ADDING HUMAN RESOURCE TO R&D, MOVING TO DISTRIBUTED PLATFORMS

Dr. Sarah Schulman, InWithForward October 2015
www.inwithforward.com / sarah@inwithforward.com

Revising intent

Where do implementable ideas come from? While most corporations spend from 2- 20% of their revenue developing new products, services and processes, there is no equivalent spend in the social sector. In fact, the incentives are reversed. Not-for-profits are pressured to lower their admin budgets, and increase allocations to direct service. And even when dollars do go to research, there is no vehicle in the social sector for turning research into new programs and policies. 68% of members of the American Evaluation Association say their evaluations of social programs never get used.*

So, what kind of activities spark using research for development in the social sector? Rammer et. al in their paper, "Innovation success of non-R&D-performers" argue that companies can invest in (1) internal R&D activities: labs, technical expertise, specialized technology or (2) innovation management: incentives, external scouting, partnership building.

For the past 9-months, we've been testing both types of innovation activities with three of British Columbia's largest disability service providers. Kudoz is a new service model, now moving from first prototype to scale, that came from an expert-led, internal R&D process. The Fifth Space is a set of cultural interventions - team roles, performance metrics, and methods - for enabling staff to generate, test, and take forward solutions to identified pain points.

Despite running Kudoz and Fifth Space as distinct innovation streams, one common insight emerged. What if the core job of innovation in the social sector isn't to make new products or services, but to identify, unleash, and further develop people's capacities?

80% of social service budgets go to paid staff. If we want to innovate our social systems - in other words, if we want to achieve better outcomes at less cost - then we must activate the human resource within our systems and within our families, neighborhoods, and communities. Technical solutions, focused on better use of the other 20%, simply won't yield the transformation required.

// story #1:
Aaron and Ruth

Aaron lives with a cognitive disability. Monday to Friday, Aaron goes to a day program, where frontline disability workers take him bowling, swimming, and to other group-based diversionary activities. And whilst he's a lover of the English language, he's got no opportunities to use or develop his talents. The only job he has been offered is as a greeter in front of Walmart. Meanwhile, Aaron's grandmother Ruth just retired and is looking for something meaningful to do with her time. She and Aaron are finding they are running out of new things to talk about. There's just not much new input coming into their lives.

Nor is there much new input coming into Bobae and Frankie's lives. Bobae has worked as a frontline disability worker for five years, and was already starting to feel burnt out. Trained as an illustrator, Bobae hadn't found a way to use her skills on or off the job. Nor had Frankie. After 20 years as a mid-level manager, Frankie felt past her prime. She was showing up to work, but no longer engaging.

	Centralized innovation R&D	Distributed Innovation Social RR&D
Intent	Run projects	Build movements
Structure	Labs	Platforms
Teams	Innovation experts and professionals	Knowledge comes from the people not in the room and in delivery contexts
Epistemology	Knowledge comes from the people convening in the room and in strategic contexts	Knowledge comes from the people not in the room and in delivery contexts
Intelligence	Big data, literature reviews, select interviews & focus groups	Small data, collected from service deliverers & users themselves
Risk & Political Authority	Held by the top	Held by service providers and self-organizing groups of families
Success is...	A scalable solution	Multiple local solutions and the capacity to continuously prototype

image > Aaron and Ruth on German language experience

Twenty-seven families in Victoria, British Columbia have come together to develop bespoke solutions for their kids with developmental disabilities. Rather than sign their kids up for traditional services, they have pooled their individualized budgets. The local service provider has shifted their role: from delivery to developmental backbone. They enable the families to use their organizational infrastructure, but it's the families that design their own programming, set their own policies, and do all their own hiring.

What the families say they are missing is a methodology for designing solutions, and expertise in how to experiment over time. They know what will work for their kids this year might not work in five years time. What's also missing is how to bring together all of the local data & experiments into a clear & actionable source of intelligence for policymakers.

image > families helping to co-design and test Kudoz

image > a co-design evening with community members for Kudoz

Five recommendations for getting closer to distributed innovation and Social RR&D

1/Start with implementation, not ideas.
Much of the current toolbox for R&D in the social sector - be it labs, hackathons, competitions, design charates - emphasizes short-term idea generation not long-term implementation. The people coming together to do a lab or a hackathon or a competition offer a burst of fresh energy, but are not often in it for the long-run. The product is a snazzy slide deck or paper prototype, but rarely a live version of the new solution in context. Nor are there readymade pools of resource (people + finance) to take the snazzy slide deck or paper prototype into implementation mode. Where social impact financing can help to scale evidenced interventions, there isn't dedicated financing available for live prototyping with end users. Service delivery dollars tend to have too many strings attached.

2/Invest in capacity, not projects.
Projects tend to be the unit of focus for innovation units, and yet we know that getting closer to social change takes a heck of a lot more than a single project. It takes a social movement. If we took groups of people as the unit of focus (families, staff, policymakers) and made our milestones about their learning, their skill development, and the quality of the solutions they made, we'd be teeing ourselves up for far more enduring change.

3/ Reposition the role of service providers as experimenters, not contractors.
For too long, the social innovation community has debated whether innovation units are best placed inside policy shops, or outside. It's not either/or. An alternative is to start in the middle, with the service providers. If we recast innovation as implementation than we'd begin with the service providers, and use them as levers to identify & support bottom-up groups as well as mobilize top-down champions & authorizers.

4/ Encourage audacious leadership.
Social organizations who are willing to hold the risk for experimentation and move towards being a platform for service development should be recognized and incentivized. Right now, they are often penalized if they spend dollars that aren't attached to direct delivery. Offering match funding to organizations willing to put a percentage of their yearly budget into RR&D, for example, is one way to encourage a permanent shift in role. In British Columbia, for instance, three of the province's largest service deliverers plan to put 1% of their annual budgets into RR&D. That's nearly $600K. Were that to be match funded, this would be a sign to their boards and to the community of the change in direction. What kind of tipping point could we get to if more and more social organizations came together to do the same?

5/Collect small data, not just big data.
Moving towards distributed innovation requires embracing a different kind of intelligence: data that is local and contextual. The fascination with big data has perhaps obscured the reality that when it comes to social services there is very little meaningful data collected. We tend to know how many hours of service are delivered, but there is little tracking of every day behaviors or outcomes. That could change if there was investment in a really good data collection system - where service deliverers & groups of families were inputting local data - and that was being analyzed and used as part of policymaking. This is how the public health data system works: doctors and hospitals monitor local trends, and the data is conglomerated at a national level to enable real-time decision-making.