European innovation partnership on active and healthy ageing – how is the EU connecting the dots between smart innovation and ageing boom

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Abstract. Europe and many other countries in the world are currently facing increasingly complex and systemic challenges. Ageing of the population is one of the most pertinent. In order to mitigate this relentless challenge and also turn it into an opportunity, the EU proposed within its Europe 2020 strategy, an innovative model of European Innovation Partnerships (EIP), first pioneered in a partnership on active and healthy ageing. This pilot, if successful, will help increase the healthy lifespan of EU citizens by 2 years by 2020, while contributing to smarter and more cost-efficient use of innovation. Drawing on the theories of ‘ancillary innovation’ this paper tries to ascertain the potential and added value of this EIP model as a tool for smart innovation. This paper argues that by offering political leadership, advocacy and ‘ambassadorial’ role across different sectors and at different levels, the EIP concept can help scale up and replicate successful practices and initiatives, and make demand driven innovation happen. This paper will conclude by illustrating how the EIP model of innovation is capable of connecting efficiently the dots between health innovation and needs of ageing populations and can also be a replicable model for other challenges.

Keywords: collaborative, ancillary, innovation, partnership, ageing, health, stakeholders, process

JEL Codes: I15, I18

1. Introduction

1.1. Phenomenon of ageing

Advancements in health care, increased wealth, improved wellbeing and living standards and better diets have all contributed to increased life expectancy. It is projected that the share of Europeans over 65 will double in the next fifty years, from 85 to 151 million¹.

However this increased longevity has often not occurred in parallel with advances in people’s quality of health and well-being, as demonstrated by the gap between the extended lifespan and the increase in chronic conditions². The burden of chronic diseases, frailty and disability, often associated with ageing, has not meant compression of morbidity.

Thus the ageing of the EU population risks putting pressures on the wider economy and society, jeopardising financial sustainability³. The increase of this old age cohort, which is wealthier, better

² OECD (2010). Health at a Glance Europe 2010 and Eurostat figures: There has been a considerable gap in the EU between LE and HLY (healthy life years corresponding to disability free life expectancy) at birth, reaching in 2008 15 years for men and 20 years for women. For many EU members statistics show rather trends towards expansion of the deviation between LE and HLY than reducing this gap.
³ OECD (2010). Health Data 2010: Healthcare spending in OECD countries is rising faster than the rate of economic growth in most European countries and will reach 16% of GDP by 2020
educated and to some extent healthier, generates increasingly demanding pension and care needs - as well as aspirations to be socially inclusive, independent, mobile and active for longer.

EU estimates suggest that by 2060 the age-related public expenditure is expected to increase to 4.75% of GDP on average in the EU\(^4\). Also the ratio between the number of people of working age to people in retirement (typically aged 65 or above) is expected to deteriorate, passing from a situation where we have now 4 working-age people for every pensioner to a ratio of 2 to 1. Against this backdrop we experience shrinking care workforce and an increasing demand for health services and long-term care, both formal and informal.

1.2. Medical and healthcare innovation potential

Currently the EU average spending on health (public and private) exceeds 9% of GDP, with technological development and medical progress often being quoted among the major factors behind the growth in health care expenditure\(^5\). According to OECD\(^6\) about 30% of the increase in health care expenses per capita on an annual basis over the past decades can be assigned to technological development. A wider spread of modern medical advancements coupled with ageing of the population, may lead to expansion of health care spending even to a higher degree.

While there is a connection between ageing and innovation, this does not have to necessarily mean and should not be perceived in terms of economic burden.

Innovation in health care and aged-related sector offers great potential, but this can be unleashed, only if all breakthroughs and advances are used in an intelligent, cost-effective way, responding to the needs of their final users. What accounts the most is the right understanding of innovation. Innovation needs to embrace both technological and non-technological forms of innovation such as organisational, process, administrative as well as social innovation, and broadly, recognise the complementarities between them.

However, innovation in health and ageing is faced with numerous obstacles and barriers\(^7\). Too few interactions exist between the demand and supply side, there is limited collaboration within and between care settings and that are also rigid to adopt innovations. Moreover, there is a woeful lack of involvement of end users, as well as discrepancies and fragmentation within regulatory schemes. All these put together often result in the delay of the full deployment of innovations, holding them back from the market.

1.3. Paradigm shift

In order to benefit from the innovation opportunities given by an ageing population, a new paradigm needs to emerge based on a holistic, multidisciplinary and multi-stakeholder approach. Neither ageing issues should be considered as solely the government's problem, nor should the diffusion of new medical products and services be perceived as just a mean for market growth of businesses.

Collaboration between and concerted effort of all players across the entire innovation value chain and within aged-related and health sector is the way forward.

Realising these needs, the European Commission launched the debate on societal challenges in its innovation agenda.


\(^5\) Ibidem


2. European Innovation Partnership on Active and Healthy Ageing (the EIP on AHA, the EIP)

On 6 October 2010, in its Communication on an Innovation Union the European Commission proposed the new concept of European Innovation Partnerships (EIPs), which was pioneered in an “active and healthy ageing” partnership. Briefly, the EIP on AHA aims to pursue a triple win for Europe, notably by contributing to improvements of health and wellbeing of older citizens, to improvements in efficiency and sustainability of health systems, and to greater business opportunities and competitiveness. The EIP on AHA sets as an overall aim to increase by 2020 the healthy lifespan of EU citizens by 2 years on the EU average.

The EIP presents a novel model of working in innovation, in which societal challenges, as a response and a product of innovation, are an integral part of the same process/circle. It aims to remove obstacles hindering deployment of innovation across the entire value chain, in order to speed up the process of turning ideas into products and services while responding to users needs. The novelty of the EIP however goes beyond the product and service innovation. It is about bringing all types of stakeholders – private and public sector, EU, national and regional level – together to brainstorm, discuss and consent towards common vision and objectives, and ultimately engage and commit to putting forward concrete actions promising measurable and quick outcomes.

The EIP concept realises that for the new paradigm of ageing to emerge, all players within the care system and sector need to make more consumer and demand/user driven decisions. It is crucial to put more emphasis on quality, innovation, value and outcomes and move towards more patient-centred system, with well informed and empowered patients having more choice in their hands. Innovation in ageing process thus needs to effectively respond with new systems (e.g. e-health, health management), new operating frameworks (e.g. integrated care), and a new mindset (e.g. getting “ahead” of the consumer), while being driven by outcomes and tangible impacts to end-users.

3. EIP model of collaborative innovation

The EIP’s approach is unique and innovative in its own, simultaneously it is a novel tool and an enabler of innovation in the health and ageing sector. The EIP model involves multiple stakeholders across the entire innovation value chain that interact and collaborate, and encompasses a range of types of innovation – from technology, process, social to organisational and administrative.

The model of the EIP on AHA seeks to be simple and flexible but inclusive and open to all relevant and committed stakeholders that need to become equal partners in the process. It illustrates the theory of ‘ancillary innovation’ as identified by Damanpour, differentiated from other types of innovation because of its reliance on relationships with different actors that are particularly important for its successful implementation. Ancillary innovations are concerned with partnerships and joint working across boundaries. Indeed, one of the principle criteria enabling stakeholder participation in the EIP refers to ‘joining up’ meaning working together across sectors.

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10 Ibidem
12 Ibidem
The EIP model however does not stop here. It broadens the concept of ancillary innovation giving the importance to boundary spanning activities in the process of innovation diffusion and delivery of outcomes through networks, alliances, collaboration or supply-demand chains.

Five specific features of this new EIP model testify to this and thus offer great heuristic value to the theoretical discussions on innovation: a partnership/collaborative approach; and its drivers; a common vision based on creative learning; new governance; focus on leadership, and finally an evidence-based approach.

3.1. Collaboration and partnership

From the outset, the EIP model has strived to unite a broad range of stakeholders that should work together. But willingness to work together is not enough to spearhead innovation, this must be accompanied by a true partnership and collaboration approach. Such mode has been advocated, among others, by Luecke and Katz - who refer to it as the 'locus of innovation'\textsuperscript{13} - as well as by Mandell and Steelman\textsuperscript{14} who elaborate their ideas on 'interorganizational innovation'. These authors’ theories reflect a type of collaborative innovation\textsuperscript{15} that stresses the role of interactions among public and private sectors, while emphasising the importance of linkages in creating values from innovations.

This is an important part of the value of the EIP model. Indeed, the EIP model has emphasised the creation of self-motivated groups of committed stakeholders that share the vision of ageing and innovation whilst aiming to achieve common goals (e.g. cf. objectives of the EIP of +2HLYs and triple win). An important feature of the development of the EIP has been the ambiance of openness and willingness to brainstorm, share ideas, exchange information and ultimately come up with demand-driven/ user-centred innovative solutions that are beyond the scope, capacity and scale of an individual player. This clearly illustrates what Gloor\textsuperscript{16} calls the modern application of 'swarm creativity'. By putting together actors with different experiences, insights and ideas, the EIP has enabled greater interactions through a creative learning process (see also below).

This multi-stakeholder approach of EIP’s partnership has actively tried to involve relevant partners in this innovation process highlighting the role of the different stakeholders across the entire innovation value chain. Members of the EIP steering group are partners in drafting a Strategic Implementation Plan\textsuperscript{17}, preparing meetings and sharing knowledge that enables them to influence the process form the outset. Also, through public consultation and other open events, different stakeholders were able to be involved and contribute to shape this process. Such an approach, which could be called joint ownership\textsuperscript{18}, helps to reduce implementation resistance and promotes the adoption and diffusion of innovative solutions.

However, as already pointed out,innovation is not just about ‘Eureka’ moments, it also needs ideas to be transformed in real products. Implementation as a complex process can be enhanced by a strong collaborative approach, which as we have detailed, is considered a potent driver of innovation especially in

\textsuperscript{17} It is a main document of the Steering Group identifying priority areas with actions for implementation already starting in 2012.
Stronger cooperation does help to generate ownership in innovations and mobilise resources, ensure flexibility and also reach win-win situations. But in order to fully exploit the potential of collaborative innovation, the EIP model has also aimed to spur faster and more effective innovation in health and ageing, through a number of collaborative strategies that have or shall be applied in the development of EIP.

3.2. Collaborative levers of innovation

Eggers and Singh provide support singling out five different collaborative strategies – cultivation, replication, partnership, network and open source that are pertinent to the EIP model, even though it is a pilot project and its implementation is still ahead.

Cultivation strategy defined to facilitate internal collaboration between different kinds of services and staff. In the case of the EIP on AHA, it can be seen how the fact that this is an European Commission initiative managed and coordinated jointly by two Directorates General with very different policy scopes: health and consumers on one side, and ICT and digital agenda on the other (and also including the Directorate General for research and innovation), has helped strengthen internal cooperation and understanding. Due to the pilot EIP, the European Commission has for the first time pursued an innovative mode of internal work.

Replication strategy aims according to Eggers to foster collaborative relations with other public agencies in order to identify, adapt and implement their best and most successful innovations. The EIP on AHA recognizes replicability and scaling up at EU level as one of its added value offering tools to leverage critical mass. Its EU dimension and strong political leadership offers a window of opportunity to micro level innovative solutions to be successfully up-taken elsewhere.

Partnership strategy has been already discussed in this paper as a prerequisite for any actions under the pilot EIP. It is however worth adding an issue of sustained collaboration between private and public partners, often having different rules, interest and resources. The EIP in promoting and creating such public-private partnerships will put more emphasis on building trust and confidence between partners in a more long-term perspective.

Network strategy, within the definition of Eggers, it aims to facilitate the exchange of ideas, mutual learning and joint action through horizontal interaction between relevant and affected actors who have different kinds of resources and expertise. The driving force in the construction of networks is the recognition of interdependence, or the construction of a community of destiny that binds the actors together despite the presence of diverging interests. With the drafting of the Strategic Implementation Plan, the blueprint document of the EIP setting the roadmap for implementation of this initiative, the partners will commit to the EIP common vision and be bound together.

Finally, also pertinent to EIP seems to be an open-source strategy, which proposes internet and social/digital media as tools to enable the finding of partners and creation of networks, coalitions and assemblies. This approach seems so far to have been insufficiently explored in the EIP. However, given the high tech know how of one of its co-leaders, the EIP is well placed to maximise the use of available digital tools and services to improve, adapt and upgrade the EIP process.

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19 E. Sørensen and J. Torfing op.cit.
21 Ibidem
22 Ibidem
23 Ibidem
3.3. Common vision based on creative learning

The EIP as a pilot case is being developed and designed in the spirit of ‘learning by doing’ that might bring about unexpected and not necessarily satisfactory impacts and outcomes. The EIP learning process can be characterized by the concept of creative learning\(^{24}\), developed by Mezirow, as it encapsulates not only instrumental learning built on practical problem solving, but more importantly: communicative learning. The latter aims to construct a coherent understanding of social contexts and developments in pursuit of a communicative search for themes and narratives, that help deal with the problem\(^{25}\). Indeed, the EIP in its goal of changing the paradigm of ageing and turning it into an opportunity seeks to go beyond traditional learning by relying on creativity. By questioning tacit assumptions, challenging acquired practices and aiming to toss away old metaphors, the EIP has contributed to facilitate new ways of ‘thinking, doing and interacting’ to emerge.

3.4. New governance

Some academics argue that success of collaborative innovation, given that innovation is a complex, precarious and potentially chaotic process, heavily depends on applicability of metagovernance\(^{26}\). It can be defined as the ‘governance of governance’ or innovation management as it aims to enhance drivers and remove barriers while respecting the self-regulating character of the collaborative interaction processes\(^{27}\). The EIP model rightly reflects this characteristic with its light, flexible governance structure, far away from traditional and more bureaucratic styles. By this, the EIP seeks to facilitate, administer and coordinate the process of interactions among all EIP members without creating additional institutional layers. Of course, legitimacy of MSs and exclusive competences in health policy for example as well as regions’ role in real implementation of innovations/actions, might give them a lead, as rightly advocated by Klijn and Koppenjan\(^{28}\). Therefore, Sørensen and Torfing\(^{29}\) suggest, for more effective performance metagovernance, involving a combination of hands-off tools such as institutional design and network framing and hands-on tools such as process management and direct participation and interventions. These might deserve further consideration and analysis for the EIP. Literature\(^{30}\) also suggests investing in adjustments of relationships and behaviours of public sector key players - supposedly the most resistant to changes.

Equally important is to seize right incentives in order to implement change and to gain the acceptance of innovations. Such opportunities can refer to the access to funding, the need to respond to enforced change or new circumstances, and the timing of political or organisational events or to persuasion driver to adopt new practices.

3.5. Leadership and advocacy

When putting in place the EIP, it was very clear that successful implementation of innovations depends highly on leadership and advocacy. At the end of the day it is of paramount importance that policy makers and decision takers set political values and policy direction as well as allocate resources to programmes, initiatives and projects that are valid in public policy– e.g. health and care sector. However, in practical terms the EIP is about bottom up innovations, driven by ‘informal leaders’ (i.e. regions, individuals, etc.)

\(^{25}\) Ibidem
\(^{27}\) Ibidem
\(^{29}\) E. Sørensen and J. Torfing, op.cit.
\(^{30}\) P. Koch and J. Hauknes. op. cit.
with insufficient visibility and poor political advocacy. There is evidence showing that provision to innovators of adequate high-level climate support in terms of incentives, promotion, awards and recognition helps champion bottom up innovations that have proven successful and have popular appeal.

Within the EIP such a role has been attributed to the steering group, whose members serve as ‘ambassadors’, with sufficient vision and determination, to promote the partnership and also champion and push for innovation by themselves effecting change and motivating others. To be even more successful, as advocated by Termeer, the leaders also need to be sensitive to the emerging small changes or ‘small wins’ – that is valid for the EIP focusing on bottom-up actions - and attentive and patient to the effects that they can bring about but in the longer term. The challenge therefore is, also for the EIP leaders, to make sense of the small innovation adjustments in the spirit of Yanow’s passionate humility enacting both commitment to ongoing activities and openness to alternatives and new developments.

3.6. Evidence-based approach

Finally, one of the linchpins of the EIP concept is its strict adherence to evidence-based and utility of proposed solutions.

Evidence based demonstration of the utility of proposed solutions is an important factor in terms of overcoming resistance barriers, developing further support for the innovation itself. By default innovation entails novel concepts and solutions that do not pre-empt the possible impacts, while often encounter a number of barriers and bottlenecks on the organisational, regulatory, financial or cultural side. What is more, innovations are hardly ever isolated prodigies and usually depend upon, or engender further changes and innovation that might lead to a ripple-effect across the entire process and system in which they are applied. In order to alleviate the barriers, a number of assessment techniques have been developed in particularly valid and useful in the health systems and sector, such as evidence based guidance, health technology assessment (HTA), telemedicine assessment tools or clinical audit.

In the selection of actions the EIP has carefully looked for case studies supported with sound and robust outcome assessment. This will, hopefully, generate the necessary recognition and support for innovation - both in terms of implementation and large-scale dissemination of good practice.

4. EIP added value for replicability

It follows from the above that this new EIP model, could prove to be a successful model of collaborative innovation, and that could be replicated in other policy interventions connecting societal challenges and innovation. While the EIP model of innovation has been developed to address bottlenecks and barriers to innovation on health and active ageing, by the fact that it creates a simple frame for collaborative work, it raises interesting possibilities for replicability in other policy interventions.

On the basis of this preliminary ‘success story’ of the EIP model and drawing on Walker’s theory on a configuration approach, it can be inferred how the EIP framework opens up the possibility for more

35 For example Telemedicine Readiness Evaluation Tool (TREAT), Model for Assessment of Telemedicine (MAST).
effective performance and gains, for example in the modernization of care systems towards coordinated and integrated care.

5. Conclusion

The EIP model, as discussed above, is a novel concept adopting collaborative innovation. By considering all types of innovation spanning from technology, process, organizational, administrative to social innovation, the EIP innovation model offers an interesting framework for tackling complex issues such as ageing.

This paper has argued that by offering a conceptual model of innovation underpinned by strong collaboration, advocacy and ‘ambassadorial’ role across different sectors and at different levels, an evidence-based approach and a new metagovernance approach, the EIP concept offers a good model of political leadership.

As the actual implementation of the EIP takes place, it will be interesting to gauge whether the EIP model actually opens up possibilities for more effective performance gains, e.g. in actual modernisation of care systems towards more integrated care.

The complexity of ageing and health issues and the necessary shift towards a holistic, multidisciplinary and more coordinated care delivery for older people will probably entail parallel programmes and actions and development of more than one innovative solution, where adoption of one solution is often dependent on implementation of another. For example, successful deployment of chronic condition management programmes is reliant on pre-development of new business models. Literature on innovation suggests that innovations are interdependent and can be viewed as related sets where the introduction of one type can enhance the value of another type, and generate synergy, thus enabling delivery of multiple objectives and goals.

The next years will probably shed some light on whether, besides being a good frame for working together, the EIP model of innovation can also deliver more effective performance.

6. Acknowledgements

Authors are grateful Mr F. Damanpour and R. Walker for their help in exploring the concept of ancillary innovation.

7. References


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