THE MCCONNELL
SOCIAL INNOVATION FUND

Information Guide and Application

Overview

Improving the lives of Canadians—and contributing to a more resilient society—requires breakthrough ideas and approaches, game changing strategies and collaborations, and continuous innovation.

To support this work, and to commemorate its 75th Anniversary, The J.W. McConnell Family Foundation is pleased to launch the McConnell Social Innovation Fund.

The Fund has three components—one for early stage innovations; a second for scaling up successful social innovations and for mature organizations diversifying program and business models; and a third for multi-sector collaborations, including 'change labs'.

How does the Social Innovation Fund Work?

The McConnell Social Innovation Fund will support work that is congruent with the Foundation's own mission and granting priorities, in the following categories:

- **EARLY STAGE CONSOLIDATION**: Community sector organizations that have proven or promising early stage innovations and that need additional support to create the capacity and conditions to effectively sustain them.

    - **RE-TOOLING FOR GROWTH**:
        - Established organizations that are operating successful social innovations which they are planning to scale up to meet growing demand.

        - Established organizations (over $1 million annual budget) that are introducing new innovations that significantly modify or complement their core business.

- **COLLABORATIONS FOR SYSTEMIC CHANGE**: Whole system approaches to social innovation that engage multiple sectors (public, private, citizen) in creative collaboration to shape public policy, corporate priorities, or citizen behaviour.

In addition to providing direct grants through the Fund, the Foundation may convene meetings with other social innovators, policy makers and funders; arrange access to Innoweave workshops; and commission studies or reports.

What Do We Mean by 'Social Innovation'?

Social innovations are new ideas, products, services, institutions and relationships, offering fresh approaches to overcoming pressing societal challenges.

Examples of social innovations of the past include the nursing profession, the emergence of cooperatives, and umbrella fundraising organizations. Today, we are witnessing a proliferation of social innovations, many enabled by breakthroughs in technology, and through engagement with vulnerable populations.

Social innovations often occur at the edges of systems, or where two or more 'siloed' disciplines meet. For example, the burgeoning field of social entrepreneurship integrates financial with social or environmental outcomes. Innovations also occur when a solution from one domain is transferred to another—the way Registered Retired Savings Plans were adapted to create Registered Disability Savings Plans. Disruptive social innovations like mobile health programs bring 'good enough' solutions to large numbers of people at low cost.

The J.W. McConnell Family Foundation has supported leading social innovators in Canada for the past 15 years. Sustaining and disseminating social innovations is a core component of our work.

We are now seeing the emergence of social innovation systems, hubs and clusters designed to generate continuous social innovation. For example, the Social Innovation Generation (SiG)[1] partnership conducts research in social innovation; trains and mentors social innovators and social entrepreneurs; and supports collaboration and learning involving the community, government and private sectors.

Innoweave, a SiG@McConnell program, is making technology and social process tools available to community sector organizations, in cooperation with several partners.

As well as supporting individual social innovations, we seek to increase awareness and support for social innovation as a means of contributing to Canadians' resilience—our capacity to manage complex and unexpected challenges.

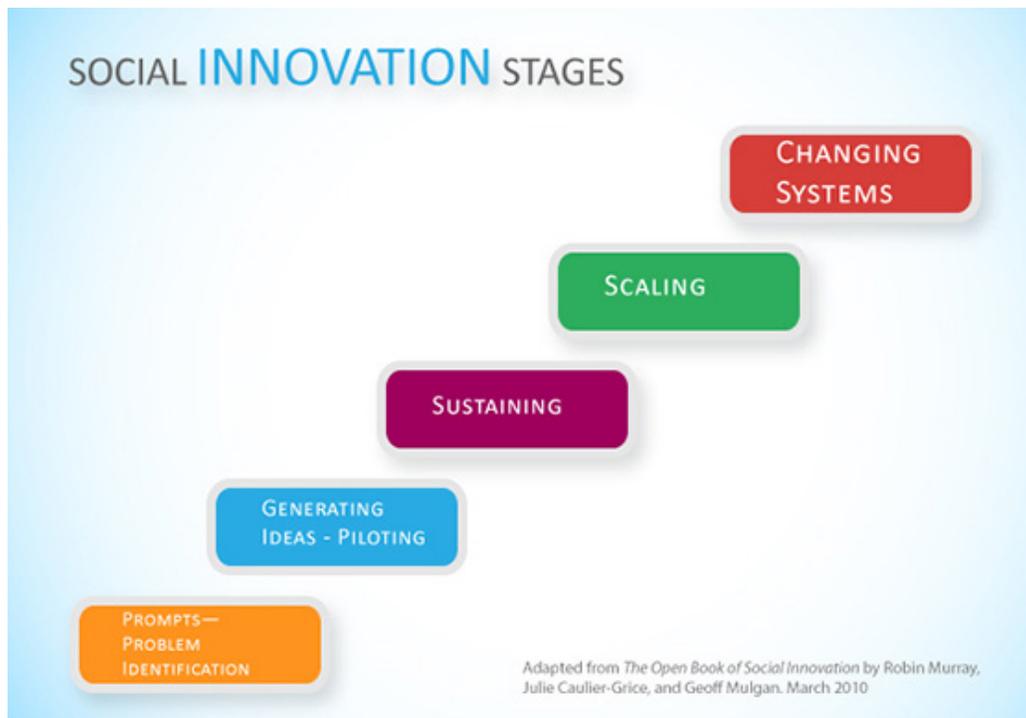# Supporting the Stages of Social Innovation

While recognizing that social innovation is not a linear process, it can be thought of as developing through the following five phases (adapted from *The Open Book of Social Innovation* by Robin Murray, Julie Caulier-Grice, and Geoff Mulgan. March 2010):

1. Prompts—Problem Identification: Once a problem is identified, it prompts the need for bringing fresh perspectives to generate new ideas.

2. Generating Ideas—Piloting: New ideas become prototypes or pilot projects for concept and model testing.
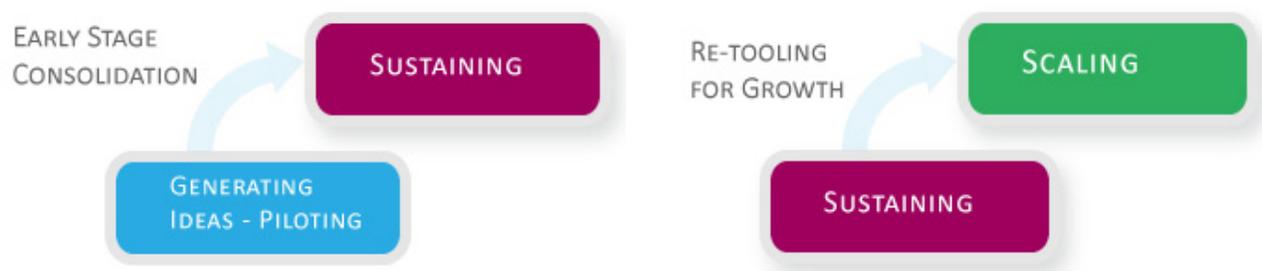
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1. SiG's core members include the University of Waterloo (SiG@Waterloo); SiG West; SiG@MaRS; SiG@McConnell; and SiG National. In turn, each node in this network has multiple partners, including private, public and community sector organizations and networks.

3. Sustaining: Once the prototype or pilot is validated as an improvement on existing practice, the innovation can be turned into a sustainable program.

4. Scaling: In responding to increased demand, the innovation can then be 'brought to scale'—expanding reach and impact, and often generating insights into possible shifts at a societal or systems level.

5. Changing Systems: With collaboration across sectors and interventions at different levels—from community practice to policies—social innovation can help us both to navigate complex problems, and to shift the context and conditions—the systems—that perpetuate them.

SOCIAL **INNOVATION** STAGES

CHANGING SYSTEMS

SCALING

SUSTAINING

GENERATING IDEAS - PILOTING

PROMPTS— PROBLEM IDENTIFICATION

Adapted from *The Open Book of Social Innovation* by Robin Murray, Julie Caulier-Grice, and Geoff Mulgan. March 2010

Transforming a successful pilot into a sustained approach to a social challenge, and then disseminating or scaling it, requires different organizational strengths and partnerships than those needed to create and test a new idea. Currently, there is unmet demand for supporting the ability of organizations to transition across these stages.

The McConnell Social Innovation Fund will focus on the following transitions:

EARLY STAGE CONSOLIDATION

SUSTAINING

GENERATING IDEAS - PILOTING

RE-TOOLING FOR GROWTH

SCALING

SUSTAINING

In addition, we will support multi-stakeholder collaborations whose purpose is to effect change at a systems level.

Early Stage Consolidation

After an innovation has been tested and validated, it typically elicits requests to expand the program to other jurisdictions or to share the innovation with other organizations. While this demand is gratifying, and indeed, a required condition of successful dissemination, the organization needs a solid foundation to be able to carry this out. This may involve strengthening the current organization, merging with a larger one, or identifying partners with whom to undertake the dissemination. In any case, new staff, new skills, more robust systems, a new business model, and new partners may be required.

E.g. A newer organization developed a number of internationally recognized programs that were in great demand. It approached the Foundation for core organizational support to ensure that the rapid growth in programming activity was matched by appropriate administrative and management capacity and to test a new revenue generating model.[2]

THE FUND'S EARLY STAGE CONSOLIDATION SUPPORT IS INTENDED TO ASSIST WITH THE FOLLOWING TYPES OF ACTIVITY:

- Strategy formulation, through participation in peer learning and/or consulting arrangements.

- Structuring, restructuring costs.

- Improvements to operational, financial and human resource systems, and other infrastructure needs.

- Impact measurement and knowledge transfer capacity – i.e. a relevant means of assessing impact and communicating the results to create broader change.

- Development of new or diversified business models to ensure long-term, stable funding.

TO APPLY FOR THIS SUPPORT, THE ORGANIZATION SHOULD MEET THE FOLLOWING ELIGIBILITY CRITERIA:

- Have a tested social innovation that significantly improves current practice.

- Have a committed, diverse board, and core staff leadership team.

- Have funding for current program activities plus a demonstrated demand for program expansion.

- Preference will be given to organizations working in one of the Foundation's emerging or current areas of focus.

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2. This represents an example of **many.** It is not intended as a benchmark or model for all applications. Please refer to the different types of activities the Fund supports for guidance.

IN ADDITION, WE LOOK FORWARD TO WORKING WITH ORGANIZATIONS WHICH:

- Have a theory of change – i.e. a thorough understanding of the problem they are addressing and a working hypothesis about the difference their work will make.

- Understand that scaling up is not a linear process – that operating at a new level may involve changes to program design or organizational structure.

- Demonstrate openness to changing work culture, structures and activities.

- Are open to collaboration and learning with others.

- Can provide a frank assessment of current leadership and organizational strengths and weaknesses.

FUNDING AMOUNT: UP TO $150,000 OVER TWO YEARS.

APPLY HERE FOR EARLY STAGE CONSOLIDATION SUPPORT

Continue to page 6 for 'Re-tooling for Growth' support

Re-tooling for Growth
Transitions to scale. Innovations at scale.

TRANSITIONS TO SCALE

As mentioned, scaling up a social innovation rarely follows a linear path; it is much more than just doing more of the same in more locations. Methods and activities that enable a local social innovation to move to the next level might include influencing public policy, generating public awareness, developing a new business model and market; and so on. Our hunch is that an effective way to scale up is not to think sequentially so much as to operate to some extent at various scales simultaneously. To make a successful transition, social innovators often need new strategies, and additional organizational capabilities. Expanding networks and opportunities for learning from a range of sources can accelerate this process.

E.g. An organization which had carried out dozens of innovative community-based sport projects realized that, in order to integrate the lessons into the Canadian Sport System, it was necessary to influence government policy and municipal practice. It approached the Foundation for support to develop new skills, more diverse partnerships, and a new business model.[3]

TO APPLY FOR A GRANT IN THIS CATEGORY, APPLICANTS SHOULD ADDRESS THE FOLLOWING ELIGIBILITY CRITERIA:

- Are currently operating a successful social innovation which has been externally endorsed or supported, and for which there is growing demand.

- Have stable management and organizational structure.

- Their board and staff are committed to a sustained effort to expand the work to new locations, and modify the operating model as necessary.

- Have committed (or realistic expectations of) funding from other sources.

INNOVATIONS AT SCALE

Sometimes larger organizations are already achieving impact, but must "retool" to implement an innovative new program, or to significantly expand an existing one:

E.g. An organization, which already operated successful national schoolground greening and municipal brownfields restoration programs, approached the Foundation for core organizational support so it could lead a unique, large scale urban renewal project.

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3. As with the Early Stage Consolidation, this represents an example of **many**. It is not intended as a benchmark or model for all applications.

- Have a substantial track record managing large programs.

- Are introducing a social innovation that complements existing program and organizational strengths, that would constitute a unique and significant innovation in the field.

- Present evidence of demand at a national level.

- Preference will be given to organizations that are working in one of the Foundation's emerging or current program areas.

IN ADDITION, WE LOOK FORWARD TO WORKING WITH ORGANIZATIONS WHICH:

- Approach us to be part of a consortium of funders, and which plan to contribute substantial organizational resources (in-kind and financial) to the project.

- Plan to collaborate across sectors – i.e. with government and/or private sector partners.

- Have a commitment to broadly disseminate the work.

FUNDING AMOUNT: UP TO $300,000 OVER TWO YEARS.

APPLY HERE FOR RE-TOOLING FOR GROWTH SUPPORT

Collaborations for Systemic Change

The third level of the McConnell Social Innovation Fund aims to support a small number of processes with high potential for advancing solutions to difficult problems by creating new forms of collaboration across sectors. The format of these 'creative collaborations' may include, but is not limited to change labs.

We are not currently granting at this level.

FUNDING EXCLUSIONS

The Social Innovation Fund will **not** provide grants for:

- University-led action research projects
- Pilot projects
- Strategic and structural changes due to a loss of funding (crisis management)
- Direct program costs related to expansion