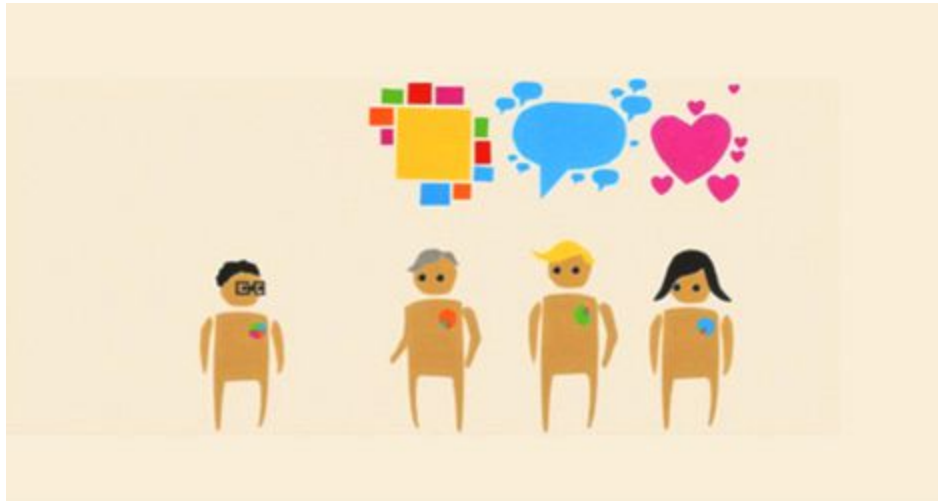


Open and User Innovation for Social Impact: Inspirations from IDEO

openIDEO



Open and User Innovation (**ME1033**)

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Table of Contents

[1. Introduction](#)

[2. The Innovation Paradigm Shift](#)

[3. Social Impact and Social Innovation](#)

[4. IDEO](#)

[OpenIDEO](#)

[5. Conclusions](#)

[References](#)

1. Introduction

Innovation is in the core of any business success. No company or product can survive through time if it does not follow the current user needs and their desires. As pointed by (Fagerberg, Mowery & Nelson, 2005), innovation can be driven by new market opportunities, technical inventions or competitive changes. It is necessary to be constantly creating, improving, changing, exploring and searching for new solutions. The important is to maintain the generation of ideas, so that there is no space for the competition.

When it comes to the traditional concept of innovation, for a long time it was associated with closed R&D departments, where researchers would spend months developing and testing new features, until they would come up with a satisfactory result. However, since the end of the 20th century, this model of closed innovation has not been as successful as it used to be. The current society and the advance of the Internet (Anderson, 2015), demanded a shift in paradigm, to a model that could support a two-way flow of ideas between the users and the manufactures.

For this reason, the concepts of Open and User Innovation are becoming more and more present in the creation of new products and services (Technology, 2003). This model relies on opening the barriers that used to separate the manufactures from the outside world. In this way, innovation is promoted by the exchange of ideas with external partners, higher transparency in internal strategies, appropriation of methods from outer sources and active participation of the users in the whole process. It is a model suited to current historical and economical context and that has been adopted by many companies already (Technology, 2003).

However, we believe that the ideas from Open and User Innovation should go beyond the achievement of higher profits by the companies. It should be extended to a subject of crucial relevance in the whole world: social impact. Every community, citizen and government should be seeking better solutions for the issues concerning minorities, poverty, children education, elderly healthcare, environmental risks, etc. The main problem is not the lack of desire of the individuals to improve their surroundings, but that most of them do not know how to do it.

Therefore, this paper will describe examples of Social Innovation projects currently making positive Social Impact and that also utilize tools from Open and User Innovation. They might vary in strategy and focus, however, all of them allow individuals to find information, tools, platforms, funding, partners, education and inspiration. By empowering the users, it is possible to achieve a much greater and broader impact than by relying on single leaders or big corporations. We believe this paper will add much value to the community, by showing how it is possible to combine Open and User Innovation with Social Impact.

The next sections will be divided as following: Section 2 will bring the theoretical background about Open and User Innovation. Then Section 3 will contain the definition of Social Impact and Social Innovation. Later on, Section 4 will describe the successful case of OpenIDEO. Finally, Section 5 will conclude the paper with our vision about the topic.

2. The Innovation Paradigm Shift

The closed innovation model has been the predominant model for the production of new goods and services. Used by companies and businesses for hundreds of years, this model relies on a closed business process, in which manufacturers attempt to protect their innovative ideas by using copyrights, patents and keeping internal strategies confidential (Hippel, 2005). Therefore, the service or product being developed is only revealed to the user when it is in its final version, in order to avoid the competition to “steal their ideas”.

The practice of keeping the strategies closed inside a business has proven its value for many companies, allowing them to launch some revolutionary products and making it hard for the competition to follow. However, this trend has shifted to a more open approach, given the need to be connected to the changes of the world. Thus, Open Innovation presents a different way to generate new ideas and to bring them to the market, as it promotes that the barriers between companies and the outside world should be more porous and allow an easier exchange of information from both sides (Technological, 2003).

Open Innovation can be employed through many different forms: open data, open source, idea competitions, mass customized, toolkits, collaborative product design, innovation communities, customer immersions, etc. These methods can be combined between each other and can be used in different stages of the innovation, depending on the needs of the company (MIT Sloan Management Review, 2013). In this way, Open Innovation comes to bring a fresh flux of ideas from users and from the outside community, that would hardly be present in a closed research lab. This is the main advantage of opening up the barriers.

Besides Open Innovation, the change of paradigm also occurred in the role of the user. The closed innovation model is also known as manufacturer-centered, which differs from the user-centered because the user needs are not always the priority for the development of a new feature. Even though the users' feedback are occasionally taken into account for validating ideas or suggesting improvements, there is no intense collaboration between two parts during the production of the idea. This showed to be a disadvantage to the whole process, since in many occasions the manufacturer can not predict the user needs to build an appropriate solution.

Therefore, the emerging field of User Innovation comes to bring the user to the center of ideation, planning, specification, implementation and testing of a product. Not only user needs are given much more importance in the process of launching a new idea, but also, the actual users are constantly involved and encouraged to participate on it. There are several ways to democratize the manufacturer model and allow users to be part of the innovations: they can become lead users, customize or craft their own products, freely reveal their ideas and be part of innovation communities (Hippel, 2005).

Finally, it is clear that Open and User Innovation are valuable approaches to tackle the fast pacing changes of our current historical moment. It is a model that permits users to actually feel like their voice is being heard at the same time it helps companies to keep learning from the others. In the next section, we will discuss what is Social Impact and Social Innovation, so that we can later on present the successful projects that IDEO has been developing to make a positive change in the world.

3. Social Impact and Social Innovation

According to (Socialenterprise.org.uk, 2015), Social Impact can be defined as “the effect of an activity on the social fabric of the community and well-being of individuals and families”. This impact is related to how organizations, governments and citizens can affect the surrounding community and environment. A positive Social Impact contributes to consistent changes in the lives of groups of people, not only in a specific moment in time, but it is intended to last and sustain itself in the future. Social Impact can occur in democracy, health, education, economic growth, environmental issues and conflict management (Socialimpact.com, 2015).

Besides, Social Innovation can be defined as the discovery and application of novel solutions to social problems in a way that surpass the current solutions, by being more efficient, sustainable and effective. The core value of Social Innovation is to prioritize the wellness of society rather than private individuals (Stanford Graduate School of Business, 2015), and these initiatives are not restricted to the nonprofit sector, but also include public institutions, governments, private companies, political movements and academics in universities.

Although social innovation is crucial to the development of better solutions for society, there are many promising ideas that are not moving forward due to competitive pressures from the markets, lack of interest from governments and absence of funds. Sadly, most part of organizations are not focusing on making social impact, rather on profiting and following their own agendas, as stated at (Deloitte Millennial Survey, 2015). This makes it difficult for the population to see tangible changes in the world and it might feel like there will be not be any improvements in the near future.

However, there are many people willing to to serve and help, as they have the strive to make the live of others a bit better. The main difficulty is that individual agents will hardly have the impact of big organizations without knowing proper methods or without cooperating with each other. This is where Social Innovation can be combined with Open and User Innovation to bring a whole new range of opportunities for those willing to learn how to impact society or work together for a cause. There are many ways this can happen: by raising funds projects, crowdsourcing, open data, lead users, innovation centers, open source softwares, etc(Mulgan, 2006).

For this reason, the merge between Open and User Innovation with Social Impact is a fantastic idea. There are many successful cases following this path, such as the platform StartSomeGood

(2015), a crowdfunding initiative to raise funds for project posted by the community. Any user can launch a campaign and publish in the website, so that others can contribute with their donations. The projects range from workshops about climate change in Cameroon, building dormitories for girls in Indonesia, creating jobs opportunities in Cambodia and many more.

Another successful platform is The Young Foundation (The Young Foundation, 2015) a leading center for research and practical testing of Social Innovation ideas. Their activities have the goal to provide reliable data about the most effective ways to deal with social issues. To achieve this, they go to the fields to gather information at the same time they design solutions for large scale projects in the public and voluntary sector. Furthermore, they work as accelerators to make other ventures grow, by providing contacts to investors, customers and advisors, as well as engaging them to the communities.

There are many other initiatives out there, and a great source is (Wethinq.com, 2015), where the reader can find 42 examples of inspiring ideas. These examples are grouped in Crowdsourcing projects, Innovation Centers, Connectors, Socially Innovative Business, Crowdfunding projects and Social Innovation Software. It is noticeable that there are many different ways one can apply Open and User Innovation concepts to promote Social Impact, but we want to focus now on a project from the design company IDEO, called OpenIDEO.

4. IDEO

IDEO is a globally renowned, award-winning design and consulting company (IDEO.com, 2015). Its mission is to bring a human-centered approach to boost other organisations innovation and growth. They help the companies to envision how new features can look like in the future, by designing prototypes, creative organisational culture, data visualization tools, innovative strategies, product research and interactive experiences. Their goal is to create the connection between users needs, economical feasibility and current technology.

IDEO currently has projects in a great diversity of expertises, such as Business Design, Brands, Education, Financial Services, Toy Labs and Public Sector. The one that we would like to highlight here is the Social Innovation work they have been developing the last years. They use design thinking methods to create long-term transformations in the lives of minorities and disadvantaged communities around the world, developing entire support systems to help them with economic issues, access to financial services, empowering women and provide better nutrition and health care.

User Innovation is very present in the vision and methodology of IDEO development process, specially in the projects related to Social Innovation. Given that the final solution is aimed to have a true impact in other people's lives, IDEO makes a great effort to reach the target population they are building solutions for, because the ideas should be relevant, appropriate, scalable to the whole community. For instance, before launching any new product, they do careful user research, through observation and ethnographic studies at the same time they

encourage them to actively participate, by brainstorming ideas together and by testing the products.

OpenIDEO

The vision of OpenIDEO is to create a “global community working together to design solutions for the world’s biggest challenges” (OpenIDEO.com, 2015). Their strategy is to empower the users with their renowned methods of design thinking to find better solutions for the communities at the same time they are open to the exchange of ideas. Moreover, they support the launching of new projects because they function as connectors to the communities. Finally, they carry the same values of the IDEO company: optimism, empathy, human-centered approaches and a drive to be experimental.

The goal of their work is, first, to raise awareness for current social issues and inspire the people to take action. Second, they support the development of projects, by selecting ideas to be funded by partners and by giving tools for their implementation. Additionally, they allow users to create their own challenges, in which other users can visualize ideas, participate and work collaboratively. Lastly, there are video tutorials in their website about brainstorming techniques, tools for user experience map, tips for idea visualization, prototypes worksheets, storytelling templates and much more.

Additionally, there are many ways a user can participate in the community. It is possible to be inspired by the stories, cases and challenges published in the website, as well as comment or give feedback on these ideas. Also, the user can post their own projects so that he can connect with other users by creating a team and joining Meetups, in order to work together for a cause. Then, OpenIDEO provides expert feedback on the user's prototypes, in addition to sharing contacts to mentors, partners and coaches to support some projects.

One example of an ongoing challenge is “How might we improve education and expand learning opportunities for refugees around the world?”. These challenge started with 376 ideas from the users, then these ideas were refined by the community to 26 ideas and now the Amplify Team (accelerator programme of the OpenIDEO) selected 7 top ideas. For instance, one of the ideas is “Using Soccer to Improve Literacy”, in which the organization Right To Play proposed the creation of reading clubs for children to learn through peer-to-peer education combined with sport and games activities. Also, since this project was selected as a top idea, the organizers will be invited to a bootcamp training about the design and have the chance to be fully funded afterwards.

Lastly, the success of this platform is visible when with only 5 years of existing they already count 100000 members, 7816 ideas submitted in 212 countries. Such achievement was only possible because IDEO perceived the relevance of breaking down the walls of closed innovation and allowed everyone to see through their working process and get a view of what happens behind-the-scenes. They believe that people all around the world are eager to be to be connected to each other, so that they can discuss the causes they believe in at the same time they receive support to develop better the solutions.

5. Conclusion

Throughout this paper, we showed how Open and User Innovation concepts can be perfectly combined with Social Innovation to boost Social Impact. It is possible to engage all the community in the development of creative solutions for the many social issues of our time. By opening up barriers, connecting people and supporting ideas, companies are not always looking for higher profits and growth. We presented here many initiatives that have the purpose to change the reality in a positive way. And there is still a lot to be explored.

We hope that this project were not only informative to the reader, but also a source of inspiration. Specially to those who would like to be more actively involved in promoting social impact but were still not sure how. The example of OpenIDEO showed here is only one of the platforms where users can engage with challenges and promote their ideas. As mentioned before, there a list of many other ideas where people can work together for a cause (Wething.com, 2015).

Finally, Open and User Innovation give us many resources to start contributing in any way we can. Every citizen, government and private company can help by sharing data, donating money, joining communities, launching campaigns, collaborating on a social innovative software, introducing potential partners. We finish this paper by inviting the reader to reflect about the social issues people around the world are facing right now and start thinking what can be done to improve their life conditions. The possibilities are there, we only need to put some effort on make these changes become real.

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