About ACFID

The Australian Council for International Development (ACFID) is the peak body for Australian non-government organisations (NGOs) involved in international development and humanitarian action. Our vision is of a world where all people are free from extreme poverty, injustice and inequality and where the earth’s finite resources are managed sustainably. Our purpose is to lead and unite our members in action for a just, equitable and sustainable world.

Founded in 1965, ACFID currently has 125 members and 21 affiliates operating in more than 90 developing countries. The total revenue raised by ACFID’s membership from all sources amounts to $1.9 billion (2015/16), $1 billion of which is raised from over 1.6 million Australians (2015-16). ACFID’s members range between large Australian multi-sectoral organisations that are linked to international federations of NGOs, to agencies with specialised thematic expertise, and smaller community based groups, with a mix of secular and faith based organisations.

ACFID members must comply with the ACFID Code of Conduct, a voluntary, self-regulatory sector code of good practice that aims to improve international development and humanitarian action outcomes and increase stakeholder trust by enhancing the transparency, accountability and effectiveness of signatory organisations. Covering 9 Quality Principles, 32 Commitments and 90 compliance indicators, the Code sets good standards for program effectiveness, fundraising, governance and financial reporting. Compliance includes annual reporting and checks. The Code has an independent complaints handling process.

For more information, visit www.acfid.asn.au

Acknowledgement

This publication has been funded by the Australian Government through the Department of Foreign Affairs and Trade. The views expressed in this publication are the author’s alone and are not necessarily the views of the Australian Government.

This publication is intended to provide general information only. Before entering into any particular transaction users should: rely on their own enquiries, skill and care in using the information; check with primary sources; and seek independent advice.
Introduction

Put simply, innovation in international development could be any change contributing to improved program outcomes or impact. It could be big or small, incremental or a sudden breakthrough (like a new product or service). It could go un-noticed at the surface, or be totally disruptive or transformative.

ACFID’s Innovation for Impact (2016) research described how Australian NGOs are positioned in the context of mega-trends – such as new technologies and climate change, as well as sector specific changes to development architecture; waning public support for aid and development; and the arrival of new actors changing the landscape at an increasing pace. To stay relevant or get ahead of the curve, Australian NGOs need to be proactive and consider sustainable and innovative approaches. Indeed, many Australian NGOs are already accomplished innovators – so there are lessons for us to learn from.

To further foster innovation, the research recommended Australian NGOs:

1. Adopt processes to drive the progression of ideas
2. Unleash the untapped potential of employees through innovation skill building
3. Build cultures that foster long-term innovation focus
4. Test a range of strategies to promote innovation
5. Ramp up engagement with ‘unusual suspects’ to leverage shared value and combine capabilities

This Guide aims to address these by providing:
• A look into the organisational dimensions of innovation;
• The Pulse Check – a diagnostic to help tailor relevant innovation strategies; and
• Practical guidance and tools in a five-stage framework: Opportunity, Discovery, Ideate, Experiment and Implement. Some tools can be used in as little as 10 minutes, and can result in big impacts!

The aim isn’t innovation for its own sake. It’s about fostering a mindset or processes that might help us to better achieve the desired objectives in our core business. Innovation – or doing things differently - is critical to identifying and seizing new opportunities, or addressing complex challenges laden in uncertainty. Where there’s no easy answer, testing a new idea or approach can provide a low-cost and low-risk learning opportunity, which can over time deliver iterative and validated solutions – through learning by doing and working with stakeholders at all stages.
Quickfinder:

Organisational Dimensions

Pulse Check and Opportunity

<table>
<thead>
<tr>
<th>Tool</th>
<th>When to use it</th>
<th>Time</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Innovation Pulse Check survey</td>
<td>To benchmark, spot check or track improvement on innovation performance and initiatives, or to demystify where the biggest opportunity for progress lies.</td>
<td>20m</td>
<td>14</td>
</tr>
<tr>
<td>Identifying social innovation opportunities</td>
<td>To unearth high potential strategic areas to direct innovation efforts towards.</td>
<td>4 to 8h</td>
<td>32</td>
</tr>
<tr>
<td>Diversifying your social innovation opportunity portfolio</td>
<td>To create a balanced social innovation opportunity portfolio that maximises potential value and impact, whilst also hedging risk.</td>
<td>30 to 60m</td>
<td>33-4</td>
</tr>
<tr>
<td>Detailing your social innovation opportunities</td>
<td>To ensure that the project team responsible for the opportunity has the required context and scope they need.</td>
<td>30 to 60m</td>
<td>35</td>
</tr>
</tbody>
</table>
## Quickfinder:

### Discovery

<table>
<thead>
<tr>
<th>Tool</th>
<th>When to use it</th>
<th>Time</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observe</td>
<td>To understand your stakeholders journey and see firsthand their challenges or frustrations.</td>
<td>2 to 4h</td>
<td>37</td>
</tr>
<tr>
<td>Act</td>
<td>To build empathy for your stakeholders by stepping through their journey and experiencing their challenges and frustrations yourself.</td>
<td>1 to 3h</td>
<td>38</td>
</tr>
<tr>
<td>Interview</td>
<td>To engage deeply with your stakeholders and ask probing questions to discover the root cause of challenges or frustrations they’re experiencing.</td>
<td>3 to 6h</td>
<td>39</td>
</tr>
<tr>
<td>Theme/pattern decision-making</td>
<td>To quickly make a group decision on which stakeholder insight theme/pattern represents the area of biggest potential impact.</td>
<td>10 to 30m</td>
<td>41</td>
</tr>
<tr>
<td>Crafting problem statements</td>
<td>To ensure everyone solving the problem and generating ideas is on the same page.</td>
<td>10 to 30m</td>
<td>42</td>
</tr>
</tbody>
</table>
# Quickfinder

## Ideate

<table>
<thead>
<tr>
<th>Tool</th>
<th>When to use it</th>
<th>Time</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be My Guest</td>
<td>To bring a fresh or interesting perspective to idea generation sessions.</td>
<td>30 to 60m</td>
<td>45</td>
</tr>
<tr>
<td>Mastermind</td>
<td>To get people thinking about solutions prior to your session and to generate lots of ideas in a short amount of time.</td>
<td>10 to 20m</td>
<td>46</td>
</tr>
<tr>
<td>Imagine If</td>
<td>To push people's creative boundaries beyond typically assumed constraints.</td>
<td>20 to 60m</td>
<td>47</td>
</tr>
<tr>
<td>Hot Off The Press</td>
<td>To steer people's thinking strategically towards the latest trends or innovations.</td>
<td>20 to 60m</td>
<td>48</td>
</tr>
<tr>
<td>In Their Shoes</td>
<td>To get participants solving the problem from someone else's point of view.</td>
<td>15 to 30m</td>
<td>50</td>
</tr>
<tr>
<td>Crazy Eights</td>
<td>To rapidly generate many ideas.</td>
<td>15 to 30m</td>
<td>51</td>
</tr>
<tr>
<td>Idea Tabloid</td>
<td>To ensure you get tangible outputs from your idea generation sessions.</td>
<td>5 to 10m</td>
<td>52</td>
</tr>
<tr>
<td>Storyboards</td>
<td>To ensure you get tangible outputs from your idea generation sessions.</td>
<td>15 to 30m</td>
<td>53</td>
</tr>
<tr>
<td>Idea decision-making</td>
<td>To quickly make a group decision on which idea best solves the stakeholder problem</td>
<td>10 to 30m</td>
<td>54</td>
</tr>
</tbody>
</table>
### Quickfinder

#### Experiment and Implement

<table>
<thead>
<tr>
<th>Tool</th>
<th>When to use it</th>
<th>Time</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fleshing out your idea</td>
<td>To put some more details around your idea, ready for Experimentation.</td>
<td>30 to 60m</td>
<td>55</td>
</tr>
<tr>
<td>Hypothesis identification and prioritisation</td>
<td>To unearth all of the assumptions underpinning your idea, and then prioritise these in terms of risk.</td>
<td>1 to 3h</td>
<td>57</td>
</tr>
<tr>
<td>Minimum Viable Products</td>
<td>To quickly and cheaply develop a bare-minimum apparatus to test our ideas.</td>
<td>2 to 8h</td>
<td>58</td>
</tr>
<tr>
<td>Experimental design elements</td>
<td>To ensure your experiment is scientifically robust and informative by gathering quantitative and qualitative data</td>
<td>1 to 2h</td>
<td>60</td>
</tr>
<tr>
<td>Stakeholder recruitment</td>
<td>To make sure you are targeting the right kinds of stakeholders for your experiments.</td>
<td>1 to 4h</td>
<td>60</td>
</tr>
<tr>
<td>Analysing your experiment data</td>
<td>To decide on whether you progress, change or kill your idea.</td>
<td>10 to 20m</td>
<td>61</td>
</tr>
<tr>
<td>Iterating you idea</td>
<td>To understand how to change your idea based on your stakeholder feedback.</td>
<td>1 to 3h</td>
<td>61</td>
</tr>
<tr>
<td>Tripwires</td>
<td>To trigger when your implemented ideas need continuous improvement</td>
<td>30 to 60m</td>
<td>63</td>
</tr>
</tbody>
</table>

Additional resources and next steps are provided on the final two pages!
Organisational Dimensions of Innovation

The 2016 *Innovation for Impact* paper showed that social innovation can take many forms, some of which include product, service, technology, business model, or process/efficiency innovations. It can also vary in impact as shown by the below spectrum:

**Incremental**
- Improvements to current products, services or process
  - E.g. – *Girl Scouts of the USA’s* digital cookies

**Breakthrough**
- Changes to current products, services or process that have a significant impact
  - E.g. – *Kiva’s direct giving platform*

**Disruptive**
- New products or services that enter at the bottom of the market and over time move up and displace established market leaders.
  - E.g. – *Clean Team Toilet’s subscription-based toilet services*

Social innovation is synonymous with new ideas, however the research paper recommended that to bring these ideas to life, ANGOs need to establish enabling environments that bring the following six innovation principles to life:

1. **Put humans at the center** - Whether it is your community, private sector or government partners, end beneficiaries, Australian supporters or donors, or agency staff, the people you are working with need to be at the core of all of your innovation activity to ensure it’s having the biggest possible impact.

2. **Be evidence driven** – It’s very easy to make assumptions about why something is a problem worth solving or why others will value or use your idea. But untested assumptions crush innovation and can result in resources being wasted on phantom opportunities, hence we want to ensure that all of our assumptions about our ideas and opportunities are validated and evidenced to be true before we invest more resources into progressing them.

3. **Think divergently** – Some of the most impactful social innovations have come at the intersection of peripheral industries or through unusual partnerships. By thinking outside our usual parameters, we can allow ourselves the scope to see and leverage these divergent opportunities.
4. **Patience is key** – Innovation takes time and although we’re under pressure to quickly measure return on investment, we need to make sure that this doesn’t cause us to only focus on quick wins or low hanging fruit opportunities. We also need to give ourselves the time to explore bigger, longer-term opportunities that might not have immediate measurable impact.

5. **Maximise learning per dollar spent** – ANGOs are leaders when it comes to thinking lean, however we need to take this one step further by anchoring our lean thinking to learning and constantly asking ourselves ‘Can we learn the same amount for cheaper?’

6. **Fall in love with the opportunity not the solution** – Iterating ideas based on feedback is the key to successful innovation, however for this to work, there needs to be a willingness to substantially change an idea if the feedback calls for it. This can be hard, especially if we love our original idea. To help us truly embrace an iteration mindset, we need to make sure we’re falling in love with the opportunity or problem we’re solving, rather than the idea or solution itself.

To create a thriving innovation environment and to bring these principles to life, ANGOs should look to establish supporting structures and leadership mechanisms, as well as build on already identified enablers. The following pages describe ways in which ANGOs can do this.

**Drivers of Innovation**

There are nine organisational drivers of innovation that ANGOs can proactively tackle to boost their innovation environment and bring the six innovation principles to life. Within these drivers are innovation enablers – catalysts for innovation that have already been identified to be strong within ANGOs. These drivers and enablers are detailed below:

**Process**

For impactful social innovation ideas to come to life, it’s critical that we understand the steps we need to take to explore and test ideas. The best innovation processes put humans, (whether they be supporters, donors, community partners government, or beneficiaries) at the heart of the process and encourage quick learning and idea iteration. There are five stages that ANGOs should move through to give their social innovations the best chance of success. These stages are opportunity identification, exploratory stakeholder research, idea generation, idea testing and iterating, and implementation/scaling up. To learn more about these stages, refer to the next section in this guide – Innovation Process Methodology page 30.
Internal enabler – Understanding local context. Catalyse your innovation environment by using your understanding of the local context to involve all relevant stakeholders in your social innovation projects. For example, if you have a project that you’re taking through the innovation process, invite all of your local stakeholders to a session to generate and test ideas.

Internal enabler – Designing for scale. Catalyse your innovation environment by ensuring you are designing scalable ideas from the get-go for every social innovation project. For example, use past learnings to create a ‘conditions for success’ checklist (e.g. ‘get early buy-in’, or ‘look for opportunities to partner with local suppliers’) to be used for all social innovation projects.

Climate
Innovation climate, more commonly known as culture, is critical in ensuring that the organisation’s environment nurtures creativity and ideas. It can be difficult to know how to foster this kind of environment, however meta-analyses have shown that the most influential factors to creating a thriving innovation culture are having a supportive and intellectually stimulating peer group, managers and supervisors encouraging their team’s ideas, employees feeling challenged and interested in their job, having clear goals and expectations around creative performance, and employees having the autonomy and freedom to perform their tasks in any way they seem fit.

Internal enabler – Taking risks and accepting failure. Catalyse your innovation environment by further embracing risk and failure. For example, instead of testing only one idea at a time, place many small bets through incrementally funding a number of ideas and promoting ‘good failures’ (those ideas that failed quickly and cheaply with lots of learnings).

Capability
Having employees skilled in innovation methodologies is a key catalyst to social innovation performance. Employees need to be trained on how to run social innovation projects through each stage of the innovation process. They need to know how to conduct research to uncover stakeholder problems, how to push people’s creative boundaries and how to quickly and cheaply validate ideas. Additionally, leaders need the capability to implement and track top-down initiatives that embed each of the described drivers of innovation.

External enabler – An enabling ecosystem. Catalyse your innovation environment by connecting with others who have complimentary capabilities such as start-up accelerators, impact investors, and academic institutions. For example, collaborate with social enterprise accelerators to generate new and creative income ideas.
Resources

Social innovation is commonly under-resourced in terms of time, funding and people. If ANGOs want to realise the benefits of social innovation, then they must provide people with the time and funding to carry out innovation activities. Resourcing innovation can be done in many ways. It may be having an organisation-wide innovation budget, or smaller innovation budgets per team. It may be having a few trained full-time innovation champions, or carving out 20% time of 10 employees roles, or even innovation secondments. Regardless of the format, it’s critical that there is dedicated time, funding and people available to progress social innovation projects in a timely manner.

➢ Internal enabler – Working collaboratively. Catalyse your innovation environment by working collaboratively with local partners, smaller organisations and private sector. For example, proactively seek out others, such as social entrepreneurs who might see the shared value a relationship or partnership with you could offer.

➢ External enabler – Access to flexible funding. Catalyse your innovation environment by seeking out flexible funding opportunities. For example, use crowdfunding to source financial resources for each of the different stages of your social innovation project (i.e. proof-of-concept, trialing and piloting, and implementation).

Strategy

Most organisations have a strategy dictating their priorities over the next three to five years. However, few organisation have an innovation strategy to guide employees on where to focus their innovation efforts over this time period. In addition to this, ANGOs especially need to think about the opportunity costs of innovation activities - if you’re exploring one opportunity area, it means that you’ve forfeiting exploring another. Therefore, organisations must ensure that they’re diverting resources to the areas of most potential impact. Having an innovation strategy that details these priority areas will ensure that you’re getting the most value and impact from your employees’ innovation efforts. To learn more about social innovation strategy, refer to the next section in this guide – Innovation Process Methodology page 30.

➢ Internal enabler – Intentional approach. Catalyse your innovation environment by intentionally and proactively chasing innovation opportunities. For example, map out the opportunities your organisation might want to explore in the next 12 months and form working groups with an executive sponsor around each of these to ensure they’re actively pursued.
Roles
Motivating employees to participate in social innovation activity is crucial to ensuring there are enough hands to do the work. Employees can be motivated intrinsically and extrinsically, both of which can be tackled by focusing on their role within the your organisation. To extrinsically motivate employees, leaders should incorporate social innovation into staff’s job descriptions and KPIs, and create reward and recognition programs to thank the best participants. To intrinsically motivate employees, leaders should ensure that staff feel a sense of progress, challenge and purpose in their work, as well as give them opportunities to be come a master of what they do.
➢ Internal enabler – Identifying innovators. Catalyse your innovation environment by identifying, recognising and rewarding intrepreneurs (employees who are entrepreneurial within your organisation). For example, establish a quarterly award which praises intrepreneurs and rewards them with innovation secondments to work on their passion projects.

Measurement
Like measuring impact, measuring innovation can be complex, yet it’s critical for understanding whether our efforts have made a difference and what to change to improve our performance. To understand the impact of social innovation activity, ANGOs not only need to measure the outputs or impact of innovation activity, but also the inputs (e.g. FTE and funding), the effectiveness of the process itself (e.g. project speed) and any influencing environmental factors (e.g. cultural elements such as staff participation).
➢ Internal enabler – Learning and evidence. Catalyse your innovation environment by leveraging ANGO impact measurement expertise. For example, continue to robustly learn and measure social innovation outcomes, as well as using this master skill to track project inputs, innovation process effectiveness and also influencing environmental factors.

Communication
In many organisations, innovation is a buzz word. For ANGO employees to see innovation as something integral to long-term growth, leaders need to send clear, constant and consistent innovation messages. Messages should include what innovation means to the organisation, why it’s important, and how everyone can contribute.
➢ Internal enabler – Supportive leadership and culture. Catalyse your innovation environment by showcasing supportive leadership and cultural initiatives. For example, promote via internal communications, leaders and managers who are promoting creativity, collaboration and resilience in their teams.
Positioning
Positioning refers to when your organisation is recognised as an innovation leader in the industry. In practice, this looks like your organisation having a strong research or academic presence, or employees being experts or thought leaders in their field. Being seen as innovative not only has income benefits, but it also increases employee pride and attracts talent to the organisation.
➢ External enabler – Donor risk appetite. Catalyse your innovation environment by boosting donor risk appetite. For example, showcase some of your organisation’s more risky social innovation successes through email communications, supporter events and conferences.
Innovation Pulse Check

As the Innovation for Impact paper showed, social innovation is a complex beast. It’s often difficult to know where your organisation is at in its innovation journey and how to improve your performance – i.e. which of the nine drivers will give your organisation the biggest return or boost for your effort.

In 2015, a number of ACFID members participated in the ANGO Innovation Healthcheck conducted by Inventium, an Australian training and consultancy firm specialising in innovation. This survey quantified where the ANGO sector stood against each of the nine innovation drivers, and has proven to be highly valuable to demystify what next steps for the sector should look like in terms of innovation progression.

As such, this section of the guide includes an abbreviated innovation survey (an Innovation Pulse Check) that individual ANGOs can use to benchmark their innovation success and develop tailored strategies to further embed and promote innovation (as per recommendation 4 in the 2016 research paper). ANGOs can repeat this Pulse Check regularly, for example annually, to measure the progress of their innovation activity and to decipher which driver they should next target.

Work through the question tables from pages 15 to 23, writing your scores in the column on the right. At the end of each driver, calculate the average score for that driver. Then once completed, use the results table on pages 24 to 29 to work out where your organisation is at in its innovation journey, and where represents the biggest opportunity for progress in the coming months.
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Process| Do your employees engage with stakeholders such as beneficiaries, partners and donors to gather their problems or get feedback about ideas? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | 5/5        |
|        | Are organisation challenges communicated to employees to gather possible solutions/ideas? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | 5/5        |
|        | Do employees use idea generation tools to push their creative boundaries?  | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | 5/5        |
|        | Are ideas quickly and cheaply tested to validate their value in the stakeholder’s eyes? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | 5/5        |
<p>|        | <strong>Average score per question for Process</strong>                                |                                                                                 | 5/5        |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Climate | Are employees supported and intellectually stimulated by their peers?      | o Strongly disagree (1)  
|         |                                                                           | o Disagree (2)  
|         |                                                                           | o Neither disagree nor agree (3)  
|         |                                                                           | o Agree (4)  
|         |                                                                           | o Strongly agree (5)   | 5           |
|         | Do managers and supervisors support employees with their ideas?            | o Strongly disagree (1)  
|         |                                                                           | o Disagree (2)  
|         |                                                                           | o Neither disagree nor agree (3)  
|         |                                                                           | o Agree (4)  
|         |                                                                           | o Strongly agree (5)   | 5           |
|         | Are employees challenged and interested in their role?                    | o Strongly disagree (1)  
|         |                                                                           | o Disagree (2)  
|         |                                                                           | o Neither disagree nor agree (3)  
|         |                                                                           | o Agree (4)  
|         |                                                                           | o Strongly agree (5)   | 5           |
|         | Do employees have a clear understanding of the goals and expectations around creative performance? | o Strongly disagree (1)  
|         |                                                                           | o Disagree (2)  
|         |                                                                           | o Neither disagree nor agree (3)  
|         |                                                                           | o Agree (4)  
|         |                                                                           | o Strongly agree (5)   | 5           |
|         | Are employees free to perform their tasks in a way that suits them?       | o Strongly disagree (1)  
|         |                                                                           | o Disagree (2)  
|         |                                                                           | o Neither disagree nor agree (3)  
|         |                                                                           | o Agree (4)  
<p>|         |                                                                           | o Strongly agree (5)   | 5           |
|         |                                                                           | <strong>Average score per question for Climate</strong> | 5           |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Capability | Do employees have the opportunity to undertake social innovation training?                         | - Strongly disagree (1)  
- Disagree (2)  
- Neither disagree nor agree (3)  
- Agree (4)  
- Strongly agree (5)                          | /5         |
|         | Do employees have the skills required run social innovation projects (i.e. uncover stakeholder problems, push creative boundaries and leanly test ideas)? | - Strongly disagree (1)  
- Disagree (2)  
- Neither disagree nor agree (3)  
- Agree (4)  
- Strongly agree (5)                          | /5         |
|         | Do leaders have the skills to implement and track top-down social innovation initiatives that embed the nine drivers of innovation? | - Strongly disagree (1)  
- Disagree (2)  
- Neither disagree nor agree (3)  
- Agree (4)  
- Strongly agree (5)                          | /5         |
<p>|         | <strong>Average score per question for Capability</strong>                                                      | <strong>/5</strong>                                                            |            |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Resources| Do employees have the time to participate in social innovation projects and activities? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |
|          | Is there funding available to progress social innovation ideas?           | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |
|          | Are there some employees who are formally dedicated to social innovation (e.g. as advisors, in secondments, as a percentage of their role)? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |

**Average score per question for Resources** /5
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Strategy | Does your organisation have a social innovation strategy or similar that dictates where employees should focus their efforts? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5 |
| Strategy | Is this strategy communicated and understood by all employees? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5 |

**Average score per question for Strategy** /5
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Roles  | Are there any extrinsic motivators tied to employees roles such as social innovation in their job descriptions or KPIs? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |
|        | Does your organisation have a reward and recognition program for social innovation? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |
|        | Are there any initiatives that help intrinsically motivate employees such as structuring tasks to give staff regular feelings of progress, or presenting staff with opportunities to become experts in their field? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5          |

**Average score per question for Roles** /5
<table>
<thead>
<tr>
<th>Driver</th>
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</thead>
</table>
|        | Does your organisation measure the inputs to social innovation projects such as time, FTE or funding? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5         |
|        | Does your organisation measure the outputs to social innovation projects such as impact to beneficiaries, or funds raised or saved? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5         |
|        | Does your organisation measure your innovation process such as monitoring the speed ideas travel through it, or identifying bottlenecks or improvement opportunities? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5         |
|        | Does your organisation measure the environmental factors that influence social innovation performance such as employee participation or number of ideas submitted to managers? | o Strongly disagree (1)  
 o Disagree (2)  
 o Neither disagree nor agree (3)  
 o Agree (4)  
 o Strongly agree (5) | /5         |
<p>|        | <strong>Average score per question for Measurement</strong>                           |                                                                              | /5         |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Question</th>
<th>Answer (points)</th>
<th>Your Score</th>
</tr>
</thead>
</table>
| Communication| Do leaders regularly and consistently talk about social innovation?        | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | /5         |
|              | Do employees have a shared understanding of what social innovation means to your organisation? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | /5         |
|              | Do employees have a shared understanding of why social innovation is important to your organisation? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | /5         |
|              | Do employees have a shared understanding of how they can participate in your organisation's social innovation activities? | o Strongly disagree (1)  
o Disagree (2)  
o Neither disagree nor agree (3)  
o Agree (4)  
o Strongly agree (5) | /5         |

**Average score per question for Communication** /5
<table>
<thead>
<tr>
<th><strong>Driver</strong></th>
<th><strong>Question</strong></th>
<th><strong>Answer (points)</strong></th>
<th><strong>Your Score</strong></th>
</tr>
</thead>
</table>
| Positioning| Do people external to your organisation see you as an innovation leader in your industry? | o Strongly disagree (1)  
  o Disagree (2)  
  o Neither disagree nor agree (3)  
  o Agree (4)  
  o Strongly agree (5) | /5 |
| Positioning| Are there employees within your organisation that are thought leaders and who are often quoted in the media or are invited to present at events? | o Strongly disagree (1)  
  o Disagree (2)  
  o Neither disagree nor agree (3)  
  o Agree (4)  
  o Strongly agree (5) | /5 |

**Average score per question for Positioning** /5

Once you’ve averaged all of your scores for each driver in the question table above, enter the averages in the tables following.

In the last row on page 29, tally your overall innovation score by summing each driver average, and use this score to identify your innovation maturity through the column on the right. To work out how to boost your innovation progress, identify which *three* drivers have the lowest average scores, then use the column on the right of these to obtain your recommendation on how to boost performance.
<table>
<thead>
<tr>
<th>Driver</th>
<th>Average Driver Score</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process</td>
<td></td>
<td>To improve your innovation process:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- make sure that you're talking to your partners, beneficiaries, staff, supporters and donors when you're looking for opportunities or problems to innovate around.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- invite your stakeholders to co-create solutions and ideas.</td>
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<tr>
<td></td>
<td></td>
<td>- use creativity boosting tools such as Hot Off The Press in brainstorming sessions to push people's thinking in different directions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ensure that everyone involved knows the scope and scalable impact that you’re aiming for with social innovation projects.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Identify any assumptions that you may hold around your ideas and test each of these individually with stakeholders to validate whether they are true or not.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ensure that your are constantly learning from your stakeholders and iterating your ideas to deliver the best possible value and impact for them.</td>
</tr>
<tr>
<td>Driver</td>
<td>Average Driver Score</td>
<td>Recommendations</td>
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<tr>
<td>-----------</td>
<td>----------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Climate</td>
<td></td>
<td>To enhance your innovation climate:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>o implement activities that will stimulate employees intellectually and allow them to work supportively together (for example, an innovation sprint where they solve a complex organisational problem).</td>
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<tr>
<td></td>
<td></td>
<td>o talk to managers and supervisors about ways that they can better encourage and support employees ideas (for example, crowdsourcing ideas from their teams in response to team/departmental challenges).</td>
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<tr>
<td></td>
<td></td>
<td>o ask employees to rate how challenged they feel in their role, and if they are over or under challenged, adjust their tasks accordingly.</td>
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<td></td>
<td></td>
<td>o investigate whether employees are clear on their innovation goals and objective, and if not communicate these organisation-wide.</td>
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<tr>
<td></td>
<td></td>
<td>o ask employees to rate the degree of autonomy they have in their role, and if it is low, work with the employee and their manager to give them more freedom in their tasks.</td>
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<tr>
<td></td>
<td></td>
<td>o incrementally fund multiple ideas and celebrating when there are ‘good’ failures (i.e. when ideas have failed quickly and cheaply with lots of learnings).</td>
</tr>
<tr>
<td>Driver</td>
<td>Average Driver Score</td>
<td>Recommendations</td>
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<tr>
<td>------------</td>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Capability</td>
<td></td>
<td>To increase your employees innovation capability:</td>
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<tr>
<td></td>
<td></td>
<td>o provide employees with online or face-to-face training in how to run social</td>
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<tr>
<td></td>
<td></td>
<td>projects through your innovation process. This may include training on</td>
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<td></td>
<td></td>
<td>exploratory research, idea generating tools and lean testing/prototyping.</td>
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<tr>
<td></td>
<td></td>
<td>o encourage leaders to learn about the nine drivers of innovation and put</td>
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<td></td>
<td></td>
<td>their skills into practice by developing and implementing initiatives within</td>
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<tr>
<td></td>
<td></td>
<td>their units.</td>
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<tr>
<td></td>
<td></td>
<td>o collaborate with others who might have complimentary capabilities such as</td>
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<tr>
<td></td>
<td></td>
<td>start-up accelerators, impact investors, and academic institutions.</td>
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<tr>
<td>Resources</td>
<td></td>
<td>To improve how you resource innovation:</td>
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<tr>
<td></td>
<td></td>
<td>o think about ways that you can create protected social innovation time for</td>
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<tr>
<td></td>
<td></td>
<td>employees (for example, secondments, sprints, dedicated hours per week,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>offsite days etc.).</td>
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<tr>
<td></td>
<td></td>
<td>o create and protect a social innovation specific budget within the organisation</td>
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<tr>
<td></td>
<td></td>
<td>or your team, that employees can tap into to progress their ideas.</td>
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<tr>
<td></td>
<td></td>
<td>o Seek out others such as local partners, smaller organisations and the private</td>
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<tr>
<td></td>
<td></td>
<td>sector, whom you might be able to share resources (and value) with.</td>
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<tr>
<td></td>
<td></td>
<td>o explore alternative flexible funding opportunities such as crowdsourcing (e.g.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>StartSomeGood, Kickstarter, Pozible).</td>
</tr>
<tr>
<td>Driver</td>
<td>Average Driver Score</td>
<td>Recommendations</td>
</tr>
<tr>
<td>---------------</td>
<td>----------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Strategy      |                      | To improve your performance on social innovation strategy:  
|               |                      | o look at your organisational strategy and extract the key areas or opportunities you think are complex and hence require innovation to achieve.  
|               |                      | o craft each of these opportunities into a one-pager and communicate them organisation-wide.  
|               |                      | o map out your priority social innovation opportunities for the next 12 months and proactively progress these by allocating executive sponsors and working groups to each. |
| Roles         |                      | To better integrate innovation into employees roles:  
|               |                      | o embed innovation into every employee’s job description (for example, including ‘contributing business improvement ideas’ in key responsibilities).  
|               |                      | o establish a reward and recognition system for social innovation (for example, crowdsourcing nominations for intrepreneurs and rewarding the winners with vouchers, secondments or extra annual leave).  
|               |                      | o talk to managers about ways they can structure their team’s time to give regular feelings of progress (for example, creating more short term goals).  |
| Measurement   |                      | To make your social innovation measurement more robust:  
|               |                      | o think about how you are measuring social innovation project inputs and outputs and identify if there are any gaps (for example, only measuring outputs in terms of financials).  
|               |                      | o mentally work through your innovation process and develop metrics that would identify whether there are bottlenecks and if so, where they exist.  
<p>|               |                      | o include questions that assess your innovation climate in your employee engagement survey.  |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Average Driver Score</th>
<th>Recommendations</th>
</tr>
</thead>
</table>
| Communication |                        | To improve your organisation’s innovation communication:  
| | | o ask leaders about what they think social innovation means to the organisation, why it’s important and how they think employees can get involved. Note any discrepancies.  
| | | o together, have the leadership team develop a definition for social innovation for the organisation and why they as a leadership team believe it is important. Ask leaders to circulate this to their teams along with how their teams can participate in upcoming activities.  
| | | o showcase via internal communications supportive leaders and managers who are promoting creativity, collaboration and resilience in their teams. Share the message of how they are achieving this within their teams. |
| Positioning |                        | To increase your innovation positioning:  
| | | o identify breakthrough social research or innovations that your organisation has participated in or driven, and communicate these externally to donors, supporters, government and partners.  
<p>| | | o seek out employees who are experts in their field and promote them externally as thought leaders (for example, quoting them in media releases, or giving them keynote opportunities at conferences). |</p>
<table>
<thead>
<tr>
<th>Driver</th>
<th>Average Driver Score</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Driver Total (sum of all driver averages)</td>
<td>A score of 27 or below represents that you’re early in your social innovation journey. A score of between 27 and 35 represents that you’re about halfway in your social innovation journey. A score of 36 or above represents that you’re well on the way to completing your social innovation journey.</td>
<td></td>
</tr>
</tbody>
</table>
Innovation Process Methodology

From the *Innovation for Impact* paper, it was clear that there are many approaches and methodologies ANGOs can use to progress social innovation ideas. However, as per recommendation 1, for social innovation to be impactful and sustainable, ANGOs need to adapt the best of these methodologies into a process to drive the successful progression of ideas. This process not only needs to progress ideas, but it also need to unleash and leverage the untapped potential of employees, as well as boost ANGO engagement with ‘unusual suspects’ (recommendation 2 and 5 respectively).

The best of these methodologies embrace all six of the innovation principles outlined in Section 1 and include:
- Three Horizons of Growth
- Jobs-to-be-done Theory
- Human Centered Design
- Design Thinking
- Lean Enterprise
- Lean Startup Methodology
- Design Sprints

This section of the guide will combine the best concepts and tools of these methodologies into one cohesive process to achieve recommendations 1, 2 and 5 for all ANGOs, regardless of how advanced they are in their innovation journey.

Overview
The below diagram is a best-practice process designed for exploring and delivering on complex and impactful social innovation projects.
This process is to be completed in a linear fashion from left to right, with each stage adding specific value to the social innovation project running through it:

- **Opportunity** – Set the direction of your social innovation project by starting with a strategic area of focus, to ensure all efforts going forward are adding the most value and impact to the organisation and its partners, beneficiaries, supporters and donors.

- **Discovery** – Use exploratory research to engage with your donors, supporters, partners and beneficiaries, to uncover the biggest problem area, within the boundaries of the opportunity, to innovate around.

- **Ideate** – Engage with your stakeholders to generate many diverse solutions and ideas to your identified problem using tools that push people’s creative boundaries.

- **Experiment** – With the help of your partners, supporters, donors and beneficiaries, validate your chosen idea’s underlying assumptions using lean scientifically rigorous tests.

- **Implement** – Realise the value of your efforts by rolling out and scaling your social innovation.

It is important to note the different ways in which this process can be carried out. For example, the steps described can be carried out by an internal team of ANGO staff as part of normal project work, or a team of staff can be carved off to operate as a startup on the side of the agency. Similarly, parts of this process can also be outsourced, with many organisations tapping into the open innovation trend which funnels creative ideas or challenges/problems from external parties or individuals into social innovation projects.

Additionally, this process can also be used as a mechanism to engage with unusual suspects. It allows for these partnerships to follow a simple yet robust series of steps, and hence focus their energy on maximising shared value as opposed to navigating the complex social innovation environment. Alternatively, if ANGOs want to engage unusual partners for only specific parts of their social innovation projects, it gives them clear guidance on the best stages (Ideate, Experiment and Implement), that these partnerships are likely to flourish.

The following pages will deep dive into each of the process stages with methodologies and tools you can choose from to run robust social innovation projects.
Opportunity

A social innovation opportunity is a high-level strategic area of focus. It can be internally facing (i.e. focused towards staff), or externally facing (focused towards beneficiaries, partners, donors or supporters). For example:
- Creating the next big thing in event fundraising.
- Reimagining our recruitment process.
- Maximising the benefit of our water and sanitation programs.

Social innovation projects should start with an opportunity as they set the direction for the rest of the process stages going forward. They ensure that all efforts spent in the process are adding strategic value and impact to the organisation and its stakeholders.

To identify social innovation opportunities, you should look to the following:
- The organisation’s strategy to seek out strategic priority areas that would benefit from creative exploration.
- Current performance across internal teams ways of working or processes to seek out areas requiring efficiency or cost-savings.
- Performance across current social impact products, services or programs the organisation provides to find areas of improvement or opportunity.
- The ANGO industry environment to seek out gaps or shortcomings in the current industry offerings.
- The latest economic, political, technological, social and consumer trends to seek out those the organisation would like to react to and leverage.
What this tool will do
Social innovation opportunities are deliberately broad so that we have scope to explore and ‘discover’ many possible beneficiary, donor, supporter or partner problems to solve. By leaving the scope broad, we will not only be able to discover lots of potential problems to solve, but we will also be able to use exploratory research to pinpoint the problem with the most potential impact.

What this tool won’t do
At this stage of the process, an opportunity will not provide you with the exact problem or solution that you will ultimately invest in progressing. This stage quite ‘blue sky’ and has a deliberately high level of uncertainty so that we’re not assuming we know what the most impactful problem to solve is – we want to engage with our stakeholders to find this!

Case study - The Robert Wood Johnson Foundation dedicates its services to health care, however in 2014 the foundation’s president announced that the organisation would widen its definition of health. This definition would not only include health care, but all things that effect health such as poverty, food security, adequate housing and assistance to the elderly. From this strategy shift came new social innovation opportunities, one of which lead to the idea of Health Leads. Health Leads enable doctors and other health care providers to prescribe basic resources like heating and food, just as they would medication.

It is likely that after working through your strategy, ways of working, current product/service performance, market performance and influencing trends, that you’ll have many potential social innovation opportunities available to pursue. Because of this, you will need to prioritise these so that you’re not only progressing those that will add the most value and impact to your stakeholders, but also so that you’re diversifying your opportunity portfolio and hence hedging your risk.

To do this, map out all of your opportunities on a replication of the following matrix. Then using this completed matrix, select the opportunities that you think will balance both potential impact and your organisation’s risk appetite.
Mapping your social innovation opportunities will help you create a balanced innovation portfolio in terms of risk and potential impact, and hence it will ensure that you’re not ‘putting all of your eggs in one basket’.

Despite using this tool to balance risk, it will not 100% eliminate the uncertainty or risk involved in social innovation projects. It will also not ensure that your innovation efforts are spread equally over all of your organisation’s stakeholders. This is something that should be considered, and is another criteria that your organisation can use to prioritise which opportunities to take forward.
Once you have your chosen opportunities, you need to briefly detail the context, scope and target stakeholder of each:

- **Context** – What background information would the project team need to run this social innovation opportunity through the innovation process stages? Why was this opportunity chosen? What is the organisation hoping to achieve by tackling this opportunity?

- **Scope** – What kind of ideas or solutions are off the table (i.e. not wanted by the senior leadership team)? What kind of ideas or solutions are on the table (i.e. encouraged by the senior leadership team)?

- **Target stakeholder** – Who is the primary target stakeholder of this opportunity (this can be internal stakeholders such as all staff or specific teams, or external stakeholders such as partners, beneficiaries, donors and supporters)? Is there a secondary stakeholder? If so, who?

Now that each of your social opportunities have been detailed and scoped out, they are ready to be handed over to small project teams (2 to 8 people*) to progress through the next stage, Discovery. It is recommended that each social innovation opportunity has its own project team and executive sponsor so that teams are not overwhelmed with multiple projects at the same time.

*Note – The best project team members are employees who are open-minded, comfortable with uncertainty, resilient and thrive in team environments. It’s important that you seek out project team members who are intrinsically motivated to participate, rather than extrinsically motivated, as they will be driven to push the social innovation project even when they come across hurdles.
Discovery

The Discovery stage is about diving into your donors, supporters, beneficiaries, or partners experiences to uncover where, within the boundaries of the opportunity, is the most impactful area for innovation.

To find the most impactful area for innovation, project teams should look to uncover any of the following:

- **Pain points** – real or perceived stakeholder frustrations (for example, once-off donors being frustrated that they cannot choose which development programs their donation funds).
- **Problems** – difficulties the stakeholder is experiencing (for example, volunteers finding it difficult to find projects that suit their specific skill set).
- **Jobs-to-be-done** – functional, social or emotional tasks the stakeholder is trying to achieve (for example, key influencers wanting to help their followers stay abreast of emerging humanitarian crises).
- **Workarounds** – actions the stakeholder takes to work around current offering shortcomings (for example, employees working from a café to avoid constant interruptions in the workplace).
- **Adaptations** – actions the stakeholder takes to use the offering in a way that’s unanticipated and different to what it is designed for (for example, high value regular givers donating for tax purposes).
- **Barriers to consumption** – real or perceived hurdles, such as money, time or skills required, that stop a stakeholder from accessing offerings (for example, beneficiaries needing to travel long distances to receive ANGO program benefits).
Project teams can use a variety of research methodologies to uncover pain points, problems, jobs-to-be-done, workarounds, adaptations, or barriers to consumption. The best of these research methodologies are those that are exploratory or unassuming, in nature as they minimise confirmation bias. Exploratory research methodologies include:

**Observe**
To observe stakeholders such as donors, beneficiaries, partners and supporters, view their behaviour in the context of their real lives. Watch them use, or trying to use, current offerings and see if you can detect any actions that would indicate that there is a pain point, problem, job-to-be-done, workaround, adaption or barrier to consumption. Look for physical signs such as eye rolling, huffing or stern looks, as these often indicate an area for improvement.

Capture every detail possible including:
- The location, time and date
- All observable facts and reactions
- The end-to-end stakeholder journey (i.e. the series of steps the beneficiary, partner, donor or supporter takes to use the offering)

**What this tool will do**
Observing stakeholders such as beneficiaries, partners, supporters or donors allows you to pick up on nuances or reactions to current offerings that are so subtle that stakeholders would not mention them in 1:1 discussions. Observe also allows you to map out all of the steps a stakeholder goes through in engaging with the offering (i.e. the stakeholder journey) that will be highly valuable when using the Ask methodology.

**What this tool won’t do**
Although observe is powerful, it does not allow you to ask probing questions to your observed stakeholder, such as ‘Why did you do X?’ to uncover why they behaved in a particular way.
Case study – In 1990, Jerry and Monique Sternin visited Vietnam after being invited by the government to develop a model to decrease malnutrition in Vietnamese children under 5 years old. The Sternin’s worked with staff from Save the Children to observe families who were very poor but whose children were healthy. They observed the food preparation, cooking and serving behaviours of six “positive deviant” families and found a few consistent yet rare behaviours. The parents collected tiny shrimps, crabs and snails from rice paddies and added them with greens from sweet potatoes to their food. These foods were readily available, but were rarely eaten because they were considered unsafe for children. The parents also fed their children multiple smaller means which allowed their small stomachs to hold and digest more food. From these observations the Sternin’s and their research group worked with the “positive deviant” families to offer cooking classes to the families of children suffering malnutrition. By the end of the first year, the program had 80% of the 1000 children enrolled adequately nourished. Today, the program has sustainably rehabilitated an estimated 50,000 malnourished children under the age of 5.

Act
Act is about putting yourself in your stakeholders shoes by walking through the steps of their journey engaging with your organisation or an offering. By walking through the beneficiary’s, partner’s, donor’s or supporter’s journey, you not only build empathy for the stakeholder, but it can help you detect other micro-insights important for uncovering the biggest area for innovation.

When walking through the stakeholder’s journey, be conscious of any frustrations or problems you come across, and the actions you take to overcome these.

Similar to observing, capture every detail possible including:
- The location, time and date
- All actions you took
- The end-to-end journey you walked through
- Any frustrations or problems you encountered and consequent actions

In some circumstances, such as consumer products, ‘acting’ will be easy. However in others, such as beneficiary programs, it will be more difficult and hence will require creative thought to carry out.
**Case study – Rwanda’s hilly terrain makes transporting medical resources incredibly difficult with journeys a few miles long often taking several hours. California-based start-up Zipline started when an aid worker developed a database of people needing urgent blood transfusions but had no way of transporting them. Zipline’s mission was to overcome this barrier and does this by using drones to deliver valuable medical suppliers via parachute. Zipline has cut medical facility’s time to procure blood from 4 hours to 15 minutes. Its success has resulted in the organisation signing a contract with the Rwandan government to deliver 150 blood packages to 21 transfusion facilities a day within a 47 mile radius, saving thousands of hospital staff hours and countless lives.**

**Interview**
To interview stakeholders such as partners, beneficiaries, donors and supporters, set up 30 to 60 minute meetings, 1:1 with each individually in a place that is convenient and comfortable for them. For some stakeholders, such as country partners or community beneficiaries, it will be difficult or expensive to meet face-to-face. In this case, try to arrange 1:1 meetings either via video conferencing, Skype or phone.

To get the most out of your time with your stakeholder, it’s best to use a discussion guide to semi-structure your conversation.

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**What this tool will do**
Acting in your beneficiary’s, partner’s, supporter’s or donor’s shoes is a simple and effective way to quickly build empathy for your stakeholders and the challenges that they are experiencing. It also allows you to be able to answer probing questions such as ‘Why is this so frustrating?’ or ‘What am I hoping this product, service or program will help me achieve?’

**What this tool won’t do**
Although Act allows you to build empathy and also ask yourself probing questions, its shortcoming is that it is from your own perspective and not your stakeholder’s. Also, in many social innovation situations replicating your beneficiaries’ journey will be challenging, and hence there may be gaps where your replicated journey cannot identically match your beneficiary’s.
In your discussion guide be sure to include questions that:

- Map out the stakeholder’s journey. For example, “Can you tell me about when you first decided to use our service?” “What did you do next?”
- Probe around pain points, problems, jobs-to-be-done, workarounds, adaptations, or barriers to consumption. For example, “Did you experience any frustrations when you last used our service?” “How frustrating was this for you?” “How often do you experience this frustration?” “What were you trying to do when you experienced that problem?”
- Lead to examples of when they experience inferior offerings. For example, “Can you tell me about when you felt this problem the greatest?” “What happened when you last experienced this frustration?”

When interviewing your stakeholders, make sure you do this in pairs so that there is a nominated interviewer and scribe. This will ensure that no insights are missed and that the interviewee and stakeholder can have a flowing and comfortable conversation.

Similar to observing and acting, note down every detail possible including all stakeholder conversation points and any physical cues.

**What this tool will do**

Interviewing your stakeholders is the most powerful of all the Discovery tools. It will allow you to find out directly from your stakeholder what challenges or problems they’d like you to solve for them.

**What this tool won’t do**

Despite Interviewing being an effective Discover tool, it relies on the quality of your discussion guide. If your discussion guide is not robust, the output of your interview will be lessened. It’s important that you spend time perfecting your guide to ensure that there are no gaps in your questioning.
Case study – When German psychology student Markus Kressler first met Gambian refugee Capoko, he learned that all his new friend wanted to do was study but instead he was deported. Shocked by his friend’s lack of opportunity, Kressler developed a project to deliver high-quality, internationally accredited tertiary education to refugees. Kiron is an online university that provides free courses in mathematics, business, science, architecture and social sciences for two years, giving students adequate time to gather their necessary documents, improve their English or German and demonstrate their academic ability. This allows students to then be transferred to a partner university in their third year, from which they can graduate. So far, Kiron has enrolled over 1200 students and has 18 university partners including Harvard and Stanford.

You should continue to conduct your exploratory research until you reach information saturation (i.e. when no new themes or insights are coming through). Once you’ve reached this point, look at all of your insights and note any down any common themes or patterns across the pain points, problems, jobs-to-be-done, workarounds, adaptations, or barriers to consumption that you uncovered. Write each of these themes or patterns on a separate piece of paper and stick them on a wall.

You should now be ready to decide which of the themes/patterns (i.e. which stakeholder pain point, problem, job-to-be-done, workaround, adaptation or barrier to consumption) you want to take forward into the next stage, Ideate. To do this, gather all key internal project stakeholders into the room with your themes on the wall and:
1. Run through your wall display, clearly explaining each theme or pattern to them.
2. Then, give each person three post-it notes and ask them to place these on the three themes that they think represent the biggest most impactful social innovation opportunity.
3. Count the votes and see which stakeholder theme/pattern has the greatest number. If there is a draw, remove all of the post-its from the themes/patterns with the most votes. Place these themes separate from the rest of the display and repeat step 2 asking people to cast only 1 vote for the theme they think is most impactful.
What this tool will do
This decision-making tool will allow you to make a complex group decision within a couple of minutes. It enables each and every person to contribute to the decision in a way that minimises seniority bias.

What this tool won’t do
Using this tool will not ensure senior leader or stakeholder buy-in as although they will cast votes, the decision ultimately goes with the majority. To balance this tradeoff, you can shortlist the top 2 to 3 voted themes/patterns and allow senior stakeholders to make the ultimate decision from these.

To complete the Discovery stage, you need to craft your winning theme into a problem statement. Crafting a good problem statement is critical to ensure that when generating ideas and solutions, everyone is solve exactly the same problem, and hence ideas are on target.

A good problem statement has 3 key criteria:
- It begins with “How might we...”
- It focuses on only one pain point, problem, job-to-be-done, workaround, adaptation or barrier to consumption.
- It has an accompanying short context paragraph to provide any background information and examples needed.

For example, the theme of high school students wanting to help refugees but feeling frustrated that they don’t know how, could translate into the below problem statement and context paragraph:

*How might we create an amazing and impactful in-school fundraising event for high school students?*

High school students are becoming increasingly aware of and concerned about the global refugee crises. They want to help but don’t know how they can make a difference. They’ve tried to raise money in school at lunchtimes through small events like sausage sizzles and cake stalls, and although they’ve raised a few hundred dollars here, they want to do more. We’re after amazing solutions that will help our high school supporters make the impact they’re aiming for.
Case study – In the rural areas of South Africa, medical care is often provided by mobile clinics. These clinics are small vans manned by two nurses who drive from farm to farm visiting patients. Poor road conditions mean that the nurses cannot predict in advance what time they will arrive to each farm, resulting in much time spent searching for patients or waiting for patients to arrive. The problem statement that the nurses wanted to overcome was “How might we get patients to be there on time”. From this problem statement, SUMMO, a communication service for mobile clinics, was born. SUMMO is a low-cost, low-tech service, designed to bring patients and nurses together through the cloud-based software, Frontline SMS. Today, when nurses approach a farm, the system sends out messages to all nearby patients, not only saving the nurses time, but also resulting in patients not missing their vital treatments.

What this tool will do
In all, the Discovery tools help you hone where you should focus your social innovation efforts to make the biggest impact for your stakeholders. You will draw directly from your partners, beneficiaries, supporters and donors experiences to uncover where they need more support and solutions, which will not only ensure your ideas are on target, but also brings these important key stakeholders into the social innovation picture early.

What this tool won’t do
At this stage of the process, you might find that you unearth many possible problems that you can take forward into the next stage, Ideate. However, due to resource constraints, you may not be able to progress all of these, meaning that there will be some stakeholder problems that will remain unaddressed. Hence although the tools in this stage bring your stakeholders into the journey early, it does not ensure that every stakeholder concern or problem will be solved.
Ideate

The Ideate stage is about being divergent and coming up with many diverse solutions and ideas that solve our social innovation problem statement.

You can gather ideas or solutions in a number of ways:
- Individually or working in small groups.
- Holding a formal idea generation session with 6 to 20 participants.
- Conducting a hack or large scale idea generation workshop (>20 participants).
- Crowdsourcing ideas from internal audiences (e.g. employees submit ideas through an idea submission platform or similar).
- Crowdsourcing ideas from external audiences (e.g. supporters, partners, beneficiaries submit ideas through an idea submission platform or similar).

Regardless of the method used to gather ideas, it can be helpful to push people's creative boundaries by using a number of tools to boost people's creativity. The following pages detail six tools that you can use to push people's thinking in different directions.
**Be My Guest**
Increase group creativity by bringing someone with a different perspective into your session. Use this tool in idea generation sessions where participants are used to working with each other.

Prior to your session reach out to people who could bring different or interesting perspectives to your problem at hand. These people can be subject matter experts, different team members, beneficiaries, partners, supporters, donors or contacts from tangential industries. They can be ‘internal guests’ (from within the agency) or ‘external guests’ (from outside the agency).

Once you have your guests at you session, introduce them to the group and explain why you thought they’d be a great person to invite.

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**What this tool will do**
Bringing people with different perspectives into your idea generation is an engaging way to co-create solutions with your beneficiaries, donors, supporters, partners or key internal stakeholders. Co-creation not only yields amazing outputs but it also ensures early buy-in for potential social innovation solutions.

**What this tool won’t do**
Although powerful, this tool does not ensure that stakeholder buy-in will last throughout the whole social innovation project. Through the Experiment stage, your idea may be iterated, hence buy-in may fade as the solution changes. To mitigate this risk, ensure you involve these key stakeholders in the Experiment stage too.
**Mastermind**

Tap into the power of the unconscious mind by sending your problem out to participants a week before your session. Use this tool when you have limited time for your session.

A week before your session, ask your participants to write down any ideas that solve the problem that come to them over the week and to bring them along to the session. This will not only leverage the group's unconscious mind but it also means there will be lots of ideas that solve your problem before you even begin your session.

At the start of your session, ask people to bring out their notes where they have been capturing their ideas for the problem over the last week. Get people to share their ideas one-by-one around the table, capturing any good ideas in a template (see page 51 to 54) for template options.

**What this tool will do**

Mastermind will not only allow you to tap into people’s powerful unconscious mind, but it ensures that you already have many ideas on the table before you’ve even started your idea generation session.

**What this tool won’t do**

Despite the benefit of Mastermind getting people to focus on the problem at hand before the session, often the ideas captured are the more obvious or practical solutions and not the most innovative or creative. To mitigate this risk, use a combination of other Ideate tools for the remainder of your session to push people’s creative boundaries.
Imagine If
To ensure that assumptions are not constraining people’s creativity, make people think divergently about the problem by reversing their assumptions. Use this tool when participants hold lots of assumptions around how the problem should be solved.

Prior to the session, identify assumptions that you think participants might have in how the problem should be solved (i.e. what kinds of solutions will work best). Once you have your assumptions, turn them on their head by making them the literal opposite. Then pop the words “Imagine if...” before the reversed assumption, and the words “What ideas could we come up with then?” after. Capture each reversed assumption on a separate piece of paper.

Case study - In 2017, a class of Melbourne year seven students crushed the assumption that all prosthetics should be manufactured by prosthetic companies. Instead they asked ‘Imagine if we as students could help produce prosthetics. What ideas could we come up with then?’ This lead them to partnering with e-NABLE to produce 3D printed prosthetic for just $50.

In your session, bring your reversed assumptions out and pop them into the middle of the table. Instruct your participants to take a reversed assumption each, and working solo, come up with ideas that solve the problem from the new reality that the reversed assumption creates. Once they’ve exhausted all ideas from one reversed assumption, they can move on to another one. Ask people to share their ideas one-by-one around the table, capturing any good ideas in a template (see page 51 to 54 for template options).
Hot Off The Press
Boost the diversity of ideas by sourcing inspiration from short articles that are tangential to your problem at hand. Use this tool when you want to steer people’s thinking strategically (e.g. towards the latest trends, technologies, service designs etc.)

Before the session, use Google to hunt for short one-page articles on topics that are loosely related to your problem or types of solutions you’re after. Pop the content of these articles, including an image, into a Word document with there being one article per page. Source enough articles for there to be two to three per person in your session. Print these to bring to your session.

In the session, place the articles in a pile on the table. Instruct participants to select one article at random, read it, and then to draw connections between the article’s content and the problem at hand to come up with ideas. Once they’ve exhausted all ideas from one article, they can move on to another. Get participants to share their ideas one-by-one around the table, capturing any good ideas in a template (see page 51 to 54 for template options).

What this tool will do
This tool helps idea generation participants to break free of any real or perceived constraints/assumptions and push their creative boundaries. Its effectiveness is dependent on the quality of your pre-work/preparation, however if done right, it often yields highly creative outputs.

What this tool won’t do
Imagine If is one of the more difficult tools to use and without proper instruction, can result in ideas that are off-topic being generated. When using this tool, make sure that you’re constantly anchoring participants to the problem you’re solving so that ideas being created are in scope.
Case study – More than 3 million children in Africa suffer from blindness caused by deficiencies in vitamin A. In Uganda alone, studies estimated that 28% of children are deficient in vitamin A and at risk of losing their sight. When the International Food Policy Research Institute tackled this issue, they approached it differently to how aid agencies had previously been combatting it. Instead of providing children with vitamins, the institute sought inspiration from the locally grown food market to develop a new strain of sweet potato, coined ‘the orange sweet potato’. This OSP contained between four and six times the vitamin A of normal sweet potatoes. Initial research in Uganda and Mozambique showed that in children aged 12 to 35 months, OSP consumption caused vitamin A deficiency to decrease from 50% to 12%. The institute has now scaled up their scheme to reach more than 225,000 households.

What this tool will do
Hot Off the Press will allow you to fill knowledge gaps or steer participant thinking in a certain direction quickly and easily. Participants will easily create many futuristic ideas that are leveraging the latest trends, technologies or research.

What this tool won’t do
Although this tool will help your participants take advantage of the latest trends, technologies, and research, it will not tell you which ones will yield the best ideas. It is up to you to choose where to steer people’s thinking. To mitigate this risk, you can crowdsource possible article topics by asking participants before the session to nominate a few that they think will be the most helpful for your problem at hand.
**In Their Shoes**

Increase the diversity of your group’s ideas by getting everyone to solve the problem from someone else’s point of view. Use this tool when you want people to think from a particular persona’s perspective (e.g. a beneficiary’s, well-known influencer’s or partner’s perspective).

Prior to the session, prepare cards of personalities including their name, a few key characteristics/attributes and a picture/photo. Personalities can include donors, supporters, beneficiaries, partners, stakeholders, well-known influencers, global brands/companies or demographic groups. Prepare enough cards for there to be at least one per person in your session. Print these to bring to your session.

In your session, stick all of your cards on the wall and ask your participants to chose one card each of a personality that is least like them. Give everyone a minute to get into the mindset of their personality, and then ask them to solve the problem from their personality’s point of view (i.e. how would X solve this problem?). Ask people to share their ideas one-by-one around the table and capture any good ideas in a template (see page 51 to 54 for template options).

**What this tool will do**

This tool is a fun way to create ideas from many different perspective. It can also be used to bring perspectives from hard-to-reach people/personas into the room, for example Daniel Flynn, Mark Zuckerberg or Ban Ki-moon.

**What this tool won’t do**

Although you can use key stakeholder personas to bring their perspectives into the room, it is a sub-par replacement and true co-creation should always be aimed for in social innovation projects.
**Crazy Eights**
Rapidly generate many ideas by using a combination of time-boxing and solo work. Use this tool in idea generation sessions where you have limited time.

In your session, give each participant a sheet of A4 paper and ask them to fold it into 8 sections. Set a timer for eight minutes and ask each participant to work by themselves to sketch eight ideas that solve the problem at hand (one in each section of their piece of paper). When the timer goes off, ask everyone to stop sketching and to share their top three ideas one-by-one around the table and capture any good ideas in a template (see page 51 to 54 for template options).

**What this tool will do**
Crazy Eights is a fun way to very quickly generate dozens of ideas in your session. This is valuable as research has shown that when it comes to idea generation, you need quantity to get to the quality.

**What this tool won’t do**
Crazy Eights allows for quick idea generation, however because it is not strategically steering people’s thinking in a particular direction like some of the other tools do (e.g. Imagine If and Hot Off The Press), you may find that the ideas yielded here are not the most innovative or creative.

**Idea Capturing Templates**
In your session, you should ask people to capture ideas in a template to ensure that you’re getting meaningful output and not half-baked thoughts. Use one of the following two templates to make sure you’re capturing well-thought-through ideas:
**Idea Tabloid**

Ensure that you capture tangible ideas by using a newspaper-inspired Tabloid Template.

On an A4 piece of paper ask participants to draw up the template represented on this page, or bring printed versions to your session. Participants should capture every good idea created in the session.

### Title

Something that describes the idea in a nutshell

### Body

Dot points describing how the idea works in practice from the stakeholders point of view

### Visual

An image or drawing to bring the idea to life

### Name

Date

Contact details

Role / Relationship to us

---

**What this tool will do**

This tool allows you to capture ideas in a tangible and fun way. Participants will be able to use this tool to quickly to capture the main elements underpinning the idea.

**What this tool won’t do**

When using this tool, participants can get caught up making the title catchy and the image appealing, leaving little time to flesh out how the idea works in practice. Hence, this tool can sometimes give a lack of clarity around the finer idea details.
**Storyboards**

Ensure that you capture tangible ideas by sketching out the stakeholder journey.

On an A3 piece of paper, ask participants to divide it into three sections as per the dotted lines below. This will now represent the three biggest stages of the idea’s stakeholder’s journey. Using sticky notes and sketches, describe in each section what your stakeholders sees as they interact with your social innovation idea. It should look like a movie and be self-explanatory. See below for an example storyboard.

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**Case study (above) - The Hippo Roller** was created by two South African engineers Pettie Petzer and Johan Jonker. It was invented in response to the huge need to transport large volumes of water long distances in Africa. Often water transportation was the job of women and children, meaning that there was not only potential spinal cord injury risks, but they were also missing education and economic opportunities because of the long journeys. The Hippo Roller allows women and children to transport up to five times the amount of water than traditionally carried, and its cylindrical form allows them to do this with minimum weight to push (10kg as opposed to the traditional 20kg weight). The Hippo Roller has been distributed in over 20 countries and with 50,000 rollers sold, they have reached close to half a million people.
By the end of your session/s, you should have a number of ideas, all captured succinctly on a template. You now need to decide which idea to take forward to the next stage, Experiment.

To do this, gather all key project stakeholders into the room and:
1. Run through all of the ideas you’re deciding between, holding up each template, talking to it and then sticking them one-by-one to the wall.
2. Then, give each person three post-it notes and ask them to place the post-it notes on the three ideas they think best solve the problem statement.
3. Count the post-it votes and see which idea has the greatest number. If there is a draw, remove all of the post-its from the ideas with the most votes. Place these ideas separate from the rest of the display and repeat step 2, asking people to cast only 1 vote for the idea that they think best solves the challenge.

What this tool will do
Like Idea Tabloid, this tool allows you to capture ideas in a tangible and fun way. However, where Idea Tabloids lack some detail, this tool ensures that the stakeholder journey is captured in full.

What this tool won’t do
Although this tool allows all idea details to be captured robustly, it does so at a cost – it can be quite time consuming to use. If using this tool, ensure that you’ve scheduled an idea generation session that goes for 2 hours or more, otherwise you’ll spend more time using the idea capturing template than actually coming up with ideas.

What this tool will do
This decision-making tool will allow you to make a complex group decision within a couple of minutes. It enables each and every person to contribute to the decision in a way that minimised seniority bias.

What this tool won’t do
Using this tool will not ensure senior leader or stakeholder buy-in as although they will cast votes, the decision ultimately goes with the majority. To balance this, you can shortlist the top 2 to 3 voted ideas and allow senior stakeholders to make the ultimate decision from these.
Experiment

The Experiment stage is about testing the assumptions that we have around our chosen social innovation idea as leanly as possible. In this way, Experiment is about de-risking our idea as much as possible and avoiding rework (and resources) down the line once we’ve implemented it.

Before we jump into testing mode, we need to put some more details around our idea to ensure it’s fleshed out enough for testing. To do this, simply take your chosen idea and use it to answer the following questions:

- What problem is this social innovation idea solving?
- In two to three sentences, what is the social innovation idea?
- How will this idea work in practice? What does the beneficiary/donor/supporter/partner journey look like?
- What makes this social innovation idea unique and creative?
- What is the appeal of this idea externally? What is the beneficiary, donor, supporter and partner value proposition?
- What is the appeal of this idea internally? Why will staff support this social innovation idea?
- How will this social innovation idea make an impact? How will it change lives, impact communities, increase funding, reduce costs, or save time?
Once we’ve fleshed out our idea using the above questions, we can begin testing our idea. The leanest and most rigorous way to test ideas is using Lean Startup Methodology. This methodology embraces five principles:

1. Get out of the building (and engage with your stakeholders)
2. The only way to win is the learn faster than anyone else
3. Maximise the learning per dollar spent
4. Avoid building ideas that no one wants
5. Success is not about building a new feature. Success is learning about how to solve a stakeholder’s problem.

Lean Startup Methodology gives us a framework called the Learning Loop, to test, learn and iterate our idea. Instructions on how to work through the Learning Loop are detailed on the following pages.

What this tool will do
This tool is a simple and quick way to flesh out your idea and fill in any gaps of how stakeholders will use and engage with the social innovation idea. By answering these questions, you will have a well painted picture of what the donors, beneficiaries, supporters or partners journey with the idea looks like.

What this tool won’t do
Using this tool will not give you enough information to accurately build a case study for your idea’s implementation. By the end of the this stage, your experiments will provide with a robust evidence base that you can extrapolate into a well calculated business case.
Hypothesise
Identifying and prioritising our idea’s assumptions and converting them into scientific statements to be tested.

Every idea has a set of assumptions that underpin it. These assumptions are likely to be around what the stakeholder will do or why they’ll value something. Assumptions often come out as questions such as “Will our beneficiaries use X?” We need to identify these assumptions and then turn them into hypotheses which are scientific statements of belief.

1. *Hypothesise*
   Every idea has a set of assumptions that underpin it. These assumptions are likely to be around what the stakeholder will do or why they’ll value something. Assumptions often come out as questions such as “Will our beneficiaries use X?” We need to identify these assumptions and then turn them into hypotheses which are scientific statements of belief.

   To begin the Hypothesise step of the Learning Loop, we first need to list all of the assumptions that we have around:
   o How the idea will create and deliver value for our donors, beneficiaries, partners or supporters.
   o How new partners, supporters, beneficiaries or donors will discover the idea (i.e. grow).

   Once we’ve identified all of our assumptions, we need to turn them into hypotheses. Do this by turning each assumption into a statement of belief to be proven or disproven. For example, “Will our beneficiaries use X?” would turn into “Beneficiaries will use X.” Then, once each hypothesis statement is crafted, prioritise them from most risky to least risky, with the most risky hypothesis being the one that would cause the whole idea to fall flat if disproven/untrue.
Case study - Direct giving platform Kiva would have had two hypotheses of “Investors will want to fund individual’s small projects” and “Investors will want their loan repaid within a defined timeframe.” Of these two hypotheses, the first is much riskier as if this is disproven, the entire value proposition of Kiva is threatened. Although the second hypothesis is still important it only represents a small feature of the overall value proposition and therefore it is less risky. Kiva has successfully proven this hypothesis and has scaled considerably since their launch in October 2005. By June 2017, Kiva had funded over 1.2 million loans across 84 countries. Of these loans, 220,000 had borrowers from conflict zone, 526,000 supported farmers, 750,000 had borrowers from some of the least developed countries, 65000 loans funded clean energy access, and 28,000 loans funded education initiatives.

2. Design & Build
Now that we have our prioritised list of hypotheses, we need to begin testing them one at a time from the top down (from most risky to least risky). To do this we need to create a minimum viable product (MVP) that will act as our testing apparatus for the hypothesis we wish to prove/disprove.

An MVP allows us to gain maximum learnings about stakeholders with the least effort. It does not have to be a physical product, but rather it can be any apparatus that allows us to test stakeholder behaviour, rather than intention. The below cartoon represents the concept of MVPs when testing a hypothesis such as “Beneficiaries will use our service to transport medical supplies from A to B.”
Some examples of commonly used MVPs are described below:
- Wonderful Wizard of Oz – The offering looks shiny and real on the outside but is actually very manual under the surface.
- Imperfect Landing – Having an online landing page describing the offering with a ‘Buy Now’ (or similar call to action) button that has no real offering for sale but redirects to a thankyou or small gift instead.
- VIP Treatment – Walking the stakeholder through the manual journey, holding their hand and observing their reactions along the way.
- Video Spectacular - A short video explaining your offering with a call to action at the end.
- Money Talks – Using crowdfunding to get donors, beneficiaries, supporters or partners to pre-order (and pre-pay).
- Rapid Prototype – Using cheap materials or 3D printing to quickly pull together a scrappy version of your offering.

Although these MVPs are listed as separate examples, often MVPs are a combination of a few different types.

Case Study – The Coalition of Humane Immigrant Rights of Los Angeles (CHIRLA) helps people overcome barriers related to language, discrimination, undocumented status, limited access to technology and poverty. In 2014, CHIRLA wanted to develop new service that would meet the needs of its community, increase its membership and provide financial stability. Instead of spending their resources looking at one or two ideas, they set about a lean experimentation process where they tested more than 14 ideas in a couple of months. In one experiment, the CHIRLA team wanted to test their riskiest hypothesis of ‘People will sign up and pay for the new services’. To test this, the team developed paper flyers for 14 of the proposed services (a paper version of a Video Spectacular MVP), and combined with interviews, quickly got a sense of whether their ideas were worth pursuing, the potential demand for each offering and any blind spots they’d missed. CHIRLA found that ten of the proposed services either didn’t have enough demand or would require significant changes. Four of the services however had strong demand and warranted further exploration.
Once we have designed our MVP, we then need to design our experiment so that it is rigorous enough to prove or disprove our hypothesis with certainty. There are a few details that we specifically need to plan to ensure this accuracy:

- **Baseline** – You need something to compare your experiment results to so that you know what is a good or bad result. If you already have an existing offering available to stakeholders that your idea is looking to improve, then your existing data here (e.g. regular giving donors, number of beneficiaries engaged etc.) could act as your baseline. If your offering is something new, then you will need to create a baseline in your first experiment that you can compare subsequent experiment results to.

- **Set your quantitative data threshold** – What are you wanting to measure and what level do you and your manager need to see in this metric to be confident in the idea? For example, you might want to see a 20% increase in beneficiaries engaging with your new program/service.

- **List qualitative questions** - Note down some questions that you can ask your stakeholders, whether they be supporters, donors, beneficiaries, or partners, to explain why they behaved the way they did in your experiment. These answers will help you iterate the idea later to better fit their needs. For example, you can reasonably expect there to be some beneficiaries not engaging with your new program/service, hence you should note down questions that enquire about why they aren’t.

By now, your experiment should be well designed and almost ready to go live. The final piece you need to organise is stakeholders. Use the below thought starters to think about how to best recruit the donors, supporters, beneficiaries or partners you need for your experiment:

- **Visionary vs easy-to-recruit stakeholders** – Think about how you might balance the recruitment of progressive-thinking stakeholders with the easily-found stakeholders, to ensure you’re not only getting relevant feedback but are also still acting quickly.

- **New vs existing stakeholders** – Will your idea target new or existing stakeholders? Make sure your recruited stakeholders reflect who you will ultimately be targeting with this social innovation.

- **Sample size** – How many stakeholders will you need to run your experiment with? As a general rule, the smaller the effect you’re looking for (i.e. the smaller your quantitative data threshold), the harder it will be to see, and therefore the larger the sample needed.

When you have your MVP built, experiment designed and stakeholders recruited, you can roll out your experiment and begin collecting your data.
Analyse
When you have complete your experiment and gathered all of your quantitative and qualitative data, you then need to analyse it to see whether your original hypothesis has been proven or disproven:

- If your quantitative results exceeded your data threshold your hypothesis has been proven. You can now go back to Hypothesise, choose your next riskiest hypothesis and move through the learning loop again.
- If your quantitative results did not reach your data threshold your hypothesis has been disproven. You now have a decision to make – do you:
  - Persevere and make small iterations to the idea and redo the experiment.
  - Pivot and make large iterations to the idea and redo the experiment.
  - Kill the idea as it’s deemed unworkable.

Although on the surface, killing an idea seems like a failure, its is actually a win as you’ve saved resources being wasted down the line. If this is the path you decide on, you can go back to your shortlisted ideas from the Ideate stage and begin testing the idea that got the second-most votes.

Iterate
Once we’ve looked at our quantitative data and decided whether to continue to the next hypothesis, persevere or pivot with the same idea, or kill the idea, we then need to look at our qualitative data. We need to ask ourselves ‘Why did we get this number? What did we learn? How can we use this information to iterate?’

Common ways we can change our idea, also known as a pivot, are:

- Zoom in – Where something that was going to be a single feature becomes the whole idea.
- Zoom out – Where the original whole idea is now only a feature of a larger offering.
- stakeholder segment – Where your idea solves a problem for a different type of stakeholder than you initially expected.
- Value capture – Where you change the funding/revenue model.
- Channel – Where you change how you deliver your offering to stakeholders.
- Engine of growth – Where you change your idea’s growth mechanism.

When iterating your idea, make sure to anchor iterations around your problem to be solved.
Once you have iterated you idea, continue to travel around the learning loop, testing all of your most risky hypotheses until you and your manager are confident enough in the idea to warrant implementation and further resource investment.

What this tool will do
The learning loop is one of the most powerful tools in innovation theory to date. It will allow you to quickly and cheaply learn from your stakeholders about whether they value and will use your idea. On top of this, the valuable stakeholder feedback will enable you to quickly iterate and change your idea to better fit their needs. The learning loop provides ANGOs with a leaner and faster alternative to piloting and prototyping ideas, as well as provides senior internal stakeholders hard evidence to base their business case projections on.

What this tool won’t do
Although the learning loop will significantly de-risk your idea by validating your most risky assumptions, it will not completely eliminate risk from your social innovation.

Case Study – In 2010, Worldreader launched to bring digital books to disadvantaged children and their families. Instead of launching with a fully developed platform, the team first developed a small-scale version of the platform and introduced this to 16 sixth-graders in Ghana via Amazon Kindle e-readers. The team used this MVP to test the hypothesis that ‘Kids will embrace e-readers to read more’. This high-touch VIP treatment of the 16 students allowed the team to find holes in their platform and troubleshoot before investing more time and resources in the initiative. For example, the team saw that the kids kept sitting on the devices during recess causing screen damage, hence they iterated their initiative to include information about caring for e-readers and worked with Amazon to create more durable screens. By 2015, Worldreader offered 15,000 books in 43 languages and had impacted the lives of more than 2 million young readers.
Implement

The Implement stage is when we can reap the rewards of our innovation efforts by rolling out our social innovation idea to our donors, beneficiaries, supporters and/or partners. Implementation may not always begin as a full scale roll out, but may start with a working prototype, pilot or trial. By slowly scaling our idea in this way we can continue to learn and iterate before investing large amounts of resources.

Although the large majority of testing will happen in the Experiment stage, project teams should continue to use the principles and methodologies the Experiment stage to test, learn and iterate the idea even when it is scaled up. Down the line, once the idea has matured, this constant learning will develop into continuous improvement work.

It may not always be possible to have continuous improvement work happening across all of your organisation’s offerings. In this case, we need a way that will trigger us to know when one of our social innovations is at risk of becoming irrelevant and hence requires improvement. We can do this by using ‘Tripwires’.

Tripwires are designed to draw our attention to something that would have otherwise gone unnoticed. They are explicit targets that we set in advance for our social innovations, that if not met, trigger us into continuous improvement action. Common examples of tripwires include:

- **Deadlines** – For example, "If we don’t get local government approval for this policy change by December 31, then we’ll need to revise our strategy”

- **Quantitative goals** – For example, “If we do not consistently see a 25% increase in crop yield in this community, then we’ll consider an alternative solution.”

- **Partitions** – For example, “We want to see 5% growth every month in Cambodian beneficiaries engaging with our program/service, otherwise we’ll consider a different approach to this development issue.”
For each offering, it is useful to set a tripwire for the coming months/years and review these on a regular basis. If a tripwire ‘goes off’ and is not met over consecutive periods, then an innovation project around this should be set up. This project should begin at the Opportunity stage of the innovation process, with a well defined scope and target stakeholder (i.e. are we looking to acquire new donors, supporters, beneficiaries or partners to this offering, increase spend of current donors/private or government partners, incrementally improve the old offering or create a new completely new offering?) Once this Opportunity has been defined, project teams can be formed and should progress through each stage of the process as described in this guide from pages 30 to 64.

**What this tool will do**
Tripwires will ensure that you don’t switch to autopilot once your social innovation is implemented. Instead it will keep continuous improvement top of mind by triggering when your innovation’s impact has started to flat line. By continuously improving your social innovations, you will ensure that you stay ahead of the curve and respondent to external environmental factors such as emerging trends.

**What this tool won’t do**
Although tripwires will tell you when continuous improvement is required, it will not tell you how to achieve this. You will need to begin a new social innovation project in the horizon 1 space (see page 34).
Additional resources

Best practice innovation theories and methodologies:
- Three Horizons of Growth
- Jobs-to-be-done Theory
- Human Centered Design
- Design Thinking
- Lean Enterprise
- Lean Startup Methodology
- Design Sprints
- Disruptive Innovation Theory

Opportunity identification tools:
- TrendWatching
- Innovators Guide to Growth

MVP development tools:
- WIX.com
- Marvel app
- Fiverr
- Google Sketch
- Survey Monkey
- Jot Form
- Start Some Good

Other social innovation resources and e-learning:
- Nesta
- +Acumen
- IdeoU
- Startup Stash
- Business Model Canvas
- Innovate at Scale

Examples of social innovation:
- Stanford Social Innovation Review
- Social Tech Guide
- Nesta
- The Guardian

Examples of general innovation:
- Springwise
- Live Science
Closing and Next Steps

Social innovation is a complex and challenging venture but something that the ANGO sector will continue to pursue and achieve because of the transformational impact ideas can have for our partners and beneficiaries.

Building upon the Innovation for Impact paper, this guide hopes to have demystified this path forward for ANGOs to practically and easily implement the recommendations noted in 2016, to further the amazing impact they’re already accomplishing.

ACFID encourages members to:
- Try the tools and techniques provided here, to excel and extend, build capability and to engage with unusual suspects.
- Whether as a whole organisation, leader, small team, or individual trailblazer, make a commitment to encourage an innovation culture! This can be any shape or size. It could start with something as simple as completing the Pulse Check or be as big as running a full day idea generation ‘hack’ using the toolkit. Or bigger!
- Keep in touch with the ACFID Learning and Innovation Team – we would love to hear your stories, progress and learnings along the way to achieving innovation goals. We also would love any feedback, questions, or suggestions on innovation that might help ACFID member organisations into the future.