GIZ Innovation Fund 2017

Evaluation Report
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EXECUTIVE SUMMARY

The GIZ Innovation Fund was piloted in 2017 as the first internal organisation-wide mechanism to promote innovation within GIZ. 250 ideas from GIZ teams from 65 countries were submitted tackling the challenge of how digital tools can enhance GIZ’s service delivery. Six selected teams received coaching and funding for idea development during an accelerator programme.

This evaluation provides insights on the relevance, effectiveness and efficiency of the Innovation Fund. It makes recommendations based on the lessons learned of the first round. Based on interviews with internal and external stakeholders and experts, an online survey with idea submitters, and desk studies of external cases, the main findings are as follows:

The Innovation Fund was relevant for nurturing an innovative culture at GIZ. It provided new space and means for idea and digital product development and was relevant to GIZ’s business: five out of six products from the accelerator programme are currently being further examined and developed for scaling up within GIZ.

The Innovation Fund was effective in providing hands-on experiences with agile methods and developing digital competencies for the selected teams. It also revealed internal bottlenecks and needs in digital innovation within GIZ. Teams faced delays and complications in product development and not all of the presented ideas could be considered as MVP at the point of the final pitch. The Innovation Fund helped to facilitate initial contacts and partnerships with actors from digital eco-systems (e.g. Global Impact Hub Network).

The Innovation Fund provided adequate financial resources for idea development. The proximity to ongoing projects however was essential for efficient allocation of both time and resource allocation. Teams invested far more time than previously assumed, making it extremely difficult for teams and programme managers, who explored ideas not directly linked to their ongoing project, to integrate the activities in their work-schedule.

The support and communication activities were generally perceived as very positive and conducive and the supportive role of the secretariat, coaches and facilitators was highlighted. Controversial aspects included the voting and idea selection processes, clearer definition of roles and responsibilities, ex-ante communication about expectations and process towards programme managers, administrative and IT support.

The findings demonstrate that the Innovation Fund can be very effective as an organisation-wide mechanism in stimulating early stage idea development and learning processes. According to the interviews, this is especially relevant and effective in the context of GIZ operations. In contrast, specific thematic or technical challenges and other radical ideas should be routed to other formats (e.g. labs, incubators) following different means and goals.

The overall identified strengths of the Innovation Fund lie in nurturing a culture of innovation, catalysing the development of innovative ideas, and promoting the learning of new skills and methods. Hence, the recommended design adaptations for the Innovation Fund concentrate on these strengths.
1. INTRODUCTION

THE GIZ INNOVATION FUND: PURPOSE AND OBJECTIVES

The Innovation Fund is an instrument for promoting innovation within GIZ. Initiated in 2016 by the Management Board as part of the strategic project ‘Digital Change’, it provided six teams with Human-centered design (HCD) coaching, financial resources and networking opportunities as part of an accelerator programme. The programme helped the teams to transform their ideas for digital tools for GIZ’s service delivery into Minimum Viable Products (MVP).

GIZ’s Management Board decided to establish the Fund in October 2016 and approved a two-year pilot phase consisting of two promotion rounds. The first promotion round began in early 2017 with a company-wide idea competition, implemented by the ‘Methodological Approaches’ division at the Sectoral Department (FMB). The budget for the first round of the Innovation Fund amounted to EUR 350,000.

The overall goals pursued by the Innovation Fund can be summarised as follows:

### Measurable results that were expected in December 2017 were as follows:

1. **Tried and tested prototypes available.**
2. **Six teams who understand themselves as intrapreneurs or ‘innovation ambassadors’.**
3. **Tried and tested Innovation Fund mechanisms.**

At the end of the two year pilot process the GIZ Innovation Fund should be an agile instrument that identifies, evaluates, develops and scales innovative approaches with the potential to increase GIZ’s impact.

PROCESS OVERVIEW OF THE INNOVATION FUND

An overview of the respective phases, milestones, and involved stakeholders can be found in Annex 1
IDEAS SELECTED FOR ACCELERATOR PROGRAMME

**XtraPay**

The team comprised of EZ-Scouts from Germany enables supermarket customers to directly and transparently transfer money from the counter to pineapple farmers in Western Africa. This brings fair trade to the next level.

**Groots**

The team from Germany and Thailand developed a chatbot that allows collecting decentralised data from remote places by making use of local business structures. For their MVP they collected the prices of one litre of diesel on remote Thai Islands by using the instant messenger ‘Line’.

**YouthActs**

The team from South Africa and Lesotho developed an online platform that supports young adults in RSA & Lesotho in their activities to engage in social projects in their communities. This enhances their personal capabilities and contributes to community building.

**Seqaya**

In order to guarantee a continuous water supply in Jordan, team Seqaya was working on a digital solution to improve the system that coordinates the water trucks. Due to complexities in their development process, the team decided to not pursue the originally digital solution.

**Igniting Citizen Engagement**

South African Citizens can rate, prioritise and submit public deficiencies with this app in order to inform the auditors on the most pressing problems in their districts. This shall help to increase the efficiency of the allocation of public funds.

**The Integrity App**

An app developed by a global team from Brazil, Germany & Ghana, which large corporations can use to get information about the compliance standards of their SME suppliers. This, in return, creates incentives for SMEs to improve their standards.
2. THE EVALUATION: SCOPE AND OBJECTIVE

The two major objectives of this evaluation are as follows:

1. Providing GIZ management and stakeholders with insights on the relevance, effectiveness and efficiency of the Innovation Fund in the context of strengthening the culture of innovation at GIZ.

2. Providing the Innovation Fund team with insights and recommendations based on the lessons learned of the first round.

The Innovation Fund itself was set up as an experiment. Hence, progress or improvement means learning along the process and being accountable towards the iterative implementation of the findings. Accordingly, the evaluation aims to assess and identify the strengths and weaknesses of the initiative as a whole in order to inform future design and processes of the Innovation Fund.

The evaluation was conducted from February to April 2018 as an internal evaluation on behalf of the ‘Methodological Approaches’ division within the Sectoral Department (FMB) at GIZ and was supported by an external expert on strategic design. Stakeholder-specific interview guidelines based on a predefined set of criteria and guiding questions (see section 3. MAJOR FINDINGS) were created and used. The data collection was based on the following process and sources:

Management, Support & Governance actors
- Semi-structured interviews with all members of secretariat, two external jury members, five coaches & one facilitator
- Workshops with secretariat: validation of evaluation matrix & validation of preliminary results

Idea submitters
- Online survey on Askallo sent to all idea submitters (n=78, of 220 valid e-mails)
- Follow-up interviews (8) with interviewees from the interim evaluation

External cases
- Desk study of other innovation initiatives (UNFPA, WFP)
- Interviews with external experts on social innovation (initiatives)
- Inputs from external consultant Gábor Köhalmi
3. MAJOR FINDINGS

In this section, we give a brief summary of the major findings of the evaluation, including examples and quotes according to each of the pre-established evaluation criteria and questions: relevance, effectiveness, efficiency, management, support and governance.

RELEVANCE

In which ways and to what extent does the GIZ Innovation Fund nurture a culture of innovation at GIZ?

- **Provided a stage for motivated staff to make ideas visible**
  
  250 teams from all regions submitted and shared their ideas on Gateway. More than 5,200 colleagues worldwide participated in the community voting. Success factors that were mentioned across all interviewees were: Low application barriers, direct communication, relevance of topic (‘trigger topic digitalisation’), visible support from the management board, and a new and interesting format (see figure 1 & 2).

- **Ignited sparks for a more explicit culture of innovation**
  
  The overwhelming consensus among interviewees and survey participants was that the Innovation Fund transmitted important signals to GIZ staff – that creativity, idea development, and new, agile ways of working are appreciated and supported by the management.

- **Accumulated knowledge**
  
  The Innovation Fund helped to consolidate knowledge on:
  # digital change and digitalisation (by teams, their colleagues, and the Innovation Fund secretariat),
  # applying new methods (by teams),
  # innovation needs, challenges and mechanisms (by the Innovation Fund secretariat).

- **Stimulated conversations on innovation and innovation needs within the organisation**
  
  Many stakeholders expressed their surprise on the broad interest and organisation-wide resonance they experienced during the call for participation. The creativity and innovation-readiness of GIZ staff became visible and sparked conversations on how the organisation needs to support innovation.

- **Had a limited outreach after teams were selected**
  
  Only six out of 250 ideas were selected for the accelerator programme and received funding, support and coaching. Many participants of the online survey wished for more (or any) feedback on their ideas.
Figure 1: Where were the ideas submitted from?

- 250 internal staff ideas were submitted from 65 countries
- 92 came from national employees

New Ideas

- 56% of submitted ideas were developed due to the call for ideas and did not exist previously (according to participants in online survey n=78)

Figure 2: Idea submission & community voting

Call for Ideas

- 250 internal staff ideas were submitted from 65 countries
- 92 came from national employees

Community voting

- 5,226 staff members cast
- 16,626 votes in community voting

‘The Innovation Fund was like a sandbox for us. We were given the space to try out new ways of developing ideas.’

‘GIZ needs a new space for developing innovative, unconventional ideas...’

‘GIZ needs to define innovation and (...) understand it as something adequate to this company.’

‘... it’s a format fostering out of the box thinking...’
Are the identified and supported solutions relevant for GIZ’s business? What is the likelihood that the solutions can be consolidated and scaled up?

The interviews revealed that especially those teams with ideas closely connected to their ongoing GIZ project(s) found it easier to integrate the extra work in their working routines. Currently, these teams also have higher chances of implementing and scaling up their products in GIZ programmes (see figure 3).

Teams followed a different route and pace to develop their MVP. From the point of view of GIZ stakeholders and external experts, not all of the presented ideas could be considered as MVP at the point of the final pitch. Teams and project managers (AV) confirmed that criteria for MVP were not entirely clear to them. Teams faced delays and complications in product development.

Two teams are supported throughout the GIZ internal Business Opportunity Track by the Client Liaison and Business Development Division (AGE). One other idea is currently being analysed for new business modalities by the same supporting GIZ division.

56% of the ideas submitted were completely newly developed for the Call for Ideas. The Innovation Fund served as an impulse for many other colleagues (idea submitters) to further develop and (partly) implement their ideas independent of the accelerator programme (see figure 4 & 5).

EFFECTIVENESS

How did the Innovation Fund contribute to the innovative use of digital means to expand GIZ’s service offering?

Five Minimum Viable Products (MVP) with a mainly digital component are further developed in the context of GIZ projects.
Figure 3: Scaling of MVPs

- The Integrity App launched their product in November (before final pitch) & it is essential part of project ‘Alliance for integrity’
- Groots & XtraPay are supported throughout the GIZ internal Business Opportunity track
- The YouthAct App was requested to be implemented by 2 other projects
- Igniting Citizen Engagement’s solution is going to be included in next project phase
- Seqaya stopped their process in September due to different reasons

Figure 4: When we applied … (n = 78)

- 44: ... we developed a new idea together with colleagues.
- 25: ... we used a pre-existing idea.
- 9: ... we used other ways of developing the idea (e.g. used best practices from other contexts or mix of both above).

Figure 5: Further idea development (n = 78)

- 9: Idea is being reviewed for potential use in projects
- 6: Idea is implemented in an ongoing / novel project
- 2: Idea is currently being developed

Teams

Online survey participants

Stakeholder

‘It was a great experience to learn about and apply Design Thinking and the development of digital tools!’

‘Where can I find more information about agile methods & the lessons learned of the Innovation Fund’s first round?’

‘The final potential of the MVPs for scaling within or outside GIZ is still to be examined.’
In what ways did the Innovation Fund contribute to the promotion of the use of agile methods within GIZ?

Stakeholders and secretariat stressed that the Innovation Fund was an effective mechanism to reveal internal bottlenecks and needs in digital innovation. Some examples shared included the use of bitcoins, the registration of a mobile app in the Apple App Store, the tendering process for a hackathon, and data safety regulations, among others.

Teams stressed that they have had a very steep learning curve. Some made experiences how to plan and conduct a hackathon, others to deal with data security issues and how to contract app developers. The major reason to apply for the Innovation Fund was to learn about digital tool development (see figure 6).

The Innovation Fund’s focus on digital solutions (“app mindset”) was seen as problematic by stakeholders and external experts. The solution should not be predefined by a certain technology. They stressed the importance of more time to discover the actual problem.

In what ways did the Innovation Fund contribute to the promotion of the use of agile methods within GIZ?

During the accelerator programme, participants gained hands-on learning experiences about Human-centered design (HCD) and digital product development and stressed they now apply them in their daily work. The participants highlighted the role of their coaches in teaching and guiding them through the process.

The interviews with idea submitters expressed a broad interest for learning new, agile methods. This interest was also stated as one of the major reasons to participate (see figure 6) among the participants of the online survey. This interest was underlined by the generally high resonance of the Call for Ideas with 2461 colleagues submitting ideas.

Some stakeholders highlighted the need to reflect on the application of HCD, i.e. whether and at which stage this method is helpful and/or which other methods and competencies are needed in the overall process.

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1 Some colleagues submitted more than one idea.
Figure 6: Main reasons for participation (two answers possible, n=78):

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning about and applying digital tools</td>
<td>49%</td>
</tr>
<tr>
<td>Interest in new methods (e.g. Design Thinking)</td>
<td>27%</td>
</tr>
<tr>
<td>Scarce financial resources to develop new ideas</td>
<td>27%</td>
</tr>
<tr>
<td>Coaching for idea development</td>
<td>24%</td>
</tr>
</tbody>
</table>

2 Hackathons for app development organised (Thailand & South Africa)

Figure 7: Networking during Call for Ideas (n=78)

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did you communicate to peers on Gateway about the ideas?</td>
<td>Yes: 35; No: 43</td>
</tr>
<tr>
<td>Role of Gateway – helpful to discuss and get in touch with peers?</td>
<td>Very much: 11; Medium: 46; Not at all: 19</td>
</tr>
<tr>
<td>Are you still in touch with colleagues you connected with?</td>
<td>No: 65; Yes: 13</td>
</tr>
<tr>
<td>What kind of relationship do you currently have?</td>
<td>Project related: 7; Informal: 4; Idea development: 1; Other: 1</td>
</tr>
</tbody>
</table>
In what ways did the Innovation Fund contribute to the establishment of new (internal & external) networks?

Enabled GIZ staff to communicate and showcase their ideas

Had limited success on providing a sustained networking mechanism

Highlighted that the strong competitive element was an important driver for teams but had limiting effects on cooperation-

Made teams and their ideas visible within GIZ and encouraged them to act as multipliers

Facilitated new contacts and initial partnerships

Idea submitters expressed in the online survey that the Call for Ideas on Gateway connected interested GIZ employees to exchange about ideas and to make new contacts (see figure 7). However, the potential of that mechanism was not fully untapped with the majority of idea submitters (59%) rating the support for networking provided by Gateway as medium (n=78).

Idea submitters stated that no mechanism was provided to get in touch with experts and to sustain initial contacts made during the call. 80% of idea submitters would have wished such a mechanism. Teams stated that the two personal meetings at the boot camp and the final pitch were very useful but not enough to connect with the other teams. General interest in networking was expressed, however, active participation was prevented due to lack of time to invest.

The organisation-wide competition for votes after the call for ideas was perceived as very motivating on the one-side, but some interviewees suggested it also led to a fixation on the initial idea and the pre-established team/idea-giver eventually. Some teams & project managers also emphasised that they did not want to exchange much with others because focus was on ‘winning’ and the teams felt as if they were competitors (to win the Innovation Fund’s pitch event).

Team members reported that GIZ staff approached them for advice on idea development. Some of the teams also presented their ideas at events within GIZ. The idea submitters stressed that the Innovation Fund provided the opportunity to make projects & topics visible within GIZ. Others mentioned that it had a positive effect on the visibility & identification with GIZ, especially for national staff.

The Innovation Fund’s secretariat worked closely with FutureGov & the Global Impact Hub Network in the facilitation of the Fund. Employees of Nesta, EyeEm & DB Systel were members of the jury. A MoU with the Global Impact Hub Network has been established. These relationships offer high potential for a widespread collaboration within GIZ projects worldwide but still require further implementation. Selected teams were able to work with App developers, organise hackathons and get in touch with IT-specialists to expand their networks within their ecosystems.
"It is very inspiring to see ideas of colleagues and get feedback on the digital use in the projects."

"All ideas should be published and distributed in all GIZ offices as this will enhance the possibility to connect."

"It would be great to have an alumni network to roll out the use of Human-centered design and other methods."

Online survey participants

Figure 8: External networks

IMPACT HUB
Supported the Fund’s facilitation & provided Team’s coaches

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

nesta Member of jury

DB Systel GmbH Member of jury

FUTUREGOV
(Supported the Fund’s facilitation)
EFFICIENCY

To what extent were resources adequate, made available and used in a timely manner to support the implementation of the activities of the Innovation Fund?

Teams were able to allocate time and resources more efficiently when their idea could share resources with their projects (e.g. user data collected can be used for both the ongoing GIZ project and the product development within the Innovation Fund).

Involvement, identification & motivation of project managers (AVs) with team’s idea is essential to allocate resources efficiently. Some AVs felt that they were not approached early enough even though they bear responsibility if team members work on idea development instead of on their ongoing GIZ projects.

Lack of previous experiences with running an Innovation Fund lead to an underestimation of working hours needed. The secretariat communicated to teams a time investment of 8 - 10 days. Teams and AVs have invested far more than that. So did the Secretariat.

Budget of EUR 20,000 was enough to develop a first MVP. No team had issues with funding. They wished recommendations to spend that money efficiently so that they can plan with the budget.

A lot of resources and time were committed to (only) six ideas without having a mechanism to scan and further promote the potential of other submitted ideas. External experts were surprised about selection of only six ideas out of 250 within one step.
‘A lot of effort (and staff time) to just fund (six) ideas. There should be more general funding or other incentives for innovations.’

‘I was not aware of how much time the team would invest in the product development. I would have liked to be involved more from the beginning.’

‘There were enough ideas which could be upscaled and converted to standard tools. What happened to them?’

‘Easing the process of the intrapreneurs is important, but we should not cushion them too much – intrapreneurs sometimes need to go the extra mile.’

‘I don’t believe this format works parallel to the job.’

Figure 9: The Innovation Fund’s Diploma (by 78 online survey participants)

<table>
<thead>
<tr>
<th>Element of Fund</th>
<th>Average Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topic of call for ideas</td>
<td>2.2</td>
</tr>
<tr>
<td>Idea submission process</td>
<td>2.9</td>
</tr>
<tr>
<td>Communication activities before community voting</td>
<td>2.8</td>
</tr>
<tr>
<td>The community voting mechanism</td>
<td>4.1</td>
</tr>
<tr>
<td>Communication after community voting &amp; during accelerator process (May–December)</td>
<td>3.0</td>
</tr>
<tr>
<td>Transparency of idea selection</td>
<td>3.3</td>
</tr>
<tr>
<td>Ideas selected for the accelerator process</td>
<td>3.0</td>
</tr>
<tr>
<td>The pitch presentations of the selected ideas</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>The Innovation Fund in general</strong></td>
<td>2.2</td>
</tr>
</tbody>
</table>
MANAGEMENT, SUPPORT & GOVERNANCE

To what extent did management processes and support structures allow for a satisfactory implementation of the activities of the Innovation Fund?

- Overall applause for work of Secretariat

Stakeholders & teams praised the great job of the Innovation Fund’s secretariat. They were perceived as very supportive and accessible.

- Positive perception of communication activities

81% of online survey participants were satisfied with the information provided. The secretariat was easy to reach and replied to requests quickly. However, GIZ-wide communication activities decreased after the ideas were selected.

- Frustration with regard to voting and idea selection process

Stakeholders, project managers (AVs), teams, and idea submitters complained about the spam activities during the Call for Ideas. Online survey participants especially said that they would have liked clearer criteria and transparency on idea selection during the Call for Ideas. On a similar note, the teams said that there should have been clearer criteria and greater transparency in how the jury selected the best idea at the final pitch event.

- Lack of technical/IT support structures

Secretariat did not have resources to provide consultancy on digital engineering issues. Also, implementing solutions to administrative issues the teams faced took longer than expected.

- Limited support to ideas not selected for accelerator

Potential to support ideas that were not selected for the Innovation Fund’s accelerator remained untapped. Lack of feedback mechanisms and access to process knowledge were mentioned as constraints by idea submitters whose ideas were not chosen.
Coaches played an essential role in the teams. They provided not only design expertise but also covered project management tasks and involved their own networks to support teams. The secretariat stressed the importance of the external partners Impact Hub & FutureGov in the facilitation of the Innovation Fund’s steps.

Teams responded that contact points were not often clear to them.

The role of guardians was not very clear neither to the teams nor the project managers. The guardians themselves were barely involved in the Innovation Fund’s process.

Gateway was a good tool to initiate contact with peers, however it remained very unknown to many participants (especially the idea’s archive). The digital platform IDA was not used by teams to exchange with peers due to lack of onboarding and training.

‘Without the coach it wouldn’t be possible – no one had experience (with) digital development.’

‘The secretariat has done a GREAT job.’

‘An improvement of the selection process of the winners is required! Many participantes (...) felt as if it was a Ms. Popularity contest and not about how good your idea was.’

Online survey participants

Teams
GENERAL CONCLUSIONS AND RECOMMENDATIONS

The wide participation in the Innovation Fund and positive feedback from the interviewees revealed great interest and demand for new, agile ways of collaboration and early stage idea development among GIZ colleagues worldwide. Meeting this demand, the Innovation Fund created a new space and means of collaboration and grasped the innovative potential of the staff. It stimulated conversations on innovation and innovation needs within the organisation and promoted novel approaches to digital product development. It contributed to the learning of new skills and methods, as well as initiating new networks within local and international innovation ecosystems. It also revealed structural and technical bottlenecks within GIZ, supporting to organisational learning.

As an organisation-wide mechanism, the Innovation Fund has been very effective so far in stimulating early stage idea development and learning processes with regard to cross-sectoral topics addressing a wide range of colleagues worldwide. This comprehensive effect should be sustained - and extended - by keeping the low-barriers of entry and announcing broad themes and topics that potentially resonate with many people. However, these low entry barriers were in stark contrast with the demands and required time invest for the teams once they were selected for the accelerator programme. The visibility and commitment that followed increased the perceived pressure on them to deliver on their specific idea. It potentially reduced openness for a thorough exploration of their early-stage idea and possible alternatives. Also, other teams with promising ideas who didn’t achieve the same visibility during the call and community voting received no further feedback or encouragement for idea development. Hence, while the low entry barriers and the light and appealing formats and communication measures were a success factor and should be maintained, we suggest to introduce a multi-stage process, which will be described in detail in the following pages.

The Innovation Fund has been especially effective in supporting teams and ideas that are closely connected to ongoing projects or project portfolios. Placing the Innovation Fund in the context of GIZ operations addresses time constraints and demands stated by participants and their superiors as well as the potential to directly enhance GIZ’s service delivery. Radical ideas with no relation to existing GIZ projects, specific thematic challenges or technical product development should be routed to other formats (e.g. labs, incubators) that go beyond early stage idea development. Support needs to be targeted to the specific innovation needs and processes.

Hence, the Innovation Fund should be considered as the single organisation-wide mechanism to promote innovation within GIZ. As such, it should focus on its strengths, as follows:

# nurturing the culture of innovation,
# catalysing innovative idea development, and
# promoting the learning of new skills and methods.

Recommendations to achieve these goals are presented below.
Innovation often requires new mindset and culture. The Innovation Fund strengthens the culture of innovation by creating a safe, creative and playful place where GIZ employees are encouraged to work differently, try out new things without having the fear of failing.

As the single organisation-wide mechanism to gather early stage ideas, the Innovation Fund is a standalone catalyst for innovative ideas and thinking. The valuable information generated throughout the Innovation Fund process must be recorded, managed and made available.

In the process, the teams need to learn and apply various innovation methods. The Innovation Fund actively supports the teams in learning of new skills and methods. Through an ever developing de-central network and various central and decentral formats the Innovation Fund helps the participating teams to acquire these skills and build up new capabilities.

By setting topics independent from a specific expertise and field, the Innovation Fund attracts company-wide interdisciplinary teams to solve their complex problems using different skills and points of view.

The Innovation Fund makes use of its outreach to allow participants to engage with topics that are of relevance for the whole organisation.

The theme of the Innovation Fund follows the current hot and trending topics within the field of international cooperation. By doing so, it attracts a broad community, leverages the interest in the Innovation Fund by internal and external parties and enables participants to work on ideas that are truly relevant for the whole organisation and its environment.
The Innovation Fund is the single organisation-wide mechanism for capturing and developing early stage ideas. Reaching out to as many people as possible is an important success factor.

Teams are expected to work on their ideas besides their daily job. To make it effective, a multi-stage process helps the teams to set their expectations right, understand what’s required in each stage and take up responsibility accordingly. Also, this multi-stage process enables deepening discovery from stage to stage (marked by red on the process chart below).

People often jump into solutions without even understanding the problem. As a sandbox, the Innovation Fund makes the teams focus on defining the problem first. It’s not easy. It requires taking a step back and abstracting the original idea first to develop a shared, critical thinking to already existing ideas.

Since the Innovation Fund is a side-job, the process is mostly efficient when teams work on ideas that are relevant to their projects. They can only do so, when the ideas and the projects are well aligned. Partners and project managers need to be involved in idea development from an early stage.

After discovering problem areas, Innovation Fund teams check the potential (desirability, feasibility, viability and GIZ-fit) of their idea and develop a business case around it. By not focusing entirely on digital product delivery, they are allowed to be really critical and fail if needed.

Ideas in different stages have different needs. A multi-stage process allows the teams to take up responsibility and dedicate their resources step-by-step throughout the Innovation Fund process. Teams can also receive dedicated trainings, support, coaching, etc. appropriate to the various stages.
Running an organisation-wide innovation programme centrally can be quite challenging. To make the process more efficient, effective and tailored to the changing needs, the Innovation Fund puts a strong focus on building up a decentral support network.

The Innovation Fund is the single organisation-wide mechanism for capturing and developing early stage ideas. Reaching out to as many people as possible is one important success factor.

Before starting each stage of the Innovation Fund process, team members should be clear on whether they can dedicate the required time, besides their daily job to work on their ideas.

**INTERNAL LINKS**

The novation Fund is one of many, strategically aligned innovation formats. One method can’t solve it all, therefore it has its limits. For example it is not set up to support disruptive or standalone ideas. These ideas must be identified early and routed to appropriate formats.

The Innovation Fund accumulates knowledge on many different levels on the way. To accumulate and save this knowledge, the ideas should be screened and managed, so the whole organisation can learn and good ideas can always find fertile ground to grow.

As successful governance, the Innovation Fund requires close monitoring and support of the teams and projects, strong process knowledge and shared understanding of how the mechanism is embedded within GIZ. The FMB department should continue to lead the Innovation Fund because of its interdisciplinary structure and internal and external networks.
As educator and catalyst, the Innovation Fund creates sparks and impulses in the small cells all around the organisation. These impulses can inspire new local innovative initiatives and then start embedding a wider innovative culture.

All the knowledge and information gathered throughout the Innovation Fund process is managed and made available on a widely available platform for ideas. A good business case investigates the potential of an idea from many different angles. If the idea succeeds in the Innovation Fund process, it means that the concept is proven to be worth of further investment. The Innovation Fund supports the teams to acquire skills and build up capabilities for this innovation work. These competences might help participants be more proficient in their daily work.

Innovation management or digital development is a topic relevant to many various organisations in the world. By participating in the Innovation Fund, employees acquire competences to offer innovation consulting to their current and future partners.

By creating and consolidating a de-central and external network throughout the Innovation Fund process, the organisation builds up important external and global partnerships and strengthens its position in the (global) innovation ecosystem.

A depiction of the recommended design can be found on the next page, while a more detailed description of the process design is attached in Annex 2.
Figure 10: Recommended design of the Innovation Fund
ANNEX

ANNEX 1: PROCESS OVERVIEW ACCELERATOR

ANNEX 2: INNOVATION FUND DESIGN - COMPLEMENTARY RECOMMENDATIONS

The call

The goal:

# Reach as many GIZ employees as possible to gather a wide variety of ideas by setting a theme that is relevant to many areas and countries.
# Accessible to many by setting the entry criteria low.
# Innovation Fund Call as the single organisation-wide mechanism for idea collection.

Input:

# An already existing or a new idea that solves a relevant problem and fits into the theme of the Innovation Fund Call.
# An interdisciplinary team from one or different ongoing projects and/or departments that is motivated and ready to work on the idea.

The structure:

People are motivated to participate because they can get visibility and potentially resources to work on their ideas. Participants have several weeks to submit their idea by shortly presenting it together with their team they’re planning to work with.
When the call ends, all GIZ employees have a week to vote for their favourite ideas. Votes are only allowed for ideas coming outside of the voter’s country and should be required to comment on the ideas they are voting for. Voters should shortly describe what they like about the idea and may give tips about its development in the future. Even if they are not chosen, many ideas might be developed further. Therefore, feedback from different parts of GIZ can be very valuable for the teams.

Output:

Once the voting is completed, all participants receive a short message whether their idea has been chosen or not.

The winners should learn about the upcoming steps, and receive the agenda for the pre-mentoring right away. It is important to set expectations right by defining the output and potential necessary exit of this and the following phases.

The ideas that are not chosen, and mostly the runner ups, should be scanned for potential one last time. They might be not well described, too disruptive or too fuzzy, hence they might have a potential outside the Innovation Fund. If so, they should be handed over to the respective department.

**Pre-mentoring**

The goal:

- Give teams a limited support to check the potential of their idea.
- Bring ideas to a level where the jury can compare them and take informed decisions.

Input:

- An idea that is selected by the community voting.
- A short description of the idea and the problem.
- A motivated team.

The structure:

Teams are not expected to be familiar with innovation or research methods and to possess the skills and resources to discover the real potential of their ideas. Often, similar ideas already exist in other industries, in other organisations; however the problem that lies underneath is very much context specific. The pre-mentoring phase helps the selected teams to gather the first assumptions to the potential of their ideas. With the support of an Innovation Fund mentor, the team is guided through a quick research and synthesis process to discover the problem their idea give answers to.

The mentor helps to facilitate a one-day co-creation workshop with partners, colleagues, potential clients and other relevant stakeholders. The co-creation is a great format to look at ideas and problems from various aspects in a quick and agile manner.
Output:

The pre-mentoring ends by submitting a short, recorded or live pitch presenting the main findings: the description of the problem area, the first check of the potential of the idea and the next steps. This allows the jury to take informed decisions after comparing various ideas and potentials. The jury then selects the ideas with the biggest potential and sends them to the accelerator programme.

**Accelerator**

The goal:

- Give selected teams dedicated and a range of resources to create a proof of concept by transforming their idea into a business case.
- Although prototyping can help to support the business case, the goal is not to develop a digital product or even an MVP.
- Create a concept that is ready to go into development afterwards.

Input:

- An idea with potential for scaling up.
- A team that takes on responsibility and dedicates resources to go through the accelerator programme.
- Buy-in and support from project managers and partners.

The structure:

The accelerator follows the Human-centered design (HCD) process to help teams create a business case. A business case means a detailed concept that is proven to be desired by its future users, feasible in terms of technology, viable and can sustain itself and fits well into GIZ. Using HCD allows the teams to start the discover phase with a deep ethnofigureic research and then receive engineering, design and business support to see how those human needs can be fulfilled effectively.

The process is kicked off with a boot camp where teams get to know the method, the structure, the resources and what is expected of them. A dedicated coach becomes an integral part of the team and moderates team work, guides and intervenes when needed, brings basic engineering, design and business expertise and connects the team with the relevant expertise when needed. The coach is the team contact person in the governance structure so that the team is relieved by some of the management and organisational tasks and the FMB department continuously receives a good feeling of team performance and dynamics.

Output:

- A business case proving that when the idea is implemented, it has a good potential to succeed.
- A concept that is ready to be developed into an MVP by an engineering or design team right away.