

There is evidence all around us of the impact of digital technologies on our lives: from the look of the physical high street; to the ways we communicate and consume media; to the brands we recognise and the ways we search for information, connections and resources. With 93% of adults carrying a powerful computation and communications device wherever they go, we have already seen a transformation to a connected world of information seeking, media consumption, conversation and sharing. Habits and behaviours; work and communicating; entertainment and consumption have changed due to the developments and use of digital technology.

Alongside these everyday experiences, we've witnessed whole new sectors emerge like fintech, digital manufacturing and cloud computing. We've seen existing sectors entirely disrupted by developments in technology, where household names like Kodak and Yellow Pages are replaced by Instagram and Google. We've seen new business models emerge that generate billion-dollar companies that seemingly appear overnight, and development approaches that allow a small startup team to out-compete established industry giants.

Of course there's a weight of research too that qualifies and quantifies the scale of this change (for example <u>Digital Day</u>, <u>UK Business Digital Index</u> and from <u>Ofcom</u>) as well as more about how that affects charities (for example <u>The New Reality</u>, <u>Charity Boards</u>, <u>Digital Revolution</u> and <u>Digital Transformation</u>).

The digital revolution isn't about apps and websites; it's about a fundamental change in the way in which we find information, people and support. It's about shifting power from established organisations and institutions towards individuals and their communities who now have the tools to create, share and organise. The digital revolution is the opportunity to <a href="mailto:empower people">empower people</a> and their communities to lead by supporting vital community organisations to respond to this dramatically changing context.

<u>CAST</u> works to do this. We support existing charities to understand how they can make the best use of digital technology, not only to deliver services to their communities, but also help them to become robust organisations fit for this changing digital context. This is not just about developing digital capabilities, but developing the skills, processes and tools that put people at the heart of development and services.

Incubators and Accelerators are well established in the for-profit tech sector as cost- and time-effective approaches to developing new digital products and services. These approaches are time-bound, focused and support-rich, where new ideas can quickly be tested, leading to high quality digital products and services being developed in a short period of time. Whilst there have been a small number of incubators for the third sector, those that focus on digital approaches tend to support for-profit 'mission led' businesses rather than charities and nonprofits. This relates both to the financial model ensuring the accelerator can be sustainable, but also the expected investment needs of the startups (which are expected to require equity investment to grow).

Fuse, the UK's first technology accelerator for nonprofits, fills this void by helping charities and social enterprises to create scalable and sustainable digital products that improve service provision, drive down costs and diversify their income. Fuse merges the fast paced development approach of lean/agile startups with the networks and reputation of established charities. This model decreases many of the barriers to scaling tech for good that are well documented. With demand from over 100 charities, CAST has recently worked with Breast Cancer Care, Oxfam's UK Poverty Team, Centrepoint and Age UK to develop digital products/services. Over the next few months, we'll also be working with Advising London, Clore Social Leadership and Women's Aid as they develop new digital tools to achieve their charitable objectives.

But more than simply supporting charities to create new digital products and services, this process brings about two fundamental changes. First, it strengthens the charities to operate within a digital context, developing their capacity to create future digital services and to integrate them into their work. Of equal importance, the programme strengthens the role of people and their communities in developing the most appropriate services.

Beyond providing new business models, cost reduction and opportunities to scale, digital technologies provide a deeper method for observing and building on people's choice making behaviours. Good digital technologies are built through continual co-design and testing, ensuring that the services meet people's needs as well as their choice making and behaviours. Accelerator programmes facilitate this approach to developing services that people want by shifting the design, development and production away from institutions, into direct contact with the people and community to inform the development.



**Agile and Person-centred approach** Led by user-needs, research, testing and agile processes, this process targets the overlap between existing digital behaviours and effective social interventions



**Bespoke digital teams** wrapped around the VCSO to build & test targeted digital services. Each professional team uses agile/lean approaches to ensure creative and productive development



**Integration** central to this model is the integration between the 'startup' approach of the digital team, with the reach, reputation and community links of the VCSO. This integration accelerates the impact of this work



**Tested service** this process creates tested & validated approaches to using digital to address big social challenges. The process reduces risk, waste and unnecessary cost



**Springboard** Mixing the best of digital with the best of VCSO. A springboard to better social and charitable outcomes.

The Fuse accelerator can be broken down into five broad phases:

- 1. Chemistry (pre-accelerator) In this first phase, social sector organisations are recruited based on their willingness to undertake an intensive programme. Critical factors include the Board and senior team's commitment to the strategic use of digital technologies; a financial investment of between £5,000 and £10,000 to unlock over £50k worth of support funded by Big Lottery Fund; an overall commitment to take forward the results of the work with further internal support; and dedicated staff involvement in the programme, including structured engagement by the Board and senior staff. The output of this phase is a cohort of social sector organisations committed to and ready to begin Fuse.
- 2. Discovery (accelerator weeks 1-4) Working together for the first time, the Discovery phase has three key goals. The first is problem definition in which each organisation explores the challenges they face from both a strategic and service user perspective, and identifies areas of opportunity for digital innovation. These areas are tested and developed in a quick and detailed way, informing the scope of the product or service. The second goal is to immerse the nonprofit in a supportive network of 'tech for good' experts, creating new connections and learning new replicable processes. The outcome of these sessions is a better understanding of the 'tech for good' sector, access to new networks, problem identification and the early development of ideas for relevant digital products and services. The third goal is to begin deep research to develop user-centred, test-driven approaches. A range of documents, maps and theories of change are created, data collected and evidence generated to identify the core focus and aims of the digital product or service.
- 3. Build (accelerator weeks 5-8) In the Build phase, each team collaborates with experts in digital development, testing and user experience. They learn about and deploy agile processes to quickly build, test and develop their digital product. This phase is built around the lean startup 'build, measure, learn' cycle which quickly iterates the product towards an MVP (Minimum Viable Product a basic version of the product that can be used for testing with the organisations' service users). The outcomes are an MVP, a social business canvas (which articulates the personal, social and economic plans for the work) and a deeper understanding of the role of digital in each of the organisations.
- 4. Integrate (accelerator weeks 9-12) Whilst continuing to work with developers and designers, this phase takes place within the nonprofit's own offices. The tech build continues and testing involves other experts from the organisation as well as making the process visible to all relevant staff. By the end of this phase, each organisation will have created a digital product or service, a business plan/road map and a pitch deck to support them in securing income/funding that will enable further development and scaling. A key objective here is to ensure that the new product is integrated into the organisation's operations and plans.
- 5. Develop (weeks 13-24) Two key activities take place during this final phase: 1) cohort and in-organisation sharing; and 2) presenting the stories and approach to the wider sector. Firstly, each team presents back to their Board and senior management team. This is a requirement set out in the initial recruitment for Fuse and ensures the work is linked back into the wider strategic development of the organisation at a senior management level. Secondly, CAST creates wider publications and tools to ensure the effective dissemination of this work and ongoing value from the accelerator. Finally, the CAST team provides ongoing support as the charity continues to integrate the product/service and drives its development and success. This support continues for up to three months after the intensive work within the Fuse accelerator.

## Requirements

CAST's Fuse accelerator provides charities and nonprofits with a dedicated team of designers, developers and tech for good experts to create innovative services and opportunities that improve their service provision and can offer new, unrestricted income streams. We recognise that not all charities are yet in a position to respond to these opportunities, so to join the Fuse programme, we're looking to work with charities who:

- Have a charitable impact within the UK.
- Are able to commit a financial investment of £5000 (if annual income is below £250,000) or £10,000 (if annual income above £250,000)
- Commit an aspirational staff member to lead the work and for the equivalent of 4 days of staff time a week over a three month period, and a senior member of staff for 0.5-1 days a week for three months
- Can provide opportunities for the project to work with a range of the charity's functional teams (including MarComs, fundraising and HR)
- Have a willingness to allow the project to develop autonomously, though with a clear intention to integrate it into the charity's strategy
- Have a willingness to explore new models of working that can help support the project and the overall charity to make the best of digital technology in pursuit of your charitable objectives

Big Lottery Fund's funding and support has enabled CAST's Fuse accelerator to work with 12 charities over 2017-18. Please fill out our <u>Google Form</u> if you are interested and meet the requirements, and we'll schedule a call with you in the coming weeks to discuss how we might support you.