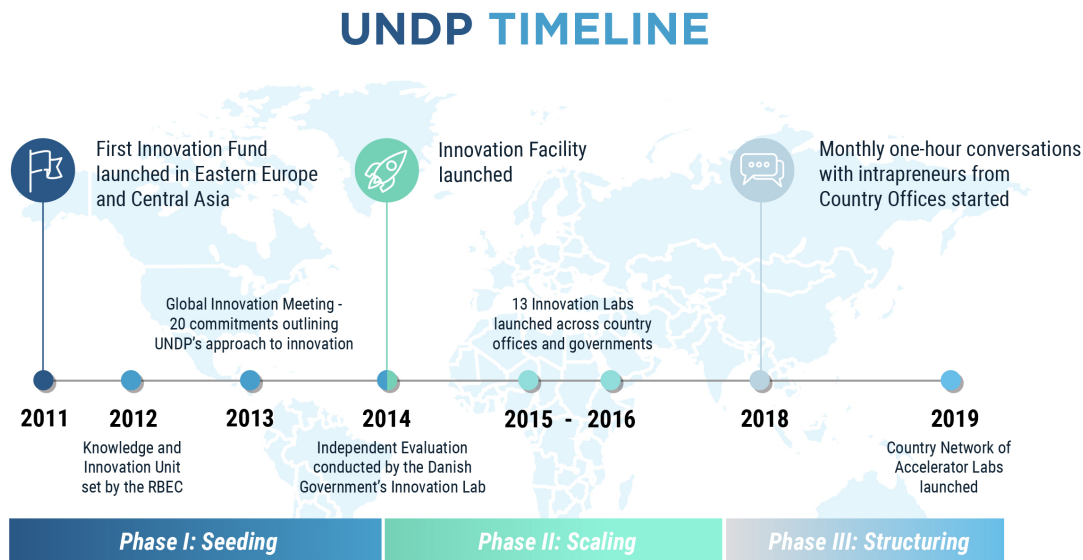




The United Nations Development Programme (UNDP): The UNDP Innovation Facility

The mandate of the United Nations Development Programme (UNDP) is: “To help countries achieve the eradication of poverty, and the reduction of inequalities and exclusion. We help countries to develop policies, leadership skills, partnering abilities, institutional capabilities and build resilience in order to sustain development results.”¹ With an annual budget of USD 5.2 billion and over 6,000 staff worldwide, UNDP is a giant among UN agencies.² UNDP’s focus areas include protecting the planet, preventing conflict, driving gender equality, and eliminating poverty. Strong partnerships are critical to achieving these broad agendas; thus, UNDP works closely with international finance institutions, private sector organizations, foundations, and civil society organizations to recognize its goals.

The Organizational Innovation Journey



Phase I: Seeding

Innovation in UNDP began to take formal shape in Eastern Europe in 2011. A regional knowledge management advisor identified the need for UNDP to upgrade its programmatic toolbox and ways of working to better achieve the UNDP mission. This advisor communicated well internally, created important new partnerships with external innovators and created a positive buzz around innovation. He was particularly enabled by the regional context of middle-income countries and by the leadership who provided him freedom and funding to start advancing innovation with and through Country Offices. UNDP’s first small innovation fund was launched in 2011 in Eastern Europe and Central Asia. This first phase really saw driven internal champions working on innovation, often in their free time on weekends. The main challenges included a lack of dedicated support from

¹ UNDP, ‘About Us,’ <http://www.undp.org/content/undp/en/home/about-us.html>

² <https://annualreport.undp.org/>



the top leadership of UNDP and often within Country Offices, the challenge to carve out time and to find the most strategic opportunities to do things differently.

In 2012, this regional context led UNDP's Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) to set up a knowledge and innovation unit to design a new generation of development services that would support increasingly sophisticated national governments and help tackle these complex, intertwined challenges. This regional innovation unit designed and tested different approaches and tools ranging from behavioural insights, data science and user-centred design, to alternative methods of policymaking processes, and service delivery. Using the 'learning-by-doing' principle, the unit created a lab-like, experimental space where public servants, citizens, and external resources could come together to reframe issues and test novel approaches to pressing social issues. In 2013, UNDP RBEC organized and hosted an inaugural Global Innovation meeting in Budva, Montenegro, and resulted in a set of twenty commitments along with an emerging innovation framework that outlined UNDP's approach to innovation. Effectively this led to the regional model being copied in other locations. The main question UNDP was trying to answer with the labs was how to make this new way of working stick within the organization and among partners.

In 2014, UNDP RBEC commissioned an independent evaluation conducted by MindLab, the Danish Government's innovation lab. The evaluation found that early adopter countries of UNDP's innovation agenda in the ECIS region benefited from new partnerships and access to a new generation of development services, programme and policy resources, and skills. FutureGov, a design studio from London, had similar conclusions in its evaluation of UNDP's innovation work in Armenia. MindLab also found that innovative approaches helped change UNDP's organizational culture. These changes included a design of the first corporate innovation curricula for UNDP staff; integration of innovation as a tool for better risk management in the new UNDP Strategic plan; amending the corporate rules of procurement to enable use of challenge prizes as a standard business procedure; and a corporate endorsement of the innovation framework that emerged from the ECIS region's experiences. New partnerships around innovation, such as with Nesta, led to further evolution of innovation toolkits, but often these were not efficiently used as staff often did not immediately see how additional tools can augment work in UNDP's programme cycles and policy work.

Phase II: Scaling

The official Innovation Facility, based in the Bureau of Policy and Programme Support, started in 2014. The idea was to put innovation on a global level and was initially pushed by the director of knowledge management. The Government of Denmark along with co-investment from UNDP core resources provided funding for country-level experiments. UNDP invested in a de-centralized team of seven staff (innovation advisors) to offer technical and financial support on innovative initiatives across UNDP's global footprint. Two were based in Headquarters and the others operating from Regional Hubs in direct support of Country Offices and external partners. The success of many of these initiatives within country level offices enabled the innovation team to gain greater managerial support over time.



The goal of the Facility in its early days was to listen to and learn from field staff and then work together to design and implement new solutions to tough problems. Initially, the Facility provided innovation champions in UNDP country offices and funded innovative initiatives that 1) supported citizen engagement, 2) provided strategic planning services to governments, and 3) established innovation spaces. The Facility also convened several innovation conferences to review and learn from successful initiatives.

Between 2015 and 2016, the Facility supported the establishment of thirteen innovation labs (seven in UNDP country offices, and six in governments). The Facility also increased its focus on implementing projects through partnerships. As of September 2018, all projects within the UNDP Innovation Facility were implemented through partnerships; approximately 40% of initiatives partner with both governments and private sector. To date, 140 initiatives across 87 countries received investment through UNDP's fund, and 23 projects are currently in the UNDP support pipeline.

Phase III: Structuring

The change of leadership in 2017 brought further support for the Innovation Facility and allowed the team to start asking larger questions regarding alternative finance, improving metrics for measuring change, and the role of data. As Benjamin Kumpf, former head of Innovation Facility for UNDP, explains, "UNDP's new Strategic Plan puts a significant emphasis on innovation and Achim Steiner sends clear signals to the organization and its partners: UNDP is changing."³

Since March 2018, Achim Steiner convenes monthly one-hour conversations with intrapreneurs from UNDP Country Offices. These virtual discussions aim at inspiring new ways of working across offices and cultivating innovation in the organization. Benjamin Kumpf explained, "In the complex process of transforming organizations, this signal from the top bears more significance than the first impression might suggest. This dedicated push from the top is necessary. Over the past years, the UNDP Innovation Facility invested in a largely bottom-up and inside-out driven approach to instill innovation in the organization."

Innovation has become a significant focus for UNDP's 2018-2021 strategic plan, with the Facility contributing to policy change and the creation of new service lines and financial instruments within UNDP. The Facility has published multiple articles and toolkits to help UNDP staff understand the principles of innovation, including the importance of design thinking, designing for scale and sustainability, and measuring outcomes rather than outputs through data collected in ways that do no harm to users. The Facility currently provides technical support, training, research, and funding to country offices and initiatives through regional teams based in Addis Ababa, Amman, Bangkok, Istanbul, New York, and Panama.

UNDP's next phase of innovation is focused on scaling new approaches. In January 2019, UNDP launched a Country Network of Accelerator Labs corresponding to the scaling mechanism throughout the organization. The main launch-partners were Germany and Qatar which provided a strong financial support for initial strategic investment.

³ <https://medium.com/@UNDP/bottom-up-top-down-and-outside-in-cultivating-innovation-at-undp-7d4935c56f9c>



Beyond the first generation of labs established between 2015 and 2016, the Accelerator Lab network is setting up new labs in 60 different countries (34 in Africa, 10 in Asia, 10 in the Middle East and Northern Africa, 7 in Latin America, and 6 in Eastern Europe and Central Asia). The countries were selected according to different factors, such as the UNDP office readiness in the country, the government's demand as well as the innovation ecosystem in the country.

Challenges and Looking forward

One of the key challenges for UNDP over the course of its innovation journey has been the metrics used to measure both the impact of innovation initiatives as well as the internal transformation impact on the organization. "Our team contributes to UNDP's corporate transformative efforts. We map UNDP's innovation journey and the value proposition of the Facility by analyzing the input in the Results-Oriented Annual Report (ROAR) from 135 Country Offices. The Facility further reports in the Integrated Resources and Results Framework (IRRF) of UNDP's Strategic Plan.⁴" The Innovation Portfolio framework that was developed through the years of experience in innovation allowed for a better fit of initiatives to the true goals of the organization and the SDGs. Finding the balance between incremental and radical innovation investment in the portfolio model is something that had often troubled the Innovation Facility. The question frequently asked is, "How many successes do we need to make it the new normal?"

Through the strategy towards the new Accelerator Labs, UNDP aims at addressing the existing gap between the current practice to solve the social, environmental and economic challenges we are facing and the risks (climate change, the 4th Industrial Revolution, rapid urbanization, the rise of inequalities, and multipolarity) that the exponential changing world we are living in is generating. By adopting such a strategy, the ambitious goal of contextualizing successful innovative solutions to other countries and regions, with an increased share of solutions targeted to the most marginalized around the world seems to become possible. As UNDP Administrator, Achim Steiner, explains: "While all nations are committed to the SDGs, time is of the essence. With its global presence and as a trusted partner to development actors, UNDP sees these Labs as a catalyst for a next generation of development solutions, emerging from within the countries we serve."

To this end, it becomes clear that the activities of the Accelerator Labs will be mainly determined at the country level and both collaboration and network learning will be key for success. The labs are a high-risk endeavor that will depend of whether the organization can fully learn from its experience. This third phase for UNDP is also full of promise and opportunity for the organization to learn from its own experiments and combine the strategic thinkers in the country offices with the working people doing innovation all under the umbrella of a fully supportive and understanding leadership.

⁴ <https://www.unhcr.org/innovation/innovation-metrics-for-human-development-what-have-we-learned/>