

# Implementing social innovation strategies at a systemic level: A wish list for 2018

By [Reana Rossouw](#), issued by [Next Generation](#)

1 Sep 2017

Spring has officially sprung and we're heading towards the planning phase for the forthcoming financial year. There is no better time to clean out the CSI closet and consider more innovative approaches that can equip us to better manage risk, face challenges and maximise opportunities along the value chain.

To set up your CSI division or foundation for new growth, new focus and more effective strategies that generate higher impact and returns, it is worth aligning yourself with current as well as forecasted trends where possible. Thorough research in the sector indicates that inefficient data management systems, lack of cohesive reporting according to the GRI guidelines, shrinking investment budgets and other constraints such as resources, capacity and specialist competencies, often lead to companies perpetuating social development strategies and initiatives that can be better managed or even systemically transformed, given the right approach.



## REEVALUATING HOW WE EVALUATE

Funders must become more adept at collecting, collating, analysing and applying data as a driver for change. Money is spent on programmes to tackle poverty, but it is not clear how many lives are transformed and what the outcomes of these programmes are. The time has come to forget about input and output, and to focus extensively on outcomes and impact. Data needs to be more qualified, quantified and analysed to end poverty and inequality over the long term.

## GREATER INFORMATION SHARING

Social investors need to look at sharing collected data of what works and what doesn't, and should collaborate more on cohesive, long-term projects with other companies. The current trend of putting more time into the planning phase prior to project implementation (conversations that can last up to two years in some instances) is set to continue. For true shared value generation, any form of cooperation between social investors, their stakeholders and development partners, with regards to strategy development and research, programme implementation and impact assessment is a step in the right direction.

## CO-FUNDING INITIATIVES

On that note, and largely due to more limited and constrained CSI budgets, social investors should consider co-funding models as a scalable and pragmatic option in our current economic climate. Additionally, social investors should consider funding the core operations of NGOs and CBOs (not just their programme expenses). If intermediary organisations know they have more resources, they will be in a better position to employ more knowledgeable and competent staff and develop better management and measurement systems and conduct more engagement and research to run their organisations more effectively, and as a result achieve greater impact. This will greatly contribute to a more sustainable development sector.

## **GENERATE NEW FORMS OF CAPITAL**

Several funders have come to understand the importance and value of determining the impact of their interventions and are now moving forward to understand the return on investment of social investment strategies and development programmes from the point of view of creating and measuring social capital, relationship/stakeholder/shareholder capital, environmental and economic capital, etc. Adding true social value benefits everyone along the value chain. By understanding and measuring return on investment, social investors see and experience the shared value created first-hand. In this way, development initiatives will grow more meaningful and powerful precisely because they are better aligned to business objectives, outcomes and impact.

## **SOCIAL MEDIA**

Better utilisation of social media platforms as a (crowd)fund-generating, information-sharing and marketing resource is an imperative. While most corporates and NGOs have begun to play catch-up with their use of digital platforms, there is still a great deal of scope for the more effective use of a relatively affordable and instantaneous information-sharing medium where most stakeholders can communicate with one another as well as the broader public. Corporate grantmakers should better use these platforms to rally support for their causes. In addition, online giving platforms offer opportunities for volunteerism, and collective as well as individual giving that makes every connected citizen part of the development sector.

## **WATCH THE HEROPRENEUR**

While social activists can be loose cannons and corporates do not generally support individuals, we cannot ignore the impact and effectiveness of certain key societal leaders and personalities. The new generation of Zachie Achmats, outspoken musicians (like Bobby and Karlien van Jaarsveld), the David Griens of the world, combined with the prominence of the Kumi Naidoo, the fighters for rhinos or toll road payments as well as the student leaders of the #Feesmustfall movement have made us more aware of social issues. They are fearless about exposing corporate as well as government failures and will do whatever it takes to effect real change. Corporates would do well to identify key players and see what we can learn from them in terms of social mobilisation.

## **INVESTING IN COMMUNITY-BASED OPERATIONS**

Community-based organisations (CBOs) are gaining favour, instead of individual place-based or sector-orientated NGOs. This is because CBOs tend to focus on local assets/resources, local leadership, local buy-in and local ownership by communities themselves – not to act as beneficiaries, but as participants in the development process. Community foundations, women's funds, environmental funds, grassroots organisations are not 'specialists' who work on a particular issue, but they work holistically, responding to a range of different and interconnected issues. New thinking is required to capacitate and acknowledge the importance of these new stakeholders in the development sector.

## **MORE DEFINED ROLES**

It is imperative that government leaders, grantmakers and the development industry reclarify their respective roles to society. Thoughtful consideration and decisive action must be taken soon to address the critical needs communities are facing during times of social disruption and technology-accelerating change amidst political dysfunction. Wherever possible, corporates need to put pressure on government leaders to step up. Together those involved in the development

sector need to look to repair ideological divides and define government versus business sector roles and responsibilities in the developmental sphere. In addition, in company structures, CSI policymakers and stakeholders need to have clearly defined portfolios and mandates to ensure that they do not do the work of government, but rather add capacity and leverage resources where it is truly needed.

## GET THE BASICS RIGHT

We cannot move forward to exponential change and impact in the development sector until we get the basics right. Whether you are a corporate funder or an NGO, everything starts with strategy, followed by process and supported by structure. We must have resilient organisations to operate and function effectively. In 2018, may we have the right organisational structures and strategies, may we invest in the right programmes and may we know at the end of the process that we really made a difference.

- **For more detailed information on the above research, assessments and recommendations, view**  
<https://www.slideshare.net/Reana1/social-investment-trends-forecasts-and-impacts-20172018>

*Author Reana Rossouw is one of Africa's leading experts on social innovation, sustainable development and reporting. As owner and director of Next Generation, a specialised management consultancy, she believes strongly in contributing to the development of the sector.*

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