IRF REVIEW: SEPTEMBER LEARNING

About the Event

On September 11 2017 the Impact Management Programme hosted a learning event in London following the publication of *“That’s My Hat!” A Review of the Impact Readiness Fund (IRF)*. The aim was to discuss the Review’s findings, gather feedback and bring forward the learning. The IRF pioneered a significantly new funding idea, and as the practice is now being taken forward by the Impact Management Programme, it is essential that early lessons are drawn out and understood.

The event comprised of 45 minutes of presentations followed by one hour of chaired discussion. The presentations were:

- introductions from Ed Anderton, Access Foundation
- a whizz through of the Review, from Adrian Hornsby, its author
- about the Impact Management Programme, from Abigail Rotheroe, NPC
- early learning from the Impact Management Programme, from Rob Abercrombie, NPC

The ensuing discussion was among all 31 event attendees, who were a mix chiefly of ventures, providers, social investors, fund managers and partners.

Key Learning Surfaced by the Event

1. THE IMPORTANCE OF DEEP VALUES

Ventures and providers talked about the importance of values, and the extent to which the impact process is a means to explore these and ask the deep questions about who you are, what you do, why you exist, and are your operations aligned with this? In a context of multiple and sometimes conflicting demands (e.g. from commissioners, CCGs, social investors), it is essential first to know in yourself what your values are, and then to be able to tailor your message as required.

This supports the Review finding that work on impact is a profound and searching process, and therefore requires high levels of venture commitment and involvement.

Learning points:

1. Too much focus on cash and the anticipated practical results of impact work (e.g. contracts/investment won) can miss the point, and there should be more focus on **developing an understanding of the values side of change**: e.g. development of the venture’s values, their implementation, and cultural change within the venture.[1]

2. Given the depth implied by the process, a measure of the venture’s “**readiness for cultural change**” may be useful for assessing the likelihood of success of an impact project. Some ventures may be very “ready” for transformation; others more at the “testing the water” stage. CEO commitment is clearly crucial (and factored into the Impact Management

[1] Such an understanding may be relevant to Programme managers and social investors who take an interest in developing the impact management of ventures.

Programme), but such a measure could further encompass, e.g.: staff capacity for impact; current staff awareness/expertise/clued-upness regarding impact or affinity for learning about it; flexibility or appetite for deep values-driven change.[2]

2. THE CHALLENGE OF KEEPING IMPACT ON TOP

That "it's tough out there" for ventures, and that "commissioners and ventures pass like ships in the night"[3] were both themes of the discussion. This context makes it tough for ventures to find time and capacity for impact, and especially so when commissioners and funders are often hesitant about it (social investors place more emphasis on impact management, but as they also need to see revenues, inevitably they go with the commissioning). The question arises as to what is the driver to keep impact on top, with ventures potentially struggling to align impact management with business incentives.

Learning points:

1. What happens after the intervention is critical. **The impact process is not "done now" but ongoing**: ventures need to keep driving and embedding the new culture, developing the theory of change, and maintaining conversations with staff. Given the tough operational context, these processes can be vulnerable if there is a sharp drop-off in support. The Impact Management Programme responds to this with one year grants, but contact and monitoring beyond that period may be important to ensure outcomes are sustained.

2. It would be easier to keep driving impact if it aligned better with commissioners, and **if commissioners and ventures were more aware of each other** generally. Fostering communication[4] on this front may be an effective way to support ongoing impact management.

3. In the absence of direct business incentives, impact can instead be thought of as aligning with **providing the best support for individuals in their jobs** (e.g. by understanding and supporting what frontline staff do and the value they create). In this light, impact may look more like an operational concern and thus be able to gain more traction.[5]

3. BEING VENTURE-CENTRED

Both the above points — the importance of the venture's values and of its operational context — speak of the centrality of the venture to the success of projects. This resonates with the Review finding that success correlates more with venture commitment and capability than with the quality of the provider.[6] It follows to approach impact projects with ventures firmly at the centre, and to look for opportunities to make support venture-led.

---

[2] Funders may choose to support those organisations that are most "ready" in order to generate as much change as possible. Alternatively moving an organisation from "testing the water" to "ready" could be defined as a form of success (this relates to the point in the Review 'PP8. Picking Winners?', p.40). Rohan Martyres of CAN Invest discussed and had ideas about assessing and segmenting organisations for their "readiness for cultural change".

[3] Introduced by Rob Abercrombie in his presentation.

[4] Leading to the kind "intelligent conversation" about impact discussed in the Review, p.18.

[5] This was a suggestion of Rohan Martyres of CAN Invest.

[6] Where the venture was good, even with a poor provider, they would pull together the knowledge and resources to make the project a success; conversely a good provider working with a poor venture would not produce a success.

Learning points:

1. One way for this to happen is for ventures to take on a greater share of the work in impact projects. This is accommodated for by the Impact Management Programme, by which ventures can use funds for providers, software, or their own internal capacity. One venture in the Impact Management Programme described how their project was split in two, with the provider leading the first stage, and the venture taking on a greater proportion of the work and the budget in the second. The larger shift here is potentially toward a **lighter touch from providers and more homework for ventures**.

2. The providers' lighter touch suggests investigation of a less hands-on, less labour-providing, and more mentor-style role. It also suggests **considering the model of consultancy-based impact support**, and whether there should be a greater role for ventures in the programme strategy discussion.

3. The "impact initiator" concept introduced by the Review was discussed.[7] The Impact Management Programme makes some move toward this through greater levels of peer support, but does not progress to full venture-led impact networks. Given that such activity would require time and resources, the question of where these would come from arises, with two potential avenues: i. ventures start to sell impact consultancy services themselves (having up-skilled by doing their own funded project[8]); ii. funders make further funding available for ventures (e.g. through a second round application) to become disseminators of impact learning/practice. One large venture described how they were developing a new business stream of programme managing consortium bids for groups of smaller ventures. This raised **the consortium as an interesting possible structure through which to disseminate learning** to multiple ventures and at the same time to communicate with commissioners.

4. PROVIDER VARIABILITY

Providers were also discussed, and the problem that there is inconsistency as to what is good practice, what value for money, and what can be expected. For ventures with limited experience of providers, it's hard to know if you've got a good one (the provider list allows ventures to phone around in advance, but the process can be a bit hit and miss).

Learning points:

1. The Impact Management Programme responds to this with provider training (to foster consistency), and greater levels of peer support and communication (allowing ventures to compare what they are getting from their providers). This could be taken further by a form of **provider-reviewing by ventures**, either direct to funders or through a trustpilot-style open sharing of reviews.

2. There is a potential for programme coordinators, through the reviewing of impact projects and assessment of what works, to start to **extract good practice from actual practice**. This could cover the provider's approach, but also encompass what materials are being

[7] See the Review p.28.

[8] An option being actively pursued by a number of IRF ventures. Such a relationship does inevitably colour the convening of the learning network however — i.e. it becomes a sales operation.

used, what research, which indicators, what software, the circumstances of use etc., and consolidate this into a central resource.

5. SOFTWARE

People talked about software and, as often happens, there were different views and few answers. Ventures talked about trying different options and not being sure what was best. One approach was that software is not the real issue and ventures need to understand their values and outcomes first; another is that software can be an issue at the implementation stage, and that better communication among ventures and providers, e.g. via a common platform, about what software people have tried and how they found it could be useful. How much ventures might value such a platform was however not resolved.

6. LEARNING ON LEARNING

The event was well attended and the discussion lively, with more contributions and potential input than there was time for. Useful points did come out of it, though the discussion was somewhat unstructured, and I am not sure we extracted the maximum value from having brought everyone together.

Learning points:

1. In preparing the event, there was too much focus on presentations and what we as the organisers had to say, and not enough on **the questions we wanted to ask**.

2. The free discussion was good for allowing a range of points to surface organically, but there also could have been more done to ensure **everyone in the room was invited to share their feedback**, whether or not the discussion so happened to touch on it.

3. Interaction was almost entirely constrained to the event format. Attendees however may have valued **more of an opportunity to interact with each other** — e.g. if time and space had been made available for a “coffee break” mingle afterward.

Adrian Hornsby
26/09/2017

Were you at the event, and do you have further feedback or learning you would like to add? Or if you missed the event but have feedback on the IRF or the Review, we would like to hear it. Please email us at either Access@thinkNPC.org or a@adrianhornsby.com.