Naples 2.0: a Social Innovation Competition 2014

UniCredit Foundation
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Responsibility, active participation, solidarity and innovative undertakings form the pillars of a necessary social cohesion that we all have a duty to implement, in the correct mix, so as to provide a long-term, effective and efficient response to the future dreams of the next generations.

Welfare as we know it (comprised mainly of pensions, state schools and a public health service) places the fiscal burden on the shoulders of the next generation, but the feasibility of this system has been thrown into crisis by the processes of globalisation and the increase in life expectancy that have also created new forms of social vulnerability. Pope Francis calls them the evils of the modern world: young people out of work and lonely old people. The order of the day, therefore, is to construct a modern welfare system, in which the beneficiaries themselves are actively involved along with public, private and non-profit sectors. An innovative welfare system in terms of sustainability and quality of service, capable of caring for even the most vulnerable members of society, whose problems are growing exponentially in both size and severity, and which have so far been borne mainly by their families.

It is widely acknowledged that, although growth has been more robust than expected, things will never be the same as they were before the current crisis, which has been afflicting Italy and many other European nations for almost five years now.

Governments, to a greater or lesser degree, will not, for example, be able to reactivate all the instruments of the welfare state that accompanied growth in European societies throughout the second half of the last century.

Civil society, understood both as individuals and as intermediate organised bodies, is already being called upon to assume new responsibilities and obligations in order to address the needs that were previously taken care of by public spending, both at a local and national level.

Italy, in particular, needs to find innovative ways and new rules to continue competing in the global economy, strike a new, original balance between growth in productivity and social cohesion. A balance that in some cases relies on a tool called “social innovation”.
It is a challenge that has already been taken up in various European states by numerous organisations, profit and non-profit, public and private, which have as a common denominator the assumption of personal responsibility and a willingness to redefine the paradigms of social development. It is a challenge that was proposed by the European Union itself and which now features in all the projects funded by the European Union.

President of the European Commission, Manuel Barroso, defines it as follows: “Social innovation means with the people for the people. It has to do with solidarity and responsibility. It is good for society and, at the same time, reinforces the ability of society to act”.

Social innovation is not intended to be simply a new way of interpreting the economic trend, but aims, above all, to redefine social structures, in which, for example, those who make use of an asset or a service no longer play just a passive role but actively participate in the process of designing the product.

All of the projects include participatory empowerment and many envisage the use of social media, emerging technologies and techniques for creative economies. In particular, they assume a new kind of economy that skilfully blends past elements with new innovations, characterised by the strong use of extended networks to support and manage relationships. It relies, therefore, on the intensive use of new technologies, spurred on by the growing need for participation by individuals.

The “Social Innovation” projects must address problems and needs in a sustainable and socially acceptable manner, improve the lives of people and strive to create a positive cycle made up of new relationships. What’s more, their implementation must demonstrate a potential to be transferred and taken up by other entities, both public and private, in order to optimise costs and maximise output, which includes improving the quality of life in our communities.

UniCredit Foundation considers this approach to be perfectly consistent with its unique mission and values and has made it a distinctive feature of its projects and activities.
The Foundation has long pursued a path of social innovation aimed at the development of social entrepreneurship, precisely to support initiatives that arise from the involvement of citizens and which can be transformed into a concrete response to the needs of the regions.

An idea, however, cannot be accepted as valid simply because it has intellectual appeal. It needs to be submitted to the test of reality, and the more challenging the better, where its actual effectiveness and efficiency can be measured.

This is precisely why Naples was chosen: to test the validity of a new vision of society and development in an area that has always resisted traditional recipes for development. If social innovation is indeed a new solution, it must be able to demonstrate that it works not only in the capital cities of Northern Europe, but also in the most difficult places.

The challenge is to make a real contribution to a real situation like the one in Naples, where the public and private sectors have often proved incapable not only of dealing with emergencies but also everyday life, calling into question a mindset and operational approach that has shown over time to be totally inadequate.

The two winning projects are the result of a rigorous screening process. Both take an innovative approach to the problems that have become endemic to everyday life in Naples. The success of the projects is important not only for the people engaged in finding a solution to the problems of life and employment, but also in terms of the possibility of creating models that can be replicated in other situations and help to correct the historical contradictions in the development of our nation.

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Summary

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What's in a name? 
Some Reflections on “Social Innovation”

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1.1 INTRODUCTION
This book tells the story of an interesting experiment, the Naples 2.0 International Social Innovation Competition. The next chapter provides a detailed narrative of this experiment, starting from a fascinating account of how the term “social innovation” began to become incorporated into the European Commission’s political agenda in 2008. By then, of course, there were quite a few enterprising and idealistic, predominantly young, people who already were forging careers in which they saw themselves as “social innovators” or “social entrepreneurs,” and a few academics (following the trail blazed by the Young Foundation and its founder Michael Young) busy doing empirical and theoretical research on the “social innovation” phenomenon. In the last five years, there has been a veritable explosion in both these groups - self-identified “social innovators” and academics who study them. Moreover, the European Commission, many European national governments, and even some multinational companies have taken steps to develop and support “social innovation” policies.

It would thus seem natural to ask the question: just what IS “social innovation”? But this turns out to be quite problematic. Not that the “social innovation” academics haven’t spent a lot of effort trying to provide definitions, but the results have been less than satisfactory – as these academics themselves tend to admit in their conferences and articles. For some years, the leading candidate definition came from the Young Foundation: “social innovation is innovation that is social in its ends and its means.” Obviously, such a definition is almost without content, unless the community who uses it agrees on what “social” and “innovation” mean, and in particular believe that innovations HAVE ends and means. So at the very least, the definition fails to specify what the relevant community is - and how they go about evaluating the social positivity of ends and means.

It’s not only the academics who find it hard to put their finger on what social innovation is. Let me illustrate this by a little personal anecdote. A couple of years ago, when I started thinking about such issues, I was talking with a leader of one of the most important organizations dedicated to nurturing social innovation projects. I asked him what criteria he used to determine whether a particular proposal his organization received did or did not qualify as “social innovation.” His reply was like the famous remark of the judge who declared that he couldn’t define pornography, but he knew it when he saw it. Fair enough - but as we continued our discussion and explored
The word “innovation” (or to be more precise, the ancestors from which this English word is a direct descendant) has changed meaning over its two and a half millennia history: for an account of these changes, see the excellent chapter by Benoît Godin in the references therein, in the volume edited by Karl-Erik Svelby, Permina Grippenberg and Beata Segerganz, Challenging the Innovation Paradigm (Routledge, 2012). It is interesting to note two aspects of the changes that Godin points out: (1) for a long time, “innovation” described any kind of novelty that had the effect of transforming existing social organization – so innovation was necessarily social innovation; and (2) until very recently, the word had a negative moral valence. For example, in 1858 the English writer William Lucas Sargent used the term “social innovators” to describe and attack both socialists, like St. Simon and Proudhon, and political economists, like Adam Smith!

As we will see below, in the Innovation Society, “innovation” refers to the introduction of new artifacts (which may be physical, informational or performative – ie “goods or services”) and their incorporation into patterns of social interaction (ie “use”). Before the links between the way in which society organizes its innovation processes and the generation of crises were recognized, the dominant innovation narrative just assumed that more artifact innovation was bound to lead to socially desirable directions - like Duport’s famous slogan, “Better living through chemistry”. Many people and organizations are still committed to this form of the dominant narrative: a “magic artifact” will solve the energy crisis, global warming - and maybe “eat” all the plastic that is taking over huge swaths of the Pacific and Indian Oceans. Some even believe that the enhanced communicational and social and environmental monitoring that modern ICT makes possible will eliminate all the issues around social justice and social cohesion! With such a commitment, there is no need for “social innovation” as a separate category. Social innovators will of course make use of all the artifacts they can, and ICT opens up some especially attractive paths towards innovation-driven social change. What distinguishes them from those who believe the unmodified (by “social”), purely market-driven organization of innovation processes will suffice is their emphasis on incorporating social values (note the plural) rather than just economic value in the planning, carrying out and evaluation of the projects they initiate. We return to this point in Section 3.

various clues that might indicate whether a project qualified for his organization’s support, he suddenly declared that maybe Mark Zuckerberg was a social innovator - and Facebook a social innovation. I presume that you will agree with me that if that were the case, then the concept of “social innovation” would be so broad as to be useless, from either an analytic or a policy point of view. Indeed, the “social” would be a redundant qualifier of “innovation,” since, as I will argue later in this chapter, all successful innovations induce changes in patterns of social interaction, and hence are in that sense “social innovations.” In any event, Facebook is not the kind of innovation that the Naples 2.0 International Social Innovation Competition had in mind; the Competition called for innovative responses to a carefully defined set of concrete social problems that Neapolitans confront, problems that both the state and private enterprise have utterly failed to solve. I think that any essentialist definition of “social innovation” is bound to fail - and that in any case it is not particularly fruitful to try to define it. For me, the interesting questions are others:

• Why has the term proved to be so attractive, to such a heterogeneous set of agents?
• What do those agents do in their role of social innovators or promoters of social innovation? That is, how does their adoption of this particular label affect their actions in processes of social change?
• What implications might the answers to the two previous questions have for the direction in which our society navigates its way into the murky future?

The rest of this chapter will explore these three questions. In the next section, I suggest an answer to the first question, which derives from the fact that in our society, the word “innovation” has the highest possible moral valence 2 - so much so that our society can be characterized as the Innovation Society. The Innovation Society increasingly faces crises (environmental, social and economic), which I will argue are endogenous to the way in which it organizes its innovation processes. The ideology that underlies the Innovation Society implies that the way to deal with these crises is through more innovation: those individuals and organizations in the Innovation Society who care to take up this challenge directly have come to regard themselves as “social innovators”. 3 So to make a long story short, the pairing of the words “social” and “innovation” is a response from within the Innovation Society.
Society, by people and organizations who subscribe to most of its ideology, but are trying to steer the Innovation Society in a direction that they regard as socially desirable. When I tell the long version of the story in Section 2, including the particular meaning that “innovation” has taken on within the Innovation Society and the dynamics of the processes that that society has organized to generate such innovations, it will be clear how “social” can indeed be regarded as a non-redundant modifier of “innovation,” and how those who identify themselves as “social innovators” can see themselves as the true paladins of the Innovation Society, leading it towards a socially sustainable future. But we will also be led to consider a possible paradox: can paladins who embrace the Innovation Society’s ideology prevent that Society from generating ever more dangerous endogenous crises? Or must that ideology be drastically changed - and if so, how?

Section 3 deals with some problems related to the second and third questions I posed above. A very common assumption, shared by many if not most of the self-identified social innovators I have encountered as well as the academics who study them, is that the role of the social innovator is modeled on that of the principal character in the Innovation Society’s dominant narrative, the story of the innovating entrepreneur (preferably from Silicon Valley, with an idea that he believes will “change the world,” who ends up heading a billion dollar company that makes and sells products inspired by his idea, providing value to all the customers who use these products). Following this model, the social innovator develops a new idea for what he regards as a socially desirable project; he assembles a team of people that can launch a coordinated series of actions designed to get the project “up and running;” the project team then begins to implement the social innovator’s idea, in the process recruiting new participants to the project, most importantly “users”, who through their participation in the project realize the social benefits the project is intended to bring about, but also new team members, to help the project deal with issues that arise as it “scales up”; the social innovator and his team evaluate the success of the project as it moves ahead; and they develop and implement mid-course corrections to the original project plan, to enhance the value they perceive the project delivering to the target “user” population. Obviously, the social innovator and his team iterate the last two tasks recursively throughout the duration of the project: evaluate, correct, evaluate, correct and so on.

The Young Foundation has expressed a similar version of this view in its

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4 This version of the spiral is from Robin Murray, Julie Caulier-Grice and Geoff Mulgan, *The Open Book of Social Innovation* (The Young Foundation, Nesta, 2010)
That the path from “prompts” to “scaling” is a spiral instead of a straight line is supposed to indicate what I have described as the evaluate-correct cycle. But spiral or not, the diagram makes the whole process look quite continuous, and the progression is traced by a single curve, presumably because only one point of view counts in the representation: that of the social innovator, the one who came up with the idea and guided the team that implemented it. Finally, note that the project ends up inducing “systemic
change” – presumably change coherent with the goals that animated the social innovator as she passed from “prompts” to “proposals.”

There are problematic aspects to the innovating entrepreneur model for social innovation. The most important of these relate to a fundamental difference between what the innovating entrepreneur and the social innovator hope and need to achieve. According to the Innovation Society ideology, the success or failure of an innovation – that is, whether or not it will “scale” – depends on just one thing: the profit it will generate in the marketplace. From this point of view, the projects that the innovating entrepreneur undertakes and the ways he goes about implementing them, must be primarily driven by economic value. In contrast, the social innovator’s projects are primarily driven by social values, which take into account the different ways in which the projects affect the lives of the members of the population they seek to impact. Social values must always be considered in the plural for two reasons: first, because personal and social well-being are inherently multi-dimensional; and second, because there can be no privileged position as “value determiner” – the values of all the people affected by a social innovation project must be taken into account, at least insofar as the project affects them personally. One important implication of the difference between (economic) value and (social) values as drivers is a principal theme of Section 3: the problem of evaluation. The Innovation Society’s model entrepreneur can carry out the evaluation phase of the all-important evaluate-correct feedback loop by examining figures on production costs and sales, and employing a host of marketing tools to explore possibilities for increasing his product’s market size. But how can the social innovator evaluate the impact of his project - with respect to which and whose values? And what must he do when different values point in different directions for changing the course along which the project is currently moving?

There is another problem that social innovators have to solve in a different way from the innovating entrepreneur in the Innovation Society’s dominant narrative: the problem of “scaling.” In the Innovation Society’s narrative, innovation projects scale with the profits they generate, which can be used to produce and market more of the new product, or can be invested to start up new innovation projects. Scaling for social innovation projects is much more problematic. First, many social innovation projects are site-specific, geographically and socially: after all, most aspects of most people’s well-being, the quality of their personal lives and social interactions, are
determined in large part by factors specific to the environments in which they live. Look for example at two of the most successful and interesting (at least from the point of view of my social values!) of the winning projects of the Naples 2.0 International Social Innovation Competition: the Roots Discovery project to make accessible one of Naples’ marvelous architectural inheritances from its long history, thus helping to reinforce Neapolitans’ pride in their city and the cultural heritage to which they belong, helping to counteract the depressing effect of the barrage of negative publicity that some of the city’s current social problems induce; and the catering service (and now restaurant) La Kumpania, featuring the Rom-Neapolitan fusion cuisine that provides a concrete expression and example of how the lives of both Rom and Italians can be enriched, through constructive interactions, even in the Camorra-ridden wasteland of Scampia. Both projects, in different ways, have reached the point of becoming self-sustaining, and both can provide inspiration for further projects bringing positive social change, in Naples and elsewhere. But neither can be “cloned” exactly, neither can (or should) “grow” like a successful Silicon Valley start up, and the very idea that either could generate new “social conventions” by themselves is nearly incomprehensible.

Many social innovation projects are less bound to particular social or geographical loci, and so it may be reasonable to consider in some literal sense what “scaling” might mean for them. For example, there are already some quite large companies offering social services in the interstices between what the state and more conventional profit-maximizing companies currently provide, which consider themselves - and are considered by others in the social innovation world - as social innovators.5 “Impact investing” is a fast-growing activity involving individuals and organizations from the financial sector, who seek out opportunities to invest in projects of this kind with the expectation of generating returns, perhaps at a lower level than other forms of investment, but providing social as well as economic value. These “impact investment” denizens of the social innovation world and the companies in which they invest tend to seek quantifiable measures of social impact (perhaps multi-dimensional), partly to compare their results with those obtained by public “competitors”, partly to help them in making the inevitable trade-offs between social and economic objectives that such activities necessarily imply. Clearly, such companies can “scale” in the conventional Innovation Society sense of the term.

5 Of course, such companies do face a considerable challenge in maintaining their innovativeness, social or otherwise, as the services they provide become routinized under the imperatives of maintaining profitability in a large organization.
Some kinds of social innovation projects can be said to scale in a different way, if they are imitated (perhaps with some adaptation) in different socio-geographical zones, by different teams of social innovators. In general, successful imitation (and adaptation) requires interactions among the social innovators involved, and for this reason what we can call “meso-level scaffolding structures” need to be put in place to connect micro-level social innovators, so that they might learn from one another and cooperate in a variety of different ways to amplify the social effects of the projects in which they engage. Thinking about such meso-level scaffolding structures and their relationships not only with micro-level social innovators but with macro-level social organizations, including governments, trade and professional associations, and foundations and other funding sources, leads us to some possible avenues whereby we might address the third question I posed above, which we can now restate as follows: how might social innovation help to change the Innovation Society’s way of organizing societal change processes and the ideology that supports it, in such a way that engaged citizens might be mobilized to construct a socially sustainable future? At the end of Section 3, I explore - in a very preliminary way - what some of these avenues might be.

1.2 THE INNOVATION SOCIETY AND SOCIAL INNOVATION

Human life would be simply inconceivable without two fundamental ingredients, both of which are conceived, constructed and transformed through human activity: artifacts and organization. Just about everything we do involves interactions with artifacts, from the clothes we wear and the buildings we inhabit, to the devices through which we communicate with one another and the tools and technologies we use to make ever more artifacts. And almost all of our interactions depend for their setting, purpose and rules on organizations, whether they be churches, businesses, government agencies, political parties, law courts, police forces, armies, social clubs - or even friendship networks on internet.

How different societies think about their relationship with artifacts and organization has changed drastically over time, as have the array of artifacts particular societies have at their disposal and the societal organization that determines which members of the society have which type of relationships (permissions to make and use, in which contexts) with each of its available artifacts. In this section, I want to foreground some of what I think are the most important elements of how our contemporary society organizes itself in rela-
tion to artifacts - and the underlying ideology that justifies that way of relating social agents with the things they make and use. I'll refer to this (obviously partial portrayal of our) societal organization as the Innovation Society. I will then position the rallying cry of “social innovation”, and the forms of interaction undertaken by those who heed it, as a response from within the Innovation Society to some of that society’s inherent contradictions.

To begin describing what I mean by the Innovation Society and its ideology, I have to clarify what I mean by “innovation” -- or better, how the Innovation Society construes the term -- and then discuss some aspects of the dynamics of innovation processes and how the Innovation Society organizes the conditions under which those dynamics play out. By “innovation,” I mean the processes through which new artifacts are conceived, designed, produced, and integrated into patterns of use by agents (that is, people and their organizations). These processes necessarily involve new patterns of interactions among the agents who carry them out, and hence transformations in social organization, thought of as the totality of all such patterns supported by a given society. Thus there is an inextricable linkage between the introduction of new artifacts into a society and transformations in the social organization of that society. These dynamics are mediated by the way in which the relevant agents represent the contexts in which they act: in particular, their attributions about the identity of the agents with whom they interact and the functionality of the artifacts around which these interactions are organized. The incorporation of artifacts instantiating new attributions of functionality into patterns of use by agents can lead to new values and, eventually, new needs on the part of these agents. Obviously, for some instances of innovation, the perturbations induced in relations between agents and their attributions are small and have little effect on the overall social organization. In other cases, though, the perturbations may be quite substantial, and there is a positive feedback dynamic through which they may be amplified, through the formation of innovation cascades, which link the generation of new artifact types, organizational transformations and new attributions of functionality.

The positive feedback dynamic works as follows:

1. New artifact types are designed to achieve some particular attribution of functionality.
2. Organizational transformations are constructed to proliferate the use of artifacts of the new type.
3. Novel patterns of human interaction emerge around these artifacts in use.
4. New attributions of functionality are generated to describe what the participants in these interactions are obtaining or might obtain from them.
5. (= 1) New artifacts are designed to instantiate the new attributed functionality.

Here’s an example of an innovation cascade driven by this positive feedback dynamic: the programmable electronic computer, originally designed to provide numerical solutions for differential equations arising in ballistics (ENIAC), then marketed as a number-cruncher for large corporations and government agencies, then once installed and surrounded by new kinds of agents (programmers, systems analysts, information managers, etc.), adapted to many other business applications, many of which having nothing to do with number-crunching at all - you could fill many volumes with the stories of all the artifactual, organizational and attributional changes in this cascade. Or consider cellular telephones, which originally incorporated functionality for sending and receiving digital messages solely for internal network testing and repair work; the existence of the functionality was discovered by some technologically savvy users, who became to use it to exchange low-cost (in comparison to voice transmission) messages; when a cellular producer discovered what these users were doing, it decided to “design-in” easy-to-use messaging technology and market their products on the basis of this new functionality; and we now arrive to the many downstream changes in patterns of social interaction associated with sms - and eventually the smart phone and the myriad of new functionalities that followed its introduction. What should be obvious from these two examples - and others you can easily bring to mind - is that the trajectory of innovation cascades as they wend their way through “agent-artifact-attribution space” is anything but linear and predictable.

Over the last century, positive feedback innovation dynamics have become ever more important in the organization and collective imagination of Western society. New organizational forms have emerged, whose principal functionality is to implement each step in the positive feedback dynamic outlined above. For example, over the past 140 years, a plethora of engineering professions have arisen that support the training of, provide collective memory for, and establish communication networks among, people whose work consists of designing artifacts to deliver a specified functionality (step
1). Many of these engineers are employed in industrial and state-sponsored R&D laboratories, a 20th century organizational innovation; over the past half-century, and in particular the last two decades, their work is increasingly enabled by research that derives from new forms of formal and informal industrial-university partnership.

Passing to step 2, the advertising industry over the last century has played a key role in translating new attributions of functionality into new needs, which over the last several decades are increasingly centered not on physical or biological requirements for sustenance, shelter or comfort, but on artifact-mediated attributions of individual and social identity. And the marketing profession over the last 50 years or so has developed increasingly sensitive instruments for uncovering new uses for existing artifacts (step 3), converting them into new attributions of functionality, and discovering agents who might conceivably come to engage in patterns of interaction with artifacts and other agents in which these new functionalities will provide them with the satisfaction of new needs (step 4).

The new professions and institutions described above provide organizational scaffolding for the component steps of the positive feedback dynamic. As a result, they not only make innovation cascades more likely to happen in response to the introduction of new artifacts, they also serve to force the rate at which the feedback cycles are enacted, generating innovation cascades that move with ever-increasing velocity. Moreover, the successive waves of innovation in transportation and communication technologies that have taken place over the last two centuries, and the transformations in economic and political organization to which they have in large measure contributed, have generated a corresponding expansion in the spatial scale over which innovation cascades operate. The organizational scaffolding and the accelerated innovation rates it supports have had a strong effect in helping to bring on the Innovation Society and to craft its ideology.

Before I (finally) describe just what the Innovation Society and its ideology are, I have to introduce another important factor that contributed to their emergence. In the last half of the 18th century, the idea of the “economy” as an autonomous domain of human social phenomena began to take hold - autonomous, that is, of the domains of the political, the moral and even (another newly emerging concept) the social. This idea achieved its most famous expression in Adam Smith’s Wealth of Nations. Throughout the 19th and 20th century, economics - the study of this autonomous domain - steadily

9 Roland Marchand’s exhilarating book Advertising the American Dream: Making Way for Modernity, 1920-1940 (University of California Press, 1985) provides an interesting early example of how the advertising industry and marketing managers “exapted” a new functionality to an existing product - and in so doing created a new need for many people; a need that they claimed the product in question could satisfy. In 1920, the Lambert Pharmaceutical Company turned a profit of about $100,000 on its antiseptic cleaning product, Listerine. Working with two advertising agency copywriters, the company president conceived the idea of using the antiseptic as a mouthwash - and then the company began to advertise it as a cure for “halitosis,” a word the admen found in an old medical dictionary, long since dropped out of the spoken lexicon. Their advertisements presented graphic accounts of people unable to form romantic relationships because - unknown to themselves - they were afflicted with “halitosis” (the copywriters helpfully inserted the definition “unpleasant breath” in parentheses; but the word halitosis clearly implies a disease, while unpleasant breath is just… unpleasant breath). Once they discovered the root cause of their failure and started using Listerine as a daily mouthwash, their problems disappeared. By 1927, several years after these advertisements began to appear, Listerine profits topped $4 million - and many Americans had a new need to deal with their new fears about whether they might be afflicted by “halitosis”.

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increased its stature as a scientific field, formulating “laws” relating such “purely economic” phenomena as production and consumption, laws that were typically expressed in terms of so-called equilibria. The key locus in which the most important economic phenomena take place is an abstraction the economists called “the market.” What happens elsewhere is generally an unwelcome and disruptive intruder, irrelevant, or treated as an “exogenous shock” (which just calls for the recalculation of a new market equilibrium, post-shock).

The form of economic science (so-called neoclassical economics) that gained ascendancy in the economics profession in the post-WWII period was committed to the elements of the scientific program I’ve just described, and thus it was totally uninterested in such inherently historical phenomena as innovation cascades, which intertwine social, cultural, technological and economic change. Indeed, with a few exceptions (most notably the Austrian economist Joseph Schumpeter), mid- to late-20th century economists hardly considered innovation at all - and when they did, it was usually framed in terms of so-called “technical change”, represented as a displacement of the so-called “production function” (which expresses the trade-off between capital and labor in producing a given artifact). Artifact space per se is essentially always taken as fixed in economic analysis.

Such a science is ill equipped to illuminate the problems that innovation cascades may bring in their wake. Yet economists claimed the scientific high ground in the interpretation of phenomena in which their supposedly autonomous “economy” was implicated - and with their penchant for mathematizing theory and empirical measurement of the “real” entities their theoretical abstractions were said to represent, they were well-positioned to provide quantitative answers to the demands from policy-makers about what the economic effects of possible policy interventions might be, demands that were becoming increasingly strident as waves of innovation cascades were generating new kinds of social challenges with strong economic implications. That the economists’ answers frequently turned out to be wrong was certainly troubling, but how a professional caste entrusted by public authorities to predict the future can explain away its mistake is an art that shamans, oracles, augurs, prophets, priests and other seers have developed to perfection over millennia, and at least until quite recently, the economic profession was well up to the task. So much so that the “economy” has become increasingly hegemonic in policy-making: all other

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10 First published in 1776, it took several decades before it was widely read and won general recognition as a significant cultural innovation.
domains, including the political and the cultural, as well as social justice and cohesion, are subordinated to it.

This presumption of economic hegemony is one of the two principal corner-stones of the Innovation Society. The other is the increasing presence of innovation cascades in our lives and our society’s increasing dependence on them. These two corner-stones are integrated into the following four propositions, which together form the core of the Innovation Society ideology:

• The principal aim of policy is sustained economic growth, interpreted as a steady increase in GDP.
• The engine of this growth is innovation, interpreted as the creation of new kinds of artifacts.
• Which new kinds of artifacts have value is decided by the market.
• The price to pay for not innovating, or for subordinating innovation to other values, like cultural enrichment or social justice is prohibitively high: competition, at the level of firms and of national economies, dooms dawdlers to failure, which translates into economic decline and social chaos.

Any particular way of thinking about a complex phenomenon will illuminate some of its aspects, while it will obscure others. The Innovation Society ideology focuses on only three possible outcomes for innovation processes: new artifacts, jobs and economic growth. In contrast, my account of innovation cascades highlights the emergent transformations in social organization and attributions, which are inextricably linked to the processes through which new artifacts enter into patterns of social interaction. From this point of view, some of the most difficult and unsettling societal challenges we currently face stand revealed as emergent outcomes of the very innovation processes that the Innovation Society interprets as the key to constructing our collective future: from the financial crisis and its devastating aftermath, to overburdened and increasingly costly health care systems, through the spectres of climate change, environmental pollution and natural resource depletion. These crises - and many more - are, I claim, endogenous to the way our society organizes its innovation processes.

How can the Innovation Society respond to these crises? Its ideology offers space for two kinds of response, one primarily economic and the other political. The economic response is via market-driven innovation: “the market” responds to opportunities to remediate the adverse consequences that innovation cascades may generate. But it is becoming increasingly obvious that, despite its undeniable creativity in generating novelty, “the market”
is not quick in detecting the negative consequences of innovation cascades, nor is it efficient in responding to them when it does detect them. If the lesson of the climate change crisis is not sufficient to drive this point home, consider the current obesity epidemic in the U.S., which many in the public health community identify as the principal public health challenge of the 21st century. This epidemic arose from cascading innovations in agriculture (producing a huge surplus in cheap available calories), processed foods and new distribution channels for them (providing higher returns to producers and distributors from the cheap calorie surplus), and changing patterns of consumption that emerged in response to these innovations. “The market” indeed responded to these innovations with other cascades of innovations, in the diet and pharmaceutical industries, among others; all of which have produced huge market success, with no discernible effect in decreasing the epidemic.

The Innovation Society ideology guarantees that innovation policy is a high priority for governments at all levels, from the local to the European. For the most part, such policies are designed to prime the pump of invention: that is, create a favourable environment for firms to bring new artifact types to market, leaving to the market itself the task of sorting out which of these have value and which not. The political response to crises, once detected, is to try to support the processes that will bias the pump-priming towards the invention of new artifacts whose functionality will ameliorate in some way the crisis’ negative consequences. There are in general many possible pathways through which such a strategy could be implemented (think of climate change: policies designed to encourage innovation in alternative energy technologies range from emission regulations, to carbon taxes, to public funding or incentives for private investment in targeted R&D). Political discourse under the Innovation Society ideology is about which of these strategies to pursue. It does not address the question of how to organize processes that will provide early detection of potentially negative consequences of innovation cascades. Nor does it address the even more fundamental question: how to organize processes that would pro-actively steer innovation cascades in socially positive directions.

“Social innovation” as a rallying cry makes perfect sense in the context I have just described. The idea of solving problems through “innovation” is a key part of the thinking of anyone who - knowingly or not - embraces the Innovation Society ideology: and the embrace that our society's political
leaders, means of mass communication (at least before the blogosphere opened up a little space to dissenters), and educational institutions (particularly universities) have given to that ideology is very tight indeed. For people who came of age in the 1980's and beyond it is as difficult to think beyond the boundaries of that ideology as it would be for a fish to imagine how it would feel to live in a nonaqueous environment. But beyond those boundaries, there’s also the reality of the social problems and environmental crises that innovation cascades are inducing, and so for some (maybe many) of these people, there is a strong awareness that social values - like justice and cohesion - must somehow play a larger role in the social-political-cultural agenda than the Innovation Society ideology provides for them. And so they respond by trying to blaze new trails as “social innovators” - and they develop “innovative” projects that respond to challenges like those provided by the Naples 2.0 International Social Innovation Competition, or they start up companies with the idea of producing artifacts that will reduce pollution or energy usage, or they build videogames that incorporate and hence perhaps transmit to the users “good” social values rather than no-holds-barred competition and violence, or they design inexpensive tools and techniques that would allow urban dwellers to grow most of their own food, or... As social innovators inside the Innovation Society, they don’t put themselves in open opposition to it, following the “revolutionaries” of the 1968 generation (or some of their anti-globalization activist counterparts today) or withdraw totally from it, like 1970’s counter-culture commune-dwellers (or their urban dumpster-diver counterparts today). They believe that collectively they can “correct the course” of uncontrolled innovation cascades that are leading us to some kind of environmental oblivion or total societal disintegration. But are they just trying to bail out the Titanic with a tea cup? I don’t know - innovation cascades are after all inherently unpredictable. But we will consider a few ideas in the next section that might help point the way towards an optimistic resolution to the question.

1.3 BEYOND THE INNOVATION SOCIETY:
THREE PROBLEMS IN SEARCH OF A SOLUTION

I imagine that by now my position on the Innovation Society and its future is clear. I believe that the Innovation Society rests on two corner-stones that are tilted in opposite directions - economic hegemony and faith in the organization of its artifact innovation processes - and the structure that
these two corner-stones support cannot continue to stand for much longer. The previous section concluded by raising the question of whether the social innovation phenomenon might provide a viable alternative that can carry us towards a socially sustainable future. In this section, I raise three problems that I think must be solved if that possibility is to have a chance of realization. I offer some reflections on each of the three, but I have no solutions ready at hand to provide. I do think, though, that the solutions to each of them must mesh so well that the Pirandellian singular in the title I’ve given to this section is justified.

- **The Evaluation Problem**: How can social innovation projects be evaluated?
- **The Scaffolding Problem**: How can innovation processes be organized, in such a way that innovation cascades can be guided towards socially positive directions?
- **A Social Innovation Narrative**: What kind of credible narrative can we tell, in which social innovators mobilize engaged citizens to construct a socially sustainable future?

I begin the discussion with a stylized contrast - like Lorenzetti’s celebrated fresco in Siena, The Allegory of the Good Government and the Bad Government. My allegory has to do with two approaches to policy and its evaluation. It takes as its starting point the profound truth of a dictum of Karl Marx: “Men make their own history, but they cannot do it just as they please.” The first clause in this dictum summarizes an epochal achievement of the European Enlightenment; the second represents a hard and sobering lesson learned from the heady experience of the French Revolution. For Marx, the constraints on possible history-making came from the “dead hand” of the past, what modern social scientists call “path dependency”: where we have been historically, and where we now are socially, impose heavy constraints on where we can go next. Marx (and other early 19th century thinkers) thought they could develop a way to “read” how the past constrained future possibilities, allowing society to discern what at any moment was possible - and thus act “in accord with history” to help bring about the future they desired. By the late-19th century, scientists had dissolved that deterministic illusion, and developed a probabilistic approach to the prediction of future consequences of actions taken in the present. This approach implied the ability to foresee all possible consequences of present actions, allowing for
“uncontrolled” elements to have a role in sorting out which of these actually would occur - and the sorting out process was quantifiable by means of probability distributions over the possible outcomes. In the mid-20th century, economists used the probabilistic approach to prediction to develop theories of decision-making that still allowed society to make “optimal” choices in the present with respect to its preferences for the future - but now only optimal in the sense of probabilistic expectation. More recently, researchers working in the emerging field of complex systems science have developed a way of thinking about other, deeper constraints on our ability to construct a future “as we please”. From a complexity point of view, the problem is emergence, the tendency of systems involving interactions among many heterogeneous agents to produce new kinds of entities and new interaction modalities, which cannot be foreseen a priori. The future effects of present actions may well be mediated by interactions involving these emergent entities and interaction modalities - and as a result of this, we human beings, constantly involved in intentionally innovating artifacts and organization (acts that encourage the tendency of our complex social systems to generate emergent phenomena in the resulting innovation cascades) confront what I call “ontological uncertainty”: we cannot foresee which artifacts and agents will be involved in jointly constructing the future with us, never mind what kinds of action they might take and how those actions might affect the construction in play - and since new attributions emerge as well, including our own, we can’t even know now how we ourselves might “value” a possible outcome of our present actions in the future, even if we knew with certainty what that outcome would be! This raises a big existential dilemma: how can we find the courage to act in a world like this?

With that background, I can now describe my stylized policy equivalents to Lorenzetti’s “good government and bad government”. The key difference is what we can call “the will for the illusion of control.” That means that policy-makers will find the courage to act by wilfully ignoring the existential dilemma posed by ontological uncertainty, and proceed as though it just doesn’t exist - in which case, they can go back to the comforting (but still very difficult) task of considering all possible future consequences of all their possible present action possibilities, and select the one associated with the most promising bundle of possible consequences (if they follow the advice of their economic advisers, they can choose the “optimal” policy!). They can even plan in advance how they will proceed, step-by-step into
the future – hence the idea of “long-range strategies.” The job of the policy-maker then is to make a coherent strategy for action in the foreseeable future (say, for example, from now to 2020), based on the analyses that his technical experts provide him about the possible consequences of the plan (and even how probable each of these consequences is to actually happen) over the relevant time horizon, and then leave the implementation of the plan to the appropriate technicians in the public administration.

What is the role of evaluation in this scenario? Well, things can always go wrong – one of those “exogenous shocks” might happen, or the technicians don’t interpret correctly their marching orders – and anyway the policy-maker knows from the outset that he is just operating with a probability distribution over the known possible consequences, and he can’t know for sure exactly which one of these will actually occur. But he does know in advance which kind of consequence he cares about, and it is good accounting practice to actually check to see whether he did attain his target values for these or not. So evaluation is basically a routine ex-post audit, on the basis of the measurement of some set of variables determined a priori, to make sure that things went as planned. If they didn’t, somebody in the public administration might lose his job (even the policy-maker himself!) - or the “exogenous shock” that caused the discrepancy will be identified, and everyone involved will breathe a sigh of relief (even if the actual outcome is awful) and get back to work developing the next “long-range” policy strategy.

There’s an important point that so far I’ve ignored in this simplified version of Policy-making A (I’ll avoid the Lorenzettian labels “Good Policy-Making” and “Bad Policy-Making” in my allegory, at least for now). Policy makers do have to come to grips with the fact that different “stakeholders” will have very different opinions about which possible consequences for the various possible policies are good and which are bad. After all, the problem of “values” cannot be swept under the rug in policy making, and policy makers cannot ignore (without running serious political risks) those of their stakeholder constituencies. But according to the logic of acting according to the “will for the illusion of control”, the policy maker can assume that the values of the stakeholders are fixed a priori, and so each of them know how these determine their “interests” in the matters at hand. His economic technical advisers can then introduce game-theoretic considerations and help the policy maker select a strategy that conforms to one of that theory’s (rather weak) optimality notions - or, more reasonably, the policy maker will...
just have to make the hard politic choices of balancing off the “interests” of the different stakeholders, using either his ability to handle negotiations among them or the importance he personally accords to each of them. But negotiation in this context is all about trade-offs: finding what each is willing to give up of what she would really like to obtain from the policy, in order to get something she values more highly - if she can.

Now let’s turn our attention to Policy-Making B, the other half of our allegory: what would policy-making be like if we agree to abandon the will for the illusion of control and embrace the reality of ontological uncertainty? First, I need to point out that the existence of ontological uncertainty does not mean that “anything goes” - neither complex systems theory nor our daily experience living in a world characterized by ontological uncertainty would suggest such a conclusion. What both do suggest is that we need to be constantly on the look-out for the unexpected, and we do that by engaging in a continuous activity of retrospective sense-making: we use categories and patterns that proven to be reliable navigating tools in the past, while we reviewing current experience to make sure that they remain reliable. When we detect signals that suggest we’re entering into uncharted territory, we try to employ our capacity to generate new categories and seek out new patterns, which give back a sense to what is happening around us. When we can’t, we tread very very carefully as we grope our way into the murky future, until we find ourselves again a landscape that is similar enough to something we’ve seen before that we “reset” our coordinates and carry on with more confidence along the new path the similarity suggests we follow. The form in which we carry out this sense-making is often through discursive interactions with others in our social or geographical vicinity, controlling whether they are interpreting the context in which we jointly find ourselves in a way that is consistent with our own interpretations, and exploring differences when they do emerge - interpreting these differences as signals that maybe something more is happening than we currently realize. We tend to express the sense we find in terms of narratives, which bridge past and future through a logic that we’ve derived from past experience and stories we’ve heard from other members of what we might call our narrative communities. In these narratives, we enact roles we’ve assigned ourselves and form expectations of how those with whom we interact will respond on the basis of the roles we’ve assigned them in our unfolding story. As long as we can retrospectively interpret their actions coherently with the general flow
of the narrative, we adjust our expectations as we learn more about with whom we’re interacting and what are the relevant elements in the current context that help explain why they’re doing what they do.

So evolution and culture have provided us for tools like the ability to recognize patterns, form new categories, abduct narratives that give coherence to our interactions with relevant others from stories we’ve experience or heard from others in our narrative communities. These all help us navigate our way through ontological uncertainty, but it doesn’t change the basic fact that every trip is an adventure, which we must regard as a tentative experiment, not a firm commitment to an itinerary planned out in detail in advance. We need to be ready to change course when circumstances require, and we need to search actively for the clues that tell us it’s time to do so. We must be prepared to share our experiences with others, as we must learn from theirs. In such a world, it doesn’t make sense to try to bet on just one “best” plan - parallel explorations, with plenty of discursive, interpretative interactions among the explorers, makes far more sense. The sort of hierarchy in which technical experts feed in carefully delineated options to a single decision-maker, who then picks his preferred plan and hands it over to technical experts to carry it out makes no sense. Even the concept of highly specialized compartments of expertise fits poorly with the demands of living under ontological uncertainty.

So who are the policy makers? Policy-making is distributed over a large set of what we can call DIPOs (Distributed Innovation Policy Organizations), which in their composition and their actions needn’t respect the distinctions between public, private and “third sector”. Each DIPO generates projects, according to the values of its members and those they impute to the others they need to enrol in carrying out the project or benefitting from the actions it takes. These projects don’t have specific goals; rather they have an orientation towards a specific problem that members of some target population need to resolve, and they begin to work with the members of that population to align the directedness of their orientations and generate actions that seem to have some chance of moving things in a direction that the DIPO and the people and organizations with whom they are aligned want to go. There needn’t be a priori coordination among different DIPOs, even those which are oriented towards similar problems confronting the same or overlapping target populations; but there should be open channels of communication through which the different project teams can share expe-
riences and enhance their interpretations, which may or may not coincide, of what have been the results of their respective actions and what look like promising paths of future action. Coordination, if it occurs, would then be an emergent phenomenon of distributed policy explorations, not an a priori requirement. Evaluation, in the sense of gathering information and employing it in retrospective sense making, would be a continuous, on-going activity, inseparable from the DIPO’s project itself - that is, the feedback loop between evaluation and action (here it wouldn’t even make sense to talk about “correction”) would be always active.

In this kind of policy world, it wouldn’t be a priori clear who the “stakeholders” are for a particular DIPO project - anyone affected by the project would become one. From this point of view, the very term “stakeholder” is too static, and it would be better to refer to the population engaged in and affected by DIPO projects and the societal and attributional transformations that follow in their wake as “participants”. Because participants would all be involved in retrospective sense-making with respect to the project and the interactions that derive from it, the values they would bring to bear with respect to the project and its emerging consequences could well be mutable - and if groups of participants share the narratives they are constructing to guide their individual actions, the possibility for them to develop empathetic understandings of how others interpret their shared world, opens up the possibility of generating shared (or at least mutually respected) values and aligned action, instead of negotiating a joint action plan on the basis of fixed interests. Sharp persisting divergences could result in the formation of new projects, different experiments whose consequences could be compared if, as should certainly be the case if such a policy world could possibly be brought into being, there was a common repository for the documentation of experiences and their interpretations on the part of all participants and all projects.

So there’s the allegory:

- Policy world A, based on the will for the illusion of control, in which policies come in the form of coherent long-term strategies for action, selected on the basis of a presumption of knowledge of future consequences, with disputes negotiated a priori between stakeholders with fixed interests in the policy outcomes, and trained administrators whose job it is to implement the policy that the policy-making individual or body decides upon. Evaluation is carried out at the termination of pre-planned set of actions
(perhaps more than once in the course of a policy) as an accounting exercise to compare the terminal values of pre-determined set of outcome variables with their projected values, versus

- Policy world B, based on accepting the reality of ontological uncertainty, in which policy is distributed among a large number of DIPOs who take the initiative in launching projects, and coordinate with new participants and other projects on the basis of on-going evaluation, in the form of discursive interactions that lead to retrospective sense-making and the possibility of reciprocal empathetic understanding.

Standing upon its economic hegemony corner-stone, the Innovation Society inhabits Policy world A - and as we’ve seen, by and large those enrolled under the social innovation banner live in the Innovation Society, have to play by its rule, and may even share its will for the illusion of control. Let’s now imagine what “social innovation” could be, if it embraced the reality of ontological uncertainty, and moved to Policy world B. How might we then approach the three problems stated at the beginning of this section?

1.3.1 - The E,valuation Problem
As I’ve already argued, continuous on-going evaluation is essential to any DIPO project, providing feedback to help project participants make sense of where they are, what might be helpful to do next to move the project in what they regard as a socially positive direction, and how they might better coordinate their directedness and their actions with each other and people and organizations currently outside the project’s set of participants so as to achieve an even greater social impact. Fine, but how can they go about doing these things? According to the discussion of policy world B above, they would need to engage in a dynamic evaluation process, which should meet (at least) the following design specifications:

1. The social impact of a project is immanent in the project itself: the patterns of social interaction that emerge from project activities and the consequences these interactions have for the people and organizations that participate in them. So the main task of evaluation is to document the project’s impact by representing and communicating these patterns of social interaction, their consequences, and the social values these consequences instantiate for project participants.
2. The process should meet the basic criterion of Athenian democracy: every participant has the right to have the social values she brings to bear to assess the project’s impact incorporated into the project’s dynamic evaluation process.

3. The information collected and shared among project participants in the dynamic evaluation process should include
   a. All the entities (both agents and artifacts) that enter into interactions relevant to the project - and the modalities through which they interact.
   b. The attributions of value and identity that participants have for entities relevant to the project.
   c. Events - that is, interaction episodes among entities relevant to the project.
   d. Narratives - the stories that project participants tell about the project and its significance for them.

4. The evaluation process should be integrated into the processes whereby project participants decide their “next steps.”

Note that requiring DIPO projects to engage in a dynamic evaluation process that meets these specifications makes them inherently self-reflexive: that is, engaged research (which is what the dynamic evaluation process would amount to) and social innovation would be inextricably linked. Note also that this specification makes for rather a tall order: it would necessarily generate a huge mass of data about any project, and require a considerable amount of work to collect, process and make available the data in a way that provides useful feedback as required in specification 4. Clearly, the only hope for designing such a process is to build a suite of ICT tools that support it - and make it possible for participants themselves to enter most of the data relevant to their involvement in the project. Of course, the process would have to make the participants want to cooperate in this way - that is, the work they’d have to do to get the data in the system would have to be virtually painless, and the output the system provided to them would have to provide obvious help to them as they decide what they want to do with respect to the project and the processes associated with it.

An EC-funded project with which I am associated (Emergence by Design) is currently working to design such a process, develop a software suite that supports it, and test how it works in several pilot projects. So far, we’ve

14 www.emergencebydesign.org; see also www.insiteproject.org for related ideas.
done things in the reverse order (which makes sense from an ontological uncertainty point of view!) and have learned a lot from three pilot projects about what we’re going to have to do to design a process that really meets the specifications. Probably the most important finding so far in this “engaged research” project is the importance of narratives in: (a) helping individual participants figure out what is going on inside the project and what they ought to do with respect to it, (b) communicating among project participants, and (c) helping participants align their directedness and generate coordinated action. And we’ve also developed a prototype software tool that helps participants represent their stories about the project (or anything else, for that matter) - and can be used to compare the stories of different participants, opening an avenue that can lead to joint action based on empathetic understanding.

I am cautiously optimistic that we can solve the evaluation problem, in a way that meets the design specifications I’ve described here. That’s as far as my reflections go at the moment on this very important issue...I hope there will be more (good) news in the near future.

1.3.2 - The Scaffolding Problem
While the Innovation Society ideology doesn’t leave much space for non-market loci for economic phenomena, in fact the success of the Innovation Society icon, Silicon Valley, depends crucially on a whole array of scaffolding structures - organizations that provide meso-level support for key interactions among Silicon Valley engineers, entrepreneurs and companies and for interactions among Silicon Valley companies (often whole groups of them) and macrolevel agents, including governmental agencies, standards committees, and trade and professional organizations. On the one hand, there are scaffolding structures that promote social cohesion within the Valley, as well as mixing heterogeneous identities among Valley agents. These structures range from research seminars at the near-by Stanford and Santa Clara Universities as well as the research labs of some of the larger Silicon Valley companies, to Happy Hour at the Wagon Wheel, the Valley’s favoured after-work watering hole, where local custom actually encourages engineers to “talk shop” with their peers who work for other companies, thus providing the basis for informal relationships between these people that can generate new ideas that redound to the benefit of the companies that employ them. Another kind of scaffolding structure provides for the delivery of local
services that make it easy to start up a new firm and enable entrepreneurs to concentrate their resources on honing their particular design or production competences. The most famous of these are the venture capitalist firms clustered around Sand Hill Road. These firms not only provide seed financing, but networking and recruiting services to prospective entrepreneurs. Local law firms specialize in legal services for start up companies; some of them now offer start up packages for relatively small sums of money (or shares in the new companies), handling all the legal problems new firms encounter in their first two or three years of business. Real estate developers build industrial parks where start up or expanding firms can locate. The architectural design of many of these parks provides open space, inside and out, that facilitate the formation of discursive relationships within and between firms located in the parks. Probably the most important scaffold for Silicon Valley, at least in its formative years, was Stanford University, whose engineering graduates were encouraged to start companies in the area and whose professors were permitted to engage actively in consulting and entrepreneurial activities of their own. Stanford, San Jose State, and Santa Clara now all play important roles in promoting knowledge development and exchange, through seminars, research programs, and teaching (often with instructors recruited from local businesses) for Silicon Valley firms and professionals. Finally, some of the “senior citizens” from successful Valley firms in the district established a lobbying group, the Santa Clara County Manufacturing Group, which works with members of the California and US legislative bodies, as well as government agencies, particularly on regulatory and international trade agreements that are important for many Valley companies.

Social innovators have a need for many of these same services - perhaps even more than Silicon Valley start ups. Indeed, there already are many scaffolding structures for social innovation already in place. I've already pointed out that the Naples 2.0 International Social Innovation Competition served as a social innovation scaffolding structure with at least three different scaffolding functionalities. First, proposals (including several winners) were submitted from social innovators from all over Europe, the US and even Australia, who combined their social innovating skills honed elsewhere with the local knowledge and commitment of the Neapolitan third sector groups with whom they partnered. Second, the Competition introduced the winners to the Unicredit Foundation, one of the Competition’s sponsors, which not
only provided seed-funding for each winning project in its first year (and a substantial second-level funding to the two projects that were regarded by the Foundation as having used the seed-funding to the best advantage in the first year), but also provided counselling and support services for the business side of the winner’s activities. Third, the Competition encouraged the winners to meet and help one another face common problems they encountered as they began their activities. Fourth, the Competition focussed considerable public attention on the winners, through contacts with the media of Competition organizers, sponsorship of the Awards Convention (at which the mayor of Naples, as well as high officials of the EC and the national government participated actively), and through the publication (sponsored by the EC) of the brochure announcing the winners and explaining what social innovation and the Competition were about (not to mention the volume you are currently reading). Several other competitions have been established over the past year, so as a social innovation, the idea of competitions as scaffolding structures for social innovation projects is beginning to scale! Other kinds of scaffolding structures for social innovation already in place include social innovation “think tanks” like the Young Foundation and several academic Centers for the study of social innovation; organizations who help to build networks among social innovators through conferences, social media communication channels, etc., including SIX (the Social Innovation Exchange) and Euclid Network; businesses like the Hub, which rents out office space for social innovators, where they can work and interact with each other, and also provides networking advice that helps Hub members to obtain financing for their projects and to add to their project teams people with key competences identified by Hub managers; organizations for impact investors, like the Venture Philanthropy Association, which deal with the many operational difficulties in finding investors for and managing impact investment portfolios; and organizations that fund research about social innovation, like the EC, several national governmental agencies, and a few private foundations.

While there are already more kinds of social innovation scaffolding structures than I listed in the last paragraph, I believe we are still in an early stage in discovering which kinds of scaffolding structures would be necessary to carry out all the functionalities involved in gathering data about, interpreting and sharing information between social innovation projects that the policy world B would require, if DIPOs are to begin to play a major role
in nudging our society’s innovation processes in socially positive directions. Not to mention the scaffolding structures that would mediate between social innovation and the array of policy world A entities, both public and private, who currently set the rules under which our societies innovation processes are organized. I believe these rules will have to change if we are to move beyond the Innovation Society; for example, shouldn’t a company that introduces a new artifact, which leads to a cascade of negative social and environmental consequences, have the responsibility for remediating the damages its innovation induces? Under the current rules, sometimes this is the case - but usually it is not. Indeed, under current rules, no one even has the responsibility for tracking innovation cascades and linking artifact innovations with the downstream social and cultural transformations they induce. Can social innovators help provide solutions to these problems? I think perhaps they might - but I think they will need the help of scaffolding structures that don’t currently exist and whose form and functionality it would be very difficult even to imagine now. Ontological uncertainty gets in the way...

A Social Innovation Narrative. Can we tell a plausible story about how social innovation could help take us beyond the Innovation Society? Of course, something might emerge from the current social innovation phenomena that will carry us towards a socially sustainable future, even in the absence of any story that can help us collectively coordinate our actions to help us get there. But as we’ve seen in our research, and reflecting on it I’m sure most of you can think of experiences from your lives in which it has proved to be the case, shared narratives help generate effective coordinated action that can guide processes, perhaps in fits and starts and with many subplots along the way (as in any good novel!) in a direction coherent with the narrative logic of the story the process participants are telling each other and enacting their assigned roles. Maybe some of the ideas in this chapter can help construct such a narrative; in any event, I hope we learn how to tell one, and enact it - before it is too late.
Naples 2.0: Putting theory to the test

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Naples 2.0, the first awards-based social innovation competition in Europe, open to entries from across the world, was launched in 2011 to test out a new vision for innovation and society.

In recent years, social innovation has won over the corridors of Brussels, firing the enthusiasm of huge numbers of people who work in the social sector, as well as all those who believe in working for the common good, regardless of which sector they work in. A question immediately comes to mind: is this another fad, or a new and effective solution for the future of society?

UniCredit Foundation, Euclid Network and Project Ahead took up the challenge by choosing Naples as the testing ground precisely because of its reputation among European cities as a place where public policies have failed while organized crime has flourished. Naples has been splashed across the world’s media for the scandals which have erupted over garbage and contaminated food. It is a city that has not enjoyed the benefits of globalization, where it is difficult to imagine a development model that could realize the region’s potential.

Naples was chosen to test the strength of a new vision for society and development in a region impervious to traditional development methods. If social innovation is to provide a new solution, it must demonstrate that it can work not only in the capital cities of Northern Europe but also in more challenging locations. The City of Naples kindly offered to try out a development model headed by its citizens. Naples 2.0 was inspired, therefore, by Web 2.0, created by the users themselves.

In addition, an award-based competition - a tool often used in technological and industrial research but rarely in the social sector - was chosen to engage the greatest possible number of participants irrespective of their origin or affiliation. Indeed, it was aimed precisely at those who would not normally have the opportunity to be involved in this kind of initiative for the benefit of the community.

Naples 2.0 was a real “social adventure” for all involved.

2.1 THE ORIGINS OF SOCIAL INNOVATION IN EUROPE

To understand how Naples 2.0 began, we need to go back a few years. It is not clear how or when the idea as a whole got off the ground, but the meeting between three men was undoubtedly a decisive moment: José Manuel Barroso, Diogo Vasconcelos and Geoff Mulgan.

Spinning out the story a little, let’s imagine that in September 2008, Barroso,
outgoing President of the European Commission, was pacing nervously up and down the corridors of Berlyamont, the Commission headquarters. His first term of office would come to an end in less than a year and it seemed that under his presidency everything had gone awry.

“What has Barroso done to earn a place in EU history?” the President asked himself. “I can’t take credit for either the euro or the single market. I inherited both. Eastward enlargement to include twelve new member states had already been decided, I just oversaw the final phase. It was thanks to me that Romania and Bulgaria joined the Union. But I wouldn’t know whether to call that a success or not.”

In reality, the situation in Europe was deteriorating. The President could only look back with affection to the nineties, when everything had been going smoothly: “Since I took over the presidency in 2004, things have gone from bad to worse. First, the failure of the Constitutional Treaty, rejected by popular vote in the referendums held in France and in the Netherlands, two founding members. Then the failure of the Lisbon Strategy, the economic plan that was supposed to make Europe the most competitive and innovative economy in the world. Despite investments, economic growth is weak, the unemployment rate remains high, while public debt in southern European countries is at worrying levels. Then comes the financial crisis in the United States which, combined with increasingly fierce global competition, will eventually trigger repercussions across an increasingly vulnerable Europe. Why is it all going pear-shaped?”

No one knew how to reassure the president. In fact, everyone had an explanation but none of them were at all convincing, or, above all, able to answer the crucial question: How could the trend be reversed?"

But Barroso did not give up. What politician would? Failing to find the answer in Brussels, he turned to old friends and advisers. Among these, perhaps the most brilliant was Diogo Vasconcelos, with whom he had worked when he was Prime Minister of Portugal. Diogo had brought to fruition the political reforms on innovation and digitization crucial to the country at the time.

Meanwhile, after his experience in government, Diogo had begun to work for Cisco, the American multinational leader in networking technology. He was then hired by the Internet Business Solutions Group (IBSG), the special unit that deals with innovation, helping governments around the world to establish their own development strategies.

At the same time, by chance, Diogo met Geoff Mulgan, who had been work-
ing on a new concept of social innovation and development. Simon Willis had brought them together a few months before. Simon had first met Geoff while working for the Blair Government, after which Simon went on to work on eGovernment at Cisco and Geoff went on to work for the Young Foundation. The two did not start collaborating properly until Martin Stewart-Weeks (Cisco) persuaded Simon to turn this group into a social innovation team. Diogo then joined Simon’s team after his stint as Minister for Innovation in the Portuguese Government, and Diogo and Geoff found a common cause: spreading the SI agenda in Europe, assisted by Diogo’s trusted relationship with President Barroso.

Geoff was the l’enfant prodige of New Labour, co-founder of the Demos think tank and then head of the Strategy Unit in the Blair government. He had joined the government with the dream of reforming public services, transforming them from a system directed by the government into one driven by service users. But September 11 and the Iraq War had changed the government’s priorities. About a year after the start of the war, Geoff left Downing Street to carry forward his ideas, operating from an office outside of government.

The Young Foundation was created from the merger of two existing institutions, created by Lord Young, sociologist, Labor politician and father of social innovation in Britain. He founded institutions such as the Open University, the University of the Third Age and the School for Social Entrepreneurs, all of which embody the philosophy of social innovation. Relaunching the project initiated by the progressive Lord Young, Geoff made the Young Foundation into the first center for research and development on social innovation.

In the summer of 2008 in San Sebastian, on the Basque coast, Diogo, Simon and Geoff joined some eighty other social innovators from Europe, North America, Asia and Oceania to publicly launch Social Innovation Exchanges (SIX), the network which aims to spread social innovation globally. The stars were in alignment so that a new vision of social innovation and development might infiltrate the corridors of Brussels. After the first informal meetings, the Bureau of European Policy Advisers (BEPA), the think-tank of the Presidency of the European Commission, organized a workshop with José Manuel, Diogo, Geoff and a select group of social innovators, at the beginning of 2009. The aim was to explore how this new vision might help reform European development policies in order to overcome the failures of the Lisbon Strategy.

This took more than a year, and required the complicity of Commission offi-
cials, persuaded by the new vision, and some hurriedly written reports. But finally, in 2010, social innovation became part of the new European economic strategy, Europe 2020: a whole chapter of history dedicated to the Innovation Union, one of the seven priority initiatives launched by the Europe 2020 Strategy for the effective implementation of its objectives.

Considering normal time frames in Brussels, the adoption of social innovation was a quantum leap forward that, for the first time, catapulted the social sector from the fringes of EU strategy to the very center. A small band of heroes both within and external to EU institutions, favored by circumstances, had led a quiet revolution at the heart of Europe.

It was a revolution that Commissioner Barnier took up and re-launched with the social business initiative, opening it up to a far wider audience, to the extent that it has now infiltrated the Commission’s entire program. Even the member states are gradually introducing it.

2.2 WHY A COMPETITION?

The idea of using an award-based competition as a tool to identify both innovative solutions and the innovators capable of conceiving and realizing these stems from the organizers’ desire to lead an initiative open to anyone wishing to take part, with a particular focus on the public at large, exploring the potential that exists outside the normal channels, whether from the public, private or third sectors.

The idea of a social innovation competition was first proposed at the first teleconference organized by SIX, at the beginning of summer 2010. SIX had brought together all its European partners and some European Commission officials with the aim of exploring new ideas to flesh out the European social innovation agenda that Barroso would later launch in the spring of 2011. One of the biggest challenges was to present cases that demonstrated the value of this new vision of innovation in a practical way to those who had not yet encountered it, or who were yet to be convinced.

Gorka Esplau, Head of International Programs for the Social Innovation Park in Bilbao, came up with the idea of a competition to identify Europe’s champions of social innovation. Bingo! A simple approach that in itself creates visibility. Thus Europe’s first social innovation competition was born: “This is European social innovation!”, organized by Euclid and SIX.

The Commission agreed to publish the winners and present them at the launch of the European social innovation agenda in the presence of Barroso and three
other Commissioners.

Even though it was the middle of summer and no awards were offered besides visibility, two hundred applications were received. The conclusion was simple: competitions also had a role in the social sector.

Confirmation came with the presentation given by Francis Beland, director of the XPrize Foundation, who Geoff had invited to speak at the launch of the European agenda in March 2011. The foundation has been organizing competitions since ’95 to solve global challenges, such as the codification of the human genome and low cost space flights, by offering prizes of millions of dollars for the winners.

This was proof that competitions are as effective a tool as government funding or calls for tenders. The difference is that, being open to all and based purely on the results achieved, they break away from the favoritism and mediation that often impedes social innovation. Indeed, they award precisely those who are outside of the system and who put forward new solutions.

The outcome of the first European competition, however, was not entirely positive. It was organized in too much of a hurry, the competition design was poorly prepared, it lacked a professional marketing strategy and there were no prizes for the winners.

There was also no strategy in place for the period after the selection of the winners, and the question remained of how to help them maximize their impact. To remedy this oversight, the Social Innovation Park in Bilbao offered to host a workshop for all competition winners to help them to develop their collaborative skills. However, the workshop did not achieve the desired results. It was an enjoyable opportunity for the innovators to network, but it did not generate any new business. Its failure was probably due to the fact that it had been a last minute addition, rather than being included in the competition design from the start.

Putting a group of brilliant innovators together, whose aims are for the common good, does not by itself generate collaboration or a greater social impact. In fact, it is likely to be a waste of everyone’s time, unless professional facilitators are present to guide the process of collaboration between innovators and help them to realize their initiatives.

It is also clear that organizing a competition merely to celebrate the success of a few individuals does not make a great deal of sense. The success of the XPrize Foundation lies in its use of competitions as a means to align the ambitions and interests of individuals with those of the wider public.
But there is one key asset from this occasion which should not be forgotten: the panel of judges. Not made up of experts from the social sector, as some social lobbyists would have preferred, but instead consisting of a mix of individuals from different professional and cultural backgrounds. Professionals from the social sector do not have a privileged place in social innovation but must instead collaborate with all other stakeholders. It is this collaboration that embraces the diversity which creates a global vision which considers all perspectives, with a view to initiating a process of mutual exchange and innovation.

These are some of the lessons learned in that first experience of a competition for social innovation, lessons that helped to improve the design in the second attempt.

2.3 NOT ANOTHER CONFERENCE!

There is still one more piece to put in place before the story can begin. As in any self-respecting story, the right moment is needed before the adventure can get under way. In this case, it wasn’t an accident, a mistake or a “crime”, but the simple need to organize the annual Euclid conference that got things underway. More precisely, the starting point was the desire not to organize the “same old conference.”

As every year, Euclid had to organize a conference at which its members could come together to give their views on the association’s strategic decisions. It was mid-September and the 2010 annual conference had just closed. It had been organized in Brussels and Baroness Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy, had opened the conference together with MEPs Gianni Pittella and Ingeborg Grässle. I was unsure as to the outcome. It had been an outstanding conference, but what added value had we created beyond the usual networking?

The problem was not just the Euclid conference. I’ve lost count of the number of European conferences that end up by repeating the same old collective lament interspersed with highfalutin pledges to change the system. By the time everyone goes home they’ve already forgotten the tears they shed and the commitments they made. That’s what the closing cocktail party is for.

We were at the end of 2010 and the financial crisis had become an economic and institutional crisis that was bringing Europe and its people to its knees. Things couldn’t go on as if nothing were happening, with the same empty ceremonies at the court of Brussels, including the pseudo civil society that plays
as active a role in the farce as all its other followers.
It was time to do something different, something new to give meaning to the
commitment made by all those who want to build a better Europe.

So, at the end of the day, while we were chatting over drinks in the Place du
Luxembourg, with members of the Euclid Board of Directors and staff, in the
warmth of the last of the September sunshine, we came up with an idea: to
organize the next annual conference - wherever it might be held - in such a way
as to mobilize members of the network to make a real impact.

“Never again the same old conference, but instead an opportunity to bring
together a hundred or so civil society leaders and put them together to work on
finding solutions to the problems of the local community.”
The first country that came to mind for our mission was obviously Greece. Every
day, we were all seeing pictures of a country on its knees, where poverty and
hunger had come back to besiege the streets of Athens. In the end, however,
Naples was chosen. Marco Traversi, co-founder of the Project Ahead coopera-
tive and Italian member of the Euclid Board of Directors, nominated his own
city. As he himself put it: “There’s no need to go to Greece. Naples has enough
problems to keep social innovators across the whole of Europe busy!”
From experience we all know that this type of initiative can only work when
you have a reliable and actively engaged local partner. We did not have such
a partner in Athens. And so... Naples it was.

2.4 PREPARATION FOR NAPLES 2.0: THE CHALLENGES
At this point we had all the elements we needed to set up the experiment: a
new vision for development, a new way of facilitating participation and iden-
tifying innovative solutions, a place and a date. We were ready to go.
In the following months a project was prepared with the staff of Euclid that
would allow all members to put themselves to the test on the City of Naples,
to then arrive at the conference in September 2011 with real solutions.
Marco Traversi, meanwhile, got to work on Naples. Marco is Neapolitan and
has always worked in the social sector in Naples. He knows both the city’s
problems and its potential very well, and immediately went in search of pos-
sible challenges for the competition. Of course, as a true social activist, he
didn’t do this by sitting in his office, but by knocking on the door of all the
active third sector organizations he knew in the area. The relationships he
had built with Confcooperative, the Church and the municipality of Naples
were equally useful in his research.

When work began on setting up the project, there was still no clear-cut idea with regard to the final result, just a few agreed points. First of all, we wanted to put forward some solid challenges for the Naples area that were, at the same time, within the reach of a group of social innovators who would be putting themselves to the test in the competition on a voluntary basis. The problems of waste disposal and of the Camorra (criminal organization centered around Naples) were therefore excluded: these are obviously among the city’s worst afflictions, but it would have been unrealistic to expect them to be resolved by a group of volunteers alone, using an approach that at the time was still in its experimental stages, with an outcome that was by no means certain.

We also wanted to suggest challenges that were both comprehensible and engaging for innovators from outside Italy. On one hand, the project was an opportunity to encourage the creation of an international community of innovators through collaboration in the field and, on the other, it was a chance to challenge localism. Local stakeholders do not have a monopoly on the best solutions to local problems. The winning formula lies in globalized cooperation and solidarity.

Another key principle was to exclude public institutions, at least during the first phase of the project. We wanted to avoid the time-consuming bureaucracy and restrictions which are applied to every request for help. It also had to be admitted that there was a certain trepidation at the thought of getting bogged down in the bureaucratic delays and inefficiency of the public sector. We especially wanted to demonstrate that to change things one does not always have to turn to the public sector, and that, even in the south of Italy, solutions can be found without having to wait for public institutions to act. In fact, dependence on the public sector is one of the main ills afflicting southern Italy, along with many other parts of Europe.

On the other hand, we did not want to completely exclude those public institutions that play a key role in public life. Following the advice of Marco, a compromise was reached to involve the Diocese of Naples, which, with its parishes and local offices, often plays a supplementary role where the state falls short. It was not merely an ideological choice, therefore, but a strategic one.

Finally, we wanted the project to take the form of a competition, unambiguously, firing people’s competitive spirit both locally and internationally and channeling that spirit to solve the city’s problems. Competition can un-
doubtedly be a way of finding new solutions and uprooting deeply embedded interests that too often stifle the cities of the Mediterranean. It also allows different people and organizations to break through the barriers constructed by various vested interests, to control power and resources. Above all, however, the objective was educational, and we wanted to promote a healthy spirit of entrepreneurship and meritocracy, concepts which had been debased and cheapened by recent events in the country. Obviously we were aware of the difficulty of striking the right balance between local and international perspectives. The members of Euclid were the first “foreigners” to arrive, leading an experiment in a land that was not their own. There was always the risk that the project would be perceived as a cynical pastime conducted at other people’s expense, so we tried to create a system capable of integrating innovation originating from outside with a sense of belonging to the local community. We asked organizations from the area to help us identify challenges, but also to adopt these challenges so that each one had its own “fairy godmother” in the form of a local organization. The idea worked perfectly, although several problems emerged along the way.

By the beginning of 2011, thanks to Marco’s hard work and the cooperation of local partners, six challenges had been identified. The first challenge, perhaps the most emotive given the context, was to transform a villa confiscated from the Camorra into a company that would generate income for the community. Thanks to law 109/96 on the use of assets confiscated from organized crime, the Gloriette, the villa of Camorra boss Zazza, built on the top of Posillipo (one of the most beautiful residential areas in Naples), had been entrusted to the City which, in turn, entrusted it to two organizations, Libera and Orsa Maggiore, to use it for the benefit of the community. The villa is built on several levels and includes a 8,000 m2 garden. The Fondazione CON IL SUD had already made a contribution to the restoration works but the problem of long-term sustainability had not been solved. However commendable Italian law might be, it is very limited, not taking into consideration that these assets could be used to capitalize enterprises while benefiting society as a whole. In addition, municipalities and associations normally lack the entrepreneurial spirit and economic resources to transform these assets into profitable businesses. With Libera’s support, this became the first challenge of Naples 2.0.

The second challenge involved sustaining and conserving historical and artistic heritage, while promoting its accessibility. Italy is rich in historical and
artistic heritage but too often valuable resources are in a state of disrepair and not accessible to the public, especially in the South. Shortly before we began work on the project, the news of the collapse of the House of the Gladiators in Pompeii had been reported by the world's media. A site like Pompeii was obviously inaccessible to Naples 2.0, due to the complexity of gaining permission. So we focused our attention on less famous sites and, in the end, chose the Roman baths of Fuorigrotta, located in Via Terracina. The Roman baths, which had already been restored, were closed to the public and locked away behind a gate; no one could visit them because the Superintendence for the Archaeological Heritage of Naples and Pompeii did not have the funds to keep them open. The Superintendence, the organ of the Italian State which deals with the conservation of local heritage, had entered into an informal agreement with a group of local volunteers, the Gruppo Archeologico Napoletano (Neapolitan Archaeological Group), to organize guided tours. This did not provide a permanent solution, however, and the volunteers’ enthusiasm did not resolve the issues of visiting and conserving the site. But Neapolitans are masters at the art of ‘making do’. The second challenge, therefore, became the protection of this archaeological site, including regular access to the public, all with the support of the Gruppo Archeologico Napoletano.

The third challenge focused on tackling the problem of school drop-out, a serious issue for a city with one of the highest population growth rates and lowest average age in Western Europe. Just like the rest of the public sector, Italian schools suffer from a lack of funding. In cities such as Naples, schools are no longer able to deal with those cases of children that live in poor neighborhoods. Reading Io speriamo che me la cavo (‘Me, let’s hope I make it’, film title Ciao Professore) by Marcello d’Orta, gives an accurate portrayal of the situation, as well as being extremely funny. Obviously, for many young people, leaving school makes them easy prey for organized crime, mainly because there aren’t many other opportunities for finding work. The Association Maestri di Strada (Street Teachers) has developed a new approach which runs alongside the normal school timetable and helps the most difficult children from certain neighborhoods in Naples to get back into education. Instead of forcing children to go back to school, the association brings the school to the children, on the streets of the neighborhoods where they live. Unfortunately, after a few years, there was no longer sufficient funding available for the projects set up by this deserving association, despite its successes. The third challenge for Naples 2.0, therefore, was to guarantee sustainability for the
association’s initiatives. The partner for this challenge was the Fondazione Cannavaro Ferrara, created by two famous Neapolitan footballers who had previously worked with the association.

The fourth challenge touched the heart of Neapolitan society, which is kept alive by the generosity and commitment of its citizens and its voluntary organizations who face organized crime on the streets of the city every day. If you want to understand what British Prime Minister David Cameron’s Big Society is, go to Naples: when neither the state nor business steps in, society takes care of itself. Unfortunately, however, the economic crisis and subsequent budget cuts have, year on year, undermined the sustainability of Naples’ voluntary sector. For the fourth challenge, therefore, we opted to help a voluntary organization to develop strategies to increase sustainability and reduce dependence on public funding. With the help of the Centro di Servizi per il Volontariato (Center for Voluntary Services) of Naples, we chose the Ozanam Institute.

The fifth challenge was to focus on marginalized communities. Originally, we had been considering targeting migrants from Africa: the manner in which Italy is sinking ever deeper into the most shameful racism is unacceptable, not to mention the negative impact this has on economic growth. Going on Marco’s research, especially after seeing the work carried out by the Naples Caritas organization, it was clear that the most marginalized community in the Naples area was the Romani, particularly those who occupy the Roma camps in Scampia: 600 people in total, of which half are children. 75% of the adults are unemployed, coming from all over Europe often without valid papers, meaning they are unable to find regular work even if they wanted to. They are packed into a Romani camp on the outskirts of the Scampan district, already one of the roughest areas of the city - If you’ve read Roberto Saviano’s Gomorrah, you’ll know what I’m talking about. A challenge was then launched to find an effective way of integrating this community into Italian society, with the help of the Caritas organization, already actively engaged in this work.

Meanwhile, law firm Hogan & Lovells’ Italian office offered to provide any legal assistance required for Romani community identity papers - a lucky coincidence which also proved useful in overcoming other legal difficulties.

Finally, for the sixth challenge, we decided to address a specific aspect of the wider problem of waste disposal in Naples. We could not completely ignore this serious issue, which has sadly made Naples famous all over the world. Working
with the cooperative *Ambiente Solidale* (Together for the Environment), we set the challenge of finding a new method for recycling second-hand fabrics. The cooperative, made up of young people from the province of Naples, had already been working in this field for several years, employing disadvantaged people including former prisoners and immigrants. The second-hand clothes market, traditionally well-developed in certain parts of the Naples area, involves the collection, sorting, storage, processing and resale of clothing through various channels, according to the quality of the garments collected. We found this complex operation very interesting in helping us to intelligently and definitively address how to expand waste recycling in Naples, especially at a time when even ordinary waste collection was breaking down.

### 2.5 Designing the Competition and Fundraising

To complete the project we needed two more things: a partner with experience in designing international awards-based competitions, and a sponsor. Networking, which is taking on the role of institutions in contemporary society, came to our aid with the first. Carlo Rossi Chauvenet is a friend from Milan, an expert in non-profit law at the Università Cattolica and also a wine producer. It was Carlo, then, who introduced me to a friend of his who had moved to London and who was working at a company that organized awards-based competitions. Guess where we met? At the Italian wine fair in London. What better place to seal a deal?

Marco Zappalorto, the third man in our story, had gone from marketing wine to marketing competitions. He worked for Omnicompete, the only company in Europe operating in that field, organizing awards-based competitions for the British and the American Governments, as well as for the European Commission. However, they organized competitions exclusively on security and defense.

Of course, we couldn’t pay Omnicompete for their services at the market price, so we made them an offer: to become partners in the project for a small fee. The hour that Marco spent convincing them did the rest. What can we say? Love of the motherland is a powerful thing!

So we found ourselves with the best technical partner on the competition market. Perhaps they too benefited from their choice, as Omnicompete was later acquired by InnoCentive, the American competitions platform and world leader. Marco, on the other hand, joined the Centre for Challenge Prizes team at Nesta, the British Government’s foundation for innovation.
and international leader in both social innovation and competitions since Geoff Mulgan took over as CEO.

When it came to fundraising, too, it was networking that gave us the solution. As we still had no sponsor, and given the fact that it was doubtful that a single foundation or company would cover the entire budget for the project, we split it up into a series of challenges. Our proposal was that each company or foundation would “adopt” a challenge, thus sharing the running costs of the project between them. We came up with six packages, each worth €15,000. It seemed like a reasonable figure for all parties, even if it did not cover the entire budget, which added up to approximately €100,000. In this way, we avoided having to ask a single sponsor to take on the entire risk of investment in an initiative that, for Italy, was completely new, especially in a tough town like Naples. Sponsors in Italy have little in common with the adventurous spirit of Silicon Valley.

First we turned to Intesa Sanpaolo, since the bank had sponsored Euclid since its inauguration in 2007. This choice was also due to a direct relationship with various executives of the group as well as with Marco Morganti, CEO of Banca Prossima, the third sector bank controlled by Intesa Sanpaolo.

The initial exchanges went well. Intesa Sanpaolo offered to host the annual conference at its historic headquarters in Naples, while Marco Morganti immediately expressed his willingness to support one of the challenges. This initial feedback was as positive as it was unexpected.

The meeting with Ida Linzalone, Secretary General of the Vodafone Foundation, also went particularly well. After talking for an hour, Ida urged us to submit a request as soon as possible that would go before the Foundation’s Board of Directors. She especially liked the challenge on early school leaving. This was the first time we’d met, but the introduction by Paola Lanzarini, a dear mutual friend, had made things go smoothly - another victory for networking!

We were beginning to think that maybe it wouldn’t be so difficult to find another four sponsors to adopt the remaining four challenges. The Naples Center for Voluntary Services had also contributed €5,000 towards the project. Among all the potential sponsors we had contacted, only Banca Etica was unwilling to put their hands in their pockets... non-capitalist banks are motivated by the most noble principles, but unfortunately lack the resources to allow them to invest in experimental initiatives.

The real surprise, however, came from the meeting with Maurizio Carrara, the newly-appointed President of UniCredit Foundation, who had previously

CHAPTER 2 NAPLES 2.0: PUTTING THEORY TO THE TEST
worked at Gruppo Vita. Since I had to go to Milan to meet with executives from Banca Prossima, I wrote to him enclosing a presentation of the project. Given that we didn’t know each other at all, I had little hope of a positive response - fundraising is often more a matter of relationships than ideas. The meeting at UniCredit Foundation, however, was a real surprise. I won’t call it love at first sight, people might misunderstand me...

Maurizio took me off guard when he asked me how much it would cost the Foundation to sponsor the entire project. I wasn’t prepared for such a question, and found myself stuttering as I tried to come up with an answer. I had to think it over for a moment, quickly going over the budgets for the six different projects in my mind. Then I said: “Ninety thousand euro and it’s yours!”

We started off with a budget of €90,000. I spent the following hour with Giuseppe Ambrosio, Maurizio’s right-hand man, going over all the details before submitting the proposal to the Foundation’s Board of Directors. We’d made it. The budget included the running costs for the competition, the final conference and a €10,000 prize for each winner - six in total. To this we had to add Omnicompete’s fee. We hadn’t, however, calculated in the costs of supporting the winners after the competition was over, to help them turn their ideas into actual projects. In fact, we initially thought of involving UniCredit employees as corporate volunteers. Unfortunately, we abandoned this option because of the specific nature of the aid required to support a start up for a new social initiative. We later realized that we hadn’t calculated in other minor costs, details such as setting up the lecture halls and marketing materials. Fortunately, the Foundation was very flexible, enabling us to ensure the initiative’s success.

In addition, the need for a second round of funding for the start up phase of the projects hadn’t been considered. The Foundation, however, had already thought of this, and had included a provision in the proposal to its Board of Directors. Furthermore, Maurizio Carrara had made contact with other Foundation presidents to push for their participation.

2.6 COMPETITION STRUCTURE AND PANEL OF JUDGES

The experience of OmniCompete and the personal commitment of Marco Zappalorto led to the creation of a competition based around a simple design, with a view to ensuring easy access and wide international circulation. OmniCompete established a digital platform on which the six competitions were posted. The platform was designed necessarily in English, to facilitate
international participation, despite the fact that this choice could potentially render Italian contributions more difficult. Each competition was structured as follows: a brief description of the issue and the methods through which the candidate was required to meet the challenge. The competition was open to individuals and groups of individuals and to private, public, profit or non-profit organizations with a solution to propose, based around the principle that innovation designed to benefit society should be accessible to all. Anyone interested could register on the platform, post their proposal and receive regular weekly updates on the competition as it progressed. Once registered, participants were required to provide personal information and answer seven questions in less than five pages:

1. Innovative idea in brief
2. Plan for realization of the project (within a year)
3. Characteristics of the idea which make it different from existing solutions
4. Anticipated impact achieved by the project (within first 2 years)
5. Experience in the field
6. Communications plan
7. Potential obstacles to the implementation of the project

The platform allowed organizers to follow the registration process, and keep track of the number of proposals. Furthermore, it allowed the competition judges to access the proposals in order to evaluate them.

Assembling the panel of judges was a complex process, which took much more time than anticipated. A delicate balance had to be struck, with representatives from many groups, sectors and fields of expertise. The question of language rendered communication between local and international groups even more challenging. However, the partnership with UniCredit Foundation proved to be a great help: as the charitable foundation of a large international banking group, UniCredit’s presence within the project organization team lent a great deal of credibility to the project with regard to stakeholders, and brought in representatives of many financial institutions that would prove useful in the next step. Unfortunately, during this phase we were all hit by a great tragedy. Diogo Vasconcelos, who we had hoped would act as president of the panel of judges, was struck down with pneumonia, and died in July. Diogo will always be remembered as one of the heroes in the history of social innovation.

Below is the final list of members of the panel of judges for Naples 2.0:

1. Alessandra Clemente, President of the Silvia Ruotolo Foundation, subsequently nominated Assessor of Innovation and Youth Politics for the City of
Naples

2. Alessandro Laterza, entrepreneur and representative of Confindustria
3. Antonio Tajani, Vice-President of the European Commission, responsible for Entrepreneurship and Industry
4. Carlo Borgomeo, President of Fondazione CON IL SUD
5. Chris Sigaloff, Director of Knowledge Land (Netherlands)
6. Ciro Ferrara, (ex) Coach of the National Under-21 football team
7. David Lane, Scientific Director of the European Center of Living Technologies at the Ca' Foscari University of Venice
8. Donald Moore, American Consul to Naples
9. Edgardo Maria Iozia, President of the Prosolidar Foundation
10. Eva Varga, Director of NESsT (Hungary)
11. Francesca Ferraresi, communication designer and associate at The Hub Milano
12. Francesco Giacomin, member of the Board of Directors at UniCredit
13. Gianni Pittella, Vice President of the European Parliament
14. Louise Pulford, Director of the Social Innovation Exchange - SIX (UK)
15. Marco Musella, University Federico II, Naples
16. Oliver Rothschild, entrepreneur and philanthropist (UK)
17. Paolo Graziano, President of the Industrial Association of Naples
18. Stephen Bubb, Director of the Association of Chief Executives of Voluntary Organizations - ACEVO (UK)

Following Marco Traversi’s suggestion, a second competition was established for students at the University of Naples, the biggest university in the south of Italy. Instead of providing winners with prizes, this second competition awarded training credits to all those taking part, as well as the opportunity to access a qualified support pathway for the Erasmus program, aimed at helping young entrepreneurs in collaboration with Confcooperative Naples, another local competition partner. Despite not yet having the experience necessary to compete with other innovators, this initiative aimed to give students the chance to try their hand in the competition and get a sense of what was involved. Italian was used exclusively throughout this competition, removing the language obstacle for participants. In hindsight, this may not in fact have been the right decision. First of all, other competitions have proved that university students can not only compete against more experienced innovators, but can also win, with their unique and original ideas. Furthermore, simplicity is one of the most important elements to communication in these
competitions. Establishing this additional competition, with such different ideas, rendered the message behind the initiative less effective, and served to complicate the work for the organizers. On the other hand, the importance of educating students in entrepreneurship and innovation even before they start university must not be underestimated. In conclusion, the two different objectives must be clearly distinguished in a competition of this kind: the education of young people in entrepreneurship, and the solution of specific problems. Ideally, these two objectives should be addressed in two separate projects.

2.7 COMPETITION AND SELECTION

Up to this point, all was going well. The only snag was in the choice of organization for the fourth challenge. After a rethink, as suggested by Giuseppe Ambrosio, it was decided that the Ozanam Institute did not lend itself to the proposed challenge. It is unrealistic to expect voluntary organizations to disrupt their organizational culture to become a kind of social enterprise, especially since public funds are scarce. Only some voluntary organizations can take this step. We thought that the more traditional religious organizations were among the least suitable.

This assumption, which at the time seemed reasonable, has proved to be accurate. Despite the social enterprise model that sells services on the market so as not to depend on the public sector, and the new trend to ensure the sustainability of non-profit organizations in response to cuts in public spending, this is not overall a valid business model. The non-profit is based in part on volunteering and donations, and this will continue to be the case, while also focusing on transforming itself into a real business. Making the right choice with regard to the business model means ensuring the sustainability of the organization and its mission in society.

The Game, Images and Words association, offering cultural workshops with and for children, was the second proposal put forward by the Center for Voluntary Services in Naples. The association operates in San Giovanni a Teduccio and Ponticelli, two of the most deprived neighborhoods in Naples, helping children to develop their creativity through art workshops that use reading, ceramics and theater, thus initiating a process of social integration.

The association belongs to the ARCI, the federation of left-leaning associations. With this choice, we also wanted to find a balance between the various ideological beliefs and political affiliations. We believe that for this type of
Once this last obstacle was removed, the competition was launched: it was June 13 2011, and participants had until the end of August to present their projects. Marco Zappalorto had advised that the competition should only stay open for a month. This was considered sufficient - assuming communication in the months before the competition opened had been effective - to ensure that the best candidates had time to submit their own proposals, normally already prepared. In this way, those wishing to enter just to try their luck were excluded. Usually, such entrants have little to add, and waste the time of the competition organizers. Innovation requires time and hard work, and is not born of a simple stroke of genius.

In this particular case, the competition was left open longer because the concept was new, and organizers wanted to give all the time necessary to those who were not accustomed to this form of participation.

When entries closed, registrations to the platform numbered 500, with nearly 200 proposals from 39 countries across the world: 136 came from outside Italy, and 42 from within Italy. This was a surprising result, even for the organizers. There was no budget for communications and marketing, and information regarding the competition was largely spread by the networks of the respective organizers and other partners involved. Social networks are the best way to reach young innovators, but traditional media can still be considered as an investment, to help reach less well-connected innovators.

Media coverage of the competition was equally satisfactory, and we owe this success to the initiative and drive of Wanda Halbert, who in those months was doing an internship at Euclid, showing particular skill in engaging journalists. The Guardian, Forbes and Bloomberg Week wrote pieces on the event, and we were even successful in getting in touch with Alec Ross, the social network guru who was working for Hilary Clinton at the time. Unfortunately, we didn’t manage to bring him to Naples - You win some, you lose some!

2.8 EVALUATION AND FINALISTS

As soon as the competition closed, the evaluation of proposals began. This was divided into three different phases: an initial phase, involving the organizers and OmniCompete, which saw proposals that did not meet the minimum requirements being discarded. This part of the evaluation is not concerned
with the quality of the content, but simply looks at formal criteria. While dull, this process serves to eliminate irrelevant proposals. Normally, around half of the proposals submitted are axed at this stage.

The second phase of evaluation is conducted by the panel of judges. Each member of the panel was assigned five proposals to evaluate, giving them a score from 1 to 5. The evaluation criteria were innovation, feasibility, sustainability, visibility and understanding of the local context. All of the documents were accessible through the online platform and the scores were also recorded here. Each proposal was evaluated by at least three members of the judging panel. Once all the members of the panel had voted and these votes had been counted, two finalists were selected for each challenge. On September 10, we announced the twelve finalists.

One representative per finalist was invited to Naples to present their idea to the conference audience, and the winners were to be selected at the end of the day - six in total, with a prize of €10,000 for each, to transform their ideas into projects.

In the call to tender, it was specified that the prize was to be used as a sort of compensation for the time and for any consultancy fees relating to designing the project and drawing up a Social Business Plan. Winners were not allowed to spend their winnings on luxury holidays...

This stipulation was requested by UniCredit Foundation, who would otherwise have been unable to support the initiative. In many other competitions with prizes, winners can spend their money as they prefer. This makes a lot of sense, but only in cases where the solution in question is, to all intents and purposes, a finished product or service, and not an idea that is still to be put into practice. The same evaluation process was followed for the competition for students, but involving only the Italian members of the panel of judges.

2.9 CONFERENCE AND PRIZE-GIVING

While the competition did not encounter any particular problems, the same cannot be said for the organization of the conference. For some mysterious reason, nothing is ever simple or straightforward in a city like Naples. The unexpected occurs when you least expect it: hidden costs jump out just when you think you have finalized the budget, and all decisions are subject to a process of renegotiation that continues even after the fact.

In this perennial state of uncertainty, other unexpected events - or miracles granted by the patron saint, San Gennaro, as the locals would have it - may
also occur. It must be a combination of all these things that renders Naples as fascinating as it is exhausting, stranded in a state of immobility and resignation reminiscent of Lampedusa’s ‘Il Gattopardo’, and always overflowing with humanity.

It began with the conference venue; various suggestions were taken into consideration, especially deconsecrated churches and properties belonging to the curia. Space is not lacking in Naples, but buildings are often as crumbling as they are elaborate; princely residences built three hundred years ago and left in a state of semi-abandon. Even the most basic of facilities and equipment needed for organizing an event are usually lacking, at times even electricity. The Chamber of Commerce quickly became the most interesting option - not only is it a beautiful nineteenth century building, but it is also equipped for international events. Thanks to the contribution made by the specialist company Promos Ricerche, who run the office for corporate social responsibility, the management offered to host the event for free. How could we possibly refuse?

Obviously, in early September, just when the venue problem seemed to have been resolved, it transpired that the request for rooms had been lost, and the space had been booked for other events. We were on the brink of desperation when one of the famous Neapolitan miracles saved us at the very last minute: the management of the Chamber of Commerce made the large hall on the ground floor - the best free space in the entire building - available for the event, and even offered to set it up at their own expense. It was the best thing that could have happened.

In addition, the UniCredit management team for southern Italy proposed to organize the event prize-giving at the Naples Diocesan Museum, inside the deconsecrated Donnaregina church. Despite the overwhelming heat and the pressure on our bank account, the baroque church gave the prize-giving ceremony a unique and almost regal ambiance.

The next step, which was anything but straightforward, was the drawing up of the program and the confirmation of the speakers. If you were under the impression that in Italy everything is done at the very last minute, and nothing is guaranteed until the very end, this event would have confirmed your suspicions. Until the week before the event began, everything was up in the air - speakers weren’t responding to messages, hadn’t given their confirmation, or were changing their minds altogether. It was like trench warfare, but in the end the righteous prevailed.
The three-day event opened with what I called, somewhat provocatively, the “Camorra Tour”: a guided visit to a series of properties, once owned by the Camorra in a time of organized crime, now transformed by the tertiary sector into enterprises working for the good of the community. The tour took part in the Casal di Principe and San Cipriano di Aversa areas, where various local cooperatives, with the support of Libera, are developing large-scale entrepreneurial projects. This opportunity was a resounding success, and proved particularly popular amongst Swedish visitors, who took part in droves. They told us that after a visit to a farm, they sat at the table for five hours: the longest lunch of their lives, and an almost traumatic experience for our Swedish guests!

The conference was held the following day. Unfortunately, we lost out on Roberto Saviano, the Cardinal and Commissioner Tajani, but to make up for it, the mayor of Naples, De Magistris, opened the conference alongside Felice delle Femine, UniCredit South of Italy Regional Manager, and Maurizio Carrara. The room was packed with more than 400 attendees, and all of the big names in the city were there. The enormous number of people in attendance gave the event the air of a public celebration, and the noise was not dissimilar to a colony of seabirds. However, I would not solely attribute the noise levels to the sociable nature of the participants; the translation service was poor, so those who did not speak both English and Italian could only follow half of the proceedings, making networking with other attendees essential.

In the city, the event was perceived as a major opportunity for local institutions, so much so that the Prefect of Naples sent a message of protest at not having received an official invitation to speak - It’s a very good sign when top-level State officials are vying to speak on the subject of social innovation.

The program of events flowed smoothly, just as planned, and the day closed with a dinner put on by UniCredit in their historical headquarters in Via Verdi. And it has to be said, when the Neapolitans invite guests to dinner, they certainly know how to impress them - the meal was fantastic. Moments of convivial good cheer are important in making an international event successful, and everyone likes good food.

The third day was less structured, with a workshop overseen by Chris Sigaloff, director of the Dutch think-tank Knowledge Land. At the historical Chamber of Commerce, Chris’s free, northern European spirit clashed with the rather strict security staff, who were horrified by the Dutch contingent and the way they moved the chairs, made everyone sit on the floor and attached stickers
to the nineteenth-century columns. Social innovation, too, should be taken
step by step and adapted to the audience; some of our Neapolitan colleagues
found it all a little hard to digest.
Once the initial shock of the interaction and spontaneous self-organization
had subsided, we moved to the deconsecrated church for the presentation of
the twelve finalists and student projects.
It was a long and very hot afternoon. The presentations lasted longer than
expected, but finally we reached the end, and the panel of judges took them-
selves off into a specially-prepared side room to choose the six winners. Only
around half of the panel of judges has managed to last this far - the other
half couldn’t bear the heat. The discussion was extremely animated, and at
times the tone reached new and unexpected lows. David Lane, who oversaw
the discussion, ended up yelling in my ear, in an attempt to calm the group.
Can you imagine - a respectable American professor of about seventy, yelling
at the top of his voice is a mix of Italian and English?
It’s always amazing to observe how distinguished persons in society can be-
come as passionate and animated as children when involved in making this
kind of decision. It is also true that the evaluation guidelines for the judges
were quite flexible, in order to leave plenty of room for maneuver. As a re-
result, however, some judges based their assessment on the innovative aspects
of the projects, while others focused on their sustainability or the practical
implementation of the idea in the local area. All of these principles were very
subjective. The panel of judges did not reach a unanimous decision, but were
required to vote for all of the challenges, resulting in: three winners and four
in a tie; the last prize was not awarded as none of the proposals submitted by
the finalists proved to be convincing enough, and neither of the two finalists
attended the event in Naples. The remaining prize was divided between the
four participants in a tie, even though provisions had not originally been made
for such a decision. But as previously emphasized, results are determined by
success, and not formalities.

2.10 THE WINNERS
Below is the final list of winners, as presented on the day:
Margherita Cittadino, Amnesty International Italy associate, won the first
challenge with her project to turn a villa confiscated from the Camorra into a
“green urban center”, providing services and products for all those looking to
live more sustainably and in harmony with the environment.
The second challenge - to make the Roman Baths at Fuorigrotta accessible to the public - was won jointly by two finalists: Jan Herder, teacher and entrepreneur based in Vermont (USA), and a consortium formed by Confprefessioni Campania, the Naples Visible City association and the Circle Ilva Bagnoli. Jan Herder proposed to make the site accessible online, re-creating it virtually, according to the principles of “Augmented Archeology 2.0”. The proposal submitted by the Neapolitan consortium, called Roots Discovery, aimed to involve the local community, helping them to rediscover and take back the archaeological site, creating a new place for it in the lives of the local inhabitants.

The third challenge was also won jointly by two finalists: A group of Italian-Dutch designers (Mylene Yonker, Piet Jonas and Vincenzo De Maria) proposed to enhance the sustainability of the Game, Images and Words association, transforming it into a social enterprise based around collaborative creation. The second proposal selected was put forward by a group of Serbian social entrepreneurs, led by Mirjana Tomic and Dejana Popovic. Their proposal was to recreate the format of the REMAKE festival in Naples, after its success in Serbia. REMAKE is an exhibition on the art of recycling, aimed primarily at young people.

The fourth challenge was won by the Rome Immersive Lab, a project conceived by Domenico Zungri, immersive technology expert, Ivan Fadini, co-founder of the Hub Rome, and Alfonso Molina, who at the time was the scientific director of the Mondo Digitale foundation. The project proposed a new business model for Maestri di Strada (Street Teachers), offering a program aimed at providing vocational training in the use of new virtual reality and immersive technologies. With new technologies used by young people for gaming and recreation as a base, the project aimed to encourage these young people to study these technologies, through the creation of a dedicated immersive virtual reality space.

Finally, the fifth and final challenge was won by Chi Rom e Chi No, the Neapolitan association created by a group of young social workers to promote the integration of Romani people into local communities, with their proposal to create the Kumpania, a catering project designed to provide opportunities for employment and integration, both for Romani women from the Scampia area and for Neapolitan women from the same neighborhood.
The four tied winners received a prize of €7,500. All other winners received €10,000 each, as stipulated at the beginning of the competition.

Unfortunately, the Italian press did not pay much attention to the initiative...
apart from Life, the Italian non-profit magazine, few national newspapers gave due importance to the event. Social innovation has not yet become trendy, and perhaps Italian journalists lack the spirit of Silicon Valley.

2.11 FROM IDEAS TO ACTION

When the competition was first conceived, we took into account the need to help innovators realize their ideas, even agreeing to evaluate the initiative a year after its launch. However, little did we realize the difficulties that this phase of the project would entail, such as, for example, the need to provide personalized support to each winner, to train innovators in the basics of business, promote relationships between innovators and local organizations, and all the other obstacles faced by a project in a city like Naples.

As for the organizers, we were clear from the very beginning that we wanted to see this thing through, and that we would not stop until the project was completed, while taking into consideration the possibility that not all of the projects would be brought to a successful conclusion - indeed, it was quite clear to us that not all of the ideas could be realized, and that there was a high degree of risk involved in the process. Our minimum goal was simply to implement at least one idea - for us, that would have been victory enough.

We had agreed that the process was goal-oriented and that we were willing to buck the trend on the level of formality and nature of the procedures that so often stand in the way of public funding, preventing results from being achieved on the ground.

UniCredit Foundation had already established a budget to support at least one project that demonstrated potential for success. At the same time, Maurizio Carrara had unofficially agreed with the presidents of other foundations that they would be willing and available to provide a further contribution in the event that more than one project passed the second selection.

So once the winners had been chosen in September, we rolled up our sleeves and got on with finishing the work we had started. We were under the illusion that within a year, the first results of our toils would have been visible: the reality was somewhat different.

Initially, we expected it to be easy to support the winners, combining the forces of the local organizations that had offered to host the challenges and those of UniCredit employees involved in mentoring activities. In theory, the organizers would only have to work on the coordination.

Unfortunately, however, almost all of the local organizations showed far more
willing in word than in deed, while the availability of bank employees was too limited to meet our needs; the support that the winners required necessitated a strong and ongoing commitment, along with an understanding of the process of creating a social start up.

In the end, the organizers ended up taking care of this phase too. Unfortunately, however, allowances had not been made in the budget for this, and, consequently, Marco Traversi had to step down from the driver’s seat: his cooperative, Project Ahead, was suffering as a result of the galloping crisis that had gripped the entire country, and needed his attention full-time. The staff of Euclid and UniCredit Foundation remained, and Marco helped out in times of real need.

The decision to involve Marco only when absolutely necessary was also strategic, since at this point relations with our partners were becoming increasingly thorny. The budget for the eventual financing of the projects was substantial - around €100,000 - and the selection process very difficult. The decision could be based only on the results, and Marco would have been the inevitable target for any local complaints or requests.

We attempted to identify a professional who was familiar with the unique dynamics of the South, but who was independent of local interests and networks, in order to help coordinate this delicate phase of the project at a local level. Failing to find anyone who met our requirements, Giuseppe Ambrosio from UniCredit Foundation took responsibility for conducting this phase, with our support from London.

On November 10-11 2011, we brought together all the winners in Naples, for two days of workshops. The aim was to provide them with guidelines to help them transform their ideas into projects, as well as facilitating the creation of synergies and collaboration between projects; none of us were ever “fundamentalist” with regard to the competition.

Chris Sigaloff offered to run the workshop alongside me. Over the two days, Chris and I attempted to offer the winners a crash course in progressing from an idea to the implementation of a plan that would meet the criteria of innovation, financial sustainability and impact on the local area.

We provided general guidelines for writing a business plan, but we could not give the winners a fully-delineated structure, as a single business plan would not have fitted all initiatives. Some of these had the potential to become real, functioning enterprises, whereas others did not. But it was certainly important to us that the participants both had the chance to reflect on the
real opportunity to launch their initiatives, without expecting to receive public subsidies or donations, and also took the time to consider the potential impact of their initiatives. Results should be seen on the ground, and not just on paper.

The workshop went well, but was not sufficient: It was immediately obvious that the winners needed personalized assistance, and we were pleasantly surprised by the participation of Antonio Copetti, who is responsible for Corporate Credit Analyst at UniCredit South Area. Copetti lent a hand in drawing up the financial plans, working together with each winner. Law firm Hogan & Lovells also got involved, offering their time to help the winners with legal issues. At the beginning Hogan & Lovells offered its help to assist Roma people but at the end the lawyers gave an hand for all the legal questions we met.

However, creating synergies among the winners proved much more challenging, particularly among those receiving joint awards, mainly because ending up with two pairs of winners on the same challenge was an unexpected outcome. Clearly, each participant wanted to come out on top in the second phase. But another problem emerged, which is characteristic of the behavior of innovators who are not motivated by personal gain: in jealously guarding their ideas, the innovators prevented collaboration amongst themselves, thus missing out on the chance to transform their ideas into something new. Those driven by profit, however, have no qualms about changing the project if the new one will make more money.

It has to be said that local organizations were not very helpful; it was clear that some of them had become involved in the project simply because it is easier to accept than refuse. But there is always something to be gained. Others did not take kindly to “those foreigners” who wanted to invade their territory; whether this is due to a form of parochialism or to a pragmatic calculation to protect their legitimacy and their own sources of cash, their lack of collaboration has undermined the success of the project. If we were ever to organize another competition, we would certainly devote much more attention to the selection of local partners. The often particularist identity of non-profit organizations does not guarantee a culture of collaboration.

However, after the workshop, we organizers made ourselves available to help the innovators in writing their business plans. This was the longest and most taxing phase, with highs and lows and unexpected and dramatic twists and turns. Below is a summary of what happened.

1. After the initial friendly meetings with Libera, who were not only respon-
sible for helping to guide the challenge but were also one of the legal
guardians of the villa together with the social cooperative Ursa Major, the
chickens came home to roost. First of all, relations between the two legal
guardians were not exactly clear and simple, to say the least. Libera was
not specifically interested in Margherita Cittadino’s project, but rather
in the possible contribution of the foundation, because they wanted to
establish their regional headquarters in the villa and implement a series
of initiatives, among which the winning idea would be afforded a small
space. Our innovator was told flatly that they either had to adapt to the
plans of the association or abandon the project altogether. After count-
less attempts at mediation, it eventually transpired that the villa was a
construction located in an area of high geological risk and therefore any
intervention would be illegal unless the City of Naples did not release a
redefinition of the hazard criteria of the area - a endless bureaucratic
process. Who knew that the entire complex was an unauthorized building?
The “WITH THE SOUTH Foundation” had already made a contribution to
the restoration work and the project had been presented to all the local
authorities, headed by Mayor Iervolino, as a symbol of the legal re-con-
quisition of an area seized from organized crime. Just the right symbol. At
this point, we were forced to abandon the enterprise.

2. The difficulty of combining a digital project developed on the other side
of the Atlantic with one based in the local community and conducted by a
local consortium became obvious with the challenge of the Roman Baths.
It is certainly true that linguistic and cultural differences did little to con-
tribute to the success of the initiative. The fact of the matter was that Jan
Herder’s project - although it enthralled all those who love the web, like
me - failed to tickle the fancy of potential Neapolitan partners. Naples is
not exactly Silicon Valley. A real shame, as the two ideas could have been
successfully reconciled, combining physical and virtual locations, but the
chemistry between the two partners just didn’t ignite. The unrealistic
expectations of Jan’s project in respect of the real potential of the area,
combined with a seemingly endless process, eventually discouraged the
American innovator. The inertia of the Italian administration, in this case
represented by the governing bodies in question, would have eroded the
patience of anyone other than a group of Neapolitans who over the cen-
turies have transformed it into a secret weapon. The lack of clarity and
transparency between members of the consortium further delayed the
process. Only the perseverance of the young women from the Naples Visible City association - along with their mentor Prof. Stefano Consiglio, a professor of business organization at the University of Naples Federico II - and the professionalism and commitment of Marco Giglio, president of Gruppo Archeologico Napoletano, prevented the project from dying altogether. Jan Herder jumped ship, but the Neapolitan consortium reorganized itself, creating a new association, Roots Discovery, and presenting a plan to open the baths to the public.

3. The Game, Images and Words association also came face to face with the problem of combining local concerns with innovative ideas from outside. The two winners each proposed very different projects, and the same Neapolitan association chose the idea put forward by the designers. REMAKE was a great initiative, but seemed somewhat “stuck” to the association, and had yet to be fully developed. Conversely, the designers had organized a series of meetings with members of the association, facilitating the process of transformation, but even they fell before reaching the finish line when it came to formalizing their ideas for change. Neither of the two sides was able to formulate a common project to be presented together, in spite of the support they received. My impression - and it is most definitely a personal opinion - is that, on paper, the association wanted to be innovative because they understood that this was the way to ensure its sustainability through a grant from the foundation, but this innovation did not translate into a real strategic and cultural change in their members, a process that the designers were looking to set in action, even if not in a clear way. In the end, we threw in the towel: innovation is a painful and risky process, and it is useless to enter into such a process unless truly convinced...or obliged to.

4. The challenge dedicated to tackling early school leaving was also doomed to fail. The “Immersive Lab” project was undoubtedly ambitious, and the budget set aside - more than a million euro - was well beyond the financial means of the initiative. However, the main stumbling block was not the innovative idea, but the organization of Street Teachers, who, faced with the loss of the public contributions that had allowed the project to go ahead over the years, embarked on a last-ditch fundraising campaign: as a result, any proposal would have been adequate, even if it provided the necessary funds. Although the organization cannot be blamed for this behavior, it did unfortunately lead to the competition process becoming in-
valid. In addition, the Cannavaro Ferrara Foundation, who had offered to host the challenge, failed to facilitate dialog between the parties. However, major national events were what really determined the outcome. Marco Rossi-Doria, one of the founders of the association together with Cesare Moreno, came into the Monti government in 2012, and created the conditions for supporting the project. In addition to this change, a donation of €100,000 was made by the Prosolidar Foundation, whose president had been one of the judges in the panel and had committed to supporting some of the winning projects. However, he probably became tired of waiting for the process to come to an end, and preferred to put the money he had already committed to good use; at any rate, once the emergency had passed, the marriage of convenience was no longer necessary - the partnership failed, and the project died with it.

5. The group Chi rom e Chi No, on the other hand, succeeded in reaching the finish line. It is true that their idea was always relatively solid, and the final outcome easy to imagine. I was lucky enough to have the chance to savor for myself the dishes that the Romani and Neapolitan women had prepared. Often, social innovation is not actually particularly innovative. The challenge lies in making initiatives stand on their own two feet. The real challenge, then, was to transform an occasional catering service into a regular professional business, opening a restaurant in the neighborhood of Scampia. The biggest hurdle came in the shape of property owned by the City of Naples which the association had identified in Scampia. The venue in question had been occupied for over fifteen years by another manager without any form of contract, who was unwilling to vacate the premises without first receiving a refund for the purchased equipment with which he had constructed the kitchen and completed the renovation work, a sort of goodwill payment. It was the initiative of UniCredit Foundation that led to the resolution of the situation, with Caritas also providing assistance by offering the women from the association working grants to cover the cost of the first months of work. Once the manager of the venue had been paid, and the City of Naples had been convinced to launch the call for tenders for the space, however, the sustainability of the enterprise remained up in the air. Good intentions are not enough to run a restaurant - managerial skills and a nose for business are essential. Will the Kumpania girls be able to rise to this challenge? Social or otherwise, entrepreneurial skills cannot be improvised.
2.12 FINAL EPISODE: RESULTS AND EVALUATION

This brings us to the conclusion of an adventure which began at the end of 2010 with the desire to experiment and make a difference; an adventure that has involved increasing numbers of people and partners, facing difficulties side by side (almost always!); an adventure that has led us to often unexpected results. Naples 2.0 is the embodiment of social innovation as a form of exploration in which entrepreneurship is combined with a renewed engagement that transcends the local context and overcomes divisions between sectors. Forms may change, but the ambition and risks are the same as those of the first explorers at the time of transoceanic voyages.

On 2013 June 3, we closed Naples 2.0, organizing a conference to celebrate the projects that have reached the end of the road and to present this publication, sharing the lessons we have learned from this experience in the hope that they may be useful to others who wish to conduct a similar competition, and to encourage other public institutions and private companies to try their hand at social innovation.

The day was divided into two parts: a public event, and a later seminar behind closed doors. At the public event, we presented the two winning projects, Kumpania and Roots Discovery, which received the contribution to launch the start up phase. The two initiatives received a total of €300,000 in funding, financed by UniCredit Foundation and “WITH THE SOUTH Foundation”. The event also served as an occasion to present the overall results of the initiative and to reignite the debate on the Italian agenda for social innovation - an issue which, in a time of profound crisis, our country sorely needs to address.

The second part of the day was dedicated to a closed-door seminar for professionals, with a view to facilitating an open and frank discussion of all the problems that such projects meet, with the experience of Naples 2.0 as a starting point. This event also presented a unique opportunity to refine the contents of this publication, which aims to provide a real, frank description of the project, without omissions, even in instances that are perhaps somewhat embarrassing to share.

The Naples 2.0 experience led us to several conclusions:

- That social innovation is a complex, non-linear process, which requires the participation of a range of different partners and which rarely ends when initially expected;
- The potential for risk, failure, and a heavy dose of creative destruction
must all be taken into consideration from the outset;

- It is also necessary to bear in mind that the process often leads to clashes with local interests and even with social partners who manage the area or have a monopoly on the issue in question;

- Flexibility and the determination to produce results are a priority;

- Procedure and formalities must be adapted to the objectives, never the other way around;

- For this reason, it becomes difficult for public institutions to take a leading role in this process, but they can get involved further down the line in order to increase impact and ensure longevity;

- The role of private initiatives - both profit and non-profit - is therefore to guide the process, in acceptance of the above conditions.

It is also worth commenting on competitions with prizes, given that these are becoming increasingly prevalent, and are often used for finding solutions and financing in lieu of contributions and tender-based competitions:

- The resources available for the organization of awards-based competitions are more and more numerous, but it is important to remember that the competition is only the beginning; the biggest challenge is not identifying innovative ideas, but implementing them and rendering them sustainable in the long term;

- The most difficult part of the process - and that which requires the most time, expertise and resources - is providing support for innovators who are often short on experience and lacking in business mentality. Many of these innovators come from the non-profit sector, and have a hard time adapting to an environment in which public resources are increasingly scarce;

- Traditional social stakeholders, both in the public and private sphere, are often opposed to these competitions due to their ethos, and are often unfamiliar with the process, since they reward merit and performance, not the right affiliations and respect for rules and hierarchies;

- These competitions are not only effective in producing results, but also in rebuilding the social fabric of the area in which it is based, through the participation and involvement of individuals and communities;

- An effective competition is one that is simply structured in terms of design, communication, implementation and results. This simplicity facilitates access for all parties, preventing groups with vested interests being privileged over others;

- Each competition is unique, and is driven by the goal that it aims to reach,
and designers should never stop experimenting with new competition methods and structures;

- The evaluation of results is not an exact science, and often stimulates and inspires the panel of judges beyond all expectations. It is important to provide clear guidelines for evaluation while leaving a degree of discretion to the judging panel. The right mix of judges guarantees the final quality of the result, who, if possible, should ideally reach a unanimous verdict through face to face discussion. Failing this, the decision is put to the vote;

- Thorough research into each challenge is essential, and understanding the context and seeking advice from experts in the challenge design phase contributes to the quality of the proposals;

- The choice of local partners is also crucial, not only in the design phase but also subsequently, in helping winners to turn ideas into projects;

- It is very difficult to turn those working in the social sector into entrepreneurs; perhaps it would be easier to make entrepreneurs more socially responsible, providing that the social value of their entrepreneurial activity is recognized as a success factor.
Designing and running a social innovation competition

3.1 Introduction

3.2 What is a Social Innovation Competition?

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CHAPTER 3
Designing and running a social innovation competition

3.1 INTRODUCTION
This toolkit builds on the international social innovation competition “Naples 2.0” and aims to serve as inspiration for those looking to replicate a competition to bring socially innovative solutions to their own community.

The toolkit provides an indication of the possible steps to take in order to create a social innovation competition in varied contexts.

It is aimed at individuals, as well as organisations of any size, who want to use this innovative methodology to generate ideas and solve concrete social challenges on the ground.

The organisers of Naples 2.0 would like to demonstrate through this toolkit that solving big challenges is not a privilege of the large and established organisations, but something anyone can undertake and where anyone can succeed.

3.2 CHE COS’È UNA COMPETIZIONE DI INNOVAZIONE SOCIALE?
Social Innovation Competitions as discussed in this toolkit, are competitions for ideas. There are also competitions for products/services, results or outcomes. Those however are not covered by this toolkit. Additionally there are competitions for technical solutions that do not focus on the social aspects, which will also not be addressed directly in this toolkit.

Social Innovation in a nutshell
Social innovation implies finding new ways to solve a social problem. TEP-SI, the European project on Social Innovation, defines it as the following: “Social innovations are new 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 and relationships and better use of assets and resources. In other words, social innovations are both good for society and enhance society’s capacity to act.”

Competitions here mean prize competitions, where two or more individuals or groups compete for a prize.
Competitions have the advantages that they are low on bureaucracy, easily accessible and low in barriers to entry. So they can attract “unusual suspects”. Social innovation competitions generate ideas that address social challenges in a socially innovative way, by getting external talent to compete for a prize for the best idea.
3.3 WILL A SOCIAL INNOVATION COMPETITION WORK FOR YOU?
There are several different reasons, why a social innovation competition might be useful for you:

- **Nature of the problem**: fixing the problem would be good for the local community, or the wider society, and you would like to solve the problem in an original way.
- **Persistence of the problem**: The problem has existed for a long time; and/or attempts to solve it have failed.
- **Ability to attract talent**: Your community has found it difficult to attract outside talent to work on the ground.
- **Level of awareness**: The problem is not regarded as a priority. Or it is not sufficiently visible in your area.
- **Innovativeness of existing ideas**: Old ideas or methods are being applied to this type of problem with less and less impact. There is a need to generate new ideas.

3.3.1 - A ‘health warning’ to keep in mind
There is no guarantee of success from the ideas that come from the competition. Ideas may not fit in practice or may fail. On the bright side, you do get a multiplicity of ideas that can make a difference given the right circumstances. Prize ideas will not solve your problems instantly: Each idea needs nurturing, no matter how strong. It needs time to grow.
So once the winners have received the prize, your stake in the competition process is not over. Winners will need support from people on the ground to help them implement their ideas effectively.

3.3.2 - Do you have a clear challenge in mind?
Virtually any social challenge can be addressed. The key lies not so much in the nature of the problem but how you frame the challenge to fix it. The problem needs to be explained as carefully and in as much detail as possible even if this exposes weaknesses. However, the potential solution should be left as open as possible avoiding to influence participants.
Arguably, being as open as possible with the challenge itself could reach a larger audience and gather the most ideas. Being practical, the more specific your own challenge is, the more likely you are to obtain ideas that can be turned into results. For example “eradicate poverty” is so broad it could produce a wide variety of ideas, but not something that is either affordable or can be
implemented in your area.

In Naples 2.0 we started from semi-specific challenges, which we narrowed down by including the business model design in the second phase to reach concrete results.

Examples of what social innovation competitions can address:

- Developing sustainable funding models for organisations.
- Unlocking talents and finding new types of jobs.
- Integration of immigrants.
- Finding new ways to recycle materials.
- Re-urbanising public spaces.

### 3.4 Absolute Essentials for a Competition

#### 3.4.1 - The Money

Competitions may be efficient, but they can also be expensive and time-consuming. As a minimum, you need:

- **Prize money**: the prize that one or more winners will receive. This can range from a few hundred pounds to hundreds of thousands if not more. For Naples 2.0, we had 6 prizes of €10,000 each, which we considered enough for winners to start implementing their idea. Alternatively you might think that the kudos, the challenge and the publicity is enough to motivate participation.

You also need to consider indirect costs:

- **Time investment**: you will not only need to cover the winner’s prize, but also your own time invested in the competition.

- **Events**: most competitions feature an award ceremony for the winners and to give them and the competition publicity. You will need to consider events costs, from catering and technical equipment, to travel and accommodation for winners and possibly for the judges too.

- **A technology platform for competition entries and assessment**: To make the collection of submissions easier and more professional, arguably the best way is to adapt or build a website and a platform where people can submit their entries. The cost can range from a few hundred pounds to several thousand pounds depending on the quality of the website.

- **PR and advertising**: If you have neither access to a strong network nor the time to run a fully-fledged communication and PR campaign it may be wise to invest in someone who can help.

- **Mentoring sessions**: This is fundamental that is a session to help turn ideas...
3.4.2 - Partners

Partners play a crucial role in helping with the organisation of the competition. They can fill the gaps in skills and knowledge that you do not have.

Partners can:

- Help identify a challenge and provide the necessary information and details.
- “Adopt” a challenge and become the champion and contact point for this challenge throughout the competition.
- Communicate and spread the word of the competition.
- Support the organisers in arranging mentoring or staging an award ceremony.
- Provide judges for the competition.
- Work together with winners to implement ideas.
- Generate support from local authorities or other important actors, to make the competition a success.
- Provide networking opportunities.
- Provide pro-bono services and mentoring.

3.4.3 - Ways of reaching the right people

Depending on your goal competitions are successful if you reach the right audience. This is especially true for social innovation competitions, which seek to unlock outside talent - the “unusual suspects”. So the communication plan should include:

- A strategy to address as many different target groups as possible. This can be done by using different social networks such as LinkedIn groups, or other social media with targeted communication, especially twitter.
- A media campaign to encourage maximum publicity. Don’t forget to write a press release.
- Exciting and engaging messages that attract interest from a variety of stakeholders: “make a difference” or “be a change maker” rather than “apply now”.
- A patron for the competition who can generate interest from a broad audience. This can be good for fundraising too.
- Ask partners to help generate interest and excitement about the competition.

Mentoring:

For Naples 2.0 we ran a mentoring session with the winners, 2 months after the prize had been awarded. The mentoring looked in particular at how the initial ideas can be transformed into sustainable business plans to implement their idea. It was held in Naples, so winners could also use the time to re-connect with the local partner organisations.
• Use networks like Social Innovation Europe or Euclid Network to promote your competition.

3.5 WHAT DOES A COMPETITION OFFER PARTICIPANTS, FUNDERS, PARTNERS AND LOCAL COMMUNITIES?

3.5.1 Participants
• Finding solutions: Winners will have the opportunity to provide a solution to a problem. They will also have the chance to implement their idea and contribute to solving a social issue which may be personal to them
• Low barrier to entry: Participants will not have to face long, bureaucratic procedures to join the competition
• First-mover: The chance to be the first to solve a challenge that is new or unsolved. If successful, it will give them the credit of being the first.
• Kudos and recognition: A well-publicised competition will give all the finalists recognition and impetus towards success for future projects.
• Reward: Winners get a prize to start the implementation of their idea. Depending on the design of the competition they might get mentoring and support to realise their project. Through this experience they gain valuable knowledge for the future.
• A bigger network: Through participation, winners and finalists can grow their network ranging from public institutions to peers to private and institutional funders.

3.5.2 Funders
• Publicity: Competitions can create a lot of media attention, which is good publicity for individual, private or institutional sponsors.
• Kudos: If the competition delivers the results hoped for, the sponsor will receive recognition for its commitment and a positive branding association with innovation, social responsibility and community support.
• A way to reach a policy goal: Perhaps a CSR priority, or institutional objective of the sponsor to reach a certain goal, can be achieved through the competition.

3.5.3 Partner
• Kudos: Partners will be closely associated to the outcomes of the competition. They will also be seen as willing to take risk and manage uncertainty.
• Pro-bono hours: Partners can provide pro-bono advise to something they
believe in and want to nurture

- **A bigger network:** Partners will get in touch with different people and can build new business relations
- **Solving social problems:** If the partners are located in the area of the challenge they can benefit from the solutions to social problems

### 3.5.4 Local communities

- **Raise the profile of a problem** - publicity for a challenge with local bodies and potential funders: A competition will help to get unreported or underreported problems on the map, raising consciousness with regards to the extent and impact of that particular problem and helping to unlock further funding for solving it in the future.
- **Finding a solution** which helps meet need.
- **Creating a larger network:** Local institutions and organisations may take the opportunity to increase their national or international network through the funders and organisations involved.

### 3.6 DESIGNING A COMPETITION

Competitions can be simple or sophisticated. All generate ideas. If the goal is to develop a new product or service that can be introduced to a market, for example, the approach would need to be prudent to have a higher probability of success when implemented. This would probably involve more stages to refine ideas, reduce the number of contenders, or test implementation plans. Some competitions include mentoring at an earlier stage, for example at short-list stage for generating ideas. This depends on having sufficient money and capability to do so.

#### 3.6.1 - Set a clear time line

A competition, like every project, needs detailed planning. A time line on what you want to achieve, and when is essential to keep track. Given that you have the prize money and partners confirmed a time line for a social innovation competition could look like this:

**01 January:**
- **Pre-selecting potential challenges with partners**
- Contacting web developer to design application platform
- Start the communication campaign about the competition

**01 February:**
- **Deciding the challenges**
- Create the entry form
- Define the assessment criteria and select jury
10 February
Launch competition
Launch the application platform
Write press release and step up media and communication campaign

10 March
Monitor the entries and step up communication
if needed for one particular challenge
Start organising the award ceremony

10 May
Close competition
Notify applicants of the receipt of their entry
Start pre-selection according to criteria
Communicate about number of entries

01 June
Ask judges to select finalists/ winners
Finalise the details for the award ceremony

01 July
Notify finalists/winners
Step up communication, inform about the winning ideas

01 August
Award the winners at the award ceremony
Release press release

01 October
Run mentoring session for winners
Prototype interventions
Organise pro-bono support for winners

From 01 December
Monitor progress till the start up of the initiative (average time further 6-12 months)

3.6.2 - Entry package

Entry criteria: the more diverse the talent you want to reach, the more open the criteria should be. Sometimes a competition requires certain skills or is only open to a section of society, for example young people or non-profit organizations. In some cases a competition might require a track-record of (some members of) a consortium to ensure the appropriate skills and capacity.

Entry form: the entry form is where participants will write down the essence of their idea. It is for the organisers to assess the quality of the application Leave it as simple and open as possible to attract more people and more “out-of-the-box” solutions. Also indicate the maximum number of words per question. In general it is not advisable to allow more than 500 words per question. Also be transparent about your assessment criteria, so that applicants know what you are looking for.
Questions that you might want to ask:
1. What is the idea?
2. What is innovative about the idea?
3. What would be the impact?
4. Financial sustainability (if needed)?
5. Is it scalable (if needed)?
6. What are the risks involved/potential hurdles?
7. What will the winners do with the money?

3.6.3 - Disclaimer
In the disclaimer you should add the terms and conditions of your competition. Also let applicants know how you are going to handle their idea, and what you are going to do with it.

3.6.4 - Assessment Criteria & Judging
Be clear about your assessment criteria. The criteria should correspond to the questions you ask and to the result you are looking for. I.e. they can be based on level of innovativeness, sustainability, potential outreach, viability of the idea, etc.
Assessment criteria can be qualitative or quantitative, depending on your needs. When it comes to judging, make sure that you have already screened the applications and gotten rid of those that do not meet the criteria. It should be easy for judges to assess the application. One application should be judged by multiple people to ensure fairness. A good judging panel shows the right mix of knowledge and expertise needed for the assessment. Also here diversity can be the key, depending on what your challenge is.

3.7 SUCCESS
Success can come in many forms. It can be the success to get people interested and excited about a problem; it can be the outreach and promotion of the competition; it can be finding new ideas; or it can be the launch of new social enterprises that solve the challenge.
These aims and goals are important to be addressed at the beginning of the competition. Knowing what you want to get out of it can help you in shaping your competition.
A social innovation competition, as the one in Naples, can be challenging, but
Naples 2.0 had three overarching goals:

1. **Awareness**: Raising awareness about social innovation and turning Naples into the Hub of social innovation.
   
   Did it work? Through the competition we brought social innovation closer to the people, not only in Naples but throughout Europe. At the same time as the award ceremony the Italian Social Innovation Network (I-SIN) was launched in Naples.

2. **Politics**: Influence EU and national policy to mobilise funding for social innovation, and make Naples a model for implementing social innovation in other regions.
   
   Did it work? The EU has specific funds for Social Innovation now, especially in its research programme Horizon 2020 (of course this is not only due to the competition, but a concerted effort of many actors, but the competition was a good and practical case study how social innovation can work on the ground). Also social innovation competitions that are inspired by the Naples competition are starting around Europe, as for example the EU’s Social Innovation European Competition in Memory of Diogo Vasconcelos.

3. **Find concrete solutions to the challenges and build networks between international innovators and organisations in Naples.**

   Did it work? After a long implementation period two start ups will be launched, addressing their challenge. Also where no start ups came out of the project, the competition has still helped to develop new ideas and give new inspirations. Innovators from around the world have been working together with local organisations to make change happen. They did so successfully.

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**Action is the foundational key to all success**

*Pablo Picasso*
most of all very rewarding. You need to dare to take the risk to get very innovative ideas that might or might not work. Giving winners the most support as possible will help them grow their idea and implement it successfully. Social innovation competitions can transform the landscape of addressing social problems.
UniCredit Foundation is a corporate foundation that was established in 2003 in order to contribute to the development of solidarity and philanthropy in the communities and territories where UniCredit operates, primarily in the regions where UniCredit is present (20 countries including Europe and Central Asia). Through the transfer of financial resources and the typical management skills of a company UniCredit Foundation supports projects of significant social impact and innovation, implemented by local non-profit organizations.