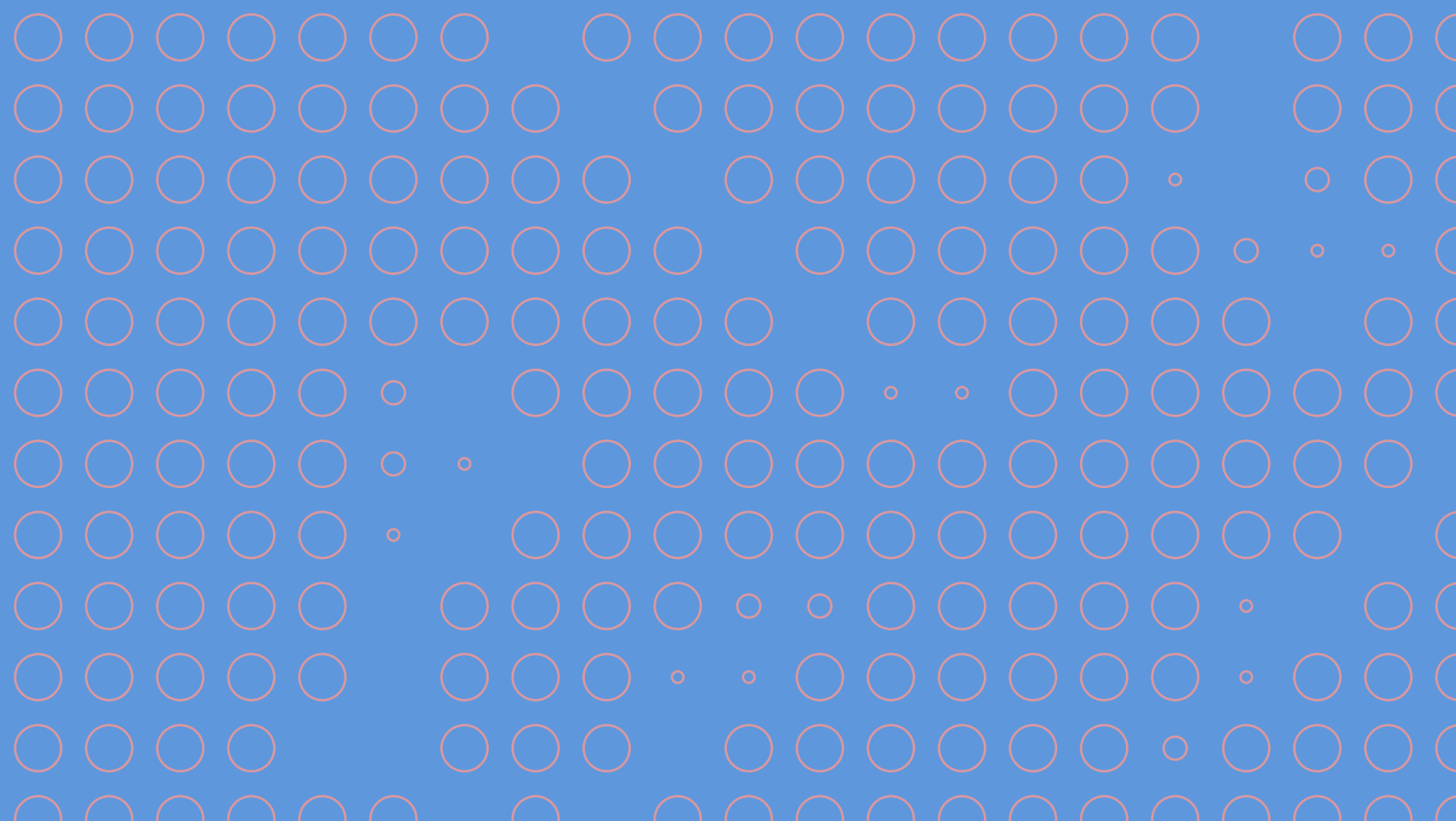


# Social Innovation

## in CIDADANIA ATIVA PROGRAMME projects



FUNDAÇÃO  
CALOUSTE GULBENKIAN  
CIDADANIA ATIVA



**Social Innovation**  
in CIDADANIA ATIVA PROGRAMME  
projects



# Social Innovation

## in CIDADANIA ATIVA PROGRAMME projects

Study carried out by the  
IES – Social Business School | Social Innovation Lab  
coordinated by Nuno Frazão



**STUDY TEAM**

Nuno Frazão (coordinator)  
Isabel Lopo de Carvalho  
Filipa Carlos

**GRAPHIC DESIGN**

TVM Designers

**PRINTING**

Gráfica Maiadouro

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Calouste Gulbenkian Foundation

Av. de Berna, 45A

1067-001 Lisboa

Portugal

Tel. (+351) 21 782 3000

Email: [cidadaniaativa@gulbenkian.pt](mailto:cidadaniaativa@gulbenkian.pt)

[www.gulbenkian.pt](http://www.gulbenkian.pt)

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## PREFACE

The Cidadania Ativa Programme is managed by the Calouste Gulbenkian Foundation and financed by the Financial Mechanism of the European Economic Area through public funding from Iceland, Liechtenstein and Norway within the scope of strengthening and deepening Civil Society in Portugal.

This Program, running from 2013 to 2016, has enabled the awarding of €7.5 million to 107 projects implemented by Non Governmental Organisations (NGOs) across its four fields of action: participation in the design and implementation of public policies, defending human rights and combating discrimination, the empowerment of NGOs and the employability and social inclusion of young persons.

The selection of projects receiving support took place in tenders launched in 2013 and 2014 undertaken by a panel of independent evaluators in accordance with the rules set by the Financial Mechanism. This selection, according to the previously defined and published criteria and weightings, determined the very best projects from among the almost 800 applications submitted to the Programme.

The question of the impact returned by the projects supported, within the framework of leveraging positive changes in society or in its constituent organisations and hence meeting the objectives of the Programme, naturally represented one of the concerns underlying the efficient application of these resources.

Within this context, the Portuguese IES – Social Business School was set the challenge of evaluating the “social innovation potential” of 107 projects backed by the Programme. While around half of the projects remain only at a very early stage of implementation, it did prove possible based on a common metric, validated internationally, and from all the information available in the project dossiers, to ascertain methodologies and predict result and impacts and thus measuring the potential gains of the Program as well as generating information relevant to its final evaluation, wider reaching and to a greater depth, due for production in 2016.

In addition, based on the ES+ methodology developed in partnership with INSEAD, ISCTE-IUL, Portuguese Catholic University and other universities, this process also resulted in the identification of a set of projects with higher levels of innovation potential amongst those approved within the scope of the 2013 tenders and, correspondingly, at more advanced stages of implementation and already beginning to return identifiable results.

All of this work was undertaken with a great deal of professionalism and dedication and in a very short period of time and we would hence naturally take this opportunity to express our due thanks and appreciation to Dr. Nuno Frazão and his team at the IES-SBS.

ISABEL MOTA  
Member of the Board  
Calouste Gulbenkian Foundation



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## ABSTRACT

This study provides an analysis of the level of Social Innovation Potential in projects supported by the Cidadania Ativa Programme (CAP).

Presented in five chapters, the study includes a brief presentation of CAP starting with a literary review of the theoretical and conceptual developments in social innovation, a description of the major social needs and barriers to social innovation in Portugal and, finally, setting out a customized framework for assessing CAP social innovation before presenting the main conclusions.

The customized framework for assessing the CAP level of social innovation potential results from its adaptation to the findings from the academic literature and the Portuguese societal challenges divided up by each of the four fields of intervention (A. NGO participation in public policy design and instrument implementation; B. Active role in human rights, minorities and anti-discrimination; C. Effectiveness of NGO actions; and D. Youth employability and inclusion). The analysis to set the level of social innovation potential incorporated the information submitted in the 107 applications approved (54 from 2013 and 53 from 2014) across all four fields of intervention. An additional performance survey was applied to the six projects returning the highest social innovation potential and correspondingly studying the management and performance skills of the project leaders, identifying strengths, weaknesses and the critical factors to the success of these projects.

The main conclusions resulting are:

- The CAP framework and fields of intervention do constitute a potential enabler of social innovation. The A, B, and D fields of intervention also prove suitable for dealing with the major social problems and barriers to social innovation in Portugal;
- The CAP projects demonstrate moderate-high levels of social innovation. Where the social impact indicator returns the highest average level of social innovation contributions, the variation in the innovation criterion determines the higher or lower project ranking classifications;

- The CAP projects that address important and highly neglected problems report higher potential for social innovation;
- The projects in the D field of intervention present consistently moderate-high values across all criteria. This explains its distinction within the overall social innovation value generated;
- The projects in the A and D fields of intervention return the strongest performances in the innovation and scalability indicators;
- The projects in the C and D fields of intervention attain the highest levels in terms of the sustainability and social impact potential indicators;
- The B field of intervention never returns any extreme social innovation indicator results as this constitutes the field of intervention with the greatest number of projects and hence flattening out the average values.

The main constraint of this study stems from the source of information for the analysis of social innovation potential stemmed solely from the application database and therefore limited to the reported information existing and not to the deeper in-person interview data collected as in the case of the ES+ methodology, which was applied to the projects selected from the A, B and C fields of intervention (chapter 4.3).



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# 1. INTRODUCTION

## 1.1. INTRODUCTION TO CALOUSTE GULBENKIAN FOUNDATION

The Calouste Gulbenkian Foundation (CGF) is a private Portuguese foundation, an institution of general public utility, independent of the state, both in terms of its decision-making processes and its financial resource management. The Foundation's activities focus upon four areas – the Arts, Education, Science and Social Welfare – in Portugal (76%) and abroad (24%). It awards grants and scholarships (grant-making activities) and carries out its own projects and initiatives in these areas (operating activities). In the Lisbon area, in addition to a Museum which houses the founder's art collection, the Foundation runs a Modern Art Centre, an Art Library, an orchestra and a choir and a Biomedical Science Institute. The Foundation is a member of the European Foundation Centre (EFC) and is co-founder of the Portuguese Foundation Centre (CPF).

The CGF was set up 58 years ago with its assets amounting currently to 3 200 million euros with a capital fund of 2 800 million euros. In 2013, its activities accounted for global expenditure of 112 million euros. The Foundation employs around 500 persons in total.

Since its foundation, the CGF has worked with Portuguese NGOs in various fields, including human rights; social inequalities; poverty and exclusion; racism and xenophobia; anti-discrimination and gender equality. This continued work with the Third Sector has adapted, evolved and changed in accordance with the needs of Portuguese civil society and the overall phase of national development. In the past ten years, the Foundation has deepened its relationships with Portuguese NGOs in the fields of Health (mental health; global health and palliative care, etc.); Education (lifetime training; new technologies; full development of children; new skills, etc.); Human Development (children at risk; ageing and the elderly; migration; social innovation and disabilities, etc.); and Development Aid – the Foundation is a Portuguese pioneer in non-public development aid, mostly targeting the former Portuguese colonies in Africa and East Timor.

The Foundation has supported many studies and diagnoses over the past years, commissioned both from NGOs and academia and contributing to the accumulation of experience and capacity. The CGF is strongly focused on innovative projects and pilot action schemes with potential for replication by both

public policies and NGO activities. The qualitative impact of its actions proves greater than the quantitative impact as its budget remains limited when considering the scope of national needs. Dissemination and replication of good practices and successful projects, in order to reach a critical mass in a changing society and addressing the needs arising, has progressively become the activity pattern of the Foundation in its approaches to social concerns. This also includes incentives for NGOs to work better and collaboratively as the problems faced are too complex and multi-disciplinary to be solved by any single organisation.

Following a tender procedure launched by the EEA donor countries in 2012, the Foundation was selected to manage the Cidadania Ativa Programme/NGO Fund for the period 2013-16, with a total budget of €8.7 million.

## 1.2. INTRODUCTION TO CIDADANIA ATIVA PROGRAMME

“Strengthened civil society development and enhanced contribution to social justice, democracy and sustainable development” constitutes the overall objective of the NGO Programme in Portugal.

The Programme targets all eligible NGOs, their associations and platforms across all sectors and thereby forming the main target group. The end-beneficiaries of projects are groups in society either in some way empowered, whose rights get addressed by civic action or which benefit from NGO provided proximity services. More generally, the entire society becomes an indirect beneficiary of awareness raising measures and eventual greater transparency and accountability in running public affairs.

In order to achieve this broad objective, four priority fields of intervention have been selected.

### **A. NGO participation in public policy design and instrument implementation**

The Programme supports NGO initiatives leading to their greater involvement in both the civil society decision-making related to public policies and in the implementation of policy instruments at the national, regional and local levels.

These actions represent a means of enhancing civil society involvement in public affairs and improving the NGO intervention working methods and processes, thus ensuring progress in their development designed to render their activities more sustainable.

This covers all sectors of NGO activity and builds on existing relationships at the local level with municipalities, especially in those areas where local governments hold legal responsibilities (welfare, community services, the social integration of minority groups) and for which they need the support of the NGO organised civil society.

### **B. Active role in human rights, minorities and anti-discrimination**

The Programme backs NGO initiatives aimed at shifting public attitudes and values in society by focusing on under represented, marginalised or otherwise vulnerable groups.

Areas of support typically include democracy, human rights, including minority rights (ethnic, religious, linguistic and sexual orientation), combating racism and xenophobia, anti-discrimination, social inequalities, poverty and exclusion, including in rural areas, gender equality and combating gender-based violence. The integration of immigrants, refugees and Roma, child protection, the prevention of violence against women and fostering youth volunteerism and civic participation represent examples of activities receiving support. Cultural initiatives usually play a significant role in these activities to favour social integration by promoting mutual understanding and acceptance by the local communities.

### **C. Effectiveness of NGO action**

The Programme aims to contribute to NGO sustainability and to strengthen the effectiveness of their actions, particularly through organizational innovation and management and the training of leaders, staff and volunteers.

The Programme supports every structural action type in all NGO sectors of activity designed to strengthen the NGOs role both in influencing public policies and in providing services and responses to the needs of their communities. This broadly includes the ability to attract citizen involvement, the capacity building to better address and/or pre-empt community challenges and working partnerships between NGOs to up-scale the impact of their actions. Approached collectively, these activities correspond to progress in the way most NGOs work and behave in Portugal and thus ensuring both their sustainability and effectiveness.

### **D. Youth employability and inclusion**

This field of intervention aims to contribute exclusively or mainly to young people (unemployed youths, youths out of school and youths at risk) under the age of 30.

The programme includes the development of soft skills as a complement to the skills provided by mainstream teaching, enabling youths as individuals to improve their interactions with others and with the surrounding world. These skills are, by definition, not specific to any job and of relevance to any professional field. The acquired attributes, values, capabilities and skills are meant to enrich and improve youth employability (written and oral capability, team working, search for solutions for problems, creativity) and also their dignity and quality of life. Training/coaching represents the most suitable type of action in this area although other types of project fostering the transition to an active life may also be considered.

This field includes actions striving to better integrate children and young people from disadvantaged backgrounds in their school environments (combating school failure and dropping-out); removing them from risky contexts and promoting pathways to social and professional success. For example, artistic (visual, performing, audio-visual) and sporting practices and actions designed to strengthen community dynamics are time-tested ways of working towards these goals, specifically by improving self-esteem and by encouraging the search for the means of personal development and community recognition.

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## 2. SOCIAL INNOVATION

### Theoretical and conceptual developments

#### 2.1. DEFINING SOCIAL INNOVATION

There is growing interest in social innovation among policy makers, foundations, researchers and academic institutions around the world. However, this broad term defies any singular understanding and has been under discussion from the perspectives of various academic disciplines for a considerable time now. Despite the differences existing, there are however some commonalities in the perceptions as to what social innovation means<sup>1</sup>. **This section does not seek to explore in detail the different approaches applied to describing social innovation but rather to set out an understanding of social innovation able to establish the parameters for assessing the of social innovation potential of this Programme**, bringing together both research and practice-led perspectives.

In this sense, we draw on definitions from the literature that emphasises the product (meeting social needs), process (improving relationships and capabilities or using assets and resources in a new way<sup>2</sup>) and the potential for social impact and empowerment (bringing benefits to society and enhancing society's capacity to act). From such definitions, we can extract some implicit and explicit core features<sup>3</sup>.

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<sup>1</sup> Osburg, Thomas; Schmidpeter, René (Eds.) 2013. *Social Innovation. Solutions for a Sustainable Future*. Series: CSR, Sustainability, Ethics & Governance.

<sup>2</sup> Center for Social Innovation, Stanford Graduate School of Business. For discussions on the various definitions of social innovations, see <http://csi.gsb.stanford.edu/social-innovation>.

<sup>3</sup> The Young Foundation (2012) *Social Innovation Overview: A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe"* (TEPSIE), European Commission – 7<sup>th</sup> Framework Programme, Brussels: European Commission, DG Research.

## CORE DEFINITION OF SOCIAL INNOVATION

Social innovations are new and sustainable solutions (products, services, models, markets, processes etc.) that simultaneously meet a social need (more effectively than existing solutions) and lead to new or improved capabilities, relationships and better uses of assets and resources. In other words, social innovations bring benefits to society and enhance society's capacity for action<sup>4</sup>.

## 2.2. CORE FEATURES OF SOCIAL INNOVATION

A number of common social innovation features of emerge from the literature review. The following aspects should all be present to define a practice as socially innovative:

- **Societal Problems<sup>5</sup>;**
- **Social Impact Potential;**
- **Innovation;**
- **Sustainability;**
- **Scalability.**

### Societal Problems

Societal problems constitute a common thread to many definitions of social innovation. There tends to be a consensus within societies about what constitutes a social problem and what kinds of social objectives are valuable (for example, justice, fairness, environmental preservation, improved health, arts and culture and better education)<sup>6</sup>.

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<sup>4</sup> G. Mulgan, 'Social Innovation: what it is, why it matters, how it can be accelerated', London, Basingstoke Press, 2006; G. Mulgan, 'Ready or Not? Taking Innovation in the Public Sector Seriously', London, NESTA, 2007; N. Bacon, N. Faizullah, G. Mulgan, & S. Woodcraf, 'Transformers: How local areas innovate to address changing social needs', London, NESTA, 2008; G. Mulgan, R. Ali, R. Halket and B. Sanders, 'In and Out of Sync: The challenge of growing social innovations', London, NESTA, 2007. R. Murray, J. Caulier-Grice and G. Mulgan, 'Social Venturing', Social Innovator Series, London, NESTA, 2009; See also R. Murray, J. Caulier-Grice & G. Mulgan (2008) How to Innovate: the tools for social innovation, London: NESTA and R. Murray, J. Caulier-Grice & G. Mulgan (2010) The Open Book of Social Innovation, London: NESTA.

<sup>5</sup> The Young Foundation (2012) Social Innovation Overview: A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE), European Commission – 7<sup>th</sup> Framework Programme, Brussels: European Commission, DG Research.

<sup>6</sup> Phillips, James A., Miller, Dale T. & Deiglmeier, Kriss. (2008). Rediscovering social innovation, *Stanford Social Innovation Review* Fall 2008.



Failures in the private market and the public sector resulting in societal problems ensure the scope for social innovations to emerge. Correspondingly, the social innovation problem may be characterized as follows:

- an **important problem** that: (a) negatively affects a large number of people in society; (b) affects a small population segment, but with highly negative consequences; and (c) affects a large number of people in a very negative way (a critical problem);
- a **neglected problem** which is not being solved by various agents (governments, markets, civil society) or, despite the problem's visibility, the solutions found for addressing it remain either ineffective or proves too expensive<sup>7</sup>.

### Social Impact Potential

The meaning of this dimension attains extreme importance with most authors defining the level of social innovation in terms of the impact created<sup>8</sup>. Social innovation generates solutions with measurable improvement in terms of benefits –concerning quality, levels of user-satisfaction, reductions in cost or higher level impacts such as improved well being or social cohesion.

The social impact distinguishes between **direct benefits**, as regard the direct effects of actions on the solution and the resulting impact on the conditions experienced by the target segment and generating value perceived by them along with **indirect benefits**, which represent the spillovers of the solution that spread from the beneficiaries to other stakeholders.

**Often resulting from the creation of new social relationships, social innovations also foster new roles for users and beneficiaries. These new roles often enhance the capabilities of users and beneficiaries, thereby empowering them and enabling them to better satisfy their needs over the long term<sup>9</sup>.** Hence, the **empowerment of the target segment and other stakeholders** interrelates with the ability of the proposed solution to generate capacity in its various stakeholders, multiplying the direct effects generated and boosting the spillovers from them to society in general.

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<sup>7</sup> Phillips, James A., Miller, Dale T. & Deiglmeier, Kriss. (2008). Rediscovering social innovation, *Stanford Social Innovation Review* Fall 2008.

<sup>8</sup> Pol, E. & Ville, S. (2009). Social innovation: buzz word or enduring term?. *The Journal of Socio-Economics*, 38 (6), 878-885.

<sup>9</sup> The Young Foundation (2012) Social Innovation Overview: A deliverable of the project: "The theoretical, empirical and policy foundations for building social innovation in Europe" (TEPSIE), European Commission – 7<sup>th</sup> Framework Programme, Brussels: European Commission, DG Research.

## Innovation

According to Phills and Miller (2008),<sup>10</sup> **innovation is both a process and an outcome**. Thus, the academic literature on innovation accordingly divides into two different streams. One stream explores the organizational and social **processes** that produce innovation, such as individual creativity, organizational structure, environmental context and social and economic factors.<sup>11</sup> The other stream approaches innovation as an **outcome** that manifests itself in new products, product features and production methods. This branch of research examines the sources and social and economic consequences of innovation.<sup>12</sup> Practitioners, policy makers, and funders similarly distinguish between innovation as a process and innovation as an outcome. From the process point of view, practitioners need to know how to produce more and better innovations. Likewise, policy makers and funders need to know how to design contexts that favour innovation. And, from the outcome point of view, everyone strives to ascertain just how to predict which innovations will succeed.

To be considered an **innovation, a process or outcome must meet two criteria:**

- The first stems from its **novelty**: although innovations need not necessarily be original or unique, they must be perceived as new to the user, the context or the application. The perceived novelty **of the unit of adoption** represents a critical feature of innovation. This means that a social innovation does not necessarily need to be new per se but rather new to the territory, sector or field of action;
- The second criterion is **improvement**. In order to rank as an innovation, a process or outcome must be either more effective or more efficient than the pre-existing alternatives.

Hence, **by definition, innovations are different from the already given widespread practices**. They may become mainstream practices over time but this does not prove the case at the outset<sup>13</sup>, nevertheless, innovation always remains associated with the creation of value for the target audience<sup>14</sup>.

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<sup>10</sup> Phills, James A., Miller, Dale T. & Deiglmeier, Kriss. (2008). Rediscovering social innovation, *Stanford Social Innovation Review* Fall 2008.

<sup>11</sup> Kanter, Rosabeth. (1983). *The Change Masters: Innovation and Entrepreneurship in the American Corporation*, New York: Simon & Schuster, 1983: 20; and Amabile, T.M. (1988) *A Model of Creativity and Innovation in Organizations* in Research in Organizational Behavior, edited by Barry M. Staw and L.L. Cummings, Greenwich, Conn.: JAI Press, 1988.

<sup>12</sup> William J. Abernathy and James M. Utterback, "Patterns of Industrial Innovation," *Technology Review*, 80, no. 7, 1978; and Eric von Hippel, *The Sources of Innovation*, New York: Oxford University Press, 1988.

<sup>13</sup> Evers, A; Ewert, B. & Brandsen, T.(eds.) (2014) Social innovations for social cohesion: transnational patterns and approaches from 20 European cities. A deliverable of the project: "Welfare Innovations at the Local level in favour of Cohesion" (WILCO), European Commission - 7<sup>th</sup> Framework Programme, Brussels: European Commission, DG Research.

<sup>14</sup> Carlson, C., & Wilmot, W. (2006) *Innovation: The Five Disciplines for Creating What Customers Want*. New York: Crown Business.

## Sustainability

An innovation entails the practical application or implementation of a new idea and that implies a sustainable model. By sustainable, we mean solutions that prove as organizationally sustainable—those able to continue working over a long period of time, striving constantly whether to address the root causes of the problem or to institutionalize a system that continuously addresses the problem and ideally with minimal intervention from the original innovators<sup>15</sup>. Hence, sustainability represents a broad concept including the organizational ability to continue to exist (understood as ‘organizational sustainability’)<sup>16</sup>. Many factors are listed as holding influences the sustainability of an organization, including the operating environment, national and local politics and policies, the activities of other organizations, the availability of skilled personnel, among other factors<sup>17</sup>.

In this report, the focus falls on organizational sustainability, meaning the **ability to generate the necessary resources** (financial and non-financial) to enable the innovation to continue operations for a given set of time, maintaining a healthy financial condition that ensures the venture’s survival. **The abundance and availability of the resources necessary** to implement the solution provides another important criterion for the sustainability of a social innovation. Social innovation often recognises, exploits and coordinates resources which would otherwise be wasted, under-used or not deployed at all for creation of value to the society<sup>18</sup>.

## Scalability

The definition of scalability states **the ability to accelerate and spread the social solution to other regions or to amplify their impact** into other segments, **attaining the main social problem as well as other indirect ones**<sup>19</sup>. This implies **the capacity to replicate the solution (through replication and / or extension) without loss of quality**. Another critical factor to scalability refers to what extent the social solution model proves **simple enough, meaningful and easily replicable and generalizable in society and hence a dominant solution in solving the problem identified** and potentially others. The extent of the solution’s application to other contexts, the potential for access to the solution by other segments of beneficiaries and the ability to leverage other initiatives contributing to solving the problem also constitute important features for consideration.

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<sup>15</sup> Santos, F. (2012) A Positive Theory of Social Entrepreneurship. *Journal of Business Ethics*, 2012, vol. 111, issue 3, pages 335-351.

<sup>16</sup> Cannon, L. (2002). Defining Sustainability. In M. Edwards & A. Fowler (Eds), *The Earthscan Reader on NGO Management* (pp. 363-365). London: Earthscan.

<sup>17</sup> Araújo, E.; Melo, V. & Schommer, P. (2005) O Desafio da Sustentabilidade Financeira e suas Implicações o Papel Social das Organizações da Sociedade Civil. Paper presented at the Conferência Latino Americana Y Del Caribe – Internacional Society For Third Sector Research (ISTR), Lima, Peru; US AID (2000). *Fundamentals of NGO Financial Sustainability*. Bethesda: Abt Associates; Salvado, J. (2011). Social Enterprise Models and Social Purpose Organizations Financial Sustainability: The Case of BRAC. *Journal of Social Entrepreneurship*, 2(1), 79-98.

<sup>18</sup> The Young Foundation (2012) *Social Innovation Overview: A deliverable of the project: “The theoretical, empirical and policy foundations for building social innovation in Europe” (TEPSIE)*, European Commission – 7<sup>th</sup> Framework Programme, Brussels: European Commission, DG Research.

<sup>19</sup> *Making a Difference: Strategies for Scaling Social Innovation for Greater Impact*, Frances Westley and Nino Antadze.

### 2.3. THE STAGE MODEL OF SOCIAL INNOVATION

The Stage model of social innovation consists of a pathway that starts out with an innovative idea and advances towards a maximal and mainstream adoption of the proposed solution – institutionalisation. This evolving process aims to build a sustainable solution for a neglected social problem while maximising the creation of social value. This pathway comprises sequential stages, through which social innovation projects naturally evolve over time: I) focus on problems and solutions; II) business model; III) growth; and IV) dissemination of the initiative<sup>20</sup> (Figure 1).

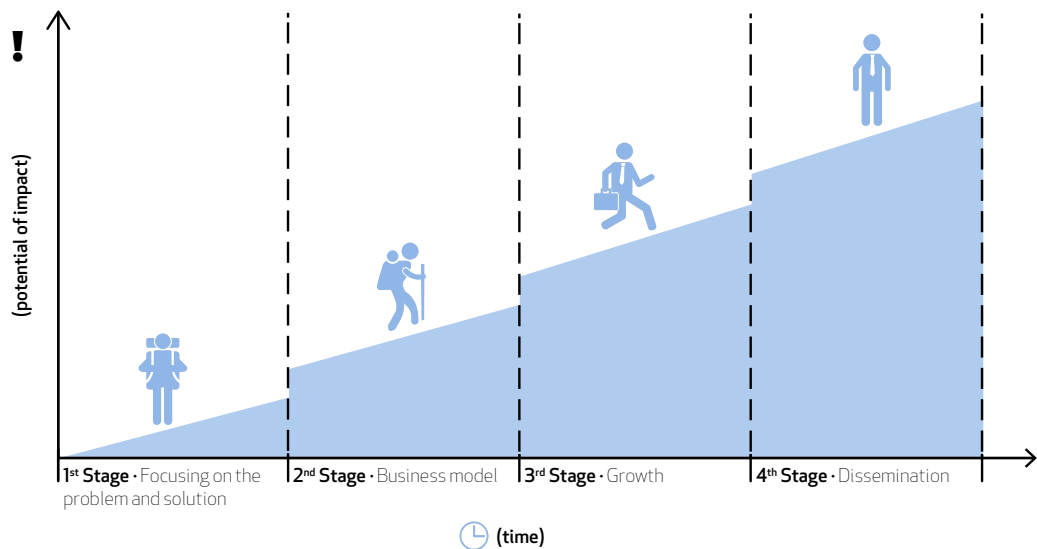


Figure 1 – Development cycle of social innovation projects<sup>21</sup>

At each of these stages, social entrepreneurs are expected to focus on specific aspects of their initiatives in order to draft a robust solution that can later be adopted by wider society. The skills required, the organisational structure and resources also vary depending on the respective stage of development of the initiative.

The process begins by **addressing the societal problem and designing a potential social solution** for dealing with it.

<sup>20</sup> IES-SBS Social Investment Lab (2014). Investment Readiness In The Social Sector. Research Note number 4, available at: <http://www.investmentosocial.pt/>.

<sup>21</sup> Adaptated from the IES-SBS Development cycle of social innovation projects.

The second stage, starts by **piloting the model solution**. This stage should be highly interactive, developing and testing new ideas with action-research enabling **learning from implementation so that the solution attains greater sustainability**. In this second stage, in many cases, plans are abandoned, prototypes fail and innovators often start all over again. Failure represents a natural part of the social innovation process with important learning derived from that which does not work. From this stage, we **infer the quality of the entire process from which new responses to social needs have been developed to deliver better social outcomes**<sup>22</sup>.

From this previous process of testing, in the **third stage, the solution proves its high social impact by systemic change** transforming the architecture of the how things work-growth phases<sup>23</sup>.

The **dissemination and final stage depends on the dimension to the problem**. When the problem affects a large number of people in society, proceeding with the dissemination stage makes full sense. However, a crucial factor to disseminating the solution involves ensuring **its appropriateness to the locally prevailing reality** and, for this reason, it is critically important to engage all new beneficiaries so that **the solution is jointly adapted to the new local diversity**. Should this process of engagement not be applied, the entire systemic change may get blocked off, wasting resources and potentially corrupting an already consistently proven social innovation.

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<sup>22</sup> Guida M. F. and Maiolini R., (2013) Il Fattore C per l'Innovazione Sociale, Rubbettino, Soveria Mannelli (CZ).

<sup>23</sup> Nicholls, A. (2006). *Social entrepreneurship: New models of sustainable social change*. Oxford: Oxford University Press.

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## 3. COUNTRY SOCIAL PROBLEMS and social innovation barriers

### 3.1. GENERAL COUNTRY CONTEXT AND MAJOR SOCIETAL PROBLEMS

The Portuguese territory is composed of its mainland and the two autonomous archipelago regions of the Azores and Madeira. Located as the most westerly point in continental Europe, Portugal contains an estimated population of 10.5 million people, divided almost equally between women (51%) and men (49%) with a land surface of 92,212 square kilometres.

Following the trend common to Europe, the majority of the population lives in cities (particularly within Lisbon and Porto) with the rural interior territories suffering from a severe process of desertification. Avila and Amorim (2014) summarise:

*Portugal faces major social challenges. In 2011, the country was the sixth most aged in the world and there are currently 130 seniors for every 100 young people. Furthermore, due to the financial crisis and recession, last year saw youth unemployment reach record highs with a rate of 37.7%. Social organizations, affected by government budget cuts, are concerned about diversifying their sources of revenue in order to become more sustainable and survive the crisis. For these reasons, social entrepreneurship is increasingly at the centre of discussions, especially between academics and actors in the social economy.<sup>24</sup>*

The Avila and Amorim (2014) comments highlight the extent and the importance of the third sector in Portugal. Working within constrained conditions, the sector has maintained local support to the population through social, economic, cultural and environmental initiatives. To gain a fully comprehensive picture of these initiatives, IES backed the drafting of a Social Innovation Map identifying characterising, promoting and developing these initiatives.

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<sup>24</sup> Ávila, L. Amorim, M. – Aveiro University (2014). *The State of Social Entrepreneurship in Portugal*, SEFORIS Country Report.

The ES+ methodology served as the core tool for the identification of these initiatives. Megre, Martins and Salvado (2012, p.100) explain the ES+ methodology: “ES+ is a strategic and innovative research methodology to identify and map social entrepreneurship initiatives with high potential of social and environmental transformation (...) The general goal of this methodology is to promote local and regional development (by identifying and characterizing) socio-economic and environmental initiatives and the individuals that lead them in a specific region, and to understand which social and environmental initiatives exist in that region”. In particular, this project included 1,755 interviews with local social experts from the North, Center and Alentejo regions and held to fully understand the initiatives. The remainder of this chapter sets out and details just which social problems are currently being tackled by these initiatives and putting forward insights regarding the specific barriers hindering and restricting their actions and impacts.

**Major social problems tackled by the ES+ methodology (a national perspective)**

The social experts contacted within the scope of the ES+ methodology identify a broad range of social problems with unemployment (38%), rural desertification (14%) and poverty (6%) the most common. The focus on these problems appears closely linked to the effects of the economic and financial recession on the Portuguese population. In addition to the ageing population consuming vast resources – the focus of 5% of the initiatives represented in our sample – the recession has impacted mostly on the young – the focus of 14% of initiatives mainly addressing youth unemployment related issues.

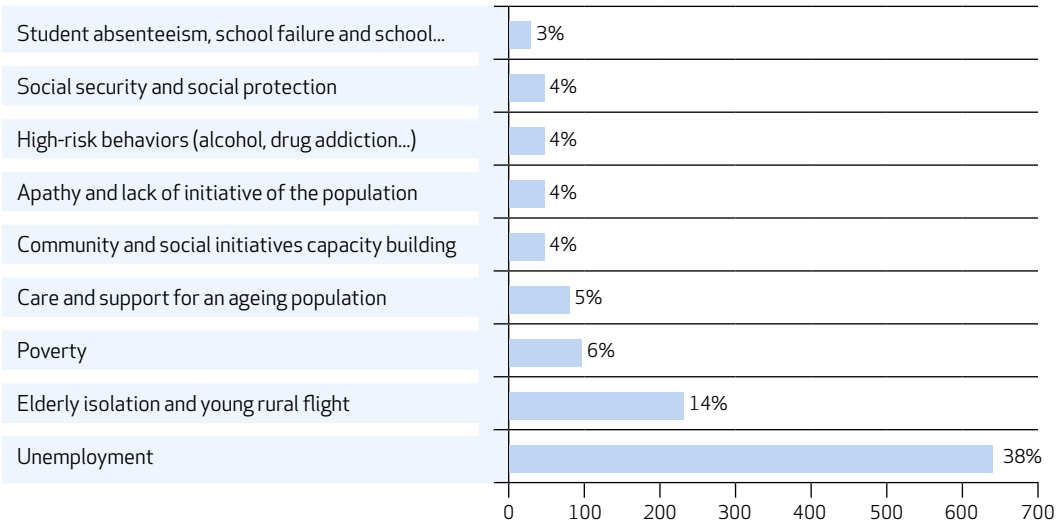


Figure 2 – Major social problems identified by Social Experts according to the ES+ methodology from the North, Center and Alentejo Regions, MIES (2014)<sup>25</sup>

<sup>25</sup> ES+ Methodology, MIES social experts survey (POs) from North, Center and Alentejo Regions, 2014 – www.mies.pt.

### 3.2. BARRIERS TO SOCIAL INNOVATION (A NATIONAL PERSPECTIVE)

The ES+ methodology surveys also generated findings regarding the barriers faced by individuals and institutions in addressing such social problems. Our data reports that 31% of our respondents identified sustainability as the major obstacle to initiative development. While this is far from surprising, it demonstrates the substantial flaws to the current system. While the government is by far the largest funder of the social sector (another major European trend), relying solely or mostly on public investment seems to be fostering an environment adverse to social innovation. Our data corroborates this key finding. Project implementation (24%) – a strong indicator for innovation within the system – mainly gets perceived as a barrier. Assessing innovation as a barrier rather than as an opportunity for improvement imposes a cycle of inefficiency hindering the conversion of innovative ideas into practice.

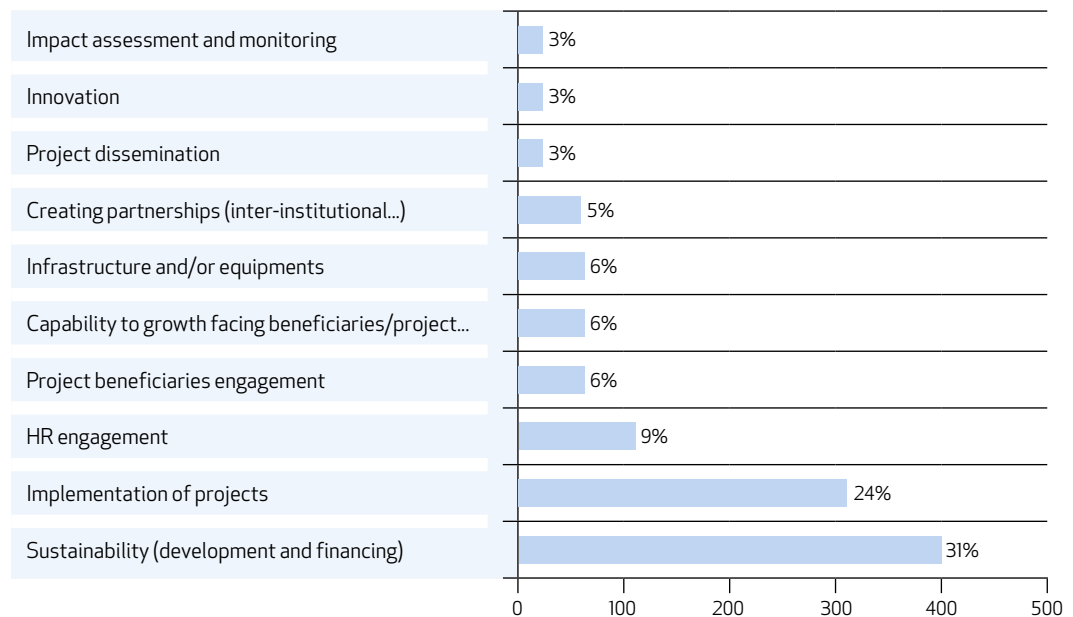


Figure 3 – Social Initiative Barriers to Social Entrepreneurship and Social Innovation from ES+ methodology according to the North, Center and Alentejo Regions, MIES (2014)<sup>26</sup>

<sup>26</sup> ES+ Methodology, MIES initiatives screen survey (TDs) from North, Center and Alentejo Regions, 2014 – [www.mies.pt](http://www.mies.pt).



Ávila and Amorim (2014) describe other limitations emerging from a static system unfavourable to social innovation:

*The lack of substantial examples of social enterprises represents a key barrier to the development of this field because emerging social entrepreneurs **find it hard to anchor themselves in the learning from other examples.***

*Another important barrier stems from the fact that the national R&D policies have put a strong **emphasis on the development of technological entrepreneurship over the last years and rather than other types of entrepreneurship.***<sup>27</sup>

### **3.3. STRENGTHS AND WEAKNESSES OF SOCIAL INITIATIVES (A NATIONAL PERSPECTIVE)**

One of the central goals of our methodology was to capture data regarding the assessment of the strengths and weaknesses of social initiatives. This provides critical insights regarding the barriers that social entrepreneurs are striving to overcome.

From the self-assessment by these Portuguese social entrepreneurs, we may verify how they consider themselves to excel at planning and goal setting, internal communication, HR management, project implementation and leadership and management. In contrast, they believe to need to improve at project design (including financial management), communication with different stakeholders and identifying funding sources. One important consequence of these weaknesses encapsulates the constraints on the subsequent potential for scalability and replication. Should entrepreneurs prove unable to develop, fund and enact their growth ambitions, their solutions remain either too focused or too small in scale to nurture wide reaching impacts across the country.

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<sup>27</sup> Ávila, L. Amorim, M. – Aveiro University (2014). *The State of Social Entrepreneurship in Portugal*, SEFORIS Country Report.



Figure 4 – ES+ Initiatives Management and Performance Analysis from the North, Center and Alentejo Regions, MIES (2014)<sup>28</sup>

<sup>28</sup> ES+ Methodology, MIES deep questionnaire survey (QIs) from North, Center and Alentejo Regions, 2014 – [www.mies.pt](http://www.mies.pt).

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## 4. PROGRAMME

# Social Innovation Potential

### 4.1. FRAMEWORK FOR ASSESSING PROGRAMME SOCIAL INNOVATION POTENTIAL

Taking into consideration the model presented in section 2.4, which explains social innovation, a framework was developed in order to assess the level of social innovation prevailing in programme supported projects. This framework adapts the model in order to focus both on the solution designed and on the social change potential. As the CAP defines the four main fields of intervention spanning the four major social problems at the national level, **the analysis of how important and how neglected a societal problem actually is should be carried out at the programme level rather than at the project level.**

The relevance of each of these problems provides a basis for the comparison of each field of intervention programme within the framework of the solutions existing and the consequent appreciation of the innovation potential these applications bring to solving these societal problems:

- **Field of Intervention A:** Participation is one of the principles of good governance as participation in public consultation processes establishes priorities, shares knowledge and develops policies. All of these facets lead to more robust decision making and also prove essential in promoting the transparency leading to greater identification with the set goals and consequent efficiency in responding to those goals. The dominant solutions address this lack of participation in public policy design through reactive solutions, such as: awareness / information sessions on the topics concerned and fostering dialogue among citizens<sup>29</sup>.

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<sup>29</sup> Brian E. Adams, *Citizen Lobbyists. Local efforts to influence public policy*. <http://www.public-policies.eu/>.

- **Field of Intervention B:** The United Nations, which evaluates the issue of human rights across various aspects, including the rights of children, women or ethnic minorities, has identified a growing proportion of people experiencing either fragility or situations of risk in Portugal<sup>30</sup>. This constitutes a problem of great relevance not only due to the increasing numbers of people affected but also due to the significant consequences posed to society at large given the many other problems (externalities) arising from these situations. In this context, the dominant solutions include awareness and information activities aimed at the general public and usually with a focus on children and young people as drivers of change.
- **Field of Intervention C:** There are various difficulties currently afflicting NGOs, which reflect in general terms in the reduced effectiveness of their actions. These difficulties range from a heavy reliance on third-party financing, reduced management skills, deficient resource management (e.g. volunteers) or the excessive demands placed on the existing response capacity. Moreover, initiatives that may address social problems effectively often fail to gain recognition or due value, which overshadows this success with the underlying knowledge correspondingly not applied by other initiatives<sup>31</sup>. This constitutes an important problem, neglected and with externalities (INE problem)<sup>32</sup> that requires the development of innovative solutions to add value to society. We would note that successful approaches in this area will not only have a direct positive result on the organization's target audience but also high potential for impacting on other areas and sectors through such practices spreading to other organizations.
- **Field of Intervention D:** Youth unemployment represents one of the leading current concerns not only at the national level but also in many other developed countries as well. In recent years, youth unemployment rates have ranged between 12.5% and 21% and have consistently risen, both in the under 24 age group and in that for the 25 to 29 year age group. In Portugal, this figure has reached above 30% in both age groups<sup>33</sup>. In Portugal, several solutions have been sought to address this very severe problem. The most institutionalized response is the promotion of training programmes that provide for initial contact with the labour market with the objective of the subsequent recruitment of young persons by companies. Other generalized solutions involve the development of personal and professional skills and running short-term placement schemes for specific target audiences with greater difficulties in professional integration (e.g. disabled persons or those with special educational needs).

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<sup>30</sup> Reports from the Committees available at <http://www.ohchr.org/EN/countries/ENACARRegion/Pages/PTIndex.aspx>.

<sup>31</sup> Olson, L. (Nov. 2, 1994). Growing Pains. *Education Week*, 29.

<sup>32</sup> Santos, F 2012 – A positive Theory of Social Entrepreneurship; *Journal of Business Ethics*, 2012, vol. 111, issue 3, pages 335-351.

<sup>33</sup> EU Youth Report 2012, European Commission, Publications Office of the European Union, 2012 (available at: [http://ec.europa.eu/youth/library/reports/eu-youth-report-2012\\_en.pdf](http://ec.europa.eu/youth/library/reports/eu-youth-report-2012_en.pdf)).

Hence, we present the new model below.

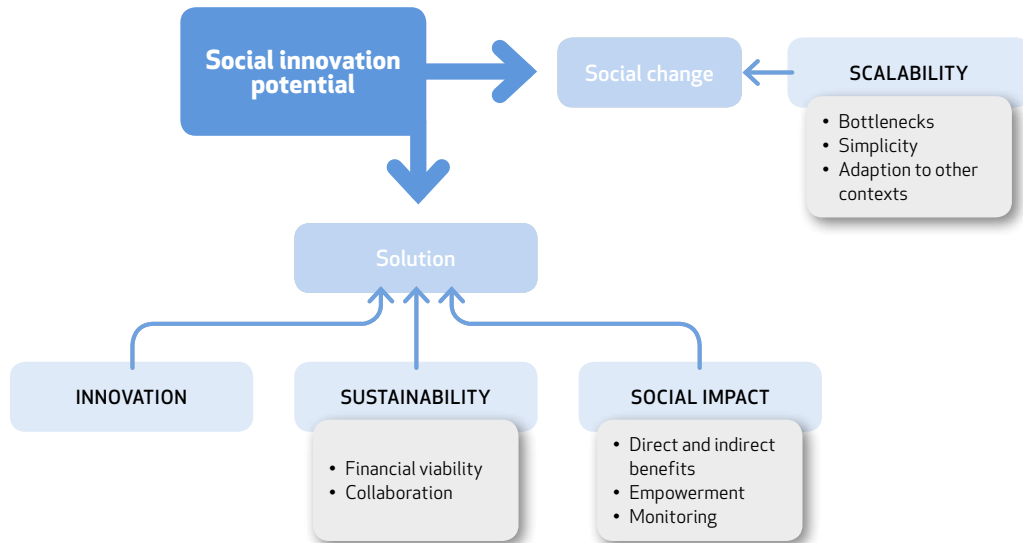


Figure 5 – Social Innovation Potential framework customized for CAP programme

With this new structure proving the departure point for assessing the CAP social innovation, there are still other methodological assumptions to highlight in this analysis of the Programme's results:

- The analysis derives from the social innovation potential of selected applications to the Programme;
- This is not a review process of the Programme's applications;
- The analysis was made solely on the basis of the application data and as such is limited to the existing available information;
- We believe that social innovation emerges from high social impact solutions that need nurturing, codifying and disseminating;
- To support the assessment process, a matrix describing each criterion – Innovation, Sustainability, Social Impact Potential and Scalability was developed and an ordinal scale established, ranging from 1 to 4, where 1 is low and 4 is very high;
- The assessment scale returns a final score for social innovation that corresponds to the arithmetic mean of the criteria, bearing in mind that: all the factors are central to the definition of social innovation presented above; and, furthermore, there remains no academic literature identifying the contribution made by each factor to the social innovation potential.

## 4.2. CAP SOCIAL INNOVATION POTENTIAL PROJECT ANALYSIS

Considering the assumptions detailed above, the 107 approved applications were analysed in terms of their level of social innovation.

### Major indicators analysis

The overall assessment of the applications, according to the main criteria of analysis (innovation, sustainability, social impact potential and scalability) results in an overall score of 2.5 (1 to 4) which means that the **Programme attains a moderate-high level of social innovation**.

- There is variation across the analytical criteria applied: the social impact potential represents the highest contribution to social innovation (an average grade of 2.91) followed by the scalability indicator (an average grade of 2.61) (figure 6).
- The **social impact potential criterion** is the most uniform criterion returning an average value that borders on the extreme and demonstrating how most application solutions generate direct benefits of relevance to most of the target segment.
- The results for the **scalability criterion** for the projects analysed prove the second-most uniform.
- When comparing the average values with the highest and the lowest values of social innovation in more detail (figure 7), **innovation**, followed by **sustainability** report higher and lower classifications respectively, meaning a clear differentiation in the skills and capacities of the proponents to develop project solutions for these two criteria.

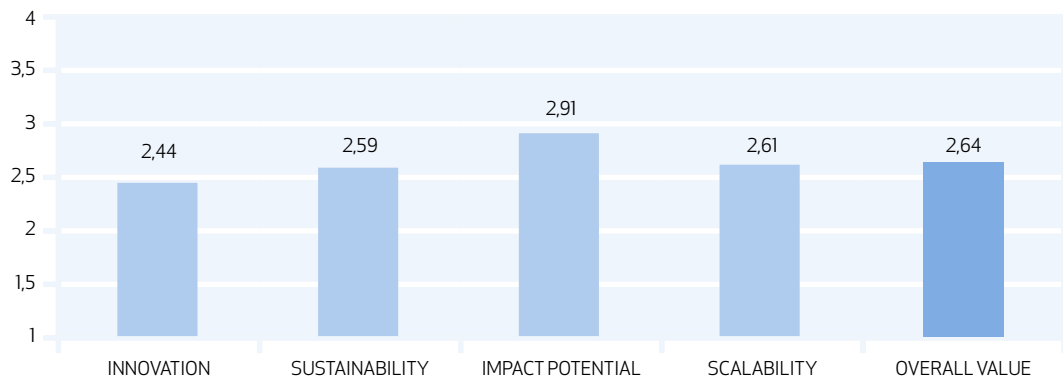


Figure 6 – Average grades by criteria and the overall value returned by social innovation analysis on the 107 approved projects

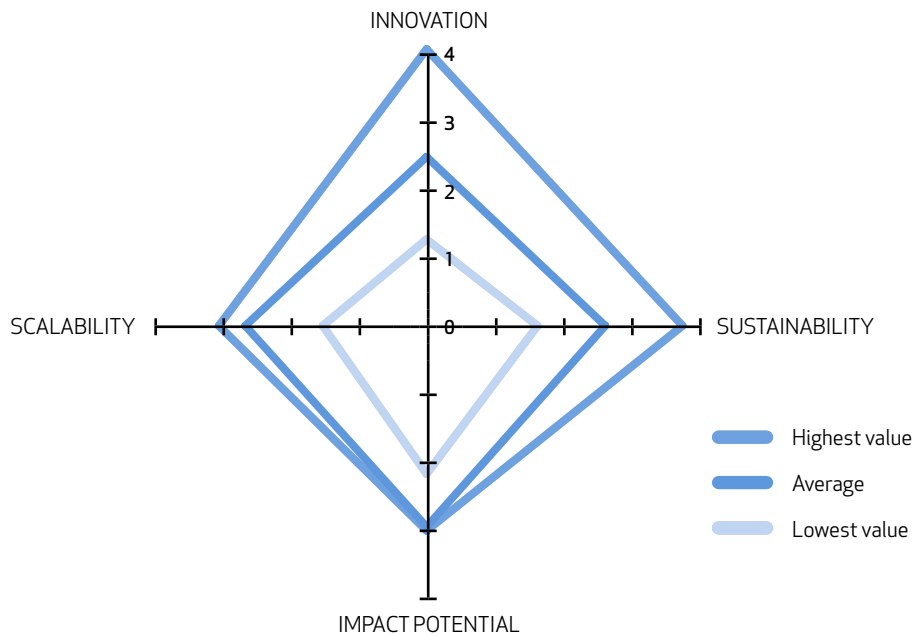


Figure 7 – Global comparison of the average, the highest and the lowest values, by criteria and by overall value

A major factor differentiating the projects revolves around the social problem they respective target and that inevitably shapes different solutions and approaches. As referred to in section 4.1, the four CAP fields of intervention correspond to the four social problems approached by projects. In that sense, analysis by field of intervention also proves relevant to disclosing greater detail about the factors conditioning the level of project social innovation potential. Additionally, as explained in section 4.1, four criteria serve to assess the level of social innovation, each considering a nominal scale from 1 to 4.

#### Field of Intervention A – NGO participation in the implementation of public policy and instrument design at the local, regional and national levels

Within field of intervention A, the average values for each criterion exceed 2.5 with the exception of sustainability and are also fairly uniform (see figure 8). In terms of individual performance levels and comparing the highest and the lowest project results, the largest discrepancy emerges between innovation and scalability, while the levels of sustainability and social impact potential are similar across all projects.

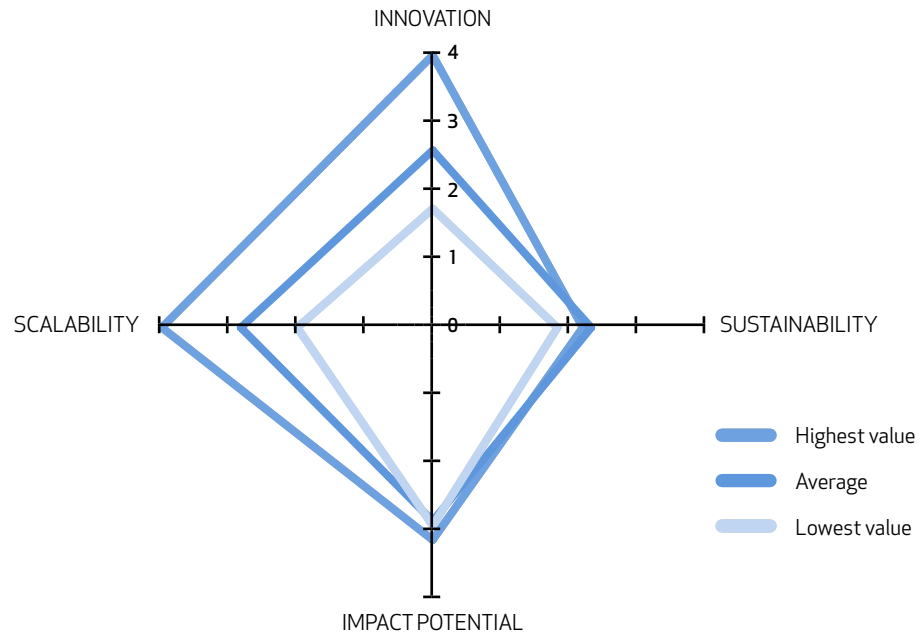


Figure 8 – Comparison of the highest, the lowest and the average values of social innovation criteria obtained by field of intervention A

As sustainability implies not only financial autonomy but also the ability to establish solid collaboration and partnerships with other organizations, the lower values reported by the projects on this field of intervention may have a dual meaning: either that financial gains are not forecast or there is the conviction that policy design projects will get integrated into public policies and, following this adoption, there is no reason for the proposals to subsist (completing the social innovation cycle and becoming institutionalised).

As set out in figure 9, the overall analysis on field of intervention A reflects a fair level of social innovation in which from the twelve projects under analysis, four report a moderate level (33% with a value between 2 and 2.5), six a moderate-high level (50% with a value between 2.5 and 3) and two attain a high level of social innovation (17% with a value between 3 and 3.5).



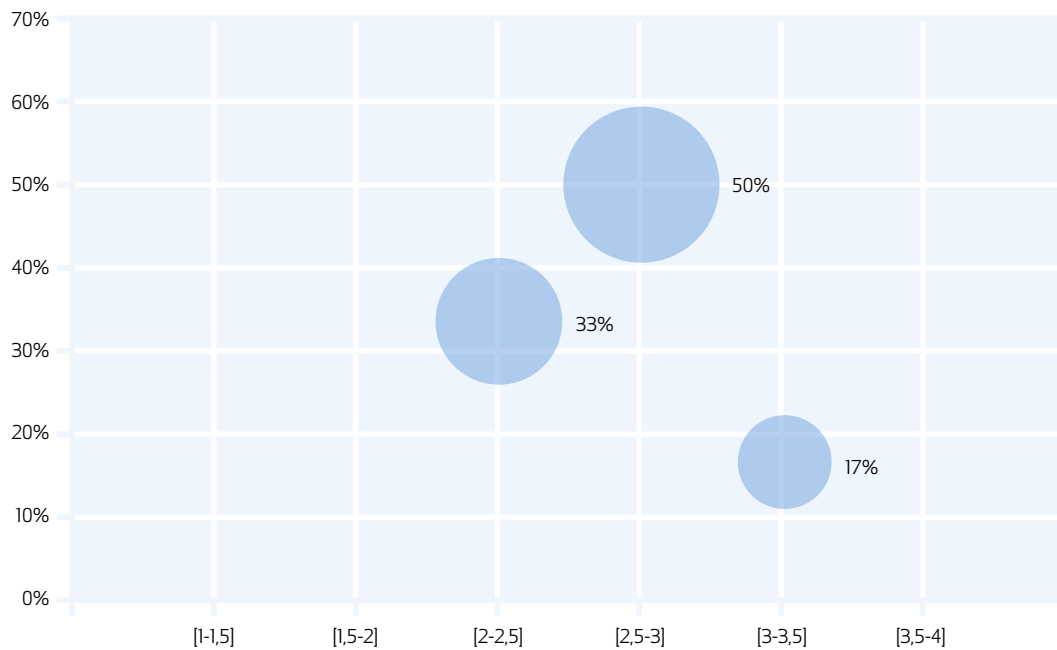


Figure 9 – Dispersion of the field of intervention A projects by level of social innovation

#### Field of intervention B – Active role in human rights, minorities and anti-discrimination

Analysis of the field of intervention B projects reveals a balanced average among all the criteria (see figure 10), with the results around 2.5. This field of intervention reports the highest number of approved projects (43) and correspondingly also presents some of the highest and lowest social innovation values. Direct interventions with very specific target audiences justifies the slightly higher level of the social impact potential.

At the individual level, when comparing the highest and the lowest project values, there is a clear difference in their social innovation potential. However, they proportionally reflect a similar distribution along the four criteria with the social impact potential encapsulating the greatest project strength. The criterion that most greatly differentiates between the projects is sustainability. This fact demonstrates the link between the self-sufficiency of projects and social innovation in the sense that the projects display greater concern over their present sustainability solutions than their long-term viability and capacity to inspire and drive innovation in the social sectors.

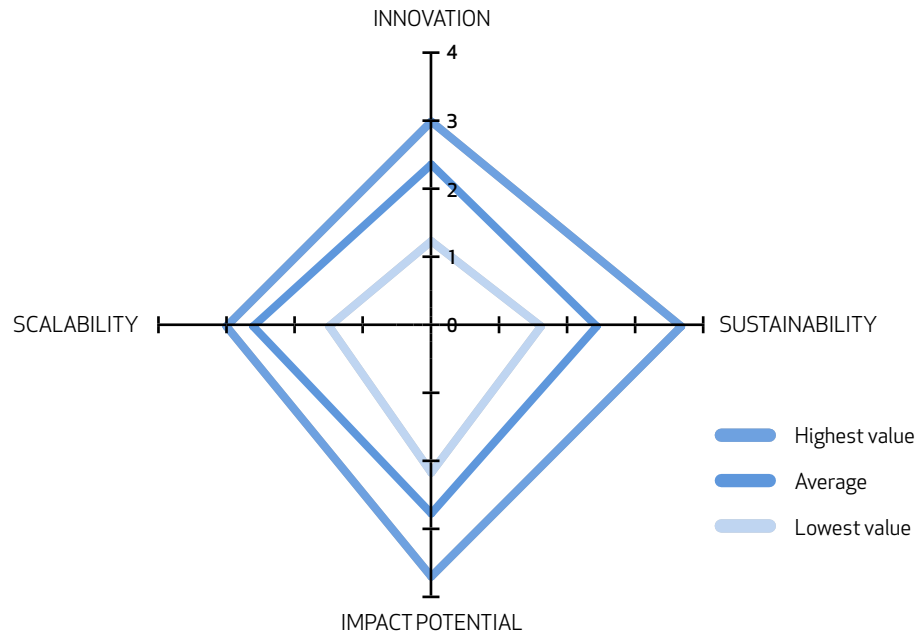


Figure 10 – Comparison of the highest, the lowest and the average values of social innovation criteria obtained by field of intervention B

When considering the overall analysis of field of intervention B, the dispersion of results proves greater as would be expected considering that stated above, the higher number of projects and the disparity in their social innovation potential (see figure 11). Out of 43 projects under analysis, seven report a low-to-moderate level of social innovation (16% of the total sample), eight a moderate level (18% with a value between 2 and 2.5), eighteen present a moderate-high level (42% with a value between 2.5 and 3) with ten returning high levels of social innovation (23% with a value between 3 and 3.5).

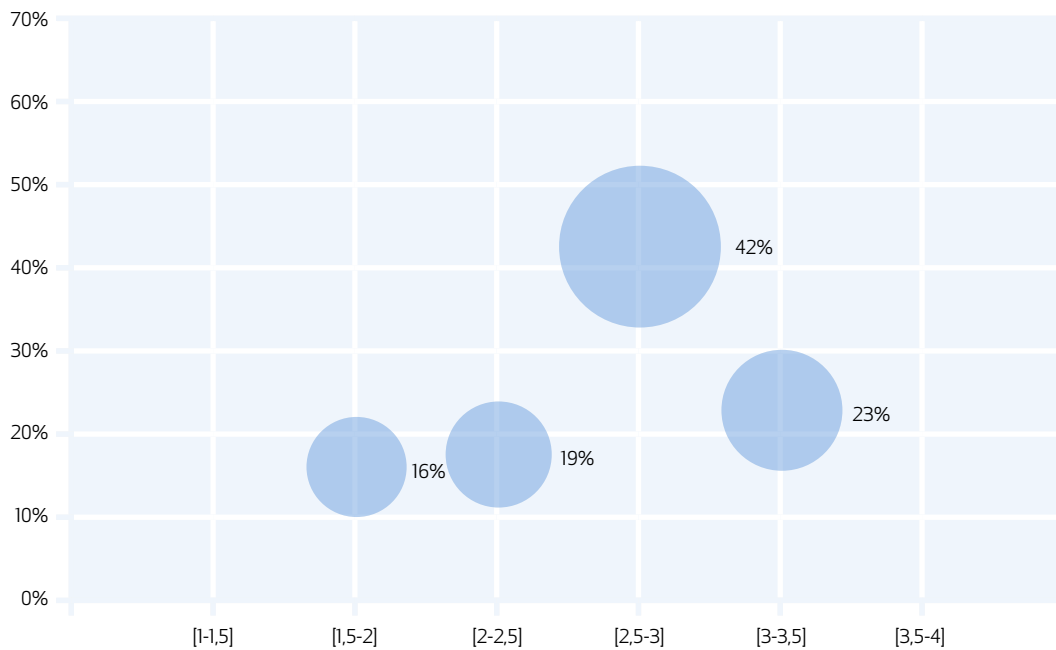


Figure 11 – Dispersion of the field of intervention B projects by level of social innovation

### Field of intervention C – NGO action effectiveness

This field of intervention features the second-largest number of approved projects (31) behind field B. Considering the average analysis results (see Figure 12), the two criteria returning the highest average scores were sustainability and the social impact potential with a direct correspondence to the specific goals of this field of intervention – thereby raising the effectiveness of NGO actions. The average innovation criterion grade estimated for this field of intervention’s set of projects also stems from the effort targeting the solving of a social problem closely interconnected with organizational level processes and as such not related to direct action on people/beneficiaries and tending to be neglected with few alternatives either available or disseminated. For these reasons, most solutions presented in this field tend to be original or at least express attempts to explore new approaches to overcoming the current institutionalized practices that return low success rates. In the opposite direction, project scalability is lower as they require specific approaches directed at the reality of each NGO and are therefore less adaptable to other contexts.

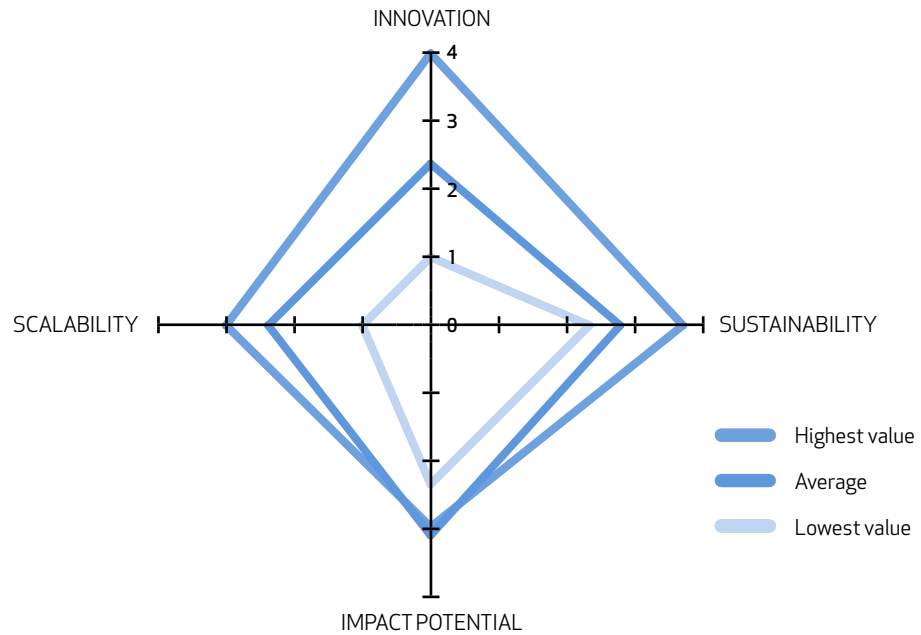


Figure 12 – Comparison of the highest, the lowest and the average values of social innovation criteria obtained by field of intervention C

When individually comparing the projects returning the highest and the lowest values, the result is similar to that reported by field of intervention B: there is a clear difference in the project levels of social innovation potential. However, in contrast with the results returned by field of intervention B, the distribution of the four criteria of the field of intervention C does not return any similarity between the highest and the lowest values. While sustainability and the social impact potential tend to vary less, major discrepancies are reported for innovation and scalability with these two criteria being the major contributors towards the distinction in the overall value of project social innovation.

Regarding the dispersion in the projects along the scale of social innovation (figure 13), this field of intervention presents a high concentration of projects at the moderate-high level (55% corresponding to 17 projects, with social innovation potential levels of between 2.5 and 3). From the remaining projects, one displays a low-to-moderate level, five moderate levels (16% with a value between 2 and 2.5) with the remaining eight returning high levels of social innovation (26% with a value between 3 and 3.5).

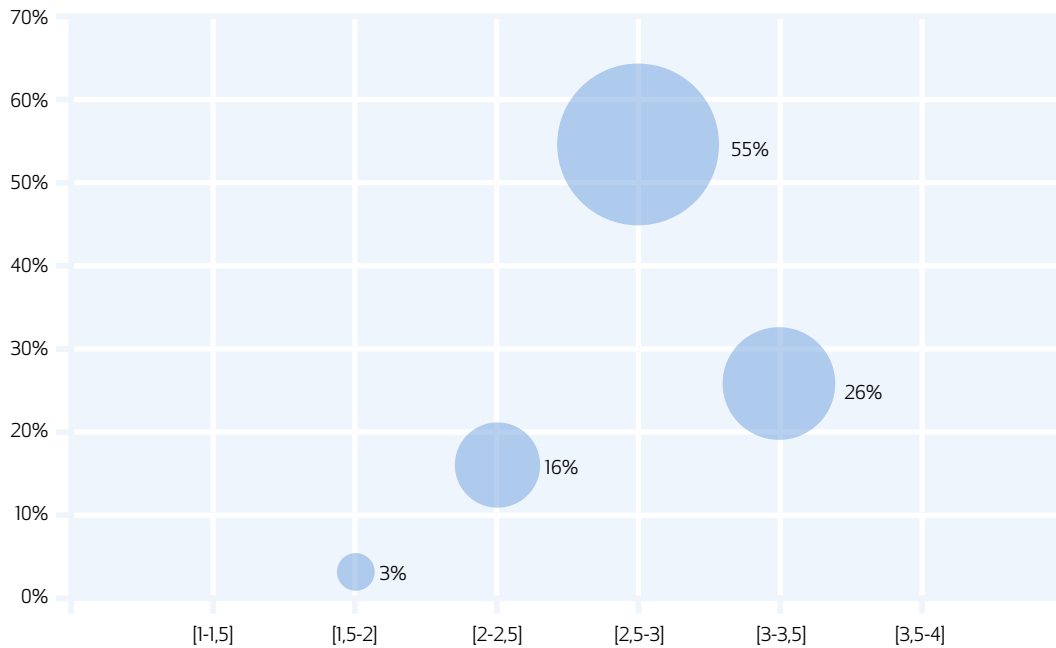


Figure 13 – Dispersion of the field of intervention C projects by level of social innovation

#### Field of Intervention D – Supporting youth employability and inclusion

Field of intervention D displays a particular specificity when compared to the others: it is the most recent (2014). Of all four fields of intervention, this features the highest estimated potential for social innovation. The social impact potential makes the strongest contribution to this result as detailed in figure 14, where the average classification reaches “High”. Comparison between the highest and the lowest values identifies the two criteria with the highest average scores as social impact potential and scalability.

In this field of intervention, the major expected contributions from the projects approved will incorporate their know-how on addressing sustainability and social impact (as reflected by the average values obtained on these two criteria) on the complex social problem that unemployment represents.

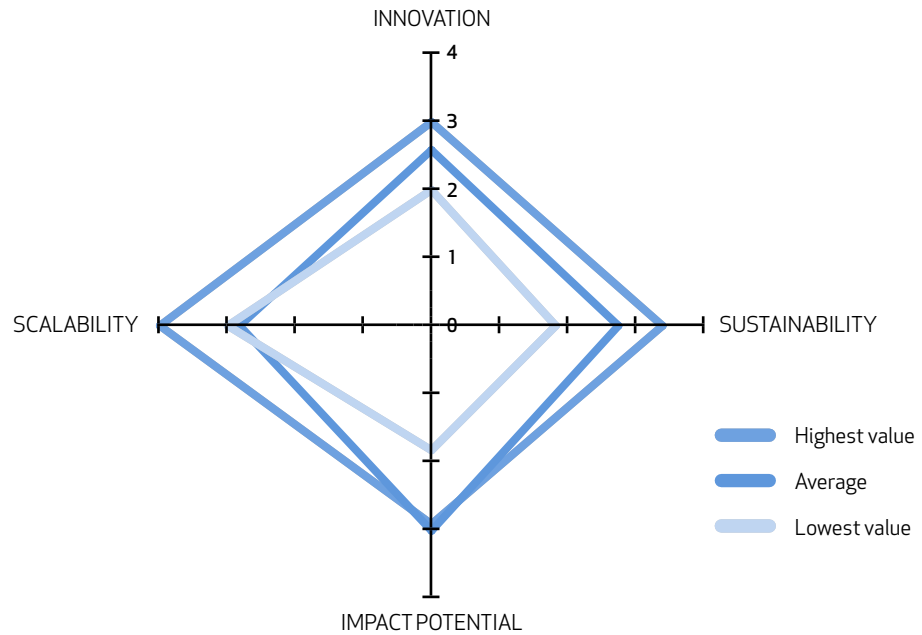


Figure 14 – Comparison of the highest, the lowest and the average values of social innovation criteria obtained by field of intervention D

Analysing the dispersion of social innovation, in accordance with figure 15, this field of intervention displays an even distribution between the moderate-high and the high levels of social innovation (9 projects each) while the remaining three projects (14%) report moderate levels of social innovation and thus accounting for the twenty-one project total in this field of intervention.

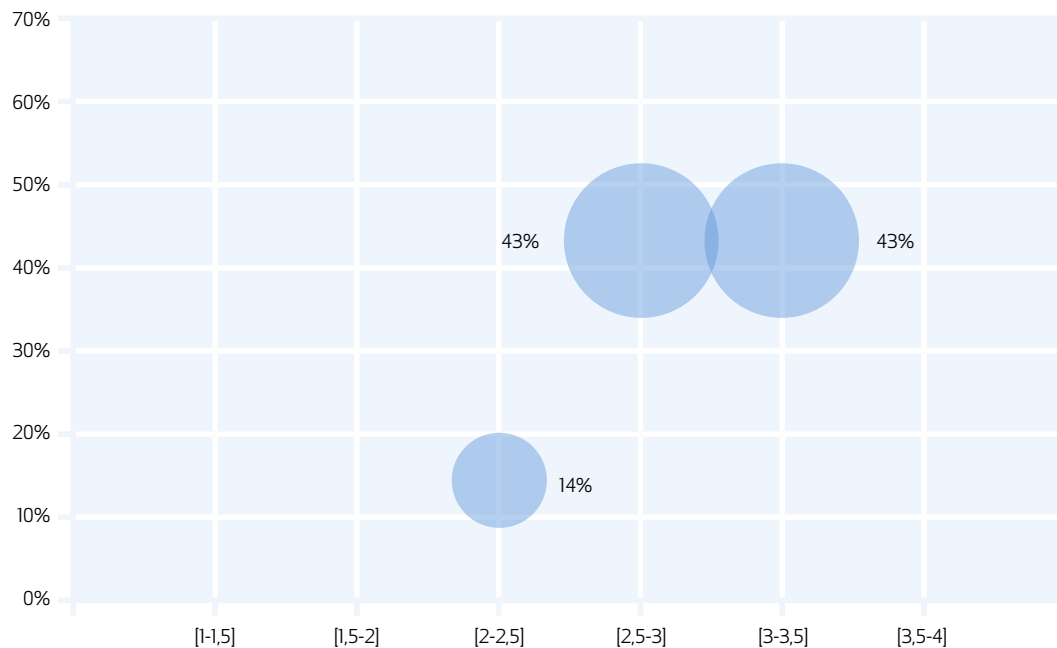


Figure 15 – Dispersion of the field of intervention D projects by level of social innovation

A final analytical approach to the fields of intervention compared the project performance by field of intervention (figure 16) and by criteria (figure 17), revealing field of intervention D as presenting consistently moderate-high values on all criteria. This also results in the highest estimate of social innovation potential.

Nevertheless, we may also identify over the different criteria the ways in which the fields of intervention turn in distinct performance levels. As regards innovation, fields of intervention A and D report the strongest impact as is also the case for scalability. For sustainability and social impact potential, however, the highest average scores are obtained by fields of intervention C and D. Field of intervention B does not achieve the highest average score in any criterion stemming from it including the greatest number of projects and thus flattening the average values.

As each field of intervention addresses an important and distinct social problem, the differences across the innovation criteria also serve to reflect the characteristics of those problems:

- For highly neglected problems, traditionally not considered as a priority or where few solutions are available (as in the case of fields A and D), the proposals for new projects usually incorporate higher innovation potential;

- For problems displaying greater dispersion at the geographic level, new projects tend to present higher scalability potential as their solutions prove applicable to other and new contexts. This characteristic (geographic dispersion) is particular representative of fields A and D and, in fact, the proposed solutions do present higher scalability potential;
- Whenever the social problems afflict a large number of people, the solutions correspondingly target the largest possible number of beneficiaries and resulting in a significant social impact potential as is also the case with field D. A high social impact potential also stems from the new projects dealing with the efficacy of solutions as in the field C case;
- When there is only a poor level of solution diversification or a single dominant solution prevails in the addressing of social problems, the consequences include low efficiency processes with poor or inadequate allocation of resources.

A comparison between the scores obtained by the four fields of intervention follows below.

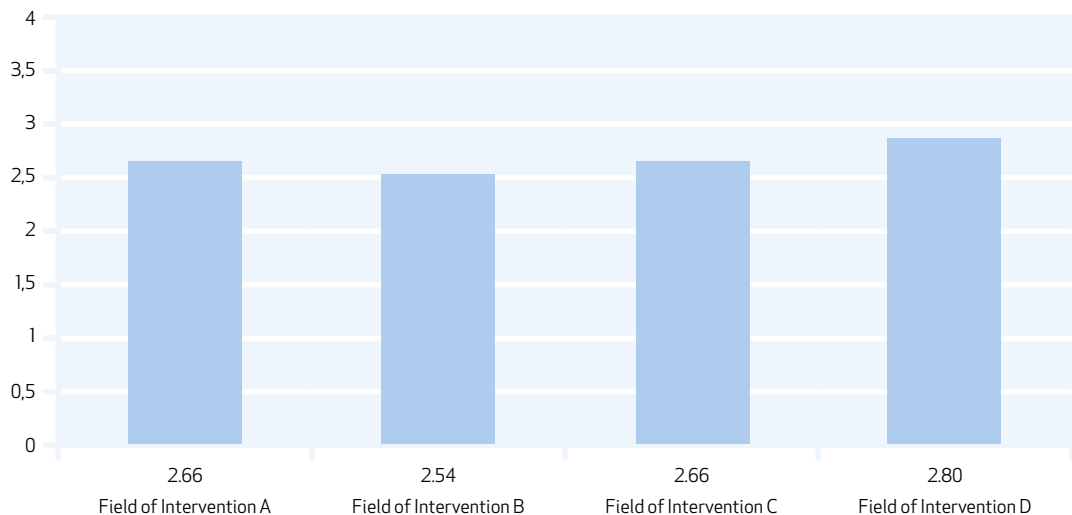


Figure 16 - Average grade by field of intervention (A, B, C and D) according to the social innovation analysis of the 107 approved projects



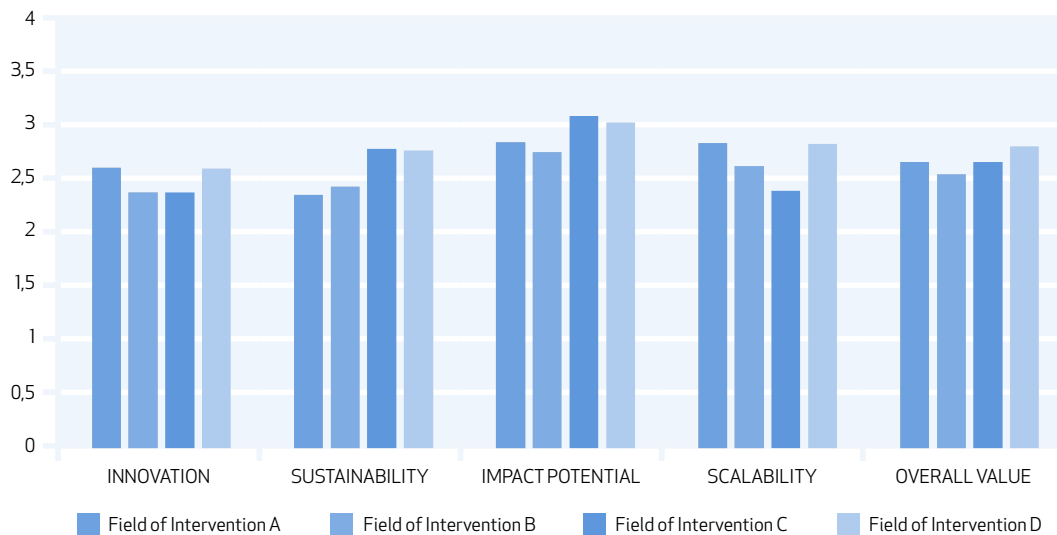


Figure 17 – Comparison of average values within each criterion by field of intervention

### 4.3. SELECTED PROJECT PERFORMANCE ANALYSIS

From the analysis of the social innovation in the 107 approved projects, some projects clearly stand out and justifying a closer understanding as to how they do in fact address social problems and the already visible impact and results.

In that sense, we deployed a thorough self-assessment questionnaire to those projects with high estimated social innovation potential<sup>34</sup>. The answers **enabled analysis of the management and performance skills and identified those strengths, weaknesses and specificities critical to success, continuity and the potential replication of these stand out projects.**

The selection of projects for this section firstly considered those achieving the higher values for social innovation by field of intervention. Secondly, we took into account the project life-cycle of implementation. The CAP opened tenders for applications in 2013 and 2014 and thus projects approved in 2014 do not yet have enough operational time for effective impact measurement. Therefore, the sample for the purpose of selecting the high scoring social innovation criteria projects is reduced to those projects approved in 2013 (see ANNEX II).

As field of intervention D was only established in 2014, no projects were selected from this field of intervention.

The three selected projects are presented in the following table.

<sup>34</sup> ES+ Methodology deep questionnaire survey (QIs).

TABLE 1 - IDENTIFICATION OF THE THREE SELECTED PROJECTS			
FIELD INTERVENTION	PROJECT NAME	ORGANIZATION	STARTING IMPLEMENTATION DATE
A	New Challenges Combating Sexual Violence	Associação de Mulheres Contra a Violência	03/02/2014
B	Global Policies and Local Strategies for Sustainable Development	FEC - Fundação Fé e Cooperação	01/02/2014
C	MAIS: Better Action and Social Innovation	UDIPSS - Porto	03/07/2014

#### Field of intervention A – New Challenges Combating Sexual Violence

The major factor of social innovation generated by this initiative stems from a **specific intervention model for an important and neglected social problem in Portugal – sexual violence**, which has no appropriate operational solution in effect. The project undertakes action across two levels: direct intervention to recover and empower the victims and lobbying for political support and the legal implementation of the intervention model. Considering these two major goals, some important results have already been achieved following project implementation (approximately one year ago), such as an active **specialized network in the Lisbon area with 25 organizations**, an **operational technical office**, **two victim support groups set up** (one mutual-aid group and one self-advocacy group) and also launching an online petition on the subject. It is also important to highlight that the project remains ongoing and these results are provisional.

#### Field of intervention B – Global Policies and Local Strategies for Sustainable Development

The major innovative aspect introduced by this project incorporates its model of **face-to-face empowerment integrated into a participative process for developing local endogenous strategies**. From the operationalization of the project thus far, local developments have begun emerging, resulting in the **connection between small traditional producers (6) and young farmers (4)** that are establishing at the municipality level, a significant and growing number of young farmers that sought the support of project team with 530 students involved in the project's launch (2013/2014 academic year), the appropriation of the aTerra project as a local school educational project and with the involvement of Summer School participants in project development, with regular participation in project developments.

All these results contribute to some social change (or impact) that is beginning to be visible and including the **increased awareness of individual and collective consumers about the power they hold to change responsible consumption policies; increased trust and commitment between local actors and an increased understanding about the interdependence between the different links of the value chain** (from production to consumption), different actors, different levels (personal, local, global).

### Field of intervention C – MAIS: Better Action and Social Innovation

The major innovative aspect introduced by MAIS is the design of a very specific service directed at the training of social organization leaders and senior managers. The specific participant profile underpins an important point of leveraging the system, the leadership and increasing the potential for success through orienting organizations towards better actions, improving processes and promoting social innovation. Moreover, this project generates effective changes as it consists of an intensive consultancy process to implement action plans and the resulting outcomes (case studies) have a direct contribution to resolving the main problems identified in this sector. One further project strength derives from the diversified partner group, which represents the social, public and private sectors and makes a broad-scope approach to problems feasible. Since project implementation, three training modules have taken place, with 20 beneficiaries apiece, with a total of 60 participants along with the development of two task force modules. In this sense, some impact has already been experienced as organizations report positive effects from the consultancy process and training session participants report increased awareness and effective efforts to implement the newly acquired knowledge in their organizations.

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## 5. CONCLUSIONS and recommendations

Social innovation addresses important and neglected problems that have negative external impacts. As a practice-led field of a multi-disciplinary nature, social innovation serves as either a process or a result (products, services, others) with effective solutions able to transform these problems, generating empowerment and improving capabilities on a local level that then initiate positive cycles of benefit, thus establishing value for society and generating high social impact.

CAP provides a strong and dually positive impact on the social problems existing and the barriers to social innovation in Portugal. The first represents a **complementary solution to a problem** recently exacerbated by the **financial crisis** as many social organizations have experienced public funding cuts and gained the opportunity to access funds in order to confront local social problems and thereby maintain their sustainability. The second aspect stems from the priority fields of intervention selected by CAP for financing. This generates some positive spill overs enabling Social Innovation in Portugal: projects dealing with **some of the major neglected problems** such as those in Field of Intervention B - Active role in human rights improvements, minority support and anti-discrimination policies, as well Field of Intervention D - Supporting youth employability and inclusion; and Field of Intervention C - NGO action effectiveness fostering effectiveness in terms of **better addressing sustainability, developing partnerships helping NGOs boost the impacts of their actions and thus overcoming one of the major national barriers to Social Innovations**. We would also emphasise that CAP focuses on empowerment and the people engagement projects (citizens, clients, social movements, communities) crucial to process of social innovation.

We also conclude that **74% of the 107 CAP projects display a moderate-high to high level of social innovation potential**. Regarding the assessment criteria, the social impact potential criterion returns the highest contribution to the social innovation on average with the innovation criterion containing both the highest and lowest classification.

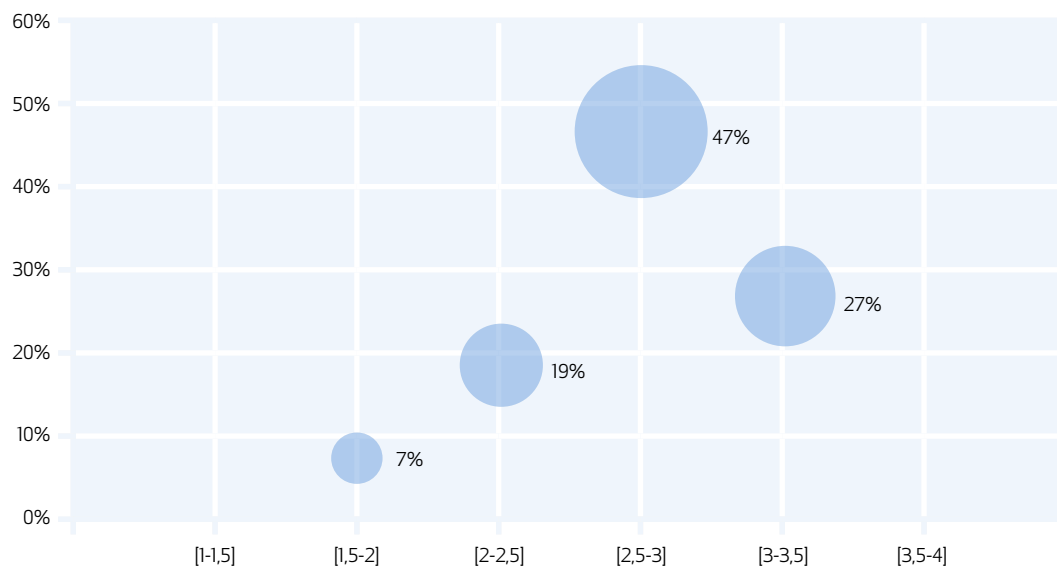


Figure 18 – Dispersion of the PCA projects by level of social innovation

Furthermore, we would now outline some of the limitations and recommendations resulting from the application of this methodology.

- The Programme projects remain only in very early stages of implementation. Thus, the analysis made focused on their potential and attempted to predict their future performance as social innovations. To verify their true, final potential requires project appraisal only some time after their completion;
- The social innovation potential assessment was based solely on the information available from the applications. In the future, for a deeper analysis of the social innovation potential, some specific questions need adding to the questionnaire.

To overcome these limitations, our analysis applied a specific questionnaire for assessing the social innovation potential of projects returning higher classifications (analysing their management and performance skills; strengths, weaknesses, etc...).

**The main study recommendations are:**

- Given that the social impact potential achieved the best results in the programme project analysis criteria, **analysing the effectiveness of the change and social impact** brought about by the CAP projects in the medium / long term proves important alongside tracking the conditions most appropriate to their developing, flourishing and survival;

- Taking into consideration the higher scores and the importance of the innovation and sustainability criteria, there is significant relevance to identify and learn with the project methodologies and business models in order to disseminate the knowledge;
- Furthermore, **assessing the practices and tools deployed by the CAP financed projects** is important to their incorporation by the promoter organizations and partners in the medium and long run;
- It also relevant to look into active community participation, engagement and ownership of CAP project beneficiaries in the medium and long term as well as learning just how much **job creation does in fact get accomplished by the projects and the new social business opportunities that CAP projects generate**;
- It would also prove valuable to carry out an **in-depth study on how the major social innovation components of the CAP framework and grant mechanisms might be replicated by other social investors in Portugal**, including other Calouste Gulbenkian Foundation areas and funding mechanisms;
- As the CAP focuses more on innovative projects and pilots with social impact potential, we would recommend the **codification of the successful selected projects as well as the codification of key learnings** from unsuccessful projects so that similar projects may benefit and replicate that which works and avoid repeating which does not.
- Given the limited source of information data for this analysis, only the existing project applications, we recommend that a **follow-up assessment is made in twelve months time deploying an appropriate social impact measurement and performance tool**.



## 6. ANNEX



## ANNEX I. ANALYSIS FRAMEWORK AND INDICATORS MATRIX

### SOCIAL INNOVATION (SI) CRITERIA

INOVATION		SUSTAINABILITY	
INOVATION		FINANCIAL VIABILITY	COLLABORATION AND PARTNERSHIPS
1. LOW LEVEL	The initiative doesn't present any differentiating element (cost / value) compared to similar existing solutions and responses	<ul style="list-style-type: none"> <li>· The initiative does not present specific measures for its sustainability and its future continuity (post-financing) is not assured</li> <li>· The necessary resources are scarce (expensive and unavailable)</li> </ul>	<ul style="list-style-type: none"> <li>· The target audience is not involved.</li> <li>· The key stakeholders are not involved.</li> </ul>
2. MODERATE LEVEL	There are some distinguishing features (cost / value), but they are minor compared to existing alternatives	<ul style="list-style-type: none"> <li>· There are some general measures that may contribute to the sustainability of the initiative, but there is a high risk concerning its the viability or they are not sufficient to ensure the viability of post-funding project</li> <li>· The resources it needs are accessible (expensive but available)</li> </ul>	<ul style="list-style-type: none"> <li>· The target audience is involved in the design OR implementation of the solution</li> <li>· Key stakeholders are involved in the design OR implementation of the solution.</li> </ul>
3. HIGH LEVEL	The initiative has differentiation potential (cost / value) compared to existing alternatives but there is no track record that allows the validation of its effectiveness.	<ul style="list-style-type: none"> <li>· The sustainability measures have the potential to ensure the continuity of the initiative, but there is a moderate risk concerning their viability</li> <li>· The resources it needs are abundant (cheap and available)</li> </ul>	<ul style="list-style-type: none"> <li>· The target audience is involved in the design and implementation</li> <li>· Key stakeholders are involved in the design and implementation</li> </ul>
4. VERY HIGH LEVEL	The initiative has differentiation potential (cost / value) compared to existing solutions and there is a track record to validate its effectiveness.	<ul style="list-style-type: none"> <li>· The initiative presents robust measures of sustainability with a reduced risk concerning their viability Examples: it does not dependent on one donor, it has a diversified financing basis, it is feasible and generates social and financial return, for example, through the sale of products and services, even if below the market values, allowing the total cost to be partially subsidized by others who value the impact.</li> <li>· The resources are free (generally available, no restrictions)</li> </ul>	<ul style="list-style-type: none"> <li>· The target audience co-created and promoted the project and is involved from the moment of designing to implementation</li> <li>· Key stakeholders are involved in the design and implementation and are strategically aligned with the initiative</li> </ul>

IMPORTANT NOTE: this matrix provides guidelines and clues for the assessor to evaluate/rate its perception on a more objective way. The present analysis of the applications is conditioned/restricted by the available information.

SOCIAL IMPACT POTENTIAL		REPLICABILITY / SCALABILITY
DIRECT AND INDIRECT BENEFITS	EMPOWERMENT AND INCORPORATION	REPLICABILITY / SCALABILITY
<ul style="list-style-type: none"> <li>· The solution does not generate significant direct benefits to the target segment</li> <li>· The solution does not generate indirect benefits for other key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>· It does not empower the target segment;</li> <li>· The initiative does not generate ownership, learning or any useful tool to its organization;</li> <li>· The initiative does not have in place mechanisms for monitoring and evaluation of performance, outcomes and impact.</li> </ul>	<ul style="list-style-type: none"> <li>· There are bottlenecks, which have to do with external and internal resources, precluding the initiative's growth</li> <li>· The model is a complex set of interdependent activities without a clear and connected cause effect</li> <li>· It is not codified but it has the potential to be so</li> <li>· The solution is local and not adaptable to other contexts</li> </ul>
<ul style="list-style-type: none"> <li>· The solution generates direct benefits but they are not relevant for most of the target segment</li> <li>· The solution generates indirect benefits to key stakeholders but they do not perceive them.</li> </ul>	<ul style="list-style-type: none"> <li>· Empowers the target segment for managing the outcome</li> <li>· The initiative creates ownership, partly learning the value chain for its organization but without capability of verifying major performance gains.</li> </ul>	<ul style="list-style-type: none"> <li>· There are bottlenecks that have to do with external resources (eg. funding, distribution, ...)</li> <li>· The proposed model may be designed as a modular system of key activities</li> <li>· It is not codified but it has the potential to be so</li> <li>· The solution is local but adaptable with appropriate adjustments</li> </ul>
<ul style="list-style-type: none"> <li>· The solution generates direct benefits that are relevant for most of the target segment</li> <li>· The solution generates indirect benefits to key stakeholders but these only perceive them partly</li> </ul>	<ul style="list-style-type: none"> <li>· It empowers the target segment to alleviate the causes</li> <li>· The initiative creates ownership, partly learning the value chain for its organization, with capability of verifying major performance gains (related to the acquisition of management skills linked to the implementation of new practices, or technical expertise acquired from trainings), having on the other hand potential of residual contribution to solving more effectively the problem it addressed</li> <li>· The initiative provides / reports some indicators of monitoring and evaluation of performance, results and impact</li> </ul>	<ul style="list-style-type: none"> <li>· There are bottlenecks that have to do with internal resources (eg. Specific skills ...)</li> <li>· The proposed model can be viewed as a standalone program</li> <li>· It is codified but not yet validated to be disseminated and / or replicated</li> <li>· The solution is easily transferable to other contexts</li> </ul>
<ul style="list-style-type: none"> <li>· The solution generates direct benefits that are relevant to the entire target segment</li> <li>· The solution generates indirect benefits to key stakeholders which they fully perceive</li> </ul>	<ul style="list-style-type: none"> <li>· It empowers the target segment to solve the problem</li> <li>· The initiative creates ownership, partly learning the value chain for its organization, with capability of verifying major performance gains (related to the acquisition of management skills linked to the implementation of new practices, or technical expertise acquired from trainings), with potential of contribution to solving more effectively the problem it addressed</li> <li>· The initiative has a system of monitoring and evaluation of performance, results and impact, allowing a continuous learning process</li> <li>· Provides an impact assessment from an external entity to the organization</li> </ul>	<ul style="list-style-type: none"> <li>· There are significant bottlenecks to growth.</li> <li>· The proposed model translates into a concept of single communication</li> <li>· Is codified and ready to be disseminated and / or replicated</li> <li>· The solution is global</li> </ul>

## ANNEX II. CAP SELECTED PROJECT PERFORMANCE ANALYSIS

### DOMAIN A: NOVOS DESAFIOS NO COMBATE À VIOLÊNCIA SEXUAL (NEW CHALLENGES COMBINATING SEXUAL VIOLENCE)

**Organization:** Associação de Mulheres Contra a Violência

**Name and role of the responsible:** Margarida Medina Martins, Coordinator

**Active since:** 03/02/2014

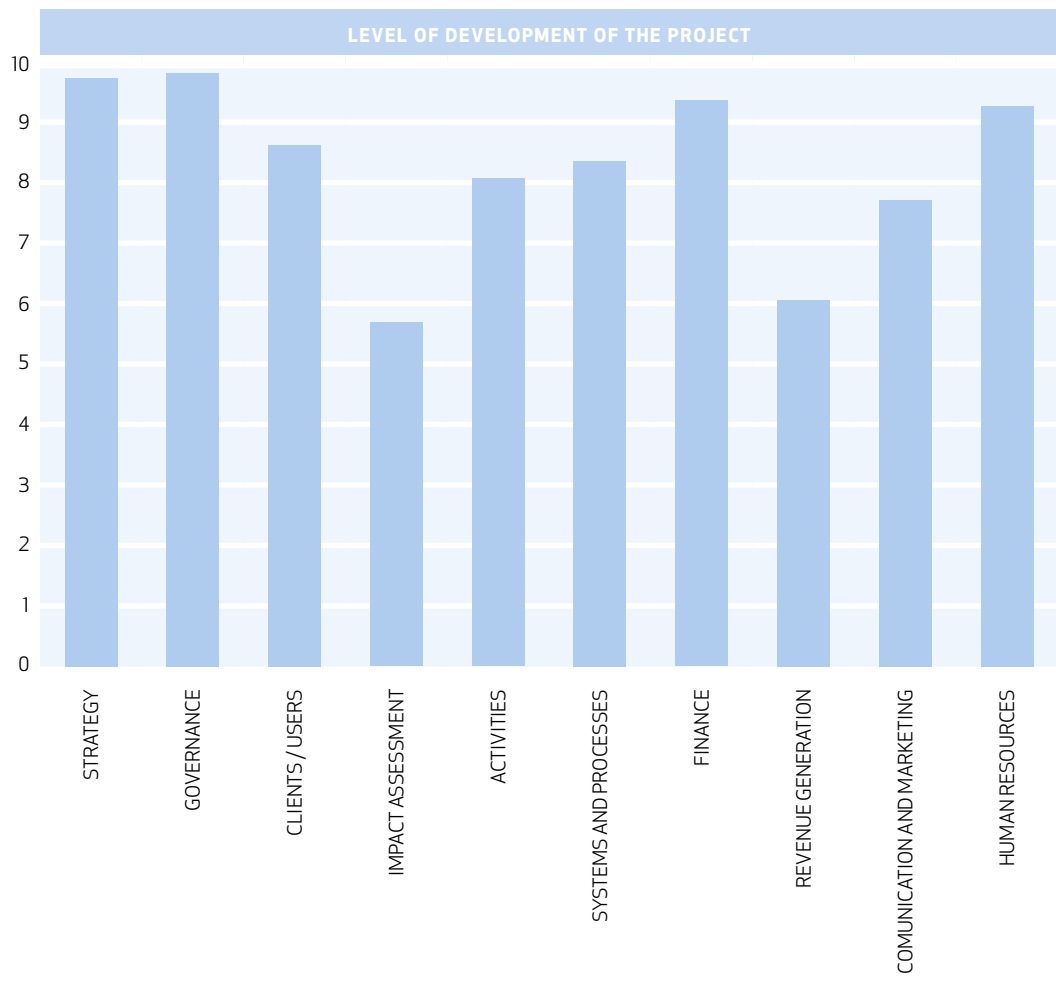
**Website:** <http://www.amcv.org.pt/pt/amcv-mulheres/projectos/actual/novos-desafios>

**Target-audience:** Girls and women survivors of Sexual Violence, their support network and professionals working in this field

**Problem:** Sexual violence on women

**Context of action:** Lisbon (directly); Portuguese territory (through policy changes)

PROJECT DESCRIPTION			
SOLUTION AND ACTIVITIES	EXPECTED RESULTS	IMPACT	SUSTAINABILITY
<p><b>Solution:</b> The solution includes two levels of action: at policy level, in order to change the current legal responses to the problem of sexual violence; and at a practical level implement an integrated action mechanism to help the victims.</p> <p><b>Activities:</b> The activities to implement the solution include:</p> <ul style="list-style-type: none"> <li>• An online petition for Interveners in the area of sexual violence;</li> <li>• The elaboration of working tools for improved intervention;</li> <li>• Edition of a booklet for professionals and with practical information to support victims;</li> <li>• Implementation of an integrated intervention model under the coordination of a specialized network;</li> <li>• Having a specialized technical office for survivors of sexual violence, as a first component on an emergency service;</li> <li>• Implementation of a group of mutual aid and self-representation for survivors, contributing to the strengthening and support of victims of sexual violence.</li> </ul>	<p><b>Expected Results:</b> Four expected results are mentioned: the constitution and consolidation of a coordinated and specialized network, creation and consolidation of a technical support office, the development of work tools for an integrated and coherent intervention and the change public and legal measures on sexual violence.</p> <p><b>Attained results:</b> Until now it was already possible to have implemented and operating:</p> <ul style="list-style-type: none"> <li>• 1 specialized network with 25 public and private entities in Lisbon area;</li> <li>• 1 technical support office, opened from Mondays to Fridays (10h-18h);</li> <li>• 1 group of mutual aid;</li> <li>• 1 self-representation group;</li> <li>• 1 online petition to require implementation of policies and funding of specialized structures (Crisis Centres) and support response to sexual violence (ongoing).</li> </ul>	<p><b>Predicted:</b> The predicted impact is the continuity of the activities and the strengthening of the created responses through the replication and institutionalization of this model at national level.</p> <p><b>Achieved:</b> Some signs of impact are already visible as:</p> <ul style="list-style-type: none"> <li>• There is by now the involvement of networks from other municipalities, integrating sexual violence issues on their intervention models;</li> <li>• The project team was able to accompany and monitor the implementation of the Fifth National Plan to Prevent and Combat Domestic Violence and Gender.</li> <li>• The public policy agenda on this issue has being strengthen The participation at several national and European conferences and workshops has strengthened the lobby in this area.</li> </ul>	<p><b>Operationalization Model:</b> The project does not consider revenue generation and its main costs are with human resources. It is 90% financed by PCA, while the remaining 10% are provided by other resources such as donations. The main partners of the project are: Direcção-Geral da Saúde; Instituto de Medicina Legal e Ciências Forenses (Lisboa) e Plataforma Portuguesa para os Direitos das Mulheres.</p>



**DOMAIN B: A TERRA – POLÍTICAS GLOBAIS E ESTRATÉGIAS LOCAIS PARA O DESENVOLVIMENTO SUSTENTÁVEL (GLOBAL POLICIES AND LOCAL STRATEGIES FOR SUSTAINABLE DEVELOPMENT)**

**Organization:** FEC - Fundação Fé e Cooperação

**Name and role of the responsible:** Margarida Alvim, Coordination

**Active since:** 01/02/2014

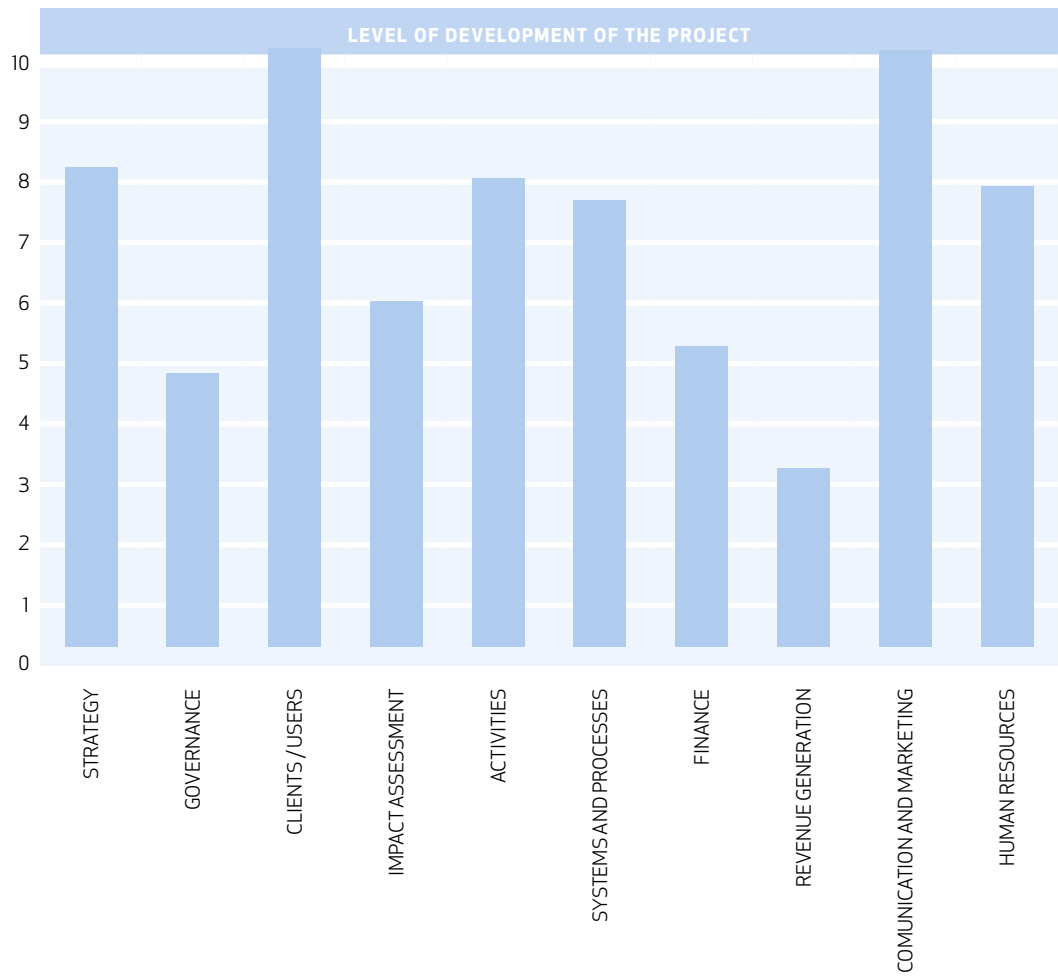
**Website:** [www.projetoaterra.org](http://www.projetoaterra.org)

**Target-audience:** Local government executives, small producers and farmers, schools, consumers

**Problem:** The lack of sustainability of small production rural areas, the social exclusion and environmental imbalance of these areas

**Context of action:** Ourém Municipality (directly); Nationally, through seminars and summer schools

PROJECT DESCRIPTION			
SOLUTION AND ACTIVITIES	EXPECTED RESULTS	IMPACT	SUSTAINABILITY
<p><b>Solution:</b> Contribute to local development acting together with local actors, understanding obstacles and leveraging synergies. It also involves the younger generation for their participation in the Community, towards a deeper understanding of their reality/roots.</p> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Training small producers and farmers for their integration and articulation in local networks (training plan, studying consumption and awareness of individual and collective consumers to buy local products, planning cultures that give response to committed consumers).</li> <li>• Awareness workshops on schools and youth, as collective consumers committed to local production.</li> <li>• Case study on Public Procurement and constraints to local production/commercialization (policy coherence).</li> <li>• 2 Summer Schools for University and Young Professionals, 2 national seminars (sharing experiences and knowledge of other territories and critical reflection).</li> <li>• Intergenerational workshops and meetings to feed local networks.</li> </ul>	<p><b>Expected Results:</b> At Ourém Municipality, involvement of 9 local councils and 20 producers, and 100 young people aware for voluntary work and healthier lifestyles.</p> <p><b>Attained results:</b></p> <ul style="list-style-type: none"> <li>• Connection between small traditional producers and young farmers starting to establish in the municipality;</li> <li>• Significant and growing number of young farmers that ask for support to aTerra team;</li> <li>• 530 students at the project starting (academic year 2013/2014);</li> <li>• Appropriation of aTerra project as an educational project in the local schools;</li> <li>• Involvement of Summer School participants in the project development. These are so mobilized that there has been regular exchange of news, sharing articles and conferences, a reunion dinner and some of them will ensure a regular scale of the lands news site.</li> </ul>	<p><b>Predicted:</b></p> <ul style="list-style-type: none"> <li>• Increased commitment of local institutions in supporting local production as a way to promote local development (2 days of meals = 600 meals)</li> <li>• Engagement of Schools of Directions in the project, such as school project</li> <li>• New farmers acting as anchor to traditional farmers</li> </ul> <p><b>Achieved:</b></p> <ul style="list-style-type: none"> <li>• Increased awareness of individual and collective consumers about the power they have to change policy on responsible consumption</li> <li>• Increased trust and commitment between local actors;</li> <li>• Increased awareness of the interdependence between the different links of the value chain (from production to consumption), different actors, different levels (personal, local, global)</li> </ul>	<p><b>Operationalization Model:</b> The project is financed by PCA and counts with the organization's capital. It considers some revenue generation from donations and volunteer work. The most significant costs are related with human resource, services acquisition and material acquisition. The main partners of the project are: Empresa Municipal Ouremiva; Associação Casa Velha – Ecologia e Espiritualidade; ONGD ACTUAR.</p>



## DOMAIN C: MAIS – MELHOR AÇÃO E INOVAÇÃO SOCIAL (BETTER ACTION AND SOCIAL INNOVATION)

**Organization:** UDIPSS – Porto (União das Instituições Particulares de Solidariedade Social - Porto)

**Name and role of the responsible:** Ângelo Paupério (General Coordinator)

**Active since:** 03/07/2014

**Website:** <http://mais.org.pt>

**Target-audience:** Top management staff of nonprofit organizations (including governing bodies, executive directors and technical directors)

**Problem:** Insufficient management capacity of nonprofit organizations, lack of specific training for the non-profit sector in project-related themes (Strategic Planning and Management, Marketing and Fundraising, Financial Sustainability and Human Capital Management).

**Context of action:** Northern region of Portugal

PROJECT DESCRIPTION			
SOLUTION AND ACTIVITIES	EXPECTED RESULTS	IMPACT	SUSTAINABILITY
<p><b>Solution:</b> The project consists on Executive Training actions, Consulting and Task Force for the redefinition of governance models in the organizations to strength management skills and tools (Marketing, Strategy, Management people and Financial Sustainability, so that leaders from these organizations will potentially drive internal changes.</p> <p><b>Activities:</b> MAIS project consists of three distinct types of actions:</p> <ul style="list-style-type: none"> <li>• Training - four courses (Management and Strategic Planning, Marketing and Fundraising, Financial Sustainability and People Management) in a total of 128 hours, focused on the main weaknesses of each organization and having the remaining sessions adapted to those weaknesses.</li> <li>• Consultancy – based on two stages, an intensive period of two months and a second period of three months to support implementation of changes.</li> <li>• Task Force - two working groups, distributed in 4 workshops (8h), moderated by facilitators.</li> </ul>	<p><b>Expected Results:</b> Having 80 leaders or top managers trained (20 participants x 4 classes). At the end of the course, participants will have a plan for the necessary changes (strategy and action plan to strengthen the organization). The best work is awarded with consultancy and all the remaining participants will constitute working groups (Task Force) to strengthen the capacity of self-implementation of Improvement Plans.</p> <p><b>Attained results:</b></p> <ul style="list-style-type: none"> <li>• Three training modules realized, with 20 beneficiaries each, in a total of 60 participants;</li> <li>• Two task forces modules developed;</li> <li>• Intensive consultancy on three institutions, with very good results on the changing of processes and culture of the organizations.</li> </ul>	<p><b>Predicted:</b></p> <ul style="list-style-type: none"> <li>• To develop new skills to address the sector's needs, particularly at the level of working in collaboration (partnerships) and knowledge creation by cross-sectoral learning (companies and social organizations).</li> <li>• Achieve the validation of the methodology through the obtained results, for a broader application.</li> </ul> <p><b>Achieved:</b></p> <ul style="list-style-type: none"> <li>• Positive results are already visible in the organizations that had the consultancy process.</li> <li>• The participants of the training sessions report increased awareness and an effective effort to implement the newly acquired knowledge on their organizations.</li> </ul>	<p><b>Operationalization Model:</b> The most relevant resources for the project are the human resources (for training and consultancy), which represent also the most important costs. In terms of financing, it has the support of CAP, being suspended during this period the business model that predicts the generation of revenues through the payment of a fee from the participants of the program. It also contributes for the sustainability of the project the voluntary support of Accenture, one of the partners, under their CSR policy. The partners of the projects are complementary on their focus area and include: UDIPSS – Porto, TESE – Associação Para o Desenvolvimento, Impulso Positivo, Católica Porto Business School, Accenture, Fundação Montepio.</p>

