

# Civil Society Center | CiSoC

“The economist is passing  
the buck to the politician;  
as the doctor said to the priest  
on the patient’s deathbed:  
‘A votre tour, cher collègue  
(It’s your turn, my friend!)’.”

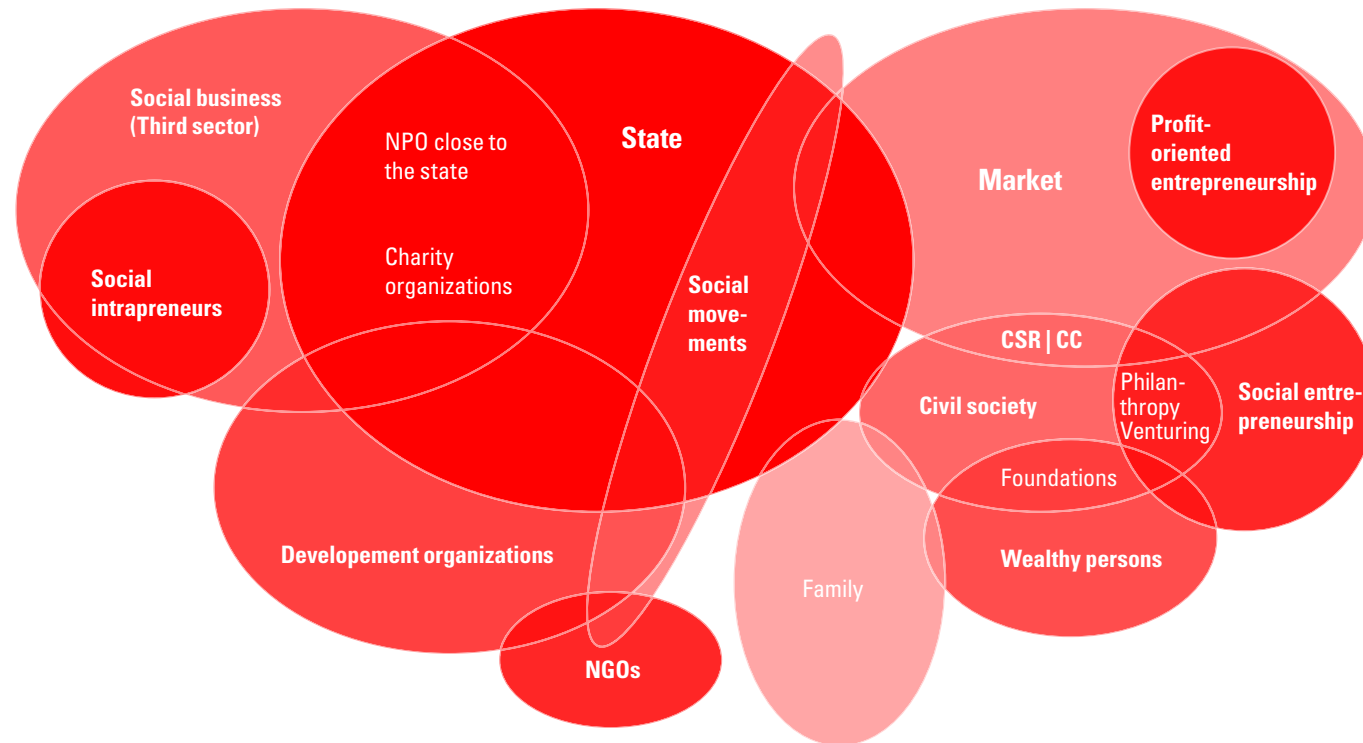
Malkin/Wildavsky (1991)

Civil Society Center | **CiSoC**

**Research on**  
Social Organisation  
Social Innovation  
Social Movement

# APPROACH

## INSTITUTIONAL FORMATION OF GOODNESS | ANALYSIS OF THE PLAYERS AND HYBRIDIZATION



### A Public Debate on the Future of Public Affairs

The dawn of the 21st century has brought about movement in the field of civil society and the research of it. It is a public debate about the future of public affairs – about the community, public goods and the need for social innovations. The crises of financial markets, economies, politics and states as well as an exceptional growth of large-scale enterprises, foundations and private assets represent key cornerstones of the discussion. How do we finance financing risks? How social is the social market economy? And how well are welfare states doing? New concepts emerge that require relational capability of all social players – i.e. new democratic processes, new types of actors and new movements.

### Social Innovations Through Inclusion, Hybridization, Systemization

The “Civil Society Center | CiSoC” was founded by the “Chair for Strategic Organization and Financing | (SOFI)” in 2010 in collaboration with numerous patrons and partners. The objective: measuring the emergence, the methods, the players, the interdependencies as well as providing international comparative analyses of this new social interaction. In doing so, the main focus is placed upon the national innovation system of society, that – we believe – will be based upon the inclusion of different social groupings, trans-sectoral hybridization of economic players, the state and civil society as well as the systemization of solutions in new “business models” of an entrepreneurial civil society.

### Zeppelin University: “University Social Responsibility”

Zeppelin University considers itself to be a civil society player and, using the prize money from the “Hochschule in Gesellschaft” (University in Society) competition, publishes its own responsibility report that goes beyond teaching and research. For the period of 2013 through to 2017, Zeppelin University has focused its medium-term strategy upon the provision of social innovations through research, student, media, artistic and political-driven interventions.

# TOPICS

## **Social Entrepreneurship**

Social entrepreneurship refers to entrepreneurial and sustainable approaches to social challenges. Unlike social activities undertaken by the state that often neglect or suspend the self-healing power of society, the social entrepreneur activates it by drawing upon market structures and creating market-related incentive systems. The social entrepreneur inspires initiative and autonomous behavior by turning those previously excluded into market participants.

## **New Social Movements**

Although they have always existed in essence, social movements, now labeled as ‚new‘ social movements, have recently gained momentum in the political discussions in Germany. However, by no means does this solely concern the disputed points such as state elections; it goes far beyond this and suggests the general desire for new participation models within the context of a representative democracy.

## **New Types of Corporate Social Responsibility**

Corporate social responsibility (CSR) and corporate foundations are significant new players in civil society that link traditional societal questions with corporate questions and thereby merge a range of social activities that are not covered by the state. As a result, the potentials of CSR are clear. However, what is less clear is whether these potentials will be sufficiently exploited, what the conditions are under which the ideal exploitation can take place, and which models can help to achieve this.

## **‚State‘ Tasks in the Hands of Civil Society**

The question of self-discharge of the state through the socialization of state tasks not only arises in face of the problematic situation, especially that of municipal budgets; it also arises in face of fundamental principles such as those concerning subsidiarity. Therefore, the transfer of state tasks into the hands of civil society players deserves a thought: For instance, through incentive structures such as tax exemptions for purposes designed to support certain civil society tasks or matching fund systems.

## **Civil Society and the Welfare Sector**

For some years now, the welfare sector has been undergoing a development towards socialization: Tasks that are of significant importance for the welfare system to function are increasingly assumed by civil society structures that are often organized in a socio-entrepreneurial manner. As this process takes place in an ad-hoc manner and without an underlying strategy, tensions arise between traditional expectations and structures on one side and innovative approaches on the other side. The task is to reflect upon this and break the tensions down.

## **Educational Institutions as Civil Society Players**

A further area in which civil society is increasingly assuming ‚state‘ tasks is education, especially higher education. As a result, the question arises of how the university itself is able to act as a player of civil society and effect or support social innovation through its own interventions. The possibilities range from scientific interventions that affect the development of the community by gaining knowledge over entrepreneurial interventions such as the funding of start-up companies to political and media interventions such as direct initiatives, policy consultation as well as studies regarding certain topics relevant to society.

## **Voluntary Work**

Voluntary work is literally a huge player in civil society: 36 percent of the population do carry out voluntary work in one way or another, thus forming the largest ‚employment sector‘ in Germany by far. Nevertheless, this central institution and resource of civil society has hardly been investigated in its own right to date.

# THE CENTER

## Research

CiSoC works in a research-oriented manner. In doing so, its research orientation is part of the university strategy of ZU that considers and treats research, teaching and knowledge transfer as a unit. Furthermore, research is primarily the basis for

| economic, cultural, political and administrative science courses

| spin-offs and the accompaniment of social enterprises

| scientific services

## Teaching

Currently, CiSoC is primarily involved in the existing Master's study programs in terms of teaching. In doing so, a course that deserves a special mention is the regular „Social Entrepreneurship“ research seminar. The university's own courses regarding the center's topic is a fixed component of the development planning and will be primarily accompanied with the establishment of in-house professorships.

## Spin-off

In order to support social enterprises – as well as enterprises in general – we founded ZU Micro Equity GmbH und Co. KG. Apart from ZU, limited partners include entrepreneurs who have an interest in promoting young entrepreneurs. Here are just some of the social enterprises that we have helped to successfully launch:

### **Spread the Word: Marketing Agency for Social Enterprises**

[www.spreadtheword-online.de](http://www.spreadtheword-online.de)

### **Sahay Solar Solutions: Expansion of Solar Energy in Ethiopia**

[www.sahay-solar.de](http://www.sahay-solar.de)

### **Uconomy: Mobile Application Services for South Africa's Second Economy**

[www.uconomy.net](http://www.uconomy.net)

### **ROCK YOUR LIFE!: Social Franchise for the Support of Secondary School Students Throughout Germany**

[www.rockyourlife.de](http://www.rockyourlife.de)

## Services

Scientific political consultancy on a Federal and State level is an established focal point of those connected to the center. With the planned expansion of the corporate social responsibility focus area, a further focal point of the work will be established in the field of CSR consultancy. As part of the planned expansion of CiSoC, the strategic priority is to extend the relevance-driven knowledge transfer into commercial and political practice.

## Integration

CiSoC is embedded in a tight research network of partner chairs both within and beyond Zeppelin University. The main collaborations at ZU itself include „Friedrichshafen Institute for Family Businesses“, the „Institute for Entrepreneurial Finance“, the „City of Friedrichshafen Chair for Administrative Science and the Modernization of Administration“ and the „European Center for Sustainability Research“. External partners in Germany include the „Center for Entrepreneurial and Financial Studies (CEFS)“ at the TU Munich, the „Centre for Social Investment and Innovations (CSI)“ at Heidelberg University. Internationally ZU collaborates among others with the EGADE Business School in Mexico, the University of Stellenbosch Business School in Cape Town and the Universidad de los Andes in Bogotá. Research and project partnerships exist with various foundations and funding organizations such as Ashoka, Siemens Stiftung, BMW Foundation, Schwab Foundation or Vodafone Foundation.



# PROJECTS

## MERCATOR RESEARCH NETWORK SOCIAL ENTREPRENEURSHIP (MEFOSE)

The organization, communication, financing and markets of social enterprises from an emergence, legitimacy and governance perspective.

### Project

The research project, set to run for a period of two years, deals with entrepreneurial solutions to social problems. Selected topics include the circumstances of founding, organizational features, growth challenges and the selection of an ideal financing strategy. The focus lies on micro and macroeconomic, communicational, administrative, political and sociological aspects of the history and adaptability, practice and theory of the so-called social entrepreneurship and the business of welfare.

By the end of the project, a scientific analysis on the conditions for the business of welfare in Germany will provide the basis upon which target-oriented recommendations for politicians, civil society and funding organizations will be expressed.

### Partners

The MEFOSE research network is funded by the Mercator Foundation and coordinated by the Civil Society Center at Zeppelin University. Further project partners include the Center for Social Investment and Innovation (CSI) of Heidelberg University and the Center for Entrepreneurial and Financial Studies (CEFS) at the Technical University Munich. Ashoka Germany and the Schwab Foundation for Social Entrepreneurship are associated with the network. MEFOSE is embedded in the Mercator research network „Innovative Social Action – Social Entrepreneurship“ together with the Universities of Bochum, Greifswald, Jacobs and Leuphana as well as the Institute for Ecological Economy Research.





## INTERNATIONAL RESEARCH NETWORK ON SOCIAL ECONOMIC EMPOWERMENT (IRENE|SEE)

Social economic empowerment – new forms of social interaction between the state, the market, corporate social responsibility, development collaboration and social entrepreneurship in the case of Africa and Latin America

### Project

The research network, initially set-up for a time period of four years, investigates the feasibility, utility, limits as well as long-term effects of Social Economic Empowerment in selected Latin American and African countries.

The project builds upon a theory-based (incl. constitutional economical and political science) heuristic of the social, state, market and civil society players of the country. The subsequent empirical evidence on their social sectors supports the deduction of generalizable recommendations for a range of actors. The recommendations will be formulated and tailored to different stakeholder groups (social enterprises and development aid, foundations, politics and law, universities) in order to facilitate their target-oriented implementation.

### Partners

Siemens Stiftung initiates and supports networks that promote knowledge transfer in the field of Social Entrepreneurship. The IRENE|SEE network – established upon the initiative of the Siemens Stiftung and managed by Zeppelin University – has a close union of partner universities in selected countries including Adama University in Ethiopia, the Universidad de los Andes in Bogota, Colombia, the Mexican EGADE Business School and the University of Stellenbosch Business School in Cape Town, South Africa. Within this network, PhD studies, which are equally involved in local as well as international research contexts, are jointly supervised. Regular conferences furthermore allow for an exchange of experiences and knowledge with internationally leading scientists and institutions in the wider field of social economic empowerment.

## NEW TYPES OF CORPORATE SOCIAL RESPONSIBILITY (PROJECTED)

CSR is one of the most powerful resources in civil society, but at the same time one of the least valued, managed and professionalized. It is an objective of the ZU to aid in activating the social potentials of CSR.

### Project

The role of CSR and foundations in corporate strategies is often unclear. Firstly, it is apparent that CSR is usually in no way linked to the actual corporate activities. Secondly, CSR often supports purely charitable activities that, although they are valuable in their own right, do not develop any sustainable structures and, as a result, only have a short-term effect. Therefore, CSR is practiced with sincerity and commitment but great uncertainty remains as to how a long-term, successful implementation as well as integration with other corporate activities could be shaped.

As the strength of an enterprise lies in its entrepreneurial actions, in theory it seems natural to also operate CSR on an entrepreneurial level. Social entrepreneurship, i.e. entrepreneurial actions with social effects, is the efficient means of supporting a good cause. As CSR opens up social problem areas by means of social entrepreneurship in a market-related manner, sustainability – a feature of good corporate behavior – is ensured: long-term self-help rather than short-term aid, structures rather than activism. Furthermore, the entrepreneurial design of CSR will lead to it no longer being a foreign body in the organization of the corporation. Consequently, CSR can become a laboratory for the development of innovative business models in new markets. Instead of solely being a minor matter of the corporate strategy it can be an attractive component of the long-term development planning.

### Partners

There are only a few CSR professors in the German-speaking world who look at the topic from a decisive entrepreneurial perspective: a small avant-garde that has broken away from the mainstream of economic ethics and, together with partner companies, aims to act instead of just talk. Together with partners – enterprises that pursue a distinct CSR strategy or have a strong interest in the optimization of CSR strategies – ZU will organize a junior professorship that will run and coordinate the research, teaching and transfer regarding entrepreneurial CSR.



## INNOVATION SYSTEMS OF CHARITY ORGANIZATIONS RESEARCH CENTER

Strategic repositioning of the voluntary charity associations as civil society organizations against the backdrop of new requirements and framework conditions.

### Project

The objective of the project is to re-consider the function of the charity organizations. One aspect of the project is to find an answer to the question of how, in consideration of changing structures within the social state, the associations can occupy positions beyond their traditional role, how they can become more professional, and, in doing so, become civil society players themselves.

The distinctively empirically-based research in the project mainly falls into the research strand of non-profit research and social entrepreneurship research. In addition to this, intrapreneurship research as well as innovation research, with a view to the research area of social innovations, is taken into account. The project is aimed at immediately putting the research results into practice.

### Partners

The project will be implemented together with the Board of Directors of the Diocese of Rottenburg-Stuttgart Caritas Association. Amongst other things, this cooperation forms a significant requirement for the empirical validity and quality of the research as it enables unique access to primary data of the association's member companies. Furthermore, the cooperation ensures that the translation of the results into practice can be easily performed on both an association and member enterprise level. Based upon this 'prototype', a dissemination into other associations, organizations and corporations in the charity sectors takes place.





## KFW STUDY ON THE FINANCING OF SOCIAL ENTERPRISES

### Project

Despite the heterogeneity of social entrepreneurship definitions, one commonality can be emphasized: Social enterprises aim at solving social problems with entrepreneurial means. In order to achieve this objective, they need financial resources. For that purposes, social enterprises have access to financing instruments and institutions of the social capital market, which has already developed adequate innovations such as social investment banks, special investment funds or social stock exchanges.

The study seeks to answer two research questions. As a first step, the focus will lie on the availability of financing instruments in different stages of the life cycle as well as the implications of the different financing instruments for social enterprises. As a second step, best practice cases of public and private financing models will be analyzed and assessed.

### Partners

The study will be developed for the KfW Bankengruppe, which, based in Frankfurt, represents one of the world's leading and most experienced promotional banks. The bank aims to apply its expertise and strength to sustainably improve the economic, social and ecological conditions of people's lives.



## STUDY ON IMPERFECTIONS IN THE SOCIAL INVESTMENT MARKET

Strategic repositioning of the voluntary charity associations as civil society organizations against the backdrop of new requirements and framework conditions.

### Project

Social enterprises are an important element of the “highly competitive social market economy”. Their demonstrated resilience to the crisis and their capacity to provide innovative responses to the current economic, social and environmental challenges by developing sustainable and largely non-exportable jobs, the empowerment of citizens as well as social inclusion in the Single Market and territorial cohesion, is seen as a real asset by the European Commission. The European Commission recently highlighted the intention to increase the use of innovative financial instruments for magnifying the impact of its budget.

The study will identify market imperfections and failures and assess investment needs in the area of social enterprise funding, which could be addressed by the European Commission. It will analyze options for the most efficient mode of delivering the financial instrument and develop ways of measuring performance and maximizing added value.

### Partners

The study will be developed for the European Commission. The European Commission is one of the main institutions of the European Union representing and upholding the interests of the European Union as a whole. It drafts proposals for new European laws and manages the day-to-day business of implementing EU policies and spending EU funds.





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