

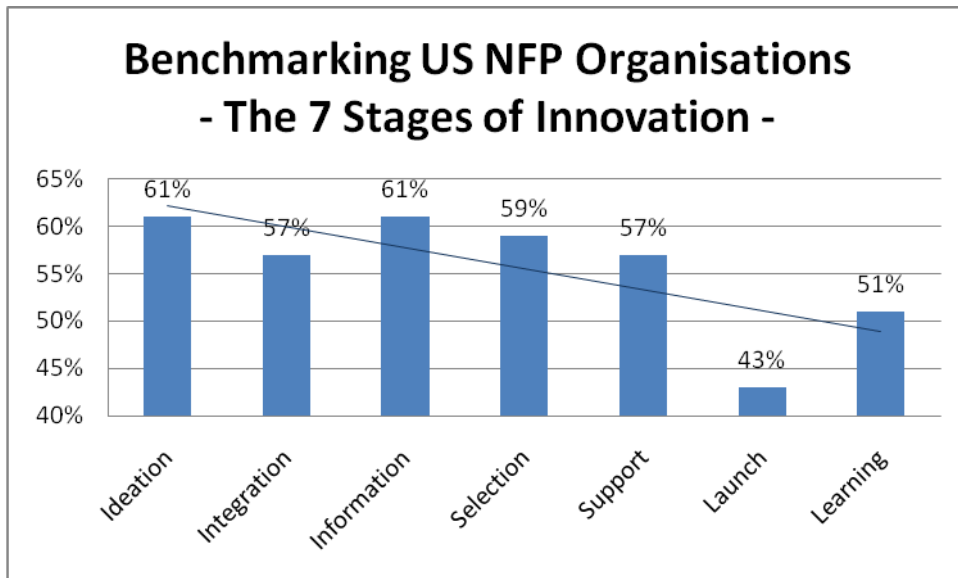


PRESS RELEASE

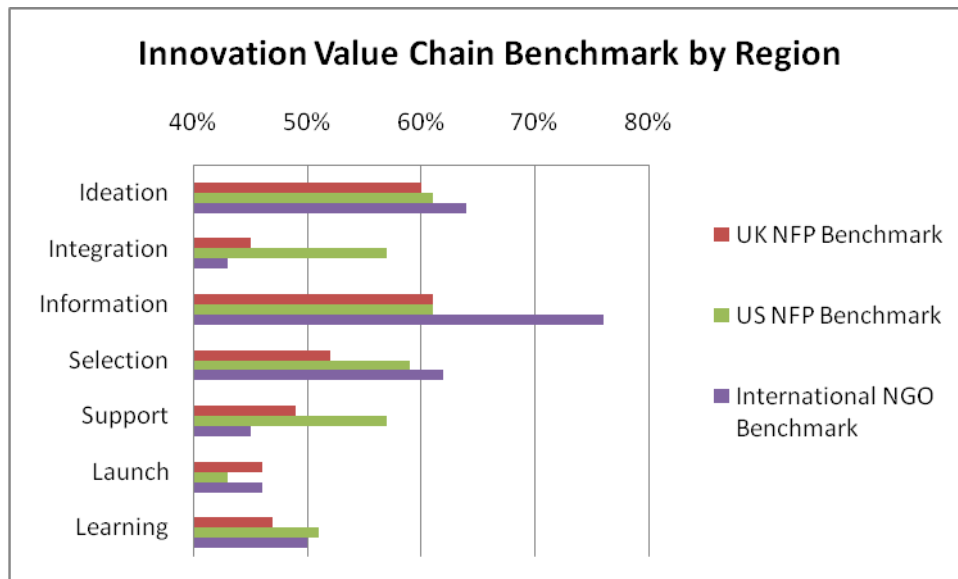
Embargoed until 29 June 2009

INNOVATION META-STUDY REVEALS THAT US CHARITIES ARE INNOVATIVE THINKERS BUT WEAK IN DELIVERY

When it comes to innovation in fundraising, US charities are strong in idea formation, but many lack the experience, skills and direction needed to bring these ideas to fruition, according to the results of an innovation meta-study released by **The Management Centre (=mc)** today. US charities are strongest in the fields of *ideation* and *information*, weakest in *launch*, scoring just 43%, against a UK and International benchmark of 46%.



The study draws together the findings of a series of 7 innovation benchmarking studies conducted by =mc over the past 2 years, analysing the views of directors, managers and other staff at 57 not-for-profit (NFP) organisations (comprising 34 US, 21 UK and 10 International organisations). Each charity used =mc's unique Innovation Value Chain Framework, a benchmarking and diagnostic tool, to identify the organisation's strengths and weaknesses in innovation.



Key findings include:

- US NFPs scored highest (61%) in *Ideation* (idea generation) and *Information* (external sourcing) – scanning the environment for new ideas and approaches that could be adapted to suit your organisation
- All NFPs scored highest in *Information* (external sourcing), with International NGOs scoring particularly high at **76%**
- US NFPs scored particularly low (**43%**) in *Launch* (diffusion and returns) – how ideas are brought to fruition and what the expectations are in terms of returns – although UK and International NGOs also scored only **46%** in this area
- UK and International NFPs scored lowest in *Integration* (cross-pollination of ideas), scoring just **45%** and **43%** respectively, whilst US charities outperformed their international counterparts with a benchmark of **57%**
- All NFPs and NGOs identified *Learning* - establishing what can be improved upon and learnt from - as a weak area, scoring an overall average of just **49%**
- Most NFPs consider themselves to be doing reasonably well at *Selection* (identifying ideas to take forward), but UK NFPs scored considerably lower than others (**52%**), against a high of **62%** amongst International NGOs
- US NFPs scored reasonably well at *Support* (developing ideas into offerings) with **57%**, against International NGOs and UK NFPs scoring just **45%** and **49%** respectively

Bernard Ross, Director of The Management Centre, says:

“Innovation is what drives the voluntary sector forward and makes it such an exciting and dynamic world to be part of. But, in the current economic climate, it is even more important. Not for profit organisations simply have to innovate to get ahead and ensure they have the

competitive edge that will see them through. This study shows that charities have no problem in coming up with new and exciting ways to raise funds, but it is a real challenge to bring these ideas to fruition.

“There are a number of reasons for this. Often, organisations expect too much of innovation – thinking that it will bring instant results and underestimating the timescales and investment needed. Another problem is that innovation is often considered as a stand-alone department or area of work, rather than being embedded and integrated as a core competency throughout the organisation and its workforce.”

=mc’s Innovation Value Chain Framework – the 7 Stages of Innovation

=mc’s Innovation Value Chain Framework is a model, based on Harvard research, that charts the seven stages of innovation; from simple creativity – coming up with ideas – to practical innovation- implementing the ideas and raising money from them. High scores in *Ideation*, *Integration* and *Information* indicate a devising–strong organisation, in *Selection* and *Support* a development-strong organisation and in *Launch* and *Learning* a delivery-strong organisation.

**For more information about the Innovation Value Chain Framework see
www.managementcentre.co.uk/innovation**

- ENDS -

MEDIA ENQUIRIES

For further information, please contact **Lucinda Frostick** on **07712 045 308** or email **chcomms@gmail.com**

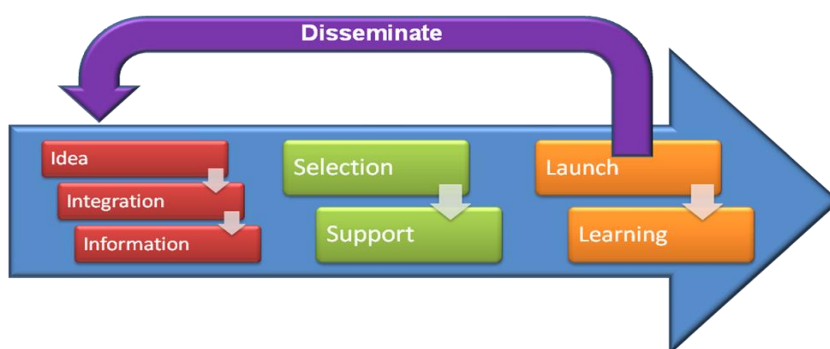
NOTES TO EDITORS

1. The Management Centre

The Management Centre (=mc) is the UK’s leading training and consultancy provider working exclusively with not-for-profit organisations. Its customers include Amnesty International, Cancer Research UK, RNLI, Fairtrade Foundation, Concern Worldwide, and Bury Metropolitan Borough Council.

2. The 7 Stages of Innovation

Stage	challenges and consequences
One: Ideation: idea generation	Do you come up with enough new ideas internally? Does your organisational culture support this approach? You need lots of ideas to develop real creative momentum. <i>If not you'll always be running to catch up with other agencies. You'll also find it hard to tackle challenges you face as a result of demographic or other changes.</i>
Two: Integration: cross pollination	Are ideas exchanged between branches or departments or HQ and regions? Do you have systematic processes to ensure this happens? <i>If not you'll be missing out on chances to work in a joined-up way. This synergistic working is a key characteristic of successful organisations.</i>
Three: Information: external sourcing	Do you consistently scan the environment – commercial and non-commercial – for new service delivery approaches and ideas you can adapt? What can you learn from innovative companies like Google or Apple? <i>Is there a not-invented here syndrome? Are you allowing others to gain first-mover advantage?</i>
Four: Selection: Identifying ideas	Do you have a systematic process for identifying high potential/high payoff ideas? Is this process rigorous but open? Otherwise you may be <i>developing</i> ideas but not choosing the high pay-offs or only choosing ones that fit with current thinking. <i>If you're tackling serious or urgent issues you may need to be more innovative.</i>
Five: Support: developing ideas	How are ideas assessed and progressed? What metrics do you use to establish what has real potential and what isn't going to make it? And how long can you wait to see if an idea has potential? <i>If you don't have a rigorous development process you may waste time and energy on low pay-offs.</i>
Six: Launch: diffusion and returns	How well are ideas rolled out to supporters, staff or beneficiaries? What expectations of financial and social return do you have? And over what period? If you have too short-term an approach ideas will never succeed. <i>If you wait too long for results the opportunity window may have closed.</i>
Seven: Learning: establishing what can be improved	How well are successes and failures recognised? How is learning captured and shared across the organisation? <i>If you don't evaluate and review you may be doomed to make the same mistakes again. Is learning rolled out across the whole organisation once identified? How good is your knowledge management approach?</i>



3. Innovation Studies

Survey Title	Date	Description
Innovation value chain audit	June 2009	Online survey of 20 leading UK NFPs/charities
RNIB – Comparative Innovation Survey	2007-2009	Online survey of staff and managers
UNICEF Innovation Value Chain	2008	Global survey of fundraising managers
US NFP 2009 survey	2009	Study of 35 organisations at AFP
Greenpeace's Innovation Value Chain	February 2009	Global survey of Greenpeace International Fundraising Directors

Innovation Value Chain Audit	2009	Online survey of L&D Overseas Development forum
Innovation Value Chain Audit	2008	Online survey of INGOs at IFC Congress

4. Participating Organisations:

A total of 55 organisations participated in the study. 21 UK organisations, 10 International NGOs and 34 US organisations. (Some UK/US charities are also INGOs and therefore will be represented in 2 categories).