

BENISI FINAL CONFERENCE

« EXPERIENCES AND FIRST SUCCESS STORIES OF AN EUROPEAN NETWORK OF INCUBATORS FOR SOCIAL INNOVATION ».

Tuesday, 8th of March 2016
La Tricoterie, Brussels

*After 3 years of implementation, the **BENISI project** is coming to its end. It is then time for the 13 organizations constituting the consortium to take stock of what have been achieved so far, and to present it to the other stakeholders. The aim of this project was to identify the **key success factors** as well as the **challenges** for **scaling social innovations**. The project has highlighted **300 European most promising social innovations** and some of them were presented this day. Conference, workshops, networking and even “laughing yoga” was on the agenda. **POUR LA SOLIDARITÉ – PLS** has assisted to a workshop on **business and project failure**, found it very interesting. This report will then expose some **clues for how to minimize its risks**. At the end of the day, the 150 participants were invited to vote for one out of 7 projects to give it the **Social innovation and accelerators network (SIAN)** award.*

PROGRAMME

13h30-15h00: Opening presentation

- **Xavier LE MOUNIER**, Policy officer at the European Commission (DG Grow).
- **Vincent DE CONINCK**, Benisi coordinator.
- **Testimony of incubators**, SIAN members and social entrepreneurs on scaling.

15h00-16h30 Workshops

- **WS1**: “Design your scaling strategy - Partnering & adapting your model?”
- **WS2**: “Implementing your scaling strategy - Team is KEY!”
- **WS3**: “Implementing your scaling strategy - Funding your scaling trajectory”
- **WS4**: “Monitoring your scaling trajectory & Impact measurement”
- **WS5**: “Major challenges that (can) lead to failure - Which are these and how to overcome?”

17h00-17h30: Workshops wrap-up

17h30-18h00: “Surprise act”

18h00-19h30: SIAN Award ceremony

THE OPENING SESSION

- **Xavier LE MOUNIER, policy officer at the European Commission (DG Grow).**

After briefly introducing the **concept of social innovation (SI)**, **Xavier Le Mounier** emphasized the importance of **process** in social innovation. Indeed, process is as much as important as the impact, but it is more scarcely talked about. SI is one of the tools that match the objectives of the European Commission's (EC) vision "*for a new and a better growth, with more positive externalities*". He then presented EC's past and current initiatives in this field:

- **The Social business initiative**, launched in 2011 by a communication, and supposed to be readjusted in 2017 (SBI II).
- **The revised EU procurement directive**, for which the implementation now relies on member states and local authorities. This legislation gives the opportunity for public authority to use social and environmental criteria for public procurement, rather than "*the lowest price criteria*". But according to Xavier Le Mounier, this option still strongly depends on their "**political will**". For this purpose, the EC is trying to push the member states and support them to transpose it in their legislation. For instance, the EC is giving **training sessions** in Europe to help public authorities to adapt to the new rules, and not to be afraid of doing something against the EU law (e.g. competition regulation etc).
- **Connecting through networks**, aiming at spreading social innovations across Europe and outside Europe. This is of major importance for "scaling" which was the keyword of the final event. The EC manages for instance the [Social innovation Europe network](#).
- Also, he pointed out other facilities for social innovators through **financing (EaSI)**, and **price award** for SI in the field of migrant integration ([integrated futures](#)).



- **Vincent DE CONINCK, Benisi coordinator**

The main deliverable of the project is the upcoming **Benisi guide**. It will contain guidance, tips & tricks, case studies, information on access to resources etc. Their research led them to identify more than 300 social innovations, of which a vast amount is **revenue-generating** (78%). Most of them operate in the **education and training sector for employment** (26%), **health and well-being** (22%), and **public participation and engagement** (15%). **A quarter of them scaled internationally** thanks to coaching support sessions.

One of the main challenges was to integrate the **public sector** (8%). It was not easy because of its characteristics: based in a **pre-determined territory**, most focused on the **supply of social services**, and the difficulty to **capitalize mutual learning** by transferring successful experience. Still, the Benisi Consortium could identify some key success factors for this sector such as: building a **wider partnership** (with other public entities and the private sector), address a **clear opportunity**, and the use of **networks**.

The project not only aimed at highlighting those social innovations, but also focused on the idea of **scaling up**. Among the **key success factors** are:

- **Readiness and willingness** are absolutely essentials for growing up.
- **Network resources and business coaching** were the most commonly used resources.
- **Funding and legal resources**.

- **Measurement of social impact, which is “critical, but difficult to capture and compare due to diversity of metrics”** according to Vincent de Coninck.

Another outcome of the project was to propose **recommendations for policymakers**:

- Further connect and support ecosystems and resources in Europe
- Harmonize funding and legal frameworks across Europe
- More visibility about funding opportunities
- Support tailored investment, readiness, and coaching
- Support internalization program for social innovations

We often hear about “incubation” for social innovation, but when it comes to scaling, the term that is used is rather “**acceleration**” which refers to the dynamic of the scaling process shift.

Here are the **main steps and key success factors for scaling**:

1. **Scaling readiness.** For instance, having the resources to overcome legal differences between the member states.
2. **Market readiness.** Knowing locals to help enter the market.
3. **Market entry.** Knowing the idiom (e.g. for online presence).

WORKSHOP 5: "MAJOR CHALLENGES THAT (CAN) LEAD TO FAILURE - WHICH ARE THESE AND HOW TO OVERCOME?"

PLS could only participate to one workshop among all. The WS n°5 got our attention, because of its **yet unexplored thematic: failure**. The workshop was animated by [Antiheroes](#), a Brussels-based association that “promotes” failure in a very positive and constructive way. The association is known for organizing “[fuckup nights](#)” in Brussels where entrepreneurs go on stage to share publicly business failure stories. This initiative aims at helping them to overcome it, and also permits to capitalize on this experience, and transfer this knowledge to others.

In the workshop, it has been underlined that, unfortunately, there is **no black box** for failure. The discussion was about how to **minimize the risk**, which is one main challenge for every project manager.

There is an infinity of failure cases, but they can be categorized. A first dimension is **personal** (or subjective), another is more based on tangible facts on which we have more or less control (**scientific approach**). Not all of them are caused by economic reasons (crisis, bankruptcy, lack of funding etc.), and the way we deal with it depends on our **cultural mindsets** a lot. One major statement of the workshop was the big difference of culture and mindsets between EU and US on this matter. In the EU, it is quite **taboo**, unlike in US, failure is more considered as a common step of business entrepreneurship. Indeed, failure shouldn't be a dead-end to undertake new business or to try again.

Antiheroes based its presentation on 3 different cases.

- **Impossibility to launch it – Antiheroes case:** their failure happened at the earliest stage of their project. They gave up because nothing guaranteed them to have social impact. Failure most of the time is multi dimensional. Antiheroes also lacked reputation (which is critical to get funding), and therefore funding. Also, harsh feedbacks led them to discouragement, but they realized it fast and decided to do it again with a better prior collection of data. So, failure here was just a first step for a better start.
- **Impossibility to transform its business model - Sustainable Printer case:** a classic printer company wanted to change into a cooperative and to endorse a sustainable model. They had the financial resources, the required knowledge and a long-term experience in printing. But they had trouble changing the culture of the employees: they didn't want to co-own the firm. At the same time, the crisis increased the costs and made it harder for them to succeed. At the end, the firm went to bankruptcy and waited for too long before acknowledging it, because of the **taboo dilemma**: the earlier you say it, the earlier you are able to avoid worsening your personal and collective situation, and are ready for moving on and restart.
- **Sustainability in team cohesion - Brussels administrative center case:** the project failed because of a break of friendship during the collaboration. This example illustrates the importance of partners during the process. Finally, it was also a success because it reached a thousand people and inspired them to follow up with the action. So, it also showed that failure is a very **relative notion**. Here, the key factor is to take in account the other stakeholders.

This workshop allowed us to define a list of **key factors for minimizing risks of failure**. Before launching any project or business, they have to be questioned for determining if they can be barriers during the process.

Non-exhaustive list of other key factors:

- Availability of cash flow.
- How to get funding. For instance, scaling might require finding global investors.
- Legal resources (compliances and requirement).
- Knowledge (*savoir-faire* and skills).
- Human and material resources.
- Circumstances (market, economic trends).
- Mindset cultures (at individual and collective levels)
- A sound business model.
- The use of *pro-bono* advice, e.g. with support and participation of the stakeholders.
- Seeing innovation as a process in which failure could be seen as a step up.

To conclude on this point, let's say that: yes **small and big failures can occur in the process**, but as said by one participant of our workshop group when presenting our discussion during the wrap-up, "*social problems will still exist, so let's give it another try*".

WORKSHOPS WRAP-UP

1. Partners. “Design your scaling strategy - Partnering & adapting your model?”

One of the first questions that pop up when one considers finding partner is “**why?**” There are many reasons: it can be for **skills, outsourcing, tasks delegation, expansion of impact etc.**

3 main prior issues need to be addressed:

- Identify the right partners, prioritizing speed, values, and goals.
- Delimit the part of control that you keep versus the responsibility you give them.
- Adaptation (who fits one’s model?).

Solutions to optimize the partnership:

- Definition of clear criteria and identification of the deal breakers.
- Educate the partners (e.g. to let them know what are social enterprise’s principles)
- Training and resourcing people that sometimes talk different languages and know different realities.
- The importance of setting common goals.
- Not to scruple to use intermediaries (if necessary) and facilitators.

2. Team. “Implementing your scaling strategy - Team is KEY!”

Questions addressed during the WS:

- What challenges social enterprises face?
- Where to find the right people who will keep an ongoing motivation (“head and heart”)?
- Which business, and leadership for audit, report, and finance?
- Then, make a self-assessment of needs.
- Find legal support.
- How to support team development of SE so they accelerate/scale?
- Pro-bono advice, funding for soft skills?
- Funders are also advisors.

3. Funding. “Implementing your scaling strategy - Funding your scaling trajectory.”

Key factors:

- The investors need to be aware of the fact that investment for SI is a long-term engagement.
- Importance of measurement & management.
- Which investors to see first if the project is new?

A common remark in the sector is the **lack of accelerators**: few exist, plus they don’t have a sufficient network yet (e.g. for finding investors).

4. Assessment. “Monitoring your scaling trajectory & Impact measurement.”

Process management is one of the keys of social impact success. But as of today, a lot of investors don't look in the inside, but rather on the outcomes (social impact).

There's **no single blueprint for assessment**. Every organization needs to have its own system for impact measurement. It is very important to ensure long term impact. For instance, it helps at measuring what are the **relevant costs** (e.g. the use of external consultancy?) and how to make it more effective. In this logic, social innovators have to consider how they will bring together organizations operating in the same area, how to offset the costs, and to develop practices together.

CONCLUSION

After the workshop wrap-up, everyone went downstairs in a room with music on to assist the “surprise act”. Two dynamic and smiling girls paved the way for the practice of “laughing yoga” which consists in moving and laughing together, sharing joy, and positive energy. It was like social innovation for events, and very relaxing.

Before it was time for a networking dinner, an ultimate session took place, the **SIAN award 2016 ceremony**. 7 projects were presented to the audience who had to vote for the one that scaled the best. It was based on three criteria: **scaling, agility and resilience, and social impact**. “[Microstart](#)” which is a **microfinance institution located in Belgium** was awarded.

It was a day full of learning for the think & do tank POUR LA SOLIDARITÉ – PLS, which was able to also identify a certain amount of SI and SE “best practices” that will be presented on our [website](#) soon.