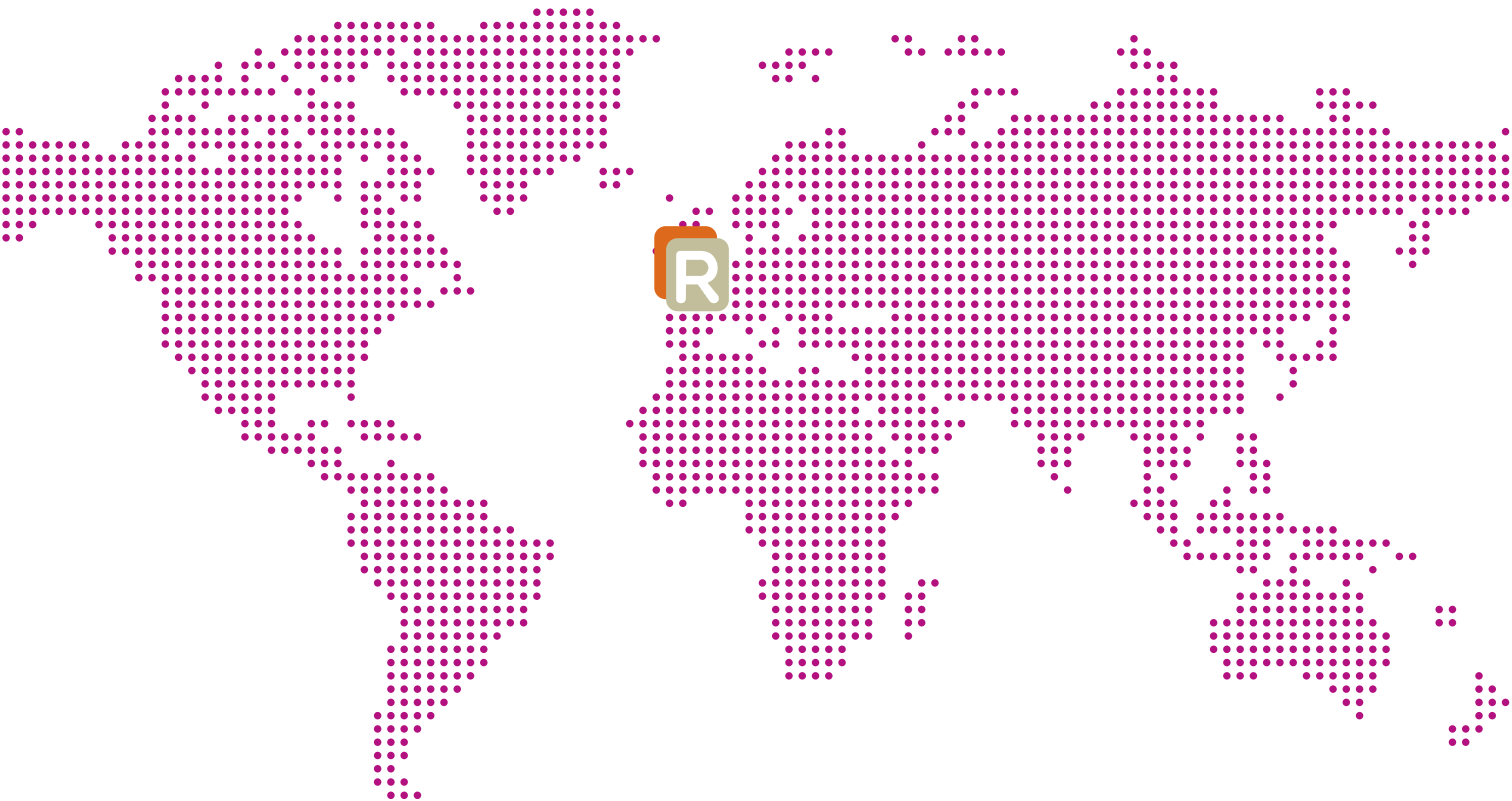# RESINDEX
REGIONAL SOCIAL INNOVATION INDEX

A regional index to measure social innovation

RESINDEX model
RESINDEX Euskadi 2013

sinnergiak
social
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RESINDEX

Regional Social Innovation Index

A regional index to measure social innovation

The Intellectual Property of the RESINDEX model is owned by
SINNERGIAK Social Innovation (UPV/EHU)

Presentation

The emergence of new terms is typical in a society as dynamic as ours. Terms that become benchmarks and install themselves in our vocabulary, which are used excessively, but not always excessively accurately. "Social Innovation" is one of those terms that probably needs no introduction in our society, although it is likely that the concept could use a bit of clarification. Apart from the multiple definitions of "Social Innovation", suffice it is to say that it is a concept that refers to the search of innovative solutions for the complex problems and challenges of the society. These solutions often correspond to new forms of communication and cooperation, so that exercising social innovation implies trespassing both organisational and disciplinary borders, as well as individual, collective, public and private; leaving behind new and attractive relationships between groups and individuals that did not previously connect and favouring the strengthening of social cohesion.

Social innovation has a marked local nature. Social innovations are always integrated at a local level and are rooted in local and specific wellbeing and culture. This local aspect is not at odds however with scalability and transfer. The majority of the current social problems are global and therefore require global-scale solutions. This is why social innovation allows adapting local solutions to global contexts.

Social innovation seeks, above all, to respond to unfulfilled social demands and that is why it should be focused on both to the development of actions and on obtaining results. Social innovation thereby becomes a key factor to ensure social cohesion. Without which the competitiveness and sustainable life of the regions is impossible.

From this conceptual point of view "Social Innovation" covers different areas which explains its complex nature. It can be said that it is still lacking a consolidated, shared approach. That is why the construction of indicators constitutes the most fruitful path in this necessary task of clarification and consolidation. Today more integral measuring methods are required to place the social and environmental issues at the same level as the economic issues.

When building a system of indicators we are not only limiting the concept, we are also making it more recognisable, as the absence of indicators makes it difficult to consolidate a concept. Furthermore, these indicators are used to build, recognise and establish the concepts, yet they are also measurement instruments and therefore of instruments for evaluation.

RESINDEX (Regional Social Innovation Index) is a pilot research, which forms part of the innovation evaluation initiative in the Basque Country of INNOBASQUE (Basque Innovation Agency), and has been directed and developed by SINNERGIAK Social Innovation (UPV/EHU) in collaboration with the Agency. This is a project that intends to elaborate a model (dimensions and indicators) to develop a Social Innovation regional index.

The document RESINDEX Euskadi 2013 therefore corresponds to the pilot application of the RESINDEX model in the current context of the Basque Country's Autonomous Community.

To carry out this first report a committee was created to test its development, formed by fourteen organisations: University of the Basque Country, Mondragon Unibertsitatea, Deusto University, REAS Euskadi, Bioef, Deloitte, Basque Government, Provincial Council of Gipuzkoa, Eudel, Foundation Novia Salcedo, Kutxabank, Ingema, Etorbizi, and Lehendakari Agirre Center.

In this sense this pilot project is considered as an "exploration" in this task of identifying social innovation indicators. Its opportunity lies in the contribution that it supposes, and in fact it is the first index of these characteristics, and the possibility it gives us to analyse the strengths and weaknesses. In any case, what is for sure is that it helps to articulate a deeper knowledge of "Social Innovation", projecting the Basque Country as a benchmark in the field.

This pilot project raises for discussion a social innovation index model elaborated and obtained through rigorous methods. And it also assumes, for the time being, that the development of Social Innovation indicators is an experimental task which requires adjusting approaches and concepts, sustained measurements(annual or biannual), studies compared with other regions and case studies. RESINDEX Euskadi 2013 provides a still photograph, a diagnosis of the situation. Subsequent studies will be necessary to know the development of the evolution of the RESINDEX model and determine if the direction is right or if otherwise, we must make a turn to correct it.

Txema Villate

General Manager of Innobasque

Alfonso Unceta

Director of Sinnergiak Social Innovation

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BLOCK 1

Regional Social Innovation Index (RESINDEX)

Why RESINDEX

1. **Because** Social Innovation is today in the European context a key factor to achieve the social cohesion, the competitiveness and the sustainability of our societies. More cohesive societies are undoubtedly more competitive and sustainable societies.

2. **Because** Social Innovation provides new solutions to social problems that are especially complex in this time of crisis. Global problems that find local solutions. Local solutions that can be transferred to other contexts and therefore, to other societies ("Innovation by adoption") As stated in the European Guide for Social Innovation: "perhaps at no time since the 1940s has social innovation been so urgently needed".

3. **Because** Social Innovation brings together different agents to search for solutions. Social Innovation develops through the collaboration between people and organisations, and therefore encourages the cooperation and hybridization between sectors.

4. **Because** Social Innovation generates results (products, processes, services). Results that contribute value and that must be made visible in order for the society to realise how important it is. Therefore, results that have to be measured.

5. **Because** RESINDEX (Regional Social Innovation Index) is a Social Innovation measuring model at a regional scale, that creates and develops its own model and that is a pilot experience in Europe in this field.

6. **Because** RESINDEX measures the capacities of the organisations to develop Social Innovation projects and believes that all type of organisations may take part in these projects (businesses, non-profit organisations, universities and technological centres). This is because the problems treated by Social Innovation are multicausal and therefore require different agents for their solution.

7. **Because** RESINDEX Euskadi 2013 is the pilot application of the RESINDEX model in the current context of the Autonomous Community of the Basque Country and shows at least, three main results:
   • Basque organisations have high capacities to develop Social Innovation.
   • Many organisations are orientated towards socially committed activities.
   • A greater orientation of the capacities will encourage better and greater levels of Social Innovation.

8. **Because** RESINDEX Euskadi 2013 shows that Basque organisations must orientate their capacities towards Social Innovation. They must orientate them mainly in three aspects:
   - The cooperative capacity between the different agents (organisational governance)
   - The social governance level through citizen participation in the development of projects.
   - The creation of the sustainability conditions in the Social Innovation strategies (sustainable governance).

9. **Because** orientating these capacities gives the public policies room for manoeuvre. The fields of specialisation in Social Innovation where the Basque Country can be a benchmark in Europe must be backed by our strengths and must take advantage of the rich social capital, technological capacities and business tradition.

10. **Because** the RESINDEX model may be adapted and applied to other regions, with the aim of stabilizing its system of indicators and obtaining comparable results that allow adding value to those obtained through the RESINDEX Euskadi 2013 initiative.

Part 1: Introduction. Toward a social innovation index

1.1 Measuring social innovation

Over the last 10 years, the concept of Social Innovation has been gaining importance in the academic arena as a novel approach for the examination of new social problems that have emerged in contemporary societies (Howaldt and Schwarz, 2010; Murray, et al., 2010). But a rapacious demand can especially be observed in European public policies for the development of Social Innovation and its tools, catapulted by the magnitude of the current economic and fiscal crisis (European Commission, 2010, 2011; European Union, 2012; Pol and Ville, 2009). In effect, the distressing problems of unemployment, aging populations, global climate change, and migratory pressures (among others) have created a scenario in which tensions between citizens, governments and markets suggest that we are on the threshold of a great social transformation, and that innovation will be necessary to resolve the myriad social problems created during the present crisis.

Against this backdrop, the measurement of Social Innovation activities and their impact stand out as one of the key dimensions for advancing Social Innovation, both at a regional and organisational level (European Commission, 2011, 2012; Oeij et al., 2010). Notwithstanding, drafting indicators of Social Innovation is a complex task. First of all, because there is no theoretical approach or explicative models of Social Innovation at our disposal, from which variables and indicators could be derived that permit the estimation of causal relationships. Secondly, owing to the reason just mentioned, there is also no statistical set of data available, and without that, no robust or reliable indicators of Social Innovation, either. Thirdly, in the absence of such a data set, comparative studies among different regions could be made, which would allow for the establishment of indicators, but, unfortunately, this type of analysis has yet to be done. For the moment, therefore, the development of indicators of Social Innovation is an experimental task that requires adjusting approaches and concepts, serial measurements (annual or biannual), comparative studies with other regions and case studies to consolidate a system of regional indicators of Social Innovation.

1.2 RESINDEX: pilot project

The present document constitutes the first report on the RESINDEX pilot project, whose general objective is to develop an exploratory model of indicators of Social Innovation and test it within the context of the Basque Autonomous Community, as a pilot project to establish a regional barometer of Social Innovation.

The methodology used to achieve this goal is based on the following steps:
- Define a model of Social Innovation, dimensions and indicators
- Develop a Regional Social Innovation Index (RESINDEX) model
- Draft a RESINDEX Social Innovation questionnaire
- Apply the survey to different types of regional organisations: businesses, non-profit organisations, universities and technology centres
- Empirically validate the Regional Index of Social Innovation.
- Disseminate the results

The outcomes of the project RESINDEX can be summarized into three core products, namely:

- A model and system of validated social innovation indicators
- A Regional Social Innovation Index report
- An overview of the role of Public Administration

Part 2: Social innovation: The RESINDEX model

2.1 Focus: Absorptive capacity and social innovation

The RESINDEX model, in an experimental fashion, conceptually links the notion of the absorptive capacity of knowledge with Social Innovation (Graph 1)[1]. This proposal attempts to explore organisational capabilities and social innovation within the framework of a perceptual shift from what might be termed "corporate innovation to social innovation" (Hellström, 2004; Kanter, 1999; McElroy, 2002) and "social entrepreneurs to organisations guiding social innovation" (Phills et al., 2008).

2.1.1 Absorptive Capacity of knowledge

The absorptive capacity is a relational concept that defines the ability of organisations to identify, assimilate, transform and exploit external knowledge onto a foundation of accumulated internal knowledge (Cohen and Levinthal, 1990). Some authors suggest that to explore empirically the absorptive capacity of organisations, it is necessary to differentiate between two types of capabilities: potential absorptive capacity and realized absorptive capacity (Zahra and George, 2002: 189-192).

- **Potential absorptive capacity**. The potential absorptive capacity is the integration of the capacities for knowledge acquisition and assimilation. The first deals with abilities to identify and interpret external knowledge. The second relates to internal abilities to analyse, process and comprehend the knowledge acquired from external sources.
- **Realized absorptive capacity**. The capacity for knowledge acquisition and assimilation does not guarantee its concretion in terms of outcomes; for this to take place, transformation processes and exploitation of knowledge must be produced. In the first case, recombination activities of new (acquired) knowledge and existing (accumulated) knowledge are dealt with, in order to achieve innovation (the creation of new products and processes). In the second case, social intervention and the social dissemination of innovation (positioned in a concrete market) are dealt with, as well as the effective incorporation of the knowledge into organisational routines and processes, with the aim of creating value (which could also be social, not just economical).

2.1.2 Social innovation

For operational purposes in the construction of this index, Social Innovation has been defined in the following way:

"Practical application of ideas for the development of new and improved products, processes, methods and/or services which offer better alternatives to those that currently exist, for the resolution of social problems structured as unsatisfied social demands in the areas of education, health, employment, culture, environment and/or social services"[2].

1 An extensive presentation about the relationship between the absorptive capacity of knowledge and Social Innovation can be found in the document: "Indicators of Social Innovation: Conceptualisation and exploratory model," Unceta and Castro Spila, (2012).

2 For a discussion on the different perspectives and definitions of Social Innovation used in the development of the RESINDEX model, consult the document "Indicators of Social Innovation: Conceptualisation and exploratory model," Unceta and Castro Spila, (2012).

The notion of knowledge absorptive capacity seeks then to comprehend the process by which an organisation identifies a social problem (causes, effects, etc.), assimilates it (according to its internal pattern of knowledge), explores solutions (products, prototypes, services, methods) and implements them (dissemination and evaluation of the innovation and its impact). Therefore, the analysis of how organisations develop social innovations suggests a level of absorptive capacity in the social sphere, and a capacity to impact the social sphere with a viable alternative to address such problems.

2.1.3 Premises

For experimental purposes the RESINDEX assumes a systemic perspective of Social Innovation based on three central premises:

a) Social innovations can be produced and disseminated by way of an extensive array of organisations, so that there is no preferred type of organisation (social enterprise) capable of developing social innovations, but rather a plurality of agencies.

b) Social innovations have a localised character. The processes of Social Innovation has an elevated tacit and endogenic component, given their solid connection to the social problems and demands for which solutions are sought. This vision authorises a regional perspective of Social Innovation.

c) Social innovations are associated with the social capacity that organisations possess for knowledge absorption. Social innovations put forward by organisations are the result of an epistemic process that requires the interpretation, assimilation, conversion and exploitation of the knowledge of social needs and problems and the design of sustainable solutions.

2.2 The design of the RESINDEX index

Based on these premises, the RESINDEX model is designed around three indices (Graph 1):

a) Potential Capacity for Innovation Index: This index is a synthetic unit of measure made up of five capabilities for innovation: knowledge, learning, internal socialisation, external association and development.

b) Social Orientation Index: This index is a synthetic unit of measure made up of four factors in the implementation of social projects: knowledge acquisition, development of social projects, impact of social projects and governance on social projects.

c) Social Innovation Index: This index is a synthetic unit of measure made up of four factors in the implantation of innovative social projects (projects that have generated new or improved products, processes, methods and/or services): knowledge acquisition, development of innovative social projects, impact of innovative social projects and governance of innovative social projects.

Potential Capacity	Capacity for Potential Innovation Index	Capacity for Knowledge
		Capacity for Learning
		Capacity for Socialisation
		Capacity for Development
		Capacity for Association
Realized Capacity	Social Orientation Index	Knowledge Acquisition
		Development of Social Projects
		Impact of Social Projects
		Governance
	Social Innovation Index	Knowledge Acquisition
		Development of Innovative Social Projects
		Impact of Innovative Social Projects
		Governance

Graph 1 RESINDEX Model: Realized capacity and social innovation
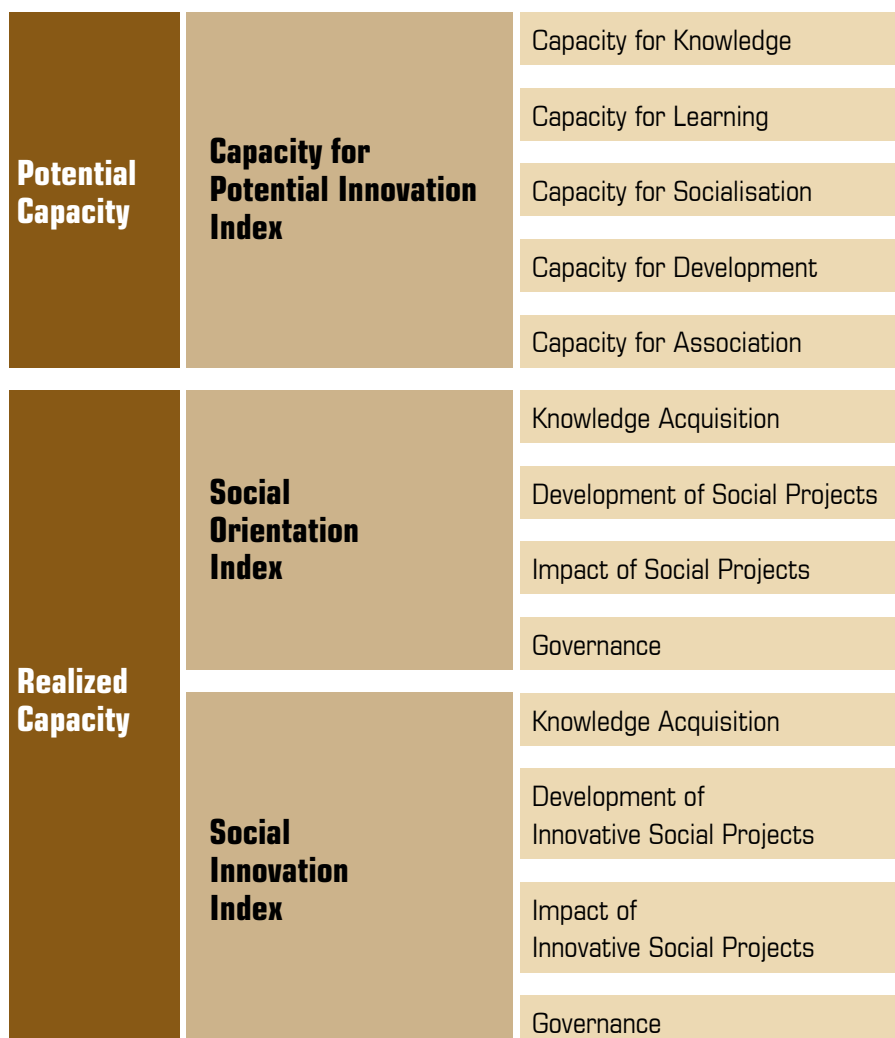
2.3 Definitions of RESINDEX

In Table 1, the principal interpretation of the dimensions and variables used in the construction of RESINDEX is explained.

Table 1 RESINDEX: Dimensions, indicators and interpretation

Potential Capacity			
	Dimension	**Indicator**	**Interpretation**
Knowledge Capacity	Supply of knowledge-generating investigators within the organisation	Proportion (30%) of contracted personnel dedicated to research activities	Identifies the critical (minimal) mass for the production and dissemination of the knowledge at an organisation's disposal
Learning Capacity	Development of competency training activities	Degree of achievement in competency training at an organisational level	Identifies the impact of competency training according to the various levels within the organisation
Capacity for Socialisation (internal)	Existence of internal mechanisms for the exchange of ideas, information, knowledge	Degree of implantation of regular mechanisms for the exchange of ideas, knowledge and relevant information for the organisation's activities	Identifies the level of impact in the capacity to socialise ideas, information and knowledge among the organisation's different levels
Capacity for Association (external)	Development of activities to form links with external agents (networking, cooperation and strategic alliances)	Intensity of association with external agents for the exchange of information and knowledge	Identifies the existence and degree of intensity of the external links within organisations
Development Capacity	Application of new ideas, prototypes and activities resulting from the generation of new ideas	Degree of intensity in developing projects / prototypes applied by the organisation	Identifies the ability of organisations to implement new ideas for projects and prototypes

Realized Capacity

	Definition	Indicator	Interpretation
Access to knowledge for social projects (innovative and non-innovative)	1.1. Monitoring of social matters	Existence of individuals or units intended to identify needs / social demands (0 or 1)	Identifies whether organisation resources are allocated to map needs and identify opportunities for innovation
	1.2. Diversity in the sources of ideas for the development of social projects	Degree of diversity (0 - 100%) of the sources of ideas for social projects	Diversity in the sources of ideas expresses different competencies to access new knowledge
	1.3. Diversity in cooperating partners for the development of social projects	Degree of diversity (0-100%) in cooperating partners for the development of social projects	Diversity in cooperating partners (businesses, universities, NGOs, etc.) expresses access to different types of knowledge and a variety of cooperation skills
Development of projects (innovative and non-innovative)	2.1. Diversity in the sources of financing (capital resources, public and private funds) for the development of social projects	Degree of diversity (0-100%) in the sources of financing for the development of social projects	Identifies a variety of funding sources. The more varied the major sources, the greater the organisational skills to develop social projects
	2.2. Diversity in the types of evaluation of social projects	Degree of diversity (0-100%) in the types of evaluation for the development of social projects	Identifies a variety of ways to evaluate social projects. The more varied the evaluation processes, the greater the organisational skills to develop social projects

	2.3. Diversity in the manner of social intervention (technological, cultural, etc.) in social projects	Degree of diversity (0-100%) in the manner of social intervention for the development of social projects	Identifies a variety of social intervention methods. The more ways to intervene, the greater the organisational skills to develop social projects
Impact of social projects (innovative and non-innovative)	3.1. Degree of diversity in the social impact of social projects (different audiences)	Degree of diversity (0-100%) in social dissemination of social project outcomes	Identifies the extent to which the outcomes of social projects are disseminated among different populations
	3.2. Degree of diversity in the organisational impact of social projects	Degree of diversity (0-100%) in the improvement within organisations as a result of carrying out social projects	Identifies different improvements and learning processes within the organisation as a result of carrying out social projects
	3.3. Degree of diversity in the impact of social projects within a sector (health, education, environment, social services)	Degree of diversity (0-100%) in the sectors impacted by social projects	Identifies a variety of sectors impacted by projects
Governance of Social Projects (innovative and non-innovative)	4.1. Degree of social governance (levels of target population's involvement in social projects)	Degree of participation (0-100%) of the target population in the project	Identifies the intensity with which the target population participates in the development of the project

| | 4.2. Degree of organisational governance (diversity of cooperating partners in social projects) | Degree of diversity (0-100%) in the types of cooperating partners in social projects | Identifies the diversity in cooperating partners who exhibit skills in forging agreements with different types of partners |
| | 4.3. Degree of sustainability of social projects | Degree of sustainability (0-100%) of the projects | Identifies whether the projects have created new infrastructures that continue to have an impact beyond the scope of the project |

2.4 RESINDEX Calculation method

In Table 2, the calculation method for the three indices that make up RESINDEX is laid out, according to the four agents considered[3]:

Table 2 RESINDEX calculation method

	Potential Capacity for Innovation	Social Orientation	Social Innovation
Businesses	$PCI^E = \frac{\sum_{i=1}^{n^E} PCI^i}{n^E}$	$SO^E = \frac{\sum_{i=1}^{n^E} SO^i}{n^E}$	$SI^E = \frac{\sum_{i=1}^{n^E} SI^i}{n^E}$
Non-profit Organisations	$PCI^O = \frac{\sum_{i=n^E+1}^{n^E+n^O} PCI^i}{n^O}$	$SO^O = \frac{\sum_{i=n^E+1}^{n^E+n^O} SO^i}{n^O}$	$SI^O = \frac{\sum_{i=n^E+1}^{n^E+n^O} SI^i}{n^O}$
Universities	$PCI^U = \frac{\sum_{i=n^E+n^O+1}^{n^E+n^O+n^U} PCI^i}{n^U}$	$SO^U = \frac{\sum_{i=n^E+n^O+1}^{n^E+n^O+n^U} SO^i}{n^U}$	$SI^U = \frac{\sum_{i=n^E+n^O+1}^{n^E+n^O+n^U} SI^i}{n^U}$
Technology centres	$PCI^C = \frac{\sum_{i=n^E+n^O+n^C+1}^{n^E+n^O+n^U+n^C} PCI^i}{n^C}$	$SO^C = \frac{\sum_{i=n^E+n^O+n^C+1}^{n^E+n^O+n^U+n^C} SO^i}{n^C}$	$SI^C = \frac{\sum_{i=n^E+n^O+n^C+1}^{n^E+n^O+n^U+n^C} SI^i}{n^C}$
REGIONAL	$PCI^R = \frac{\sum_{i=1}^{n} PCI^i}{n}$	$SO^R = \frac{SO}{n}$	$SI^R = \frac{\sum_{i=1}^{n} SI^i}{n}$

Source: "RESINDEX: Structure of the Social Innovation Index", SINNERGIAK (2012)

Wherein:

n	Total number of agents surveyed (the surveys in order: Businesses – NGOs – Universities – Technology centres)
n^E	Total number of businesses
n^O	Total number of non-profit organisations
n^U	Total number of universities
n^C	Total number of technology centres
i	Symbol that identifies a surveyed agent (between 1 and n)
PCI^i	Potential Capacity for Innovation of a surveyed agent i
SO^i	Social Orientation of a surveyed agent i
SI^i	Social Innovation of a surveyed agent i

2.5 The indices: Concept, uses and limitations

This section has the goal of facilitating comprehension of this report, with special emphasis placed on the characteristics of the indices as tools for measurement and evaluation.

2.5.1 Concept

What is an index?

An index is a numerical value that expresses the statistical relationship between amounts relating to the same phenomenon. Numerical value is precisely what gives us an insight on the phenomenon we hope to analyse and measure.

How do you prepare an index?

There are different procedures for the preparation of an index. For RESINDEX, the index is constructed from the statistical management of a predefined questionnaire. When designing the questionnaire, scores are awarded to the various questions that compose it, so that the score varies according to the type of response.

What criteria are used to assign scores?

Assigning scores to questions and answers that comprise the questionnaire is obviously a methodological decision that has to do with the proposed model. The different indicators that make up an index are constructed from the grouping

of different questions in the questionnaire, so that each indicator has a specific weight within the index.

In the case of RESINDEX, it is important to note the following:

a) In the index of Potential Capacity for Innovation, the five indicators measured (Capacity for Knowledge, Capacity for Learning, Capacity for Socialisation, Capacity for Development and Capacity for Association) are weighted evenly, with no difference established between them in terms of their relative weight within the index.

b) In the Social Orientation index, four factors, also evenly weighted (Knowledge Acquisition, Development of Social Projects, Impact of Social Projects and Governance) are considered in the implementation of social projects. Additionally, and by means of a statistical treatment that allows for different combinations of questions, we introduce control variables so that the project may be considered socially oriented.

c) In the Social Innovation index, the same four evenly-weighted factors (Knowledge Acquisition, Development of Social Projects, Impact of Social Projects and Governance) are considered in the implementation of social projects. Additionally, and by means of a statistical treatment that allows for different combinations of questions, we introduce control variables so that the project may be considered socially innovative.

How should one interpret the RESINDEX index?
- Scores are expressed from 0 to 100
- It is presented in the form of histograms and tables
- The score given to each sector is its average score
- The regional score is the average of all agents

2.5.2 Uses

- An index can transform evidence and opinions into statistical values
- Statistical values can occur at various intervals (0-10, 0-100, 0-1000) to make reading the results easier
- An index makes it easier to make comparisons between agents, sectors, regions, etc.
- An index provides for continuity and regularity in the measurement, obtaining sets that indicate trends, strengths, weaknesses, etc.
- An index allows for the evaluation of the situation in a particular field

2.5.3 Limitations

- Implementation. In the absence of an index that was equally obtained, designed and tested in another territorial context, the comparative value of the outcomes of this report cannot be established.
- Comparability. RESINDEX index is successful to the extent that it identifies strengths and weaknesses in the system, but also to the extent that allows comparisons between different agents. Being a pilot study, however, it is not possible to establish an inter-regional comparison.

BLOCK 2

RESINDEX Euskadi 2013

Without consensual theories and with the urgent need to provide new and sustainable solutions to the current pressing and diverse social problems, the demand from the public sector(regional and European) has been strengthened as it provides a system of Social Innovation indicators which allows understanding it, at the same time as boosting it, both in the field of the regions and organisations. The RESINDEX Regional Social Innovation Index model presented in the previous section is the first proposal for the creation of this system of indicators. Moreover, RESINDEX Euskadi 2013 constitutes the pilot application of the RESINDEX model in the context of the Autonomous Community of the Basque Country in the year 2013 and provides a photograph of the state of social innovation in the Basque Country, both from the point of view of organisations and from the regional perspective.

The first part of this block is aimed at summarising the results of RESINDEX Euskadi 2013 providing a regional systemic vision of the index by means of the presentation of grouped and compared results. The second part deals with the results from applying the RESINDEX model to companies, the third shows the same, yet in the non-profit organisations, the fourth presents the result of the index in universities (research groups) and the fifth part in the technological centres.

Parts 6 and 7 close this report. Part 6 is dedicated to present a set of findings and guidelines that arise from RESINDEX Euskadi 2013 and part 7 states the limits of the pilot project and expresses the additional research lines that may contribute to stabilize the RESINDEX model.

Finally, an annex is included entirely dedicated to analyse the role of the public administrations as a catalyst agent for Social Innovation.

Executive Summary

1. This report is the result of this first experience in devising a system of indicators to measure innovative activities that seek to attenuate or explore sustainable solutions to social problems.

2. RESINDEX (Regional Social Innovation Index) is a pilot investigation, as part of a larger initiative to evaluate innovation in the Basque Country by INNOBASQUE (Basque Agency for Innovation), and which was directed and developed by SINNERGIAK Social Innovation (UPV/EHU) in collaboration with INNOBASQUE.

3. The RESINDEX model is built around three basic premises:

    a) That social innovations are distributed socially and that many regional organisations can be agents of Social Innovation
    b) That social innovations, in as much as they seek to attenuate or resolve social problems, have the distinction of being localised and in-context, and consequently have a regional character (which authorises a regional index)
    c) That the organisations which drive social innovations have the capacity to absorb knowledge; that is the capacity to identify a social problem (causes, effects, etc.), assimilate it (according to its internal pattern of knowledge), explore solutions (products, prototypes, services, methods) and implement them (application, promotion and evaluation of the innovation and its impact)

4. The RESINDEX model is structured into three different Indices:

    a) The Potential Capacity for Innovation Index
    b) The Social Orientation Index of organisations (wherein social problems are addressed but in a non-innovative way)
    c) The Social Innovation Index (wherein social problems are addressed in an innovative way). This design puts forward a mapping approach to Social Innovation, according to how much it is dependent upon heterogeneous conditions, and its capacities and the thrust given it by a diverse combination of policies and development tools.

5. In order to test RESINDEX, a Social Innovation survey was designed and applied to 282 regional agents in the Basque Autonomous Community. Namely: 100 businesses, 94 non-profit organisations, 80 university research groups and 8 technology centres. The sample has a confidence level of 95%, and a maximum sampling error of +/- 5.44%.

6. To make it easier to quickly read the distinct indices, a colour shading system has been used that expresses the three different levels of intensity for each of the outcomes considered. As a result, the lightest colour indicates that

the index has a value below 30 points (low level). The intermediate colour corresponds to values between 31 and 70 points (medium level). The darkest colour expresses values above 71 points (high level). This system of shading will be employed in various segments throughout this report.

7.   The overall outcome of this Potential Capacity for Innovation Index can be observed in the following graph::

Index of Potential Capacity for Innovation, by agent					
	Capacity for Knowledge	Capacity for Learning	Capacity for Socialisation	Capacity for Development	Capacity for Association
Businesses	MEDIUM	HIGH	HIGH	MEDIUM	LOW
Non-profit Organisations	MEDIUM	HIGH	HIGH	HIGH	MEDIUM
Universities	HIGH	HIGH	HIGH	MEDIUM	MEDIUM
Technology centres	HIGH	HIGH	HIGH	HIGH	HIGH
REGIONAL	MEDIUM	HIGH	HIGH	MEDIUM	MEDIUM

Source: RESINDEX 2012 Survey, SINNERGIAK – INNOBASQUE (2013)

8.   The outcomes of the Social Orientation Index can be observed in the following graph:

Index of Social Orientation, by agent				
	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	LOW	LOW	LOW	LOW
Non-profit Organisations	MEDIUM	MEDIUM	MEDIUM	LOW
Universities	LOW	LOW	LOW	LOW
Technology centres	HIGH	MEDIUM	MEDIUM	MEDIUM
REGIONAL	LOW	LOW	LOW	LOW

Source: RESINDEX 2012 Survey, SINNERGIAK – INNOBASQUE (2013)

9. The outcomes of the Social Innovation Index can be observed in the following graph:

Index of Social Innovation, by agent

	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	LOW	LOW	LOW	LOW
Non-profit Organisations	LOW	LOW	LOW	LOW
Universities	LOW	LOW	LOW	LOW
Technology centres	MEDIUM	MEDIUM	MEDIUM	LOW
REGIONAL	LOW	LOW	LOW	LOW

Source: RESINDEX 2012 Survey, SINNERGIAK – INNOBASQUE (2013)

10. Lastly, the three indices within RESINDEX are combined, allowing an integrated perspective according to the agents considere.

RESINDEX by agent

	Potential Capacity for Innovation	Social Orientation	Social Innovation
Businesses	MEDIUM	LOW	LOW
Non-profit Organisations	MEDIUM	MEDIUM	LOW
Universities	HIGH	LOW	LOW
Technology centres	HIGH	MEDIUM	LOW
REGIONAL	MEDIUM	LOW	LOW

Source: RESINDEX 2012 Survey, SINNERGIAK – INNOBASQUE (2013)

11. While this pilot study has allowed for the creation of a model and a system of indicators of Social Innovation, in future it will be necessary to carry out new measures, case studies and comparative analyses to be able to establish RESINDEX.

12. This report includes an Appendix which bears the title "Public Administration: Catalyst for Social Innovation." There are various reasons for the inclusion of such an appendix:

- Public Administration is recognized as a primary agent of Social Innovation and is a growing subject of analysis, given its particular strategies and organisational structures.
- It is obvious that Public Administration plays an intermediary role between actors and agents concerned with Social Innovation; it is at once an area for the application of new services and processes, as well as the interaction between projects, agents and citizens at large.
- The RESINDEX model takes into account the fact that, because of their particular nature, Public Administrations cannot be considered as just another agent, at the same level as the other four that are included in the investigation.
- The questionnaire that constitutes the fundamental body of evidence upon which RESINDEX is founded, includes some questions related to Public Administration which provide valuable information that, with appropriate treatment, make up the aforementioned appendix.
- This initial contact is, without a doubt, a step forward in understanding the role that Public Administration plays in the impetus and development of Social Innovation, a starting point for a more exhaustive treatment of this question.

Part 1: RESINDEX: Regional systemic vision

1.1 Regional systemic vision

Table 3 shows the results of all the indices of RESINDEX: potential capacity for innovation, social orientation and social innovation.

RESINDEX can be read from three perspectives:

- The numeric approach, with the values reflected in the several tables and graphs obtained from the different agents in relation to the indicators and indices at hand.
- Colour-coded, a perspective that facilitates the interpretation of those values expressed numerically. To read the colour-coded scale correctly, it should be taken into account that:
  - The colour red corresponds to the lowest values
  - The colour yellow corresponds to intermediate values
  - The colour green corresponds to high values

  Therefore, it is a three-colour conditional scale, wherein the tones vary depending on their distance or proximity with respect to the three colour codes: red, yellow and green.
- The colour shading system which, as explained earlier, expresses three different types of intensity (low, medium, high) for each one of the results considered.

The three perspectives presented will be reflected in the tables and graphs to display the results will be used interchangeably and extensively in this and the following sections of this report.

The RESINDEX data indicate that the system has a mid-level potential capacity for innovation and that the initiation of improvement strategies is possible. This capacity differs, however, depending on the agent:

- Businesses and NGOs are the agents which require greater support in improving their potential capacity for innovation.
- The social orientation in the whole system is low. Here again, differences among types of regional agents exist.
- Businesses and universities are the agents needing greater support in social orientation (attending to social necessities and demands).

Table 3 RESINDEX by agent

(Colour-coded format)

	Potential Capacity for Innovation	Social Orientation	Social Innovation
Businesses	54	9	3
Non-profit Organisations	65	35	4
Universities	78	22	5
Technology centres	100	59	28
REGIONAL	**66**	**23**	**5**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

Finally, the social innovation index is very low throughout the system. Businesses, universities and non-profit organisations need greater support in finding innovative ways for social orientation, that is, being able to generate new or improved products, processes, services and methods for attending to social necessities and demands in a new and different way.

Table 4 RESINDEX by agent

(Colour shading format)

	Potential Capacity for Innovation	Social Orientation	Social Innovation
Businesses	MEDIUM	LOW	LOW
Non-profit Organisations	MEDIUM	MEDIUM	LOW
Universities	HIGH	LOW	LOW
Technology centres	HIGH	MEDIUM	LOW
REGIONAL	**MEDIUM**	**LOW**	**LOW**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

Table 4 shows RESINDEX according to the colour-shading system with the aim of displaying the level of the different indices, and their relative value of minimal, medium and maximum (low, medium and high).

1.2 Potential capacity for innovation

The outcomes of the five capacities that comprise the potential capacity for innovation index are shown in Table 5, in comparison with each of the regional agents posed in RESINDEX.

Several observations can be made from the data obtained:

- In the first place, that the capacity for association among all the agents is the most critical capacity within RESINDEX. This suggests a weak development of organisational competencies to cooperate.
- In the second place, that the capacities to build knowledge and for development emerge as relatively well-developed capacities, but there is still room for improvement for the region as a whole.
- In the third place, that the capacities for learning and internal socialisation manifest as the most developed for all the agents: in-service training and systems of exchanging ideas and internal knowledge transfer are capacities which can be considered sufficiently developed within the system.

Table 5 Potential Capacity for Innovation by agent
(Colour-coded format)

	Capacity for Knowledge	Capacity for Learning	Capacity for Socialisation	Capacity for Development	Capacity for Association
Businesses	32	86	86	42	27
Non-profit Organisations	45	78	75	75	53
Universities	100	73	94	66	55
Technology centres	100	100	100	100	100
REGIONAL	**57**	**80**	**85**	**61**	**46**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

Table 6 shows the index of potential capacity for innovation in the colour-shading format. Given that the maximum value that the index of potential capacity for innovation can achieve is 100, the range utilised shows the levels of each of the factors with respect to that value.

Table 6 Potential Capacity for Innovation by agent

(Colour-shading format)

	Capacity for Knowledge	Capacity for Learning	Capacity for Socialisation	Capacity for Development	Capacity for Association
Businesses	MEDIUM	HIGH	HIGH	MEDIUM	LOW
Non-profit Organisations	MEDIUM	HIGH	HIGH	HIGH	MEDIUM
Universities	HIGH	HIGH	HIGH	MEDIUM	MEDIUM
Technology centres	HIGH	HIGH	HIGH	HIGH	HIGH
REGIONAL	**MEDIUM**	**HIGH**	**HIGH**	**MEDIUM**	**MEDIUM**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

1.3 Social orientation

In Table 7, the results of the Social Orientation Index are shown for all of the agents in RESINDEX. Just as in the previous section, the data obtained for the Social Orientation Index suggest some reflections:

- The governance of social projects is crucial. This indicates a problem with sustainability given that the structures of cooperation and social participation are weak.
- The values of the Social Orientation Index at the regional level indicate that the factors associated with the project cycle (acquisition, development and impact) present similar scores. This would indicate, in general, that a harmonic structure is preserved well into a project's execution stage.

The two preceding reflections are closely connected to the concept of the cycle of Social Innovation (Mulgan, 2006, Murray and others, 2008) which considers a set of phases that mediate between the inception of a project (identifying problems and generating ideas) and the time of implantation (exploitation of knowledge, learning and dissemination). Thus, according to Table 7, regardless of the numerical significance of the scores obtained in the entire region for the first three factors (knowledge acquisition, development of social projects, impact of social problems), by placing emphasis on the harmonic structure we are emphasising

the performance balance among the three factors throughout the cycle. This fact is confirmed, with some variations, by looking at the type of agent; it is more evident in the case of businesses and universities, and less in the case of non-profit organisations and technology centres.

A separate issue is the behaviour of Governance, the fourth factor considered, indicating generally low intensity in relation to the levels of participation and cooperation, something that neither strengthens nor tends to expand the community of agents. This has repercussions in the sustained and systematic function of the organisations.

Table 7 Social Orientation by agent
(Colour-coded format)

	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	11	10	10	6
Non-profit Organisations	36	44	37	21
Universities	23	24	28	14
Technology centres	81	59	64	32
REGIONAL	25	27	26	14

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

Table 8 offers another view of the index according to the colour-shading scale.

Table 8 Social Orientation by agent

(Colour-shading format)

	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	LOW	LOW	LOW	LOW
Non-profit Organisations	MEDIUM	MEDIUM	MEDIUM	LOW
Universities	LOW	LOW	LOW	LOW
Technology centres	HIGH	MEDIUM	MEDIUM	MEDIUM
REGIONAL	LOW	LOW	LOW	LOW

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

1.4 Social innovation

Table 9 sets out the outcomes of the Social Innovation Index for all of the agents considered in RESINDEX.

The data obtained for the Social Innovation Index suggest the following:

- Businesses are the least socially innovative (the indicators of all the factors are below the regional average).
- Technology centres present indicators far above the regional average (in all factors).
- University research groups and non-profit organisations vacillate around the regional average for all factors.

The behavior of the two agents at the extremes can be explained by reasons of their distinct natures. The projects analysed in the business sector verified the least social orientation among the four agents tested (Table 3). This low social orientation is closely linked to the characteristics of the agent, with its particular vision and performance culture. The low social orientation score is, without doubt, the prelude to an even lower score in the degree of social innovation.

Technology centres registered a high capacity of knowledge acquisition (Table 7 and Table 9), which, as already indicated, is crucial in identifying problems and generating new ideas. This circumstance, together with the consideration of

the mission, vision, and funding systems of technology centres themselves, may explain a greater ability to anticipate in detecting opportunities.

On the other hand, it follows that the culture of social innovation would be much more evident in technology centres than in business. It must be remembered that, in recent years, the trend in this respect in Europe (a favorable realm for the presence of technology centers) has been to promote a more holistic view of innovation, in which Social Innovation is called upon to play an increasingly dominant and less subordinate role.

Table 9 Social Innovation by agent

(Colour-coded format)

	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	8	8	7	5
Non-profit Organisations	17	19	16	10
Universities	19	19	22	12
Technology centres	62	44	49	26
REGIONAL	**15**	**16**	**16**	**9**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

Turning to universities and nonprofit organisations, these find themselves in the middle but with scores that can be considered rather low in general, in the absence of standard benchmarks. In the case of universities, their low social orientation (Table 3) may have much to do with the plethora of areas in which universities are active (health, experimental sciences, technology, humanities, social sciences). What is most surprising is the low number of projects aimed at social matters that can be considered innovative. Regarding non-profit organisations, their reduced social orientation (in relative internal terms) draws even more attention than its score as a social innovator. Put simply, non-profit organisations cannot be considered prototypical hubs of innovation.

In Table 10, the outcomes of the Social Innovation Index are expressed following the colour-shading scale. Here it can be observed that, aside from technology centres, all the other agents have a low index score (under 30) in every factor included in the Social Innovation Index.

	Acquisition of Knowledge	Development of Social Projects	Impact of Social Projects	Governance
Businesses	LOW	LOW	LOW	LOW
Non-profit Organisations	LOW	LOW	LOW	LOW
Universities	LOW	LOW	LOW	LOW
Technology centres	MEDIUM	MEDIUM	MEDIUM	LOW
REGIONAL	**LOW**	**LOW**	**LOW**	**LOW**

Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

The information contained in this section, Part 3, gives testimony to the overall outcomes of RESINDEX and refers to the general behaviour of the agents, although in some cases data on separate agents is brought to light. RESINDEX has evidently dealt with disaggregated data for each of the individual agents and, in addition to a systemic overview, can provide analysis and specific information for the each of the agents considered.

The parts that follow are specifically dedicated to exposing the behavior of each of the agents in the various indices of RESINDEX. Specific results are presented and then compared with the overall data, which supplies further relevant information. For ease of reading and comparing we have used the same formats for display and presentation of the outcomes for all agents.

In accordance with the above, in the pages below the analysis of the behaviour of the agents is laid out as follows:

- Part 4: Social Innovation in Businesses.
- Part 5: Social Innovation in Non-Profit Organisations.
- Part 6: Social Innovation in Universities.
- Part 7: Social Innovation in Technology centres.

Part 2: Social innovation in businesses

2.1 Potential capacity for innovation

The index of potential capacity for innovation is composed of five capabilities (Figure 2). The data show that the more developed skills in business are Learning and Internal Socialisation, values which are very close to the regional average. However, the capacity to generate Knowledge, Development (implement new ideas) and Association (partnerships) are among the capabilities least developed by businesses in respect to the regional average (25 and 19 points away, respectively).

Graph 2: Potential Capacity for Innovation in Businesses
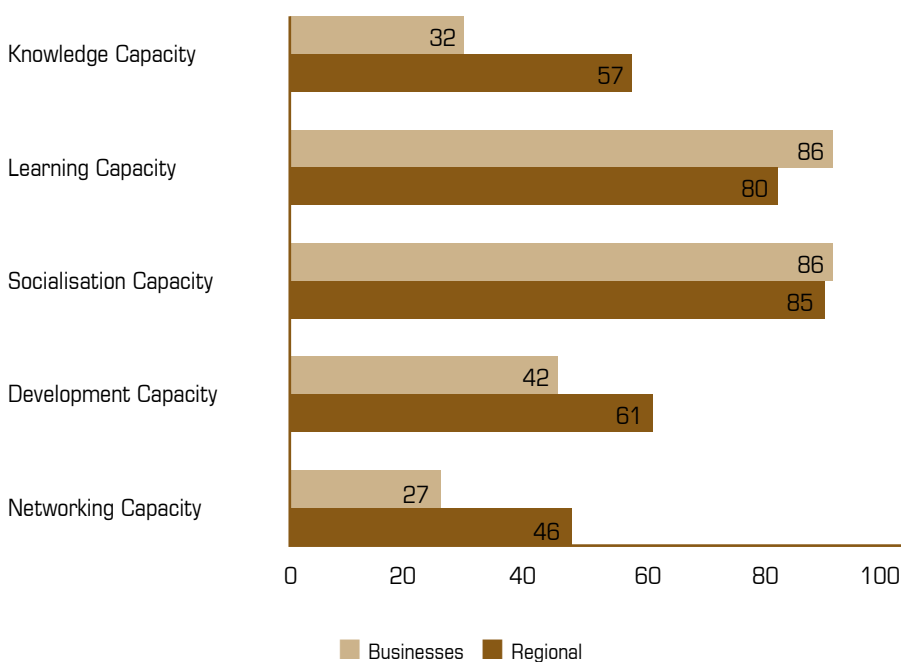
Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

2.2 Social orientation

The Social Orientation Index is composed of four factors (Figure 3). Businesses exhibit values well below the regional average for all these factors. Development of Social Projects stands out as the factor farthest from the regional average (17 points), followed by Knowledge Acquisition (of social matters) and Impact of Social Projects (14 and 16 points, respectively). However, Governance is the factor closest to the regional average (8 points).

Graph 3: Realized Capacity. Social Orientation Index in Businesses

Knowledge Acquisition
11
25

Development
of Social Projects
10
27

Impact
of Social Projects
10
26

Governance
6
14

0 10 20 30 40 50 60 70 80 90 100

■ Businesses ■ Regional
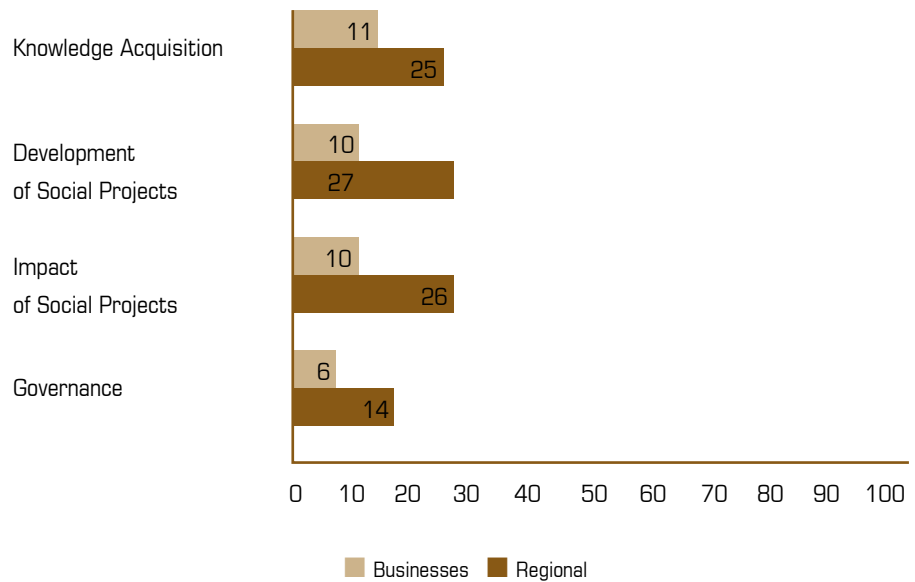
Source: RESINDEX survey 2012, SINNERGIAK – INNOBASQUE (2013)

2.3 Social innovation

The Social Innovation index in businesses is composed of four factors (Graph 4). In all these factors the businesses are below the regional average. However, once again governance is the factor with the score closer to the regional average.

Graph 4: Realized capacity. Index of Social Innovation in businesses

Knowledge Acquisition
8
15

Development of
Social Innovation Projects
8
16

Impact of
Social Innovation Projects
7
16

Governance
5
9

0 10 20 30 40 50 60 70 80 90 100

■ Businesses ■ Regional
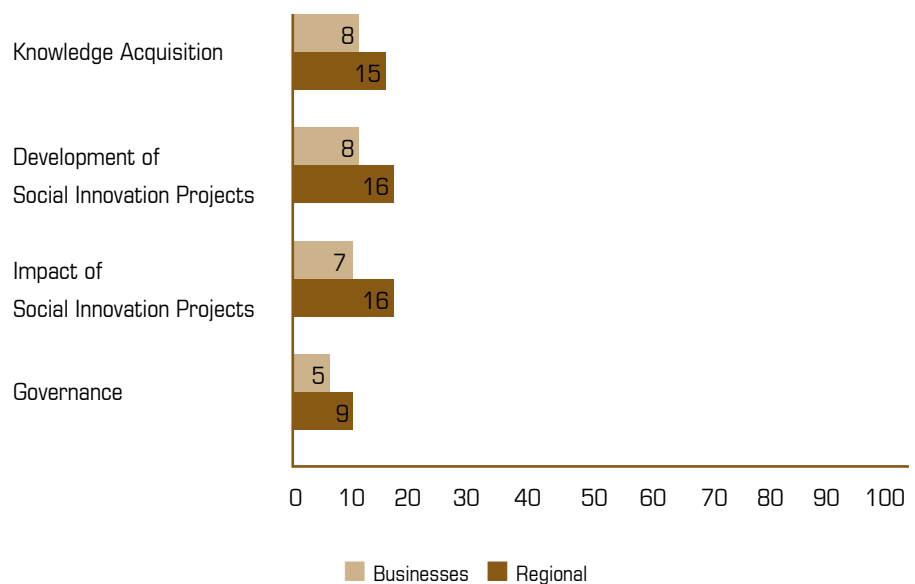
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

When comparing social projects and innovative social projects, the data suggest that when businesses carry out Social Innovation projects (Graph 4) they are closer to the average regional values than when they promote social projects (Graph 3). This circumstance may suggest that whilst the social orientation of business projects is less intentional, the innovative activity is more deliberate, more transforming, and affects the different factors more broadly.

2.4 Shared vision

Table 11 shows the three indexes of RESINDEX's model for businesses compared against RESINDEX's regional values (Table 3).

The data show that businesses express indexes of potential innovation capacity and realized capacity below the regional average. The distance from the regional values is more significant in innovation potential capacity (12 points) and in social orientation (14 points). However, the distance with the region as a whole is not so much when observing the Social Innovation index (2 points), which suggests that businesses are not very socially orientated, yet when they are, they behave in a similar ways as all the agents of the system.

Table 11: RESINDEX index in businesses

Potential Capacity for Innovation	54	Capacity for Knowledge	32
		Capacity for Learning	86
		Capacity for Socialization	86
		Capacity for Development	42
		Capacity for Association	27

Social Orientation	9	Acquisition of knowledge	11
		Development of Social Projects	10
		Impact of Social Projects	10
		Governance	6

Social Innovation	3	Acquisition of knowledge	8
		Development of Social Innovation Projects	8
		Impact of Social Innovation Projects	7
		Governance	5

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

Also outstanding is the difference of points seen between the potential innovation capacity (54) and social orientation (9). It is likely that businesses are orientating those potential capacities towards other directions, still far from what is mostly linked to social orientation.

On the other hand, the capacity for potential innovation shows a notable unequal distribution between the indicators considered, with lower scores on critical factors in the second stage of the innovative circle (development and association).

Part 3: Social innovation in
non-profit organisations

3.1 Potential capacity for social innovation

The potential capacity for innovation in non-profit organisations is seen in Graph 5. The data suggest that these type of organisations have heterogeneous capacities. On the one hand, the capacities to generate knowledge are the weakest regarding the regional average followed by the capacities for socialization. On the other hand, there are no significant differences regarding the capacities for learning which is at values close to the average.

Furthermore, non-profit organisations have capacities for development (apply ideas) and for association (cooperation relationships) above the regional average. That is, they are above the average in the capacity to carry out social projects and of doing so in structures of cooperation.

Graph 5: Index of Potential Capacity for Innovation in non-profit organisations
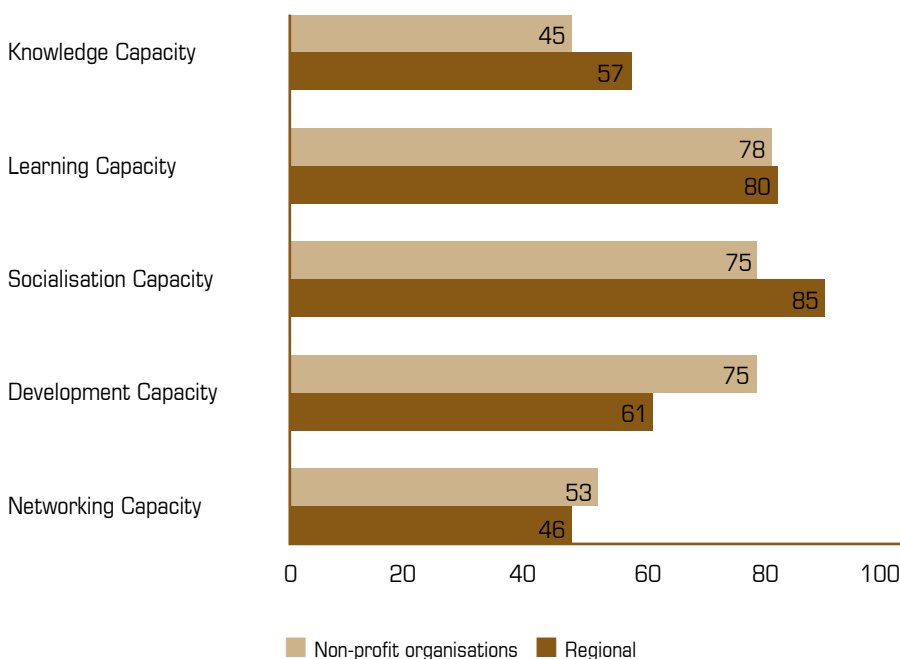
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

3.2 Social orientation

The social orientation index of non-profit organisations can be compared in Graph 6. All the internal values to the index of this type of organisations is higher than the regional average, which is not surprising given that the main purpose of these organisations is to attend social demands. As seen in Graph 6, non-profit organisations show values that exceed in more than 10 points the regional average for almost all the factors constitute the index. The exception to that guideline is found in the governance structure of the projects where these organisations are not so far from the regional average.

Graph 6: Realized capacity. Index of Social Orientation in non-profit organisations
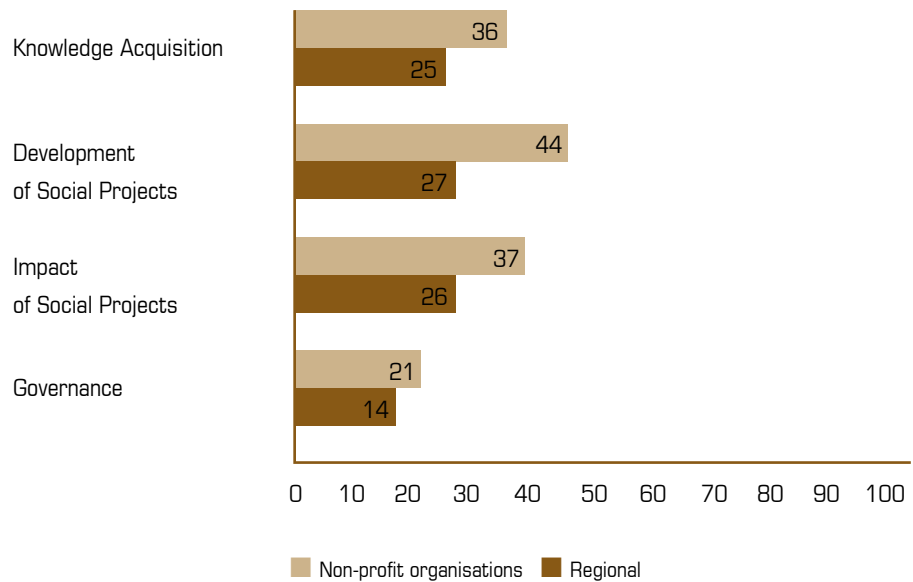
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

3.3 Social innovation

Graph 7: Realized capacity. Index of Social Innovation in non-profit organisations
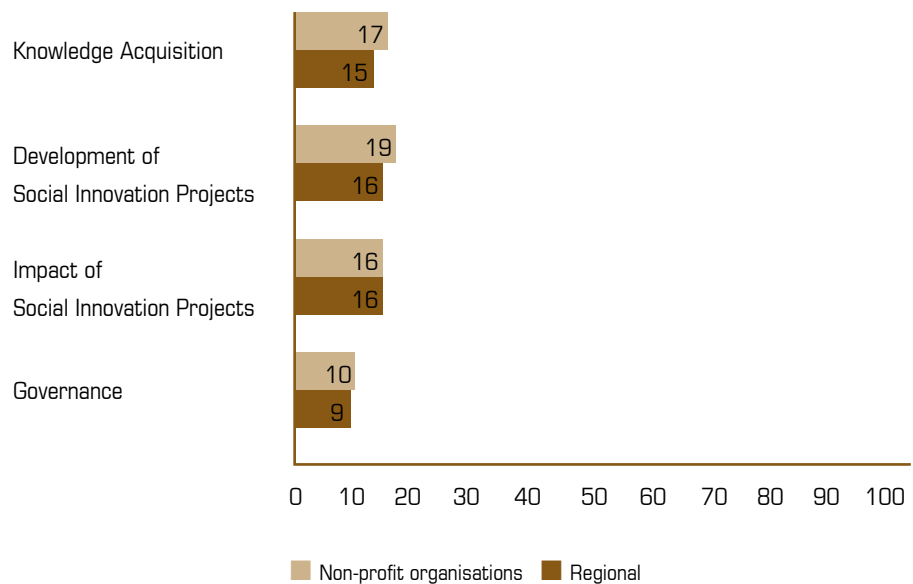
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

The index of Social Innovation in non-profit organisations is shown in Graph 7. In all these factors the non-profit organisations match or are above the regional average of Social Innovation. Therefore, the results suggest that these types of organisations are socially-orientated in an innovative way yet not very strongly with regard to the average values of the region. This is relevant if considering that these organisations are far from the regional average when these are non-innovative

social projects (Graph 6). This difference may be suggesting that, although non-profit organisations are highly social-orientated, they do not innovate much, and when they do, they do not behave very different from other regional agents.

3.4 Shared vision

Table 12 shows the three indexes of RESINDEX's model for non-profit organisations compared against RESINDEX's regional values (Table 3).

The data show that non-profit organisations express indexes similar to the region as a whole. These type of organisations have a potential capacity for innovation similar to the regional average and exceed in more than 10 points the regional average in its social orientation index. Nevertheless, the Social Innovation index is the same as the regional average.

Table 12. RESINDEX Index in non-profit organisations

Potential Capacity for Innovation	65	Capacity for Knowledge	45
		Capacity for Learning	78
		Capacity for Socialization	75
		Capacity for Development	75
		Capacity for Association	53

Social Orientation	35	Acquisition of knowledge	36
		Development of Social Projects	44
		Impact of Social Projects	37
		Governance	21

Social Innovation	4	Acquisition of knowledge	17
		Development of Social Innovation Projects	19
		Impact of Social Innovation Projects	16
		Governance	10

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

In general, the following may be stated:
- In potential capacity for innovation they have a wide margin for improvement in the knowledge and association indicators. It is true that, in both cases, the scores achieved are sufficient yet it is foreseeable that a substantial improvement would have a bearing on the innovative potential.
- With regard to the Realized capacity, both in social orientation and in Social Innovation, the governance factor shows the lowest values. As we have already pointed out, the governance is indicative of dialogue, participation, socialization, collaboration, etc. Governance strengthens organisations and makes them be more constant and sustainable.

Part 4: Social innovation in higher education

4.1 Potential capacity for innovation

The index of potential capacity for innovation in universities is shown on Graph 8. The data suggests that the research groups have high capacities for innovation. In fact, almost all the capacities measured by the potential capacity index exceed the regional average. In particular, the capacity to generate knowledge has the maximum value of the index. Somewhat similar may be said of the capacity for internal socialization which is almost the maximum of the index (94 points). The capacity for learning is below the regional average which suggests that universities develop less collective training activities by competences. Finally, the capacity for development (apply ideas) does not differ significantly from the regional average (5 points) and the capacity for association (cooperation) is at a distance of 9 points from the regional average.

Graph 8: Index of Potential Capacity for Innovation in Higher Education
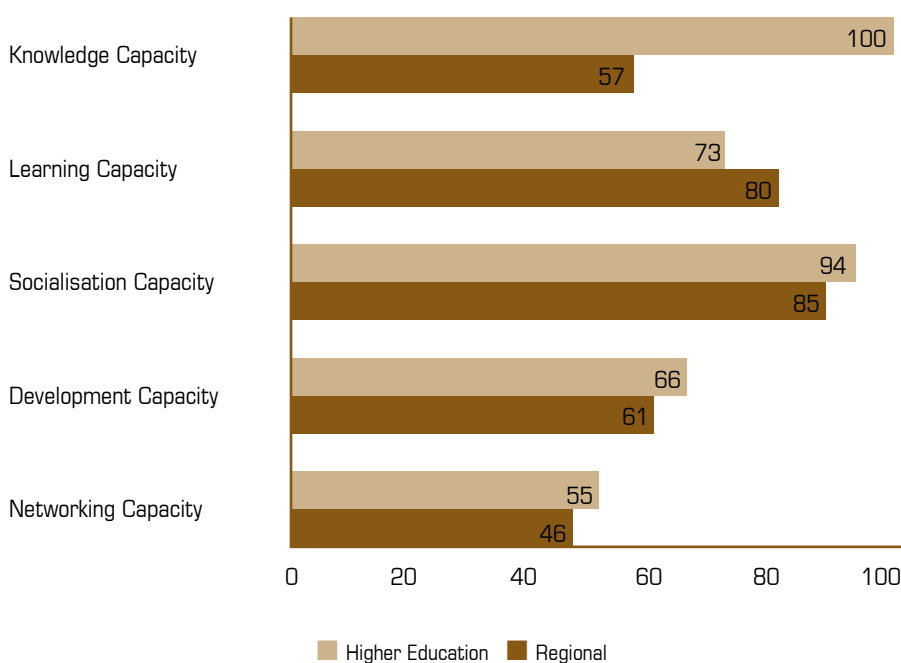
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

4.2 Social orientation

The social orientation index for higher education is shown on Graph 9. Almost all the internal values of the index in the cases of the research groups are at approximately the same as the regional average values, being slightly lower in the case of the development of social project and slightly higher in the case of their impact.
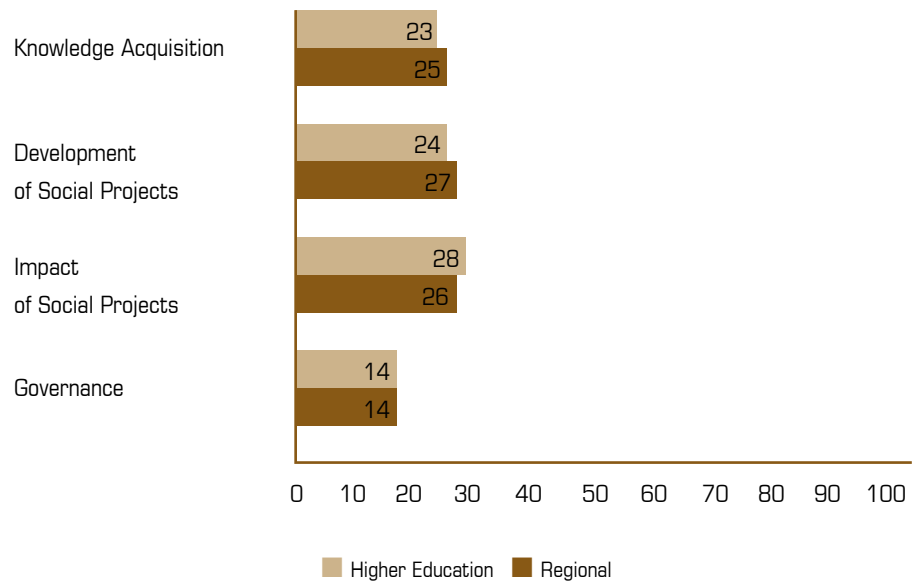
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

The data reaffirms the homogeneity of the performance of higher education in three of the four factors that constitute the social orientation index. This implies a good predisposition to comply the innovation cycle, already mentioned above.

4.3 Social innovation

The Social Innovation index in the research groups is shown on Graph 10. In all the factors that constitute the Social Innovation index the research groups exceed the regional average of Social Innovation. As happens in the index of social orientation, governance obtains the lowest score, although it is above the regional average.

Graph 10: Realized capacity. Index of Social Innovation in Higher Education
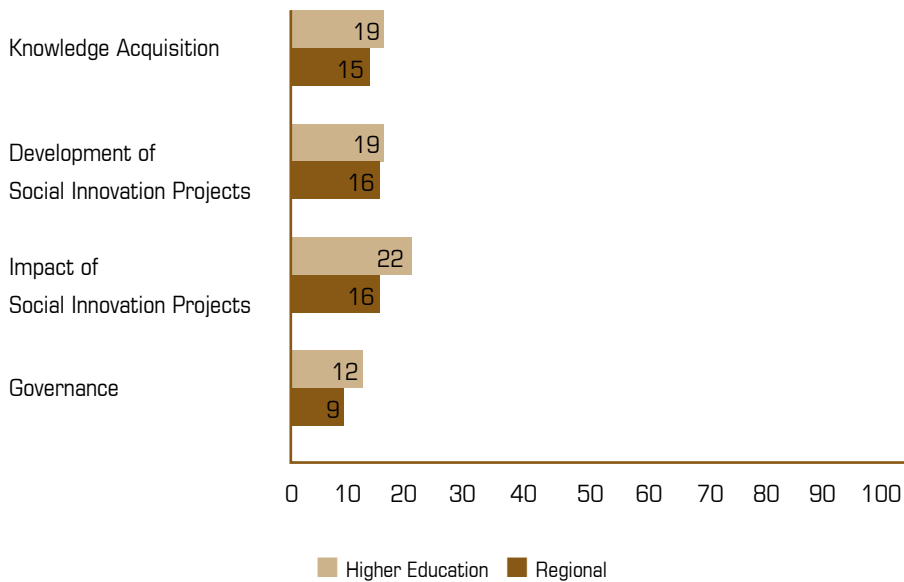
4.4 Shared vision

Table 13 shows the three indexes of the RESINDEX model applied to the research groups and compared to the regional indexes (Table 3).

The data shows that universities are at a significant distance from the regional average regarding the potential capacity for innovation. Despite this innovative potential, the research groups behave like the region as a whole regarding social orientation and Social Innovation given that the values are similar to the regional average.

Table 13: RESINDEX index in Universities

Potential Capacity for Innovation	78	Capacity for Knowledge	100
		Capacity for Learning	73
		Capacity for Socialization	94
		Capacity for Development	66
		Capacity for Association	55

Social Orientation	22	Acquisition of knowledge	23
		Development of Social Projects	24
		Impact of Social Projects	28
		Governance	14

Social Innovation	5	Acquisition of knowledge	19
		Development of Social Innovation Projects	19
		Impact of Social Innovation Projects	22
		Governance	12

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

The performance of the higher education shows a significant distance between the potential capacity and the Realized capacity. This could be due to several causes:

- The results of the index of potential capacity for innovation show a lower willingness to cooperation (Capacity for Association) and to development (application of new ideas to projects…) compared with other capacity indicators measured. This matter is relevant given that cooperation and development are fundamental in the second stage of the innovative cycle, in the time of the applications, the solutions and the spreading.
- The indicators of potential capacity that obtain the best score (knowledge and socialization) seem to orientate their prime effect to the internal field. It gives the impression that these capacities were somewhat separate, that is, not sufficiently articulated in connectivity strategies with social problems and non-university organisations.

The abovementioned may explain, to a great extent, why the distance between the score obtained in the index of potential capacity for innovation (78) and that obtained in the index of social orientation (22) is higher than in the agents analysed, even higher than in the case of the businesses. Likewise, the score obtained in the index of Social Innovation indicated that the margin for improvement is large in an organisation which should notably improve its levels of hybridisation and governance to adequately benefit from its high potential capacity for innovation.

Part 5: Social innovation in technology centres

5.1 Potential capacity for social innovation

The index of potential capacity for innovation in technology centres is shown on Graph 11. The technology centres have the highest capacities for innovation in the whole of the system. Therefore, in all the capacities that structure the index, technology centres have the maximum value possible (100 points).

This circumstance may be explained by the specialisation of the technology centres in the development of projects, as the unit of measurement used in RESINDEX is precisely the project.

Graph 11: Index of Potential Capacity for Innovation in technology centres
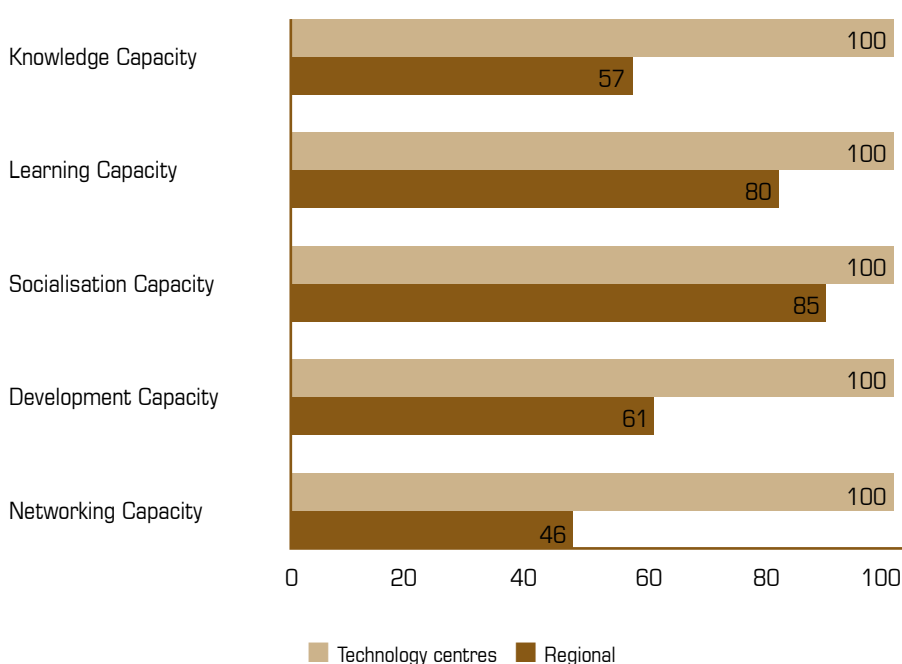
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

In addition, these centres obtain a good part of their financing in comparison much more than other agents, precisely through the development of projects. Furthermore, technology centres internationalised their activity many years ago, diversifying the type of partners and sharing experiences of collaboration with other entities of a different kind. All of this helps to experience and improve all the performances necessary in the development of the innovation cycle, and seems to explain the good score obtained by these centres with regard to their potential capacities for innovation.

5.2 Orienting towards the social

The index of social orientation for technology centres is shown in Graph 12. Technology centres exceed the regional average in all the factors that structure

the index. This suggests that technology centres have a vast development of social orientated activitie.

Graph 12: Realized capacity. Index of Social Orientation in technology centres
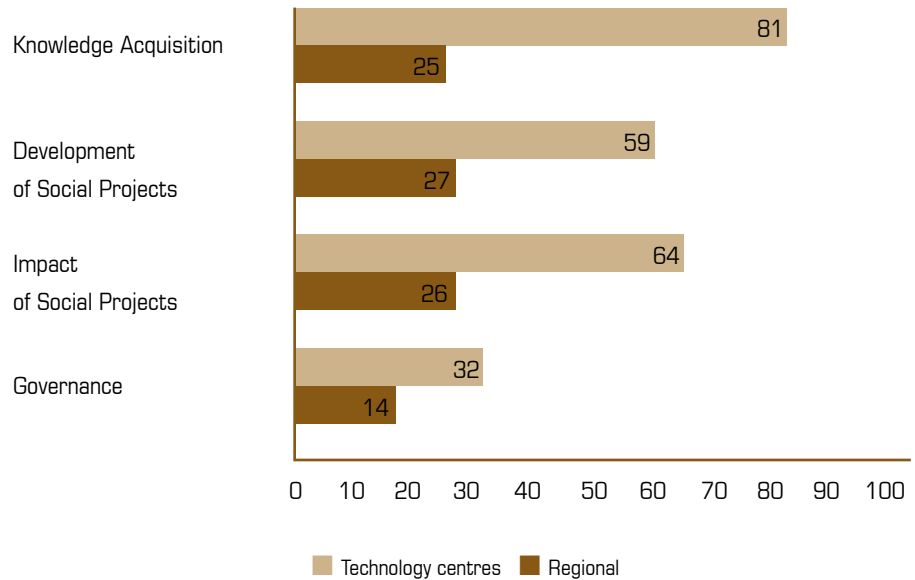
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

5.3 Social innovation

The index of Social Innovation for technology centres is shown on Graph 13. Technology centres exceed the regional average in all the factors that structure the index. It emphasises that the factors of development, impact and governance of the innovative projects are far from the average in a lower proportion than the acquisition of knowledge, which is the factor with the most weight in the index of Social Innovation for the technology centres.

Graph 13: Realized capacity. Index of Social Innovation in Technology centres

Knowledge Acquisition	62 / 15
Development of Social Innovation Projects	44 / 16
Impact of Social Innovation Projects	49 / 16
Governance	26 / 9

0 10 20 30 40 50 60 70 80 90 100

■ Technology centres   ■ Regional
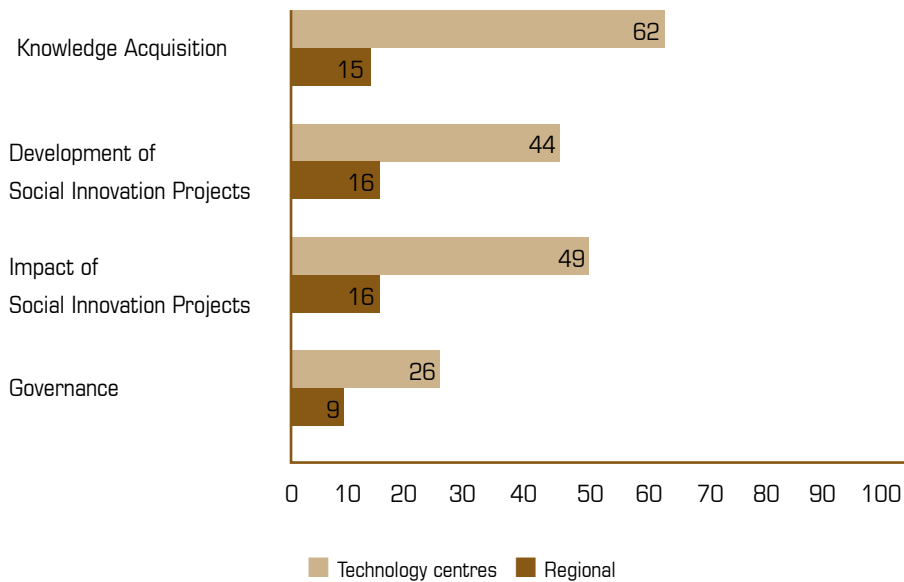
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

This high score in the factor of acquisition of knowledge (62) is also seen for the same factor in the social orientation index (81, Graph 12). This fact is suggesting a potential of experience and practice in the approach to problems and in its orientation from a plurality of perspectives.

5.4 Shared vision

Table 6 shows the three indexes of RESINDEX's model for the case of technology centres compared against RESINDEX's regional values (Table 3).

The indexes for technology centres suggest that these are the best positioned regional agents. Firstly, the index of potential capacity for innovation shows the maximum value accepted by RESINDEX, vastly exceeding the regional average. Secondly, the index of social orientation of technology centres reaches values that almost treble the regional average. Thirdly, technology centres outstand as agents involved in Social Innovation as their value in index is almost six times higher than the regional average.

Potential Capacity for Innovation	100	Capacity for Knowledge	100
		Capacity for Learning	100
		Capacity for Socialization	100
		Capacity for Development	100
		Capacity for Association	100

Social Orientation	59	Acquisition of knowledge	81
		Development of Social Projects	59
		Impact of Social Projects	64
		Governance	32

Social Innovation	28	Acquisition of knowledge	62
		Development of Social Innovation Projects	44
		Impact of Social Innovation Projects	49
		Governance	26

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

In any case, in the internal comparison of these centres, attention is drawn to the score obtained in the governance factor both on the social orientation index and on the Social Innovation index. It should be recalled that governance is an indicator of performance and institutional connectivity and it is very considered in its repercussion on the sustainability of organisations.

Part 6: RESINDEX: Findings and direction

Researches are not only sources of information and knowledge on reality, but also tools capable of guiding the action of people and organisations.

A pilot project such as RESINDEX provides proof, common trends, evidence, and in conclusion, findings that reveal realities. It is also capable of orientating the action of the agents, organisations, people, helping in the making of decisions.

RESINDEX is a humble first step in the intent to measure Social Innovation in a regional environment. Its initiatory nature advise self-caution before a measuring model which requires improvement, repetition and contrast.

In any case, the results of RESINDEX enable us to state some findings of interest and to propose a set of guidelines.

6.1 Findings

6.1.1 Regarding the potential capacity

The potential capacities for innovation

- The agents analysed in this research have sufficient potential capacity for innovation (66) yet unequally distributed.
- The capacities for learning (organisational competences) and for socialization (socialization of ideas, knowledge, information) are especially significant and obtain notable scores in the regional government: 80 (learning), 85 (socialization).
- The capacity for association (networking, cooperation, networks) is the most limited (46) of the five measured by the RESINDEX model. It is so in the regional average and also, in general, for the agents considered.
- Technology centres and higher education obtain the maximum score in the measurement of their capacity for knowledge (100).
- Non-profit organisations present a notable and homogeneous result in three of the capacities measured: learning (78), socialization (75), development (75).
- Technology centres obtain the maximum score (100) in the potential capacity for innovation index. The evident orientation of these centres to the development of projects and the experience accumulated may explain this performance which is obviously homogeneous in all the capacities subject to measurement. That is, it is an agent especially trained and orientated to the development of projects.
- Businesses present, with regard to the rest of agents, the lowest of the two capacities measured: knowledge (32) and association (27).

6.1.2 Regarding the realized capacity

Orienting towards the social

- The social orientation index constitutes the first evidence of Realized capacity and obtains a modest value (23), with a notable deviation in the case of businesses (9).
- In general, the agents have fairly homogeneous values, although clearly different, in three of the four factors considered (acquisition of knowledge, development of social projects, and impact of social projects).
- The governance of the projects (dialogues, participation, socialization, collaboration) constitutes the most critical factor for all the agents with a score of 14 in the regional average, the lowest of all the factors measured.
- The social orientation of higher education (22), somewhat below the regional average (23), corroborates a trend already stressed in other studies on research and development, that is to say, the existence of a significant distance between social demands and the responses that the high education research framework is capable of contributing.

Orienting towards social innovation

- This is the index that shows the lowest value (5) of the three indexes obtained with the RESINDEX model.
- Only one agent, technology centres, obtain a score (28) notably higher than the regional average. The rest of agents either match the regional average or are slightly below, their realized capacity for Social Innovation is quite similar.
- The two most socially-orientated agents, the non-profit organisations (35) and technology centres (59), show the same drop (31 points less in both cases) when what is being measured is the degree of Social Innovation of the projects.
- The weighting of the different factors of the Social Innovation index shows, in general, an harmonic structure except in the case of governance. This seems to ratify that the capacity to acquire Social Innovation projects is a specialised matter that depends on a combination.

6.2 Direction

- Businesses have, in general, sufficient level of "knowledge". The direction of this knowledge is another matter, that is, the transformation of a potential capacity into capacity for execution. What this observation intends to indicate is that the effort should not be focused mainly on raising the training level of organisations, yet on directing that training capacity towards the development of basic competences for the cycle of Social Innovation: Absorb external knowledge, combine knowledge, identify and interpret problems, etc.

- "Cooperation" constitutes a critical component as a condition of possibility for innovations in general, and Social Innovation in particular. RESINDEX shows that, in general, agents should cooperate more and in a more intermingled way.

- "Governance" is a highly dependant factor for cooperation. Collaboration in a way acts as a condition or filter for "governance". The importance of this factor lies in its direct association with sustainability, understood as a continuity of the projects, collaborations, networks and the organisations themselves. This is how the Social Innovation experiences have the opportunity of being escalated, adopted, replicated and improved. The agents should seriously consider this matter.

- The "social" concept in itself is indicating that Social Innovation does not recognise any privileged agent, and that it is the hybridisation between agents that should provide fruitful results. Conditioning a part of the public subsidies to innovation projects to the collaboration between agents of a different nature is a way of promoting the integration and hybridisation of innovative projects and cultures.

- "Social Innovation" is an outcome, a cycle that requires the concurrence of capacities and strategies to boost the factors that enable them. The RESINDEX indexes are autonomous between each other and no non-proven associations can be established between then. Yet the RESINDEX indexes do provide evidence on the conditions required for a Social Innovation activity of a greater reach and magnitude.

Part 7: RESINDEX: Keys to the future

7.1 Limitations of the pilot project

The analysis of the results suggests that a conceptual, dimensions and indicators model has been elaborated to analyse and measure Social Innovation. RESINEX's structure is interesting because it not only measures Social Innovation but also the social orientation and capacities of the regional organisations. The model shows to be productive when measuring these processes and also as a source of information to design policies and instruments in the promotion of Social Innovation.

Despite this progress, two important limits of the study and its results must be mentioned:

a) The measuring instrument: RESINDEX's survey questionnaire is complex and some questions must be improved and specified in order to capture better the information required. This is the case of the questions associated to capacities for learning, socialization and development. It will be necessary to specify the notion of Social Innovation on the questionnaire.

b) The units of analysis: the unit of analysis of the RESINDEX are the regional organisations. This leaves to one side the relevant agent in the system such as the Public Administrations that develop Social Innovations in vary different ways and directly through services. The RESINDEX must include this relevant agent and to do so, it will be necessary to readapt the questionnaire and the dimensions of the model itself.

7.2 Subsequent steps

In order to analyse the RESINDEX as regional barometer of Social Innovation it is necessary to strengthen the research system with regard to the causal relationships and to the performance of certain variables to explain Social Innovation. With this objective, the development of three additional lines of investigation is required:

a) Case studies: from the application of the questionnaire almost twenty cases of Social Innovation were identified that must be studied in depth and in direct relation with the improvement of the data collection instrument in order to qualitatively validate certain relations between variables.

b) Second application of the questionnaire: to improve the quality of the measuring instrument and the model's variables, it is necessary to perform a second measurement that will allow identifying regularities between the variables.

c) Studies compared: in addition to the qualitative analysis and to a second application of the questionnaire with the previously mentioned modifications, this model must be applied to another geographic context. This is a key test to isolate the contextual and universal dimensions and variables.

APPENDIX: Public administration:
Catalyst for social innovation

A.1 Reflections on the measurement of innovation in the public sector

The challenge of measuring innovation in the public sector already has a history in the European and World context, and has resulted in some specific studies which create a body of knowledge about how public institutes innovate.

The OECD Oslo Manual and the Eurostat, of 2005, already refer to the use of studying innovation in the public sector. In the subsequent years, and especially between 2010 and 2011, a set of initiatives in that direction are noteworthy.

In Europe, the Dutch group UNU MERIT developed a study of reference of the Innobarometer 2010 named *A Taxonomy of Innovation. How Do Public Agencies Innovate?*, finally published in 2011, which compares measuring methodologies in the public sector. The UNU MERIT has had an active role in the development of the EPSIS (European Public Sector Innovation Scoreboard) project, a work that provides definitions, indicators and analysis on this matter.

The MEPIN (Measuring Public Innovation In The Nordic Countries) project is on line with the Copenhagen Manual published in 2010. A text of reference for the studies of innovation in the public sector.

The report by NESTA *Innovation in Public Sector Organisations: A Pilot Survey for Measuring Innovation Across the Public Sector* published in 2011 is another measuring test in the public sector.

In Australia, the APSII (The Australian Public Sector Innovation Indicators) project developed in 2011 is noteworthy, and in the US the report on innovation in the public sector named *Capital Ideas. How to Generate Innovation in the Public Sector*. This report was developed by the Young Foundation and the Center for American Progress and was published in 2010.

This brief review shows, on one hand, that innovation in the public sector is a matter being studied in different countries, and on the other hand, that there is a trend to treat public innovation in a specific way. In any case, there are no developments on Social Innovation in the public sector.

A.2 RESINDEX and social innovation in the public sector

As we have already explained in the Executive Summary on pages 12 to 15 of this report, the RESINDEX model does not consider the Public Administration as another agent and treated in the same way as the other four agents that make up this research.

In any case, aware that the role of the Public Administration in promoting social projects and innovative social projects is highly relevant, this role has been seen throughout this research by considering three functions:

a) The Public Administration as a source of ideas for projects
b) The Public Administration as a cooperation partner in social projects
c) The Public Administration as a source of financing for social projects

Considered these three functions, the following pages present on one hand the relation between each of the agents analysed and the Public Administration, and on the other hand, the role of the Public Administration as catalyst of Social Innovation.

To measure this latter, the results from the three indexes that compose RESINDEX are compared with the relation that each of the agents considered has with the Public Administration, either regarded in terms of source of ideas, cooperation partner or source of financing.

It is therefore a question of testing up to what point there is a univocal and significant relation between the innovation intensity observed for each of the agents studied and the intensity of its link with the Public Administration.

Likewise, and following the logic used throughout the report, in this chapter a conditional formatting with colours is used to show the results. This is used in order to better understand the information as this is a more illustrative presentation than the numerical. As previously explained, red corresponds to the lowest values, yellow to the intermediate and green to the highest. The different tones adjust according to the closeness of the values to each of the previous[4].

4 The data shown in this section are all percentage values. The numerical presentation has been chosen to keep consistency with the RESINDEX index which includes values between 0 and 100. The tables (16, 18 and 20) where the data appears grouped according to the level of intensity of each RESINDEX index, the results equally correspond with percentages of each of the groups considered.

A.3 Public Administration: Source of new ideas

Table 15 shows that 15 of every 100 agents consulted consider the Public Administration as a source of new ideas. This average value has a different concretion depending on the type of agent considered. Thus, the function of the Public Administration as source of ideas is ten times more significant in the case of the technology centres than in the case of the businesses, exponents of the maximum and minimum score.

Table 15 Public Administration as a source for new ideas, by agent

Public Administration as SOURCE OF IDEAS	15	Businesses	5
		Non-profit organisations	16
		Universities	23
		Technology Centre	50

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

In addition, Graph 14 shows there is a relation between the function of the Public Administration as source of ideas and the values obtained by the different agents in

the Social Innovation index. That is, the agents that obtain higher values are those which also consider to a greater extent the Public Administration as a source of ideas, or in other words, those who innovate the most are the ones who consider the Public Administration as source of ideas. The existence of a linear relation is therefore seen between Social Innovation and a link with the Public Administration, this considered in its role of source of ideas.

Graph 14: Public Administration as source of ideas graded according to degree on the index of Social Orientation

(The horizontal axis indicates the RESINDEX index according to the categories LOW, MEDIUM and HIGH; whilst the vertical axis corresponds to the median of the factor "Public Administration as source of ideas" amongst the agents that comprise each category)
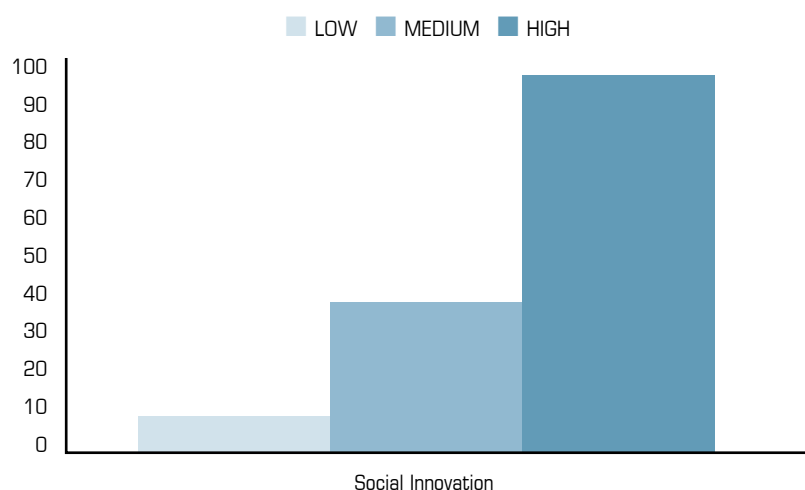
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

A.4 Public Administration: Partner for cooperation

As seen on Table 16, the degree of cooperation between the agents and the Public Administration reaches 20 of every 100. Once again, this value shows fluctuations depending on the type of agent considered. Specifically, it is the technologic centres and the non-profit organisations that show a more regular cooperation with the Public Administrations.

Table 16 Public Administration as a partner for cooperation, by agent

Public Administration as PARTNER FOR COOPERATION	20		
		Businesses	5
		Non-profit organisations	31
		Universities	25
		Technology Centre	38

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

Graph 15 relates the cooperation value pointed out on Table 16 (20) with the results obtained on RESINDEX's Social Innovation index. Also in this case a greater frequency of cooperation with the Public Administration is seen in those agents that obtain higher values in the Social Innovation index. The linear relation seen in Graph 14 is also seen almost identically in Graph 15.

Graph 15 Public Administration as a partner for cooperation graded
according to the degree on index of Social Orientation

(The horizontal axis indicates the RESINDEX index according to the categories
LOW, MEDIUM and HIGH; whilst the vertical axis corresponds to the median value of the factor
"Public Administration as a partner for cooperation" amongst the agents that comprise each category)

Social Innovation
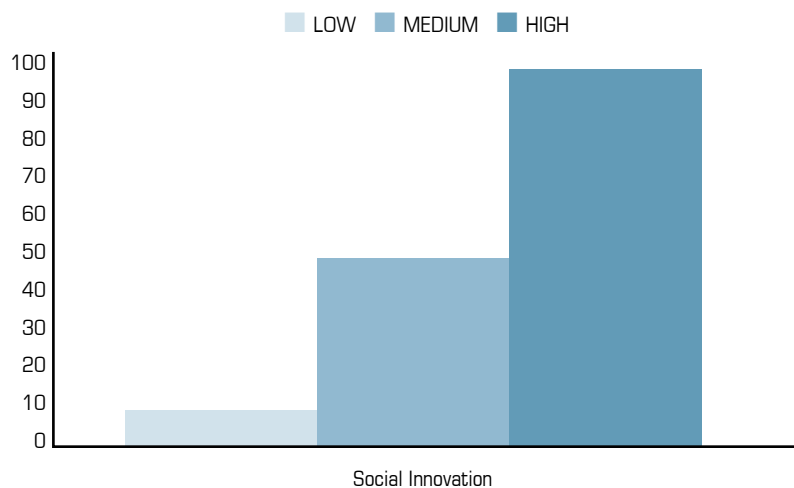
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

Finally, Table 17 enables us to establish that, except for the non-profit organisations, the frequency of cooperation of the different agents is lower with the city councils than with the regional councils and the Basque Government. In other words, we can conclude that the cooperation is more frequent the greater is the size of the administration.

(colour-coded by condition)

	City Councils	Regional Councils	Basque Government
Businesses	0	2	5
Non-profit organisations	19	15	15
Universities	8	16	18
Technology Centres	25	38	38
REGIONAL	9	11	13

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

A.5 Public Administration: Source of financing

Among the functions to be developed by the Public Administration considered in this report, namely source of new ideas, partner for cooperation, and source of financing, it is this latter that is most common.

Indeed, what Table 18 shows is that 5 out of every 10 agents have the Public Administration as regular source of financing. In this sense, it is worth pointing out that only 1 out of every 10 businesses use the Public Administration as source of financing, clearly deflecting from the general trend.

Table 18: Public Administration as a source of financing, by agent

Public Administration as SOURCE OF FINANCING	50	Businesses	10
		Non-profit organisations	85
		Universities	53
		Technology Centre	100

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

Graph 16 also shows there is a relation between the function of the Public Administration as a source of financing and the values obtained by the different agents in the Social Innovation index. It is also the case that among the agents which obtain higher scores in the Social Innovation index of RESINDEX, it is more frequent to consider the Public Administration as a source of financing. Moreover, the figure shown on Graph 16 indicates that the linear progression jumps significantly between low and medium levels of Social Innovation.

(The horizontal axis indicates the RESINDEX index according to the categories

LOW, MEDIUM and HIGH; whilst the vertical axis corresponds to the median value of the factor

"Public Administration as a source of financing" amongst the agents that comprise each category)
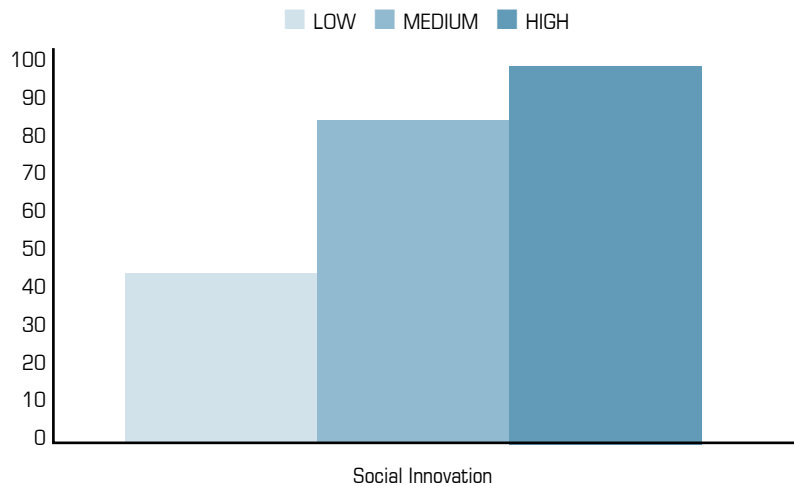
Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

If other areas of the Public Administration are now considered as potential source of financing, as shown on Table 19, it is the Basque Government that more frequently finances the regional agents.

Table 19 Public Administration financing sources, by agents

(colour-coded by condition)

	City Councils	Regional Councils	Basque Government	Spanish Government	UE27
Businesses	2	5	7	5	3
Non-profit organisations	52	52	67	3	1
Universities	6	21	39	31	9
Technology Centres	0	88	100	100	88
REGIONAL	**20**	**28**	**39**	**15**	**6**

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

It worth pointing out that it is the technology centres and the universities that most frequently obtain financing from the Spanish Government and, to a lesser extent, also from the European Union.

Also seen is the mainly regional, provincial and local nature of the sources of public financing in the case of non-profit organisations.

A.6 Public Administration and its agents: Shared vision

This section has the aim of showing the relation between the Public Administration, considered in its different functions, and the different regional agents (Table 20).

What is indisputable in the case of all the agents is that they consider more the role of the Public Administration and they link more to it when it carries out the function of source of financing. With regard to the other two functions analysed (source of ideas and cooperation partner), the link is less.

It is also seen that the function of the cooperation partners is more relevant than that of the source of ideas for all agents, except for the technology centres.

Finally, it is worth mentioning that the approach to the relations between the Public Administration and the agents considered can be developed more insofar as the number of functions attributed to the Public Administration can be increased.

Table 20: Public Administration according to attributed function, by agent

(colour-coded by condition)

	Source of Ideas	Partner for cooperation	Source of financing
Businesses	5	5	10
Non-profit organisations	16	31	85
Universities	23	25	53
Technology Centres	50	38	100
REGIONAL	**15**	**20**	**50**

Source: RESINDEX 2012 Survey. SINNERGIAK – INNOBASQUE (2013)

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