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Management response to the UNICEF evaluation report

Evaluation of innovation in UNICEF work

Summary

The present report provides an overview of the UNICEF response to the evaluation of innovation in UNICEF work, completed in 2019. It provides a summary of the actions that UNICEF will take to address the recommendations.

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

* [E/ICEF/2020/1](#).

Note: The present document was processed in its entirety by UNICEF.

I. Overview

1. The evaluation of innovation in UNICEF work sought to assess, through case studies, an organizational assessment and a synthesis of findings, if UNICEF was “fit for purpose” to employ innovation as a key strategy to achieve the outcomes and goals defined in its 2014–2017 and 2018–2021 strategic plans. Staff across the organization responded positively to both the process and the outcome of the evaluation, noting the professionalism in its management and the systematic engagement with the reference group and relevant stakeholders at key moments throughout the evaluation.
2. The evaluation concluded that significant progress had been made in several key components necessary to advancing innovation within the organization. However, it also found that there was substantial ground to cover and that changes were needed, notably in areas identified as barriers or impediments to innovation.
3. UNICEF agrees with the key findings, including the need for UNICEF to (a) develop an overarching innovation strategy; (b) define what it intends to achieve through that strategy; (c) address the key barriers and impediments to innovation; (d) make a greater investment in transitioning innovation work into programmes for scaling up to increase impact; and (e) address organizational culture as a barrier.
4. UNICEF has accepted all the recommendations and has begun working on a prioritized action plan to finalize and implement a global strategy and make the requisite changes to organizational structure, human capital, technology and resources.

II. Key evaluation recommendations and UNICEF management response

<i>Action</i>	<i>Responsible section(s)</i>	<i>Expected completion date</i>	<i>Actions taken and implementation stage:</i> <i>Not started</i> <i>Under way</i> <i>Completed</i> <i>Cancelled</i>	<i>Supporting documents</i>
<p>Evaluation recommendation 1</p> <p>Develop a shared strategic vision and approach that directly addresses fundamental constraints in the current approach and drives decision-making across the organization.</p> <p>UNICEF should be commended for clearly signalling its intent to use innovation as a means of delivering results for children. However, UNICEF can achieve greater organizational coherence and impact by establishing a strategic vision and approach that builds on a shared understanding of priority challenges and informs decision-making across the organization. UNICEF’s strategic vision and approach must include considerations and principles on innovation in humanitarian settings.</p> <p>The approach needs to directly address key barriers and impediments to innovation through the development of UNICEF-wide positions on:</p> <ul style="list-style-type: none"> a) Lack of appetite for risk as a major impediment to innovation; b) How different parts of the organization contribute to innovation; c) Commitment to increased transparency of governance/oversight and decision-making roles within dedicated innovation units; d) More 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 implementation of innovation as a core strategy; and, f) Greater attention to and investment in learning and uptake. <p>Management response: Agree</p> <p>UNICEF agrees with the need to develop an organization-wide vision and strategy to guide innovation work across UNICEF. The strategy will outline the role that each part of the organization is expected to undertake relative to innovation (including responsibility for internal innovation/culture, including risk) as well as define the required governance structures. The Office of Innovation will bring together input from UNICEF staff in headquarters and regional and country offices to develop the vision and strategy.</p>				
<p>Action 1.1</p> <p>Develop a vision and strategy for innovation within UNICEF.</p>	<p>Office of Innovation with support from the Executive Office (Deputy Executive Director, Field</p>	<p>November 2019</p>	<p>Under way</p> <ul style="list-style-type: none"> • A draft Innovation for Impact strategy has been developed. • The specific objectives of the Innovation for Impact strategy are to: 	<p>Draft Innovation for Impact strategy</p>

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	Results and Innovation)		<ul style="list-style-type: none"> ○ Reinforce the programme leadership of UNICEF on innovation for children and young people ○ Renew the role of UNICEF as an implementer at scale for innovations for children and young people ○ Establish UNICEF as a thought leader on innovation needs for children and young people ○ Engage key stakeholders to innovate with and for children and young people. <ul style="list-style-type: none"> ● The key components of the draft strategy encompass a vision for and a definition of innovation as well as the shifts required by the organization to deliver on that vision: <ul style="list-style-type: none"> ○ Prioritizing on the basis of the greatest challenges facing children and young people ○ Scaling up innovations ○ Catalysing inventions where no known solution exists ○ Connecting different parts of the organization and convening critical stakeholders to solve the 	

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			<p>most pressing challenges facing children and young people.</p> <ul style="list-style-type: none"> • Achieving the key shifts described above will be facilitated through the following four measures: <ul style="list-style-type: none"> ○ Portfolio management ○ Innovative funding and financing ○ Rapid learning ○ Building innovation culture and competence. <p>Additionally, a blended governance mechanism that engages internal and external experts in areas relevant to the solutions being considered will be established.</p>	
<p>Action 1.2 Implement the new Innovation for Impact strategy.</p>	<p>Office of Innovation and other offices at different levels (headquarters divisions, regional and country offices)</p>	<p>November 2019 / ongoing</p>	<p>Under way</p> <ul style="list-style-type: none"> • Finalize the Innovation for Impact strategy and disseminate it among staff, partners and key stakeholders. • Roll out and operationalize the strategy via key engagements across the organization (e.g., regional management team meetings, deputy representative and operations meetings, thematic network meetings). 	

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<p>Evaluation recommendation 2</p> <p>Act on needed structural change to advance innovation as a means of achieving results for children.</p> <p>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 throughout the evaluation. To that end, in the final stage of the evaluation, options have been developed for the organization’s consideration. Key elements emerging from these options include the following:</p> <p>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/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. As part of any structural adjustment, UNICEF should balance these structures, their respective strengths and roles.</p> <p>In order to provide 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 organization’s agenda. This 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 matrix management of innovation capacities and resources across UNICEF. This position would also have responsibilities for working closely with managers of internal systems (e.g., budgeting, recruitment) to develop needed adaptations for the purposes of innovation.</p> <p>Innovation Enabling Services teams should also be created, with responsibility for portfolio management and prioritization as well as 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 tele-communication firms), partnership arrangements (e.g. shared values partnerships, innovative financing), systems issues and funding opportunities (e.g. identifying funding sources and options for differing types and stages of innovation processes). For certain innovations, COs may require support capacity to scan the innovation ecosystem with consideration of risks associated with legal, data, and regulatory framework issues. Responsibility for development and coordinating the implementation of a suitable staffing strategy for innovation would fall under this unit.</p> <p>Currently, the roles and responsibilities of existing units with innovation remit are unclear to some and suggest potential overlap. Therefore, as part of recommended structural changes, leadership for digital innovation should be housed under the ICT Division, which should also bring together 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 ICT Division.</p> <p>There is a need for dedicated innovation staff in COs, especially in medium to large programmes, and also in ROs. The role played by the regional T4D specialists is, in general, widely recognized and appreciated and should serve as a model. Innovation staff are best placed under the deputy representative as a means 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 CO variables. UNICEF should also ensure that the ‘eco-system’ in which an innovation is unfolding is well understood, and should garner ownership and anticipate the requirements of scale, hand-over</p>				

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<p>and exit.</p> <p>Management response: Agree</p> <p>UNICEF agrees with the need to undertake structural changes to advance innovation. The structural changes will be aligned with the new Innovation for Impact strategy and therefore take into consideration the roles that each part of the organization is expected to undertake. The structural changes will ensure clarity regarding support to country offices, the ownership of the different types of innovation (e.g., product, technology) and any potential existing overlap. Structural changes will address the current shortcomings identified in the evaluation, such as the lack of an interdivisional mechanism to ensure commitment and collaboration across the organization and the need for additional resources related to portfolio management and knowledge management.</p>				
<p>Action 2.1 Reorganize the Office of Innovation.</p>	<p>Office of Innovation, supported by the Deputy Executive Director, Field Results and Innovation</p>	<p>November 2019</p>	<p>Under way</p> <ul style="list-style-type: none"> • The Office of Innovation is currently being reorganized to provide strategic leadership, enhanced support to country offices, streamlined processes and organization-wide accountability. • The newly reorganized Office will focus on enabling innovation at the country level and delivering on priority areas. • An expanded innovation management team, which will be constituted to ensure appropriate representation from across UNICEF, will guide decision-making on innovation. • The specific responsibilities of the Office of Innovation will include: <ul style="list-style-type: none"> ○ Setting the strategic innovation agenda (i.e., organization-wide priorities for innovation) ○ Implementing a portfolio- 	

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			management approach (with an inventory of global innovations and stage-gate review processes) <ul style="list-style-type: none"> ○ Providing technical support and expertise (including guidance, consultancy services and funding) ○ Leveraging partnerships ○ Using innovative financing approaches to finance and fund innovations ○ Capacity-building, documentation of best practices, and knowledge management ○ Coordinating across divisions and regional and country offices 	
Action 2.2 Identify the innovation responsibilities for all divisions and regional and country offices.	Deputy Executive Director, Field Results and Innovation / Office of Innovation in consultation with Programme Division, Supply Division, Information and Communication Technology Division and	September 2019	Completed <ul style="list-style-type: none"> • The innovation function will continue to be decentralized across headquarters and country and regional offices. • Clear organization-wide roles and accountabilities have been developed and are being communicated. • The specific responsibilities of the regional and country offices will be to: <ul style="list-style-type: none"> ○ Support the setting of 	Draft Innovation for Impact strategy

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	regional and country offices		<p>priority areas for innovation on the basis of regional and country-level issues and challenges</p> <ul style="list-style-type: none"> ○ Identify potential innovations to address emerging issues and gaps ○ Pilot frontier innovations at the country level ○ Implement projects to take innovations to scale ○ Undertake the monitoring and evaluation of innovation projects ○ Catalyse others (external partners, private sector, other United Nations agencies, etc.) to leverage their comparative advantages to contribute to innovations that impact children, in collaboration with UNICEF or on their own ○ Facilitate partnerships with the public and private sectors at the regional and country levels ○ Document and share regional and country-level trends, insights and lessons learned <p>Responsibilities have been identified to ensure clarity on the governance of</p>	

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			the different types of innovation and on any potential existing overlap.	
<p>Action 2.3 Identify the senior management role responsible for innovation.</p>	Deputy Executive Director, Field Results and Innovation, with the Office of Innovation	July 2019	<p>Completed</p> <ul style="list-style-type: none"> • A Field Results and Innovation cone, under the leadership of the Deputy Executive Director, Field Results and Innovation, with complementary structures and strategies, has been developed to help leverage capacity, resources and initiatives to accelerate results for children and young people. • The Office of Innovation is a part of this cone, which will enhance the organization’s ability to lead on the approach to innovation, including a culture in which innovation is espoused and incentivized — making it “everyone’s business”. • As at 1 August 2019, the Deputy Executive Director, Field Results and Innovation, oversees the Supply Division, the Information Communication Technology Division, the Office of Innovation and the Office of Global Insight and Policy. The Office of Research-Innocenti, which currently reports to the Deputy Executive Director, 	

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			Partnerships, will report to the Deputy Executive Director, Field Results and Innovation, starting on 1 January 2020.	
<p>Evaluation recommendation 3</p> <p>Utilize a portfolio management approach for innovation.</p> <p>UNICEF has yet to clarify how its unique structures and resources are optimally positioned to 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 mitigate or overcome the projectization or 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.</p> <p>Management response: Agree</p> <p>UNICEF agrees with the need to implement a portfolio-management approach for the diverse innovation pipelines operating throughout the organization. Using a portfolio-management system to capture and structure innovation activities with common definitions will help UNICEF to build on the strength of being a decentralized organization, avoid duplicate innovation activities and maximize spending on projects with large potential impact. Portfolio management will be a key tool for UNICEF to connect, understand and better manage its current innovation efforts and those in development across its global structure. An organization-wide portfolio will help to increase visibility on innovation work, including for learning and adaptation between offices. It will also help to align resources and make strategic choices in line with the Innovation for Impact strategy, locally, regionally and globally, with a view to balancing risks and impact.</p>				
<p>Action 3.1</p> <p>Develop and implement an organization-wide portfolio-management approach for innovation.</p>	Office of Innovation	January 2020 / ongoing	<p>Under way</p> <ul style="list-style-type: none"> • An organization-wide portfolio-management approach on innovation is currently in development. • A cross-divisional team has been constituted to draft the portfolio-management process (leveraging lessons learned from the different portfolio approaches used throughout the organization) and 	Draft innovation portfolio tool

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			<p>to map the current innovation portfolio of UNICEF across offices (headquarters/regional offices/country offices). The innovation portfolio will be managed by the Office of Innovation and guided by the Programme Division and the Office of Emergency Programmes in identifying programmatic needs.</p> <ul style="list-style-type: none"> • The approach will include planned governance; stage-gate processes; a suggested balance of resource allocation; standard operating procedures, key performance indicators, etc. • Innovation within UNICEF will follow a common architecture (developed by the International Development Innovation Alliance). This architecture will provide overall guidance on all UNICEF innovation to ensure that it is aligned closely with the thinking and approaches of those among its partners that are also prioritizing innovation. • Upon the completion of action 2.1, the Office of Innovation will finalize and manage the portfolio-management approach. 	

III. 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).
