

**London School of Economics and Political Science**

**Innovation: buzzword or development solution?**

An analysis of innovation among non-governmental organisations (NGOs) in international development

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**Declaration of Authorship**

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## Abstract

Over the last three decades, innovation has come to be regarded as a key attribute of non-governmental organisations (NGOs) and an important activity for them to engage in by key stakeholders in international development. This is evidenced by the rise in the number of innovation grants and activities directed at development NGOs aimed at exploring new ways of working.

Despite the increasing interest in innovation however, the characteristics of an NGO “innovation” or innovative activity remains vague and difficult to identify. References to innovation relate to it as both a means for NGOs to achieve outcomes, as well as an end in itself. And examples of projects that have been considered “innovative” by stakeholders span across a wide range of activities that make it difficult to identify the contributions towards the innovation. Furthermore, while the empirical research on innovation in practice is increasingly being explored, the theoretical study of innovation as it relates to NGOs continues to be largely under-researched in the NGO literature. Thus, it is unclear whether innovation merely serves as a new ‘buzzword’ in international development that lacks meaning, or whether it plays a more significant role for stakeholders in the sector.

This study examines the role that innovation plays for donors and NGOs in international development, particularly in terms of the ideas and practices they engage in, and why it has come to be regarded as an important aspect of their work. It specifically explores the relationship between donors and development NGOs working in the Global South, and how innovation has come to be prioritized in their work. The research combines a theoretical investigation of ideas around innovation as applied by the organization within the private, public and the third sectors, with an empirical study into how innovation is understood, communicated and practiced by NGOs and key stakeholders within an ‘aid chain’ using three multi-sited case studies with a focus on Ethiopia. Through this, I build my research on four key concepts for defining organisational innovation, and look at how concepts of innovation in relation to NGOs particularly relate to them. These are; innovation as product and outcome

(Schumpeter 1939), innovation as a process (Seelos & Mair 2012), and innovation as an organisational characteristic (Fyvie & Ager 1999) and innovation as diffusion (Rogers 1963).

Ethiopia's long history with NGO activity, and its civil society movement was an advantage for the fieldwork in that it encouraged a significant international aid presence among donors to the country, particularly among those looking to support experimental projects.

The two most significant findings from the research indicate that there is a disconnect in the way stakeholders define innovation and the value they place on it in their work. First, innovation was found to be deployed as a buzzword primarily by the donor community in over-generalised ways that fails to capture the complexity and the nature of NGO work. This ultimately prevents development NGOs from contributing their own ideas, forcing them to adopt the terms associated with it. Second was that the concept of innovation was primarily referred to as both a product and process and among stakeholders with little distinction made between them. It is this disconnect between the definitions of innovation among donor agencies and NGOs that makes it difficult to identify what an innovation is among NGOs, and ultimately prevents them from building a shared understanding of the potential benefits of innovation.

The main implication at the level of policy and practice is the need to recognise innovation as a process that NGOs may usefully engage in, rather than simply a product or outcome of their work. A clearer understanding of innovation as a process, and a focus on innovation for NGOs would them room to experiment and explore different ways of working, rather than adapt to innovation as a buzzword.

**For my family**

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## Table of Contents

<b>Abstract</b>	<b>3</b>
<b>Table of Contents</b>	<b>7</b>
List of Tables	9
List of Figures	10
List of Acronyms	11
<b>Chapter 1: Innovation in development</b>	<b>12</b>
1.1 An increasing interest in innovation for NGOs in international development	12
1.2 Conceptual ambiguity with innovation and NGOs	18
1.3 The problematic	22
1.4 Research question	25
1.5 Thesis structure	28
<b>Chapter 2: innovation and NGOs; a review of the literature</b>	<b>31</b>
2.1 Chapter summary	31
2.2 About the literature review	32
2.3 Innovation in the development discourse; a review of the grey literature	39
2.4 A review of the academic research on innovation across three sectors	52
2.5 A conceptual framework for understanding innovation for development NGOs	77
2.6 Gaps in the research	86
<b>Chapter 3: Empirical study and research methods</b>	<b>88</b>
3.1 Chapter summary	88
3.2 Research question	89
3.3 Research design and approach	91
3.3.1 Innovation through the aid chain: three case studies	92
3.4 The case study selection criteria	96
3.5 The case for Ethiopia	101
3.6 Methodology	103
3.7 Ethical considerations	108
3.8 Analysis approach	111
3.9 Challenges and limitations of the empirical study	114
<b>Chapter 4: How is innovation understood among donors?</b>	<b>116</b>
4.1 Chapter Summary	116
4.2 Case Studies; the three donors	117
4.3 The Bill and Melinda Gates Foundation (BMGF)	119
4.4 The Department for International Development (DFID)	133
4.5 Concern Worldwide	149
4.6 An analysis of donor interests in innovation	162
<b>Chapter 5: How is innovation understood among NGOs?</b>	<b>166</b>
5.1 Summary	166
5.2 The NGOs and the three case studies	167
5.3 The Gates Foundation and the L10K	169
5.4 DFID and Save the Children	182
5.5 Concern Worldwide and Women's Support Association	192
5.6 An analysis of NGOs interests in innovation	199
<b>Chapter 6: The Innovation Project</b>	<b>203</b>

6.1 Summary	203
6.2 The L10K and The Community Solutions Fund	204
6.3 Save the Children the Community Conversations project	212
6.4 The WSA and women’s Self-Help Groups	221
6.5 Emerging themes on innovation in the projects	231
<b>Chapter 7: An analysis of the three case studies</b>	<b>234</b>
7.1 Chapter summary	234
7.2 About the analytical approach	235
7.3 Are ideas about innovation shared between stakeholders?	238
7.4 Emerging themes on NGO innovation	256
<b>Chapter 8: Conclusion</b>	<b>260</b>
8.1 Summary	260
8.2 Is innovation a buzzword in development?	261
8.3 Main Contributions	266
8.4 Limitations of the research	267
8.5 Implications of the study	270
<b>References</b>	<b>273</b>
<b>Appendices</b>	<b>280</b>
Appendix A: Interview Questionnaire Guides for Donors & NGO managers	280
Appendix B: Interview Questionnaire Guides for Donors & NGO managers	281
Appendix C: Example of consent form during fieldwork	282
Appendix D: Ethical Considerations	283
Appendix E: Fieldwork Sample Details	284
Appendix F: Fieldwork letter to participants	287
Appendix G: Models of innovation from the three sectors	288
Appendix H: List of journals reviewed for literature review	289



## List of Tables

Table 1: An outline of different innovation models for conceptual framework	68
Table 2: Reports reviewed from the Gates Foundation	119
Table 3: Interviews with Gates Foundation	119
Table 4: Reports reviewed from DFID	133
Table 5: Interviews with participants from DFID	133
Table 6: Interview with respondents at Concern Worldwide	149
Table 7: Reports reviewed with Concern Worldwide	149
Table 8: Comparison table with definition of innovation among donors	165
Table 9: The reports reviewed for the L10K	170
Table 10: The interviews carried out for L10K	170
Table 11: Reports reviewed for Save the Children	185
Table 12: The interviews carried out with Save	185
Table 13: Reports reviewed for WSA	192
Table 14: The interviews carried out with WSA	193
Table 15: Comparison table with definition of innovation among NGOs	201
Table 16: Comparison table of innovation across the three projects	233
Table 17: Summary table of innovation across the three groups in case study	244
Table 18: Summary table of innovation across the three groups in case study	249
Table 19: Summary table of innovation across the three groups in case study	254

## List of Figures

Figure 1: Google trends on search terms for “innovation” from 2004 to 2017	14
Figure 2: Research fields on innovation within the three sectors	37
Figure 3: Three stages of research for the empirical study	95
Figure 4: The three donors for the study	117
Figure 5: The three NGOs selected for the study	168
Figure 6: Map of Tigray region in Ethiopia	207
Figure 7: The exterior and interior of the health post	209
Figure 8: The exterior and interior of the family waiting room	210
Figure 9: Map of Oromia region and the town of Bishoftu (Debre Zeit)	216
Figure 10: Map of Addis Ababa region in Ethiopia	224
Figure 11: the numeracy and literacy class	225
Figure 12: Entrance to the Food and Spices Shop	227
Figure 13: Case study one	238
Figure 14: Case study two	246
Figure 15: Case study three	251

## List of Acronyms

<b>BMGF</b>	Bill and Melinda Gates Foundation
<b>CC</b>	Community Conversations
<b>CSF</b>	Community Solutions Fund
<b>DHS</b>	Demographic and Health Survey
<b>DFID</b>	Department for International Development
<b>ECFA</b>	Enhancing Child Focused Activities
<b>FGM /C</b>	Female Genital Mutilation and Cutting
<b>GEC</b>	Girls' Education Challenge
<b>GIF</b>	Global Innovation Fund
<b>GPAF</b>	Global Poverty Action Fund
<b>HEW</b>	Health Extension Workers
<b>HEP</b>	Health Extension Programme
<b>IDIA</b>	International Development Innovation Alliance
<b>JSI</b>	John Snow Institute
<b>KMG</b>	Kembatti Mentti Gezzima
<b>L10K</b>	Last 10 Kilometers
<b>MDG</b>	Millennium Development Goals
<b>MNCH</b>	Maternal, Newborn and Child Health
<b>NGO</b>	Non-governmental Organisation
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PBR</b>	Payment by Results
<b>PPA</b>	Programme Partnership Arrangements
<b>R&amp;D</b>	Research and Development
<b>REST</b>	Relief Society of Tigray
<b>SDG</b>	Sustainable Development Goals
<b>SHG</b>	Self Help Groups
<b>SMS</b>	Short Messaging System
<b>SNNPR</b>	Southern Nations Nationalities and People's Region (Ethiopia)
<b>VFM</b>	Value for Money
<b>UNICEF</b>	United Nations Children Fund
<b>UNFPA</b>	United Nations Population Fund
<b>US</b>	United States of America
<b>USAID</b>	United States Agency for International Development
<b>UKAID</b>	UK Department for International Development
<b>WAT</b>	Womens Association of Tigray
<b>WSA</b>	Womens Support Association

# Chapter 1: Innovation in development

## 1.1 An increasing interest in innovation for NGOs in international development

The aim of this research is to explore the concept of innovation as it relates to development NGOs in international development, and to better understand why it has recently come to be regarded as an important part of their work by various stakeholders. In this chapter, I outline the overall puzzle or “problematic” which I seek to address throughout my thesis. I begin by demonstrating how innovation has gained increasing popularity among stakeholders in international development with suggestions for new ways and opportunities for NGOs to engage in. I show how definitions for innovation have come to be used to describe different activities, lacking a clear and unifying definition between stakeholders, thereby making it difficult to determine whether references to innovation are a fad, referenced as ‘buzzword’ to describe the latest trend in development, or whether they suggest an opportunity for NGOs to propose new ways of working. I conclude the chapter by demonstrating how this problematic has contributed to my research question, and why I chose address the question in my thesis.

### *Innovation and the prospect of new approaches to development*

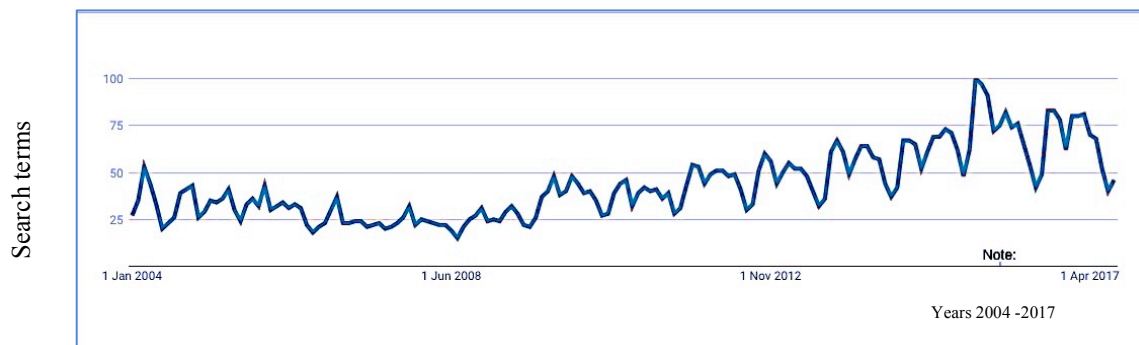
Over the last three decades, innovation has come to be regarded as an important activity for NGOs by stakeholders in international development seeking to address new ways of approaching age-old challenges. This is evidenced by the increasing number of funding initiatives and activities recently introduced by international aid donors over the last few years aimed at addressing key development challenges. In September 2014 for example, a \$200 million Global Innovation Fund (GIF) was set up by the US, UK, Swedish and Australian governments as a global partnership to support ‘social innovations that aim to improve the lives of people in developing countries’ (USAID 2014). More recently in 2017, the World Bank launched its annual innovation fund with a budget of \$2.5 million a year to support smaller and more directed projects aimed at creating “collaborative data innovations for sustainable development” (World Bank Innovation Fund Recipients 2018).

International aid donors in particular have developed an increasing interest in funding NGOs to innovate and devise new ways of working. Furthermore, the nature of the innovation grants are slightly different to existing bi-lateral funds for international development, in that they focus on a specific type of activity to addressing social issues or needs. Often, they are directed at non-profits and NGOs, and seek new or innovative ‘solutions’ to addressing social and economic needs in developing countries. A wide range of donors have made significant financial contributions to encourage NGOs to innovate in their programmes to reduce poverty in developing countries (DFID 2009; USAID 2010). In 2010 for example, the Department for International Development (DFID) launched the “Development Innovation Fund” that allocated £7 million for a pilot programme directed at NGOs seeking to address poverty alleviation in developing countries (DFID 2010). That same year, USAID developed a new “Development Innovation Ventures” program to invest in “breakthrough” projects and ideas by NGOs that showed promising high returns to the resources provided by the fund (USAID 2010).

The budgets allocated for the innovation funds vary in size, and yet demand for innovation continues to increase. In some cases going beyond the donor to other international development stakeholders, who are increasingly encouraging NGOs to engage in innovative activities in the sector. For example, there has been a recent growth in the number of “innovation labs” and “innovation hubs” set up to support NGOs to develop new ideas in international development by organisations in different countries. In 2014, the UNDP developed an ‘Innovation Facility’ to “explore novel approaches to increasingly complex development challenges” by providing technical and financial support to projects that would otherwise have been unsupported by large multi-lateral organisations (UNDP 2014). In 2016, UNICEF set up an “innovation office” dedicated solely to providing technical support to “a select portfolio of proven, innovative solutions by expanding their application from one to several countries and regions” (Unicef Global Innovation Centre). The centre is designed to identify new ideas in the sector to support and take to contexts where other organisations and donors can learn from them. To UNICEF innovations were perceived as being mobile, transferable to different countries, and not tied to a specific context.

A search on Google Trends shows how the search for a definition for innovation on the Google has increased over time, with users looking for the definition of the term [See diagram below]. The interest in innovation has also been shared by some development NGOs in the sector who are increasingly engaging in innovation in their efforts to address poverty. For example, Neal Keny-Guyer, the CEO of the international development organisation Mercy Corps explained in an interview with the Yale University school of Management in 2013 that Mercy Corps’ organisational strategy focused on innovation because it was the key to finding solutions to development problems in the sector. He explained that this was “because NGOs have the unique ability to understand culture, traditions and history, to know what’s happened before” (Kenny-Guyer 2013).

Figure 1: Google trends on search terms for “innovation” from 2004 to 2017



Innovation was being perceived as the solution to a range of development challenges, and a new way of supporting NGOs to addressing these challenges that have yet to be explored, or have failed to be addressed in the past. Some researchers have suggest that the desire for innovation has come from a recognition within the development community that previous ways of working have not resulted in positive change. As a result, innovation is seen as an opportunity to introduce new ways of working. In an article published in *Stanford Social Innovation Review*, Seelos & Mair (2012) describe the sector as being “impatient” with the progress made in international development, and as a result see innovation as the “holy grail” of progress, and a means for addressing a range of issues that have unsuccessfully been addressed.

“This impatience stems in part from the perception that decades of traditional global development efforts are lost years, with billions of dollars spent and too little to show

for them. The scale of poverty-related challenges and the growing levels of global inequality drive a sense of urgency and a frustration with old development recipes. These challenges – this crisis, if you will – have legitimised a collective quest for new solutions – innovations!” [Seelos & Mair 2012, p.45]

How did this interest in innovation come about, and why are NGOs believed to be responsible for leading it? In my review of the development literature, I identified two key trends in international development that may have contributed to an increasing interest in innovation; firstly, there is recognition among stakeholders in the international development community that development NGOs possess the organisational characteristics that make them capable of innovation, and gives them a comparative advantage over other organisations in the sector for innovation. Second, the rising influence of the private sector and philanthropy from privately funded donors in international development has encouraged a neoliberal approach to the management of development, and brought with it concepts such as innovation, into the development discourse.

#### *The comparative advantage of NGOs to innovate*

At the heart of this research on innovation are development NGOs and non-profit organisations who have long been considered by most researchers in development as innovative and capable of devising new ways of approaching a problem. The organisational characteristics of NGOs in particular are what were believed to contribute to their role as ‘innovators’ in development as they were seen to be able to find solutions to social problems (Fyvie & Ager 1999; Lewis & Wallace 2000). There are two key organisational characteristics associated with NGOs, and puts them at a “comparative advantage” over governmental institutions to address social problems in development. First, their “flexibility” in their approach to social problems in the sector makes them more willing to innovate, as well as their capacity to promote non-hierarchical values and relationships with others in the sector enable them to engage in innovative activities (Edwards and Hulme 1994 p.16). For example, in a study carried out in 1991 that examined the role of NGOs in the development, the research showed that NGOs were less bound by the restrictions typically faced by governmental agencies while addressing the social needs of the communities they operated in, and as a result were more likely to experiment with new approaches to a social problem (Clark 1991). Some researchers such as Cernea (1988) argued that the NGO’s innovative

characteristics rested on their ability use resources effectively while facilitating local participation in order to reach the poorest and most vulnerable people. This is particularly relevant to NGOs based in the global south. Thus development NGOs were seen to be less restricted by the bureaucracies and obligations of government agencies, and had the flexibility to experiment with different ways of working. This characteristic dates back to the 1980s when development NGOs gained a lot of attention for their role in the sector towards poverty alleviation. The number of development NGOs based in the Global South, particularly in Africa, Asia and America began to rise, and their role in supporting governments to address social needs began to widen. Their role as service providers had emerged as a result of a combined effort of philanthropy and local self-help organisations such as voluntary associations, religious groups community groups operating in the Global South, that were seeking to address local needs of the communities living in poverty (Lewis & Kanji 2009).

The second characteristic relates to NGOs and their capacity to hold relationships with multiple stakeholders, and a wide range of demands from donors, which ultimately makes them resourceful and more willing to innovate. Some researchers have pointed out that the type of partnerships or relationships that NGOs are able to maintain between different agencies, and their capacity for facilitating challenging power dynamics between stakeholders are key to what makes them innovative (Bowden 1990; Lewis & Kanji 2009). This made NGOs more likely to experiment with new ideas and challenge the old orthodoxies that were increasingly coming under some strain. Other authors have suggested that NGOs have the capacity to show impact at a small scale, and the potential of proposing ways of ‘scaling-up’ impact, without losing their valued positive characteristics (Edwards & Hulme 1992).

At the same time, a number of researchers in development were critical of the role of NGOs in the sector and felt that NGOs were more inclined to continue delivering the same services they knew worked well and less likely to experiment with innovation working (Lewis & Wallace 2003). This was primarily driven by new development policies driven by the northern-based institutions and funding agencies that called for the standardisation of services and prevent NGOs from devising their own processes for addressing social problems. (This is explained in more detail in the literature review presented in Chapter 2). As a result, the claim



that NGOs are innovative organisations remains contested in the literature. And while the number of empirical research studies that have examined the subject have recently began increasing, much of the evidence-base continues to focus primarily NGO management and their organisational capacity to innovate, rather than examine the nature of the innovation itself. For example, a small number of studies have examined the organisational features of an NGO and what makes them innovative, there has been comparatively little research on *how* they actually innovate. An early study by Judith Tendler examined some of the claims made by researchers that NGOs are innovative and experimental in their projects, but did not examine how these claims are implemented in relation to their projects (Tendler 1982). The study carried out in 1999 by Fyvie and Ager has examined the perceptions of NGOs on their capacity to innovate, but not how these characteristics play out in practice (Fyvie & Ager 1999). Thus, the claims around NGOs and innovation continue to remain mostly untested.

#### *The rising influence of the private sector in international development*

Over the last twenty years, the development sector has been increasingly influenced by ideas adopted from the private sector, as the rise in private philanthropy and social responsibility schemes from the corporate sector have begun to engage in development activities. This influence has brought with it the introduction of neoliberal policies and agendas in the sector, and a focus on innovation as a means to explore new ways of working in development. An article published in the 2014 edition of the *Financial Times* entitled “Innovation fever breaks out as development landscape shifts; Overview” explained that the need for more innovation was luring people from the private sector to support agencies in international development, particularly as they begin to adopt new concepts and finance models familiar to the private sector (Murray 2014). Murray explained how a number of international development organisations, such as the World Bank, had to undergo changes to their management structures following their engagement with private philanthropists and corporations, and in order to accommodate recommendations made by the institutions. These included introducing “innovation” managers and training schemes into their organisations in order to address interests in innovation from private donors.

The influence the private sector has also influenced government aid donors to support more innovation in development. In 2014 for example, the “Global Innovation Fund”, a large grant-

making scheme developed by the United States Agency for International Development (USAID) proposed to “model a venture capital approach to solving global development challenges” primarily by using a “capital-like approach to investing in social innovations” (USAID 2014). A capital-like approach here indicates funding new projects that are likely to be ‘safer’, amendable to evaluations that can quantitatively demonstrate “success” at delivering social outcomes at scale, and range from \$50,000 to \$15 Million in their grant size.

## **1.2 Conceptual ambiguity with innovation and NGOs**

Despite the increasing attention to innovation among NGOs however, the definitions for innovation remain broad and include a wide range of activities. Furthermore, innovation means different things to different stakeholders, and it is not entirely clear what changes it is meant to contribute to in the sector.

### ***Multiple definitions for innovation between stakeholders***

A close examination of the references to innovation in the development discourse shows that the definitions take on many forms, and are used to describe different phases of work taken on by a development NGO. In some cases, innovation has been referred to as the solution itself, or a product created by a development NGO to address a development problem. In other cases, innovation is described as means to arriving at the solution. Within UNICEF for example, innovation is referenced as a new *product* such as a mobile birth registration application in Nigeria, as well as a new *approach* to a project such as a new SMS system to support new mothers in Mexico (UNICEF stories of innovation 2016).

Being that innovation encompasses a range of activities and definitions, it makes it difficult to determine what is meant by innovation and what aspects of it are important for development NGOs. Furthermore, the way in which innovation is described in reference to development NGOs also varies between different stakeholders. For funders, innovation implies building on local and global knowledge to devise new ideas that can effectively reduce poverty among poorer populations, while also promising some form of social returns. Of course, the concept of innovation differs greatly between donors as well, whereby a privately funded donor will define innovation differently from a governmental donor. While

for NGOs, the process of innovation might refer to learning from their experiences and addressing need with little resources.

### *Innovation as a “buzzword”?*

Due to widespread use of the term, it remains unclear whether “innovation” is merely a “buzzword” that reflects a zeitgeist in the sector, or whether it is genuinely believed to be important to the function of NGOs, a part of their role in international development.

Buzzwords play an important role in influencing development practice. First introduced by Andrea Cornwall and Karen Brock in an article in 2005 that examined how some buzzwords can be used to justify some development interventions. For Cornwall & Brock (2005), much of today’s development policy continues to use “buzzwords” such as “poverty reduction” and “participation” to frame development solutions that are shared by wide groups of stakeholders. Terms such as these suggest a positive and practical approach to addressing social needs that Cornwall & Brock argue are more likely used to mask the power imbalance between NGOs and their donors and not represent the nature of what NGOs are facing.

The function of buzzwords, as suggested by Cornwall & Brock (2005), is to facilitate the use of terms that continue to be contested and hold multiple meanings to different stakeholders. Their research draws on Foucault’s argument for strategic reversibility of discourses, and suggests that the use of buzzwords allows for competing ideologies to exist between development actors to demonstrate mutually agreed goals with their stakeholders, and to gain ‘buy-in’ from the communities they work with (p. 1045). They also help to assert a legitimacy to intervene in the lives of others. By using positive words such as “empowerment”, it makes it difficult for other organisations to oppose the work that development agencies carry out. They demonstrate how each word has a different history for making its way into the mainstream language used by development agencies. For example the term ‘poverty reduction’ came into use by international agencies in the 1990s to address the negative effects of rapid economic growth in developed countries – such as privatisation and liberalisation – and became popular at a time when policies called for more measurable approaches to solving the problems of poverty (Cornwall & Brock (2005).

Often, it is the dominant development actors that are responsible for introducing and sustaining the use of buzzwords in today's development jargon. However they often assume an international consensus over their meaning, and rarely articulate how they are carried out in practice (Cornwall & Brock 2005). In other words, the meaning behind a buzzword depends heavily on the frame of reference it is used in. Organisations such as The World Bank and the United Nations Development Programme appropriate words like "poverty reduction" to legitimise some of the key activities they take on, and justify interventions they seek to support, without knowing how they play out in practice (Cornwall & Brock (2005) p.1043).

According to Cornwall, buzzwords allow for concepts in international development to be vague and ambiguous, and support in securing the validation of diverse political actors in the process of negotiation:

"Buzzwords aid this process by providing concepts that can float free of concrete referents, to be filled with meaning by their users. In the struggles for interpretive power that characterise the negotiation of the language of policy, buzzwords shelter multiple agendas, providing room for maneuver and space for contestation. (Cornwall & Eade 2010, p.5)

Thus, buzzwords like innovation make it possible for multiple actors to use the same word, but attach different activities and functions to it. While the concept of innovation has not been critically reviewed by Cornwall and Brock, it does share the characteristics of a development buzzword. There has been growing scepticism among researchers and stakeholders who think that innovation might be the same ideas re-branded or re-packaged and used to legitimise the work of NGOs in development (Ramalingam & Bound 2016). Some even perceive innovation as another short-lived fad in international development.

By critically reviewing the role of buzzwords, there appears to be two contending approaches on how they are used to capture development practice. According to the edited volume by Cornwall & Eade (2010), Cornwall points out that some researchers would argue that vague buzzwords need to be discarded and replaced with new words that reflect their correct

meaning and use in context. While others would argue that buzzwords need to be reclaimed in order to convey their true meaning, and realign their purpose to development actors. This research seeks to examine both approaches.

### 1.3 The problematic

The conceptual ambiguity around definition of the concept, and the lack of large evidence base that contributes to an understanding of the value of innovation for development NGOs, make it difficult to determine whether it is a development buzzword, or whether it suggests a new way of working for development NGOs, and an opportunity for new ideas.

In this section, I identify three significant gaps in the research that I believe contribute to this emerging problematic, and describe how they have led me to develop my overall research question for this thesis.

#### *1.3.1 Lack of a consistent definition for innovation and development NGOs*

References to innovation and its importance to the role of development NGOs in the development literature date back to the 1970s, and include a broad range of definitions. The definitions have been wide-ranging, and not entirely consistent in the way they have been described over time. Following a review of the literature on innovation and NGOs in development (demonstrated in Chapter 2), I examined definitions for innovation and the nature of the activities they include, to identify how innovation has come to be conceptualised particularly in relation to the current results based agenda in development. Much of the research has been carried out on innovation and development NGOs has been primarily associated with the organisational characteristics of NGOs and their role in development (Lewis & Wallace 2000, Lewis 2001). There has been little empirical research that examines the purpose of innovation or its intended contribution to NGO work. The different understandings of the concept, and differences in perspectives on innovation in the grey literature contribute to a “discourse” around innovation in development that has yet to be clearly studied. By discourse I refer to the paradigms that exist in development between different actors and that allow for a mix of ideas and concepts to which meanings can be applied (Gardener & Lewis 2000). What is missing from this discourse is a clearer understanding of whether NGOs and donors hold similar or different assumptions on what constitutes innovation in their work and why it might be more important than continuing to provide the same services.

Without a clear conceptualisation of what constitutes innovation for NGOs, it is difficult to identify it, and understand its direct contributions in practice and to the sector as a whole. For example, is innovation the generation of new ideas and solutions to social problems, or is innovation the devised solution itself? The concept of innovation in the context of NGOs may be the same as the definition used to describe innovation in the private sector, or it may be different and distinctive to development NGOs specifically.

### *1.3.2 Lack of empirical research on how innovation is perceived and valued by donors and development NGOs*

Despite the increasing references to innovation, there is little research that examines whether development stakeholders themselves perceive innovation as being an important activity, and significant to their work. Furthermore, much of the ambiguity associated with innovation also comes from a lack of a definition from stakeholders. Much of the research on innovation explores its importance to the activities carried out by NGOs, but does not include their perspectives. A number of blogs have recently been published by development practitioners calling for clearer definitions for innovation in their work, and more specifically that include the processes for how innovation is applied by them.

In the literature review I carried out in Chapter 2, I identified only a limited number of studies that examine how innovation is defined by development NGOs specifically, and what they consider it to include in practice. Much of the research that exists on innovation in development provides what appears to be a normative understanding of what innovation is, and how it should relate to the work of NGOs. What is missing is a subjective perspective of innovation based on how NGOs see it themselves. There has been no research to date that explores the views of NGO managers to better understand their thoughts on innovation in their work, and whether they think it is important. Furthermore, there is an underlying general assumption that innovation is a “good thing” in that for example it brings with it positive change to the work of NGOs. However in my literature review I will show that with a few important exceptions, these claims have yet to be examined empirically.

The lack of empirical research on how innovation is defined by different actors and the context they are in will makes it difficult to determine whether it is qualitatively valued by stakeholders beyond what is implied in the written text, and how it is meant to contribute to their work. And as such, it remains unclear whether references to innovation are buzzwords, dominated by a stakeholder type in the sector.

### *1.3.3 Lack of empirical research that examines the management of innovation in practice and its outcomes for development NGOs*

The references to the practice of innovation have included NGOs management and processes associated with it. Furthermore, the assumptions made in the existing research regarding the organisational characteristics of NGOs and their ability to innovate need to be tested empirically, and examined, particularly with regards to the projects they engage in. The use of the term innovation invariably implies the introduction of new opportunities for NGOs in the sector that would otherwise have not been explored before. The concept and practice of innovation and what it means for development NGOs needs to be critically examined in order to determine whether it represents a mere fad or suggests yet another set of activities that NGOs engage in parallel to the pressures they face from donors, or whether it provides NGOs with an opportunity to bring in new ideas. Without a thorough investigation of how innovation is defined and perceived by stakeholders, and how it is practiced on the ground, it is unclear what role it plays for NGOs in the sector.



## 1.4 Research question

This research is guided by the following research question:

**“Is innovation a development buzzword in international development, or does it suggest something more?”**

The question that emerges from the problematic is whether innovation a development “buzzword” that has recently been introduced to the development discourse and used to justify new funding agendas for NGOs and other stakeholders, or whether it suggest new opportunities new and alternative ways of working for NGOs and their role in development? I approach the research question by dividing it into three sub-questions, which I propose to address individually. This makes it possible to examine the concept of innovation in the development discourse, and determine whether there is a disconnect between how is described there, and how it is perceived and valued by stakeholders in practice. The three sub-questions are:

- 1. How is innovation described in relation to development NGOs in the development discourse? And how does this relate to the way it is conceptualised in the research literature?**

The question refers to the lack of a clear and consistent definition for innovation, and the need for a review of how innovation is defined both in the development discourse, and in the development studies literature on NGOs in order to determine whether these concepts are related. I begin by carrying out a critical analysis of the grey literature published by development agencies followed by a review of development literature to investigate the way in which innovation has been described as well as the beliefs and assumptions associated in relation to NGOs over the last thirty years. I also examine any concepts associated with innovation that have been imported into the development literature and adapted from other sectors (business, government and public sector), and the ways in which these ideas have come to influence the third sector specifically. Through this review, I identify the common themes between the discourse and the literature and build a conceptual framework for innovation as it relates to NGOs, and identify the range of definitions that exist for it. The framework will be used to guide my analysis of how innovation is defined in practice. I build

on four definitions for understanding organisational innovation, and how they relate to development NGOs in practice. These are; innovation as product and outcome (Schumpeter 1939), innovation as a process (Seelos & Mair 2012), and innovation as an organisational characteristic (Fyvie & Ager 1999). Finally, I identify the gaps are in research on innovation, particularly those that contribute towards the need for an empirical study on innovation and development. This question is addressed in Chapter 2 of this thesis.

## **2. How is innovation understood by donors and NGOs and how are these ideas shared? What is the evidence of innovation in practice among development NGOs?**

The question addresses the need to examine how innovation is perceived and valued by donors and NGOs, and whether these perceptions are shared between them. The question follows from the relative lack of empirical research on stakeholder perspectives on innovation in development, particularly among NGO practitioners, and how they engage with the ideas around innovation. In addressing this, I aim to develop a methodology to provide insight into how innovation is understood by multiple stakeholders working together on the same project, and what factors drives ideas and practices around innovation in NGO work. I hypothesise that stakeholders may have different ideas about innovation, and therefore value it in different ways from their different points of engagement and perspectives. Additionally, the relationships and power-dynamics between donors and NGOs will most likely influence how innovation is negotiated between stakeholders for a funded project. These relationships will ultimately shape the way innovation is practiced on the ground. Thus, a case study is needed to examine the direct relationship between a donor and beneficiary NGO, and how innovation is conceptualised between them. Through it, I aim to explore how language is used to describe innovation by stakeholders, and see whether there has been any difference in practice and policy as a result. This question is addressed in detail in Chapter 6 of this thesis.

An empirical study that looks at how innovation is perceived by donors and NGOs that share a relationship by working together on a project can highlight whether NGOs are simply responding to donor requests for innovation and/or whether they are fully committed to it themselves. This addressed in the empirical chapters of this thesis, Chapters 4, 5 and 6.

### **3. Are definitions for innovation consistent with what is described in the discourse?**

This question addresses the need to determine whether there is a disconnect between how innovation is described in the development discourse, and how it is defined in practice. This will help determine whether innovation is being used as a buzzword in development, or whether it has more specifically examines whether innovation is practiced by NGOs in their work how it might relate to the way it is referenced in the discourse, if at all. The purpose of this is to identify whether there are other NGO-centred definitions and practices of innovation that exist outside of donor expectations and outside of the standard discourse, and if so, to understand why that is the case. This question is addressed in chapter 8.

An in-depth understanding of innovation and how it is conceptualized and practiced by NGOs would help to identify the risks with innovation and new methods that lead to uncertainty and negative outcomes. Furthermore, it would shed light on how new trends in development work, and would indicate whether the new focus on innovation is a source of opportunity for NGOs to propose ideas of their own, and do something differently.

## 1.5 Thesis structure

The thesis begins with a review of the definitions for innovation presented in the discourse on NGOs and development within the new results based agenda in development, which is presented in Chapter 2. The literature review addresses the first of my three research questions, and examines the discourses on innovation that exist in the grey literature in development. I also explore how innovation has been conceptualised in the private and public sector, particular with regards to the organisational unit (the way in which organisations are structured and how they work), to better understand how these concepts have come to influence definitions of innovation in the non-profit sector. The review includes a discussion of the theoretical issues as well as of the empirical studies that have examined the role of innovation and NGOs in development, and ultimately maps the literature relating to this topic. From the literature review I derive a framework that I use to review throughout the study to better understand how ideas of innovation might apply to the work of NGOs, and their roles in development, and as a result clarifies the relationship between innovation and NGOs that I use for my empirical study. I conclude the chapter by outlining the research gaps I've identified that my research study aims to contribute to.

In chapter 3, I re-examine my research questions in light of the literature review, and outline a research design for approaching an empirical study on innovation. I chose to carry out three case studies that examine how innovation was perceived and practiced by multiple stakeholders within a single development project. I identified three development projects that were recognised for being 'innovative' by stakeholders, and followed how ideas of innovation translated across a single NGO-donor relationship or partnership. Through a mixture of document analysis, interviews and observation, I examined how these ideas played out in practice. The fieldwork for this research was carried out in three towns in Ethiopia, which is described in some detail in the chapter. The chapter also outlines the epistemological approach, and the choice of research methods used to address the question, as well as the ethical considerations, and methodological limitations encountered throughout the study.

The three chapters that follow, Chapters 4, 5 and 6, describe and discuss the main findings from the empirical study in relation to the research question. In Chapter 4, I examine how innovation is understood by donor agencies in international development and why many believe it is important to their work. Here I focus on three specific donor organisations; The Bill & Melinda Gates Foundation, the Department for International Development (DFID) and Concern Worldwide. The findings consist of a review of the organisational literature on innovation from each donor agency, and interviews with key donor officials on their expectations for innovation in the sector. The chapter concludes with an analysis of how innovation is conceptualised by donors, and the language used to describe it.

In chapter 5, I present the definitions and emerging themes for innovation as they relate to three NGOs. I selected three NGOs that have been awarded innovation grants from their respective donors for explicitly prioritising innovation (as indicated in Chapter 4), and I explore how innovation was conceptualised by them in Chapter 5. The three NGOs were: The Last 10K project, and NGO focused on improving maternal and child health in Ethiopia, Save the Children in Ethiopia, and Women's Support Association, an NGO looking to improve the wellbeing of women and girls across the country. By reviewing their organisational literature, and the findings from in-depth interviews with key staff members, I was able to analyse how innovation was defined by them, and explore their motives for attempting to include innovation in their work. I was particularly interested in understanding how innovation was valued by them, and whether their intentions to engage in it were primarily influenced by their donor, or whether they were their own. The chapter concludes with the emerging themes that relate to a definition for innovation across the three NGOs.

In chapter 6, I present the findings from my analysis of the evidence of innovation in practice within three development projects. This was the third and final stage of the empirical study, where I undertook participant observation with three projects that had been identified as being “innovative” by their corresponding NGOs (from chapter 5), and looked at the processes for devising the innovation within them. Through interviews with key project staff, and observations of their work in practice, I provide detailed accounts of the characteristics of the project, and how participants perceived the innovations, and whether the practice of

innovation has been consistent with what has been promised to donors. I conclude the chapter with a review of the key themes that emerge on how innovation is practiced.

Chapter 7 presents an analysis of my findings from the entire empirical study and across all stakeholders in the three case studies. I use these findings to revisit the concepts that were presented in Chapter 2. I begin by examining the themes on innovation across each individual stakeholder within the aid chain; in other words from donor to practice. Following this, I go back to the key issues raised at the start of the thesis, and link the emerging themes from my empirical chapters with those highlighted in the analytical framework detailed in Chapter 2. The key finding in this chapter is that innovation is understood and valued differently by different stakeholders in the aid chain, particularly between donors and their NGOs; whereby NGOs perceive innovation to be a means to finding solutions to problems, and donors treat innovation as an end in itself that should be funded. And it is this disconnect that contributes to preventing the role of innovation playing a big part in the sector.

The thesis concludes with Chapter 8, where I revisit the overall research question, and explain how my research has contributed to a better understanding of the role that innovation plays for NGOs in development. I demonstrate how the focus on innovation among stakeholders has enabled NGOs to learn to repackage their existing ideas and programmes in order to continue being supported in the sector. At the same time however, innovation has also come to provide NGOs with an opportunity to introduce new ways of working to the sector. A number of limitations have also been identified and listed here, and key areas of research that can be examined further. Finally, the chapter concludes with a description of the policy and practice implications for innovation in development.

# Chapter 2: innovation and NGOs; a review of the literature

## 2.1 Chapter summary

In Chapter 1, I showed how despite the increasing interest in innovation in international development, definitions for innovation made by development stakeholders appear to be broad and conceptually ambiguous, and at risk of being considered a buzzword. In this chapter, I contextualise this research in a literature review that examines references to innovation in the development discourse and the academic literature, and identifies what is meant by innovation in relation to development NGOs. I address the first of my three research questions;

**“How is innovation described in relation to development NGOs in the development discourse? And how does this relate to the way it is conceptualised in the research literature?”**

I begin by reviewing references to innovation and NGOs in the grey literature and look at how it has been applied in their work, particularly in reference to the new public management context and the results based agenda introduced by the 2030 Sustainable Development Goals. I then turn to the academic research literature on NGOs in development in the third sector literature, and look at how innovation has been perceived by researchers over the last three decades. As much of the references to innovation in the third sector have been taken from the private sector and the public sector, and where the study of innovation has a longer history, I chose to examine the research literature on innovation in relation to organisations from both sectors, and examine how it is conceptualized and has come to be empirically grounded. The outcome of this review is an overarching conceptual framework on innovation that has been used to guide my empirical study on innovation among development NGOs in Ethiopia.

## **2.2 About the literature review**

This literature review consists of main two parts; the first presents a critical analysis of the references to innovation in the development discourse, the meanings associated with it and how innovation has come to be regarded by different stakeholders in the third sector. The second part takes a comprehensive look at how innovation is conceptualised in the academic literature in relation to development NGOs within the third sector, and examines the frameworks that have been adopted from the private and public sector. The outcome of this review is a conceptual framework that captures the overarching themes on innovation and NGOs that emerge from both the grey literature and academic research, and will be used to guide my empirical research and determine whether these concepts are reflected in the practice of innovation among stakeholders. I conclude the chapter with a presentation of the key gaps in the research literature, and describe how that has come to shape the research question guiding my empirical study (presented in chapter 4, 5 and 6).

### **A review of the grey literature**

This research examines the voices and perspectives of development actors within the discourse, and looks at how innovation has come to be regarded by them as a key aspect of their work. It builds on Cornwall & Eade's analysis of the development discourse to examine how buzzwords are used in development, and identifies the meaning associated with them (Cornwall & Eade 2010).

The development discourse refers to key discussions had between development actors within the third sector. These discussions are typically documented within the "grey literature" produced by these actors includes documents published publicly by stakeholders online or in non-peer-reviewed documents, such as research reports, policy papers, donor publications, blogs, research reports, discussion papers, and policy documents made available on other international organisations. Thus, the domain within the development discourse is framed by the 2030 Sustainable Development Goals (SDGs), and preceding Millenium Development Goals (MDGs), as well as the new results-based agendas associated with it. I reviewed



references to innovation and development NGOs published over the last twenty years, particularly with reference to the UN 2030 SDGs.

A focus on the actors in the discourse, as suggested by Cornwall (2007) suggests that they references to innovation are shaped by their interests and position in the sector. By development “actors” here I mean those *doing* development, and are dominant actors in the sector, as Cornwall suggests in review of Buzzwords and Fuzzwords (2007). Thus, I needed to account for the language used to describe innovation, and the actors involved, in order to examine how innovation was described, and the meanings associated with them.

I approached the review first by examining references to innovation within development policy to understand how references to it have evolved over time, and to identify who the key players are. I then categorised the key development actors by the ‘type’ of stakeholder, and looked at the nature of their references and how they described innovation in relation to their work. These included four key groups; 1) policy reports released by national and international governmental organisations, 2) donor reports produced by donors agencies (bilateral and multilateral), 3) international non-governmental organisations and finally 4) publications released by think tanks and other reporting agencies. I mapped out the sources for each distinct group and looked at how innovation was defined within in relation to their work.

The publications I reviewed consisted of publicly accessible articles that included key words one of all of the following key words; “innovation”, “innovative approaches”, and “innovative” in reference to development NGOs. I examined how these terms appeared in the texts, and why they came to be used over the years. An initial review of these sources yielded multiple references that ranged from reports describing an innovative project to innovation toolkits. In order to refine my search further, I chose to focus on three key search criteria;

- i) References to innovation where an explicit **definition** or explanation of innovation had been provided
- ii) References to innovation that gave a justification for the **purpose** of innovation,
- iii) References to innovation that were directly associated with the work of **development NGOs.**

These criteria helped to identify yielded a range of documents, reports, blogs and toolkits produced by stakeholders that were not merely descriptive, and included a substantial part of the work of NGOs. From this, I identified a total of 1,237 relevant documents that were relevant for the review and are included in the table. A list of these sources are included in the table below, and a more detailed version of the table is included in Appendix H

### **A review of the research literature from three sectors**

For the review of the academic research, I was particularly interested in identifying empirical and theoretical studies on innovation and development NGOs, and how ideas in the grey literature compared to those in the academic research. The research on innovation in the third sector builds on concepts that were introduced by the private sector and public sector, particularly in reference to the organizational unit, and the management of NGOs. As a result I felt it was necessary to investigate how innovation was conceptualised in the two sectors as well. I explored concepts and frameworks for defining innovation in the private sector through a review of the study of innovation in economics and the management of innovation models and their application in practice. Much of this research looks at the economic contributions of innovation, and the type of technical change it creates for businesses within an economy, which appears to resonate with references made for the purpose of innovation among NGOs in the grey literature, particularly around the cost-effective benefits of innovation for NGOs. Following this, I turned to the literature on the study of social innovation in sociology and public health to better understand how it was conceptualised with regards to creating social change for organisations. Much of the references to innovation within this sector examines the process of innovation, and the capacity of organisations to innovate, as well as the organizational characteristics that them innovative. There is a stronger overlap between the definitions of social innovation from the public sector with those from the third sector, and I demonstrate this in more detail in section 2.4. In each section I describe how I approached the literature review and the criteria I used to include and exclude sources for both the review of the grey literature and the review of the academic literature.

The “third sector” refers to a wide range of civil society organisations of which NGOs only occupy a sub-group. Research on development NGOs falls predominantly under

‘development studies’ an interdisciplinary field of scholarship that includes a number of disciplines, which include; economics, sociology, anthropology, international relations, political science and others. As a result, I was faced with two challenges that made it difficult to determine the scope of this review. The first lay in defining the non-governmental organisation, and the type of organisations to investigate with reference to innovation. This challenge is not uncommon to researchers writing about NGOs in international development, and is primarily due to the wide range of NGOs that exist in the third sector, such as; service providers, humanitarian agencies, think tanks advocacy organisations and many more. In Anna Vakil’s book chapter “a return to the classification problem: revising a framework for studying NGOs” in the Handbook of Research on NGOs (Kellow & Murphy-Gregory 2018), she explains that definitions for NGOs vary depending on the role they place in civil society, which can be extremely broad depending on their structure, and their function. This makes it hard for researchers to reach a consensus on how best to group them. She also describes how she returned to the same problem she had faced in 1997, when she first highlighted the problem and felt that researchers continued to struggle with the issue of taxonomy since (Vakil 1997). My research strategy therefore meant that I needed to begin the review by first defining the development non-governmental organisations relevant for the research. I chose to examine studies that included development NGOs working or based in both the North and the South as they represent the majority of organisations that receive support to engage in innovation. This also included service providers and focus primarily on providing services to communities in the Global South, however it meant that I excluded a number of research studies that explored innovation among development NGOs in other sectors such as agriculture, and this is explained later in Chapter 2.6 under Gaps in the research.

My second challenge lay in identifying the appropriate research fields for the literature review. Research on the subject of NGOs, both in the grey literature and academic research, stretches across a range of disciplines (such as social science, economics, and political economy) making it difficult to identify the relevant area of focus for the research. Furthermore, references to innovation and NGOs also touch on a range of sectors, such as agricultural development, economic and social development, and do not provide a single theoretical or conceptual framework most appropriate for the subject from which to refer to

and build on. The areas of research that appeared to explore innovation the most in relation to development NGOs were from development studies, and social science more broadly, and examined the behavior of development NGOs within it. Thus, the research needed to provide a critical examination of innovation and went beyond a descriptive account of the work of NGOs.

Finally, it is important to note that I carried out the research review in two phases; the first phase was between 2009 and 2011, when I began this research. This phase lasted until I began my empirical research. Whereas the second phase followed the completion of my fieldwork and analysis in 2012, where I expanded on the literature review and included additional references to innovation as recent as 2018. I needed to adapt my review to include updated research sources to reflect this and ensure they were not excluded from the analysis presented in Chapter 7 of this study. As a result, the literature review spans a wide time span, and was not carried out over a single period.

I carried out an initial review of the literature for articles containing “innovation” and “development NGOs” which resulted in 924 peer-reviewed journals and publications in development studies for the review. I discovered that references to innovation in the literature date as far back as the 1980s, when research on the capacity of NGOs to deliver services, and their role in civil society began to rise. As a result, I chose to review articles published between 1980s and 2019, and looked at how the research on the subject changed over this time period. (I explain the reasons for this occurrence in detail in this chapter in Section 2.4).

The initial search helped me map out key authors on the subject, and helped me determine how best to refine the search. I was able to filter my search to capture references to definitions of innovation and its application to NGOs, which yielded a further 213 articles and publications. In this process, I was also able to identify key articles that helped me to explore the subject in some detail, and provided some direction with identifying the appropriate sources for my research. These key articles became my primary references on the subject and helped me develop a bibliography on the subject. For example, an article published by Claire Fyvie and Alastair Ager entitled “NGOs and Innovation: Organisational Characteristics and

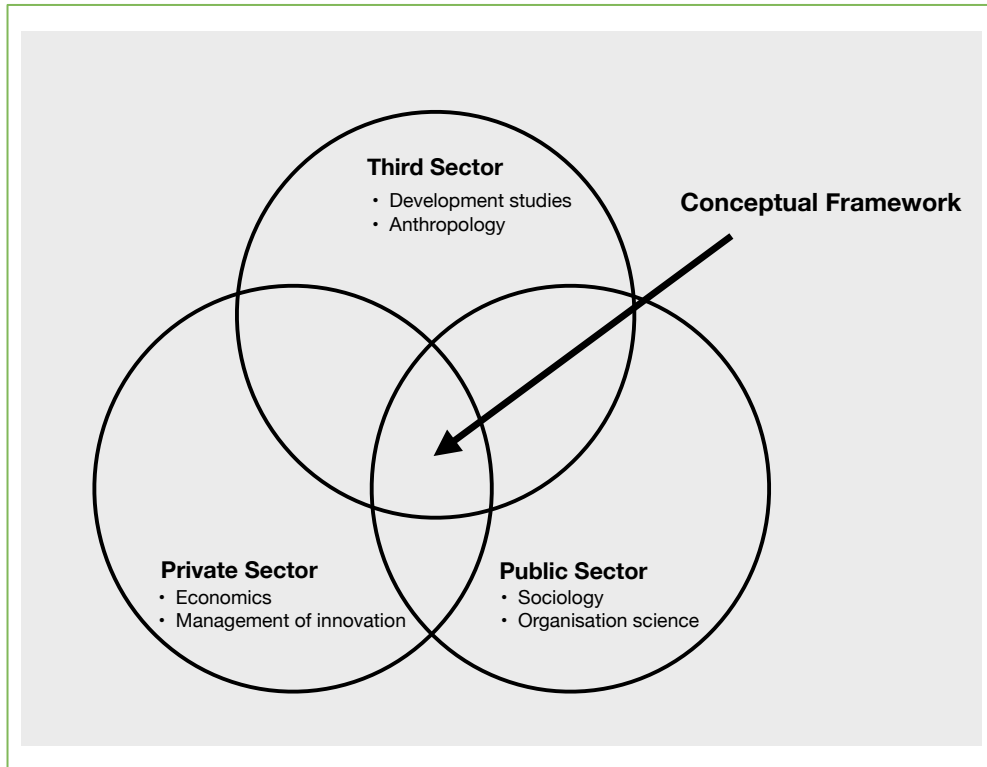
Constraints in Development Assistance Work in the Gambia” that appeared in the World Development Journal in 1999 provided insight into the type of research available that examined innovation in relation to the organizational unit, and the capacity of NGOs to innovate (The total number of journals reviewed are listed in Appendix H).

As many of the references to innovation in the third sector were highly influenced by ideas from the private sector, and to some extent from the non-profit sector, I felt it was necessary to review the research and evidence from the private and public sector to get a better understanding of innovation in relation to NGOs in the third sector. I explored how innovation was conceptualised in the academic disciplines within each of the sectors and reviewed academic articles from academic journals such as World Development, Development in Practice, Third World Quarterly, Gender and Development, as well as books relating to the subject. I reviewed a total of 12 academic journals and identified a total of 167 journal articles published between 1973 and 2018 that were relevant for the research. The key research terms included innovation, inclusive innovation and development NGO, and international development.

In reviewing the literature on innovation from all three sectors, I was able to identify emerging concepts that were common to them, which contributed to the beginning of a theoretical framework to help better understand the purpose of innovation in the work of NGOs. In doing so, I was also able to identify the gaps in the literature. This helped me rephrase my research question and illustrated the need for an empirical study to explore this further.

The following diagram visually represents the literature search and its boundaries, along with the areas of intersect between the key literature bodies:

**Figure 2:** Research fields on innovation within the three sectors



### *Limitations of this literature review*

However I would also like to note that there are two limitations presented in this literature review that may have affected the scope of the study. The first relates to language, whereby all the research reviewed only included English sources. Significant research sources that may have contributed to the definition of innovation have been excluded due to English being the main language of this study. The second limitation is that my research review of the NGO sector focuses primarily on the last four decades of research (from the 1980s to 2018). This was because most of the research on innovation and NGOs has carried out has been during the 21<sup>st</sup> century.

Competing ideologies and arguments for innovation can be found both within and among development agencies. In this review, I am accounting for the differences and similarities between agencies, and avoiding generalisations.

## **2.3 Innovation in the development discourse; a review of the grey literature**

Over the last twenty years, references to innovation in the development discourse have been predominantly framed as “solutions” to development, or a means for devising new ways of working that show results. Much of the development actors who have engaged in referencing them suggest they innovation provides opportunities for change in the sector, and a means for trying different ways of working. This has been used to leverage funding from the private sector.

In this section I present the emerging concepts associated with innovation among stakeholders in the development discourse, particularly among international aid donors and NGOs, since the year 2000. I outline the key concepts and where positions held by specific stakeholder groups, and take a critical look at the meanings associated with them. These concepts are captured and summarised in the conceptual framework in section 2.5 of this chapter.

### ***2.3.1 Development Policy on Innovation***

Early references began to emerge in development policy around the early 2000s, when a new agenda for development was being introduced to address aid effectiveness in the sector. These were made primarily by ministers of the OECD nations policy makers, government representatives, as well as international aid organisations who expressed a frustration with the lack of progress made at addressing the UN Millennium Development Goals (MDGs) within the sector, and a desire to find new ways of working. Innovation began to appear in the policy documents and donor reports in reference to the UN 2030 SDG development agenda at around 2015 (UNDP 2015). As a result, many international aid donors began to explicitly call for innovation from NGOs, and in some cases making innovation a condition for funding.

The most active development actors shaping development policy associated with innovation are primarily UN agencies, and partner international organisations like the OECD. Their focus was to address development challenges that were not making progress at the scale.

The focus on innovation suggested a positive change from what did not appear to be yielding results for policy makers, and a means for moving away from what they were already funding, and trying out new ways of working. This led to the launch of the Paris Declaration on aid effectiveness in 2005 and the Accra Agenda for Action in 2008, which played a significant role in making innovation a priority in development, and a focus for investment development of the sector (OECD, 2005-2008). The Paris Declaration meeting in 2000 brought together a number of OECD countries to review the quality of the aid they provided and introduce a new way of assessing the effectiveness of their investments [OECD 2010]. The objective of the meeting was to identify a number of fundamental principles to make aid more "effective and donors more accountable", and the focus on efficiency introduced a new way of looking at international aid within a results-based framework as a measure of progress and a gage for efficiency. Whereas the 2008 Accra Agenda for Action meeting that followed shortly after brought the same OECD countries together to take stock of the progress made and outline key areas of improvement. Together, the two international meetings set out an agenda to "improve the effectiveness of international aid efforts at reducing poverty across the developing world", and introduced references to innovation as a means for delivering on this ambition particularly among bilateral and multilateral donors.

The new public management agenda within the international development sector brought with it a focus on efficiency and an interest in the private sector for support came as part of a collective desire among policy makers to explore new approaches to addressing the same social problems in international development. This movement came about in recognition of the failed attempts at reaching the UN development goals. It brought with it new stakeholders from the private sector and funding from private foundations who were keen to change the way in which NGOs operated and how money was spent. Spaces were being created within development agencies to support innovation with the intention of addressing specific challenges in the sector. In 2010 for example, a UN task force in support of women and children's health was created to harness innovation with the objective of accelerating progress towards achieving the health MDGs. This was called the Innovation Working Group, and it believed that:



“... innovations will improve the health of women and children in the poorest settings and connect them to the global economy; and will help achieve the health Millennium Development Goals” (Innovation Working Group 2010, P. 67).

This initiative introduced innovation as a priority for investment despite not clearly indicating how innovation was meant to contribute to the improvement in outcomes. Similarly, a number of "innovation labs" emerged during this period, and were created within development agencies who were eager to experiment with new "solutions" in the sector, and support NGOs to try alternative ideas. Many labs were developed with support bi-lateral and multi-lateral donors with their ambitions to provide technical support and guidance to donors and NGOs interested in exploring new solutions and ways of working. In 2012 for example, UNICEF developed a growing network of “innovation labs" that were based in the countries they work in, inviting experts from the private sector, along with academics and NGOs to work together on devising new methods for addressing challenges governments and NGOs face with “creating an impact at scale”. The partnerships they engage in are explicitly part of their approach to engaging in innovation, particularly with the private sector. In a description of these partnerships, they explain:

“We partner with the private sector, research institutions, and local entrepreneurs in new ways, demonstrating how doing good is good business. This often means looking beyond philanthropy and working with businesses to deliver for children while identifying and meeting market needs” (UNICEF 2010, p.2).

Research centers and think tanks were commissioned by international organisations to devise frameworks and toolkits in an effort to define and understand innovation better. A research study carried out by BOND, the UK membership body for international NGOs, recognised that there has been degree of confusion on the subject of innovation and introduced a framework that attempts to define social innovation for NGOs in international development, and highlights how best to enable it (Bond 2016). The study was published in an issue brief that stated how NGOs struggled with the definition:

"Our research found that most NGOs don't yet have a clear or precise organisational definition of innovation. This is perhaps not surprising given that social innovation is a practice-led field, which has developed without clear boundaries, definitions or meaning.” (An introduction to social innovation for NGOs, Bond 2016, p.1)

The BOND report provided accounts from NGOs and donors who described the challenges with understanding innovation in relation to NGOs, and provides examples that might

characterise an innovation. Similarly, in the same year, a larger study was commissioned by NESTA, a UK based innovation foundation, that presented an inventory of innovative approaches and perspectives from NGOs, multinational donors and privately funded foundations within the sector on how to harness innovation in international development (NESTA 2016). The report provided accounts from the directors of innovation labs and hubs across the sector who described their experiences working on innovation in the field. Their definition of innovation was broad, and included a number of aspects of innovation:

“When selecting contributors to include, we were careful not to interpret innovation too narrowly. As the successful exploitation of new ideas that create value at scale, innovation could apply to a range of products, processes, services, business models and technologies, and the value created could be commercial, public or social, or indeed combinations of all of the above. At the same time, we are cautious not to interpret innovation so broadly as to become meaningless and indistinguishable from merely ‘doing things better’. (NESTA 2006 p. 11).

While innovation was being referenced as a means for devising change at scale, it was not clear what constituted innovation, and examples for what innovation was varied significantly.

In my review of the policy documents, there appeared to be two emerging definitions for innovation and how it applied within the sector. The first refers to innovation as a “product”, or solution, devised by an NGO to address a social challenge, and is often made in reference to the outcome of an activity taken on by a development NGO to address a social challenge.

The second emerging definition for innovation refers to it as a “process” or the means to devising a solution for a development process. This was typically referred to as the methods for creating innovation and often occurred within an organisation, or through a collaboration with organisations. These two definitions for innovation are sometimes used interchangeably to describe the same project, and can include a wide range of activities.

There have been attempts to distinguish between the two forms of innovation. The Organisation for Economic Cooperation Development (OECD), an intergovernmental economic organisation with 36-member states from the developed world, developed a manual that sought to provide a standardised definition for innovation among governments in the

OECD countries and to help them measure innovation in their own countries. The OECD manual came to be known as the Oslo Manual and had been updated three times since it was first developed, and defined innovation:

“An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations.” (OECD 2005, Para 145)

In 2018, the OECD re-introduced an updated the manual that refines definition for innovation further by distinguishing between innovation as an outcome and process, and then includes innovative activities that might result in an innovation. It introduces a new taxonomy that includes:

- **“Product innovation:** A good or service that is new or significantly improved. This includes significant improvements in technical specifications, components and materials, software in the product, user friendliness or other functional characteristics.”
- **“Process innovation:** A new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software.”
- **“Marketing innovation:** A new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing.”
- **“Organisational innovation:** A new organisational method in business practices, workplace organisation or external relations.”

(OECD 2018, p.35)

The OECD definition for innovation has come to be adopted by policies and stakeholders globally. References to innovation as a product or process and the distinction between the two have been adopted from the private sector among some NGOs, and often appear. In 2007 for example, UNICEF opened an office for innovation that seeks to “support countries around the world and works with the private sector to apply technology that can address challenges facing today’s children” (Unicef 2018). Among their key focus areas is “product innovation” projects to provide “fit for purpose” products that add “value for money” to their projects:

“Product Innovation Projects (PIPs) are initiated when a product to address an unmet product need within programmes or emergencies is required, or where the product does not exist in a procurable form on the market either because they are not developed or because the product has not been field trialed for our application.” (UNICEF Product Innovation 2018, p.14)

Much of the references to product and process innovation parallel definitions for innovation from the private sector, where the focus is on improving the efficiency and productivity of delivery.

Despite the growing enthusiasm for innovation among stakeholders in the sector, innovation was also received with some skepticism by those who were critical of its reception and what it was meant to introduce for stakeholders in the sector. In an article published on the 19<sup>th</sup> of June in 2014 of the Financial Times Report, Sarah Murray criticizes the increasing interest in innovation in the sector, and blames the involvement from the private sector for inciting this interest. Her article “Innovation fever breaks out as development landscape shifts; overview” explains how the influence of new actors with funding from the private sector have begun to shape the way innovation is prioritised in international development:

“Innovation fever has broken out across the development world, with job titles that include the word “innovation” and the creation of departments called “labs” designed to work with universities, entrepreneurs and others. Several factors are behind the changes. First, institutions such as the World Bank have watched their relative influence in global development diminish as newcomers have entered the development sphere. These include organisations such as the Bill & Melinda Gates Foundation, the Global Funds to Fight Aids, Tuberculosis and Malaria, and the GAVI alliance, which supports immunization for children in poor countries. All have significant funds at their disposal... [and] stretched finances focus attention on efficiency and measuring impact. (Murray 2014, p.32)

The role that innovation has played within the private sector has also been adopted into international development, along with the expectation around improving outcomes and efficiency within organisations. Much of the organisations engaged in innovation are conscious of the involvement of the private sector, which comes out of a need to harness more resources from the private sector to support programmes. In the same Financial Times article, Murray interviews Sharad Sapra, the principle director of Unicef’s Innovation Centre in Nairobi about the nature of the innovations they are supporting, who responded by saying:

“There’s a shift from programme delivery to programme results, and a large part of that has evolved out of the financial crisis and looking for value for money” (Murray 2014, p.41).

Much of the concepts around innovation used by the new “innovation centres” have been adopted from the private sector in order to speak the same language as those from the private sector, and to help secure more funding from them.

### ***2.3.2 Donor & NGO interests in innovation***

The interest in innovation among policy makers has had a direct influence on aid donors and shaping their interest in innovation. Following the 2000 Paris meeting and the 2005 Accra meeting, a number of initiatives were launch among bi-lateral and multi-lateral aid donors such as USAID and the World Bank who pushed the innovation agenda in the sector. References to innovation have been prevalent among international aid donors in the sector, many of who have been avid supporters of innovation. These donors include a range of different types such as governmental, non-governmental, private philanthropists and foundation in the sector.

In the review of the literature, I identified six key aid donors that have played a prominent role in pushing for more innovation in the sector, and associated it with a need for more solutions to addressing problems with scale. Three bi-lateral donors in particular; USAID, DFID and Grand Challenges Canada showed similar interests in funding innovation and created funding streams directed at development NGOs, and aimed at supporting new ideas in the sector. The Gates Foundation that among the private donors keen on supporting innovation in the sector, and pushing forward methods for supporting innovation. In 2012 for example, the UK Department for International Development (DFID) launched an “innovation window” as part of the Global Poverty Action Fund (GPAF), inviting NGOs to propose innovative approaches to poverty reduction (GPAF 2012). This funding stream sits alongside existing funding streams offered by DFID as is meant to complement their support of other programmes aimed at addressing poverty reduction.

Similarly, USAID developed the Development Innovation Ventures (DIV) fund in 2014 to solicit new ideas for addressing challenges related to poverty reduction (USAID 2014). The fund was created within the Global Development Lab to support new ideas “that work”, and continuing their support to scale under the condition that the ideas show “evidence that they have had an effect on outcomes”.

Almost all of the donors reviewed claimed that their objective behind supporting innovation has been framed as means to address the 2030 SDGs and create change at scale. Innovation is described as both the solutions that need to be invested in, as well as the processes for devising these solutions.

Often, the innovation funds are directed at NGOs in particular, who are expected to propose new and innovative solutions to the social problems. Funding calls were making explicit demands for innovation a wide range of activities and methods, to support new ways of addressing the challenge with achieving impact at scale.

The involvement from private foundations over the last twenty years have played a big role in shaping the way donors think about innovation, and have made significant contributions to supporting innovation. A research report released by the Council on Foundations Center in 2018 reviewed global giving trends from United States, showed that funding from private foundations for international development increased by 29% from 2011 to 2015 (Needles et al 2018). The report also showed that the Gates Foundation accounted for 80% of all internal health giving, where the total came up to \$18.6 billion in 2015.

The Gates Foundation, have created funding streams for innovation that are structured as “challenge funds”, or “pilot funds” to support new and experimental ideas in the sector. This structure is not unlike funds for innovation provided within the private sector that focuses on identifying their unique results or “outcomes” of an innovation.

The involvement of the private sector has led to a number of partnerships between the donors, working collaboratively to fund innovation. In 2010, for example, the Bill & Melinda Gates Foundation launched an initiative with the Canadian Government called Grand Challenges

Canada to fund “bold and innovative ideas” from NGOs in developing countries (Canada, 2010). Private donors such as philanthropic foundations and trusts, working in partnership with government donors both as grant givers and in some cases operators, working directly with NGOs and civil society organisations.

Funding initiatives were set up between philanthropists and governmental donors to introduced to use innovation as a means for addressing specific challenges. In 2011 for example, six donor partners launched an initiative called the Saving Lives at Birth fund that sought to support new ideas to improving maternal and child health services in the Global South. The donors include the Gates Foundation, and UK Government, the government of Norway and the Korean international aid The fund was launched with \$50 million budget with the following objective:

“We seek innovative ideas that can leapfrog conventional approaches in three main domains: (1) technology; (2) service delivery; and (3) “demand side” innovation that empowers pregnant women and their families to practice healthy behaviors and be aware of and access health care during pregnancy, childbirth and the early postnatal period, especially the first two days after birth.” (Saving Lives at Birth 2011, p.32)

Similarly, in 2015, the Rockefeller Foundation, a private sector donor, convened some of the world’s largest development donor institutions and launched a platform called the International Development Innovation Alliance (IDIA) to “actively promote and advance innovation as a means to help achieve sustainable development” which includes the UN 2030 Sustainable Development Agenda. The mission of the platform was:

“To exchange innovation-related knowledge and learning across organisational, sectoral and geographic boundaries. This shared learning is critical not only to collaboratively enhance the development of new products, services and ways of working, but to also ensure that the lessons arising from both success *and* failure can be disseminated to inform the more efficient adaptation and scaling of innovations within different countries, populations and contexts. (IDIA 2015, p.2)

The alliance is made up of a total of thirteen members who have are driving the innovation agenda forward, and are expected to source much of the funding behind it. They include two large foundations with sources from the private sector, and they include Rockefeller Foundation and the Gates Foundation, as well as five governmental donors; USAID, UKAID,

Two Canadian Aid Agencies, The Swedish International Development Cooperation Agency, and Australian Aid, as well as five multilateral organisational donors, UNICEF, UNDP, The Global Innovation Fund, The World Bank Group, and Results for Development (IDIA 2015).

New concepts associated with innovation were being introduced by private foundations who were familiar with innovation from the private sector and were keen to apply these ideas in the context of international development. These ideas began to shape the way bilateral aid donors saw innovation, and how to approach supporting it. For USAID, for example, innovation had many facets and was used to:

“At USAID, we use innovation to refer to novel business or organizational models, operational or production processes, or products or services that lead to substantial improvements (not incremental “next steps”) in addressing development challenges. Innovation may incorporate science and technology but is often broader, to include new processes or business models” (USAID Innovation in Development, 2015)

Funding initiatives have been set up to support new ways of working, and have been implemented alongside existing funding streams. A number of calls for innovation set up by foundations and government donors are structured as "challenge" funds, and are awarded to NGOs with innovative ideas in addressing social problems in the sector.

Funding initiatives from the private sector brought with it a focus on supporting technological solutions, which were seen as innovations in the sector. In 2018, a funding award was Dimagi Inc, an international NGO based in India, for developing a mobile device to teach frontline health workers and improve their performance across India (Innovators, Saving Lives at Birth 2018). The device was recognised for being technologically innovative and able to be taken to scale across a large context, and had been evaluated rigorously to demonstrate the effectiveness of the innovation. The association of innovation and technology is a key feature of the support from the private sector, where investment in new technologies has been considered an innovation in the private sector.

Global Innovation Fund investing in innovation as influenced by private donors and supporting NGOs to innovation in places where others typically wouldn't.



“In contexts where the state is weak, it is challenging for governments to support innovation given the high levels of risk. Our funding gives innovators the space to experiment and further improve their model. Having an outside entity that can manage this risk can yield social returns that will impact the broader investment climate, and GIF has built a portfolio that makes a strong case for this.” (Impact report 2017, p18).

The Grand Challenges fund that was created by the Canadian bilateral donor adopted their own definition for innovation, and refer to it as:

“Integrated Innovation is the coordinated application of scientific/technological, social and business innovation to develop solutions to complex challenges. (Grand Challenges Canada 2011)

Some international development NGOs in the sector were responding to the call for innovation from international aid donor, and set up structures within their organisations to specifically support innovation. In 2010 for example, the non-governmental humanitarian and international development aid organisation CARE International claimed it was supporting ‘innovative’ approaches to reach the most vulnerable populations in its mission to improve maternal, newborn and child health, and made it a priority to reach by 2015. The claim was made during the UN summit in 2010, whereby they raised \$8.1 billion to expand their maternal health care programmes across its 86 target countries. In their 2010 annual report, they explained:

“CARE supports innovative strategies to improve quality of care, data collection and decision-making. CARE’s ongoing data collection on maternal and newborn mortality includes medical and social reviews that can be used to identify ways to improve maternal health outcomes and catalyze action to prevent maternal deaths.” (Care International Annual Report 2010).

For CARE, the ‘innovative strategies’ being developed included incorporating mobile technologies to improve the delivery of their health care services. Similarly, for Plan UK, a UK-based international child right’s NGO announced it was supporting innovative activities to help children to improve their ICT skills.

Some development NGOs created new role within their organisation to manage innovation commitments and bring in expertise around innovation. In 2009 for example, Oxfam international, an international charity based in the UK, hired a director of innovation to

‘improve the impact of its long-term programming’ and be involved in the development of its strategic planning. On a blog posted on the organisations’ website, the director states:

“Delivering on our core mission and its related objectives may require us to apply methods of innovation, to develop new or better ways of working – but it may not. Tried and trusted routes used in the past may be simpler and more effective than a tireless pursuit of the new. Imitating what works elsewhere and applying it ourselves may be another option. Applying innovation is only part of any effective route to change.” (Colloff 2011, p. 2)

Much of these references to innovation are tied to their donor descriptions of innovation, and can often include their rhetoric as well. The nature of their descriptions makes it difficult to distinguish whether NGOs still see innovation as a priority for their work outside of their relationships with donors.

Thus, the relationship NGOs share with their funders also plays a big part in shaping their perception of innovation, and what gets implemented on the ground. With each funding relationship come a number of processes that demand specific outputs from NGOs, such as the annual monitoring and evaluation of their projects outcomes and other information sharing systems. Often, these processes have been developed to influence NGO’s behaviours, and the types of projects they engage in. Projects that are proposed by NGOs need to fit within their funders interests, and are monitored consistently.

For NGOs, the focus on innovation has been associated with the process of delivering solutions, and finding new ways of achieving impact on outcomes at scale, "solutions" to existing problems. In other words, it is the process of delivering the innovation itself that is typically referred to as the “innovation” for NGOs.

Some international NGOs have expressed the need for a new way of exploring innovation that moves away from the focus on products and a top-down approach to defining innovation. In a blog published on NESTA, senior writer for Oxfam by Jennifer Lentfer argued that the interpretation of innovation within the global development sector leads to misinterpretation, and instead proposes for a new way of defining it:

“Rather than the usual ‘latest and greatest idea or fad’ and ‘get-to-scale’ mentality associated with innovation, I wonder if innovation can be re-

defined to identify innovation first from the ground-up? In other words, can more localised, grounded means of problem-solving generate the most cost-effective ideas, products or processes to be labeled as ‘innovative’? (Lentfer 2014, p.1)

In her blog, Lentfer argues that “where we are looking for innovation and who defines it is vital” (Lentfer 2014). She explains that the development practitioners closest to the development challenges on the ground are those most likely to understand the need for innovation and how best to apply it. Ultimately they should be supported with opportunities for innovation, whereas in reality, most of the innovation that is supported has been labeled as innovative by donor agencies and other actors not directly associated with it.

In 2015, Oxfam released a research paper report that examined the factors that both enable and block innovative programmes to achieve impact at scale within Oxfam UK. The report was written by James Whitehead, who was appointed as the Global Innovation Advisor for Oxfam. He carried out interviews with Oxfam staff across thirteen initiatives that the NGO to examine their perspectives on what was preventing and encouraging innovation within the organisation. Whitehead explains that:

“Oxfam’s goal as an organisation is not to be innovative *per se*, but to work with others to bring positive change at scale. The creative, collaborative process of achieving this often leads to new solutions that meet people’s needs and improve their lives. Oxfam therefore sees innovation as a by-product of collaborative, problem-focused resourcefulness. We care about the outcome – because the change in people’s lives is what matters.” (Whitehead 2015)

The research’s showed that innovation rarely took a linear path, and instead consisted of a complex process of partnership between teams who typically come together to address a social problem collaboratively. And it is this process that leads to an innovative environment within Oxfam’s organisations and partners.

There appears to be a disconnect between the way some donor agencies and some international NGOs, perceive innovation and what its purpose in the sector. Donor agencies treat innovation as a product or a solution that can be distinguished and directed to address a development problem. This approach includes focusing on supporting the adoption of new technologies in the sector and the introduction of new service that have not been adopted

before. Whereas NGOs see both the adoption of products but the focus on processes are much more of a priority for them.

## **2.4 A review of the academic research on innovation across three sectors**

The following section explores definitions for innovation in the third sector, private sector and public sector, and examines the role it has played within them. Through this review, I have identified two key models of innovation that I felt were particularly relevant for understanding innovation among NGOs in development. They are; technological innovation within the private sector, that looks at innovation as both a product and a process to bring about change within the market, and social innovation, that looks at the role of diffusion and taking innovations to scale the public sector. These concepts are described in more detail the framework in section 2.5. Some of the theories on innovation draw from the social sector, and the private sector. As a result, I have extended this review to include research from the two sectors to examine how they have contributed to the study on innovation in the third sector.

### ***2.4.1 Innovation and development NGOs in the third sector***

The literature on NGO management and its contribution to better understanding NGO performance continues to grow. There has been an increasing interest on the part of NGO managers in particular to address the organisational problems NGOs face in development (Lewis & Kanji 2009). This interest eventually led to an emerging body of work that explores the problems faced by NGOs and the practices necessary to address them (Billis & Mackeith 1992; Fowler 1993; Edwards & Hulme 2005). Much of the research carried out are theoretical examinations of the innovation and how it relates to development and their role in the sector. Some empirical research on innovation in practice.

Overall, the research on innovation and development NGOs touches on three areas for development NGOs: first is around their capacity to innovate in the sector, and whether they do is contested between researchers. The second associated innovation with a learning process to addressing change within a community. And finally the third associates innovation with the role that NGOs take in the sector and the relationships they have with different

stakeholders. Some studies have focused specifically on the capacity of development NGOs to innovation. In Fyvie's PhD thesis (Fyvie 2002), and her article on innovation and NGOs in Gambia (Fyvie & Ager 1999), her research explores whether the claim that NGOs are innovative shows evidence in practice.

### **Development NGOs and the Third Sector**

Development NGOs have historically been described by researchers of development studies as being innovative in their efforts to address need [Edwards & Hulme 1992, Korten 1987]. NGOs have been believed to possess the characteristics that put them at a comparative advantage to governmental organisations in their approach to addressing social problems [Fyvie & Ager 1999, Tandler 1982].

A review of the typologies for NGOs show that while most vary greatly by structure, they can be distinguished by their role and motivations in the sector (Korten 1990). The key characteristic of these organisations is that they are neither privately motivated, nor governmentally managed. Instead, they are setup by a movement of people, or a single person to provide a service or address a need without a profit. They include organisations that are based in the Global South, or in some cases based in developed nations but operate in the Global South. They are typically best known for delivering services to people in need, and, or organising policy advocacy campaigns that aim to promote change for groups of people. However, they are also known for more specialised roles such as emergency response, conflict resolution, human rights work, environmental activism, policy analysis, democracy building, communication, research and information provision and many more.

The role that most development NGOs have played in the sector has been predominantly influenced by the nature of the political environment by which they operated in, and the relationships they were expected to hold between different stakeholders. This role has changed considerably over time.

The 1980s saw a growing of NGOs in the development landscape, and a parallel interest among researchers to examine their contribution to the sector. NGOs were being recognised

by development stakeholders as the institutional “alternative” to conventional development approaches, and playing a significant role in addressing social need (Korten 1987). There was growing disapproval among development stakeholders with the top-down approaches being adopted to address social problems, which opened up a space for NGOs to grow and expand (Banks et al 2015). The development industry was seen to have failed in its operational structure due to growing bureaucratic challenges associated with governmental bodies and large international aid agencies (Drabeck 1987). NGOs were perceived as being capable of connecting with their beneficiaries, in a way that governmental bodies couldn’t. And thus were considered by the donor community as being a more efficient approach to addressing poverty. Now that NGOs have grown in size and scale however they face far less scrutiny and are more likely to engage in bureaucratic procedures, particularly when engaging with multiple stakeholders, and donors with different demands.

References to innovation were beginning to emerge during this time, particularly with regard to the role that NGOs played in addressing poverty. NGOs were seen as novel in their approach to social need, and a “new institutional form of development resource” (Caroll 1992). This was predominantly due to their organisational capacity that freed them from the bureaucratic obligations typically faced by most governmental organisations. This is described in more detail in the following section. NGOs were seen as providing an alternative to development, and provided services and other ways of working that allowed them to move away from existing mainstream services provided by governmental institutions (Mitlin et al 2006).

By the early 1990s, the focus on structural adjustment programmes introduced through multilateral and bilateral aid agreements began to decline, and the attention of donors focused on the role of the state at delivering services. The donor community began to support NGOs to deliver services through channels that was not possible through the state, and increased funding to them, as they were perceived as contributing to a ‘civil society’, providing cost-effective services that were more efficient than government services, and being something that the international aid community could contribute to.

Towards the late 1990s, as more southern-based NGOs began to receive an increasing amount of attention and funding from their donor agencies and northern-based international NGOs, the focus on the role of NGOs went from being direct implementers of services to catalysts that worked to support smaller local organisations to implement services (Lewis 2001). NGOs were balancing the need to deliver to donors and continue to maintain access to resources, with their risk-taking and innovative behaviour (Lewis 2003).

From the early 2000's and today, research on NGO management continued to grow. There was an interest among academics who were interested in understanding the key attributes of NGOs, and their capacity to address social problems in development that other structures could not. Much of the research that emerged during this period focused on the organisational problems NGOs were facing in development (Lewis & Kanji 2009). Management techniques and approaches adopted by NGOs were documented in detail, particularly with regards to funding processes, communication and the role they played in development. This led to an emerging body of literature that explores that problems faced by NGOs specifically (Billis & Mackieth 1992; Fowler 1992).

Over the last ten years, and until recently, the relationships that NGOs continued to keep with governments changed slightly and the private foundations and philanthropists have become increasingly involved in supporting NGO activity. This has invited the support of a range of ideas from the private sector. There has been a focus on piloting ideas and exploring scale and transferability of services across Global South.

Much of the references to innovation and development NGOs relate to the organisational unit, and explore how innovation is associated both within it, and between organisations in the sector. And while this is not a particular distinction made in the definitions put forward on innovation, I made the distinction in the references as I began the development of the conceptual framework.

The two key themes emerging from the literature show how innovation is associated with NGOs. The first theme is as an organisational characteristic of what NGOs are expected to do in development. In other words, NGOs are described as being 'innovative' or capable of innovation in order to carry out their role in the sector. The second theme is associated with innovation as a process, or an opportunity to catalyse change and ignite new ideas in the sector.

### **Development NGOs and their capacity for innovation**

Since the 1980s, NGOs have been described by researchers in international development as being innovative in their approach to addressing social need, and in their ability to manage demands with few resources. This began as researchers became increasingly interested in understanding the key attributes of NGOs, and their capacity to address social problems in development that other organisations could not. Researchers saw NGOs as having the organisational and political role in society, and having greater flexibility to experiment with new approaches, which is what made them innovative (Clark 1995). This organisational characteristic led to more creative and flexible ways of working. Among a wide range of organisational characteristics associated with NGOs, those that particularly touch on innovation refer to the NGOs organisational structure and their use of resources to address need. And it is these characteristics that give NGOs capacity to innovate gives them a comparative advantage over other agencies for to address community needs creatively and with little resource (Lewis 2001).

References to NGOs having a comparative advantage over other governmental organisations is what was believed to give them their legitimacy in civil society by most researchers who believed to be more inclined to experimenting with new ideas and taking risks in their approach to a problem (Vivian 1994). This is explained further by Vivian & Maseko who describe the experimental nature of NGOs as being central to their effectiveness, and enables them to find new ways of reaching socially excluded populations.

At the same time however, there appeared to be an opposing narrative in the NGO management literature that suggested that NGOs could not claim to be innovative. Judith



Tendler, a development economist was among the first researchers to make this point, demonstrating that NGOs were more likely to persistently reuse outdated techniques (Tendler 1982). This view was further supported by a review of NGO projects carried out by Kottack in 1985 that showed that projects promoted by NGOs for being innovative lacked all signs of innovation (Kottack 1985).

Critics of international development policies have suggested that NGOs are under pressures by aid donors that prevent them from acting on their experimental nature, and engaging in innovation. For example, Vivian and Maseko (1994) argued that while NGOs are meant to be innovative, they typically faced a number of organisational constraints from the top that made it practically impossible to innovate. A survey carried out on 31 NGOs in Zimbabwe in 1994 to test assumptions on NGOs effectiveness in development showed that NGOs were more likely to conform to donor demands and suggestions for ideas, than come up with their own. From logistical constraints to difficult and demanding working environments, NGOs were faced with a lack of resources and capacity needed to engage in innovation:

“Overall, NGOs conform to development fashions much more often than they develop their own...There are several reasons for this. First, the logistical difficulties [...] which make bottom-up planning problematic, also work against tailor-made projects. In addition, the NGO staff is typically small and overworked, untrained and inexperienced in conducting research, and has little contact with external research which may be relevant to them. [...]Another factor inhibiting innovation is the influence of donors. Although some NGOs claim independence from donors, two-thirds of those questioned in the NGO survey acknowledged writing proposals in response to donor invitations for grant requests for specific types of projects. That is, donors write to NGOs to say that they have money available for particular types of projects, and NGOs develop their plans accordingly. For most development NGOs, programme development is therefore piecemeal and ad hoc, following the disparate and sometimes mutually contradictory requirements of the various donor "partners" with whom they are involved. Constraints to innovative activities are often compounded by donors' reluctance to increase staff funding, which thus limits NGOs' ability to conduct research into possible new approaches. In addition, donors commonly insist that project costs be shared by more than one donor. Thus the "safest" projects, widely seen as acceptable, have the best chance of being funded.” (Vivien & Maseko 1994 p.21)

In 2005, a similar article by Banks, Hulme and Edwards argued that while the international development community recognises the potential for NGOs to innovate, the nature of the programmes available makes it difficult for them to engage in innovation. They claim that

donors are becoming increasingly risk-averse, and more inclined to fund NGOs that continue to do projects that have demonstrated impact, and less likely to fund NGOs that are more experimental and innovative:

“Donors expectations and their demands for measurable outcomes within short and pre-specified time frames are ultimately incompatible with innovation, which requires a fundamentally different approach to development that is “flexible, long-term, self-critical, and strongly infused with a spirit of learning by doing (Banks et al 2005, p. 712).

If NGOs that demonstrate innovative characteristics it does not necessarily mean they are innovating. For example, in Claire Fyvie’s PhD dissertation, she reviewed the organisational characteristics of nine NGOs in the Gambia in 2002 and found that while they identified themselves as having innovative characteristics, they were particularly risk averse in their approach to social problems, and less likely to invest their resources in activities that had not been proven to work (Fyvie 2002). In her research, Fyvie argued that the relationship between the organisational characteristics and innovative activity is a complex one that should go beyond a focus on structural features to include other aspects of the NGO’s experience.

Despite these claims in the research however, the number of empirical studies dedicated to examining the nature of these characteristics however are rare. With the exception of one study carried out in 1999 that attempted to challenge these assumptions, and looked at the difference between the organisational claims of an NGO and how they were behaving in practice (Fyvie & Ager 1999). The article published by Fyvie and Ager examined the external and internal factors influencing innovation on NGOs in Gambia and showed they varied little in the type of activities they carried out, and the differences varied little by country and by sector (Fyvie & Ager 1994). The article also demonstrated that NGO practitioners were unaware of the characteristics associated with innovation.

Some authors argued that NGOs need innovation as much as businesses or governments, as it contributes to their unique characteristics as nongovernmental organisations, and as a result, gives them an advantage over governments and donors (Drucker 1994). Edwards and Hulme argue that governments have a tendency towards centralisation, bureaucracy and control,

while NGOs are distinguished by their flexible organizational structures, and their willingness to innovate, which is based on their non-hierarchical values and relationships with the communities they work in. This is required to promote ‘true partnership and participation’ (Edwards & Hulme 1994)

### **Innovation as a catalyst for change**

Outside of the references to innovation as an organisational characteristic, are those that touch on NGOs performance in the sector, and the type of activities they engage in. Researchers have typically associated innovation with the role NGOs play in providing services and addressing community needs, and their organisational legitimacy in the sector. This includes how they interact with other organisations, and their relationships with other key actors such as governmental bodies and the donor community.

Over the last three decades, NGOs have been seen to take on different roles in the sector. In the early 1980s, as the number of NGOs began to rise, the role they took on was associated with grass-roots change. In his 2001 edition of his book on the management of development NGOs, David Lewis explained how they took on a number of roles, of which one was the role of a ‘catalyst’ that was able to inspire change in development in a way that other organisations could not (Lewis 2001). NGOs were perceived by researchers as being capable of starting change in contexts that were dominated by agencies that have control over the types of services that exist, and have continued to engage in the same activities. In other words, in a landscape where governments are responsible for service provision to communities, NGOs are typically seen as being able to provide an alternative that governmental agencies cannot because they do not have the capacity, or are so far removed from the needs of the communities they target. Lewis goes on to describe this role in detail in article published in the Public Management Review in 2003:

“The much broader role of catalyst is defined as an NGO’s ability to inspire, facilitate or contribute to developmental change among other actors at the organisational or the individual level. This includes grassroots organizing and group formation (and building ‘social capital’), empowerment-based approaches to development, lobbying and advocacy work, innovation in which NGOs seek to influence wider policy processes and general campaigning work. Some NGOs have identified this role as the

key to NGO development work and may be somewhat disdainful of the 'service provider' tag, because it fails to address the structural conditions for poverty. Some see the main role for NGOs as being able to innovate new approaches or policies that can then be taken up by governments more widely. However it is in practice more common for NGOs to see development work as consisting of both short-term service provision and the seeking of longer-term policy influence, and these two roles are therefore often deployed in combination." (Lewis 2003 P. 334)

However, the 1990s saw a shift in the role of NGOs as catalysts or innovators to one that focused an improvement in capacity-building and partnership building (Lewis 2005). NGOs were seen as organisations that could take services that appeared to work, and improve them at scale (Edwards & Hulme 2005). This took the attention away from experimentation, and instead introduced an approach of replication of existing models of best practice, that can be implemented in different contexts (Korten 1990).

Part of the role that NGOs increasingly held around capacity building involves the management of relationships between different actors in the development system. This continues to be true of NGOs today. Some researchers claim that by building different relationships, NGOs do innovate, particularly through their constructive links and networks rather than the products they may deliver, and that it is this activity that makes them more useful in development (Kaimowitz 1993; Biggs & Neame 1995). Relationships are perceived to be at the heart of the activities that NGOs engage in, and the boundaries by which they negotiate within them, particularly between their donors and beneficiaries.

Despite the increasing research on innovation for NGOs over the last three decades, there continues to be comparatively little conceptual and empirical research that attempts to examine the concept in practice and how it is valued by key stakeholders (Lewis 2006). For example, there have been no studies carried out to date that try to better understand how NGOs innovate when they design new services, and innovation as a process has yet to be clearly defined. Furthermore, there have been no empirical studies carried out to better understand the significance of innovation to NGOs, or how it works in practice.

Outside of the third sector, innovation has played a key role in contributing to the legitimacy of organisations in the private and the public sector. Many of these ideas have influenced the

research in the public sector as well. Studies of innovation in the management of organisations draw heavily on ideas from the private sector, and focus on the outcomes of innovation for example.

#### *2.4.2 Innovation, economics and the management science literature*

The study of innovation in the private sector is broad, and touches on a number of fields that go beyond the scope of this research. They include subjects such as business management, economic development, technological science, entrepreneurship and often combine a multidisciplinary approach to understanding innovation in relation to different subjects within the sector such as economic development, which allows researchers to contribute a unique set of perspectives on the subject and for different reasons. The focus of this review will explore research on innovation from the literature on microeconomics and business management, as they relate primarily to the business unit, and are therefore more relevant for this study. These areas were the most relevant because they examined aspects of innovation within the business and the role it played in the market, and share similar concepts with those of innovation and the organisation in the development sector.

Central to the research on innovation in the private sector is technological innovation, which is the focus of this review. I reviewed journals on economic, business management, and the management of innovation (the full list of journals and search term criteria can be seen in Appendix G), and identified key concepts that have been particularly influential in contributing to a definition for technological innovation for the private sector. The search yielded 924 peer-reviewed articles that had references to innovation, whereas only 215 were chosen to be the most relevant for this study. I also came across two key research sources that have guided me through my search for key definitions of innovation in the sector. The first is the research carried out by Benoit Godin, professor at the Institut National de la Recherche Scientifique, in Montreal. In his book “Models of Innovation: The History of an Idea”, where he examines the emergence of different models for defining innovation in the private sector from the early twentieth century to today, and how they have come to be adopted by scholars to understand innovation in relation to the private sector (Godin 2017). Godin’s research is particularly useful in understanding the history of the definition and how it has evolved over time, outlining where the key debates are within in the research. My second research source

came from article published in 2009 by Jan Fagerberg and Bart Verspagen, who present evidence of a new field of innovation studies that is emerging in the sector (Fagerberg & Verspagen 2009). The article, entitled “Innovation Studies; the emerging structure of a scientific field” explores the character of a new field of research dedicated solely to the study of innovation. Their research was based on a broad systematic review of existing research on innovation, along with the organisational characteristics of the field, followed by an empirical study where they interviewed around 98 innovation researchers worldwide to explore their disciplinary backgrounds and contributions. The research was particularly helpful in directing me towards the key sources of literature on organisational innovation in the sector.

The following section looks at three key areas of theoretical and empirical research that have examined innovation and contributed to widely used definitions for the sector. The first part looks at early definitions of innovation that have been grounded in economics, where a clear distinction was made between the concept of invention and innovation, moving ideas of innovation from being not only just a product, but also a process. The second looks at the management research in more detail and explores the role of the linear model of innovation, taken an idea from its inception to scale.

### **“Creative destruction” and the competitive advantage of small businesses**

The earliest forms of research on the subject of innovation in the private sector began with two economists around the 1930’s – 1950’s whose work contributed significantly to the subject and have ultimately been adopted into many other contexts outside of economic theory. The first being with the published work of Austrian-American economist Joseph Alois Schumpeter in the late 1930’s (1883-1950), who contributed significantly to understanding the theoretical foundations of innovation. And the second economist was W. Rupert Maclaurin, who developed Schumpeter’s ideas in the 1940’s-1950’s and introduced one of the first taxonomies for measuring innovation (Godin 2008). Much of the research today that examines models of innovation rests on the work of both Schumpeter and Maclaurin, whose work later came to be adopted in different fields within the sector, and in sectors beyond (Godin 2006).

Most economists would argue that Schumpeter was the founding father of innovation in economic theory because his research contributions to the study of technological innovation specifically, and the competitive role that enterprising businesses could play within a market (Freeman 2003). Schumpeter was born in 1835, in what was then Austria-Hungary, and began an early career studying law and economics in Vienna. However, it was just following the great depression, and after his migration to the US to become a professor of economics at Harvard University, that he became increasingly interested in innovation (McCraw 2010). Schumpeter wanted to understand how business cycles functioned within monopolised markets, and how best to introduce economic change within a static market. He was among the first to combine research approaches from economics, sociology and history in order to examine how technological innovation might break the cycle that prevented smaller businesses from competing within monopolised markets. His research came to dominate the discourse over time, and set the direction for future study on the subject in economics and business management today.

Some researchers claim that before Schumpeter there was little research on the subject of innovation within economics, and that specifically looked defining it or understanding its contribution to change (Fagerberg & Verspagen 2009). A research study carried out by Jan Fagerberg and Bart Verspagen in 2008 reviewed the scholarly research on innovation from 1956 to 2006, and found that there were no scholarly references to innovation in economics, or any similar academic fields made prior to Schumpeter's work, and in fact any research carried out after 1950's almost always make reference to his work.

Schumpeter saw innovation as a catalyst for change, and a critical ingredient for economic change in static markets and introduced a concept called "creative destruction" in his book *Capitalism, Socialism and Democracy*, which ultimately became a key driving force behind the capitalist movement in the 1930s (Schumpeter 1942). He described creative destruction as the processes by which new businesses within a closed market that have accumulated wealth, and ultimately destruct, or annihilate existing businesses and wealth, and thereby engaging in a 'business cycle' that changes the economic structure from within. This is explained as:

“The opening up of new markets, foreign or domestic, and the organizational development from the craft shop to such concerns as U.S. Steel illustrate the same process of industrial mutation—if I may use that biological term—that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism.” (Schumpeter 1942, p. 83)

Schumpeter argued that innovation allowed business to compete with bigger enterprises and create a high profit, which would then lead to an incentive from other businesses to compete within the market. He drew from the work of Karl Marks’ analysis of the capitalist system in his 1848 book *The Communist Manifesto*, that saw the mass deconstruction of wealth that was created as a result of capitalism, not created by external relations, but rather from within it and as a condition of self-preservation. Schumpeter recognised this in the first part of his book *Capitalism, Socialism and Democracy* (part 1), but argues that the benefits of the ‘destruction’ created by the capitalist system would increase the efficiency of the economic system, and make way for a system of wealth creation (Schumpeter 1942, p. 139).

Schumpeter saw static markets as closed systems with significant barriers that prevented newer and smaller companies from competing within them, and blocking any changes from entering the system. Smaller businesses had a competitive advantage to larger businesses in that they could innovate and experiment with new ideas in ways of working, and thereby had the opportunity to “destruct” the system. The purpose of innovation thus was to help introduce competition in a monopoly, and give room for smaller businesses to rise (Schumpeter 1942; Fagerberg & Verspagen 2009; Swann 2009).

Schumpeter’s references to enterprising businesses having a competitive advantage over others are not like the references made about NGOs and their comparative advantage over other organisations to innovate in development. Schumpeter argues that enterprising businesses as possessing the resources and capability to innovate and introduce new ideas into the market, and have the capacity to engage in research and develop in ways that most large businesses do not. The comparative advantage of businesses comes from a neo-liberal approach to innovation and development, and refers to the ability of some businesses to



produce goods and services at lower costs, and not necessarily at a greater volume, in other words in a cost-effective manner (Porter 1985).

Similarly, NGOs have been described by researchers as having a comparative advantage over other bureaucratic agencies in their organisational capacities to innovate and address social needs (as described in section 2.3 of this chapter). They also parallel claims made by researchers who saw NGOs “cost-effective” nature, and capacity to pilot and test new ideas are also very similar to those made about businesses and their capability to engage in research and development, testing new ideas in the market. Furthermore, NGOs have been described by researchers as being catalysts that can bring about change to civil society in ways that governmental organisations cannot. These claims parallel much of the expectation from businesses in the private sector to innovation.

Critics of creative destruction outlined the negative social consequences that innovation could cause in competitive markets as a result of capitalism, the biggest being the uneven distribution of wealth. David Harvey, Professor of Anthropology and Geography at the City University of New York (CUNY) saw creative destruction as a process that would ultimately lead capitalism into failure and that innovation “exacerbates instability, insecurity and in the end, becomes the prime force pushing capitalism into periodic paroxysms of crisis” (Harvey (1995), p. 105).

### **Invention versus innovation**

Following Schumpeter's contribution on creative destruction, he introduced new ways of thinking about innovation that distinguished between the concept of "invention" and "innovation" in order to define the place of the concept in the commercial space, and its market value (Schmookler 1966; Rogers 2003; Fagerberg & Verspagen 2009). He divided the technological process of innovation into three stages; the first stage, or the invention stage encompassed the generation of new ideas and products, whereas the second stage, or innovation stage consisted of developing these ideas into marketable products and processes that could be introduced into the market, and finally the third stage, sometimes referred to as the production or the diffusion stage where new products are distributed within the market (Godin 2006a). There is a difference in where they occur, for example invention is typically thought of as being developed in universities, or in a small scale within labs or universities, whereas innovations typically occur in firms or in the commercial sphere (Fagerberg 2003).

Schumpeter's efforts to distinguish between invention and innovation introduced a new concept for understanding innovation in relation to technology and the economy, and led to a big shift in thinking about the role of innovation in the sector. (Godin 2006b) Primarily because, prior to Schumpeter, innovation was associated with technological inventions and perceived only as a product, whereas following Schumpeter's concept, innovation was seen a process, or improvement to the product. The definition for innovation was historically associated with technological inventions, and Schumpeter sought to build on this concept to include innovation as an act of creativity, or a process by which an idea was created, regardless of its economic potential, or place within the market. In other words, inventions had no economic value as ideas, and were of little importance to economic analysis (Schumpeter 1939). Whereas an innovation was defined as the process by which an invention is adopted by a business, integrated into a system and could demonstrate economic returns. Thus, the consumer or market plays a major role in transforming an invention into an innovation, and the concept became associated with economic returns. This distinction was also made based on where the innovation was carried out. He sees innovation as a specific activity that is carried out within an economic sphere, and with a commercial purpose, while

inventions could be carried out everywhere, such as in a lab or academic environment, and without any commercial intent (Fagerberg 2009, p.131).

Other economists were also interested in understanding innovation in the context of economic growth and explored the difference between products and process. The economist and American professor Jacob Schmookler, began to explore the impact of technological innovation at the industrial level, and its effect on economic growth (1966). Schmookler argued that there was a distinction between “product technology” and “process technology” and defined the former as knowledge about how to create or improve products and the latter as knowledge about how to produce them. The distinction rests on the difference in the economic and social impact they may have (Fagerberg 2006).

Schumpeter’s second contribution to defining innovation lay in his introduction of a typology that categorises innovation, and made it possible to distinguish which aspects of the process contributed most to change. Schumpeter classified innovation into five different “types”; 1) the introduction of a new product, 2) the introduction of a new method of production, or process, 3) the opening of a new market, 4) acquiring a new source of supply or goods for production and 5) the implementation of a new form of organisation within production (Schumpeter 1912). In economics however, much of the focus tends to be on the first two groups (products and methods of production), and how they benefit markets.

While much of Schumpeter’s research was theoretical, and not entirely empirical, his typology has been adopted widely by researchers within economics and across other disciplines within the sector to recognise the different stages of innovation, and how best to apply them to boost growth and productivity within the sector.

Technological innovation is seen as a means of driving cost-effective, and efficient ways of improving production, which is at the heart of the capitalist notion of economic growth. However, it runs in contradiction to researchers who looked to better understand the role of innovation for a non-competitive market.

Researchers in the field of business management became increasingly interested in understanding the process of innovation *within* businesses, rather than solely being focused on the effects of innovation between them. Outside the field of economics, research interests around innovation grew among researchers in the field of business management, particularly as the focus on innovation applied to the business unit itself and the organisational learning associated with it. The focus was on organisational innovation for individual businesses that could contribute to entrepreneurial activities and creativity, a new concept associated with innovation.

Following the 1960s and 1970s, research interests began to grow steadily in other disciplines. In the United States, scholarly interest in innovation experienced a sharp increase, and was dominated mostly by highly mathematical statisticians, eager to measure the economic returns of entrepreneurial activities and the sources of long run technological, economic and social change (Fagerber & Verspagen 2009). Some of the most widely cited publications on innovation were funded by the American research and development corporation RAND, who were eager to support technological advancements, and were “well aware of the fact that the country’s global dominance rested on technological supremacy, and that the factors underpinning it needed to be catered for” (Fagerberg 2018, p.113). In Europe, research centres were being set up by universities to examine the purpose of innovation in economic development, and the factors influencing its success and failure in markets. Economists were keen to include research from different disciplines to examine the processes of innovation in economic development. In the UK, an economics professor at the University of Sussex drew heavily from organisational science and wrote the influential book “the economics of industrial innovation” (Freeman 1974) which looked at the factors influencing research and development and innovation. Freeman expanded Schumpeter’s notion that capitalism relied on innovation’s evolutionary nature, and perceived it as an evolutionary process of continuous innovation as well as the process of creative destruction (Freeman 2009). Eight years later, his book “Unemployment and Technical Innovation” appeared, one of the first studies to apply a system-approach to the role of innovation in the long run economic and

social change (Freeman et al 1982). His biggest contribution to the field however was in 1966, when he founded the Science Policy Research Unit (SPRU), a research centre at the University of Sussex that included cross-disciplinary staff from the economics department as well as sociology, psychology and engineering, and continues to lead in research on innovation in economics, and management today.

In the late 1980s and early 1990s, researchers in business management began to explore how knowledge and research could be used to devise innovations, and what they learned during that process. The focus shifted from the process of delivering innovations, and the economic implications of innovation for markets, (products can be introduced within a competitive system) to production and ways of improving businesses. There was a move in thinking from innovation as a result of the efforts of an individual or entrepreneur, or company to innovation as a result of the efforts of people in a business. The implications for this more collective model ensures that NGOs might begin to focus on the processes of innovation within their organization, giving NGOs a more entrepreneurial role to play in the sector.

Peter Drucker was an Austrian-born American business consultant, who was among the pioneers of innovation studies in business management. He introduced key ideas suggesting that systematic innovation be introduced in all corporations in order for them to manage change and adapt when faced with changes in their markets. In his book, *Innovation and Entrepreneurship* (1985), Drucker builds on Schumpeter's concepts of creative destruction.

“Above all, innovation is work rather than genius. It requires knowledge. It often requires ingenuity. And it requires focus.... In innovation, as in any other endeavour, there is talent, there is ingenuity, and there is knowledge. But when all is said and done, what innovation requires is hard, focused, purposeful work. If diligence, persistence, and commitment are lacking, talent ingenuity and knowledge are of no avail”. (Drucker 2006, P.76)

Innovation was understood as a “process” that could be packaged. An idea was developed in a research lab, based predominantly on theory, and research was developed from there and commercialised. These ideas received much government funding and support in the United States, which contributed to the research and development (R&D) initiatives of the times. Godin argues that much of today's definitions of innovation have been influenced by ideas of

R&D for industries from this period (p. 18 Godin 2014). There was an understanding among scholars that innovation is a difficult concept to define, particularly as it varies across contexts when it is applied. In other words, innovation is rarely the same thing in two companies, and can vary so much between them (Winter 1968). As a result, the focus shifted from examining the external relationships between organisations that help them to become innovative to the internal dynamics, and how companies improve their performance in the sector.

Following World War 2, there was a focus on business management and improving efficiency within the technology sector among researchers of technological science. They were particularly interested in understanding the organisational environment and conditions necessary to support productivity and creativity in businesses. It was during this time that creativity became a focus of innovation and the role of research in supporting this activity also became increasingly important (Godin 2008, p. 40).

“In this context, (technological) innovation came to be understood as *efficiency*: value for money, or the output coming from investments in R&D. Scientific and technological *productivity*, or the volume of discoveries and inventions coming from R&D laboratories, became a subject of study in its own right.” (Godin 2008 p. 40)

Godin shows how during this period, and particularly between the late 1960’s and early 1980s, the focus on innovation within the private sector began to centre on processes that could improve the efficiency and productivity of an existing business, than gaining a competitive edge over other businesses (Godin 2008). And it was during this time as well, that interests in innovation in the public sector began to develop as well.

These changes contributed to the first analytical framework for understanding innovation in the context of technological science, and combines economics and business management to capture the ways in which innovation is defined (Godin 2006). The model, a three-stage process, suggests that innovation starts with research, or an idea, that is then applied, and when applied enters into a development phase. The key contribution of this model is a technical change that occurs as a result of the three processes.



The model follows the key principles of taking an existing idea, developing and applying it into a market after it has been researched and developed. As a result, research plays a big role in supporting the development of the invention, but also in understanding how best to develop the product.

The key criticism of this model however is that it does not take into consideration market demand first, and rather prioritises the idea. Due to its linear nature, the model starts with the idea, and through a process of development, is pushed into the market without understanding what the needs of the market are.

### *2.4.3 Social innovation in the public sector*

Innovation has played an important role in helping to improve service provision in the public sector, and has introduced a number of significant changes to the way services have been conceptualised. The focus of this section is on “social innovation” during the last century, and it examines the contributions of different disciplines working within the non-profit sector. I identify three bodies of work that specifically address the role that innovation plays for the sector as a whole. These include; literature from sociology, public administration, and organisational learning. In doing so, I look at how innovation is described by each discipline, and the emerging concept within it.

The public sector refers to the part of society that is managed and operated by governmental institutions. While the distinction between the private and the public sector is challenging to identify, the key differences lie in the sources of funding supporting the services provided by the sector, and the motives behind the funding. For the private sector for example, the funding is primarily supplied by businesses, and is sought to support organisations for economic gain, whereas for the public sector, funding is typically supplied by the tax-payer, or not tied to an economic commitment to ensuring a profit. This distinction is key for understanding how innovation is conceptualised in each sector. Researchers often include economists and sociologists who examine the impact of different aspects of the private sector on the public sector.

According to Benoit Godin, a Canadian historian at the Institut national de la recherche scientifique, whose work examines the scientific history of innovation as a concept over time, references to innovation in the sector appeared around the turn of the century in research by sociologists who were interested in understanding social change (Godin 2008). Early references suggest that innovation was not always perceived as a positive endeavour, and in some cases innovation had negative consequences for those who chose to engage in it. A study carried out by Godin, showed that references to innovation dating back to the Seventeenth century in Europe suggested that innovation was regarded as heresy because it



sought to encourage social and political change that broke away from tradition, and steered people away from their Christian faith (Godin 2008).

There are a number of studies and approaches to understanding social innovation within the public sector which have looked at defining it. My focus was predominantly on research that examined the purpose of social innovation to the sector, and how it was conceptualised with regards to their work. Godin was interested in understanding the historical developments of innovation as a category to better understand how some concepts of innovation have come to dominate across time (Godin 2008). According to Godin, the concept of social innovation existed long before technological innovation had been defined, and dates back to the beginning of the nineteenth century, when ideas about social reform and socialism began to take shape (Godin 2012). The term was used intermittently to describe any measure of social reform that was introduced to break away from structures instituted by religious orders.

The first theories of innovation began in the 19<sup>th</sup> century with the French sociologist, Gabriel Tarde who was interested in examining population's reactions to social change. Like Schumpeter, Tarde was interested in the difference in the social change created by "invention" and "imitation". Some have argued that Tarde's research has influenced Schumpeter's thinking on the innovation (Taymans 1950). Tarde's theory of innovation suggested that "invention" gave rise to "opposition" and then to "imitation". By invention, Tarde suggested that these were ideas created by man through combining a range of ideas, and were all essentially socially influenced. Thus, Tarde's concept of innovation became the foundation for distinguishing between invention and innovation, and contributed to the linear model of innovation. It was not until the late nineteenth and twentieth century that innovation came to be described as a positive attribute that was specifically associated with science and industry. The language of the period focused on words like technical invention, ingenuity, and imagination to describe 'geniuses', or individuals who had contributed new ideas to the progress of industries (Godin 2008 p45).

Over time however, the meaning of social innovation began to change. Social innovation was beginning to be used in response to changes introduced by the private sector, and the rise of

technological innovation. It wasn't until the second half of the twentieth century, that the term was resurrected as a reaction to technological innovation, and an adjustment to it. The same characteristics that were developed for technological innovation were being adopted to describe social innovation, particularly the science and rigour used to approach innovation. To Fairweather for example, social innovation was perceived as a means of addressing the needs of socially excluded communities through social reform, and conducted using scientific measures (Fairweather 1967). Social innovation was seen as an alternative, or adjustment to the changes introduced by technological innovation. The study of social innovation, as its own concept, was examined as a contrast to technological innovations and in contrast to the state and its instructions, particularly with regards to the undesired effects of technological innovation on social lives. This was primarily introduced by the American psychologist George Fairweather at Stanford University, who dedicated a book to exploring *Methods for Experimental Social innovation* in 1967.

“Social innovation came to mean alternatives to ‘established’ solutions to social problems or needs, namely to technological innovation and State or government-supported social reform”. (Fairweather 1967 P. 6)

Social innovation became a key definition for organisations seek to engage in addressing social need, particularly among sociologists and anthropologists who were keen to understand how solutions could be applied in different contexts to support populations of people. Tarde was among the first sociologists to introduce the term ‘diffusion’ to describe the imitation of an invention, or the adoption of an idea from one culture into another (Godin 2008 p. 37). The primary concern of this innovation is to contribute to social change. The sociologist Everett Rogers took this idea further by focusing on the way in which ideas develop once they move beyond the original innovation. He uses the word *diffusion* to refer to adoption of innovation by other producers of similar goods and services (Perri 6 1993; Rogers 2003). This model is often used to better understand how products or services improve over time and are communicated across the supply chain.

A number of social scientists like Everett Rogers were also interested in understanding the social implications of technological innovation on populations. They were particularly interested in understanding the adoption of innovation in other sectors. Rogers, who

specialised in communication theory but was a sociologist by background adopted Schumpeter's framework to understand the development of technologies in the agricultural sector, and diffusion of these technologies across populations (Rogers 1962). His research on adoption and diffusion focuses on the change created by innovation at scale, or when an invention has been adopted by multiple groups across a period of time. This will be described in more detail in the following section, where I describe innovation in the public sector.

The communication of ideas plays a big role in this diffusion model. One of the mostly commonly cited examples refers to Ryan and Gross's (1942) study of the take-up of hybrid seed corn in Iowa. Hybrid corn was introduced in 1928, and produced seeds in that were different to the traditional seeds in that they were resistant to draught and disease, and thus more likely to increase production. After its invention, it was introduced to farmers in the mid-west United States. The rates of adoption of the innovation were characterized by an "S" shaped curve. Initially farmers were reluctant to adopt the innovation despite being aware of its advantages. However as communication channels improved, facilitated by salesmen, the innovation spread widely. Rogers's (1983) switches the focus from who requires and makes innovation to who perceives an innovation. He talks about innovation as an idea, practice or object that is perceived as new by an individual or other unit of adoption (Rogers 2003). In other words, innovation is in the eye of the beholder. The maker or the user of the end product has to observe some novelty. As will be seen, this contribution is highly relevant to the NGO sector that is the focus of my proposed study.

### **Organisational innovation and non-profit management**

The role of innovation in the public sector has been influenced greatly by early concepts of innovation in the private sector, and went on to be developed in more detail in order for it to play a key role that goes beyond economic gain. Innovation was also examined in great detail by social scientists and played a significant role in helping to improve service provision in the public sector. Much of the concepts of innovation in the public sector were developed at the same time, and in tandem with concepts around technological innovation. As a result, there has been a great deal of overlap in the definition of innovation.

Innovation in the public sector is typically defined as “social innovation”. And focuses predominantly on organisations to deliver social change for the public good. However, the concept has been defined in a number of ways. “Social innovation” is a term that has recently come to be used a great deal in the public sector, almost like a buzzword, to mean many things. Researchers have consistently pointed out that the term is used a buzzword. In the UK, innovation hubs and foundations have been created with the sole dedication of understanding innovation in practice. The UK organisation NESTA for example is an “innovation foundation” set up to back new ideas in the sector and contribute knowledge around the contributions of innovation. The chief executive officer of NESTA Geoff Mulgan defines social innovation as:

“innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purposes are social”. (Mulgan et al 2007 p. 8)

Mulgan sees Social innovation is “new ideas that work in meeting social needs”, or more specifically, “innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purposes are social.

Concepts of innovation in relation to the organisational unit are similar to those adopted in the private sector. In many ways, it is easier to conceptualise and measure innovation in the private sector as its purpose is clearly defined; to gain economic benefits for a business. And much of innovation carried out in the private sector is based on creative competition primarily for economic gain. Whereas in the public sector, innovation is aimed at improving structures, and services to increase public value (Moore 1995; Hartley 2005). As a result, much of the research addresses organisational characteristics of the institutions delivering them.

## **2.5 A conceptual framework for understanding innovation for development NGOs**

The review of the literature on innovation from the grey literature and the academic literature highlighted a number of intersecting areas of research where definitions for innovation appear to be shared. The following framework presents a synthesis of the key definitions for innovation from the review, and outlines those most commonly shared between the literature in the discourse and the three sectors. It also captures concepts that are unique to the discourse on innovation, and those that are unique to the academic research on innovation.

The purpose of this framework is to explore whether the definitions for innovation that have emerged from the literature review resonate with those used in practice. The framework will be used to guide the analysis of the empirical study, and will examine how the emerging definitions for innovation of specific actors compare with those outlined in the framework. By comparing how the innovations relate to the framework, I will be able to determine whether there is a disconnect between how innovation is conceptualised in the discourse and in practice, and identify factors that might influence that disconnect. This analysis will ultimately address the overall research question for this thesis, and establish whether innovation is considered a buzzword, or whether it constitutes something more in the sector.

The framework outlines four concepts that have emerged from a review of the grey literature and the literature on innovation in the third sector. These four concepts will be examined against what is defined as innovation by different actors in the empirical study, and will be used to determine whether actors share the same definitions for innovation or whether there is a disconnect between them.

In the review of the grey literature on innovation, it became evident that there was some disparity between how innovation was described and by policy makers and international donors, who saw innovation as an opportunity to introduce new products and solutions into the sector, versus the way some international development NGOs perceived innovation. For development NGOs, innovation was perceived as a learning process for them to engage in, in

order to devise appropriate solutions to the challenges they were seeking to address in the sector. The difference between these two perspectives on innovation show a disconnect in how innovation is treated by actors in the sector and are ultimately what might contribute to the term being treated as a buzzword. A closer examination of how these concepts are defined in practice will shed light on the role it plays for actors in the sector and whether these views are shared between them.

In the 2016 Bond research report on social innovation and NGOs, the researchers explain that the challenge with identifying a coherent definition for innovation was definitions for innovation, and demonstrated the underlying definition included the following:

“Two critical elements consistently emerged from our conversations with NGOs about their understanding of social innovation. These were; novelty – the development or implementation of new ideas and approaches (and) effectiveness – achieving a more positive impact on a social problem. (BOND 2016, p.3)

Most of the research aimed at defining the concept of innovation has been driven by an attempt to provide a typology that characterises the nature of innovation, and the innovative activities an organisation might engage in. Often these typologies categories of innovation common rests on much of Schumpeter’s typology for defining technological innovation in economics, and the linear process of taking innovations to scale in the market. The linear model for innovation as referred to by Schumpeter in 1943, distinguishes innovation into three broad categories; invention, innovation and diffusion are referred to most commonly among the three sectors. This model has parallels with the work of Everett Roger’s theory on the diffusion of innovation adoption is also among the most widely shared view of the innovation process in social development and the public sector (Rogers 1962, 1983, 1993). Roger’s model explores the idea of innovation as a linear process that consists of three types of innovation, from the invention to the process of innovation which is taken to scale in diffusion (Rogers 1983). The same idea is described for social innovation, where innovation is primarily perceived to be a product, or a process or a method for taking a product to scale (Seelos & Mair 2010).

The typologies for innovation that exist within the discourse and the academic research on innovation have fallen very broadly into the following four categories that help to distinguish

between the types of innovation, and the purpose they hold for development NGOs. These are; Innovation as an “invention” or product, innovation as a “process”, innovation as diffusion, and innovation as a characteristic of an organisation. These four categories appear to be the most prevalent categories of innovation across the three sectors, and capture concepts of innovation as they related to NGOs. The following table summarises the key concepts of innovation from each of the sectors.

### **2.5.1 Innovation a product / development solution**

The first category of innovation, and one that is most commonly used in the discourse refers to innovation as a “product”, or development solution devised by NGOs to address social problems. This concept of innovation is typically referred to as an outcome of a development NGO, and is used by international governmental agencies within development policy, and donor agencies in their funding agendas to address reoccurring development challenges associated with the 2030 SDGs.

The key motive for aid donors to support this type of innovation lies in the fact that it suggests a cost-effective way of supporting ideas that yield demonstrable results, and can ultimately be used to address the issue at a scale. This form of innovation was particularly common in the current context around improving aid effectiveness. Innovation as a product of development NGOs makes it easier to support and fund. Donor agendas towards achieving the SDGs of 2030 called for more aid effectiveness and a desire for solutions that could be introduced into the sector and address these challenges. The key purpose for innovation was for development NGOs to find effective ways of addressing problems with scale, and reaching more people. As a result, innovation was often described as demonstrating an impact on outcomes and on those who adopted it.

The “product” might consist of a service, a tool, an idea, or output that is in itself a solution to addressing a social challenge that may have been unsuccessfully addressed before. These innovations were typically considered a new technology or product that has been newly introduced into a context, and has had been able to yield results to outcomes. In the 2016 report published by BOND, they introduce a framework for understanding innovation in more detail, and refer to innovation as "Any solution that has the potential to address an important development problem more effectively than existing approaches" (Bond 2016).

By defining innovation as a product and in this way in the discourse, it has helped policy makers and donors leverage funding from the private sector into the development sector, and engage philanthropists from the private sector who see innovation as a means of a supporting



development NGOs to create change. And as a result, for many of the funds directed at supporting innovation as a product, it is not uncommon to see them associated with partnerships between donors and others from the private sector. This is because this concept of innovation has its origins in the private sector, where innovation has been used to define new inventions in technology and products that have introduced into a market to make a change.

The concept was first introduced by Schumpeter in 1943 in his research on the contribution of technological innovation in economics (Schumpeter 1943). Schumpeter's linear model for innovation distinguishes innovation into three broad categories; invention, innovation and diffusion, whereby the "invention" is a new product that when introduced to a market is likely to create a change in the system.

The review of the literature on innovation showed that while distinctions are made between the types of innovation, the lines that divide product and process innovation are blurred at times, where references to innovation often oscillate between product and process. In some cases, innovation is referred to as a means or a process for achieving outcomes, but is described as a product, or outcome. In the OECD definition proposed on innovation, they suggest that it includes "a good or service that is new or significantly improved. This includes significant improvements in technical specifications, components and materials, software in the product, user friendliness or other functional characteristics" (OECD 2015).

### **2.5.2 Innovation as a process / Social Innovation**

The second type of innovation refers to the process for development a solution, or a method for improving on a service to create social change. Often this includes a range of activities such as introducing a new management tool that has been adopted within an NGO, or a new way of delivering a service better. The key distinction to innovation as a 'process' is that it is an activity is either adopted by an NGO, or occurs within the development NGO, whereas a 'product' innovation might occur as an output or outcome of an NGO's involvement.

This was commonly referred to by development NGOs in the discourse who typically defined innovation as a means for devising development solutions. This category of innovation was

considered an important description among development NGOs, who believed that it enabled them to devise new ways of working, and problem-solving that they do not always have the freedom or resources to explore. It also includes the development of new partnerships and relationships that a development NGO may engage in as well. The main objective behind this type of innovation is around improving services more broadly to introduce better outcomes.

Similarly, the concept of innovation as a process was described in development policy and by aid agencies who saw the importance of supporting processes. The definition provided by the OECD in 2015 states that innovation is also; "A new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/ or software" (OECD 2015). Some international aid donors also saw the benefits of focusing on innovation as a process, particularly since it touches on many aspects of an NGO's structure, both internally as well as its relationships with other organisations. In the 2017 International Development Innovation Alliance (IDIA) call for innovation announcement, they described innovation as being:

"Innovation can be fueled by science and technology, can entail improved ways of working with new and diverse partners, or can involve new social and business models or policy, creative financing mechanisms, or path-breaking improvements in delivering essential services and products (IDIA 2017)

By including a range of activities in this definition, the concept of innovation as a process becomes broad and vague.

Sometimes referred to as "Social Innovation", the concept has its origins in the social sector, where innovation as a process has been researched in reference to the organisation (Seelos & Mair 2010). Research on innovation as a process is based on research around the role of the learning organisation, and the nature of the activities that exist within it.

Within the private sector, research on economics and business management shows that innovation is defined as the process of taking a product or invention and devising new ways of improving around, before launching it back into the market. The key purpose behind this is to ensure that products continue to maintain their marketability.

### **2.5.3 Innovation as diffusion / Scale**

The third type of innovation refers to it as a means of addressing social change at scale. The definition of scale here relates to contexts, or new populations that have not been addressed before. And the expectation is that development NGOs are capable of delivering changes at scale, and engaged in the process of taking programmes to scale.

References to innovation as diffusion have been commonly made among international aid donors and policy makers, who are particularly interested in addressing global challenges with across nation states, and at a larger scale. Thus, the purpose of engaging in this form of innovation is to take innovations that appear to have had an impact in one context, with the expectation that they will have a similar effect when applied in another. Often these innovations include product innovations (as mentioned in 2.5.1) or technologies and services that may have worked in another context.

The concept of diffusion has its origins in the research on organisations in the social sector, particularly in relation to public health service provision. It originated in 1962 by Everett Rogers who introduced a theory on the diffusion of innovation that is among the most widely shared view of the innovation process in social development and the public sector (Rogers 1962, 1983, 1993). Roger's model builds on the concept of innovation as a linear process that consists of three stages; the development of new inventions, which is followed a stage of improvement, or innovation, and finally this is taken to scale in the stage of diffusion (Rogers 1983). This model has since been developed and used further in the public sector to better understand the factors that involve the process of diffusion.

### **2.5.4 Organisational Innovation**

The fourth theme that emerged from the review of the discourse related to innovation being associated with the organizational aspects of an NGO, particularly with regards to their capacity to innovate. This came from a long-standing recognition among development actors that NGOs are innovative organisations with the capacity to deliver on need in a way that governmental institutions cannot. International agencies like the OECD for example, describe the organisational characteristics associated with innovation as; "A new organisational

method in business practices, workplace organisation or external relations" which are likely to lead to social change (OECD 2010).

The claim that NGOs are innovative is commonly used by development NGOs themselves to justify the support they receive from donor agencies, and provide them with the room to experiment in the sector. A number of empirical studies have been carried out to examine the nature of these characteristics in practice, and their contributions to innovation. Studies have shown that the NGOs' organizational size, flexibility and resourcefulness, and finally their proximity to the problem is what contributes to their capacity to innovate and put at an advantage over governmental structures to address the needs of the people they serve (Fyvie & Ager 1999; Lewis 2001).

Two key factors were also identified as having an influence over an NGO's capacity to innovate. The first being the political context in which an NGO operates in, which is likely to influence their need to be resourceful and flexible in their approach to social problems. Research shows that NGOs that are based in contexts where non-governmental entities face restrictions to their overall structure, are more likely to find different ways of addressing need and be innovative in their engagement with communities. The second influencing factor is the nature of the relationships NGOs have with donors and beneficiaries, and how they navigate their partnerships. The nature of these relationships play an influencing role on NGOs and their capacity to manage expectations of key stakeholders and innovate when meeting these expectations.

Some researchers argue that NGOs are losing their capacity to innovate as a result of donor expectations and pressures to deliver to services. And that the recognition of an NGO's innovative qualities, and their capacity to innovate, particularly among aid donors provides them with the resources needed to maintain their flexibility in the sector.

Table 1: An outline of the different types of innovation for my conceptual framework

Category of innovation	Definition / Narrative	Purpose and motivation for Innovation	Main Actors interested in the innovation	Key Authors
<b>Product / Invention / Solution</b>	A new <i>solution</i> or <i>outcome</i> devised by an NGO to address a social problem. This includes new technologies, projects, ideas and services aimed at creating a social change.	To address development challenges in the sector.  To drive impact in a cost-effective way, which could ultimately contribute to a change at scale.  To leverage funding and partnerships from the private sector.	OECD UN Agencies Donor Agencies	Technological Innovation Schumpeter (1943)
<b>Social Innovation / Process</b>	A <i>process</i> for devising a new approach, and learning to create social change	To improve the delivery of programmes and services.  To drive learning within the NGO and support them to understand the context they work in better.	Development NGOs	Seelos & Mair (2010) Pansera & Martinez (2017)
<b>Diffusion / and scale</b>	The <i>replication</i> of a new service/approach/idea into a new context.  And, the <i>spread</i> of a new service to a broader audience through the application of new methods.	To introduce new ideas, projects and products that work in one context into another with the intention of creating social change at scale.  To reach a wider group of people, or a new group of people, with the same service.	Donor Agencies  International development NGOs	Rogers (2003) Edwards & Hulme (2005)
<b>Organisational Innovation</b>	The organisational <i>characteristic</i> of an NGO and capacity to engage in innovative ideas. It is typically used to describe the NGO as being “innovative” in their approach to addressing development challenges.	To recognise an NGO’s flexibility and resourcefulness for innovation, and support them to be resourceful in different contexts.  To justify the role that NGOs play in the sector and recognize their comparative advantage over governmental organisations at addressing the needs of the people due to their proximity to the problem.	Development NGOs based in the global South	Fyvie & Ager (1999) Lewis (2001)

## 2.6 Gaps in the research

The literature review presented in this chapter outlines some key definitions that are relevant for understanding innovation in the context of NGOs in development, which have been presented in a conceptual framework. In my review of the literature however, I identified three key gaps in the research on innovation in the third sector that lack an empirical account for understanding how innovation in the discourse relates to what is carried out in practice. These are:

1. A lack of empirical research that goes beyond the organisational characteristics of innovation among development NGOs in the third sector.

The research literature on innovation among development NGOs in development studies examines the theoretical aspects of innovation, and presents some empirical research that explores the subject in relation to their organisational capacity to innovate. Much of this research however does not explore other dimensions of innovation, particularly the difference between innovation as a product and innovation as a process. Thus attempts to identify an innovative service, or idea among NGOs is challenging and does not go beyond developing a more broader theory on innovation.

2. Little information on the value of “innovative” work versus “non-innovative” work for NGOs examined from their perspective.

Being that there does not appear to be a theoretical or empirical foundation for the study of innovation among development NGOs, it is therefore difficult to identify an innovative service, and determine the value it adds for those working on it. Furthermore, without understanding what the benefits of innovation are, it is difficult to determine its purpose for development NGOs. Similarly, NGOs not involved in “innovative” work may also be contributing positively, and may hold a particular purpose in society. The relationship between innovation and its positive contribution have yet to be examined.

3. Lack of empirical research that examines whether ideas on innovation are shared between actors

I have identified few studies that examine the perceptions of innovation in practice among actors in the sector, and explores whether these ideas are shared between actors. A better understanding of whether ideas are shared between actors will show whether there is a disconnect between their perspectives and why.

The chapter that follows describes how I approach these gaps in an empirical study that examines how innovation is conceptualised among actors in practice, and how these ideas relates to the conceptual framework in this chapter.

# Chapter 3: Empirical study and research methods

## 3.1 Chapter summary

The literature review presented in Chapter 2 highlighted gaps in the research relating to the definition of innovation for NGOs in the third sector, and the need for a better understanding of how it is perceived and practiced by development actors, and whether these ideas are shared between them. In this chapter, I address these gaps by presenting the research design for an empirical research study that explores the nature of innovation in practice, and how it has come to be understood by its stakeholders. The chapter begins with a description of the research approach and the methods applied to better understand how innovation is conceptualised by NGO stakeholders. The study consists of three case studies that feature NGOs managing an innovative project in development. I explain how the data was collected, managed and analysed against the conceptual framework presented in Chapter 2. I then present the ethical considerations that were taken throughout the study. The chapter ends with a description of the limitations of the research, and its implications for the overall thesis.



### 3.2 Research question

The literature review in Chapter 2 highlighted gaps in the research on innovation for development NGOs that have yet to be examined empirically. The absence of these narratives make it difficult to determine whether references to innovation among development NGOs in the discourse is predominantly a buzzword, or whether they represent a more critical part of the work of development NGOs.

In an effort to address these research gaps, I outline the second of my research questions (as listed in Chapter 1):

**How is innovation understood by donors and NGOs and how are these ideas shared? What is the evidence of innovation in practice among development NGOs?**

The review of the discourse presented in Chapter 2 (Chapter 2.3) showed that definitions for innovation varied depending on the type actor describing it. An international aid donors interest in innovation differed to the way development NGOs described innovation. As a result I felt it necessary to capture the unique definitions of key actors individually, but also to see whether their ideas were shared, and how their relationships might influence their ideas. I subsequently separated the research question into three sub questions, and directed each question to the relevant actor. The sub-questions are:

- 1. How is innovation understood among donors?** This relates specifically to donor agencies in international development demonstrate an explicit interest in supporting development NGOs to innovate by setting up a unique innovation funding stream, and actively engaging in the discourse on innovation (This criteria is explained in more detail in the following section). I was also interested in capturing the differences and similarities in definitions for innovation for different types of donor agencies, and in understanding their expectations from engaging in innovation.
- 2. How is innovation understood by NGOs? And how much of these ideas are influenced by their respective donors?** This relates specifically to development NGOs that are actively engaged in innovation, and have explicitly expressed an interested in it

in their work. The purpose of this focus is to see whether concepts of innovation are shared between NGOs and their donors, and where the similarities and differences lie.

- 3. What is the evidence of “innovation” in an NGO project?** This question relates specifically to projects that had been awarded an innovation grant or recognised by the stakeholders involved as being innovative. Its purpose was to investigate whether there was evidence of innovation on the ground, in ways that were defined by the stakeholders in the previous two questions.

Dividing the research question into the three sub questions enabled me to examine whether definitions outlined in the conceptual framework in Chapter 2 resonated with development actors in development. In particular, I wanted to identify whether there were any similarities and differences between the way innovation was defined in the discourse, and in practice. This would determine whether the definitions presented in the conceptual framework held true to donors and development NGOs in practice, or lacked any meaning to those in practice.

This study focuses specifically on actors who have actively engaged in the discourse on innovation and in practice, and examines how the concept is understood and valued by them. It particularly relates to aid donors and development NGOs that have expressed an explicit interest in innovation through two distinguishing factors; first they have actively engaged in the discourse and have published on the subject over the last ten years, since 2010. Second, they must have supported innovative initiatives (either through funding, or have implemented an innovation intervention), or created a new funding scheme that involve a focus on “innovation for social change” to address the SDGs 2030. However, this excludes actors that may have described innovation in their work, but not actively engaged in the discourse, or have not prioritised it in their work. The implications of focusing on a small group of stakeholders within the development community is that they are active participants of innovation, and therefore not entirely representative of other stakeholders who do not believe in innovation. I explain this in more detail in the section on case study selection (Section 3.4).

### 3.3 Research design and approach

As I began to explore possible ways to approach this research study, I reviewed existing empirical studies on innovation in development and in other literatures, to look at ways in which research on innovation have been designed, and identify the factors were taking into consideration in the design of the research. The PhD study carried out in Fyvie's PhD dissertation provided a good example of a research study that I could draw from, where a number of qualitative methods were applied to examine definitions for innovation (Fyvie 2002). I also explored the possibility of carrying out a Grounded Theory approach to the research, whereby concepts of innovation that emerged from my research would be analysed and re-examined iteratively throughout the research process, and eventually contributed towards an understanding of innovation between them. However, being that I was interested in examining definitions of innovations between stakeholders and how they related to the conceptual framework, a Grounded Theory approach was therefore not the most appropriate for this investigation.

I identified two key factors that needed some consideration as I approached my research study. First, was that the definition of innovation was likely to vary *within* a stakeholder group. For example, what one NGO might consider innovative, may or may not be considered innovative to another NGO. The same is applied for differences in perspectives between different donor agencies. And being that I chose to explore the concept of innovation from a subjective approach, I needed to account for the differences in perspectives of stakeholders, and capture the factors that may influence them.

The second issue to take under consideration was that the concept of innovation was likely to vary *between* stakeholders in the aid chain. In other words, what a donor may find innovative may or may not be shared with their own NGO beneficiaries. And as described in Chapter 2, perspectives on innovation are likely to be affected by the nature of the relationship and dynamics between others in the aid chain (Wallace et al 2006). Moreover, the practices of NGOs are particularly dependent on the role they play within the aid chain relationship and on the type of funding they receive. In other words, definitions of innovation will vary between a donor and an NGO, even if they are working together on the same project. Actors in development are

“experiencing subjects”, actively constructing their own social worlds, and their accounts of innovation are essential to developing a narrative of the concept (Latour 2005). Thus, the research design needed to recognise the power dynamics, but also capture the shared perspectives on innovation, as well as the differences in views.

Being that the funding relationship between donors and NGOs was central to understanding the way in which innovation is defined, it needed to represent a key component of the research design. With this in mind, I chose to examine how innovation was conceptualized within a funding relationship, and follow the concept of innovation and how it was communicated as it moved between stakeholders within the aid chain, while also examining how it was manifested in practice. This would also allow me to examine the power dynamics that exist between donors, NGOs and other key stakeholders, and ways in which this might influence their interpretation of innovation.

I chose to approach the research question by separating the stakeholders into three broad groups within an aid chain; donors, NGOs and innovative projects or practices. This would enable me to address the each of the three sub-questions individually, and with the appropriate stakeholder group. The aid chain would then represent a “case study” whereby definitions of innovation are shared within it.

The objective of this was to uncover how innovation was perceived and understood by stakeholders within the case study and examine whether ideas were shared. Through the analysis I would examine how each stakeholder’s definition for innovation related to the conceptual framework individually, followed by a review of the definitions for innovation across the aid chain more broadly.

### *3.3.1 Innovation through the aid chain: three case studies*

Case study research holds a long, distinguished history for many disciplines, such as sociology, law and political science, and has been use a great deal in organizational studies research in particular (Creswell 1998, Hamel 1993). Jacques Hamel, a French sociologist traces the use of case studies in sociology back to the 1920’s and 1930’s in a research study carried out to

examine family life among European immigrants in the city of Chicago (Hamel 1993). Hamel suggests that case studies allow for an analysis of a problem-centered ‘case’ that is contained within a system, for example within an organisation and is meant to be illustrative of the problem within an organization (Hamel 1993). Thus, case study research is particularly useful for understanding organizational behavior that are confined to an organizational unit.

The case study is defined as “an exploration of a “bounded system” or a case (or multiple cases) over time through detailed, in-depth data collection involving multiple sources of information, rich in context. This bounded system is bounded by time and place, and it is the case being studied – a program, an event an activity, or individuals” (Creswell 1998 p. 61). Case studies are illustrative examples of the realities of life, and give an empirical inquiry that “investigates contemporary phenomenon its real-life context and addresses a situation in which the boundaries between the phenomenon and context are not clearly defined (Yin 1993, P. 59).

There are strengths and weaknesses in case study research. A key strength is that a case study can be “tailor-made” to explore new processes or behaviours within a case that are little understood. They would provide an illustrative example of an aid chain, and the relationships that exist between stakeholders within it, making it easier to examine a complicated set of relationships within the system. On the other hand, some researchers argue that the case study is a sometimes considered “loose design” in social science research that does not have a structured set of research principles guiding it, and where a number of choices are made in a non-principled way (Meyer 2000, P. 330). Others have criticised case studies for being predominantly qualitative in the methods they adopt, and limited in their approach as they do not apply quantitative measures well (Hartley 1994; Cook and Campbell 1979).

Case studies are particularly relevant for this study in that each case allows for the examination of the processes, behaviours and perspectives of a number of stakeholders within a bounded set of relationships. In other words, each case is illustrative of a real-life context and provides boundaries for the study. Furthermore, case studies are open to the use of theory or categories to guide the data collection and analysis processes. This will allow me to review the concepts of innovation as outlined by the conceptual framework in Chapter 2, and see whether they align

with what is being communicated by stakeholders in a case. By carrying out both a comparative and longitudinal analysis of how concepts are communicated between stakeholders within a bounded system, I will be able to determine the extent to which some of the concepts resonate with specific cases, and the extent to which they do not.

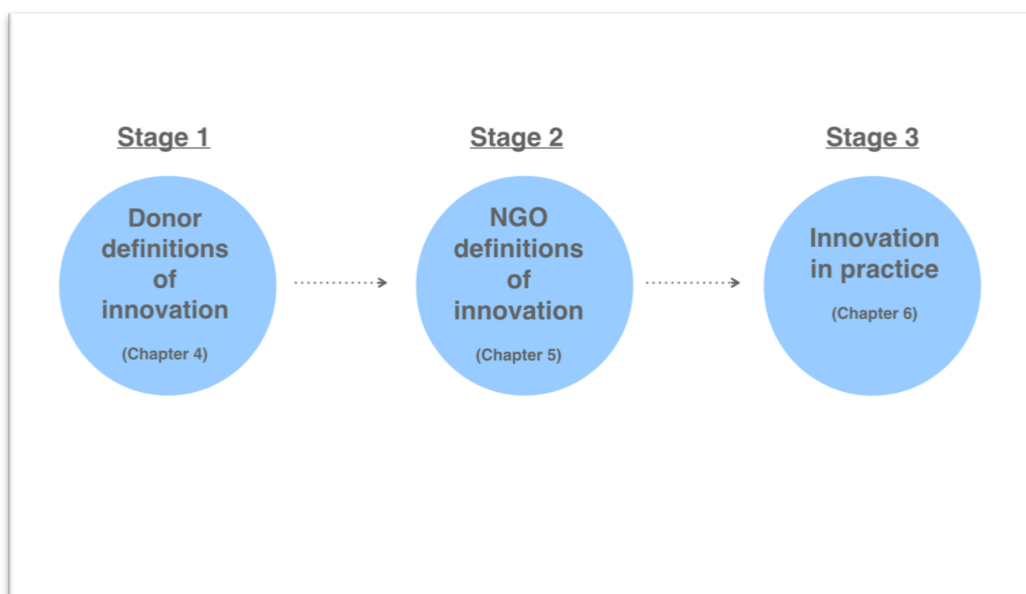
The “case study” would be determined by the relationships between a number of stakeholders in an aid chain, and the nature of the funding relationship within it. Following a review of the grey literature on innovation in the third sector (as presented in Chapter 2), it was clear that much of the references to innovation were influenced by the type of funding they received. For example, innovation among donors with relationships to the private sector are much more likely to state an interest in funding innovation. This was particularly relevant among stakeholders who received funding from private foundations and philanthropists, who were therefore more likely to claim innovation. I identified three types of funding models that would therefore be used to help me to define innovation.

In order to capture these influencing factors on a stakeholders’ definition of innovation, I felt it was important to categorise the stakeholders into three groups which represented the largest groups in the sector: those with financing from the private sector or private donors or philanthropists, those funded by governmental aid, and finally those funded by larger self-funding NGOs based in the Global North, that are neither governmental or private and typically raise funding for their own activities, and also fund other NGOs as well. I posited that each stakeholder type might be more likely to have a unique definition of innovation, determined by their own funding agenda and overall objectives.

By categorising the stakeholders into these three groups, it allowed me to focus on the relationships within an “innovation” project, and examine the individual perspectives of each stakeholder group across the aid chain. I was particularly interested in exploring how the concept of innovation communicated between stakeholders in this relationship, and how their relationships might influence how they define and prioritise innovation in their work.

I approached the research design in three stages. The first stage would address the first research question and would explore how is innovation understood by donors, particularly among those working with development NGOs. I would review the literature from donor agencies in international development to examine how innovation was defined, and referenced, particularly in relation to NGOs. This is described in more detail in Chapter 4. The second stage then relates to definitions of innovation among NGOs, and the purpose they believe it is meant to have in their work. I took a similar approach to that of the donor agencies and examined the broader literature published by maternal and child health NGOs, and other NGOs in the sectors and looked at references to innovation. I was particularly interested in capturing examples of innovation from their work. This is described in more detail in the second empirical chapter (Chapter 5). Finally, in the third stage of my research, I wanted to examine examples and references to innovation in practice, particularly from the perspectives of innovation of NGO officials engaged in innovation and how this translated to their work in practice. I did this by examining research documents and reports that contain references to innovation by donors and NGOs. The following three chapters present the findings from each stakeholder group; Chapter 4 presents findings from donors, Chapter 5 from NGOs and Chapter 6 presents findings on innovation in practice. The diagram below outlines the three stages, and their corresponding chapters (figure 2).

**Figure 3:** Three stages of research for the empirical study



I did not expect to be able to create a distinction between the three groups very easily, and am aware of the complexity within an aid-funded partnership that make it difficult to define the boundaries between stakeholders, and even more challenging to define the aid project (Wallace et al 2007). In order to categorise them broadly into these three groups, I could examine definitions for innovation within their relationships and see how definitions of innovation fair between stakeholders. Furthermore, I would also capture differences and similarities in the definitions *within* each of the three groups as well.

### **3.4 The case study selection criteria**

A set of criteria were created for each of the stakeholder groups within the aid chain, and were used to identify a sample of stakeholders from which to draw from for the case study. This criteria was taken from the themes that have emerged in the literature review and presented in the conceptual framework.

#### ***Donors***

The criteria used to help me select the donor agencies for my case study rested on five key attributes; first, donors needed to be actively engaged in the discourse on innovation and explicitly indicated they were interested in innovation, by publically publishing document that indicated this interest. This would indicate the donor's involvement in the discourse, and the nature of their contributions to it. Second, the donor needed to provide a definition for innovation that aligns with the types of innovation categorised in the conceptual framework. To do this, I would need to explore references to innovation published in their own literature, and in any references to them in the grey literature that suggests an engagement in innovation. The third criteria rested on whether they had a funding scheme with a significant budget to support an innovative activity or project, such as a funding arm allocated specifically to fund "innovative" activities. I focused my review on donors who have engaged in innovation since the year 2010 to date, as this is when an explicit interest in innovation began to develop among donors. This excluded donor agencies that may have expressed an interest in innovation, or specifically allocated a budget for it in their work. Furthermore, it also excluded other donor groups such as



multi-lateral donors and religious donors who may have been interested in funding innovations, and maternal and child health activity but fell out of the funding criteria. This limited the implications of my study, and narrowed my focus to a group of donors that are not entirely representative of the donor community. The fourth criteria referred to donors who had hired an “innovation expert” since 2010, which aligns with a finding from the review of the grey literature on innovation around donors that allocated budgets for experts within their institutions to manage innovation funds. Finally the fifth criteria related to the specific type of donors, the criteria focused on their funding nature, and their relationship with development NGOs.

Table 2: The criteria for selecting donor agencies for the case studies

Inclusion criteria	Relevant Donor groups	Selected cases
1. Explicitly interested in innovation and actively engaged in the discourse by publishing about innovation in donor reports, grants, newsletters, interviews with the press, and blogs	<i>Foundation</i> Gates Foundation Rockefeller Foundation Children’s Investment Foundation Fund (CIFF)	Gates Foundation DFID Concern World Wide
2. Had to have defined innovation as either; product, process, diffusion or scale or all of the above.	<i>Bi-lateral donor</i> USAID DFID SIDA	
3. Set up at least 1 innovation-funding scheme since 2010 with funds directed at development NGOs specifically.	Canada Grand Challenges Australia Aid World Bank Group	
4. Had to have hired an “innovation expert” since 2010.	<i>International non-governmental donor</i> Care Concern Worldwide Mercy Corps Save the Children Oxfam International Plan International	
5. A private foundation with a challenge fund for NGOs; a bi-lateral governmental donor with an innovation grant directed at NGO specifically, an international non-governmental organisation that acts as a subsidiary funder as well as service provider with a funding initiative for NGOs based in the Global South.	<b><u>Total 15 donors</u></b>	<b><u>Total 3 donors</u></b>

As I began my research, I was identify a total of fifteen relevant donors that fell within my criteria, and had showed an explicit interest in funding development NGOs to engage in innovation. I categorised them into the three groups, and proceeded to examine their funding portfolios and published reports of each donor to better understand the type of innovative projects they were funding, and how much of their budgets they were allocating to it. I also looked at the type of recipient NGOs they were funding and where they were based, to determine how many were based in the Global south.

In order to narrow the scope of the study, I need to select three donors that were convenient for me to travel to and communicate with. From this pool of donors, I selected three donor agencies that represented each donor type, these were; the Bill & Melinda Gates Foundation as an example of a private donor, the UK government Department for International Development (DFID) as an example of a governmental donor, and Concern Worldwide as the representative of an international non-governmental donor.

Once the donors were selected, I reviewed the funding portfolios and innovation grants in order to identify the relevant funding managers and staff within the foundation who I could approach as potential participants for the study.

### ***NGOs***

The three donor agencies that were selected for each case study represented the first part of the aid chain, and provided a starting point for identifying a recipient NGO for the study. Thus, the relevant NGOs needed to be among the current grantees of the selected donor, and a recipient of an innovation fund. The purpose of this was to capture the definitions for innovation of stakeholders within a contained funded relation and examine whether the perspectives of those working on the selected innovation are shared.

There were three criteria used to select the NGOs for the case study. First, as mentioned above, the NGOs needed to share an active funded relationship with the selected donor and have received an innovation grant. Second, I used the conceptual framework here to guide the choice of NGO that specifically needed to have partnerships with different donors, and be able to manage multiple expectations, as well as positive relationships with their beneficiaries. The review of the literature suggest that development NGOs that manage many relationships are characteristically more likely to be able to manage pressures and have the capacity to repackage existing services in order to meet funding expectations from their donors, but also meet the needs of their beneficiaries (Fyvie & Ager 1999). Furthermore, it was necessary to have the project be based in the Global South. I chose to narrow the scope and focus on a single country. I selected Ethiopia as the country of focus and give reasons for this in Section 3.5.

Third, the NGO needed to have defined innovation as a one of the four categories of innovation outlined in framework within its organisational literature, but did not necessarily need to coincide with how donors defined innovation. I anticipated that most NGOs were likely to have their own unique way of innovating, which may or may not be represented in the discourse, and needed to be captured. It was these practices that I was interested in capturing in the research. The empirical findings from this research are presented in Chapter 5, and their definitions for innovation have been compared against the conceptual framework presented in Chapter 2.

The table below summarises the NGOs selection criteria and the cases that have been mapped against the. The three selected cases for the study included; the L10, an NGO recipient of the Gates Foundation, Save the Children (Ethiopia), a recipient of DFID, and finally the Women Support Association (WSA), a recipient of Concern Worldwide.

Table 3: The criteria for selecting NGOs for the case studies

Inclusion criteria	Relevant NGOs	Selected cases
1. Share a relationship with the donor within a funded innovation grant.	<b>Gates Foundation</b> Alive and Thrive L10K ManHep	L10K Save the Children
2. A development NGO based in Ethiopia, or has offices in Ethiopia. A service provider and managing multiple donor relationships and partnerships.	<b>DFID</b> Save the Children Plan International Girl Hub Behane Hewane	Women Support Association (WSA)
3. Had to have defined innovation as either; product, process, diffusion or scale or all of the above in its their organisational literature.	<b>Concern Worldwide</b> Women Support Association ChildHope International Amahara Girls Education Group Tukul Family Project	
	<b>Total NGOs = 11</b>	<b>Total NGOs = 3</b>

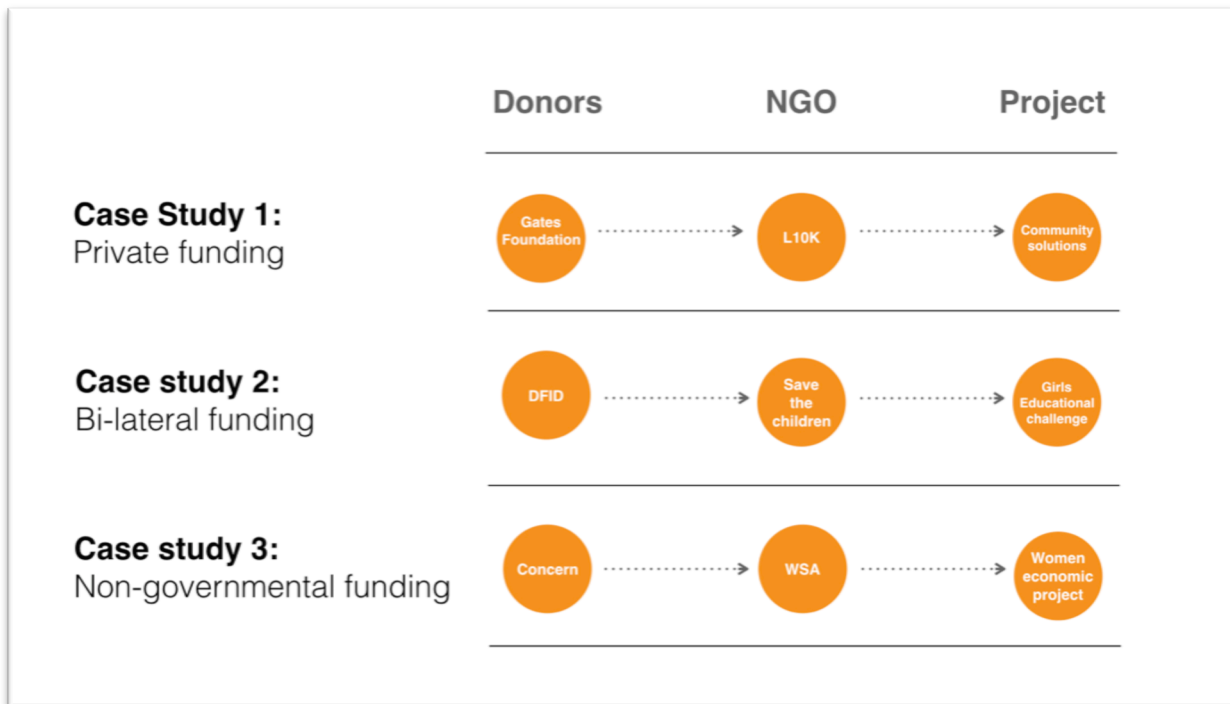
### ***Innovation Projects***

Once the NGOs were selected for the study, I then reviewed their funding portfolio and identified the innovation grants that had been awarded to them by their recipient donor, and thereby recognised for being “innovative” by the donor. I was keen on capturing the perspectives of NGO managers and fieldworkers to determine their perspectives on innovation and whether

they were shared with their respective donors. Through an observational study of the funded projects, I would look for evidence of innovation in practice as defined by donors and NGOs, and looked at the NGOs’ capacity to experiment with new and innovative ways of work. The findings from this are presented in Chapter 6.

The number of innovation projects to choose from for each NGO were limited, however it was necessary one key criteria was necessary to ensure the project was aligned with the conceptual framework. This was that the project needed to have been considered one of the four key categories of innovation outlined in the framework in order to review how the definitions apply in practice. The following diagram maps out visually how these stages relate to each other.

**Figure 4:** A map of three case studies for the empirical research



Finally, in Chapter 7, I analyse each of the three case studies in detail, and look at how ideas about innovation are communicated between donors and NGOs, whether they are shared. I also look at the definitions of innovation relate to conceptual framework presented in Chapter 2. The propose of this is to determine whether the funding relationship has an influence over the definitions for innovation.

### **3.5 The case for Ethiopia**

I chose to focus on Ethiopia for two key reasons: the first being that Ethiopia has been a recipient of international aid for the last three decades and is a country of focus for most donors, as well as having a keen interest in improving the wellbeing of its citizens. And secondly because of my previous work ties with NGOs in the country and network of contacts to draw from when needed. My familiarity with the cultural context made it easier to carry out the fieldwork there, and understand the history of NGOs in the country. The details of my fieldwork are presented in this chapter below.

I chose to carry out the empirical study in Ethiopia primarily because of my familiarity with the local culture and context. I have over three years' experience working alongside non-profit organisations based there through my work as a researcher at the Social Research Unit at Dartington, and have developed relationships with a network of people that made it easier for me to schedule interviews for the study. I selected three NGOs in the city of Addis Ababa that were awarded or perceived as being an innovative by their donors (as mentioned in Chapter 4).

The wide presence of the international donor community, and the country's historical civil society movement was an additional advantage to choosing Ethiopia as a country of focus. The country's long history with foreign aid, and the nature of the development projects that take place there, have attracted the interest of donors for years, who fund a wide range of activities. Since World War II, international aid has played a major role in Ethiopia's development, and contributed to nearly half of the country's total government's expenditure (OECD statistics 2006; Getnet 2009).

Ethiopia proved to be a good location for the research in that the country has recently experienced a sharp improvement to its economic and social sectors, partly thanks to donor investment. Between the years 2004 and 2009, for example, Ethiopia was considered among the fastest growing economies in the world by the International Monetary Fund, registering over 10% growth, and continues to be roughly 8% (World Economic Outlook, October 2012). Despite this, today Ethiopia continues to have one of the world's lowest GDP per capita. Ethiopia's population is growing fast, with total population estimated at around 84 million (Central Statistics Agency 2011), and it is the second most populated nation in Africa, after Nigeria.

At the same time, however, Ethiopia continues to receive a great deal of aid and support from international donors globally. According to the Organisation for Economic Cooperation and Development (OECD countries), in 2016, the total official development assistance provided to Ethiopia was US\$4.07 billion, ranking it the 5<sup>th</sup> largest recipient of official development assistance among the 169 developing countries receiving aid from the 30 members of the organisation (OECD 2017).

Ethiopia has always been a focus for international aid donors. Today much of the donor support is directed at supporting the health and population sector, where almost 22% of the official development support was committed to this sector in 2016 (OECD 2017). Much of the donor agencies present in the country continues to increase, often working directly with the government and with NGOs to develop programmes to improve child and maternal health.

The increasing influence of western donor agencies on improving the third sector in the country has led the current Ethiopian government to respond with strict measures. In February 2009, the Ethiopian government introduced legislation to control the behaviour and performance of international NGOs. It adopted its first comprehensive law governing the registration and regulation of NGOs, which restricts NGOs that receive more than 10% of their financing from foreign sources from engaging in all human rights and advocacy related activities, which were broadly defined. This new law forced a number of international development organisations present in the country to restructure their activities in order to continue providing services, and to review the portfolios funded by their donors.

### **3.6 Methodology**

The nature of the research questions in this study suggested taking an inductive approach that adopts qualitative research methods for the investigation. There are three reasons for this approach. First, the purpose of the study is to explore whether innovation is a development buzzword among stakeholders, but also to examine existing and emerging concepts associated with it as well. An inductive approach takes on an explorative investigation of the subject, whilst a deductive approach aims only to test a hypothesis, and would not allow for further investigations of the concept itself.

Second, the study specifically sought to explore the perspectives of stakeholders who have chosen to engage in innovation in the discourse, and how they came to value it in their work. A qualitative approach includes open-ended questions that capture the direct accounts of stakeholders views on the subject as described by stakeholders themselves, and would allow for the analysis of emerging themes around the subject.

And finally third, a qualitative approach makes it possible to study stakeholders experiences with innovation using observation methods, can capture examples and stories from the field, as seen through the eyes of the donors and NGOs themselves. Qualitative research methods such as in-depth-interviews and observational analysis make it possible to examine emerging findings can then be compared with definitions of innovation provided by the same stakeholders.

I chose to adopt three qualitative research methods to carry out the research for the case studies: content analysis of the organizational literature, semi-structured interviews with key stakeholders and participant observation of innovation projects. These are described below.

#### ***Fieldwork Dates***

The research for the empirical study took place over the period of a little over a year, between February 2012 and May 2013. This period included all the stages of the research, from research design, fieldwork, analysis and writing. While most of the time spent on the research was in the

United Kingdom, approximately two and a half months were spent in Ethiopia where I carried out fieldwork on the innovation project, between November 2012 and January 2013.

### ***Content analysis***

In order to examine how innovation was defined, and ways in which the term was used by each stakeholder, I choose to carry out a content analysis on all the literature they published. This included a review of all the published documents released by donors as well as NGOs, such as calls for funding applications, annual reports that make any reference to, or requests for, innovation from NGOs, calls for innovative projects, policy papers, blogs, press releases and other reports. I focused on writings that were specifically on innovation, or referred to it in their titles and objectives.

Content analysis is a research method used to review texts, funding portfolios, and other forms of communication to determine themes and patterns in the content (Hsei & Shannon 2005). The frequencies of words or topics are identified and reviewed in order to determine the most frequently reoccurring themes, and the characteristics associated with them. Other methods, such as thematic analysis could have been applied, however many of these are analytical tools and not research methods for collecting data. The primary purpose of this research method was to collect data in order to identify emerging themes, particularly those associated with innovation. Thus the language used in the documents research by each of the stakeholders was examined in detail, and the definitions of innovation identified.

A total of 225 reports were reviewed for the content analysis, with a summary of the breakdown by each case study presented below in Table 4.

### ***Semi-structured interviews***

The second qualitative method used was semi-structured interviews with individuals working within donor agencies, NGO managers and staff, as well as some NGO volunteers implementing services on the ground. The purpose was to better understand how participants perceived innovation in their work, and the meaning they placed on it.



A semi-structured interview is a qualitative research method using a guide with a set of standard questions so the responses are comparable between participants. The semi-structured nature of the questions allowed me to veer away from the script and expand on specific questions with participants, while also providing a series of questions I could refer to. I developed an in-depth interview guide for each of the stages of research and before starting fieldwork. This was edited a number of times, and used throughout the fieldwork as a standard measure for holding interviews. An example of the interview guide for the donor and NGO stakeholder groups can be found in Appendix A, and an interview guide for practitioners working on the innovative project can be found in Appendix B.

Much of the preparation for the interviews began as informal discussions and meetings which led to interviews with key participants. I began by identifying a number of officials within each of my selected donor agencies and contacted them by email inviting them to participate in the study, following their consent. (An example of the consent form used for each participant can be found in Appendix C). All interviews took place in private spaces, and a place chosen by the participant, and averaged around forty minutes each. Each interview was audiotaped, unless requested by the participant, and transcribed for analysis.

A total of 87 interviews were carried out with selected stakeholders. None of the interviews that were held were repeated with the participants. Each individual interview was carried out only once, and was considered a single entry in the analysis framework. This is explained in a table that has been summarised in Figure 4 below.

Almost all the interviews that were carried out were face-to-face with the participants, with the exception of those that were carried out by phone, or by Skype. Audio interviews were typically suggested by the participants as an alternative to face-to-face interviews, and were mostly with participants from donor agencies located in the United States, and other remote locations. The interviews that were carried out by phone or Skype were also audio-taped, and followed the same interview question process.

During fieldwork in Ethiopia, almost all the in-depth interviews were conducted in English, with the exception of three that were carried out in Amharic (one of the languages spoken in Ethiopia). The interviews that were carried out in Amharic were facilitated with the support of a translator, who also helped to transcribe the data. The selected sample of key informants were predominantly participants working in the NGO sector, and as a result were more likely to speak English as a second language. Thus, the sample included a specific type of key informant that was needed for the study, and was not representative of project fieldworkers that were unlikely to speak in Amharic. In addition to the in-depth interviews, I also held numerous informal conversations with participants in the field with support from a translator to gain some insight into how projects were implemented and experiences of those involved in the project. And while they provided a level of understanding that were important for the study, they differed from the in-depth interviews in that they were not structured and were not selected through the same criteria for the study.

### ***Observational analysis***

The third and final qualitative research method used for this study was observational study of an innovative project in the field. The objective was to examine the day-to-day routine of NGO practitioners in the delivery of an innovative project on the ground. This would allow me to investigate and observe what was considered “innovative” behaviour among practitioners. I was observing and to experience the daily routines of NGO practitioners and their approach to projects that are considered innovative.

I used the criteria developed to identify characteristics of an innovation to explore what innovation looked like in the field, but also captured innovation activities that fell outside of the criteria. In doing so, I was able to examine how innovation played out in practice, and whether it represented what was described by donors, and the development NGOs within the case study.

During my interviews with key informants I asked them to identify for me a project that they believed was innovative, and had been selected by their donor for being innovative. Following this, I made daily trips to the project sites to observe the NGO practitioners in their work, and asked them to describe what they believed made the project innovative, and what aspect of their

behaviours contributed to this.

Table 4: Content analysis and Interview data tables

<b>Case Study 1</b>	<b>Documents reviewed</b>	<b>In-depth interviews</b>
Gates Foundation	68	12
L10K	47	6
Tigray project	8	4
<b>Total</b>	<b>121</b>	<b>34</b>

<b>Case Study 2</b>	<b>Documents reviewed</b>	<b>In-depth interviews</b>
DFID	72	9
Save the Children	49	6
Project	6	13
<b>Total</b>	<b>55</b>	<b>28</b>

<b>Case Study 3</b>	<b>Documents reviewed</b>	<b>In-depth interviews</b>
Concern Worldwide	26	7
WSA	15	5
Project	8	13
<b>Total</b>	<b>49</b>	<b>25</b>

### ***Fieldwork in Ethiopia***

I carried out the fieldwork in Ethiopia between November 1st 2012 and January 15<sup>th</sup> 2013, primarily within NGOs offices that were based in the capital, with field visits to three project sites: Tigray, Debre Zayt and a suburb in Addis Ababa. While there, I met with NGO officials, interviewed them and visited their project sites. I hired two translators (one Amharic, one Tigrinian) to support me on a number of interviews with key officials and during visits to specific sites. Details of the process for carrying out the fieldwork are outlined in Chapter 6.

	<b>Location</b>	<b>Timeline</b>
Innovation project for Gates / L10 project	Mekele, Tigray	January 2013
Innovation project for DFID / ECFA	Debre Zayt, Oromia	December 2012
Innovation project for Concern / WSA	Addis Ababa	November 2012

### **3.7 Ethical considerations**

In preparation of fieldwork and analysis, I needed to make a number of ethical considerations for the design of the research. I met with my supervisor to ensure that the correct measures were taken ahead of my fieldwork, and identified four considerations that needed to be addressed.

#### ***Informed Consent***

Informed consent needed to be collected from all the participants in the study. Being that a considerable part of this study involved human subjects participating in interviews and observational studies, it was necessary to collect their consent and approval to engaged in the research, and inform them of the intended outcome of the research. I developed a series of consent forms for each of the types of participants and had the forms reviews by my supervisor to ensure they were applicable for the study. The consent forms were made available in English, Amharic and Tigrinian. With each interview I conducted, I described the purpose of the study, and informed participant of how they would be involved. If they were willing to continue with the study, they were invited to sign a consent form ahead of the interview.

The participants that were interviewed included men and women who worked in the international development context, and consisted of employees of a donor organisation, employees from development NGOs and research institutions, along with three participants who worked as volunteers on development projects. All the participants were over 21 years of age, and were of sound mind at the signing of their consent. None of the participants included vulnerable groups, children or women in maternal health contexts.

No incentives were offered to recruit participants in this study, or to those who participated. Instead, participants were provided with an explanation of the objectives of the research, and invited to engage in the study should they chose to. All the participants where recruited, with the exception of one participant, chose to fully participate in the study and provided their consent. Only one participant chose to opt out of the study entirely at the start of the research and their details were removed from the study. Another participant specifically asked to have a single question retracted from his responses on a specific grant he was describing. His response to the

question was removed from the interview, and I followed up with him by giving him full disclosure of his interview, and allowing him to identify the details he wished to omit. In Ethiopia, all participants were surprisingly willing to participate and completely candid in their responses.

Finally, during my visit to the three innovation projects I reviewed, I was given permission by the project team to take photos of the site and project staff. I ensured that I only take photos after receiving consent from the project team and after asking permissions of people on site before taking the photograph. These photos are included in the study and have been shared with the participants.

### ***Data protection and confidentiality***

The anonymity and confidentiality of participants was important to the study and needed to be considered during data management. I took precautions to protect all the data that was collected from the participants by keeping it confidential and anonymous, with all references to identity were removed in order to avoid any disclosure risk to the participants. The same was carried out during analysis of the data, where removed any identifying details of the participants and ensuring the data was coded without any details that might reveal the identify of the participants.

Once the data was collected, it was stored in an encrypted folder that could only be accessed by myself on two external hard drives (one as the main data hard drive, and another as a back up). Ethical approval was obtained from the LSE's Research Ethics Committee following my submission of an ethical safeguard proposal that outlined the ethical procedures for data collection (See Appendix F). The research data from the interviewed was data protected and stored temporarily for further analysis. I stored these forms along with details of their interviews. The data was only accessed by myself throughout the study, and will be destroyed in May 2020.

### ***My role and position in the research***

During my fieldwork in Ethiopia, I was conscious of my position as an outsider and researcher and how that would affect the responses given to me by the participants and during the site visits. I also needed to ensure that participants were comfortable with my presence, and felt they could

freely speak out if they chose not participate in the study. Thus, for the interviews, I ensured that they were all carried out in a safe and private space, away from people. And ahead of each interview, I would spend a few minutes ahead of every interview to explain the nature of the research, and what the results were in order to be sure of their true consent before engaging in the study. And at the end of every interview, I would ensure that participants had the opportunity to retract their responses, or chose to opt out of the interview.

At the three project sites I visited in Ethiopia, I travelled with a local research assistant who also acted as a translator and helped me with setting up meetings with various projects. His role was explained to all the participants ahead of the project visits and interviews. I was very conscious of the presence of my male colleague during the visits, and made sure to ask female participants in particular whether they felt comfortable engaging in the study ahead of attending a meeting or an observational study.

### ***Permissions to carry out fieldwork in Ethiopia***

Ahead of my visit to Ethiopia for fieldwork, I needed to collect permissions from the government to allow me to travel there for research purposes. I informed the Ethiopian embassy of the purpose of my trip during the visa application process and provided them with the necessary documents from the University, along with documents on the research, to ensure that they were informed of my whereabouts in the country during the research. I also needed to collect permissions from the NGOs to visit the project sites. With each of the site visits, I acquired permissions from the NGO managers to see the projects, and was often escorted by an NGO employee. During my visits, I always carried with me the necessary documentation in English and Amharic in case NGO participants requested to learn more about the study. I was always introduced to stakeholders at the site visits, who were informed of my presence and the purpose of my research, and were asked if they had any objections to my presence there.

### 3.8 Analysis approach

The purpose of the analysis was twofold; first, to examine how innovation was understood and practiced by each of the stakeholders individually, and compare and contrast these definitions with those in the development discourse, as presented in the conceptual framework in Chapter 2. This approach specifically addresses the research question outlined in the empirical study (in this Chapter, section 3.2) and outlines the unique concepts of innovation for donors, development NGOs and projects individually. The second objective was to examine whether concepts of innovation within a single development project, or case study, are shared between stakeholders, and how these concepts resonate with those outlined in the discourse, as outlined in conceptual framework. This approach addresses the final research question raised in Chapter 1 and seeks to examine the relationship between definitions for innovation commonly used by stakeholders, and those posed in the discourse. This will determine whether innovation was being used as buzzword in the discourse, or whether it had much more of a significance to the context of development NGOs. As a result, I approached the analysis in two stages in order to review the emerging themes around innovation as defined by stakeholders, and then to identify the influence of the stakeholder relationship between stakeholders on their definitions and communication of the concept.

Guiding the analysis was the conceptual framework that was used to determine whether emerging concepts from the empirical research aligned with those from the discourse and development literature. This would allow me to examine how definitions for innovation provided by different stakeholders resonated with what was suggested in the framework.

#### **Stage 1: Analysis by stakeholder type**

For this stage, I approached each of the three sub-questions in the empirical study separately, and examined how innovation was defined by the donor, followed by the development NGOs and their innovation project. This allowed me to capture emerging themes for each stakeholder group and compare these themes with the four categories of innovation in the conceptual framework.

I begin with a review of the definitions for innovation among the three selected innovation donors (the Gates Foundation, DFID and Concern Worldwide) and how they compare with the

definitions outlined in the conceptual framework. These are presented in Chapter 4. Following this I examine how innovation has been defined among development NGOs and how they compare to the framework. These are presented in Chapter 5. And finally, I review how innovation has been and by development project in the Chapter 6.

The four overarching questions I posed to the stakeholder groups included:

- a) How is innovation defined?
- b) What is the purpose of innovation?
- c) What are the expected outcomes of innovation?
- d) What are some examples of innovation and how are they identified as innovative?

Through the interviews and observational research I identified the emerging themes for innovation by stakeholder group, and examine how they relate to the categories of innovation presented in the framework. The data from the interviews and from the content analysis for each actor were examined to determine whether what was described in the content correlated with what was said in the text. I then identified areas of congruence between the themes that emerged by the stakeholder and those in the framework, and I highlighted where there were definitions that were unique to the stakeholder. This analysis is presented in each of the empirical chapters (Chapters 4,5 and 6).

### **Stage 2: Analysis within the aid chain**

For this stage of the analysis, I reviewed the definitions of innovation used by each of the stakeholders within the aid chain and compared the emerging definitions for innovation with those in the conceptual framework to examine ties to existing models of innovation and determine whether there was some conceptual grounding to the concepts emerging in my empirical research. I was specifically looking to see whether the ideas around innovation were shared between stakeholders, and looked at how the funding relationship may have influenced this. The analysis for this addresses the question I posed in Chapter 1 that examines whether ideas about innovation are shared between stakeholders. This analysis for this is presented in Chapter 7, where I describe how the analysis was carried out in more detail, along with the emerging insights from the analysis.



## **Data management**

The data that was collected consisted of text from the review of the organisational literature belonging to stakeholders, along with interview data, and observational notes. The raw data was transcribed (and three interviews were translated from Amharic or Tigrinian), coded and anonymised. The data was anonymised and any reference to the identity of a key informant, such as their name or age was removed, but their roles were kept in the analysis framework. I entered the data into a research framework was created using Excel that allowed me to sort through the data according to the stakeholder type. I created a coding frame, or list of coding terms, that allowed me to review the data in order to identify the key references to innovation that ran across the stakeholders. The codes were created from the data itself and helped to categorise the data into themes that were unique to each of the stakeholder groups in the aid chain.

Once the data was entered into the framework, I examined how each stakeholder group defined innovation, and looked at the similarities and differences in their definitions. For example, I looked at the ways in which donors described innovation in their work. I created a codebook of emerging themes from the data that I used to determine how much they related to those defined in my conceptual framework. I then reviewed how their definitions compared with those outlined in the framework presented in Chapter 2. Secondly, I looked at how ideas about innovation travelled from donor down to the NGO within each case study, and any evidence of concepts travelling back up to donors. This was designed to examine how much influence donor perceptions of innovation had on the views of NGOs, and whether innovation in practice

### 3.9 Challenges and limitations of the empirical study

Three limitations were identified during the design of the study that were specific to the methodology of the empirical research, and were acknowledged ahead of the analysis. Limitations that relate to research decisions have been outline throughout the study and discussed in more detail in Chapter 8.

**1) Language barriers** – while almost all the key informant interviews were carried out in English, three interviews were carried out in Amaharic and Tigrinian, and needed to be transcribed and translated for the analysis. This was carried out with the support of an Ethiopia research assistant, and ultimately put the interviews at risk of loosing some of their meaning from their responses. However, while only three interviews do not pose a major limitation to the interviews that were carried out. It was instead more of a barrier to the participant observations made during the fieldwork that limited me to a selective understanding of my surroundings without the support from a research assistant. Furthermore, this did not challenge the analysis, as I ensured the research assistant had the opportunity to support me as I reviewed the analysed text and validated my analysis to ensure it was appropriate to what was said and meant by participants in the fieldwork.

**2) Evaluating innovation within the aid chain** - The case studies I chose to focus on examine the relationship between stakeholders in the aid chain, and their references to innovation within it. However, being that the focus of the review is limited to the relationship within the case study, there is the risk that I may not have captured ideas or activities on innovation that fall outside the donor and NGO relationship, and within the same case study. I addressed this by ensuring that I reviewed any organizational texts that belonged to each stakeholder, and examining their individual perspectives on innovation, independent of their relationship with the donor. Furthermore, in the in-depth interviews with the key informants, I ensured that I asked them to describe their views on innovation generally, but also as it relates to their funded project in order to capture the influence of their relationship. This would provide both perspectives and help to distinguish between them.

**3) Data on the innovation projects** – My visits to the innovation projects depended on note taking and observations I made while there, that capture activities around an innovation project. Being that the observations depended predominantly on the limited number of visits I could make to the projects, they only capture a glimpse of the innovation activity as it plays out, at a brief moment in time. I addressed this however by reviewing the project documents in detail and asking project staff to describe their experience with the project during their interviews. As a result, this challenge was not affected during analysis as they were triangulated with project documents.

**4) Challenge of carrying out the fieldwork in two and a half months** – The fieldwork that took place in Ethiopia took approximately two and a half months to carry out. Being that I was working full-time, it was difficult for me to take a long period of uninterrupted time away from my employment and dedicate it entirely to this research. I was however able to take a three-month sabbatical that allowed me carry out the fieldwork in Ethiopia over two and a half months. This forced me to carry out as many interviews and site visits as possible during the given time, and while I was under pressure to complete the fieldwork within a limited time, it did not affect the research because I was able to schedule the interviews and site visits in advance, and had planned them accordingly.

# Chapter 4: How is innovation understood among donors?

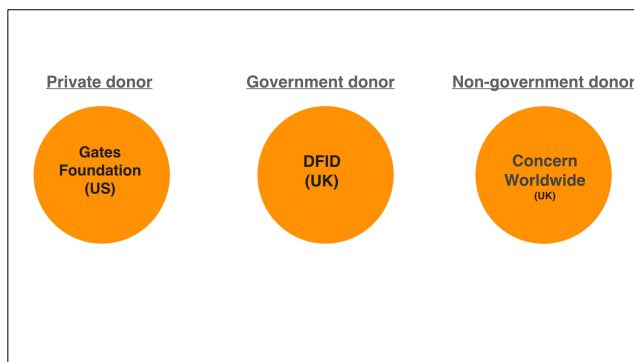
## 4.1 Chapter Summary

This chapter is the first of three empirical chapters, and looks at how innovation has come to be defined by donor agencies selected for my three case studies. These donors are: The Bill & Melinda Gates Foundation, the Department for International Development (DFID), and Concern Worldwide. I begin by introducing the three case studies, and how I came to select participants within it. I then present a review of the ‘innovation funds’ that exist for donor, and look at how innovation has been defined by them and their reasons for funding innovation. I include findings from interviews with key research participants, and other staff members, and draw out the key themes associated with innovation within their funding strategies. I conclude with an overview of the key themes associated with innovation across the three donors, and compare their definitions of innovation.

## 4.2 Case Studies; the three donors

The research question outlined for this part of the case studies is directed at donors who are the first part of the aid chain within the case study, and specifically asks “**How is innovation understood among donors?**” I identify key themes associated with innovation for each of the three donors, and examine how these expectations relate to the definitions for innovation listed in the conceptual framework. I also examine whether there are similarities or differences between the donors and their definitions for innovation.

**Figure 4: The three donors for the study**



As explained in Chapter 3, each of the donors selected for the case studies are meant to be illustrative of a donor type in the development community, and representative of their interests in innovation. As a result, in the analysis of this chapter, I look at references to innovation made by each donor and how they relate to the conceptual framework, and how they relate to their category of donor.

The research process for this part of the case study consisted of three stages; first I began by carrying out content analysis of their organisational literature for all three donors, I looked at the nature of their funding portfolios and grants for innovation, and the type of language they adopt to describe innovation, and drew out key references to innovation in their funding applications, strategy documents and research reports. Following this, and during the second stage of research, I carried out semi-structured interviews with employees working within each donor agency to learn more about their views and experiences with the innovation grants, what they meant by innovation and how it is practiced in their work. Finally, the third stage consisted of all the observations I made during visits to the donor offices and events that I attended that were hosted by the donor.

Through this process, I was able to capture emerging themes for each donor, and identify where there were disparities between what was written and documented and what was said in the

interviews with participants. These themes were then reviewed to see how they compared to the framework.

Table 5: Criteria for selecting documents to review, and participants for the interviews

<b>Criteria for selecting documents to review for content analysis</b>	<b>Criteria for selecting participants for in-depth interviews</b>
<ul style="list-style-type: none"> <li>• Publically available annual reports that document donor activity annually over the last 10 years.</li> <li>• Evaluation reports and assessments of innovation funds and grants.</li> <li>• Blogs, newsletters, annual letters and other publically available media.</li> <li>• Conference presentations and materials presented and made available online.</li> </ul>	<ul style="list-style-type: none"> <li>• Directors, funding managers, and advisors who were either employed to work directly on “innovation” grants, or had been appointed to manage them.</li> <li>• Key informant must have had direct engagement in at least 1 innovation project over the last ten years (since 2009).</li> <li>• Includes both females and males, above the age of 21 years.</li> </ul>

Being that the documents needed to carry out the content analysis for each of the donors were all publicly available, I was able to search online and carry out the analysis in the UK. Furthermore, I was able to carry out almost all of the interviews with the key informants by phone (or skype), with the exception of two interviews with officials from DFID. These interviews were carried out face to face and in the DFID offices at the request of the participant. This is explained in Chapter 4.5.

### 4.3 The Bill and Melinda Gates Foundation (BMGF)

The empirical findings presented in this section have been taken from three key sources of data: a) a content review of 68 reports and an extensive number of other informal documents published by the Foundation between 2009 and 2017, b) a qualitative account of the perspectives of twelve employees working in the foundation between September 2010 and May 2013, and c) direct observations from two formal events hosted at the Gates Foundation that reviewed the role of innovation for the organisation and its funded partners. I examined the way in which innovation is defined by the Foundation across all three sources, particularly in reference to the NGOs they are partnering with, and their reasons for choosing to fund it.

Table 2: Reports reviewed from the Gates Foundation

#### *Content Analysis*

I reviewed reports and other literature that was publicly available found on the Foundations' website, or that was given to me by staff members, and by secondary research sources commissioned by the Gates Foundation. These included funding calls, internal publications such as strategy documents and financial reports, and evaluation documents produced by partner organisations. I drew out key themes which I referred to in my interviews with employees from the Foundation.

Type of report	No. of reports
Annual reports (2009-2017)	8
Annual letters from Bill Gates (2009-2017)	8
Blogs (Impatient Optimists 2010-2017)	14
Financial Statements	8
Press releases	12
Research reports	10
Foundation Factsheets	8
<b>Total</b>	<b>68</b>

Type of Respondent	No. Of interviews
Senior Staff / Managers	2
Managers	8
Consultants	1
Other key informants and associates (volunteers, ex-staff)	1
<b>Total</b>	<b>12</b>

Table 3: Interviews with Gates Foundation

#### *In-depth interviews with key-informants*

The purpose of the interviews with staff members was to capture their perspectives on the Foundation's focus on innovation, along with examples of innovative projects

they worked on. All the participants were extremely candid and provided me a great deal of access to documents about the Foundation. All of them chose to remain anonymous for the study.

Following the criteria for selecting key-informants outlined in Table 5, I reviewed the Foundations' staff list and profiles in order to identify the relevant participants for the study, and obtain their contact details. This information is publically available on the Foundation's website and through a number of network sites, such as Linked In, and is not an infringement on their privacy.

I approached the participants by email and introduced them to the research, its purpose and intended outcomes, and my role in the research. I also invited them to participate in the study and asked them to respond if they were interested. Out of approximately 21 individuals that had been communicated with, a total of 12 participants agreed to participate and gave their full consent to be interviewed. The process for recruiting participants was taking a few months to set up and creating a slight delay in the study, however it ensured that key-informants were able to dictate their preferences for when the interviews would take place.

I carried out interviews with donor managers and officials from the Global Health team, and the Global Development teams within the organisation as they were responsible for the innovation grants. Interviews were conducted by either by phone or on Skype.

Finally, in 2013, I was invited to attend two separate events hosted by the Gates Foundation at their headquarters in Seattle that specifically focused on innovation. The reasons for this was due to my involvement with the foundation through a consultancy offered by my previous employer. The events were designed to identify barriers to the delivery of "innovative maternal and child health" at scale in Africa and Asia. The events consisted of a panel of external researchers hired by the Foundation to review the performance of the work, along with global health experts from academic institutions and international organisations around the world. Speakers were invited to present on the challenges of taking innovations to scale in developing countries. I was able to participate in the discussions at the event, but also take note of the nature of the references made to innovation. My presence and research objectives were made known to the event organisers



ahead of my attendance. The events exposed me to direct accounts from Foundations' staff of the challenges they face with their innovation agenda, and the solutions they are proposing to address these challenges. My attendance also allowed me to meet with the Foundation's partners, and speak to them about their experiences with the Foundation, however their comments and perspectives have not been included in this study, as the appropriate consent was not collected. The meeting at the Foundation's headquarters in Seattle enabled me to approach a number of key officials about the study, and inform them of my interest. While there, I was also able to recruit two participants for the study.

#### *4.3.1 About the Bill and Melinda Gates Foundation*

The Bill & Melinda Gates Foundation was created in 1994 by its founders Bill Gates and his wife Melinda, and father Bill Gates Senior, with the aim of supporting the educational needs of minorities in the United States only, the Foundation developed on to address needs in the Global South around the year 2000. The Foundation began with a consolidated gift of \$94 million provided as donations primarily from American philanthropists like Warren Buffet, and from the profits made through Gates' affiliation with Microsoft Corporation. The Foundation's focus shifted to international development after Bill and Melinda Gates had read an article in 2003 published in the *New York Times* that demonstrated the cost-effectiveness of treating rotavirus in developing countries, and showed how addressing Polio with vaccines had prevented the deaths of half a million children a year (Gates Foundation 2008). The story inspired Gates, who introduced a global health focus to the Foundation in 1999 to provide vaccines, particularly the Polio vaccine, to countries in sub-Saharan Africa and Asia. By 2005, they had developed a strategic plan for improving global health, and made it a key focus of the foundation (Gates Foundation 2008).

Today, the Bill & Melinda Gates Foundation is considered among the most important private foundations in the world, with an endowment totaling \$50.7 billion as of 2017 (Gates Foundation Fact Sheet 2017). This is significantly higher than the Ford Foundation, for example, which has an endowment of only \$10 billion and was rated the third largest American Foundation in 2015 (Needles et al 2018).

The Foundation’s annual grant spending has increased over the years since its inception, where

- *July 1, 2009: \$1.3 billion*
- *July 1, 2010: \$1.6 billion*
- *July 7, 2011: \$1.5 billion*
- *July 6, 2012: \$1.5 billion*
- *July 8, 2013: \$2.0 billion*
- *July 14, 2014: \$2.1 billion*
- *July 6, 2015: \$2.2 billion*
- *July 13, 2016: \$2.2 billion*
- *July 17, 2017: \$2.4 billion*

the total spend to date is \$46 billion (as of 2017), spent to support grantees in the US (in 49 States) and in 130 countries. The Foundation’s objectives for addressing development challenges are closely aligned with those of the Sustainable Development Goals (SDGs) and closely affiliated with official aid donors and government bodies in order to hold some influence over the third sector. As a result, their funding objectives increased in scope to include matched funding with bilateral donors, and resulted in

contributions to global health initiatives that represented roughly 5% of total donor assistance in 2010 (Global health program strategy 2010 p. 2).

The BMGF consists of across five programs: The Global Health team, which looks to advance science and technology to reduce health problems in developing countries, the Global Development division, which aims to reduce poverty and hunger, the US division which seeks to improve the provision of primary and secondary education, and the Global Policy and Advocacy division, which supports governments to improve public policy in key countries. There is also the Global Growth and Opportunity Program is the Foundation’s economic program that focuses on areas of agricultural development, gender equality, and financial services for the poor.

The global health and global development programs are the two focused on international development, particularly on introducing innovation in the sector, and are most relevant to my study. The provide grants to non-profit organisations, researchers, businesses and governments working to reduce poverty and improve global health in Asia, Africa and Latin America.

#### ***4.3.2 The BMGFs’ innovation grants***

The Foundation works directly with NGOs through its grant making process, to support them to “improve the quality of life for individuals around the world” and on issues that “affect change globally, and then scale solutions to a local level” (What We Do, Gates Foundation 2018, P.2).

Innovation is one of the Gates Foundation's four core values and is believed to be crucial to the Foundation's success in development and is heavily influenced by Bill Gates' own experiences at Microsoft. The company's economic success and popularity depended greatly on innovations in technology that yielded high financial returns. Gates made this connection explicit in his 2010 annual letter and saw the potential for innovation to improve his philanthropic endeavors as well;

“During my lifetime, innovations in business, science and technology have energized the global market economy in unprecedented ways” (Gates Foundation 2010 p. 3).

While the Foundation appears to have no explicit definition for innovation, the term is communicated in much of their literature, and described as an opportunity to introduce new solutions to addressing existing problems.

Much of the Foundations' funding activities that are directed at innovation specifically are in the form of funding competitions to support specific ideas to problems, but are also designed to fund existing services. One of the funding mechanisms for supporting innovation to address global health concerns is the Grand Challenges initiative, launched in 2003, with 45 grants to 33 countries, was set up to “foster innovation to solve key health and development problems for those most in need” (Global Grand Challenges, 2018). Today, the Grand Challenges is part of a family of initiatives, set up in partnership with multiple funders, and created in a shared grant-awarding programme to reward organisations with grants of up to \$1 million each. Other donors have adopted a similar funding structure. For example, in 2008, the Canadian government set up Grand Challenges Canada, to fund “bold ideas with big impact” in global health, specifically from NGOs that integrate scientific, social and business innovations in global health, and committed CAD \$225 million (Grand Challenges Canada 2012). The focus was on funding ideas that incorporate knowledge and learning from various disciplines, such as social business and technological design.

The funding model for Grand Challenges in Global Health is one of the Gates Grand Challenges initiatives, and was developed following the 2003 World Economic Forum meeting in Davos Switzerland, by Bill Gates who pledged a \$200 million to support feasible medical research that would remove critical barriers to solving health problems. The Grand Challenge format was taken from a model developed in 1900 by the mathematician David Hilbert, who devised a list of

unsolved problems, and hosted a challenge for other mathematicians to devise innovative responses to the problems listed (Varmus et al 2003). Hilberts' list of problems inspired research innovations and funding from others outside of the mathematics community and resulted in rapid progress towards solving the problems. Gates believed that the Grand Challenges platform would provide resources to others outside of the development sector to engage in addressing challenges with global health that the sector has continued to grapple with (Varmus et al 2003).

Other funding mechanisms within the Gates Foundation are directed at improving service delivery in low-income countries, and are open to non-governmental organisations. One such is the Global Development grant program, ranging from around \$100,000 USD, to \$1million. Although the grants provided under this program are smaller than those available in Global Health, they demand new ways of improving the delivery of services in developing countries, particularly where difficult-to-reach communities have consistently been a challenge.

The Global Health program aims to address some of the major health problems affecting people in developing countries, and to promote new ways of delivering services to people that need them. With USD \$13 million in spending to date, the program specifically supports scientists and experts in public health to devise “innovative solutions” (Global Health Program 2010 p. 4). Grants under this program are predominantly given to researchers and universities in developed countries, such as the United States and United Kingdom, rather than NGOs in developing countries. Often, these institutions have partnerships with NGOs based in developed countries.

The Foundation believes that the solutions to addressing global health problems lie in research and innovation devised by scientists and researchers, whilst the innovation lies in finding the right delivery mechanism for those interventions, and ensuring they reach a population at scale. Examples of the types of solutions sought by the Foundation include new methods for eradicating polio, diagnostic tools and treatments for diseases such as TB. The *Discovery* program, for example, a subprogram within the Global Health program, provides grants to research scientists to investigate new ideas that aim to prevent the spread of diseases in developing countries, despite posing a high risk of failure (Gates Global health strategy 2010 p. 6).

Almost all the Foundation's investment in innovation primarily provides catalytic funding to ideas and approaches that might demonstrate impact, in the hope that they that might spur other charities and governments to replicate successful innovations (Gates Annual Letter 2010 p.2).

#### *4.3.3 The BMGFs' definition of innovation*

The Gates Foundation does not have an explicit definition for innovation that it refers to in any of its official documents, despite having a glossary page of key words they refer to. However, a content analysis of the Foundations' documents, and the analysis of the responses from interviews showed that there were broadly two overarching definitions for innovation at the Gates Foundation. First, is that innovation was seen as a product or solution to address a global health problem that has not been tested before, or applied in a new context (such as the application of a vaccine in a new context where it has not been delivered before). Often these are associated with technologies, or interventions that can be transported and delivered in various contexts, or can contribute towards a breakthrough in addressing a problem. Secondly, innovation can also include the processes for delivering services to address social needs, or the process of addressing barriers that prevent the implementation of an innovation such as improving the logistical delivery of a vaccine to remote locations (Global Health 2010, p.3). The following quote is taken from the strategy document for the Global Health Program, and is among the closest explanation for how innovation is thought of it the Foundation.

“We invest heavily in the kind of innovation defined as upstream work in basic science that could ultimately lead to breakthrough technologies. But innovation is also about taking those highly complex technologies and developing them into applicable, affordable and available solutions. Moreover, we believe that innovation in processes, in organisations, and in delivery are equally important. This applies to technology-based approaches, such as a vaccine that does not require cold storage, as well as to simpler solutions such as financial incentives that encourage women in poor settings to give birth in a clinic instead of at home.” (Global Health Strategy, Gates Foundation 2010, P.3)

The two characteristics for innovation are not unlike those referred to in the conceptual framework, and touch on the idea that innovation can be either an 'invention' or product, as well as a 'process' for delivering innovations at scale, also known as 'diffusion' of innovation.

Definitions for innovation are similar to the OECD's definition of 'product' innovation, that refers to a good or service that is new or significantly improved (OECD 2018). At the same time, they are similar to definitions of 'social innovation' as proposed by Fairweather, in that they are a means for addressing established social problems.

The Foundations' approach to innovation rests on the idea that global health problems need breakthrough ideas backed by research and lack the resources in the sector to support them. This was an emerging theme in the interviews that I carried out with almost all the Foundation's staff members. Managers in particular reiterated that there was a need for more innovation to improve the 'efficiency' and delivery of services in the Global South, and that NGOs were capable of engaging in it.

I identified four categories that the definitions for innovation from the content review and the analysis of the interviews fall into. The following categories are predominantly

### **Innovation as a cost-effective solution**

One of the key motives for engaging in innovation for the Foundation was the perception that innovation was a cost-effective measure in international development. Innovation was seen as a process that could yield social returns on investments in a way that other grants or funding did not. In an interview, a funding officer at the Foundation described how funding innovations resulted in returns:

“... If we fund an innovation that cost us around \$100,000 or so, and the idea has demonstrated an impact [...] or has proven to save people's lives, then the next step would be to take that idea to scale. And if that doesn't work, or the innovation failed, then we would have only lost \$100,000, and not a considerable amount more. Which is a far more cost-effective process for us than starting at scale.” [Interview with Program officer, with Family Health Program, Seattle (2011)]

Funds for innovation are typically thought grants directed at demonstrating impact at improving outcomes, and that could potentially be delivered at a low cost but aimed at showing high social returns if implemented at scale. The returns would benefit individuals, governments, or society as a whole. An example commonly cited in the Foundation's literature to describe a 'cost-effective innovation' is the polio vaccine, a preventative treatment for Polio. The average cost of

the vaccine is \$13 a dose, however its treatment has the potential of saving the state and the family a considerable amount of health service costs in the long-term (GAVI Matching fund 2012 p.3). Vaccines are a particularly big focus for the Foundation, where they have committed US\$10 billion to vaccine research, development and delivery alone in the next decade (Global health program 2010 p. 2).

“We have a framework for deciding which innovations we get behind. A key criterion for us is that once the innovation is proven, the cost of maintaining it needs to be much lower than the benefit, so that individuals or governments will want to keep it going when we are no longer involved. Many things we could fund don’t meet this requirement, so we stay away from them.” (Gates Annual Report 2010 p. 3)

This focus on cost effectiveness was also echoed in the 2010 Annual Letter published by Bill Gates on his personal blog on his website. Gates explained how the costs of innovation and its social returns play a big role in helping the Foundation decide which innovations to fund, and the extent to which they are sustainable once the grant has ended.

Innovation is believed to be an opportunity to support programmes at a low cost to the Foundation, with the potential of providing social returns, that could would enable governments to take them to scale. The cost-effective characteristics of the innovation are critical to the Foundations’ decision to support them, particularly since they promise the possibilities of returns for further investments from partners and donors. Through their catalytic funding, the Foundation seeks to support innovations, particularly scientific ones that governments may not have the capacity or resources to afford, and this would leverage other donor support from governments and philanthropies.

### **Innovation and impact on outcomes**

The concept of innovation for the Foundation is commonly associated with new interventions that have the potential to create significant changes to outcomes, but have yet to demonstrate an impact. Almost all the participants I interviewed at the Foundation specifically described innovation as a way of introducing new and creative ideas to solve problems in global health.

“We regularly see interventions that have been done before. And we only consider those that are offering something slightly different or new to what has been done before.” [Interview with Senior Project officer, Family Health, Seattle (2011)]

Furthermore, there appeared to be a high tolerance for risky ideas or ideas that show signs of risk or failure across the Foundation. In the 2010’ annual letter, for example, Bill Gates provides examples of the type of risks the Foundation might face when funding innovation:

“Our framework involves funding a range of ideas with different levels of risk that could fail. The ones with low risk are where the innovation has been proven at a small scale and the challenge is to scale up the delivery. High-risk innovations require the invention of new tools. Some are at the frontiers of science, such as finding a new drug and running a large trial to see how well it works. Other high-risk efforts involve changing social practices, such as persuading men at risk of getting HIV to get circumcised.” (Gates Annual Letter 2010 p.3)

The Foundation’s definition of risk is one that could potentially result in failure by showing no evidence of impact on beneficiaries when evaluated. Thus, it would entail a loss of funding. It does not refer to a risk of harm to society from the implementation of a service or product. In particular, they referred to ideas that may be financially risky in nature but from which the Foundation could learn from. In an interview with a staff member at the Foundation, he explained how investing in innovations that had no evidence-base was a risk to most donors with a limited resource, and that Foundation felt they could afford that risk:

“With proven innovations, like a vaccination that has been tested many times and shown positive effects, the risk to society is minimal, [thereby] making it appealing to the foundation. By risk, we usually mean financial risk.” [Interview with Senior Project officer, Family Health, Seattle]

Innovations that demonstrated a proven ‘impact’ on outcomes were typically measured through quantifiable methods, such as number of deaths prevented, or number of children retained at school. The evaluation conditions for demonstrating impact included rigorous evaluation methods that needed to show effects on outcomes that were as a direct result of the organisation’s funding. The Foundation expects its grantees to demonstrate the impact of their innovations are high, and require a significant evidence-base to show its effect on outcomes. Often these expectations are critical in demonstrating the fiscal benefits of the innovation, and justify its investment.



## **Technological innovation**

In my review of the organisation's literature, and through interviews with key officials, it was clear that technology was an important focus for the Foundation, particularly in the context of family health programs. For example, at the two events I attended at the Gates Foundation offices, participants were explicit about their bias for technological solutions to solving problems and said they openly encouraged grant recipients to use technology in their efforts to address health concerns.

By “technological innovation”, the Foundation means health technologies as well as technical advancements in agricultural development, an area of focus that Bill Gates is personally engaged in. In a report that Gates wrote for the Cannes Summit in 2011, he described the significance of introducing technological innovation in development, and the effects it is likely to bring about:

“Scientific and technological innovations will allow us to solve problems that cause significant misery and hold societies back. A malaria vaccine, for example, would change the economic outlook for Sub-Saharan Africa. Better seeds for the crops that poor people rely on – cassava, maize, millet, rice and sorghum – would feed billions, improve nutrition, and guarantee food security for the world”. (Gates, Innovation with impact 2011)

The Foundation's interests in technological innovations is not unique in international development, and is similar to the approach taken by other private foundations in the sector. However, the push for more technical advancements in the science behind global health is distinctive to the Gates Foundation:

“We have a bias toward funding technology-based solutions. Our ability to invest for the long haul, combined with our belief in the value of technology, means we gravitate towards transformative products and technologies specifically designed to help the poorest of the poor. We believe this technology focus is our best contribution to saving lives as quickly as possible.” (Global Health Program Strategy Overview 2010, p. 2.)

Technology is perceived as a means for supporting innovations, and not the focus of the innovation itself. This key distinction is important as it demonstrates that while the Foundation is committed to using technology, it is not the key focus of innovation. Christopher Wilson, director of the Global Health Discovery & Translational Sciences program at the Foundation, stated in his blog: “We're on the hunt for innovation. The reason why is simple. Innovation fuels

progress. And progress is what's needed to solve the global health and development challenges we face." Wilson leads a team that targets scientific and technological advances in global health that could lead to new ways to prevent, treat, and diagnose disease (Wilson 2011).

The Foundation's concept of innovation has been heavily influenced by the private sector, particularly Microsoft's investments in innovation in the technology sector, and its contributions to improving the marketability of their products across various contexts. These experiences have shaped the way in which the Gates Foundation thinks about innovation and what it might bring to their work. For the Foundation, technology is seen as an innovation that can provide solutions to a sector that does not have the resources to adopt them. And as a result, the Foundation adopts an investment strategy that is typically associated with the development of technological innovations in the private sector, investing in pilot projects, testing them and then demonstrating their effect at scale.

### **Innovation and delivery at scale**

One of the emerging themes associated with innovation for the Foundation is that innovation is built on the generation of an idea that needs to be developed and proven to show an impact on specific outcomes. The evaluations of these innovations are aimed at demonstrating the effect of the innovations on outcomes within a local context. However, the key objective of the Foundation is to demonstrate to governments and other foundations the investment potential of the innovations, and support them in their efforts to implement the innovations at scale. In other words, when an intervention is funded, and has undergone a series of evaluations to prove its concept, it is ready to be taken to scale. The key objective with focusing on scale is to reach the most people.

One of the challenges the Foundation has expressed in demonstrating the impact of innovations at scale is around what staff refer to in their interviews as "demand generation" and the adoption of new innovations in different contexts. This was a reoccurring challenge that appeared both in the content analysis and in the interviews with staff members. In November 2011, the BMGF hosted a convening at their headquarters in Seattle to review the obstacles most of their grantees faced in adopting innovations into their contexts (Social Research Unit 2011). The convening included grantees, BMGF staff, other donor agencies, and academic experts who were invited to

provide a framework for taking innovations to scale. I was able to attend and participate in the event through my employment at the time, and was exposed to conversations that related to the challenges with taking the problems to scale. In my analysis of the organisational literature, and through interview discussions with stakeholders, it was clear that the Foundation struggled specifically with improving service uptake of their funded innovations. The Foundations' perception of the problem with the adoption of taking services to scale were primarily due to logistical issues relating to reaching communities, as well some cultural resistance to service adoption among traditional societies. Examples of low service uptake were discussed at the November 2011 event, and were predominantly as a result of these two reasons. Participants presented on the type of challenges they faced in the contexts they worked in. These challenges lay in convincing the communities where innovations are introduced that they are worth adopting. Among the innovations known to reduce postnatal mortality includes the application of the antiseptic Chlorohexidine to a newborn's severed umbilical cord, however the Foundation faces difficulties introducing this remedy into rural communities in India, where users often perceive it as a threat rather than an innovation.

The Foundation actively seeks support from public health experts in the countries they work in, and supports them in devising innovative ways of addressing these issues. The Foundations' Maternal, Neonatal and Child health program, which sits in the Global Health Division, looks to address this issue by seeking out innovations around implementation and taking projects to scale. This is explained in the 2009 program strategy document:

“There is a broad consensus among researchers and practitioners on which interventions can reduce the majority of deaths in mothers and newborns, but increasing uptake and use of these tools is still held back by multiple implementation challenges at the national level... While there is evidence indicating “what” needs to be done to reduce mortality, more understanding is needed on “how”. We hope our current investments will help us not only innovate technologically but also better understand and test new ideas on how to overcome implementation barriers.” (Maternal, Neonatal and child health 2009 p. 4)

The development and delivery of vaccines is one the Foundation's biggest area of investment, with approximately \$800 million spent every year to find new ways of reducing the barriers to service delivery (p.6 Annual Letter 2010). The Foundation recognises that resources and expertise are needed to achieve these goals and is determined to engage with governments in

developing countries to address them. In Gates' 2010 annual letter, he describes his interest in taking vaccines to scale:

“We are working to get other donors to put more resources into vaccines because we still have big challenges. The first is to invest in them, and the second is to make sure they reach everyone who needs them. Achieving full coverage is hard in poor countries, where cost and delivery are big barriers. (Gates Annual Letter 2010 p.6.)

However, there appears to be a contradiction in the Foundation's definition of innovation, and their reasons for investing in the innovation. They are interested in funding new ideas and solutions to development, however on close examination of their funding portfolios, it appears they are most likely to fund initiatives that have a strong evidence base, or have been proven to work. They say they want to fund risky innovation, but actually don't take the risk and only want to fund ideas that have been proven to work. Most of the innovation that is actually funded has been devised by researchers in developed countries, or endorsed by them. Few are local innovations that represent what their grantees might consider innovative. A study carried out in 2015 showed that approximately 80% of the Foundation's grant money is spent on NGOs that are based in the United States and other countries in the Global North, rather than for NGOs based in the Global South (Needles et al 2018).

While the Foundation sees NGOs as being capable of experimenting and devising new approaches, much of their support for 'innovative' or 'breakthrough ideas' go to institutions in the United States, and the implementation of the innovation go to the NGOs themselves. A review of their funding databases shows that the NGOs supported by the Foundation are typically international NGOs based in the Global North which have some links to partners in the Global South. Furthermore, most of the NGOs that are funded in the Global South are supported to deliver innovations in different contexts, rather than develop innovations themselves.

## 4.4 The Department for International Development (DFID)

The Department for International Development (also known as UKAID) is the United Kingdoms' governmental department responsible for administering official aid to the governments and NGOs in the Global South. The following section presents a review of DFIDs' definitions of innovation and objectives for supporting NGOs to engage in it.

Table 4: Reports reviewed from DFID

Type of report	No. of reports
DFID annual reports (2009-2017)	8
Grant applications & Guidelines	11
Financial documents on UK spend	41
Case studies and project reports	12
<b>Total</b>	<b>72</b>

I carried out the fieldwork research on DFID specifically over four months in 2012, between July and October. I began by carrying out a content analysis of Department's publications, including grants documents and reports stored on DFID's databases, to examine how DFID describes innovation, and the ways it communicates it to its recipients. I identified seventy-two reports and

documents with references to innovation, particularly with regards to NGOs, and reviewed documents published between 2009 and 2011. I explored the strategy documents that describe DFID's funding activities and any strategic decisions they have about their funding approaches. Among these were the 'UK Aid: Changing Lives, Delivering Results' document, released right after Andrew Mitchell MP became the International Development Secretary in 2011, and a number of frameworks and budget documents that related to their funding schemes. I also looked at a number of operational documents that lay out plans of action for specific areas of work, and a number of the policy and research objectives for DFID. The documents reviewed were almost all publicly available on the internet, or given to me by some of my interviewees.

Table 5: Interviews with participants from DFID

*In-depth interviews with key-informants*

In addition to the content review, I also carried out eleven in-depth interviews with key officials in DFID who worked on innovation grants. This included an interview with the newly appointed head of DFID’s Innovation Hub, who was responsible for leading a new initiative to fund innovative solutions in international development. I carried out all the interviews over the phone or by skype, with the exception of two face to face interviews that were held in the DFID offices in London. I also carried out four additional interviews with external officials from Triple Line Consulting, a third-party organisation hired to manage DFID’s innovation grants.

<b>Type of Respondent</b>	<b>No. Of interviews</b>
Donor senior staff	1
Donor managers and officers	5
Consultants (Triple Line)	4
Other key informants and associates (volunteers, ex-staff)	1
<b>Total</b>	<b>9</b>

I approached the participants using a similar method to the one carried out with the BMGF participants. By reviewing DFID’s documents and information on its staff structure, I was able to identify key members of staff that fit the criteria for the study, and invited them to participate through an email that explained the purpose of the study and the nature of its outcomes.

The recruitment process was aided by a colleague who worked at DFID and was able to inform me of key officials working on innovation grants and who might fit the criteria of the research. This support was welcomed as it helped me to identify staff members whose names would normally be made available online, and would be difficult to locate.

Through the analysis of the text and the interviews, I was able to examine how the emerging concepts of innovation for this data set on governmental donors, compared with the conceptual framework. I also captured a number of reoccurring themes associated with innovation which are listed in detail below.

#### *4.4.1 About DFID*

The UK Department for International Development (DFID) was formed as an independent department under the newly elected Labour government in 1997, and was only responsible for administering foreign aid. The move came about in an effort to reform the government's funding for international development by separating it from the Foreign and Commonwealth Office, and making it an independent department. Prior to 1997, the department was a separate government body made up of a number of offices that were responsible for overseas aid policies and commonwealth services, and operated from the 1964 when it was known as the Ministry of Overseas Development. The change in governmental structure in 1997 introduced a dramatic shift in the UK's approach to international assistance, and diverted its focus from trade and economic development to reducing poverty and social and economic development in developing countries (International Development Act 2002). The new Department was assigned a budget, giving DFID the freedom to spend as is needed.

Today, DFID is headed by the UK Secretary of State for International Development with the mission "to promote sustainable development and eliminate world poverty", with an annual budget of 13.4 billion GDP (DFID Statistics on International Development 2018).

Much of the research on DFID was carried out around between 2009 and 2011, after the Coalition Government was negotiated into power in 2010, and where stricter measures on government spending were introduced. These measures were instituted in a new strategy to guide investments was put in place by the appointed International Development Secretary Andrew Mitchell. The strategy called on DFID to make the "best investments with increased resources", and came about as a result of a review commissioned in 2010 on the government's previous spending (DFID Operation Plan 2015 p.2). The strategy made five major recommendations and included a reduction in the number of countries receiving bilateral aid, as well as the number of partnering international organisations. At the same time, DFID committed to increase aid spending to 0.7% of the country's GNP, and introduced new measures to evaluate how the money is spent (DFID Operation Plan 2015).

The 2010 changes to the investment approach called for more efficiency and quantifiable results from their donations, both in their own work and with the programmes they engage in. They put a greater focus on achieving higher impact for the money spent, and a commitment to “deliver(ing) the greatest possible return on investment, both for the world’s poorest people and for the British taxpayer” (UK Aid 2011 P. 5). These objectives were heavily influenced by the Millennium Development Goals MDGs, which had outlined a series of quantifiable targets for OECD donors to achieve collectively by 2015. In addition, in 2010, the UN General Assembly introduced a new approach to achieving the Millennium Development Goals, after recognising that slow progress was being made, and encouraged the delivery of “effective” services that could reach wider populations (UN General assembly 2010 p.20). DFID responded by emphasising a need for projects that achieved greater outcomes and demonstrated a social return (DFID Annual Report 2012 p. 110). This was emphasised in their Annual Report, where they stated: “Projects will be selected on the basis of demonstrable impact on poverty, clarity of outputs and outcomes, and value for money.” (DFID Annual Report 2012 p. 6).

DFID was explicit about its interest in funding “innovative schemes”, and perceived innovation as a means for finding effective ways of delivering aid and improving their reach in the developing world (DFID Annual Report 2012). This was emphasised by Andrew Mitchell MP in the 2012 Annual Report to the Department:

“As we look ahead to the next twelve months I want to see British aid doing more: transforming more lives, creating more jobs, stimulating more growth, encouraging more innovation and giving more people a voice in their own future.” (DFID Annual Report 2012)

A number of innovation grants were released to encourage their partners to put forward new ideas for addressing need, and to make innovation a priority in their funding schemes. I identified two key funding streams that focused on innovation that were relevant for my research which focused on supporting NGOs rather than governments. The first is the annual Global Poverty Action Fund, within which the innovation and impact windows sit, and the second is the annual Girls’ Educational Challenge Fund. I reviewed the guidelines and application documents that were available on their websites, and identified any references to innovation within them, and noted any examples provided by DFID to illustrate what they meant by it.



#### *4.4.2 DFIDs' innovation grants*

Between 2011 and 2012, DFID's total official development assistance was £8.6 million. Approximately 42% of this was spent on multilateral assistance to international organisations, and 55% on bilateral aid to 28 countries (DFID Statistics on international development 2012). Aid directed at NGOs and civil society groups in developing countries fell under the multilateral aid funding schemes in the form of grants, and under an arm called small and medium sized enterprises (SMEs). Two grants in particular however, demanded innovative practices and ideas from NGOs in particular, and these were the Global Poverty Action Fund (GPAF) and the Girls' Education Challenge (GEC).

The first funding arm to focus on innovation was the GPAF, which was worth £40 million annually, and was made available to small NGOs based in the UK or in one of DFID's 28 "focus" countries (GPAF Impact window guidelines). It supported projects that proposed service delivery, empowerment and accountability, and conflict resolution, to address social needs. Within this grant were two funding windows that made innovation a prerequisite for funding: the 'Community Partnership Fund' (previously known as the 'Innovation Window') which represents 10% of the GPAF grant, and the 'Impact Window' which represents 90%. The Community Partnership Fund underwent numerous changes to its structure and guidelines and no longer requires that NGOs propose innovative ideas or services (GPAF community partnership window 2011). In 2011, a review of the grant was carried out that suggested there was no significant need for NGOs to come up with new ideas, and they could instead "trial innovative approaches to poverty reduction" or adopt approaches that have previously been tried by others. The changes were designed to support smaller organisations and proposed the following:

"These changes should help small and large organisations do what they do best, whether innovating or delivering projects that achieve real results." (GPAF Review 2011)

The second grant calling for innovation from NGOs is the GEC. In 2012, the challenge was open to NGOs and private sector bodies seeking to support the most marginalised and poorest girls to succeed in education and show indications of improved learning outcomes. Grants offered ranged from £250,000 to £2m annually. The objective of the grant was to provide educational

services to girls aged six to nineteen who had either left school or had no access to education in hard-to-reach areas. The grant offers two funding windows: the Step Change window, which focuses on providing girls with access to education and spaces to learn. With an emphasis on finding new ways of delivering the services to girls that are difficult to reach, and the Innovation Window, which focuses specifically on testing smaller scale pilot projects that could be scaled up if they demonstrate that they have effectively improved outcomes.

The management of both the GPAF and GEC were facilitated by third party consultants, who were responsible for reviewing the innovations proposed by applicants against the objectives set by DFID. The presence of private sector consultants responsible for managing grants ensured that DFID was adopting 'efficient' approaches in the interventions they selectors and ensure they adopted the ethos of the private sector as well.

Almost all the grants put forward by DFID after the Coalition government was elected in 2010 called for new ideas and processes to address the Millennium Development Goals from NGOs, and are driven by a need to improve knowledge in development. DFID's objective for increasing what they know "works" in improving outcomes for children and families is a key aspect of their approach to increasing their "value for money". The 2011-2015 operational plan described the role of the Policy and Research Cabinet in DFID as follows:

"It will be the go-to place for cutting-edge knowledge, innovation and expertise on what works/doesn't work and how to measure impact. It will make sure knowledge, learning and innovation flows across the organisation in a way that DFID staff can absorb and enjoy." (DFID Operational Plan 2011 p.3)

As with the Gates Foundation, DFID has also began collaborating with other governmental donors in initiatives specifically dedicated to supporting innovations to address poverty in the Global South. The Global Innovation Fund (GIF) for example, was launched by DFID in 2013 and created in partnership with the Swedish aid arm (SIDA), USAID, Australian Aid, the South African International Department of Science and Technology, and the Omidyar Network. The Fund is headquartered in London, with a total budget of 125 Million GDP, and supports innovations ranging from \$50,000 to \$15 million targeted at "improving the lives of the world's

poorest” across all geographies and focus on any sector. The definition for innovation provided here is:

“We define ‘innovation’ broadly to include new business models, policy practices, technologies, behavioural insights, or ways of delivering products and services that benefit the poor in developing countries — any solution that has potential to address an important development problem more effectively than existing approaches”. (Global Innovation Fund, Our Approach, 2018<sup>1</sup>)

This funding initiative is specifically directed at NGOs and takes on ideas relating to social innovation specifically, providing a funding approach that adopts the three stages of development for an innovation; piloting, testing and then taking the innovation to scale. An example includes a grant of \$2 million for the NGO Development Media International to deliver a mass media radio campaign aimed at raising awareness of modern contraceptives in Burkina Faso. According to the GIF, the main reason for supporting the campaign was because “The innovation has significant potential to be a cost-effective way to promote modern contraceptive usage, and to work across multiple geographies. Many other donors and governments will be able to assess this evidence when making their own funding and policy decisions.” (Global Innovation Fund 2018). These reasons parallel the objectives of the Gates Foundation in supporting innovations to take to scale.

The GIF website explicitly describes its’ adoption of ideas from the private sector, and also adopts a “challenge” approach to awarding innovations. In an article published by Jonathan Wong, the head of DFIDs innovation hub, he states that the fund adopts a “venture style approach” to funding social innovations to improve people’s lives. He explains that by “borrowing form the experience of venture capital, GIF offers three stages of financing to pilot, test and scale innovations. The fund supports innovators who are committed to using and generating rigorous evidence about what works and invests in innovations that can demonstrate evidence of success.” Thus, the concept of innovation is associated heavily with evidence-based ideas that demonstrate impact, and is not seen as a process of devising methods to address needs (Wong 2015).

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<sup>1</sup> <https://globalinnovation.fund/what-we-do/our-approach/>

In addition to the Global Innovation Fund, DFID has also collaborated with the Gates Foundation and other private philanthropies to support the Grand Challenges Global Health program, as mentioned in section 4.4.2. Thus, DFIDs support for innovation is broad and varies depending on who they are collaborating with. At the same time, their definitions for innovation vary slightly from concepts relating to social innovation, to those associated with innovation from the private sector. These are explained in more detail below.

#### *4.4.3 DFID's definition of innovation*

In my review of the literature, it was clear that DFID is interested in engaging in innovation and has prioritized it in their funding agenda, but does not have an explicit definition for innovation in their work. At the same time however there have been a number of references to innovation in their publications and grant guidelines, as demonstrated in the previous section. Through a content analysis and review of my findings, I was able to identify references in relation to NGOs, and the key reasons for why DFID had chosen to engage in it.

The two most common definitions for innovation included a combination of innovation as a product, and a process. Ideas for innovation as a product are predominantly influenced by the private sector and refer to an investment towards an evidence-based programme or project that shows some value for money, or an effort towards improving efficiency. Whereas, references to innovation as a process, is thought of as a social process to support NGOs in delivering services and in their efforts to address social needs are similar to those in the public sector and third sector where innovation is seen as a process of means of delivering services where resources are limited. These are explained below. Further themes for innovation have emerged during my analysis that demonstrate DFID's continued interest in innovation. I have categorised these reoccurring themes below, and describe them in some detail.

#### **Innovation as a product or process to test and improve outcomes**

Much of the references to innovation in both the content analysis and analysis of the interviews showed that innovation was perceived a process for NGOs to engage in, and that led to positive impacts on outcomes. These references were often made in external communications, such as funding calls, but less prevalent in their internal documents. In the GPAF grant for example, innovation is generally thought of as a process for encouraging applicants to propose new ideas that might be delivered at scale. Within GPAF, the Impact Window defines innovation as:

‘The creation and implementation of new or improved processes, products, services, methods of delivery or other aspects of an approach that result in significant

improvements in impact, outcomes, efficiency, effectiveness or quality.” (GPAF Impact Window 2011, P.2).

The statement is described in further detail in the application guidelines for NGOs, where it is seen as a learning process that demonstrates a level of creativity in thinking and encourages new ideas, and views:

“Innovation does not necessarily mean ‘brand new’ but could be an approach applied for the first time in a particular country or countries; or new ways of applying/adapting/developing an existing technique or initiative. We also understand innovation to mean experimentation, with the risk of failure (as long as lessons are clearly learned and the implications of failure are appropriately considered); inspiration which is the creative process of looking at entrenched problems with fresh eyes; genuine participation of people most affected by a problem to release more energy for ideas; and from looking more at what works and why.” (GPAF Innovation Window 2011)

Another funding grant called the Girls Education Challenge (GEC) makes similar references to innovation in their “Innovation Window” with budgets ranging from between £250,000 to £2m to NGOs for the most “innovative, effective and well evaluated pilot projects” that support marginalised girls. The GEC called for NGOs to prove that their innovation is based on a new idea that has not been implemented before. This requires the applicant to demonstrate a deep knowledge of what has been done before in their field, and to articulate how unique their ideas are in comparison. Among the many questions asked in the grant application are:

“To what extent does this project represent a new and innovative partnership for DFID in education service delivery?” and “How innovative is the project in terms of providing a new more sustainable solution to an existing problem?” (GEC guidance 2011).

DFID has shown a keen interest in building the evidence base around some of the priority areas they are addressing, and see innovation as an opportunity to add to this knowledge. With the new strategy for girls and women (DFID Operational Strategy 2011) for example, DFID was interested in finding new ways of preventing violence towards girls to better understand what works in this area of work:

“Innovative approaches to creating safe spaces for girls and women will be explored, along with work to support behaviour change, by challenging social attitudes and perceptions. We recognise that there are significant knowledge gaps on the extent and

nature of violence against girls and women and of effective interventions to address it – we will work with partners to build the evidence base. (GEC guidance 2011 p.3)

One interviewee from the Humanitarian and Security department described how the balance between funding innovation and funding evidence-based programmes was challenging for officers like herself and presented it as a paradox at times:

“You get an interesting balance between innovation and evidence that is sometimes a 50/50 split, where you get interest in funding innovation and interest in funding evidence too. Needless to say however, some programmes with weak evidence still get funded. In some cases, the strength of the evidence is not important. However, I think that basing programmes on evidence is good practice. And it was not always done before.”  
[Interview with respondent from Humanitarian and Security department 2011]

Once a new idea or innovation has been identified, it is piloted to test whether it has an impact on the outcomes it is trying to achieve. Pilot projects are funded under some of DFID’s innovation schemes to identify which programmes they want to develop further and potentially implement at scale:

“DFID has put in place pilot programmes to test innovative ways to provide better access to aid information for the people who should benefit from our programmes and to provide opportunities for them to provide feedback to us on how money is being used and what results are being achieved. These pilots will enable us to roll out the most effective approaches across the organisation in the future”. (DFID Annual report 2012 p. 89)

Funding for innovation is similar to that of the Gates Foundation, much of the funding support is directed at pilot projects with the aim of supporting processes that might improve the delivery of programmes and their efficiency.

### **Innovation to ensure value for money**

My analysis showed that DFID’s interest in innovation, not unlike the Gates Foundation’s, was associated with improving the efficiency of NGOs by introducing a process that could lower costs if implemented successfully at scale, and the efficiency of development spending more broadly. This concept resonated strongly with those interviewed, and was made explicit in almost all the funding calls reviews. Innovation was specifically seen as an opportunity for gaining better value for the money spent. In 2010, DFID published a “results framework” that set out a series of outputs used to measure their own impact, and a process of monitoring and

learning from these processes. “Monitoring results provides us with an incentive to look at the evidence, innovate and learn. This helps us ensure that our aid is focused on the best value poverty reduction programmes.” (DFID’s results framework p. 1).

DFID’s interest in achieving better value for money was introduced after the new Coalition government took power in 2010. The emphasis on social returns and reducing costs introduced a shift in DFID’s approach to grant giving, first explained in the 2010-2011 annual report:

“There has been a positive change in organisational behaviour and focus on value for money. Organisational decision-making on spending had improved due to stronger identification and consideration of strategic commercial and procurement issues. There is now increased priority and focus on applying innovation in strategic supply chain management to drive maximum impact and value for money from development programmes.” (DFID annual report 2010-2011, p. 94)

In 2010, DFID introduced a new funding mechanism called ‘Results-Based Aid’, as part of its funding partnerships with governments in developing countries. The idea is that it is a “way to make sure a real difference has been made before any money is handed over” (UK aid 2011). In other words, governments that are implementing an innovative programme in their country are only awarded funds if they have achieved results. This is also referred to as Payment By Results (PBR), explained as:

“Payment by results (PBR) makes payments contingent on the independent verification of pre-agreed results, encouraging recipients to innovate and minimise waste. In Ethiopia and Rwanda we have PBR pilots that focus on improving education results and in Northern Uganda we are using PBR arrangements to improve health outcomes. We are building independent evaluation into our pilots to ensure that we build an evidence base of how PBR operates and that we learn effectively from this innovative work.. (2010-2011 annual report p.85)

The objective of PBR is to “capture experience from innovation and contribute it to programme design and business cases” and build on DFID’s database of knowledge around what activities work and what to support (DFID’s Policy and Research Cabinet 2011 p. 7). The process was being piloted during the time of my fieldwork, and there was little documentation on what would be expected should no results be achieved.



The contradiction here however is that arguably PBR reduces the possibility for innovation as it makes organisations more risk averse and less likely to be creative or willing to work with challenging programmes or groups.

### **Innovation to improve NGOs' capacities and capabilities to deliver at scale**

As with the Gates Foundation, DFID saw innovation as a way of improving the delivery of services and reaching populations it has not been able to reach before. DFID is determined to have a wider impact on the populations it is targeting, with the intention of eventually working with governments at the national level to address the MDGs and SDGs. Most of the innovation grants are directed at supporting NGOs to devise new ideas around improving the health and education of children, and if they prove to demonstrate promising results, they can then be scaled up.

“Our new approach will mean we focus more of our efforts on unstable countries, getting help to some of the hardest to reach people. We will not be afraid to try new, innovative ways of tackling extreme poverty to make real breakthroughs in these challenging environments.” (UK Aid 2011 p. 36)

References to innovation at scale were associated with finding ways to broaden the number of stakeholders targeted by services. This includes broadening the scope of the populations they target to include marginalised girls, or explore interventions that can be applied in different contexts or a cross sectors, such as in health and education. The GEC Innovation Window funding scheme calls for ideas that improve learning and the quality of education for marginalised girls, and looks for projects that “generate new evidence of successful intervention, demonstrate potential of scale up or relevance to other contexts or explore multi-sector interventions.” (Girls Education Challenge 2012 p.1)

In my interview with the Head of the Innovation Hub at DFID, he explained that innovation played a role for DFID in helping NGOs deliver services better and at scale. His unit was responsible for providing NGOs with guidance to innovate and introduce it in the work.

“We think of NGOs as our suppliers. They deliver our services. And we'd like to help them understand what we mean by innovation and help them develop new ideas. And help them to focus on scaling up and being clear on “innovation”. We're doing this by developing tool kits that will generate good ideas. At the moment, almost all of the ideas

that are presented to us are weak. The guides will give them the knowledge needed to develop it further, and will give their proposals a new edge. [Interview with Head of Innovation Hub, 2011]

Following the interview, I carried out a review of the guides to examine references to innovation and found few that describe in detail what an innovation is, or how it should be carried out. In 2014, DFID launched a funding arm that followed the Global Poverty Action Fund (GPAF), which was called UK AID Direct. The fund is a five year challenge fund, with a budget of 150 million GBP that is aimed at “small and medium sized civil society organisations”, and seeks to work towards poverty reduction. The fund aims to support NGOs to “adopt innovative and new approaches” and provides a number of resources and case studies to support in the development of these programmes. Much of the learning resources available help to define what DFID is looking for in terms of value for money and other such schemes, but not on what it means by innovation.

### **Innovation and information technology**

Almost all of the 9 officials I interviewed at DFID explained how new technologies were increasingly being regarded as ‘innovations’ that were particularly cost-effective to support. However, this finding does not represent the donor as a whole, and is only limited to the perspectives of those engaged in the study.

Only 3 of those interviewed explained that the NGOs they were used to supporting were beginning to include technological tools that might help them improve the services they deliver. However, it was made explicitly clear by all the participants I interviewed that while technology was associated with innovation, it should not be considered an innovation in itself. In other words, new technologies might be adopted to support NGOs to innovate, but these technologies must not be considered an innovation.

The use of information technology as a means of addressing needs and improving services in international development is not a new phenomenon and has been popular with aid donors for over a decade. Innovation and technology are closely related, particularly since we are living in a time when wealth is generated from advancements in technology. Furthermore, innovations in technology have improved the delivery of services in the public sector. DFID sees opportunities

in using technology, such as mobile phone technology, to help deliver projects effectively. In the 2011-2012 annual report, DFID describes mobile phone technology as “offering innovative applications in the areas of business, health and education” and consequently invested in a \$45 million fund in 2012, in collaboration with USAID and the Swedish aid agency, to support innovation to harness the use of technologies by citizens in developing countries. (DFID Annual Report 2012)

DFID views lessons from innovations in technology, such as the development and spread of the mobile phone, as a success story, and ultimately a teaching resource on how to take services to scale, and reach marginalised people. They stated in the 2011-2012 annual report that “By the end of 2010, 90% of the world’s inhabitants were covered by mobile cellular signal and more than 2 billion people worldwide were using the internet.”

According to a respondent from the Humanitarian and Security department, the ways in which technology is used plays an important role in determining whether a project is worth funding. She claimed there has been a recent emphasis on using technology in DFID’s work:

“New technologies are an area of innovation that we’re interested in. They have steered technology into programming. Before 2010, it wasn’t considered important, but now it seems to be the new fad. It’s not so much the ‘newness’ of the technology, but rather how it’s being used, and whether those ideas have been applied before... So, projects that suggested using an iPad to deliver a new service, or introducing a mobile phone in Kenya to deliver money, are being considered.”

[Interview with respondent from DFID Humanitarian and Security department]

Following a review of my research findings, I found it challenging to identify a single definition of innovation that resonated across the entire Department’s work. Instead, what appeared to resonate during my fieldwork, was that innovation was consistently perceived as a process of learning for NGOs to engage in and improve their service delivery.

My analysis also showed that, like the Gates Foundation, DFID associated innovation with a cost-effective measure that could result in some social value return on the money invested in it. This was evident in the ways in which DFID approached funding NGOs and how it expects to benefit from innovation. But also in its decision to employ third party consultants such as Triple

Line Consulting and PriceWaterHouseCoopers to manage its grants and distribute its challenge funds. Much of the terminology around innovation is similar to that used in the private sector. In 2011, DFID published a strategy document, a new strategic vision for girls and women, which described a new vision on how to address girls' and women's poverty. The document sets out plans for involvement with the private sector:

“We plan to work with the private sector to develop innovative approaches to promote assets for girls. We are planning initiatives to improve access to financial services for over 18 million women, to help 2.3 million women access jobs, and to secure access to land for 4.5 million.” (DFID 2011 p. 3)

There is evidence that the private sector has played a big role in influencing DFID's thinking on innovation, and the role it is meant to play in development. Much of the focus on improving value for the money they spend, for example, is driven by how the private sector perceives innovation, and comes from DFID's continued engagement with the private sector in developing new approaches to addressing poverty.

At the same time, innovation is seen as a mechanism for identifying locally-driven ideas that could contribute knowledge in the field. The 2011 strategy for girls and women specially encourages innovative approaches that “directly involve girls and women in designing interventions, monitoring and evaluating processes”. (DFID 2011 p.4)

Unlike the Gates Foundation, however, DFID seems less interested in risk-taking innovations, and more focused on funding innovations with an evidence base. There are no references to funding ‘risky innovation’ in the literature examined, however one respondent did say she felt that the previous government administration was more likely to take risks, whereas government officials today are less likely to avoid them because they don't have as many resources as they did before:

“DFID is getting better at taking risks than other funders. We fund ‘risky programmes’ to try something new. And though they were much more ready to take risks under the previous party, DFID is becoming slightly more risk averse.” [Interview with respondent from Humanitarian and Security department, 2011]

## 4.5 Concern Worldwide

Table 6: Interview with respondents at Concern Worldwide

The following section presents the research findings and analysis of the fieldwork research on Concern Worldwide, which was carried out over four months in 2012. The review is based on a content analysis of 26 documents from the charity, that were publicly available online or through library archives, and website. It also includes

strategy documents for their country offices and for the five organisational programmes, along with grant reports that document details of specific projects, and their evaluation. In addition, I also reviewed a number of research reports and blogs authored by Concern staff which give an account of project development and insight on how the organisation works. A summary of these reports is listed in the table below.

Type of respondent	No. Of interviews
Senior members of staff	1
Managers	4
Consultants (maternal and child health technical experts)	2
<b>Totals</b>	<b>7</b>

Table 7: Reports reviewed with Concern Worldwide

Type of Report	No. Of Reports
Insights, research publications and evaluation reports	17
Annual Programme Plans and financials (2012-2013)	4
Blogs, press releases, and website materials	5
<b>Totals</b>	<b>26</b>

### *In-depth Interviews*

The review included seven interviews with project staff working at Concern's offices, and who were based in Dublin, London and Addis Ababa. The semi-structured interviews were held with full-time staff members and consultants working on a newly developed innovation project called the 'Innovations in

Maternal and Newborn Health' project. Respondents were questioned about their involvement in projects and were asked to describe their understanding of innovation, and give examples of

projects or processes they felt were innovative. They also gave accounts of how partnering donors and recipients think about innovation. The list of interviews are summarised in the table above.

The number of interviews for this particular donor is low when compared to the interviewed carried out with DFID and BMGF. This is partly due to the fact that the number of staff working at the Concern Worldwide is smaller, however it is also small due to the challenges I faced finding enough participants that fit the criteria for the study. It was particularly difficult to recruit a senior staff member to participate in the study.

I approached the participants in the same way I did with DFID and the BMGF, first by locating the relevant participants online, and then by inviting them to participate in the study. The staff members were less responsive than those approach for DFID and BMGF when it came to recruitment, but were surprisingly engaged and committed during the interview.

#### *4.5.1 About Concern Worldwide*

Concern Worldwide is a non-governmental, international humanitarian organisation that was first established in Ireland in 1968 in response to charity appeals by Catholic missionaries serving in famine-affected communities in Biafra, southeast Nigeria. The charity was set up by an Irish couple, John and Kay O'Loughlin Kennedy, who were particularly struck by the famine, having survived a similar crisis in Ireland, and received a great deal of funding from the Irish public to support them on their mission. The charity began by sending supplies, and aid directly to communities in Nigeria and distributed through the Holy Ghost Missionary, which they were associated with (Our History, Concern Worldwide Website, 2018).

Today, Concern Worldwide is Ireland's largest aid agency, operating in 27 countries in the Global South with the mission to "reduce suffering and eliminate extreme poverty in the world's poorest countries" (Concern Worldwide Website, 2018). It is both a humanitarian aid agency and a funding body that partners with donors and NGOs to deliver services. As a result, it also has offices in the Global North, with a network of offices in Ireland, the UK and the US, that manage

the distribution of funds to the countries it operates in the Global South. The Concern Worldwide US is based in New York, and is an affiliate of the Concern Worldwide network and supports their work through capacity development and financial resources. The UK offices, however, are a minor extension of the Concern offices in Dublin. This structure allows the charity to raise funds from Irish Aid, the European Community and USAID.

Concern is primarily funded by donations from members of the public, governmental and institutional donors as well as private donors. Concern Worldwide raises its income by engaging with other institutional donors, and as a result much of its funding interests are closely aligned with its partnering donors. For example, Concern's largest income resources come from a strategic relationship with Irish Aid. A large proportion of Concern's funding also comes from donors such as DFID, USAID and the European Union, in the form of both unrestricted and restricted grants. The key differences between restricted and unrestricted grants is the expectation with which they the funds are meant to be spent, whereby restricted grants are spent under specific conditions and with the expectation they deliver specific outcomes. Whereas, unrestricted grants are disbursed depending on the organisations unrestricted decisions. As with many international charities, Concern is dependent on raising funds from the public. In 2011, the organisation's annual income totalled €160.2 million (Concern Annual Report 2011 p.8), of which almost 90% was spent in the same year. In 2017, its' total income was reported at €191 million, with over 70% of its income coming from grants from governments and other co-funders (Concern Worldwide Annual Report and Financial Statement 2017).

The key areas of focus for Concern are; emergency, health and Nutrition, education and livelihoods. This research will focus on the health and education programmes, as they both specifically target children's wellbeing. The principle driving decisions about where the charity intervenes globally is to go where they are "needed" the most rather than where people can "benefit" most from their work (How concern targets countries for poverty elimination 2010 p.3). It bases its decisions on the type of development projects to engage in, and the countries to work in primarily around the UN Human Development Index. Its development work focuses on education, emergencies and health, livelihoods, HIV and AIDS. Concern's development work is carried out by funding local NGOs to deliver projects within their thematic areas. The interventions are mostly designed alongside the partners to ensure they address local needs.

One of Concerns' eight organisational values is innovation, and they describes themselves as "innovative" because "finding effective solutions requires innovative thinking combined with a pragmatic approach" (Concern Worldwide Policy Statement 2015, p.2). In their organisational theory of change, they also explain how evidence from their funded programmes help them to create an enabling environment at both the global and the country level. As a result, innovation is seen as part of what the organisation itself engages in, and its expectation from the programmes its funds (Policy Statement, Concern Worldwide 2015).



#### *4.5.2 Concern Worldwides' innovation grants*

According to their now retired Chief Executive Officer, Tom Arnold, Concern sees innovation as a driving force to finding effective solutions in their work, with an ethos that is based on “innovation, impact and influence” (Concern Worldwide 2012 p.2). This ethos became part of the charity's strategic plan over five years between 2006 and 2010. However, innovation was primarily viewed as a practice, or a characteristic of the type of projects they engage in, not a condition for funding. Concern is focused on “using innovation and pragmatism in the face of obstacles”, and is keen to engage with their partners organisations in the Global South to identify and adopt their ideas for improvement (Concern Worldwide Policy Statement 2011 p. 2). They stated they were committed to innovating in order to “seek solutions which can go beyond our own work and be scaled up by our peers across the globe to maximise the impact we have on the lives of poor people, and help the international community meet its Millennium Development Goal targets” (Concern Annual Report 2010 p. 20).

Concern works in partnership with grassroots organisations, national and local governments to deliver interventions that address its programme objectives. It is not a service provider, but instead supports local partners with resources to deliver services and builds their capacity. In doing so, it influences the development of projects and the issues they tackle. In addition to their country grants, Concern takes on projects to further knowledge of their programme areas. For example, the US office was awarded a \$41 million grant in 2009 from the Gates Foundation for over five years to “support the development and field testing of bold and inventive ways to overcome barriers to delivering proven maternal, newborn, and child health solutions in six countries”. The project sought to test innovations in three countries where maternal and newborn health was particularly poor: Malawi, Sierra Leone, and India. The project was based on two premises:

“Successful interventions had been identified but failed to deliver evidence of successful scale-up or replication and innovations can come from anywhere and that there were many people whose ideas had never been sought, such as service users, students and front-line health workers”. (Concern Worldwide 2012 p. 7)

The project sought to better understand the barriers preventing mothers and children from using the existing services. Concern asked people in the communities they were targeting to submit ideas on how to address barriers to improving maternal and newborn health, in a competition for the most innovative project. Details of the innovations are listed on the Concern Worldwide Innovations for Maternal and Newborn Child Health website (Innovations for Maternal and Newborn Health, Concern USA Website 2013). The criteria for the innovations were devised by Concern, and ideas were sought from practitioners in the field and people who might be excluded from healthcare planning and decision making, such as community healthcare workers, families and others. Ideas that met the pre-identified criteria were piloted by Concern in the three countries. Examples of innovations that were funded include a Short Message Service (SMS) that provides advice and health consultations to mothers via mobile phones in Malawi. The project is considered innovative in that a new technology is used to provide a two-way channel so that mothers and caretakers are better informed and more engaged in the health of their families. It also allows health workers to better understand their end users and analyse common queries.

### *4.5.3 Concern Worldwides' definition of innovation*

In 2011, when I had begun the fieldwork on Concern Worldwide, the organisation released a strategic plan that set out a number of goals for each of its programme areas for a period of five years. Innovation and learning was part of their commitment as an organisation to addressing the needs of the world's poor and achieving the greatest impact as a result (Concern Worldwide Strategic Plan 2011). Concern recognized the role that innovation plays in shaping the way the organisation learns from its investments, this is explained in their strategic plan as:

“We are committed to innovation in all our work, in our field programmes and in all the functions which support these programmes. Learning from our work and being able to demonstrate results is central to how we operate. We are committed to the highest standards of accountability to our beneficiaries, the public, and the many government donors who support us.” (Concern Worldwide Strategic Plan 2011, p2)

For Concern, innovation is perceived as a process of learning from their efforts to improve the wellbeing of people, and from what works among their partners. Learning comes in the form of an evidence-base that is generated within Concern itself, as well as with the partners it works with. As a result, innovation is not perceived as a condition for funding. This expectation of innovation is distinctly different to the Gates Foundation for example, who see innovation as a process that NGOs should engage in. The following section describes the themes associated with innovation that came up in the content analysis and interviews.

#### **1. Innovation as learning**

Innovation is typically seen as a process of understanding what works, and the development of ideas to help improve the delivery of a service or intervention. In an interview, one respondent from the Concern offices explained that she felt the ideas explored at Concern were based on existing ideas in their work:

“I think about innovation as something different to invention. There is very little invention, and a few new ideas, but there is some innovation, particularly when you contextualise an idea to the area.... In other words, the ideas may not be new, but they are developed and applied in different settings.”

[Interview with a respondent from Concern offices in Dublin, 2012]

The interviewee recognized the difference between invention and innovation, as referenced in the concepts of technological innovation, and saw innovation as a process of building on inventions. And while she was able to make the distinction between the two definitions for innovation common to the private sector, she saw innovation as a process that built on inventions.

Another interviewee spoke openly about the lack of clarity around the concept within the organisation. He described how the concept was vague but also likely to be influenced by other donor interests. He explained his experience with the Gates-funded Innovation initiative and said candidly that he thought there was no clear notion of what innovation actually meant in practice:

“... It’s not really clear what Concern means by innovation, or what the Gates Foundation think is innovative. There is no criteria that was used to identify the ideas set forth in the progress. They were identified by a number of different consultants, along with Concern staff. But not based on any set of firm ideas on innovation”.

[Interview with a Concern consultant, 2012]

The innovations that were explored by this project were predominantly around improving the number of people Concern reached with the delivery of interventions and the capacity for reaching more people with their funded projects. This way of thinking is not unlike Gates’ interest in improving the scale-up of interventions. The project description illustrates this further

“Proven interventions already exist, with the potential to save millions of lives. The challenge is to scale up effective delivery to ensure the interventions reach all the people who need them. There is an urgent need to focus on the critical obstacles to delivery, many of which are the product of weak, overburdened health systems or harmful practices such as discontinuing breastfeeding too early.” (Concern Worldwide innovations Online 2011)

This was defined further by the now retired Chief Executive Officer Tom Arnold who introduced a new approach to innovation, which is currently being piloted in two more countries. In his final report as Chief Executive Officer, he wrote:

“This shift in approach is underscored by learning on the principles of innovation: diversity as a driver, based on iteration rather than being too linear, and action and incubation on an on-going basis.” (Concern Annual Report 2013 p. 7)

An important aspect of innovation for Concern is the learning process and the means of finding solutions to challenges, and can take place both within the charity, and from developments in the field. In the 2009 annual report, the process for learning was described as:

“We learn from our own experience through constant reflection and piloting of new ideas together with formal evaluations, both internal and external. We gain knowledge through partnerships and connections with other organisations.” (Concern Worldwide annual report 2009 p. 28)

It is this learning process that contributes to the understanding of innovation and what it is expected to deliver.

## **2. Innovation and value for money**

Since 2010, Concern has adopted a ‘value for money’ approach to many of their projects, including many of their innovation projects. According to a number of participants interviewed, they felt the same pressure as the Gates Foundation and DFID to demonstrate they are delivering results for the money they have invested. Achieving value for money (VfM) is typically defined as using resources optimally to achieve outcomes, however definitions vary between donors. This mechanism also helps them to distinguish which projects to fund.

“Concern also has a duty to the public for funds raised from them to show that their money is making a difference, and in 2010 made a commitment to strengthen our assessment of value for money in all our work.” (Value for Money and Concern p. 2)

References to innovation are sometimes associated with efficiency and value for money. Concern’s focus on value for money is to ensure it maintains accountability both to its donors and to the people they target with their work (Value for Money and Concern p. 2). They have incorporated VfM measures in their programme designs and their country strategies. They were extremely cautious in adopting this approach, and ensured that two crucial elements were incorporated:

“First, we cannot use VfM as a means of comparing whether it is cheaper to deliver services in one country than another, there will always be elements of context to include – the real value is in choosing our options... The other element is that even when submitting budgets for funding there is an opportunity to explain why something may be more expensive.” (Value for Money and Concern p. 6)

Unlike DFID and the Gates Foundation, Concern Worldwide does not focus on costs only to determine the value of a project, but rather on the value created for a context in which it is implemented in. Concern believes that VfM can only be calculated within specific country contexts. These are taken into consideration for their innovative projects, and are addressed through research:

“At times, we implement innovative or proof of concept programmes, such as the RAIN programme in Zambia. These will have substantial research and data gathering components, which a number of donors will not fund. In this respect we need to target how we design these programmes and where we apply for funding for programmes that include a research element, or identify donors that accept research costs.” (Value for Money and Concern 2011 p. 6)

It appeared that there was an association between references to the value for money with references to innovation, and these were primarily influenced by other donor agencies, and as a result appeared in publications where the value for money was a key area of focus.

### **3. Technologies to address problems**

Technology is seen as a tool that offers the potential to do things better for Concern’s work and for their partners. As a result, Concern is increasingly engaging with technology leaders and professionals to progress their development and humanitarian aid work. This was iterated in the 2010 annual report:

“Concern is always looking at ways to create new, practical and flexible technologies to address problems in healthcare, education, agriculture and finance. To make this happen, Concern has built strong partnerships with other International Non Government Organisations (INGOs) through its membership of NetHope, and also with technology providers. Concern believes that Innovation for Development (I4D) is critical to extending the impact, reach and scale of our humanitarian programmes in the developing world.” (2010 annual report p. 60)

Prior to this announcement, Concern had been exploring the use of technology, to see how they could apply technology effectively to achieve the most impact. They did this by supporting a number of projects that incorporated technological tools. They saw this as an innovation to finding effective solutions to some of the problems they faced. A number of examples of these projects were described in their 2009 annual report:

“In India, we supported our partners in using a new mobile phone-based system, the MERComs framework, to monitor the entitlements of rural communities to social protection schemes. Our partners developed a database of 43,000 households, transferring the data to a management information system which generates reports for village communities and officials and automatically sends alerts regarding due dates for payments of entitlements.” (Annual report 2009 p. 30)

#### **4. Innovation and scale**

As with the Gates Foundation and DFID, Concern is explicitly interested in reaching a wider population in the countries they work in, and are keen that the NGOs they support are achieving a greater impact at scale. However as Concern is a recipient of a Gates Foundation grant, it is possible that this interest is influenced by the Gates agenda on scale (See *Achieving Impact at Scale* 2011). For example, in 2009, Concern explored the possibility of taking pilot projects to scale, with hopes that local governments would adopt them:

“Our aim is to bring about major impacts from our work which last and continue to spread beyond the period of Concern’s support to an area. In Malawi, we started the handover of the Community Therapeutic Care Programme to the government health authority in 2009. What started as a small and innovative pilot in 2002 is now a government-adopted and approved approach to treating childhood malnutrition across Malawi, and also serves as best practice right across the development sector.” (Annual report 2009 p. 32).

In the years following this experiment, Concern developed its intention to reach more people and engaged in the Gates funded project to improve maternal and newborn health. The purpose of the project was to identify which innovations had the strongest effect on improving the delivery of health services during the pilot stage, and then take these programmes to scale (*Innovations for maternal, newborn and child health* 2011)

In the same year, Concern co-hosted ‘1,000 Days to Scale-Up Nutrition for Mothers & Children: Building Political Commitment’ in Washington, D.C, a conference of government officials, NGOs, academia and representatives from the private sector (Tom Arnold 2011 p. 15). The gathering was designed to develop a joint advocacy plan towards achieving better health and nutrition for children at a global scale.

Concern Worldwide sees itself as a charity interested in influencing policy and enabling others in the field to learn from their experiences. This role is important in shaping the charity’s approach to development, and how it interacts with its funders and partners. This role is explained by Arnold in his final report in 2013:

“One of the hallmarks of Concern’s evolution over the past decade has been the ‘influencing’ role. This influence has been focused, connecting learning from our programmes with opportunities to improve the policies and practice of the international community, in order to bring larger scale and lasting change to extremely poor people in the world’s poorest countries”. (Concern Worldwide Annual Report 2013 p.14)

For Concern, innovation is a process that NGOs can learn from to develop the best ideas in development. References made to innovation as product, or intervention and as a process are made interchangeably, and are thought of in relation to learning. In the description of their programmes, they explain how:

“Concern seeks to continually redefine the boundaries of its own knowledge, learn from the communities we work with and explore new programme tools and mechanisms. In short, we use innovation to design ever more effective programmes.” (Concern Worldwide, Programmes 2018)

I was also able to interview staff members of the Concern Worldwide offices in Ethiopia during my research there. The Concern offices are based in Addis Abba, in a gated bungalow office off the main road. My interview with the director and assistant country director of the country helped me understand their funding relationships with NGOs in Ethiopia, and their views on the role of innovation in their work. In my interview with the director described her definition of innovation, and explained it was not about finding new ideas, but rather about knowledge management. In other words, it is about how knowledge is applied and generated in their work. She states that:



“There is very little invention, and few new ideas, but there is some innovation, particularly when you contextualise an idea to the area... Ideas aren’t new, but they are developed and applied in new settings. “

[Director, Concern Ethiopia offices, 2012]

It was clear from speaking with her that context plays a big role in defining an innovation. The context in which an idea is applied influences it develops, and determines whether it is considered innovative. When asked to describe the ideal context for innovation to occur in, she explained:

Some innovations come from outside and are applied in the Ethiopian context, and are developed here, which make them innovative. And in some cases the ideas start here. Like community conversations.”

[Director, Concern Ethiopia offices, 2012]

For the Director of the donor offices in Ethiopia, the replications or adoption of different interventions from other contexts and countries is part of the innovation process. As with the concept of diffusion, the spread of ideas into new contexts is part of the innovation process, particularly when NGOs learn from the process.

#### **4.6 An analysis of donor interests in innovation**

The research question I explored for this part of my empirical study asks “How is innovation understood among donors?” I wanted to examine their definitions for innovation and expectations for funding it, and compare these to the definitions put forward in the conceptual framework. I posited that there would be a disconnect between what is written in the organisational literature and what was described by the donor officials interviewed. This was due to a lack of understanding around what innovation is, and its purpose for their work. And while there appeared to be some variations in the way donor officials described innovation from their organisation’s literature, it was not always the case. In each of the interviews carried out with donor officials across all three donors, the key informants appeared to be very aware of their organisation’s interest in innovation, and how it is conceptualised. What was not clear however, was why innovation was perceived as important, and what were its expected outcomes.

There appeared to be some similarities and differences in the way innovation was understood by each of the donors reviewed. Each of the donors held a distinct definition for what they meant by innovation and the purpose it is expected to hold for NGOs. Their definitions appeared to be very much influenced by the nature of the donor and the type of funding activity they are interested in engaging in. For example, the Gates Foundations’ definitions for innovation were very much influenced by the private sector, and as a result they have adopted key concepts associated with technological innovation, or innovation as a product that can be delivered by NGOs and can demonstrate positive effects on outcomes (Seelos & Mair 2010). Whereas for Concern Worldwide for example, the concept of innovation is associated with learning from what has worked among NGOs, and building on that knowledge in order to continue to service people in need. Similarly for DFID, the definition of innovation was perceived as both a product and a process that NGOs could engage in to improve the efficiency of their services, and show greater effects on outcomes.

There were also variations in the extent to which NGOs were regarded by the three donors, which became evident in the interviews I carried out with donor officials. For some donors, NGOs were perceived as being responsible for the innovation agenda, and in deriving the solutions to the development challenges that donors are seeking to address. Whereas for others,

NGOs were just a vehicle for the delivery of innovations. For the Gates foundation for example, references to NGOs specifically were limited, and only ever mentioned with regards to them as service delivery organisations who were unlikely to develop the innovation themselves, but rather be involved in the implementation of the innovation. For example, in their Grand Challenges Innovation grants, the innovation that is awarded is granted to an international team of people from academic institutions in the Global North, who are partnering with NGOs in the Global South to deliver the innovation. For DFID on the other hand, NGOs were typically referred to as small and medium sized enterprises (SMEs), a term adopted from the private sector, and is determined by their organizational size, and income. Whereas Concern Worldwide specifically refers to NGOs as partners and organisations with which they fund and work alongside. Thus, the power dynamic between the donors and their partnering NGOs, and their relationship, will influence how innovation has been conceptualized and applied to their work.

A common funding schemes for innovation for all three donors were typically awarded as ‘catalytic’ funds that might support an idea or a solution to a problem, and gain leverage with other donors in the sector. Each of the donors reviewed hosted a platform to support or reward innovations that were emerging from the sector. These funding sources appear to be increasingly popular and becoming significantly important for the donors to test and pilot new ways of working in the sector. The Grand Challenges format hosted by the Gates Foundation and DFID for example, is one that has introduced millions of dollars and pounds worth of investment for organisations who want to pilot and test new ideas in the sector. This is a platform that has been adopted from the private sector, along with other concepts relation to innovation.

While the concept of innovation holds different meanings to each of the donors I reviewed for this research, there were four emerging themes that cut across all three donors, and touched on their shared belief around the purpose of innovation in their work. Firstly, for all the donors in this study, innovation was seen as a means, or a process for finding solutions to problems faced by NGOs. Innovation was perceived as a way for NGOs to pilot new ideas in the sector, and learn from the process. For the Gates Foundation, and similarly for other private donors, innovation is typically thought of as an intervention or service rather than a process. What typically identifies an innovation is that it has not been applied to a sector before.

Secondly, innovation was seen as providing social returns to the sector and an opportunity to fund cost-effective proposals from NGOs that fall out of the donor priorities. The notion that innovation provided ‘value for money’ or ‘cost effective’ opportunities to the donor was an important feature of innovation, and one that was influenced by ideas about innovation from the private sector.

Thirdly, innovation was associated with new technologies introduced into the sector. This was a theme that ran across all the donors, who typically referred to technology as a key aspect of innovation but not a key contributor to innovation. For example, most of the examples provided by the donors referred to new technologies that have been adopted by NGOs to address specific challenges, however it is not the new technology that is considered the innovation, but rather the approach taken to addressing the problem. This is associated with the concept of innovation as a product, as outlined in the conceptual framework, which leveraged new technologies to be introduced into new contexts. In the review of the discourse, I showed how the concept of new technologies are introduced as new products in order to get attract private sector funding, with models that were familiar to them (Murray 2014).

The fourth emerging theme suggested that innovation was needed for identifying processes for addressing development problems at scale. This relates closely to the concept of scale in the conceptual framework, and shows how it is used as a justification for funding innovations across multiple contexts (Rogers 2003). Each of the donors I reviewed raised the issue of reaching a broad group of stakeholders as a key challenge that NGOs faced in their work. Grants that supported innovation by these NGOs were meant to target small groups of stakeholders at first, and if proven successful could have benefits at reaching broader groups. Donors perceived innovation as a means of reaching broader groups of people.

The table below presents a summary of the overarching definitions for innovation for each of the donors, and to see the key differences and similarities in the way they are defined.

Table 8: Comparison table with definition of innovation among donors

	<b>Case Study 1</b>	<b>Case Study 2</b>	<b>Case Study 3</b>
<b>Donor</b>	<b>The Gates Foundation</b>	<b>DFID</b>	<b>Concern Worldwide</b>
<b>Definitions for innovation</b>	Innovation as a <b>product</b> , solution or process to addressing social problems.	The creation and implementation of new or improved processes, products, services, methods of delivery or other aspects of an approach that result in significant improvements in impact, outcomes, efficiency, effectiveness or quality.	Innovation as a <b>process</b> of learning from communities and understanding their needs better.
<b>Reason for funding innovation</b>	<ul style="list-style-type: none"> <li>To demonstrate the impact of small interventions that can be adopted by governments and taken to scale</li> <li>To develop new and efficient ways of delivering services in a cost-effective way</li> </ul>	<ul style="list-style-type: none"> <li>To test new ideas and services and understand their effect on outcomes</li> <li>To improve efficiency and test new ways of delivering services at a better value</li> </ul>	<ul style="list-style-type: none"> <li>To learn from what works</li> <li>To design more effective programmes and improve outcomes</li> </ul>
<b>Emerging themes around innovation</b>	<ul style="list-style-type: none"> <li>A cost-effective solution</li> <li>Scale</li> <li>Impact on outcomes</li> <li>Innovation as technology</li> <li>Improve service delivery capacity</li> </ul>	<ul style="list-style-type: none"> <li>Product and process to improve outcomes</li> <li>Value for money</li> <li>Improve capacity to deliver programmes</li> <li>Information technology</li> </ul>	<ul style="list-style-type: none"> <li>Innovation as learning</li> <li>Value for money</li> <li>Technologies to address problems</li> <li>Innovation and scale</li> </ul>
<b>Types of innovation grants</b>	<ul style="list-style-type: none"> <li>Catalytic Funds</li> <li>Grand Challenge funds / awards</li> <li>In partnership with governments and other donors</li> </ul>	<ul style="list-style-type: none"> <li>Pilot programmes in existing in fund window</li> <li>Programme support in partnership with other donors</li> </ul>	<ul style="list-style-type: none"> <li>Pilots programmes</li> <li>Programme support</li> </ul>

It is worth noting as well that for all three donors, the concept of innovation as a product and process was commonly used, whereas the concept of innovation as an organisational characteristic and innovation as diffusion was more prevalent among Concern Worldwide, much more than it was with the Gates Foundation and DFID. In other words, the two concepts of innovation most associated with innovation as conceptualised in the private sector (product and process) are more likely to resonate with both the Gates Foundation and DFID possibly due to the rising influence of the results based management agenda on their work, whereas the four concepts of innovation that are associated with the public health and non-profit sector are more likely to resonate with Concern Worldwide due to its close ties with the organisations in the sector.

# Chapter 5: How is innovation understood among NGOs?

## 5.1 Summary

This chapter presents the second of the three empirical chapters, and examines the ways in which innovation is defined by the NGOs selected in the case studies. It refers to the second of my empirical study questions that asks “How is innovation understood by NGOs? And how much are these ideas influenced by donors?” I examine the way innovation is defined by three selected NGOs; the Last 10 Kilometers, a grant recipient of the Gates Foundation, Save the Children, a grant recipient of the UK Department for International Development (DFID), and the Women’s Support Association (WSA) a grant recipient of Concern Worldwide. All three NGOs deliver services to children and families in Ethiopia, and are based in the country’s capital.

I begin the chapter with an introduction to the three case studies, and a brief summary of the context in which they are operating in. Following this, I present findings from the three case studies and their unique definitions for innovation. I specifically look at what NGO staff members multiple levels within the organisation mean by innovation, and the outcomes they expect to gain by engaging in it. I am particularly interested in examining the influence of the donors on the NGOs in their definition of innovation within each of the case studies, and whether innovation is driven predominantly by donor demands, or is something they would want to engage in independently of their donors. I conclude the chapter by drawing out the emerging themes associated with innovation for the three NGOs.

## 5.2 The NGOs and the three case studies

This chapter presents the research findings from the three NGOs for the case studies, and addresses the second empirical research question:

**How is innovation understood by NGOs? And how much of these ideas are influenced by their respective donors?**

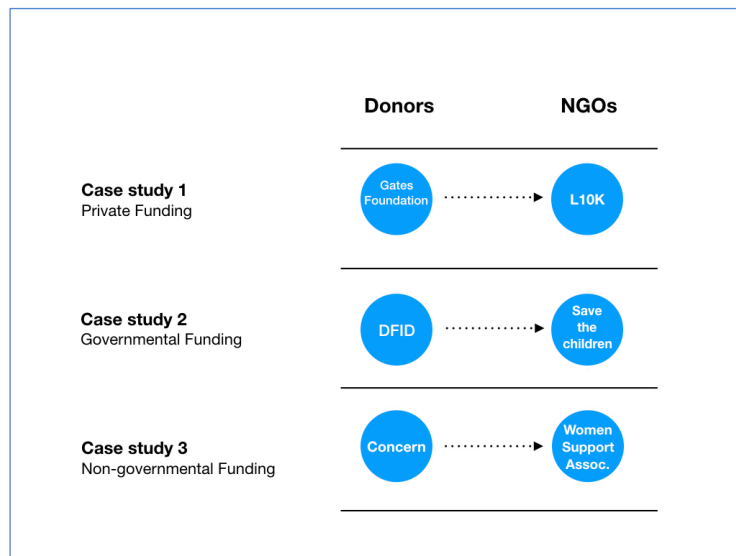
I examine the ways in which innovation is understood by the development NGOs, and how they relate to the conceptual framework presented in Chapter 2, and what aspects of the innovation discourse are presented in their definitions. I also explore how much of their definitions about innovation are influenced by their respective donors, and how much of them held independently of them.

The research was carried out over a total of two and a half months in 2012, in Addis Ababa. Following a review of the research on the donors, I then selected the NGOs for the three case studies, in order to examine how innovation was defined among them within their aid chain (these are presented visually in the figure below). As explained in the methodology chapter (Chapter three), I applied the criteria to identify the relevant NGOs for the study, and the same research methods to examine references to innovation made by them.

The three key criteria used to identify the NGOs is first their explicit interest in innovation and recognised by their donor as being particularly innovative in the context of maternal and child health. Second, they need to hold the characteristics of an NGO as defined by the taxonomy for NGOs developed in section 3.3.2, and fall under a specific organisational size. The final criteria was that needed to be based in Ethiopia and have been engaged in a number of innovative projects, as defined by their donor organisations. A list of funded NGOs was provided by each donor, and following their review, I was able to identify three relevant organisations who were willing to participate in this research. The research included a content analysis of all their grey data and published materials to determine what was officially referred as innovation by each NGO, and I held a total of 17 semi-structured interviews with key staff members in their offices in Addis Ababa, Ethiopia.

Each of NGOs identified for the study have an office based in Addis Ababa, the capital city of Ethiopia, and manage their projects across the country from their offices. I was able to go to Ethiopia to meet with staff members for each of the NGOs in their offices, and understand how they operated in their contexts. Furthermore, in my methodology chapter, I explained how the socio-political context in which they operate the NGOs were operating in would influenced the ways in which innovation was defined, and as a result I was interested in examining each organisation’s history and relationship with the local government as well as their beneficiaries. All three NGOs provide maternal and child health services in Ethiopia, and have a strong focus on improving outcomes for women and children in the country.

Figure 5: The three NGOs selected for the study



The first case study presents findings from the NGO L10K, which is funded by the Gates Foundation, to improve health outcomes for women and children in rural Ethiopia. The organisation also receives funding from other governmental donors, but its’ primary donor is the Gates Foundation. The second case study looked at the International NGO Save the Children, but focused on their

Ethiopia offices, and looked at their funding relationship with DFID. Finally the third case study focuses on local NGO called the Women’s Support Association (WSA) that is funded by Concern Worldwide.



### **5.3 The Gates Foundation and the L10K**

Ethiopia is a country of particular interest to the Gates Foundation, and has been for many years, particularly in the areas of agricultural development and family health. In 2018 Gates had over 135 active grants in the country, and set up a donor office since it opened its first grant in the year 2000. The foundation also appointed an official representative to serve as the foundation's liaison to the Ethiopian Government, and broker the relationships between the foundation and other organisations working to improve population health and development in Ethiopia.

Ethiopia is one of three focus countries in Africa for the Gates Foundation, the other two being South Africa and Nigeria. In furthering its interests to address maternal and child health needs in the Global South, the Gates Foundation support the Ethiopian government to improve family health service provision, and increase the universal coverage of existing services in rural areas in Ethiopia. When this research was carried out in 2012, The Gates Foundation had provided more than USD \$265 Million in funding to organisations that were operating in health and development programmes, and offered “low-cost innovations” (Gates Foundation Press Release 2012). The Last Ten Kilometers (L10K) is one of a number of NGOs that was set up primarily by the Gates Foundation to expand the “use of current solutions and developing new ones” to improve child and maternal health in the country” (Gates Foundation Press Release, 2012). Other NGOs included the Maternal and Newborn Health in Ethiopia Partnership and the NGO Alive & Thrive. The foundation also supports organisations working with Ethiopian government bodies and international NGOs, as well as those working in the private sector.

As with many donor and NGO relationships, the Gates Foundation often contracts third party organisations to mediate its relationships with its grantees and in managing its objectives, and they include research institutions, or academic bodies based in the US or Europe. In the case of L10K, the relationship is managed by the John Snow Institute (JSI), an international research group based in Massachusetts, which facilitates between the foundation's objectives and the tasks being asked of the L10K in Ethiopia. The JSI is a non-profit consulting group that provides

technical assistance to organisations internationally to improve the wellbeing of people and communities, and has had a long standing relationship with the Foundation, managing many of its grants. The JSI has been working in Ethiopia since 1994 on USAID funded projects to improve family planning logistics and strengthen health services across the country, and supported the Ethiopian Ministry of Health to in implementing the Health Extension Workers (HEWs) program, a network of health care workers who are responsible for identifying pregnant women in rural areas across the country and delivering antenatal care to them.

Table 9: The reports reviewed for the L10K

Type of Report Reviewed (2009 - 2012)	No. Of Reports
Policy Reports	4
Newsletters	13
Research Reports and presentations	24
Program Guidelines and tools	6
<b>Totals</b>	<b>47</b>

In 2007, the JSI received a grant of \$14.7 million from the Gates Foundation to help the Ethiopian government address a shortage of resources in health care services in the country (Kifle 2007). With this, they developed the *Last Ten Kilometers (L10K): What it Takes to Improve Health Outcomes in Rural Ethiopia*, a project to “find long-term solutions to improve maternal,

reproductive newborn, and child health- particularly in rural areas – and to reduce maternal and newborn mortality at the community level”. And while the L10K is predominantly funded by the Gates foundation and JSI, it also attracts funding from UNICEF and UNFPA for some of its projects.

Table 10: The interviews carried out for L10K

Type of respondent	No. Of interviews
Director of L10K	1
L10K Managers	2
L10K Research officers	1
JSI consultant	2
<b>Totals</b>	<b>6</b>

The research findings presented here are based on a review of 47 L10K’s organisational literature that was published between 2009 and 2012, and available online, through a reports given to me by staff members during my visit in

2012. The findings are also based on six semi-structured interviews with key staff members of L10K from different levels within the organisation. I approached the Director of the organisation first and after getting her permission was able to approach other members of staff at the organisation and ask them to participate in the study.

### *5.3.1 About the Last Ten Kilometers (L10K) and its innovation projects*

The Last Ten Kilometers is an unusual name for an organisation, however the story behind it comes from the social objectives the organisation seeks to address; almost fifty percent of Ethiopia's rural population lives almost 10 Kilometers or more away from their local health facility, which makes it difficult for mothers to access basic health care (EMDHS 2014). The large distance between communities in the rural areas is one of the many contributing factors for the country's high maternal and neonatal mortality rates, which is what the project is trying to target. The key objective of the organisation is to improve existing maternal healthcare practices among rural households and contribute towards achieving maternal and child health services. They do this by strengthening the provision of primary health care in Ethiopia's rural areas, by providing technical and financial support to Ethiopian governmental services and "enhancing the interaction between" different governmental maternal health service providers (mainly the Health Extension Workers, and the Health Development Army) to ensure that services are delivered cost-effectively and more efficiently (About L10K, L10K website, 2018).

Set up with funding from external donors like the Gates Foundation, and other large international donors, the L10K works in partnership with the Ethiopian government and other local NGOs to provide technical assistance to existing services by building the capacity of the healthcare workers, and providing them with tools to improve the efficiency of the implementation of these services. The L10K's mission statement explains that they are an organisation "... dedicated to learning and documenting what works in improving health outcomes in rural Ethiopia" (L10K Project 2012).

The L10K also provides grants directly to NGOs and community organisations to improve the way communities engage with the health extension programme, the state's healthcare system in

remote villages. They run a total of eight community-based projects in four of the most populous regional states of Ethiopia, covering roughly 14.5 million people. They operate in 215 Woredas in four regions in rural Ethiopia; Amhara, Oromia, Tigray and the Southern Nations, Nationalities and Peoples Republic (SNNPR), where they have an office set up in each of the regions.

The eight “community-based strategies” areas that L10K runs all seek to improve the provision of Maternal and Child Health services in rural areas in Ethiopia. The organisation believes that it is able to identify key barriers to accessing health care services and propose innovative solutions for addressing them, that are “community based” in that they are embedded in the villages they are working in. The first strategy is called the “Community Based Data for Decision Making” which is a surveillance mechanism that gathers data on household practices around maternal health practices. This is aimed at helping governmental bodies and NGOs better understand population needs and methods of access to health care. The second strategy is called the “Participatory Community Quality Improvement” that seeks to improve the quality of health care services through the participation of community groups in their design and improvement. The third strategy, is called the “Early Care Seeking and Referral Solutions” strategy and is the one that is most explicitly focused on developing innovations in the programme. The strategy focuses on increasing demand for health care services “through the process of community engagement coming up with innovative solutions that increase effective referral”. In other words, the community is expected to devise the innovative solutions to improve the efficiency of the referral programme, and propose solutions to the problem that L10K is trying to address. This contradicts what L10K refers to in regards to innovations, and how innovations are meant to be developed. The last five strategies specifically focus on providing health services for neonatal care, and they include the “Basic Emergency Obstetric Newborn Care” and provides health service support to existing clinics, the “Integrated Community Case Management of Common Childhood Illness” to reduce under-five years of age mortality rates, “Community Based New Born Care” to improve the survival of new born children by strengthening primary care units, and finally “Nutrition and Immunization” programmes in health clinics.

A key priority area for the Ethiopian government around addressing Maternal and Child mortality and health, has been around providing access universal health coverage to its populations, particularly in rural areas, and improving health outcomes. In 2003, the Government launched a nationwide health extension programme (HEP) to reach some of the most remote rural areas, and consisted of the launch of health posts and human resources at regional and sub-regional districts, that provided basic health care to families (Rieger et al 2019). This care included midwifery and basic nursing services where needed.

A number of initiatives have been launched to support the development and deployment of the HEP by international aid agencies such as USAID, and the World Health Organisation (Rieger et al 2019). The Gates Foundation is among these donors, supporting local initiatives and NGOs to identify the challenges with health service access in the remote areas, and solutions for addressing changes to maternal and child health care at scale (Gates Foundation 2018).

This case study will focus on L10K's "Early Care Seeking and Referral Solutions" strategy and will look at one of the innovative projects they have been involved in the region of Tigray, as it explicitly encourages innovation in its work. This is described in more detail in Chapter 6. All eight of the organisation's projects focus on bridging the gap between government health care providers and the community to improve maternal and child health. The first project introduces a network of volunteers to help build the capacity of the government's Health Extension Workers (HEWs), which ultimately enhances their relationship with the communities they work with and improve the quality of the services provided at the Health Extension Posts. The second project provides community-based data to foster partnerships between government and nongovernmental organisations to improve their collective decision making when working to set goals. The third introduces a participatory method for improving the quality of the HEW's services that identifies barriers and proposes solutions. The fourth project provides small funds to organisations to help them identify key solutions that can address some of the barriers to reaching health services in their communities. The fifth focuses specifically on reducing mortality rates by providing emergency obstetric packages which include interventions to health centres and hospitals. And finally, the last project includes a family planning program that seeks

to educate women in order to reduce the maternal and neonatal mortality rates and unintended pregnancies, and to encourage the use of long-term contraception.

It was unclear who the key target group was for L10K, as its work appeared to be directed at supporting the Government of Ethiopia, but also in supporting the overall public health NGO community. In an evaluation report it carried out on their Participatory Community Quality Improvement strategy in 2013, L10K describes their overall objective as:

“... the purpose of the L10K project is to test innovative approaches in rural areas of Ethiopia, a “proof of concept” design. The goal is then to scale-up promising approaches. Therefore, finding out what is and is not working about the approach in high functioning facilities will be a valuable contribution to L10K, the Gates foundation and the GoE.” (Participatory Community Quality Improvement strategy, L10K 2013 p.30)

During my fieldwork for this part of the study in 2012, I was able to review most of the organisations’ brochures, and training manuals, as well as their Early Care Seeking and Referral Solutions reports. I was also able to speak with program managers and assistants who worked on the project. On my visit to the L10K office in Addis Ababa, I was struck by the scale of the building, particularly for an organisation that claims to have a five-year life span. The building was two- three floors high, with offices occupied with sometime four staff members. The office stood out from other NGOs in that it was particularly extravagant, and in a place where organisations are not well-placed to use large injections of donor cash.

All the staff at the headquarter offices were Ethiopian nationals and all spoke English fluently, and had a lot of experience working with different donors in the sector. All the reports were published in both English and Amharic, and were designed to be read by an international audience. Furthermore, it was evident that the NGO was one that was set up by international donors, rather than a locally developed NGO, and had received funding from large foundations and targeted a global audience as well as a local one.

The unique organisational characteristic of the NGO had had some influence the way in which innovation was conceptualised by the organisation particularly in that the organisation was in regular communication with the donor, and is closely aligned with their objectives. Despite being set up as a local Ethiopian NGO, the management structure of the organization, and approach to providing support to its beneficiaries, and the nature of the office space, and staff working within

it suggested it has functions more like a donor agency, than a local development NGO. One of the key organisational structures of a development NGO and its capacity to innovate is the proximity of the organisation and its staff to the problem, and the beneficiary it is serving. This was highlighted in the conceptual framework as an “organisational innovation” and a characteristic of development NGOs that enabled them to creatively address social problems and come up with solutions (Fyvie & Ager 1999). This aspect of the organisation is explained in more detail in the following section, and in the analysis section of this chapter (5.6).

### *5.3.2 L10Ks’ Concept of innovation*

L10Ks’ focus on innovation was primarily driven by a need to find ‘solutions’ and new ways of addressing barriers to MCH service delivery and use. As a result, much of the references to innovation are in relation to it being a solution to problems the Ethiopian Government and other services face in implementing in reaching rural populations in Ethiopia. The other problem that L10K addresses with innovation is in the improving the uptake of maternal and child health services in rural areas specifically, whereby L10K sees the need for innovative solutions to address the low demand among communities for health care services. In this case, innovation is sometimes referred to as a process for identifying the barriers faced by health workers in delivering services, and the means by which solutions are devised. This is included the generation of “innovative strategies” that led to the development of solutions to improve the uptake of maternal and child health services. Thus, for the most part, and not dissimilar to the Gates Foundation, references to innovation are typically in relation to a solution (or product), for addressing a problem, but also as a process to improve the diffusion of a service, and ensure the service uptake has been delivered at scale.

Based on the review of the organisations’ literature, and the interviews I carried out with NGO staff at L10K, I identified a number of themes around innovation and their perspective on why it is deemed important to their work. The following section describes these themes in detail.

#### **1. Innovation as a solution to service delivery and service uptake**

A key objective for L10K is to address the low maternal and child health service uptake in rural Ethiopia, which is ultimately a priority for most NGOs addressing maternal and child health

issues in the country. The low service uptake is believed among the L10K staff to be a contributor to the high maternal mortality rate in the country. Many have stated that they see the logistical barriers being the main reason for low service uptake and these include geographical access or a lack of available resources in the community to get to a local health post. They did not however see other barriers such as cultural inhibitions to service uptake, or the lack of trust in the services, to be an inhibitor, and instead focused on apolitical barriers.

References to innovation in L10Ks training manuals and policy documents typically refer to innovation as the service or method that has been developed to address a problem. For example within one of the strategies itself, there were innovations in the training manual, or in the tool kit that is an innovation in that it provides a new method for delivering the training programme. A number of examples were given by those interviewed that described the tools they felt were innovations and new to those working in the sector. One example includes a “health check list”, that allows health extension workers to review the necessary steps ahead of a mother giving birth. Examples typically referred to innovation in a range of ways, sometimes in consistently, but often in reference to parts of a solutions such as a tool, or training manual.

Innovation was also referred to as the process for developing the solution, and the activities that have been implemented to create the solution. As with the Gates Foundation, L10K staff refer to innovation as the methods for taking them to scale as an innovation. The director of the foundation went on to explain this:

The innovation is not about the interventions, it (is) about the process and the tools used to get there. For example, the identification of pregnant women by the HEW<sup>2</sup> who map households and identify the needs of the households to understand their community better. There are around 1000 households per HEW, this is a tool to help the HEW work more efficiently and work with volunteers to improve access to services. The Family Health Card is another example that was also used to improve health behaviour practice.

[L10K director, 2012]

When staff members were asked to define innovation in their work, they indicated that innovation was a priority set by the donor, but less so by the community they worked with. And while they thought it was important to their work in that it motivated them to explore problems

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<sup>2</sup> HEW = Health Extension Worker



in different ways, it was not critical to achieving what they had hoped to achieve. Furthermore, L10K staff were able to make a clear distinction between how the Gates foundation thought of innovation, and how they thought of it. This was:

When Gates refers to innovation, they mean a process for achieving better outcomes. When we started out, we proposed a few ideas, and they were flexible about our suggestions. They specifically requested cost-effective measures, and pilots that were catalysts-like in nature. The process for implementation was defined by us, and contextualised... But is it actually innovative? I don't know... It's more about the community to me, and whether it works, than about the innovation.

[L10K director, 2012]

The role of innovation in their work was specifically for communities to propose their own ideas or solutions to the problems faced with poor access to services. On a number of occasions, L10K staff explicitly said they felt that innovation was a means for communities to suggest interventions to be funded that would otherwise not have the chance., and as a result and opportunity for other NGOs in the sector to learn from their experiences. For example, the director of L10K described the purpose of the community solution fund in helping communities present their view of the problems they face:

The CSF is about working with the HEW (health extension workers), the Woreda officials and the community organisations. They come up with their problems and issues and find the root cause of these problems.

[L10K director, 2012]

The Community Solution Fund is part of the Early Care Seeking and Referral Solutions strategy. I examine the fund in more detail in the Chapter 6, and look at the type of innovations that are referred to by the project. The fund allows for communities themselves to propose innovations for addressing low service uptake, and the most attractive innovations to L10K can then take up and implemented in different rural regions of the country. In this case, the innovations are not solutions that are devised by the NGO, but rather by the communities they work with.

## **2. Innovation to improve community engagement and participation**

Another key area of interest for L10K is the improvement of community participation and engagement, particularly in their efforts to improve service uptake. Of the staff members interviewed, some described the challenges they faced with implementing services and building demand for maternal and child health services, and believed that their push for innovation from

the communities they work with helps to improve their participation, and allows them to think up new ways of addressing the problems they face. A project manager explained that he felt L10K was responsible for the “initial push” of ideas from the community organisations they worked with, and was later managed by the community. Here refers to this in an example below where he describes a project that was carried out at a health post in a rural area in Ethiopia. A health post provides health services to a group of communities in a rural district.

“These projects are innovative for the community. For example, [we introduced] solar energy and clean water supplies in their local health post. It’s new to them. Communities like to be asked to propose ideas of thinking that are not there. They appreciate it. They construct solutions themselves. They believe they can create change and bring about positive solutions.”

[L10K project manager]

The perspective of the community is very important to L10K, and the novelty of the approach is important. L10K seeks to maintain community interest in the activities they are running and ensures they are constantly engaged in the service, and as a result it is important that communities believe a project is innovative. And while the perspective of the beneficiaries is almost never mentioned by the Gates Foundation, and was hardly referenced in the NGO content literature, it is of some importance to L10K staff members and often came up as a priority for them. Furthermore, the community’s contribution to the innovations are also important to L10K. The Community Solutions Fund is a platform whereby communities can propose projects they work with were then identified by the L10K, and were funded and implemented at a wide scale. Thus, the grants provided a mechanism for this:

“A number of challenge funds existed... before us. Our method is participatory and looks at quality impact. Community organisations get catalytic funding, and if that works, we contribute more to these ideas. We identify the bottle-neck ideas and the real solutions to the issues these communities face, and then we evaluate them to see if they work. After that we provide more funding to develop them... examples are solar energy panels, and homes for health extension workers.”

[L10K director, 2012]

According to the director, the fund was gave communities an opportunity to provide ideas that can be implemented by the NGO, but at the same time ensured their engagement with the mission of the organisation.

### **3. Innovation to improve capacity building**

The third key emerging theme for L10K was the focus on innovation as a process for improving the quality of the existing services provided by the Ethiopian Government, which included the Health Extension Workers, and Health Development Army. References to innovation were directed at finding ways of improving their current ways of working by introducing new tools and manuals, or getting them to change their ways of working. For the director of L10K, supporting community organisations and improving their capacities to deliver was perceived as an easier way of innovating when compared to the development of new solutions. Particularly since it meant they could build on what they knew already worked well and focus on improvement, rather than introducing a new method or approach. She explains:

“We actually suggested [to Gates] that we shouldn’t do the community service fund, and would rather implement on quality improvement of existing services, using data for the quality improvement... Or the other alternative was to give community groups money directly... while improving capacity.”

[L10K director]

Here, innovation was believed to complement the work that L10K is doing to improve capacity building for organisations in Ethiopia. And as a result, it was not the primary focus of their work. Capacity building was built into the innovation grants that were funded, and part of what L10K offered generally.

Other capacity building activities include improving the efficiency of their health referral systems among the local health services, such as the Early Care Seeking and Referral Solutions programme.

and introducing large scale management systems as mentioned in their June 2013 Policy Report here:

“The core innovation that JSI/L10K is attempting to demonstrate in selected woredas for referral is an approach for working with communities. Health workers (at health post, health center, and hospital level) and other health stakeholders define the specific forms that referral strengthening will take in their locality, and put into place a management system for active management of referral (Early Care Seeking and Referral Solutions programme, L10K 2013 p.2)”.

Here, the innovation is referred to as an “approach”, but it is based on building the capacity of the local system. And while the L10K encourages a flexible approach to innovation, they also follow the guidelines set by the Gates foundation. These rules were rewritten by staff members

and passed on to communities to ensure they were practiced on the ground. The NGO's director explained that they developed guidelines based on those provided to them by their donor in order to "make the process simple" for the communities they work with and for staff to follow up with.

A project officer who worked on developing guidelines for a project explains:

"We developed guidelines based on the Gates guidelines for innovations and shared them with the local community organisations who worked with local grantees to propose solutions. We then invited people from the Kabeles of each Woreda to participate. The representatives worked closely with us to develop the process and then to it to their Woredas [to implement].

[L10K project manager, 2012]

And while he was unable to show me the exact guidelines from the Foundation that was referring to, for reasons he would not give, he able to describe the responses he received from the audiences he worked with. He described how much of the language used in the guidelines was predominantly technical, and with a great deal of jargon, which made it difficult to communicate to communities in particular, but also to the community organisations they we working with. As a result, the staff at L10K needed to translate much of the text into language that could be understood by those working on the ground. This was an example of how a direct translation of the ideas from the donor to the community is facilitated by the NGO within the aid chain.

For the L10K, innovation was defined as a process for identifying new ideas, and putting them in practice. In particular, it was seen as a process for to identify the causes for low for service use, and ways to address them. The services provided by L10K to improve maternal and child health had been in existence for some time and had proven to have positive effects on the families that adopted them. However, the challenge they faced lay in reaching larger populations with the same services.

The Gates foundation and the L10K both share the same vision on the purpose of innovation in their work. When asked to describe their relationship with the Gates Foundation, staff members felt the Gates foundation was more flexible than other donors (such as UNICEF and USAID) in that they were not as bureaucratic or have rigid guidelines, and were much more focused on innovation. The director of the NGO went on to say that "Gates is focused on funding pilots. It has a small focus, but thinks big."

The key finding for L10K was that innovation lay within the community, and not within the NGO itself. The community was the source of ideas and proposals for some of the challenges to addressing need, whereas the NGO felt themselves to be removed from the problem to be able to provide the right response. The funding opportunity that the Gates foundation provided through their innovation grants enabled L10K them to showcase the community's proposed innovations to the donor.

## 5.4 DFID and Save the Children

The following section examines the ways in which innovation is understood and described by the NGO recipients of DFID, Save the Children in Ethiopia. Save the Children has offices in Ethiopia and has been awarded innovation grants from DFID as part of the Girls Education Challenge, which features an innovation fund within it. Save the Children in Ethiopia is one of Save the Children International's 120 countries, and has been based in Ethiopia since 1960s, and is headquartered in Addis Ababa.

In 2012, when the study was carried out, Ethiopia was one of 27 countries to receive bilateral aid from DFID, and continues to share a longstanding relationship with the department, making it the largest recipient of aid in Africa today. From 2005-2011, DFID's bilateral aid budget to Ethiopia totaled US \$1 billion, and is expected to increase between 2012-2017 (Abegaz 2013). In 2012, the total spend for the year was £324 million, with 20% of expenditure spent on education, 17.6% on humanitarian aid, and 16.4% on poverty, hunger & vulnerability. However in 2018, the planned budget for Ethiopia was £302m, which decreased from its commitment in 2012, however over half of the budget continues to be focused on human development with over 60% committed to it (DFID Ethiopia 2018).

Ethiopia has historically been a country of interest to DFID for a number of reasons. Ethiopia currently lies in the middle of an unstable region, and is surrounded by neighbours that have undergone a great deal of conflict, such as Sudan, Somalia and Eritrea. It is a country of geopolitical significance, as well as being among the world's poorest countries. DFID's interests include making progress towards the MDGs, resolving conflict, and maintaining stability in the region, and today towards the Sustainable Development Goals (SDGs). According to the DFID annual report from 2011-2012, the Departments' main development objectives for Ethiopia were to "reduce child mortality, support the education system and protect people from hunger". Its vision was to achieve three objectives; a) protect the most vulnerable by providing food security, and b) to target the Millennium Development Goals by partnering with the Ethiopian Government and other international agencies. Today, the UK has a new vision for Ethiopia will

be “transforming into a stable, industrialised, resilient, more inclusive country, able to self-finance its way out of poverty and harness the potential of its youth” (Ethiopia DFID, 2018).

The two main funding streams offered by DFID are in the form of bilateral and multilateral aid. It is the multilateral aid, that is the principal mechanism through which civil society organisations (and include non-governmental organisations, as well as faith-based groups and non-state actors) are funded. Between 2012 and 2015, DFID provided £14 million in grant funding to Ethiopia through the civil society support programme (Civil Society Support Programme 2013). This funding scheme was managed under DFID’s Programme Partnership Arrangements (PPA’s), through the Civil Society Department (which is part of DFID’s Policy Division). The main reason for this was because DFID believed that civil society played a fundamental role in democratic governance, but also helped to fill a gap in service delivery in the country, and in reaching people who would otherwise not have access to basic services. As a result, DFID supported 15 programme partnership agreements by providing core funding, and support 17 civil society organisations (CSOs) through their Civil Society Challenge Fund (CSCF) and Global Poverty Action Fund (GPAF) (Ethiopia Civil Society Support Programme). Most of the funds provided within these programmes are ‘catalytic funding’ for innovation, similar to the Gates Foundation, whereby funding is meant to pilots designed by local NGOs with the intention of starting, or creating a catalyst for change at a bigger scale.

The DFID Ethiopia offices are based in the British Embassy in Addis Ababa, and occupy a space within the compound. During a visit to the British Embassy, and while I was in Ethiopia carrying out this research, I came across the DFID Ethiopia offices and was introduced to an official who worked there, as a senior health advisor for the human and social development team at DFID.

After introducing myself and explaining my research to her, I engaged in an informal conversation with her that was not planned in my fieldwork, and as a result, not considered one of the in-depth interviews for this research. This conversation gave me some insight into understand DFID’s relationship with the Ethiopian government, and the international development NGOs it currently funds, and I was fortunate enough to be able to understand the nature of this relationship better.

In my conversation with her, I explained that I would be interested in capturing some of her story for my research, to provide an illustrative example of an innovation project supported by the donor in Ethiopia, but that fell outside the remit of my research. She provided verbal consent to being referenced in the study, under the condition she remained anonymous and that her views be treated as her own, and not considered representative of the donor. And while her experience does provide some insight into the way in which DFID has engaged in innovation in practice, it is not by means representative of the entire funder, and has not be considered as a key input into the analysis.

When asked her about her perspective on the focus on innovation in the sector, the DFID health advisor's explained that she believed innovation was seen as 'a new way of working' in development, and a new approach to the same problem by most donors, as well as DFID. An example of an innovation project she had come across in her work included a mobile library in the Somali region of Ethiopia that was transported on the backs of camels to improve access to educational facilities. This project was considered an innovation by herself and her colleagues because it provided services in a new territory, and used a method that had not been tried in that context before. However, when asked whether she believed innovation was important to their work, she stated that with it came frustrations and challenges, particularly around its definition and purpose. She also spoke about the current discourse on innovation and believed it was just a "fad that would at some point die out" allowing NGOs to continue doing what they normally do. Thus, the DFID health advisor's account of innovation, while not part of the analysis, is not very different to what has recounted by others in the sector, around the diffusion of innovation and scale (Rogers 2003).

The innovation grant that was selected for this study fell under DFID's Girls Education Challenge, a grant arm that was set up in 2012 as a twelve-year commitment to reach the most marginalised girls in the world through education and learning. Ethiopia is one of fifteen countries that fall under the fund, and organisations within it can apply. NGOs can receive up to £250,000 to £2m to "design innovative and effective pilot projects that support marginalised girls at both primary and secondary level, to succeed in their education. The innovation project that



was granted under this arm will be described in more detail in Chapter 6, however in this Chapter, I describe the NGO Save the Children’s perspective on innovation.

Table 11: Reports reviewed for Save the Children

Type of Report Reviewed (2009 - 2013)	No. Of Reports
Annual reports & Financial budgets	5
Evaluation reports & research briefs	21
Terms of reference documents, project documents and case studies	18
Flyers, training manuals and brochures	5
<b>Totals</b>	<b>49</b>

Being that I was reviewing the reports of two organisations, I focused predominantly on Save the Children for this part of the research, and reviewed 49 reports published by them. In October 2012, a few months before I arrived in Ethiopia for the fieldwork, Save the Children had undergone some structural changes across the foundation, and decided to join all its member offices to create a Save the Children

International office. Each of the country offices in Addis Ababa came together to occupy a single building, and continued to support their own partner NGOs across the country. My contact with the foundation prior to the fieldwork was primarily with staff members from Save the Children UK, however after my arrival there in November 2012, I met with 6 of key members of staff to interview them about their work on innovation. The interviews for this section included one with a technical advisor on the child protection programme at Save the Children, whose role ensured that the organisations’ strategy and values were implemented in the correct way with regards to safeguarding children across their programmes. I also held a semi-structured interview with the monitoring, evaluation accountability and learning (MEAL) director, whose role is to develop a framework that guides the organisation’s approach to evaluation.

Table 12: The interviews carried out with Save the Children While visiting the Save the Children offices, a number of project staff suggested I speak with their partnering organisations, particularly those that have

Type of respondent	No. Of interviews
Monitoring and learning director	1
Programme Managers and advisors (on Girls Education Challenge project)	3
Research managers	2
<b>Totals</b>	<b>6</b>

received funding from the same donors, to get a sense of how they define innovation. They were able to put me in touch with staff members from Childhope as well, who were able to give me some insight into their experiences with DFID as a funding partner, and their understanding of DFID's expectations for innovation. And while I had the opportunity to learn more about DFID's influence over this NGO, insights from my conversations with them fell out of the remit of the study and were therefore excluded.

#### *5.4.1 About Save the Children Ethiopia*

Save the Children Ethiopia is a subsidiary of Save the Children International, which operates in 120 countries around the world with an annual income of USD \$2.2 billion in 2017 (Save the Children Annual Report 2018).

Save the Children Ethiopia began to operate in the 1960s by providing communities with humanitarian relief and address food and water shortages caused by famine. Today, Save the Children Ethiopia has nine priority focus areas; Health, HIV and AIDS, nutrition, food security and livelihoods, water, sanitation and hygiene (WASH), education, child protection, and child rights governance. The child protection programme is the main focus of this study, and attempts to strengthen existing national and regional child protection systems in the country. To do this, Save the Children partners with a number of local Ethiopian NGOs to ensure parents and service providers gain access to good quality services. They also work with advocacy organisations to raise awareness of and respond to child protection-related issues.

Innovation is one of the organisations' four key values, and sits across all the programmatic work they deliver, and these are; 1. Innovate, 2. Achieve results at scale, 3. Be the voice of the child (and ensure children's voices are heard) and 4. Build partnerships with other organisations to increase their impact. They define 'innovation' as a process to "develop and prove evidence-based, replicable solutions to the problems children face." (Save the Children Annual Review 2017 P. 4). An example of an innovation in their child protection programme included a training programme for 30 young people from nine Sub-Saharan African countries who used video and

social media in order to share their experiences with migration (Save the Children Annual Review 2011 p.10).

The following section presents the views of the stakeholders and their experience with innovation in their work.

#### *5.4.2 Save the Children's concept of innovation*

Across all of Save the Children's documents I reviewed, particularly the ones that were related to Ethiopia's office specifically, and with almost all of those interviewed, the concept of innovation was typically associated with new programmes or interventions that needed to demonstrate an effect on outcomes. References to innovation were predominantly in relation to new programmes that have been implemented, or a new activity that has been introduced to improve the delivery of a service. There appeared to be a close association with ideas for of innovation held by DFID, where the ultimate outcome of innovation is to improve the efficiency an intervention, and the process of testing these ideas in order to determine their impact on outcomes. Furthermore, the evidence generated by the innovations they engage in are demonstrations that the innovations have proven an impact, and are necessary in identifying the effect of the innovation. In Save the Children's Ethiopia's website and front page they explain this by saying:

“We achieve change for children by building evidence from innovations, partnering with key stakeholders, and being the voice for change to implement our programs at scale to impact millions of children.” (About Us, Save the Children Ethiopia, 2018, p.6)

This concept of innovation at Save the Children Ethiopia is very much in line with Save's global objectives for innovation. In 2017, the Save the Children UK offices launched an innovation strategy that sought build a new area for work and allow them to invest in innovations across the countries they operate in. This was led by a Director of Innovation and Business development who manages an innovation team, and institutes innovation processes within different country offices. The strategy for innovation adopts a business-like model to innovation processes, not dissimilar to the one the Gates Foundation adopts, whereby they have developed an “innovation pipeline” that sets out a four-step process, taking the implementer from the idea to the development of the pilot. And once the pilot is completed, the innovation can then be adopted by other “partners’ such as the Ethiopian government and taken to scale (Breakthrough Innovations

for Children, Save the Children 2016). A report was published in 2016 that described the reasons for their focus on innovation and their current investment in it:

“Our evolving world demands new solutions, and we are doubling down and investing in innovation. This is necessary to meet the true needs of the hardest-to-reach children and communities. As the leading expert on children with a foot- print in 120 countries around the world, Save the Children has unparalleled strengths as an innovator. Our ability to not just develop and test innovative solutions but also dramatically scale what works allows us to create lasting, systemic change for children. (Breakthrough Innovations for Children, Save the Children 2016, p 2)

As well as being interested in supporting innovation, Save the Children describe themselves as innovators also, and makes a strong case for their role in the sector, particularly for donors. They argue that they are capable of “devising solutions to address problems facing children” that are replicable and can be applied in many contexts (Breakthrough Innovations for Children, Save the Children 2016). In their description, they adopt some of the language used to describe “innovative” NGOs as catalysts of change as described in the conceptual framework, but not the key principles behind them.

The following two key themes emerged around innovation from my analysis of their organisational literature, and interviews with their staff, and I describe them in detail below.

### **Innovation as breakthrough solutions to demonstrate impact on outcomes**

Save the Childrens’ key reports indicate that innovation is an important feature of their work, and one of the organisation’s global values, and primarily a solution that can be applied to address a problem. This belief was shared with almost all the staff members I interviewed, who felt that innovation was an important to the development of their work, and to keep audiences engaged. All the staff interviewed at described innovation as an idea that had been adapted and applied to a new context. Innovation was associated with how well an idea could travel to different contexts and its implementation within it. It was the ‘applicability’ of an innovation that made it useful to Save the Children, and was helpful for taking ideas to scale. The director of the monitoring and evaluation team describe innovation as the following:

“I think innovation is about generating new ideas, or it can also be about bringing new ideas that worked elsewhere and adapting them to new places. That is also innovation.

Especially when ideas or lessons that worked elsewhere and are newly implemented on the ground.”

[MEAL director, 2012]

After all the Save the Children offices merged in 2012, a new framework was set up to guide the monitoring processes of projects. The framework was called the Monitoring, Evaluation, Accountability and Learning (MEAL) framework, and was used to standardise methods of evaluation across the foundation, and introduce learning. The MEAL also framework incorporated donor demands in the type of projects they pursued, and how they measured outcomes, and the criteria for innovation put forward by DFID is carefully considered by staff in their work, and translated at the project level. The framework was import in helping the organisation demonstrate an impact on outcomes for the innovations they were implementing and critical in meeting donor expectations, and ensuring that the innovation is a solution that ‘works’ or is ‘proven’. The staff were open and honest about their attitudes towards these expectations, and explained that they felt a pressure from their donors to innovate, and a need to innovate in the same level of urgency:

“Funding is competitive these days. It means finding new ideas, whereas before, we established strong relationships with government donors and we didn’t need much change in our work... There is no criteria for new ideas (from donors), but you see the same ideas across the country, and probably the world even.”

[MEAL director, 2012]

Here innovation was seen a way of repackaging what they are currently already doing for its donors, but using different words and ways of describing existing services and products. Innovation was another buzzword they needed to adopt and use in order to fit with donors expectations and trends. This is illustrated in more detail in an interview I carried out with a Safeguarding advisor, who was also part of the MEAL team:

“Grant managers fight to fit the criteria requested by the donors, and then work on how they will put it in practice. Sometimes they work on what the community wants, and then incorporate that... Occasionally, DFID will host forums where donors discuss their agenda and other issues, and challenges, but I don’t know if their ideas actually influence how we work on the ground. They are just good at showing us their priorities. But, our major objective is to focus on the vulnerability of the project.”

[Safeguarding technical advisor, Interview in 2012]

She explained how grant managers tend be far removed from projects in the field, and from the work of programme managers, and instead are closer to donor needs and objectives as they work

on grant applications. This is one of the reasons for why she believes much of the projects they work on are packaged as innovative, when they do not necessarily represent what managers think or what is delivered in practice. Instead, innovation for her involves:

“For me, innovation comes from exposing yourself to different environments, and seeing ideas develop. That’s innovation. When you’re in different areas, you learn from other projects, and you get many ideas when you’re there. We also learn from working with other donors too.”

[Safeguarding technical advisor, Interview in 2012]

The response given by the Safeguarding advisor suggests that innovation is understood differently at different levels by different types of staff members, and how close they are to donor agencies. It is not surprising to see changes in concepts of innovation depending on whether a staff member directly interacts with donors, or not.

### **Innovation to generate ideas from the community**

Staff believed the majority of ideas behind the innovations come from the community itself, and this was a process that was needed to keep the community engaged in their services. The MEAL director explained that Save the Children had a system in place that encouraged local ideas to be proposed and put forward within the team, but also by beneficiaries as well. She described the process in place that allows for their project team staff to propose ideas to their management staff particularly when they face challenges during the implementation of their projects. Often these are ideas that are representative of the community’s needs and concerns and are taken into consideration by the senior management staff.

“I think many of the ideas that come from the projects and the children engaged in these projects. Children propose ideas, and give them to us to develop for the donors... the MEAL framework helps communities raise their concerns, and focuses our attention on learning.”

[Safeguarding technical advisor]

The MEAL director went on to describe a recent example which included the implementation of a gender policy that was institutionalised across the foundation as a result of an idea that came out of the women in a project. Prior to this, the majority of the operational teams and fieldworker consisted of male workers, and this created some concern with the communities. Their proposal was to include female workers among their operations team, and this resulted in a shift within Save the Children to include more female workers in the field.

For Save the Children, innovation was considered a process of taking ideas that worked in one context and applying them in another, and learning from the process. From the NGOs perspective, innovation was important because it involved learning from the implementation of ideas in practice. Often these ideas were not proposed by Save the Children themselves, but rather by the communities they worked with. Innovations that were based on solutions were best when proposed by those closest to the problems, so the communities themselves.

As with L10K, the novelty of an innovation is important for keeping communities engaged and interested in the services provided by Save. For some of the participants, the purpose of innovation is to bring in new ideas to their work, and was seen as a necessary mechanism particularly since it demonstrated to those working in the field that their ideas were being taken on board.

“Ideas give confidence to the implementors, and the communities we work with. People want to see change, they want to see their ideas changed.”

[Safeguarding technical advisor, Interview in 2012]

The safeguarding advisor also described the innovations underpinning an educational youth programme called the “Building Potential of Youth” programme that was implemented in 2012 that was designed to provide life skills training to youth and provide them with life skills and learning that might help them in the workforce. She explained how the programme needed to be tailored to fit the needs of youth in communities across the country. That process of adaptation was part of the innovation that led to the programme’s success at reaching a diverse group of young men and women. Much of the references to innovation as a process of engaging communities is not mentioned in the grey literature however, and came up mostly through the interviews.

## 5.5 The Women’s Support Association

Ethiopia is one of Concern Worldwides’ largest country offices, where they began working there since 1973, and partnered with over 13 local organisations across five key areas; education, health, livelihoods, HIV&AIDS and emergency relief. In its education programme,

In 2011, Concern Worldwide secured a partnership to support the Women’s Support Association (WSA) on an innovation project to empower the poorest and most vulnerable women and girls in the Amhara region. Concern Worldwide’s budget totaled £710,000 over three years:

“The project aims to provide an appropriate multidimensional response in order to reduce the incidence of GBV and mitigate its impact through innovative approaches, and interactive and proactive strategies. (Reducing and Mitigating Gender Based Violence in Ethiopia, Concern Worldwide, 2011, p.11).

This project will be the focus of this case study and examined in more detail in Chapter 6. The implementing organisation is the Women’s Support Association (WSA). Concern’s partnership with the WSA dates back to 2008, and is considered one of the funders’ most innovative programmes in tackling gender-based violence in the country. Their primary objective was to improve the socio-economic status of women and girls in the Amhara region, which would ultimately contribute towards the 3<sup>rd</sup> MDGs.

For this case study, I was able to visit the WSA offices, and meet with NGO staff face to face in order to carry out in-depth interviews with them. The office site was unguarded, and located in an old residential home in Addis Ababa, that had been converted into an office, with an entrance that was open to all visitors. Unlike L10K and Save the children, there was little written

literature on their programmes and projects available in English, and instead was mostly available in Amharic as they were directed at local staff and governmental officials. However, I

Table 13: Reports reviewed for WSA

Type of Report Reviewed (2009 - 2013)	No. Of Reports
Annual reports (in English)	4
Training manuals for implementors (in English)	3
Research reports	2
Brochures, newsletters and marketing materials	4
<b>Totals</b>	<b>13</b>



was able to locate 2 research reports produced and 3 training manuals that had been translated in English for the purpose of sharing the documents with other donors.

Table 14: The interviews carried out with WSA

Type of respondent	No. Of interviews
Director of Concern, Ethiopia	1
Director of WSA	1
Programme Assistants	3
<b>Totals</b>	<b>5</b>

The office was comprised of 12 staff members who were Ethiopian nationals and spoke English fluently. I was able to interview the director of the organisation, who introduced me to all her members of staff and was able to spend more time with me than most explaining her organisational structure and the relationships WSA maintained with their donor agencies. The

following section describes the organisation in more detail.

### *5.5.1 About Women’s Support Association*

WSA was established in 1995 as an “indigenous non-political, non-religious, non-profit humanitarian and development organisation working in Ethiopia for the improvement of the social, economic, and physical well-being of poor women in particular and in the community in general. The office has over 120 staff members that operate in 2 regions in Ethiopia, the Amhara State, and SNNPR, as well as the Capital Addis Ababa, where the headquarters are.

The organisational mission is to “create a conducive environment for women to realise and utilise their potentials for sustained livelihood” (Mission Statement, WSA 2012). They do this by providing services to women, adolescent girls, and men and families that seek to empower to act on their agency to improve their health and wellbeing. The thematic areas in which they work include women’s health, social and economic livelihoods of women, as well as building their resilience and capacity in humanitarian settings. The organisation builds on the idea that they should help communities help themselves, and among one of the interventions they provide is

the Self Help Groups that are facilitated by the organisations and provide women a social platform for to work together to address women's economic needs. One of the women's self help groups developed by WSA is featured in the innovation project and explored in detail in Chapter 6.

The organisation runs 6 program strategies across four regions in Ethiopia. The strategies include:

1. Women Self help group formation and management
2. Engaging men and boys in the program
3. Creating space for discussion among targeted women, their families, community representatives and stakeholders on women socio-economic problems (family dialogue, community conversation)
4. Bringing influential bodies and concerned government office on board
5. Creating space for learning, reflection and continues discussion among staffs and partners
6. Ensuring transparency and accountability at program and organizational levels

The WSA also work in partnership with community-based organisations and church groups to delivery programmes to marginalised women in different communities in Addis Ababa, Amhara SNNPR, and Oromia. The have established relationship with community groups and governmental associations ahead when they were first developed.

### *5.5.2 WSA's concept of innovation*

From the interviews with the staff members at WSA, and following the review of their documents, I found that references to innovation were few, and only located in reports directed at donors and other external partners. Innovation was a not considered essential to their work, and it was not described in much detail in reference to their projects. This was considerably different to L10K and Save the Children that both explicitly saw innovation aspect of their work.

In the interviews with staff members, almost all staff members explained that innovation was a new term used to describe their work to donors, as the current donor climate demands a demonstration of innovation as a condition of funding. This was explicitly expressed by almost all of those I interviewed for the study. However, when I asked the director of the organisation to explain what she felt innovation meant to her, she explained that innovation was primarily a process of learning for WSA, in order to find ways of adopting ideas proposed by the

communities they work with. She believed that many of the ideas they have funded in the past were difficult to implement because they were not devised by the community they are working with. The focus was not on finding *new* ways of working, but rather looking at their beneficiaries' habits and behaviours, and understanding how best to approach to address their needs.

Innovation was thus seen as a process of learning and improving WSA's relationship with the communities they work with, ensuring their voices are heard and incorporated in their communication to their donors. The process of learning from their communities and engaging with them to ensure they are represented accurately to the international development community was a key focus area for the WSA staff that needed some creativity and innovation on their part to take it forward. The director of WSA gave an example of a project she was working on that was funded by Christian Aid, another international donor, where they provided pastoralist women in Ethiopia with access to loans to acquire solar energy panels and provide electricity for their families. She explained that the platform provided by WSA allowed women to choose how they would use the financial support and resources they received from WSA, and that they had devised a number of 'innovative' ways of spending their loans to support their families. In other words, the innovations came from the communities themselves.

Through the interviews with the staff, and a review of the literature, I was able to identify two emerging themes that looked at why innovation was considered important.

### **1. Old ideas repackaged into new**

Much of the discussion in the interviews I held with staff members were around the novelty of an intervention, and its stage of development. Innovations that were typically believed to be perceived to be new when they are first developed, were considered innovations, whereas interventions or activities that had been delivered for a number of years by the NGO, and were familiar to their beneficiaries were no longer deemed innovative. The novelty of an intervention and whether it has been primarily designed to address a problem determines whether it is innovative or not.

If an activity has been invented to specifically address an issue, and it is [considered] new, or say, it did not exist before, then it is an innovation. However, when the

community adopts it, and it is institutionalized by them, then it is no longer an innovation.

[WSA Director, 2012]

The WSA director here is referring to the way innovation is perceived not only by her organisation, but also by the donor. She explained candidly how she did not feel her organisation actually innovated, or delivered new interventions, but rather the same type of programming they were familiar with and new worked well. And while that may come across as a lack of interest in innovation, it was instead a keenness to deliver the services that the stakeholders involved in rely on them to provide. She explained this as:

“Actually we believe that innovation is important too, but to be honest, I don’t feel that any of the programmes we’re working on are new in any way. Many of the ones we’re working on we have been doing for a long time. And they are not new.”

[WSA Director, 2012]

She also went on to explain that their donors have a strong influence over what is considered innovative and what is not, which can be challenging for them to characterise innovative interventions. A programme manager explained that he sometimes struggles with understanding what is considered an innovation primarily because the criteria changes, but also because donors do not provide definitions for what they mean by innovation. He provided an example of his experience with DFID here:

“In many cases donors like DFID will ask for innovations, but when we submit a proposal for something new, like the development of the self-help groups for women, and want to implement them in the north of Ethiopia, we are rejected. The donor will name all the NGOs they have funded that are doing similar things, despite it not being in the same context. And we will get rejected.”

[WSA Programme Manager, 2012]

He described how when he writes a funding application, he often describes their work as being innovative because when intervention is described as being innovative, it increases the chances of getting funding:

Sometimes to win a proposal we say it is “innovative”, and it would not have been practiced on the ground, but it would be claimed as non-innovative by the donor. But we know that we get granted funds based on our skills to write a good proposal and the quality of our English, not on our ideas.

[WSA Programme Manager, 2012]

He talked about the inequality in grants awarded for innovation that was based on how much they related to what donors' expectations and needs, and that the lack of English skills for example prevented them from accessing funds. He compared WSA to other international NGOs in Ethiopia that had the capacity and relationship with donors that allowed them to understand donors needs better, and that inequality put WSA at a disadvantage.

## **2. Innovation to engage with community ideas**

Across all the interviews I carried out with staff, there was a genuine interest in engaging with ideas from the communities they work with, and seeking innovations from them. All the staff explained they felt that the role WSA plays is to hear the ideas and suggestions made by the beneficiaries and accommodate them. Furthermore, they talked about taking a bottom up approach to development, and described how they felt that the communities they work with had ideas that they considered innovative but may not have been considered so by the donor. When asked to explain this further, the director described her experience with DFID:

“Donors like DFID are very keen on innovation and are always asking us to come up with innovative ideas to fund, but what about the traditional ideas that exist on the ground? We haven't exhausted those yet. We haven't really looked at the traditional practices on the ground that are used by women's group to help each other in the community. Instead we are trying to find new ideas that donors have not seen before.”

[WSA Director, 2012]

She described a frustration in trying to adapt to donor needs that require her to retrofit the priorities of her beneficiaries with that of DFID's, and the challenges she faces with this process. She explained how the women and families WSA works with are often much more creative than them at devising creative ways to meet their own needs, and her help is that these ideas are captured for the donor to fund:

“On the ground, women come up with lots of innovative ideas and propose them to us. They face many issues that they want to approach and are continuously coming up with ways of dealing with them. They tell us their ideas, and we try to turn them into a project. We try to build the traditional ways of women, how they work and what they're used to, alongside the structures that exist. But sometimes these ideas don't show results. We have to work with these women's groups to come up with something that convinces donors that it's an innovative idea.... I really don't feel we're exhausting the traditional methods and practices that are on the ground. Many of the ideas that we're working on are coming from Concern or the donor's agenda.

[WSA Director, 2012]

The traditional methods described above refer to the ideas and methods that have put in place for addressing the needs in the communities they work with. Often these ideas have been proposed by the women the WSA works with, but for the most part they have been developed to fit donor expectations as well. And while this process seemed to suggest a learning process associated with innovation, it was not recognised or considered an innovation by staff members. The innovation was instead what was devised by the community instead. And as a result WSA ensures that there are platforms available for ideas and suggestions to be put forward by the communities they work with.

For WSA, innovation was considered either ideas generated by their communities to meet their own needs, or a process required by their donors to devise new ideas and new ways of working. It did not hold a significant role in their work in comparison to the ideas put forward by the communities they work with. Furthermore, they were able to make a clear distinction between what is considered a new intervention as opposed to one that has been in place for a long time. This is primarily driven by their donor's perspective of innovation, and their demand for new approaches to development in comparison to the ones that they have developed.

## 5.6 An analysis of NGOs interests in innovation

The following section provides an overview of the emerging themes around innovation for the NGOs in the case studies, and highlights some of the similarities and differences between them. And while all three NGOs reviewed in this chapter were different in their organizational mission, and their history, they were focused on addressing aspects of maternal and child wellbeing in the country. The research question in this chapter looks at the ways in which innovation has been defined by the NGOs in the case studies, and how much of these definitions have been influenced by the donor. I was particularly interested in seeing whether there were similarities or differences in the way in which innovation was defined among NGOs as a type of stakeholder. I have identified three similarities in the way innovation has been defined between the NGOs, and some differences as well.

Firstly, three NGOs saw innovation as solutions to addressing barriers or social problems. Innovation was typically referred to as both a process for addressing problems in the sector, as well as the innovation as the solution that results from the process of addressing the problem. There was not always a clear distinction between the two types of definitions. For L10K for example, innovation was seen as a solution for improving the uptake of services, a priority for the Gates Foundation as well. Save the Children sees themselves as ‘innovators’ but also refers to innovation as a process for devising new ideas to engage with their communities. With WSA however, references to innovation were limited, and they did not stress the importance of innovating in their work, but rather the importance of identifying ideas from the communities they work with and help them address some of their concerns.

Secondly, the relationship that NGOs had with their donors played a big role in influencing how innovation was defined and perceived by the NGOs. For the most part, the definitions for innovation were shared between the donors and their corresponding NGO. It was evident from the interviews with NGO managers that those that explicitly defined innovation in their work typically did so on behalf of their donors, or their partners. Those that have been interviewed for this study for example had a number of definitions for innovation which varied somewhat to what their donors thought innovation was meant to be. At the same time however, almost all of

the NGOs interviewed believed it was important develop a process that enabled ideas from their projects and partners to be realised and implemented. The need for new ideas and practices is primarily driven by the donors' interests, and they have led NGOs to respond by proposing ideas they think might be considered innovative. However, this does not necessarily suggest that they think these ideas are innovative.

The relationship that NGOs had with their partners was also important, and all three organisations were interested in improving community engagement with services. A concern for all three NGOs was around how best to keep the communities they served engaged with their services, and gaining their confidence in their work. The perspective of the communities was key to keeping them engaged. If the community perceived their services as new or novel, that would ensure they would participate in the services. In other words, innovation was seen as a mechanism for demonstrating to the people they worked some changes to their approach. For example, at Save the Children, NGO staff believed that there was a need to invoke and introduce new ways of encouraging communities to continue working with them. Additionally, WSA felt the need to find ways of keeping their beneficiaries engaged and interested in their work as well, and did so by introducing new models such as the SHG group model.

Thirdly, all three NGOs referenced their role was partly that of a catalyst in the sector, and that they were expected to pilot or test innovations that should they prove some impact on outcomes, could be adopted by government agencies or other donors to be taken to scale. This role was primarily defined by their donors, and the nature of the grants they received for supporting innovation. Most of the grants were 'catalytic funds' that were designed to support small scale pilot projects. However, the role that NGOs play in managing ideas and projects, and generating new ideas is challenging and as a result they also look for ideas from their local partners to support them.

For some NGOs, learning was seen as an essential component of innovation, and consisted of a process of taking ideas and translating them back to practice. For example at Save the Children, they believed that innovation resulted from the processes of addressing challenges they faced in



practice. Much of the ideas that NGOs take forward either come from their donors, or from the communities they work with.

There were some differences in the way innovation was perceived among NGOs that was influenced by the type of funding they were received and the nature of their relationship with their donor. These are described in more detail in Chapter 7, where I examine the influence of the funding relationship on the conceptualisation of innovation within the aid chain. There were also some differences in the definition of innovation *within* each of the organisations. References to innovation were not always consistent between staff members. For example, the director of Save the Children typically talked about the importance of innovation and the need to devise new approaches to their work, whereas the project managers and those working closely on the innovation projects felt that they labeled a great deal of their projects as “innovative” to satisfy donor needs. A few NGO managers described how they felt that they had seen the same ideas introduced into their work over again, and that as a result did not feel that they had seen novel ideas introduced in the sector for a long time. Particularly with Save the Children and WSA who have had a long history in development.

The following table summarises the key definitions and concepts for innovation defined by all three NGOs.

Table 15: Comparison table with definition of innovation among NGOs

	Case Study 1	Case Study 2	Case Study 3
<b>NGO</b>	<b>L10K</b>	<b>Save the Children</b>	<b>WSA</b>
<b>Definition for innovation</b>	Innovation as a solution to service uptake, as well as the process for devising solutions	“Breakthrough Innovation” to develop solutions that demonstrate impact on outcomes	Innovation as a process of learning and improving relationships with the community
<b>Reasons for engaging in innovation</b>	To address barriers to the implementation of interventions and improve demand for services among communities	To improve the efficiency of their programmes, and the delivery of health services. As well as the need find a space to devise new solutions to reoccurring problems	To keep beneficiaries engaged with their work and meet donor demands
<b>Themes around innovation</b>	<ul style="list-style-type: none"> <li>• Innovation as a solution to service delivery and service uptake</li> <li>• Innovation to improve community engagement with projects &amp; services</li> <li>• Innovation to improve capacity building</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrate impact on outcomes</li> <li>• Innovation to generate ideas from the community that might improve efficiency of services</li> </ul>	<ul style="list-style-type: none"> <li>• Old ideas packaged into new ideas</li> <li>• Innovation to engage with community ideas</li> </ul>

Two inferences that can be made about the emerging themes around innovation that are associated with the NGOs and how they relate to the discourse.

First, the concepts for innovation referred to in this review suggest they touch on both innovation as a product, and innovation as process, and that the lines between them are blurred. Both L10K and Save the Children see innovation an outcome of their work, with demonstrable effects, as well as the means and processes by which they deliver on those outcomes. Whereas, the themes emerging from the analysis WSA suggests that innovation is merely a method for engaging donors and partners to continue to support what they are already actively engaged in. The key difference between L10, Save and WSA is that both L10K and Save are international development organisations, with close ties to donor rhetoric. Whereas WSA is a locally based NGO, with less ties to the innovation discourse. In Seelos & Mairs review on innovation in the public sector, they explain how the lines between both product and process are often blurry for development NGOs, and are more likely to adopt donor agendas around innovation (Seelos & Mair 2011).

# Chapter 6: The Innovation Project

## 6.1 Summary

The previous chapters examined how innovation was understood and defined by the three donors and their recipient NGOs. This chapter presents the final empirical chapter for my research, and addresses the research question “What is the evidence of innovation in practice?” I look at three innovation projects and examine whether donor and NGO’s ideas of innovation are present in the projects. The three projects are located in Ethiopia and address different aspects of wellbeing; the first innovation project is part of case study 1, which was set up by L10K and funded by the Gates foundation and looks at ‘community solutions’ as a means to address challenges with accessing maternal health services in rural Ethiopia. The second innovation project is part of case study 2, which was funded by DFID and organised by the ECFA that looks at a series of ‘community conversations’ to enable a dialogue between community members on topics relating to child protection in the community, while also drawing ideas from them on how to address these issues. The third project belongs to the third case study, which includes a Concern Worldwide funded project, developed and delivered by WSA in the form of women self-help groups to have access to economic opportunities. The chapter concludes with a section that captures the emerging themes for innovation across all three projects and how these relate to the way donors and NGOs think about innovation.

## 6.2 The L10K and The Community Solutions Fund

### 6.2.1 *The Community Solutions Fund*

The L10K adopts what they refer to as “a community-based approach” to their programming and to partnering with local NGOs in Ethiopia to improve their capacity for delivering maternal health services. Of the eight programmes they deliver, the “Early Care Seeking and Referral Solutions” focusing on increasing demand for health care services through community engagement activities. The programme specifically addresses the challenges faced by the Ethiopian Government to deliver quality maternal and neonatal health care services to communities in the most remote areas of the country, where around 85% of the population resides. The programme sees a human resource deficit in the health service delivery programme provided by the government, as well as a lack of community demand for existing services. As a result, their objective is also to improve the ways in which the community engages with these services, and ensure that they are reaching the right people and are being used effectively. They work with organisations at the national level, with institutions at the regional level (the Woreda level) and with small community organisations at the community level (Kabele level).

The Community Solutions Fund (CSF) is a project within the Early Care Seeking and Referral Solutions programme that is aimed at increasing community engagement to improve the uptake of health services. The fund was selected by the director of L10K as being the most innovative project within their Gates funded portfolio, and one in which they felt was the most effective at devising solutions for the communities they work with.

The Fund was designed to encourage community groups to devise ‘innovations’ or solutions that might increase the referral of health services within the community, which will be financially rewarded and supported through a small grant. It does this by providing communities a platform for what they think the key issues are facing service access and use, and engages government bodies in the project in order to promote the use of community-based ‘solutions’ and engage families in using their health initiatives. The CSF explicitly demands innovative proposals from local NGOs and societies that are locally driven, and therefore supported in the long-term.

The CSF holds a total annual budget of approximately \$10,000, which are awarded to individual solutions of around \$1,500 each. Proposals are evaluated by the L10K (and the John Snow Institute, their partner organisation) as well as the Woreda health bureau, and successful community groups are entitled to manage and disperse the funds accordingly.

When I carried out the research in 2012, the CSF was implemented by the L10K in 14 districts across Ethiopia, and were managed by the organisation from their four regional offices across the country in the following regions:

- The Oromiya regional office is located in Addis Ababa, the country's capital
- The Amhara regional office is located in the city of Bahir Dar
- The SNNP regional office is located in the city of Hawassa
- The Tigray regional office is located in the city of Mekelle

Each of the L10K regional offices in Ethiopia received a guide for the implementation of the Community Solution Fund that directs them on the set up and delivery of activities for the fund, and details the purpose of the fund's outcomes. Grantees for a CSF grant must apply from the Woreda advisory board (at the administrative level within a region), and must propose to work with 10 Kebeles within their administrative areas. A committee is set up with 8 people from each Kebele and include at least 1 teacher, development agent, an HEW, a supervisor, a representative from a women's association, a representative from a youth association, a religious leader, and a community representative. The committee is invited to identify a specific problem and propose a set of activities that could potentially solve them. Grants are awarded on the basis that the solutions are innovative and "facilitate community participation in their design and implementation". The key principles governing the criteria used to evaluate a CSF proposal include;

- inclusiveness which refers to the utilisation of different forums for connecting with community organisations,
- participation, which refers to the use of different participatory methodologies to improve community engagement,
- innovation which refers to "proposals that are innovative in terms of the process of community engagement as well as in the actual proposed solutions",
- and transparency, which refers to the selection criteria that is used at the grant making level.

(Community Solutions Fund Implementation Manual, L10K 2012)

The implementation guide referred to above summarises the expectation of the CSF fund for the regional L10K. Here, innovation is distinctly defined as the process of devising the solution as well as the solution itself, and is one of four equally important criteria. The implementation manual lists out details of the activities that might be considered innovative in the field with examples of what it might support. Some of these activities are described below:

“CSF supports activities whose primary objective is to improve maternal and neonatal health outcome through proposing solutions (innovative ones will be encouraged) to identified barriers. Activities may include, but are not limited to coming up with local solutions to make water available to health posts, sustainable resources for emergency transportation for pregnant women provided locally, appropriate transportation means for HEW’s.” (Community Solutions Fund Implementation Manual, L10K 2012)

The CSF project selected for this study was being delivered in the region of Tigray, by the regional office in Mekelle, located approximately 770 Kilometres north of the capital city. The CSF was granted to two NGOs in the Saesie Tsaeda Emba Woreda, located in the north east corner of the region who are responsible for the management of the fund, and monitoring and evaluating the projects proposed on behalf of the communities they represent. These NGOs are the Relief Society of Tigray (REST) and the Women’s Association of Tigray (WAT). Both NGOs are well established and have had a long-standing relationship in the region. The Women’s Association of Tigray is a women’s rights NGO that focuses on gender and women’s empowerment. The association was established in 1995 and lobbied to increase women’s participation in society and to gain access to care and support for women and children living with HIV. As well as providing services, the WAT also advocates for women’s rights across the region, and on some occasions works with governmental institutions in the planning and implementation of services that address these issues. The WAT also manages other projects, and has attracted some funding from international aid donors such as Development Fund Norway. The Relief Society of Tigray (REST) is an NGO that was set up in 1978 to provide relief services to rural residents across the state of Tigray. Its objective is to eliminate the effects of poverty on the rural poor, and does so by providing agricultural rehabilitation and development programmes, such as providing clean drinking water to farming communities that have been

affected by drought and famine. The NGO has grown considerably in size since it's been established and currently receives funding from a large number of international aid donors.

Tigray is the northernmost region of Ethiopia's nine regions, and consists of four administrative zones. The official language is Tigrigna. According to the latest Ethiopian Census carried out in 2007, the total population in Tigray is 4.3 million of which on 20% live in urban areas, whereas the rest of the population are farmers (Central Statistical Report Ethiopia 2007). According to the 2016 Demographic and Health Survey (DHS), the health indicators in the region showed that although the regional infant mortality falls less than the state average, (67 per 1,000 lives as opposed to the average of 77 per 1,000 lives), at least half of these deaths occurred in the first month of the child's life. At the same time, the fertility rates were 4.7 births per woman for the three year period before the survey (DHS 2016).

Figure 6: Map of Tigray region in Ethiopia



The Tigray region has been considered a contested area for a number of development donors and agencies working in Ethiopia, due to the political and fiscal support it was receiving from central government between 1991 and 2010. Following the end of the Ethiopian civil war in 1991, the Executive branch, and president of the ruling party leaders within the National Government who were from Tigray and formed the Tigray People Liberation Front (TPLF), despite representing a minority in the country. The region was criticised for becoming the recipient significant funds from the government, preventing other regions from receiving support, and creating a political and economic imbalance in the country. Furthermore, the ruling party has historical held a tight control over governmental decisions, and the involvement of civil society development in the country (Smidt 2019, p. 63). This context needed to be taken into consideration during the research.

### *6.2.2 The innovation; a family waiting room*

I was able to visit the L10K regional office in Mekelle and interview 2 project staff while I was there. I was also able to review the programme documents, and training manuals for the CSF, and some of the grant proposals that had been submitted in 2011 from past projects. The project I was reviewing for this study was an innovation granted to the Relief Society of Tigray (REST), and I was able to visit their project location and meet with project staff. The REST NGO had no English publications I could review, none of their staff spoke English or Amharic and instead spoke Tigrinya.

The challenge put forth by the CSF sought to address the lack of child births at the local health post within the Saesie Tsaeda Emba Woreda, and had been awarded in late 2011. The process was facilitated by REST, who encouraged members of the community to identify the number of reasons for the low health post visits and propose solutions to best address them with a reasonable budget. The key cause of the low number of visits, as identified by the community, was due to the logistical reasons that made it difficult to access the health post, as well as a lack of resources among the community. Ideas put forward included the instalment of a solar panel to provide electricity to the health post, and an ambulance service, among other ideas. The innovation grant was awarded to support the development and construction of a family waiting room attached to the health post for expecting mothers where they may reside when seeking support at the health post. The room contained a bed, and space for visiting families to sleep in. The purpose of the innovation was to encourage families to use the health post for prenatal and maternal health services. It addressed the challenge commonly faced with families travelling long distances to the health post from their rural areas and not having a place to stay during child birth.

The REST NGO facilitated the exchange of the ideas shared by the community and awarded them the grant for the family waiting room in late 2011. According to the L10K project manager I interviewed, he explained that the construction of the room took approximately 6 months to build, and involved a construction team from the community. This ensured that the project was locally owned. The monitoring and evaluation of the project was managed by the REST NGO and the local Health Extension Worker (HEW), who were asked to monitor the number of visits



to the site monthly and examine the effect it has had on building community engagement with the health post.

On the 3<sup>rd</sup> of December in 2012, I travelled to the offices, and met with the project manager in Mekelle to interview him. He described the project and was able to meet with me and the translator who accompanied me on the project to the project site where the CSF was granted. The project site was located within the health post. The HEW was expecting our visit and had agreed to participate in the study. She had engaged in the project and oversaw the development of the construction alongside the REST NGO team.

Figure 7: The exterior and interior of the health post<sup>3</sup>



In my interview with the HEW, I asked her to describe the innovation, she explained that the innovation lay in the way they collectively approached to the problem, rather than the actual solution itself. From her perspective, she did not consider the waiting room itself to be an innovation despite it being new to the community, but rather the way in which the community worked together to propose an idea in a competitive manner and were financially rewarded. The process itself was the innovation. She went on to explain how the CSF allowed the community to engage in the problem and be part of a unique process, which in her experience as a HEW was

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<sup>3</sup> The photos of the health post were taken after permissions were obtained from the Woreda administration to carry out the fieldwork.

a new way of working because it did not come with a pre-existing idea for solving the issue, but rather allowed the community to be part of addressing it.

The family waiting room was located within the parameters of the health post, and large enough to host a family size of 3 members. While visiting the site, I was struck by the small size of the waiting room that was constructed and how bare it was, which could only accommodate one family at a time. The room was unoccupied when I arrived, but had been furnished with a bed, sheets and a bench and ready to be used when needed. There were battery-operated lights and a heater, however there were no other facilities attached to the room, such as a lavatory, or storage space.

Figure 8: The exterior and interior of the family waiting room



It was evident to me during my visit there that the solutions proposed by the community solutions fund did not typically represent the Gates Foundation of an innovation that might be set up to demonstrate statistical impact on outcomes, or that could be adopted by the government to

take to scale. However the project did represent the L10K's perception of innovation as a means of engaging the community to address barriers with health service uptake, and improve the capacity of existing health services.

## 6.3 Save the Children the Community Conversations project

### 6.3.1 *Enhancing Child Focused Activities (ECFA)*

Child protection is one of Save the Children's programme focus areas in Ethiopia, and includes services that prevent child sexual abuse and exploitation, physical punishment, neglect, harmful practices, and their exploitation into child labour. Save currently implements over 40 child protection projects throughout the country with more than 30 partners to strengthen awareness, and provide protection mechanisms for children and families in need.

Before all the Save the Children offices merged in 2012, Save the Children Sweden and Save the Children UK both had developed a partnership with Enhancing Child Focused Activities (ECFA), a non-governmental organisation and implementing NGO that seeks to provide access to good quality care and child-friendly protection services across the country. ECFA, as they are commonly known in Ethiopia among the NGO community, is a child right's organisation that was established in 2006 in a town called Adama, in the Oromia region approximately 99km south of the capital. They provide services that address children's rights issues through advocacy programmes for children aged 0-18 and facilitate a referral system for abused children across the Oromia region. They also provide services to communities and families to support children's needs, particularly if it relates to children's rights issues. Their office operates with two professional staff, members, and nine supporting staff. Their biggest international donors are Save the Children (Norway and UK), Everychild UK and the Oak Foundation. ECFA implement three types of programmes; the first being an overall child protection programme that seeks to prevent a wide range of child abuse and gender-based violence. The second is a series of educational programmes for children and families in need, and the third is a capacity building programme that provides data to service providers that work with children. Save the Children supported ECFA to establish a referral system with the police, child friendly courts, hospitals and other institutions across the city, and engaging them to work together. After the merger, Save the Children International maintained its established partnerships with the local NGOs in the country, and continued to support ECFA.

This study focuses on the Community Conversations (CC) activities that were provided by ECFA within the child protection programme. The innovation was selected by the Save the Children staff I interviewed as being the most innovative of the projects funded by DFID. The CC platform was perceived as being an innovative process for engaging with communities and identifying what their needs and challenges.

A community conversation is a participatory method used by NGOs to raise awareness on issues of concern for a community, and gives stakeholders the opportunity to collectively propose a solution for addressing these problems. ECFA facilitates a series of community conversations on the prevalence of child abuse and exploitation for communities in the Oromia region. Community conversations typically consist of ten consecutive conversations with different stakeholders from the community and are delivered on the Kabele Council premises. These conversations are held once a week for about an hour, over the course of ten weeks. The facilitators of the conversation are staff from ECFA who have been trained to manage the narratives within the conversations, and seek to link them closely to existing community-level structures, and reach across the Kabele. The main output for a community conversation is an ‘action plan’ that sets out a list of actions that the community needs to take to address a problem.

During my fieldwork in December 2012, I met and interviewed the managing director and founder of ECFA to ask about his views on innovation and the role CC’s play in generating ideas for the NGO. He explained how community conversations gave people the opportunity to explore new ideas in their work and to discuss these collectively and gave his staff the opportunity to discuss these ideas with the communities they work with, and learn from the process. He went on to explain the need to be adapt to the changes their communities face, and said that “As things around us change, we need new ideas to adapt to a dynamic world. But it has to be real and practical.”

The quest for ‘new ideas’ was seen as a necessary part of their work at ECFA. The director explained that new ideas were essential for generating solutions to some of the social problems they faced, and that CC’s were a cost-effective way of identifying these solutions. Hosting

conversations with their recipients ensured that they were designing the right interventions for the problems faced by the communities, and were beneficial because they reduced the long experimental processes ECFA typically underwent that could potentially lead to failure. When asked how this process related to ‘innovation’, the ECFA director explained his idea differed from his donors definition of innovation, in that it had a specific purpose to ECFA, whereas the innovation called for by donors was generally broad and did not have a specific purpose.

“The demand for innovation is high among our donors, but there is no real innovation. Donors just ask for it. We engage in it sometimes to attract donors, and sometimes because it works... Innovation is an idea that brings better impact to reducing social problems. It could be an approach or program that reduces the time it takes to get an effect. For example, a community child protection grass roots program such as community conversations is cheap, and the number of people it involves is small, but it has a large impact... That’s the way we understand innovation. It should be friendly and beneficial.”

[ECFA Director, 2012]

At the same time however, he believed that the process of innovation, as he understood it, was an important part of what they did as an NGO in that it allowed them to find new ways of working that was necessary in service provision:

“For me, innovation is about delivering services efficiently. We often face obstacles, but the idea is to be able to continue doing what we do in the face of them, and to find ways to do it efficiently. Also, innovation is about being dynamic, and always adapting to new situations and circumstances. That’s what we have to do.”

[ECFA Director, 2012]

The recognition that the need for innovation was driven by donors, and associated with increasing the efficiency of their work is shared with the perspective of the WSA director. At the same time, both ECFA and WSA associated the concept of innovation with the process of adapting to their beneficiaries and understanding their needs better.

### ***6.3.2 The innovation; Community Conversations***

The Community Conversation methodology was first developed and documented by Moustapha Gueye, a community organiser and advocate for the use of community-based practices to prevent the spread of HIV-AIDS who was based in Ethiopia. He developed the methodology further, documented and packaged, and took it to the United Nations Development Programme to provide others with the guidelines to facilitate its implementation globally (Upscaling

Community Conversations in Ethiopia 2004). However, the main ideas behind the method are built on early community-based practices of engaging people in a dialogue, and discussing problems together repeatedly until people reach a consensus.

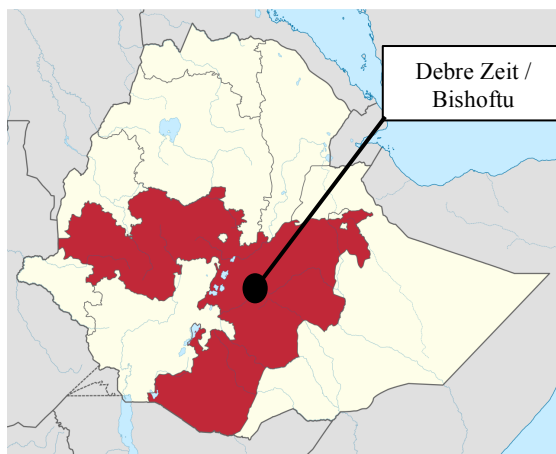
The CC methodology was used in the UNDP funded initiative; the Community Capacity Enhancement Programme, which was an integral part of their Leadership for Results Programme to aid change in societal perceptions of issues such as the spread of HIV/AIDS in Ethiopia. Community Conversations facilitated a process for dialogue and decision making between community members as a means of identifying their own problems and finding their own solutions. The process allows for people to discuss culturally ‘taboo’ subjects such as female genital mutilation, and the AIDS epidemic, helps them identify their own cultural perceptions to the problem and a range of appropriate approaches to overcoming them. The conversations are designed to be facilitated by skilled practitioners from the community itself who help the community generate insights into the factors affecting the spread of the problem.

In Ethiopia, Community Conversations were practiced as early as 1997 by Bogaletch Gebre, a woman’s rights campaigner that advocated the eradication of Female Genital Mutilation and Cutting (FGM/C) across four regions in rural Ethiopia. Gebre began by holding discussions with communities about the concerns around FGM and its harmful effects on girls’ health. Over time, the discussions evolved into wider community conversations that called for practical solutions, resulting in a dramatic shift in the community’s perceptions and behaviour towards FGM. According to a survey carried out by UNICEF, the approach led to a dramatic decline in the prevalence of FGM in the four regions in the ten years since the project was launched from 100% to 3% (Unicef 2008). The method was then adopted by the UNDP and rolled out nationally as a mechanism for preventing the spread of HIV and eradicating FGM across the country.

ECFA uses the CC methodology for many of its projects particularly if they relate to changing people’s attitudes towards child protection. The project that was selected for this study uses the CC approach to address the prevalence of sexual abuse among girls in Debre Zeit, a rural community located approximately 48 Kilometers south of the capital, and looks to the

community to propose ideas on addressing these issues. The ECFA staff facilitate the discussions during the community conversation, and follow the protocol to ensure the conversations allow everyone's full participation. Any proposals or ideas that are proposed by the community are documented by the ECFA staff and put to donors for funding. Debre Zeit is a small town (and Woreda) based north of Adama city, where the ECFA's headquarters are located. The name *Debra Zeit* is Amharic for Mountain of Olives, and is also known as Bishoftu in Oromo the local language, Oromia. The town has a small population of a little less than 100,000 people according to the 2007 Census. It sits on the crossroads between the Djibouti and Addis Ababa trade route and is visited by many travellers and truck drivers. ECFA has worked there before, setting up a number of child protection services for street children, and also worked closely with local organisations based there.

Figure 9: Map of Oromia region and the town of Bishoftu (Debre Zeit)



I was invited to attend the fifth out of the set of ten community conversations being delivered in Debre Zeit so as to observe and document the process. A session is delivered every 15 days. While there, I also used the opportunity to interview the facilitators of the sessions as well to get their insight into how ideas were exchanged. I visited with my translator observed the session as it took place. My translator described the process as I

noted what was happening. Once the session was completed, I interviewed each of the facilitators individually to better understand the process, particularly how ideas were shared between them and the community.

The conversation was held outdoors with key members of the community, in the courtyard of the Debre Zeit Kabele council premises. There were around forty attendees present, with men and women of different age groups equally represented, as well as children. The attendees were seated in a circle on wooden benches inside the courtyard on my arrival as the conversation was



about to begin. Other people present were two ECFA facilitators, as well as a number of community volunteers who were responsible for managing the process.

The topic of discussion explored the prevalence of sexual abuse towards young girls in the community, and identified appropriate ways in which residents should respond to these issues. The facilitators called on members of the community to describe their experiences with child abuse in their neighbourhoods, and to discuss their responses. The entire conversation lasted approximately an hour, and consisted of 4 rounds of discussion with 2 breaks.

The organiser begins by describing the topic of discussion, listing some of the problems that have been faced by the community. In this case, she described an incident that led to a young girl being raped by a member of her family and eventually suffering from a fistula. This sets the tone for the discussion and uses the example as a point of reference for a wider conversation on child abuse. After which, she opened the conversation to the facilitator to ask a question. The facilitator urges residents to raise their concerns and give examples of encounters in their community of this type of issue.

I was able to interview three of the facilitation staff on site after the conversation had ended. This included: the organiser, a facilitator, and an administrator. Both the organiser and facilitator had been working with ECFA for five years, and had been trained to deliver the sessions as outlined by the model. All three staff members were from Debre Zeit and were familiar with the cultural context for their community. They are also responsible for managing the conversations, training local volunteers to aid in the facilitation of the conversations, and ensuring the attendance is maintained throughout the length of the project.

The attendees consisted mainly of parents, school teachers, community elders and other key members of the community. According to the facilitators, attendance is typically high at the first few conversations, but then it dwindles towards the end of the sessions. However, the attendance among community elders is typically high.

The ECFA staff play a specific role in the community conversations; they facilitate a discussion that allows members of the community to discuss and highlight the key problems they face in their community. The staff present the topic of conversation, and ensure that participants are able to contribute to the discussions equally. During the interview, all three participants explained that the main idea underpinning the method was that community could solve its problems on its own, and that this was devised by ECFA. They described their role in some detail:

“Our effort is to bring to the surface all the abuses that touch children and women and bring them to the attention of the Kabele administration, court and police so that everyone acts on it and finds a solution. When an abuse occurs in a Kabele, or a sub-Kabele, we report that abuse and bring it to the attention of the administration (Kabele) so that they can find a solution to it.” [Community Conversation Organiser, 2012]

However, in some cases the role goes beyond facilitation and involves taking action by engaging the necessary service providers and child protection officials. In the example described above, the CC organiser explained that she reports the abuse to the Kabele, and engages the local administration when cases of abuse occur. During the interview, the conversation organiser explained she felt frustrated with her role in the process, and felt it was limited and often allow for them to see change. She explained:

“Once some solutions have been identified they are put into an action plan that the community agrees on... The disadvantage is that at the beginning of the community conversation they have a target (for example addressing sexual abuse), and at the end it results in a community promise that they will take the process further. But this is not always followed through.” [Community Conversation Organiser, 2012]

At the same time however, she believed that the conversations continue to take place in the community even after ECFA had completed its involvement in the process, where the community owns the plan and sees it through. However, she was unaware of the details of these cases and could not provide any data on the number of action plans that have resulted in an action plan being adopted.

Encouraging community ownership during the conversations was repeated throughout the interview as being a key ingredient to delivering the process effectively. When asked if she felt the support ECFA was receiving from Save the Children and other aid donors was needed to facilitate community conversations, the organiser explained that she thought that donors help to

initiate a process that was necessary, but could only work if it was adapted to their context. She explains:

“I used to think before that donors could solve all our problems. After we received a lot of training, and worked a lot in the field we realised we could do a better job. It’s through our own problems that we can do better to serve them... What we started with ECFA is novel, and we want to continue doing it. It’s something we feel we can do.” [Community Conversation Organiser, 2012]

When asked if they felt Community Conversations allowed for them to explore innovation and the exchange of ideas, the participants explained how community conversations gave them and the people they worked with opportunities to explore ideas based on what works in the community.

“At each session, the community reports on specific problems and raises practical solutions for them. There are of course some things we don’t hear about, and they bring them up. For example, there was a girl who was being repeatedly abused by her family, but never left the house. The community insisted that her family should be invited to attend the community conversations, and with time they finally came... Another example, there was a husband who raped his step-daughter. We discussed this, and the effects of this behaviour on health and wellbeing. These people need to be summoned to the community conversation, instead of us taking emotional actions against them. At the same time, the CC’s also show us the positive practices that people do at home. So if for example there are model parents in the community, we raise this at the CC sessions and talk about them, and we learn from others who have dealt with similar issues.”

The role of the CC is not only to provide a platform for community conversations and to raise awareness of the issues that are facing their communities, but also to provide a judicial service whereby they are providing legal support to the community members who need it.

For the ECFA staff, innovation describes the types of ideas and proposals put forth by the community themselves. Both the organiser and facilitators indicated that the innovation, or as they put it the ‘source of ideas’ were predominantly based on local knowledge, but also on how people reasoned with one another through specific issues, taking into consideration the views of women, adolescent children, and elders. The women present did participate, but not the children. Thus, it was essential for them as facilitators to identify the ideas and proposals that received the most support in the community during the conversations.

The CC methodology has shown to improve outcomes, particularly with regards to increasing community's awareness of HIV AIDS, and uptake of HIV preventative services. According to a research study carried out in 2015 that examined associations between levels of exposure to community conversations with levels of knowledge of HIV among Ethiopian in the 2010 DHS survey, and found a statistically significant relationship between them (Nigatu et al 2015). And as a result, the intervention is increasingly being adopted by organisations across the sector. The community conversations are a mechanism for innovation, and not the innovation itself. For the ECFA staff, innovation rested on the ideas that were proposed by the community themselves. These ideas were considered innovative because they were getting the community to think of approaching a problem differently and were generated by them.

## 6.4 The WSA and women's Self-Help Groups

### *6.4.1 The Women Economic and Social Empowerment project*

The Women Support Association (WSA) received a grant from Concern Worldwide between July 2011 and March 2015 to reduce gender-based violence in Ethiopia. The project was part funded by DFID as part of Concern's work on promoting gender equality and reducing violence in the Amhara region, and was considered innovative by the Concern Worldwide Ethiopia office staff in its approach to empowering women. The budget allocated for the project was £710,000 for the project period, and aimed to provide a response to gender-based violence and mitigate its impact through "innovative approaches, and interactive and proactive strategies".

The WSA operates eight programmes to promote the active participation of marginalised women and girls, and to reduce gender-based violence. The program of focus for this case study however is the Women Economic and Social Empowerment project which is being implemented in a suburb bordering the centre of Addis Ababa, in Woreda 13, Bole sub-city, and was set up in 2011. Following the interview I carried out with the director of the WSA, who identified the project as an innovation supported by Concern Worldwide and appropriate for this research. She was able to take me to visit three projects activities and to meet staff and volunteers on site.

The Women Economic and Social Empowerment project consists of a number of Self Help Groups (SHG) that are designed to empower women economically, socially and politically, and to help them identify develop and manage economic opportunities to improve their livelihoods. Each SHG provides women with the financial and social support they need to engage in income generating activities collectively and provide for themselves and their family. They do this through a number of income-generating activities within the self-help groups that provide women with the skills to become more self-sufficient. These activities are facilitated by members of the WSA staff, but also through other community organisations.

According to the WSA staff, SHGs are a means for women to solve their own problems. The SHGs act as a mechanism for identifying ideas to help the communities they work with, and help the WSA staff identify innovations that are proposed by individuals in the community. During

my interview with the director of WSA, she described argued that the women they work with play an important role in proposing solutions to the problems they normally face within the self help groups, and that she saw innovations being taken forward by the communities they work with.

There are a number of components to the SHG service, the first being a skills training course which provides functional adult literacy and numeracy classes to women in their neighborhoods. The second is hosting weekly meetings with the women to support the group to establish their business idea, and keep the women engaged in the process. The WSA facilitates weekly meetings for participants and provides support regularly to volunteers when needed. And the third is hosting a number of family dialogues with women and their spouses to help raise awareness about the issues affecting women's rights and gender imbalances in their community. Furthermore, the WSA provides each of the groups with a loan in the form of credit to help start up their venture, and teaches them skills in money management and record keeping so that they may repay the loan.

A self help group is normally set up with a specified community and targets women from the poorest households. The WSA first identifies a community area they want to work with according to their criteria, and invite community leaders to a meeting to discuss the intervention. After they have received approval from members of the community, they then appoint a number of volunteers within the community area, and train them to become the SHG community facilitators. The facilitator's role is to encourage women to attend, guide the groups according to the method of practice, and register participant attendees to each SHG meeting. They are not WSA paid staff, but receive some training from the WSA.

The members of a SHG are meant to be homogenous and come from the same socio-economic background. The women recruited for a SHG belong to the same community groups, and share a similar economic status. They are selected by a community and work together for the period of the project. After a SHG has been formed, and before deciding on a business plan to pursue, they receive training in basic business and accounting courses to help them develop the skills needed for their project. Once they have taken these courses, they meet with members of their SHG to

develop an employment plan, and begin to build up capital by making regular financial contributions to a collective savings account. The account is managed by all the women in the group and can only be used after getting all their approval. Each of the groups averaged about 8 women a group. When the savings account accumulates, the WSA matches their funding with a loan that is used and paid back with little or no interest after the employment project is developed.

The SHG model has existed among NGOs in international development some time, with its origins dating back to economic development initiatives in India the 1980s. Although its origins vary, it was first established as a microfinance tool in 1995 by the National Bank for Agriculture and Rural Development (NABARD) in India as a vehicle to provide financial services to the rural poor (Swain et al 2013). SHGs implemented in India have typically target women specifically and marginalised groups, combining objectives around empowerment and financial inclusion. The Self Help group movement existed in Ethiopia around the 1980s, and was called *ras-agez* (meaning self help in Amharic), by a womens group who had started a community initiative with support from their local governments, however little has been recorded on these movements. A study by Gebre Ynitso published in 2015 in the Journal of Ethiopian Studies examines the history and rise of the self-help group movement in Ethiopia, was among the first to examine the impact of self-help groups on communities. According to Ynitso, the Self Help group methodology was only officially introduced to Ethiopia in 2002 by two international organisations that adopted the Indian model and supported the implementation of the groups among their local partners in the Oromia and Amhara regions of the country. Following which, the movement spread and was adopted by a number of other international organisations and local NGOs who were interested in using the model to engage in social change and economic empowerment.

#### ***6.4.2 The innovation; Self Help Groups***

I was invited to visit three SHG groups for this study, all of which were in the process of receiving support from the WSA. Each of the SHG was located just outside Addis Ababa, in Woreda 13, bole sub-city, and was in a different stage of development. I was able to visit each of the sites, observe the meetings and speak with the participants. All three SHGs were hosting

their annual meetings. Each of the Self Help Groups are named after a saint from the Ethiopian Christian Orthodox faith and were called St. Thomas Self Help Group, St. Michael's and St. Gebriel. Each Group consisted of around 15 to 20 women from the same community area.

On my visit to the sites, I was accompanied by a WSA Self Help Group facilitator whose role was to ensure the SHGs met regularly and provided assistance when needed. She was familiar with all the SHGs in the area, maintained a good relationship with their SHG volunteer facilitators. I was also accompanied by my translator who assisted in translating the conversations with my interviewees and other participants.

Figure 10: Map of Addis Ababa region in Ethiopia



### **St. Thomas Self Help Group: Literacy and Numeracy Skills**

The literacy and numeracy classes are held in a classroom equipped with a chalkboard, chairs and desk within the Woreda council building. Each class is taught by a trained WSA staff member who is from the community and was herself once a participant. She delivers a curriculum from a teachers manual that has been prepared by the WSA. The courses teach the women to read and write, as well as maths and basic business skills. The classes are held once a week before midday, and last for approximately one hour between 10am and 11am.

The purpose of the training is to build women's capacity for business management and saving, and motivate them to develop income generating activities that could improve their livelihood. As a result, they are taught to become more entrepreneurial and creative in developing business ideas for their communities. Other modules presented in the training session also build on life skills training, and the improvement of social skills such as assessing self-strength, and developing good business partner relations. The WSA provides all the learning materials needed to deliver the training, as well as any costs incurred to supporting the attendance of women. The training consists of a total of five lessons that are delivered weekly. Once the literacy and numeracy training sessions have been completed, the women are free to develop their own



income generating activities, or engage in the formation of a SHG. A SHG is typically developed only after a group of women have expressed an interest, and proposed a plan to the WSA to do so. Furthermore, while the WSA follows a model to deliver their training modules that has been shared with their donors, these modules are designed and adapted to address the needs of women groups they are being delivered to. And as a result, they appear slightly different when compared to each other.

On my visit to the classes, I entered a room with eleven women of different ages seated facing the chalkboard, each at a wooden desk and bench. All the women were dressed in floral dresses in what appeared to be a uniform under their Ethiopian white shawls, and all had a copybook to make notes on with a pencil. The lesson presented that day was on booking keeping and documenting changes to their accounts. I was invited to observe how the teacher interacted with her students. Students were given a hypothetical business transaction and taught to manage the financial exchanges. The women followed the trainer by creating a table in their notebooks and were taught to calculate the changes made in the hypothetical exchange.

Figure 11: the numeracy and literacy class<sup>4</sup>



The uniform the women were wearing emphasised the collective feeling between the women group, and also reflected a shared economic standing between the women, who clearly appeared to have a close relationship with each other. The collective characteristic of the self-help group is culturally very particular to Ethiopian

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<sup>4</sup> The following photo was taken by a WSA employee and provided to me after obtaining consent from the women in the photograph, and following the ethical considerations in the guidelines outlined in Appendix D.

community groups. This was reflected on by the WSA project officer who accompanied me to the site and explained how the SHG model had been adopted and owned by WSA and the women in the group to be an Ethiopian intervention.

Once the class had completed, I was able to ask the students about their course, and their experiences with their classes. They explained that they had never engaged in this type of activity before and were eager to see the outcome. When I asked the women why they had decided to take the training, they explained:

“... Most of us don’t have access to education. Most of us didn’t know how to write our names, or calculate profit and loses. This gives us a chance to see how to address our issues.” (St. Thomas Self Help Group Participant, 2012)

After the lesson ended, I spoke with the facilitator and asked her to describe her experience and motives in becoming a trainer for WSA. She explained how she had initially participated in the programme before becoming a trainer, and enjoyed learning the processes that were in place. She explained that she decided to continue volunteering with WSA’s activities, and learn about ways in which she can encourage other members of her community to attend the lessons as well. WSA hired her based on her eagerness to teach other women in her community, and because she was able to give a first hand account of her experiences with the topics covered. She said she typically used the WSA manual during the class but, “the manual is just a guide, I don’t depend on it, and share my own experiences as well to give them examples of what I do.” She had been training with them for a year when I met her, and explained that she hoped that the women would also become teachers as well.

### **St. Michael’s Self Help Group: Food & Spices Shop**

The second SHG I visited was located on the main road at a market district in Woreda 13. The St. Michael’s SHG chose to set up a food shop as their income generating activity that traded in beans and spices. The shop occupied a stall on the main road of the market that was made out of wooden beams and coloured aluminium sheets. Its shelves were stocked with packets of beans, barley, spices, salt and other food products that were purchased at wholesale prices from visiting farmers and repackaged to sell at market price in order to make a profit. The space was rented

from the local market by the women, who took turns managing the shop and used the space to meet regularly.

St. Michaels' Group was over one year old, with a total of twenty women who were registered for this SHG, however only 13 of them were present at the shop when I visited the project. The women were gathered around a small clay coal pot with a burning fire and were making coffee before holding their meeting. Unlike the women in the literacy and numeracy class, the members of this SHG were not wearing their SHG uniform as many of them had gathered to come in specifically to attend an hour long meeting, and were not there for the day. They do wear their uniforms however once a week during official meetings.

Figure 12: Entrance to the Food and Spices Shop



The meeting being held addressed the issue of debt to the group and required that the women make a decision on how to best spend the money they have saved collectively. They explained to me that every week, each member donates a small amount of money that has been either earned through their shop, or from their family which is put into a bank account and is registered in the SHG's name. Decisions on how to spend the money are made collectively, and with every member's consent. There are a set of bylaws that govern how to behave within a group and in relation to how the money is spent. Should a member propose a business idea she wishes to invest in, then she brings it to the group and they decide on whether to spend it on her.

The meeting was predominantly facilitated by one of the SHG members, who ensured that everyone participated equally. The WSA facilitator who was also at the meeting had little to contribute and only asked a few questions to each member, following up on previous meetings

held. The women discussed their state of finances, and ideas on how to address their debt. They did not cover business ideas in this session however.

When I asked the women to describe how they came up with their ideas, they explained that a few of them already had experiences working in a business and understood if an idea had a commercial value or not. They also explained that it gives other women in their group the opportunity to learn from each other that way.

“We ask each other what we want to invest in, and then decide together what we think is a good idea. If one of us disagrees, then we discuss it until we either decide its worth our money or not.”

[St. Michael’s SHG member, 2012]

### **St. Gabriels Self Help Group: Roadside Restaurant**

The third SHG I visited was a roadside café that catered to day labourers working within the Woreda. There are twenty members registered within this Group, however only 9 women were present during my visit the site. Everyone in the group knew each other and lived in the same neighborhood. The women were wearing purple uniforms, and differed slightly in style from the other SHG’s.

The restaurant is located on the side of a main road that cuts through the Woreda. However, as the SHG have not been able to secure permit permissions to establish their business, the Café is set up daily using a temporary structure that consists of steel frames and blue tarp that makes up the walls. The business is run collectively by the women of the SHG. The kitchen consists of a small gas stove, and two buckets where dishes are cleaned. Every day, a member of the SHG is responsible for prepare the menu for the day and bring the food to sell at the shop. The responsibility was shared between each woman in the group.

The SHG running the business was only a year old and began by spending their savings they had accumulated on setting up a roadside restaurant. However, as they were still in early development, they had yet to make a profit. A member of the SHG proposed the idea to run a restaurant after the group had received training from WSA, and believed it was an innovative

idea because there were no other shops in the area. It was an idea that was based on the fact that there was no previous practice of it before in their area. One member explained in an interview:

“We don’t have space to expand yet. And we still don’t know if it’s a viable business idea to expand on. But there are not that many others around who are doing the same thing.”

[St. Gabriels Self Help Group member, 2012]

Before the SHG was formed, many of the women members used to operate individually, buying and selling vegetables in the market. However, after attending the WSA literacy and numeracy classes together, they had decided to join a SHG. The idea for the group came about after some conversations with the WSA. One participant explains:

“We got training from WSA. We saved money and time. We came together and decided to do this. Didn’t have the same to open a restaurant. And our work is still progressing, but the site is temporary. We move everyday. We have a vision to reach the higher level, maybe even open a proper restaurant one day and we want to move up.

[St. Gabriels Self Help Group member, 2012]

The SHG believed that they learned a great deal from working on the business together, and valued the opportunities they received from these lessons. The learning they gained was seen as a process for coming up with ideas, and encouraged camaraderie. One women in the group dominated the conversation, and spoke confidently about this to me, and had attracted everyone’s attention in her explanation:

“We have experience sharing among the established groups. And discuss our experiences with each other. Share ideas. It also creates a small platform for competition and experience..... We have no regrets. The fact that they [the women in the group] come out of their homes and share each others experiences is great. If there is anyone who doesn’t want to participate, they can leave. We will release them and accept another. If we have a problem, we discuss the issue together. Our members are good at doing this.

[St. Gabriels Self Help Group member, 2012]

For the WSA, innovation was perceived as a condition that was primarily driven by donors to encourage them to generate new ideas, rather than a process they believed was important to engage in. Furthermore, much of what was described as being innovative in their work was predominantly what their donor had categorised as being innovative. Instead, the ideas that really mattered to WSA were those that were generated by the communities they worked with. Innovation was described as lacking in traditional ideas that work, and that have been in place to address communities in need. In other words, innovation is not about ideas that are new, but

instead about ideas or practices that have been proposed by those on the ground as being important to improving their wellbeing. The Self Help Group were seen as a mechanism for getting women to come up with their own ideas, rather than adopt those imposed on them by WSA's donors. At the same time however, the Self Help Group were bringing new services into their areas and engaging in a new employment activity that had not been introduced in their areas before. The new service however was not perceived as an innovation, but rather an outcome of an innovative process.

The Self Help Group model was adopted by the WSA for the purpose of empowering women in poor communities to improve their own wellbeing and help them generate an income that would be difficult for them to attain under typical circumstances. Self Help Groups are also perceived as being sustainable, and encourage women to own the activities they engage in. Thus, the Self Help Group model itself is not an innovation, but the ideas proposed within them by the members are considered innovative by WSA and the volunteers.

The WSA's donor Concern Worldwide explicitly recognises the significance of SHGs in making women aware of their rights, and helping them achieve their own goals through financial independence. In a blog written and posted by a Concern Worldwide education officer on August 8<sup>th</sup> 2013, she describes her impressions of a visit to one of WSA's SHGs in a rural town outside of Addis Ababa:

“Despite the end of funding and the direct guidance of Concern and WSA, women continue to meet once a week, determined not to lose the significant gains they've achieved.” (Ruckel 2013)

For the donor, the ideas proposed within the SHG are not necessarily the innovation. For the WSA however, the innovation is predominantly about promoting local ideas to develop into practice. However, a platform is needed to explore these ideas and ensure collective ownership. The SHGs were seen as a mechanism that allows income generating ideas and activities to be proposed their target group, and gives women the opportunity to receive funding for them.

## **6.5 Emerging themes on innovation in the projects**

The research question I explored in this chapter looks at the evidence of innovation in the projects I have reviewed for the three case studies. I was particularly interested in understanding whether the innovation projects represented the characteristics defined by their affiliated donors and NGOs, and whether the innovation practiced was consistent with what was understood by donors and NGOs. In the next chapter (Chapter 7), I analyse each of the case studies in more detail, and investigate how the concept has travelled down the aid chain. In this section however, I review the emerging themes on innovation as they relate to the projects specifically.

Each of the three innovation projects reviewed were distinctly different in their approach to addressing maternal and child health issues. The innovation project supported by L10K's Community Solutions Fund addressed low birth rates at health post visits among rural communities in the Tigray region, while the innovation supported by Save the Children and ECFA's community conversations addressed responses to child protection and child health issues among communities in Oromia, and finally the innovation project supported by WSA's self help groups looked at providing social and economic empowerment of young mothers to help them make decisions about their children and their lives. Each innovation had a unique issue it focused on and a unique approach to addressing donor and NGO interests in improving maternal and child health in the country.

At the same time however, the projects shared three key characteristics between them that showed some similarity in their make up as innovations. Firstly, all the innovations proposed by the NGOs had been developed before and implemented in the Ethiopian context for the first time. The Community Solutions Fund for example follows the Grand Challenges approach used by the Gates Foundation and Grand Challenges Canada in 2003 to address specific barriers to a global health problems and provides communities with the opportunity to propose solutions to addressing those barriers. The community conversations model used in the project by ECFA was developed by Moustapha Gueye and Bogaletch Gebre in Ethiopia in the 1970s to raise awareness around HIV and Female Genital Mutilation and was later adopted by ECFA to address child

protection issues. The SHG model was developed in India to support women's economic empowerment and was adopted in 2002 by NGOs in Ethiopia. All three innovation projects had applied models that had been tried and tested in other contexts before being adopted by the NGOs, and follow the concept of diffusion. There was nothing novel about the projects, apart from the fact that the ideas were being applied in a new context, and were therefore new to the beneficiaries engaging with them.

Secondly, each of the organisations implementing the innovations claimed they did not feel the innovations they presented to their donors were in fact innovative, and some claimed to have repackaged what they were already doing that worked well. For both ECFA and WSA, the NGO staff explicitly felt their projects had been created before and were not particularly inventive. However, in order to meet donor demands and secure funding, there was a need to repackage their interventions and identify what made them uniquely innovative. For the L10K however, the projects were perceived as being innovative and new, but the staff were also aware that much of the activities they were engaged in had been created before.

Thirdly, all the staff interviewed felt that the key purpose of innovation was to keep communities engaged with their services, and improve community ownership. For example, the innovation proposed by the Community Solutions Fund was funded to support an idea that was locally owned and developed to solve a problem. The innovation proposed by the community conversations provided a platform for the community to voice their concerns around child protection issues in their area, and how best to report them to local security services. The SHG were designed to be managed by the women who participated in them after they receive the necessary training. Each innovation is designed for their recipients to identify solutions to barriers or social problems they face in practice. What happens in practice reflects ideas that are proposed by the communities they work with. The WSA worked closely with the Women's community project for example to help them devise a project to support themselves socially and economically, and allow them to apply the skills and methods they learned through the funded programmes. The purpose of innovation in the NGOs work is to continue to be accountable to their recipients by helping them devise new solutions to problems they continuously face. Thus, for NGOs, innovation is about demonstrating to the communities they work with that they are



accountable to their needs and are willing to change in order to address them. There were no references to impact on outcomes for any of the innovations supported in the projects as demanded by donors, instead the focus of the innovation was primarily to find ways to keep communities engaged in solving problems, or in ensuring they own the solutions that have been proposed.

The following table summarises the key themes that emerge for each of the innovation projects across the three case studies.

Table 16: Comparison table of innovation across the three projects

	Case Study 1	Case Study 2	Case Study 3
<b>Development NGO</b>	L10K	Save the Children Ethiopia	WSA
<b>Implementing Partner</b>	Relief Society of Tigray (REST) Women's Association of Tigray (WAT)	ECFA	St. Thomas SHG St. Michaels SHG
<b>Project type</b>	Community Solutions	Community Conversations	Self-help Groups
<b>Location (Region)</b>	Tigray	Debre Zeyt / Bishoftu	Addis Ababa
<b>Project objective</b>	To address low uptake of health services, and low number of community visits to the health posts	To raise awareness of child protection and child health concerns in the community	To provide economic opportunities to women and support them to make key decisions for health and wellbeing
<b>Output of the project</b>	A family waiting room attached to the health post to accommodate families traveling from long distances	An action plan for the community to share with local administration to report on child protection concerns in the community	<ul style="list-style-type: none"> <li>• A roadside restaurant</li> <li>• A spice shop</li> <li>• Literacy and numeracy skills</li> </ul>
<b>Themes of innovation</b>	Solutions to barriers in service provision	Community engagement	Community engagement

# Chapter 7: An analysis of the three case studies

## 7.1 Chapter summary

In the preceding chapters (Chapter 4, Chapter 5 and Chapter 6), I examined how innovation was conceptualised and communicated by individual stakeholder groups within the aid chain; from donors, to NGOs and its implications in practice. The empirical chapters present a qualitative analysis of the organisational views and experiences of innovation for specific types of stakeholders. Building on this, and drawing on the conceptual framework presented in Chapter 2, I broaden my analysis to review how innovation has come to be conceptualised within a funding partnership in each of the three case studies, and how these concepts relate to the discourse on innovation in international development. In this chapter, I revisit the third and final research sub-question **“Are ideas about innovation about innovation shared by donors and development NGOs, and is the practice of innovation by NGOs consistent with what has been promised to donors?”** I examine the emerging themes for innovation from the analysis and how they relate to those in the conceptual framework, and conclude with a summary of the findings from the research.

## 7.2 About the analytical approach

In this chapter, I set out to achieve two things. First, I examine how ideas about innovation are conceptualised within each of the aid chains, and whether they are shared between donors and development NGOs. I also explore whether the projects of innovation in each of the case studies represent what has been promised to donors at their inception, and to what extent do their practices vary from donors' expectations of innovation. Second, I examine the utility of my conceptual framework from Chapter 2 by drawing on the literature review on innovation in the three sectors to explore the extent to which innovation among NGOs may be subject to the definitions of innovation from the framework, particularly from the private sector and public sector.

I chose to focus on the aid chain for this research on as I was interested in understanding how definitions for innovation were exchanged within a funded relationship. The aid chain represents a hierarchy in the aid architecture whereby power dynamics influence how innovation is played out. The "aid chain" as it is termed by Tina Wallace, Lisa Bornstein and Jennifer Chapman in their 2007 publication "The Aid Chain; Coercion and Commitment in Development NGOs" examines the influence of the global and local contexts on the funding mechanisms (Wallace et al 2007). They argue that the flow of funds from partners in the "Global North" to those in the "South" within the new aid architecture are primarily dominated by donors rather than the NGOs, and demonstrates how those 'lower on the aid chain' are more likely to respond to the conditions set by the those higher up, and keen to communicate what is expected in order to qualify for resources. The research presented in this book provides a lens for understanding the dynamics between stakeholders within the aid chain and more importantly, the consequences they have on development NGOs and the projects they manage.

At the start of this study, I hypothesised that references to innovation made by NGOs were most likely influenced by their donors within a funded relationship, and that donor demands for innovation would ultimately be 'pushed down' the aid chain to determine what is delivered in practice. Particularly in a funding partnership where a donor holds the most power, and drives the development agenda, it is likely that key concepts and ideas preferred by the donor will resonate most between stakeholders. The proposed hypothesis is informed by the research that

Cornwall & Eade on buzzwords in the development discourse that suggests that buzzwords are often adopted by stakeholders, masking the power dynamics that exist (Cornwall & Eade 2010). Furthermore, I posited that the nature of the funding relationship would most likely determine which concepts of innovation are most likely to be adopted by stakeholders within an aid chain, where for example, in the privately funded aid chain, definitions of innovation adopted from the private sector might be dominated by the private donors, being that innovation plays a strong role in the private sector.

I carried out the analysis of the case studies in two stages. First I developed an analytical framework where I examined references to innovation made by each of the groups within the chain and identified areas of congruence and differences in these definitions. I also examined how innovation was valued, and identify whether innovation was perceived as a process or a product of their work key influences on definitions for innovation, while also taking into consideration the Ethiopian context in which the innovation projects were implemented. The questions guiding my framework were the following:

- 1) **How is innovation defined:** I look at key definitions for innovation that appeared from an analysis of the literature and interviews, and the language used to describe innovation. For the most part, direct definitions for innovation were not always available, and as a result, I have had to draw on summaries of key definitions that cut across the all the participants in the group.
- 2) **What problem is innovation meant to address, and is the objective of innovation:** I look at the key social problems that are being addressed by the innovation and what the main motivations for engaging in innovation, and what is explicitly defined as the key reasons for pursuing innovation. I specifically look at what has influenced these decisions.
- 3) **What are the emerging themes for innovation:** I look at the themes that have emerged from the analysis of the definitions for innovation for each group, and what innovation has been associated with.
- 4) **What are the expected outcomes of the innovation:** I describe what is expected of engaging in innovation and outline the outcomes that are mentioned to develop as a result of innovation.

In reviewing the findings against these questions, I was able to compare responses between the groups in the case studies. I also reviewed the emerging themes for innovation from the projects

and looked at how they compared with what was promised to donors, in order to determine whether the concepts of innovation in the project resonated with what has been described by the groups. Much of the detailed analysis of each stakeholder are presented in the pre-ceding empirical chapters. As a result, in this chapter I will focus mostly on the relationships between the groups within the case studies. The summary of the findings from the analysis are presented in a table for each case study.

For the next stage, I identified emerging themes on the definition of innovation that were common to all three case studies. I reviewed these against the conceptual framework to see how they compared to references to innovation from the NGO literature, and concept of innovation from the private and public sector. Being that the empirical research was conducted between 2011 and 2013, I wanted to determine whether references to innovation continue to be sustained among stakeholders in development today. As a result, I reviewed recent publications in the literature review to better understand how innovation was conceptualised to date, and determine whether it continued to be a fad. The updated research literature are reflected in this chapter as well.

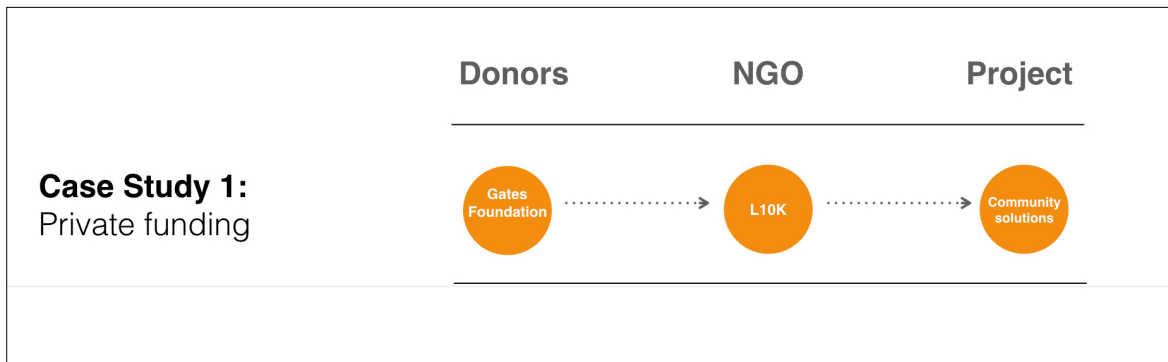
My attempts to draw conclusions and identify implications from the three case studies presented in this research put me at the risk of over-generalising. Nevertheless, there are a number of overarching themes that have emerged from the conceptual analysis of the research that can be referred to represent development NGOs. I summarise the overall implications from this research in more detail in the concluding chapter (Chapter 8).

### 7.3 Are ideas about innovation shared between stakeholders? And is the practice of innovation consistent with what was promised to donors?

#### 7.3.1 Case study 1: The private funding relationship

For this case study, I examined the partnership between the Gates Foundation, and their relationship with L10K, a development NGO based in Ethiopia that seeks to support and improve the provision of governmental maternal and child health care services. The case study represented the funding partnership of a private philanthropic donor, and one where innovation was featured as a significant part of their funding portfolio. The innovation project within this partnership was a ‘challenge-fund’ managed by L10K called the Community Solutions Fund that was implemented in the Tigray region of Ethiopia. The objective of the innovation was to address the lack of uptake of maternal and child health care services among rural communities in Tigray, by providing community groups with a platform where they might propose solutions of their own to the addressing these problems (Details of each stakeholder can be found in Chapters 4, Chapter 5, and Chapter 6 respectively).

Figure 13: Case study one



The analysis consisted of a review of the content from organisational literature for all three groups, as well as an analytical review of the interviews with key employees, and fieldnotes from visits to the project site. A summary of the sample and content analysis for this case study is included in Appendix E.

### ***About the aid chain***

The philanthropic funding relationship in this case study is distinctive of private foundations, where its funds are accountable to its own governing body within the Gates Foundation. The funding conditions and guidelines are set by the BMGF in accordance to the mission of the donor and their organisational objectives. These partnerships differ from a funding relationship in the development sector where donors are primarily governmental, and set against an international agenda and mediate with through governmental institutions.

Partnerships that are financed by private foundations are not new to international development, however there has been a significant increase number of foundations with funding from the private sector over the last twenty years, bringing with them new ideas and approaches that have been termed and contested by some as “Philanthrocapitalism” (Edwards 2009; Ramdas 2011). The umbrella is term used to describe a range of approaches and actors from the private sector who have recently began to dominate the development agenda with their objectives and new paradigm for problem solving in the sector. At the heart of this agenda is the introduction of innovation as a means to address social problems with sustainable results and a “result-based framework”, that is strongly underpinned by private sector thinking where “results” and short-term measurable outcomes were key to the success of the development of innovations in Silicon Valley (Edwards 2009). The strategy of private sector donors emphasises the need for the rapid “scaling up” of interventions in order to meet demand for services, and leverage funding in the form of public private partnerships to achieve social and economic objectives (Ramdas 2011).

### ***The Bill and Melinda Gates Foundation (BMGF)***

The private sector has had a big influence in shaping the Gates Foundation’s thinking around what works in the sector, particularly as Bill Gates has personally experienced a significant progress to his business as a result of innovation in the technology sector. As a result, much of the references to innovation have been adopted from the private sector and are often was associated with the linear model of organisational innovation whereby an idea is piloted and tested, and taken to scale (Seelos & Mair 2012, Godin 2008). Concepts such as ‘pilot’ and ‘scale’ are often described by the BMGF in their explanations of the innovations, particularly in

reference to the nature of innovations they are interested in supporting, and around improving cost-effective services for organisations.

Innovation is a key focus area for the Gates Foundation, and one of their core values as a donor. On the website's description of the Foundation's mission, they state that they believe that by funding innovation in the sector, they play a "catalytic role" to developing innovative "solutions" that would otherwise not be supported in the sector due to a lack of resources and capacity, and can ultimately create change and support governments to adopt these interventions (What We Do, Gates Foundation 2018). The BMGF was particularly interested in improving the efficiency and delivery of services in the sector, and support 'new' and innovative ideas that could be tested with rigorous scientific methods to demonstrate and impact on outcomes. Examples of innovative funding support have included vaccines as innovative solutions, as well as ways of supplying and delivering of vaccines to rural areas, both of which are thought of as innovation.

One of the Gates Foundations global objectives is to address maternal mortality and children's health in the Global South, and it is through this program that the L10K is prioritised under. In the Foundation's Global Health Strategy, innovation is seen as a means to identify interventions that could demonstrably show an impact on reducing maternal mortality rates and improve child health care as well. At the same time however, the solutions that are being supported are also referred to as the innovations that need to be funded as pilots in order to demonstrate outcome. In 2017, the Foundation committed a total of \$1.7 million to support their global development initiatives of which 7% was allocated to maternal and child health support (Gates Foundation Annual Report 2017).

Financial support for innovation is typically in the form of "Grant Challenges", or challenge grants, whereby innovations are proposed by different organisations who put forward ideas for addressing specific problems. Often it is not NGOs that propose the innovations, but either a consortium, or consultants based in the Global North. They increasingly doing this now with more bi-lateral donors and influencing their interests in funding innovation. This funding mechanism was adopted from the field of mathematics where mathematical challenges are put forward, and academics from different fields propose solutions to addressing them. The premise



is to make the process competitive and calls for creative responses to it. The majority of the organisations that approach that have successfully received funding from the BMGF tend to be organisations based in the North, or academic institutions that have established relationships with the Foundation. Much of the Gates Foundations' relationships are with international organisations or consultancies based in the Global North, who mediate between the donor needs and those of the awarded NGOs. These funding relationships are often managed by third parties, who are typically involved in selecting the local NGOs that are suited to implement and deliver to the standards expected of the Gates Foundation. As such, the relationship that BMGF has with L10K in this aid chain is facilitated by the John Snow Institute, a public health consulting firm based in the United States.

The Gates Foundation makes a clear distinction between solutions, that are typically devised by “experts” whom they believe are usually researchers or scientists in the field, and innovation associated with devising methods for the delivery of these solutions in the most cost-effective and appropriate to the populations who need them. In their 2010 Global Health Strategy, they describe that they are passionate about innovation, and describe it as:

“... defined as upstream work in basic science that could ultimately lead to breakthrough technologies. But innovation is also about taking those highly complex technologies and developing them into applicable, affordable, and available solutions. Moreover, we believe that innovation in processes, in organization, and in delivery are equally important. This applies to technology-based approaches, such as a vaccine that does not require cold storage, as well as to simpler solutions, such as financial incentives that encourage women in poor settings to give birth in a clinic instead of at home.” (Global Health Strategy, Gates Foundation 2010)

Here, the BMGF makes a distinction between product and process to innovation similar to those made by the OECD, and but explicitly describes their interest in the diffusion of innovations and taking them to scale. The two key areas of investment for the Gates Foundation are in supporting the improvement of “innovations” that already exist, such as vaccines or new technologies, as well as in finding better ways to deliver them or increase their uptake.

### ***The L10K***

The L10K was first awarded funding from the Gates foundation for introducing interventions in Ethiopia that addressed maternal and child health concerns when it was first set up as an organisation in Ethiopia in 2007 (About L10K, L10K website). The BMGF continues to be L10K's biggest donor today and maintains a close relationship with its funder and have organisational objectives that are closely aligned. The organisation fell under the BMGF's interests in addressing a rise in maternal mortality rates in Ethiopia, and for supporting the Government in providing them with the capacity and resources to address low service uptake. The key issues being addressed in their partnership were focused on was the low levels of maternal health service uptake within the Ethiopian context, and ensuring community participation to ensure that they were dealing with the problem of a lack of community engagement with governmental health services.

For L10K, references to innovation pointed to it being a process for improving the implementation of interventions or 'solutions' as they referred to them. The key focus of innovation was to improve the efficiency and capacity of existing governmental health services and to leverage the government's interests in supporting their projects. However, unlike the BMGF, the L10K did not necessarily see innovation as being part of intervention, but rather around finding creative ways of adopting the those solutions. The director of the organisation describes this in her interview here:

“The innovation is not about the interventions, it (is) about the process and the tools used to get there. For example, the identification of pregnant women by the HEW (Health Extension Worker) who map households and identify the needs of the households to understand their community better.

[L10K director, 2012]

Definitions for innovation varied slightly between the Gates Foundation and L10K within this aid chain, however there was a clear reference to innovation as a process of service delivery and implementation. Both the Gates Foundation and L10K share similar definitions for innovation as a process of implementation, with a slight difference in that L10K is focused more on engaging communities in the process because they are located there, as their organisational objectives were to support the Ethiopian government and delivering solutions that could effectively improve the

provision of maternal and child health services. Findings from the analysis of the interviews with Gates Foundation and the L10K showed that they shared beliefs on the value of innovation to their work. For example, both stakeholder groups believed that innovation was needed to provide solutions to specific challenges to alleviating providing maternal and child health services in Ethiopia, and without it, these challenges would persist. Their close alignment in their views around is primarily due to the Gates Foundation holding a strong had a close relationship between over the decisions made L10K described and thought about innovation.

At the same time however, some differences existed between stakeholder groups in what constitutes an “innovation”, particularly on where the source of the innovation came from. For the L10K for example, the innovations they supported and needed to come from the community organisations they worked with, and need to ensure community participation. Whereas for the Gates Foundation, often the innovation could be devised by experts such as academics from a university who might have a broader and more robust solution to the problem.

### ***The Community Solutions Fund***

The innovation project that was examined for this case study included a ‘challenge fund’ not unlike the ones that the Gates Foundation supports, that was presented to community groups in the region of Tigray. The community groups were tasked with proposing ‘innovative’ solutions for addressing barriers to service uptake, and were supported by the L10K in delivering an awarded project in their community. The project was facilitated by the L10K who provided resources and capacity building services to a local organisation with the most innovative proposal, and mobilised the community to work with the local governmental health service providers the target areas for the project.

The Gates Foundation’s focus on supporting the implementation of services aligned with the objectives of the project. However, a number of funding criteria did not appear to have been applied during the support of the project. The BMGF sought to fund L10K’s project to support impact on outcomes that are cost effective and require robust measures implemented to demonstrate their effect on people’s lives. The project delivered was focused primarily on community participation and does not fit with the rhetoric that the Gates Foundation is interested

in understanding innovation. The project itself is not new and has been done before. It is cost-effective in that it promises returns if families begin to start coming to the health post. Furthermore, the outcomes promised by the Community Solutions Fund do not necessarily meet that of the expectation for innovation by the Gates Foundation. For the Gates Foundation partnership, references to innovation were extremely high, with a focus on funding new and small services to build an evidence-base around what works. But at the same time, they are funding ideas and projects that have been done before, and are new to them as a donor. L10K is a new NGO, but dealing with the same problems most of the NGOs are addressing, and using similar approaches. Community Solutions project is practicing a form of community participation that is not uncommon to the sector, and similar the two other cases.

The following table summarises the key definitions for innovation as they relate to the different groups across this aid chain.

Table 17: Summary table of innovation across the three groups in case study 1

	<b>Gates Foundation</b>	<b>L10K</b>	<b>Project</b>
<b>Definition of innovation</b>	Innovation as a solution to a social problem, as well as the process of delivering the solution to scale.	Innovation as a solution to service uptake in Ethiopia, as well as the process for devising solutions	Community solutions
<b>Emerging themes</b>	<ul style="list-style-type: none"> <li>• A cost-effective solution</li> <li>• Scale</li> <li>• Impact on outcomes</li> <li>• Innovation as technology</li> <li>• Pilot and delivery at scale</li> </ul>	<ul style="list-style-type: none"> <li>• Innovation as a solution to service delivery and service uptake</li> <li>• Innovation to improve community engagement with projects &amp; services</li> <li>• Innovation to improve capacity building</li> </ul>	<ul style="list-style-type: none"> <li>• Community solutions to problems with service uptake</li> <li>• Platform for community to propose ideas</li> </ul>
<b>Reasons for engaging in innovation</b>	To demonstrate the impact of small interventions that can be adopted by governments and taken to scale. And to develop new and efficient ways of delivering services in a cost-effective way	To address barriers to the implementation of interventions and improve demand for services among communities	To address low levels of health service uptake, and low community visits to the health posts
<b>Outcomes of innovation</b>	<ul style="list-style-type: none"> <li>• Demonstrable impact on outcomes for funded</li> </ul>	<ul style="list-style-type: none"> <li>• Cost-effective interventions</li> <li>• Improvements in</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in the number of women given birth at</li> </ul>

interventions  
• Proven Interventions  
taken to scale

governmental service  
provision

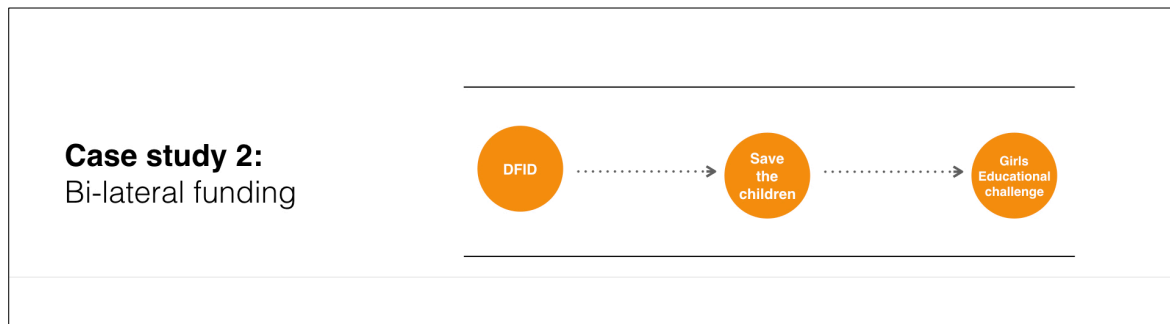
health posts

For both the Gates Foundation innovation was perceived as both a solution, product, or intervention, as well as the process of delivering that solution that would otherwise not have been supported due to the current structure of the aid system, and by which NGOs play a bigger role in supporting the delivery of this innovation. In other words, innovation is both as means to providing solutions to development problems, as well as the solution itself. The L10K similarly believed that innovation was both the solution and the process to devising the solution, however was more included to seeing innovation as the creative process for engaging communities in the delivery of the innovations. This is reflected in the Community Solutions project, where the focus of the innovation lay in improving the uptake of health services among communities in rural areas. Here the solutions themselves were also the innovations, and were associated with the uptake of services, blurring the line between the concepts slightly.

### 7.3.2 Case study 2: Governmental relationship

The second case study looks at a funding partnership between DFID, Save the Children international an international NGO based both in the Global North and South. The partnership also includes the Enhancing Child Focused Activities (ECFA) as an implementor. ECFA is a local Ethiopian NGO working in the Oromiya region that responds to child protection and the integration of childrens’ needs into the service delivery of local governmental institutions. The innovation project was awarded to a child protection programme that was delivered in the city of Bishoftu, and addressed problems with child protection in communities in the area. The innovation project consisted of a series of ‘community conversations’ that captured some of challenges the communities faced with child protection issues, and allowed the communities to propose ways of addressing them.

Figure 14: Case study two



For the analysis, I reviewed content from organisational literature for all three groups, and reviewed findings from the interviews with key employees, and fieldnotes from visits to the project site. A summary of the sample and content analysis for this case study is included in Appendix E.

#### ***About the aid chain***

The funding partnership within this case study is one similar to those shared between NGOs that have established relationships with governmental aid donors. DFID has historically provided bi-lateral and multi-lateral aid to governments and NGOs since it was officially formed in 1997. The funding partnerships shared by DFID typically include direct relationships with governments in the Global North, or in partnership with other international NGOs based within

them and are directed towards a global international development agenda that the UK government shared with other international bodies. With an annual budget of approximate 13 billion GBP as of 2017, DFID's funding decisions are made by the secretary of state for international development and the ministers of state who are accountable for the UK's Public Expenditure on international development.

The partnership presented in this aid chain falls out of the large scale bi-lateral grant, and represents a grant made directly to an international NGO from DFID's global poverty reduction schemes, the Global Poverty Action Fund and Girls Education Challenge in 2012.

### ***DFID***

DFID's interest in innovation is one that is closely aligned with that of the Gates Foundation and has shown parallel interests in innovation at the same time as the BMGF became interested around the year 2000. The rising influence of private donors in the international sector have also shaped the way DFID prioritises innovation in their work, and the way in which they have decided to fund it. In Chapter 4, section 4.2, I describe how recent donor interests in innovation have come to be shaped by the rise of private foundations, and have resulted in changes to their approaches to development. The introduction of results-based frameworks and a focus on funding pilot schemes are part of the new changes to funding mechanisms, particularly in relation to innovation, and have shaped the way they perceive the role that NGOs play in development.

DFID's objective as a governmental donor is to provide governmental institutions with resources and support in order to make progress towards achieving their Sustainable Development Goals (SDGs). And not unlike the Gates Foundation, much of DFID's interests in innovation is to support services or interventions that have proven to create a social change, and shown demonstrable impacts on outcomes that can be taken to scale by the governments they are supporting. For DFID, the innovations they support also need to demonstrate that they are cost-effective evidence to suggest that the innovation shows returns for its investment.

For DFID, the definition for innovation was broad and included the introduction of new services, products or interventions into new contexts as well as their methods of delivery. The focus of

their funding of innovation was to explore ways in which existing government services could be improved and delivered effectively. This would include the introduction of new ideas, services and the delivery of these services. NGOs in particular are seen to play a role in supporting governmental services to do this, and are responsible for either devising new services, or implementing them in partnership with governmental institutions.

### ***Save the Children***

Save the Children is an international NGO that has had a long relationship with DFID, and has funding from a number of other donors. The organisation has offices based in both the North and the South and is able to maintain relationships with both DFID and local NGOs. Its organisational mission is to partner with governmental institutions and NGOs to deliver ‘community solutions’ that are suitable to specific contexts. The organisation is involved in nine priority areas in Ethiopia, of which the Child Protection programme had received support for its innovative approach at addressing community needs for children in rural areas. As a result, the child protection programme was the focus of this case study.

Innovation is one of Save the Children’s four organisational values, and it specifically defines it as a “process to develop and prove evidence-based, replicable solutions to the problems children face.” (Save the Children Annual Review 2017 P. 4). For Save the Children, there is an interest in funding innovations that can demonstrate that they have had an impact on outcomes and generate an evidence base around what works for children. This was explicitly described as being critical for donor buy in by the organisational employees I interviewed, who explained that donor interests were directed at innovations that showed evidence of creating social change. At the same time, those interviewed also indicated that although they thought innovation was important to their work, they also felt that much of what they are delivering as “innovative” solutions to the donor, are in fact activities they have repackaged to appear innovative.

In the interviews carried out with Save the Children in Ethiopia, it was clear that the concept of innovation for them differed slightly from what was defined in the organisation more broadly, and even more so from their donors. Instead, innovation related to identifying ways of working



in partnership the local community organisations to ensure communities feel they are participating in the development and delivery of an innovation.

***The Community Conversations Project***

The community conversations project is part of an innovation grant that was delivered by Save the Children through ECFA in the city of Bishoftu. The project adopts the community conversations model to provide communities with a mechanism for raising awareness of child protection concerns in the area. The innovation consists of both the community conversations process itself, as well as an ‘action plan’ that is delivered following the completion of the conversations, and provides communities with a solution for addressing these concerns. The action plan is meant to be co-owned by the community and local administrative bodies.

The employees interviewed at Save the Children were aware that the model underpinning the community conversations was not novel in its approach to improving the wellbeing of communities in Ethiopia, however it has not been applied in the context of child protection, and was new to the community in which it was being implemented. Furthermore, the employees the project site described project as being innovative, and felt the innovations were key to engaging the community in the programmes they were delivering. At the same time however, the concepts associated with an improvement in the value for money or demonstrating an effect on specific outcomes were not a priority for this project.

The Following table outlines the definitions for innovation for each group within the aid chain.

Table 18: Summary table of innovation across the three groups in case study 2

	<b>DFID</b>	<b>Save the Children</b>	<b>Project</b>
<b>Definition of innovation</b>	The creation and implementation of new or improved processes, products, services, methods of delivery or other aspects of an approach that result in significant improvements in impact, outcomes,	“Breakthrough Innovation” to develop solutions that demonstrate impact on outcomes	Community Conversations that might engage and mobilise the community to address issues collectively

	efficiency, effectiveness or quality.		
<b>Emerging themes</b>	<ul style="list-style-type: none"> <li>• Product and process to improve outcomes</li> <li>• Value for money</li> <li>• Improve capacity to deliver programmes</li> <li>• Information technology</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrate impact on outcomes</li> <li>• Innovation to generate ideas from the community that might improve efficiency of services</li> </ul>	<ul style="list-style-type: none"> <li>• Community engagement</li> </ul>
<b>Reasons for engaging in innovation</b>	To test new ideas and ways of delivering services and identify their effect on outcomes, and to improve efficiency and find ways of delivering services at a better value	To improve the efficiency of their programmes, and the delivery of health services. As well as the need find a space to devise new solutions to reoccurring problems	To raise awareness of child protection and child health concerns in the community that the NGO may not directly be able to address
<b>Outcome of innovation</b>	Demonstrable impact on outcomes  New and effective ways of working	Improved ways of working  New spaces for ideas	New ideas and solutions that would otherwise not be explored

There appeared to be a slight disconnect in how innovation was perceived by DFID and Save the Children, and how it was practiced on the ground. For the officials at DFID, the concept of innovation related to an improvement in existing ideas and services already funded by the donor, with a focus on identifying new approaches to improving community engagement and scale. DFID Officials saw innovation as a means of experimenting with new interventions or products, and ways of delivering them. At the same time, they were more likely to fund approaches that had an existing evidence-base, or could demonstrate an impact on outcomes, which contradicts their approach to experimentation.

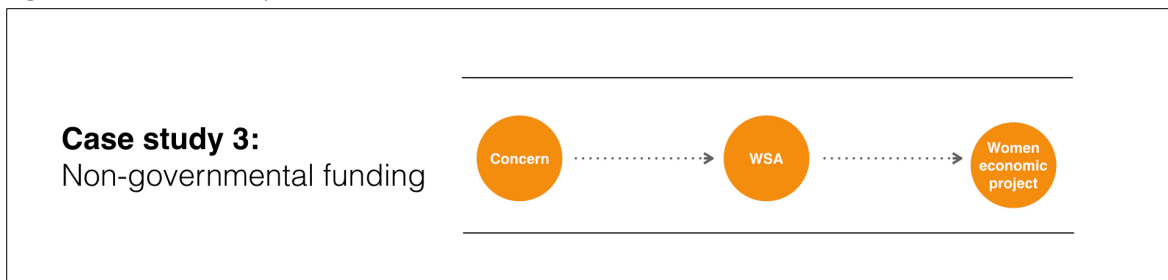
For DFID, the primary focus on innovation was to improve the uptake of their existing funded services, and find ways of taking their programmes to scale, in order to improve child wellbeing. The Save the Children and ECFA however, the concept of innovation was primarily seen as a process for engaging communities groups to address problems in their contexts. Furthermore, it was evident from the interviews carried out with employees at Save and ECFA that innovation

was an important, but not the key feature of their work and one that was primarily dominated by donor demands.

### 7.3.3 Case study 3: NGO funding relationship

This case study looks at the relationship between Concern Worldwide an international organisation and donor based in Ireland, and their recipient NGO Women’s Support Association (WSA), with a focus on the women’s empowerment project as the innovation project. The innovation was identified by WSA and the donor was the process that the project introduced that allowed women to engage in an economically empowering opportunity and provide them with an income that would normally not have been made available.

Figure 15: Case study three



#### *About the aid chain*

The funding partnership between Concern Worldwide and the Women’s Support Association is not unlike the funding relationship between Save the Children and ECFA, and represents the partnership of two non-governmental organisations working together. The key difference however is that Concern Worldwide is considered both an international organisation, and a donor that funds NGOs globally, but also and facilitates funding partnerships between donors and other organisations. As a result, Concern Worldwide experiences the same pressures put on them by donors as its recipient NGOs, and is familiar with the nature of these relationships in this context.

Unlike the Gates Foundation and DFID, the relationships in this aid chain are directly shared between Concern Worldwide and WSA, with no facilitation. In other words, the aid chain as shorted, and consisted of direct contact between the donor and implementing NGO. betweThe

relationship shared within this case study can be distinguished from the governmental case study in that the purpose of innovation was a bit clearer and more concise with what the donor had expected, and what practiced on the ground. Whereas, for the governmental case study, a number of mediators involved, that the distance between what the donor and the recipient was great, and the concept lost between them.

### ***Concern Worldwide***

Concern Worldwide is an international organisation that raises money from a number of different sources, which include private philanthropy and governmental organisations. A key programmatic focus for concern is around improving maternal and child health service delivery in the Global South, of which innovation is closely associated to it. And while the organisation has some funding criteria that require a demonstration of innovation in their partnerships, Concern Worldwide does not allocate specific funds for innovation alone.

For Concern Worldwide, innovation is typically referred to as the process of learning from what has worked in their attempts to support organisations globally, and learning from their communities about what could work better. This is an important area of focus for Concern as it involves understanding how best to adapt their interventions to the needs of the communities they work with, but also how best to support them and design more effective programmes for them.

Organisational interests in innovation varied within Concern Worldwide between the different factions, particularly the US and UK offices. The employees I interviewed based at Concern Worldwide's offices in London and Dublin spoke of 'a global innovation agenda' among donors in development today, and the hype around supporting innovation to improve outcome and to take services to scale. They also chose to adopt a number of ideas on aspects of innovation that donors are interesting in supporting such as value for money and focus on technology as a new way of working in the sector. This was primarily in order to stay aligned with what other donors are interested in funding. However at the same time, they are also interested in improving their programming and see innovation as a key contributor to that process. Overall, innovation was regarded as a process of learning for the organisations they support and through which they can improve their own delivery of services.

***Womens' Support Association (WSA)***

The WSA are a local NGO based in Ethiopia that began their operations in Addis Ababa in 1995 to improve the wellbeing of women by providing them with resources and improve their livelihood. Today, the NGO receives much of its funding from international aid donors and has historically had a long relationship with Concern Worldwide as a significant funder of their work.

The WSA was granted a fund from Concern Worldwide as part of their The Women Economic and Social Empowerment programme to deliver services to improve women's empowerment through the delivery of self-help groups. The funding was secured by Concern Worldwide through a commitment they had arrange with DFID to support innovations that might improve women's wellbeing and health in Ethiopia.

For WSA, innovation was not considered a priority for their work. This was made explicit in my interviews with employees who explained that their objective was to ensure that they continue to deliver services they do and ensure they have the full participation of the communities in the process. For Concern, the process of learning about community needs and concerns and identifying that their ideas are references in their funding applications, rather than programmes being pushed down by their donors. Their interest was in learning how best to continue to engage with the communities they work with and ensure they have their trust.

The WSA believed that their engagement in innovation was a condition for securing funding from Concern Worldwide and needed to be prioritised in their work. Many of the employees I interviewed at the WSA explained how much of their funding applications for innovative grants are associated with repackaging what they know already works at engaging communities. And while their relationship with Concern Worldwide is a close one, they are still required to engage delivering "innovations" on the ground.

For WSA, efforts to continue to work with the communities, and continuously finding new ways to support them is part of the innovation process they feel should be prioritised by aid donors.

And it can be argued that much of the work that WSA does around repackaging their work to propose them as innovations is innovative in itself, as it requires a creative effort on the part of WSA to manage between the needs of their donors and their beneficiaries.

### ***Womens' Self-Help Groups (SHGs)***

The Self Help groups are an innovation project that the WSA was granted to deliver by Concern Worldwide under the theme of women's empowerment to improve their health and wellbeing. The innovation is based on the self-help group model and seeks to engage women in collectively addressing social and economic barriers in their community and developing a means of livelihood. The innovation was related to the fact that the model had not been delivered to these communities before, and was new to their context.

The SHG model is not innovative as an approach and existed in Ethiopia since the 1980s. The model itself is not new to the donor community as it was first developed in India in 1995 as a microfinance tool that had demonstrated positive results on improving women's economic improvement. However, the project was considered innovation to Concern's funding relationship with WSA and the donor believed they were in fact learning from what has been proposed by it. References to the project providing a value for money in the approach to womens' empowerment, and their economic wellbeing however were not prevalent in the literature.

Table 19: Summary table of innovation across the three groups in case study 3

	<b>Concern Worldwide</b>	<b>WSA</b>	<b>Project</b>
<b>Definition of innovation</b>	Innovation as a process of learning from communities and understanding their needs better.	Innovation as a process of learning and improving relationships with the community	Self-help groups for women empowerment
<b>Emerging themes</b>	<ul style="list-style-type: none"> <li>• Innovation as learning</li> <li>• Value for money</li> <li>• Technologies to address problems</li> <li>• Innovation and scale</li> </ul>	<ul style="list-style-type: none"> <li>• Old ideas packaged into new ideas</li> <li>• Innovation to engage with community ideas</li> </ul>	<ul style="list-style-type: none"> <li>• Community engagement</li> </ul>
<b>Reasons for engaging in innovation</b>	To learn from what works and to design more effective programmes and improve outcomes	To keep beneficiaries engaged with their work and meet donor demands	To provide economic opportunities to women and support them to make key decisions for health and

	wellbeing		
<b>Outcomes of innovation</b>	Improved ways of working through efficiency	Donors demands are met	New ways of making key decisions.

For this case study, there appeared to be the most congruence between the definitions for innovation for Concern Worldwide, and WSA and the project. They shared similar views on the role of innovation as a process of learning for the organisation, and that the current focus on innovation appeared to be the new trend, primarily been driven by international aid donor interests. At the same time however, innovation was perceived as an important aspect of their work, and an activity that they believed they were already engaged in. For both Concern and WSA, the innovation project they were supporting was important and allowed for the women they work with to propose new ideas and ways of working to address their needs. However the innovations being proposed were not perceived as novel or drastically new to the sector, but new to the community who had proposed it.

## 7.4 Emerging themes on NGO innovation

In the preceding section, I outlined definitions for innovation that were shared by stakeholder groups within the individual case studies. In this section, I outline three definitions for innovation that cut across all case studies. The definitions broadly capture references to innovation made within each of the funding relationships, and were also shared by the stakeholder groups in the sector. The distinction between the three concepts are not always clear and to some extent are arbitrary as they do not appear to operate in isolation, but work together, in some cases overlapping, and are regarded as innovation. I have also drawn from the research in the conceptual framework presented in Chapter 2 to examine the relevance of these concepts to the existing models of innovation across the three sectors.

### **Innovation as a solution**

Across all three case studies, innovation was consistently referred to as a solution to addressing social problems in the sector. The solution typically consists of a range of elements, such as new product, intervention, tool, method or approach that is applied to address a barrier or a challenge within a project. This definition is not unlike the one adopted by the OECD to define innovation as a product:

“An innovation is the is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations.” (OECD, 2005)

References to innovation as a solution or project were prevalent among the donors in the case studies, particularly to the Gates Foundation, who see innovation as an opportunity to support new projects that will demonstrate an impact on outcomes. However, a review of the funding activities in the case studies suggest that much of the ‘solutions’ that have been funded in the case studies have already been adopted in the Ethiopian context, and are not generally new. For example, the community conversations project funded by DFID and managed by Save the Children were a model that had been developed in Ethiopia before, and had not been significantly improved or changed since it was created. Furthermore, the solutions often referred to by DFID or the Gates Foundation as examples of innovations tended to be developed by experts in the Global North, and exclude NGOs based in the Global South. This includes the development of vaccines, or diagnostic tools to improve maternal and child health conditions.



The concept of innovation as a ‘solution’ or output originates in the private sector and has its roots in technological innovation, where ‘inventions’ could be distinguished from the process of innovation (Schumpeter 1942). The solution, or product is seen as an output of an organisation that can deliver measurable and cost-effective results when directed at a challenge that could create considerable social change. And while references to innovation as a solution were prevalent, they often included the implementation of those solutions.

The role that NGOs were expected to play by the donors in the case studies was not in devising the solutions, but rather implementing the innovations in different contexts. Each of the case studies referred to the delivery of the solutions in the contexts they work in, rather than the development of new ideas and creations. Similarly, NGOs believed their role should not be to devise innovations, but rather to support in the implementation or delivery of them.

### **Innovation as a process of learning**

References to innovation as process came up mostly among Concern Worldwide, and WSA, and was typically associated with learning and improving on what they are currently doing to serve community needs. The process of learning occurs within the organisation and is associated with innovation as a method of acquiring knowledge from what work works, but also from the communities themselves, who also have ideas on how best to deliver services.

Innovation as a process of organisational learning are not unlike concepts of social innovation, that emphasise the need to develop processes for improving on what-works, and learning from failure (Seelos & Maire 2012 & 2017). Organisations in the public sector emphasise its importance as a means for learning that can ultimately lead to social change. NGOs benefit from learning from the process of learning, and are able to make incremental changes to their context and surroundings. However, this type of innovation is not a priority for donors such as the Gates Foundation, or DFID who see innovation as having a specific function that can demonstrate immediate results on outcomes outside of the NGO. In other words, the focus is not on the NGO themselves, but rather the communities they serve.

### **Innovation in service delivery and community engagement**

For all three case studies, references to innovation as a process of improving service delivery and the implementation of services was the most prevalent and widely described. All three case studies independently sought to address problems with low service uptake in Ethiopia, particularly for women and child health services. Innovation was typically referred to as the processes NGOs implemented to ensure services were delivered efficiently, and had been taken up by the communities they targeted. For example, the L10K organisational objective focuses on improving the delivery of governmental health services by ensuring that families are utilising these services in their communities in the Tigray region. Similarly, both Save the Children and ECFA are focused on improving the uptake of child protection services in communities within the Oromia region. While WSA seeks to empower women to engage with economic opportunities in their communities and participate in livelihood activities. Innovation was common referenced a means of complementing or improving existing governmental services for community stakeholders, or as a means of creatively finding ways of keeping communities engaged with their own services.

References to innovation as a process of community engagement and community participation is not unlike the diffusion of innovation model, that focuses on the adoption of ideas or services across a system and taken to scale (Rogers 1983). The key objective behind improving the uptake of services was to ensure that the highest number of people were benefitting from the service being delivered. The innovations rested on devising methods for the ‘spread’ of service and taking it to scale. Typically these methods encouraged community participation and in some cases putting the responsibility on the community to devise the innovations themselves. In the case of the Community Solutions project, the innovations were being proposed by a local community group in Tigray. Similarly, in the Community Conversations project, an action plan had been suggested by the community itself on how best to address child protection concerns. And finally for the self help groups, women were encouraged to propose economic projects to engage in.

I came across no references to innovation as an organisaitonal characteristic of NGOs, or a justification for why NGOs should engage in innovation. The activities that NGOs engaged in

were referred to as innovative, but not the NGOs themselves. This contradicts the research findings on innovation as an organisation characteristic of NGOs and their legitimacy to engage in the delivery of services (Fyvie & Ager 1999). The research on innovation as an organizational characteristic was predominantly carried out between 1990 and the year 2000, address the role of NGOs in the sector. As a result, references may have changed as the rise of private philanthropy has grown, introducing new aspects of innovation and its association with NGOs.

# Chapter 8: Conclusion

## 8.1 Summary

In this final chapter I revisit the overall research question and hypotheses put forward at the beginning of my investigation, and demonstrate how the findings from my research have come to address them. The research question I set out to examine at the start of the study was:

**“Is innovation a development buzzword in international development, or does it suggest something more?”**

This question was guided by three sub-questions, which I readdress and demonstrate how they contribute to addressing the overall research question. I then explain the substantive and methodological contributions of my research for NGOs and the sector more broadly, and conclude with an outline of limitations from the research, and the implications for future research, donors and development NGOs.

## 8.2 Is innovation a buzzword in development?

At the start of this study, I wanted to examine how innovation was conceptualised and practiced among development NGOs seeking to improve the health and wellbeing of women and children in international development. All three of the case studies explored in my empirical research focused on the improvement of women and children's wellbeing in one state or another, but varied slightly in the type of innovation project that got funded. I was particularly interested in understanding whether the increasing interest in innovation regarding NGOs was a fad, or whether it meant more to stakeholders and represented an opportunity for new approaches to their work.

Being that the empirical research was carried out between 2011 and 2014, and four years have passed since writing the thesis, I have re-revised the research literature to examine references to innovation from to date, in order to determine whether the interest in innovation continues to be sustained among stakeholders in the international development community. This is included in my analysis in Chapter 7 as well as in the final chapter.

At the start of my research, I hypothesised that innovation may be a term used as a 'buzzword' in the development discourse, without a clear indication on whether it was actually a key aspect of the activities NGOs choose to partake in. Building on the ideas presented by Cornwall & Brock in their article on the role of buzzwords for development policy (2005), I wanted to explore the role that innovation played in practice for NGOs, and the type of development interventions they represented.

Cornwall & Brock critique much of the language used to describe today's development policies around poverty reduction, and explain how buzzwords can be used to suggest purposefulness and optimism, and in first glance may even suggest a considerable shift in the approach to development (Cornwall & Brock 2005 p. 1044). They explain how much of the words used to describe development practice are at odds with some of the hard-edged process in places in development today. The concept of buzzwords in development was first originated by Cornwall & Brock in 2005 to examine the role they play in development. Their research demonstrates that

buzzwords mask the meaning of terms and language in the development discourse by a) being vague and positive by nature, and therefore positively received by those using it but understood differently. And b) that the ambiguous nature is able to depoliticise the motives of actors, and favouring pragmatism instead. And finally c) that they are able to take existing ideas and rebrand them or reinvent them to fit a new purpose. These arguments have been developed further in Cornwall & Eade's (2010) edited volume "Deconstructing Development Discourse; Buzzwords and Fuzzwords" that consists of 29 research studies that empirically examine multiple buzzwords in development, of which innovation is not included. These buzzwords have a key role to play in that their "propensity to shelter multiple meanings makes them politically expedient, shielding those who use them from attack by lending the possibility of common meaning to extremely disparate actors" (Cornwall & Brock 2005 p. 1056). They looked specifically at the role of three buzzwords of which innovation was not included; participation, empowerment and poverty reduction.

I chose to explore the concept of innovation and its role for development NGOs to better understand its role, and explore the meaning it holds for those engaged in it. I approached the investigation through three key sub-questions. These are addressed below.

### *8.2.1 How is innovation conceptualised in the research literature in relation to NGOs, and what are the discourses on the purposes of innovation?*

The purpose of this sub question was to explore the definitions for innovation, and expectations associated around innovation for development NGOs. To address this question, I drew on a review of the management of innovation literature to identify the key concepts around innovation that might be relevant to my empirical research. The review included research literature from three sectors; the third sector, as well as the private and public sector, as references to innovation were associated with organisational management. It also provided a useful conceptual framework to consider which references to innovation were most relevant in the empirical research.

An early research finding to emerge from the review of the literature was been the lack of research on the subject of NGO innovation specifically. While much had been written about innovation in the private sector and public sector, less research had been conducted specifically in relation to development NGOs. This review therefore represents an attempt to investigate this subject in more detail.

The review drew on literature from a range of disciplines and revealed three distinct conceptual approaches that proved to be relevant to understanding innovation in relation to the management of NGOs. The first relates to the concept of innovation as an activity associated with the *organisational characteristics* of development NGO that are likely to create a change in the sector. These include the structural characteristics of the organisation, as well as their organisational behaviours, and builds on literature from the third sector that showed that innovation was associated with structural characteristics of the NGO, and their role in development. The capacity of NGOs to experiment with new ways of working, and with limited resources suggested that they were likely to produce innovative activity, and create new solutions to development problems. Thus, innovation was associated with an attribute of the organisation that is associated with both micro and macro organisational factors.

The second conceptualisation of innovation related to innovation as an outcome or *product* of NGO activity. This concept drew heavily on the research from the private sector, and showed that innovation was primarily associated with the creation of ideas, services and solutions to

specific outcomes that NGO create in order to contribute to their role in development. Thus, innovation is considered the outcome of a range of activities that the NGO engaged in when addressing key aspects of development, and it is this outcome that is able to contribute to a social change. The novelty of the innovation is key to classifying the innovation.

The third way of conceptualising innovation in relation to NGOs related to innovation as means, or a *process* for finding solutions to addressing development problems. This concept drew heavily from the research literature on innovation in the public sector, and includes innovation as a process of organisational learning that would benefit the development community and contribute to an evidence-base around key solutions. According to Seelos & Mair (2012), moving away from the concept of innovation as an outcome to innovation as process is essential in that it helps the development community focus on incremental improvements made by NGOs and all the activities associated with them, rather than conceptualising innovation as single large scale development solutions.

Overall, the purpose of these concepts of innovation relate primarily to the role and overall legitimacy of NGOs within the development community. This includes the nature of the relationships they were able to hold with other stakeholders. The purpose of this concept related to role that the NGO held within sector as well as the value added of the NGO more broadly.

### ***8.2.2 Are ideas about innovation shared between donors and development NGOs?***

The purpose of this sub question was to explore the way innovation was understood and valued by key development actors, and to determine whether reasons for engaging in innovation was shared between them. To address this question I carried out an empirical study that examined the individual views of the two stakeholder groups (donors and NGOs) separately on innovation in the sector, and identified the similarities and differences in their definitions. I also examined the views of actors *within* a funding partnership to identify how innovation is conceptualised between a donor and their recipient NGO, and to determine whether their funding relations had any influence on their perspectives.



The key research findings that emerged on examining the communication of innovation *within* the “aid chain” was that there was a considerable degree of congruence in the way innovation was conceptualised between donors and NGOs. Innovation was defined by both the donor and the recipient NGO as an outcome, or development solution to addressing key development challenges, as well as a process for identifying development challenges.

There was however a key difference in their perspectives which lay in the purpose or value of innovation in their work, and its overarching contribution to the sector as a whole. Firstly was significant variation between stakeholders on why they believed innovation was important. And second on the source of innovation.

### *8.2.3 Are definitions for innovation consistent with what is described in the discourse?*

The purpose of this was to identify whether there was a disconnect between the way in which innovation is conceptualised by stakeholders in the literature, and the way in which it has come to be defined in practice. In doing so, it would allow me to determine whether innovation is considered a buzzword in the development discourse, or whether it is something more to those engaged in it, or whether it is both.

I examined the concepts on innovation from the conceptual frameworks in Chapter 2, and identified a number of concepts and ideas that appeared to resonate with those defined in my empirical study. The definition of innovation as an organisational characteristic of development NGOs is one that was identified by the NGOs management literature, and was particularly relevant across a number of stages in my empirical study. References to NGOs being innovative within the NGO management literature was described in Chapter 2, where I demonstrated how there was a divide between researchers who believed that NGOs were innovative, in comparison to those who viewed them as non-innovative.

The challenges that NGOs face is the need to meet the expectation of the donor while also meeting the demands of their recipients. The context in which NGOs are working today is

putting them under pressure to frame their work as innovative, and communicating this activity is becoming increasingly challenging for NGOs to engage with new ideas and ways of working.

### **8.3 Main Contributions**

This research aims to make two key contributions; one substantive contribution towards the theoretical understanding of innovation in relation to development NGOs, and the second to the methodological examination of innovation in the development context. The key contributions of this research indicate that the role of innovation in international development is critical for understanding how ideas and learning develops within the sector.

#### **Substantive contribution**

As the first in-depth study focusing on the role of innovation for development NGOs, this study makes a contribution towards knowledge of the perceptions, value and practice innovation among development NGOs. Two key findings are highlighted as substantive contributions from this research: examining innovation as a buzzword in development, and the influence of funding partnerships on innovation.

Firstly, the number of studies carried out that have examined the concept of innovation in relation development NGOs that go beyond a review of their organisational characteristics and capacity are few (Fyvie & Ager 1999, Vivian Maseko 1993, Korten 1990). This study is the first to question the role of innovation as a buzzword in development in relation to NGOs, and qualitatively examine the perception of NGOs and donors and the implication of these perspectives on the innovation projects.

Through the case studies presented in the empirical research, I demonstrate how the concept is understood differently by stakeholders and the expectations of the innovation vary between them. This misunderstand allows donors to dominate the aid agenda and impose their expectations of innovation. For example, in Case Study 1, I showed how there was a misalignment in the way innovation was conceptualised by the donor (the Gates Foundation) and in the project, whereby the donor perceived innovation as a product or outcome of their investment, whereas the implementing development organisation saw innovation an process of

devising new ideas. Similarly in Case Study 3, where the key stakeholders appeared to share similar perspectives and values for innovation in their work, there appeared to be some differences in the way innovation was conceptualised, where Concern Worldwide believed innovation to be a process for devising new ideas, and WSA believed that the need for innovation was an objective set by donor agencies that they needed to comply with. And a process used by development NGOs to repackage old ideas and services to continue to be supported for doing what they know works well.

In my research I identify four emerging concepts for innovation from the case studies for this research that address some of the conceptual ambiguity around the definition for innovation in the sector. Using this framework to distinguish between innovation a product, from innovation as a process, innovation as diffusion and finally innovation as an organizational characteristic, I introduce a typology that categorises the different ways in which innovation is conceptualised and practiced among NGOs in international development. Differentiating between the four types of innovation helps to clarify the nature of the innovation being practiced, and who it is practiced by.

Secondly, few studies carried out to date have examined the role of innovation as a buzzword for development NGOs and how they are used to shape the way discourse. This study explores the concept in detail, and examines whether the qualities of Cornwall & Eade's development buzzword apply to innovation in the development discourse (Cornwall & Eade 2010). This research shows that innovation appears to be described in great detail in the development discourse, evidence of innovation practice varies slightly from how it is conceptualised and valued by development practitioners, and their donor agencies.

#### **8.4 Limitations of the research**

There are five limitations to this research that I have identified that I believe prevent the research from representing the objectives of the study, and which I would have addressed were the study to be repeated.

First, the literature review presented in the study focused specifically on innovation in relation to the organisation, and excluded other research on innovation, such as the conceptualisation of innovation in policy and government. It was necessary for me to narrow the scope of the literature review to the organisational unit, which limited the number of concepts that could be reviewed for the study, and may have excluded some significant conceptual frameworks. Further to this, the literature review was restricted to research published in the English language only, and working with research with data in transcribed and translated interviews from my fieldwork in English. Some data and important detail may have been lost during the interview process, and in the analysis of the research findings.

Second, the qualitative research design and approach for the empirical study limited the study to understanding the voices of donors, their recipient NGOs and their projects, and excluded the perspective of the recipients of the NGO projects and beneficiaries. This is primarily due to a shortage of time, and limited resources that prevented me from taking the research further. Other voices were excluded from the study, such as those of policy makers, both locally and internationally, and how that influences the way innovation is conceptualised. I was unable to examine the role of Ethiopian governmental actors in the process of innovation, and had time and resources been available, I would have included them and examined their influence on innovation.

Third, the empirical research was carried out within a single context, and limited to the context of Ethiopia. Thereby excluding an examination of the influence of the other country contexts on innovative activity, and limiting it to the NGOs and activities carried out in one country only. As a result, I limited the environmental influence to one location only. And had resources been available, and a wide choice of countries for the empirical study been possible to choose from, then I would have chosen to examine the role of innovation in a country like India as well to examine the influence of different cultural contexts on the implementation of innovation. As reported in Fyvie and Ager's article on the factors influencing innovation (Fyvie & Ager 1999), the environmental context does play a significant role in enhancing or inhibiting innovation.

Fourth, identifying and accessing key stakeholders to engage in this study proved challenging and took a great deal of time to secure during my fieldwork. I approached key stakeholders by way of introduction and could only secure interviews with them around timings that were convenient to them. This delayed the research, and made it difficult to pursue interviews with them within the short time period for the fieldwork. In many cases a number of participants dropped out during this process. In future research, I will prioritise and plan to carry out a larger number of interviews with respondents to avoid a high drop out rate during fieldwork.

Lastly fifth, the development NGO represented in the second case study Save the Children represents an international NGO, however for this case study it was considered a development NGO. The organisation was selected for the case study because it fit the criteria for a development NGO funded specifically by DFID, and that operated in Ethiopia, with the exception of one key criteria, that it should be a development NGO. In Ethiopia, the Save the Children offices operate as an INGO with links to their headquarter offices outside of the country, however they have often considered a development NGO by those I spoke with, who work there as well as those who work with the organisation. This was primarily due to the way it operates, the fact that it has existed in the country since the 1960s, and that a majority of the employees are Ethiopian nationals, and that it held a positive relationship with the Ethiopian government. Despite this however, the organisation is an INGO and does not represent a development NGO as suggested by the criteria for the case study listed in Chapter 3, and should be recognised as a limitation of the case study.

## 8.5 Implications of the study

### *8.5.1 For future research*

As demonstrated earlier in the research, innovation among development NGOs is still in its early stages of development, and focuses predominantly on the organisational characteristics to innovate, while excluding a wide range of factors that might also influence innovation.

This study examines the values, perceptions and experiences of three donors and three development NGOs to innovate, and their influence over three innovation projects. However these findings are limited to a small empirical study. Additional comparative studies need to be presented to test and validate the findings.

New directions in research on innovation for development NGOs should focus on the following three areas to gain a better understanding of innovation in practice for NGOs. First, further research should be carried out to examine innovation as it relates to other types of NGOs. This study related to development NGOs, and specifically those with a maternal and child health focus. Whereas a comparative study that examined how innovation was conceptualised and practiced among advocacy or even humanitarian NGOs may differ to those presented in this study.

Second, an investigation that examines a wider range of INGOs, and includes the perceptions of northern NGOs as well as southern based NGOs. This allows for a comparison of the contexts, and an investigation into whether these contexts also have an influence over their perception of innovation and its role in practice.

And finally third, further research is needed to examine the perceptions of recipients of the innovation to better understand their role in the innovation process, and their influence on the adoption and engagement of development NGOs in innovation.

### *8.5.2 For donor agencies*

The research findings generated by this study have four key points that can be considered relevant to donors interested in supporting development NGOs to innovate. The first point is that donors need to be more flexible with development NGOs and support innovation as a process of learning within their organisations as well as for the development community more broadly. This process will lead to more ideas emerging from the field and encourage a culture of learning from both what works and what has failed.

The second point is that donors should be aware of the pressure NGOs face in meeting demands for innovation. This research has shown that while NGOs are keen to innovate and believe innovation is important for identifying solutions to the problems they face, they are under a great deal of pressure to balance these demands with delivering what they know works. Donors need to recognise these tensions and allow for innovation to be an opportunity for NGOs to engage in, rather than a condition for receiving funding. And ask themselves whether development NGOs are the only vehicle for innovation, and whether there are other avenues for directing their focus on innovation. The key role that NGOs play in the sector is to poverty reduction, and this is addressed in different approaches. The focus on innovation could be pushing NGOs away from this role and from what they do best in the sector.

The third point is that donors should broaden their definition of innovation to include concepts that relate to the way innovation is conceptualised by NGOs as well. The study has demonstrated that among donors, the most common concept of innovation relates to innovation as a product or an outcome that can be piloted or tested to demonstrate an effect at improving outcomes for people, and effectively taken to scale. It excludes the focus on innovation as a learning process, and a method of experimentation that could lead to failure and risks associated with those involved. The current political climate dominating the development agenda has allowed for the adoption of neoliberal policies, and has made the focus on innovation a means for securing funding and a one stop activity, when this research has shown that it means much more to NGOs. Innovation should be seen as an approach that infuses the organisation, rather than a process of developing solutions or products alone.

And lastly, innovation is a process that requires failure in order to develop. This study has shown that while donors are the strongest advocates for innovation, they are more likely to be risk averse in their funding portfolios. Investing in processes where the outcome is undetermined does not feature in the way in which donors choose to engage with NGOs, particularly if there are significant costs associated with it. However, if interests in innovation continue to rise among donors, then donors will need to engage with different aspects of innovation, and the risks and implications associated with it.

### *8.5.3 For development NGOs*

The most important research findings raised by this study concerns the assumption that NGOs can and should innovate to address development problems, and that it is an important feature of their role and purpose in development. This is an assumption that is shared by all stakeholders, as well as development NGOs themselves. Research findings from this study show that NGOs face pressures from the donor community to innovate and devise new ideas in their work. However this creates tension for them to deliver on activities and services they know work well, and allow for room to experiment and innovate. As a result, NGOs need to acknowledge this tension and question the need to seek out innovations if the activities they are engaging in are beneficial to their communities and have been demonstrated to work well. As with donors, NGOs need to recognise the increasing focus on innovation as a risk to their work that prevents them from engaging in meaningful and directed practice.

The process of learning and finding ways to keep recipients in projects, while also engaging development donors is challenging for NGOs, and requires a lot of facilitating between competing demands. A key emerging finding from this study indicated that NGOs are finding this process of facilitation an innovation in itself in that it contributes to learning and building on their capacities to address multiple needs. NGOs should begin to recognise that innovation is a process of learning that requires a great deal of capacity and resourcefulness to address. Managing these processes is challenging and unless the purpose and benefits of the innovation have been made clear to the NGO, it can put NGOs in a challenging situation.



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## Appendices

### Appendix A: Interview Questionnaire Guides for Donors & NGO managers

List of the semi-structured interviews with donors and NGO managers. These questions were subject to revision and change during the interview process.

#### 1. Background: information about the organisation

- What is the overall objective of your organisation?
- What are the ways you are trying to achieve this?
- Has your general approach changed over the past few years?
- What criteria guide the choice of which projects are adopted?
- Are there many rules and procedures that must be followed?
- What procedures are there for the evaluation and monitoring of projects?
- Is innovation a specific goal of your organisation?

#### 2. Definition of innovation: What would you characterize as being “innovative” in the work of NGOs?

- How would you describe an innovative project?
- What are some of the activities you see as being innovative?
- Who do you think drives an innovation, the donor, or the NGO?
- Where do most ideas come from?
- How would you evaluate an innovation?
- Can you give me some examples of projects you think are innovative?

#### 3. Indicators of innovation: characteristics

- What are some of the observable indicators of innovation?
- How would you identify innovative activities?
- What do you think are some of the negative effects of innovation?
- Where do you expect to find the most innovation?

#### 4. Value of innovation / perspectives

- How important is innovation to your work? To the sector?
- Do you think other stakeholders you work with share the same perspective on innovation as you do?
- Do you communicate explicitly about what you think innovation is?

#### 5. What are the benefits / downfalls of innovation in NGOs work?

- What do you think innovation contributes to in the work of NGOs?
- Name some of the risks associated with innovation.
- What are the effects of innovation on improving the lives of children?



## Appendix B: Interview Questionnaire Guides for Donors & NGO managers

List of the semi-structured interviews with practitioners for the projects. These questions were subject to revision and change during the interview process.

### 1. Background: information about the project

- Is innovation a specific goal of the project? If so, can you explain how?
- Can you describe what you think its “innovative” about this project?
- What are the ways you are trying to achieve this?
- Has your general approach changed over the past few years?
- Are there many rules and procedures around that must be followed?

### 2. Definition of innovation: What would you characterize as being “innovative” in the work of NGOs?

- Can you describe what you think the “innovation” is in this project?
- Who do you think were the motives of the donor, or the NGO?
- Where did most ideas come from?
- Is what you describe, what donors expect from the innovation?

### 3. Indicators of innovation: characteristics

- What are some of the observable indicators of innovation in your project?
- How would you identify these innovative activities?
- What do you think are some of the negative effects of innovation?
- Where do you expect to find the most innovation?

### 4. Value of innovation / perspectives

- How important is innovation to your work? To the sector?
- Do you think other stakeholders you work with share the same perspective on innovation as you do?
- Do you communicate explicitly about what you think innovation is?

### 5. What are the benefits / downfalls of innovation in NGOs work?

- What do you think innovation contributes to in the work of NGOs?
- Name some of the risks associated with innovation.
- What are the effects of innovation on improving the lives of children?

## Appendix C: Example of consent form during fieldwork

### **Introduction**

Before you accept to take part in this project, it is important you understand what the project involves, and how your information will be used in the analysis of the research. If you have any questions, please do not hesitate to ask me personally, or contact the Social Policy Department at the London School of Economics, Houghton Street, WC2A 2AE, UK. (0) 20 7405 7686.

### **What happens if I part in the study?**

If you agree to take part, you will be interviewed and your answers may be used in the final publication. The interview will take approximately one hour. You will be shown a list of questions prior to the interview, and if there are any questions you choose not to answer, you do not have to answer them. Questions will be about your perspectives on innovation in the work of NGOs. The interview may be recorded and transcribed for data analysis only, if you agree to allow this.

### **Will my personal information be kept confidential?**

Your background information, and personal details will be kept strictly confidential and not shared with other people outside of this project. Any information that could potentially identify you personally in the interview will be removed.

### **What happens to the research study when its completed?**

The information provided by you will be included in a Phd thesis and as papers for publication in academic journals. You will not, under any circumstances, be identified in any of these publications.

Should you agree to participate in the study, you will need to sign this consent form. However you are still free to withdraw from the study at any time without the need to provide a reason.

### **Consent**

I agree to take part in the study described above,

Date:

Signature

## Appendix D: Ethical Considerations

*Guidelines:* The proposed research will adhere to the guidelines and best practice outlined by the Social Research Association. These include ensuring the research process does not involve unwarranted gain or loss to the participants, factual accuracy or misinterpretation of data. Data reporting and dissemination is carried out responsibly, furthermore the research candidate has received training on implementation, reporting and research ethics in qualitative research methods.

*Participants:* The research does not target or involve vulnerable participants. Participants are donor or NGO managers from service providing organisations (for interviews) and all 18 years of age, and therefore legally recognized as being able to give informed consent.

*Questions during fieldwork:* The research candidate will be present during the data collection is prepared to respond to queries and problems or direct answers if unresolved during the course of the study.

*Treatment of data:* All identifying factors from the interview questionnaire will be removed; restricting access to data collection and processing equipment.

*Potential participants:* Potential participants will be informed that they will not benefit directly by participating. Moreover, potential participants will be informed that they can refuse participation without reason and withdraw at any time during the study (themselves and the data just supplied) with no adverse effects. Potential participants will be asked to give informed consent by signing and dating a consent form and confirming they have read and understood details of the study and its objectives.

*Information about the research* (See Appendix F for written sheet that was presented to participants and provided orally when needed) was prepared in an appropriate form and language for potential participants and provided to each participant before commencing the interview in order to obtain their informed consent.

## Appendix E: Fieldwork Sample Details

### Case Study 1

#### Gates Foundation reports reviewed and interview sample

Type of report	No. of reports
Annual reports (2009-2017)	8
Annual letters from Bill Gates (2009-2017)	8
Blogs (Impatient Optimists 2010-2017)	14
Financial Statements	8
Press releases	12
Research reports	10
Foundation Factsheets	8
<b>Total</b>	<b>68</b>

Type of Respondent	No. Of interviews
Senior Staff / Managers	2
Managers	8
Consultants	1
Other key informants and associates (volunteers, ex-staff)	1
<b>Total</b>	<b>12</b>

#### L10K reports reviewed and Interview sample

Type of Report Reviewed (2009 - 2012)	No. Of Reports
Policy Reports	4
Newsletters	13
Research Reports and presentations	24
Program Guidelines and tools	6
<b>Totals</b>	<b>47</b>

Type of respondent	No. Of interviews
Director of L10K	1
L10K Managers	2
L10K Research officers	1
JSI consultant	2
<b>Totals</b>	<b>6</b>

## Case study 2

### DFID reports reviewed and interview sample

Type of report	No. of reports
DFID annual reports (2009-2017)	8
Grant applications & Guidelines	11
Financial documents on UK spend	41
Case studies and project reports	12
<b>Total</b>	<b>72</b>

Type of Respondent	No. Of interviews
Donor senior staff	1
Donor managers and officers	5
Consultants (Triple Line)	4
Other key informants and associates (volunteers, ex-staff)	1
<b>Total</b>	<b>9</b>

### Save the Children reports reviewed and interview sample

Type of Report Reviewed (2009 - 2013)	No. Of Reports
Annual reports & Financial budgets	5
Evaluation reports & research briefs	21
Terms of reference documents, project documents and case studies	18
Flyers, training manuals and brochures	5
<b>Totals</b>	<b>49</b>

Type of respondent	No. Of interviews
Monitoring and learning director	1
Programme Managers and advisors (on Girls Education Challenge project)	3
Research managers	2
<b>Totals</b>	<b>6</b>

### Case study 3

#### Concern Worldwide review of reports and Interview sample

Type of Report	No. Of Reports
Insights, research publications and evaluation reports	17
Annual Programme Plans and financials (2012-2013)	4
Blogs, press releases, and website materials	5
<b>Totals</b>	<b>26</b>

Type of respondent	No. Of interviews
Senior members of staff	1
Managers	4
Consultants (maternal and child health technical experts)	2
<b>Totals</b>	<b>7</b>

#### WSA review of reports and Interview sample

Type of Report Reviewed (2009 - 2013)	No. Of Reports
Annual reports (in English)	4
Training manuals for implementors (in English)	3
Research reports	2
Brochures, newsletters and marketing materials	4
<b>Totals</b>	<b>13</b>

Type of respondent	No. Of interviews
Director of Concern, Ethiopia	1
Director of WSA	1
Programme Assistants	3
<b>Totals</b>	<b>5</b>

## Appendix F: Fieldwork letter to participants

### Letter to participants

#### **About the study**

This study examines how innovation is defined and practiced among international NGOs seeking to improve the lives of children in developing countries. In doing so, I hope to better understand the significance of innovation and its contributions to the sector. The research is part of a larger PhD study with the department of Social Policy, at the London School of Economics.

The study came about after a review showed that ideas on innovation are not universally shared among donors and NGOs in international development and tend to vary greatly, making it difficult to determine what is new from what isn't. Despite this however, innovation continues to play an important role among NGOs seeking to improve children's lives. International aid donors regularly seek out new and innovative practices from NGOs in their effort to improve child and maternal health in developing countries. This is evident in their annual calls for funding for innovation, which have become part of a global effort to encourage new ideas to substitute failing ones already in practice.

Reasons for the disparity in perspectives on innovation in development have been poorly studied to date, and remain largely unknown. Few studies have examined how innovation is understood among NGOs and donors, and even fewer look at how these ideas are practiced on the ground.

For this study, I will interview a number of stakeholders to find out what is meant by innovation among donors and NGOs, and will test whether these ideas are reflected in practice. Once I have identified the key indicators for an innovation as defined by the participants, I will go on to examine whether or not they are exercised in practice by carrying out an observational case study on two NGOs working to improve the health and wellbeing of children in India. It is hypothesized that ideas about innovation are mostly dominated by donors, and are less likely to represent what is being practiced on the ground.

#### **Your involvement in the study**

By engaging in this study, your responses will be included in the analysis of the research and your name and identity will remain anonymous, unless otherwise indicated by you. You have the choice to indicate whether your ideas are a representation of your organisation's work, or whether they are your own. You also have the freedom to decline any questions asked, or not to participate at any time during this interview.

#### **What will come out of this study?**

Results from the study will be published in the final PhD document. None of the participants will be named in any of the published documents.

## Appendix G: Models of innovation from the three sectors

**Table Summarising of the research areas covering innovation within each sector.**

	<b>Private Sector</b>	<b>Public Sector</b>	<b>Third Sector</b>
<b>Type of innovation</b>	Technological innovation	Social innovation	“Organisational Innovation”
<b>Research Fields</b>	Economics Business management Management of innovation studies	Sociology Public Health Public Administration Organisation studies	Anthropology Sociology Social policy Development Studies (with a focus on maternal & child health)
<b>Concepts</b>	Invention, innovation, scale Linear model of innovation Taxonomy of innovation	Innovation process Diffusion, scale	Organisational characteristics Catalyst for change
<b>Authors</b>	Schumpeter 1943 Freeman 2003 Drucker 1995	Tarde 1930 Rogers 1960 Godin 2003 Mulgan 2006 Seelos & Mair 2012	Fyvie & Ager 1999 Vivian Maseko 1994 Lewis 2000 Ramalingam 2017



**Appendix H: List of journals reviewed for literature review**

<b>Sector / Research bodies</b>	<b>Journals</b>	<b>Search Terms</b>	<b>Number of hits</b>
Development Studies	Development in Practice Voluntas Voluntas: International Journal of Voluntary and non-profit organisation  Third World Quarterly World Development Progress in Development studies Community Development Journal Development Research Policy Foreign Policy Bulletin Gender & Development European Journal of Development Research	innovation Development NGO, inclusive innovation, development solutions, scale, frugal development,	924 (of which 167 were relevant)
Public Sector / Non-profit Literature	Non-profit Management and leadership Non-profit & voluntary sector quarterly Organisation studies Community Development Journal Public Administration and development International Journal of Public Sector Management Journal of public administration research and theory Public management: an international journal of research and theory	Organisational innovation Social Innovation, Innovation and the organization, innovation and learning	215
Private sector / Innovation studies	Innovation studies Technology Technology innovation management literature Research Policy	Invention, innovation, Schumpeter Jugaad	25,499