

An Invitation

Finance Lab Faculty

“Transforming the financial system to one that promotes sustainability requires bold, radical thinking and collective action. The Finance Lab is exactly the kind of innovative approach we need and I fully support its goals.”

Pavan Sukhdev, Study Leader TEEB (The Economics of Ecosystems and Biodiversity)



The Finance Lab

An unparalleled opportunity to stimulate change in the financial system so that it serves the needs of society and the environment

The Finance Lab is an initiative designed to take practical action to stimulate transformational change in the financial system so that it serves society and the environment.

The Finance Lab has been founded by three partners; WWF-UK, the Institute of Chartered Accountants in England and Wales (ICAEW) the largest professional accountancy body in Europe and Reos Partners who create innovative change in complex social systems. Over the past several years, Reos have lead a similar change programme, The Sustainable Food Lab, which involves stimulating solutions for the global food system.

We believe that transformational change in the finance system is required to address a number of pressing global, social and environmental challenges. These challenges need a new approach that is collaborative and brings about systemic solutions and change.

For background information on our approach to and experience with addressing today's complex challenges see <http://www.thefinancelab.org/background.html>

We are now looking for faculty members to help support the Open Innovation Lab and its participants.

We are looking for faculty members who have:

- Exceptional and well-recognised expertise in the financial system, sustainability or innovation
- An ambition to stimulate transformational change in the financial system so that it serves society and the environment
- Outstanding contacts and networks within the areas of finance, sustainability and innovation

What have we done so far?

The Scenario Planning workshops

Identify domains of the financial system where innovation will lead to significant change

We held a series of workshops in July 2009 that brought together people with different roles within the economy and society. In partnership with Oxford University Said Business School Institute for Science, Innovation and Society, we identified domains within the financial system where innovation will lead to significant change. These areas will be the focus of activity for the Open Innovation Lab starting in 2010.



What are the next steps?

The Open Innovation Lab

Create initiatives that when scaled will stimulate transformational change in the financial system so that it serves society and the environment

The Open Innovation Lab will bring together thirty-six people to design and implement between five and seven initiatives. Participants will come from finance, business, government and civil society. They will build relationships and learn new insights and capacities that will enable them to take action and to create initiatives that, when scaled, will stimulate transformational change in the financial system.

What is the Open Innovation Lab process?

The Open Innovation Lab will begin with a three-day residential workshop in the spring of 2010 where relationships will be built between participants and areas of inquiry identified.

The research phase will follow, comprising a series of learning journeys and dialogue interviews. Learning journeys involve lab participants travelling together to immerse themselves in experiences and ideas that give them new perspectives on the financial system. This will include experiences that involve both domestic and international travel. Dialogue interviews provide an opportunity to explore a particular topic in depth with key people from different parts of the system.

In the summer of 2010, participants will enter an innovation retreat, designed to allow participants a space to reflect on what they have seen and experienced during the previous phase. This involves spending four days alone in a natural environment and allows fresh and innovative ideas to emerge.

Coming out of the innovation retreat, participants will group themselves into five to seven initiative teams. These teams will build on the domains established during the scenario workshops and the ideas that emerged during the retreat. Each team will create an initiative that has the potential to stimulate transformational change in the financial system, with each participant joining the initiative team they have most energy for.

Teams then enter the prototyping phase, where the initiative is refined and improved through a rigorous development and feedback process.

The prototypes will be then launched in the autumn of 2010. At this stage the prototypes will be of significant enough scale so that they will be then be able to be expanded and developed further as they will have access to an innovation seed fund which will be established by The Finance Lab.

Which domains of the financial systems will initiatives address?

Leadership, Values and Education

What are the values and leadership strengths we need to address complex contemporary trends both within finance and without? What new forms of education and education institution can support development of these capacities?

From Risk to Resilience

Finance is at core about the management and mitigation of risk, through arrangements that blunt the impact of crisis events on individuals. Whether this be through insurance or venture capital investment, risk sharing currently has a specific and limited focus. What would a risk industry that mitigates risks to our careers, our homes and our abilities look like? How could a new risk industry democratize finance?

Locally-directed Investment

Return on investment can come in multiple forms. Beyond a financial return, if the neighbourhood where I live is improved because my savings are directed towards local investment, then I've received a different form of return. How could the locality of investors - for example pension fund contributors - be considered in investment decisions?

New Business Models

Events of the last year have made people keener than ever to explore new models for banking. In retail banking, what would a community-owned bank look like? A bank with the primary objective of serving its customers' needs? What would it take to start and scale-up such a bank? What new business models will be successful in the future and what models would support a greater sense of equity?

Money and Value

How is money created? Are there alternative mechanisms for creating money? Are there even alternatives to using money at all? How is value best represented in our day-to-day transactions?

Valuing Externalities

Beyond 'cap and trade', what options are there for an innovative mechanisms for managing our use of energy, our emissions including carbon, and the ultimate impact on the environment? What are the new forms of accounting or other approaches that 'internalise the externalities'? Governance

From the institutions that regulate the global economy to alternate corporate structures such as co-operatives and mutuals: what governance structures in finance best serve society and the environment? What market opportunities might arise as governance changes in a post-crisis world?

Who will support the participants through this process?

Founding partners: A working group has been formed with finance, social and environmental responsibility and marketing experts from the founding partners.

Faculty: We will assemble a faculty who support the ambitions of the Finance Lab and can offer strategic advice to Lab participants as they create and prototype the innovation initiatives.

Secretariat: We will provide a full time secretariat to support the work of the Lab participants. They will be responsible for process design and meeting facilitation expertise, sourcing office and meeting space where appropriate, putting in place the legal and governance structures necessary, and coordinating the lab as a whole.

Agile coaches: We will provide a team of agile coaches who will provide project management methodology and support to lab participants as they create and prototype the innovation initiatives.

Faculty

We are looking for faculty members to help support the Open Innovation Lab and its participants.

What we need from you

- We ask you to commit a minimum of 10 hours of your time over a 9 month period between March 2010 and December 2010
- Provide public endorsement of the Finance Lab's ambitions

What are the benefits of being a Finance Lab faculty member?

- Ensure your expertise has real impact. The Finance Lab is a pioneering approach which will create action in order to stimulate change in the financial system
- Gain access to new social and business innovations that will emerge from this unique process
- Access a diverse network of individuals and organisations who are interested in this type of change and build relationships

Terms of Engagement

- You will have one point of contact with Finance Team
- Meetings will be arranged at your convenience, and will take place over the phone or in person
- Information shared with the team will be confidential and will not be attributable
- You will receive a quarterly update on the progress of the Finance Lab and will be offered opportunities to engage with peers, faculty, and participants

How to apply

- Contact Jen Morgan at j.morgan@thefinancelab.org and include your name, organisation (where relevant), contact details and a paragraph on why you'd like to join the Finance Lab faculty.
- Provide any additional information that further explains your interest
- Expressions of interest will be reviewed over the next few months and faculty members will be selecting on an ongoing basis

The aims of the Finance Lab are endorsed by:

Sarasin & Partners, The Economics of Ecosystems and Biodiversity project at the UNEP Green Economy Initiative, New Economics Foundation, Britannia, Network for Sustainable Financial Markets, Mercer, Oxfam and Forum for the Future.

The Finance Lab founding partners are:

Institute of Chartered Accountants in England and Wales (ICAEW): We are the largest professional accountancy body in Europe with 132,000 members running and advising businesses across all economic sectors. Widely respected as an expert commentator on business and industry issues, the ICAEW spans 165 countries and counts the majority of the FTSE CEOs and FDs as members. Over 15,000 members live and work outside the UK. The Institute also has some 9,000 students.

Reos Partners: Reos works with individuals or organisations who are committed to moving forward with others to address a particular tough challenge, in a complex context where no good maps exist. We support them to convene teams that have diverse perspectives on and stakes in the situation, who are committed to mapping and acting their way forward together. We work with this team as they deepen their shared understanding of the realities they wish to affect, clarify their collective intention, and implement initiatives that create new realities. Originators of the "change lab" approach, Reos has worked on change labs relating to global food systems, child malnutrition, public healthcare systems and more. Current work includes work on HIV/AIDS in South Africa, a global six city initiative on sustainable agriculture, public health work in Australia and much more. Reos has offices in Brazil, South Africa, the USA and the UK.

WWF-UK: WWF-UK is the UK arm of the WWF Network, the world's leading environmental organisation founded in 1961 and now active in over 100 countries. Using our unique combination of practical experience, knowledge and credibility, our 300-strong staff work with governments, businesses and communities both here in the UK and around the world so that people and nature thrive within their fair share of the planet's natural resources.

More information about the Finance Lab can be found at www.thefinancelab.org

