

Social R&D
Champions Roundtable:
**Building
the Next Phase**

September 11th, 2018

This document provides an overview of the themes discussed at a gathering dedicated to reflecting on the state of R&D in the social sector.

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Acknowledgements

This document was authored by Jason Pearman, curator of the Social R&D Community and Senior Fellow for Social R&D with the McConnell Foundation.

The document also benefited from the insights and observations of Gina Babinec, Programs Lead with Impact HUB Ottawa.

Thank you to the roundtable participants for their time and perspectives, and to the Community Foundations of Canada and the McConnell Family Foundation in supporting and hosting this important dialogue.

Executive Summary

To date, a growing number of Canadian organizations have seen the potential for research and development (R&D) in social mission organizations and have championed the development of a network of supports for this emerging field, including the McConnell Foundation, SiG, Ontario Trillium Foundation, Community Foundations of Canada, Saputo Foundation, Wasan Partnership, Employment and Social Development Canada, Social Science and Humanities Research Council, Toronto Foundation, Canada Council for the Arts, Ottawa Community Foundation, United Way Canada, and Making the Shift.

On September 11, 2018, service providers, practitioners, and Social R&D funders gathered in Ottawa for a roundtable to:

- Uncover areas of alignment for the next phase of Social R&D ecosystem development;
- Understand the necessary conditions for a dramatic increase in the sector's capacity to research, experiment, and develop ideas well;
- Identify possible challenge areas, where the conditions are ripe to develop strong systems for R&D capacity building and supports.

Through small-group and plenary discussion, attendees shared valuable insights on the past three years' efforts to build capacity for Social R&D and discussed plans for meeting the growing demand. To kick-off the discussion, Geoff Mulgan, CEO of Nesta, provided a keynote address, reflecting on the roles of capacity builders, government, and non-government funders in catalyzing the kind of change required to build Social R&D-friendly ecosystems.

Three key recommendations emerged from the roundtable:

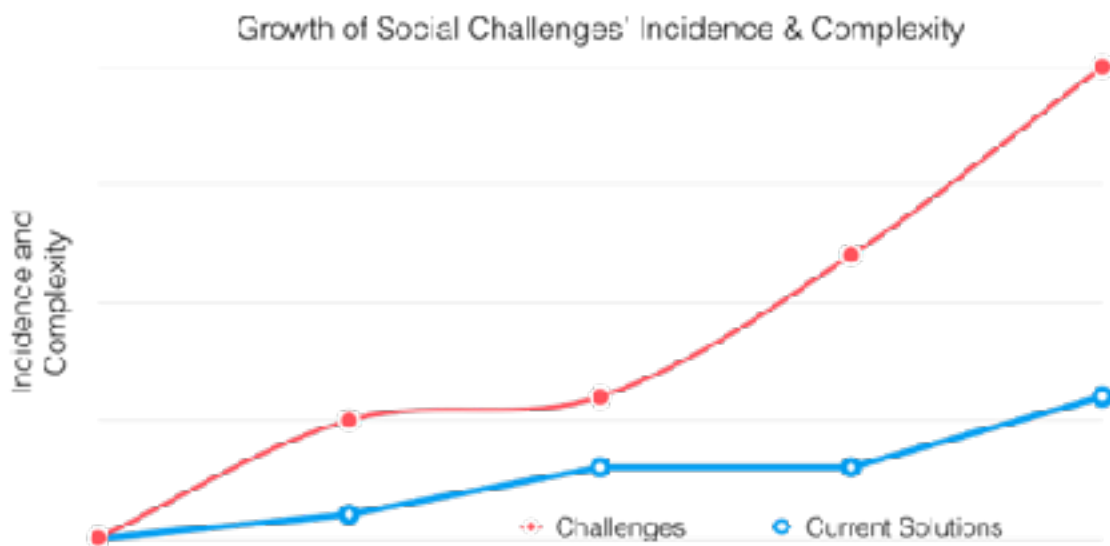
1. Establish a coalition of apex organizations committed to this next phase of Social R&D ecosystem development;
2. Retool existing innovation supports so that they're inclusive of R&D; weave these supports together into a Social R&D capacity building catalogue;
3. Establish micro-R&D ecosystems around targeted social missions;

The Social R&D Fellowship

Canada social impact sector is a mix of nonprofit, for-profit, foundations and public sector entities. Collectively, the sector spends over \$420 billion per year on social outcomes and increasing wellbeing ¹.

Despite this, from youth homelessness and social isolation in cities to retraining pre-retirement workers and achieving economic reconciliation, problems are more complex with skyrocketing incidence rates: our solutions aren't keeping up.

Research and development (R&D) has been a key mechanism for other sectors to create i) dramatic leaps in efficiency and value creation, as well as ii) new classes of products, programs and services. The Social R&D Fellowship was established to explore the potential of R&D in social mission spaces.



¹ Social Expenditure - Aggregated data : Public and Private Social Expenditure by country, 2016 OECD StatExtracts

Background & Recap

Since the Social R&D Declaration of Action, Canada's first effort to catalyze a community and shared aspiration for growing the Social R&D field in Canada, and the publication of the Getting to Moonshot report, which demonstrated Social R&D in action, the push to bring Social R&D into the mainstream has witnessed some remarkable movement.

Everywhere there are signals suggesting a pending spike in demand for R&D capacity-building support among grassroots organizations and apex institutions: the community of practitioners ² joined forces with funders to advocate for the inclusion of Social R&D in the Government of Canada's pending Social Innovation and Social Finance Strategy ³; there is a budding relationship between Mitacs and the sector; at McConnell, development of a new Innoweave module in Data Utilization is underway and early stage funding for R&D is being formalized; and a new generation of philanthropists from tech and corporate sectors are supporting social mission organizations with R&D sensibilities.

Canada has the opportunity to become a world leader in using R&D to dramatically improve the long-term outcomes of our social and environmental programs and services, but to take advantage of the momentum to date we need more capacity building supports to help the sector research, prototype and experiment well.

On September 11, 2018, a roundtable with practitioners, service providers and funders was held to discuss the next phase of Social R&D ecosystem development in Canada. The following pages summarize the challenges and opportunities for boosting the quantity and quality of R&D directed towards our most pressing challenges.

² The Social R&D Fellowship curates a peer community of over 70 practitioners who are alumni of the annual Social R&D Practice Gathering. Those previously working in isolation now enjoy the support and interdisciplinary collaboration opportunities provided by a network of peers; the previously hidden practice of R&D in social mission organizations is now emerging into a recognized field.

³ In 2017 the Government of Canada established a co-creation Steering Group of experts in order to help guide the development of a federal Social Innovation and Social Finance Strategy. In their [recommendations](#), the co-creation group explicitly identified R&D as one of the key skills required to drive social innovation and social finance (page 22) and recommended that funding for Social R&D be included in the Capacity Building stream of the Social Innovation Ecosystem Program (page 52).

Reflections from the 1st phase of Social R&D ecosystem development:

Canada's social sector is approaching a tipping point in its engagement with R&D, thanks to the past two and half years of work by practitioners, funders, and sector leaders across the country. Here are some of their reflections:



Nadia Dugauy
Cofondatrice et
Codirectrice
Exeko

Exeko is a charity that uses art and philosophy for the inclusion of people experiencing or at risk of experiencing exclusion. They work with institutions and on the streets and in communities across Quebec and Canada.

As there is no formula to solve for complex challenges, and much of this work must be done in partnership with diverse groups, Exeko conducts R&D in order to uncover insights on the causes of social exclusion and how to reduce it.

“While there is greater acceptance from funders regarding the legitimacy of exploratory work, it should also be acknowledged that quality R&D take time and requires many iterations to maximize its impact.”



Lynne Wolcott
Director of Community
Response and Advocacy
West Neighbourhood
House

West Neighbourhood House (WNH) is a multi-service community agency offering a range of innovative programs designed to reducing poverty and increasing social inclusion in west central Toronto.

WNH is on a multi-year journey to embed innovative practices and mindsets into its organizational culture, working with community members and partners to test new models of program design and delivery, from deep ethnography to prototyping.

“There is a lot more energy for R&D recently. With increased awareness, new partnerships, and some internal changes in our organization, the next steps are to uncover new partners, shift organizational culture and build greater community engagement around this work.”



Andrew Chunilall
CEO
Community Foundations
of Canada

As the national network for Canada's Community Foundations, Community Foundations of Canada (CFC) leverages the strength of its philanthropic network to help Canadians tackle complex issues and invest in making their communities better places to live, work and play.

CFC is on a mission to explore new models of philanthropy, working with partners across Canada to increase the impact of the [millions of] community investments made annually across the country.

“More private sector organizations are using their R&D capabilities to do good. If we don't improve our ability to innovate, an imbalance between the 3 sectors will grow.”



John Cawley
Vice President
McConnell Foundation

McConnell is a private family foundation that applies granting, investing, advocacy, convening, and capacity building, to address social, cultural, economic and environmental challenges in communities across Canada.

McConnell works with grantees, partners and the public to test new models of philanthropy and encourages innovation, creativity and experimentation in its own work and that of the organizations it supports.

“If we're to create the conditions that allow diverse agents to make change, funders and policy makers need to start finding ways to encourage and reward risk.”

Reflections on R&D and Building Capacity in the Social Sector

Summary of Geoff Mulgan's (CEO, Nesta) remarks

Based in the UK, Nesta is a global innovation foundation committed to tackling the big challenges of our time through knowledge, networks, funding and skills.

CEO Geoff Mulgan offered some reflections on the ways that capacity builders, innovation brokers and government and non-government funders can provide strategic and tactical support to meet surges in demand for R&D.

From successfully responding to failing crop yields in the 1800s to driving clinical breakthroughs in the 1900s, R&D has been the force behind some of the most considerable innovations of our time. A trusted practice in the fields of engineering, business, and biomedicine, R&D has yet to be widely practiced, understood or funded as a method for addressing social challenges ⁴.

In the UK, the emergence of the [What Works Network](#), which was designed to bring about more effective, efficient and evidence-driven public services, has opened up space to discuss the essential role of research and experimentation in grappling with enduring complex social issues, such as loneliness and isolation.

The development of a national [Social Innovation and Social Finance Strategy](#) seems to have triggered a similar conversation in Canada.

This wave of curiosity and support for social innovation - amongst funders, policy-makers and civil society - creates fertile ground to grow access to R&D tools, processes and know-how in the sector. As R&D is a precursor for strong innovations, this is not an opportunity to waste.

Finally, it is clear that R&D is needed for solving classic social issues, but how can it be leveraged to help civil society grapple with emerging technologies?

The social impact of technologies like [drones](#) and AR (Augmented Reality) is inevitable; whether they serve to help or hinder social progress will depend on our ability to anticipate and steward technological innovation so that its development can be guided in more socially useful directions.

⁴ While 2% of the Canada's GDP is invested in R&D, only a fraction of that is directed to social issues.



Geoff's advice to move Canada's Social R&D ecosystem forward:

- Become active orchestrators of knowledge, with a move toward collective intelligence
 - Track, synthesize and mobilize the learnings (from the successes and failures) from Social R&D-in-action across the sector.
 - Ensure collaboration and the transfer of insights across social, public, private and academic sectors by animating across silos.
- Funders retool granting models so that supportive of R&D
 - Take on additional risks to offer the budget and terms needed for organizations to explore, iterate and innovate.
 - Offer the resources to codify, share and translate findings widely.
 - Take on additional risks to support R&D around public interest use cases of emergent technology
- Meet the coming spike in demand head-on with dedicated capacity intermediaries
 - These capacity builders need to develop learning programs and tools, but to maximize impact, they also need to have competencies around field building and connecting Social R&D to policy, business, and academia.
 - Government and non-government funders will need to think creatively on how to provided strategic and tactical support for these kinds of entities.

How Apex Institutions are Strengthening Supports for Social R&D

Given the sector's growth in demand for Social R&D supports and know-how, participants identified a number of ways in which funders are striving to better support R&D. Below are some common themes:

Improving their understanding of R&D:

Rather than simply enabling the sector to try new things, there is a growing recognition that finding a well-designed solution to a problem requires exploration and multiple iterations; and that R&D requires flexibility to adjust in response to changing needs and environment and new information - anything less introduces significant limitations.

Scouting for emergence AND supporting existing actors:

Maintaining a balance between seeking out emergent actors and supporting known entities, to strengthen their R&D portfolios, ensures a constant influx of ideas, talent, and approaches that can boost the impact of organizations on the ground.

Investing in capacity intermediaries:

Ensuring that novel tools and approaches with high-potential to increase the impact of the sector are widely understood and applied where appropriate via knowledgeable and capable actors.

Changing the way they fund:

Working to curate more nuanced innovation supports, e.g. allowing for 2-4% budget allocation towards R&D is a necessary step, but investing more intentionally in the development of the capacity, culture and connections is also a requirement to do R&D well.

Creating markets for solutions:

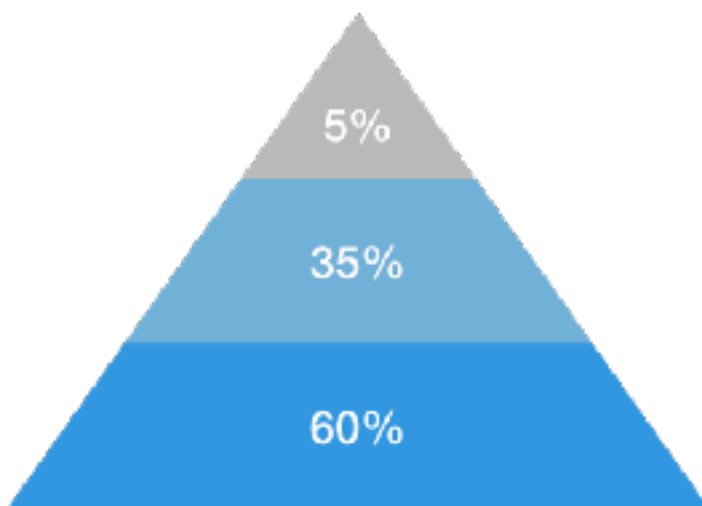
Establishing social finance mechanisms to help capitalize R&D operations in issue areas where there are investors and clear success indicators.



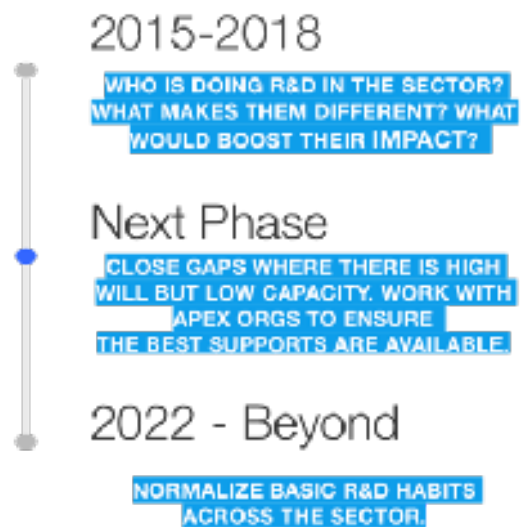
A working session at the 2016 Social R&D Practice Gathering. The Practice Gathering is an annual peer learning opportunity for R&D practitioners, service providers, funders and policymakers.

Recommendations For Next Stage of Social R&D Ecosystem Development

This roundtable was structured to uncover options for dramatically increasing the capacity for R&D across the sector. A number of ideas were discussed, however, based on the last few years of ecosystem development, the following have significant potential.



Approximate distribution of R&D capacity in the sector (bottom - low capacity, top - high capacity).



Timeline of Social R&D ecosystem development in Canada.

1. Establish a coalition of apex organizations committed to this next phase of Social R&D ecosystem development.

Why?

It's clear that R&D capacity in the social sector has yet to reach a tipping point. Simply consolidating supports for existing practitioners will be insufficient to generate the leaps in outcomes that we need ⁵. Likewise, the rise of technophilantropy and the private sector moving into the impact economy will upset the balance of influence if the social sector can't demonstrate that it has the ability to drive significant progress ⁶.

How?

A consortium of apex organizations embark on shared learning to get better at crafting and managing innovation systems that are inclusive of R&D, and taking coordinated action to expand the nascent Social R&D ecosystem.

What it would look like:

A collection of committed apex organizations (i.e. funders, policy, sectoral bodies) are brought together by a Social R&D Ecosystem intermediary at regular intervals to strengthen capacity for crafting and managing innovation systems.

Coalition members experiment with novel ways to boost R&D quality and quantity with a view to uncover and share what works.

Coalition members direct a Social R&D Ecosystem intermediary to conduct targeted R&D in areas of strategic importance.

⁵ In spite of hundreds of billions of dollars in social spending per year ([OECD](#), [StatsCan](#)) Canada is not fully on track to meet any of the UN's SDGs ([Brookings](#)), food insecurity continues to threaten the lives of those living in Canada's North ([Nunavut Food Security Coalition](#)), and our cities and municipalities are underprepared for the effects of climate change ([Guyadeen et al., 2018](#)).

⁶ Sidewalk Labs, Mission Innovation, Code for Canada, Carrot Rewards, Bell Let's Talk are just a few on the growing list of examples of commercial R&D staff and/or processes being applied to social challenges. If this trend continues, what are the risks and benefits?

2. Retool existing innovation supports so that they're inclusive of R&D; weaving these supports together into a Social R&D capacity building catalogue.

Why?

Despite a range of capacity building programs within the social sector as a whole, there is next to nothing available to build capacity for strong R&D. The result: any organizations currently looking to establish a strong Social R&D practice face significant barriers to entry.

How?

Retool existing innovation supports in the sector so that they are inclusive of R&D, and establish linkages in order to build out a coherent catalogue of supports for Social R&D.

What it would look like:

Organizations with a sector capacity-building mandate index their "innovation" supports against the Principles and Practices for Social R&D (version 1.0), being released in early 2019.

Where there are gaps between innovation capacity-building supports offered and what's needed to strengthen R&D competencies, knowledgeable parties help to retool existing supports.

Mapping available Social R&D capacity building supports, producing a learning and implementation catalogue, and establishing a network of coaches.

3. Establish micro-R&D ecosystems around targeted social missions.

Why?

While it is acknowledged that R&D practices need to be endemic across the social sector and that supports for R&D are an essential component of any effort to close large gaps between current solutions and desired outcomes, very few funders are driven by mandates to develop and steward ecosystems⁷. Each funder, however has a strategic focus or clear mandate that they're trying to achieve (e.g. youth homelessness, transition to a low carbon economy, healthy communities, etc.).

How?

Create micro-R&D ecosystems around priority issue areas that align with funders' core mandates. Then connect these micro-R&D ecosystems together to establish a distributed network of Social R&D supports that offers multiple entry points for service organizations and others.

What it would look like:

Apex organizations working with Social R&D intermediaries establish supports for high-impact R&D in key issue areas (e.g. youth homelessness, food insecurity, etc.) by retooling existing supports and co-developing new infrastructure for R&D where there are gaps.

Funders invest in capacity-building intermediaries for Social R&D that have business models that connect to funding, policy centres, adjacent R&D domains, existing R&D infrastructure in academia and private sector, and evidence aggregators/clearinghouses⁸.

⁷ According to Jesper Christiansen, Head of Strategy & Development at Nesta, "Ecosystems must be in place in order for new ways of working and intervening in a system to become viable: key features include skills, resources and an enabling environment that is supportive of the new practice."

⁸ There are few "innovation skills" and/or "R&D skills" intermediaries with demonstrated ecosystem building models: the [Field Catalyst model](#) was flagged as a viable option, and the due-diligence to date on this approach seems to confirm that it is well-placed to move the needle on the quantity and quality of R&D happening across social missions in Canada.

Conclusion

There is tremendous potential for the field of Social R&D.

However, to realize this potential, the sector needs to meet the growing demand for R&D support, head-on.

Acting on the recommendations from this roundtable will position us to build sufficient practical experience among funders, policymakers and service organizations such that R&D becomes a key capacity in the sector ⁹.

⁹ For example, in Canada, there is a consensus that administrative budgets for charities and nonprofits should be around 15%. We need to also establish a consensus on the importance of R&D as an essential competency, and what the appropriate budget allocation looks like in a social mission organizations (e.g. 1-5%). Unless a similar standard is set for R&D activity, the sector will not be effectively incentivized to build the skills and habits needed to innovate, and produce and diffuse evidence.

Appendix A - Agenda

Social R&D

Champions Roundtable:

Building the Next Phase

September 11th, 2018

9:30am-12:00pm

Impact Hub Ottawa, 123 Slater Street, Ottawa

- | | |
|---------------|--|
| 9:30 - 9:45 | Arrival and welcome |
| 9:45 - 10:00 | Reflections of the past 3-years <ul style="list-style-type: none">• Practitioner perspective by Nadia Dugauy, Exeko• Service provider perspective by Lynne Woolcott, West Neighbourhood House• Funder perspective by Andrew Chunilall, CFC, and John Cawley, McConnell |
| 10:00 - 10:30 | Reflections on supporting capacity builders in the sector by Geoff Mulgan, Nesta |
| | Q&A / Discussion |
| 10:30 - 11:40 | Action-oriented discussion on R&D and innovation supports across the sector, and gaps in capacity that need additional attention. |
| 11:40 - 11:50 | Closing |

Appendix B - Participant list

Alison Ewart
Vice-President, Programs
Mitacs [virtual]

Jay Porter
Director of Strategy and
Innovation Ontario Cabinet
Office [virtual]

Nadia Duguay
Cofondatrice et Codirectrice
Générale
Exeko

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Dan Clement
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United Way Centraide
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John Cawley
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Tracey Martin
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Lesley McMillan
Director of Program
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Away Home Canada

Ursula Gobel
Associate Vice-President,
Future Challenges
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Humanities Research
Council

Jamison Steeve
Executive Director
Martin Prosperity Institute

Lynne Woolcott
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Jason Pearman
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Mike Bulthuis
Director, Making the Shift
Canadian Observatory on
Homelessness

Vinod Rajasekaran
CEO
Future of Good

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