CASE STUDY SERIES

THE RELEVANCE OF INNOVATION TO THE UNITED NATIONS – WHAT HAS BEEN TRIED, AND WHAT HAVE WE LEARNED?

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the UNSSC

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THE RELEVANCE OF INNOVATION TO THE UNITED NATIONS – WHAT HAS BEEN TRIED, AND WHAT HAVE WE LEARNED?

EXECUTIVE SUMMARY

Innovation is a hot subject - in many parts of the UN, as well as other types of organisations. The Sustainable Development Goals have intensified interest, as innovation and the role of partnerships across sectors are increasingly seen as essential to efforts to accelerate progress on the most pressing issues. Encouragingly, there is now a growing body of work that shows how innovation and new partnerships can help the UN more effectively engage with its external stakeholders. This is to be applauded. By contrast, there is little evidence that the UN has fully embraced innovation as a key component to reform the system and the entities within it, so that it can adapt to the new realities it faces. Neither is it clear that efforts to introduce innovation have spread far beyond the dedicated units that have been set up. This suggests that the UN is not keeping up with the international public sector, which is increasingly recognising that it needs to find new ways of working if it is to cope with the rising demands being placed on it. At the moment, there is a very real danger for the UN, that innovation will remain something practiced by few – typically, younger Programme staff – who have limited potential for driving change within the UN. There is a pressing need for leadership to address this, and to find ways of putting innovation at the heart of internal change. Part of the solution may be changing the narrative. Talk less about innovation per se, and focus attention on how the tools and techniques that are part of innovation management can be mobilised to develop a more adaptive and continuously effective service delivery system.

PUTTING PEOPLE AT THE HEART OF THE WORK OF THE UN

Sam Cheung joined UNHCR more than 10 years ago and has since the beginning been drawn to working in the field. He started his current role as Senior Protection Officer in Lebanon in March 2013, a job which places him at the frontline of the refugee crisis.

The scale of this challenge is huge (there are 1.2 million refugees in Lebanon alone), and Sam was convinced that solutions would require some fresh thinking, and quite probably the mobilisation of new resources. "I started my career before the UN in the private sector," explains Sam, "and, as such I was aware how important it was that 85% of refugees are renting from the private market. It seemed to me that public-private partnerships would be a critical part of any solution. I was less sure how to make this happen."

> "We must not forget that the people we serve must always remain at the center of everything we do. Innovation is one of the means through which we can achieve a greater impact in that mission." UN Secretary-General, Ban Ki-Moon, [Innovation in the UN: A session of the Joint Meeting of the Executive Boards of UNDP, UNFPA, UNOPS, UNICEF, UN- Women and WFP. February 2, 2015].

Helping practitioners to innovate

Fortunately, help was at hand. UNHCR has increasingly recognised the importance of innovation to its work; indeed, innovation became one of the four pillars of the organisation in 2013. An innovation team was established specifically to collaborate "with UNHCR divisions, refugees, academia, and the private sector to creatively address complex refugee challenges."[1] The work of this group was strengthened in 2015, when it was formally established as an innovation unit within the Executive Office.

As part of its efforts to promote the use of innovation throughout UNHCR, the unit operates a "Fellowship Programme." Each year a group of about 20 UNHCR staff and affiliates join this programme; over the course of the year-long fellowship, innovation fellows (or "iFellows", as they are sometimes referred to internally) identify a challenge facing their operations and apply methods of human-centered design and prototyping to address that challenge. As a result, they get the chance to learn many of the tools and techniques that are critical to innovation.

This seemed to be the kind of programme that Sam needed if he was to turn some of his ideas into actions. He was fortunate to learn about it through a call for applications and through hearing about the experience of several Lebanon colleagues, many of them in data management, who were part of the first year of the fellowship programme. Eager to benefit from this, he joined as part of the second-year intake of the programme. During this time, he became immersed in a variety of learning, including further involvement in hackathons and innovation-related events.

[1] *http://innovation.unhcr.org/about-us/; last accessed 7 June 2016.*

In addition, he spent a few months with the innovation unit in Geneva which better equipped him to tackle innovation in a more systematic way.

This learning provided essential impetus to Sam's efforts. "I had already decided that I wanted to tackle the challenge of improving refugee access to shelters in Lebanon; I just needed to know how to get started," Sam explained. From his position as a protection officer and refugee camp worker he had spotted an opportunity to work with the private sector. "I felt we needed to do more than look for innovative ways of providing better shelters. If we could find ways of aligning the interests of the humanitarian community more closely with those of the private sector markets, then this could be really powerful. For populations of this size and magnitude, I wanted to explore ways in which interaction between refugees and the private sector could be better enabled, as a market incentive so that landlords could deliver the right kind of service. I started to think about a kind of Airbnb[2] model for refugees."

From this initial starting point, Sam decided to use "idea generation" as a way of challenging initial assumptions and opening the development process to new insights and different thinking. He worked with a local business start-up laboratory, believing this would be a good way of broadening the realm of people who were contributing to the process and injecting new ideas. Together with the laboratory, they ran a "build night", opening up UNHCR to involve others - such as students, designers and engineers - in programme design. "This was very useful," enthused Sam, as it generated some ideas for further testing.

"We created a mock-up web app to test some assumptions with refugees… to find out whether refugees are using apps - Facebook, or others – to find information. We looked at differences in city and rural behaviours, generally trying to be user centric in the design process, to test assumptions, tear them apart and put ideas back together."

In many ways, this process worked. It certainly injected new understanding of the refugee's situation. "I was surprised at how many refugees were using Facebook or other tools on the internet. Prototyping was essential to gathering these kinds of insight." Other methods of user-centric design also helped alter impressions. "We were looking at possible shelters. In one shelter a refugee pointed to the concrete on the ground… putting concrete on the floor was one of the first investments refugees make. It makes them feel anchored, and less movable. Moments like this transform your perspective," Sam concluded.

The learning gained from the fellowship programme seems to have been essential to this kind of continual discovery. "It had a kind of catalytic effect… some of the things I tried lead to other innovative work and connections…I had the chance to meet people at innovation labs and to talk about ideas, which in turn sparked off new thoughts."

[2] *Airbnb describes itself as "a trusted community marketplace for people to list, discover, and book unique accommodations around the world". See https://www.airbnb.com/about/about-us; last accessed 7th June 2016.*

Putting ideas into action

Having gone through the prototyping and user-centric design processes Sam was ready to take his work forward, and to start turning concepts into something that could be tried and tested in practice. Given his belief that something like an "Airbnb for refugees" was required, perhaps the next step was obvious: "I flew to San Francisco to introduce the idea to Airbnb as part of the global consultations on innovation for the World Humanitarian Summit they were hosting there… I tried to go big."

Finding a way forward was not quite as straightforward as might seem. While trying to assess his options, Sam became aware of the conference in San Francisco partly by chance, and because people in the innovation unit in Geneva thought it presented a unique opportunity that could not be missed. Unfortunately, as Sam reports, "my office was not so keen on me going on a mission such as this. We had plenty going on at the time and this would have taken me away for three days. It was difficult to give priority to something as speculative and unfamiliar as a mission to visit Airbnb in San Francisco, even if it was part of the World Humanitarian Summit."

Convinced that possibilities like this needed pursuing, Sam found a solution. "There were two innovation events that I was slated to go to, so I struck a bargain. I got agreement to go to the San Francisco event on the basis that I dropped the other one." With a budget, made available by the innovation unit in Geneva, Sam flew to San Francisco as a representative of UNHCR innovation. His mission: to find a counterpart at Airbnb to work with. He had 36 hours to do this. This seems something of a departure from more usual practice in the UN.

Typically, a counterpart and itinerary would need to be confirmed before a mission like this would be considered. When asked about the backing he had at this point, Sam hesitated, and indicated that he was not sure that anyone in his office would have felt enabled to back an initiative like this, given that it did not fit into standard office activities. "Many colleagues think that every solution you come up with has to be pre-cleared and endorsed by corporate… the problem is that, when exploring new ideas, it may be that no one in the entire organization feels they have the authority to decide; except maybe at the very top, such as the High Commissioner. This is one of the benefits of having an innovation unit, as it can provide an organizational cover that allows us to explore new initiatives and partnerships."

He made the trip worthwhile, and engaged representatives of Airbnb in exploratory discussions. "We looked at ways we might collaborate. One question was whether Airbnb would amend their site specifically to include functionality for refugees. We also discussed whether they might create a prototype for Lebanon, provide technical advice, or even incubate a start-up in Lebanon to develop the site."

These discussions continued for a while – what Sam described as "dating with no real commitment, figuring out if we are two organisations that can find compatible interests."
Looking back, Sam believes he made a mistake because, while the "dating" continued, the work in Lebanon pretty much stalled. Reflecting on this, "we should probably have gone on exploring options in parallel, rather than waiting to see what happened with this one venture." Having said this, Sam's efforts did not go unrewarded. "Suddenly the European refugee crisis happened and Airbnb wanted to know how they could get involved.

They contacted me because I was the only entry point they knew. As a result, we ended up with a donation page on Airbnb's site[3] as a starting

[3] *https://www.airbnb.com/support-refugees.*

point…" Without the efforts of Sam and the innovation unit, this opportunity may have been lost. Sam is still working hard to find the best ways of engaging the private sector in providing shelter to refugees. One option he has been exploring is to find social entrepreneurs in Lebanon that can pick up the concept and run with it. So far this has proven to be something of a challenge, as start-up accelerators and the like, even those which include social entrepreneurship, do not necessarily have the same interests as the UN.
In particular, if the humanitarian community diverts attention to less-than-profitable initiatives. Alignment issues such as these remain to be solved. Meanwhile, to try and give the idea life, the design concept has now been given to software developers. "We will then pilot it and hand it over to others to try to find a model that works for them and that benefits refugees," confirms Sam.

Meanwhile, Airbnb remains interested in becoming involved in supporting refugees in some way. Having worked on the donation page, "the company then tried to see if it made sense for them to get involved at a more technical level. Ideas are still being explored, some concept notes have been produced… but that is where we are right now." Sam, still convinced that new approaches to responding to the needs of refugees are essential, continues to work out how the potential value generated by the exploratory work can be converted into benefit for those that UNHCR in Lebanon seeks to serve.

UNDERSTANDING THE VALUE OF INNOVATION TO THE UN

Our discussions with Sam came towards the end of our research for this case study, which had involved consultations with key figures from a range of UN organisations (including UNICEF, UNFPA, UNDP, WFP, UN Pulse and the UN Foundation as well as UNHCR), in addition to MindLab,[4] a social innovation unit based in Denmark. These were supplemented by a review of countless documents and online materials. The discussions with Sam were particularly useful, as they encapsulated so many of the points that had emerged from our broader research. It seemed clear that genuine efforts are being made to inject more innovation into the work of the UN.

Of growing concern to us was the degree to which these efforts were promoting - or are likely to promote - the kinds of transformational change that many believe the system requires. The true purpose of innovation in the UN seemed to be uncertain.

Does innovation matter to the UN?

There are signs of a growing belief in the importance of innovation for the UN. As observed by T. Alexander Aleinikoff, UN Deputy High Commissioner for Refugees, "We do innovation to improve human lives by doing things better."[5]

Views such as these are not only being expressed within the UN; having considered the forces that seem to obstruct innovation in the humanitarian sector, the academics Bloom and Faulker concluded that, "With a global population that holds the UN to account for radically stimulating global change, the organisation is faced with the challenge of addressing this barrier."[6]

But some remain less persuaded. If an organisation is to be innovative, it must be willing to take

[4] *See http://mind-lab.dk/en/om-mindlab/. MindLab describes itself as a cross-governmental innovation unit which involves citizens and businesses in creating new solutions for society. We are also a physical space – a neutral zone for inspiring creativity, innovation and collaboration.*
[5] *Aleinkoff, T Alexander (September 2014). Innovation – what, why and how for a UN organization. Forced Migration Review.*
[6] *Bloom, Louise & Faulker, Romy (March 2015). Innovation Spaces – Transforming Humanitarian Practice in the United Nations. Refugee Studies Centre, University of Oxford; Working Paper Series No. 107.*

risks and - so the argument goes - the UN is not mandated or organised to do so. It is expected to use the funds and resources that it is entrusted with in predictable ways, and should therefore avoid straying from the tried and tested path.

This juxtaposition of views is reflective of one of the great challenges that the UN faces. Balancing state interests, which pull the purse strings and tend to slow down the implementation processes, with the interests of the world community that are the very reason for the organisation's existence.[7] It could be said that innovation has been a casualty of this tension, the fear of making mistakes preventing the kind of considered risk-taking that innovation demands.

> "In adapting to the growing complexity of the 21st century, the United Nations system needs dynamic solutions to ensure it remains relevant and responsive. As governments are elaborating on the Sustainable Development Goals and targets for the new development agenda, innovation and the role of partnerships across sectors are increasingly important to accelerate progress on the most pressing issues." [Innovation in the UN: A session of the Joint Meeting of the Executive Boards of UNDP, UNFPA, UNOPS, UNICEF, UN-Women and WFP. February 2, 2015.]

Over recent years, there have been signs that the benefits of innovation are beginning to overcome this in-built resistance. There is a growing recognition that innovation may serve as a useful way of thinking and operating at the organisational and system level,[8] so that the needs of people can be better met.

To some extent, this may reflect awareness of the considerable benefits that private sector organisations have gained from devoting more attention to being innovative. It may also be a sign of the times, and that the system is responding to the opportunities and threats that it currently faces.

Similarly, budgetary constraints and the relentless demand that the UN should "achieve more with less" are applying intense pressure to achieve transformative, rather than incremental change.

The sheer number and complexity of humanitarian crises suggests that reliance on the tried and tested is no longer enough. As Henry Ford suggested, "If you always do what you've always done, you'll always get what you've always got." Robert Orr, special advisor to the UN Secretary-General on climate change, has described experiments within the UN as "represent[ing] important initial successes that provide foundations and important clues for navigating the strong currents of the 21st century."[9]

Making innovation work for the UN

It is notable that some UN organisations now have a goal of mainstreaming innovation and integrating it into to their core processes and programmes.[10] For the first time in the organisation's history, UNICEF's 2014–2017 strategic plan includes "the identification and promotion of innovation"[11] as one of the implementation pillars to advocate for and safeguard the welfare of the world's 2.2 billion children.

[7] *See, for example, Weiss, T.G. (1982). International Bureaucracy: The Myth and Reality of the International Civil Service. International Affairs, 58.*
[8] *For example, see Bessant, J. et al. (2014). Innovation Management, Innovation Ecosystems and Humanitarian Innovation; Literature Review for the Humanitarian Innovation Ecosystem Research Project; DFID [Online] June. Available from: http://r4d.dfid.gov.uk/Output/196762/Default.aspx.*
[9] *Orr, R. (2011). UN Innovation: A Business Model for Solving Global Problems. Harvard International Review, Spring 2011, 64-68.*
[10] *Bloom, Louise & Faulker, Romy (March 2015). Innovation Spaces - Transforming Humanitarian Practice in the United Nations. Refugee Studies Centre, University of Oxford; Working Paper Series No. 107.*
[11] *The State of the World's Children 2014 in Numbers: Every child counts–Revealing disparities, advancing children's rights. New York: United Nations Children's Fund.*

While few organisations have yet gone quite so far, it is clear from our research that others are following in their footsteps, albeit sometimes applying different approaches than UNICEF. However, it is also clear from consultations that formidable obstacles to innovation remain in place. Thus, and while UNHCR has made a clear commitment to innovation, practitioners report that it remains something of a parallel world in the organisation, with "dark forces"[12] often stacked against it.

Those involved in innovation initiatives tend to be relatively young and in the mid-levels of the hierarchy (as a P4, Sam Cheung considered himself to be one of the more senior iFellows), and therefore tending to wield limited influence.

Innovation endeavours are sometimes additional to the "day job", and supervisors put more emphasis on the latter. While a beneficiary of UNHCR's Fellowship programme, Sam observed that "the fellowship represents a small organisational change when you look at it, which is still struggling to make a significant impact in terms of organizational culture. We have trained mid- to junior- level staff and then let them fend for themselves in environments that are not conducive to change."

Undoubtedly, introducing innovation and bringing about the required change is itself a learning process. The first year the UNHCR fellowship programme had more mature projects which had already gone through the idea generation process.

By comparison, Sam felt that the success rate was very low for the second-year class, as "it was too ambitious to do both ideas generation and prototyping within the short timeframe." For the third-year intake, this is being corrected; the level of ambition has been lowered as part of "an evolving approach."

Nevertheless, this adaptation may not be enough. In agreement with others, Sam believes that a greater number of more senior people need to be involved as fellows, to provide a higher-level perspective and the necessary backing to innovation efforts. Currently, even with the support of the relatively small unit in Geneva, the fellows tend to be left to their own devices, acting as kind of "underdogs."

Within UNHCR there has been some talk about creating a senior fellowship, a move that this case study suggests is much needed. This would help the organisation ensure that innovation becomes the intended "strategy for change and for problem solving that relies on new modalities and products and that seeks to benefit from the 'minds of many' (with the 'many' drawn from both inside and outside the organisation)."[13] Acknowledgement of the need to involve "many" from outside and inside the organisation seems pivotal to understanding the progress that the UN is making with innovation. Among other things it reflects that, on the one hand, there is a desire to stimulate innovation in the local context, including by engaging the local community in the innovation process; on the other, the UN also wants to foster a more innovative organisational culture.[14] Potentially, these can be viewed as either distinct, or part of an integrated approach to organisational transformation. Our research suggests that to date, innovation efforts in the UN have - intentionally or otherwise - tended to distinguish between these external and internal interests.

The current focus of innovation in the UN

The initiatives that Sam described to us are very much a part of the externally focused efforts driven by such "a desire to stimulate innovation in the local context." Indeed, much of the activity uncovered by our research was what might be described as externally focused

[12] This is a term used by Olivier Delarue, until recently head of UNHCR's Innovation Unit, during consultations for this case study.
[13] See http://www.unicef.org/innovation/innovation_73203.html; last visited 8th June 2016.
[14] IDIA Innovation Labs, UNICEF Office of Innovation.

product innovation, generally involving the co-creation of solutions with beneficiaries and delivery partners.

As one of the recognised innovation leaders in the UN system, UNICEF seems to have predominately followed this path, an observation confirmed through discussions with practitioners within the organisation as well as a review of the impressive body of work that has been put together. For example, UNICEF's website[15] identifies five "focus areas" for innovation, namely real-time information, youth empowerment, access to information, infrastructure and physical products.

To a considerable extent, these all concentrate on what happens outside, rather than within the organisation. This same kind of emphasis was evident from research into the innovation pursuits of the other organisations involved in this case study. When pressed to provide examples of internally focused innovation, Leslie Berman, Innovation Technical Specialist at UNFPA, responded that "many of the projects supported through our Innovation Fund are programme focused. However, a second stream of our Innovation Fund is focused on building UNFPA's internal culture and capacity to innovate."[16] Consultations with representatives of UN Pulse were also illuminating. While the organisation's primary mission is "to accelerate discovery, development and scaled adoption of big data innovation for sustainable development and humanitarian action," the UN Secretariat also hoped that the initiative could work with other UN organisations to apply innovative methods and thereby help stimulate internal change. For whatever reason, this aspect of the work of UN Pulse does not seem to have taken hold.

This is not to say that there are no examples of innovation being used to bring about internal organisational change. Possibly reflecting the combination of "Innovation and Change Management" in one division, WFP does seem to have paid more attention to the engagement of people within the organisation in addressing internal matters through innovation, including exploring more flexible methods of allocating available funds and enabling cash transfers.

Olivier Delarue of UNHCR also pointed to projects to improve global fleet management services and strengthen fraud prevention, although discussions raised questions as to whether these were examples of innovation in practice, or rather more traditional forms of organisational improvement.
The determination to use innovation to build stronger partnerships and develop external products that better meet the needs of the people the UN serves is entirely laudable, and crucial if the "wicked" problems currently confronting the system are to be addressed.

> A wicked problem is a social or cultural problem that is difficult or impossible to solve for as many as four reasons: incomplete or contradictory knowledge, the number of people and opinions involved, the large economic burden, and the interconnected nature of these problems with other problems. Wicked Problems: Problems Worth Solving, Jon Kolko, Austin Center for Design, 2012

[15] *See http://www.unicef.org/innovation/innovation_73203.html.*
[16] *Email correspondence, 17 May 2016.*

Apart from the pressing need, there are forces that tend to encourage the UN to focus more on external products than internal methods. As pointed out by Chris Earney, one of the key members of UNHCR's innovation team, "finding signals to identify innovation priorities is the tricky thing. Generally, we have not been good at getting end user feedback." Efforts to address such deficiencies have been concentrated in the interfaces with the external world, rather than with the "users" inside the organisations.

Furthermore, innovation in the UN remains relatively immature; Chris Earney feels that, at the moment, "it is easier to prove your worth through product innovation, so this tends to get greater air space." To succeed, product innovation needs all kinds of spin-off innovations to make things happen and progress to scaling-up. So, at least in theory, Chris believes that externally-oriented product innovation could (and sometimes should) stimulate the kind of internal operational or business model innovations that are required.

This may well be one of the telling observations, because at the moment there is little evidence that such spin-offs are taking place. As far as can be established, external product innovations remain largely distinct from initiatives designed to strengthen organisations internally. As Sam Cheung commented, "I am not aware of many examples of innovation sparking internal change…indirectly, perhaps there have been some, but direct efforts would seem doomed to fail. You cannot send those relatively young to the organization, however bright and innovative, into core internal departments and expect them to be able to spark internal change. They will have the door shut in their face. Before this can happen, the relevant department first needs to grasp the need for change and buy-in to the process and tools of innovation. Anything else would likely fail due to departmental territoriality."
This may be illustrative of a broader problem that is sometimes evident in the UN, namely the lack of understanding of each other's work that typically exists between the programmes and operations arms of the organisation.

The traditional view of operations is that they are there to ensure compliance with the rules and regulations, and to police the use of the funds entrusted to the organisation. This by itself, discourages any thought of innovating. Furthermore, because programmes tend to see operations as compliance officers rather than people that can enable their success, there is similarly little motivation to work together to find dramatically new – and better – ways of performing.

For such reasons, it seems unlikely that innovation in the external sphere will spin-off into internal efforts. However capable and dedicated people like Sam might be, they will be discouraged from trying to tackle internal challenges through the application of innovation. There are few practical entry points, and in many cases, it is difficult to know where to start.

At least from their perspective, management services/operations departments are rarely receptive to "outsiders" pushing for change; generally, any internal reform is driven by senior management, who prefer to tackle change in more traditional ways.

The challenge of mainstreaming innovation in the UN

This assessment is not meant to imply that those organisations committed to innovation are not aware of these challenges. To date, various UN agencies have actively employed differing approaches drawn from

innovation theory, most prominently beginning with UNICEF's establishment of a dedicated innovation unit in 2007. The innovation unit at UNICEF's head office in New York was an opportunity to support the agency's programmes around the globe with new technologies, ideas and partnerships. Later in 2010, champions of innovation within the organisation launched UNICEF's first innovations laboratory in Kosovo – an open space to support youth to engage with problem solving in their own society.

The lab in Kosovo has evolved over the years to adapt to changing organisational and community needs; Sudan and Zimbabwe were other early adopters. Impressively, UNICEF established labs in 22 countries (although not all are currently operational)[17] and created significant in-house research and development capacity for designing new products. To capture lessons learned, it actively collects data on the details of innovation projects throughout its programmes worldwide.

Demonstrating leadership in innovation activity within the UN, UNICEF has developed a set of guiding principles for innovation and technology and included innovation in their organisational strategy. Several leading international development organisations, such as WHO, USAID, and the Bill & Melinda Gates Foundation, have assimilated the nine innovation principles.

UNICEF's Nine Guiding Principles for Innovation and Technology

1. Design with the user
2. Understand the existing ecosystem
3. Design for scale
4. Build for sustainability
5. Be data driven
6. Use open standards, open data, open source, and open innovation
7. Reuse and improve
8. Do no harm
9. Be collaborative

Other UN agencies have followed UNICEF's lead. In 2012 the UNHCR launched its innovation unit, a small team that aims to "amplify" the good practice already happening in the UNHCR, as well as "connect" people to solve problems and "explore" solutions with new partners.[18] The fellowship programme is one of the four pillars[19], each reinforcing the aim to elevate innovation into the internal agenda of UNHCR. In a way, all pillars play a role in legitimising innovation within the organisation.

WFP initially created two distinct innovation divisions - the first a Division for Policy, Programming and Innovation, which focuses on supporting programme-level innovation, and the second a Business Innovation Support Office that focuses on financial and systems-level innovation in the agency. In 2015 these were combined into the Innovation and Change Management Division, reporting to the Executive Director. Currently this utilises five key approaches, namely innovation challenges (which are primarily internally oriented), innovation boot camp, the "Sprint" programme (offering three-month seed funds for internal projects), "thought leadership" (a think-tank type activity) and the innovation fund.

Other agencies such as UNFPA also use an innovation fund concept. Additionally, as previously described, UN Global Pulse established another initiative that spans the existing UN agencies to harness the benefits of "big data" to improve humanitarian solutions. And, across the UN, increasing numbers of agencies are initiating bespoke innovation projects, hiring staff trained in innovation theory and opening innovation spaces.

All these initiatives represent efforts to promote and mainstream innovation in the UN. All have undoubtedly achieved some success, as is evident from the extensive list of projects that have been stimulated and pursued. Such successes should not be underestimated, given the difficulty of bringing about real change in the

[17] *IDIA Innovation Labs, UNICEF Office of Innovation.*
[18] *See http://innovation.unhcr.org/about-us/; last accessed 8 June 2016.*
[19] *The four pillars are labs, projects, iFellows and the ideation platform.*

> A culture of innovation brings the right people together in the right space to work on the right issues, without micromanaging the process or imposing any particular outcome. The key is to create physical, organizational and cultural structures that promote innovation, while ensuring that such structures do not suffocate innovation in its infant stages. [Dr. Babatunde Osotimehin, Executive Director, UNFPA. Innovation in the UN: A session of the Joint Meeting of the Executive Boards of UNDP, UNFPA, UNOPS, UNICEF, UN- Women.]

UN. At the same time, the findings of this research indicate that they have not yet achieved the kind of transformation that many hope for, and that would come about if the organisational culture were to become more innovative.[20] Certainly, there are some that are hoping that a greater emphasis on innovation practices can trigger and deploy the creative capabilities of the work force in ways that promote continuous development, as has been achieved elsewhere.

For example, Aleinkoff believes that, "…and this value should not be underestimated – innovation within an organisation can improve esprit de corps; staff take pride in belonging to an innovating organisation and, if encouraged, will contribute their creativity in ways that advance the organisation's mission."[21]

If such transformation is to happen, it seems that new innovation approaches, and/or new methods of managing change, are required. Interestingly, despite the perceived successes of UNICEF's innovation labs (including providing a "safe space where innovative and creative thinkers within UNICEF could test new ideas without being trapped in a rigid bureaucratic structure," and some vital seeds to mainstreaming innovation[22]), it is notable that UNICEF has recently decided to focus on building on the ideas that created the labs, rather than building new labs.

> To mainstream innovation is to spread the novel approaches, behaviors and mindset of innovation practices, and make it more widespread throughout the organization. Greenhalgh, T., Robert, G., Macfarlane, F., Bate, P., & Kyriakidou, O. (2004). Diffusion of Innovations in Service Organizations: Systematic Review and Recommendations. Milbank Quarterly, 82(4), 581-629.

This in part recognises that mainstreaming of innovation has not happened to the extent that had been hoped. Many labs remain dependent on individual champions to sustain them, and lack clear objectives and definition.

Thus, even UNICEF Innovation, recognised by Fast Company magazine in 2014 to be one of the world's most innovative companies, is aware of the challenge that this level of organisational change presents; and the need to find new ways of making innovation one of the UN's implementation pillars.

[20] This notion adopts Edgar Schein's functional definition of organisational culture as a learned product of a group experience based on a group's set of values, norms and assumptions (Schein, 1985).
[21] Aleinkoff, T Alexander (September 2014). Innovation what, why and how for a UN organization. Forced Migration Review.
[22] IDIA Innovation Labs, UNICEF Office of Innovation.

HOW CAN THE UN MAKE INNOVATION ONE OF ITS IMPLEMENTATION PILLARS?

Although the UN system appears to be relatively organised, "Weiss compares it to a dysfunctional family, lacking centralisation, which 'thwart[s] dynamic leadership' (Weiss 2012, 1982: 299). Weiss sets out several institutional limitations that prevent the UN from serving the world community in a flexible, fast-moving and innovative way, including permanent employment contracts, the struggle for consensus amongst an increasingly large and heterogeneous staff, and reliance on voluntary contributions (Weiss 1982)."[23]

Challenges such as these are not unique to the UN. As has been observed elsewhere[24], innovation in the public sector is often impeded by factors such as:

- The absence of investment models for innovation in organisations;
- Lack of dedicated budgets, teams, processes and skills;
- Discouraging reward and incentive systems;
- Departmental silos blocking the sharing of innovation; and
- Lack of mature risk management methods for experimentation.

The findings of this case study indicate that most of the attention has been focused on the development of dedicated teams, processes and skills (and, to a lesser extent, budgets), while the other impediments remain largely relevant. The results also echo what has been observed elsewhere - "in the public sector…it is rare for an organisation to be able to give a coherent account of how they innovate. There are few mature roles; budgeting methods; or assessment methods. Instead, new ways of doing things tend to be created in a much more arbitrary fashion. This leads to:

- The top–down imposition of unproven new ideas, or
- Creative but disorganised local innovation, or
- Reliance on quasi–markets without the R&D necessary for radical innovation."[25]

It is appreciated that the UN is not truly public sector, and differences may be significant. However, the comparison is an interesting one, as confirmed by some of the people we spoke to. In particular, Jay Corless, Senior Advisor on Innovation and Entrepreneurship at the UN Foundation, benefits from many years working in different parts of the UN system, as well as being closely involved in a recent study into ways in which the UN Foundation could help amplify innovation efforts in the UN.

During discussions, Jay expressed the view that the UN is very much behind other thinking on innovation in the public sector (in countries such as the UK and Australia). "This space is potentially part of what might be called the 'fit for purpose' agenda, and requires that the UN works out how to accommodate this new concept called innovation to become the organisation it needs to be."

The comparison with the international public sector suggests that looking more closely at what has been learned in such environments should provide insight into how the UN can achieve the value it needs from increased innovation.

[23] *Extracted from Bloom, Louise & Faulker, Romy (March 2015). Innovation Spaces - Transforming Humanitarian Practice in the United Nations. Refugee Studies Centre, University of Oxford; Working Paper Series No. 107.*
[24] *Mulgan, Geoff (November 2014). Innovation in the Public Sector – How can Public Organizations Better Create, Improve and Adapt? Version 1, Nesta, www.nesta.org.uk.*
[25] *Ibid.*

At the end of this case study [see Appendix 1], the "crucial building blocks for a systematic approach to innovation" have been extracted from Geoff Mulgan's insightful work on "Innovation in the Public Sector – How can Public Organizations Better Create, Improve and Adapt?", produced for Nesta[26] in the UK.

This information has been provided not because all the points are of equal relevance to the UN, but because it describes similar obstacles to those identified by this case study and highlights how far the thinking on innovation – if not necessarily its execution - has advanced elsewhere. Given the UN's experience in the innovation sphere, Mulgan also makes some observations of direct relevance:

"There are two schools of thought regarding how innovation could be better organised in public services. One advocates creating dedicated units to drive innovation. The other subscribes to the belief that innovation is everyone's responsibility and so should be a part of everyone's job.

Our research shows that there is a value to having separate specialised innovation teams, as they bring in new methods and new people and act as catalyst for change. But it is also vital that these teams work with existing agencies and departments – for instance, by using their budgets and some of their staff – otherwise new ideas are being created by outsiders and are too easily rejected. Connectivity is the key."

Based on the experiences of people such as Sam Cheung, connectivity would seem to be one of the most crucial issues. Leadership can be added to this list, a point also made by Jay Corless, and echoing what we heard from Sam. As Jay commented, "for innovation to happen, it needs pioneers that stick their necks out and become champions. The UN is still at the stage of having champions without necessarily having the leaders it needs. There are a handful of P3 and P4 champions that are sticking their necks out but as yet few senior people that are willing to be the pioneers. There is no bridge builder in the UN yet. Perhaps this is something that candidates for the General Secretary role should be taking up!"

References to the need to "stick one's neck out" also point to a need to change the narrative on innovation, and make the concept more acceptable to "the many". Leading practitioners, including Christian Fabian, one of the original pioneers of UNICEF's innovation unit, as well as Chris Earney at UNHCR, highlighted a reluctance to worry too much about defining what innovation is. Indeed, Christian Fabian thinks that "having a definition of innovation can be almost meaningless, so we have tended to use a watered-down definition, something that is new or different that adds value."

Consistent with this view, the website "Innovation Excellence" suggests that "a common-sense definition of innovation is that it is a process of finding novel solutions to important problems."[27] There can be no doubt that the UN is dealing with important problems. If more people appreciated that this is the intent behind innovation, then perhaps more would be willing to embrace it.

Consultations with Thomas Prehn of MindLab added further weight to the potential benefit of modifying language. MindLab considers itself to be part of the necessary movement to transform the public sector "from ostensibly an administrator and regulator into a service provider and enabler." To this end it partners with public sector bodies to promote the application of innovation to the development of solutions. To gain traction, Thomas feels that "it is better to talk

[26] Nesta describes itself as "an innovation charity with a mission to help people and organisations bring great ideas to life. See: http://www.nesta.org.uk.
[27] http://www.innovationexcellence.com/blog/2013/04/14/what-is-innovation-2 [last accessed 18 May 2016].

about transformation than innovation," to "focus on the notion of value creation rather than the process of innovation or the notion of creativity." In doing so, one aim should be to take the attention away from risk, a concept that is often highlighted when talking about innovation. As Jay Corless observed, "if innovation is to help change the UN - including its culture - then there is a need to develop a common language, to help de-stigmatize risk. The UK and Australian governments have worked this out. The tax payer does not fund risk – they have considered changing the language so that it works for the tax payer."

The UN needs to do likewise, and look to emphasise other related elements (such as learning or rapid results). Sam Cheung agreed: "Senior managers like to see success before they endorse something…we should not have a motto of 'take more risks'. Rather we should embrace the innovation process to provide organizational cover and space for change – by just giving us the breathing room and management space to test new ideas, this would definitely help us deliver better results in the end."

Changing the emphasis in this way might be a vital precursor to successfully mainstreaming innovation and bringing about the hoped for cultural change. There are signs from this research that innovation initiatives are achieving this to some extent, and giving those willing to take initiative more freedom to do so. However, it is not evident that such efforts are yet materially changing decisions on how organizations are working. Maybe WFP, by combining innovation and change management, are heading in the right direction.

If organisations can create essential connectivity between the internal and external issues, and commit to "processes that are more horizontal and networked than vertical and hierarchical,"[28] it should be possible to apply novel approaches to achieve transformative change. This is ripe ground for testing and prototyping. As Sam Cheung mentioned when reflecting on the barriers at the UN to applying the innovation toolbox to internal change: "we all know that innovation happens everywhere at all levels but, to really leverage the tools of innovation, we first have to create the willingness for management to work with these tools."

[28] *Aleinkoff, T Alexander (September 2014). Innovation - what, why and how for a UN organization. Forced Migration Review.*

APPENDIX I: CRUCIAL BUILDING BLOCKS FOR A SYSTEMATIC APPROACH TO INNOVATION

- **Leadership** - Governments are hierarchical systems. Without very visible commitment from leaders – both political and official – others are unlikely to take risks.

- **Money** - Innovation isn't always dependent on money but money certainly helps. So, what is a reasonable proportion of public spending to devote to innovation? Is it around 3–4 per cent, which is generally thought to be the right amount for a modern economy to invest in R&D, or the 20–30 per cent that is more typical for a biotechnology company? Innovation certainly needs money for research, trials, training and evaluation. But there is no formula that can define what budget allocations are right. There are few circumstances where the figure should be less than 1–2 per cent of turnover, and in relation to fields of relative failure – such as offender management or congestion – the figures need to be higher.

- **People** - Public organisations also need people with the right mix of skills and attitudes to innovate. It's hard to find all the right skills in the same person, so team construction is vital, allowing for creativity and scepticism, explorers and deliverers. As will already be clear, innovation involves almost contradictory mindsets – on the one hand very creative and open approaches to ideas, and on the other rigorous approaches to evidence. So, what is needed is recruitment and development policies that don't squeeze out creative people, as well as pay arrangements designed to encourage risk taking (for example with bonuses when ideas are taken up) and training courses that acclimatise officials to innovative processes. New hybrid positions may also be needed – for example, keeping innovators on the civil service payroll so long as they can find willing departmental paymasters for at least half the year.

- **Culture** - Much has been written about how cultures can either encourage or inhibit innovation. Encouragement involves visible reward and recognition; leaders who are seen to care; promotions that validate innovators. The cultures needed for innovation are varied – ranging from grand projects to the many fast, smaller innovations of more recent innovation teams. But we can generalise that innovation depends on what can best be described as a spirit or ethos: the imaginative flair that tells people at an emotional level that innovation matters and isn't just a new box to tick. A common concern is how to handle failure. It's often said that innovators need to embrace failure, and it's true that if there are no failures then insufficient risk is being taken. But simplistic embrace of failure can be as problematic as denying it altogether. Most successes are failures in the middle; they become successes because of hard work and persistence. If failure becomes too easy there's likely to be more of it. All real innovation projects will involve periods of failure; the mark of the best innovators is that they persist and adapt to turn failures into successes.

- **Governance** - Accountability for the future as well as the present. Innovation needs to be recognised and supported by the people with power. That means ministers within each department with a remit to protect and nurture innovation, and, where relevant, board

members responsible for providing the money and backing. It means paying attention to how the future is unfolding (for example, situating health innovations within the broader shift to greater self–management of long–term conditions and the steady move away from a health service centred around hospitals and acute illness). Innovation should be thought of as one side of accountability: any leadership or management team should be held to account for how well it performs in the present, and for how well it is preparing for the future. It follows that any governance structure that does not regularly assure itself that there is a flow of potential new ideas, ranging from high risk and high impact to relatively low risk and low impact, isn't doing its job.

- **Risk management** - Risk is often cited as the reason why innovation is so hard in the public sector. If things go wrong those responsible will be mercilessly blamed: by hostile media, opposition politicians. Experiments that don't work will be denounced as a waste of scarce public money. So it's natural to default to safe bets. A better approach is to see risk as something to be managed. This is why innovation is often best organised on a small scale, and fast, so that the costs of failure are minimised. Risk then needs to be adjusted depending on various factors: how much are those involved in any experiment able to choose whether or not to take part (as happens with clinical trials)? Where choice is involved it may be legitimate to take bigger risks. How reversible is the experiment? We take a different approach to life and death issues – like heart surgery or nuclear power safety – than trialling a new way of organising classrooms. How serious are the threats if things go wrong? What are the risks of inaction? Where these are high we may be willing to take bigger risks. These are just a few of the criteria which can be used to manage risks intelligently. So what might be a reasonable success rate to aim for in radical innovations: one in two, or one in ten? DARPA[29] in the US aims at a 10 per cent success rate and is generally understood to achieve a lot less, perhaps 2–3 per cent. It's a very wealthy body that sits alongside a more traditionally organised R&D system, and probably represents the outer limit of risk appetite in a public organisation. For others, the key is to experiment fast and small and get failures out of the way as much below the radar of intense public scrutiny as possible.

- **Innovation as part of a broader system** - Innovation in governments only thrives if it aligns with the wider system of decision making and allocation of resources. It's vital that the main processes of everyday government, from budget setting to audits and inspections, appraisals to pay, encourage and reward effective innovation. Any regular strategy or spending reviews should take stock of which policies are working, where new priorities are emerging and which promising innovations, whether in the UK or abroad, should be adopted or adapted.

- **Future technologies and public sector innovation** - It's impossible to predict what new methods will become prominent in public sectors around the world. But it is not so hard to identify some of the technologies which are likely to become more widely used as tools. The opening of data over the last few years is now bearing fruit – with well over a million datasets opened up, and thousands of new applications in transport, crime and other fields. Much more systematic use of data, more availability of data in machine readable form, and a greater emphasis on data skills all look likely.

Extracted from: Mulgan, Geoff (November 2014). Innovation in the Public Sector – How can Public Organizations Better Create, Improve and Adapt? Version 1, Nesta, www.nesta.org.uk

[29] *The Defense Advanced Research Projects Agency (DARPA) is an agency of the U.S. Department of Defense responsible for the development of emerging technologies for use by the military.*

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