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Evaluation of innovation in UNICEF work

Summary**

Summary

The world is changing faster than ever before and so too are the challenges facing its most vulnerable. Conflict and displacement, disasters and climate change, urbanization and disease outbreaks are growing increasingly complex and interrelated, demanding new strategies and approaches. Innovation for development — exploring new ways of delivering programmes, with new partners and new technologies — is increasingly recognized as crucial to meeting the Sustainable Development Goals and the promise of the 2030 Agenda for Sustainable Development. While UNICEF has made innovation a corporate priority, the organization has not yet examined the extent to which it is optimally positioned (“fit for purpose”) to implement innovation as a strategy.

The present evaluation was aimed at addressing these knowledge gaps. Using a framework focused on organizational values, structures and systems, UNICEF was found to have clearly signalled its strategic intent through the placement of innovation as a core element in strategic plans. Actual implementation, overall, was found to fall short, with just over half of staff (55 per cent) agreeing that “new ideas and innovations are supported in my office”. Aspects of organizational culture act as barriers to innovation, with staff reporting that risk-taking and acceptance of failure are largely absent. The decentralized nature of UNICEF is a significant feature of the institutional architecture for innovation. Indeed, much innovation within UNICEF occurs in a diffused manner outside of the formally recognized innovation structures. Many at the country and regional office levels felt that central structures could support them more effectively by acting as mediators or translators for innovation activities, by brokering contact with relevant experts and by supporting their fundraising efforts. UNICEF systems, including human resources, financial management, programme management

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** The summary of the evaluation report is being circulated in all official languages. The full report is available in English on the UNICEF Evaluation Office website (see annex).

and guidance and knowledge management, could better support and facilitate innovation. Currently, the lack of institutionalized knowledge management and feedback loops limits the ability of UNICEF to learn from successes and failures. The evaluation recommends action along three lines: (a) a shared organizational vision and strategy; (b) revised organizational structures; and (c) the introduction of a portfolio-management approach for innovation.

Elements of a draft decision for consideration by the Executive Board are provided in section VI.

I. Introduction

1. UNICEF has made innovation a corporate priority, yet the extent to which this investment has translated into meaningful and sustainable outcomes for children has not been systematically analysed. Neither has the organization undergone an assessment to determine the extent to which it is optimally positioned (“fit for purpose”) to implement innovation as a strategy. As UNICEF moved into the second year of the Strategic Plan, 2018–2021, addressing these knowledge gaps has acquired renewed urgency, and is the subject of the present evaluation.

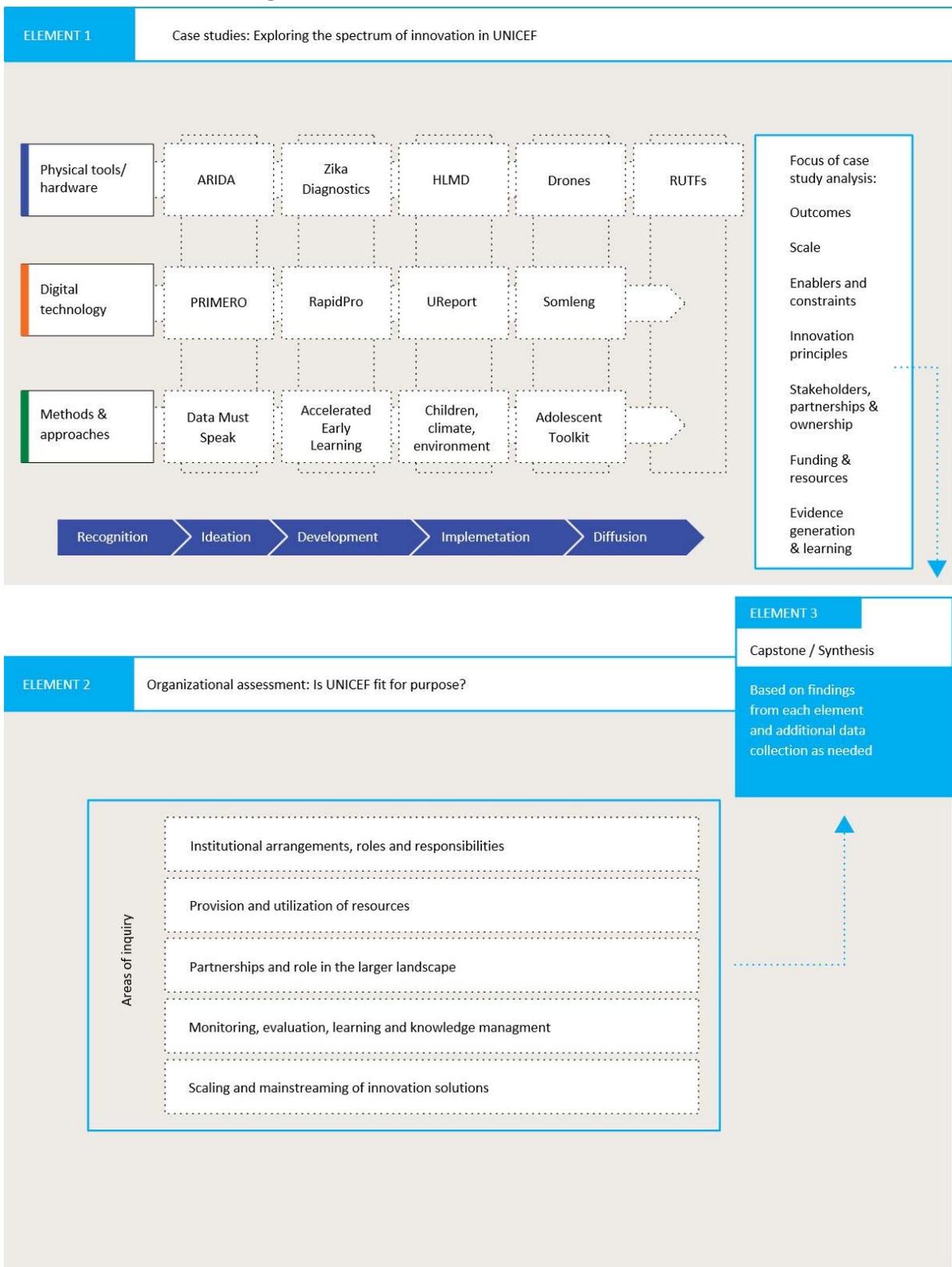
2. The overall purpose of the evaluation is to generate important information for organizational learning and accountability. The evaluation’s objective was to assess to what extent UNICEF was “fit for purpose” to employ innovation as a key strategy to achieve the outcomes and goals defined in its strategic plans for the period 2014–2021. It was also aimed at providing insights into how innovation contributes to the organization’s goals and objectives as well as how innovation might contribute to increasing the effectiveness of organizational responses in the coming years. Accordingly, the evaluation examines innovation in both a retrospective and a formative manner.

II. Evaluation approach

3. The evaluation was conducted through separate yet interrelated projects corresponding to the main lines of inquiry. These included innovation case studies, an organizational assessment and a synthesis to integrate learning and generate conclusions and recommendations. The report entitled “Evaluation of innovation in UNICEF work”, which covers the synthesis, is the final evaluation report.

4. Based on this tripartite design, each of the two main elements (i.e., the case studies and the organizational assessment) was intended to contribute to the overarching synthesis in a specific manner. The purpose of the organizational assessment was to provide evidence on the ability (fitness for purpose) of UNICEF to innovate as a key strategy to achieve its outcomes and goals from 2014 to 2021, as defined in its prior and current strategic plans. The purpose of the case studies was to provide evidence of how specific innovations have progressed through stages of development from ideation to scale, with in-depth consideration of multiple pathways and dynamics that underpin innovation within the organization.

Figure I
Case studies and organizational assessment^a



^a See table 1 (next page) for a description of specific physical tools, hardware, digital technology, methods and approaches.

Table 1
Description of physical tools, hardware, digital technology, methods and approaches

Accelerated Early Learning	An accelerated 150-hour pre-literacy and pre-numeracy program for children entering Grade 1 who have not attended pre-school. Grade 1 teachers are trained in engaging pedagogical methods, used to teach an accelerated, two-month curriculum.
Acute Respiratory Infection Diagnostic Aid (ARIDA)	An automated respiratory counting device, possibly including pulse oximetry, that helps health-care workers to diagnose pneumonia.
Adolescent Kit for Expression and Innovation (Adolescent Toolkit)	Package of guidance, tools and supplies to support country programmes to reach and engage adolescents aged 10 to 18 years affected by conflict and other crises through education, child protection, youth development and/or peacebuilding initiatives.
Children, climate, environment	Evolution of the approach taken on children, climate and the environment by the Zimbabwe country office, one of the first country offices to dedicate resources to the topic of climate and the environment.
Data Must Speak	Information feedback systems and tools for increasing accountability. Using data to improve school planning, performance and learning outcomes, leaving no one behind.
Height-length measuring device (HLMD)	Accurate measurement device suitable for field data collection, with the aim of driving the development, first, of an incremental improvement and, second, of a radically improved device.
PRIMERO	Open-source software application aimed at helping partners to securely and safely collect, store, manage and share data for child protection-related incident monitoring and case management.
RapidPro	Open-source software that allows the user to easily build and scale mobile-based applications. It collects data via short message service (SMS) and other communication channels (e.g., voice; social media channels such as Facebook Messenger, WhatsApp) to enable real-time data collection and mass communication with target end-users, including beneficiaries and frontline workers. RapidPro powers U-Report and Primero.
Ready-to-use therapeutic foods (RUTFs)	Therapeutic, high-nutrition foods administered to malnourished children.
Somleng	A collection of open-source telephony tools that provide an efficient and low-cost interactive voice response and SMS platform.
U-Report	Suite of communications platforms, including SMS and social media, designed to give young people a chance to voice their opinions on issues that they care about in their communities, encourage citizen-led development and create positive change.
Zika diagnostics	A sensitive and specific diagnostic tool to improve diagnoses of Zika virus and beyond (point of care), with an advance purchase commitment to incentivize industry investment into appropriate research and development.

5. The intended users of the evaluation are primarily an internal audience of UNICEF decision makers across levels. The synthesis report will serve as a tool for UNICEF to assess its progress in innovation and make decisions regarding future directions. The 13 case studies are expected to be used as knowledge-sharing tools by UNICEF staff and a range of stakeholders, including government partners, other United Nations agencies and initiatives and development and implementing partners.

6. The evaluation covers the period corresponding to two strategic plan cycles, namely 2014–2017 and 2018–2021. To the extent possible, 2018 activities were

included. The evaluation looks across various organizational units at headquarters and regional and country offices and considers countries with varying degrees of capacity.

7. The scoping for the evaluation showed a wide variety of types of innovation across UNICEF. The following categories were used to help structure the lines of inquiry:

(a) “Hard” technologies, commonly referred to as “product innovation” within UNICEF, to enable sector-specific results, with examples, including diagnostic tools for the prevention of diseases, emergency shelters or water pumps;

(b) Information and communications technology (ICT), particularly mobile technologies, as cross-sectoral enablers for information-management, service delivery, performance monitoring, participation and advocacy;

(c) Innovative methodologies, approaches and processes (“soft” technologies), such as behaviour-change approaches or design thinking, allowing for wider programmatic impact.

8. The organizational assessment used a framework that builds on studies of organizational effectiveness in promoting and managing the innovation cycle. The framework groups these themes into three overarching categories: values, structures and systems. These thematic areas provided the structure both for the fieldwork for the organizational assessment and the findings presented in the synthesis report. The main questions addressed through the evaluation appear below each theme.

9. *Organizational values* The collective ways of thinking that shape the manner in which staff work and influence the wider organizational culture, with specific reference to the innovation activity of UNICEF:

(a) To what extent is innovation implemented as a global strategy for UNICEF?

(b) To what extent does its organizational culture stimulate or incentivize innovative thinking?

(c) To what extent is UNICEF able to accept the risks associated with pursuing innovative solutions?

(d) To what extent do its innovation approaches and initiatives foster ownership among government and other entities?

(e) To what extent are they aligned with national priorities and agendas?

(f) To what extent does the organization’s approach to innovation support its equity agenda (disability, gender, ethnicity)?

10. *Organizational structures* The institutional architecture of UNICEF, including the configuration of staff and departments across the organization and its individual parts. These structures influence what kind of innovation takes place, as well as where and when it occurs:

(a) To what extent do formal structures exist to support innovation in different parts of the organization?

(b) To what extent does the decentralized nature of UNICEF affect its innovation work? What are the relative strengths and weaknesses for innovation work within this structure?

(c) To what extent does UNICEF adopt/mainstream innovation within its programmes?

(d) To what extent is space created for new ideas by “intrapreneurs”?

(e) How effectively does UNICEF leverage resources for innovation across offices, divisions and levels?

(f) To what extent does the engagement of UNICEF with industry and the private sector benefit innovation?

(g) How effectively does UNICEF leverage resources for innovation from diverse sources?

11. *Organizational systems* The processes and networks supporting the flow of information, knowledge and resources that support the work of UNICEF.

(a) Are skills and expertise for innovation adequately developed and appropriately distributed throughout the organization?

(b) Does UNICEF have adequate staff capacity for providing leadership, advocacy and technical guidance/support in innovation? If not, what factors are constraining effective performance?

(c) To what extent is the innovation work of UNICEF designed and implemented according to quality programme planning and design principles?

(d) To what extent do UNICEF management practices facilitate the implementation of innovation as a strategy?

(e) To what extent does the UNICEF management model respond to practical needs for innovation?

(f) Does the UNICEF approach to innovation contribute effectively to organizational learning, including evidence from “failures”?

(g) To what extent have learning and insight generated by innovation been used to shape the UNICEF approach to programmes?

(h) How effectively are the activities, results and good practices of innovation work documented and shared?

12. For the case studies, a mixed-methods approach was used to examine the innovation process in specific instances, with a focus on key issues, lessons learned, challenges and successes. Data were gathered through desktop review, key informant interviews and, where appropriate, observation and online surveys. Nine of the 13 case studies involved field missions to countries in which the innovation under study was being implemented. Data-collection methods used in the organizational assessment included interviews with staff in 25 country offices and all regional offices and headquarters units as well an online survey and document review.

13. Overall, the evaluation employed a mixed-methods approach with a summative emphasis (for the period 2014–2017). The evaluation methodologies used were primarily qualitative and based on key informant interviews as linked to an online survey. To the extent possible, the evaluation also drew on existing in-house sources of information, including the Global Staff Survey, strategic plan-linked key performance indicators, office plans, annual reports and financial data. To the extent possible, triangulation was conducted between sources and methods.

III. Findings of the evaluation

14. UNICEF has clearly signalled its strategic intent to employ innovation as an important means to achieve results for children during the period 2014–2021. However, this strategic intent has not been made sufficiently operational to set an organization-wide course. The organization’s use of innovation as a strategy remains relatively limited as reported by country offices, with slightly more than half stating

that they practise it in full or in part. Moreover, recent Global Staff Surveys suggest that there is a perception among staff that they are not fully encouraged to innovate.

15. Although all parts of UNICEF display elements of innovation culture, there are barriers to making this culture more pervasive and effective. When questioned about barriers to innovation, interview respondents most frequently named risk aversion as a serious one.

16. The expectations for results on the part of funders carries considerable weight in risk considerations. Notably, staff suggested that they generally have to “bootstrap” innovative ideas (i.e., find the funds, test the premise and achieve some level of success) before receiving any significant investment of resources from their department/office.

17. Accounting for the contexts in which different country and regional offices work emerged as a critical factor. (i.e., the nature of relationships with national Governments and other partners and the capacity of offices to implement and fund innovation). The experience of UNICEF in working with programme country partners demonstrates that considerable attention to issues of ownership is needed, including planning for the resources and time needed to fully transition ownership and sustain capacity.

18. UNICEF has three main structures with a clear innovation remit: the Innovation Unit of the Supply Division; the Office of Innovation and the Information and Communication Technology Division, each with wide-ranging and evolving responsibilities for innovation. These structures vary in terms of their risk assessment, project-management approaches and governance structures. Staff awareness of these structures and their ability to support innovative ideas is relatively low. The evaluation found a degree of scepticism and discontent among staff about the way innovation activities are currently structured. The creation of a single office labelled “innovation” was seen by many staff as a centralizing move. Many respondents saw the Office of Innovation as disconnected from the needs and priorities of the field.

19. A significant feature of the institutional architecture is the highly decentralized nature of UNICEF. Consistent with this, much innovation within UNICEF occurs in a diffused manner outside of formally recognized innovation structures. Country offices are well placed to develop solutions that take the local context into consideration and align with country priorities and to integrate these into country-level plans and systems. The decentralized structure also makes it more difficult to move ideas through the hierarchy, and the onus for fundraising falls mainly on country-level staff.

20. Several factors were found to result in “projectization”, or a piecemeal approach to innovation with small sums of money, short funding cycles, high staff turnover and insufficient knowledge transfer. The role of the deputy representative emerged as pivotal in encouraging innovation. In general, the seniority of staff members was seen as a facilitating factor in allowing them to innovate.

21. Both country- and regional-office interviewees felt that central units could support them more effectively by acting as a mediator or translator for innovation activities; by brokering contact with relevant experts; and by supporting their fundraising efforts for innovation. To date, the UNICEF approach to supporting country offices in innovation has been largely ad hoc.

22. UNICEF has a long history of supporting the development, testing and mainstreaming of innovations. In the cases summarized, factors influencing the likelihood of success include the presence of a policy or framework; the capacities of both individuals and systems that will eventually operate the innovation; and having

a funder with the intent to bring the innovation to scale. The UNICEF experience with mainstreaming innovation demonstrates an ability to actualize innovation throughout the cycle: from global-level policy dialogue on priority needs, to testing and refining solutions, working through partners, notably Government, and introducing and mainstreaming the solutions.

23. UNICEF has made good progress in engaging private-sector partners to support innovative activity, leveraging its reputation, market share and buying power as well as long-standing supplier relationships. Particular strengths include the Supply Division's use of target product profiles to specify needs and incentivize research and development innovation by potential suppliers. However, with some notable exceptions, country offices appear to be less successful at leveraging innovation partnerships with private-sector firms in-country, with questions raised about the respective roles of the country office, headquarters and National Committees. As the work of UNICEF in innovation evolves, new partners are being engaged and new forms of partnerships created. Interviewees expressed concern that UNICEF might not be adequately prepared to assess risk before moving into emerging issues and requested that UNICEF prepare guidance in priority areas, such as biometrics.

24. UNICEF does not currently have a complete picture of its internal staff capacity regarding innovation, particularly in offices without a formal innovation remit. Its staffing model with regard to innovation capacity is not entirely clear: whether it is seeking to concentrate innovation skills and activities in certain specialist teams or to mainstream innovation across the workforce. Barriers to staffing for the purposes of innovation include a reliance on short-term consultants, staff rotation and turnover and generic job descriptions. To match programme needs, various skill sets may be needed. There was recognition of the benefits of having an embedded team member with innovation skills and "know-how".

25. The hierarchical structure of the organization is perceived by staff to influence its approach to innovation. Notable was the key role of senior staff in setting the tone from the top with regard to innovation.

26. Centralized management systems devoted to programme planning and results-based management provide scant consideration of innovation. Internal financial management systems provide limited information on budgeted and actual expenditure on innovation. As a result, UNICEF management does not currently have a clear and comprehensive overview, either by individual organizational units or overall, of expenditures on innovation. This hampers the organization's ability to plan and monitor the resources used for innovation as well as to analyse performance and identify where and how to target innovation resources to best effect.

27. There are contrasting opinions within the agency as to the correct focus for innovation activities in UNICEF — notably between focusing on existing, tried-and-tested technologies that need mainstreaming versus those that need developing from the early stages. Other agencies have relied on a portfolio-management approach to find that balance. The lack of a clear management message on these points has resulted in tensions between different teams that have a role in innovation and risks to the effectiveness and efficiency of innovation activities.

28. Despite the existence of various forums for information-sharing, there is scope for UNICEF to achieve more-consistent recording, documenting and disseminating of innovation-related lessons learned. Currently, the lack of such institutionalized knowledge management limits the organization's ability to learn from successes and failures. This issue is compounded by a reluctance to highlight perceived failure more widely — even where this could provide significant learning opportunities and improved effectiveness going forward.

IV. Conclusions

Organizational values

29. For the purposes of the evaluation, “values” are defined as collective ways of thinking that shape the way an organization works. To assess the role of the values of UNICEF in supporting innovation, the evaluation examined a number of elements including: (a) the extent to which there is strategic clarity around innovation as well as the extent to which that strategy is implemented; (b) whether organizational culture incentivizes innovation and its associated risks; and (c) how the approaches used to partner with programme countries foster ownership among government and other entities.

30. On the theme of organizational values, the evaluation found that UNICEF has clearly signalled its strategic intent through the placement of innovation as a core element in strategic plans spanning the period 2014–2021.

31. However, the evidence suggests that UNICEF, overall, is falling short on actual implementation. Based on key performance indicator data, slightly more than half of country offices (55 per cent) reported the use of innovation as an implementing strategy (2017). Similarly, based on the results of the Global Staff Survey (2018), just over half (55 per cent) of staff agreed or strongly agreed with the statement “new ideas and innovations are supported in my office”.

32. Certain aspects of organizational culture appear to be barriers to innovation. According to multiple sources, staff feel that risk-taking and acceptance of failure are largely absent. Only one third of online survey respondents felt that staff were encouraged to take risks in order to innovate, and a similar proportion agreed that their country offices had created space to discuss and learn from failures. Some respondents pointed to the requirements of donor funding as a factor in low risk acceptance. However, the weight of the evidence pointed to a set of ingrained management practices as a greater impediment.

33. There were mixed opinions regarding the extent of management support for innovation. Where staff do feel enabled to innovate, a critical factor is the supportive stance of their immediate supervisors. In these instances, managers are credited with creating the “space” for innovation. At the country level, the roles of the representative and deputy representative are critical factors in how staff perceive innovation and their ability to pursue it.

34. One obstacle is that staff must still navigate time-consuming procedures related to fundraising, recruitment and procurements. While these processes may work with traditional partners (i.e., line ministries), they are not well suited to engaging the private sector, where more-nimble processes may be needed. In addition, innovative work is often seen as “something extra”, running parallel to routine programming.

35. Another significant obstacle to progress is the differing understandings of innovation among staff. To some extent, this limited shared understanding centres on the role of technologies in the organization’s work in innovation. Many respondents felt that UNICEF had come to focus too greatly on technologies, particularly digital technologies, as representing innovation, to the detriment of other potential approaches, such as product innovation and programming approaches.

36. UNICEF could account for the context in which different country and regional offices work in a more systematic manner. Understanding of the innovation ecosystem within which UNICEF is an actor is a necessity, and staff should be supported to assess and operate within the innovation ecosystem with the people, processes and resources required to do so.

37. The experience of UNICEF in working with programme country partners demonstrates that considerable attention to issues of ownership is needed, including planning for the necessary steps, resources and time required to achieve this. Likewise, planning should examine and account for the systems capacities necessary to fully implement innovations, including how those may need to be strengthened and the duration and resources needed to achieve this.

Organizational structures

38. For the purposes of the evaluation, “structures” refer to the institutional architecture of UNICEF, including its physical footprint, governance and administration and the formal and informal configuration of staff and departments throughout the organization. These structures influence what kind of innovation takes place as well as where and when it occurs. Data collection involved offices and units with an innovation remit (i.e., Office of Innovation; Information and Communication Technology Division; Supply Division Innovation Unit) as well as the wider set of structures that promote and support innovation across levels. The emphasis was on internal structures; external-facing arrangements, such as partnerships, were included to a limited extent.

39. During the period covered by the evaluation, there has been considerable change within the three units with an innovation remit (Office of Innovation, Information and Communication Technology Division, Supply Division Innovation Unit). Entering into the period 2018–2021, the strategies and office-management plans of these units show diverse approaches to such issues as risk management and governance as well as shifts in direction based on the Strategic Plan and new priorities (i.e., the ICT strategy and the Supply Division products and markets strategy). As these changes play out, it will be important to clarify and communicate the new roles of these units and how they relate to other units with a formal innovation remit.

40. Overall, staff awareness of these structures and their ability to support innovative ideas is relatively low. In addition, the findings suggest that far greater investment is needed to translate the innovation work of these structures into scalable programmes.

41. While the Office of Innovation was viewed positively for its ability to “think outside the box”, respondents saw a number of ways in which its practices lacked transparency and appeared incongruent with priorities on the ground. Some interviewees clearly expected that the fairly recently created office would help them to navigate potential donor and partner relationships (including private and for profit) and advise them on the innovation work within their country programmes.

42. Perhaps the most significant feature of the institutional architecture for innovation is the highly decentralized nature of UNICEF. Consistent with this, much innovation within UNICEF occurs in a diffused manner outside the formally recognized innovation structures. The decentralized structure has both benefited and hindered innovative activity in a variety of ways in recent years. Important benefits of the decentralized structure include strong partnerships with country actors, knowledge of in-country situations and understanding of stakeholder needs. In general, UNICEF country offices are best placed to develop solutions to problems that take the local context into consideration, to align them with country priorities and to integrate them into country-level plans and systems.

43. However, this structure also makes it more difficult to move ideas through the hierarchy and the onus for fundraising falls more on country-level staff. These factors can result in “projectization” or a piecemeal organizational approach to innovation, with small sums of money, short funding cycles, high staff turnover and insufficient knowledge transfer. It is particularly frustrating for country-office staff to have

nurtured an innovation and demonstrated its effectiveness and then have no funds available for taking it to scale.

44. Many recognized that support for country offices could not follow a one-size-fits-all model and that differing solutions would be needed based on an assessment of needs. The role of the deputy representatives emerged as particularly pivotal in encouraging innovation, working cross-sectorally and integrating new ways of doing things into programmes.

45. Both country- and regional-office staff interviewees felt that central units could support them more effectively by acting as mediators or translators for innovation activities, brokering contact with relevant innovation experts and supporting their fundraising efforts for innovation.

46. UNICEF has long experience in supporting the development, testing and mainstreaming of innovations. In the cases studied, ecosystem factors that had a strong impact on the organization's support to mainstreaming an innovation included the presence of a policy or framework, the capacities of the individuals and systems that would eventually operate the innovation and having a funder with the intent to bring the innovation to scale.

47. As the work of UNICEF in innovation evolves and takes on new challenges, new partners will be important. New forms of partnership are being used to engage the private sector, for example through priority shared-values partnerships. Interviewees expressed concern that UNICEF (in this case country offices) might not be adequately prepared to assess risk before moving into the areas of data privacy or self-sovereign identity.

48. The period 2014–2017 saw a number of changes regarding the innovation architecture. However, many staff are dissatisfied with the current organizational set-up, and there is appetite for structural changes within UNICEF to address many of the issues identified throughout the evaluation. To that end, in the final stage of the evaluation, options on structures were developed for the organization's consideration. These are discussed as part of the recommendations, below.

Organizational systems

49. For the purposes of this evaluation, “organizational systems” are defined as the processes and networks supporting the flow of information, knowledge and resources that support the work of UNICEF, including with regard to innovation. These systems cover both human resource-related aspects, such as staffing capacity/capability and management systems and practices, as well as knowledge management and systems for obtaining, leveraging and managing innovation-related funding. In some ways, this theme proved the most difficult to assess, as many of the existing information systems are unable to meaningfully disaggregate to the level of a specific strategy such as innovation.

50. UNICEF is not entirely clear about the staffing model it is pursuing with regard to innovation capacity: whether it is seeking to concentrate innovation skills and activities in certain specialist teams or rather to mainstream innovation across the workforce. There was recognition from respondents of the benefits of having an embedded team member with innovation skills and “know-how”. Several skill sets were mentioned that would better enable innovation within UNICEF, some of which could be strengthened among existing staff. To date, however, innovation work has been heavily reliant on external consultants working through short-term agreements. The issues around the “in-sourcing” versus the out-sourcing of these skills have yet to be addressed.

51. During the period 2014–2017, innovation was treated similarly to the other well-established implementation strategies (i.e., inclusion in expenditure coding, key performance indicators, annual report templates). However, guidance around these and other programme planning and results-based management systems (i.e., country programme documents, annual reports) provides scant consideration of innovation. This limited guidance to staff reduces the degree to which even the most effective management practices can embed innovative behaviours and approaches, and hence support innovation activity.

52. A point that emerged repeatedly during fieldwork for the evaluation was that the very hierarchical management style of the organization was seen to influence its approach to innovation. Notable was the key role of senior staff across a range of organizational units (notably representatives, deputy representatives and directors) in setting the tone from the top with regard to innovation. The fact that the majority of UNICEF staff feel that there is no clear message about their role in innovation confirms that these issues have yet to be sufficiently addressed. Compounding this is the lack of emphasis on a matrix approach to management, which has the potential to reduce the prevalence of silos and very hierarchical decision-making structures.

53. There are contrasting opinions within UNICEF as to the correct focus for the organization's innovation activities: notably between focusing on existing, tried-and-tested technologies that need scaling up vis-à-vis those that need developing from early stages. Other agencies have used a portfolio-management approach as a tool to find that balance. The use of a portfolio-management approach could help UNICEF to ensure that its resources are well aligned with its strategic priorities, comparative advantages and unique positioning.

54. Despite the existence of various forums for information-sharing, there is scope for UNICEF to achieve more-consistent recording, documenting and disseminating of innovation-related lessons. Currently, the lack of such institutionalized knowledge management and feedback loops limits the organization's ability to learn from successes and failures. This issue is compounded by a reluctance to highlight perceived failure more widely, even where this could provide significant learning opportunities and improved effectiveness going forward. Structured documentation processes, such as that used by the Innovation Review Board of the Supply Division Innovation Unit, should be reviewed as good practice.

55. In making resource decisions, the team found that the UNICEF financial management systems provide limited information on budgeted and actual expenditure on innovation. The best available data suggest that spending on innovation tripled between 2014 and 2017, from \$14 million to \$44 million. However, the system underlying these figures does not allow UNICEF management to readily obtain a comprehensive, forward-looking innovation budget, or a comprehensive retrospective financial analysis. As a result, management cannot easily obtain a clear global overview of spending on innovation within the organization, let alone a view on the robustness (or otherwise) of innovation budgeting in a given office or unit.

56. UNICEF has the capacity to provide and leverage considerable amounts of funding for innovation and is working in several important ways to leverage external resources for innovation to benefit children. These engagements are taking on new and different forms, including the development of priority shared-value partnerships; consultations with industry around products; and market-shaping. These developments should be closely monitored to allow the fine-tuning of the various approaches.

57. Despite these efforts, there are clearly barriers to finding funds for innovation. The majority of UNICEF staff feel that there are insufficient resources for innovation and a lack of clarity in processes to access funds for that purpose.

Table 2

Components of the evaluative assessment

	<i>EVALUATIVE ASSESSMENT</i>
Organizational values	<ul style="list-style-type: none"> • Strategic clarity around innovation and the extent to which that strategy is implemented • Organizational culture incentivizes innovation, supported by appetite for risk • Alignment with national context and priorities and fostering ownership
Organizational structures	<ul style="list-style-type: none"> • UNICEF institutional architecture, including its physical footprint, governance and administration to support or facilitate innovation • Formal and informal configuration of staff and departments throughout the organization affects the implementation of innovation • “Models” of mainstreaming innovation within the organization • Decentralized nature of UNICEF and relative strengths and weaknesses for innovation work • Resources are leveraged for innovation across offices, divisions and levels • Engagement with industry and the private sector benefits innovation
Organizational systems	<ul style="list-style-type: none"> • Human resource-related aspects, such as staffing capacity/capability, management systems and practices that support or enable innovation • Procedures and systems for planning and programming, budgeting, monitoring and knowledge management

V. Recommendations

Recommendation area 1: Develop a shared strategic vision and a strategic approach that directly address fundamental constraints in the current approach and drive decision-making across the organization.

58. UNICEF should be commended for clearly signalling its intent to use innovation as a means of delivering results for children. However, it can achieve greater organizational coherence and impact by establishing a strategic vision and a strategic approach that build on a shared understanding of priority challenges and inform decision-making across the organization. The strategic vision and approach of UNICEF must include considerations and principles on innovation in humanitarian settings.

59. The approach needs to directly address key barriers and impediments to innovation through the development of UNICEF-wide positions on:

- (a) The lack of appetite for risk as a major impediment to innovation;
- (b) How different parts of the organization contribute to innovation;
- (c) A commitment to increased transparency of governance/oversight and decision-making roles within dedicated innovation units;
- (d) Standardized approaches and processes, based on good practices already used in parts of the organization, should be adapted for wider use;
- (e) Clarity on medium- and long-term staff requirements to enable the implementation of innovation as a core strategy;
- (f) Greater attention to and investment in learning and uptake.

Recommendation area 2: Act on needed structural change to advance innovation as a means of achieving results for children.

60. The period 2014–2017 saw many changes regarding the innovation architecture. However, many staff are dissatisfied with the current organizational set-up and there appears to be appetite for structural changes within UNICEF to address many of the issues identified through the evaluation. To that end, in the final stage of the evaluation, options were developed for the organization's consideration. Key elements emerging from these options include the following:

61. As part of any structural adjustment, UNICEF should balance its centralized and decentralized structures and their respective strengths and roles. UNICEF has unique strengths in its decentralized structure and strong collective capacities at centralized levels. Ample attention is needed at the local level regarding ideas, projects and products to prioritize and how to take these to scale. At the same time, strong central units are needed to leverage the power of the whole through learning from both failures and successes across settings and working towards systematized and replicable approaches.

62. In order to provide a clear strategic vision and manage the wide-ranging innovation portfolio, a senior management role is needed at the Deputy Executive Director level to oversee the various dimensions of the organization's agenda. The post would have direct responsibility for aspects of the innovation portfolio, notably new Innovation Enabling Services teams, as well as serving as the focal point for the matrix management of innovation capacities and resources across UNICEF. The post would also have responsibility for working closely with managers of internal systems (e.g., budgeting, recruitment) to develop needed adaptations for the purposes of innovation.

63. Innovation Enabling Services teams should also be created, with responsibility for portfolio management and prioritization as well as for the development and provision of frameworks, tools and processes, monitoring, evaluation, knowledge-sharing, learning and feedback. These teams would support country offices in a range of activities, such as identifying and engaging new and/or unfamiliar partners (e.g., local telecommunications firms), partnership arrangements (e.g., shared-values partnerships, innovative financing), systems issues and funding opportunities (e.g., identifying funding sources and options for different types and stages of innovation processes).

64. Currently, the roles and responsibilities of existing units with an innovation remit are unclear and suggest potential overlap. Therefore, as part of recommended structural changes, leadership for digital innovation should be housed under the Information and Communication Technology Division, which should also bring together the various parts of headquarters that are currently working on digital innovation. Appropriate measures should be instituted to mitigate any adverse effect of this recommendation on other core functions of the Division.

65. There is a need for dedicated innovation staff in country offices, especially in medium to large programmes, and also in regional offices. The role played by the regional technology-for-development specialists is, in general, widely recognized and appreciated and should serve as a model. Innovation staff would be best placed under the deputy representative to ensure programme relevance and cross-sector participation. There is no one-size-fits-all model for this support, and efforts should be tailored to specific country and country-office variables. UNICEF should also ensure that the ecosystem in which an innovation is unfolding is well understood and should garner ownership and anticipate the requirements of scale, handover and exit.

Recommendation area 3: Utilize a portfolio-management approach for innovation

66. UNICEF has yet to clarify how its unique structures and resources are optimally positioned for innovation and scale: whether to focus on existing, tried-and-tested technologies that need scaling up or to emphasize those that need developing from early stages. UNICEF should use a portfolio-management approach to ensure that its resources are well aligned with its strategic priorities, comparative advantages and acceptable levels of risk. Such an approach should help to mitigate or overcome “projectization” or the piecemeal organizational approach to innovation in which small sums of money, short funding cycles, high staff turnover and insufficient knowledge transfer are common. A portfolio approach should be utilized in which the time and resources dedicated to innovation initiatives are weighed accordingly. Portfolio management should inform decision-making by identifying who is doing what in innovation across the organization, what resources are being spent and what results are being measured.

VI. Draft decision

The Executive Board

Takes note of the following documents presented to the Executive Board at the first regular session of 2020: Evaluation of innovation in UNICEF work, its summary (E/ICEF/2020/3) and its management response (E/ICEF/2020/4).

Annex

Evaluation of innovation in UNICEF work

Due to space limitations, the evaluation report titled “Evaluation of innovation in UNICEF work” is not contained in the present annex. The report is available from the UNICEF Evaluation Office website:

https://www.unicef.org/evaldatabase/index_61171.html
