Tech-intensive Social Innovation and new policy options.

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What is SocialTech

- Blended value is the new centrality;
- Entrepreneurial structuration;
- Technology matters.
Two good reasons to start thinking of it

• The insular, uneven and unequal distribution of the benefits of the knowledge economy.
• The unpredictable, fast and unintended impact of innovation.
• A paradigm shift
Serving Shareholders Doesn’t Mean Putting Profit Above All Else

by Oliver Hart and Luigi Zingales

OCTOBER 15, 2017
The New Social Venture

Advanced CSR
Innovation Modes
Impact Finance
Impact Measurement
Sustainable operations
Multi-stakeholder governance
Reputational Risk Management

Mainstream for-profit company

Social Venture

Scaling-up and growth
Technology-intensive scaling
Impact Finance
Impact Measurement
Multi-stakeholder governance

Social Enterprise

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(New) Tech Social Venture

• Tech social ventures (TSV)’s represent a unique genre of social venture which attempts to satisfy a social need through technological innovation in a financially sustainable manner.

• The concept differs from social entrepreneurship on the basis of two factors:
  • innovative use of technology;
  • replication capacity.
Number of European “tech for good” projects doubles in two years

Digital social initiatives are growing but need more money and skills to go mainstream
QUANTIFICAZIONE DELL’OFFERTA

ASSET UNDER MANAGEMENT
DESTINABILI AD IMPRESE AD IMPATTO SOCIALE

210,5 MLN

- STRICTLY IMPACT € 210,5 MILIONI
- IMPACT €1,5 MILIARDI
- ALMOST IMPACT €6,5 MILIARDI

RAPPORTO DEBITO EQUITY

Fonte: elaborazione del centro TIRESIA dei dati raccolti tramite interviste semi-strastruclurate

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Why

- A market
- An entrepreneurial genre
- Finance
- Labour
- Installed base
- Local policy and urban regeneration
Why to bet on new Social Innovation/entrepreneurship as a new industrial policy option?

• Bring fresh genuine individual motivations to the cause of entrepreneurship;
• A new opportunity to foster early growth through innovation procurement: social (civic) procurement;
• An innovation policy option that is more friendly to the prevalent industrial specialization model, industry structure and innovation mode of many European countries;
• A new generation of inclusive innovation policies able to stitch up the laceration between society and innovation.
• A new form of technology-transfer ensuring social accountability of research.
• An option for future cohesion policy.
• An option that can be complementary but not lateral to mainstream industrial policies.

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A real option for knowledge-based growth?

- Scientific knowledge exploitation and tech transfer: the value of research has been traditionally conveyed to society through the intermediation of the industrial system, which has taken care of exploiting knowledge, translating it into economic value and (partially) giving it back to society.

- But what if the industry (or a knowledge-intensive industry) is no longer there in certain areas of Europe? No real option for knowledge-based growth.

- The alternative is to think of (Tech)Social Innovation and entrepreneurship as a way to convey the value of knowledge directly to society in the absence of a consistent industrial option.

- Ultimately this is a good reason to address specific policies to foster a new generation of (Tech)Social Ventures.