

# Formative evaluation of the UNFPA innovation initiative



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## *Formative evaluation of the UNFPA innovation initiative*

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## FOREWORD

As the world grows increasingly complex and interconnected, challenges are emerging with greater speed and magnitude. The Sustainable Development Goals recognize innovation as critical to accelerating progress towards global development aspirations. Innovation has gained significant prominence in the development community, particularly as budgets have tightened and competition for resources has grown. In this sense, UNFPA has embraced innovation in order to accelerate progress to address pressing development issues. Doing so will enable UNFPA to deliver the best responses to the challenges at hand and to remain adaptable and responsive in a rapidly changing world. In 2014, UNFPA announced “Promoting Innovation and Creativity” as a corporate priority, with the aim of promoting and resourcing opportunities for experimentation and creativity and initiating innovative activities in key areas of UNFPA work. The establishment of the Innovation Fund in 2014 constituted the cornerstone in the development of the UNFPA Innovation Initiative. UNFPA is now transitioning from the conclusion of the first phase of implementing the UNFPA Innovation Initiative to the implementation and operationalization of the UNFPA Innovation Strategy for the coming years.

Within this context, I am pleased to present the independent evaluation of the UNFPA Innovation Initiative, the first formative evaluation conducted by the Evaluation Office. This exercise was conducted with a forward-looking spirit, aiming to provide key learning insights to senior management; to improve programme processes and systems; and to inform the next UNFPA Strategic Plan and UNFPA strategies in the area of innovation. The evaluation was managed by Valeria Carou-Jones, from the UNFPA Evaluation Office. The evaluation team was comprised of two independent experts: Jordi del Bas, team leader, and Lucía Bárcena, social innovation junior expert.

Combining retrospective and prospective assessments, the formative approach used in the evaluation has a strong focus on producing learning through insights. Following the spirit of the Innovation Fund, the evaluation had, from the onset, an exploratory and innovative character. The strong focus on learning and results utilization in the design of the next phase of the Innovation Initiative evolved into a formative-adaptive participatory evaluation. The final result is an exercise that followed the principles of developmental evaluation, an approach particularly suited to innovation. The evaluation was highly responsive to the institutional context, allowing real-time feedback to programme staff and facilitating a continuous adaptive loop to decision-making needs. Another key developmental feature was the identification of emergent patterns of importance to the evaluation’s objective, which were then incorporated into the analysis.

Mechanisms were put in place to ensure there were no trade-offs between assessment ownership, use and independence. The independence of the evaluation’s findings and conclusions was guaranteed by a quality assurance framework that operated at various levels, including the triangulation of evidence sources, internal and external validation mechanisms and an external quality review of the evaluation report.

The evaluation includes a comparative study of the status of innovation across 10 UN agencies — the first to be undertaken in the UN system. Methodologically, the evaluation made extensive and systematic use of comparison groups for analysis. Semi-structured individual interviews were the main tool used for primary data collection. Primary data collection was complemented by group discussions, online group consultations and an online survey. Qualitative techniques, such as content analysis, were combined with descriptive and inferential statistics to increase the value of triangulation. I am confident this evaluation presents a solid and credible body of evidence and knowledge for UNFPA and UN current reflections and strategic thinking on the use of innovation.

The evaluation highlights the meaningful contributions the Innovation Initiative and Innovation Fund made to positioning innovation and generating a drive towards innovation in UNFPA. In line with the critical-reflective, learning-oriented spirit of the exercise, the evaluation reveals a number of hindering factors to innovation, disconnects with the enabling environment to innovation in UNFPA and stumbling blocks in developing a corporate vision for innovation. Despite the Innovation Fund’s mixed performance, the mechanism has delivered promising innovative solutions and encouraged the acceptance of new ideas.

The evaluation underscores the importance of making the strategic decisions required to frame the foundations for a corporate approach to innovation, including how UNFPA wants to position itself within the innovation ecosystem. Important areas for attention include readjusting the current innovation model towards a more outward-looking approach based on partnerships and linked to the innovation ecosystem; focusing on impact-driven innovation solutions while continuing work on nurturing a culture of innovation; and anchoring innovation in the Strategic Plan as a substantive element, reflecting the strategic importance of innovation.

A number of insights emerged during the evaluation, including the implications of innovation monitoring and evaluation systems constituting a different paradigm (a challenge beyond UNFPA and shared among UN agencies). The evaluation also explores the elements behind the move from innovation understood as staff creativity, which reflects an internal perspective, to innovation as a collective effort based on partnerships, which reflects an ecosystem approach to innovation. The links between learning, success and failure are another source of insights. The evaluation reveals that innovation is based on insights rather than a rigid dichotomy between succeeding or failing, concluding that in innovation, the only failure is not learning, that is, not knowing why one has failed or succeeded.

The evaluation findings were widely utilized throughout the exercise. For example, the evaluation results were presented and discussed in a regional Innovation Workshop in Nairobi in November, 2016. At the workshop, findings on the factors that hindered innovation were used as inputs in the development of an action plan for the regional innovation network. Preliminary findings were also used in the Eastern Europe and Central Asia regional planning meeting in January, 2017. The evaluation team shared evidence and findings at several ad-hoc meetings with UNFPA programme and technical division staff that are working on developing the Strategic Plan 2018-2021 (a number of the evaluation's recommendations have already been incorporated into the Strategic Plan's innovation strategy). The evaluation results constituted a main input to the UNFPA Innovation Planning Retreat in February 2017.

First and foremost, I wish to thank the Innovation Team at UNFPA, led by innovation sponsors Bruce Campbell and his successor, Benoit Kalasa; and innovation managers Michael Herrmann and Matthew Cogan, who strongly supported the exercise and provided key inputs and made use of the results at all times. I am indebted to the more than 170 UNFPA staff across country and regional offices and at headquarters who agreed to be interviewed for the evaluation.

I extend my sincere appreciation to the members of the evaluation reference group, who generously provided continuous, valuable input throughout the evaluation. I would like to express gratitude to the representatives of the ten UN agencies (OCHA, UNAIDS, UN DOCO, UNDP, UN Global Pulse (Pulse Lab Jakarta), UNHCR, UNICEF, UN OICT, UN Women and WFP) for their active participation and inputs into the comparative analysis.

Thanks are also due to Anna Henttinen, evaluation quality adviser panel member, who undertook the external review of the quality of the draft evaluation report, and Morgan McDaniel, UNFPA Evaluation Office intern, for her analysis of Innovation Fund projects through the lens of impacts on marginalized and vulnerable populations.

On behalf of UNFPA, I thank the donors that have supported and contributed to the Innovation fund — Denmark and Finland.

Innovative and creative approaches to respond to complex and interconnected development challenges beyond 'business as usual' have become key for the international development community. I trust this formative evaluation exercise will contribute not only to innovation in the UN system and its ecosystem, but also to innovation in evaluation.

Alexandra Chambel

Director *ad interim*, UNFPA Evaluation Office

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# ACRONYMS

ESA	East and Southern Africa
EECA	Eastern Europe and Central Asia
IDWG	Inter-divisional Working Group on innovation
LAC	Latin America and the Caribbean
M&E	Monitoring and evaluation
M&R	Monitoring and reporting
OCHA	Office for the Coordination of Humanitarian Affairs
UNEG	United Nations Evaluation Group
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations International Children's Emergency Fund
UNIN	United Nations Innovation Network
WFP	World Food Programme
WCA	West and Central Africa
UNDOCO	United Nations Development Operations Coordination Office
UNOICT	United Nations Office of Information Communication Technology

# Structure of the evaluation report

The evaluation is organized in three volumes.

**Volume 1** contains the evaluation report.

**Volume 2** features the reconstruction of the theory of change of the Innovation Initiative, including the Innovation Fund as well as the ex post theory of change in light of the evaluation findings.

The annexes are included in **Volume 3** and feature the evaluation terms of reference, lists of people and documents consulted, the United Nations Innovation Network comparative table, initial information on needs and expectations from the users, the final evaluation matrix, the evidence table, the logbook template for interviews, statistical analyses, the survey questionnaire form, and the Innovation Fund data set.

This volume is divided into four chapters:

**Chapter 1** presents the objectives, scope, evaluation process and methodology.

**Chapter 2** describes the context of innovation in UNFPA and introduces the Innovation Initiative and the Innovation Fund.

**Chapter 3** presents the findings and the analysis. The chapter is organized following the three levels of analysis within the scope of the evaluation: The performance of the Innovation Fund, with a view to improve current performance (3.1); the links between the Innovation Fund and the Innovation Initiative (3.2); and the links between the Innovation Initiative and innovation in UNFPA at large (3.3).

**Chapter 4** features the conclusions, which draw on the findings, and the recommendations, which draw on the conclusions and focus on issues related to the design of the next phase of the Innovation Initiative.





# EXECUTIVE SUMMARY

## *Purpose and scope of the evaluation*

This evaluation's purpose was to conduct an evidence-based, highly consultative and participative formative evaluation of the UNFPA Innovation Initiative, including a mid-term evaluation of the Innovation Fund. The objectives were to provide learning inputs to managers on implementing the first phase of the Innovation Initiative; improving programme design, processes and systems; and informing the next Strategic Plan and UNFPA strategies.

The scope of analysis included Innovation Fund performance (with a view towards improvement); the links between the Innovation Fund and the Innovation Initiative; the links between the Innovation Initiative and innovation in UNFPA; and how other UN agencies approach and implement innovation. The comparative analysis with other UN agencies was used to generate insights for UNFPA.

The evaluation covered all UNFPA field offices and business units in headquarters and ten UN agency members of the United Nations Innovation Network (UNIN). Data collection covered the period of September 2014 to December 2016. The evaluation results were used as an input to inform the Strategic Plan 2018-2021 and the UNFPA Innovation Business Case, which features the design of the new phase of the Innovation Initiative.

## *The Innovation Fund and the Innovation Initiative*

Corporate approaches to innovation were first included in the UNFPA Strategic Plan 2014-2017, which highlights the need to develop a "strong culture of experimenting with new ideas, failing, learning lessons, and trying again," supported by the creation of an Opportunities Fund. UNFPA announced 'innovation and creativity' as a 2014 Corporate Priority Project, with the objective to encourage actions generating and rewarding innovation. UNFPA also endorsed the UN Open Innovation Principles (May 2015) and became a member of UNIN, an informal group of innovation staff from a number of UN agencies.

The **Innovation Initiative** constitutes the institutional framework that structures innovation efforts and drive in UNFPA. The corporate Innovation Initiative began in 2014 with a financial agreement with the Danish Government and the drafting of the UNFPA Innovation

concept paper. The Inter-divisional Working Group (IDWG) on innovation was then established, entrusted with the task of examining and developing ideas to foster and manage innovation within UNFPA. In 2015, the IDWG produced the 'Updated Vision of Innovation at UNFPA for the period 2015-2017', which represents a transition of the Innovation Initiative to a more systemic approach to innovation.

The **Innovation Fund**, the main implementation mechanism of the Innovation Initiative, follows a two-stream approach. Stream one tests innovation projects sourced from country, regional and headquarter teams through regular calls for proposals. Stream two promotes a culture of innovation across UNFPA and includes support to country offices and business units in headquarters to host innovation days, develop internal and external communication platforms, networking activities on innovation and support to develop partnerships. Five calls for proposals, open to all UNFPA staff, were launched from 2014 to 2016. A total of 149 proposals were submitted and 29 projects have been awarded funding (through December 2016). More than half (54 per cent) of UNFPA offices have applied to the Innovation Fund.

## *Evaluation process and methodology*

### **Evaluation approach**

The methodology followed a mixed, multi-method approach, combining qualitative and quantitative data and methods of analysis. The evaluation was utilization-focused. Planned and designed jointly with members of the Evaluation Reference Group and IDWG, the evaluation was conducted and adjusted to ensure that real-time inputs informed ongoing decisions. The methodology made extensive use of comparative analysis, systematically comparing UNFPA with other UN agencies, and UNFPA offices with different degrees of involvement in the Innovation Fund.

An initial evaluation matrix was developed to guide data collection, data analysis and report writing; the matrix included the initial information needs and user expectations (IDWG and Evaluation Reference Group members). Used as a systematic guiding framework for the analysis, the matrix evolved during the exercise, reflecting the utilization-focus and developmental nature of the formative exercise.

The evaluation focus (always reflected in the evaluation matrix) was opened up and narrowed down throughout the exercise in order to ensure that the evaluation focused on the key aspects of importance to decision-makers. The evaluation team’s analysis addressed all evaluation questions, including those in the original matrix and those incorporated throughout the exercise.

**Methods for data collection**

Data collection methods included document and literature review; semi-structured individual interviews with key informants (mostly via Skype and telephone); face-to-face group discussions and on-line group consultations; an online survey for non-applicants to the Innovation Fund (with a 26 per cent response rate) and participant observation techniques applied during the UNFPA East and Southern Africa innovation workshop in Nairobi. The evaluation interacted directly with 72 of the 121 UNFPA field offices worldwide and, in total, consulted 238 people through interviews.

Institutions	People consulted
UNFPA Headquarters	49
UNFPA Regional Offices	13
UNFPA Country Offices	108
UN Agencies	22
Private Sector	11
Implementing Partners	4
Donors	2
End users	29
<b>TOTAL</b>	<b>238</b>

**Methods for data analysis**

Data analysis included qualitative and quantitative methods and featured: content analysis (applied to all interview logbooks, to open questions in the online survey for non-applicants and to documents examined); comparative analysis (applied to systematically collect and compare data on innovation from 10 UN agencies and to compare UNFPA offices with different degrees of involvement in the Innovation Fund); descriptive statistics (applied to the results of the online survey and to the assessment of the Innovation Fund monitoring data set); inferential statistics (logistic regression model and T-test for comparison of means, applied to quantitative data from the Innovation Fund monitoring data set); and reconstruction of the implicit theory of change (used to structure the analysis around critical outcomes and assumptions of the Innovation Initiative, comparing them with the findings of the evaluation).

**Reliability and validity**

For quality assurance, the evaluation team used triangulation and internal and external validation mechanisms. Triangulation, used to ensure reliability, encompassed cross-checking pieces of evidence from different sources (e.g. applicants from different regions, non-applicants, other UN agencies) and cross-checking the results of applying different data analysis methods (e.g. content analysis, inferential statistical analysis). Low-quality and questionably accurate evidence were not used as a means to support findings. The evaluation team used an evidence table to structure supporting evidence, thereby reinforcing findings validity.

Internal validation took place through internal revisions among evaluation team members and between the team and the UNFPA Evaluation Office. External validation consisted of presentations and discussions of preliminary findings in debriefings made at the East and Southern Africa Innovation Workshop and at UNFPA headquarters in working sessions with the Evaluation Reference Group and the IDWG.

**The evaluation process**

The evaluation process consisted of five phases: preparatory (May-June 2016); inception (June-September 2016); data collection (October-December 2016); analysis and validation (January-May 2017); and dissemination and follow-up (June-December 2017).

**Conclusions**

**Conclusion 1. The Innovation Initiative and the Innovation Fund have been key contributors to positioning innovation and to generating a drive to innovate in UNFPA.**

The Innovation Initiative and the Innovation Fund made significant contributions to generating a drive to innovate in UNFPA by creating awareness and jump-starting the process towards nurturing a culture of innovation. The Innovation Fund spurred motivation and excitement and enabled new spaces around innovation, prompting new dynamics and a sense that staff can think differently. It has also helped staff reconnect and realign with the organization’s mandate. Fifty-five per cent of UNFPA field offices submitted proposals to the Innovation Fund, with the number of applications increasing four-fold in less than two years from the first to the last call for proposals.

The momentum brought by the Innovation Fund was instrumental in positioning innovation across the organization at the country, regional and headquarters levels. It has also helped lift the profile of innovation in the UNFPA corporate agenda and generated the perception among staff and external actors of a determined move towards innovation in

the organization. The Innovation Fund led to internal recognition that future UNFPA relevance and success hinge on embracing innovation.

Furthermore, the original intent of the Innovation Fund was to establish a flexible mechanism for UNFPA to experiment with innovative approaches. The Innovation Fund fulfilled this role by fostering an exploratory process that generated meaningful institutional learning for a UNFPA approach to innovation.

**Conclusion 2. The Innovation Fund has showed a mixed performance, making modest contributions to developing a culture that nurtures innovation yet managing to deliver promising innovative solutions.**

The Innovation Fund had the triple objectives of developing a culture that nurtures innovation (culture), increasing organizational efficiency and effectiveness through business process improvements (organizational efficiency), and developing flexible and innovative solutions to respond to emerging development challenges (impact solutions). Nurturing a culture of innovation was the main goal, a unique feature of the UNFPA innovation approach when compared to other UN agencies.

The momentum generated by the Innovation Fund includes tangible progress in accepting new approaches and ideas. However, effects in terms of assuming and tolerating risk, accepting and assimilating failure and learning from success and failure (elements of the UNFPA definition of culture) have been modest. Explanatory factors include the Innovation Fund's project approach, the use of open calls for proposals and weaknesses in monitoring and evaluation (M&E) systems. Other explanatory factors go beyond the Innovation Fund and are associated with difficulties in handling failure and risk aversion as inhibiting factors to innovation across the UN system and in the international development sector.

Despite being designed with a focus on culture — rather than on impact solutions or organizational efficiency — the Innovation Fund managed to deliver promising innovative solutions, some of which have had tangible effects on women and youth. Sharing knowledge and insights on the projects that brought about these innovative solutions is limited, which poses risks to the continuity of the momentum generated by the Innovation Fund.

**Conclusion 3. The Innovation Initiative has provided an added impetus to the organizational uptake of innovation. However, despite some attempts it has not yet become a corporate vision for innovation in UNFPA.**

The Innovation Initiative embeds the organizational thinking and will to move towards a culture that nurtures innovation, with the Innovation Fund as the implementing and funding mechanism. The scope

of the Initiative has always been broader than the Innovation Fund. In practice, however, the Initiative's implementation has mostly coincided with the projects supported by the Innovation Fund.

Attempts to move from a focus on funding individual projects to an overall corporate strategy to promote innovation have not fully prospered. Hindering factors include the lack of awareness of the 'Updated Vision of Innovation at UNFPA for 2015-2017' outside the IDWG, the IDWG operating model, the modest progress in implementing the Initiative's work plan for 2016 and the absence of a vision of innovation shared across business units.

Pivotal operational decisions need to be made in relation to the innovation model (e.g. appropriateness of innovation labs, scope of the Innovation Fund, approach to acceleration models). Making these decisions will be difficult without a clear, shared organization-wide strategic vision on innovation to guide the process.

**Conclusion 4. Despite the enthusiasm and impulse generated by the Innovation Fund, a series of hindering factors linked to staff incentives and policies hamper further progress towards a culture of innovation.**

Offices that did and those that did not apply to the Innovation Fund perceived similar barriers to innovation. These perceptions appeared in all regions, irrespective of their degree of engagement with the Innovation Fund. The main hindering factors (as perceived by staff) are insufficient time to innovate; innovation is seen as an additional incidental task; inadequate capacity in terms of the innovation skill sets; insufficient senior management buy-in (in field offices and business units); the absence of reporting requirements on innovation; and disincentives to assuming risks and embracing failure in a context where these extra efforts usually go unacknowledged and unrecognized by management.

In this context, the fact that innovation is still a peripheral element in the strategic plan 2014-2017 results in innovation not necessarily being seen as a higher priority than competing areas or pressures to deliver regular programmes. Insufficient senior management buy-in and the absence of reporting requirements on innovation are related to the limited role of innovation in the Strategic Plan.

**Conclusion 5. The Innovation Initiative and Innovation Fund are not well connected to the rest of the organization. This disconnect occurs with business units that play a role in the enabling environment for innovation and with other innovation activities beyond those supported by the Innovation Fund.**

The Innovation Initiative and Innovation Fund have remained disconnected from the business units that

play a role in developing the innovation-friendly policies and procedures that constitute the enabling environment for innovation in UNFPA (e.g. strategic partnerships, knowledge management, human resources, procurement, division of management services and media and communication). As a consequence, the internal enabling environment is less conducive to innovation than it could be. Additionally, areas that can benefit from innovation in achieving their mandates (e.g. resource mobilization and South-South cooperation) do not coordinate or dialogue with the Initiative and the Innovation Fund.

This disconnect also affects the Innovation Initiative and Innovation Fund in relation to other innovation activities across UNFPA, and manifests in limited interactions at the headquarters and field levels. Regional innovation networks do not play a role in this regard, with the exception of the East and Southern Africa region, where there is an increasing degree of coordination between the Innovation Fund, the regional innovation network and the Innovation Accelerator programme (iAccelerator).

This fragmented approach to innovation is detrimental to maximizing synergies and organizational learning.

**Conclusion 6. There are issues with the approach of the Innovation Initiative to human resources: Staff constraints hinder the development of a sustainable model to foster innovation in UNFPA.**

There is a mismatch between the limited human resources allocated to innovation and innovation being a corporate priority. UNFPA does not have an innovation unit, and innovation staffing levels are low in comparison to other UN agencies. There are only two full-time positions with innovation functions in UNFPA; the rest of the staff with direct innovation responsibilities have other functions.

The UNFPA approach relies on a volunteer-based model rooted on innovation focal points in country offices and on the IDWG at the global level. The rationale for a volunteer-based model is coherent and follows good practice; the problem is the practical application of the model. Focal points' work is not reflected in job descriptions and often goes unacknowledged and unrecognized. Further, IDWG member efforts were put into time-consuming operational tasks (e.g. proposal selection and implementation monitoring), turning them into doers rather than innovation advocates and enablers. The Innovation Fund's achievements are considerable given the limited number of staff fully dedicated to innovation. However, inadequate staff resource arrangements pose strategic risks to innovation.

**Conclusion 7. Innovation-focused partnerships have played a smaller role than expected. This had implications for the UNFPA approach to innovation, as it limited exchanges and meaningful interactions with relevant actors in the innovation ecosystem.**

Innovation-focused partnerships (particularly with the private sector) were an explicit, intentional goal of the pursued corporate approach to innovation. Although some projects partnered with the private sector, these have been exceptions; most Innovation Fund projects have been characterized by traditional partnerships with implementing partners. Several factors explain the moderate role of innovation-specific partnerships, including low incentives to pursue non-traditional partnerships (due diligence requirements, reputational risks and exposure in case partnerships did not work), insufficient time to develop partnerships and preference for internal crowd-sourcing. Human resource constraints at the Secretariat and lack of response from relevant UNFPA units to offers for partnerships (by reallocating staff away from pre-planned activities), have constrained the possibilities of global-level innovation-focused private-sector partnerships.

The Innovation Fund Secretariat made tangible efforts to link UNFPA with other UN agencies and occasional activity-based joint work has taken place. However, longer-term partnerships focusing on substantial technical areas of interest (innovation funds, labs, accelerators, innovation M&E systems) have not occurred. The cross-fertilization potential of the UN Innovation Network is still untapped.

Altogether, ties with innovation ecosystem players at the country, regional and headquarters levels have been modest. This limited degree of interaction between UNFPA and the innovation ecosystem constitutes a weakness in the current approach.

**Conclusion 8. Current monitoring and evaluation mechanisms have proved inadequate for innovation projects and are one of the ultimate causes behind limitations in accruing learning, limited adoption of fail-fast approaches and limited progress in building a UNFPA brand for innovation.**

M&E mechanisms for Innovation Fund-supported projects have followed the same logic as M&E for regular projects; the mechanisms were based on logical frameworks that focused on intended outputs and outcomes, data requirements that focused on progress reporting (such as reporting on inputs, activities and outputs), and outcome data that was collected only at the end of the intervention.

However, learning when testing innovative solutions is also linked to unexpected outputs and outcomes. Further, determining whether an innovation project is failing requires real-time outcome-data. Similarly, brand-building on innovation hinges on demonstrating results, which requires data-driven success stories that flow from outcome-based M&E systems not yet in place. Scale-up decisions need evaluative assessments on what works, how, why, for whom and in what circumstances. This implies using evaluative tools beyond traditional monitoring and reporting.

Traditional monitoring and reporting systems cannot respond to all these requirements. Real-time outcome-based monitoring and evaluation systems constitute a critical investment because performance, learning and branding depend on them. These investments, however, have yet to be made in the context of the Innovation Fund.

## **Recommendations**

**Recommendation 1. UNFPA should make a series of critical strategic decisions in order to frame the foundations for and bring clarity to its corporate approach to innovation.**

These critical decisions include determining which specific innovation areas to prioritize; how to position innovation inside the organization; how UNFPA wants to position itself within the innovation ecosystem (in the mandate areas); what forms of innovation (e.g. products, services, processes) to focus on (and how); and what stages of innovation (ideation, testing, scale up) UNFPA wants to support (and how).

Appropriate innovation areas to prioritize include those that respond to the question: For which problems does UNFPA need an innovative solution? This would point at areas where outcomes are stagnant or reversing, at areas where business-as-usual has not worked so far, and at areas suffering from setbacks in mandate delivery (areas where successes are smaller than expected). When determining how UNFPA wants to be positioned within the innovation ecosystem, consider moving away from the current positioning as producer of innovative solutions and explore the possibility of UNFPA becoming a thought leader, ecosystem convener and facilitator of innovation processes that address the core problems that UNFPA has decided innovation should focus on.

**Recommendation 2. UNFPA should further develop the Innovation Business Case into a corporate framework for innovation for the next four years, revisiting and reactivating the Inter-divisional Working Group on Innovation.**

The Innovation Business Case drawn by the Technical Division (with support from IDWG members) should evolve into a corporate framework for innovation,

becoming the strategic and operational frame for the Innovation Initiative. The corporate framework on innovation should have the buy-in of the technical, programme and management divisions and should concisely present the results of the critical decisions called for in Recommendation 1. Once endorsed by the Executive Committee, the corporate framework should reflect an organization-wide basis for a common understanding of the innovation model for the next four years, alongside the Strategic Plan.

This corporate framework should add to the Business Case a brief theory of change and a M&E mechanism to capture learning and to allow for a summative evaluation of the Innovation Initiative by 2021. The theory of change should make assumptions in the Business Case explicit; the M&E mechanism should reflect outputs and outcomes in the Business Case and include indicators that provide information on the Strategic Plan's innovation indicators. Further, UNFPA should validate the 'Updated Vision of Innovation at UNFPA 2015-2017', retaining relevant elements and integrating them into the Business Case. It would be advisable to include the replication of the East and Southern Africa innovation network models in other regions as an item in the Business Case.

To revisit and reactivate the IDWG, adjust the roles and functions of its members, enabling a shift from being doers to becoming advocates for the Initiative. Give IDWG members a clear mandate, time allocation and explicit senior management endorsement to oversee the implementation of the Innovation Business Case. Move the current focus from carrying out activities to a focus on advocacy (i.e. IDWG members should advocate so that innovation is effectively anchored in the organization).

**Recommendation 3. UNFPA should make the critical investments in human resources necessary to ensure a feasible and credible business case for innovation.**

The human resource base at the Innovation Initiative/Fund Secretariat should aim at including a full-time manager (P5/D1 level); a technical specialist (P4) (already in place); a technical assistant (P3); and an administrative assistant. At the regional level, each regional office should have a full-time regional innovation champion. UNFPA should establish networks of innovation champions in the regions where there are no networks yet and identify innovation champions in country offices (and provide them with adequate time, responsibility allocations and recognition). UNFPA should set up a task force to explore replicating the East and Southern Africa innovation network experiences in other regions. Country offices should establish innovation task forces, including staff across technical and operational areas. This will avoid innovation champions working in isolation and will maximize innovation buy-in.

**Recommendation 4. UNFPA should consolidate, redesign and reposition the Innovation Fund by re-thinking its scope, restructuring its operation and adapting it to the second phase of the Innovation Initiative.**

UNFPA should prioritize consolidating the results, culminating the first phase of the Innovation Initiative sharing lessons and launching the second phase in a communicative and engaging manner. UNFPA could conduct an internal kick-off event, presenting the innovation Business Case and the most relevant insights of the first phase. Further, UNFPA should optimize the unused knowledge base generated by the Innovation Fund (Innovation Hub, blogs in My Voices) by making the wealth of data readily and easily available; re-design and update the external innovation website; and produce visual, user-friendly materials explaining to users the functioning of the Innovation Fund.

The Innovation Fund should evolve from the current internal 360-degree experimental fund focusing on creativity and nurturing a culture of innovation, to a selective, co-funding based, leverage-driven mechanism centred on impact solutions. To move to a more selective approach, the Innovation Fund should focus on impact solutions aimed at solving the core problems UNFPA has decided to innovate for (priority thematic areas). To enhance ownership and commitment, the Innovation Fund should move to a co-funding mechanism for the transition to scale of successful tested solutions/proofs of concept. The Innovation Fund could be used to leverage external funding (at all levels) when testing solutions aimed at solving core problems.

UNFPA should reposition the Innovation Fund with a view to focusing and rationalizing financial support. In this regard, UNFPA should explore the possibilities of the Innovation Fund operating as an innovation facility, featuring several funding windows e.g. transition to scale, testing new solutions (if more calls for proposals are envisaged), partnerships (lever funds), M&E for innovation and learning. A share of the Innovation Fund should be kept for strategic experimentation, such as testing the feasibility of new features for an innovation model suited to UNFPA characteristics. UNFPA should also examine the feasibility of using Innovation Fund co-funding to establish a UNFPA innovation lab.

**Recommendation 5. UNFPA should shift the main focus to impact solutions while continuing work on nurturing a culture of innovation.**

To accelerate results demonstration, UNFPA should shift the main focus from innovation culture to scalable impact solutions (i.e. solutions that directly impact on the lives of women and young people). UNFPA should continue working on developing a culture that nurtures innovation, but not as the main thrust of the innovation model or with external resources. Innovation Fund projects and accelerator-based solutions should focus

mostly on scalable impact solutions aimed at solving the core problems identified in Recommendation 1.

Work on innovation culture should prioritize building the skill sets and capacities of innovation champions, given that they play a crucial role in promoting a culture of innovation. Further, regional innovation networks should be leveraged to foster an innovation culture. The Openmind Project (which offers a series of trust-building activities to generate spaces to innovate) and the Innovation Toolkit, both developed by the East and Southern Africa innovation network, provide useful resources to continue work on nurturing a culture of innovation without requiring external funds.

Furthermore, the Human Resources Division could make key contributions to the enabling environment for a culture that nurtures innovation by incorporating innovation into the UNFPA Competency Framework; examining the feasibility of incorporating innovation-related elements in recruitment (particularly for resident representatives), career management and staff development and learning; promoting the systematic inclusion of innovation in the UNFPA performance appraisal and development system for staff; and by incorporating innovation into the UNFPA Recognition Toolkit.

**Recommendation 6. UNFPA should readjust and recalibrate the focus of its innovation model, from the current inward-looking model to a more outward-looking approach based on partnerships with innovation ecosystem actors.**

Ultimately, UNFPA should prove its relevance and added value in the innovation ecosystem.

In practice, this means gaining a better understanding of the innovation ecosystem. To do this, UNFPA could conduct a mapping exercise of the innovation ecosystems the organization is inserted in (adolescent sexual and reproductive health, mobile health, population data); incorporate environmental scanning (to ensure that innovation solutions are timely and relevant); and ensure that job descriptions of regional innovation technical specialists (innovation champions) include an explicit role to link UNFPA with regional innovation ecosystems.

UNFPA should bring the views of ecosystem actors into strategic and technical discussions. This may be done by seeking partnerships and alliances with relevant players in the ecosystem e.g. universities, research institutes and private firms (including the start-up community); by establishing an Innovation Fund Advisory Board that includes external members (e.g. from academia and the private sector); exploring hybrid models for crowd-sourcing innovative ideas (models that include ideas coming from staff and from outside the organization); and fostering the use of mentorship programmes with private-sector organizations and UN agencies.

UNFPA should also explore possibilities of joint work and cross-sharing knowledge and experiences with other United Nations Innovation Network member agencies in key areas of interest (e.g. developing M&E systems for innovation, the use of innovation labs, possibilities of innovation funds).

**Recommendation 7. UNFPA should anchor innovation in the Strategic Plan 2018-2021 by including it as a substantive element of the plan, which should integrate corporate indicators reflecting the extent to which UNFPA is adopting innovation approaches.**

It is essential to anchor innovation as a substantive element of the new Strategic Plan. Doing so will set the foundations for an enabling environment for innovation, reversing some of the current obstacles to innovation. Further, it will convey a clear strategic commitment to innovation, which is crucial to attract and generate the capital investments required to turn innovation into impact solutions.

When incorporating innovation into the Strategic Plan, it would be advisable to distinguish between impact solutions, business processes and culture (staff mindsets). The Strategic Plan could explicitly recognize that innovations in business processes and culture can be driven by existing business units and with existing resources. UNFPA should incorporate the requirement to report on innovation in reporting mechanisms associated with the Strategic Plan.

**Recommendation 8. UNFPA should activate a functional feedback exchange mechanism between the Innovation Initiative and the business units playing a role in developing the policies and procedures that constitute the enabling environment for innovation in UNFPA.**

This mechanism, ideally endorsed by senior management, should generate an ongoing dialogue between the Innovation Initiative and business units in human resources, strategic planning, partnerships, South-South cooperation, resource mobilization, knowledge management, procurement services, media and communication, and monitoring and evaluation. This dialogue should bridge insights on innovation — channelled through the Innovation Initiative — with relevant business units to ensure that policies are innovation friendly and that business units harness the opportunities offered by innovation. The exchange mechanism could take the form of ad hoc meetings called by the Secretariat of the Innovation Fund after collecting a critical mass of innovation insights (learning) that have implications on the business units' technical areas. Regional innovation networks and the IDWG could play key roles in this process. The networks should scan, identify and collect the relevant insights; the IDWG could advocate for discussing the insights and taking appropriate actions.

Irrespective of the mechanism UNFPA chooses to facilitate this dialogue, exchanges should start as soon as possible with South-South Cooperation (on the transition to scale up tested solutions), with knowledge management (on the link between knowledge management databases and the Innovation Fund) and with the Strategic Partnerships Branch (on developing protocols to optimise work on innovation with private-sector partners).

**Recommendation 9. UNFPA should develop a learning-for-impact framework featuring three elements: innovation-specific M&E systems, functioning knowledge-sharing mechanisms and a scaling-up framework for successfully tested impact solutions.**

The learning-for-impact framework should capture organizational learning and transform it into solutions that will have an impact on the lives of women and young people.

Innovation-specific M&E systems for impact solutions should include real-time outcome monitoring and should capture lessons learned from unexpected outputs and outcomes. UNFPA should explore partnering with UNIN agencies with experience in real-time monitoring to look into approaches that could be adapted and incorporated into the UNFPA innovation model. UNFPA should also explore the potential offered by lean data methodologies for impact measurement as affordable and meaningful ways to collect and analyse outcome data; examine the possibility of starting a pilot project to test innovation-specific M&E systems; and explore outcome-mapping techniques, such as outcome journals to capture lessons from unexpected outcomes. Additionally, UNFPA should ensure that budgets for testing impact solutions include allocations for M&E systems that are outcome-based and fed by real-time data.

To activate results-sharing and learning mechanisms around innovation solutions, UNFPA should expand the scope of the Innovation Talk Series from informational sessions to practical discussions on pressing aspects of innovation (e.g. how to collect outcome data, scaling up and partnerships with the private sector). Simple mechanisms allowing 'work out loud' approaches should be activated, such as innovation blogs showcasing experiences and online platforms for sharing innovation-related questions and answers. UNFPA should also move away from failure reports to insight briefs (learning reports) that specify the assumptions tested in the pilot and insights accrued from the testing.

The scaling-up framework for successfully tested impact solutions should include specifications on scalability criteria and a description of the scaling-up phases — including protocols on transition-to-scale phases for successfully completed projects.





# 1. OBJECTIVES, SCOPE, PROCESS AND METHODOLOGY

## 1.1. Purpose and objectives

The UNFPA Innovation Fund Secretariat initiated this evaluation as part of its 2016 work plan. The original motivation for this evaluation was to critically reflect on lessons learned from the promotion of innovation since the 2014 creation of the UNFPA Innovation Fund and to provide guidance on how to strengthen innovation in the next UNFPA Strategic Plan (2018–2021). To ensure the independence of the evaluation, the Secretariat of the Innovation Fund entrusted management of the process to the UNFPA Independent Evaluation Office.

This is an independent formative evaluation. The UNFPA Independent Evaluation Office managed the evaluation process, recruiting a team of two external specialists to conduct the exercise. The evaluation's purpose is to conduct an evidence-based, highly consultative and participative formative evaluation of the Innovation Initiative at UNFPA, including a mid-term evaluation of the Innovation Fund. The terms of reference set three objectives for the evaluation:

- ▶ Provide key learning and inputs to managers regarding the implementation of the first phase of the Innovation Initiative;
- ▶ Improve programme design, processes and systems (including the monitoring and evaluation plan) for the operationalization of the 2015 Innovation Vision and its future evaluability; and
- ▶ Inform the next UNFPA Strategic Plan and UNFPA strategies in the area of innovation.

## 1.2. The evaluation scope

### 1.2.1. Formative in scope

This evaluation is formative in scope (as opposed to summative). Most evaluations in UNFPA are summative (e.g. final and mid-term programme-level evaluations, country programme evaluations and thematic evaluations). This is the first formative evaluation conducted by the UNFPA Independent Evaluation Office and thus a pilot exercise and new approach in UNFPA.

The distinction between summative and formative is important because it determines what results can be expected from the evaluation. Formative evaluations

are about learning, insights and improvement; summative evaluations are about overall achievements and judgements on whether an intervention is worth it based on results achieved. Summative evaluations also generate learning, but learning is intended as a side effect. Summative evaluations judge the worth of a programme as measured by results generated (see Box 1).



### Box 1. The Difference between Formative and Summative Evaluations

**Summative evaluations** focus on an intervention's overall effects and on what the intervention has achieved. Such evaluations may be conducted during or at the end of the intervention. **Formative evaluations** are conducted either during programme development or at early stages of implementation, and focus on understanding how the intervention works. Used mostly in pilot projects and new programmes, the results of formative evaluations are generally used to revise or modify programme design with a view towards improving performance.



This is a **mid-term evaluation with a strong formative approach**. The evaluation has a mid-term evaluation element because it assesses performance retrospectively, with a focus on four evaluation criteria (relevance, effectiveness, efficiency and sustainability). It has a strong formative approach for two reasons.

First, the assessment puts the focus on processes and learning rather than on judgements about overall achievements. This focus on learning explains why most findings and conclusions revolve around aspects to improve rather than on achievements. Second, the exercise involves a high degree of engagement and real-time interaction with current decision-making processes related to the design of the next phase of the Innovation Initiative. This forward-looking element is a key feature of formative evaluations. For example, the evaluation team provided input into the thinking of the Innovation Business Case and on elements of the theory of change for the next phase of the Initiative.

**1.2.2. The scope of the assessment: What is being evaluated?**

The evaluation scope is the UNFPA Innovative Initiative (the Initiative) and the central subject of analysis is the Innovation Fund, which is the main funding and implementing mechanism of the Initiative.

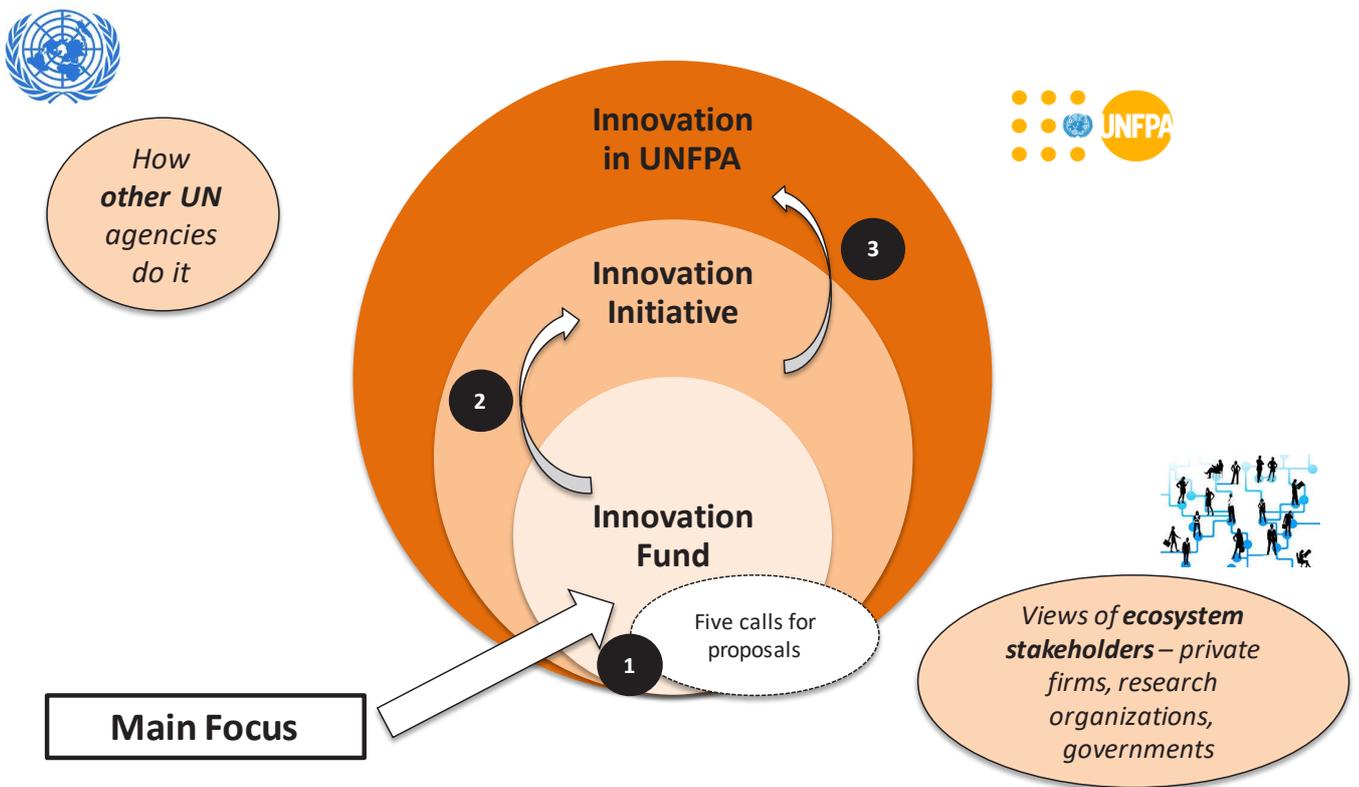
The inception phase of the evaluation revealed that there are innovation activities beyond the Initiative. It also highlighted that the Innovation Initiative and Innovation Fund could not be analysed without taking account of UNFPA’s wider internal organizational framework. In this setting, the scope of the analysis encompassed the three levels shown in Figure 1: (1) the performance of the Innovation Fund, with a view to improve current performance; (2) the links between the Innovation Fund and the Innovation Initiative and, (3) the links between the Innovation Initiative and innovation in UNFPA as a whole. To enrich the analysis, the evaluation also looked at how other UN agencies approach and implement innovation.

The assessment of Innovation Fund performance encompassed the 19 projects funded and implemented until the end of 2016; the 149 proposals submitted over the five calls for proposals launched between 2014 and 2016;<sup>1</sup> and the activities related to the culture stream (i.e. ‘innovation days’ in country and regional offices, innovation events and communication and networking activities the Innovation Fund team participated in).

**1.2.3. Geographical and time scope**

In terms of geographical coverage, the evaluation covers all field offices at the country and regional levels and all business units in headquarters. The evaluation gives a particular emphasis to offices and units that have interacted with the Innovation Initiative, especially with the Innovation Fund. Data collection for the evaluation covered the period of September 2014 to December 2016.

Figure 1. The Scope of the Formative Evaluation



<sup>1</sup> The proposals analysed include the 11 proposals that were selected in the fifth call for proposals and awarded with funds in January 2017.

### 1.3. Evaluation process

The evaluation process consists of five key phases (see Figure 2).

Figure 2. Five Phases of the Evaluation Process



## 1.4. Methodology

### 1.4.1. Evaluation approach

The evaluation approach was mostly qualitative due to the formative and exploratory nature of the exercise: understanding what worked, what did not work, how, why and for whom. The methodology followed a mixed, **multi-method approach**, combining qualitative and quantitative data and methods of analysis.

The evaluation was **utilization-focused**, as it was planned and designed jointly with members of the Evaluation Reference Group and the Inter-divisional Working Group on Innovation (IDWG).<sup>2</sup> The focus and scope of the evaluation was conducted and adjusted in a way that ensured real-time input to inform ongoing decisions.

The methodology made extensive use of **comparative analysis** (see ‘data sources’ below). This approach was used to systematically compare UNFPA with other UN agencies, and to compare UNFPA offices with different degrees of involvement in the Innovation Fund. Comparisons between offices that had applied to the Innovation Fund with offices that had not applied, as well as comparisons between offices awarded with funds and offices that applied but were not awarded funds, were particularly useful to understand aspects of the relevance, effectiveness and efficiency of the Innovation Fund. Such comparisons were also useful to grasp how innovation works in the absence of the Innovation Fund.

### 1.4.2. Analytical framework

The analytical framework for the evaluation encompasses the sequence of steps and tools that go from the objectives set in the terms of reference and scope of assessment (see Figure 1) to credible, evidence-based conclusions and recommendations in this evaluation report. Figure 3 illustrates the complete analytical framework of the formative evaluation.

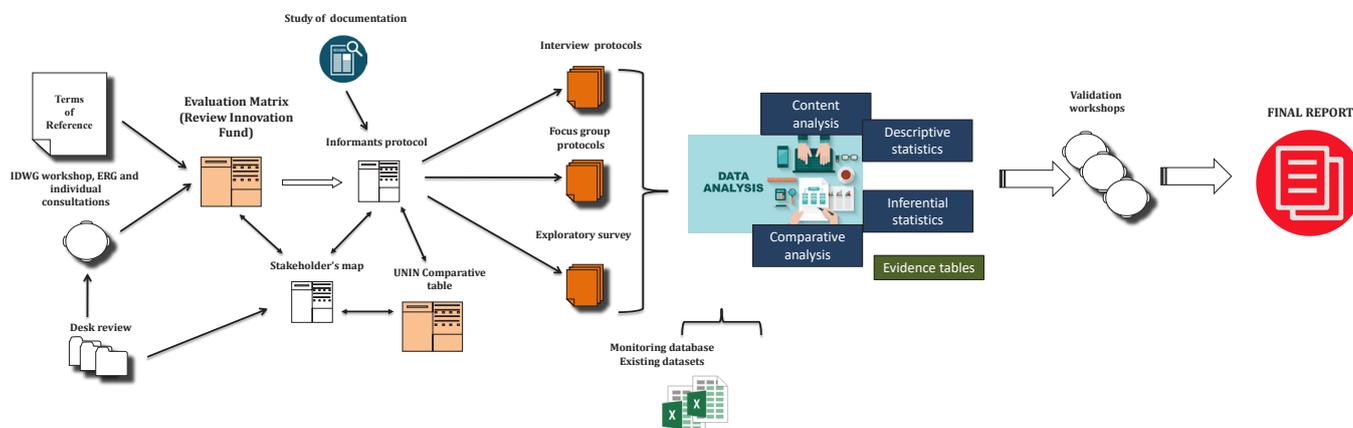
The two pillars of the analytical framework are the evaluation matrix and the United Nations Innovation Network (UNIN) comparative table. The UNIN comparative table features the innovation related aspects that were systematically compared across UN agencies (see Annex 4).

Combined, the evaluation matrix and the UNIN comparative table covered the scope of the assessment (i.e. the performance of the Innovation Fund, its links with the Initiative, the links between the Initiative and innovation in UNFPA as a whole and how other agencies approach innovation). Chapter 3 of this report, which includes the analysis and the findings, is organized following the scope of the evaluation as depicted in Figure 1.

### 1.4.3. The evaluation matrix

Following the formative and utilization-focused nature of the exercise, the evaluation matrix was developed jointly with IDWG members and the Evaluation Reference Group. This process took place through individual interviews, group discussions and direct inputs to the inception report. The Innovation Concept Paper (September, 2014) and the Updated Vision of Innovation (April, 2015) were also used to identify core aspects for the original evaluation matrix to enquire about.<sup>3</sup>

Figure 3. Analytical Framework



2 The IDWG is composed of twenty-two selected staff that represent all regional offices, one country office per region, and a number of business units from headquarters. The IDWG, together with the Innovation Fund Secretariat, supports the work of the Innovation Initiative in UNFPA.

3 The Initiative, including the Innovation Fund, did not feature a structured results framework. This explains why no results framework was used in the development of the evaluation matrix. The absence of a results framework is due to the fact that the Innovation Fund was intentionally conceived as a learning-by-doing experience and framing it into a result framework was considered unsuitable and not required by the donor.

The evaluation matrix was not a static framework. It was used as a systematic guiding framework for the analysis, yet it evolved through the exercise, reflecting the utilization-focus and developmental nature of the formative exercise. This evolution is explained in detailed in Annex 5 (Evaluation Matrices). This annex includes the original matrix featuring the initial information needs and expectations from the users, and the final evaluation matrix, indicating in detail the adaptations and additions made to the original questions and the reasons why. It is important to stress that the analysis addressed all evaluation questions in the original matrix.

The focus of the issues the evaluation addressed — and reflected in the evaluation matrix — was opened up and narrowed down in several moments throughout the exercise in order to ensure that the evaluation focused on the key aspects of importance to decision-makers (see Figure 4). This was a critical aspect given that the essence of the formative evaluation was to generate learning and provide input to the design of the second phase of the Innovation Initiative.

As a result of the formative and developmental nature of the exercise, specific issues took prominence as the evaluation evolved. In most cases, these issues were already covered in the original matrix featuring the initial information needs and expectations from the users (e.g. obstacles to innovation, risk-taking, learning, failure),<sup>4</sup> but were covered very succinctly, simply as pointers or as dimensions of an evaluation question.

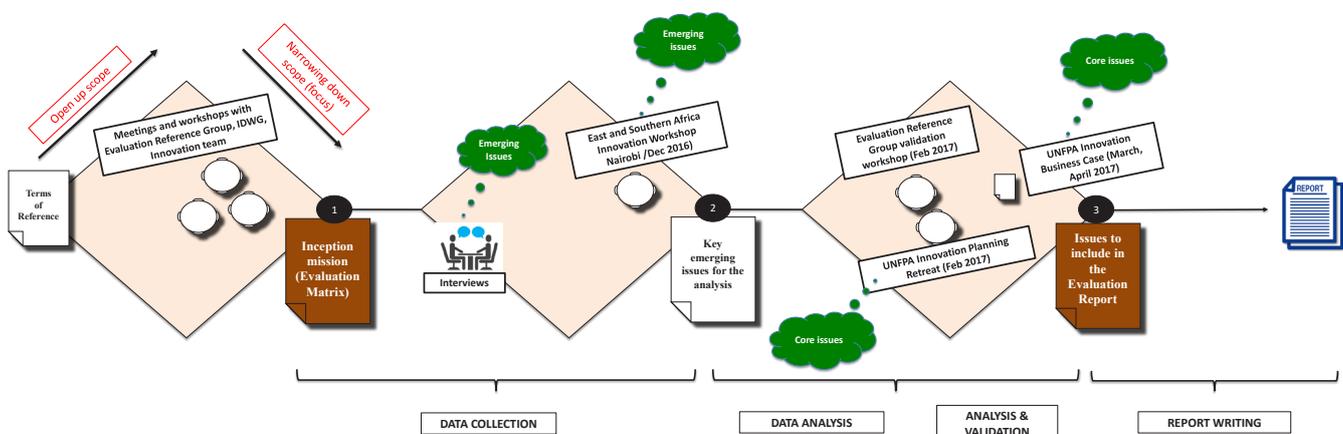
During the exercise, such aspects became focal areas of interest for evaluation users and were covered and analysed in much more detail than what was reflected in the original matrix.

In other instances, specific issues taking prominence were not included in the original matrix. This was the case for the outreach and use of the Innovation Fund by geographical area and country quadrants. The importance of generating learning about this aspect was revealed during data collection. This aspect was thus added in the evaluation matrix and covered by the analysis.

The third case is made of aspects covered in the original matrix of user information needs and expectations that either became less crucial as inputs to the design of the new phase or became aspects for which available data did not allow for a full coverage of the aspect as originally enquired about. Alignment of innovative solutions with the Sustainable Development Goals, Agenda 2030 and Post-2015 processes is an example of the former, whereas sustainability is an example of the latter, given the ongoing status of most projects financed by the Innovation Fund at the time of data collection.

The analysis addressed and answered all original and added questions and associated dimensions in the matrix (see Evidence Table in Annex 6, which includes the main pieces of evidence used to provide answers to all questions and dimensions).

Figure 4. The Participatory, Formative-Adaptive Approach followed by the Evaluation



4 Obstacles to innovation for example, stood out as an issue of particular interest in the East and Southern Africa Innovation Workshop in Nairobi in November 2016 and in the Eastern Europe and Central Asia Regional Planning Meeting in January 2017.

### 1.4.4. The UNIN comparative table

The UNIN comparative table was designed with substantial input from the Evaluation Reference Group and IDWG members. The table contains information on how other UN agencies approach and work on innovation (i.e. how other agencies design, implement, monitor and evaluate innovation). Relevant data to fill in the comparative tables for the eleven agencies participating was collected through in-depth interviews, online searches and a document review. Annex 4 presents the 10 areas and 45 items the comparative analysis addressed.

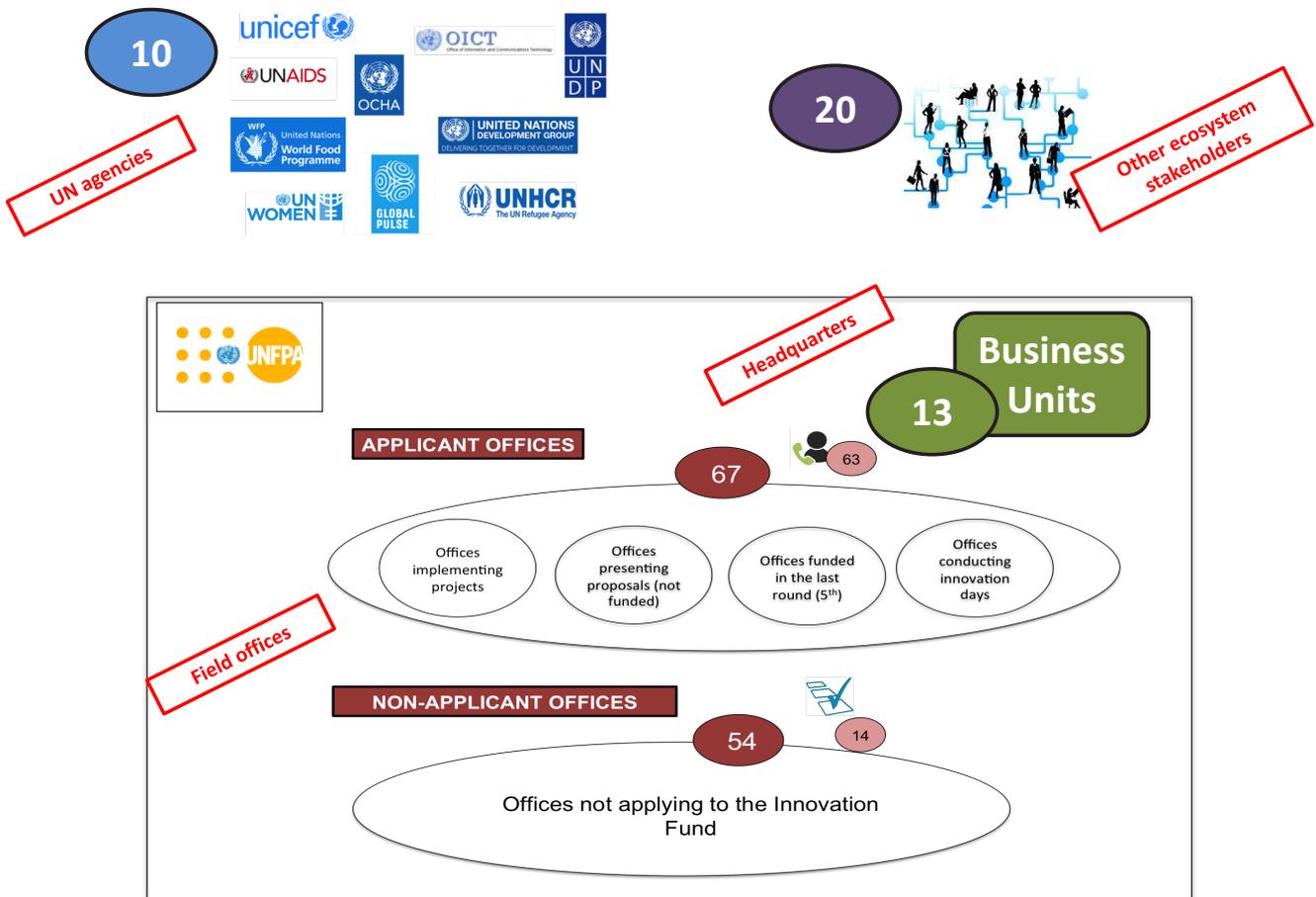
The exercise results informed the three levels of analysis included in the scope of the evaluation (see Figure 1) by offering comparative evidence of other agencies' experiences and approaches in a broad range of aspects (e.g. staff profiling and resourcing, management of innovation funds, approaches to innovation partnerships, how to learn from innovation). The 11 tables compiled from UNIN agencies — including UNFPA — during the exercise were analysed and the main findings are presented in a stand-alone document.

### 1.4.5. Data sources

In order to understand what worked, what did not work, how, why and for whom, data sources were not restricted to evidence provided by Innovation Initiative and Innovation Fund users and beneficiaries. Using a comparative group approach, lines of evidence included a wide range of data, experiences and perspectives looking inside as well as outside of the Innovation Fund (to understand how innovation projects works in the absence of the Innovation Fund).

The evaluation gathered data from offices that had and had not applied to the Innovation Fund and from offices that applied and were awarded funds and offices that applied but were not selected for funding. The team also collected data from other UN agencies working on innovation — six of them also operating innovation funds — in order to compare approaches and extract formative lessons. To understand the enabling environment inside the organization, thirteen UNFPA central-level business units were consulted as sources of data. Finally, sources of data also included ecosystem stakeholders outside UNFPA.

Figure 5. Mapping the Main Data Sources



5 See UNIN Comparative Study (<http://www.unfpa.org/evaluation>)

Table 1. UNFPA Country Quadrants - Modes of Engagement by Setting

	Need			
Ability to finance	Highest	High	Medium	Low
Low	A/P, KM, CD, SD	A/P, KM, CD, SD	A/P, KM, CD	A/P, KM
Lower-middle	A/P, KM, CD, SD	A/P, KM, CD	A/P, KM	A/P
Upper-middle	A/P, KM, CD	A/P, KM	A/P	A/P*
High	A/P*	A/P*	A/P*	A/P*

A/P: Advocacy and policy dialogue/advice (\* Physical presence only in select countries)

KM: Knowledge management | CD: Capacity development | SD: Service delivery

Source: UNFPA Strategic Plan 2014-2017, page 13.

Figure 5 illustrates the type and coverage of stakeholders the evaluation addressed. This drawing is the result of a **stakeholder mapping** conducted during the design phase of the evaluation to ensure that, given the scope of the assessment, interviews and group discussions were illustrative of the range of relevant stakeholders.

Within UNFPA, the evaluation team collected data from 63 of the 67 offices that applied to the Innovation Fund (through interviews and group discussions). In addition, 14 of the 54 UNFPA field offices that did not apply to the Innovation Fund were consulted through an online survey and 13 business units were interviewed at headquarters. Outside UNFPA, the evaluation covered 10 UNIN members (through interviews and desk review) and 20 ecosystem stakeholders (which included donors, private firms, implementing partners, government bodies and, most importantly, user groups of the innovation solutions generated by UNFPA).

The evaluation team also collected monitoring data from the Innovation Fund and created a data set (see Annex 10, Innovation Fund data set). This data set includes factual quantitative and qualitative data on Innovation Fund metrics, including submissions, approvals, innovation days and budgets by country, region and country quadrants. The terms 'country quadrant' and 'colour quadrant' correspond to a country classification system that is based on a country's need and ability to finance and on UNFPA modes of engagement by setting. The system classifies countries into red, yellow, orange and pink quadrants (see Table 1).

The data set made it possible to triangulate and cross-check findings generated through interviews. The range of data sources described above constitute the main lines of evidence used to answer the evaluation questions and conduct the analysis.

#### 1.4.6. Tools for data collection

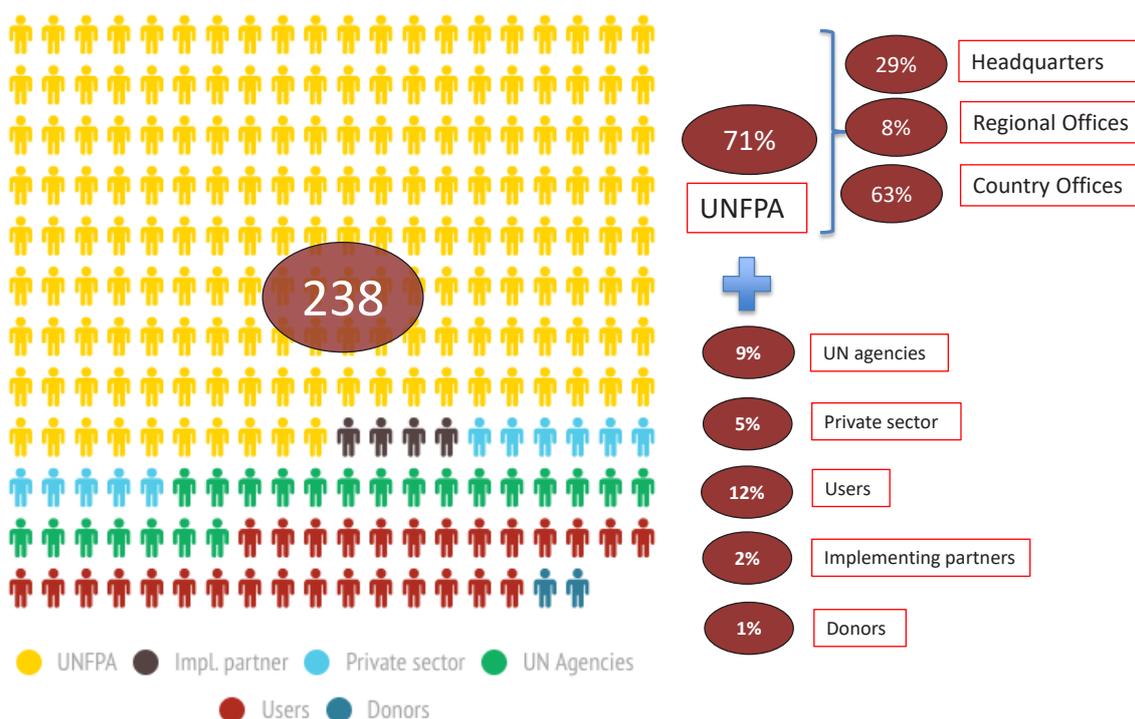
The **study of documentation** involved consulting and examining secondary data, mostly written publications both within and outside the UNFPA sphere (see Annex 3 for a categorized list of documents consulted during the evaluation). The study of documentation also encompassed examining Innovation Fund monitoring data and the results of institutional surveys (e.g. UNFPA Global Staff Survey, online survey to the East and Southern Africa (ESA) Innovation Network). **Cyber search data collection** — looking for evidence in the Internet — was applied systematically for the comparative analysis with other UN agencies as well as when assessing visibility and branding aspects included in evaluation questions.

**Semi-structured individual interviews** were the main tool used for primary data collection and in most cases involved remote interviews via Skype and telephone. Face-to-face interviews were also conducted in New York and during the ESA Innovation Workshop in Kenya. Interviews followed differentiated protocols by type of stakeholder. Protocols featured a basic sequencing of core and complementary topics, based on the evaluation matrix and on the tables of the comparative analysis. Interview proceedings were registered in interview logbooks (see Annex 7).

**Group discussions** consisted of interviews conducted with more than one person simultaneously. The protocols and logbooks for group discussions resembled those of the semi-structured interviews and were used in both face-to-face and remote interactions.

**Online group consultations** were a particular type of remote group discussions used in the evaluation. Three online group consultations were conducted via Google Hangout with the direct beneficiaries of two projects, the eight fellows of the Young Innovators Fellowship Programme and the two winning teams of the Hack for Youth project (SafePal and GetIN teams).

Figure 6. Distribution of People Consulted by Type of Stakeholder



Two hundred and thirty-eight people were consulted during the evaluation, individually and through group discussions (see Figure 6). Annex 2 presents the list of the people consulted by type of stakeholder.

The **online survey for non-applicants** to the Innovation Fund was another method for data collection. The evaluation team administered the survey via Google Forms, sending it to the 54 UNFPA field offices that had not applied to the Innovation Fund.<sup>6</sup> 14 offices responded to the survey (26 per cent of the target population). The evaluation team subsequently conducted in-depth interviews with nine of the 14 offices at their request.

**Participant observation techniques** were applied during the participation of the evaluation team at the ESA Innovation Workshop in Nairobi. This workshop consisted of a community and capacity building event that brought together the network of innovation focal points in the ESA region, innovation focal points from other regions, and staff of the Innovation Fund Secretariat.

#### 1.4.7. Tools for data analysis

**Content analysis** was applied to all interview logbooks and to the open questions in the online survey for non-applicants in order to identify patterns and evidence linked to the pointers in the evaluation matrix. Content analysis was also applied to the documents examined. The team used manual coding to standardize raw data,

and the evidence table was used as a data entry tool to organize qualitative information (see Annex 6).

**Comparative analysis**, using a structured review table, was applied for the comparative study. Data from 10 UN agencies was systematically collected and compared for 10 areas and 45 items of interest.

**Descriptive statistics** were applied to the results of the online survey and to the assessment of the Innovation Fund monitoring data set. Simple analysis of measures of central tendency, measures of dispersion (median, mean, standard deviation, minimum and maximum values) and frequency distribution analysis were applied to a number of variables of interest (e.g. budgets, awarded projects and submitted proposals by region and country quadrant). Also, the frequency distributions of the variables of interest were cross-compared to examine possible patterns (e.g. the distribution of submissions, awards and offices by region and by quadrant).

**Inferential statistics** were applied when data availability and accuracy allowed doing so. For example, a logistic regression model was applied to calculate the statistical significance of the probability of being awarded; a T-test for comparison of means was conducted to find out whether country office size influenced participation in the Innovation Fund; and a Chi-Square test was attempted to find out whether answers from non-applicant respondents were representative of non-applicant offices by regions.

6 Fifty country offices, one regional office and three sub-regional offices.

The reconstruction of the implicit theory of change was used to structure the analysis around critical outcomes and assumptions of the Innovation Initiative, comparing them with the findings of the evaluation. The section on the ex post theory of change in Volume 2 illustrates some of the results of applying this method.

#### 1.4.8. Sampling methods and selection of informants

Sampling took place in two-step sequences: sampling of units within sources of data (see Figure 5) and sampling of interviewees within each unit (offices, business units). Three approaches were used to select sampling units (depending on the situation): a census approach, stratified random sampling and purposive sampling. Purposive sampling and snowball sampling<sup>7</sup> were used to select interviewees within each unit.

A **census approach** (no sampling) was adopted with field offices and business units that were implementing the 19 projects financed by the Innovation Fund. The evaluation team covered all projects, without sampling.

**Stratified random sampling** was initially applied for field offices submitting proposals that had not been funded (at the time of data collection).<sup>8</sup> Field offices were clustered in eight categories on the basis of the intensity and sequencing of their participation.<sup>9</sup>

Two field offices were then randomly selected within each category. The team quickly detected that the interest to provide input to the formative evaluation was exceptionally high (an indication of the momentum generated by the Innovation Fund). Given the high profile of the intervention (the first corporate innovation initiative in UNFPA), the team decided to shift to a census approach and all applicant non-awarded field offices were contacted (95 per cent responded).

**Purposive sampling** was applied to select interviewees within each field office and business unit.<sup>10</sup> Organizations for the comparative analysis and ecosystem stakeholders were also selected using purposive sampling.

A considerable number of informants were selected using **snowball sampling**. The question, “who else do you think we should talk to,” was systematically asked

at the end of every interview. Given the relatively moderate size of the Innovation Initiative, snowball sampling help to ensure that most views were represented.<sup>11</sup>

#### Box 2. Prioritizing Coverage

Interviews conducted by the evaluation team covered 60 per cent of UNFPA field offices worldwide (72 of 121 offices). This meant many more offices than originally planned. Three factors led the team to expand the coverage: the extraordinary interest from staff to provide input; the increasing strategic role of innovation in UNFPA throughout the evaluation; and the fact this was the first formative evaluation conducted in the organization.

#### 1.4.9. Integration of cross-cutting issues and ethical aspects

**Gender and youth** aspects were integrated into the evaluation in two ways, first by incorporating gender and youth aspects in the protocols for selecting and accessing informants, and second by integrating them in a practical way throughout data collection and analysis.

The data set constructed by the evaluation team with data from the Innovation Fund monitoring system disaggregates informants by gender. This allowed sending reminders and extending the period for interviews with women, under the assumption that work-life balance tends to be more difficult for women than for men. Empowerment of young people and gender equality, for example, were categories used by the evaluation team to classify funded projects in the newly constructed data set. Moreover, a number of enquiries were made to the Human Resource Division to gather data on variables related to youth (e.g. the distribution of UNFPA staff by age range and region and average age of the workforce), staff attrition rates by age range and region, and number of interns and the proportion of them who stayed in UNFPA after the internship.<sup>12</sup>

7 Snowball sampling (also known as referral sampling) is used when informants refer evaluators to other informants of interest.  
8 This group is composed of 53 offices and corresponds to the difference between the 67 offices that had applied to the Innovation Fund and the 14 country offices that had obtained funding.  
9 Examples of categories include offices that submitted proposals in more than one round and then stopped; offices only submitting proposals in the fifth (last) round; countries conducting an innovation day and subsequently submitted proposals; and offices that conducted innovation days and submitted no proposal.  
10 This is a non-probability method used to identify informants with specific characteristics of interest given the issues to be assessed. It places the focus on how and why interventions work, rather than on representativeness and generalization (probability sampling). Purposive sampling was an appropriate method given the focus of the evaluation (understanding how the Initiative works, learning and improving the design).  
11 Sample saturation was an indication of this - data collection reached a point in which the names of the informants referred to by interviewees were people already interviewed or already referred to by others.  
12 2016 data on age distribution by region was made available. Data on attrition and interns could not be retrieved. The results of the statistical analysis are presented in Annex 8.

In terms of **ethical aspects**, the evaluation was designed and conducted in line with the United Nations Evaluation Group (UNEG) Ethical Guidelines for Evaluation and the UNEG Code of Conduct for Evaluation in the United Nations System.<sup>13</sup> **Equity** was a priority. The team used stakeholder mapping in order to identify all potentially interested stakeholders. To ensure all relevant voices, opinions and views were heard, the team used a census approach to both applicants and non-applicants to the Innovation Fund. The evaluation team contacted all 121 UNFPA offices. Informants responding beyond the data collection period were never turned down. Interested informants were interviewed with independence of their position in the hierarchical structure, their gender and their time zone. Survey respondents were given the option to be contacted for an in-depth interview.

To guarantee informant **confidentiality**, survey data was only used in aggregate form. This evaluation report does not include references to individual interviews, which were coded only for referencing in the evidence table. Quotes in the report are anonymous.

Absence of **conflict of interest** was guaranteed at the evaluation design stage, as none of the evaluation team members had been involved in the design or implementation of any activity linked to the Innovation Initiative or the Innovation Fund.

#### 1.4.10. Risks, limitations and quality assurance

**Limitations** were mostly related to data collection aspects (see Main Limitations and Mitigating Measures below).

For **quality assurance**, triangulation and internal and external validation mechanisms were used to ensure the reliability and credibility of the findings. Triangulation encompassed cross-checking pieces of evidence from different sources (e.g. applicants, non-applicants, other UN agencies, applicants from different regions) and cross-checking the results of applying different data analysis methods (e.g. content analysis, comparative analysis, descriptive statistics analysis and inferential statistical analysis).

As a general rule, data were disregarded as a means to back up findings whenever low quality and accuracy became a risk for the validity of the analysis.<sup>14</sup> The team drew an evidence table structuring supporting evidence for the answers to evaluation questions and dimensions (see Annex 6), reinforcing the validity of the analysis findings.

Internal validation took place through internal revisions among team members and between the team and the Evaluation Office. External validation consisted of presentations and discussions of preliminary findings in presentations made at the ESA Innovation Workshop (November 2016) and at the Eastern Europe and Central Asia (EECA) regional planning meeting (January 2017), as well as presentations and discussions of findings and elements for recommendations in working sessions with the Evaluation Reference Group and with the IDWG at the UNFPA Innovation Planning Retreat, both conducted in February 2017.

<sup>13</sup> See <http://www.unevaluation.org/ethicalguidelines> and <http://www.unevaluation.org/unegcodeofconduct>, both from March 2008.

<sup>14</sup> See Annex 8 on statistical analysis for examples of tests and analysis conducted and not included in the report due to issues of accuracy and incompleteness of the data or of the results.

## Main Limitations and Mitigating Measures

### Limitation

The online survey's low response rate for non-applicants to the Innovation Fund. This limited the generalizations of findings when comparing the group to non-applicants.

### Mitigating measure

To maximize the possibilities of an acceptable response rate, the survey was sent by the Technical Division through an email signed by the Director. Two weeks after the launch of the survey, the response rate was low and a reminder was sent. The response period was extended and the survey remained open for one and a half months. Notwithstanding these measures, the response rate only reached 26 per cent. As additional mitigating measures, the findings from the survey were compared (whenever relevant and feasible) with statistical analysis in order to identify the existence of potential confounding factors that had not been captured by the 26 per cent of respondents. Furthermore, interviews with regional offices (all six were interviewed) were used as a complementary validation source. Similarly, interviews with six representatives who had previously worked in non-applicant offices were used as a validation source.

### Limitation

Due to a lack of time and resources, the non-awarded applicant business units in headquarters were not covered as thoroughly and systematically as non-awarded applicant field offices (which were all contacted). This made views collected at headquarters comparatively less represented than the views from field offices.

### Mitigating measure

The evaluation team decided to prioritize field offices because the possibility of cross-checking whether any views had been omitted was much higher at the headquarters. Nearly half of the IDWG members are from headquarters and were interviewed one-on-one. In addition, snowball sampling was used to minimize the likelihood of missing important issues at headquarters. The two validation sessions conducted at headquarters (in February 2017) also constituted a safeguard to minimize the likelihood of oversights in important issues not identified by the team due to the comparatively lower coverage of non-awarded applicants at headquarters.

### Limitation

Moving from stratified sampling to a census approach prolonged the data collection phase, extending it by an additional one and a half months. This modified the timings by which final deliverables were ready for input into decision-making.

### Mitigating measure

To offset the effects of delays in deliverables, the team provided timely inputs to decision-making whenever required. Inputs were thus not provided through final deliverables but by means of ad hoc documents (e.g. an excerpt of the comparative study on how other agencies incorporate innovation in their strategic plans, produced to inform discussions in the Programme Division; direct input from the evaluation team to the UNFPA Innovation Business Case; and a draft version of the conclusions and recommendations). Furthermore, the evaluation team was available throughout the evaluation to provide inputs and to participate in consultations at the request of relevant decision-makers.





## 2. ABOUT THE INNOVATION FUND AND THE INNOVATION INITIATIVE

### 2.1. Context and Background

With world changes occurring at an ever-increasing pace, innovative and creative approaches to respond to complex and interconnected development challenges beyond ‘business as usual’ have become key for the international development community. Agenda 2030 recognizes innovation as instrumental to achieving the Sustainable Development Goals and promoting new paths to sustainability.

.....

*Box 3. Dr. Babatunde, Executive Director of UNFPA, on Innovation:*

“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.”

*Source: Innovation in the UN – Joint Meeting of the Executive Boards 2015.*

.....

UNFPA embraces the importance of innovation and acknowledges the need to develop a culture that nurtures innovation and allows it to emerge.<sup>15</sup> UNFPA began exploring corporate approaches to innovation in 2013. These approaches would be later included in the UNFPA Strategic Plan 2014-2017. UNFPA is a member of UNIN, an informal group of innovation staff members from a number of United Nations agencies. UNIN drafted the nine UN Open Innovation Principles, which were implicitly endorsed by UNFPA in May 2015.

#### 2.1.1. Innovation in UNFPA

The Strategic Plan 2014-2017 recognizes innovation as a key element to becoming a more adaptable, flexible and nimble organization, deemed necessary to making

an impact in a world that is increasingly complex and fast moving. The development of the Strategic Plan was shaped by a number of UN-related key processes, with the Quadrennial Comprehensive Policy Review of operational activities for development of the United Nations system playing a particularly influential role.<sup>16</sup> The review acknowledges the urgency for the UN system to seek new and innovative solutions for development challenges, for the development of funding mechanisms in support of innovative solutions and for the need to increase the capacity of UN to engage in innovative partnerships.<sup>17</sup>

The Strategic Plan 2014- 2017 presents innovation as a way of delivering on the strategic direction of the Plan. Innovation is specifically mentioned under organizational effectiveness and efficiency, and when addressing the allocation of programmatic resources, under the resources and results section. To this end, the Plan foresees the creation of an Opportunities Fund (later referred to as the Innovation Fund) as an instrument financed from non-core contributions, with two interrelated purposes: as a funding mechanism and as a way to strengthen the culture of innovation in UNFPA.<sup>18</sup>

The Plan acknowledges examples of innovations already taking place within UNFPA and stresses the need to continue exploring different approaches to supply-chain management and the use of big data for rapid decision-making. The Plan specifically highlights the need to develop a “strong culture of experimenting with new ideas, failing, learning lessons, and trying again,” supported by the creation of an “Opportunities Fund.”<sup>19</sup>

In February 2014 and subsequent to the development of the Strategic Plan, UNFPA announced “innovation and creativity” as a 2014 Corporate Priority Project with the objective to encourage actions generating and rewarding innovation.<sup>20</sup>

### 2.2. The Innovation Initiative

In June 2014, the Danish government signed a financial agreement for approximately \$4 million over two years

15 UNFPA Innovation Concept Paper (September 2014).

16 UNFPA Strategic Plan 2014-2017 (Introduction, page 4).

17 Quadrennial comprehensive policy review of operational activities for development of the United Nations System, General Assembly resolution 67/226 (page 4, 6 and 26).

18 UNFPA Strategic Plan 2014-2017 (paragraph 68).

19 UNFPA Strategic Plan 2014-2017 (paragraph 88).

20 Corporate Priorities and Projects in 2014, UNFPA Executive Committee Paper at 17 February.

(2014 to 2015) for the implementation of the Innovation Fund in UNFPA. In September 2014, UNFPA drafted the concept paper ‘Innovation and Creativity Corporate Project Proposal: nurturing innovation at UNFPA’. The concept paper outlines the establishment of an Innovation Fund,<sup>21</sup> paving the way for the development of a corporate innovation initiative. The Project Proposal was shared with and approved by the Danish government.

Following the Concept Paper, the IDWG was established in UNFPA. Regional directors and division directors at headquarters were asked to nominate innovation champions to be part of the group. The twenty-two selected staff represent all regional offices, one country office per region and a number of business units from headquarters (the Technical Division, the Programme Division, the Division of Management Services, the Office of the Executive Director, the

Division of Communication and Strategic Partnerships, Management Information Services and the Procurement Services Branch). The IDWG was entrusted with the task of examining and developing ideas to foster and manage innovation within UNFPA.

In April 2015, the IDWG organized a retreat to carry out a first internal review of activities implemented to date and to provide recommendations for a way forward. The result of the exercise was the ‘Updated Vision of Innovation at UNFPA for the period 2015-2017’. The vision represents a transition from the 2014 UNFPA Innovation concept paper to a new eight-prong strategic approach to innovation for 2015-2017. The Executive Committee endorsed the new vision and the IDWG began operationalizing it in a 2016 work plan. The eight-prong strategy delineates the frame for the Innovation Initiative (see Figure 7).

Figure 7. The Eight-prong Approach to Innovation in UNFPA



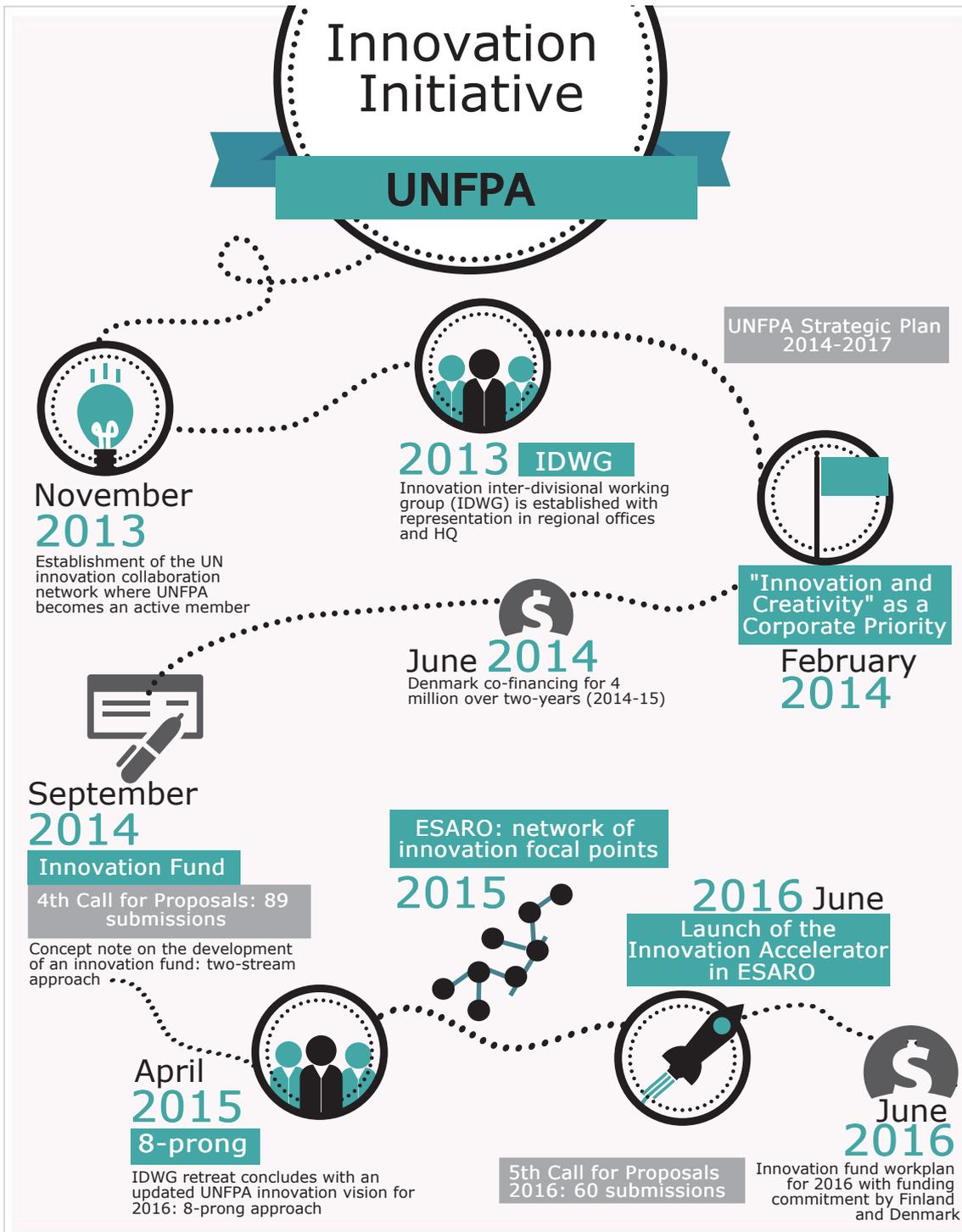
21 Strongly influenced by the ‘Opportunities Fund’ proposal elaborated in the Strategic Plan 2014-2017.

At the start of the present evaluation (September 2016), the team at the Innovation Fund Secretariat and the IDWG were work on operationalizing the 2015-2017 Vision, including the adaptation and scaling of successful initiatives, further calls for proposals, public crowd-sourcing and advancing a culture of innovation in UNFPA through targeted learning, training and capacity development activities.<sup>22</sup> The innovation team was exploring ways to restructure the Initiative and move from the project-based approach followed in the first few years to one that permeates across UNFPA working

areas and aligns with and integrates into the next Strategic Plan 2018-2021. The findings and contributions of this formative evaluation were inserted into that process.

Innovation activities in UNFPA are funded through a pooled UNFPA Innovation Fund. To date, the Danish Government has allocated \$4,778,489.96 to the Innovation Fund; the Finish Government has approved a \$1,439,067.99 fund for 2017-2018 for the acceleration and scaling of the successful innovative solutions.

Figure 8. Innovation Initiative at UNFPA: Timeline



22 UNFPA proposal to Finland Innovation Fund.

## 2.3. The Innovation Fund

The Innovation Fund responds both to the call made in the Strategic Plan 2014-2017 for the establishment of the Opportunities Fund and to the announcement of “promoting innovation and creativity” as a corporate priority in 2014. As set out in the Innovation Concept Paper, the Innovation Fund is expected to have a catalytic nature and is conceived “as a tool for generating a cultural shift within UNFPA by providing motivation and a mechanism for staff to generate, fund and implement innovative ideas.”<sup>23</sup>

The implementation of the Innovation Fund follows a two-stream approach. Stream One (also called the *project stream*), was designed to test innovation projects sourced from country, regional and headquarter teams through regular calls for proposals. Project proposals are managed through a participative process that engages all UNFPA staff in voting, the IDWG and the Innovation Strategy Body<sup>24</sup> in technical and strategic reviews, and the Executive Director in the final endorsement of project proposals. Stream Two (also called the *culture stream*), was devised to promote a culture of innovation across UNFPA. Activities include supporting country offices to host innovation days, developing internal and external communication platforms, and networking and developing partnerships.<sup>25</sup>

Five calls for proposals, open to all UNFPA staff, were launched from 2014 to 2016. A total of 149 proposals have been submitted, receiving 8,554 unique staff votes. More than half (54 per cent) of UNFPA offices applied to the Innovation Fund. Of the 149 submitted proposals, 27 were selected for funding.<sup>26</sup> These projects span across world regions and across the scope of the

UNFPA mandate, addressing areas such as mobile health, youth entrepreneurship and empowerment, big data, humanitarian innovation and technology to promote access to sexual and reproductive health. The fifth call for proposals was launched in June 2016 under a new region-based call for proposals. Regional IDWG members established regional review committees that shortlisted project proposals in their respective regions. The full IDWG reviewed proposals from headquarters and regional offices.

The management process for each call for proposals followed a standardized sequence: submission (project templates, criteria for selection and a video with ‘five tips’ were made available);<sup>27</sup> voting (online voting platform open to participation by all staff); selection (done by the IDWG, Regional Committees and the Innovation Strategy Review Body); and final endorsement by the Executive Director. All communications, templates and documents related to the Innovation Fund are uploaded in an internal site referred to as the Innovation Hub.

Innovation Fund activities are coordinated and managed by the Innovation Fund Secretariat, endowed with three staff members: an Innovation Project Sponsor, an Innovation Project Manager and an Innovation Technical Specialist. The latter is a new, full-time temporary appointment, whereas the two former positions are pre-existing UNFPA staff members who were appointed to these positions in addition to their current responsibilities. Human resources devoted to innovation also include the 22 members of the IDWG and the five members of the Innovation Strategy Review Body (five UNFPA Executive Committee members, inclusive of the Innovation Sponsor). In both cases, time contributions to the innovation activities are made on a volunteer basis.

23 Note that the ‘Pooled UNFPA Innovation Fund’ is the financial instrument through which donors contribute to innovation in UNFPA. The ‘Innovation Fund’ is the implementation mechanism in charge of carrying out, managing and supervising innovation activities in the *culture* and *project* streams.

24 The Strategy Body is composed of five Executive Committee members nominated by the Executive Director.

25 On innovation days, colleagues come together — usually in a different venue — to brainstorm on opportunities and challenges using methodologies drawn from design thinking and creative problem solving.

26 A total of 29 projects have been funded to date. Two of them (the Hack4Youth and the Big Data Boot Camp) were funded through a grouping of proposals, i.e. did not respond to an individual written project proposal submitted to a call.

27 Five Tips for a Successful Submission, available at <https://www.youtube.com/watch?v=opXFe5Hcow4>



## 3. MAIN FINDINGS OF THE EVALUATION

Organized in three clusters, this chapter presents the three levels of analysis within the scope of the evaluation: the performance of the Innovation Fund, the links between the Innovation Fund and the Innovation Initiative, and the links between the Innovation Initiative and innovation in UNFPA at large.

Within each level, the aspects addressed correspond to the topics that were considered most relevant and useful to evaluation users, given the decision-making processes going on at the time of report writing (UNFPA Innovation Business Case, input to the Strategic Plan 2018-2021).<sup>28</sup> This analysis chapter is thus not structured around answers to the evaluation questions but around topics of interest for evaluation users. Some of the questions in the original evaluation matrix do not appear in this chapter because they were not considered to be a priority at the time of report writing. Nonetheless, the analysis addresses and covers all evaluation questions. Moreover, answers to the questions that do not appear in this chapter were presented to the Evaluation Reference Group in the validation and planning retreat workshops conducted

in February 2017. Annex 5 presents the details on all evaluation questions, the degree of coverage of their answers and where to find them either in this report or in presentations to the Evaluation Reference Group.

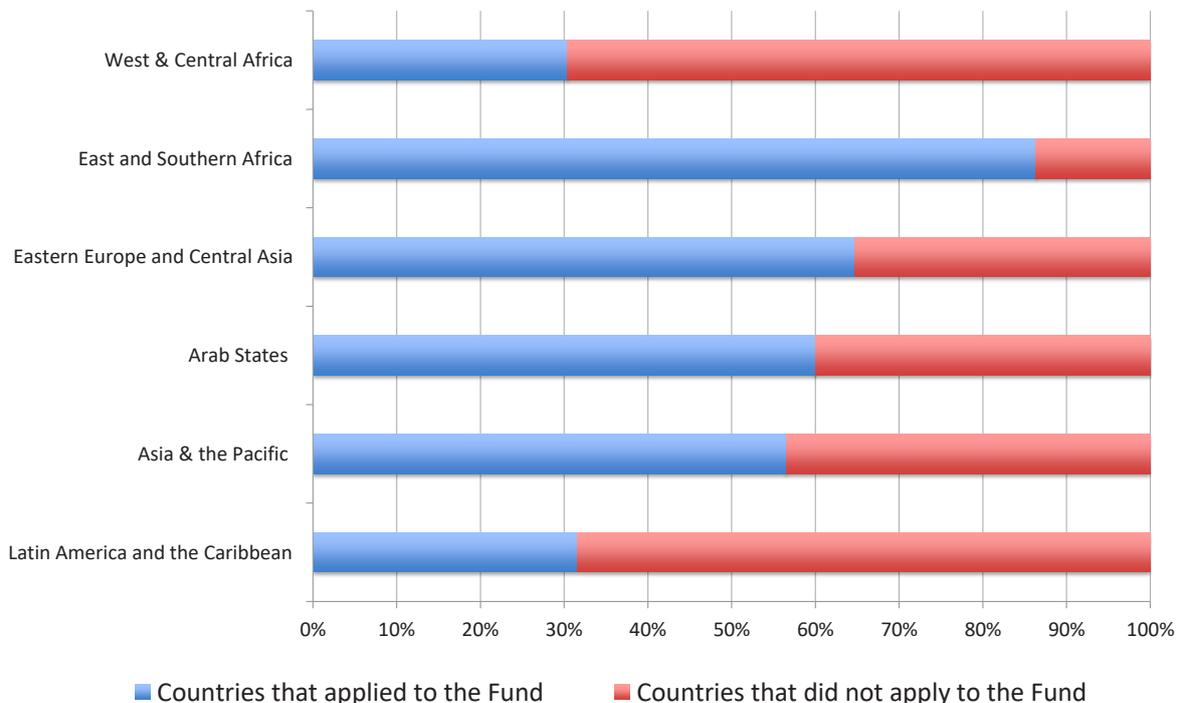
### 3.1. On the Innovation Fund

#### 3.1.1. Outreach and use of the Innovation Fund

**The outreach of the Innovation Fund has been remarkable: 55 per cent of the 121 UNFPA field offices have applied to the Innovation Fund.**

Since the September 2014 launch of the Innovation Fund and until the fifth round of calls for proposals in July 2016, 67 field offices (of 121 UNFPA offices) submitted proposals to finance innovation projects and innovation days.<sup>29</sup> This represents 55 per cent of all field offices in less than two years. Moreover, 12 business units in Headquarters have participated from the Innovation Fund.<sup>30</sup>

Figure 9. Proportion of Countries Applying to the Innovation Fund by Region



28 The Technical Division in UNFPA leads the Innovation Initiative.

29 Field offices include country, regional and subregional offices.

30 Office of the Executive Director; Division of Management Services; Division of Human Resources; Management Information Services; Division of Communications and Strategic Partnerships, Programme Division, Procurement Services Branch; the Evaluation Office; and in the Technical Division: Adolescent and Youth; Humanitarian Action Branch; Population and Development Branch; and Sexual & Reproductive Health Branch.

**As shown in Figure 9, the outreach of the Innovation Fund presents regional differences.**

The ESA region shows, by far, the highest percentage of countries applying to the Innovation Fund (86 per cent), followed by the Eastern Europe and Central Asia (EECA) region, Arab States and the Asia-Pacific region, which have very similar proportions of applicant offices (around 60 per cent). Conversely, the Latin America and the Caribbean (LAC) and West and Central Africa (WCA) regions show the lowest proportions, with approximately 30 per cent of offices in their regions having applied to the Innovation Fund.

The high level of participation in ESA is associated to a very vibrant *technology for development* innovation ecosystem in the region. In-depth interviews, which covered most countries in the region, also revealed that the existence of a regional network of country-based innovation focal points and the technical support and guidance from the innovation focal point at the regional office, made a difference. The ESA is the only region with a full-time dedicated technical specialist on innovation.

In LAC countries, the survey and interviews revealed two additional recurring elements. First, the focus on technology of most submitted proposals created the perception that the Innovation Fund was technology-focused and therefore not relevant to their context and therefore decided not to apply.<sup>31</sup> These countries were middle-income countries in the pink country quadrant, which focus on advocacy and policy dialogue as main modes of engagement. The second element is related to cost-effectiveness considerations: few staff (small offices) combined with the high time investment required to develop a proposal and the perception that competition would be high, resulted in disincentives to apply.

Language issues were another reason behind the high percentage of non-applicants in the LAC and WCA regions (particularly in WCA). In a context where proposals had to be submitted in a structured, written form, applying to the Innovation Fund required a high-level command of English, which made some country offices think they could not compete.

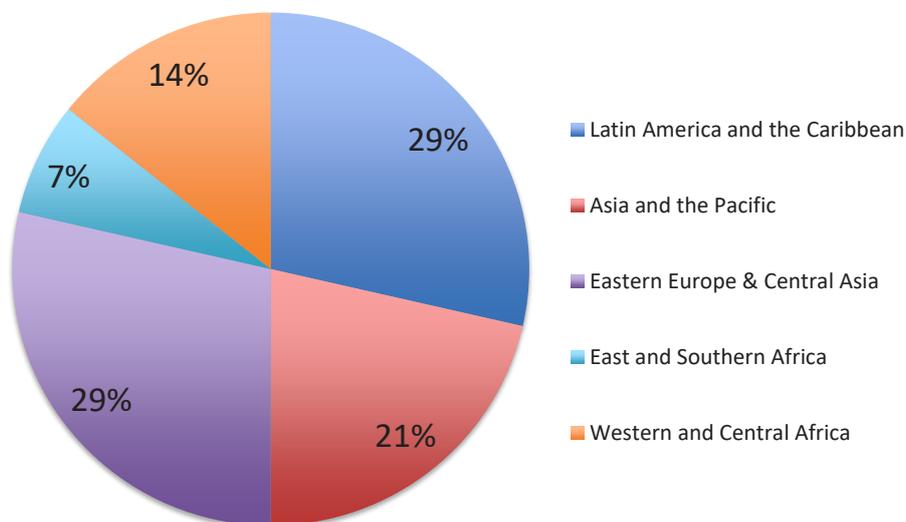
Beyond these region-specific differences, the evaluation team looked for evidence of salient common factors explaining the decision whether to apply to the Innovation Fund. The analysis results hint at some tendencies, but the value of the analysis is constrained by the fact that only 26 per cent of non-applicant offices responded to the survey, which may leave a large number of factors unexplained.

**Interviews and survey results from non-applicants, combined with findings of interviews with applicants (including drop-out applicants),<sup>32</sup> point to two recurrent factors behind participation in the Innovation Fund: time availability and staff availability.**

Office size (in term of the number of staff) was mentioned in a considerable number of interviews; the smaller the office the less likely that the office decided to apply. However, statistical analysis results contravene this finding.

All non-applicant offices responding to the survey knew about the Innovation Fund. Although the survey response rate was relatively low (therefore barring generalizations), this may be an indication that unawareness was not the main reason why non-applicant offices did not apply.

Figure 10. Responses to the Non-applicant Online survey by Region



31 The most recurrent theme in project proposals were solutions to expand and accelerate outreach to young communities through information and communication technology solutions.

32 Dropout applicants are country offices that having applied to the Innovation Fund more than once decide to discontinue submitting proposals.

Responses to the non-applicant survey were evenly distributed across regions (see Figure 10). With one-fourth of responses from Africa and the rest evenly distributed among EECA, Asia-Pacific and LAC.<sup>33</sup>

When asked why they did not submit a project proposal, the three main reasons provided by non-applicants were (in order of occurrence): lack of time to discuss whether to apply, not enough staff to prepare the project proposal and lack of time to discuss the project proposal. Apparently, channelling applications through traditional lengthy written proposals (particularly in the first rounds) made applying more costly in terms of time and staff.

Some non-applicant offices and a number of applicant offices that decided to stop submitting proposals ('dropouts') pointed out that the lack of clarity as to what the Innovation Fund expected an *innovative proposal* should be was a deterrent to apply; such vagueness increased the perceived likelihood that the proposal would not be selected.

A considerable number of interviews mentioned office size as a main reason not to apply to the Innovation Fund. Data availability on number of staff by country office made it possible to compare the results of the interviews with statistical analysis.

The evaluation team looked at whether office size determined participation in the Innovation Fund by testing whether countries that applied to the Innovation Fund had significantly more staff than those who did not apply. The tested hypothesis was that the mean size of participating offices is significantly higher than the mean

size of non-participating offices. To test the hypothesis, we conducted a T-test for comparison of the mean size of country offices for the category 0 (non-applicants) and 1 (applicants). We ran a two-sample T-test with unequal variances in Stata. The result was that the P-value for the two-tailed test was higher than alpha at a 95 per cent confidence interval. This indicates that the hypothesis that the number of country office staff matters to participation is not statistically significant.

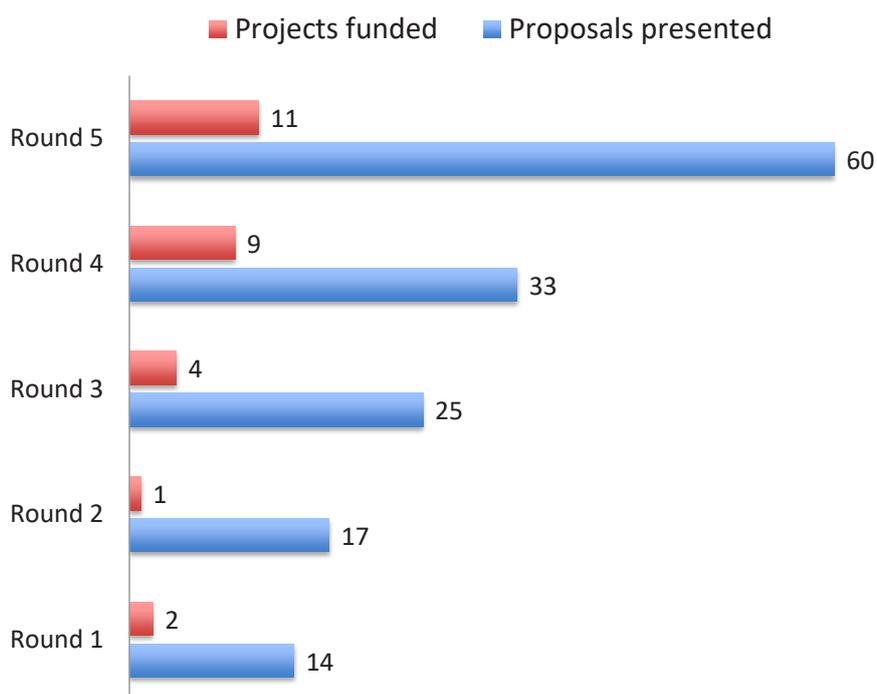
Therefore, whereas interviews pointed at the widespread perception that the number of staff in country offices mattered when deciding whether to apply to the Innovation Fund, quantitative data reveals no clear evidence of such an effect. It cannot be concluded that office size (in terms of staff) explains Innovation Fund participation.

**The use of the Innovation Fund (measured in number of proposals submitted) has increased steeply over time.**

The Innovation Fund has been available to all UNFPA staff over a series of five rounds of calls for proposals spanning from October 2014 to July 2016.

The number of project proposals has increased steadily, with a sharp surge in the last round, where the number of submitted proposals almost doubled (see Figure 11). In total, 149 project proposals were submitted; 30 projects have been funded. 19 of these projects were completed at the end of 2016, and 11 started implementation in January 2017.

Figure 11. Evolution of Project Proposals



33 The Arab States region is not represented in the survey, as no responses were received.

## ILLUSTRATIVE EXAMPLE

### Positive effects of regionalization

In the Eastern Europe and Central Asia (EECA) region, the fifth round generated a dialogue between country offices and the regional office about what innovations are most pertinent at the regional level. The two projects that were awarded funding (Social Media Ambassadors and Put it On) are not only joint projects developed by more than one country, but also reflect regional interests. Several countries in EECA are interested in the approach developed by the Put it On project, a mobile application for young people to find information about sexual reproductive health and rights. The application not only provides information, but also features a challenging quiz, making it more appealing to young people.

In the Asia-Pacific Region, two regional proposals were developed. Although neither obtained funding, the proposals prompted a discussion between several country offices and the regional office on issues of common interest, such as multi-country analysis of Internet use, violence and sexual behaviours online.

These two examples illustrate the possibilities of the Innovation Fund in terms of generating synergies and relevant exchanges by thematic area across countries in a region.

#### The regionalization of the fifth round led to a surge in the number of proposals submitted.

Regionalizing the call for proposals meant a higher role for regional offices in advertising the round and in conducting the first review and selection of proposals. These tasks were carried out by regional committees (instead of IDWG in headquarters-based selection sessions).

In-depth interviews with country and regional offices revealed that this surge was the combined result of three factors: regional innovation focal points informing about the round, guiding the process and providing assistance; increased attention because it was perceived as a closer call (i.e. emails came from the regional office, in regional language, as opposed to in English from Headquarters); and the perception that the odds of being awarded were higher, as funding caps were set at regional level and competition was perceived to be regional rather than global.

#### The evolution of the number of project proposals submitted over time varies with geographical region.

Figure 12 presents the overall picture of the evolution of proposal submission by round and by region, including headquarters. The ESA region was the most active, showing an increasing trend after the third round. ESA is followed by headquarters, which was very active in the first round, with a steadily decrease of submissions thereafter. The LAC and Asia-Pacific regions show an upward trend after the third round, with moderate amounts of proposals overall. The Arab States and EECA regions stand out for the upsurge as a result of the regionalization. West and Central Africa is the only

region that showed a decreasing trend in proposal submission over time.

The level of interest and engagement (measured by the number of proposals submitted by applicant countries) varies across regions. The WCA region, for example, is the second in terms of number of proposals submitted; yet only a few countries within the region (30 per cent) presented proposals. In contrast, the ESA region features the largest number of submissions in a context where most offices (86 per cent) presented proposals.<sup>34</sup>

Figure 12 shows that the surge in submissions in the fifth round (due to the regionalization) also hides regional variations. The regionalization of the last call for proposals led to a substantial increase in submissions in the EECA, Arab States, ESA, and Asia-Pacific regions; a moderate increase in the LAC region; and a decrease in the number of submissions in the WCA region and in the headquarters. In-depth interviews revealed that the most probable reason for the decrease in WCA submissions was that no proposals were awarded during the first four rounds, which adversely affected incentives to participate.

#### When incorporating information on awards, data analysis reveals the presence of a quota or balancing effect, both by region and by country quadrant.

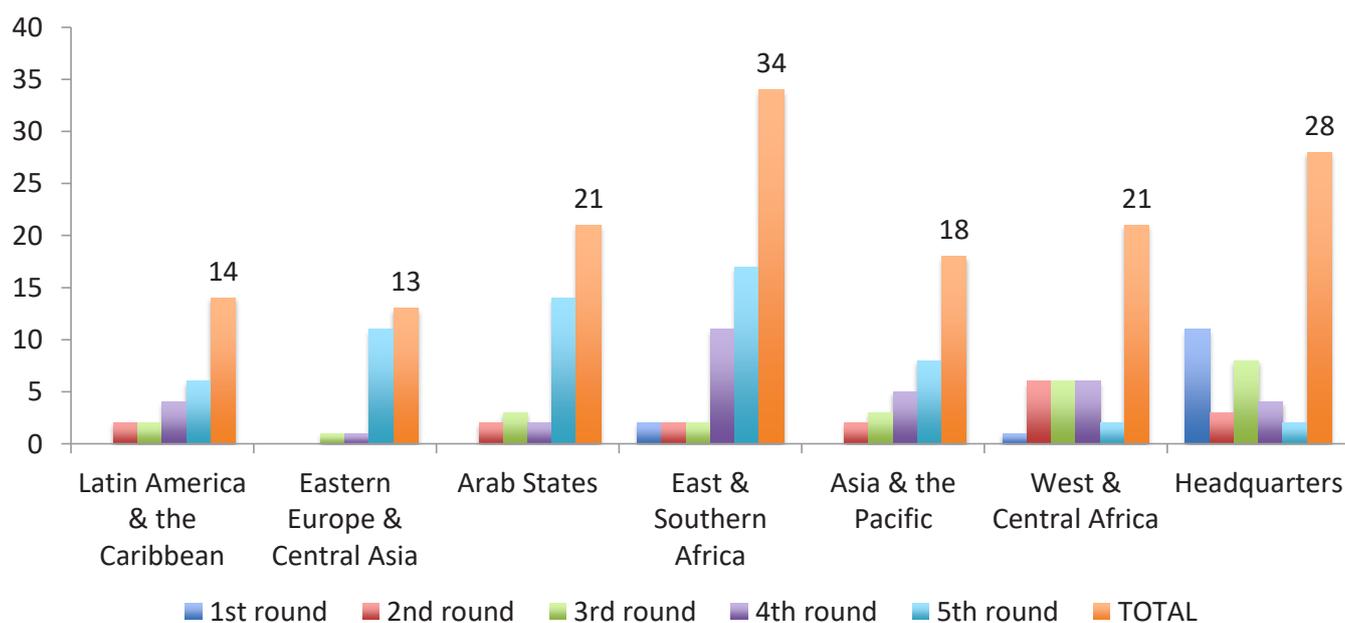
A balancing effect implies that the distribution of awarded proposals tends to match the weight of the region within UNFPA (in terms of number of country offices in that region over the total) rather than matching the effort in proposal submissions.

Assuming that the average quality of proposals is similar across regions,<sup>35</sup> one would expect the share of awarded

34 In the WCA region, only seven countries out of 23 (30 per cent) submitted project proposals (21 in total). In contrast, in the ESA region 19 out of 22 countries (86 per cent) submitted project proposals (34 in total).

35 In other words, assuming that the country offices in a given region do not systematically send lower or better quality proposals than those in other regions.

Figure 12. Evolution of Project Proposals by Region and in Headquarters



proposals by region to approximately follow the share of submitted proposals by region. However, this might not be the case (see Table 2). Even though ESARO is the largest contributor in terms of proposals and the largest in terms of awards, the share in awards is six percentage points lower than the share in submissions. APRO was awarded as many proposals as ESARO (five each), yet

APRO only contributed 15 per cent of the submissions.

In general terms, the distribution of awards<sup>36</sup> tends to follow the distribution of country offices by region more closely than the distribution of proposals submitted, hence the indication that a quota or balancing effect might have played a role in the award of proposals.<sup>37</sup>

Table 2. Distribution of Proposals Submitted, Awarded and Offices by Region

Region	Proposals submitted		Proposals awarded		Distribution of offices by region	
	Units	Share	Units	Share in total	Office	Share in total
ESARO	34	28%	5	22%	23	19%
ASRO	21	17%	4	17%	13	11%
WCARO	21	17%	2	9%	22	18%
APRO	18	15%	5	22%	24	20%
LACRO	14	12%	4	17%	20	17%
EECARO	13	11%	3	13%	19	16%
<b>Total</b>	<b>121</b>	<b>100%</b>	<b>23</b>	<b>100%</b>	<b>121</b>	<b>100%</b>

<sup>36</sup> This is not a perfect match though. The third largest region, West and Central Africa, is a large contributor while registering the smallest share of awards. In the case of West and Central Africa, qualitative evidence seems to suggest that overall quality of proposals had an effect in the award rates.

<sup>37</sup> Caveat: the number of awarded proposals by each region is relatively small and interpretations must be taken with caution as the marginal effect of one additional proposal awarded could change the result of this finding.

Figure 13. Distribution of Proposals Submitted, Proposals Funded and Number of Offices by Quadrant

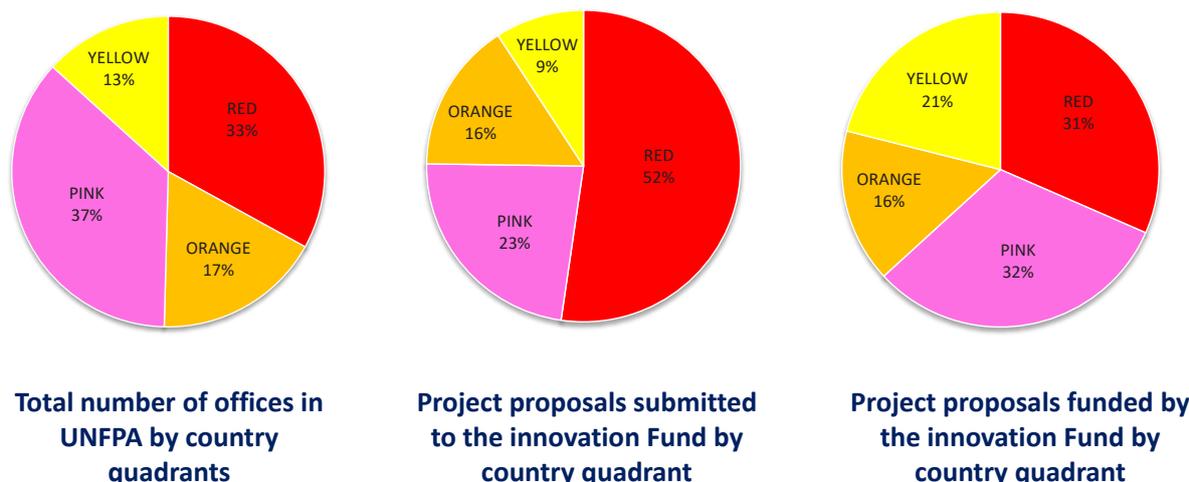


Figure 13 illustrates the balancing effect by country quadrant. The proposals awarded follow a distribution (to the right) that is similar to the distribution of offices by quadrant (to the left), rather than to the distribution of submissions by quadrant. In other words, the percentage of awards is broadly similar to the percentage of offices by quadrant (rather than being similar to the percentages of submission by quadrant).

The only exception is the yellow quadrant, where the percentage of awards is much higher than the share of offices. This is likely due to the effect of the Arab States region in the yellow quadrant. As previously noted, in the Arab States region the difference between the weight of the offices and percentage of awarded proposals is higher. Assuming that quality of the proposals was similar across regions, a possible explanation could be the proportionally higher number of humanitarian situations in the Arab States.

**The average budget for submitted proposals was \$225,000; the average budget for funded projects was \$90,900. In both cases there is a large heterogeneity in the distribution, with values ranging widely from relatively low to very large amounts. The average budget for proposals and awarded projects also varies largely by region.**

The analysis results are displayed for reference and should be taken with caution given that in the fifth round there was a change in the financial cap modality. This causes distortions when comparing budgets across the portfolio of projects. Note that in the four first

rounds there were no limitations in terms of project budgets. In the fifth round, a funding cap of \$150,000 per region was introduced, de facto reducing the average budget of the proposals.

The average budget for the 149 proposals submitted to the Innovation Fund was approximately \$225,000, with a large standard deviation of \$268,917, indicating a large heterogeneity in distribution. The median is around \$137,500, indicating that 50 per cent of the proposals were below \$137,500 and 50 per cent were above this amount.

The average budget for the 27 funded proposals was \$190,900, with a large standard deviation of \$248,667 (indicating a similarly large heterogeneity in the distribution).<sup>38</sup> Indeed, the lowest budget for a funded project was \$11,162, whereas the highest budget is \$900,000 (this is shown by the skewed distribution to the left in Figure 14).

Table 3 shows that the average budget for proposals and awarded projects varies largely by region. Again, the figures should be read with caution given that the fifth round’s change in funding cap modality has a considerable impact on the data — regions with projects funded predominantly in the fifth round will de facto have smaller average budgets in awarded projects.

Two groups stand out from the data. There is the group with ESARO, APRO and headquarters, which has funded projects with larger budgets. The second group is comprised of the four remaining regions, with funded projects under the \$100,000 threshold on average.<sup>39</sup>

38 This does not include the Hack for Youth and the Big Data Bootcamp, projects that were awarded outside the call for proposals.

39 The fact that standard deviations are large in all regions constrains the value of the analysis. Only ESARO has a standard deviation lower than the mean. All other regions have standard deviations equal or higher than the mean, which indicates that the value of the budgets vary significantly from one country or business unit to another.

Figure 14. Distribution of Budgets for Submitted Proposals and Projects Funded



Table 3. Distribution Average Budgets for Submissions and Awards by Region

Region	Proposals	Average budget for submissions (in USD)	Awards	Average budget for awards (in USD)
ESARO	34	194,754	5	294,880
ASRO	21	172,787	4	88,422
WCARO	21	386,846	2	93,081
APRO	18	210,232	5	288,062
LACRO	14	219,280	4	75,712
EECARO	13	73,938	3	52,167
Headquarters*	28	285,002	4	310,100
<b>Total</b>	<b>149</b>		<b>27</b>	

\* The Headquarters are included as a seventh region to provide a complete picture.

### 3.1.2. Functioning of the Innovation Fund

The Innovation Fund operating mechanisms were comprehensive and followed a diligent structure.

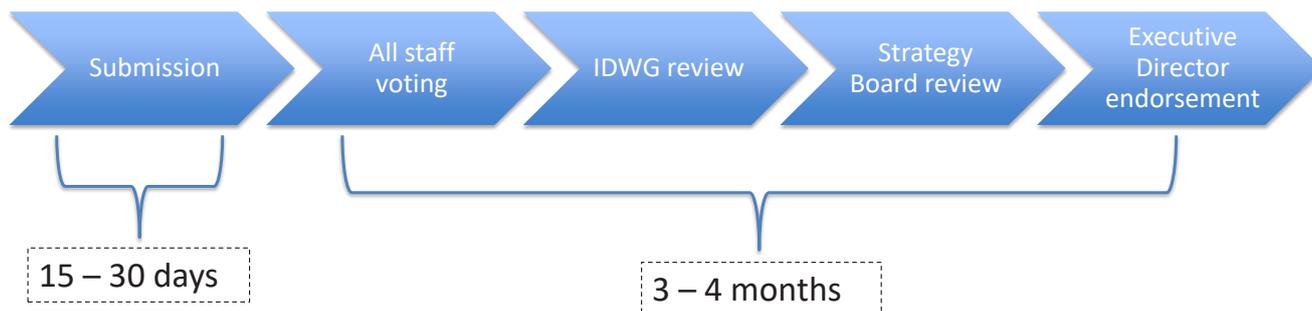
The basic operating mechanism encompassed a four-layer selection process that begins with UNFPA staff voting on proposals, followed by IDWG comments and recommendations, then a Strategy Review Board meeting and ending with a final endorsement from the Executive Director (see Figure 15). This mechanism was inclusive of all staff levels and was designed to generate ownership and institutional buy-in.

The Innovation Fund operating mechanisms allowed a proper execution of the funds, with financial resources being made timely available to implement activities in practically all cases.

Issues with late arrival of funds were reported in only one instance.<sup>40</sup> In this case, delays shortened the project's implementation time frame but did not cause any stumbling blocks in implementation.

40 The Innovation for Better Disaster Response project in Indonesia.

Figure 15. Decision-making Process for the Selection of Innovation Projects



**The Innovation Fund operating processes were rather lengthy and widely perceived as cumbersome.**

The perception that Innovation Fund operating processes were lengthy and cumbersome had implications in terms of nurturing a culture of innovation and the generation of innovative solutions (see sections 3.1.3 and 3.1.4). The Innovation Fund operated as a regular project funding mechanism. The time elapsed between the submission of the proposal and actual implementation of the innovation project could span a few months. This protracted process often generated uncertainty and led to an inability to plan. Moreover, the prolonged selection process could render the initial idea outdated by the time it was implemented or tested.

In contrast, timings prior to the submission of proposals were rather short (between 15 days and one month) to enable complete ideation processes, i.e. to enable the generation of ideas in a collaborative, co-design based process, both with partners and with end users (see section 3.1.3). Short timelines is one of the reasons mentioned by offices not applying to the Innovation Fund and by offices that applied in a particular round but discontinued participation in others.

**The Innovation Fund’s operating process was very transparent, open, inclusive and documented. However, some users have a mixed understanding of the Innovation Fund’s management process, mostly due to communication issues.**

A considerably large number of UNFPA staff interviewed regarded the Innovation Fund processes (e.g. deadlines, criteria, sequence) as very transparent. Regular updates by the Innovation Fund Secretariat with clarifications and comments added in each round have contributed to this perception of transparency. Moreover, information on Innovation Fund functions is well-documented and available to all staff. Notwithstanding this, very few informants interviewed had a clear self-identified understanding of the entire process. Communication issues were particularly noticeable in three topics. First, the weight and implications of the voting process were unclear to most informants; second, where to

find feedback (and what to expect from it) on rejected proposals was also unclear; and third, there was little awareness of the possibility of requesting funds to implement innovation days.

Most informants were unclear about the weight and implications of the voting process and about the roles of the IDWG and the Strategy Board. In the first call for proposals, a proposal template and a video with five tips for project submissions was made available. The video has been viewed only 270 times since its launch in 2014, and very few staff interviewed were aware of its content. It would have been useful to have a two-page brief explaining the process against a timeline in a visual flow diagram showing the Innovation Fund’s user journey, complemented with a narrative on process details.

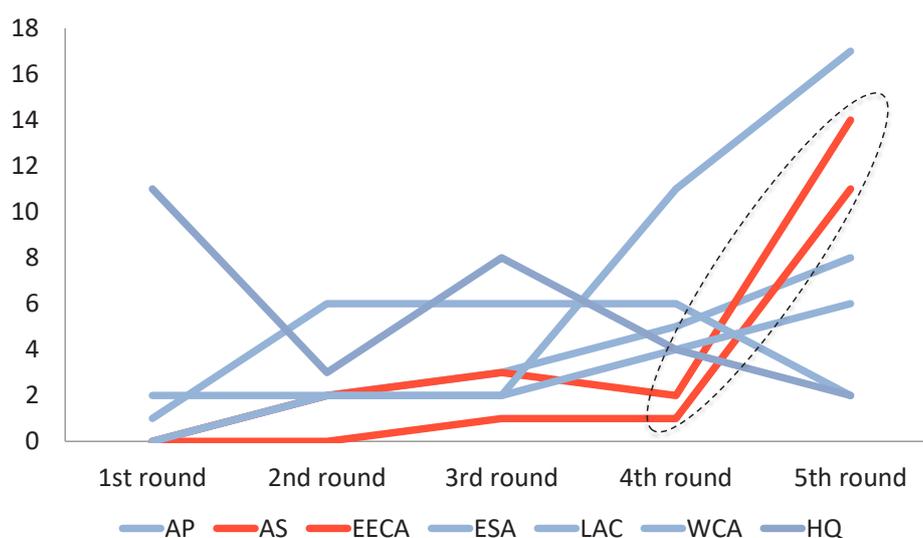
**Significant improvements were made in the last round with the May 2016 release of the ‘Guidelines for the Innovation Fund 2016 Calls for Proposals’.**

‘Guidelines for the Innovation Fund 2016 Calls for Proposals’ contains information on project selection criteria, decision-making process and timelines. Staff who participated in the first round of calls for proposals particularly stressed the improvements incorporated in these guidelines (e.g. more succinct submission template, clearer guidance on what to do and selection criteria incorporating a more design-thinking perspective).

**Communication, participation and awareness of the Innovation Fund also increased with the regionalization of the fifth call for proposals.**

The Innovation Fund significantly expanded its outreach during the fifth call. Regions that were particularly underrepresented in previous calls increased their participation rate. This was particularly the case for the EECA and Arab States regions (see Figure 16), which increased the number of project proposals presented to the Innovation Fund from one to eleven and from two to fourteen respectively.

Figure 16. Proposals Submitted by Region: the Surge in the Eastern Europe and Central Asia (EECA) and Arab States (AS) Regions in the Fifth Round



**The Innovation Fund’s internal communication system remains an unsolved issue.**

All relevant documentation on the Innovation Fund is available on the Innovation Hub. However, the site is not hosted as a regular MyUNFPA site, which makes it difficult to find, as shown by the scant number of informants reporting visits to the site. Most applicants to the Innovation Fund received relevant information through email correspondence and articles written on the Voices newsletter rather than by accessing the Hub.

Users accessing information through different channels (e.g. email, Voices, Innovation Hub) was an additional factor in how staff understood the functioning of the Innovation Fund. This was particularly problematic during the last stages of the operating process, when UNFPA communicated which projects were (or were not) selected and why.

How applicants found out about the results of the selection process affected how they perceived the level of transparency in results communication. Many applicants mentioned that no feedback was provided on rejected projects, leaving no room for clarifications, which, in some cases, led to frustration.<sup>41</sup> However, the feedback was indeed available on the Innovation Hub. Furthermore, subsequent to every call for proposals the Innovation Fund Secretariat sent an email to all proposal submitters to inform them about which proposals had made it to the next level and to provide feedback on all proposals.<sup>42</sup>

Overall, the Innovation Fund was best known for its calls for proposals. A considerable number of office staff interviewed were unacquainted with the possibility of support for conducting innovation days. Yet when told about that possibility, the majority of the interviewees found it extremely attractive and relevant to their offices. This was also the case for respondents to the non-applicant survey, one-third of which did not know about the possibility to apply for funds to support innovation days. Similarly, the guidelines of the Innovation Fund had no clear emphasis on the possibility of developing and submitting joint proposals between countries within or across regions. Interviews with UNFPA staff revealed that had this element been more stressed, the number of joint proposals would have been higher, increasing the Innovation Fund’s contributions to nurturing a culture of innovation.

**The genuine drive for a thoroughly inclusive Innovation Fund resulted in some conflicts of interest. Until recently, the mechanisms to avoid such conflicts were insufficient. The evaluation did not find evidence of any potential conflicts of interest having had any effect on proposal selection.**

In order to be fully inclusive, the Innovation Fund’s calls for proposals have been open to all UNFPA staff, including members of the Innovation Fund Secretariat, IDWG members and members of the regional review boards who were involved in proposal selection. To mitigate conflicts of interest, members of these groups who submitted a proposal were not allowed to vote or attend meetings assessing their projects.<sup>43</sup> This situation

41 A few exceptions recalled having received comments on the rejection of their projects.  
 42 Most participants to the Innovation Fund found out their proposals had not been selected only when they received an email listing awarded projects rather than by visiting the Innovation Hub — where they would have found comments on their proposals.  
 43 Review panels members from regions that had presented proposals were asked to leave the room when their proposals were being assessed.

opened a series of debates and controversies due to conflicting views.

Some informants in this situation recognized the possible issue that their proposal could be treated more favourably than in a *blind proposal* scenario. Similarly, consultations with the Ethical Office revealed that such a conflict of interest actually arose. The Ethical Office deemed that not allowing selection committee members to vote on their own proposals was too narrow a solution to mitigate the conflict of interest.

The Innovation Fund has taken steps to resolve this issue. The latest guidelines for applicants (May 2016) include the condition that conflicts of interest must be declared and that panels must not consist of members that are submitting proposals.<sup>44</sup>

The in-depth interviews did not reveal any evidence of conflicts of interest having materialized. However, a review of the Innovation Fund's monitoring data reveals different success rates for IDWG and non-IDWG members: 28 per cent of proposals presented by IDWG members were funded; only 17 per cent of non-IDWG member applications were funded.<sup>45</sup> The evaluation team conducted a statistical test to check whether this difference was statistically significant.

To test for the existence of potential conflicts of interest given available data, the tested hypothesis was that membership alone would predict being awarded; i.e. that should there be a conflict of interest, being a member of the IDWG would be a fitting predictor of approval of a project.

To test the hypothesis, the evaluation team ran a logistic regression model, calculating the statistical significance of the odds of being awarded if one is a member of the IDWG against the odds of not being a member. The test faced from two limitations. First, numbers are very small, which is a distorting factor as the marginal effect of one extra proposal awarded in either of the categories could change the results of the analysis. Second, 'IDWG' refers to individuals, but 'non-IDWG members' refers to country offices.

The results reveal that this model is not statistically significant (LR chi2 is close to zero), which suggests that membership alone is not the determining criteria of award; IDWG membership is not a good predictor of award. The evaluation team thus concludes that there is no statistical evidence that a conflict of interest materialized in terms of more proposals being awarded to IDWG members (the results of all statistical analyses are presented in Annex 8).

Descriptive analysis of quantitative monitoring data also did not reveal evidence of conflict of interest. Nearly half of the IDWG members are from headquarters business units, yet business units in headquarters tend to have a lower success rate than other geographical regions; proposals from headquarters represent 15 per cent of awards (4 awarded out of 27 submitted) against 19 per cent of awards coming from the regions (28 awarded out of 149 submitted).

Despite evidence of the existence of conflict of interest in the first rounds, there is no evidence of any adverse effects in the selection of project proposals.

**Human resource arrangements have proved inadequate for a proper functioning of the Innovation Fund, both for the Secretariat and for IDWG.**

The Innovation Fund Secretariat was endowed with one full-time innovation technical specialist and part-time allocations from a fund manager and the sponsor. Non-core resources allocated to the Innovation Fund did not contemplate of possibility of recruiting external experts (innovation experts), and core resources consisted of in-kind contributions (staff time). In this setting, and notwithstanding the highly commendable performance of the innovation specialist (often transcending her roles as secretariat staff and contributing much more than the expected effort), the Innovation Fund Secretariat has operated as a management unit for the Innovation Fund rather than as a fully-fledged technical unit for innovation in the organization. UNFPA differs from other UN agencies in this aspect, as most other agencies engaged in innovation have innovation units.

Reliance on an individual innovation technical specialist makes the Innovation Fund vulnerable to staff turnovers — a situation that occurred in September 2016. Although timely measures were taken and a suitable replacement was quickly in place, the situation lowered the momentum and intensity of communication with projects, networking activities and participation in innovation ecosystem and UN-related events.

Functional arrangements for IDWG in terms of time allocations and workload distribution proved inadequate. IDWG member roles have been mostly circumscribed to reviewing and selecting project proposals and attending quarterly progress updates. Review of project proposals absorbed a considerable amount of their time, and was excessive for most IDWG members.<sup>46</sup> This was detrimental to other, higher added value IDWG functions such as advocating for innovation within the organization, implementing the work plan for the Updated Innovation Vision and mentoring innovation projects.

44 See sections 4.1 and 9 of the 'Guidelines for the Innovation Fund 2016 Calls for Proposals' (May 2016).

45 Four awards in 14 proposals submitted by IDWG members and 23 awards in 135 proposals by non-members.

46 Often requiring review of 30 twenty-page project proposals in two-week periods.

## HOW DO OTHER UN AGENCIES DO IT?

### How do they go about staff resourcing for innovation?

The comparative analysis reveals that most UN agencies have dedicated staff with innovation functions and responsibilities. The analysis also indicates that full-time dedicated staff seems a necessary (but not sufficient) condition to make innovation happen.

Most UN agencies apply a hybrid approach, combining dedicated staff with innovation champions/ambassadors, eventually mainstreaming innovation into everyone's work. In general Agencies that have had a longer-term focus on innovation had larger innovation teams. This is the case in UNHCR, UNICEF and UNDP. UNHCR has fifteen innovation staff; UNICEF has sixteen full-time innovation staff plus external consultants; and UNDP has a fully dedicated innovation team at its headquarters and in five regional hubs worldwide.

Most agencies do not use innovation experts. UN Global Pulse has a number of in-house specialists in technical areas dedicated to developing innovative solutions rather than staff specialized in innovation. The comparative analysis among UNIN member agencies reveals that innovation specialists are characterized by values and attitudes rather than by skills (e.g. an inquiring mind, challenging available options, not content with the status quo).

The motivation and dedication of IDWG members, high at the onset of the Innovation Initiative with the launch of the Innovation Fund, has faded over the last two years. Indications include only one implemented project reporting a meaningful interaction with their mentor; low and irregular attendance at quarterly update meetings between innovation project focal points and IDWG members;<sup>47</sup> and a tangible rate of de facto attrition in the IDWG (revealed both by attendance at IDWG meetings and strategic retreats).<sup>48</sup>

### 3.1.3. Nurturing a culture of innovation

#### The baseline situation

As presented in the reconstruction of the theory of change in Volume 2, developing a culture that nurtures innovation was at the heart of the Innovation Initiative and the main of three expected outcomes from the Innovation Fund. The evaluation team used the definition of innovation culture described in the 'UNFPA Innovation Concept Paper' (see Box 4) to assess the Innovation Fund's contributions to this outcome.

In-depth interviews and the document review revealed that at the beginning of the initiative, the baseline situation of innovation in UNFPA was at a rather incipient stage. There were innovation projects, yet they were the exception rather than the rule and few staff were involved in innovation initiatives. Innovation was a priority in 2014, but that reflected a corporate will rather than a practical reality. Interviews also revealed the situation was characterized by resistance to new approaches or to current approaches outside regular channels. The contributions of the Innovation Fund to nurturing a culture of innovation should be valued against this baseline backdrop.



#### Box 4. Assessing Changes in Nurturing a Culture of Innovation

The evaluation uses the 2014 UNFPA Innovation Concept Paper's description of a culture of innovation. According to the Concept Paper, 'culture' encompasses intangibles such as beliefs, expectations and a sense of purpose that inspire employees; a culture that nurtures innovation is one that facilitates the development and acceptance of new ideas, allows the organization to take risks in implementing innovative ideas and learns from successes and failures. In individual and group interviews, the evaluation team systematically looked for evidence (or the lack thereof) of these elements and the reasons why they did or did not occur.



#### Contributions to nurturing a culture of innovation

**Given this baseline, the Innovation Initiative, and the Innovation Fund in particular, had a significant effect on positioning innovation and creating substantial momentum in UNFPA.**

The overall increases in proposal submissions and the remarkable outreach of the Innovation Fund (54 per cent of offices worldwide have applied) are indications of such momentum. The qualitative analysis revealed further indications and the reasons for them.

The Innovation Fund, the main mechanism of the Innovation Initiative, spearheaded the mainstreaming of innovation by prompting country offices to think

47 The highest rate of attendance at quarterly report meetings is one-third of IDWG members. This information is based on the reports available for the periods Q2 2015, Q3 2015, Q4 2015 and Q2 2016.

48 Of the more than 20 participants to the latest IDWG strategic retreat in February 2017, only three had also participated in the previous IDWG retreat in 2015 (Updated Vision of Innovation).

in terms of innovation. There are indications that the Innovation Fund brought higher receptivity to innovation across the organization; the Innovation Fund acted as a catalyst for people to engage in innovation. It did this by systematically triggering discussions on new ideas, enabling conversations that, in some offices, led to new ways of thinking about project design and delivery. The Innovation Fund's message that innovation is not only allowed — but also desirable and essential — contributed to making innovation an organizational phenomenon.

The Innovation Fund also contributed to further positioning innovation inside UNFPA. Innovation is now in the strategic agenda and is being discussed in several spaces (e.g. the Strategic Plan, Strategic partnerships and resource mobilization strategies). These are more than reasonable achievements given 2014 baseline.

**The voting platform contributed to generating excitement and expectations around innovation, with an increase in staff participation over the course of the five calls for proposals. However, the voting platform was not without controversy.**

The number of UNFPA staff participating in the voting platform grew from 990 in the first call for proposals to 4,128 in the fifth call. Cumulatively, proposals received 8,554 votes throughout the five calls. The voting platform proved useful as an instrument to engage UNFPA staff in the process, creating a sense of institutional-wide movement towards innovation. It also raised the profile of innovation across the organization.

However, even though voting criteria was adjusted in order to ensure fair representation of all staff members and to reduce favouritism, voting remained controversial. Whereas some staff perceives voting as an indication of excitement and drive towards innovation, others do not see its value; some even see it as a reflection of power relationships and influence within the organization.

The results of the voting process were never dispositive for deciding or rejecting proposals. Further, the voting formula ensured fair representation. However, the weight of voting was not clear to many participants, leading to confusion when the most-voted proposals were not selected. This created the (mistaken) perception of inequitable treatment for smaller offices not having as many votes as larger offices.

**Calls for innovative proposals, and innovation days in particular, prompted staff to think differently and to create new dynamics enabled by new spaces for dialogue on innovation.**

UNFPA staff perceived the lack of time to innovate as a recurring obstacle to innovation (see section 3.3.3). In this context, the Innovation Fund provided the means

to begin overcoming this limitation by offering spaces — both physical and time-wise — to think differently. According to one programme officer, “the Innovation Fund provided a platform to think: is there anything innovative we can do? It may seem obvious, but this did not use to happen often in the organization.”

**In-depth interviews with Innovation Fund applicants noted that innovation days were particularly effective in generating a drive towards innovation, making staff think beyond business as usual and contributing to acceptance of new ideas.**

Participants repeatedly pointed out that innovation days enable open spaces and imply horizontal relationships, which is not a negligible change in a traditionally hierarchical structure. In several field offices, innovation days meant bringing young people in for a horizontal dialogue, in line with *design with the user* approaches. Although in many cases this did not result in the development of tangible impact solutions, there are examples to the contrary. In Zambia, for example, the innovation day was used to bring together youth networks to discuss challenges that could be addressed through innovation. This process resulted in a mobile application being developed independently of the Innovation Fund.

**Innovation days instigated a culture of innovation by creating momentum and facilitating the acceptance of new ideas. However, lack of systematic follow-up limited the extent of these effects.**

Keeping momentum subsequent to an innovation day has been an issue. Often, innovation days were one-off events, with little follow-up through, for example, refresher meetings or training sessions on innovation. Although one-off events have an immediate effect on staff perceptions, in general, they do not change mindsets or operating methods. Where follow-up was conducted and innovation days were part of a sequence (that started off with an innovation day), the influence on culture was more tangible. In Lesotho for example, innovation days have evolved into regular events held in districts with young people; in Burundi, the innovation day resulted in an innovation annual plan for the country office (work plan on innovation 2015).

Though innovation days proved to be quite effective, their use was relatively low when compared to applications in project calls for proposals. Twenty-seven field offices and one business unit in Copenhagen have hosted innovation days, whereas 68 field offices and 12 central business units have applied to calls for proposals with innovation projects. Interviews with applicants and the survey to non-applicants point at two main reasons for this: lack of awareness on the possibility of applying for funds to support innovation days, and not enough time or human resources to implement an innovation day. Nearly half of the innovation days were hosted in

Figure 17. Innovation Days Conducted by Region

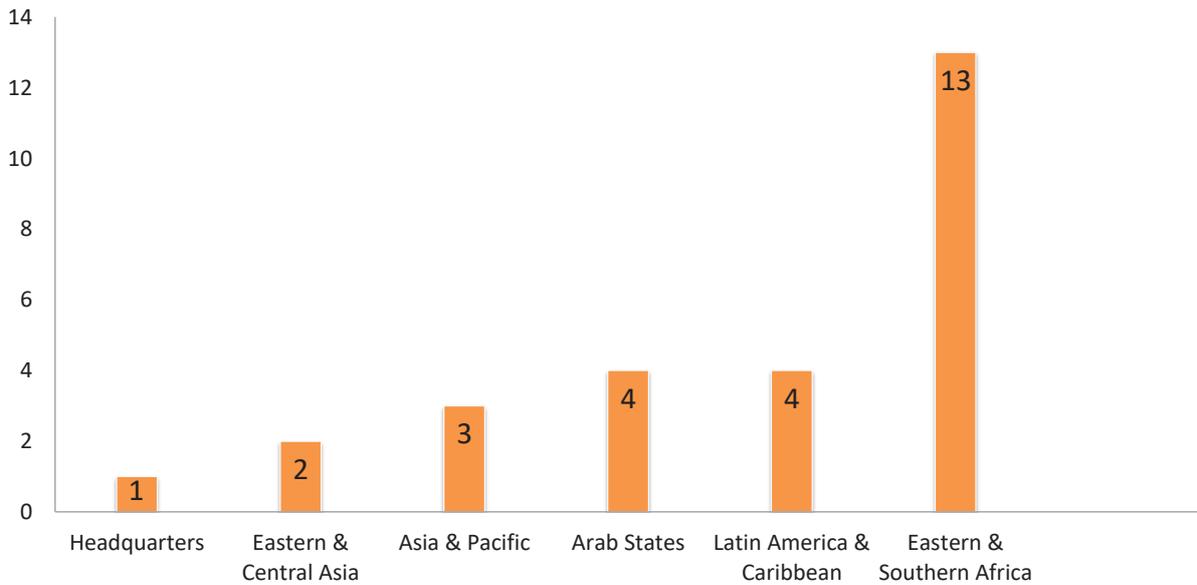
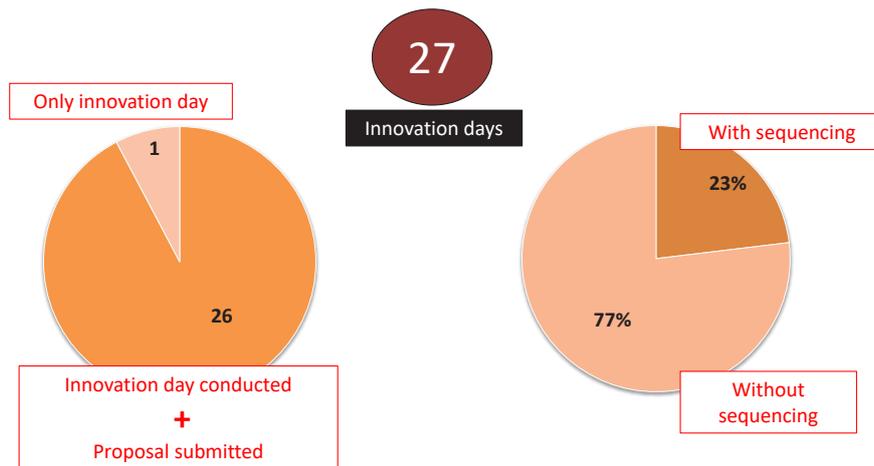


Figure 18. Innovation Days Held that Preceded and Guided the Submission of Project Proposals



the EECA region (see Figure 17). The WCA region is the only region not having hosted an innovation day.

**There is some evidence that the sequencing between innovation and succeeding project proposals has prompted co-designing processes, in line with innovation principles. However, this type of sequence has not been frequent.**

Of the 27 innovation days conducted, only one was neither preceded nor followed by a project proposal to the Innovation Fund (see Figure 18).

In 23 per cent of cases, innovation days preceded the design of project proposals to the Innovation Fund (following an intentional sequence). In some of these

cases, this sequencing generated designs done with users (as in Zambia) in co-creative and collaboration based processes. These processes helped avoid project proposals that were developed by a single person and proposals detached from innovation processes and prompted by a need for funds.

An example of sequential progression between innovation days and calls for proposals occurred in the EECA regional office. The innovation day in Istanbul resulted in the generation of six innovation ideas that were circulated across the region and led to the development of several joint proposals, one of which was awarded with funding. The evaluation also identified a few cases following the reverse logic i.e. cases in which calls for proposals generated a demand for innovation days. This was the case in Sudan country.

**ILLUSTRATIVE EXAMPLE**

**Calls for proposals generating innovation days and beyond**

As a reaction to the fifth round of the Innovation Fund’s call for proposals, the senior management in the Sudan country office assigned a team of young staff to take care of the design of innovation projects proposals. Interest and drive from senior management combined with high staff motivation resulted in this seven-member team outliving the call and becoming the office’s innovation team. As a result of the momentum generated by the call for proposals, an innovation day was hosted in a three-day retreat. At the time of the evaluation, the innovation team was mobilizing resources to implement five innovation project proposals beyond the Innovation Fund.

Interview results strongly suggest that a sequenced interaction between innovation days and project proposals tended to generate virtuous cycles in terms of adopting new approaches in line with a culture of innovation. The Innovation Fund worked most effectively to nurture a culture of innovation when it combined senior management vision, staff leadership and motivation and both streams of the Innovation Fund; the Uganda country office exemplifies this.

**The Innovation Fund has generated a reconnection of the staff with their higher purpose, that is, with the deep motivations that prompted them to work for UNFPA in the first place.**

These deep motivations are generally related to bringing about change for vulnerable women and young people. UNFPA staff perceive the organization’s mandate as particularly challenging within the UN system — it deals with highly complex and intricate taboos, while touching upon crucial aspects of the essence of life and the advancement of humanity. Innovation is viewed as a potentially very powerful tool to address the challenges hindering progress in this regard. This reconnection not only triggers enthusiasm and generates momentum, it also instils a sense of purpose that inspires employees, which is one of elements of the culture of innovations sought by UNFPA. Though intangible, this effect was identified in a considerable number of the in-depth interviews.

**3.1.4. Insights on the limitations of the Innovation Fund to nurture a culture of innovation**

Most of the Innovation Fund’s limits as a mechanism to nurture a culture of innovation are associated with design aspects, i.e. the fact it is an internal, project-based, resource-driven mechanism based on calls for proposals.

**The increasing numbers in applications not only reveal an increased use of the Innovation Fund due to a genuine drive for innovation, but also reflect a filling-the-funding-gap effect prompted by the current financial situation.**

The reasonably high levels of outreach and use of the Innovation Fund reflect a genuine drive for innovation in UNFPA. They also reflect the need for resources in a context of financial austerity. An internal open call for proposals focusing on projects prompted funding-gap effect. A number of country office interviewees explicitly acknowledged they regard innovation as a mobilization resource argument and approached the Innovation Fund as a source for funding. Other options such as calls for solutions (rather than projects), open challenges or thematic innovation labs, would likely not have generated this effect.

**ILLUSTRATIVE EXAMPLE**

**Uganda and the transformative power of the Innovation Fund**

As a direct effect of the Hack for Youth (an Innovation Fund-supported project hosted in Kampala), the Country Representative decided that working with young people was the way forward. An Innovation Café was opened in the country office and several innovation projects have been generated in that space. A number of innovation days were held, one funded by the Innovation Fund prior to the Hack for Youth, and two additional innovation days following after the Hack for Youth event. Reach a Hand, a youth-led organization and one of the organizers of the hackathon, became an implementing partner of the Uganda office. The result of this process, as perceived by country office staff, is a transformation in the way in that UNFPA works with young people in Uganda.

The Innovation Fund clearly created awareness and a call to action to move beyond business as usual. The challenge is how to sustain the drive for innovation beyond the availability of resources offered by the Innovation Fund, given that fund availability has operated as an important incentive for Innovation Fund users.

**The structure and functioning of the Innovation Fund is not particularly innovative. Although more innovative than some traditional thematic funds, the Innovation Fund reflects the existing culture, which in turn is the result of traditional management and operational systems.**

Open calls for project proposals are more innovative than approaches taken by some UNFPA thematic funds, which use more top-down mechanisms (e.g. by allocating funds to countries on the basis of pre-established formulas).<sup>49</sup> Nonetheless, a sizeable number of UNFPA staff interviewed did not perceive the use of open calls for proposals as a particularly innovative funding mechanism. With the exception of the voting platform, the functioning of the Innovation Fund is seen as incorporating few distinct features. Similarly, most projects supported by the Innovation Fund have been implemented similarly to other, regular projects. Innovation-specific features were not built into the Innovation Fund's operation (e.g. longer timelines allowing design with the user, use of pitches and business cases rather than written proposals, data-driven monitoring and evaluation systems enabling identification of failure, or capacity-building to guide the design of innovative solutions following the principles of innovation). Incorporating innovative features could have generated new ways of designing innovation projects. The design of the mechanism was a missed opportunity to contribute to nurture a culture of innovation.

Rather than a mechanism influencing UNFPA culture, the existing culture shaped the design of the mechanism. Although the Innovation Fund's inclusive architecture instilled a sense of institutional ownership and promoted engagement at all levels its approval process for projects was perceived as reflecting the organization's bureaucratic and hierarchical culture.

The decision to operate the Innovation Fund on the basis of calls for proposals was a logical response to the search for a mechanism that fulfilled two key requirements at the time: absorption capacity and promoting innovation culture across the organization. Calls for proposals made it possible to comply with the donors' absorption capacity requirement that half of the funds had to be put to good use by the end of the first eighteen months. Other options such as thematic

innovation labs or global challenges followed by acceleration would have not allowed such high levels of absorption capacity. Calls for proposals were inclusive and allowed for a wide outreach across the organization, which were considered as key factors to foster the drive for a culture of innovation in UNFPA.

**The Innovation Fund moved beyond the classical project proposal approach and into innovation-specific, more experimental approaches in a few exceptional cases. When that occurred, results in terms of nurturing a culture of innovation were very visible.**

This was the case with the Hack for Youth in Uganda. The Hack for Youth project went beyond the implementation of a project proposal. It combined a large number of mobile health (m-health) proposals submitted over the first three rounds by different country offices, merging them into one single project that started with a 'hackaton' in Uganda. The project brought together submitters of mobile health proposals and programme developers to collaboratively design one or two mobile solutions. The project had two phases. Phase one featured the hackathon; phase two works on the development of prototypes and pilots. This approach ensured that ideas were not lost due to proposals not being approved. All ideas put forward in mobile health proposals were integrated into the actual prototype solutions. The hackathon generated remarkable momentum, linking UNFPA staff from Africa and Latin America with young developers and instilling in participants the sense that UNFPA is committed to innovation. The approach included collective co-design of joint proposals and practical interaction between regions, which is highly valued by staff. At the time of the evaluation, the UNFPA Uruguay was considering adopting SafePal, one of the applications developed.

**The Innovation Fund was designed as a mechanism for financing project implementation rather than for supporting testing of innovative solutions. This was not conducive to nurturing a culture of innovation as defined by UNFPA in terms of assuming risks and accepting failure.**

The UNFPA Innovation Concept Paper defines a culture that nurtures innovation as a culture that accepts, assimilates and learns from failure as well as a culture that assumes and tolerates higher levels of risk. Innovation Fund implementation has proven that failure tolerance and risk assumption in a project context are extremely difficult. This is even greater when projects are implemented in the usual context of ongoing country programmes, often with regular partners and with budgets translating into activity plans.

<sup>49</sup> Two thematic funds that use top-down approaches to resource allocation are *UNFPA Supplies* and the *Unified Budget, Results and Accountability Framework* (the latter features HIV funds from UNAIDS). In allocating funds, these thematic funds look at a range of indicators, including epidemiology, access to resources and human development indicators.

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**Box 5. Implementing Projects versus Testing Solutions**

Project implementation evaluation tends to focus on activities, whereas solution testing tends to focus on the results of the test. Solution testing is usually based on iterations, presentations on why tested assumptions worked (or did not), further tweaking and insight reports. Such approaches are more conducive to prompting higher levels of risk and the assimilation of failure.

.....  
 A number of informants perceive that the Innovation Fund allows for higher risk taking compared to regular country programme projects. However, there was nothing in the operating mechanisms of the Innovation Fund that differed from usual processes; in this regard, the Innovation Fund did not convey the message that this was a new approach in terms of risk and failure. Evidence collected through the evaluation suggests that in practical terms, this perception of higher risk did not translate into proposals pushing the limits of business as usual (i.e. highly innovative proposals) or into better acceptance and assimilation of failure. The possibility — and acceptance — of failure was not communicated strongly enough. Several informants were quite reluctant to believe that the organization would have accepted failure to happen. Using a traditional project implementation-based funding mechanism did not convey the message that failure was acceptable and higher risk was desirable.

The evaluation team did not find any indications of higher risk taking or failure being celebrated, recognized or even positively acknowledged. This makes it difficult for traditional attitudes and fears to change, given that

no incentives are provided. The perception that risk-taking and failure is at odds with audit was another discouraging factor. However, these fears may be unfounded.

**The ‘fail-fast’ concept in particular was very difficult to adopt for three reasons related to the functioning of the Innovation Fund.<sup>50</sup>**

First, innovations were usually components of regularly implemented projects, in a country programme context, with regular partners. In this context, it was difficult for UNFPA country offices to assume they could afford failing (for reputational reasons). Innovation Projects implemented with a regular implementing partner within the framework of a country programme did not offer a safe environment to experiment, and if it did not work, accept that and return the unspent budget. Second, currently designed monitoring and evaluation (M&E) systems for innovation projects cannot easily discern whether a project is failing (see section 3.1.5 on learning).

Third, implementing projects (as opposed to testing solutions), makes it difficult to identify and follow the hypothesis being tested, as they put the focus on budget and activities. In the current innovation project approach, the focus is on budgets broken down into activities. Measurements of results tend to come at the end, which is not conducive to ‘fail-fast’ approaches. Conversely, innovation solutions are about testing assumptions: someone has the hypothesis that the solution will work in a particular way and tests this hypothesis. The focus is on the results of the test. The innovation card at the UNDP Innovation Facility, for example, clearly and succinctly reflects this approach. The card features a section in which the hypothesis is made explicit as well as a section describing what will be done to test the hypothesis.<sup>51</sup>

**EMERGING ISSUES**

**Innovation and audit: unfounded fears**

Some interviewees pointed out at audits deterred innovation on the grounds that innovation is open to failure, and that failure and audit may be at odds with one another. Consultations with the UNFPA Audit Branch challenge this assumption. In the case of innovation projects, audits require three elements in place: a mechanism ensuring that the money is used for the intended purpose; a periodic revision mechanism ensuring that the project can stop as soon as there are indications that it does not work; and a mechanism enabling reporting on real results as they are generated. The UNFPA audit system recognizes that innovation involves experimenting and accepts that there may be no results. Adequate monitoring systems, rather than failure, could be the problem when auditing innovation projects.

50 The ‘fail-fast’ concept stops a the test or pilot project as soon as there is evidence that it is not working, before incurring any more expenses.

51 See <http://www.undp.org/content/dam/undp/library/development-impact/i-card.pdf>.

An additional factor (unrelated to the functioning of the Innovation Fund) makes the fail-fast concept difficult to apply. Most UNFPA staff are programme officers used to execute public funds, not private-sector innovators or entrepreneurs. Failing fast means stopping the project and retuning the remaining budget in a context (UN/public sector) where inability to spend is a sign of low-performance. In this context, incentives to fail-fast are lower than incentives to implement the project (use all the funds) and check whether it was successful at the end.

**A number of Innovation Fund-supported projects were discontinued. At times, these projects are referred to as examples of failing fast. However, they reflect issues on feasibility, risk management and incremental versus disruptive approaches.**

Three innovation projects were discontinued shortly after they were approved (UNFPA Population School, Face-to-Face and BRICS Lab). Though at times given as examples of having embraced the fail-fast principle, these projects were stopped before they had tested the concepts they were intended for; the projects were stopped for feasibility and risk management reasons, rather than because evidence showed that the tested approaches did not work.

These projects involved substantial changes in UNFPA business processes, i.e. changes in delivering training (Population School), in mobilizing resources (Face-to-face) and in designing projects with academia and policy makers (BRICS Lab). These changes were quite disruptive; that they were discontinued suggests a preference for incremental innovation. A debate on whether innovation in UNFPA should be incremental or disruptive has not yet taken place.

**Risk aversion and difficulties in handling failure are not specific to UNFPA; it is a system-wide issue related to the United Nations' organizational culture in general.**

A recent case study on the relevance of innovation to the United Nations, published by the United Nations System Staff College, concludes that how to handle failure is a common concern of the UN system, and that risk aversion and bureaucracy are inhibiting factors to innovation in the UN system.<sup>52</sup> The challenges of risk-taking and dealing with failure in innovation go beyond the UN system. A widely circulated 2016 report from Nesta (a well-known innovation foundation) on

innovation for international development illustrates that how to deal with failure remains a critical challenge and that grants tend to focus on implementation rather than on learning, thus giving little room for failure.<sup>53</sup>

Failing fast approaches, especially in the public sector, are under debate. Some voices point that innovation should emphasise adapting fast and learning fast over failing fast.<sup>54</sup>

**Features of the Innovation Fund combined with skill gaps made it difficult to apply some of the UN Principles for Innovation, limiting the effects of the Innovation Fund to develop a culture that nurtures innovation.**

Some UN Principles of Innovation are highly linked to the cultural elements sought by UNFPA (see Box 5). The *'be collaborative'* and the *'design with the user'* principles are directly linked to the development and acceptance of new ideas. Similarly, the *'be data driven'* and the *'design for scale'* principles are related to learning from success and failure. Though project selection criteria did include considerations of the extent to which UN Principles of Innovation were incorporated into proposals, their practical application was narrow. Often, the Innovation Fund followed a project approach that resulted in projects being designed as regular projects rather than as innovation solutions embedding UN Innovation Principles.

The short time spans for submitting proposals meant brief ideation processes and limited time for consultations, which adversely affected *designing with the user* and *being collaborative*. This was a reason why, in a few of the projects supported by the Innovation Fund, it was not clear whether the intended users were using the product (at the time they were interviewed). In some projects, *design for scale* had been modest at the onset. Proofs of concept were successful and considerations on scaling and replication were being done for the first time at the of project completion. Furthermore, *design with the user* requires ideation skills such as design thinking or human-centred design. Similarly, *be data driven* requires skills in developing outcome-based M&E systems. However, these skill set were not always available in country offices contexts where the Innovation Fund did not have a technical service provision component (mostly because the Innovation Fund could not hire consultants and the innovation specialist was the only dedicated staff).

52 Case Study Series: The relevance of innovation to the UN – what has been tried, and what have we learned? United Nations Staff System College, 2017 (pages 9, 17 and 18).

53 Innovation for International Development – Navigating the paths and pitfalls. Nesta. April 2016 (pages 100, 128).

54 <http://innovationexcellence.com/blog/2012/07/16/dont-fail-fast-learn-fast/>; <https://www.forbes.com/sites/robashghar/2014/07/14/why-silicon-valleys-fail-fast-mantra-is-just-hype/#3a13072224bc>

**Evidence points at innovation networks playing a role in nurturing a culture of innovation.**

The comparative analysis shows that innovation networks and communities of practice, usually informal, play key roles in nurturing a culture of innovation in UN agencies. Often made up of highly motivated individuals with a strong drive, networks motivate others, bring staff on board and play a key role in environmental scanning, identification of ideas, sharing of experiences and scaling up successful solutions. At UNFPA, the ESA

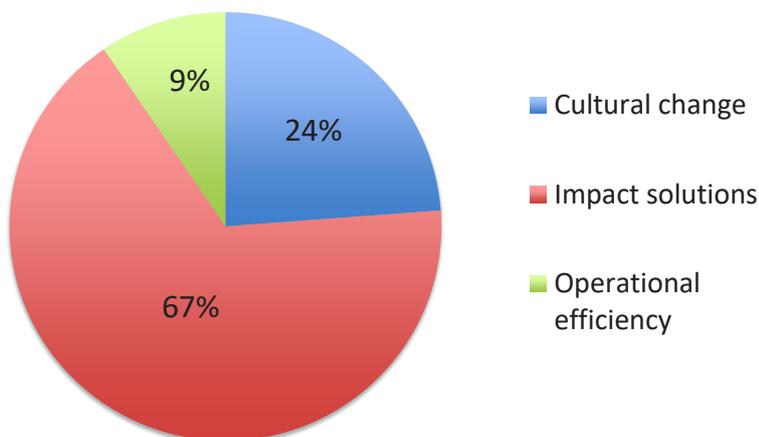
innovation network experience hints at the important role that networks may play in nurturing a culture of innovation; metrics on outreach and engagement with the Innovation Fund are the highest in ESA. The existence of an innovation network with a dedicated coordinator is one reason behind this. Moreover, recent developments in the Arab States region hint at very good prospects for networks: in the regional planning meeting of 2017 it was announced that regional plans include the creation of an innovation network and a community of practice.

**HOW DO OTHER UN AGENCIES DO IT?**

**How do other agencies promote a culture of innovation?**

Other UN Agencies promote a culture of innovation in several ways, including skills development, fellowships, innovation champions and spaces to share experiences on innovation. Several UN agencies offer learning and training programmes as a way to promote a culture of innovation. For example, UNHCR (together with the Innovation Unit and the Global Learning Centre) offers a core competency-learning programme held once a year. UN Women, UNDP and UNDOCO conduct webinars, workshops and courses that focus on leveraging skills around innovation. These trainings are often conducted with support from external organizations that have long-standing experience in innovation, such as Acumen, IDEO and Nesta. UNHCR uses a 12-month fellowship programme to nurture the spirit of innovation. UNHCR staff that participate as innovation Fellows define a challenge unique to their field operations or divisions, then and develop, test, and prototype a solution. Staff are trained in human-centred design and prototyping principles, and connected to mentorship and funding. The programme also facilitates longer-term change management, as it encourages Fellows to be innovative in their current and future roles. UN Women identifies senior management staff to become champions of innovation, and UNDP looks for individuals within the organization with a strong interest in innovation and with innovation skills. Several organizations share stories around innovation by using newsletters, blogs and offering specific web space (as it is the case in UNICEF) as a way to make innovation visible and incentivize innovation updates among staff.

Figure 19. Distribution of funded projects by expected outcomes



### 3.1.5. Developing innovative solutions

#### The innovative solutions generated with support of the Innovation Fund

The Innovation Fund had three expected outcomes: develop a culture that nurtures innovation, respond to development challenges with innovative solutions (impact solutions) and increase organizational efficiency by innovating in business processes.

Figure 19 illustrates the distribution of the 30 projects funded by the Innovation Fund by expected outcome. Of these, 67 per cent focused on impact solutions, 24 per cent on cultural change projects and the remaining 9 per cent on improving operational efficiency. Though the Innovation Fund has three expected outcomes, it was mainly designed as a mechanism to nurture a culture of innovation. Open calls for proposals were

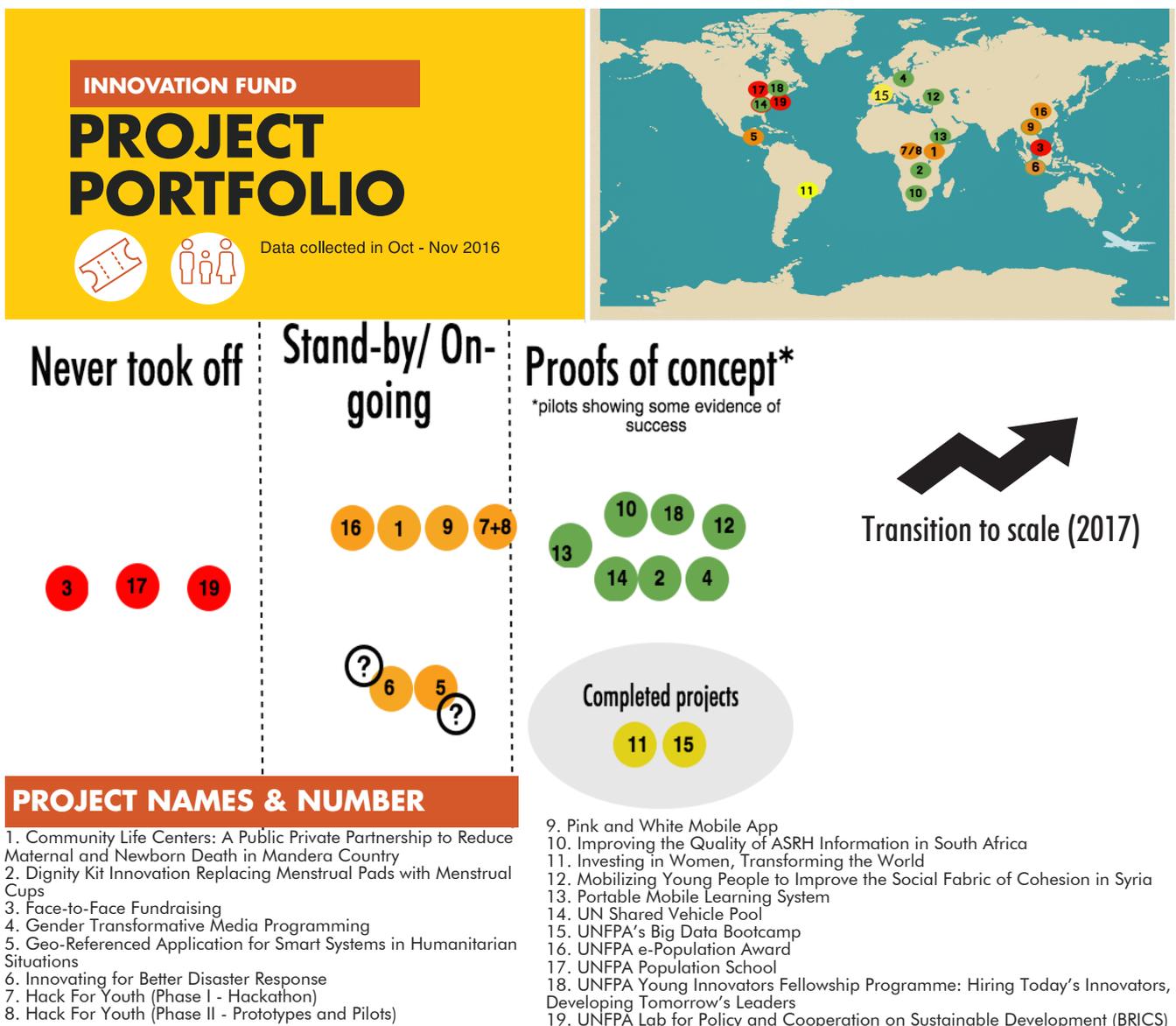
not very conducive to generating impact solutions. Notwithstanding this, the Innovation Fund has succeeded in producing impact solutions.

**At the time of collecting data for this evaluation (October through December 2016), seven projects (implementing proofs of concept) supported by the Innovation Fund showed quantitative or qualitative evidence of progress and stood as potential candidates for a transition-to-scale phase (see Figure 20).**

#### Projects that never took off

- ▶ The Face-to-Face Fundraising (3), the UNFPA Population School (17), and the BRICS Lab (19) are the three innovation projects that were approved and shortly afterwards discontinued.

Figure 20. Status of the Project Portfolio in November 2016



### Projects that are standing by/ongoing

- ▶ The UNFPA e-Population Award **(16)** was in progress.
- ▶ The Community Life Centres project in Kenya **(1)** was in progress with meaningful insights on public-private partnerships.
- ▶ The Pink and White Mobile App project in Myanmar **(9)** was at the incipient stage; the app had yet to be launched.
- ▶ The first phase of the Hack for Youth project (the hackathon) has been completed **(7)**; phase two **(8)** was ongoing at the time of data collection for the evaluation. The two application prototypes have been developed (SafePal and GetIn) and were being tested with the intended users to check usability and functionality of the solutions (prior to the final deployment of the applications, which was planned for 2017).<sup>55</sup>
- ▶ The Innovating for Better Disaster Response in Indonesia project **(6)** had almost been completed, but actual use of the platform by the intended users was unclear — there was no evidence of actual use (indicated by a question mark in the figure).
- ▶ The Geo-Referenced Application for Smart Systems in Humanitarian Situations project **(5)** was at a standstill at the time of data collection (indicated by a question mark in the figure). This project offers several valuable insights (see section 3.1.5).

### Projects for which implementing proofs of concept are showing progress

- ▶ The Portable Mobile Learning System **(13)** had been rolled out in 22 health centres and midwifery training sites in rural areas of Tanzania and Ethiopia. Project data and direct interviews with midwives and health care workers (the beneficiaries) revealed high acceptance and usability and a growing demand for the device, pointing at an effective and low-cost solution.
- ▶ The Improving the Quality of Adolescent Sexual and Reproductive Health Information in South Africa project **(10)**, featuring innovations in an interactive mobile site for adolescents (iloveLife.mobi, a cell phone-based platform) had 52,783 actively registered users, with 679 referrals to iloveLife done by the nurses in the 40 pilot clinics.
- ▶ The Young Innovators Fellowship Programme **(18)** had been rolled out with eight initial fellows. The project successfully partnered with the private sector to provide mentorships to participants. A social media campaign developed by one of the

fellows (#7DaysOfMakeUp) generated 11.7 million potential impressions in Twitter, unprecedented in a UNFPA online communication.<sup>56</sup> The possibility of incorporating the programme as a regular practice in the Human Resource Division was being discussed.

- ▶ The Mobilizing Young People project in Syria **(12)** allowed young people to access seed funding and mentorships and developed partnerships to start a business of their own. The approach, new to the country office, proved successful in a context of crisis. Seventy per cent of Damascus participants were internally displaced people; 70 per cent were women. The project extended to Homs and Tartous, reaching a total of 304 applicants and 81 selected participants. Other UN agencies have expressed interest to replicate the approach in rural areas.
- ▶ The UN Shared Vehicle Pool **(14)** had been rolled out in the five intended countries, with a combined vehicle pool of 124 cars. The first data released showed results in terms of driver behaviour, with substantial reductions in harsh driving accidents (up to 98 per cent in some pilot countries), and subsequent increases in the safety and security of staff and vehicles. There were indications that optimizing fleet utilization could result in reductions of up to 10 per cent in the number of vehicles, suggesting substantial cost savings for the UN.
- ▶ The Dignity Kit project in Malawi **(2)** distributed over 2,000 menstrual cups in November 2016; monitoring data showed that there was a high acceptance rate and usage of the cups. UNICEF had reportedly expressed interest in taking part of the project to expand the outreach.
- ▶ The Gender Transformative Media Programming project **(4)** had launched the campaign for a TV show around fatherhood and gender awareness. The campaign has been very well received, with high attendance from famous people and politicians. At the time of the evaluation, the TV show was about to be broadcasted in the local TV.

### Completed projects

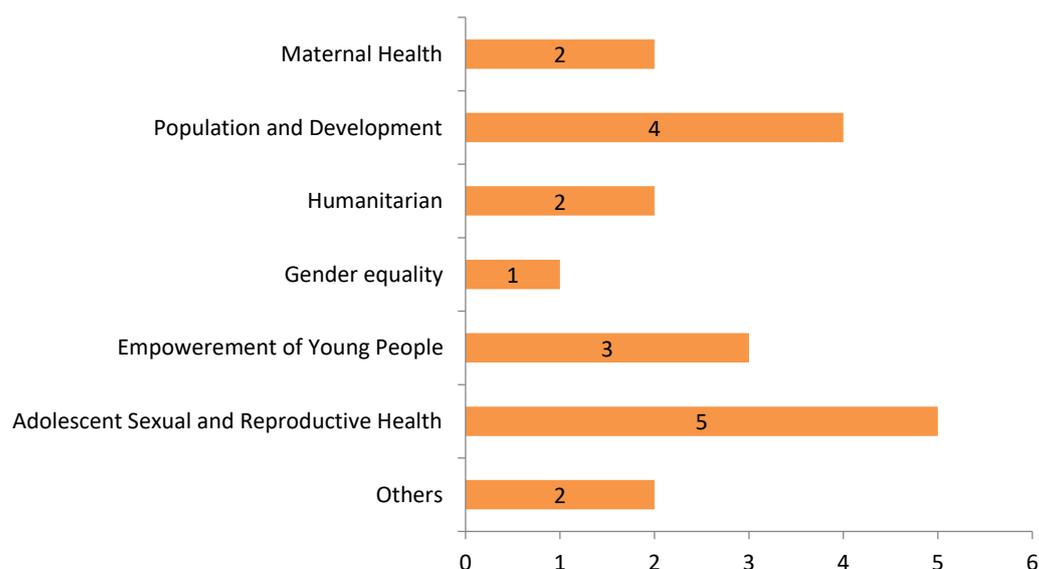
- ▶ Investing in Women, Transforming the World **(11)** is the only project the evaluation did not have access to. Based on the narrative of the quarterly reports, the project had been completed in November 2015.
- ▶ The Big data Bootcamp **(15)** was an innovation culture activity (rather than a pilot for a proof of concept), and had been completed by February 2015. Beyond the initial effects it had in building momentum for the buy-in of innovation in UNFPA, the project had additional positive unintended effects.<sup>57</sup>

55 The SafePal team tested the solution in a number of schools in Kampala, and GetIn conducted a training session on using the basic functions of the mobile lab with 120 village health workers and midwives.

56 A potential Impression in Twitter is the total number of times a tweet from an account or mentioning an account could appear in users' Twitter feeds during a report period.

57 As a result of the Bootcamp, the Population and Development Branch (PDB) partnered with Flowminder to implement the Bottom up Population Mapping project in Afghanistan (census using satellite imagery). Talks have started to work on geo-referencing census data for data integration and geospatial data analysis. The Big Data Staff Orientation package offered by PDB to increase big data literacy in UNFPA responded to a need identified in the Bootcamp.

Figure 21. Funded Projects by Thematic Area



**In line with donor expectations, some innovation projects offer reasonable prospects for direct impact on women and young people.**

Figure 21 illustrates the distribution by thematic area of the 19 projects implemented by the end of 2016. The adolescent sexual and reproductive health and youth empowerment areas account for almost half of them.

The Danish Government, the main contributor to the Innovation Fund, expected that some of the innovation projects would generate solutions with direct impacts on people. On the basis of the evidence collected by the evaluation until the end of 2016, this expectation will likely be met. Four of the projects funded have been designed to have direct impact on people (Mobile Portable Learning System, Mobilizing Young People for Social Cohesion in Syria, iLoveLife and the Dignity Kit). Of these, two have already shown direct effects on people by the time of data collection for this evaluation. The Portable Mobile Device project has used solar-charged devices to train rural pregnant women and nursing mothers in remote areas. In Ethiopia, forty pregnant mothers received training in their local language. Using visual materials, the sessions made it easier for mothers to understand and remember the information received. Similarly, interviews revealed that the project in Syria has already made a difference in the lives of young people, helping them to develop entrepreneurial projects. Young entrepreneurs were mainly women and internally displaced peoples.

#### **Innovative solutions on organizational efficiency**

Innovation projects featuring solutions in this area included both innovations bringing changes to the current framework and creative ways of doing things within the existing regulatory framework.

**The contributions of organizational efficiency innovative solutions have been very modest, mainly because it was not a focus of the applicants to the Innovation Fund.**

Only twelve of the 149 submitted proposals focused on operational efficiency. Eight of them originated from business units in the headquarters and were submitted in the first three calls for proposals. The number of submissions was less than what the Division of Management Services expected. A possible explanation for this is that working with innovative approaches is already quite embedded in its day-to-day work. The Division has a portfolio working regularly on innovations in the areas of automated financial statements, after-service health insurances and mobile technology payments. In addition, the requirement to achieve cost savings through business improvements is already embedded in the Division's mandate.

The Procurement Service Branch also submitted a modest number of project proposals. In-depth interviews suggested a possible explanation — procurement operations are regularly large operations that do not allow for experimentation without proper spaces to that purpose. Experimentation spaces such as innovation labs (already considered in the eight-prong vision on innovation 2015) would have suited this context. However, the Innovation Fund focused almost exclusively on open calls for proposals as a delivery mechanism for both business process improvements (organizational efficiency) and impact solutions.

ILLUSTRATIVE EXAMPLE

UN Shared Vehicle Pool: UNFPA taking the lead for UN efficiency

A factor that makes the UN Shared Vehicle Pool project particularly unique is that it is the first time that three UN agencies worked together across country boundaries and with a common operational perspective. An inter-agency project funded by UNFPA that also benefits UNICEF and UNDP, the project has been implemented in Lao PDR, Lesotho, Mongolia, Pakistan and Zambia. It targets improvements in efficiency in UN operational activities, which aligns it fully to the Quadrennial Comprehensive Policy Review.

The project is a proof of concept that tests user acceptance of a car sharing technology (the prototype for this technology had been already tested). Preliminary data available as of October 2016 showed substantial improvements in driver behaviour and increased safety. This is extremely promising when 93 per cent of UN car accidents are due to speeding. In addition, data reveals a large under-usage in UN vehicles. With a cost of \$360 per vehicle per year, the project is generating data for a compelling business case that could result in sizeable efficiency gains for the UN system. The proof of concept is a direct contribution to advancing towards the One UN approach.

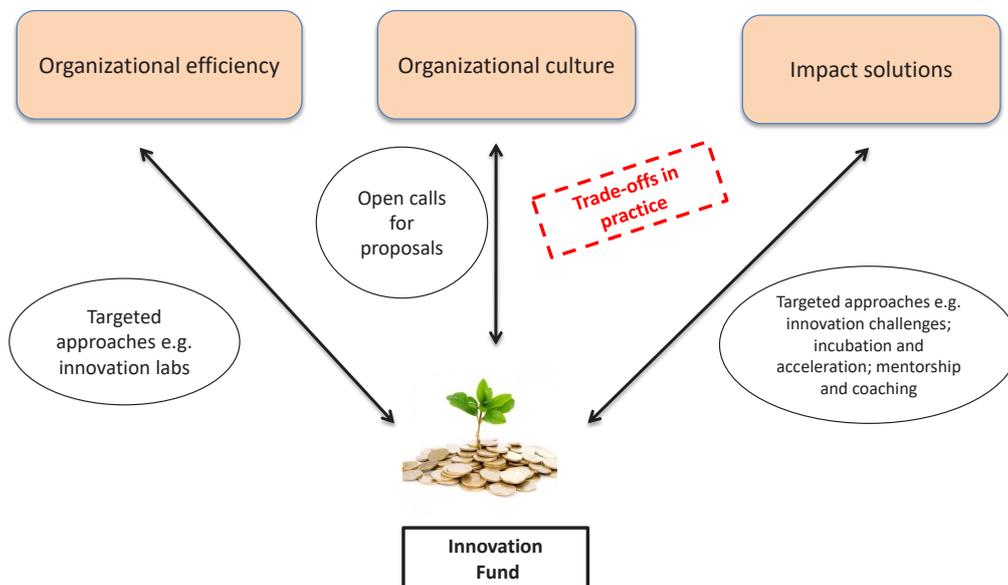
Of the 12 proposals submitted on operational efficiency, the Innovation Fund selected two for funding: the Face-to-Face Fundraising project in Thailand and the UN Shared Vehicle Pool. The Face-to-Face Fundraising project had the goal of providing a sustainable source of income to the country office, with the potential to raise money for global core resources in UNFPA. However, it was discontinued prior to the release of the funds; the high magnitude of the required investment led to reconsidering the project. The UN Shared Vehicle Pool introduced a car-sharing technology to rationalize the use of vehicle fleets on the ground with ensuing cost savings. It has been implemented with promising results to date. In addition to being the only project on operational efficiency, it has features that make it quite exceptional.

Insights on the limitations of the Innovation Fund to generate impact solutions

The Innovation Fund was designed as an open call for proposals to nurture a culture of innovation. This design, though, was not the most appropriate to generate impact solutions and innovations for organizational efficiency, the other two expected outcomes of the Innovation Fund.

The rationale for 360 degree,<sup>58</sup> open, internal calls for proposals was inclusiveness, reflecting the priority of nurturing a culture of innovation. The essence was to encourage as many UNFPA staff as possible to participate, creating a momentum around the innovation that was accomplished. A recurring theme was staff creativity and staff empowerment to innovate.

Figure 22. Trade-offs between the Innovation Fund's Three Expected Outcomes



58 A "360-degree" approach refers to the Innovation Fund's openness to all thematic areas. The guidelines did not restrict the focus to thematic areas or specific issues; it was up to the applicant.

## HOW DO OTHER UN AGENCIES DO IT?

### How do others generate promising impact solutions?

UNICEF focuses impact solutions on finding new ways to accelerate results that reduce inequities for children. To promote specific solutions in these areas, UNICEF funds early-stage prototypes using a co-funding venture fund. The World Food Programme explicitly focuses on inspiring and supporting new ideas, tools and solutions that make sure that no one goes hungry. It identifies promising ideas for potential solutions through innovations challenges; solutions get refined in a Bootcamp, followed by an acceleration programme where prototypes and proof of concepts are developed. At the UN Global Pulse, solutions are generated through challenges or with partners through joint project designs. Testing of solutions takes place through Pulse Lab projects where teams prototype, test and iterate with partners. UNHCR uses three mechanisms to generate innovative solutions: innovation labs, crowd-sourcing through challenges and an innovation fund operating on calls for proposals focusing on innovations in operations.

However, the assumption that open calls for proposals would be suitable to nurture a culture of innovation had some flaws.

Although calls for proposals might be suitable to nurture culture, in order to promote impact solutions, targeted approaches such as challenges, acceleration and mentorship schemes may be more appropriate (see Figure 22). For business processes improvements (organization efficiency), approaches such as innovation labs also tend to be more suitable than calls; labs offer a safer, risk-controlled environment in which to experiment with processes.

The Innovation Fund had three outcomes, but operated using only one delivery mechanism (suitable to one of the outcomes, but not to the others), and this implied trade-offs. The evaluation team's comparative analysis with other UN agencies shows that the more focused the scope of innovation is in the organization, the higher the chances are of producing innovative solutions that have an impact. However, the open, 360-degree calls go in the opposite direction; they may bring momentum and buy-in, but they do not necessarily focus on impact solutions (hence the trade-off).

The Innovation Fund could have combined calls for proposals with more targeted approaches; they are not exclusive. The one time it did so was an ad hoc response to a particular situation (in the Hack for Youth). In order to respond efficiently to the many proposals submitted on mobile health, the Innovation Fund introduced targeted approaches i.e. a challenge, a hackathon and a subsequent incubation/acceleration programme. The apparent reason why the Innovation Fund chose to focus on calls for proposals rather than combining them with targeted approaches is that the rate of expenditure is higher in calls for proposals — and the Innovation Fund's external contributions were subject to the Innovation Fund absorbing half of the funding in 18 months.

#### **The funding gap effect was another factor limiting the generation of impact solutions.**

The funding gap is not exclusively due to the characteristics of the Innovation Fund; it is a combination of using internal, open, project-based calls for proposals plus offering full financial support in a scenario of financial austerity.<sup>59</sup> The funding gap effect resulted in a tendency to submit proposals incorporating innovative elements or slight variations in ongoing projects rather than projects implying the testing of completely new solutions.

#### **The Innovation Fund was designed with a focus on fostering creativity – impact solutions were within its purview, but were not necessary the focus.**

To date, the Innovation Fund has operated as a resource mechanism to stimulate the generation of good ideas from staff. It has operated as a fund looking for ideas (as opposed to ideas looking for funds) in order to promote creativity, a core element of the logic behind the theory of change. Although impact solutions were indeed part of the approach, the Innovation Fund operated more as funding source to stimulate good ideas (creativity) than as a mechanism to turn good ideas into solutions with impact; funds looking for ideas reflects a creativity-focused approach whereas ideas looking for funding reflects an impact solution-focused approach.

When asked about the added value of the Innovation Fund, many interviewees responded that the Innovation Fund had stimulated them to come up with new ideas, its actual goal (stimulate creativity). But creativity and innovation solutions are not necessarily the same.<sup>60</sup> They are different elements in the innovation process. Creativity relates to coming up with new ideas; innovation relates to implementing new ideas to generate value and impact.

59 The Innovation Fund offers financial support to cover the entire cost of the projects, as opposed to offering co-funding.

60 See: <http://innovationleadershipforum.org/our-wisdom/why-creativity-is-not-enough-to-succeed-with-innovation/>; <https://hbr.org/2010/08/innovation-is-not-creativity.html>

## HOW DO OTHER UN AGENCIES DO IT?

### The use of innovation networks to foster innovative solutions.

In UNICEF, (internal) innovation networks play an important role in conducting portfolio reviews to identify ideas with potential that may then be pushed through the formal process of application for seed funding. Similarly, in UNDP, (internal) innovation networks conduct portfolio scanning, i.e. they identify new approaches and share them with the rest of the country offices through knowledge management services. Innovation networks in UNDP also conduct horizon scanning — looking for and reaching out to what is new and unusual outside the organization.

#### The Innovation Fund’s delivery mechanism (the calls for proposals) was based on projects rather than on solutions.

The Innovation Fund launched calls for projects as opposed to calls for solutions. Projects are implemented whereas solutions are tested, which is closer to innovation approaches (e.g. test-iterate, fail-fast). The design of the Innovation Fund was not set to promote submissions that pushed the boundaries of business as usual, testing new ideas that could then be transferred across the organization (which is at the essence of impact solutions). Most project proposals were regular projects with innovative elements, often components of larger projects.

An innovation focal point described innovation as “about finding what the problem is; find the solution in a collaborative, co-designing process with the user, and measure impacts as they generate.” Project calls for proposals, though, did not trigger this sequence. Conversely, they often incentivized the inclusion of new products or new campaigns (the innovations) in current projects. Innovation proposals were not the result of a design thinking process or similar, which was detrimental to innovative proposals. It should be stressed that with the aim of promoting solution testing, the Innovation Fund procedures established that proposals had to be independent from ongoing projects. However, that proved insufficient in a context where timings for the submission of proposals were too short to enable proper ideation processes.

There are indications that the modest use of the UNFPA knowledge management function made it difficult to ensure that proposals genuinely corresponded to innovative ideas rather than to approaches new to the country but already implemented and documented elsewhere in UNFPA.

Interviews suggest that pre-submission scanning of good practices (across UNFPA) was not widely applied. The internal nature of the Innovation Fund made it more prone to ideas coming from UNFPA staff and regular partners. This posed a limit to the innovativeness of the ideas. Other UN agencies use (internal) innovation networks to spot innovative solutions.

UN agencies also use mixed mechanisms bringing in ideas from staff and externals (e.g. through open challenges, acceleration programmes for start-ups, advisory panels with professional from the ecosystem). UNHCR, UNICEF, UNDP and the World Food Programme have innovation models that are particularly open to the ecosystem. UNFPA has tested some of these approaches. Examples include the iAccelerator in the ESA region and the Innovation Fund-supported Hack for Youth project. However, the Hack for Youth is an exception rather than the rule. To date, the Innovation Initiative, including the Innovation Fund, has been more inward- than outward-looking (nurturing an internal culture was the focus).

It should be emphasized that, despite the limiting factors presented in this section, the Innovation Fund has financed projects that have implemented proof of concepts showing signs of success. Some of these proofs of concept constitute candidates for a transition to scale.

## EMERGING ISSUES

### The role of innovation in UNFPA versus the role UNFPA in innovation ecosystems

In an interview, a senior UNFPA official said “we are bureaucrats, not innovators. We have to find our place.” This consideration invites a reflection on UNFPA strengths and the added value that UNFPA may bring to the innovation ecosystem. This statement hints at a change in perspective. Indeed, the approach to date has focused on the role of innovation in UNFPA rather than on the role of UNFPA in innovation and the innovation ecosystem. This opens a discussion on whether (and when) UNFPA should invest in developing solutions and whether (and when) it should advocate, promote and make the case for solutions already developed by others.

## HOW DO OTHER UN AGENCIES DO IT?

### How they learn from failure?

A recent case study from the United Nations System Staff College on the relevance of innovation to the United Nations points out that handling failure is a common concern of the UN System (see section 3.1.3). The comparative analysis corroborates this. Despite important challenges, a few agencies are taking steps to turn failure into a source of learning. The UN Global Pulse and UNHCR report failure in their annual reports in the form of case studies to learn from what worked, what did not work and what can be improved. The UNDP innovation team tried sourcing failure stories, but it did not work (the culture of the organization was not conducive to the exercise). The innovation team shifted the approach and focused on peer-learning sessions facilitated by regional leads (rather than facilitated by headquarters). This approach worked, as explained by a member of the team in a Deveximpact Blog article: “innovation involves calculated risks. Some ideas will not yield results. But labelling these as ‘failures’ discourages open discussion about what has not worked, and why. This is an impediment to learning, which is an integral part of success. We focus on learning by testing ideas, ultimately improving our performance.”

#### 3.1.6. Learning from innovation

Learning from success and failure is a key aspect of implementing innovation projects, particularly given that to UNFPA, a culture nurturing innovation is a culture that learns from success and failure.

##### Learning from success and failure

**The challenges in accepting and assimilating failure make learning from failure difficult. However, real failure in innovation occurs when there is no learning.**

Innovation solutions are about testing assumptions. Someone holds the hypothesis that the solution will work in a particular way and tests it. If it works, they have succeeded. The question is what happens if it does not work, or if it works differently than they thought. Have they failed? An interviewed professional, who had twenty years of experience in innovation, pointed out that “in innovation there is no failure, there is success and smart learning. Failure in innovation is not learning anything.” The evaluation validated the view in subsequent interviews with other UN agencies, UN staff and private sector informants. This view resonated with many of them.

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##### Box 6. Learning from failure and failure to learn

Innovation is a lot about testing assumptions. When innovating, it is essential to understand why something worked, why it did not work, how and for whom it worked. Innovation is about generating insights, and insights come from success (it worked) and from failure (it did not work). Yet, is there failure when it does not work? The innovation experts interviewed throughout the evaluation tend to think that in innovation, failure occurs when you do not learn, not when you do not succeed. Failure in innovation is failing to learn why it worked or why it did not work. Failure is no insights.

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As of the time of collecting data on the Innovation Fund projects (October through December 2016), only two failure reports had been produced. Naming them ‘failure reports’ generates tangible resistance, a rational reaction in a UN agency. Presenting a report as a failure is perceived as a risk, and failure reports do not necessarily capture learning. As long as there is stigma associated to failure, retrieving learning cannot be easy. This is not an issue specific to UNFPA; other UN agencies face the same problem — some have found a way around it.

**In-depth interviews with users and implementers reveal that some of the projects supported by the Innovation Fund offer extremely valuable insights. However, these insights have yet to be shared or capitalized on.**

These insights come from projects already showing visible signs of success, from projects that were in progress, from projects in a standby at the time of the evaluation’s data collection and from projects that had not taken off (see figure 20).

For example, in November 2016, the Community Life Centres project in Mandera County in Northeast Kenya offered very useful insights on private-sector partnerships, particularly on how to strike a balance between affordability, people-centred models and sustainable business models. Similarly, the project on Geo-Referenced Application for Smart Systems in Humanitarian Situations, implemented by the LAC regional office, provided plenty of insights on bottlenecks that may appear as a project develops from a functioning prototype (application) through a proof of concept and into generating impacts. The project also provided relevant insights on the links to design with the user to ensure user acceptance and establishing links to the ecosystem. Given the large number of innovation project proposals submitted to the Innovation Fund focusing on information and communication technology, the learning accrued from this project is extremely valuable. At the UNFPA Population School, the Face-to-

Face and the BRICS Lab projects offer interesting insights on incremental versus disruptive innovations and on the relation between innovations in business processes and change management. These insights constitute valuable and relevant inputs to the debate on which innovation model UNFPA should pursue.

As of February 2017, insights from all projects had not yet been shared and discussed, limiting the organizational learning generated by the Innovation Fund. From the onset, the Innovation Fund was meant to be an experimental mechanism to instil a culture of innovation. In this context, sharing and discussing these insights are important to guarantee a good return on investment of the innovation projects in terms of learning.

**The Innovation Fund has mostly operated on the basis of an activity-based monitoring and reporting system (M&R). The system has worked well as follow-up system, but has not prompted learning.**

The M&R system has been based on quarterly update reports and quarterly update meetings that put the attention on implementation progress. These reports include narrative summaries of implementation progress, brief quarterly updates of work streams and brief mentions on project expenditure. The system has worked well to avoid implementation stumbling blocks and to ensure that funds are spent in planned activities. However, it was not designed to capture learning. The reporting system followed a traditional format driven by project-based donor-accountability; the format was not particularly innovative. The Innovation Fund also features failure reports, which were conceived to capture learning. However, the evaluation did not find any evidence that the few failure reports that were produced had been used for learning purposes.<sup>61</sup>

**In the absence of an innovation-focused M&E system, applying fail-fast approaches and learning from success and failure were quite difficult in practice.**

Monitoring frameworks for innovation projects have focused on activities and expected outputs. However, testing what works needs a focus on outcomes (on changes in user uptake and behaviour). Data on outcomes has tended to be collected at the end of the implementation, which made it very difficult to fail-fast in the event that the proof of concept being piloted did not generate outcomes.

It is also difficult to learn from success within the current monitoring system. Completed projects report on outputs and user outreach combined with anecdotal stories of impact, which is appropriate but insufficient.

Learning from proof of concepts involves not only proving that it worked but also an understanding how it worked, why, for whom and under which circumstances. Answering these questions is associated with the evaluative dimension of M&E systems, which were not incorporated in the projects supported by the Innovation Fund. In addition, learning from piloting proofs of concept may also come from unintended and unexpected outputs and outcomes. Yet the current activity and expected output-based systems makes it challenging to capture unintended and unexpected effects.

### M&E and branding

**Intense communication efforts on the Innovation Fund's activities have brought some visibility. However, the UNFPA brand for innovation is still incipient, partly due to inadequate M&E systems.**

Branding usually comes from three sources: visibility on activities, impact of innovative solutions and explicit communication of demonstrable results. The Innovation Fund Secretariat did a commendable effort (given the workload and resources available) communicating and presenting the Innovation Fund to the outside world. In less than two years, the team participated in 44 informative sessions, networking and external communication events in which the Innovation Initiative and the activities of the Innovation Fund were presented. Additionally, the Innovation Fund enjoys certain visibility outside UNFPA as a result of some of the implemented projects.

Tangible examples of this visibility include the impactful social media campaign launched by one of the fellows of the Young Innovators Fellowship Programme;<sup>62</sup> the enhanced positioning of UNFPA-Syria in youth programmes, social reconciliation and early recovery among UN agencies and international NGOs as a result of the success of the piloted approach; and the increased recognition gained by UNFPA among other UN agencies for being the leading agency in a pioneering intra-agency, cross-boundary (five countries) operational efficiency proof of concept (UN Shared Vehicle Pool).

Notwithstanding these efforts, communication of demonstrable results has been modest. One of the main reasons is that documentation based on data-driven success stories showcasing successful pilots and proofs of concept (demonstrable results) are quite limited.<sup>63</sup> This is partly a consequence of having used activity-based M&R systems rather than outcome-based M&E systems. The quarterly success and failure reports on innovation projects foreseen in the UNFPA Innovation Concept Paper could have made a difference, yet they were not institutionalized.<sup>64</sup>

61 At the time the evaluation findings were presented in February 2017, only two failure reports had been produced.

62 See <http://www.marieclaire.co.uk/reports/rand-jarallah-the-palestinian-make-up-artist-working-with-unfpa-296029>

63 There are a few exceptions: the Portable Mobile Learning system project implemented in Ethiopia and Tanzania, the UN Shared Vehicle Pool and the iloveLive.mobi platform in South Africa.

64 See Innovation Concept Paper 'Innovation and Creativity Corporate Project Proposal: nurturing innovation at UNFPA', September 2014, p. 6.

## Learning from sharing of experiences

**The Innovation Talk Series hosted by the Innovation Fund Secretariat is a very good starting point for sharing experiences that may generate learning.**

At present, these sessions are informational rather than featuring meaningful discussions and exchanges on practical issues (e.g. how to do it, how to solve it). The number of participants in the sessions up to February 2017 was still modest.

**The Innovation Hub hosts all proposals from the five calls. This wealth of information has already had some inspirational effects and presents an enormous potential for learning. This potential remains unexplored.**

A few country offices mentioned having gone through the proposals of previous calls available in the Innovation Hub. Those that have done so stressed that by reading through the proposals, they got inspiration and learned from other offices' approaches (see illustrative example below "Making the most of the Innovation Hub: Getting inspiration"). In a context where the majority of field offices pointed out that they are not familiar with what other offices do on innovation, the Innovation Hub could have easily become a solution with quick multiplier effects. The possibilities of the Innovation Hub were not communicated intensely enough, resulting in poor awareness. The primary reasons for this are the Innovation Hub's hosting, which makes its location difficult to access, and the already overloaded Innovation Fund Secretariat team's lack of time to promote the Hub's uses.

Field office staff repeatedly made the point that what helps nurture a learning-based culture of innovation is not merely submitting a proposal; what helps nurture

a culture of innovation are the processes prior to submission (ideation) and subsequent to rejection. This point was particularly made for proposals that were positively assessed throughout the process but did not obtain funding. Several offices across regions (Belarus, India, Somalia, Sudan and Venezuela) pointed at the high value that could have been obtained had rejected proposals been capitalized for learning through webinar discussions for sharing intra-regional views, approaches and solutions.

## Learning from feedback

**Insufficient technical feedback on rejected proposals has limited the learning accrued from the Innovation Fund. The potential to generate learning was substantial, but could not materialize due to inadequate human resource allocations in the Innovation Initiative.**

In-depth interviews revealed that applicants navigating through the selection process stages (e.g. being shortlisted, resubmitting) are very satisfied with the assistance and advice the Secretariat and IDWG provided to help improve proposals. However, in cases where proposals were not selected, there is the widespread perception that technical feedback was not adequate to promote learning. In such cases it is recurrently mentioned that it would have been useful to receive short explanations on why proposals were not selected, as this would have helped improved proposal quality, either for subsequent calls or for alternative funders.

The ultimate factor explaining this situation is that the Innovation Fund did not allocate resources to perform this feedback function in a context in which human resources at the Secretariat were very limited and IDWG members, working ad honorem, were already stretched with proposal selection (displacing their highly needed strategic role as advocates).

## ILLUSTRATIVE EXAMPLE

### Making the most of the Innovation Hub: Getting inspiration

The Innovation Hub has the potential to be a platform for sharing ideas. It features all project proposals and feedback from the different rounds of the Innovation Fund. In the last round, UNFPA Moldova analysed several proposals that looked similar to theirs (primarily proposals from Nigeria and Ecuador). Moldova's office staff contacted them for an exchange and plans are to share implementation experiences. UNFPA Venezuela decided not to apply to the Innovation Fund due to lack of human resources. However, they went through other offices' proposals published in the Innovation Hub and found it highly interesting to see how other offices resolved situations they were also facing. Venezuela was inspired by a project on youth and social networks in Uruguay.

## HOW DO OTHER UN AGENCIES DO IT?

### How do they share experiences and promote learning?

Some agencies use physical and virtual spaces to reflect on innovation and share experiences. UNAIDS hosted an event called Innovation Marketplace, providing a platform for private sector companies, NGOs and other organizations to showcase their innovative approaches to HIV/AIDS. UNDP has developed the Community of Practice, bringing together 60 practitioners from around the World to discuss innovation in the development sector.

UN agencies are using many ways to connect and access knowledge sharing. The most common is the use of blogs and articles to share experiences on innovation. One of the most well-know spaces is UNICEF's Stories of Innovation website, filled with blogs on innovation experiences across the organization. The UN Global Pulse offers easily downloadable project briefs to be shared by the community. UNDP published more than 70 blog posts in 2015 in order to highlight ongoing initiatives on their Internet site. Webinars are another common way to promote peer-to-peer knowledge sharing among staff and with the wider community. UNDOCO reported 18 webinars on topics related to innovation in strategic planning, bringing together over 1,500 people from over 20 agencies across 100 countries. The United Nations Office of Information and Communications Technology was the only UN agency that referred to the relevance and usefulness of the UNIN network as a space to share experiences and generate cross learning. Though UNIN meetings are considered useful, they are perceived as a platform to inform on what others do rather than as a platform for learning.

**There is a manifest need to generate institutional learning by coming together to share practical knowledge and experiences from the Innovation Fund among all offices and business units in the organization.**

The Innovation Fund has successfully generated substantial momentum around innovation in UNFPA. This momentum has turned into high expectations to know what happened, not only to the funded projects (the Hackathon for Youth in particular, given that it involved the participation of several offices across regions), but also to the proposals that were not funded by the Innovation Fund and presented elsewhere for support.

The Innovation Fund is at a crossroads. At the time of data collection, there was a widespread perception that the Innovation Fund was silent after a very intense sequence of five back-to-back calls for proposals. The Innovation Fund has an opportunity not only for accountability, but also to transform excitement and momentum into organizational learning and to turn the current buy-in and interest into a community of practice around innovation. Failing to break the silence could jeopardize the gains of the Innovation Initiative to date.

#### 3.1.7. Developing new partnerships

Promoting and cultivating new, unusual, unique innovation-focused partnerships (particularly with the private sector), is a central element of the Innovation Initiative's theory of change. It was a central element in the seminal Innovation Concept Paper of September

2014, and one of the eight prongs of the Updated Vision of Innovation at UNFPA of 2015.<sup>65</sup>

**The Innovation Fund presents some instances of projects involving unusual partnerships. However, there has been a marked tendency to developing innovation projects with usual implementing partners, and with private-sector partnerships playing a more modest role than expected.**

UNFPA staff involved in developing applications for the Innovation Fund repeatedly asserted in interviews that the first thing they did once their office decided to respond to a call for proposals was to start a process of dialogue and discussion with implementing partners.

There have, though, been some exceptions, such as the partnership with Phillips in the frame of the Community Life Centres project in Kenya, the partnership with the Massachusetts Institute of Technology in the context of the Hack for Youth project and the eventual inclusion of atypical partners in some innovations days. Partnerships in the context of the iAccelerators in the ESA region are also new, such as the partnership with Innovations in Healthcare (Duke University) and with the Nailab startup incubator in Kenya. Yet, these iAccelerator-specific partnerships cannot be attributed to the work of the Innovation Fund.<sup>66</sup>

Despite these clear examples, unique innovation-specific partnerships with the private sector, which was the call in the UNFPA Innovation Concept Paper and in the Updated Vision of Innovation, has been the exception rather than the rule.

<sup>65</sup> Section 4, on page 7 of the Updated Vision of Innovation at UNFPA, 2015-2017; and page 1 of the Innovation Concept Paper of September 2014.

<sup>66</sup> Although there is recently increasing coordination between the Innovation Fund and the iAccelerators, the development of these partnerships were conceived and developed independently from the Innovation Fund.

**The evaluation identified a number of factors that explain the modest developments in innovation-focused partnerships, both in the field and headquarters level. These factors are related to inadequate human resources, UNFPA procedures and the design of the Innovation Fund.**

Developing innovation-specific partnerships within the innovation ecosystem, especially with the private sector, requires dedicated staff. Unusual and unique partnerships did not occur partly due to the volunteer-based approach followed by the Innovation Initiative. For example, the firm KPMG approached the Secretariat to discuss possibly collaborating on the demographic dividend in Africa. Google also approached the Secretariat to explore collaboration on data collection in remote health centres for population projections. Facebook approached the Secretariat to collaborate on remote sensing and population projections. The relevant responsible technical units in UNFPA reportedly declined the invitation to collaborate in all these instances.

As a consequence, there were no adequate human resources on the UNFPA side to engage in substantial work discussions, which left at least three possibilities for unique partnerships unexplored. Insufficient human resources were due both to the lack of capacity in the Innovation Fund Secretariat (in terms of available time)<sup>67</sup> and, more broadly, to the lack of capacity in UNFPA to reallocate staff away from pre-planned tasks and into responding to these partnership offers. The comparative analysis with other UN agencies reveals not only that partnerships are essential for innovation to prosper, but also that innovation-specific partnerships require organizations to devote time and human resources to developing them.

**UNFPA policies and procedures are not necessarily adapted to private-sector partnerships in the context of innovation.**

UNFPA policies currently approach partnerships with the private sector as resource mobilization-related partnerships, either in money or in kind (through donations). Current procedures do not yet contemplate private-sector firms as implementing partners; feasible options on how to engage the private sector as an implementing partner are unclear for many country offices. Interviews broadly made it evident that innovation projects often require the private sector to thrive. How to work with social enterprises and with start-up firms are unresolved issues at present, although they are perceived as crucial by UNFPA staff to foster innovation-specific partnerships.

Relevant informants in country offices that have embarked in partnerships with the private sector stressed that UNFPA does not yet value or recognize non-financial partnerships. Current reporting systems do not incorporate channels to report on this type of partnerships, which results in the perception UNFPA does not necessarily value them. Similarly, several country offices in Africa and Latin America pointed out that current due diligence processes with the private sector are not necessarily adapted to innovation, mostly because the private sector is still mainly regarded a fund provider.

Implementing Innovation Fund-supported projects offers valuable inputs that could inform the revision of current processes so that they adapt to the innovation casuistry. At present, however, there is no dialogue (with input from innovation projects) on how to adjust policies and procedures so that innovation-specific partnerships with private-sector firms (large and small) can flourish in UNFPA. The recently established (2016) UNFPA Strategic Partnerships Branch offers good prospects in this regard. One of the approaches developed by the Branch under the new Strategic Partnerships framework is the focus on 'brainpower partnerships' for solutions, which addresses core bottlenecks the organization faces. This type of approach implies accessing private-sector brainpower within the innovation ecosystem. This line of action could trigger a number of necessary adjustments beneficial to innovation in UNFPA.

**Some design features of the Innovation Fund acted as deterrents to promoting innovation-focused partnerships.**

The Innovation Fund was designed with a focus on the creative capacity of UNFPA staff. As a consequence, the crowd-sourcing of ideas was mostly internal, resulting in UNFPA offices (with support of usual implementing partners)<sup>68</sup> becoming procurers/deliverers of solutions rather than advocates or conveners for solutions developed by the private sector (usually by start-ups).<sup>69</sup>

In addition, the timelines for developing and submitting innovation project proposals in each round were insufficient for country offices to consider embarking in unusual partnerships. Even when country offices considered doing so, risks were too high. Innovation projects were not implemented in a lab environment (risk-free, secured/protected environment) but alongside ongoing country programmes. Given that UNFPA work in many countries is based on its reputation as a convener, the risks of embarking in unusual partnerships (with the private sector) that could eventually fail was perceived as too risky. In this

67 Restrictions on travel and competing demands on time reportedly prevented the Innovation Fund manager from being able to carry out tasks associated not only to partnership development but also to outreach and fundraising.

68 Usual implementing partners were involved in the design of many projects, but that did not make crowd-sourcing open to external innovation ecosystem stakeholders.

69 UNHCR, UNICEF and WFP innovation approaches incorporate start-ups as providers of solutions.

regard, the fact that the Innovation Fund entailed implementation of innovation projects rather than testing of innovative solutions explains, to a certain extent, why innovation-focused partnerships have been the exception rather than the rule.

**The moderate focus on partnerships with innovation ecosystem actors — beyond implementing partners — has limited the potential role of UNFPA as a thought leader in the thematic areas addressed by the innovation projects.**

This discreet interaction with the innovation ecosystem has also limited the possibilities of using the Innovation Fund as a tool to leverage large resources (e.g. impact investment funds) to use innovation to advance the UNFPA mandate.

**There have been relevant interactions and occasional endeavours with other UNIN members, yet innovation-focused partnerships are still modest.**

From the onset, the Innovation Fund Secretariat has been involved in a considerable number of networking and visibility actions, presenting the work of the Innovation Fund. The innovation technical specialist (the only full-time staff dedicated to innovation) with occasional support from the Innovation Fund manager generally carried out these actions. Interactions with the innovation ecosystem in the UN system and with the sexual and reproductive health innovation ecosystem took place mostly through participation in international events.<sup>70</sup> Although these networking efforts have an

intrinsic value in terms of visibility, communication and community building, inadequate staff allocations at the Secretariat resulted in limited follow-up after the events.

UNFPA has participated in the four UN Data Innovation Lab workshops conducted to date on data for decision-making. This is an example of an inter-agency collaboration on innovation with other UNIN members (UN Global Pulse, UNHCR, UNICEF and WFP).<sup>71</sup> In addition, the UNFPA Innovation Fund Secretariat participates in UNIN meetings and sits in the steering committee of the Global Alliance for Humanitarian Innovation. However, limited time to devote to substantial interactions and technical discussions have limited the development of innovation-focused partnerships with other UNIN members in areas that are highly relevant to UNFPA, such as innovation labs, accelerators, approaches to working with start-ups and monitoring and evaluation of innovation.

### ***3.2. On the Links between the Innovation Fund and the Innovation Initiative***

The ‘Innovation Initiative’ is the term originally coined to refer to the “Innovation and creativity corporate project proposal” of September 2014 (known as the UNFPA Innovation Concept Paper), intended to nurture a culture of innovation at UNFPA. The Initiative became operative with a funding cycle supported by the Government of Denmark in October 2014. This funding cycle activated the Innovation Fund as the main mechanism of the Initiative. Until April 2015, the scope of the Initiative and the scope of the Innovation Fund were practically the same.

## **HOW DO OTHER UN AGENCIES DO IT?**

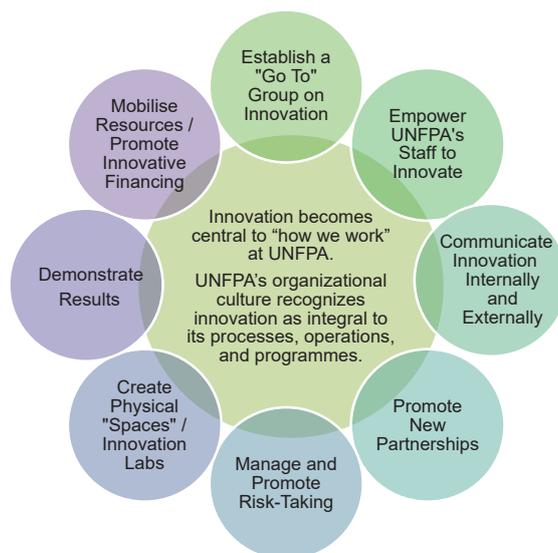
### **How do they develop innovation-specific partnerships?**

Most UN organizations partner with the private sector and academia to leverage the expertise, resources and skills required to develop innovative solutions. UN Women is an exception, as most innovation-related partnerships in the agency are done with other UN agencies. In general, the more advanced innovation is within an agency, the higher the prominence of partnerships is as a core strategy. The UNHCR strategy on innovation promotes partnerships by connecting outside and inside expertise; engaging outsiders in crowd-sourcing of ideas, and promoting engagement by letting people see what they do in UNHCR. Moreover, UNHCR works closely with the private sector by adopting existing innovations to the refugee context or by developing innovative solutions together. In WFP, some partnerships are developed in the Accelerator. In UNICEF, the expertise required for innovation is often a product of exchanges with private-sector partnerships e.g. UNICEF Futures in San Francisco is working with Google and Facebook on mapping development to respond to emergencies, and the UNICEF Innovation Office is working with mobile data operators in the Ebola and Zika crises.

<sup>70</sup> E.g. the Social Enterprise Bootcamp in Washington and the World Summit on Innovation and Entrepreneurship in New York – both in 2014, or the Global Health and Innovation Conference at Yale University in 2015.

<sup>71</sup> <http://undatainnovationlabworkshop.wikispaces.com/>

Figure 23. The Eight Prongs of the Updated Vision of Innovation at UNFPA 2015-2017



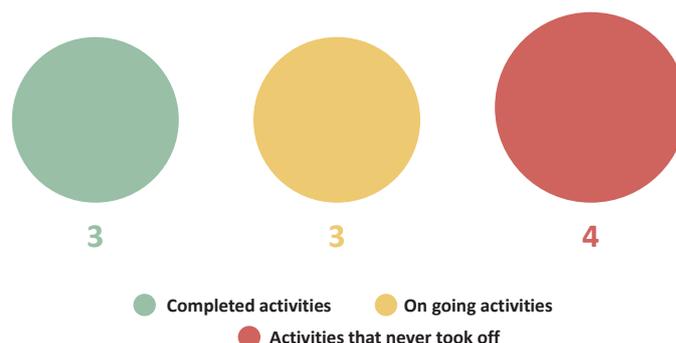
In April 2015, as a result of an IDWG retreat on innovation, an Updated Vision of Innovation at UNFPA 2015-2017 was drawn up. The document builds on the Concept Paper on Innovation and expands the scope of the Innovation Initiative, shifting from a focus on funding individual projects to an overall corporate vision to promote innovation across UNFPA. The Innovation Fund became the Initiative's main funding and implementing mechanism, which, as reflected in the Updated Vision, included other elements. To realize the vision, the document calls for action in eight domains, the 'eight-prong vision': establish a 'go-to' group on innovation; empower UNFPA's staff to innovate; communicate innovation internally and externally; promote new partnerships; manage and promote risk-taking; create physical spaces/innovation labs; demonstrate results; and mobilize resources/promote innovative financing (see Figure 23).

**The Innovation Initiative has primarily focused on implementing the two streams of the Innovation Fund rather than on the eight-prong approach of the Updated Vision.**

The eight prongs were further developed into a series of actions. Some of these actions required explicit funding, whereas others could be carried out internally without external funds. Examples of planned actions not requiring external funding include promoting UNFPA staff creative capacity, developing blogs to showcase project experiences and conducting a mapping exercise of inspiring innovators relevant to the UNFPA mandate that could become innovation-specific partners. The Innovation Fund Work Plan 2016 was developed for actions requiring funding. The Innovation Fund was the origin of the resources to carry out these activities. The Innovation Fund Secretariat and the members of the IDWG were to implement the Work Plan. At the time of the data collection phase for this evaluation the pace of implementation of the work plan was very modest.

Of the 10 activities planned for the period, only three had been completed by the end of 2016 (see Figure 24). These three activities were directly related to the implementation of the Innovation Fund (e.g. innovation days, management and implementation of the fifth round of project proposals, and the present evaluation). The three in-progress activities were also related to

Figure 24. Progress on the IDWG Work Plan 2016



the Innovation Fund (though more indirectly than the first group); follow-up of projects supported by the Innovation Fund, internal and external communication of the work done by the Innovation Fund and participation in conferences and networks (e.g. the UNIN). The four activities that showed progress by the end of 2016 were the development of an innovation lab, the launching of a public crowd source challenge, the development of innovation capacity-building curricula for UNFPA staff, and a learning retreat for senior leadership on innovation techniques.

Implementation progress has been scant in prongs such as promoting new partnerships, empowering UNFPA staff to innovate and managing and promoting risk taking. The latter included selecting risk-averse policies (e.g. in partnerships, finance, and procurement) in UNFPA that could eventually be reviewed and amended for innovation-specific initiatives. This prong has become of the essence at the current stage of the Initiative (see section 3.3.4).

**Workload arrangements at the IDWG and inadequate human resource allocations at the Innovation Fund Secretariat are the main factors behind the modest implementation of the Work Plan.**

There is only one fully dedicated specialist at the Innovation Fund Secretariat, and a large part of IDWG contributions were absorbed by the time-consuming selection of project proposals. Most of the sub-working groups that were established by work plan activity had become inactive by the time of this evaluation.

The IDWG is an informal, volunteer-based group. These arrangements are based on self-motivation and individual leadership, in line with the drivers of innovation. However, there appears to be an apparent mismatch between the strategic importance of the tasks expected from IDWG members, the workload they imply and the time allocated to carry out these tasks. Moreover, the fact that there are no clear lines of accountability adds to the situation. Currently, the IDWG does not need to report on work plan progress or on the achievements of the Initiative. Another factor explaining the limited implementation progress in some areas of the Work Plan is that senior UNFPA management reportedly requested the Innovation Fund Secretariat to focus on calls for proposals.

**The absence of a reference performance framework makes it difficult to assess the quality and effectiveness of Innovation Fund contributions to achieving Innovation Initiative goals.**

The achievements expected from the Initiative and the Innovation Fund are expressed in the narrative of the UNFPA Innovation Concept Paper and the Updated Vision but they were never reflected into a results framework or operationalized with indicators and targets. There are two reasons for this. First, the Innovation Fund was originally intended as a flexible, open mechanism to experiment with innovation, which explains why it did not follow a structured programmatic framework. Second, the eight-prong vision was envisaged as a plan of action rather than as an outcome framework — it was translated into actions and activities, but not into measurable high-level achievements to refer back to in future evaluations.

The Secretariat developed a document on “key considerations for a monitoring and evaluation framework.” This document includes the basic elements for an M&E mechanism of the Innovation Fund. However, it was never translated into an operational M&E framework collecting, analysing and using data for learning and to inform decision-making in relation to the Innovation Fund.<sup>72</sup>

Recently, a number of pressing operational questions have emerged in relation to the future direction of the Initiative and the use of the Innovation Fund. Reconsiderations on what the Innovation Fund's scope should be, on what approaches to follow in terms of acceleration models and crowd sourcing of ideas, or on the appropriateness of innovation labs to the UNFPA model, are aspects that are being reflected upon and discussed. In this context, the absence of functional M&E systems for the Innovation Fund and for the Initiative add complexity to the situation because it prevents these decisions from being based on an analysis of timely output and outcome data.

**UNFPA has not yet capitalized on the wealth of experiences offered by other UN agencies on how to articulate innovation funds within broader innovation initiatives.**

Seven UNIN members (including UNFPA) use innovation funds within the framework of their innovation activities. UNIN offers a wealth of experiences on the various ways of linking and articulating funding mechanisms (such as innovation funds) with corporate models for innovation. The innovation team at the Secretariat and IDWG members have not yet made the most of this UN system of cumulative knowledge.

Experiences from UNIN members show that there is a wide range of alternatives, depending on the innovation model chosen by each agency.<sup>73</sup>

72 Two elements have constrained the capacity of the Innovation Fund to capture learning: the lack of an operational M&E framework for the Innovation Fund linked to the M&E systems of individual projects; and the absence of a learning strategy – that went beyond failure report templates.

73 The innovation model is shaped by a number of decisions. Some important ones are, for instance, the focus and scope of innovation in the agency; whether crowd-sourcing of ideas is internal/external/mixed; whether the focus is on product/processes; the stages of innovation to support (ideation, development of prototypes, piloting, scaling up).

## HOW DO OTHER UN AGENCIES DO IT?

### The use of innovation funds in other agencies.

The UNDP Innovation Facility covers early stage, testing and evidence collection, and scaling up of innovation projects. The Innovation Facility also works on horizon scanning and fostering networks of innovation champions for knowledge sharing. The UNDAF Design Innovation Facility at the UN DOCO focuses on supporting innovative proposals for UNDAF design, working on several windows (data capture and analysis, public engagement and partnerships, sustainable development planning, business operations innovations and finance). The Innovation Fund at UNHCR enables and facilitates the prototyping, testing, and production of new, creative solutions to the challenges faced by refugees and the forcibly displaced. The Innovation Facility at UN Women is similar to the UNFPA Innovation Fund, based on internal, global calls for proposals for staff in headquarters, regional and country offices. The facility began with open proposals, but has recently moved to a thematic focus (women peace and security, women and technology). The Innovation Fund in WFP is a mechanism of the Innovation Accelerator and provides grants to second-stage innovations (i.e. that have reached a proof of concept) to scale globally. The accelerator supports and scales promising ideas and potential solutions to help achieving the global goal of Zero Hunger by 2030. The UNICEF Innovation Venture Fund focuses on testing early stage innovations and operates on two windows: one offering co-funding for country offices (alone or with external partners) and one for start-ups in UNICEF programme countries.

In addition, UNHCR, UNICEF and WFP have gone through meaningful experiences and accrued valuable lessons on how to approach innovation labs and accelerators, two topics currently under intense discussion in UNFPA. The WFP acceleration model has several features of interest to UNFPA, such as integrating an innovation fund as a scale-up mechanism, linking to thought leadership in the sector and putting the mandate of the organization at the centre (eradicating hunger worldwide). UNHCR has used innovation labs to ideate projects around themes e.g. energy, emergency, educational opportunities. UNICEF has used a network of twelve labs located around the world for ideation. The rationale behind these labs is that they secure a safe space where innovative and creative thinkers in UNICEF may test new ideas without being trapped in a rigid bureaucratic structure. The approach has worked well, yet it is now being adjusted as the model reveals cases in which labs are difficult to integrate into country programmes. The possibilities for UNFPA to tap into

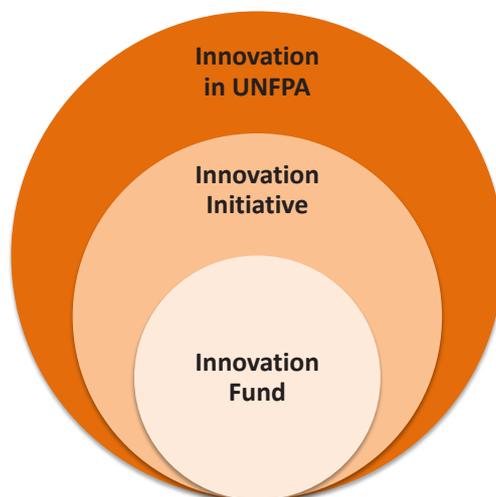
these experiences for inspiration and guidance have yet to materialize.

### ***3.3. On the Links between the Initiative and Innovation in UNFPA***

#### ***3.3.1. There is more to innovation in UNFPA than the Initiative and the Innovation Fund***

**Innovation in UNFPA is not circumscribed to the Innovation Initiative and the activities supported by the Innovation Fund (see Figure 25). A number of country offices and business units across the organization carry out innovation activities and implement innovation projects independently from the Innovation Fund.**

Figure 25. Innovation in UNFPA



ILLUSTRATIVE EXAMPLE

**Innovation in supply chain management in UNFPA**

The Commodity Security Branch at the UNFPA Technical Division in New York has coordinated an innovation project on real data on stocks at the health facility level in Mali. The Global Programme for Reproductive Health Commodity Security funded the project, which had to be discontinued as a consequence of the recent military coup in Mali (unfortunately, the project experience was not documented). Additionally, the Commodity Security Branch is currently involved in Global Mobile, a joint effort by Planned Parenthood Federation of America and the UNFPA to use mobile phone technology to make sexual and reproductive health information and access to services available to young people in Africa and Latin America.

The Procurement Services Branch at UNFPA, which had an Innovation Unit during part of the period evaluated, worked on the use of unmanned aerial vehicles (drones) for last mile delivery of health commodities, automatic identification and data capture (bar coding) and 3D printing, among other innovation projects.<sup>74</sup> The drones project was pilot-tested in Ghana with positive results.<sup>75</sup> The Innovation Unit at the Procurement Service Branch also launched a supply chain innovation project focusing on efficiency gains by cross-border trades. The project consists of a series of studies carried out in collaboration with the University of Southern California. The studies looked at the benefits of allowing cross-border movement of commodities, reducing lead times. The ESA regional office coordinates the project, currently implemented in Burundi, Kenya, Tanzania and Uganda. The Procurement Service Branch Innovation Units was dismantled in mid-2016 due to staff turnovers and lack of financial resources. As a consequence, all innovation projects (except the drone project) in Ghana came to a halt. There are more innovation projects in supply chain management.

Forty per cent of the proposals submitted to the Innovation Fund were proposals on e-technologies, and 20 per cent were on mobile technology in particular (mostly related to adolescent sexual and reproductive health). The evaluation team could not find any evidence of coordination between the Innovation Fund and the Global Mobile.

**Responses from the non-applicant survey indicate that there could be a considerable degree of engagement in innovation projects beyond field offices involved in the Innovation Fund<sup>76</sup>**

Two-thirds of the respondents to the non-applicant survey reported having implemented a particularly innovative intervention over the period 2014-2016 and

provided brief descriptions of these interventions.<sup>77</sup> One non-applicant office in the LAC region and one in the Asia-Pacific region reported six and four particularly innovative projects respectively during the period, a non-negligible amount. Half of the respondents reported that these innovative projects were scaled up or replicated in their countries. In four of these seven cases, these particularly innovative projects had been replicated in other countries.

.....  
*Box 7. Innovation versus good practices*

In-depth interviews with non-applicants and with non-awarded applicants indicate that innovative projects are often equated to good practices. Testing of new solutions, cases of failing fast or insights from discontinued innovation projects were rarely mentioned. Innovative projects are understood as new (to the office) approaches that worked (brought results), which is much closer to the definition of good practice than to the definition of an innovation project that could be inferred from the UN Innovation Principles.<sup>78</sup>

.....

**The evaluation team did not find any conclusive patterns differentiating Innovation Fund applicants from non-applicants.**

In an attempt to obtain insight on the characteristics of innovation in UNFPA at large (beyond the Innovation Fund), the evaluation team analysed available quantitative and qualitative data to find out whether there were any traits differentiating applicants from non-applicants.

74 [https://www.youtube.com/watch?v=ewD\\_Yc3N\\_dE&feature=youtu.be](https://www.youtube.com/watch?v=ewD_Yc3N_dE&feature=youtu.be)  
 75 <http://nytlive.nytimes.com/womenintheworld/2016/02/02/drones-successfully-deliver-contraceptives-to-women-in-rural-ghana/>;  
<https://www.fastcompany.com/3056835/the-united-nations-is-flying-contraception-drones-in-rural-africa>.  
 76 The response rate of the survey was only 26 per cent, and this finding should be treated with caution. Self-selection bias could conceal that survey respondents implement more innovation projects than the rest of non-applicants.  
 77 These interventions were particularly innovative (and creative) from the point of view of the surveyed offices (self-reported as innovative).  
 78 See <http://www.undp.org/content/undp/en/home/ourwork/development-impact/innovation/principles-of-innovation.html>

## DESCRIPTIVE ANALYSIS

### Do regions and quadrants differentiate between applicants and non-applicants?

The pink and yellow country quadrants hold the largest share of non-applicant offices. The smallest regions in number of country offices (Arab States and EECA) have the highest proportion of applicants. However, when combining both quadrant and regional distributions, the result is that (with the exception of ESA), the regions with the highest proportion of applicants are also the regions with the largest share of pink and yellow countries. This could indicate either that the ESA region has a large impact on applicants in the red/orange quadrant and/or that the variables and available data do not capture the true determinants of being an applicant.

Therefore, region and country quadrant do not reveal any clear pattern in terms of why some countries apply and other do not.

To this end, the team used the sample of respondents to the survey (26 per cent),<sup>79</sup> examining whether there were any visible patterns in terms of country quadrant and region (see descriptive statistics summarizing the results of the quantitative analysis; see Annex 8 for details on the quantitative analysis).<sup>80</sup>

The evaluation team also used qualitative data from in-depth interviews to examine whether any patterns emerged differentiating applicants from non-applicants, with the aim of identifying general features of innovation within UNFPA.<sup>81</sup> The results of this analysis did not render any conclusive findings. The reasons why countries did or did not apply are the same across regions and there are no apparent elements distinguishing applicants from non-applicants. Time and staff available are the main considerations to decide whether to apply or not, and the results of that decision depended on the circumstances of the country at that particular moment.<sup>82</sup>

#### **3.3.2. The links between the Initiative and other innovation activities in UNFPA**

**Innovation in UNFPA tends to operate in silos. The Innovation Initiative and Innovation Fund are not yet articulated with the rest of relevant innovation activities across UNFPA. Though incipient, innovation networks are starting to play a role.**

The first innovation technical specialist at the Innovation Fund Secretariat mapped innovation activities beyond the Innovation Fund in examining the possibilities of meaningful coordination when required. Links were established with the innovation unit at the

Procurement Service Branch, with the drone project in Ghana and with the iAccerelators in the ESA region (in Kenya, Uganda). Some of these coordination links were done on a personal, informal basis and faded as a consequence of staff turnovers on all sides. Coordination was being revamped at the time of writing this evaluation report. Overall, there is limited interaction between the Innovation Initiative (including the Innovation Fund) and other innovation activities within UNFPA, which results in missing synergies and loss in organizational learning.

The comparative analysis with other UN agencies reveals that innovation networks and communities of practice are a natural way to resolve the silos issue. Networks and communities of practice allow easy spotting of who is doing what and where, identifying ideas that work and prompting experience sharing. In addition, innovation networks play a role in capacity building of field office staff, with focal points / innovation ambassadors transferring expertise from the network to the offices.

The regional innovation network in the ESA region has a full-time coordinator (the regional innovation and knowledge management specialist). The development of the network has spanned over a year. The existence of a well-resourced network has made a difference in the ESA region in terms of participation in the Innovation Fund and nurturing a culture of innovation. Other UNFPA regions do not have innovation networks yet. However, there are indications of progress.

**The role of regional offices in innovation has increased over time, but it is still limited.**

79 To find out whether the answers from non-applicant respondents were representative of non-applicant offices by region, we attempted a Chi-Square test. Unfortunately, observations by categories (respondents by region) were less than 5 and the Chi-Square test for goodness of fit could not be applied.

80 The analysis of whether there are significant differences in terms of size of their offices is presented in section 3.1.1.

81 The evaluation team cross-compared interview responses on obstacles to innovation, on definitions of innovation and on the reasons why offices applied or did not apply to the Innovation Fund (questions asked systematically to all informants).

82 There was anecdotal evidence that the need for financial resources could be a possible driver to engage in innovation and to apply or not to the Innovation Fund. Testing that hypothesis would have implied looking at other variables such as country office budgets and their annual rates of expenditure.

ILLUSTRATIVE EXAMPLE

The role of regional networks

A recent positive development in the Arab States Region is that the latest regional plans include the creation of an innovation network and a community of practice on innovation. The Arab States region also plans to organize experience-sharing with relevant innovation projects from other regions and a two-day regional innovation retreat with the newly created innovation network (in line with the approach followed by the regional network in the ESA region).

During the fifth round, regional offices played an important role in the preparation and selection of project proposals. However, regional offices are not involved in project monitoring. In addition, the roles of regional offices in knowledge and experience sharing resulting from innovation are still modest in comparison to the actual possibilities. One of the reasons why this role has not been optimized is that regional innovation focal points do not always have the time and clear mandate from the management (with the exception of the ESA region).

**The network of focal points at the country level, the work of the IDWG, the iAccelerator experience and Innovation Fund-supported projects are dots not yet meaningfully connected to one another.**

The Innovation Fund and the iAccelerator have mostly operated in parallel. iAccelerators link UNFPA with the start-up entrepreneurial ecosystem at local level. At the moment, the mechanism to follow-up on start-ups after the acceleration cycle and/or incorporate them in country programmes has not yet been developed. The Innovation Fund offers some alternatives in this regard (for follow-through support, transition-to-scale funding). These possibilities and potential links between the Innovation Fund and iAccelerators have not yet been

explored formally (although some informal dialogue has taken place). Acceleration with local enterprises is a priority of the Finnish cooperation, a new donor to the Innovation Fund. This offers good prospects for the exploration of the links with between the Innovation Fund and the iAccelerator model.

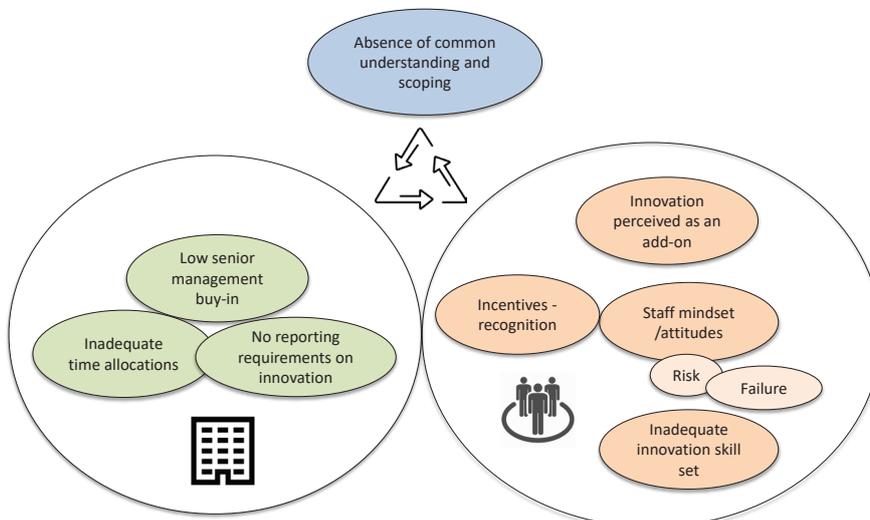
**Though UNIN features relevant experiences linking accelerators with innovation initiatives, UNFPA has not yet liaised with UNIN peers to tap into available knowledge.**

For example, the WFP Innovation Accelerator links an innovation fund with an acceleration programme; and the Humanitarian Education Accelerator, a joint endeavour by UNHCR and UNICEF with DFID support, focuses on scaling up successful proof of concepts.<sup>83</sup>

3.3.3. Obstacles to innovation in UNFPA

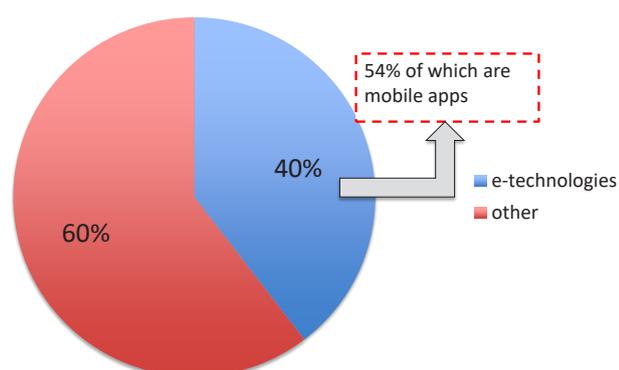
All interview protocols for UNFPA staff, including the online survey, included a question on obstacles to innovation. This question was posed with the objective of identifying areas for improvement, in line with the formative nature of the evaluation. Figure 26 illustrates the factors most recurrently mentioned by applicants and non-applicants to the Innovation Fund.

Figure 26. Obstacles to Innovation in UNFPA as Perceived by the Staff



83 The accelerator works on educational access to refugees and displaced communities worldwide and launched the first round of applications in November 2016.

Figure 27. Proportion of Submitted Proposals Linked to E-technologies



Obstacles are depicted in three interrelated and interdependent clusters. A cluster featuring institutional factors (bottom-left), a cluster related to staff (bottom-right), and the absence of a common understanding on innovation (top), which is a cross-cutting element.

**The absence of a common understanding on what innovation is and the scope of innovation in UNFPA is probably the one obstacle most recurrently mentioned by staff across all managerial levels.**

There are three reasons why absence of a common understanding on what innovation is and the scope of innovation in UNFPA is a hindering factor to innovation. First, it makes distinguishing between good practices and innovation difficult, making it in turn difficult for country offices to establish what is innovative or not in a country setting.

Second, in the absence of a commonly agreed understanding, the definition has often been equated with the use of information and communication technology (mobile applications for ASRH in particular).<sup>84</sup> Of the 149 project proposals submitted to the Innovation Fund, 59 (40 per cent) included the use of web-based platforms, online technologies or mobile applications (e-technologies) in their designs (see Figure 27). Mobile applications represent more than half (54

per cent) of the proposals on e-technologies (32 of the 59). One of the dangers of this trend is that non-information and communication technology staff tended to think that innovation is not in their area.

Third, the absence of a clear scope on what innovation should focus on at UNFPA has been a deterrent to apply to the Innovation Fund. Some potential applicants decided not to apply because they were not sure on what was expected from an 'innovative' proposal. This not only explains part of the non-participation to the Innovation Fund, but also dropouts in applicants from one round to the next (staff presenting proposals that had been considered not innovative enough felt discouraged to apply again). The absence of a clear institutional definition and scoping of what innovation is at UNFPA is often mentioned as one of the reasons behind the low quality of innovation proposals. In the absence of a clear understanding, innovation project proposals were at times regular projects incorporating the word innovation. Moreover, actions were often considered innovative (to country offices) when tried in a particular office for the first time.

Institutional cluster presents three interrelated and mutually reinforcing factors: senior management buy-in into innovation, the absence of reporting requirements on innovation and inadequate time allocated to innovate.

## HOW DO OTHER UN AGENCIES DO IT?

### The scope of innovation in other agencies.

Innovation in some UN agencies has a very clear focus and scope. In UNICEF, the focus is on tech solutions that reduce child inequalities. In WFP, the focus is on finding solutions to achieving zero hunger worldwide. In the Office for the Coordination of Humanitarian Affairs (OCHA) the focus was on products, processes and business models that generate improvements that can be brought to scale in the humanitarian sector. In UNHCR, the focus is on solutions (designed for and with the refugees) that address complex refugee challenges.

<sup>84</sup> A representative of a well-know institution working on mobile health interviewed during the evaluation commented, "you may innovate using technology but technology is not innovation. Technology is a lever."

**Buy-in from country representatives, heads of divisions and branch managers stands out as a crucial factor.**

Buy-in from senior managers is always present (enabling factor) in offices and business units where innovation has progressed. It is mentioned as an obstacle in many offices and units where there have been stumbling blocks.

In UNFPA, as in most UN agencies with bureaucratic management systems and a hierarchical organizational culture, adopting new approaches, thinking out of the box and incorporating higher levels of risks requires senior management consent and endorsement. The enthusiasm of senior managers is required for innovation to flourish. The high participation of the ESA region in the Innovation Fund, the launching of the ESA regional innovation network and the recruitment of a full-time ESA network coordinator in September 2015 are events closely related to the high interest and commitment to innovation of the regional office senior management and country representatives in the region.

**There is widespread evidence that senior management buy-in results in adequate time allocations to allow staff to innovate and think in innovative ways.**

Lack of senior management buy-in results in inadequate time allocations and absence of spaces for innovation and generates the perception among staff that innovation is an add-on ad hoc activity. Inadequate time to innovate as a consequence of low buy-in from senior management was recurrently mentioned as the main reason why staff perceives innovation as an additional task. Perceiving innovation as an additional task generates resistances and disincentives to take on innovative approaches, attitudes and projects.

**The lack of a formal requirement to report on innovation is one of the recurrently mentioned factors behind low senior management buy-in and staff resistance towards innovation.**

In a context of constrained resources, a demanding mandate and hefty workloads, there are minimal incentives to deviate from routine and conduct activities that will not be reported upon. This, in turn, results in less time allocated to innovation in a context where the need to promote innovation is not yet incorporated into job descriptions. The non-existence of formal requirements to report on innovation is also related to innovation not yet being fully anchored in the Strategic Plan. Innovation is included in the 2014-2017 Strategic Plan, although succinctly so.

Closely related to these three institutional elements are a number of staff-related obstacles, also highly interlinked and mutually reinforcing: recognition, inadequate capacity in terms of innovation skills and staff attitudes towards risk and failure.

**The lack of recognition acts as a disincentive.**

Most innovation projects run on staff personal time and are highly driven by self-motivation. An intrinsic feature of innovation in UNFPA and elsewhere, this is not necessarily a problem. However, there is no institutional recognition of these extra efforts. This lack of recognition, far from being anecdotal, is happening at all levels — country, regional and headquarters. The recently published UNFPA Recognition Toolkit (2016) does not feature innovation. Key aspects remain unaddressed, such as recognizing innovative approaches or celebrating and acknowledging risk-taking in innovation.

**HOW DO OTHER UN AGENCIES DO IT?**

**How is innovation included in strategic plans?**

The UNDP strategic plan integrates innovation as an element closely related to partnerships. Innovation is also incorporated into the Plan in the requirements to test scalable innovations, incorporate greater innovation in governance structures and manage risks through insurance and resilient infrastructure. UN Women incorporates innovation into its strategic plan in the context of partnerships with the private sector. The WFP strategic plan integrates innovation as a way to support Sustainable Development Goal implementation, in developing strategic and operational partnerships and in communication and advocacy activities. UNHCR includes innovation as a way of doing things across the different goals of the strategic plan, which stipulates that managers have the responsibility to foster innovation. In UNICEF, identification and promotion of innovation is one of the six-implementation strategies set forth in the strategic plan to achieve the results of the Global and Regional Programme. UN DOCO integrates innovation as a modality to achieve the Agenda 2030 for sustainable development, specifically in innovative partnerships and operative modalities. In the Office for the Coordination of Humanitarian Affairs, the 10th strategic objective of the plan is to promote innovation and bring it to scale in the humanitarian sector. In UNAIDS' strategic plan, innovation is both an aspect to deliver as part of its response and a cross-cutting issue to be incorporated into other core areas (information, investment, inclusion and integration). The UN OICT strategy features an innovate pillar formulated as “foster innovative solutions that enable the UN to fulfil its mandates.”

The combination of low senior management buy-in, inadequate time allocated (with supervisors' permission) to innovate and little recognition has generated 'lone riders', that is, highly motivated staff that have written proposals to the Innovation Fund without the support of other staff in the office. This implies no co-creation and no collaborative processes, which are at the core of the UN Principles for Innovation. A similar lone rider effect has occurred with innovation focal points. The technical areas of responsibility of the innovation focal points are seen as "the innovation areas" and the staff working in other areas becomes disengaged from innovation. Some countries have addressed this by creating innovation task forces and innovation teams cutting across all areas (e.g. Namibia and Sudan).

**Inadequate capacity in terms of innovation skills set is commonly perceived as an obstacle to innovation.**

Gaps in skill sets include turning ideas into innovation projects (particularly into written project proposals) and techniques on how to foster and guide ideation and design processes. Although there are many open-source tools available online, informants often pointed to the need for an innovation curricula that provides guidance on how to work with design thinking, human-centred design processes and how to identify a challenge and design a brief for an innovation project.<sup>85</sup> Moreover, the ESA regional office (with collaboration from the Young Innovations Fellowship Programme) recently produced an Innovation Toolkit. The Toolkit was developed regionally, but it has a global scope and is relevant for all UNFPA innovation staff.

**The mindset and attitudes of staff towards risk and failure is another hindering factor to innovation.**

The Innovation Fund has led to a perception that more risk was allowed, which was seen as a positive feature. However, this perception did not translate in proposals pushing the limits of current business approaches and solutions. Proposed innovation projects have not been particularly risky; at the time of this evaluation, the production of failure reports was an exception. Interviews reveal that explicit encouragement from senior management on taking higher risks would be seen as a clearance on assuming higher levels of risk, but seemingly this happens rather rarely. Taking the lead to innovate usually comes from a combination of senior management allowing and empowering staff (top-down) and self-confidence and leadership from staff themselves (bottom-up). Interviews with other UN agencies and ecosystem stakeholders point at mentorship and coaching playing crucial roles when it comes to promoting self-confidence in innovation processes. Although the Innovation Fund supported some projects that incorporate coaching and mentorship, these elements do not yet play a prominent role in the UNFPA approach to innovation.<sup>86</sup>

Interviews and group discussions revealed that learning and leading often precedes the drive to innovate (in a learn → lead → innovate sequence). In this context, 'learning' refers to the time staff requires to acquire knowledge through attending events, training sessions and sharing of experiences. 'Lead' refers to staff having the confidence and taking the lead to embark in innovation. The lack of time allocations for these types of activities affects the sequence that results in people having the drive to innovate.

**HOW DO OTHER UN AGENCIES DO IT?**

**Solving the bureaucrats-versus-innovators conundrum.**

WFP realized, as a result of internal interviews with staff, that the main obstacles for staff to innovate were lack of funding (in country offices) lack of time, and rules being perceived as inhibitive to innovation. In this setting, an accelerator approach was decided as the best way forward. The basic idea is that somebody else is the owner of the idea (creativity), and the UN agency supports it. This view understands that innovators drive innovations and WFP is there to facilitate and stimulate the process. The approach in UNICEF is similar: what counts is the idea rather than who has it. The Innovation Fund in UNICEF supports the testing of early stage innovations (prototypes) coming from UNICEF staff alone, from UNICEF staff with a partner and from start-ups (external to UNICEF).

85 Some of these tools have been produced by UN agencies and others by recognized innovation institutions (e.g. Nesta).

86 The Young Innovation Fellowship Programme incorporates a component on mentorship; the Mobilizing Young People project in Syria has a component on mentorship and reportedly made use of the IDWG assigned mentor; the projects Women Investing in Women and Hack for Youth also had mentoring components among their activities.

## HOW DO OTHER UN AGENCIES DO IT?

### How do other agencies stimulate innovation?

A clear lesson that stems from the UNIN comparative analysis is that innovation should not be imposed; innovation should be enabled. This is a relevant issue at UNFPA, particularly in light of the discussions on how to incorporate innovation into the Strategic Plan. The comparative analysis shows that agencies that have succeeded in stimulating innovation operate by enabling innovation from top-down and from bottom-up. For example, in UNAIDS, UNHCR, UNICEF and WFP, Innovation Units report directly to the Executive Director, reflecting the high priority given to innovation. Simultaneously, innovation takes off at country level with innovative solutions expanding through regional and global networks. These communities of practice constitute the bottom-up push for innovation.

**The current Innovation Fund’s call for proposals mechanism has inhibited some country offices and business units from putting forward innovation project proposals.**

The Innovation Fund approach and procedures, based on calls requiring written proposals, is perceived by some as cumbersome and has deterred some innovation-driven staff to apply. The evaluation found evidence of offices that applied, obtained funding once, and decided not to apply again due to the time demands of the process. In some instances, country offices and business units with innovation ideas in the pipeline finally decided not to apply because of short timelines, perceived cumbersome procedures, and the requirement to turn ideas into a written project proposal.

The Innovation Fund mechanism currently requires officers to be creative, have the time, the confidence and the expertise to convert ideas into a written project proposal. The evaluation found several instances of innovation projects that were not attracted by the Innovation Fund due to these reasons. It should be

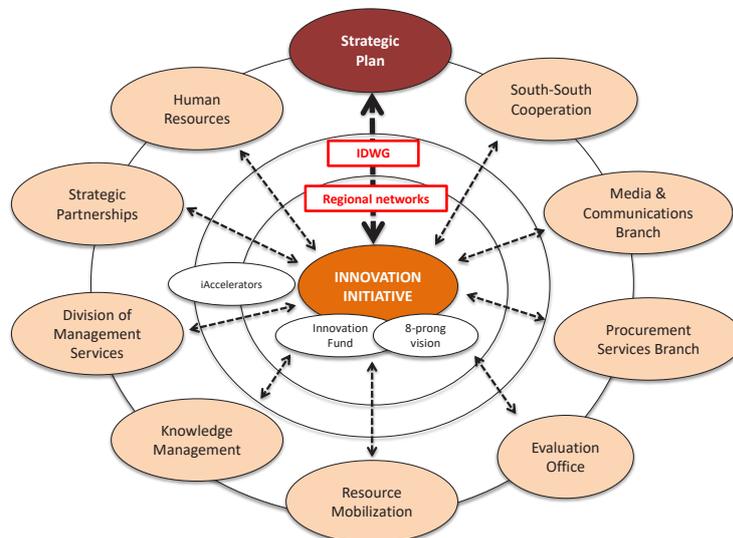
noted that the guidelines for applicants published in the last call for proposals introduced a more succinct submission template, which has mitigated the situation to some extent.

### 3.3.4. The links between the Innovation Initiative and relevant business units: the internal enabling environment for innovation in UNFPA

**The Innovation Initiative was the first building block for a corporate vision on innovation. Though important steps have been made, the vision has not yet spread across the organization.**

The April 2015 Updated Vision on Innovation incorporates the results of a thorough analysis of obstacles to innovation and actions to overcome them. It also presents valuable elements upon which to build a corporate approach to innovation. However, the Updated Vision is unknown to most staff in the organization and it is not yet shared across business units and field offices.

Figure 28. Business Units in the Enabling Environment for Innovation



**In this context, the Innovation Initiative is not sufficiently connected with the relevant business units that constitute the internal UNFPA enabling environment for innovation.**

As a result of two years of designing and implementing innovation projects and innovation days, the Innovation Fund has generated a wide range of insights into the bottlenecks to innovation and on the opportunities it may offer to UNFPA. These are insights on strategic partnerships, knowledge management, human resources, procurement, South-South cooperation, resource mobilization, media and communication and monitoring and evaluation. However, feedback loops and exchanges between relevant business units and the Innovation Initiative have been limited and sporadic.

The “manage and promote risk” prong of the Updated Vision already suggested, in 2015, a relevant consultation exercise (reflected in the theory of change) with Innovation Fund recipients (to map constraints and barriers in policies in UNFPA) and with UNIN members (to understand how other agencies had adapted policies for innovation initiatives). Subsequent to that consultation, the plan was to partner with the Knowledge Management and Strategic Information Branch of the Programme Division and work jointly with the Policies and Procedures Manual unit to propose changes. However, there has been no progress on the implementation of this prong.

Figure 28 depicts the main elements comprising the enabling environment for innovation inside UNFPA: the business units affecting innovation-friendly policies; the Strategic Plan as the main guiding framework; the regional networks, which collect and bring forward feedback on the actual implementation of the Innovation Initiative (barriers, constraints,

opportunities); and the IDWG, as the main advocates for innovation and the connectors between regional networks and corporate business units. The double line between the Strategic Plan and the Innovation Initiative conveys the message that the Strategic Plan guides innovation by providing the strategic priorities that define the focus and scope of innovation in UNFPA. At the same, the Innovation Initiative is an integral part of the Strategic Plan.<sup>87</sup>

This report has presented several examples of potential feedback loops between the Initiative and relevant business units. Section 3.1.6 on development of new partnerships details that the Innovation Initiative has generated valuable inputs on how current policies and procedures adapt or fall short of adapting to innovation-specific partnerships. Exchanges on this topic have, however, not yet taken place. Similarly, the Initiative implementation shows that incentives, recognition and skills — aspects related to Human Resource management — have an important influence on nurturing a culture of innovation in UNFPA (see also section 3.3.3). However, the Innovation Initiative has yet to share these findings with the Human Resource Division so that work on improvements may begin.

Knowledge Management is another area with relevant links to innovation that have not been worked through yet. There are several linkages between knowledge management and innovation. The main two are horizon-scanning prior to determining what projects are innovative<sup>88</sup> and sharing of innovative experiences. To assess how innovative an innovation project proposal is, knowing whether the approach has been tested and whether it has worked elsewhere becomes a critical part of the assessment. This step is closely linked to knowledge management.

## EMERGING ISSUES

### Innovative solutions or replication of good practices?

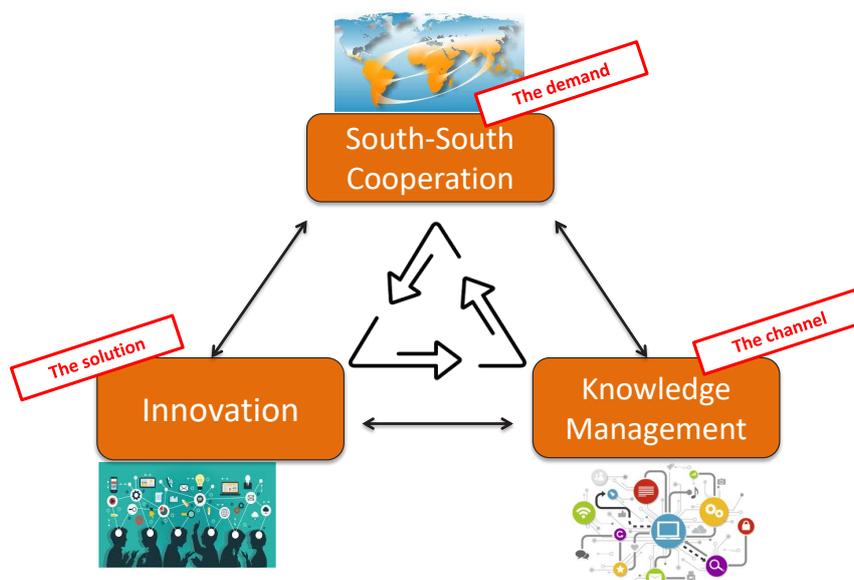
To conduct horizon scanning inside the organization, a repository of what UNFPA knows by area (what has been tested, what works and what does not) would be ideal. An alternative to a repository would be functioning knowledge networks that are able to retrieve this information any time. Without either of these two elements, it becomes difficult to judge how innovative an intervention is from a UNFPA perspective. As a starting point, the Knowledge Management Unit in UNFPA has developed a good practices database. However, the evaluation found only a few instances of staff consulting the database prior to presenting a proposal to the Innovation Fund.

A number of country-level informants (applicants and non-applicants to the Innovation Fund) considered that an approach is innovative when it is new to the country i.e. when it has never been applied to the country before. This raises a question: Does an approach that is completely new to a particular country, yet has been tested previously elsewhere (in another country) and worked well constitute an innovation project or is it a replication of a good practice? Consequently, should the Innovation Fund support it, or should it be supported by other mechanisms?

87 At the time of writing, there were substantial discussions on how to incorporate innovation substantively in the Strategic Plan as part of the development of the new Plan 2018-2021.

88 This scanning has external and internal dimensions. The external looks at the ecosystem and the internal looks inside the organization.

Figure 29. South-South, Innovation and Knowledge Management



Knowledge management may play a key role during ideation and dissemination of innovative approaches through sharing of experiences. Inspiration behind innovation proposals has, at times, come from peer-to-peer exchanges and discussions prompted by knowledge transfer mechanisms. However, the evaluation found very little evidence of coordination between the Innovation Fund and the knowledge management function at the headquarters, region and country levels.<sup>89</sup> Several country offices confused the Innovation Fund’s calls for proposals with the calls for Good Practices award managed by the Knowledge Management Unit at headquarters. The understanding of what constitutes a good practice and an innovative project and what differentiates them is not yet harmonized. The Knowledge Management Unit has had no formal coordination with the Innovation Fund.

South-South Cooperation is another area with relevant links to innovation. Once a proof of concept is successful, transition to scaling up may come through replication and expansion within the country or in other countries. Therefore, considerations on the scalability of innovation projects are related to South-South cooperation and country demands. The application of the ‘design for scale’ innovation principle implies incorporating South-South considerations from the onset.

The demand for innovation may originate in the context of South-South Cooperation (see Figure 29). Demands may come in the form of needs for a solution to challenges experienced by the region as a whole or by particular pairs of countries. Innovation may be an answer to such challenges; knowledge management is one of the channels UNFPA uses to deliver a solution.<sup>90</sup>

**There is a close link between South-South Cooperation, Knowledge Management and Innovation. However, coordination mechanisms do not yet reflect this connection.**

In this setting, the evaluation found little evidence of coordination between innovation, knowledge management and South-South focal points in country and regional offices. At the central level there have been no structured discussions on the links between innovation, South-South cooperation and knowledge management.<sup>91</sup>

89 Except when the innovation focal point also has knowledge management responsibilities.

90 Another channel would be Policy dialogue/advice.

91 The Chief of the South-South Global Project is a member of the Strategy Review Board of the Innovation Fund and has played a role in the selection of innovation projects. However, the role of the Chief in the Innovation Fund has not entailed any discussions on the links between innovation, South-South cooperation and knowledge management. Such discussions would be beyond the initial role of the Chief as a member of the Strategy Review Board.



## 4. CONCLUSIONS AND RECOMMENDATIONS

The essence of this evaluation is to provide insights for learning and improving performance; the main focus is not on assessing achievements (see Box 9). As a formative exercise, the evaluation took place at an early stage of implementation and aims at improving design and functioning features with a view to enhance the performance of the Innovation Fund and of the Innovation Initiative.

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*Box 8. Conclusions and Recommendations in a Formative Evaluation*

As a formative exercise, the focus and essence of the evaluation was learning, refocusing and improving. The evaluation took place at the beginning of the Innovation Initiative, which is still at a relatively incipient stage. The focus of the assessment is not on the achievement of outcomes, which should be assessed later in the process. The focus is on aspects that can be improved to increase the likelihood that outcomes may be achieved in the future. This is the reason why most conclusions highlight aspects for improvement rather than actual achievements.

.....  
This chapter presents a set of conclusions and recommendations to UNFPA business units. Conclusions are based on the analysis of the main findings; recommendations address issues brought up in the conclusions.

Conclusions and recommendations in this report have already been shared with the relevant UNFPA business units through validation meetings and through the participation of the formative evaluation team at the UNFPA Innovation Planning Retreat. This retreat brought together the members of the IDWG entrusted with the task of producing a first draft for a UNFPA Innovation Business Case.

In some cases, the aspects pointed out in the conclusions and the actions called for in the recommendations have already been acted upon or were being addressed at the time of writing this report.

Recommendations are structured in four parts. A brief title; a section explaining **what** is recommended; a section explaining the rationale (**why** it is recommended); and a section on operational suggestions providing elements on **how** to implement the recommendation.

### 4.1. Conclusions

**Conclusion 1. The Innovation Initiative and the Innovation Fund have been key contributors to positioning innovation and to generating a drive to innovate in UNFPA.**

The Innovation Initiative, and the Innovation Fund in particular, have made meaningful contributions to positioning innovation and generating a drive to innovate in UNFPA by creating awareness and jump-starting the process towards nurturing a culture of innovation. Even though there was innovation in UNFPA prior to launching the Innovation Fund, efforts were not conceived of as an organizational-wide approach. In this context, the Innovation Fund has brought significant momentum and has been instrumental in positioning innovation across the organization (at the country, regional and headquarters levels). It has generated the perception among staff at all levels that UNFPA is determined to embed innovation as a way of doing business. By putting innovation in the spotlight in UNFPA, the Innovation Fund has produced the internal catalytic effect it was intended for. Furthermore, both the Innovation Initiative and the Innovation Fund (as its main funding and implementing mechanism) have generated valuable insights into advancing towards an innovation model adapted to UNFPA characteristics.

The Innovation Fund has contributed to creating **substantial momentum** in the organization in terms of opening up to innovative approaches and instilling among staff the sense that innovation is becoming part of the organizational strategy. Monitoring data from the Innovation Fund shows that participation and engagement (e.g. submission of proposals, voting) has increased considerably in less than two years. Fifty-five per cent of UNFPA field offices have submitted proposals to the Innovation Fund, with the number of applications increasing four-fold in less than two years from the first to the fifth call for proposals. The Innovation Fund has spurred motivation and excitement and has enabled new spaces around innovation, prompting new dynamics and the sense that staff can think differently; Innovation Days were a particularly effective tool for generating these effects.

Most importantly, the Innovation Fund has helped staff to reconnect and realign with the mandate of the organization in a tangible way by offering opportunities to bring about change for and with adolescents and women. The sizeable response to this evaluation (175

UNFPA staff interviewed) and the requests to share the preliminary findings of the evaluation at the regional and headquarters levels as they were becoming available are also indications of such momentum.

The Innovation Fund has definitively helped to lift the **profile of innovation in the UNFPA corporate agenda**, generating the perception among staff and external actors of a determined move towards innovation in the organization. This constitutes a shift in corporate attitudes towards innovation and should not be underestimated, particularly given the baseline situation. At all levels of the organization the Innovation Fund has played a role in creating awareness, understanding and meaningful recognition that innovation is of the essence, that innovation should be embedded in UNFPA programmes and operations, and that the relevance and success of UNFPA as an organization hinges on embracing innovation. The original intent of the Innovation Fund was to establish a flexible mechanism so that UNFPA could experiment with innovative approaches and work towards a UNFPA approach to innovation. The Innovation Fund has fulfilled this role by fostering an exploratory process that has generated **meaningful institutional learning**.

**Conclusion 2. The Innovation Fund has showed a mixed performance, making modest contributions to developing a culture that nurtures innovation yet managing to deliver promising innovative solutions. This is due both to design features of the Innovation Fund and to UN system-wide issues.**

The Innovation Fund had the triple objective of developing a culture that nurtures innovation (culture), increasing organizational efficiency and effectiveness (organizational efficiency)<sup>92</sup>, and developing flexible and innovative solutions to respond to emerging development challenges (impact solutions). Culture was the main goal, and so the Innovation Fund was designed with this in mind. This focus on culture is a unique feature of the UNFPA innovation approach when compared to other UN agencies.

As pointed out in Conclusion 1, the Innovation Fund has helped position innovation within the organization and generated considerable momentum, including the acceptance of new approaches and ideas. However, effects in terms of assuming and tolerating risk, accepting and assimilating failure and learning from success and failure (elements of the UNFPA definition of culture) have been modest. Some explanatory factors behind this are the Innovation Fund’s project approach, the use of open calls for proposals and weaknesses in monitoring and evaluation systems. Rather than the Innovation Fund shifting the culture, the existing culture shaped the design of the Innovation Fund. Other explanatory factors go beyond the Innovation Fund and

are associated with difficulties in handling failure and risk aversion as inhibiting factors to innovation across the UN system.

Despite being designed with a prominent focus on culture — rather than on impact solutions or organizational efficiency — the Innovation Fund has managed to deliver promising solutions. Some of these solutions have had tangible impacts on women and youth, an achievement not to be underestimated. Sharing knowledge and insights on implementing the projects that generated these solutions is still limited, which poses risks to the continuity of the momentum generated by the Innovation Fund described in Conclusion 1.

The UNFPA Innovation Concept Paper defines a culture that nurtures innovation as a culture that facilitates the development and acceptance of new ideas, allows the organization to take risks in implementing innovative ideas and learns from success and failure. As mentioned in Conclusion 1, the Innovation Fund made substantial contributions to changing attitudes and generating buy-in towards innovation across the organization. However, it made only modest contributions to prompting changes in risk-taking, acceptance of failure and learning from success and failure.

Internal and external factors explain this level of contribution. Internal factors are associated with design features of the Innovation Fund: it adopted a **project approach** (as opposed to a **testing solutions** approach), making it difficult to promote risk-taking and learning from failure; it used open calls for proposals, motivating a filling-the-funding-gap effect given the current financial situation; and it used monitoring and evaluation systems that were not conducive to identify failure (fail-fast) and to capture learning from successes. External factors are associated with aspects that transcend the Innovation Fund and UNFPA. Recent publications from the United Nations System Staff College and from Nesta (a well-known innovation foundation), highlight that handling failure is a common concern within the UN system and a critical challenge in the innovation for international development sector. Similarly, risk aversion and bureaucracy have been identified as inhibiting factors to innovation in the UN system.

The Innovation Fund’s approach of project-based, internal, open call for proposals was designed with a focus on promoting a **culture** of innovation rather than on **impact solutions** or for **organizational efficiency**. An intentional focus on **impact solutions** would have adopted more targeted mechanisms (such as challenges, bootcamps, acceleration programmes and highly emphasized mentorships), would have included external crowd-sourcing of ideas and would have

92 Organizational effectiveness is also included in impact solutions, given that in the UNFPA context, being effective is associated with quickly and appropriately responding to diverse, complex and emergent development challenges.

prioritized linkages with the innovation ecosystem.<sup>93</sup> Similarly, targeted approaches, such as innovations labs, would have been more fit for purpose to organizational efficiency than open calls for proposals.

Despite this, there is evidence that the Innovation Fund has managed to deliver promising impact solutions, such as the portable mobile learning system in Tanzania and Ethiopia, the approach introduced in mobilizing young people for social cohesion in Syria, and the mobile health iloveLive.mobi platform in South Africa. Other examples of promising solutions include the UN shared vehicle pool (a proof of concept that has generated data for a convincing business case on organizational efficiency), and the Young Innovators Fellowship Programme (a new approach that is showing powerful evidence that involving youth meaningfully in UNFPA work may transform the way UNFPA communicates to the world).

The substantial momentum achieved by the Innovation Fund risks reaching a plateau due to limitations in active sharing and communication of the actual insights generated by the projects that brought about these solutions. Quarterly reports and innovation talk series act as feedback mechanisms on implementation, but do not yet satisfy the widespread expectation for meaningful exchanges (discussions and debates) on practical experiences — sources of actual learning based on insights.

**Conclusion 3. The Initiative has provided an added impetus to the organizational uptake of innovation. However, despite some attempts it has not yet become a corporate vision for innovation in UNFPA.**

The Innovation Initiative embeds the organizational thinking and will to move towards a culture that nurtures innovation, with the Innovation Fund as the implementing and funding mechanism. The scope of the Initiative has always been broader than the Innovation Fund. In practice, though, the Initiative's implementation has mostly coincided with the projects supported by the Innovation Fund. Attempts to move from a focus on funding individual projects to an overall strategy to promote innovation have not fully prospered. The main reasons for this are limitations in the IDWG operating model, the modest progress made in the implementation of the Initiative work plan for 2016, and the absence of a common vision on innovation shared across business units in the organization. Currently, pivotal operational decisions need to be made in relation to the innovation model to be followed at UNFPA. However, a shared strategic vision on innovation guiding these decisions is not yet in place.

'Innovation Initiative' is the term coined to refer to the conceptual framework behind the move towards a culture that nurtures innovation, as reflected in the Innovation and Creativity Corporate Project Proposal of September 2014. This framework became operational with the funding cycle supported by the Government of Denmark in 2014, which launched the Innovation Fund as a funding mechanism of the Initiative. In April 2015, there was an attempt to develop an Updated Vision of Innovation at UNFPA for 2015-2017.

This vision, developed by the IDWG, sought a shift the focus from funding individual projects and sporadic culture and networking activities (the Innovation Fund) to an overall UNFPA innovation corporate strategy that was reflected in the eight-prong strategic approach for action. These prongs were developed in a work plan that did not progress as expected, partly due to limitations in the IDWG operating model (see Conclusion 6). In addition, the limited awareness on the 8-prong vision beyond IDWG members hindered the possibilities for the Initiative to become a shared vision on innovation across UNFPA. At present, a number of pressing operational questions and decisions have emerged in relation to the appropriateness of innovation labs, the scope of the Innovation Fund, the approach to acceleration models and the crowd-sourcing model to follow in UNFPA. However, relevant answers to these questions are difficult without a clear, shared institutional vision on innovation. In turn, postponing these decisions would pose the risk of diluting the effects of the momentum and positioning generated by the Innovation Fund so far.

The fact that the Innovation Fund and the Innovation Initiative do not have a functional monitoring system in place adds to the situation, as it prevents these decisions from being based on an analysis of output and outcome monitoring data. A document on key considerations for a monitoring and evaluation framework was designed, but it was never developed into an operational monitoring framework for collecting and analysing data to be used in decision-making.

**Conclusion 4. Despite the enthusiasm and impulse generated by the Innovation Fund, a series of hindering factors linked to staff incentives and policies hamper further progress towards a culture of innovation.**

A series of obstacles hinder further advancement in nurturing a culture of innovation. These obstacles, as perceived by UNFPA staff, are mostly related to incentives. The main ones, ranked in order of how often they are cited, are: insufficient time to innovate; innovation is seen as an additional incidental task; inadequate capacity in terms of the innovation skill sets of staff; insufficient buy-in from senior management (in field offices and business units); and the current

<sup>93</sup> The Hack for Youth project, Phases I and II, is an exception to this; it encompassed a bootcamp and an acceleration programme. Phase two includes the development of prototypes and testing them in the field, featuring elements of solution testing and away from the pure project approach.

absence of reporting requirements on innovation. Another recurrent obstacle is the disincentives to assuming risks and embracing failure in a context where these extra efforts usually go unacknowledged and unrecognized by managers and supervisors.

Most of the obstacles hindering further progress in nurturing a culture of innovation are linked to staff incentives, innovation-friendly policies, and elements that constitute an enabling environment for innovation in UNFPA. The barriers identified by the evaluation are similar in offices that applied to the Innovation Fund and in offices that did not apply, and appear in all regions irrespective of their engagement with the Innovation Fund.

Insufficient senior management buy-in and the absence of requirements to report are related to the limited role of innovation in the current Strategic Plan 2014-2017. Innovation is only featured in the plan as one of the three elements in Output 3 under organizational effectiveness and efficiency (“increased adaptability through innovation, partnership and communications”) and in two explicit mentions on the need to help create a culture of innovation.<sup>94</sup> The fact that innovation is still a peripheral element in the strategic plan results in innovation not necessarily being seen as a priority in front of other competing priorities and pressures to deliver regular programmes.

**Conclusion 5. The Innovation Initiative and Innovation Fund are not well connected to the rest of the organization. This disconnect occurs with business units that play a role in the enabling environment for innovation and with other innovation activities beyond those supported by the Innovation Fund.**

The Innovation Initiative and Fund have remained disconnected from the business units that play a role in developing the innovation-friendly policies and procedures that constitute the enabling environment for innovation in UNFPA. The Updated Vision of Innovation of April 2015 (the eight-prong vision) acknowledged the need to link innovation with these business units through consultations. However, it did not articulate any mechanism to ensure that exchanges would take place. As a result, the internal enabling environment is less conducive to innovation than it could be. This disconnect, also affects the Innovation Initiative and Fund in relation to other innovation activities across UNFPA (albeit to a lesser extent). Further, the disconnect manifests in limited interactions at the headquarters and field levels (with the exception of the ESA region). Such a fragmented approach to innovation is detrimental to maximizing synergies and organizational learning.

The design and implementation of innovation solutions is generating insights on bottlenecks to innovation related to strategic partnerships, knowledge management, human resources, procurement, resource mobilization, media and communication and in monitoring and evaluation. These areas shape the internal enabling environment for innovation in UNFPA.

These are also the areas that can benefit from innovation. For example, resource mobilization and South-South cooperation could easily leverage successful innovation solutions in the achievement of their respective mandates. However, coordination and structured, meaningful exchanges between the Initiative, the Innovation Fund and these business areas have yet to occur. The final consequence of this missing dialogue is that there are no adaptations in policies and procedures resulting in an improved enabling environment for innovation.

There is no coordination and little interaction between the Innovation Initiative, including the Innovation Fund and other innovation activities within UNFPA, which results in loss of synergies and organizational learning (e.g. on partnerships, insights on solutions). Regional innovation networks do not yet play a role in this regard, with the exception of the ESA region, where there is an increasing degree of coordination between the Innovation Fund, the regional innovation network and the Innovation Accelerator programme (iAccelerator).

**Conclusion 6. There are issues with the current approach of the Innovation Initiative to human resources.**

The Innovation Fund’s achievements are considerable given the limited number of staff fully dedicated to innovation. Staff constraints hinder the development of a sustainable model to foster innovation in UNFPA. The rationale for a volunteer-based model in field offices (innovation networks) and in the IDWG is coherent and follows good practice. However, there are issues with the practical application of the model, particularly with the IDWG. Overall, there is a mismatch between the limited human resources and innovation being a corporate priority. Innovation staffing levels in UNFPA are low when compared to other UN agencies.

There are only two full-time positions with innovation functions, the innovation technical specialist at the Innovation Fund Secretariat and the innovation and knowledge management specialist in the ESA regional office. The rest of the staff with direct innovation responsibilities have other functions, devoting only part of their time to innovation activities. UNFPA does not have an innovation unit, and staffing levels for innovation are low in comparison to other UN agencies, even to agencies at similar stages of development in

94 Paragraph 59 of the Strategic Plan 2014-2017 and page 17 of the integrated results framework, and on paragraphs 67 and 68 of the Strategic Plan, respectively.

terms of innovation. The Strategic Plan 2014-2107 explicitly recognizes the UNFPA's underinvestment in innovation-dedicated staff compared to other agencies.<sup>95</sup> Some of the direct consequences of staff limitations are lower-than-expected achievements in the development of innovation-focused partnerships; the low degree of integration between the Innovation Initiative, the Innovation Fund and the rest of the organization; and the modest implementation of the Initiative's work plan for 2016.

The UNFPA approach is highly reliant on innovation focal points in country offices and on the IDWG at the global level. The model is volunteer-based, which is not necessarily an issue. To base involvement in innovation on individual attitudes, motivation and personal drive is good practice among UN agencies and beyond. The problem, particularly with focal points, is that the work they do on innovation is usually not reflected in their job descriptions and often goes unacknowledged and unrecognized. In the particular case of IDWG members, most of the effort has been put into the selection of project proposals and in monitoring the implementation of funded projects, both very time-consuming operational activities. IDWG members have become doers rather than advocates and enablers for innovation, which has resulted in a tangible setback to the motivational drive that characterized the IDWG at the beginning of the process.

In this scenario, inadequate staff resource arrangements pose strategic risks to innovation. Experiences in other UN agencies show that well-resourced innovation units and innovation networks are key to identifying and developing impact solutions. Similarly, the IDWG is a critical vehicle to ensuring a proper enabling environment in UNFPA for innovative solutions to thrive.

**Conclusion 7. Innovation-focused partnerships have played a smaller role than expected, with implications for the UNFPA approach to innovation.**

Innovation-focused partnerships, with the private sector in particular, were an explicit, intentional goal of the pursued corporate approach to innovation. The Innovation Initiative, including the Innovation Fund, has been characterized by traditional partnerships with implementing partners. Some projects supported by the Innovation Fund have partnered with the private sector, but these have been exceptions. Ties with innovation ecosystem players at the country, regional and headquarters levels have been modest. The factors explaining the moderate role of innovation-specific partnerships include low incentives to pursue non-traditional partnerships, insufficient time to develop partnerships, short time-frames for submitting proposals and preference for internal crowd-sourcing.

The Innovation Fund Secretariat made tangible efforts to link UNFPA with other agencies. Some occasional activity-based joint work has taken place. However, longer-term partnerships focusing on substantial technical areas of interest, such as innovation funds, labs, accelerators and M&E systems for innovation, have not occurred. This overall limited degree of interaction between UNFPA and the innovation ecosystem constitutes a weakness in the current approach.

The 2014 Concept Paper on Innovation ('Innovation and Creativity Corporate Project Proposal') emphasized partnerships with other UN agencies, international agencies and academia, and unique partnerships with the private sector. Human resource constraints at the Secretariat, coupled with a lack of response from relevant UNFPA units to offers for collaborations and partnerships (by reallocating staff away from pre-planned activities), constrained the possibilities of innovation-focused partnerships with the private sector at the global level. At the field level, due diligence requirements and the inherent risks of entering non-traditional partnerships in the context of ongoing country programmes acted as disincentives — non-traditional partnerships expose the image and reputation of the country office if the partnership does not work well.

In addition, the short time span between preparation and submission of proposals to the Innovation Fund was an incentive to work with traditional implementing partners and a disincentive to explore new partnerships with the private sector, which need time. Internal calls for proposals channelled through UNFPA staff have limited exchanges and interaction with the private sector and the ecosystem at large when crowd-sourcing for ideas (with some exceptions, such as the Hack for Youth project).

The Innovation Fund Secretariat made a commendable networking effort to communicate UNFPA innovation activities, especially among UNIN members. Networking translated into occasional activity-based partnerships, such as the participation of UNFPA in the UN Data Innovation Lab workshops. However, this is far from substantial partnerships in key areas of interest and hinders economies of scope for donors funding similar approaches (innovation funds, labs, accelerators) across UN agencies. The cross-fertilization potential of the UN Innovation Network is still untapped.

95 Paragraph 116, Annex 4 (Funding arrangements), Strategic Plan 2014-2107.

**Conclusion 8. Current monitoring and evaluation mechanisms, which have proved inadequate for innovation projects, are one of the ultimate causes behind limitations in accruing learning, limitations adopting fail-fast approaches and limited progress in building a UNFPA brand for innovation.**

M&E mechanisms for innovation projects supported by the Innovation Fund have followed the same logic than those for regular projects; the mechanisms were based on logical frameworks and data requirements focused on reporting on progress. However, iteration and learning when testing innovative solutions is associated with real-time outcome-based monitoring systems and capturing unintended outcomes. Inadequate M&E mechanisms for innovative solutions made it very difficult to use a fail-fast approach or to capture learning (from both success and from failure) across the Initiative. Similarly, results in terms of building a UNFPA brand for innovation (one of the expected effects) have been very modest, as brand building hinges on demonstrating results, which in turn requires data-driven success stories that feed from outcome-based M&E systems. Furthermore, the scale-up of successful innovation solutions supported by the Innovation Fund requires a critical understanding of how the solutions work, why, for whom and under what circumstances, which involves using innovation-specific M&E system.

Real-time outcome-based monitoring and evaluation systems to constitute a critical investment given that performance, learning and branding depend on them. These investments, however, have yet to be made in the context of the Innovation Fund.

Intended outputs and intended outcomes are the centre of attention in logical frameworks. In contrast, iteration and learning when testing innovative solutions are intrinsically linked to unintended and expected outputs and outcomes. Similarly, data requirements in project-based M&E frameworks focus on reporting and emphasize progress on activities and outputs rather than on outcomes — outcome data is usually collected at the end of the intervention. However, successes and failures when testing innovative solutions are closely linked to outcome metrics (uptake of new methods, such as reaching people, changes in behaviour and improving people's lives), requiring at least near-to-real time outcome-based M&E systems. Though putting these critical systems in place requires resources, neither the Innovation Fund nor its applicants prioritized M&E allocations.

The Innovation Fund has operated with traditional monitoring and reporting system (M&R) based inputs, activities and outputs. These systems cannot easily tell whether a project is failing because they do not generate real-time outcome-data. Similarly, learning from success requires real-time outcome data as well as evaluative assessments on what works, how, why,

for whom and in what circumstances. These evaluative assessments are essential prior to deciding whether innovative solutions implemented by the Innovation Fund should transition to scale, which has become a priority at present. There is data showing evidence of acceptance and uptake for a number of the solutions generated by the Innovation Fund. Yet, understanding why, how and under which circumstances acceptance and uptake occur and lead to behavioural changes implies using evaluative tools beyond traditional M&R systems. These tools are usually a component of scaling-up frameworks and scalability assessment criteria. These frameworks have not been developed yet, which poses risks in terms of consolidating Innovation Fund gains.

## 4.2. Recommendations

**Recommendation 1. UNFPA should make critical strategic decisions in order to frame the foundations for its corporate approach to innovation.**

UNFPA should prioritize making a series of strategic decisions in order to set the framework for and bring strategic clarity and focus to its corporate approach to innovation. These critical decisions include determining: (i) the specific areas innovation should prioritize and focus upon; (ii) how innovation should be positioned inside the organization; (iii) how UNFPA wants to position itself within the innovation ecosystem (in the mandate areas); (vi) what forms of innovation (e.g. products, services, processes) UNFPA should focus on (and how); and (v) what stages of innovation (ideation, testing, scale up) UNFPA wants to support (and how).

**Priority: High.**

**To whom: Senior Management (OED).**

**Rationale:** This recommendation addresses the pivotal operational decisions that need to be made in relation to the innovation model to be followed by UNFPA as presented in Conclusion 3.

The UNFPA Innovation Planning Retreat, conducted in February 2017 by IDWG, featured discussions on these five critical decisions. The result was a first draft of the UNFPA Innovation Business Case that was further refined in a number of consultations. Some of the operational suggestions in this recommendation have already become an input into this process. The Business Case was to be presented to the senior management at the time of writing this report.

**Operational suggestions:**

As a general principle, UNFPA should adapt the model for innovation and address these critical decisions with two sets of considerations in mind. First, consider the specific characteristics of the organization: a relatively

small agency compared to other UN agencies, a complex mandate and funding constraints. Second, take stock of what UNFPA has proven to be good at by looking at its comparative advantages and strengths as an organization. For example, UNFPA positioning is linked to its role as an advocate and convener and connecting different stakeholders to move its agenda forward in programme countries. UNFPA could use these assets to position itself within innovation ecosystems to address the **core problems** UNFPA decides to innovate for (answer to the first critical decision).

Some considerations on elements to take into account in each decision:

► **Determine the specific areas that innovation should prioritize and focus on:**

- This strategic decision should answer the questions: **What is innovation for at UNFPA?** This question is related to **why to innovate** and to the use of innovation (it should not be a discussion on the definition of what innovation is). It should also answer the question: **In what areas (thematic, operational) should innovation focus on?** This would determine the scope of innovation.
- Good candidates for focus areas would be areas that emerge as a response to the question: **For which problems does UNFPA need an innovative solution?** This would point at areas where outcomes are stagnant or reversing, at areas where business as usual has not worked so far, or at areas suffering from setbacks in delivering the mandate (areas where successes are smaller than expected).
- The comparative analysis with other UN agencies shows that innovation agendas tend to work around a specific problem. The clearer the focus of innovation, the higher the chances of generating innovative solutions that make a difference. UNFPA should identify the **core problems** it wants innovation to focus on, moving away from the 360-degree approach followed in the first phase of the Innovation Initiative.

► **Determine how innovation should be positioned inside the organization:**

- When determining the positioning of innovation in UNFPA, it would be advisable to differentiate between three domains: innovation in terms of innovative **impact solutions** (addressing challenges in mandate areas); innovation in terms of innovative organizational processes and policies (systems), which refers to improvements in **business processes**; and innovation in terms of **culture**, that is, staff's innovative approaches at work (staff mindsets). The reason for this distinction is that they require different types of support and respond to different drivers. Developing innovative solutions is more intensive in external funding and

partnerships with innovation ecosystem actors, whereas a lot may be accomplished on innovation in business processes with core resources. Similarly, a lot could be achieved on innovative approaches to open staff mindsets with existing resources.

- How UNFPA positions these three innovation domains in the organization should be reflected in the Strategic Plan (see Recommendation 5).
  - The implementation of exchange mechanisms to link innovation with other business units and to ensure an enabling environment for innovation (Recommendation 6) will reflect how innovation should be positioned inside the organization.
- **Determine how/where UNFPA wants to be positioned within the innovation ecosystem:**
- UNFPA has not yet incorporated an ecosystem-based view to its innovation approach. The implicit model to date was positioning UNFPA (through increased staff creativity) as a producer of innovative solutions (together with implementing partners). It would be highly advisable to explore the possibility of UNFPA becoming a thought leader, ecosystem convener and facilitator of those innovation processes that aim at solving the core problems UNFPA has decided innovation should focus on.
  - **Determine what forms of innovation to focus on and how – innovation in products, in services, in processes:**<sup>96</sup>
    - It would be advisable to identify the sequence product – services – processes linked to the core problems selected and use that sequence to determine how each form of innovation will be supported e.g. if the chosen core problem was adolescent pregnancy and UNFPA wanted to focus innovation on products (e.g. contraceptives), processes and services would correspond to those business processes (procurement, logistics) and modes of engagement (services e.g. policy dialogue) associated to the delivery of the new product.
  - **Determine what stages of innovation (ideation, testing, scale-up) UNFPA wants to support and how:**
    - The Innovation Fund has essentially focused on funding the implementation of in-house generated proofs of concept.<sup>97</sup> The focus of the Innovation Fund is now moving to scaling up tested innovations that proved successful. This is one of multiple pathways; there are many others that have yet to be explored. In this context, and in order to develop a well-fitted model for innovation at UNFPA, it would be advisable to explore possibilities for other combinations e.g. supporting the testing of an idea through the Innovation Fund to then scale up through partnerships and advocacy; supporting the scale-up of solutions implemented by others outside UNFPA (either with co-funding or through

96 Services refer to delivery methods by mode of engagement; processes refer to business processes and are linked to organizational efficiency; and products refer to either supplies/commodities or tools and devices related to delivery.

97 Innovation days worked on ideation to a certain extent. However, innovation days and the design of project proposals (for testing/implementing proofs of concepts) were related in one a quarter of the cases. The Hack for Youth project incorporated a mixed approach (internal-external) to generate ideas.

facilitation and advocacy); or by open crowd-sourcing of ideas around core problems to external actors and internal staff.

**Recommendation 2. Further develop the Innovation Business Case into a corporate framework for innovation for the next four years, revisiting and reactivating the Inter-divisional Working Group on Innovation.**

The Innovation Business Case drawn by the Technical Division with support from IDWG members should further evolve into a corporate framework for innovation in UNFPA, becoming the strategic and operational frame for the Innovation Initiative. The corporate framework on innovation should have the buy-in of the technical, the programme and management divisions and should concisely present the results of the critical decisions called for in Recommendation 1. Once endorsed by the Executive Committee, it should reflect an organization-wide basis for a common understanding of the innovation model for the next four years, alongside the Strategic Plan.

This corporate framework should add to the Business Case a brief theory of change and an M&E mechanism to capture learning and to allow an evaluation of the Innovation Initiative by 2021. UNFPA should also revisit the scope, roles and composition of the IDWG, ensuring that incentives are in place to improve the performance of the IDWG in accompanying the implementation of the Business Case.

**Priority: Medium.**

**To whom: Technical Division.**

**Rationale:** This recommendation addresses the need for the Innovation Initiative to become a shared strategic vision on innovation across UNFPA. The development of the draft UNFPA Innovation Business Case into a full-fledge corporate framework would materialize this shared institutional vision and reflect the key operational elements defining the UNFPA innovation model for this second phase of the Innovation Initiative.

**Operational suggestions:**

- ▶ Ensure that the Innovation Business Case, as it develops into a corporate framework, provides a stance on the five critical questions in Recommendation 1 as well as UNFPA perspective on the three innovation domains (impact solutions, business processes and culture/staff mindsets).
- ▶ Adjust the roles and functions of the IDWG so that there is a shift from being **doers** to becoming **advocates** of the Initiative, both within their business units and outside.
  - ▶ IDWG members should be given a clear mandate

and explicit senior management endorsement to oversee the implementation of the Innovation Business Case / Corporate Framework on innovation. This mandate should include specific time allocations to carry out the task.

- ▶ The role of the IDWG should move away from the current focus on activities to a focus on advocacy. IDWG members should advocate so that innovation is anchored in the organization. In particular, IDWG members should liaise and facilitate (within their spheres of influence) to ensure that there is a proper enabling environment for innovation in UNFPA.
- ▶ IDWG members should convene with the innovation sponsor at regular intervals to jointly assess progress on the implementation of the Business Case / Corporate Framework, making adjustments and taking corrective measures as required.
- ▶ Validate the eight-prong vision developed in April 2015, retaining relevant elements and integrating them in the current UNFPA Innovation Business Case.
- ▶ Make sure that the scope of the Innovation Business Case incorporates coordination mechanisms between the currently fragmented elements of the UNFPA innovation model (i.e. the Innovation Fund, iAccelerators and innovation projects not supported by the Innovation Fund).
- ▶ The theory of change should reflect the main outcomes pursued and should make assumptions in the Business Case explicit. As shown by the formative evaluation, the absence of a theory of change during the first phase of the Innovative Initiative led to different interpretations of the logic of the Initiative and the Innovation Fund. Moreover, making assumptions explicit will enable the 2021 evaluation to examine whether they hold true and the reasons why, generating insights for refining the innovation model.
- ▶ The M&E mechanism for the Initiative should reflect outputs and outcomes in the Business Case. It should include indicators that provide information on the Strategic Plan's innovation indicators. Regional networks should play a key role in collecting data on output and outcome indicators for the Initiative (reflected in the Business Case/ Corporate Framework).
- ▶ Include the replication of the ESA innovation network model in other geographical regions as an item in the Business Case / Corporate Framework. Establish a replication task force to start exploring possible pathways to adapt the regional network model and the preconditions that should be in place to start the replication.
- ▶ Include a two-page infographic-based pitch, making the case for investing in innovation in UNFPA. The pitch should emphasize the added value of UNFPA within the innovation ecosystem (for sexual and reproductive health, for population data) based on the organization's comparative advantages.

**Recommendation 3. Make the critical investments in human resources to ensure a feasible and credible business case for innovation.**

UNFPA should undertake the minimum critical investments necessary to making the case for innovation credible and feasible for external funding. Two types of investments are required; those involving direct funding and those involving resource allocations but no additional funds. Priorities within the first type include ensuring the minimum human resource capacities at the Innovation Fund Secretariat and ensuring well-resourced regional innovation networks.

The second type of investment requires investing in one fully dedicated innovation person in each region. Priorities for resources not necessitating additional funding include securing the necessary time allocations for the Innovation Fund Manager function at the Secretariat and identifying innovation champions in country offices (and providing them with adequate time, responsibility allocations and recognition).

**Priority: High.**

**To whom: Technical Division and Regional Offices.**

**Rationale:** This recommendation addresses the human resource issues presented in Conclusion 6.

**Operational suggestions:**

At the Innovation Fund Secretariat:

- ▶ The human resource base at the Secretariat should aim at including a full-time manager (P5/D1 level); a technical specialist (P4) (already in place); a technical assistant (P3); and an administrative assistant. (This operational suggestion builds on the comparative analysis with other UN agencies and also takes into account current UNFPA expectations on the Innovation Initiative and the Innovation Fund).
- ▶ In the event that this level of staffing is not feasible, at least ensure that:
  - ▶ A position for administrative support staff is filled at the Secretariat in order to allow the innovation technical specialist to devote time to substantive innovation related tasks.
  - ▶ The Innovation Fund manager should be able to allocate at least 50 per cent of her or his time to Innovation Fund-related tasks i.e. partnership development and resource mobilization through leveraging the Innovation Fund.

At regional and country offices:

- ▶ Consider changing the **innovation focal point** designation. Some options would be 'innovation catalyst', 'innovation lead', 'innovation ambassador' or '**innovation champion**' (the term used from hereon). The terms focal point, at times, has connotations in terms of additional workload, unclear responsibilities

and non-required technical specialization.

- ▶ Each regional office should have a full-time regional innovation champion. Preferably, people with the ability, knowledge and networking skills to link UNFPA with the innovation ecosystems in the region should fill these positions.
- ▶ Establish networks of innovation champions in the regions where there are no networks yet. Regional innovation networks do not necessarily have to rely on an innovation champions in every country. Other approaches such as innovation task teams or innovation task forces around specific innovation issues could also work in regions with staff constraints. Moreover, it would be advisable to set up innovation teams — including the innovation champion — in country offices as opposed to only having innovation champions. This would avoid the adverse effects of turnover in staff and offices directing all innovation responsibilities to one person.
- ▶ Establish country office innovation task forces, including staff across technical and operational areas to avoid innovation champions working in isolation and to maximize innovation buy-in.
- ▶ Avoid top-down direct appointments when identifying innovation champions. Ideally, the selection process should combine country office senior management considerations with self-selected staff members with the motivation, attitude and determination to fill the role.
- ▶ Set up a task force to explore possibilities of replicating the ESA innovation network experience in other geographical regions.

**Recommendation 4. Consolidate, redesign and reposition the Innovation Fund.**

UNFPA should re-think the Innovation Fund's scope and restructure its operation, adapting it to the forthcoming second phase of the Innovation Initiative. This re-design should respond and align to the five critical decisions presented in Recommendation 1. UNFPA should reposition the Innovation Fund with a view to focusing and rationalizing financial support. The Innovation Fund should evolve from the current internal 360-degrees experimental fund focusing on creativity and on nurturing a culture of innovation, to a selective, co-funding based, leverage-driven mechanism focusing on solutions aimed at solving the core problems UNFPA has decided to innovate for. UNFPA should also prioritize consolidating the results, culminating the first phase sharing lessons and launching the second phase in a communicative and engaging fashion.

**Priority: High.**

**To whom: Technical Division / UNFPA Innovation Team, IDWG.**

**Rationale:** The Innovation Fund has been a meaningful contributor to UNFPA's drive to innovate. In this first phase, the Innovation Fund was used as a tool for experimenting with approaches on innovation, in line with developing an innovation nurturing culture, which was fundamental to the Innovation Initiative. The evaluation results strongly point at the need for a more targeted approach, one that is in keeping with the shift to a focus on impact solutions.

#### Operational suggestions:

##### ► **Close the first phase and launch the second phase using a communicative and engaging manner:**

- Conduct an internal kick-off event launching the next phase of the Innovation Fund. Use the event to convey key messages in terms of what has been achieved and the way forward by announcing the main elements of the innovation Business Case / Corporate Framework.
- Capture the most relevant insights of the first phase with a focus on implemented projects (including those discontinued) and share them across the organization by presenting and discussing them in the second phase launch event.
- Optimize the currently unused knowledge base generated by the Innovation Fund (Innovation Hub, blogs in My Voices) by making the wealth of data generated by the five rounds of calls for proposals readily and easily available. Use the event to communicate these resources. In addition, re-design and update the external innovation website<sup>98</sup> so that it becomes a showcasing platform as well as a means to communicate to the outside world.
- Produce visual, user-friendly materials that explain the functioning of the Innovation Fund (include target users, rationale, governance mechanisms, selection criteria and user journey), making them easily accessible and readily available.

##### ► **Move to a selective, co-funding based, leverage-driven approach:**

- Take a selective approach to funding innovation. First, by focusing on innovative solutions aimed at solving the core problems UNFPA has decided to innovate for (priority technical thematic areas). Consider funding innovations in business processes and in culture with existing resources, using the Innovation Fund only as a complementary leverage instrument. Second, by introducing a grading system to innovative solutions when allocating funds; differentiating between those new to the country, those new to the organization and those new to the sector (innovative for the ecosystem).
- Move the Innovation Fund to a co-funding mechanism for the **transition to scale** of supported innovation solutions that have succeeded in the testing/proof of concept phase. A co-funding approach would enhance ownership, commitment and engagement.
- Use the Innovation Fund to leverage external

funding (at the headquarters and country/regional levels) when testing solutions aimed at solving core problems. The Innovation Fund could be used as a lever to bring into play other relevant actors and to facilitate the UNFPA convening and advocating roles in the innovation ecosystem. This leverage function can also foster partnerships and is better fitted for an ecosystem-driven approach to innovation.

##### ► **If UNFPA decides to continue using the Innovation Fund to support additional rounds of early-stage innovations:**

- Ensure that the approach evolves from implementing projects to testing priority solutions — from the ideation to transition to scale. This implies a higher role for management in priority setting, and for innovation networks playing a role in pre-scanning and preparation of pitches. Continue the current evolution towards brief pitches and concept notes and minimize the requirement to submit written project proposals.
  - Discontinue **open** calls for proposals. If open calls are still deemed relevant, approach them as calls for **solutions**. Ensure that calls are communicated well in advance to allow ideation work, environment/horizon scanning (identification) and provision of technical assistance. Ensure that timings allow for proposals that adhere to the design with the user principle. This will increase the likelihood of good quality solution designs. In addition, favour unique partnerships in proposals (e.g. with the private sector or academia).
  - Use funding caps when allocating seed and early stage funding.
  - Consider putting in place peer-review mechanisms in the implementation of innovation projects in order to validate approaches and increase replicability. This could be done, for example, by assigning an innovation focal point interested in a new approach as a peer-reviewer (external monitor) of an innovation project testing that new approach in another country.
- ##### ► **Diversify Innovation Fund resources beyond direct investments on impact solutions:**
- Explore the possibilities of the Innovation Fund operating as an innovation facility, featuring several funding windows e.g. transition to scale, testing of new solutions (if more calls are envisaged), partnerships (lever funds), M&E for innovation and learning.
  - It would be advisable to keep a share of the Innovation Fund for strategic experimentation, that is, to test the feasibility and appropriateness of new features aiming at developing an innovation model suited to the characteristics of UNFPA e.g. testing of innovation labs approaches (alone or in partnerships); testing innovation challenges involving external stakeholders; supporting accelerator graduated solutions in transitions to scale.

► **Examine the feasibility of establishing a UNFPA innovation lab:**

- Although the Innovation Fund could provide initial co-funding, resource mobilization and establishment for a lab could go beyond the Innovation Fund. At the present stage of development of innovation in UNFPA, innovation labs could be appropriate because they offer a protected environment that permits higher levels of risk, minimising trade-offs and disincentives to innovate. Moreover, a lab could be suitable for UNFPA to test elements of the innovation model. For example, by providing a space with different risk assessment requirements and internal policy frameworks, whereby innovative and unique partnerships could be explored, including partnerships to develop M&E systems adapted to innovation solutions.

**Recommendation 5. Shift the main focus to impact solutions while continuing work on nurturing a culture of innovation.**

In order to accelerate demonstrating results, UNFPA should shift the main focus from culture to scalable impact solutions, that is, innovative solutions with a direct impact on the lives of women and young people. This entails using innovation resources to make a difference on final beneficiaries by solving current bottlenecks to expedite change in stagnant areas (e.g. teenage pregnancy, child marriage). UNFPA should continue working on developing a culture that nurtures innovation, but not as the main thrust of the innovation model or by using external resources. UNFPA can utilize existing internal resources to promote a culture of innovation. Moreover, evidence shows that impact solutions stimulate the uptake of innovative approaches, contributing as a result to a culture of innovation. Anchoring innovation in the organization through embedding it the Strategic Plan and stimulating innovation-friendly policies (see Recommendations 7 and 8) can also nurture a culture of innovation.

**Priority: Medium.**

**To whom: Technical Division (in coordination with regional offices), Programme Division and Human Resources Division.**

**Rationale:** The need for UNFPA to demonstrate that it is a leader in pioneering innovative approaches to addressing its mandate was recognized in the Strategic Plan 2014-2017.<sup>99</sup> With the tightening of resources, this imperative has intensified. Moreover, resource mobilization — both for innovation and in general — hinges on demonstrating the changes innovation brings

to the lives of women and young people rather than on the changes it brings to the UNFPA organizational culture (hence a focus on solutions without stopping work on culture).

**Operational suggestions:**

- Innovation Fund projects and accelerator-based solutions should focus mostly on scalable impact solutions aimed at solving the core problems identified in Recommendation 1. Ideally, allocations of Innovation Fund resources to business process improvements and culture-related activities should be linked to impact solutions.
- Introduce environment scanning prior to testing impact solutions in order to avoid unnecessary duplications and to optimize the limited resources for innovation.
- Prioritize building the skill set and capacities of innovation champions, given that they play a crucial role in promoting a culture of innovation.
- Explore ways to continue work on nurturing a culture of innovation without requiring external funds by leveraging regional innovation networks. The *Openmind* project and the Innovation Toolkit, both developed by the ESA innovation network, provide useful ideas and resources in this area. It is advisable that regional offices, under guide from the headquarters:
  - Promote the implementation of the menu of ideas offered by *Openmind*, which includes a series of trust-building activities to generate spaces to innovate such as walks and talks, learning afternoons, disruptive sessions and innovation corners.
  - Encourage the use of the Innovation Toolkit, which offers innovation tools for UNFPA staff to feel confident when taking part in innovation processes.
  - Advocate for the use of innovation days, which have proven to be a cost-effective way to generate spaces that nurture innovation attitudes.
  - Foster the establishment of innovation task forces in country and regional offices. Task forces would include colleagues who are supportive of innovation from all areas in the office, including the innovation focal points. Tasks forces would be responsible for collectively introducing and promoting innovation within the office.
  - Include an item on innovation in weekly and monthly meetings in country and regional offices to foster discussions on innovation (projects, partnerships), if relevant.
  - Conduct an innovation day or similar format prior to annual planning meetings at country offices, so that ideas for testing of solutions or innovative projects can be incorporated into country programmes.
  - Regional leadership planning meeting agendas should include a time-slot on innovation.

99 Paragraph 115, Annex 4 of the Strategic Plan 2014-2017.

- ▶ The Human Resource Division could make key contributions to the enabling environment for a culture that nurtures innovation. Suggested actions include:
  - ▶ Examine the feasibility of incorporating innovation-related elements in recruitment, career management and staff development and learning. In particular, look into possibilities of incorporating innovation in the UNFPA Competency Framework.
  - ▶ Systematically include innovation as a key competency in interviews and recruitment processes for Representatives.
  - ▶ Explore ways to promote the inclusion of innovation in the UNFPA Performance Appraisal and Development system for staff development and performance appraisal.
  - ▶ Examine how to incorporate innovation in the UNFPA Recognition Toolkit.
  - ▶ Regional network coordinators should play an active role in the actual promotion, implementation and monitoring of some of these suggestions, particularly career management and staff development and learning, the inclusion of innovations in the Performance Appraisal and Development system and advocating for the inclusion of innovation in the Recognition Toolkit.

**Recommendation 6. Readjust the innovation model towards a more outward-looking approach based on partnerships.**

UNFPA should re-calibrate the focus of its innovation approach, from the current inward-looking model to a more outward-looking approach based on partnerships with innovation ecosystem actors. In practice, this means incorporating environmental scanning, bringing the views of ecosystem actors into strategic and technical discussions; activating links; and cross-sharing knowledge and experiences with other UNIN agencies in areas of interest (such as M&E systems for innovation, accelerators, labs and innovation fund management). UNFPA should incorporate an innovation ecosystem perspective and seek partnerships and alliances with relevant players in the ecosystem e.g. universities, research institutes and foundations and private firms (including the start-up community). Ultimately, UNFPA should prove its relevance and added value of its role within the innovation ecosystem.

**Priority: High.**

**To whom: Technical Division / UNFPA Innovation Team, IDWG.**

**Rationale:** This recommendation covers several aspects of Conclusions 2 and 7, addressing the fact that moving the centre of attention from internal culture to innovation solutions means broadening

the scope towards the outside. As embedded in the innovation principles endorsed by UNFPA, innovation is a collaborative process and takes place within an ecosystem. UNFPA innovation solutions belong to the wider innovation ecosystem for data for development, adolescent sexual and reproductive health, and mobile health. These are developed ecosystems with a wide range of players, from academia and governments (research and policy side of the ecosystems) to small (start-ups) and large businesses, private foundations, UN agencies and investors — including impact investment funds for health innovations. UNFPA should map the innovation ecosystem and find a relevant and necessary role in it. Otherwise, innovation efforts risk becoming redundant and irrelevant. Furthermore, UNFPA should tap into the wealth of experiences in UNIN.

**Operational suggestions:**

- ▶ Conduct a mapping exercise of the innovation ecosystems UNFPA is inserted in (adolescent sexual and reproductive health, mobile health, population data). Include the mapping in the innovation Business Case / Corporate Framework for innovation.
- ▶ Job descriptions of regional innovation technical specialists (innovation champions) should include an explicit role to link UNFPA with regional innovation ecosystems.
- ▶ Systematize environmental scanning to ensure that innovation solutions are timely and relevant. Closer links with UNIN and the Innovation Fund Advisory Board would make scanning quicker and less costly.
- ▶ Activate peer exchanges with other agencies within the UNIN. Peer exchanges could include direct transfer of capacity and cross-fertilization of ideas and practical knowledge (e.g. sharing experiences on innovation fund management and knowledge on implementing acceleration programmes).
- ▶ Explore the possibilities of joint work with other UN agencies in areas of common interest, such as developing an M&E framework suitable for innovation.
- ▶ Bring the experience of other UNIN agencies into the currently internal debate on using innovation labs. UNHCR, UNICEF and the UN Global Pulse have extensively experimented with labs. UNICEF offers particularly interesting learning points, as it went from a lab-intensive strategy to the current rationalization approach.
- ▶ Foster the use of mentorship programmes with private-sector organizations and UN agencies. Expanding mentorship and coaching programmes could have important effects on corporate culture through strengthening staff leadership and risk-taking attitudes.
- ▶ Establish an Innovation Fund Advisory Board that includes external members (e.g. from academia and the private sector). Ideally, these external members should be experts on innovative approaches in UNFPA mandate areas.

- ▶ Explore hybrid models for crowd-sourcing innovative ideas. These models could include ideas coming from outside the organization and from internal staff. Prioritize models that imply facilitating and procuring channels for young people to innovate for young people, both as partners and as co-design users.

**Recommendation 7. Anchor innovation in the Strategic Plan 2018-2021.**

UNFPA should include innovation as a substantive element of the Strategic Plan 2018-2021. Optimally, the Plan should reflect the strategic importance of innovation. If possible, it should also reflect the results of the five critical strategic decisions presented in Recommendation 1 (the focus, positioning inside, positioning outside, forms of innovation and stages of innovation). The Strategic Plan should include corporate indicators reflecting to extent to which UNFPA is adopting innovation approaches.

**Priority: High.**

**To whom: Technical Division, Programme Division and Senior Management (OED).**

**Rationale:** Innovation is briefly mentioned in the Strategic Plan 2014-2017. Anchoring innovation in the new Strategic Plan is essential, because it will set the foundations for an enabling environment for innovation, reversing some of the obstacles in Conclusions 3 and 4. Further, it would convey a clear strategic commitment to innovation, which is crucial to attract and generate the capital investments required to turn innovation into impact solutions.

**Operational suggestions:**

- ▶ When incorporating innovation in the Strategic Plan, it would be advisable to distinguish between the three domains of innovation described in Recommendation 1: impact solutions, business processes and culture (staff mindsets). The Strategic Plan could explicitly recognize that innovations in business processes and culture can be driven by existing business units and with existing resources. Incorporating a call for business units to actively explore possibilities in this regard could play an important role in promoting innovation in business processes and could further a culture that nurtures innovation.
- ▶ It would not be advisable to incorporate innovation as a mode of engagement at this time. Innovation is still at an incipient stage and this requirement would exert high pressure on field offices and divisions that are either not ready or do not have the appropriate incentives to innovate. Moreover, innovation cuts across the current modes of engagement in UNFPA.
- ▶ Incorporate the requirement to report on innovation in reporting mechanisms associated to the Strategic Plan. Reporting on innovation should ideally include

the three domains — innovations in impact solutions, innovations in business processes and developing a culture that nurtures innovation (staff mindsets).

**Recommendation 8. Activate a functional feedback exchange mechanism between the Innovation Initiative and relevant UNFPA business units.**

UNFPA should establish and activate a feedback exchange mechanism on innovation. This mechanism, which should ideally be endorsed by senior management, should bridge insights on innovation — channelled through the Innovation Initiative — with relevant business units to ensure that policies are innovation friendly and that business units harness the opportunities offered by innovation. This mechanism should generate an ongoing dialogue between the Innovation Initiative and business units in human resources, strategic planning, partnerships, South-South cooperation, resource mobilizations, knowledge management, procurement services, media and communication, and monitoring and evaluation.

**Priority: Medium.**

**To whom: DED Programme, DED Management, Division for Communication and Strategic Partnerships, Evaluation Office.**

**Rationale:** This recommendation addresses part of the concerns raised in Conclusion 5, that the Initiative and the Innovation Fund have remained disconnected from the business units that play a role in developing the innovation-friendly policies and procedures that constitute the enabling environment for innovation in UNFPA. The assumption is that this functional feedback mechanisms will open a dialogue that will help overcome current obstacles to innovation, create an innovation-driven enabling environment and ensure the consolidation of the gains generated by the Innovation Fund.

**Operational suggestions:**

- ▶ The exchange mechanism could take the form of *ad hoc* meetings called by the Secretariat of the Innovation Fund. These meetings could be called after collecting a critical mass of innovation insights (learning) that have implications on business units. Insights could then be discussed in the meetings and appropriate actions agreed upon by the business units. Meetings could take place at regional or headquarters level.
- ▶ Regional innovation networks and the IDWG could play a key role in this process. The networks should scan, identify and collect the relevant insights; the IDWG could advocate for discussing the insights and taking appropriate actions.
  - ▶ Regional innovation networks could scan, identify and collect relevant innovation insights and issues (e.g. challenges in partnerships, bottlenecks in

procurement, opportunities for South-South cooperation or resource mobilization) and bring them to the attention of the regional office first and, through the IDWG, to the headquarters.

- ▶ Regional planning and management meetings could include an item in the agenda on innovation challenges and opportunities, prompting a regional office-level dialogue.
- ▶ For technical insights, the regional-level exchange mechanism could take the form of working groups or task forces (e.g. discussions between M&E officers and innovation champions on testing M&E tools adapted to innovation projects). The dialogue could then be channelled through the Innovation Fund Secretariat and extended to the Evaluation Office and/or the Results-Based Management team at the headquarters level.
- ▶ The IDWG currently follows a three-tier inter-divisional structure (headquarter, regional, country), enabling it to play a role linking insights to the respective areas at all levels or the organization. It is important that the IDWG is given the mandate to push this through and that IDWG members across the three tiers take the advocating role, making the case to debate and discuss challenges and opportunities, ultimately ensuring that innovation benefits from an appropriate enabling environment across the organization.
- ▶ Irrespective of the mechanism UNFPA chooses to facilitate this dialogue, South-South Cooperation exchanges should start as soon as possible. The transition to scale of the solutions tested to date is linked to national partners adopting these solutions by integrating them into their systems, replicating them, sustaining them or expanding them to other countries in the region. This setting makes dialogue between innovation and South-South teams of the essence at the country, regional and headquarters levels.
- ▶ Exchanges with the Knowledge Management Unit should start as soon as possible in order to establish formal coordination between the Innovation Fund and the Knowledge Management Unit at headquarters, to link the good practice competition and knowledge management databases with the Innovation Fund, and to explore the links between insights from implementing innovation solutions and knowledge products (including how to utilize knowledge that comes from innovation insights).
- ▶ The Strategic Partnerships Branch is an important partner in this exchange mechanism. The Innovation Initiative and the Strategic Partnerships Branch should develop a protocol to support the practical implications of working on innovation i.e. identification of suitable private-sector partners (once core problems to be targeted by innovation have been set); negotiation of partnerships; and adapt mechanisms that comply with due diligence while fostering innovation.

### Recommendation 9. Develop a learning-for-impact framework.

UNFPA should develop a simple frame that turns organizational learning into solutions that have an impact on the lives of women and young people. This frame should have at least three elements: innovation-specific M&E systems, functioning knowledge sharing mechanisms and a scaling-up framework for successfully tested impact solutions.

**Priority: Medium.**

**To whom: Technical Division / Innovation team, ESA Regional Office, and Programme Division.**

**Rationale:** This recommendation addresses limitations on M&E systems and scaling up frameworks presented in Conclusion 8. It also addresses some concerns on learning highlighted in Conclusion 2.

#### Operational suggestions:

- ▶ UNFPA should start working on the development of an innovation-specific M&E system for impact solutions. This system should include real-time monitoring on outcomes and should capture lessons learned from unexpected outputs and outcomes.
- ▶ To incorporate real-time outcome monitoring in implementing innovative solutions, options for real-time data collection and analysis should be explored:
  - ▶ Partner with UNIN agencies with experience in real-time monitoring to explore approaches that could be adapted and incorporated into the UNFPA innovation model.
  - ▶ Explore the potential offered by lean data methodologies for impact measurement, as they offer affordable and meaningful ways to collect and analyse outcome data.
  - ▶ Examine the possibility of starting a pilot project to test innovation-specific M&E systems.
- ▶ To capture lessons from unexpected outputs and outcomes, explore outcome mapping techniques such as outcome journals, user journeys and Behavioural Communication Change Processes to identify indicators and proxies of change.
- ▶ Whenever new impact solutions are tested, budgets should include allocations to develop M&E systems that are outcome-based and fed by real-time data.
- ▶ Accelerators should develop appropriate M&E systems for innovation. These systems should be linked to the M&E systems of the impact solutions they accelerate and to the M&E framework of the Innovation Initiative.
- ▶ Activate results-sharing and learning mechanisms around innovation solutions. The comparative analysis with other UN agencies reveals that when tangible results from innovation are displayed and communicated across the organization, they inspire and trigger openness to innovation and stimulate the uptake of innovation approaches. A culture of

demonstrating innovation results nurtures a culture of innovation. Some suggestions are:

- ▶ Expand the scope of the Innovation Talk Series from informational sessions to practical discussions on testing, replication and scaling up. Share insights and learning by incorporating question and answer sessions and practical debates on aspects of particular interest, such as how to engage in partnerships with the private sector, challenges and successes when collecting data on outcomes, projects with unexpected results and solutions that were discontinued.
- ▶ Activate simple mechanisms allowing 'work out loud' approaches, such as blogs on innovation to showcase experiences and reflections or online platforms that enable innovation-related questions and answers. This could prompt discussions around practical issues and encourage the development of a community of practice on innovation, ideally

within and between regions. This could also bring incentives through recognition, boosting motivation.

- ▶ Move from failure reports to insight briefs (learning reports). These reports should specify the assumptions that were being tested with the pilot / proof of concept and what insights accrued from the testing.
- ▶ Develop a scaling up framework for successful innovative solutions, adjusted to UNFPA needs and characteristics. This framework should include a description of the scaling-up phases, including a transition-to-scale phase for completed projects funded by the Innovation Fund that have successfully implemented a proof of concept but still require iterations and further refinements in order to ensure that the solution is ready for scale. The scaling up framework should also include specifications on scalability criteria (e.g. through a scalability assessment tool).







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