

Video Transcript

ENTREPRENEURSHIP IN NONPROFITS

Managing social innovation

[Georg von Schnurbein] We have learned that social innovation goes through different phases. In practice, it might not always be that simple to define in which phase you are at the moment. So, the question is, how to manage social innovation and how to do this in a structured, planned, and goal-oriented way.

First of all, we should recapitulate key aspects of general innovation management. Define strategic goals. You have to know where you want to go with your organization. If your organization is not ready for disruption or revolutionary ideas, you might focus on evolution first. Also, you need to know your potentials and chances.

Second, internal connection of the collaborators. You have to create a climate for innovation that favors ideas and suggestions. Additionally, you need resources, capacities, and procedures to implement innovation in your organization.

Third, integrate external resources and extend the search field. Innovation will not happen only within your organization. The more your organization is connected and able to exchange information, the more you will get opportunities for innovation.

Finally, activation of information and know-how from constituents. Especially your beneficiaries can be great sources for innovation. So, you should open up for ideas and experiences from beneficiaries, donors, and partners.

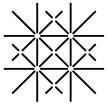
Based on these general assumptions, I want to focus on three success factors that you should pay attention to: planning, team members, and communication.

Managing social innovation means particularly managing uncertainty and risk. It is difficult, and mostly very costly, to plan innovation. But that does not mean that everything has to be left to coincidence. Especially in a nonprofit environment, where you deal with people's needs, and you use donor money, today's popular mantra of "fail fast, fail often" is the wrong advice. The more you go into direction of innovation, the better you should be prepared. Exploring the Arctic calls for better preparation than a Sunday afternoon promenade.

Planning in terms of social innovation includes knowing the cornerstones of your project. What are the costs of the process? What is the time frame? And what are the competencies, responsibilities, and tasks? These decisions do not compromise the room for flexibility, risk, or strange ideas. But someone has to decide where the milestones are, where the point of no return is, which ideas should be further elaborated, or when the budget is used up.

Just remember the great explorers, Columbus, Magellan, or Cook. They always went well prepared on their risky endeavors. And for example, they were accompanied by chroniclers and scientists. Because without them, their discoveries would not have been of much use.

The second success factor are the team members. Great teams think alike, one says. But how do you build a great team? It's not about all team members having the same opinions, attitudes, education, or know-how. In fact, diversity is a strong fertilizer of innovation. But you as a leader should be aware of the strengths and abilities of your team. Tests such as strengths finders help to better understand who is good for which task.



Finally, never stop communicating. Start with the team. But even more important, talk and listen to your constituents. If you have a great theory of change, don't keep it to yourself. If you share it with others, you might get helpful ideas to improve the theory of change or to pay attention to unintended results you did not think of so far. Additionally, the best promotion for your innovation is when others talk about it. Open access to stories, transparency on results, and actuality in context facilitate to spread the word.

To conclude, social innovation itself cannot be planned. But the processes around need to be managed in order to respect the interests of the constituents and to reduce the risk for your organization.