

Formative Evaluation of the
UNFPA Innovation Initiative

VOLUME 2
**Reconstruction of the
theory of change**

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2.1 Reconstruction of the implicit theory of change

A theory of change is a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.¹ It is a tool to help identifying the links between a desired change and the sequence that will make it happen. Theories of change are used in planning and in evaluation. A widely accepted definition is showcased in Box 4.²

The Innovation Fund and the Initiative did not have any explicit, documented theory of change. However, the basic elements for a theory of change (outcomes, assumptions, rationales and interventions) were described in a number of documents. The evaluation team reconstructed the theory of change of the Innovation Initiative, including the Innovation Fund, using four documents. The first two were seminal documents reflecting the initial thinking in UNFPA on how to approach innovation: the UNFPA Innovation Concept Paper (September 2014), and the Updated Vision of Innovation at UNFPA 2015-2017 of April 2015.³ The other two documents are the UNFPA Strategic Plan 2014-2107 and the Corporate Priorities and Projects 2014.⁴ These two strategic documents include direct or indirect remarks on the expected role of innovation and the institutional approach to it. The evaluation team examined the documents, identified the elements (outcomes, assumptions, rationales and interventions) and reconstructed the logic in a visual form (Figure 8).⁵

Box 4. What is a theory of change?

"Broadly, a set of beliefs and assumptions about what changes need to happen and how to bring them about, to reach a stated goal. As a methodological practice, Theory of Change is a process through which participants construct a descriptive model of (both graphic and narrative) that explains the outcomes sought, why they are needed, how they will be achieved, and how progress on them can be monitored"

http://www.actknowledge.org/resources/documents/T_oC-Tech-Papers.pdf

The theory of change of the Innovation Initiative in a nutshell

As shown in the snapshot figure, the thinking behind the Innovation Initiative is that a proper enabling environment that generates a culture that nurtures innovation will eventually result in enhanced organizational performance. Organizational performance is understood from two perspectives: Performance in terms of the ability to respond to emerging challenges with flexible (innovative) solutions, and performance in terms of improvements in business processes leading to increased organizational efficiency. As shown in the figure, the sequence '*enabling environment generates a culture of innovation*' is supported by a *measure, communicate and learn* strategy that, in turn, also contributes to the development of a *culture that nurtures innovation*.

It is worth noting that **the theory of change of the innovation initiative has a very distinctive feature when compared to approaches in other UN sister agencies: It**

¹ <http://www.theoryofchange.org>

² D. Taplin, H. Clark, E. Collins and D. Colby (2013). Technical Papers: A Series of Papers to support Development of Theories of Change Based on Practice in the Field (PDF). New York: Acknowledge and The Rockefeller Foundation.

³ "UNFPA Innovation Concept Paper of September 2014: Innovation and creativity corporate project proposal: Nurturing Innovation at UNFPA" and the "UNFPA Innovation IDWG Retreat, Meeting Report and Recommendations for an Updated Vision of Innovation at UNFPA, 2015-2017" of April 2015.

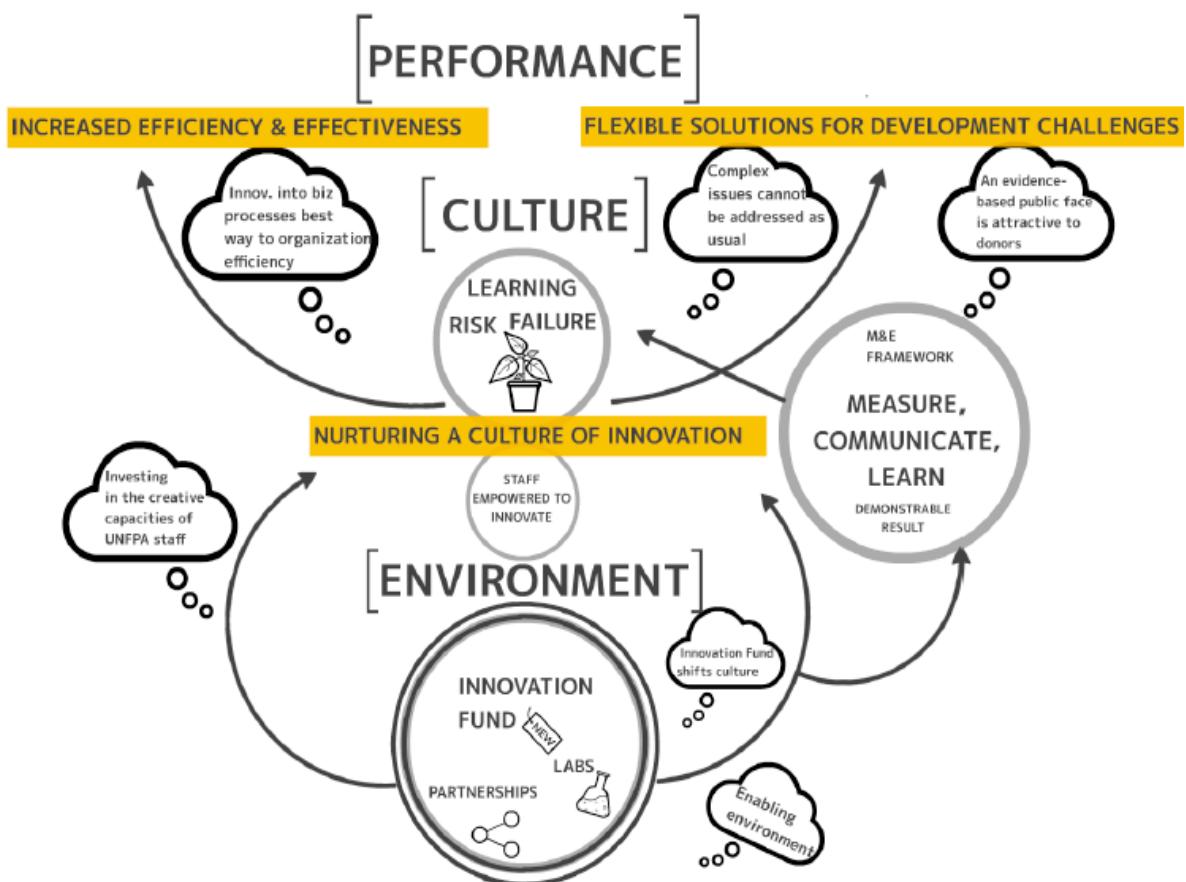
⁴ "Corporate Priorities and Projects 2014, UNFPA Executive Committee Paper, 17 February 2014"

⁵ This is one of several possible interpretations. To the evaluation team, this is the more plausible version. It was presented and validated at the UNFPA Innovation Planning Retreat in February 2017.

puts culture right at the centre. This is a unique feature of the UNFPA approach. Other UN agencies also care about culture, but when they began with innovation they tended to put the “solutions” (the innovations) at the centre. That was the case in UNICEF. After several years of focusing on tech solutions though, some of which renowned worldwide (EduTrac, U-Report), UNICEF has started a move towards mainstreaming innovation in the organization (for all staff), putting culture in the centre.

The bubbles in the snapshot designate critical assumptions (green boxes in the complete theory of change in Figure 8.⁶) Assumptions are beliefs about conditions that must be met for changes to be generated and outcomes to be achieved. A theory of change works well as long as its assumptions are valid, as they explain why the chain of changes can and should work. Assumptions in the two figures are critical assumptions, that is, the core and essential hypothesis behind the logic of the Initiative.

Figure 1. Snapshot theory of change of the Innovation Initiative



Critical assumptions for the Innovation Initiative were, in summary: that complex development issues cannot be addressed through usual business – they require innovative solutions; that an enabling environment that promotes innovation (with featuring physical and organizational structures) must be in place; that the Innovation Fund is a mechanism able to generate a cultural shift in the organization; that growing more innovative as a organization depends on the creative capacities of the staff (culture of innovation is equated to creativity); that failing fast and cheap is the key to enhanced performance; that the best way to increase organizational efficiency is innovating in business processes; and

⁶ A core added value of theories of change is that make assumptions explicit in a context where assumptions are usually presumed and tacit - which makes it very difficult to monitor them.

that an evidence-based “public face” is attractive to donors and will lead to mobilizing further resources for innovation, allowing innovation to thrive.

The role of the Innovation Fund

Blue boxes in Figure 8 designate interventions, that is, activities that the Initiative, including the Innovation Fund, were set to carry out in order to generate changes in culture and subsequent changes in performance. The 8-prongs in the Update Vision of Innovation are all reflected in the blue boxes.

Interventions	The work undertaken by the Initiative (activities, outputs)
Outcomes	Changes in condition of some kind in people, institutions or the environment
Main outcomes	The pivotal changes sought by the intervention (changes in culture, performance)
Assumptions	Beliefs about conditions that must be met for changes to be generated and outcomes to be achieved.

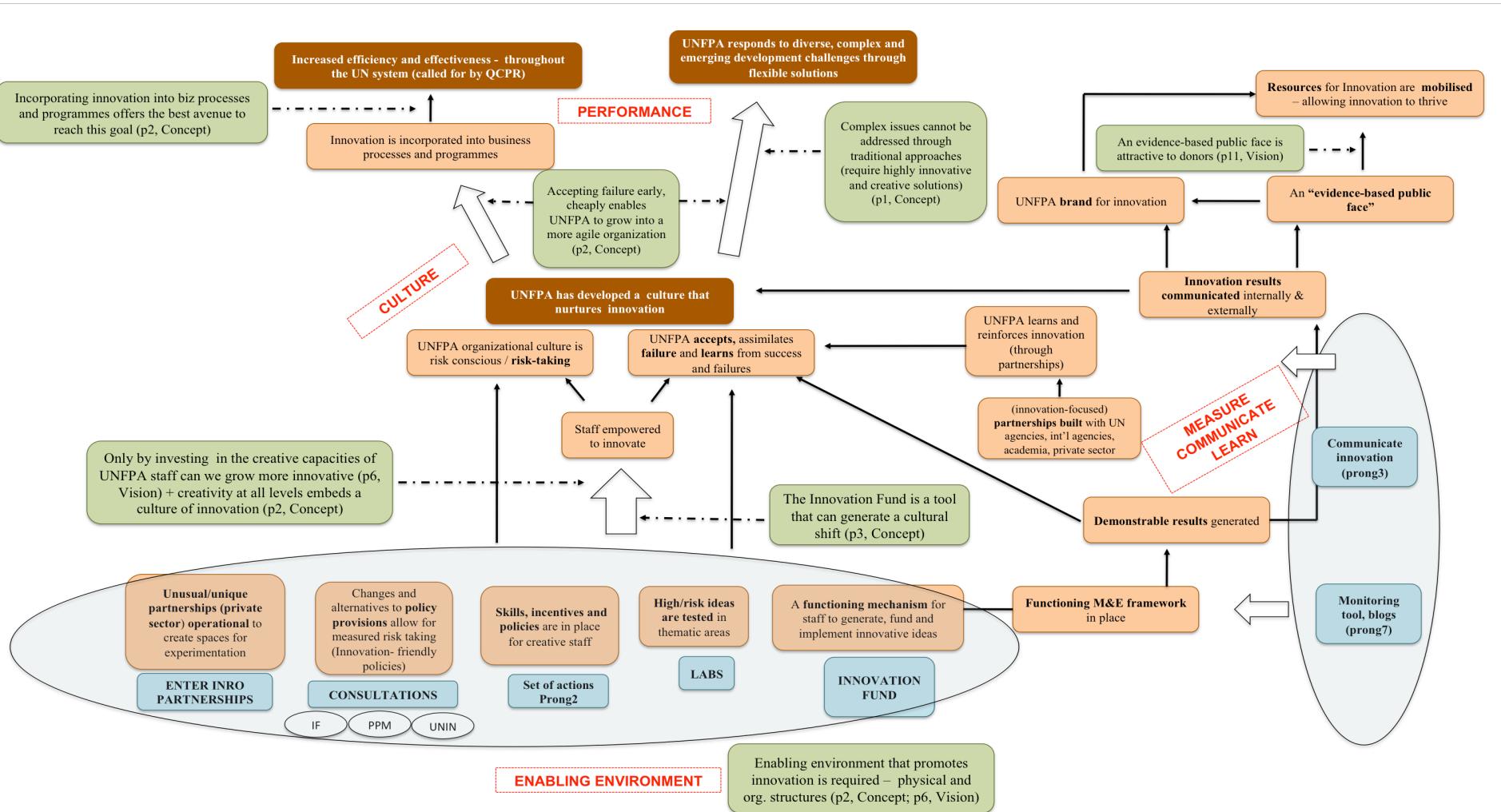
The theory of change presumes that an enabling environment to nurture a culture of innovation should include innovation-friendly policies, incentives for staff to be creative, a safe space to test high-risk ideas, unusual partnerships and a mechanism to generate and fund innovative ideas (the Innovation Fund). This enabling environment will empower staff to innovate. The Innovation Fund is a central element in this theory of change: it is the mechanism to make it work; a tool that combined with other elements of the enabling environment will empower staff to innovate and instil a culture that nurtures innovation. The original idea, in short, was that projects supported by the Innovation Fund would help creating a risk-conscious, learning-based, failure assimilating culture that would then generate innovative solutions that could make a difference.

Measure, communicate and learn

The *measure, communicate and learn* pathway of the theory of change builds on the precondition that the Innovation Fund will have a functioning M&E mechanism in place. As shown in the right-to-left pathway in Figure 8, this M&E system had to be one that allows demonstrating results and prompting staff to learn from success and failure. Simultaneously, it was expected that communicating these demonstrable results provided by the M&E system, would generate an evidence-based public face that would give visibility and position the UNFPA brand for innovation. This in turn, would bring in further resource mobilization for innovation.

Section 3.4 of the report presents the ex-post theory of change i.e. the same diagram in Figure 8 but incorporating findings of the evaluation. Several findings in sections 3.1 through 3.3 shed light on whether critical assumptions held true as well as on whether the expected cause-effect relationships in the theory of change are actually occurring, how, and the reasons why they did or did not.

Figure 2 Theory of change of the Innovation Initiative



2.2 The ex-post theory of change

Section 2.4 presented a reconstruction of the theory of change of the Innovation Initiative, including the Innovation Fund. This section 3.4 is a revision of that diagram in light of the findings of the evaluation presented in the preceding sections.

The diagram in Figure 31 illustrates the revised version of the theory of change presented in chapter 2.4. In line with the formative nature of the evaluation the focus of the revision is on insights that may lead to improvements. There are three categories of insights:

Explicit (critical) assumptions that have not hold true either partially or entirely
These were assumptions explicitly mentioned in the narrative of the documents used to reconstruct the theory of change. These assumptions are depicted in green boxes. The red circle indicates that there is evidence that the assumption did not unfold as expected.

Tacit (critical) assumptions that have not hold true
These were assumptions not explicitly mentioned in the narrative of the documents. They were identified as a result of the evaluation's work and are depicted in white boxes. The yellow circle indicates there is evidence the assumption did not hold true either partially or entirely.

Outcome pathways that have not unfolded as expected
This are reflected in the revised theory of change in bubble diagrams with black circles attached. They indicate that there is evidence that the cause-effect relationships between activities (interventions) and outcomes and/or between outcomes at different levels have not occurred as expected.

The revision puts the attention on three aspects. The critical assumptions, the most significant bottlenecks affecting planned sequences of outcomes and the role of the Innovation Fund, given that the Innovation Fund is the main focus of the scope of this evaluation. The revision has been conducted with a view to generate useful insights that inform the next phase of the Initiative and the Innovation Fund.

Explicit (critical) assumptions that have not hold true either partially or entirely

①	Creativity is important but there is more to innovation than creativity
☞	For further details see the sub-section about insights on the limitations of the Innovation Fund to generate impact solutions, under section 3.1.4.

This assumption presupposed that only by investing in the creative capacities of UNFPA staff the organization could grow more innovative and that a culture of innovation means creativity at all levels.⁷ A main implication of this critical assumption is that the Innovation Fund was designed around it, operating less as a mechanism providing seed funding to turn good ideas into solutions with impact and more as a source of funds to stimulate good ideas (creativity). Critical to this critical assumption was that creativity is key to bring about the culture that will generate impact solutions (flexible solutions to solve development challenges).

⁷ See page 6 of the Update Vision of Innovation Vision and page 2 of the Concept Paper in innovation respectively.

As shown by the findings of the evaluation creativity is important but there is much more to innovation than being creative within the organization. Links with the ecosystem are as much important as internal creativity. As revealed also by the comparative analysis, creativity does not necessarily have to be inside the organization – other UN agencies tap on creativity from the outside and convene, facilitate and advocate to make impact solutions happen.

②	The Innovation Fund had limitations as a tool to generate a cultural shift
👉	For further details see subsection about insights on the limitation of the Innovation Fund to nurture a culture of innovation, under section 3.1.3

This critical assumption held that the Innovation Fund is a tool that can generate a cultural shift.⁸ The findings of the evaluation reveal that innovation funds may eventually play a role in changing culture but the design of this particular Fund was not optimal to that purpose. The main reason being that it is a project-based, resource-driven mechanism working on open (to all thematic areas) and internal calls for proposals. The Innovation Fund was designed to implement projects rather than to test solutions. Moreover, the operative features of the Innovation Fund (timings, reporting systems) were not conducive to applying the innovation principles that embed a culture of innovation i.e. be collaborative, design with the user, be data driven and design for scale.

The functioning of the Innovation Fund made it also difficult to apply the failing-fast concept and accrue learning from success and failure, which was at the core of the cultural change sought by the Innovation Initiative. In short, the functioning of the Innovation Fund reflected the existing culture rather than acting as a game changer. The Innovation Fund did generate a substantial momentum and changed attitudes towards innovation but it was designed in a way that made it difficult to bring in the risk-taking, failure acceptance and learning outcomes that define the culture of innovation the UNFPA was seeking (box 5). Overall, the assumption that the Innovation Fund would change culture did not hold entirely true.

Tacit (critical) assumptions that have not hold true

①	Human resource arrangements to implement the vision were assumed to be adequate
👉	For further details see section 3.1.2 on the functioning of the Innovation Fund and 3.1.6 on developing new partnerships

The Secretariat of the Innovation Fund and the IDWG on innovation were the main players in the implementation of the 8-prongs of the Initiative. It was presumed that they could devote enough time and have the right incentives to rollout the vision embedded in the 8-prongs (blue boxes). This was an implicit critical assumption. However, that was not the case and as a consequence the implementation of the work plan has been modest, with limited progress in key interventions (partnerships, consultations, labs). The main repercussion is that the expected contributions of these activities to creating an enabling environment have not occurred.

②	Tacit institutional factors required to empower staff to innovate did not always hold true
👉	For further details see section 3.3.3 on obstacles to innovation in UNFPA

⁸ It appears on several occasions throughout the documents; the first time is on page 3 of the Concept Paper.

The enabling environment depicted in the theory of change includes a number of very relevant elements such as staff incentives and skills, innovation-friendly policies (e.g. in procurement, partnerships) and a risk-controlled space to experiment (labs). However, there are a number of additional enabling factors that although not made explicit in the documents, were assumed to be in place. These factors are: senior management buy-in, particularly in field offices and business units; staff being given enough time to devote to innovation activities; and organizational incentives to carry out innovation tasks. These factors are key to empower staff to innovate (outcome) and subsequently develop a culture that nurtures innovation. It was an implicit assumption that these three elements would be in place.

The findings of the evaluation reveal though that senior management buy-in, time allowances for the staff to innovate and organizational incentives to conduct innovation (such as the need to report on it) were assumptions that have not always held true, acting as an obstacle to empower staff to innovate.

③	The theory assumed that staff would actively access the Innovation Hub
👉	For further details see section 3.1.2 on the functioning of the Innovation Fund and 3.1.5 on learning from innovation

The theory of change reflects a sequence whereby the results and experiences from innovation projects would be generated and communicated in a way that nurtures a culture of innovation. Nurturing culture of innovation is defined in UNFPA as a culture that learns from success and failures. This assumed that applicants to the Innovation Fund would interact with one another to share experiences as well as to make use of the wealth of information available on awarded and non-awarded project proposals and technical feedback provided to both. The Innovation Hub was expected to play a key role in this sequence as a reference platform facilitating these exchanges and knowledge transfers. This was not made explicit as an assumption in the documents but it was indeed a crucial hypothesis.

As explained in the main findings of the report the use of the Innovation Hub was limited (due to uneasiness of access and poor awareness on the site). The consequence was that the Hub could not play a role as a channel to turn submitted proposals and feedback into learning, and as a platform to foster a community of practice around the Innovation Fund.

Outcome pathways that have not unfolded as expected

①	M&E mechanisms were not adapted to innovation
👉	For further details see section 3.1.5 on learning from innovation (sub-sections on learning from success and failure and on M&E and branding). See also the subsection about insights on the limitations of the Innovation Fund to nurture a culture of innovation under section 3.1.3

Having functioning M&E frameworks in place was the foundation for the *measure, communicate and learn* line of action in the theory of change. M&E systems were expected to feed into communication of results, branding and resource mobilization as well as feeding into learning from success and failure. In this setting, M&E frameworks were a critical building block in the theory of change and weaknesses in M&E systems have hindered the achievement of a number of outcomes. M&E systems were weak at project, Innovation Fund and Innovation Initiative level. The Innovation Initiative did not have an M&E framework; the Innovation Fund had one but it was not complete; and individual projects had a framework in place but based on monitoring and reporting systems. M&E

systems at project level were not data-driven, outcome-based, real-time monitoring systems, and did not allow capturing unexpected outcomes, which are important to learning when innovating.

Another consequence is that as presently designed, these systems present difficulties in generating the data-driven success stories that are required to communicate innovation results externally (right-hand vertical arrow in Figure 31).

②	Limitations of the Innovation Fund to generate innovative solutions that respond to challenges
☞	For further details see sub-section about insights on the limitations of the Innovation Fund to generate impact solutions, under section 3.1.4

A main outcome of the theory of change is that UNFPA responds to diverse, complex and emerging development challenges through flexible (innovative) solutions.

The Innovation Fund was established as a mechanism to generate a cultural shift, empowering staff to take risks and learn from failure as a means to, in the future, generate impact solutions. The foreseen sequence was a Fund nurturing a culture of innovation, based on the creativity of the staff, leading “possibly (to) discovering new big impact solutions”.⁹ However, the potential contribution¹⁰ of the Innovation Fund to generate innovative (impact) solutions has been hindered as a consequence of design and operational features. In spite of these limitations, the Innovation Fund has actually managed to generate a few successful solutions offering good prospects for a transition to scale.

⁹ See page 2 of the Innovation Concept Note.

¹⁰ The wide white arrow going from culture to flexible solutions symbolizes this contribution.

