging entrepreneurial thinking and solutions to establish better solutions to pressing issues.

ACADEMIA

RESEARCH AND INSPIRATION

First centers and chairs set-up at pathbreaking universities - and others getting ready to invest in social innovation research.



research – making them a valuable resource for social innovators. The way they try to encourage social innovations differ, though, as two of the most prominent examples show: on the one hand, there is an interest in furthering research on and knowledge about social innovation. Thus, the 'Gebert R f Stiftung' supported teaching projects at universities of applied sciences annually with 1.5 million Swiss francs from 2009 until 2017. On the other hand, foundations may also invest directly into social innovation by supporting solutions and enterprises they deem promising. Elea foundation is not only sponsoring Switzerland's first chair in social innovation at the IMD Business School Lausanne, it also pushes for entrepreneurial solutions to social problems around the world.

Swiss government

Although Innosuisse, the federal innovation agency, concentrates its activities on science-driven innovation, other state institutions are starting to expand their understanding of the term. As is often the case in Switzerland, we are not to expect a centralized effort to push social innovation top-down, but we are likely to see different agencies and administrative units embrace the concept in their own ways and reach out to either the private sector or civil society. The Swiss Agency for Development and Cooperation (SDC), for example, is exploring novel paths by joining forces with the private sector. Social impact incentives, for instance, reward partners for the actual impact they have, giving the SDC a new mechanism to effectuate sustainable change [3].

Academia

In its 2014 report for the Swiss National Science Foundation, the think tank W.I.R.E. concluded that Swiss universities neglected social innovation completely, with the notable exception of universities of applied sciences and the thriving scholarship on social entrepreneurship [4]. At the moment, few universities have heeded the call for more research on social innovation, but 2018 has been a decisive year in putting the issue on the academic map. Both the IMD Business School Lausanne (www.imd.org/elea/elea-center-for-social-innovation/) and the  cole polytechnique f d rale de Lausanne (<https://actu.epfl.ch/news/a-social-entrepreneurship-initiative-at-epfl-2/>) have opened centers of social innovation. The University of St. Gallen has also launched a social innovation Initiative (SINI: www.sini-hsg.ch).

Potential drivers of social innovation in Switzerland – an overview

A more concentrated effort to develop social innovations would be desirable.

CONCLUSION

From the founder of the World Economic Forum, Klaus Schwab, supporting social entrepreneurship around the world down to parents organizing school lunches in the absence of proper cafeterias, Switzerland is not short of innovative minds. Confronted with the challenges to the modern welfare state and the constantly accelerating pace of technological progress, a more concentrated effort to develop social innovations would be desirable. That does not imply centralized or top-down strategies, but ways to make novel solutions more visible and more likely to spread, thus truly changing social practices.

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