
5 June 2014

Dear Friends,

In Silicon Valley, where we work, “Lean Start-up” is all the rage. Lean Start-up began as principles for engineers to design better products. However, these principles are now being applied to the design of social service programs.

The beauty of the Lean Start-up model is that allows you to quickly get feedback from your beneficiaries and keep adapting your program until you get it right.

We’re providing articles to introduce you to Lean Start-up terminology and discuss how some foundations are encouraging their grantees to try out these ideas.

We hope you enjoy this week's edition of the Newsflash!

Sincerely,

The Firelight Team

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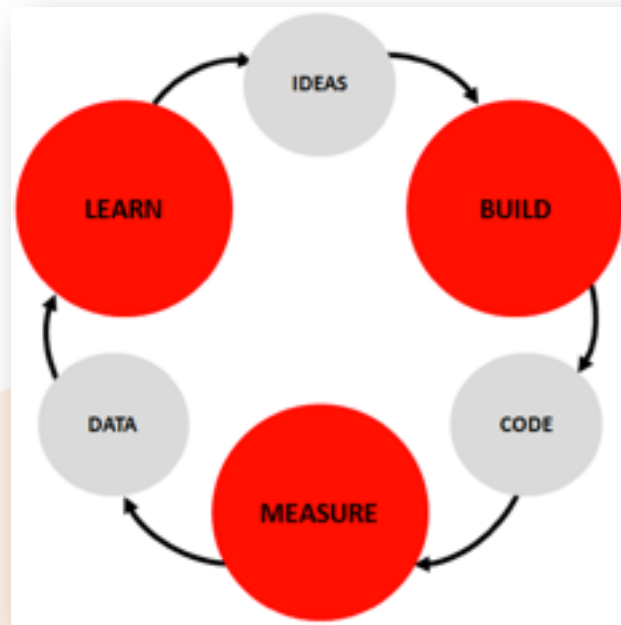
by Sasha Dichter, Chief Innovation Officer at Acumen Fund

I think of Eric Ries’ book, *The Lean Startup* (<http://amzn.to/1kM3q4n>), as an innovation handbook. Eric, a software engineer turned successful entrepreneur, sets out to dispel myths around innovation and entrepreneurship. He unpacks what it actually takes to innovate in the real world.

The Lean Startup is all about the actual work of figuring out if the thing you’re building is of any value to your customers.

Eric’s main premise, based on his own experience as a serial entrepreneur, is that most innovators and their teams waste huge amounts of time because they prioritize getting work done over figuring out what their customers want.

If innovation is all about operating within conditions of extreme uncertainty, and if we are first and foremost in search of answers and only THEN building our products, then we have to get a lot better at getting answers quickly (and yes, I do believe that social change work nearly always operates under conditions of “extreme uncertainty.”) To do this, we have to get better at what Eric calls “validated learning” – getting clear data around our core assumptions – by iterating through a BUILD – MEASURE – LEARN cycle:



By embracing a Lean Startup mindset, you build products in a completely different way. Your early products’ only job is to allow you to test your assumptions; you do this by MEASURING results that validate or reject these assumptions; and you LEARN from these results, and either pivot your company strategy to a new direction or continue on course.

The big point of the giant chart (the whole point of the book really) is: *the main determinant of whether / how quickly we innovate is how quickly we can go through the BUILD – MEASURE – LEARN cycle.* The faster we go, the more quickly we learn, the more often we pivot, the less time we waste. We optimize for learning and build organizations that are made to adapt quickly.

Makes sense, but it’s not how we (any of us) act most of the time.

And this is where the lightbulb went off for me about the social sector. It’s never felt to me like we are, by and large, built for innovation, yet that always felt like it had to do with willingness to take risk – especially on the part of the big institutional players. And while there’s some truth to this critique, it also partially misses the mark.

Imagine if you had to write Eric's chart for the nonprofit sector. My best attempt at this looks like this:



The lightbulb moment for me is that we are structured as a sector to have a BUILD – MEASURE – LEARN cycle that lasts three years (sometimes longer)...the time it takes to get a grant, execute against that grant, write the grant report during and after the grant, and potentially renew. So the underlying problem isn't about willingness to take risk, the underlying problem is the false premise that long cycle times make sense – when in fact as a sector we need new and better solutions nearly everywhere and need to create engines of innovation to get us there.

Our sector conducts itself with an academic approach to learning – with all of the rigor and the long, slow cycle times that always entails.

Of course there's amazing work going on nearly everywhere, people bucking the system, working around the barriers, making incredible things happen despite the structure being all wrong.

But what would a world look like in which we acknowledged that we don't have all the answers? What would it look like if we asked ourselves NOT to be right from the get-go but instead to create approaches and systems that are designed from the outset to incorporate learning quickly?

I think it would look pretty different from what we've got today. I think that business

approaches would be a bigger part of the answer not because it's inherently better when people pay for things but because businesses are designed with built-in feedback loops from customers. I think that providers of capital would feel more like long-term partners and no one would survive who didn't learn quickly and adapt often. I think we'd listen to end customers a lot more and treat experts less like experts and more like people with accumulated experience from which we can all learn.

What else would a Lean Nonprofit sector look like to you?

View the full article at on Sasha Dichter's blog at: <http://bit.ly/SRBI1e>

(Resource) Lean Start-up: a Glossary of Terms for a Hot New Management Approach

Build-Measure-Learn

Instead of spending considerable time developing a product or service for a big rollout, organizations should consider using a continuous feedback loop: “build” a program or service, even if it is not fully fleshed out; “measure” how clients are affected; and “learn” by improving the program or going in a new direction. Repeat the cycle.

Minimum Viable Product

An early version of a product or service that may be lacking some features. This approach allows an organization to obtain feedback from clients and quickly determine the usefulness of a product or service and how to improve it.

Get Out of the Building

To determine whether a product or service is needed, talk to clients and share your ideas with them before investing heavily.

A/B Testing

Create two versions of a product or service, show them to different groups, and see which performs best.

Failing Fast

By quickly realizing that a product or service isn't viable, organizations save time and money and gain valuable information for their next effort.

Pivot

Making a significant change in strategy when the early testing of a minimum viable product shows that the product or service isn't working or isn't needed.

Vanity Metrics

Measures that seem to provide a favorable picture but don't accurately capture the impact of a product. An example might be a tally of website page views. A more meaningful measure—or an “actionable metric,” in the lean lexicon—might be the number of active users of an online service.

Sources: *The Lean Startup*, by Eric Ries; *The Ultimate Dictionary of Lean for Social Good*, a publication by Lean Impact

View the original article on page 34 of the 27 March 2014 Chronicle of Philanthropy: <http://bit.ly/1juqFeD>

(Article) Fear of Losing Foundation Support Makes Charities Shy Away from Trying New Ideas

by Ben Gose

The management principles known as lean start-up celebrate the idea of “failing fast”—figuring out what doesn't work and moving on to something better. But failure isn't something that foundations are typically eager to support.

Many nonprofit experts acknowledge that adoption of lean start-up ideas—an approach popular at technology companies—may be inhibited by the often-genteel relationships between nonprofits and the foundations that support them.

Charities frequently stick to the script that allowed them to get a multiyear grant, even when they realize midway through the process that their approach isn't working.

“So often, you hear, ‘We're going to do this and that, and the clouds will part, and wonderful things will happen,’ ” says Emily Tucker, executive director of TaroWorks, a division of the Grameen Foundation that is developing new technology tools for charities that work internationally.

“You get entrenched in that kind of thinking,” she says.

Ms. Tucker thinks fewer charity leaders would make such unrealistic promises if more grant makers and charity boards embraced the lean philosophy as a cheap way to conduct quick tests of whether programs actually work.

Pivot From a Dead End

More foundations seem to be embracing the benefits of failure.

At the national conference of Grantmakers for Effective Organizations this month in Los Angeles, plenty of speakers used the term “pivot”—lean-start-up lingo for recognizing a dead end and shifting gears.

Christie George, director of New Media Ventures, which helps investors and donors invest in and make grants to progressive media organizations, says more foundations should think about carving out a percentage of assets for risky grants to early-stage charities.

Her organization established a separate “innovation fund” and earlier this year awarded \$25,000 each to nine start-ups. “We felt like we needed to create a dedicated fund if we were going to walk the walk around supporting efforts that might be more experimental in nature,” she says.

Kevin Conroy, chief product officer at GlobalGiving, which uses lean-management approaches internally and encourages similar principles at the international groups that are supported through its site, says nonprofits and social-good entrepreneurs may find over time that a willingness to fail actually helps them raise funds.

“The moguls of our generation are the tech titans,” says Mr. Conroy.

“As more of them create foundations, they’re going to naturally want to support nonprofits that speak their language and are accepting of failure.”

View the original article on page 35 of the 27 March 2014 Chronicle of Philanthropy: <http://bit.ly/1juqFeD>

(Call for Applicants) The Africa Centre Artist in Residency 2014 Programme

The Africa Centre has formed partnerships with artist in residency programmes in Australia, Brazil, India, Italy, Netherlands, Spain, South Africa and the United States to provide eight residencies for our Artists in Residency (AIR) 2014 Programme.

AIR is seeking applications from African artists who are both socially engaged and stretching the boundaries of their creative domain. The AIR partners select an artist from a short list provided by the Africa Centre, for one of their 2014 or 2015 residencies. The costs of the residency and round-trip airfare are included in each residency award made. The residencies are available to all types of artists, but each residency has different durations, structures and requirements. **Deadline for application submissions is the 20th June 2014.**

APPLICATION METHODS

Before applying please read the application guidelines, available for download here: <http://bit.ly/TV7upA>

1. Online application form: click here to apply: <http://bit.ly/1nvipDn>

2. E-mail application: If you would rather use email, download the application form here: <http://bit.ly/RCD3SW> and then send your application to airsubmissions@africacentre.net. Please do not send attachments larger than 5 MB and be sure to add the artistic discipline you are applying under, i.e. visual arts/performing arts, music, etc followed by a dash and your full name in the email subject field.

If your attachment is larger than 5MB, you can upload it using WeTransfer (www.wetransfer.com - this is a free service that allows you to upload your file directly to us). The email address for delivery is: airsubmissions@africacentre.net, please add your full name and the artistic discipline you are applying under in the message field.

Alternatively you can send us a link to an online platform where you've uploaded your work (such as YouTube; Vimeo; Flickr).

3. Submitting via Post: If you cannot use any of the above methods, please feel free to post your application directly to us. Click here to download the application form: <http://bit.ly/RCD3SW>. Be sure to include the e-mail address and phone number where we can contact you.

Postal Address:

THE PROJECT MANAGER: ARTISTS IN RESIDENCY PROGRAMME
C/O AFRICA CENTRE,
5th FLOOR, 28 ST. GEORGE'S MALL,
CAPE TOWN,
8001, SOUTH AFRICA

Deadline for application submissions is the 20th June 2014. For more information visit: <http://bit.ly/SRE9vn>

(Call for Proposals) Elsevier Foundation New Scholars and Innovative Libraries Programs

June 17 is the deadline for one-page proposals on gender equality in academia and building research capacity in developing country libraries

The Elsevier Foundation (elsevierfoundation.org) is seeking grant proposals for the 2014

New Scholars and Innovative Libraries in Developing Countries programs. Grants focus on developing country libraries and scholars in the early stages of their careers.

The **Innovative Libraries in Developing Countries program** (<http://bit.ly/SRGx5f>) provides grants to libraries in the developing world to improve access to scientific, technical and medical information. The 2014 program priorities include measuring the overall impact of access to information on health, agriculture and the general social and economic wellbeing of a community. Additional priorities include professional training enabling librarians to serve as pivotal advocates in their research ecosystems and projects which demonstrate the link between research access, training, usage and health impact.

The **New Scholars program** (<http://bit.ly/1gBEHAb>) supports projects to help early- to mid-career women scientists balance family responsibilities with demanding academic careers and addresses the attrition rate of talented women scientists. Recent grants have promoted institutional research, advocacy, and policy development to retain, recruit and develop women in science and have enabled researchers to attend conferences critical to their careers by assisting with childcare, mentorship and networking. Since 2010, the New Scholars program has also focused on the developing world through support of recognition awards and national gender-benchmarking research mapping the opportunities and obstacles faced by women in science, technology and innovation.

The deadline for applications is June 17. Grants, to be awarded in December, will provide one-, two- and three-year awards of between \$5,000 and \$50,000 a year for a total of \$100,000.

Forty shortlisted applicants will be invited to submit full proposals by September 3rd.

“This year, as we look for projects to advance women in science and build capacity in libraries in low- and middle-income countries, we will search for even stronger outcome and impact evaluation,” said David Ruth, Executive Director of the Elsevier Foundation. “Because our grants often provide that first proof-of-concept funding, projects should serve as compelling models offering strong multiplier effects.”

Read more on ElsevierConnect: <http://bit.ly/1k23VbU>

As part of the Firelight Foundation's Capacity Building Program, Firelight provides "Newsflashes" to share relevant resources and information with our active grantee-partners via weekly emails and via post on a monthly basis. We hope that by facilitating access to information for grassroots, community-focused organizations, programming for children and families, as well as organizational development, is enhanced. Past editions of the Firelight Newsflash can be found on our website:

<http://www.firelightfoundation.org/resources/newsflash>

We welcome your comments, feedback and ideas for upcoming Newsflashes at newsletter@firelightfoundation.org

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