

# SIMPACT EVIDENCE

Social Innovation **Biography**

## **WP 3 – COLLECTING EVIDENCE**

Task 3.4 Social Innovation Biographies

Lead: IAT – Institute for Work and Technology

2015

**SIMPACT**

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## **Tausche Bildung für Wohnen (Exchange Education for Accommodation)**

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Towards a Prevention Chain to fight Children's  
Social, Cultural & Economic Discrimination

Judith TERSTRIEP & Maria KLEVERBECK

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# 1 OVERVIEW

|   |  |
|---|--|
| <b>City, Country</b>                              | Duisburg, Ruhr Area Germany  |
| <b>Main Actors</b>                                | Christine Bleks, Mustafa Tazeoğlu, Tausche Bildung für Wohnen e.V. |
| <b>Important actors in the innovation process</b> | Vodafone Stiftung, help&hope, Latham & Watkins                     |
| <b>Theme addressed</b>                            | Migration, Demographic Change, <b>Education</b> , Poverty          |
| <b>Target Group(s)</b>                            | Children from deprived households, Migrants, Locals                |
| <b>Development Stage</b>                          | Implemented  |
| <b>Place/Geographic Scope</b>                     | Local  |
| <b>Time</b>                                       | 2011   |
| <b>Type of Organisation</b>                       | Association  |
| <b>Size of Organisation</b>                       | Micro (<10)  |

## 1.1 Social Innovation

«Tausche Bildung für Wohnen» («Exchange Education for Accommodation», TBfW) was born in summer 2011 as preventive action against cultural exclusion, social discrimination and low education of children in Duisburg-Marxloh. The solutions' innovativeness lies in the combination of supporting deprived children, providing affordable living for students, lowering high vacancy rates and providing urgently needed assists for urban and religious institutions, resulting in a win-win-win situation: Deprived children in the district is offered an intensive after-school assistance for homework, learning, language skills and spare time activities provided by engaged young people who in turn are provided rent-free housing in a shared apartment.

## 1.2 Context & Framework Conditions



Figure 1-1. Duisburg Districts

Marxloh in the north of Duisburg, Germany, is a district whose history has been closely associated with the coal and steel industry. Due to its history, the neighbourhood is characterised by a large number of households with migrant background, and in particular Turkish migrants who moved there in the 1960s. In 2014, about 64.1%<sup>1</sup> of the population in Marxloh with permanent residence had a migrant background compared to 35.4% for Duisburg as a whole (Stadt Duisburg, 2015; Richter, 2014). In 2010, three of four children between 0 to 7 years had a migrant background (73.6%) compared to the municipal's average of 58.0% (GISS 2013), while the share of young people aged less than 18 years (22.4%) is well above the city's average of 16.6%.

Contrary to many other member states, in Germany youth unemployment rate for those aged 15-24 decreased in 2013 to the lowest level since the reunification adding up to only 7.9% (Duisburg: 9.4%) compared to 23.5% EU average (Schraad-Tischler & Kroll, 2014; Employment Agency Duisburg, 2015). This is less

<sup>1</sup> The total share of residents with migrant background includes 41.9% of immigrants and 22.2% of Germans with migrant background of the total population (Richter, 2014).

a result of structural improvements, but of demographic change, i.e. declining numbers of young people lead to a lower demand of jobs. Hence, school dropouts or young people without vocational training who do not find adequate employment are alarming high (DIW, 2013). In Germany, more than in many other European countries, the social background is still the decisive factor as to whether young people receive a good education. The prospects of, for example, households receiving public subsidies (e.g. Hartz IV) to participate in education, school success and integration into working life are therewith strongly impaired.

In response to the growing number households with migrant background, the *National Action Plan on «Integration»* was developed by the Federal Ministry of Education and Research (BMBF) in cooperation with civil society stakeholders in 2011. It identified improving educational opportunities, participation, and success, particularly for children and youth with migration backgrounds, as one of the central challenges facing the German education system. In this context the BMBF has taken new measures with particular significance for youth and young adults with migration backgrounds, while maintaining and developing those already established such as *«Compass of Studies»* (BMBF, 2013). In Germany, however, responsibility for education lies primarily with the Federal States (here: NRW). In 2012, for example, with the *«Participation and Integration Act»* the NRW government committed itself to «integration through education», including the further development and refinement of educational concepts along children's and young people's biographies. As a joint effort of the Ministry of Education & Further Education and the Ministry of Work, Integration & Social Affairs NRW, the establishment of *municipal integration centres* has become a central measure. By 2014, 14 centres have been operational across NRW, of which one is located in Duisburg as department under the direct responsibility of the major. Amongst others, the centre provides intercultural consultation for parents, educational support and function as partner in the transition from school to work through collaboration with parents and across-the-board language tuition.

### ***Local Economy & Labour Market***

The structural change has largely affected Marxloh (just as Bruckhausen and Hochfeld) where the old industries left their mark. The disappearing economic base caused massive social and cultural change in the district. Given these conditions not surprisingly Marxloh became one of the 21 city districts addressed by the Federal State programme *«City Quarters with special demands for Renewal»*

launched in 1995. In addition, Marxloh received supported by the *EU URBAN programme for local development* (1995 to 1999). The programme aimed, in particular, at the promoting the renewal of the building stock and the social infrastructure, improving living conditions and social structures and remedying the employment and skill levels in problem sectors.

Since the mid 2000, Turkish salesmen and retailers increasingly seized their opportunities in the abandoned shops on Marxloh's main street and focal areas of the local economy have shifted towards bridal and evening clothing as well as jewellery. Nowadays the district hosts the most vivid Turkish bridal fashion district outside Turkey with more than 50 shops attracting customers and shoppers from Germany, the Netherlands, Belgium, France and Luxembourg. Moreover, citizens and entrepreneurs in the neighbourhood started taking over joint responsibility for their own good. They engage to elaborate solutions for social, economic or image problems, which in turn leads to a deeper ingrain into the local community and thus to a stronger identification with the district.

Despite these efforts the district's vacancy rate is still at 12% and unemployment remains at a high level. In 2013, Duisburg had an average annual unemployment rate of 12.9% (31'228 people) with a rising trend (currently 13.4%; Federal Labour Office, 2015), of which about 27.5% (currently: 30.5%) had a migrant background. The situation is even worse in Marxloh with an unemployment ratio of above 20%, 45.8% of children younger than 15 in need of Hartz IV services and above 16% of over-indebted individuals (GISS, 2013). Long-term unemployment is a primary reason for individuals being at risk of poverty and social exclusion. Thus, the Federal Government's goals in reduction of poverty and social exclusion centre on, inter alia, children and young people to improve opportunities for education, social participation and integration both in society and the labour market (BMAS, 2014). Since the launch of the «*Education Package*»<sup>2</sup> in 2011 by the Federal Ministry of Labour and Social Affairs (BMAS, 2015), children and young adults from low-income families can claim special benefits to enable them to take greater part in education and held avoid social exclusion. These so-called «*education and participation*» benefits include, for example, paying expenses for mid-day meals in schools, extra tuition and participation in a sports club or music

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<sup>2</sup> The educational package applies to all families who qualify for benefits according to Book Two of the German Social Code (particularly unemployment benefit II or social allowance), or receive social assistance, housing benefit, children's allowance or benefits in accordance with the Asylum Seekers Benefits (since 1 March 2015).



lesson. The benefits are provided directly and non-cash by means of vouchers. The district and city councils are responsible for providing and implementing the educational package.

## 2 DEVELOPMENT

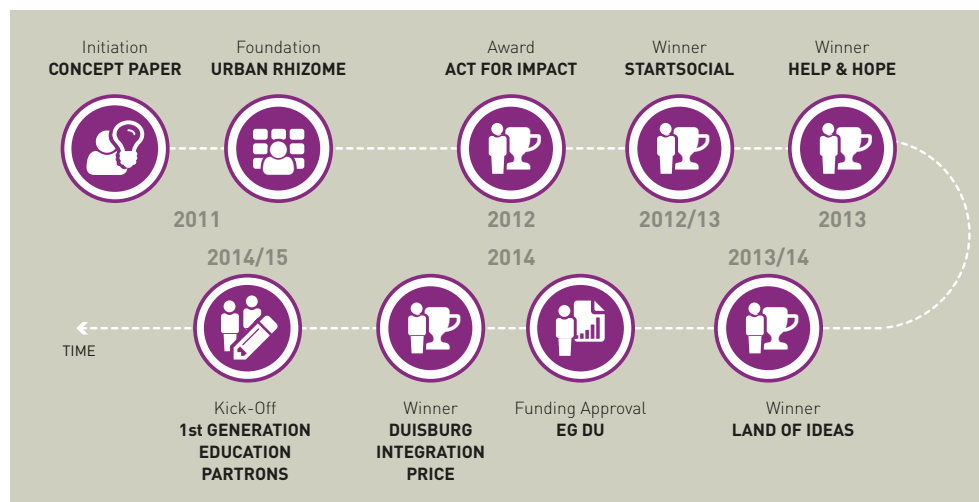


Figure 2-1. Innovation Process - Milestones

### 2.1 Idea & Problem Addressed

Despite the extensive social and urban developmental measures (e.g. through the Development Company Duisburg), Duisburg-Marxloh remains a compelling case for a district with special support needs, in particular with regard to education and social infrastructures. One of the most pressing challenges is the high number of children from low-income families (including those with a migrant background, see previous section) that have fewer opportunities in education than the overall population, often resulting in poor jobs and/or unemployment. Existing deficits in education and neglecting of children, for example, result in poor language skills as well as lack of meaningful leisure activities and social skills. Although many low-income families are in the position of making use of «education and participation vouchers» to improve their children's situation, parents in Marxloh rarely make use of this opportunity.

Hence, the idea was to establish a «*prevention chain*» to fight children's and their families' social, cultural and economic discrimination through strategic volunteering children from 6 to 12 by young, well-educated people such as students,

apprentices or other socially engaged young adults («mentors»). Establishing a reliable reference structure for the children in the neighbourhood takes centre stage. Next, the influx of the young, well-educated people is viewed as way forward to a better social mix, which underpins social cohesion. Besides, rent-free accommodation of mentors in a joint property financed by TBfW is not only a wise and social use of vacancies, but also adds value to the neighbouring properties.

## 2.2 Motivation & Core Solution

TBfW's idea first came up to Mustafa Tazeoğlu, who was born and raised in Marxloh and has a Turkish migrant background, in 2007/08 from his own experience of living in a shared flat of ten solidary people and learning about a girl who provided tutoring for a free meal. In 2010, the idea was first formulated in a ten-page concept paper. Jointly with Christine Bleks (also born and raised in the Ruhr Area) he founded Urban Rhizome UG in 2011 – a social enterprise, concerned with the development and accompanying new models at the intersection of urbanity, (inter)culturality and economy – where the idea was further elaborated. Both initiators have a professional expertise in social, cultural and regional projects. It took seven years from TBfW's first idea to its implementation, which required a high degree of resilience of the two initiators. By addressing the problem of educational shortcomings of children from low-income families, the lack of social mix and high vacancies ratio in Marxloh, TBfW is likewise a service innovation as well as a new method and a new mode of delivery.

In fall 2014 the first generation of mentors has been assigned, moved in two threesome shared apartments and begun to volunteer children in the neighbourhood with homework, language skills (mainly through playful learning) and learning assistance in the basic classes German, English, mathematics and social studies, as well as cultural, sportive and other leisure activities. Four of them work fulltime: Helge (18), Maxi (24, B.A. Architecture & M.A. Urban Development) and Lena (30, B.A. Architecture) all accomplishing a one-year German Voluntary Service («Bundesfreiwilligendienst»), as well as Lemar (22) doing a voluntary social year («Freiwilliges Soziales Jahr»). In addition, Kübra (23) studying environmental technology and resources management as well as Tolga (25) studying economics complete the team as part-time mentors. In addition, three external mentors were assigned, namely Imad (26) studying electrical engineering, Masha (30) and Hen-

ning (30) both studying social work. In due consideration of the children's special needs, a mentor-child ration of 1:4 has been chosen. The scope of work for the fulltime mentors is 160 hours/month for 6 to 18 months, for the part-time mentors at least 16 to 20 hours/month. Next to assisting their protégés, mentors also support TBfW's partner organisations (e.g. schools, churches, youth centres).

In the provision of the services the local infrastructure of municipal and religious organisations such as moshes, churches, swimming pools, gyms, sports grounds and youth centres, whose guarantors are as partners of TBfW open their doors free of charge, are used extensively. In return they receive urgently needed support for their own tasks: By providing a contractual defined number of unpaid working hours for these organisations, the mentors change their role and become supporters. Accordingly, the mentors have a twofold function: on the one hand they care for deprived children in the neighbourhood and on the other support partner organisation. In this context, the «*TauschBar*» (bartering bar) - also referred to as the «districts nursery» - functions as learning facility and lounge for children and mentors plus point of information and counselling for parents. The TauschBar is located in the house TBfW bought and renovated.

Previous to the selection of mentors, TBfW elaborated a selection procedure focusing on soft skills. In preparation for their work, experts trained the selected mentors in workshop and seminars. Topics addressed ranged from, for example, antiracism training (Phoenix e.V.), team and communication coaching (Prof. R. Strömer), milieu-specific developmental psychology (Kazim Erdogan), (sexual) violence against children (Wildwasser e.V.) to cultures and world religions (Zehra Yilmaz). Children's participation is organised through partnering schools (currently 3 elementary schools, one comprehensive and one grammar school) in coordination with teachers and parents.

Due to the financial model of TBfW (see section 3.1), the social innovation is bound to families who qualify for unemployment benefit II or social allowance, or receive social assistance, housing benefit, children's allowance or benefits in accordance with the Asylum Seekers Benefits. In order to achieve the envisaged social mix, other children are welcome to join TBfW at their parents' own costs. The geographic scope is limited to the neighbourhood, but the solution can be transferred to other districts in Duisburg or other cities, while being adapted to the specific context.

## 3 IMPLEMENTATION

### 3.1 Resources & Business Strategy

TBfW is designed as a lasting self-supported solution to prevent social, cultural and economic discrimination of children from low-income families and therewith accounts for the demographic change in the district. Following a long lean spell, the initiative gained new impetus by receiving the 40'000 Euro endowed «Act for Impact» Award, which also marked an important step forward towards the implementation of TBfW.

*The «Act for Impact» award was rocket fuel for our start-up! The recognition of our idea was even more important than the high amount of prize money. The project accompanying consultation was worth gold. The collaboration with Social Entrepreneurship Academy (SEA) and the Vodafone Foundation was uncomplicated, personal and very helpful.*

*Christine Bleks, Initiator TBfW*

A multitude of distinct knowledge with regard to, for example, legal issues, building regulations, and financial issues was necessary to introduce TBfW. The necessary knowledge was acquired internally by the initiators and through the collaboration with external partners (see section 3.2). Next, the coaching by SEA – as part of the «Act for Impact» Award – of ten hours per month over a one year period helped to professionalise TBfW.

#### **Resources**

Resources to initiate and implement TBfW Christine Bleks and Mustafa Tazeoğlu financed the initial phase in the innovation process and in particular, the concept development, solely with their private money.

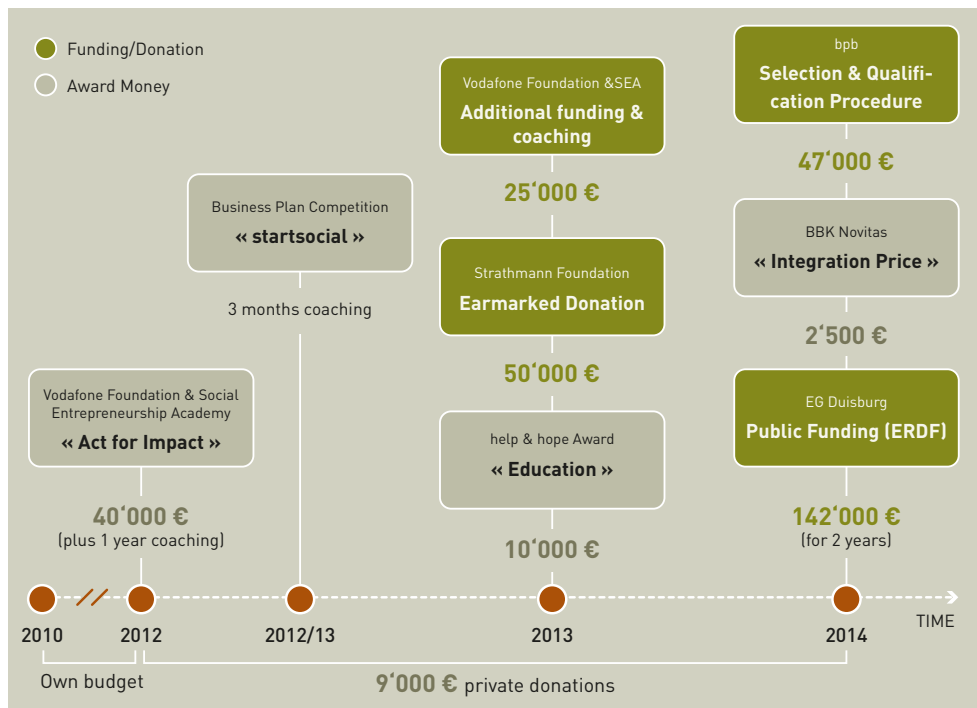


Figure 3-1. TBfW – Financial Sources

As of 2012 the initiative won several awards and prizes worth 52'500 Euro (see Figure 3-1). An essential shortcoming affecting the innovation process was, however, that large part of the money could not be used for financing staff costs. Relying for more than four years solely on their private budgets, for the two initiators this resulted in the constraint situation of almost running personally bankrupt. In this regard, «Act for Impact» Award granted by the Vodafone Foundation in cooperation with the Social Entrepreneurship Academy (SEA) was an exception which to a certain extent relieved the situation. The prize money of 40'000 Euro was used to found the registered association which necessitated also some legal advise, logo and website were developed and for the first time the two initiators were able to pay themselves a small expenditure allowance. In addition, TBfW won the business plan competition «startsocial» which included a three month consultation voucher. In 2013, the initiative receive the *help & hope award* in the category «education» worth 10'000 Euro and one year later the Duisburg «Integration Price» (2'500 Euro). In addition, TBfW received approx. 9'000 Euro private donations since 2012.

Another resource-related difficulty TBfW faced was to access start-up financing for purchasing the property as one of the core elements of the concept. This

could – in large part – be solved through an 50'000 Euro earmarked donation by the *Strathmann Foundation*, which the initiators were able to acquire through a successful pitch of their concept as part of a social entrepreneur-investor meeting organised by SEA in Munich. With the help of the money two apartments were bought and renovated. In addition and before the property was bought, the initiative received a further funding of 25'000 Euro from Vodafone, SEA extended its coaching worth 3'000 Euro, and *Pro Bono Deutschland e.V.* granted free legal assistance by Latham & Watkins.

In 2014, the *German Federal Agency for Civic Education (bpb)* funded the development of a selection and qualification procedure for TBfW mentors with 47'000 Euro. TBfW in turn develops a handbook of the initiatives concept. Finally, TBfW received a two-year funding of 142'000 Euro granted under the social city programme («Soziale Stadt»)<sup>3</sup> under the responsibility of Development Agency Duisburg (EG DU). Since July 2014, this allowed the initiative for the first time to also pay the initiators' salaries.

Following the two-year pilot phase (2014 to 2016), an annual budget of approximately 175'000 Euro is calculated for TBfW's operation (6 mentors, 64-74 children). This budget comprises staff costs (including salaries for two executive managers plus a monthly allowance of 350 Euro for fulltime mentors), rent and ancillary costs, insurance, reserves, website, mentors' qualification, public relations, travel costs, controlling and tax advice.

### ***Business Strategy***

Following a long-term approach, TBfW's strategy is directed towards the permanent provision of the bartering services in local ownership under financially viable conditions. From the initiators' perspective this comprises two major steps: First, the establishment of the services in due consideration of existing infrastructures in the district and actors' involvement. Second, the withdrawal of the two initiators Bleks and Tazeoğlu and handover of TBfW's future operation to a successor, ideally from the team of mentors. Moreover, the strategy foresees scaling the solution to further deprived districts in Duisburg and other cities by means of a «Social Franchise Model». The envisaged franchise model is expected to grow the impact of TBfW through scaling the solution without growing the organisa-

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<sup>3</sup> The programme is financed through the European Regional Development Fund (ERDF) and the NRW Operational Programme «Growth and Employment».

tion. In addition, it allows for local ownership, flexibility and tailoring the solution to the context and circumstance. It combines social objectives with its economic objectives.

Long-term operation is secured by revenues generated through «education and participation vouchers» (EPVs), which was developed in cooperation with the City of Duisburg, plus monthly fees paid by parents who are not entitled to EPV. Next, membership fees, revenues from the German Voluntary Service and donations are foreseen as financial resources. The following figure summarises the estimated revenues.

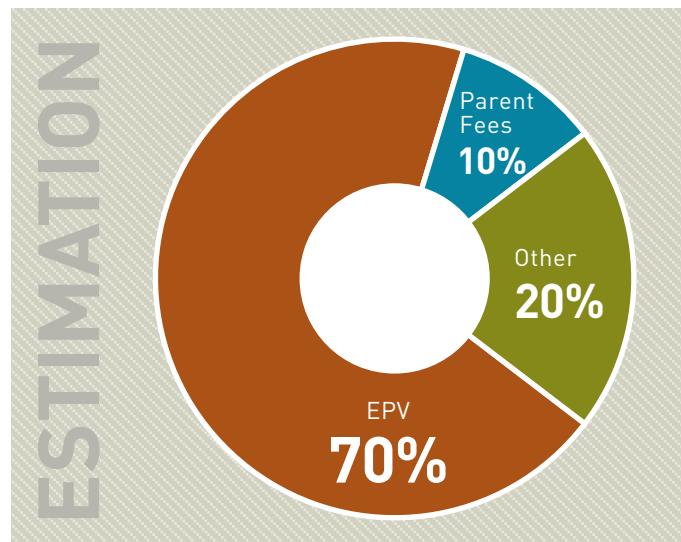


Figure 3-2. Estimated Revenues (6 mentors, 64 to 74 children)

Projects shall complement these sources of finance in the future, in particular, to ensure a social mix and therewith, contribute to social cohesion in the district. For instance, a joint project under the lead of Duisburg Merkez Mosque (DITIB) was proposed to «Aktion Mensch», an initiative funding inclusion projects.

From the initiators point of view, «Love it, establish it, leave it» is the motto, i.e. strategy is to hand TBfW over to a public private partnership (PPP) in its broadest sense.



## Organisation

TBfW is organised as registered association under German law. Elected by the 6-member *General Meeting*<sup>4</sup> for a duration of four years, the *Executive Board* is staffed with Christine Bleks as CEO and Mustafa Tazeoğlu (TBfW's initiators), who are responsible for the operative management including the selection of the mentors following the elaborated selection and qualification procedure.

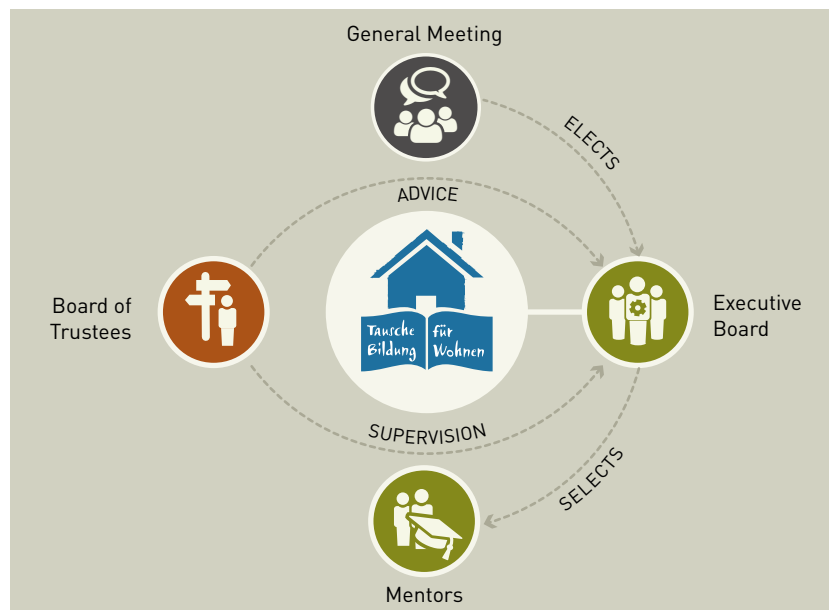


Figure 3-3. TBfW's Organisational Structure

The 5-member Board of Trustees gives advice and supervises the executive board. It is composed of Manfred Berns (CEO of Bürgerstiftung Duisburg gAG a civic foundation), Michael Bleks (Policy and Strategy Consultant, Berlin), Rauf Ceylan (Professor for Sociology of Religion, Osnabrueck), Asli Sevindim (Journalist, Moderator and Author, Duisburg), and Mark Speich (CEO Vodafone Foundation Germany).

<sup>4</sup> Members are Christine Bleks and Mustafa Tazeoğlu, Daniel Janik-Karamanli (physiotherapist, Duisburg), Chrisovalandou Karamanli (social worker, Duisburg), Jörg Seifert (CEO Foundation Law Association Ltd., Duesseldorf), Halil Tazeoğlu (student human medicine).

### 3.2 The Network – Governance, Support & Obstacles

In course of the innovation process TBfW established a large network of distinct actors within the district and beyond with varying roles (see Figure 3-4). Next to the initiators, the Board of Trustees belongs to the *inner core* of operative actors. They consult and supervise TBfW's executive board.

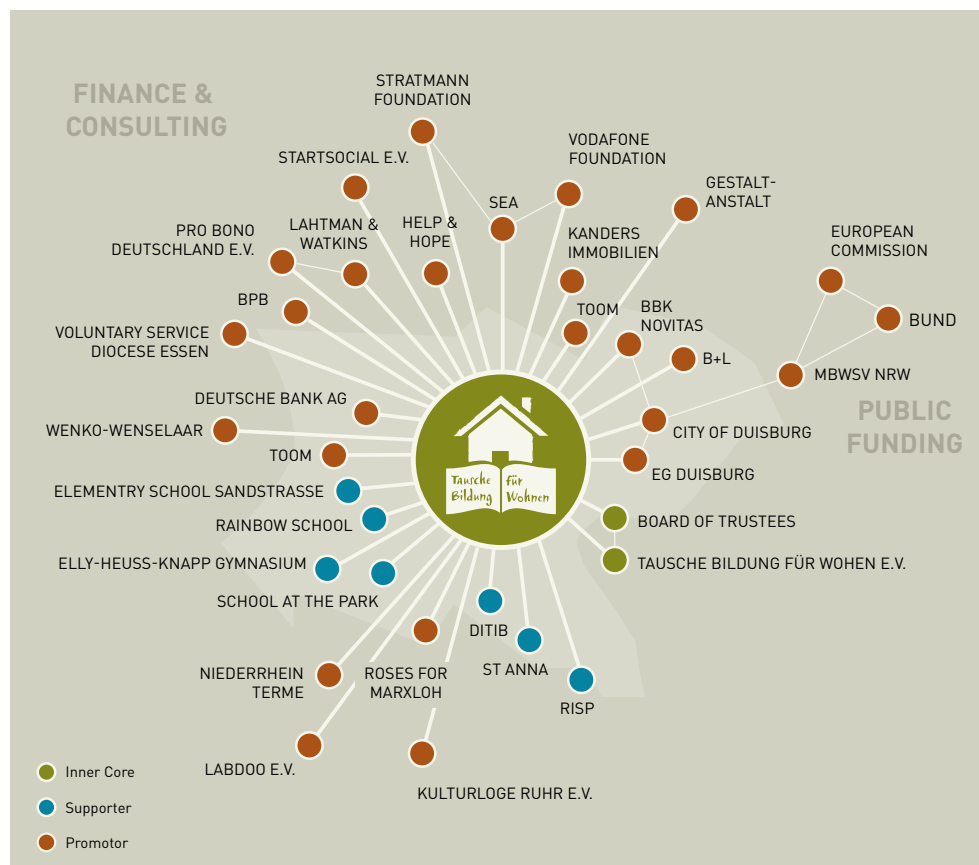


Figure 3-4. TBfW Network

In close collaboration with four schools in Marxloh, TBfW selects the children to be mentored. These *supporters* are crucially important for the implementation of the solution, as the teachers possess detailed knowledge with regard to the target groups needs. In addition, the development of a selection and qualification process showed to be a major step in the innovation process. On a contractual basis and with the support of bpb as financier, the concept was elaborated together with the Rhein-Ruhr Institute (RISP, a research institute at the University of Duisburg-Essen). The latter also monitors and evaluates the TBfW's two-year

pilot phase. However, due to financial constraints the evaluation could not start yet.

TBfW's *promoters* comprise public and private as well as non-profit organisations, in particular foundations. Interestingly, promoters' spatial distribution changed during the innovation process: While during the early development stage distant partners played a key role, partners from the city/region engaged only in later phases. For example, Vodafone Foundation based in Berlin and Dusseldorf as well as SEA, located in Munich, already got involved as financier and consultant in 2012, when TBfW was still in its infancy. This early engagement has proven to be a decisive factor to bring forward the innovation. The city of Duisburg and the municipal Development Agency, in contrast, provided financial support not until TBfW had gained a certain degree of recognition through the many awards the initiative won. Accordingly, funding was granted for the two-year pilot phase. Notwithstanding this, convinced of TBfW's idea the former head of the city's Department of Childrens' and Young Peoples' Affairs, engaged much earlier as gatekeeper making connections to relevant actors in Duisburg. Private actors such as, for example, toom, Bauen+Leben, Kanders Immobilien, Wenko & Wenselaar, Gestaltanstalt mainly contributed to the innovation process by means of material donations and services provided free of charge (e.g. free of charge development of the initiatives CI, coverage of printing costs, building materials, bathroom equipment). Besides, TBfW has entered into cooperation with various private and non-profit actors (e.g. churches and mosques, cultural centres, swimming pools etc.) in Marxloh, ensuring a continuous exchange of benefits in kind and the support of partner organisations through TBfW's mentors.

In addition, the implementation of the innovation required consideration of a variety of laws and regulations in the area of, for example, real estate and construction, education and welfare. Against this background, the initiative applied for legal advice voucher at Pro Bono Deutschland e.V., a non-profit organisation of law firms committed to providing gratuitous legal services for good causes, in particular charitable causes, as part of their civic engagement. Pro Bono's member Latham & Watkins LLP, an international law firm, has taken over the mandate including counselling and preparation of necessary contracts and agreements.

## 4 SOCIAL INNOVATION EFFECTS

### 4.1 Outcomes & Impact

Being only one year in operation, assessing TBfW's outcomes and impact is at current state is difficult, as the initiative will only become fully effective in the mid-term. However, it already appears that the initiative's activities result in a win-win-win situation accelerating the TBfW's impact: Mentors receive rent-free accommodation, deprived children receive intensive care, and municipal as well as religious organisations and other bartering partners receive urgently needed support.

Benefits for *children* comprise direct social value by means of inclusion and participation as well as indirect economic value. Step-by-step improvement of grades in core subject areas such as math, German and English, go hand in hand with enhanced social skills as well as the acquisition of learning strategies, which show to be a major shortcoming. All in all, in the mid-term these activities are expected to contribute to empowering children through enhanced educational opportunities (including higher education) resulting in better jobs in the long-term and therewith prevent future deprivation.

In addition, social and economic value is generated at the level of the *district*. Through the involvement of local partners from the public, private and non-profit sphere in the innovation process and by related bartering agreements in the framework of TBfW, engagement of the district's community gained momentum. For example, TBfW now collaborates with the Georgswerk – a social initiative in the neighbouring district – to support refugee children who otherwise would have fallen through the social fabric. A further example of cross-initiative activities is the collaboration with the food bank next door to the Georgswerk, for which TBfW collects donations in kind from Turkish supermarkets. While each single activity generates benefits for the respective target group in their own, taken together they enhance social cohesion and thus, quality of life in Marxloh.

By March 2015 quantifiable outcomes can be summarised as follows: Appointment of 6 mentors, establishment of partnerships with the four schools in the district, registration of 35 children and bartering agreements with several partners in Marxloh (see section 3.2).

With hindsight, media played a crucial role in raising awareness for TBfW's idea, in particular with regard to public authorities and their willingness to fund the initiative pilot phase. Utilising different channels such as newspapers, YouTube, radio and blogs, proved to be very useful to approach the broad range of distinct actors. Furthermore, since the mentors moved in, a long-term documentation «Menschen hautnah» is produced by the WDR.

## 4.2 Measurement

TBfW's measurement approach is based on the «**Social Reporting Standard**» (**SRS**), which also served the development of the initiatives «business plan». Unlike the practice of focusing performance reporting on traditional financial indicators – common in for-profit organisations – SRS provides a systematic structure to compile annual *impact-oriented reports* along the «impact value chain» (cf. Roder, 2011). In accordance with TBfW's objectives, measures related to expected and achieved impact comprise, for example, children's educational biographies, involvement of the local community, and number of children taken care of (hours of tutoring, sport and cultural activities) as well as mentors qualified.

In terms of input, in particular financial resources, but also in-kind and voluntary support, a 3-year estimation of costs was made (see Figure 4-1). The estimated costs total 173'940 Euro, of which the largest share is allocated to staff costs (58%, 1 full-time position), followed by rental (19%) and training costs (9%).

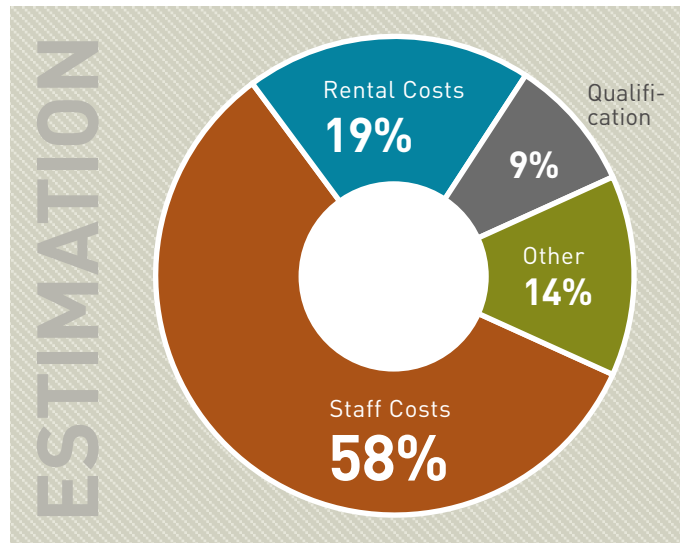


Figure 4-1. TBfW – Estimated Costs

When these costs are compared to the estimated revenue (see section 3.1), the total annual revenue covers the total expenditures. A result that corresponds to the German association law according to which non-profit associations shall not make profit, but rather all financial resources are to be used exclusively to achieve its non-monetary goals.

## 5 CONCLUSION

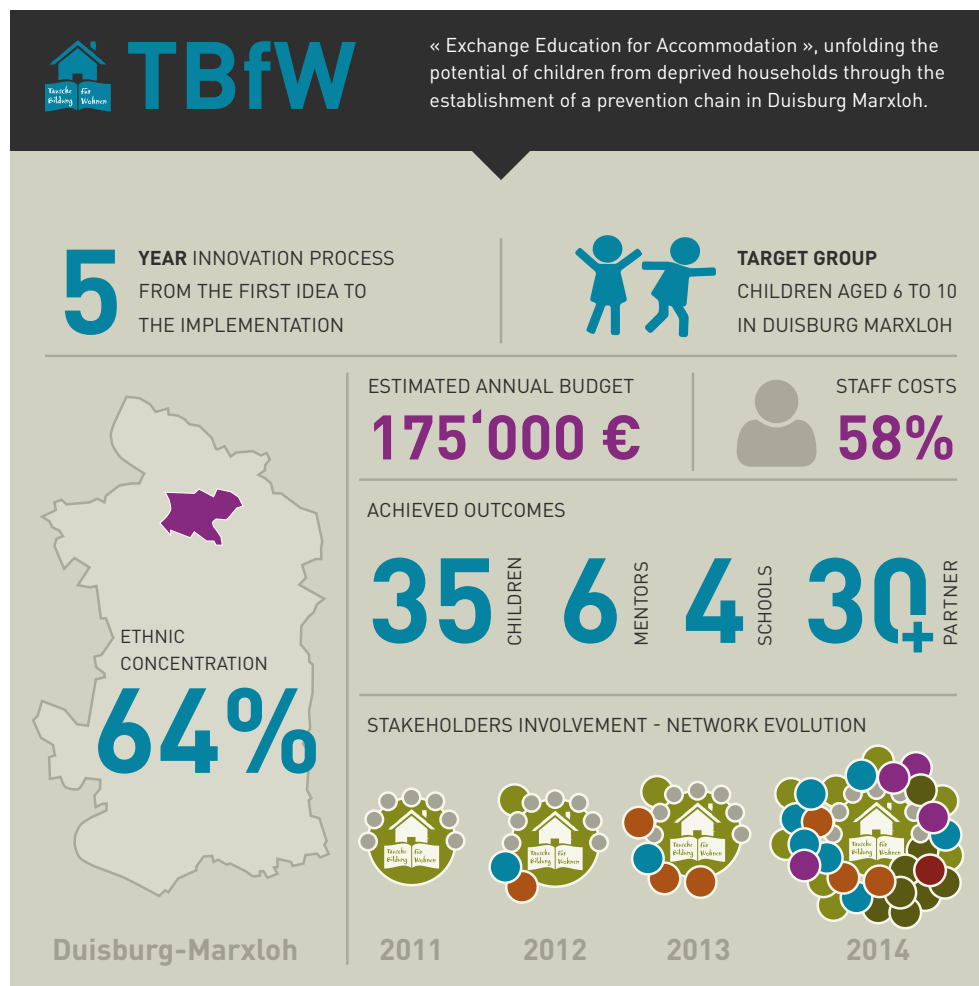


Figure 5-1. TBfW – Facts & Figures

Challenged by major financial constraints, it took TBfW five years to develop from a first idea to a fully operative solution. **Key success factors** in the innovation process were

- Foremost innovator's endurance and stamina in raising awareness and financing for the idea;
- Vodafone Foundation's venturesome financial engagement and SEA's consultation in the early development stage;

- Strathmann Foundation's earmarked donation, which created the conditions for purchasing of the two apartments;
- Financial engagement of the German Federal Agency for Civic Education, which helped to develop mentors' qualification concept;
- Establishment of a network of supporters and promoters within the district and beyond contributing to the implementation of TBfW.

Taking a closer look at the social innovation's **components** reveals that *actors'* involvement has undergone considerable changes not only in terms of their location, but also with regard to actors' diversity (see Figure 5-1). While in the early development stage geographical distant financial actors dominated, over time a network of partnerships evolved including a variety of distinct actors located in the close vicinity of TBfW. Likewise, the network comprises stakeholders from civil society (foundations, associations, churches, NGOs), the economic (firms, social businesses, development agency) and political field (local government, relevant state ministries). The majority of actors are so-called «corporate actors» that embody formal organisation structures. The local government granted public funding only after TBfW has gained visibility through the many prizes the initiative has been awarded and the associated media presence.

In order to develop, implement and maintain the solution, TBfW combines economic, political and social **resources**. Its business model is on the one hand based on the «Education and Participation» programme and bartering arrangements with local actors on the other. The time invested in developing partnerships and therewith, relational capital, proved to be of particular importance to mobilise the necessary resources. Therewith, TBfW's operation corresponds with the relational view in strategic management, except that the focus is not on achieving a competitive advantage but on sustaining the discrimination prevention chain.

In Marxloh the high share of migrant households considerably influenced **social institutions**, where the Turkish community plays a key role. Access to and mobilisation of these populations was only possible on the basis of mutual trust. In this sense, Mustafa Tazeoğlu's own biography as someone with migration background who grew up in the district proved to be a key success factor. With regard to the **welfare institutions**, policymakers at all governance level are aware of the additional efforts necessary to provide children from deprived households



equal opportunities to enter the education system and fully participate in economic, social and cultural life. The established mechanism of «Education and Participation» vouchers fail, however, for two reasons: First, the target group retrieves the voucher only to a limited extent. Second, the voucher is limited to households receiving Hartz IV or other government transfers. Households not falling under this regulations, but are in need due to, for example, very low income or other reasons (e.g., migrants from Eastern Europe), do not have access to this benefit.

By emphasising empowerment, participation and social cohesion, TBfW's *objectives*, i.e. its goals and underlying motivations, are in the first instance social, but also address the political objective of inclusion. TBfW itself does not pursue any commercial interests. Rather, it is the social enterprise that combines social and economic goals through the envisaged «Social Franchise Model».

Concerning TBfW's *principles, economic efficiency* was ensured through the division of tasks between TBfW and Urban Rhizome. While entrepreneurial activities were conducted under the responsibility of Urban Rhizome, TBfW focuses on the provision of the innovative social services. However, Urban Rhizome, was dissolved in 2015 after having fulfilled its mission to establish TBfW and all activities were taken over by the association Tausche Bildung für Wohnen e.V. Currently, a long-term strategy is elaborated, in particular with regard to the envisaged «Social Franchise Model». The retention of a division of economic and social activities is supported by the fact that such approach not only mitigates the dilemma between economic and social goals, but also allows deeply embedding TBfW in the district's context, while giving leeway for diffusing the decontextualised idea. Due to the public funding TBfW receives during the two-year pilot phase and associated requirements, the initiatives autonomy is limited at current state. And although the initiative builds on cooperation rather than competition, a certain trade-off between the two is inevitably as result of existing competition for grants and funding. However, TBfW's sound financial concept as combination of «Education and Participation» vouchers, contract-based bartering agreements, donations and complementing projects (see section 3.1) is expected to result in greater autonomy and less competition in the future.

Finally, with regard to ***modes of governance*** as further principle, in the initial development stage TBfW solely relied on self-governance outside the control of government. The lack of policy support by means of governance in the early stage of the innovation process illustrates the risk aversion of local decision makers as well as the limited flexibility of programmes concerning experimentation. Nevertheless, modes of governance are also subject to changes, insofar as self-governance with the local authorities gained momentum in the latter development phase and is expected to continue in the future through PPPs.

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