



# Scaling Impact

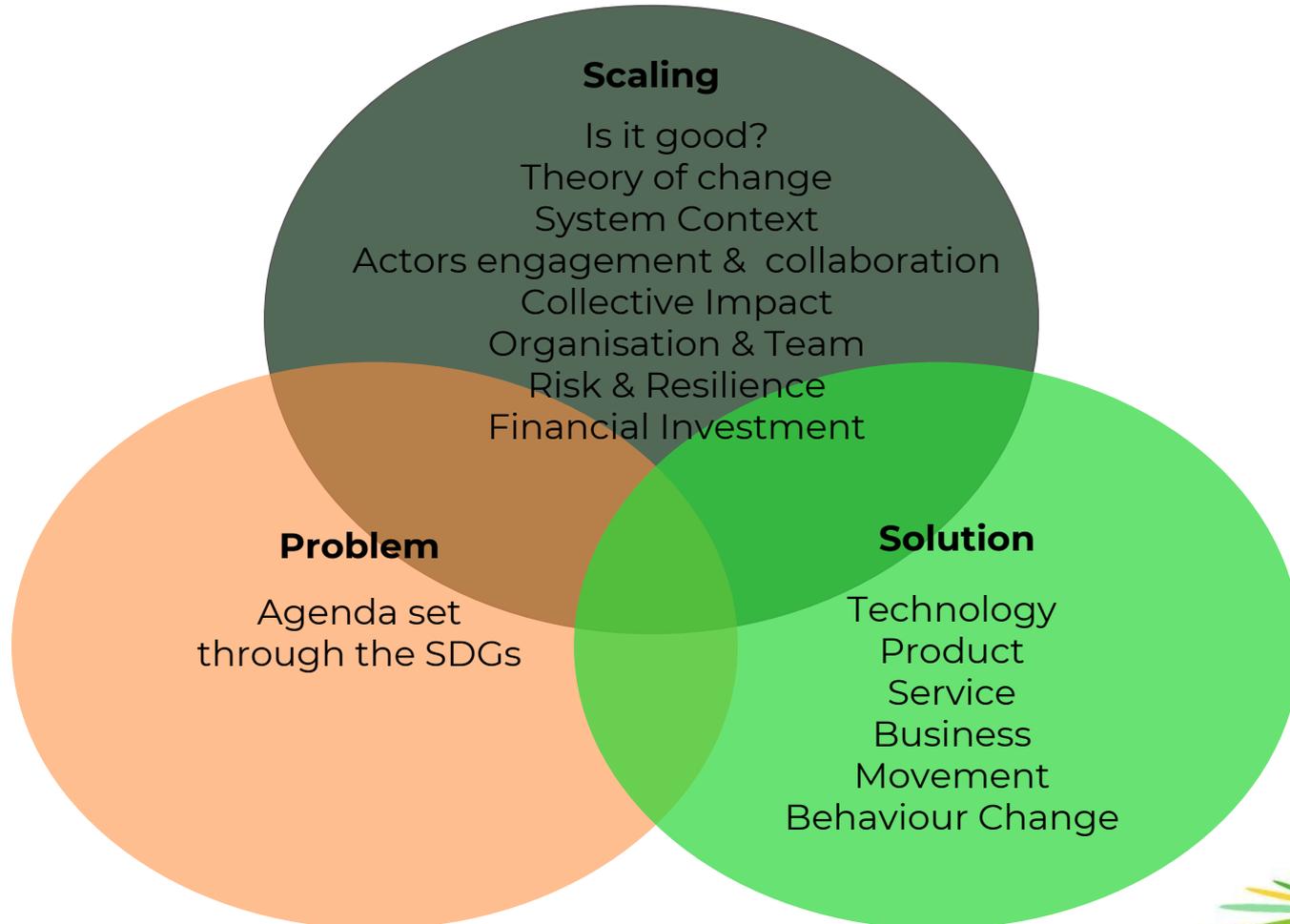
Bringing good solutions to scale

Geneva, 20.03.2019

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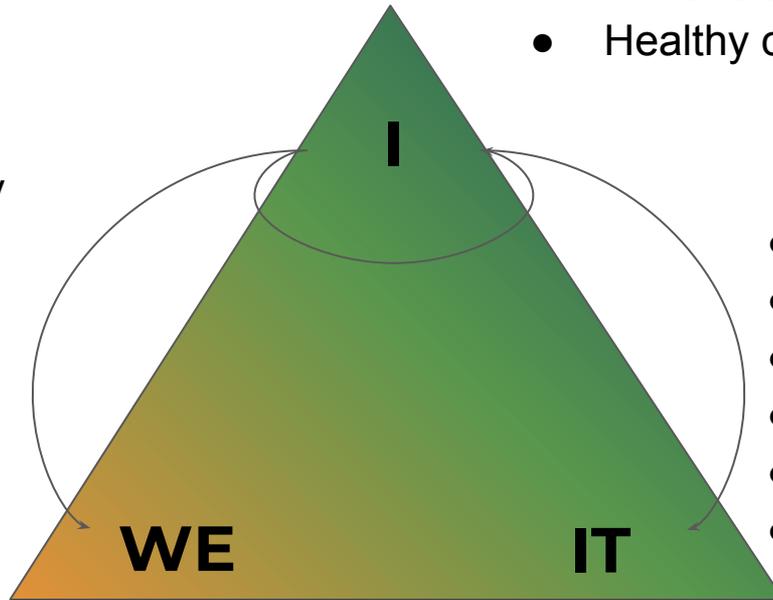


# The space of scaling impact



# Leading the system change

- Shared vision & understanding of reality
- Agreed metrics & decision-making process
- Stakeholders diversity
- The *why* of failure in the system
- Catalyze and leverage



- Self reflection
- Level of influence
- Dimensions of systems leadership
- Healthy character

- Dynamik
- Cause and problem
- Time and investment
- Behaviour change
- Transformational learning
- Theories of change

# Why scaling impact?

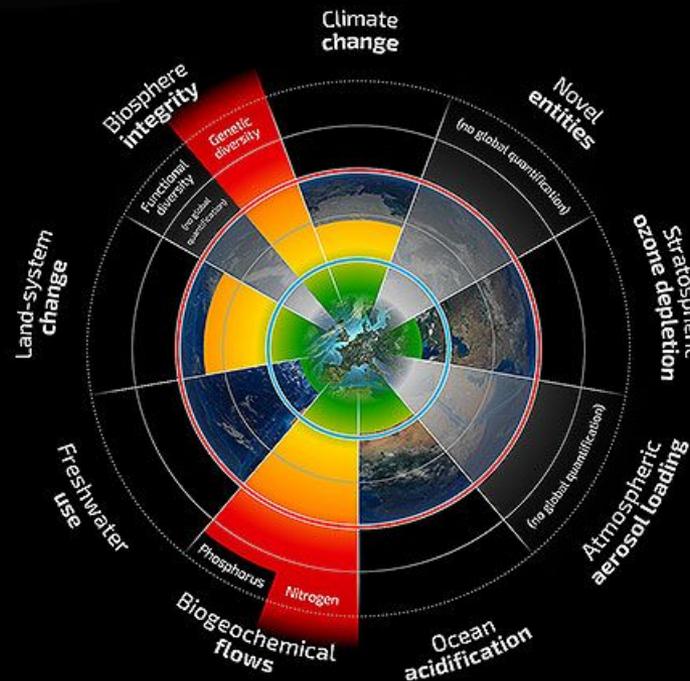
# Stability of the human habitat is at stake

- **Urgency** to act: in mid 20th century we entered the Anthropocene - an era in which the entire Earth system is influenced by human activities. SDGs, climate change, biodiversity
- A lot is known already: **why reinvent the wheel** all the time?
- Scaling is about increasing **impact**

# The Anthropocene

## Four of nine planetary boundaries have been crossed

Climate change, loss of biosphere integrity, land-system change, altered biogeochemical cycles (phosphorus and nitrogen).



Steffen et al. 2015. Planetary Boundaries: Guiding human development on a changing planet. Science Vol. 347 no. 6223. Image source: F. Pharand-Deschênes / Globaïa

# Why scaling impact?

“  
*The sustainability transformation is just as radical as the digital transformation. What we urgently need is a shift in perception by the private sector to discover the opportunities of these transformations, rather than seeing them as threats.*”

Niklas Zennström, Founder of Skype, CEO and Founding Partner at Atomico

# SDGs: crowd sourced market agenda

The Sustainable Development Goals (SDGs) are a market agenda for the 2020s— in effect, a purchase order from the future.

While many champions of the SDGs focus on incremental change, the Goals also represent an exponential change agenda. Even if they targeted 2050, rather than 2030, goals like ‘No Poverty’ and ‘Zero Hunger’ would demand exponential progress.

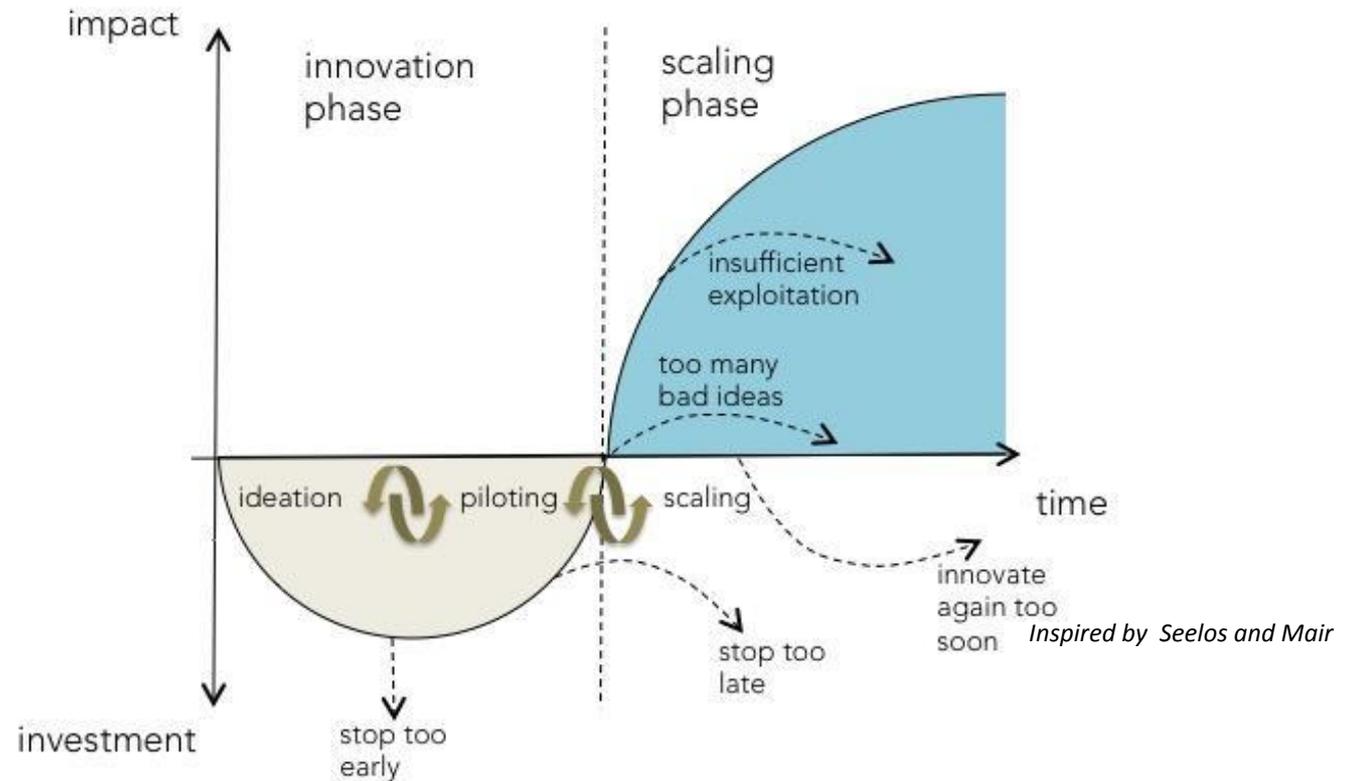


@2017 Volans CC by 4.0

# Impact: Innovation + Scaling

**Innovation** is trendy, financially well supported and in line with current “way of life”

**Scaling** requires persistence, new forms of financing and faces many barriers



# What do we understand by impact?

The powerful and **positive effect** that something has on **society and/or the human habitat** (planet).

We come from the sustainability discourse.

*“**Sustainability** is improving the quality of human life while living within the carrying capacity of the Earth’s supporting eco-systems.”* The Union of Conservation Scientists (IUCN), United Nations Environment Programme (UNEP) and World Wide Fund for Nature (WWF)



**“Scaling impact and scaling organizations  
are not the same thing.”**

**- Katherine Fulton**

*President Monitor Institute*



# Scaling as a spiral

# Is it good?

To what level of confidence can you confirm your theory of change?



Image Source: <https://project-oracle.com/about-us/validation/>

# Routes to scaling

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## Possible routes

## Critical factors

Grow your organisation  
**scale-up**

Financial and human factor

Open up for replication  
**scale out**

Standardisation critical

Create smart networks  
**connecting the dots**

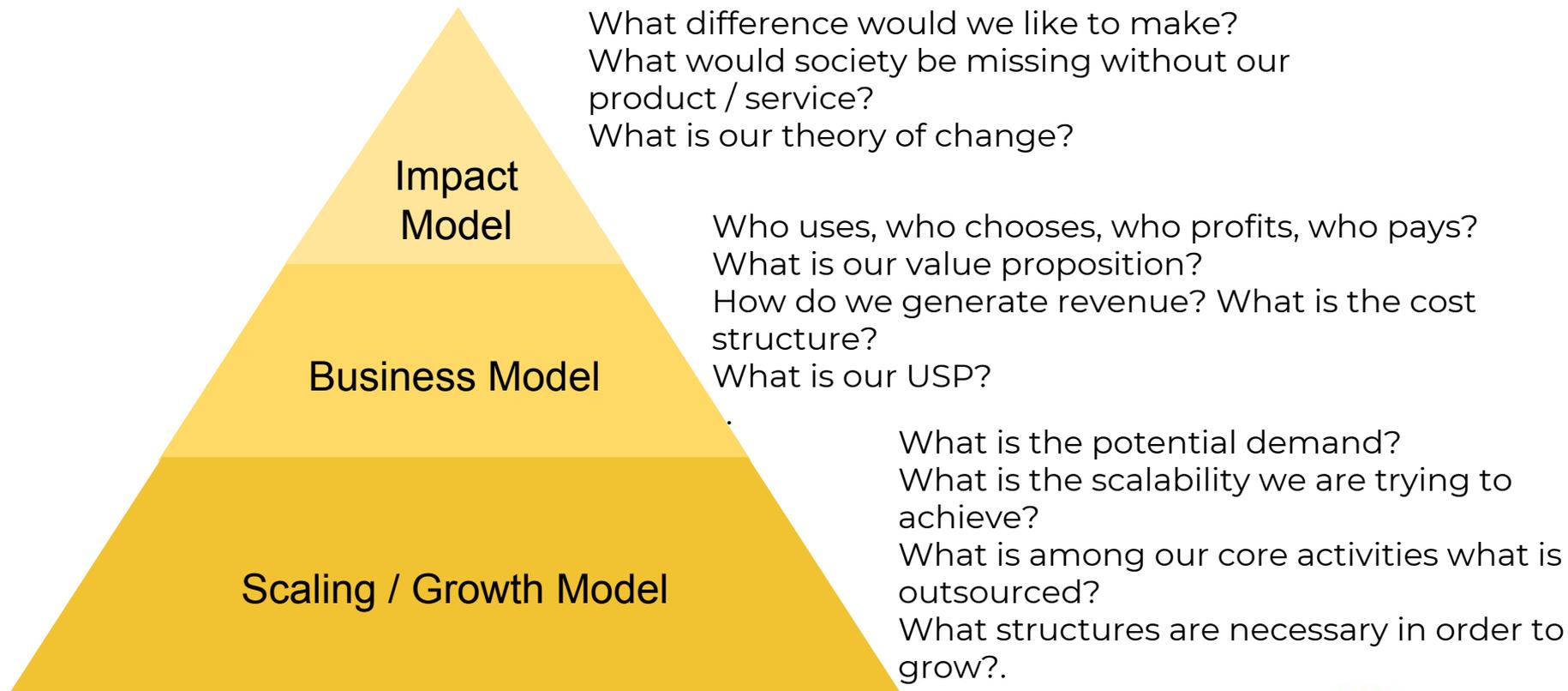
Capacity to cooperate

**movement creation**

Advocacy  
capacity/willingness

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# Target hierarchy of an impact-driven organisation



[inspired by studienaktie @ b-tools:Lust auf eigene Firma]

# Scaling business vs scaling impact

Growing or **scaling-up** a business is about developing the capacity of a company and if necessary, at the expense of others.

Scaling for impact implies **opening** the business to other organisations and cooperating with them to externalise business development and accelerate the systemic transformation of its market. **Connecting with**

- similar companies
- other actors in the value chain
- NGOs, public authorities, national and international fund givers

Losses (e.g. IP) can be compensated by a convincing variety of advantages:

- Connecting for **systemic change of market behaviour** through conforming to an explicit societal impact from a variety of public and private players
- **increased knowledge pool** and access to experience and industry know-how
- Easier **access** to a well established customer network
- **shared branding** and enhanced visibility with more established partners
- **shared costs** for marketing, research or manufacturing

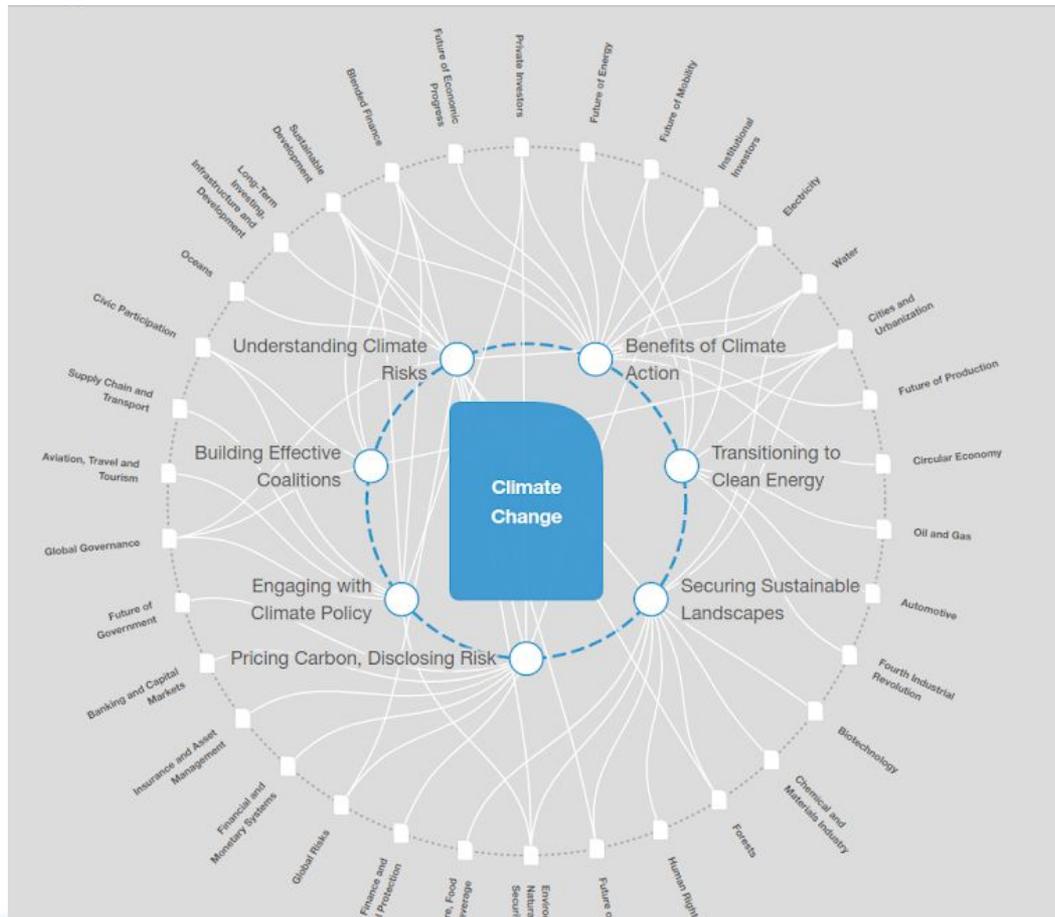
**accelerated transformation** of the market



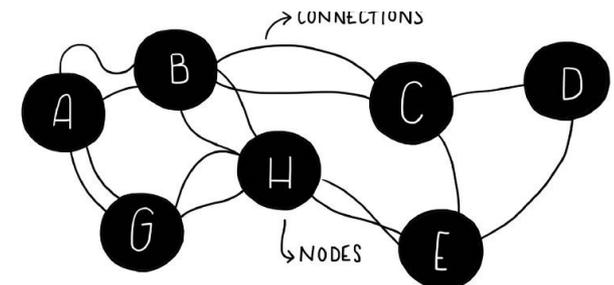
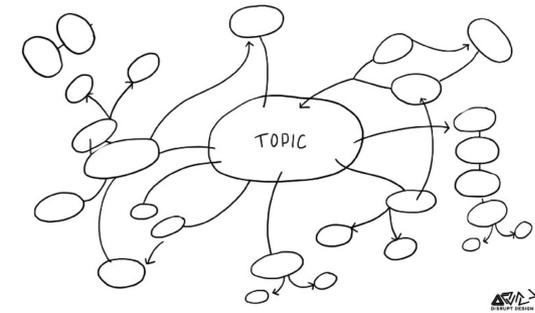
# Systems thinking

# Systems Thinking & Mapping

In which system are you trying to scale?



check out global transformations maps provided by wef  
<https://toplink.weforum.org/knowledge/explore>



# System Mapping

## How to

- Identify the topic and set clear boundaries
  - desired geographic scale (e.g., local, regional, national).
  - degree of specificity desired
  - When determining the level of specificity, aim for a level of detail that allows you to **meaningfully** summarize the behavior of an individual actor or type of actors, capture relevant variation, and illustrate relationships between actors.
- Frame the system
  - Identify the core and frame at the center
  - Draw a circle around the core and label it
  - Identify related subsystems that influence the core

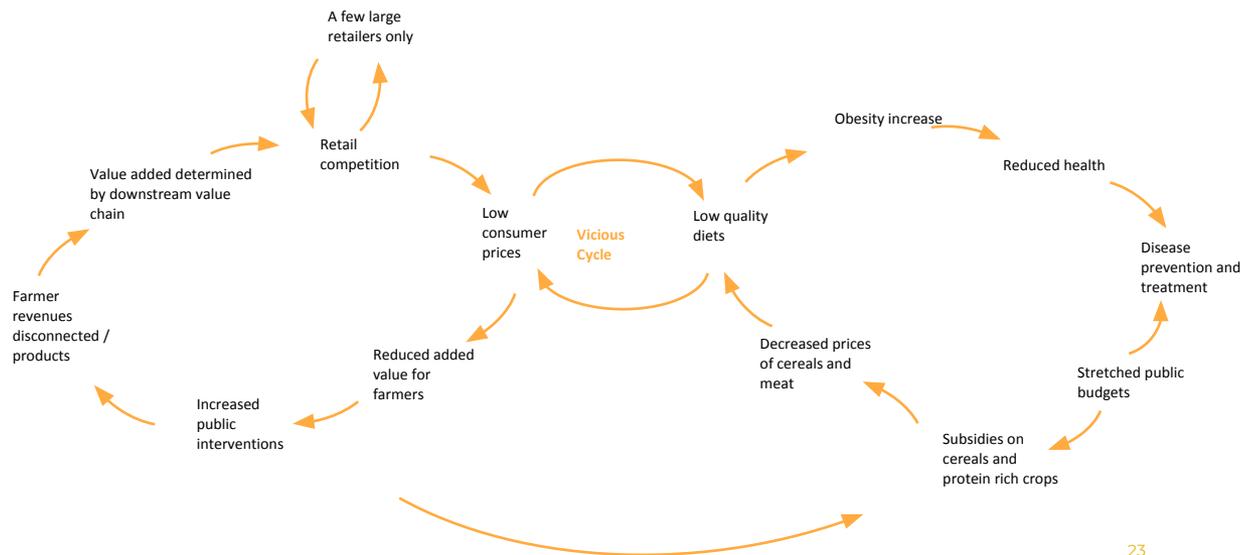


# Identify “vicious circle” & leverage points of the system

Vicious circle is the central one of the system which needs to be changed, but you do not start with immediately changing the core.

Leverage points is one way to influence **and change** the system.

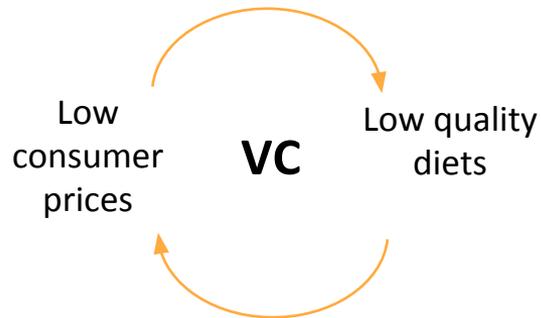
Think about the dimensions of system change.



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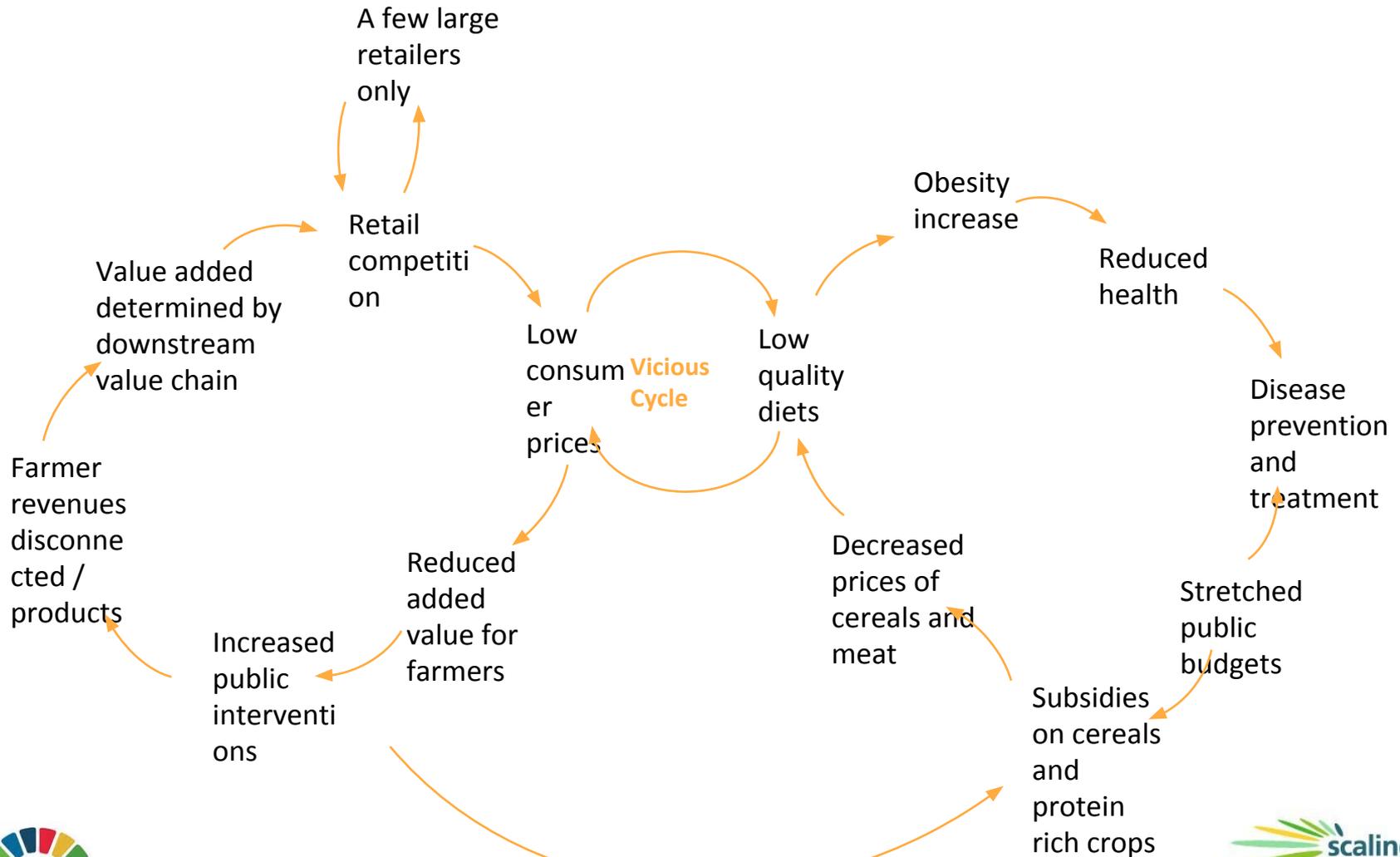
# Example: Food vicious circle

Retailers want to sell food at the cheapest cost even at the expense of consumer health



Many consumers (especially low income people) are willing to reduce their food costs to buy other commodities

# Example: Food System



# Mapping Your Vicious Circle

## How to ...

- Identify the core problems
- Describe for each problem what influences what in a cause
- Define the consequence logic

see also [https://en.wikipedia.org/wiki/Virtuous\\_circle\\_and\\_vicious\\_circle](https://en.wikipedia.org/wiki/Virtuous_circle_and_vicious_circle)

# Potential leverage points

## Barrier

## Lever

### Cognitive & Normative

- Incomplete information (Lack of awareness, knowledge)
- Lack of trust
- Behavioural Factors / Personal habits
- Social norms (incl. traditions, gender etc. )
- Public opinion

- Awareness raising
- Nudges
- Personal transformation
- Education

### Political

- Lobbyism
- Autarky / Nationalism
- Existing standards (technical, policy, subsidies, ...)

- Political action
- Policy instrument

### Economic

- Financing (e.g. high upfront investment costs result in financing and cash flow issues)
- Principal-agent conflicts
- Market failures (e.g. incomplete internalization of all negative external effects)
- Barriers to market entry (e.g. oligopoly)
- Market size insufficient to reduce cost production
- Competitiveness insufficient

- Additional investment
- Improved business model
- Subsidies

### System Specific

- The below are examples:
- Uncertainty & complexity (e.g. uncertainty about future carbon prices)
  - Long time horizons (e.g. if long term investment needed)
  - Heterogeneity in actors and industries
  - Strong externalities
  - interdependencies



# Actor Mapping

# Actor Mapping

## Similar but different to a stakeholder analysis

- to identify opportunities to improve a system's overall performance
- by, for example, strengthening weak connections or filling gaps in the system
- actors not having a “stake” in a particular initiative or outcomes may still wield over the initiative or be influenced by it

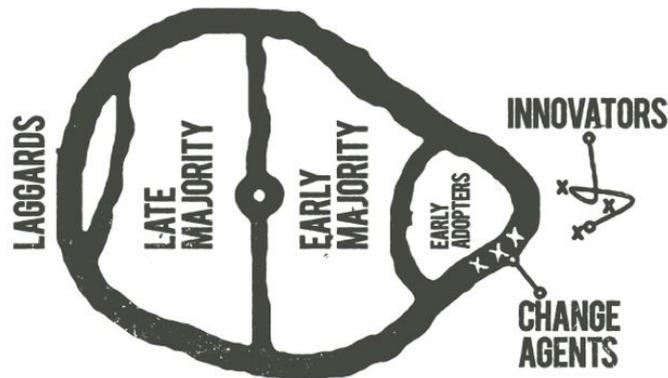
# Actor Mapping

## How to ...

- Identify relevant actors and roles (e.g., from strategic plans, evaluation reports and existing research)
- Brainstorm additional relevant actors and roles
  - What people or places do core stakeholders interact with on a regular basis?
  - What organizations support or influence those that interact with the core?
  - What types of local, regional, national, or international organizations influence the core's experiences related to the topic?
  - Who funds relevant people, places, or organizations?
  - Who conducts relevant research?
  - Who sets policy?
- Filter the list for the most influential actors based on perceived level of influence over the core.

from: <https://www.fsg.org/tools-and-resources/guide-actor-mapping>

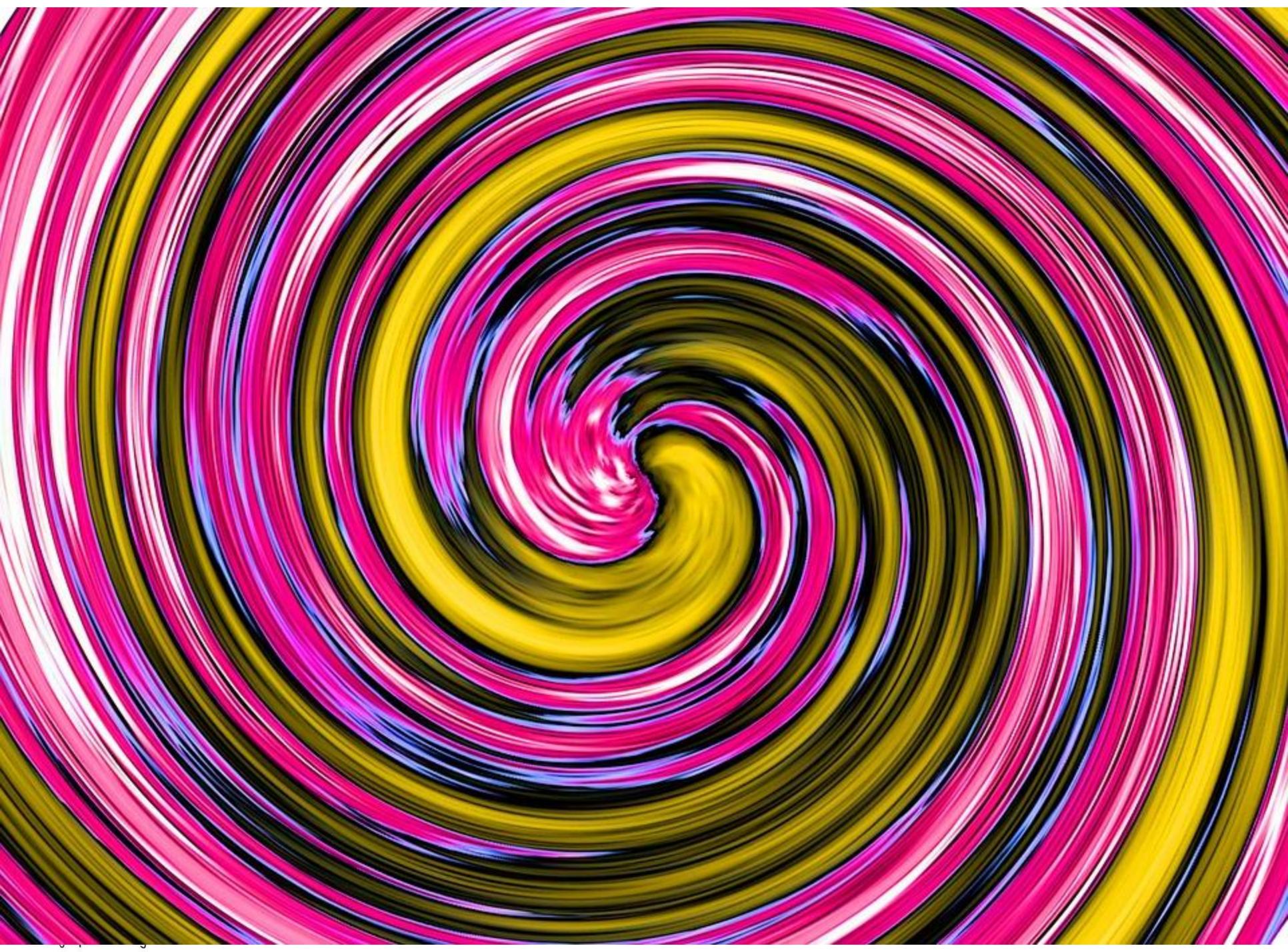
# Which actors to engage with



from Mehmman et al 2017

## Actor categories to keep in mind

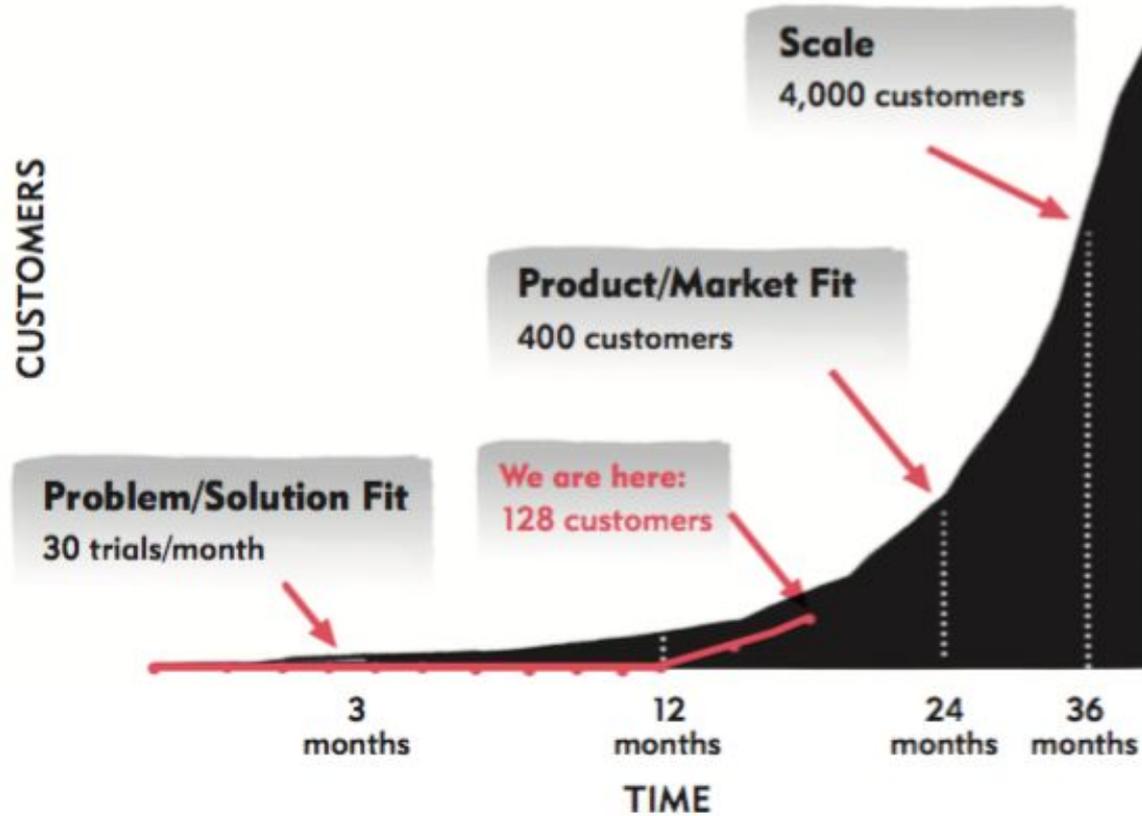
- **government:** typically they have funding for social issues and clear responsibilities (drawbacks may be speed, bureaucracy,...) at federal level, state or municipal level
- **local foundations:** you may also create your own foundation that has a focus on raising funds for your project
- **private sector companies:** multinationals can be a mechanism through which to scale, often there is budget for social projects (drawback conflicting interests)
- **universities:** have interested and qualified experts at hand, add credibility also to fundraising
- **faith-based organisation:** may have own funding or funders and welcome social causes (drawback typically have strong own priorities and strategies)
- **Multi-laterals** (UN, Worldbank, etc.): ideally to be approached locally (drawbacks: require formal evaluation)



# Scaling Routes - Details

# Scaling up

Growing your business



**ASH MAURYA**

Author of Running Lean and creator of Lean Canvas

MASTERING THE KEY METRICS  
FOR STARTUP GROWTH

# SCALING LEAN

# Scaling out

## Replication & / Or Social Franchising

Toolkit: <https://www.springimpact.org/wp-content/uploads/2018/06/Spring-Impact-Toolkit.pdf>

- is your social impact proven
- have you demonstrated a sustainable business model
- are your internal functions well developed
- do you have a clear owner with capacity to take on replication
- is there a significant social need and market
- is success possible in other contexts?
- do you have support from your board, team and stakeholders?
- is your brand well-understood and valued
- are there people or organisations willing and able to replicate your project?

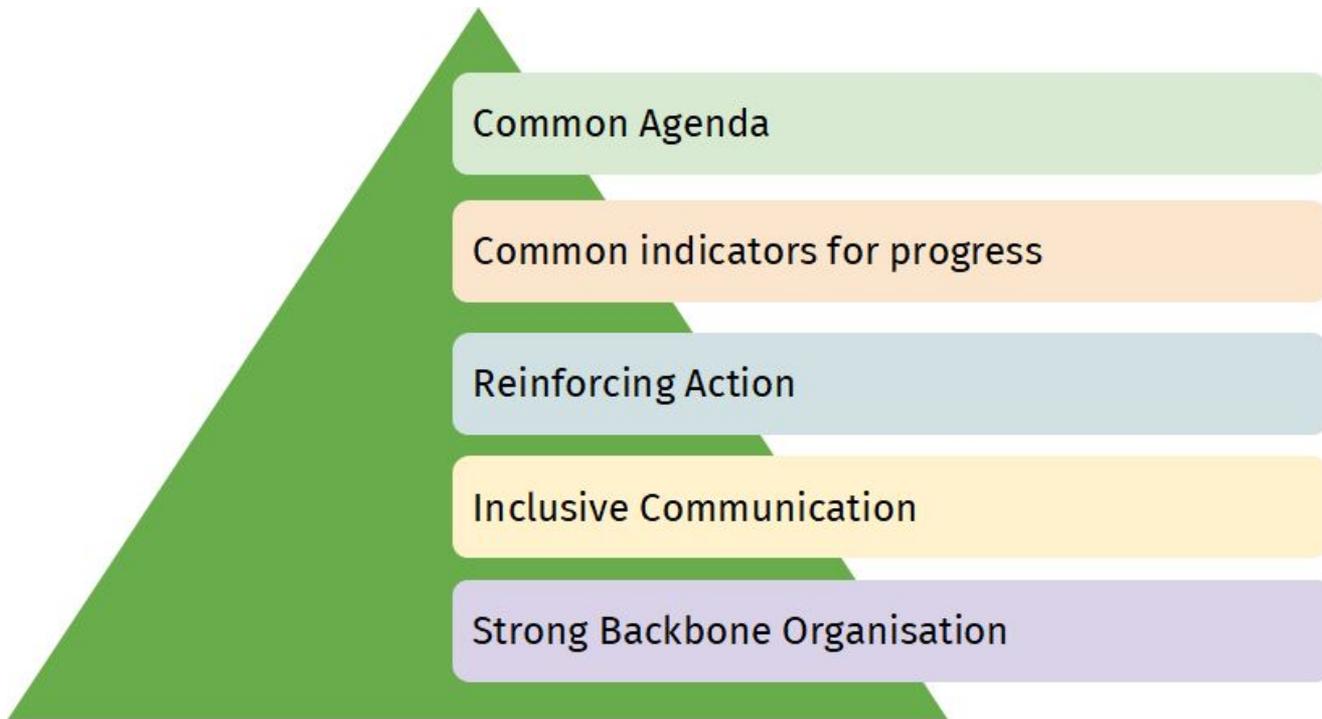


VisionSpring  
See well, do well



# Connecting the dots

## Conditions to achieve collective success



*after Kania & Kramer 2011*

### *Commons*

Commons are communities in the broader sense that provide what they have as a shared resource. Stakeholders typically hold equal interest in their preservation or further development. Commons apply e.g. for information and knowledge resources that are collectively created, owned or shared among a community and made (generally freely) available to third parties.

### *Funder Collaboratives*

Funder Collaboratives are groups of funders interested in supporting the same issue who pool their resources. This can be interesting in combining different skills and of course finances in a risk sharing agreement. The impact potential is greater if participants define shared goals and measurement system and include stakeholders from other sectors.

### *Public-Private-Partnerships*

Public-Private Partnerships are partnerships formed between government and private sector organizations to deliver specific services or benefits. They can be defined very narrowly, such as developing a particular drug to fight a single disease, or much more broadly like e.g. the KICs.

### *Multi-Stakeholder Initiatives*

Multi-Stakeholder Initiatives are voluntary activities by stakeholders from different sectors around a common theme. Unless they have a shared measurement of impact and the supporting infrastructure to forge any true alignment of efforts or accountability it is difficult for them to be truly impactful. .

### *Social Sector Networks*

Social Sector Networks are groups of individuals or organizations fluidly connected through purposeful relationships, whether formal or informal. Collaboration is generally ad hoc, and most often the emphasis is placed on information sharing and targeted short term actions. They can provide a good basis to build more sustained and structured initiatives by also agreeing on long term targets and clear roles and responsibilities.

### *Collective Impact Initiative*

Collective Impact Initiatives are long-term commitments by a group of important actors from different sectors to a common agenda for solving a specific social problem. Their actions are supported by a shared measurement system, mutually reinforcing activities, and ongoing communication, and are staffed by an independent backbone organization.

# Movement creation

## ... the tipping point... creating the new normal

***"The success of any kind of social epidemic is heavily dependent on the involvement of people with a particular and rare set of social gifts".***

- Law of the few: driven by efforts of a handful of exceptional people who are energetic or knowledgeable or influential among peers
  - connectors - networking specialists
  - mavens - information specialists
  - salesmen - negotiation specialists
- Stickiness factor: making a contagious message memorable



- Power of context: humans are more sensitive to their environment than they may seem (e.g. zero-tolerance safe and clean neighborhood act)

# Lessons Learned from Tipping Points

n	2 <sup>n</sup>	km (0.1 × 10 <sup>n-6</sup> × 2 <sup>n</sup> )	Comment
0	1	0.1 × 10 <sup>-6</sup>	
1	2	0.2 × 10 <sup>-6</sup>	
2	4	0.4 × 10 <sup>-6</sup>	
3	8	0.8 × 10 <sup>-6</sup>	finger nail thickness
4	16	1.6 × 10 <sup>-6</sup>	
5	32	3.2 × 10 <sup>-6</sup>	
6	64	6.4 × 10 <sup>-6</sup>	
7	128	12.8 × 10 <sup>-6</sup>	thickness of a notebook
8	256	25.6 × 10 <sup>-6</sup>	
9	512	51.2 × 10 <sup>-6</sup>	
10	1024	0.1 × 10 <sup>-3</sup>	width of a hand (incl. thumb)
11	2048	0.2 × 10 <sup>-3</sup>	
12	4096	0.4 × 10 <sup>-3</sup>	0.4m height of a stool
13	8192	0.8 × 10 <sup>-3</sup>	
14	16384	1.6 × 10 <sup>-3</sup>	1.6m: an average person's height (yeah, a short guy)
15	32768	3.3 × 10 <sup>-3</sup>	
16	65536	6.6 × 10 <sup>-3</sup>	
17	131072	13.1 × 10 <sup>-3</sup>	13m height of a two story house
18	262144	26.2 × 10 <sup>-3</sup>	
19	524288	52.4 × 10 <sup>-3</sup>	
20	1048576	104.9 × 10 <sup>-3</sup>	quarter of the Sears tower (440m)
...	....	....	....
25	33554432	3.4 × 10 <sup>0</sup>	past the Matterhorn
30	1073741824	107.4 × 10 <sup>0</sup>	outer limits of the atmosphere
35	34359738368	3.4 × 10 <sup>3</sup>	
40	1099511627776	109.9 × 10 <sup>3</sup>	
45	35184372088032	3.5 × 10 <sup>6</sup>	
50	1125899906842624	112.5 × 10 <sup>6</sup>	~ distance to the sun (95 million miles)
55	36028797018963968	3.6 × 10 <sup>9</sup>	
60	1152921504606846976	115.3 × 10 <sup>9</sup>	size of the solar system?
65	36893488147419103232	3.7 × 10 <sup>12</sup>	one-third of a light year
70	1180591620717411303424	118.1 × 10 <sup>12</sup>	11 light years
75	37778931862957161709568	3.8 × 10 <sup>15</sup>	377 light years
80	1200928819614629174706176	120.9 × 10 <sup>15</sup>	12,000 light-years
85	38685626227668133590597632	3.9 × 10 <sup>18</sup>	4x the diameter of our galaxy
90	1237940039285380274899124224	123.8 × 10 <sup>18</sup>	12 million light years
95	39614081257132168796771975168	4.0 × 10 <sup>21</sup>	
100	1267650600228229401496703205376	126.8 × 10 <sup>21</sup>	(12 billion light years) approx. radius of the known universe?

- starting epidemics requires concentrating resources on a few key areas.
- the world does not accord with our intuition -> deliberately test it!

<https://www.quora.com/How-do-you-explain-that-if-you-could-fold-a-piece-of-paper-in-half-50-times-its-thickness-will-be-3-4-the-distance-from-the-Earth-to-the-Sun>

# Movement creation

- establish a clear and common purpose
- establish common values
- creating a training curriculum
- work in small groups & connect them -> mass mobilisation is the effect and not the cause of the movement
- be aware of separation inside/ outside we/them -> disruptive change comes from inspiring others and not doing it all yourself
- look for engagement and action rather than rhetoric

inspired by <https://de.wikipedia.org/wiki/Otpor!> and <https://hbr.org/2016/11/what-successful-movements-have-in-common>



# Preliminaries to Scaling

Different dimension need to be taken into account

## Internal:

- personal resilience
- availability of leadership and team
- alignment
- focus
- theory of change defined
- plans and performance visible
- communication structures
- accountability
- ongoing collection of employee input
- are you personally ready to let go of some of the control?
- ...

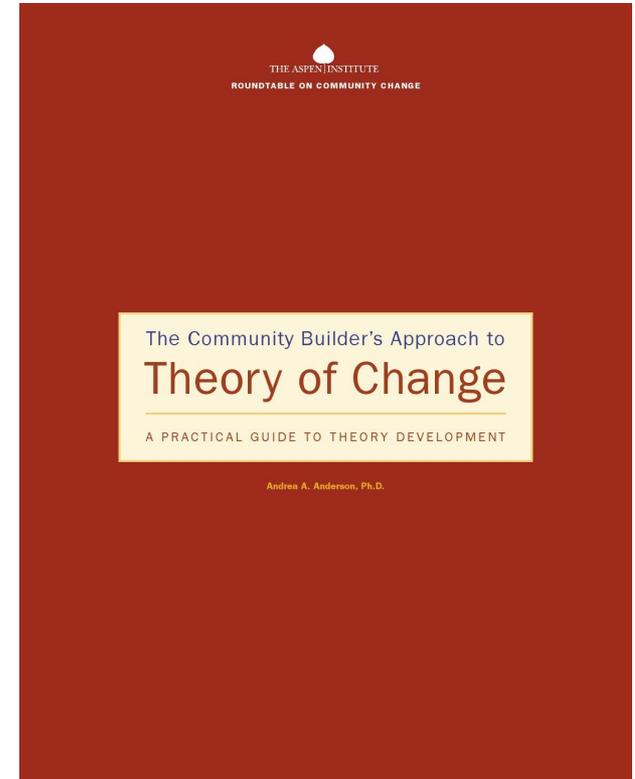
## External:

- expressed or implicit demand? strategic starting point?
- collaborative landscape? who can you readily engage with?
- political and economic climates favorable?
- adaptability of the solution to local context?
- can you mobilize resources?
- ...



# Your Theory of Change

# Theories of Change

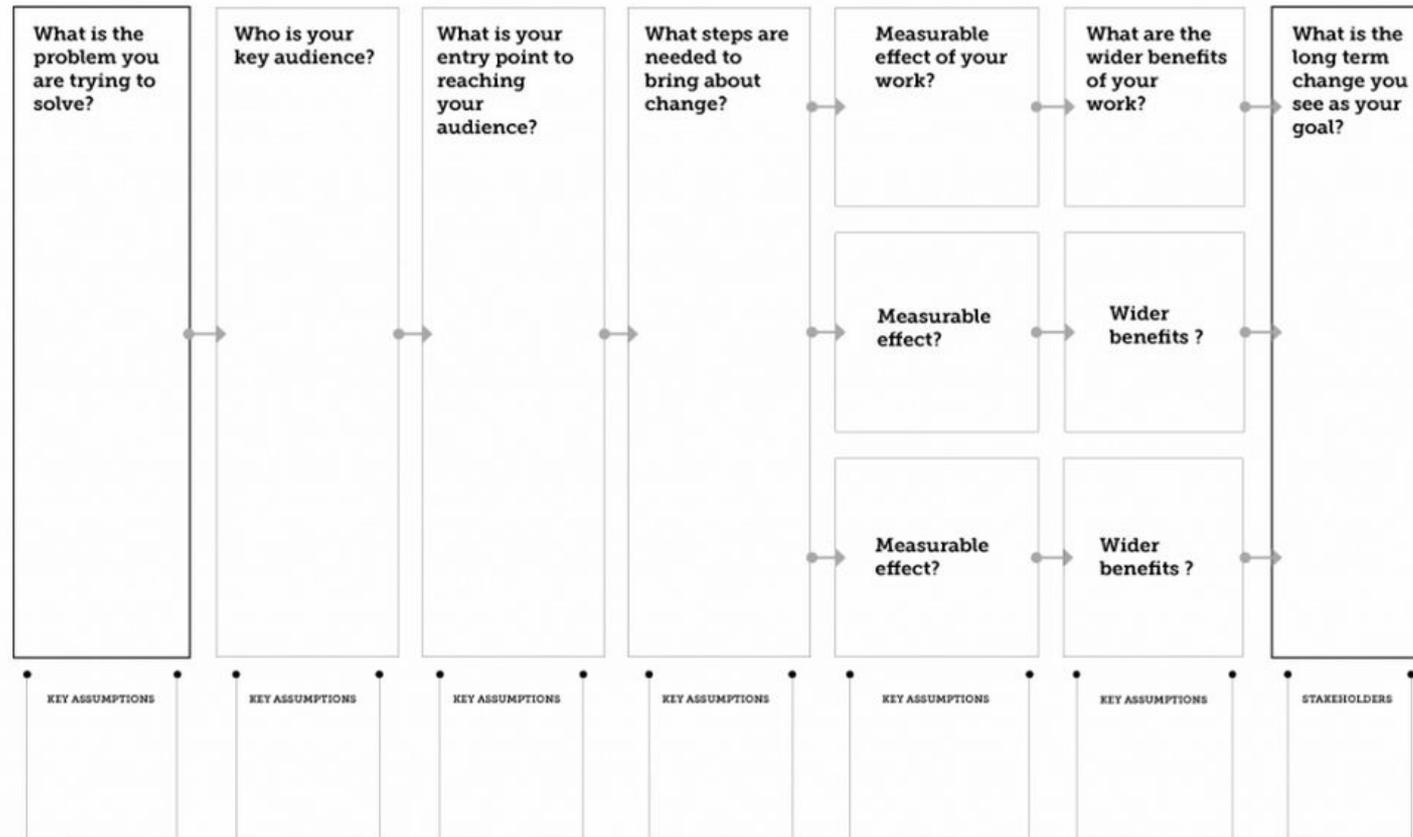


# Your Theory of Change

DIY 10

I want to clarify my priorities  
by defining my goals and the path to reach them

## THEORY OF CHANGE



# Your scaling route

# Scaling Impact - Hands On!



What do I scale	My Route to Scale	Preliminaries or Preconditions	Ressources I need and price at which they come	My next three steps are
 <p>A2030 Scaling Impact Global</p>				