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## **Social Innovation in the Czech Republic**

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Social innovation is quite a new concept in the Czech Republic. There is no academic workplace which would specifically deal with the subject, one cannot find its direct reflection in government policy. As in most of other EU members, when viewed from top-down, the innovation is mostly understood in technology and business connotations. Even then, the innovation concept is still rather new, sort of a buzzword and mostly understood as a desirable follow-up of research and development activities. So the concept of innovation itself is perceived very narrowly in its traditional, technical, linear, R&D based form, mostly linked to manufacturing industries. It does not mean that there are no social innovations in the country, but they have not been systematically researched, analyzed or evaluated, so the published evidence is scarce. Most of the innovation activities are linked to the development of civic society, accelerated through social networking. People in local communities are getting involved in the problems caused by political decisions, or even enter politics themselves to deal with them directly (especially in environmental agenda, but also in fighting for transparent policy-making and efficient public expenditure).

A number of local initiatives have been supported by ESF within the OP Human resources and employment (HRE) which stresses, at least on programming level (much less in the implementation itself) the horizontal innovation principle in the projects. Some of the initiatives follow up the EQUAL experience, example of which being the support of social entrepreneurship/economy, some are new and mostly linked to IT-based activities. Part of the projects includes transfer of foreign (innovative) experience and its adoption to local conditions. Several large-size projects aim at systemic transformation of social service provision, such as deinstitutionalization of social care, increasing efficiency of labour market services, implementation of eGovernment into public administration.

The potentially most important sector for development of social innovation in the CR is the grant economy, also due to the mentioned support of ESF. However, to a large extent, its activities so far mostly complement the traditional social service instruments, with rather limited innovative content (also due to largely conservative project administration approach preferring replicas of current practice to risky innovative experiments). But it certainly creates opportunity of mobilizing and activating available resources, hopefully to be better utilized in 2014+ programming period. As to the government sector, its capacity for innovation is considered as low on average. The CR struggles with the overall low level of governance quality (together with corruptive reputation), preferring conservative approaches to problem solutions.

Private (business) sector is becoming more active in social domain, including creating linkages to the third sector organizations. Especially (young)

companies and entrepreneurs in knowledge intensive services are more open to innovations in general, including their social aspects (networking, corporate social responsibility, work organization and human resource development). But also several large companies (both from services and industry) have focused on social innovation support, mostly in the form of small local grants. However, the role of private sector in support of social innovation still remains limited and only incremental changes can be expected. Consequently, the ESF remains the main (potential) source of funding for social innovation.

As for the challenges being faced by social innovators in the CR, they are mostly similar to other EU members –ageing population, increasing social costs (inefficient health, pension, labour market systems). More specifically, the mentioned problem of low governance quality at all levels of public administration, including its low knowledge capacity, and high risk aversion makes the social innovations more difficult to undertake or get supported. More specifically, as social innovations often cover diverse policy agendas, the overall weakness of horizontal (inter-departmental) coordination causes delays or irresponsibilities. On the side of bottom-up social innovators, they often lack knowledge and experience in the field, as there is no social innovation infrastructure developed (as compared to the technical innovation capacities).

Historical context of social innovation in the region is diverse or even contradictory. Before the regime changed in 1989, the system in its substance had not been conducive to innovation, though it proclaimed itself as profoundly social. After 1989, there was quite an aversion to the social concept in government policy, and innovation was an unknown term even in business sector. So only in the last decade, some seeds of developing social innovation potential (more than actual innovative outcomes) become visible, especially after getting into closer contacts with the EU practice (together with the support from PHARE followed by ESF).