DRAFT Ontario's Social Innovation Policy Paper

Section 1: Walking the Wiki Talk

The policy paper you are about to read is a kind of social innovation in itself. Whereas most policy papers are drafted behind closed doors by a select team of experts, this one is the result of a bold experiment in open policy development—one where citizens, non-profit organizations, businesses and public agencies collaborated online and offline to co-create a policy framework for social innovation in the Province of Ontario.

The Social Innovation Summit

The process began with a multi-disciplinary Social Innovation Summit hosted by SiG@MaRS on May 16, 2011 and organized in partnership with the Ministry of Research and Innovation, the Ministry of Citizenship and Immigration and the Ministry of Children and Youth Services. The Summit brought together over 150 business, government, and community leaders to learn from one another about social innovation, to advance our thinking and to build effective partnerships to resolve social, cultural, economic and environmental challenges in Ontario and beyond.

Many of the issues and recommendations captured during the meeting are reflected in this report. But the Summit was just the beginning of a conversation that continued for several weeks on a public wiki. Just like Wikipedia, contributors throughout Ontario have had an opportunity to add or edit entries, discuss their views, or simply read and comment on what others had written.

The Wiki Process

In developing the first draft of the social innovation policy paper we asked contributors to address four questions:

▪ How can social innovation help fulfill the needs and aspirations of Ontarians?

▪ Which examples of social innovation best illustrate key lessons and principles and help show the way forward for Ontario?

▪ How can we create an environment in which social innovation will thrive?

▪ What specific actions can each sector take to help make Ontario an international leader in social innovation?

In the two weeks subsequent to the Summit, members of the social innovation community worked together to identify better ways to unleash the sector's potential. Fortunately, Ontario is rich with social innovation experts and practitioners and an open policy process provided a unique opportunity to engage smart minds across the Province. The result is an [impressive online resource on social innovation](#), including a wide-ranging analysis of the barriers and challenges facing social innovators, a database of leading case studies, and detailed proposals for action for governments, non-profits and businesses.

The Policy Paper

On May 31st, a first draft of the Social Innovation Policy Paper was delivered to our partners in the Ontario government, including the Ministers of Research and Innovation, Culture and Immigration and Children and Youth Services. After reviewing the Policy Paper, Ministers Laurel Broten, Eric Hoskins, and Glen Murray posed a series of additional questions about social innovation to Ontarians. Those questions prompted community members to weigh-in on a variety of important challenges and opportunities including: the legal and regulatory barriers facing social enterprises, new models of civic engagement and cross-sector collaboration, metrics and evaluation processes for social innovation, the challenges associated with balancing accountability and innovation within government, and the scope for using social innovation to reduce poverty in Ontario.

This final draft of the policy paper provides a selective (but hopefully representative) view of the issues, ideas and proposals generated by the community to date, including both phases of consultation. This draft was prepared on behalf of SiG@MaRS and the Government of Ontario by [Anthony Williams](#), an Ontario-based author, consultant and social innovator. While it was impossible to feature all of the good ideas and examples in this report, everyone involved would like to thank all contributors to Ontario's Social Innovation Wiki, including those present at the Social Innovation Summit and the many people who took the time to contribute additional material.

We believe that broader participation leads to better ideas and perhaps a greater diversity of ideas as well. We also expect that greater inclusion in the decision-making process will foster to a greater sense of ownership, which is especially critical now as we

contemplate how to move forward with many of the good ideas contained herein. We would also encourage readers to visit the Ontario Social Innovation Wiki and take full advantage of the valuable asset the community has created.

Organization of the Policy Paper

The rest of the policy paper closely resembles the structure established on the wiki and is organized as follows.

- **Section2: The Promise of Social Innovation** establishes a vision for social innovation in Ontario and describes the opportunities for citizens, government, non-profits and businesses in Ontario.

- **Section 3: Proposals for Action** outlines numerous proposals for new multi-sector collaborations and specific actions that could be undertaken by organizations in the public or private sectors to further the social innovation agenda in Ontario.

- **Section 4: Onwards and Upward for SI in Ontario** concludes with a brief recap of the big ideas and themes, as well as a few notes of caution as policy-maker move forward with a social innovation agenda.

Note that the wiki contains a great deal of valuable material that is not included in this report, including a more extensive discussion of the barriers and challenges facing social innovators and a database of social innovation case studies.

Section 2: The Promise of Social Innovation

Pressure is mounting on all sectors to find innovative solutions to the economic, social, and environmental challenges facing Ontarians—solutions that fully leverage our Province's immense reservoir of talent and creativity. A growing number of Ontario's citizens, community leaders, public servants, and entrepreneurs believe that social innovation provides unique and invaluable benefits in addressing the many and complex needs of our residents.

- In the fight against poverty, social innovators are applying micro-finance models to unleash entrepreneurship and job creation in low-income communities.

- In education, new models of collaborative pedagogy and an open access to educational course materials can ensure that every aspiring student in Ontario has access to world-class educational resources that they can use and return to over their lifetimes.

- In an effort to prevent disruptive climate change, ordinary Ontarians are working at the neighbourhood and municipal level to bring greater consumer awareness and a sense of community to making ordinary household and business decisions that will foster a more sustainable economy.

- In government, open data initiatives have the potential to generate radically more productive and equitable services, bolster public trust and legitimacy, and unlock new possibilities to crowd source solutions to local and global challenges.

- In the economy, greater openness in innovation and science, combined with growing Internet penetration, are creating more economic opportunity for Canadian citizens and businesses that learn how to tap into global innovation networks.

Put it all together and it becomes increasingly clear that we can rethink and rebuild many sectors of society on a profoundly new open, networked model. Indeed, the global social innovation landscape is already populated with vast networks of people and ideas united with the full compliment of skills and resources needed to translate good ideas into action.

Defining social innovation

Wikipedia says "Social innovation refers to new strategies, concepts, ideas and organizations that meet social needs of all kinds - from working conditions and education to community development and health - and that extend and strengthen civil society. The term has overlapping meanings. It can be used to refer to social processes of innovation, such as open source methods and techniques. Alternatively it refers to innovations that have a social purpose - like microcredit or distance learning. The concept can also be related to social entrepreneurship (entrepreneurship is not necessarily innovative, but it can be a means of innovation) and it also overlaps with innovation in public policy and governance."

Social Innovation is defined differently by many different groups. For example, the Centre for Social Innovation defines social innovation as new ideas that resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet. A true social innovation is systems-changing – it permanently alters the perceptions, behaviours and structures that previously gave rise to these challenges.

Social Innovation Generation at MaRS recently pulled together a Primer that lists some of these definitions but also defines many other terms that are frequently used but not often universally understood - like Social Entrepreneur. The SiG definition is unique in that it includes the concepts of resilience, impact, durability and scale. http://sigeneration.ca/primer.htmlhttp://sigeneration.ca/primer.html

Realizing the promise of social innovation in Ontario

As the Government of Ontario prepares to increase its involvement in social innovation, a number of questions naturally arise: What should a "made-in-Ontario" vision of social innovation look like and how can social innovation help fulfil the needs and aspirations of Ontarians?

As discussions unfolded at the Social Innovation Summit on May 16, 2011, most participants agreed that the ultimate promise of social innovation is a better quality of life for all Ontarians delivered through innovative partnerships between government, the civic sector and business. More specifically, Summit participants and wiki contributors identified four main benefits of investing in social innovation:

- A new ethos of innovation within the public sector, including increased collaboration with citizens and partners to tackle policy challenges and deliver public services.

- A more vibrant and productive civic sector with diverse and reliable funding streams and robust networks for sharing knowledge and resources.

- A culture of active citizenship and community participation that enhances democracy and gets citizens involved in co-creating solutions.

- A flourishing social enterprise sector and greater business engagement in social and environmental problem-solving.

Addressing barriers and challenges

The ability to tap into this "civic surplus" presents a considerable opportunity for Ontario. Yet, social innovators across the Province face considerable challenges in getting their innovations recognized and supported. For social entrepreneurship to truly flourish in Ontario, we need to strengthen our ecosystem of networks and supports for social innovators. At the same time we need to remove barriers that are currently constraining the growth of social innovation initiatives in the Province.

Building the capacity to innovate

Many good social innovation initiatives fail to reach critical mass, not because the good ideas can't or won't work, but because there are inadequate resources for outreach or for providing services at a larger scale. Participants emphasized the need a better infrastructure for taking successful social innovation experiments and scaling them into self-sustaining programs and initiatives. They called for greater access to management, marketing and technology training and skills development. They also called for stronger incentives for innovation and for funders to give social enterprises adequate "room for failure," noting that we can't have innovation without experimentation.

Securing access to reliable funding and addressing outcomes rather than activities

Another persistent theme was funding for social innovation. Non-profits and social enterprises face difficulties securing access to a reliable funding stream to support nascent or mature initiatives and organizations. Participants argued that grants do not add up to a sustainable source of funding. There was a great deal of discussion about how the process of funding is too often divorced from end-results or outcomes. Participants called for better metrics for evaluating the success/failure of social innovation initiatives and suggested that government play a role in helping to "standardize" how non-profits and social enterprises report on their activities and outcomes.

Securing funding for social innovation research

Concerns were raised around post-secondary funding in Ontario. Participants noted that much of the most socially innovative research is done by graduate students in the social sciences, but they are faced with significant financial barriers. In fact funding for social science research is declining. Many of these students need to work in jobs unrelated to their field of study instead of being funded for their original research. If Ontario's students

are to be leaders in social innovation, financial barriers to accessing post-secondary education need to be addressed.

Breaking down the silos in government

Finally, participants insisted that better communication, sharing of information and transparency will be key to enabling social innovators to access government and develop partnerships. Some complained that the complex structures of government can be difficult to navigate, with several participants noting that NPO frequently have difficulty understanding the government's funding priorities, requirements and criteria (business case, application for grants). Above all, participants called for a new culture of innovation in the public service. Some said government can be difficult to work with because departments and ministries are too reluctant to take risks or to take a chance on innovation. They called decision making processes in government "slow and awkward". Everyone agreed that we need more emphasis on building solutions across departments, sectors and disciplines.

Section 3: Proposals for Action

The ultimate goal of Ontario's Social Innovation Wiki is to identify near-term and long-term actions that government agencies, non-profit organizations and businesses can take to help make Ontario an international leader in social innovation. The wiki community did not disappoint, with nearly 100 unique suggestions and over 5,000 words of description, analysis and advice covering many important aspects of social innovation.

What follows is merely a sample of the recommendations generated by the community, organized into 7 sub-sections:

- Unleashing Ontario's creative potential through collaboration

- Opening up public data to drive innovation

- Engaging citizens in social innovation initiatives

- Balancing innovation and accountability in government

- Sharing knowledge across sectors and jurisdictions

- Funding, evaluating and regulating social innovation

- Engaging business in social innovation

Interested readers are advised to consult the "Have Your Say" wiki for the [full spectrum of action proposals](#).

Unleashing Ontario's innovative potential

Innovation feeds on collaboration, the spark and confrontation of different ideas, perspectives and experiences coming together with talent and funding to turn good ideas into sustainable social innovations. It is no surprise that many of the recommendations from the social innovation community focused on the need to create tools, spaces, networks and supports for non-profits and social enterprises that are contributing to social and environmental problem-solving in Ontario. To strengthen Ontario's social innovation clusters – including incubators and accelerator centres like MaRS in Toronto and the ONE network throughout Ontario – participants recommended actions such as:

Get clear about the objectives of social innovation

Engage stakeholders to define Ontario's key opportunities in the 21st global knowledge economy; the challenges and obstacles to maximizing those opportunities; a playbook for mobilizing social innovation to address those challenges, obstacles and opportunities; and the associated milestones, time targets, and metrics.

Develop new spaces for new types of collaborations

Create network innovation labs; invest in cultural and creative institutions, organizations and networks; reinforce the role of brokers and intermediaries; develop a major prize for innovative localities; and stimulate universities and public research centres to be more open and international. Small NPOs could be mentored by large NPOs; this could be part of the NPO registration process. Innovation challenges are another means to enlarge the pool of talented individuals who can contribute to problem-solving. Examples include rewards–based contests such as the X-Prize, Prime Ministers Harper's Social Innovator Award and NESTA's Innovation Challenge for Health and the Environment.

Create an Innovation Lab inside the OPS

With enough effort and a spark of creativity, innovation can happen anywhere—in private businesses, in local communities, in non-profit organizations and academic

institutions, and in government too. The potential for solving complex social problems inside government is particularly great, given the financial resources at its disposal and the fact that key policies and programs are created and delivered there. The challenge is the existing orthodoxy for developing policy and programs doesn't provide a safe space for experimentation with new ideas. Building on the knowledge from other jurisdictions, such as Mindlab in Denmark, the safe innovation space could be created as a "do lab" for trying out new ideas with managed risk, for teaching an alternative approach to solving complex problems, and a locus for engaging with international centres for social innovation such as NESTA, Social Innovation Exchange (SiX) and The Australian Centre for Social Innovation (TACSI) in addition to local centres like SiG@MaRS and CSI. An innovation lab would identify innovative forms of collaboration that have been used successfully in the past, are in place now, and solicit ideas about potential new forms of collaboration – and the target areas they (would) serve. It would also sponsor and fund a collection of pilot projects that match innovative forms of collaboration with high-demand needs. Relevant government agencies could then step in to broadly support and expand successful pilots. While inside the OPS, the space could be co-housed in either MaRS or CSI to support collaborative relationships. Partnership with jurisdictions like Australia, Denmark, UK, and Spain could even facilitate invite learning secondments between agencies to share experiences and knowledge in the journey we are all beginning.

Opening up public data to drive social innovation

Data is a public good. It can be shared and replicated for free, manufactured without costly raw materials, and allow those who rely upon it to work smarter instead of harder. When shared openly with the public, data increases transparency and accountability in government. It can help shed light on enduring social challenges and even help policy-makers anticipate the future, particularly when once fragmented data sources are brought together and analyzed in unison. There is even growing conviction around the notion that opening up public data for commercial reuse can fuel entrepreneurship and job creation, just as opening up the US military's global positioning systems fuelled the growth of a multi-billion dollar technology and services industry to support civilian uses.

Yet, while public agencies collect copious quantities of data, too much of this still data lies buried in file drawers and/or inaccessible computer systems and this continues to be the case in Ontario despite growing interest in "open data" both inside and outside government. With such obvious benefits, why isn't data more widely shared?

First there are legacy issues. Data collection is often done to support narrowly defined objectives, with little thought put into the benefits of wider circulation. There are concerns about privacy and data security and about having to accept accountability for mistakes if something goes wrong. Government data is typically stored in outmoded formats and systems that are incompatible with Web-based technologies, so there is often work to do to find these valuable data sources and pry them loose from the applications and processes they are wedded to. And then there is just plain old intransigence amongst civil servants who see open data initiatives as just another headache they need to manage.

Despite these obstacles, some exceptional public data sharing efforts have been launched in Ontario (with municipalities often taking the lead) and in countless other jurisdictions around the world. From conversations with social innovators in the Province it is clear that many see open data as a vital resource for increasing the capacity of all stakeholders to solve social challenges. What follows are some observations and recommendations from participants.

Create an open data warehouse and Public Data Corporation in Ontario

As noted, governments around the world are releasing large volumes of previously inaccessible data on the Web in a bid to not only increase transparency, but also encourage non-profits and social businesses to develop useful public services using the data. For example, the Power of Information Taskforce in the UK recommended that all public agencies in the UK create online innovation spaces where the general public and staff can co-create information-based public services, much the way companies such as Amazon, Flickr and Apple enable third-party developers to build extensions to their software platforms. The taskforce also recommended the UK government create a public service R&D function with a modest fund for leading edge R&D to continue to test ideas and incubate new capabilities. The UK recently acted on these suggestions, creating a Public Data Corporation to spearhead open data initiatives the whole government and act as a liaison with the user community. Ontario should follow the UK's lead by opening up opportunities for innovative developers, businesses and members of the public to generate social and economic growth through the use of data. Following the UK's Public Data Corporation model, Ontario should also consider bringing together government bodies and data into one organization in order to provide an unprecedented level of easily accessible to public information and drive further efficiency in the delivery of public services.

Derive new insights about social and environmental challenges

With public sector organizations stockpiling huge quantities of data, the challenge is increasingly to extract insights that can inform action on social and environmental challenges. Thankfully, the ability to produce rich data visualizations is making the process much easier and Ontario's social innovation community could benefit enormously. Some social changes, such as the relationship between health and GDP, are so gradual that they are nearly imperceptible. Static charts that represent snapshots in time fail to capture the complexity of the interrelationship. Animating nearly 200 years' worth of data depicting the relationship between infant mortality rates and GDP per capita, on the other hand, is much more revealing. In Canada, community well-being indices such as Saskatoon's CommunityView and Toronto's Wellbeing put vital information in the hands of people, and allow them to work with the data to get a richer understanding of their neighborhoods. Indeed, both governmental and non-governmental entities stand to benefit from technologies that make governmental data increasingly available in attractive, bold graphic forms that anyone can understand, dissect and debate. As a first step, social innovators inside and outside government should adopt open source tools visualization tools such as Gapminder and Trendalyzer to bring an evidence-based approach to social action and policy making.

Enhance performance management and accountability

Making public data transparent offers an excellent way to improve performance management and make evidence-based decisions in the public, private and not-for-profit sectors. Managers today are more likely to focus on the amount spent rather than the results achieved because budgets are easy to track. But data collection and sharing efforts are beginning to change this. Data collected at the patient level can help measure the impact of things like home nursing care programs on health outcomes. Or data about adult literacy rates can help evaluate the effectiveness of spending on life-long learning programs. Developing comparable data across program areas can be especially powerful. Indeed, when data are easily available, especially for a wide range of programs that all deal with the same issue, target populations or geographic areas, it becomes easier to identify potential synergies and/or overlaps and redundancies. This can result both in more effective services and a reduction in overall program expenditure.

Support open public service innovation processes

When enough people can collect, re-use and distribute public sector information, people organize around it in new ways, creating new enterprises, new services and new communities. What surprises most public officials is the degree to which participants use the data in completely unexpected ways. In the city of Sault Ste. Marie in Ontario, mapping the location of residential pools helped public health officials to pinpoint mosquito breeding grounds to target in their efforts to combat west Nile virus. When Congress empowered the EPA to collect data on 328 deadly chemicals in use in commerce and report it to the public via computers, it provided a major boost to environmental groups who soon recognized its enormous power and began building Web-based interfaces that made the data easy for the public to understand. Today, sites like MapEcos.org and Scorecard.org provide visual, Web-based interfaces that enable citizens to see toxic emissions data and more, all in one place. Visitors to MapEcos can investigate up to 20,000 US industrial facilities and plot their emissions data on Google Maps with color-coded markers that make it easier to pick out the worst offenders. Providing greater access to public data in Ontario could give rise to a similarly diverse set of social innovations, with very little cost to taxpayers.

Provide data literacy training

Publishing the data in useable formats is just the first step towards realizing the potential of open data to foster social innovation and performance management. The skills to manage and manipulate data are not nearly as widespread in society as they should be. Indeed, for those without specific training in statistics, dealing with government data can be daunting, partly because of the sheer volume of data, but also because the tools and techniques for manipulating data are unfamiliar. As a result, many people, including many government employees and elected officials, don't attempt to understand and/or use data that's readily available. This means that comprehensive, evidence-based approaches to problem-solving and program management are severely hampered. At best, this means that opportunities to spot new correlations or vastly increase the performance of social initiatives are being missed. At worst, data illiteracy can foster demagoguery, inefficiency, and allow powerful interests to conceal graft and corruption. Increasing data literacy—in government, the non-profit sector and society—should be a key component of the Province's social innovation agenda.

Participate regularly in open government bootcamps

Open government bootcamps and "hackerspaces" (events that cater to a growing population of open data developers and evangelists) are booming in urban centres around the world, including those in Ontario. These events are much more than "talk-shops." In fact, the emphasis is on harnessing local talent to build viable prototypes that demonstrate the power of open data approaches to public service innovation. They represent a key source of social creativity and provide non-judgmental venues where non-profits and governments can test out ideas at low cost and with little risk. Non-profits and government agencies should encourage their employees to join these initiatives as active participants at every available opportunity. They might even consider funding such initiatives to help ease the financial burden on local innovators.

Engaging citizens across Ontario in social innovation initiatives

For social innovation to have a deep and lasting impact on the quality of life in Ontario, it must branch out beyond its relatively narrow roots in the social enterprise and technology community based in Toronto. To the extent possible, social innovation initiatives must engage a broad spectrum of citizens, as co-designers, advisors participants, and beneficiaries. To that end, participants in the social innovation consultations made numerous recommendations for getting individual citizens more engaged in pursuing social innovation in their own communities.

Encourage the development of local community hubs for social innovation

Participants largely agreed the existing and nascent neighbourhood groups and schools provide key community-based hubs for social innovation activities. Although many such neighbourhood associations focus on "neighbourhood improvement" and safety initially, the social capital built up in the process can provide a springboard to address other issues such as poverty and environmental quality. Participants noted, however, that some neighbourhood groups are overly parochial and exclusive. To effectively promote social innovation, such groups would need to embrace a mindset of civic engagement and use practices that truly reach out and engage all members of the community. There also needs to be a clear pathway for participation in social innovation amongst citizens that are unaware of or unable to connect with existing opportunities, and there should be mechanisms to seed and support individual, entrepreneurial efforts to advance social innovation in local communities.

Identify social innovation champions and publicly recognize social entrepreneurs

To encourage engagement and collaboration, it is often critical to identify those people in our local communities and networks that can be "champions" of social innovation projects. Indeed, the secret to successful community-based action is building a critical mass of participants that attracts more and more people to the ecosystem. After all, few projects survive without a core group of leaders that provide guidance and manage interactions. These actors provide the social capital and infrastructure that other participants build on. These community animator or facilitators also have great success in convincing others to take on challenges and responsibilities. Of course, building communities and working across boundaries takes time and effort, effort that sometimes goes unrewarded. Finding incentives, including public recognition, to support these individuals would constitute a worthy investment.

Fund the development of democratic infrastructure, not just projects

Governments can encourage collaboration by supporting an infrastructure that supports collaboration, including physical spaces and other resources that allow people and groups to convene around shared concerns and objectives. The Government of Ontario should also step up its efforts to leverage state-of-the-art collaboration and group brainstorming technologies that could allow a greater proportion of Ontario's citizens to engage in setting political agendas and participate in solving intractable problems. While digital engagement has the potential to alienate already marginalized communities, these concerns can be largely ameliorated if sufficient resources are mobilized to provide adequate community-based facilities where those without convenient access at home can participate in online activities. Participants also noted that social innovation leaders in government and the non-profit community need to make sure citizen engagement is not unidirectional—i.e., "us" engaging "them." True citizen engagement is participatory and provides multiple avenues for engagement.

Involve citizens and stakeholders as co-producers of public services

A direct way to fund and support social innovation is to make social enterprise an integral component of the apparatus for designing and delivering services in Ontario. This would entail moving from a transactional approach to a "holistic", citizen-centered perspective where citizens themselves play a more active and ongoing role in defining and even assembling the basket of services they need. For government, this means

redefining what it means to provide a service (e.g., delivering a benefits check) and a shift in focus from the process (i.e., the rules governing the dispersion of public benefits) to the outcomes, such as reducing poverty. It would also mean treating the citizen and other partners as active participants rather than inert recipients with little to contribute in return.

Embed social innovation in the reform of Ontario's public services

In the 2011 Budget, the Government announced a Commission on the Reform of Ontario's Public Services chaired by respected economist Don Drummond. The Commission will advise on changes that would help the Government accelerate the plan to eliminate the deficit while still protecting health care and education. Include in the mandate of the Commission a requirement to review the potential for social innovation to help achieve better outcomes in the areas of complex social problems.

Engage suburban and rural communities in social innovation

A true Ontario-wide policy on social innovation must also nurture the ecosystem to support and enable new SI initiatives within the context of suburban and rural communities. For example, a suburban/rural social innovation fund could help convene, mobilize and engage stakeholders in collaborations that span across large suburban geographic regions. Piloting the establishment of "Community brokers" in suburban and rural communities could also help broker relationships and accelerate social innovation in places where community networks are widely dispersed. In a suburban community Durham Region, for instance, has a population of approximately 760,000, eight municipalities, and a landmass of 2590 square kilometres. Community brokers could help eliminate duplication and organizational silos, promote cross pollination, facilitate the leveraging of resources for greater economies of scale, and curate online and offline forums where communities, funders, businesses and government can innovate and resolve complex challenges across geographies and sectors.

Balancing accountability and innovation in government

Broadening the Government of Ontario's role in social innovation raises questions about the degree to which government can fuse a culture of accountability with a culture of innovation. In short, how do you get traditional bureaucratic organizations, often among the largest employers in the country, to become nimble and responsive? And, how can

leaders excise the pervasive culture of risk aversion and foster an innovation culture where new ideas and partnerships can flourish?

While many analysts focus on reducing the "web of rules" and structural change to deal with silos, practitioners are increasingly able to boost innovation by through internal cultural adaptation: redefining the public service "brand," driving fear from public sector workplaces, giving employees permission to be innovative, recasting performance management systems, and adopting collaboration tools that enable employees to work seamlessly across departments, and with partners outside government.

Participants offered several recommendations for creating an innovation culture that still preserves essential features of accountability that citizens rightly expect.

Emphasize performance over process

Although innovation and the "culture of accountability" are often construed as opposing forces, this needn't be the case. In order for departments and agencies to collaborate and forge new social innovations (working in concert with one another and third parties as well as multiple and often overlapping constituents), they must first be both empowered with decision-making authority and held to account for achieving results: i.e. generating public value. Defining public value is a political discussion (one that must be increasingly open and shared with the public), while translating political objectives into operational results is the purview of managers and not politicians. It is for this reason that service transformation, social innovation, and democratic and operational forms of accountability are closely intertwined.

Management theorist Gary Hamel frames this as separating the 'what' from the 'how' and suggests the latter be devolved as much as possible to units via a performance management regime premised on four basic conditions: i) front-line employees are responsible for results; ii) team members have access to real-time performance data; iii) they have decision authority over the key variables that influence performance outcomes; and iv) there's tight coupling between results, compensation and recognition.

In short, public services and public service management should be crafted with an emphasis on holding individual units to account for performance as opposed to process considerations. Individual units will thus be more inclined to collaborate in the formation of new service ecosystems when opportunities for mutual gain are identified and pursued.

Jettison the culture of deference and foster collaborative and open mindsets

Whereas hierarchy, deference to authority, and anonymity have been the hallmarks of the traditional public sector workplace, the need for a new employee covenant is highly apparent. Successful service organizations in any sector rely increasingly on passion, creativity and initiative, not on rule-following and compliance. While obedience may serve a purpose in organizational life since there are times when rules must be obeyed, the source of public value creation lies elsewhere. Innovation is a dynamic and interactive process intertwined with serendipitous discovery and the ability to cultivate productive conversations both within and across organizational boundaries. The challenge here for government is twofold: first to shift away from the traditional public servant mindset of anonymous and deferential behaviour and secondly, to respond to the demographic transformation emerging within the ranks of the public service.

The Government of Ontario should integrate service transformation, social innovation and human resource planning as congruent objectives, the key priorities being the recruitment and retention of younger workers and the creation of a culture of collaboration where service transformation is realized through partnerships with social innovators. In other words, we need an outward-looking cadre of professional managers empowered to achieve outcomes within the contours of policy and service agendas formulated by new partnerships between government and the civic and private sectors.

Create accountability for experimentation and learning

Accountability for control emphasizes traditional top-down authority and often implies risk aversion, whereas accountability for learning emphasizes continual improvement and adjustment for bettering both the individual and organizational capacities of the public service to meet increasingly complex challenges. Creating a new balance between control and flexibility – and between process and performance – requires more autonomy for public servants themselves and experimentation with organizational governance models that can better instil learning-based accountability mechanisms (while still preserving the additional contours of political oversight that ensure the actions of public servants are consistent with the democratically expressed preferences of the citizenry).

Build knowledge, innovation and learning communities inside government

To succeed, learning and innovation systems in government must transcend departmental and sectoral boundaries. In fact, a multitude of dialogues should be encouraged between public sector service providers, partners and customers in order to build the requisite knowledge and capability for social innovation. There is a reciprocal need for information and knowledge sharing across government(s) though which public service alignment and integration is pursued in an organic, spontaneous manner (consistent with the spirit of mass collaboration).

Require leaders to "stand-up" for innovation

Innovation can't happen in the public sector without committed leaders (both political and managerial) who encourage employees to innovate and allow room for experimentation and failure (but not catastrophic failure). Leaders must set a clear vision of what social innovation can achieve and be prepared to explain (repeatedly) why an innovative approach is being adopted. Clear metrics for measuring success should be defined from the outset and the process for learning from successes and mistakes should be transparent and participatory. Leaders also need to promote and, if necessary, defend their innovations to their peers in government. Finally, engaging citizens, the media and other stakeholders in the community early in the process can help build public understanding and support.

Sharing knowledge across jurisdictions and sectors

Knowledge is a key enabler of innovation. Enhancing the flow of knowledge between and within public, private, non-profit and academic institutions will enhance opportunities for innovation across the Province. Participants identified many areas where cross-jurisdictional and cross-sector collaboration and knowledge sharing could be strengthened, including recommendations such as:

Create a national innovation strategy

Design and equip our innovation ecosystem with a national innovation strategy to solve large- scale complex 21st century challenges facing Canadians. While much social innovation occurs locally, it makes sense to share ideas, knowledge, tools, resources and opportunities across the many social innovation networks and communities that populate the country. Provinces should get their municipalities more involved and any

framing of a national innovation strategy must ensure innovation policy supports collaborative tri-sector participation.

Create an open "living map" of our Social Innovation Ecology

This "living map" of Ontario's social innovation community would include a continuously updated inventory of relevant people, organizations, online and offline spaces, knowledge bases and other assets that can help further social innovation. Separate, but "overlayable" sub-layers could provide current information about relevant organizations, their governance and management structures, programs, services, needs, projects, best-practices, relationships and interdependencies. Stakeholders could use the living map to "see" the entire landscape (likely for the first time), understand where they "fit," where they can contribute, what they can leverage, where to start, and how to actualize their area of passion. Users could also identify gaps or duplication; explore new trajectories, relationships, and activities; issue calls for engagement and stakeholder involvement; and promote accountability by ensuring the map remains current, active and useful. While the core of the map would be Ontario-specific, the map should document relevant developments from other jurisdictions.

Curate an online database of social innovation best practices

The SI community in Ontario could continue to use Ontario's social innovation wiki to compile a database of successful examples of social innovation, at home and abroad (the UK, Australia and Brazil have a lot of good examples). These case studies should highlight principles, practices and policies that will be helpful in guiding practitioners and policymakers in Ontario. Best practices should be identified and shared through meetings, partnerships and social media. A productivity and innovation council could be established to benchmark the best productivity and performance in each sector and make that available, to allow for information driven competition in all sectors.

Funding, evaluating and regulating social innovation

While surfacing many new opportunities for social innovation, participants also noted obstacles and challenges that need to be addressed related to issues such as funding, evaluation and regulation. Solutions to these problems include creating new funding instruments to attract capital to social enterprises in new ways, reforming regulations to increase access to existing funding sources, and developing metrics to evaluate success, track progress and demonstrate value to funders. Some suggestions included:

Rethink funding instruments

To accelerate the public sector's innovation role the community called for at least one percent of each department's budget to innovation. There were various proposals for tax credits could incentivize social innovation and engagement, including one that gave tax credits to businesses whose employees spend company time volunteering for social innovation initiatives. There were also calls to supplement funding opportunities by extending SR&ED eligibility to innovation activities undertaken by charities and nonprofits. Another suggestion was to develop community bonds, whereby third parties (e.g. the City of Toronto) guarantees social enterprises' mortgages to support the use of instruments like community bonds. Instead of high interest loans, community bonds would make credit available with longer payback periods and lower interest rates. Finally, participants recommended that funding and procurement programs (e.g. Infrastructure Ontario funds) that are currently available to the private sector be made more accessible to social enterprises.

Measure Ontario's social innovation footprint

Social innovators increasingly recognize that the community needs to embrace transparency and rethink its habit of keeping data behind organizational silos. There is a need to develop and adopt investment metrics that can be used to evaluate the outcomes and effectiveness of social innovation–metrics align closely with long-term societal goals. One way to measure Ontario's progress in social innovation would be to establish a Social Innovation Footprint. It would involve the crafting of metrics that capture the essence of social innovation for: individuals, communities, governments, businesses, educational organizations, non-profit organizations, and society overall. Engagement and involvement of stakeholders in the identification of performance indicators and critical success factors would be crucial. Processes would be designed to capture and report metrics at regular intervals and ensure that governance and management mechanisms would be in place to take immediate action related to areas of progress or decline. Mechanism would be put in place to share ways to enhance and leverage our footprint.

Adopt a consistent evaluation and reporting framework

Participants largely agreed on the importance of adopting consistent metrics for social innovation across the Province and pointed to several existing frameworks that could

provide "off-the-shelf" systems for evaluation and reporting. Several participants identified the Sustainable Livelihoods Framework as a helpful framework for measuring quality of life improvements among marginalized populations. Others pointed to Pathways to Education, Cost of Poverty analysis, or SCP's analysis on Turnaround Couriers as provided useful guides for monetizing social impact or social deficits. There is also interesting work occurring at a global level through the Impact Reporting Investment Standards (IRIS): http://iris.thegiin.org/, which provides a common language for describing the social and environmental performance of an organization. IRIS provides an independent and credible set of metrics for organizations to use when reporting their impact. IRIS indicators also span an array of performance objectives and include specialized metrics for sectors such as financial services, agriculture, and energy. Participants were also keen to point out that although quantifiable metrics are important, so too are narrative descriptions and anecdotes that help communicate the human value of what is being achieved through social innovation. Simplicity is also important because measuring and reporting progress is resource intensive and many organizations are already starved for resources. Finally, there was a consensus that it's important to implement metrics from the beginning so systems and processes support the measurement process. In sum, the measurement process for social innovation should meet an agreed upon standard, produce recognizable and meaningful data that is efficient to collect and publicly reported, and providing a qualitative narrative on what is being done or achieved.

Develop metrics for strategy implementation

A helpful guiding principle would be to have metrics for measuring the success of the social innovation, as well as metrics that enable management to track its progress towards its objectives. Each social innovation has a particular goal: healthier children, better high school attainment for inner city youth, and increased employment for newcomers in Canada. Each innovation also has a strategy for accomplishing the goal. The strategy can be broken down into steps of necessary preconditions to accomplish the end goal or objective. This is what forms the path to accomplishing the goal.

So for example, if the goal is to increase high school attainment for inner city kids, the program might have establishing curricula, recruiting and training good teachers, running outreach programs and providing mentoring services as necessary preconditions to

ensuring that high school attainment improves. In other words, each of these preconditions is necessary and must be met before achieving the overall goal of improving high school attainment. Having metrics and targets for each precondition would help the social innovator measure progress toward achieving the overall goal, giving them an early "heads-up" if the program is at risk and a chance to pursue corrective action.

There would also be metrics for measuring the achievement of the ultimate social goal—in this case, improved high school attainment. These metrics would demonstrate whether the innovation is working or not. Program staff would track these metrics closely and publish the results so that key stakeholders can participate in the evaluation and learning process.

Stakeholders in the program (staff, local families, management, Boards of Directors, government officials) could all track the metrics that are of interest to them. Most stakeholders are simply interested in the highest-level metric: that of high school attainment. But staff and management will need to track all the metrics to ensure that the program is well managed.

Modernize Ontario's regulatory environment for charities and non-profits

The modernization of Canada's regulatory environment for charities, non-profits and social enterprises is long overdue. A wide range of concerns was expressed, but four key target areas were identified as priorities for reform. 1) Obtaining clarity around "earned income" remains a major concern for many in the charitable sector. As it stands, charities are discouraged from raising money through service fees and other entrepreneurial activities that might otherwise lessen their reliance on grants and donations and place them on a more secure funding footing. The feeling is that if you raise money through a social enterprise and it goes to the charitable purpose (the destination) you should not be limited (as charities are now) for how you make that money or how much money you make. The focus should be on where the money is going, i.e., on determining that the objective is genuinely charitable and not simply profit-seeking. 2) Participants called on the government to investigate new legal structures for social enterprises (e.g. LC3 hybrid status in the US) – structures that make it easier to attract private capital. 3) Participants also noted that social assistance policies make it difficult for social enterprises that can only offer part-time or even casual employment to

people on OW or ODSP, because of the 50% clawbacks, the monthly accounting, rent geared to income calculations, and whole host of other barriers (all well documented by John Stapleton in a series of excellent papers). 4) Finally, participants made it clear that the processes for obtaining funding and reporting back place an unreasonable burden on NPOs. Where possible, administrative burden should be reduced and new portals and tools developed to streamline interactions with the government.

To address these various concerns about regulation, participants recommended establishing a committee with cross-sectoral representation and authority. The proposed committee's mandate would be to identify existing government, industry, academia and non-profit regulations and policies and then evaluate the degree to which they enable or impede social innovation. The committee would develop propose new or modified regulations and policies, consult the public and then help guide/oversee agreed reforms.

Engaging business in social innovation

Companies and business associations have not always been viewed as legitimate players in social innovation. Companies' motives for engaging in promoting social causes have often been questioned and some stakeholders see business as best kept at arms length from policy development. Yet, hardened views about the appropriate role of business in addressing social and environmental challenges have softened and there is increasing openness to collaboration on the part of all sectors. The primary role of the private sector may be wealth creation, but there is little doubt that business can contribute a great deal to advancing social development and protecting the environment. Indeed, most participants agree that private sector leaders with a combination of vision, energy, and communication skills would be considerable assets for social innovators in Ontario.

At the same time, social innovation is also vital to business because it:

- Seeks high impact social and environmental application of new innovative, products, services or technologies

- Spawns new markets, employment opportunities and more sustainable cost structures for public goods like our health system

- Opens the innovation system's access to a much wider pool of potential collaborators and idea generators

- Taps into to new capabilities, skills and competencies in how ideas are generated and how they can be translated into practical, enduring implementation

- Attracts top talent from the best schools

- Decreases employee turnover as people 'buy-in' to the vision and feel a strong purpose

Businesses engagement can occur on both a macro and micro scale both between companies (i.e. through clusters) and within companies (i.e. by adopting a social value chain approach, encouraging employee involvement etc). This, however, requires a set of incentives and the ability to align social initiatives with company goals. Recommendations to address these goals included:

Create better mechanisms for business engagement

Develop programs and incentives for businesses to engage in ways beyond charitable acts and to align their finance modelling, strategy and market development with social and environmental considerations. The Centre for Research and Education at UWO, for example, has formed a multi-stakeholder approach and achieved significant corporate support to help employers meet new requirements under changes to the Occupational Health and Safety Act last year. A successful business-education partnership combining international business students and export-oriented SMEs earned Honourable Mention from the International Partnership Network and Conference Board of Canada. These models can be rolled out to other regions cost-effectively. The principals can share the collaborative processes and offer insight into how the Ontario

Integrate business thinking with social innovation

Some innovations – technical or social – dock rather seamlessly into existing products and processes, for example a new computer application or a new program for the homeless. Others are far more radical, demanding a change in a cascading series of adjacent areas in order to be made functional.

Make social innovation part of the curriculum for social sciences and business

It is time for business educators to help align finance modelling, strategy and market development with social and environmental considerations by updating their research agendas and course curriculums. Tri-sector leadership training programs such as the Waterloo-McConnell Graduate Diploma in Social Innovation and leading business schools such as Harvard Business School and the Haas Business School at Berkley have already begun to build social innovation into their activities.

Section 4: Onwards and Upwards for Social Innovation in Ontario

Sustaining societies and economies in the face of climate change, energy shortages, poverty, demographic shifts, and security threats will test the ingenuity of those who wish to see, do, and participate in the public good. In each of these issue areas governments and other organizations face a reality in which they are increasingly dependent for authority on a network of powers and counter-influences of which they are just a part. Whether streamlining government service delivery or resolving complex social issues, governments are either actively seeking — or can no longer resist — broader participation from citizens and a diverse array of other stakeholders. Social innovation and social media have the power to bring knowledge and people to the table, creating a deeper, more continuous dialogue between citizens, stakeholders and government. Indeed, the need to co-create solutions with citizens and other partners will only increase as Ontario seeks to address tough challenges such as control rising health care costs, improve social equality, provide access to high quality education and create good jobs across the Province.

Four "big ideas" for social innovation

In summarizing the input from the community, four big themes suggest themselves:

Bringing innovation to public sector challenges

Inherent in the idea of social innovation is the notion that government can become a stronger part of the social ecosystem that binds individuals, communities, and businesses—not by absorbing new responsibilities or building additional layers of bureaucracy, but through its willingness to open-up formerly closed processes to broader input and innovation. In other words, government becomes a platform for social innovation. It provides resources, sets rules and mediates disputes, while enabling individuals, non-profits and the private sector to share in the work of serving citizens and communities. To help sustain this innovation the government could so a great deal more to integrate social innovation into its thinking around public service reform. At the same time, the social innovation community must continue to energize social entrepreneurship through its network of civic labs, conferences, and innovation camps that serve as a hotbed for discovering, building, testing and scaling social innovations.

Strengthening networks and civic competencies

A more concerted effort to support social innovators in Ontario could address common barriers, develop civic competencies and help boost the overall effectiveness of the non-profit sector. Opportunities include building the capacity of citizens, communities and networks to contribute to making Ontario healthy, prosperous, equitable and sustainable; developing shared infrastructures that can boost the effectiveness of the non-profit-sector; and demonstrating results with new metrics that enable social enterprises to improve performance, while allowing policymakers, foundations and investors allocate funding to initiatives with a reliable social return.

Engaging citizens and enriching democracy

Social innovation encourages people in all sectors to participate in government and in the community. Citizens can be active participants in defining and addressing social needs. Active participation in building social value, in turn, creates vibrant communities where individuals and families can maximize their potential and enjoy a higher standard of living. Social innovation has the potential to empower all of us – to build partnerships across the sectors and to "connect" once isolated change agents across Ontario.

Leveraging the power of private enterprise

The "market" does not have to be a bad word. In fact, social enterprise and social marketing is good for business and for "growing" grassroots organizations and employment. A growing number of companies ranging from large global corporations to

nascent start-ups are advancing high-impact solutions to social and environment challenges. At the same time, non-profits see social enterprise as an opportunity to become less dependent on government funding. Social innovation can bring these two communities together to do community development from the ground up. The promise is that public and private enterprises will become more integrated with the societies which they serve, more attuned to social and environmental concerns, and better equipped to develop pragmatic and profitable solutions for advancing the common good.

Sharing risk and responsibility

While social innovation presents many opportunities, there are also risks that the government must consider as it moves forward with a social innovation agenda. There is an uneven playing field in society. Not all citizens have the same level of access to social innovation initiatives, particularly those that emphasize online interaction, collaboration and information sharing. Barriers such as language, transportation, access to food and housing, access to social media and computers and technology are all major obstacles to effective participation and equality of service.

Social innovators and their partners in government must strive to involve diverse communities of practice and ensure that processes are accessible. In particular, online activities should to lead to and connect with offline activities to ensure Ontarians without regular access to the Internet can meaningfully participate.

In the end, the process of creating new social innovations that share risk and responsibility with other stakeholders will be challenging and occasionally agonizing. But the promise is that more transparent and participatory forms of governance and service provision will make all actors in the system more responsive to changing economic and social conditions and ultimately more effective in implementing policies that enhance prosperity and social welfare across Ontario. Through a dynamic process of dialogue, piloting and innovation, all citizens and stakeholders in Ontario can play a role in making the transition to a new era of social innovation based on transparency, participation and collaboration.