

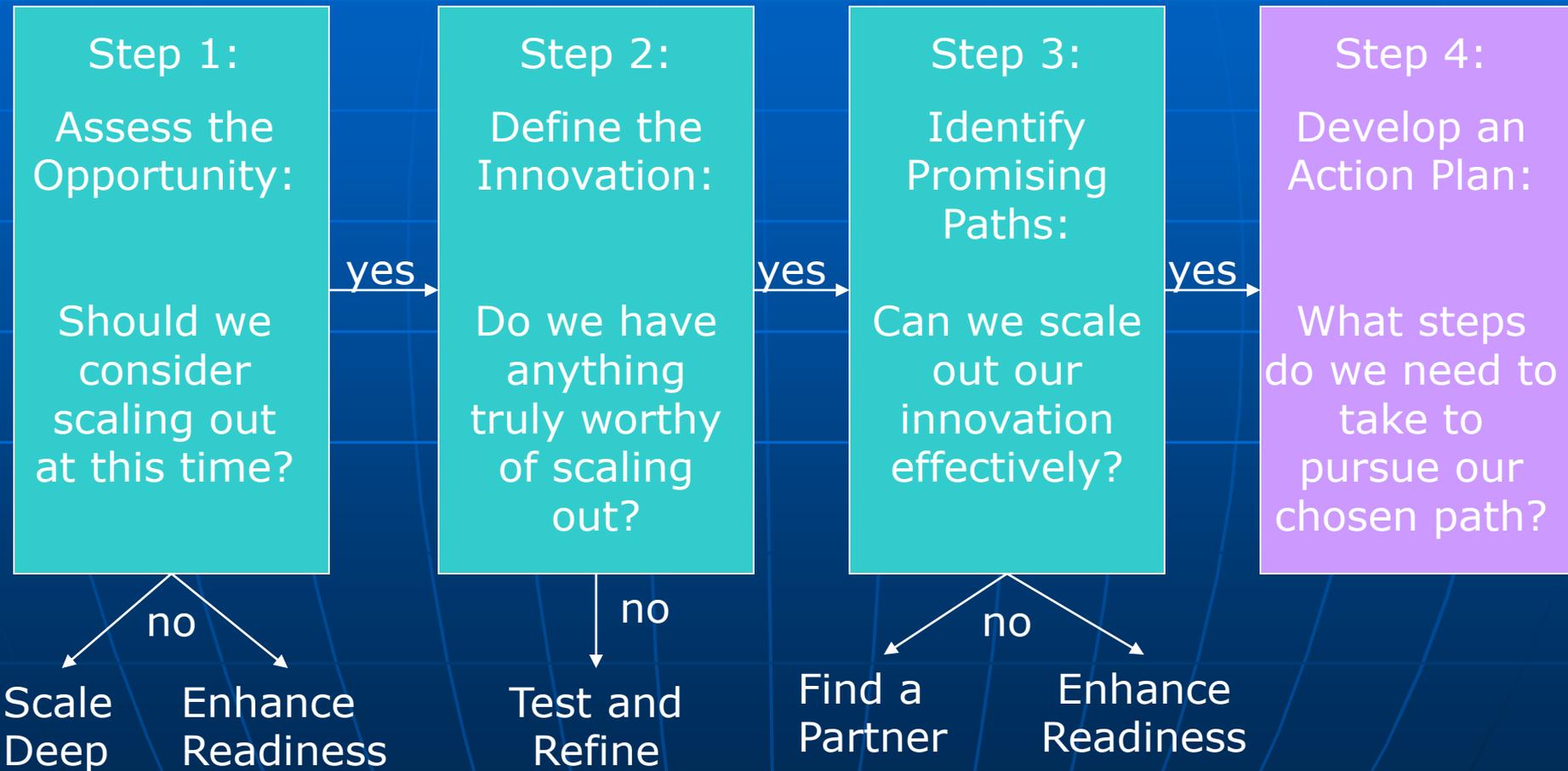
Scaling for Social Impact: Exploring Strategies for Spreading Social Innovations

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The Challenge of Scaling Out

**spreading social sector innovations
into new geographic locations in
order to achieve greater impact**

Scaling Out Process



Step 1: Assessing the Opportunity

Four dimensions of opportunity

- **Impact:** Do you have anything worth scaling out?
- **Need:** Is there significant unmet or poorly met need elsewhere?
- **Organization:** Do you have sufficient organizational support and stability?
- **Timing:** Is this a particularly good time for exploring scale seriously?

Potential Tension



If there is need at home and in other communities, how do we decide where to focus our efforts – scaling deep or scaling out?

Can we do both well?

Options If You Decide to Scale Out

What: Defining the Social Innovation	How: Mechanisms for Spreading Impact					
	Dissemination		Affiliation			Branching
	Only	With TA	Loose	Moderate	Tight	
Organization						
Program						
Principles						

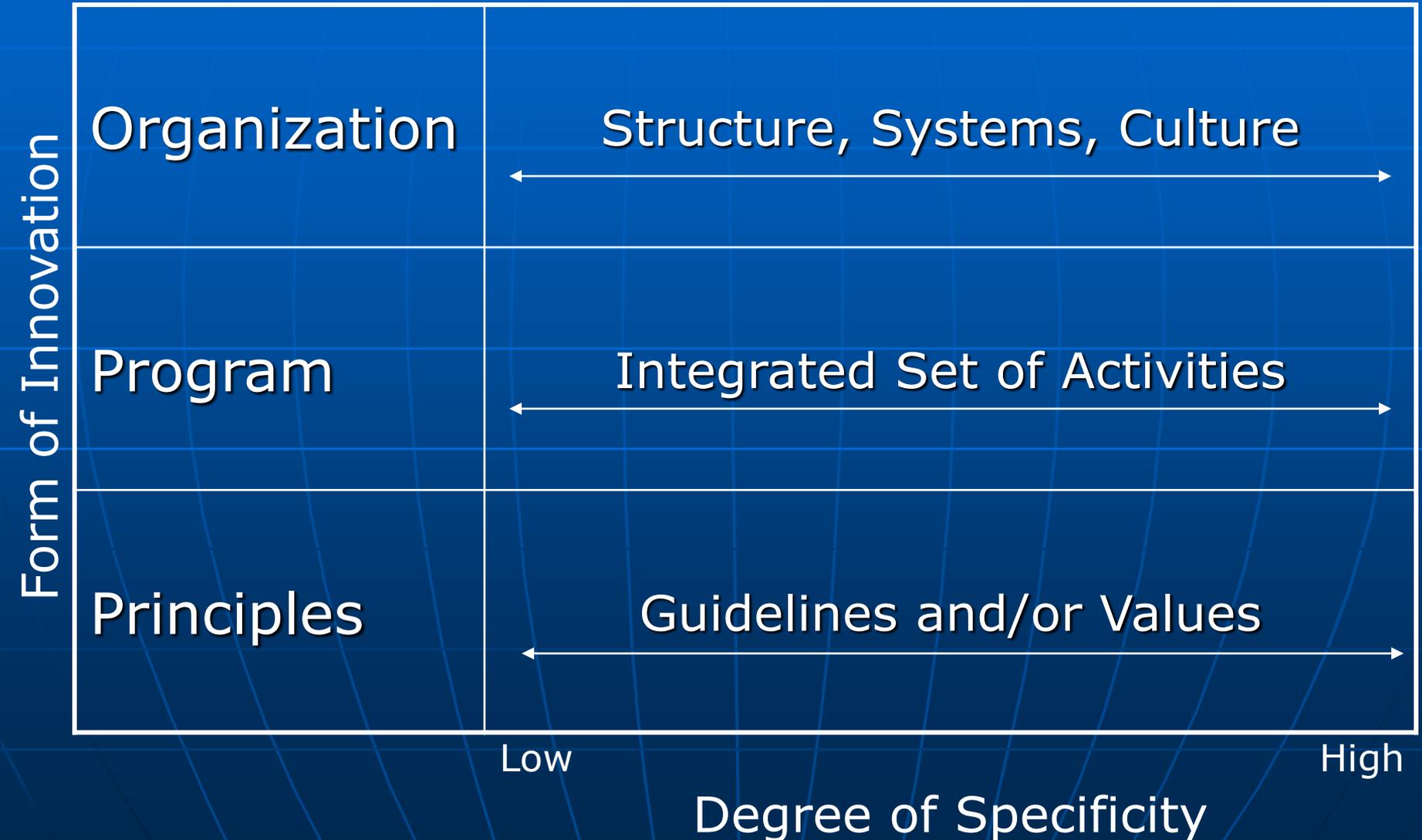
Step 2:

Defining the Innovation

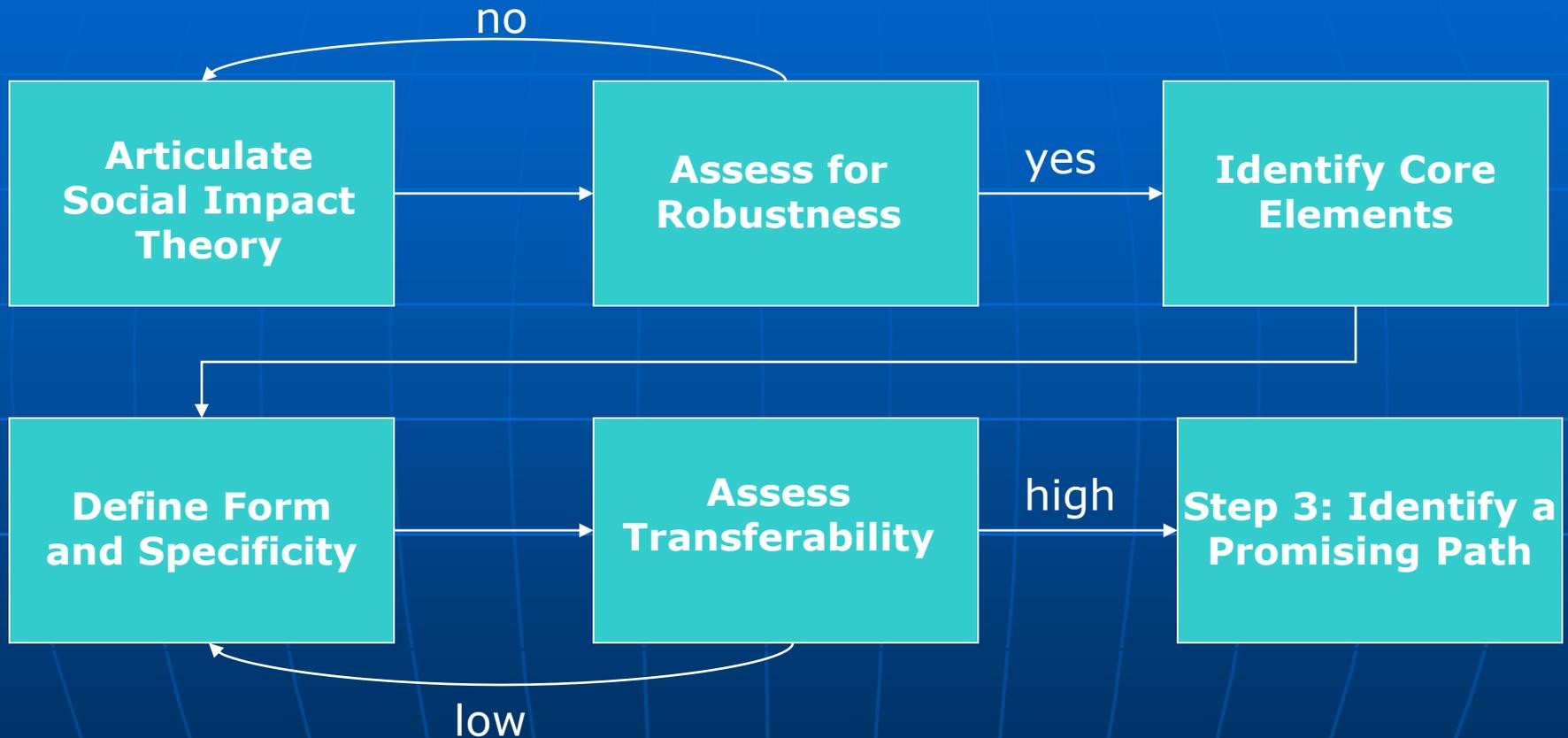
A process for determining what you have that is worth scaling

- Understand the different forms
- Articulate your social impact theory
 - Assess its robustness
 - Identify the core elements
- Define the innovation
 - Assess its transferability
 - Revise your definition as necessary

Form and Specificity



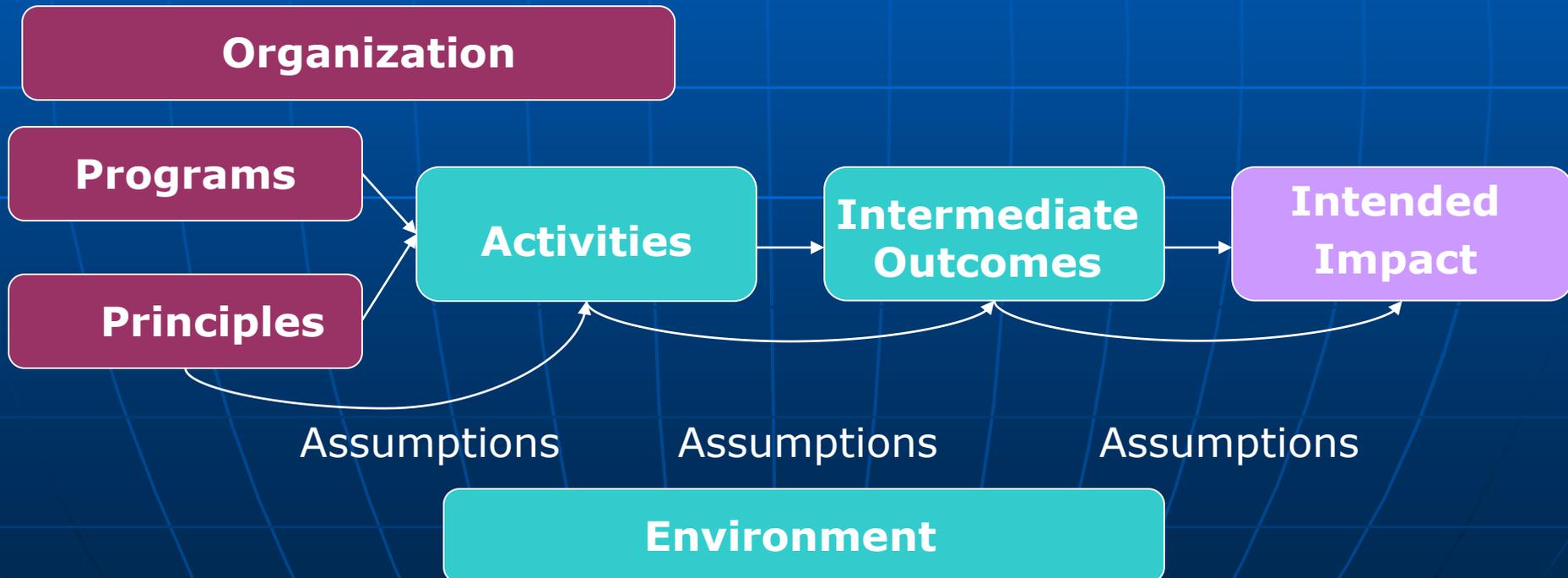
Defining Form and Specificity



Defining your innovation will most likely be an iterative process as you test and refine your social impact theory and the transferability of different forms and degrees of specificity.

Social Impact Theory

A social impact theory describes the path from what you do to the ultimate impact you intend to create.



Articulating a Social Impact Theory

- **Organization**: What are the structures, systems, staffing policies, financial strategies, and cultural factors that enable you to operate?
- **Principles**: What core beliefs drive your approach? What values and guidelines are most central to your success?
- **Programs**: How are your activities organized into coherent integrated combinations that work to achieve your objectives?
- **Activities**: What do you do to produce results? What are the specific elements of your programs? How must these be implemented to be successful?
- **Intermediate outcomes**: What measurable, short-term impact results from your activities? How and why do they lead to long-term impact?
- **Intended impact**: What is the ultimate goal of your approach?

Identifying the Core

With a robust social impact theory you can identify the core elements by asking

- What makes this approach distinctive?
- Which elements are essential for achieving the intended impact?
- Which elements play crucial supporting roles?
- Which elements could be changed without doing much harm to the intended impact?

It is helpful to describe the core elements as generally as possible

First Cut at Form and Specificity

Based on the core elements of your social impact theory, you can

- Select a form (organization, program, or principles) that
 - Captures all crucial core elements
 - Includes few non-essentials
- Choose a degree of specificity that
 - Enhances the chances of successful implementation

Determining Transferability

Two elements determine the transferability of your innovation

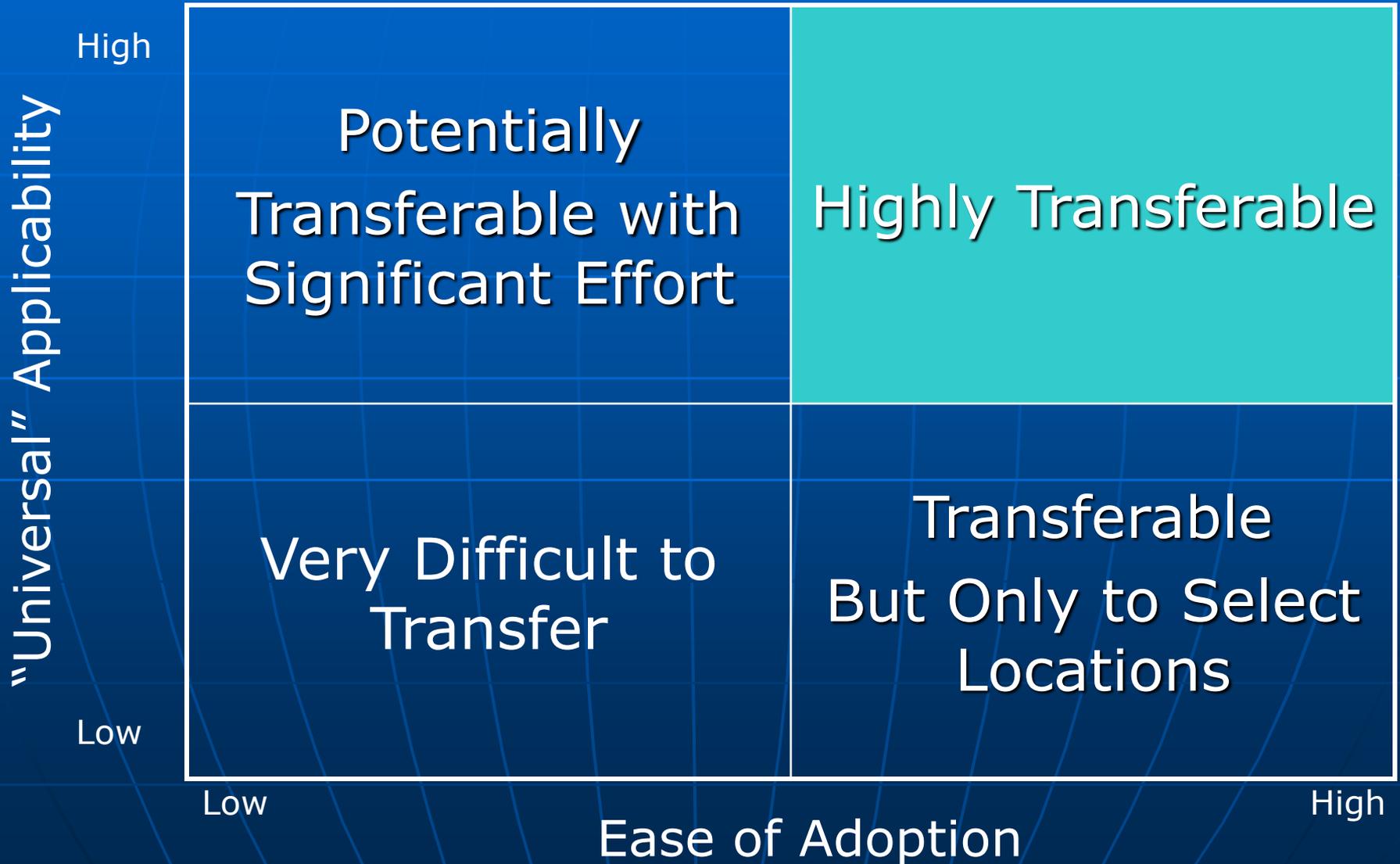
■ “Universal” Applicability

- Will your core elements be as effective in different communities/contexts?
- Will your crucial assumptions and key environmental conditions hold in different communities/contexts?

■ Ease of Adoption by Others

- Is the core of your social impact theory easily understood by others?
- Could this core be implemented and appropriately adapted by others with minimal training?
- Is it dependent on unusually qualified individuals or rare skill sets?

Transferability



Increasing Transferability?

If your first cut at a form and level of specificity is highly transferable, then you can move on to Identifying a Promising Path

If it is not very transferable, you should consider revising the form and specificity to make it more transferable while preserving the core of your innovation.

Step 3:

Identifying Promising Paths

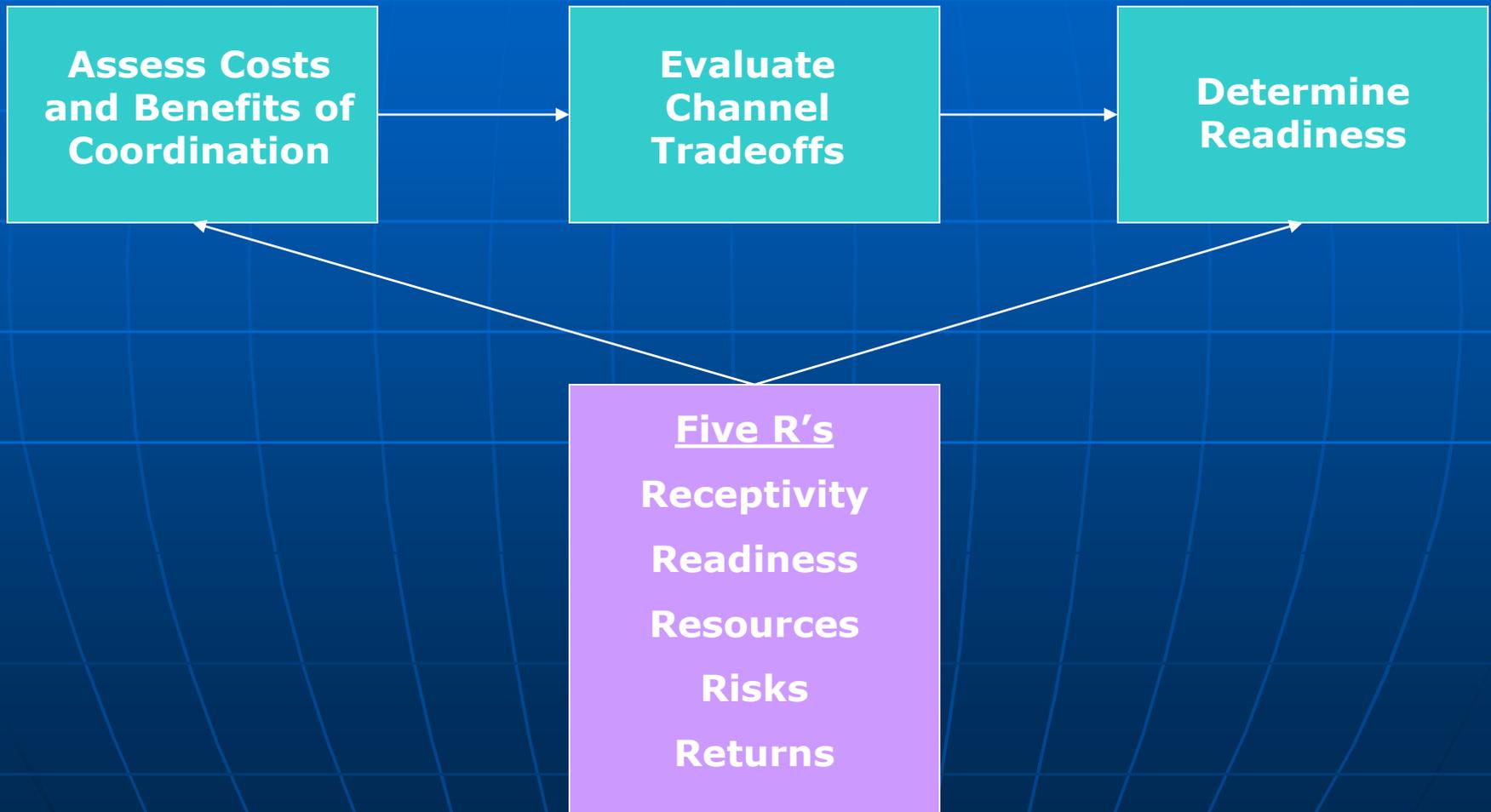
How can we scale our impact in the most effective and timely manner?

- Understand the different mechanisms
- Assess the available paths
 - Assess the costs and benefits of central coordination
 - Evaluate the different distribution channels
- Determine your organization's readiness to pursue your chosen path(s)
 - Revise your path if necessary

Range of Options for Scaling an Innovation

Local Distribution Channels		Mechanisms for Spreading Impact					
		Dissemination		Affiliation			Branching
		Only	With TA	Loose	Moderate	Tight	
	New organizations						
	Existing organizations						
	Existing networks or multi-site organizations						

Identifying Promising Paths



Mechanisms: Costs and Benefits of Coordination

Dissemination

Affiliation

Branching



Moving to the right on the matrix creates...

Greater **Resource** Requirements from the Central Organization

Increasing Organizational **Risks**

Higher Threshold for Organizational **Readiness**

Why would you ever move in this direction?

Drivers of Greater Central Coordination

Dissemination

Affiliation

Branching



Moving to the right on the matrix is appropriate when...

Low Receptivity Exists Despite Need

High Risks to Society of Incorrect Implementation

Potential for **Significant Returns** from Coordination

Evaluating Receptivity

High	Capitalize on Demand by Transferring with Significant Coordination	High Receptivity – Requires Least Coordination
Low	Low Receptivity – Requires Most Coordination	Looser Mechanisms Possible with Efforts to Build Demand
	Low	High

Transferability of Innovation

Evaluating Risks

Is your innovation difficult to implement? What are the risks of incorrect implementation?



The risk of incorrect implementation should decline as you move towards greater central coordination, but the organizational risks increase.

Evaluating Returns

Will coordination on any of the following dimensions produce greater impact?

How great is the need for quality control? How complex is your innovation? How high are the risks of implementation mistakes? How costly could they be?



How could a strong brand be valuable? Could it facilitate faster adoption? Attract resources? Provide clarity to potential clients?

How critical to your social impact theory are intangible elements such as culture, tacit knowledge?

How important is ongoing learning and innovation in your model? Are you still testing and refining? How can you assure learning is shared across locations?

What economies of scale or size might you be able to capture?

Coordination: Summary

- Dissemination or looser forms of affiliation may be preferable when
 - Receptivity is high
 - Risks of incorrect implementation are low
 - Potential returns from brand, quality control, learning, scale economies, and transferring intangibles are low
 - Local “ownership” is desired and valuable
- In other instances, tighter affiliation or branching may dominate

Potential Trade-Offs

Tight affiliation offers the benefits of greater coordination, but it has a few disadvantages:

- Potentially slower expansion
- Greater costs for the central office
- Increased liability for the central office

Channels: New vs. Existing Sites

	Benefits	Challenges
New Local Organizations	<ul style="list-style-type: none"> • Fosters entrepreneurship • Exclusive focus • Easier for an organizational model or radical innovation 	<ul style="list-style-type: none"> • Demand must be sufficient to attract resources • Potentially slower pace of expansion
Existing Local Organizations	<ul style="list-style-type: none"> • Potentially faster pace • Reduces resource needs – lower start-up costs due to existing infrastructure, financial/ human resources relationships, clients • Track record of success 	<ul style="list-style-type: none"> • May not be host organization's top priority • May be difficult to integrate cultures and operating procedures • Potential resistance from board and staff • Host organization may dilute program and brand
Existing Network or Multi-Site Organizations	<p>Same as above plus</p> <ul style="list-style-type: none"> • Potentially even faster pace • Capitalize on experience managing across locations • Lower monitoring and overhead costs • Potentially established brand 	<p>Same as above plus</p> <ul style="list-style-type: none"> • May be required to give up even more control • May be difficult to identify networks/ multi-site organizations with complementary services

New vs. Existing Sites: Summary

Balance Trade-Offs between speed, resource requirements, and benefits of coordination



Revisiting the 5 R's

- **High Receptivity** makes dissemination or loose affiliation through either new or existing organizations more feasible
- **High Risks** to society drive towards the slower approaches of tight affiliation or branching through new organizations
- **High Returns** from coordination can best be captured by tight affiliation or branching through new organizations
- **High Resource Availability** makes tighter coordination and development of new sites possible

What about **Readiness**?

Identifying Promising Paths: Readiness

Assess each promising path's fit with:

- Your organization's mission
- Your organizational leadership's will
- Your organization's desire for control
- Your organization's ability to mobilize the necessary skills and resources

AND

- The stage of your innovation (need and ability to test and refine)

Not Ready?

What if you are not ready to pursue the most promising paths?

You can:

- Get ready by taking steps to position your organization for a promising scaling path
- Find a scaling partner who is ready or who compensates for your gaps
- Spin-off an organization specifically to explore scaling, with a mission, staff, and board recruited for that purpose