



Cobudgeting Guidebook

"You cannot buy the revolution. You cannot make the revolution. You can only be the revolution. It is in your spirit, or it is nowhere."

— Ursula K. Le Guin, *The Dispossessed*



SPACES FOR INNOVATION



In order to nurture the conditions for innovation and serendipity, we create spaces where lucky accidents and unexpected encounters can naturally emerge, cultivating lateral thinking, treasuring emerging insights, and allowing for 'exaptation'. Exaptation is a scientific term that describes a developmental process that is not linear, like evolution, but in which, under conditions of stress, a trait which evolved for one function is being utilised for a completely different function. A classic example of such a shift is the history of feathers. Dinosaur feathers evolved in a linear way for warmth and possibly for sexual display. When dinosaurs fell off trees, however, the ones with feathers glided rather than crashed onto the ground. The dinosaurs with lots of feathers were less likely to die, and more likely to survive and have offspring. Eventually the feathers further evolved and allowed for flight. This process towards the ability to fly would not have happened in a linear way. If dinosaurs never had feathers, falling off the trees would not have given them enough time to develop them. It is not evolution that is at work here, but exaptation.

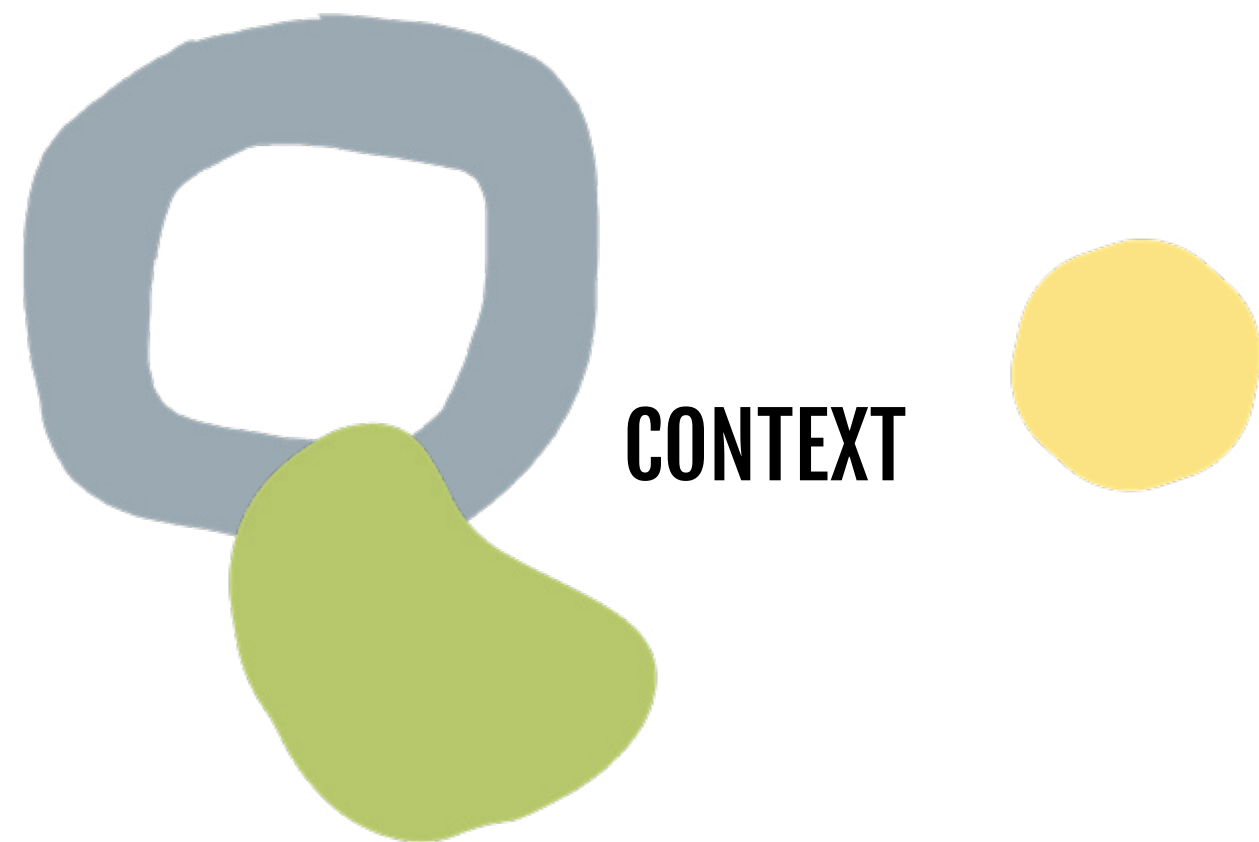
The awareness-based change methodologies that we often adopt actively cultivate sensing and listening processes, which allow participants to broaden their perspective about what potentials are present (e.g. feathers), and to engage in heuristic processes that invite innovative insights about how these can be applied to the predicaments and problems (e.g. death by falling off trees) in the system. The emergence of such matching is by far not obvious. Can the funding process facilitate or even further the likelihood of such discoveries?



CHALLENGE

Allocating funding to social innovation projects on the other hand requires structure: some kind of selection process where certain ideas emerge as more promising and more viable in the actual context than others. Creating a set of criteria outside of the innovative field of the spaces of emergence mentioned above in order to judge the outcome of the playful improvisation inside it is, however, contradictory - true innovation will not fit the criteria that come out from a different, linear and prescriptive thinking process. It is often the case that the most interesting projects cannot be funded, even when the jury perceives their outstanding nature, because they do not fit the pre-fabricated guidelines that steer the funding allocation process. There is a palpable tension between financial accountability and innovation in the social field.

Can we rethink resource allocation in a way that allows for transparency and accountability without breaking the fragile serendipitous emergence of new ideas in awareness-based change processes?



In March 2020, as the new virus swept through the planet, our society was forced to face an unprecedented disruption. Suddenly, systems we had built our lives on came to the brink of collapse, requiring urgent and immediate action on multiple levels. While these actions were essential to address the symptoms of the crisis in order to avoid chaos, death and social breakdown, it was also clear that the work facing us collectively cannot stop there. Another process, one of deep inquiry and reflection was needed, and made possible, as the breakdown of everyday life nudged many people to dedicate time and resources towards understanding the root causes more fully, to become collectively more aware of the interdependencies and entanglements of our world, in order to find new avenues towards different futures.

Activating people who were inspired and motivated to work towards deep societal transformation, [Nova Helvetia](#) emerged as a successful experimental process, employing many old and new social technologies that are readily available, woven together with some of the learnings and insights from [collaboratio helvetica's](#) previous work with dialogue, social innovation labs and other collective processes. It allowed the participants to form working groups, which have gone through a sensing and research process together and in the end, came up with various prototype proposals. Due to generous funding from [Migros Pioneer Fund](#), the prototypes could be supported financially to enable their success. We found ourselves facing the challenge that is usually the privilege of foundations and public institutions. How to find a way to allocate resources to the emerging prototypes, without imposing a fundamentally different logic onto the serendipitous processes of the Nova Helvetia journey? More precisely, who should decide which are the most promising proposals, and how to divide the available resources between projects?

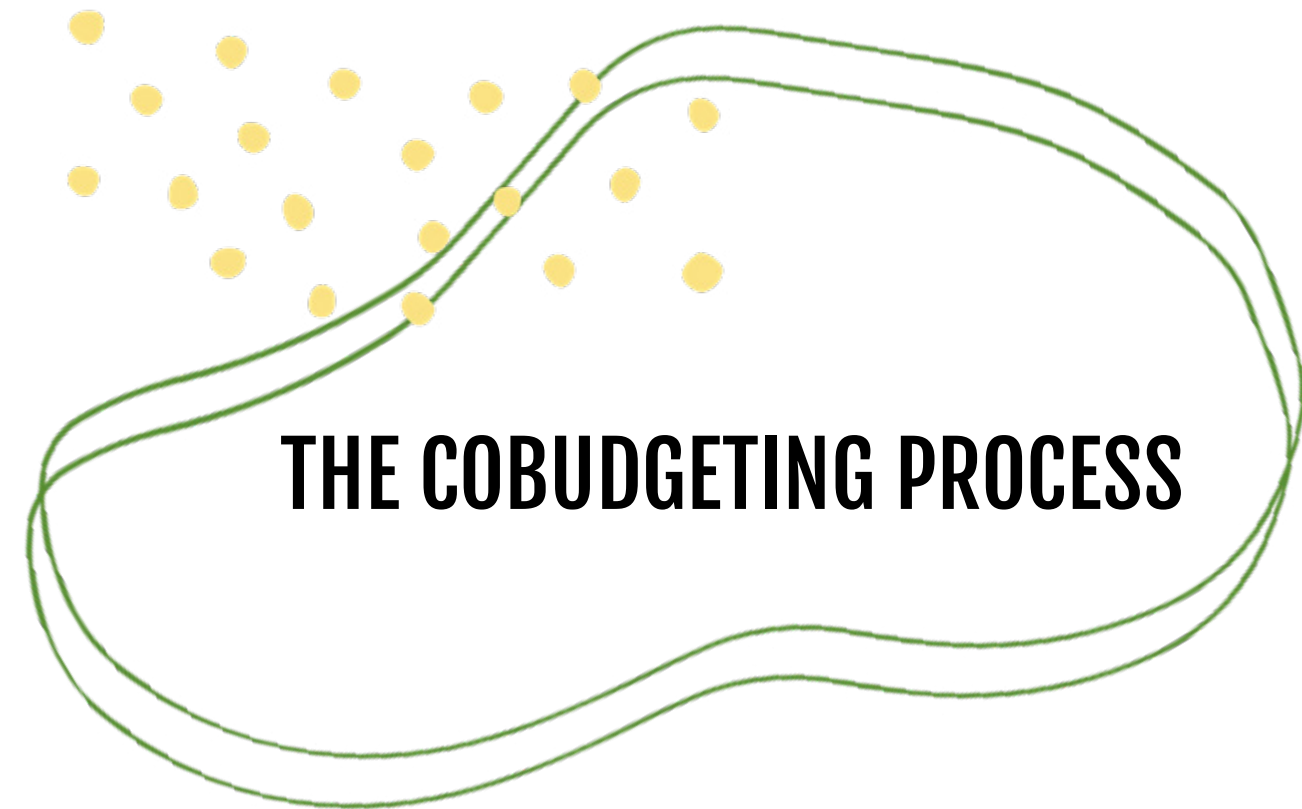


COLLABORATIVE FINANCE

What do we mean by collaborative finance?

It is a resource allocation process where all the decisions regarding which project should be funded and how much are made collectively by all the people who are directly involved, either as participants in the proposed projects, or in the design, coordination, facilitation, financing and evaluation of the entire initiative.

Our intention was to align this last step of holding space for collective action with the overall, emerging, serendipitous nature of the Nova Helvetia journey itself.



THE COBUDGETING PROCESS

1. Deliberation whether to use collaborative financing

2. Capacity Creation

- a. Funds
- b. People
- c. Platform
- d. Time

3. Facilitation

- a. framework
- b. ground rules
- c. Invitation
- d. Workshop spaces
- e. Communication
- f. Learning materials

4. Group work

- a. prototype proposals
- b. Collaboration
- c. Participation
- d. Planning and coordination
- e. Prototype actions

5. Personal Work

- a. embodiment
- b. Participation
- c. Sagacity, learning

6. Collective work

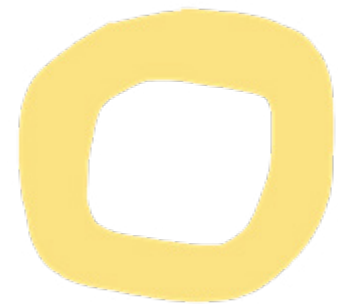
- a. Reflection
- b. Adaption
- c. Learning (sagacity)

7. Resources

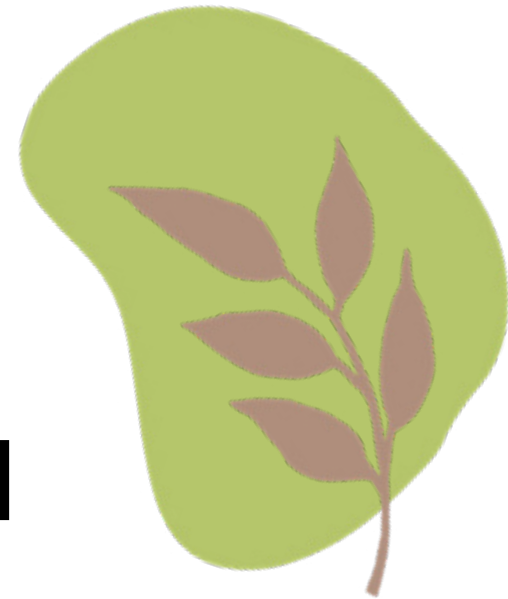


Collaborative financing is not fit for all situations. It is important that the organisers and the funders together carefully consider the context, together with the pros and cons of taking this route. Here is our brief list of considerations:

| | Collaborative process | Independent jury |
|---|------------------------------|-------------------------|
| FAIRNESS (sense of) | higher | lower |
| CONSENSUS/ALIGNMENT (among all participants) | higher | lower |
| COMPETITION | lower | higher |
| COLLABORATION | higher | lower |
| INCLUSION | higher | lower |
| INNOVATION | higher | lower |
| SYNERGY (among projects) | higher | lower |
| TIME | longer | shorter |
| EFFICIENCY | lower | higher |
| COHESION (among participants and teams) | higher | lower |
| COST | free | free or for fee |
| COMPLICATION | higher | lower |
| SATISFACTION (with outcome) | higher | lower |
| SERENDIPITY | higher | lower |



CAPACITY CREATION



Once the decision is made to employ collaborative resource allocation to distribute funds among competing projects, a few preliminary steps are needed in order to make sure there is enough capacity to follow through the process.

a. Funds

It is important to be very clear about where the money comes from for distribution, whether there are any special conditions tied to their allocation, and how much money is available altogether. These are conditions that are not controlled by the collective, and so it is essential to have them clearly articulated before the process begins.

b. People

Another key decision is to draw clear boundaries around participation. Who can take part in the collective process, and who cannot, needs to be also decided and recorded clearly before the launch.

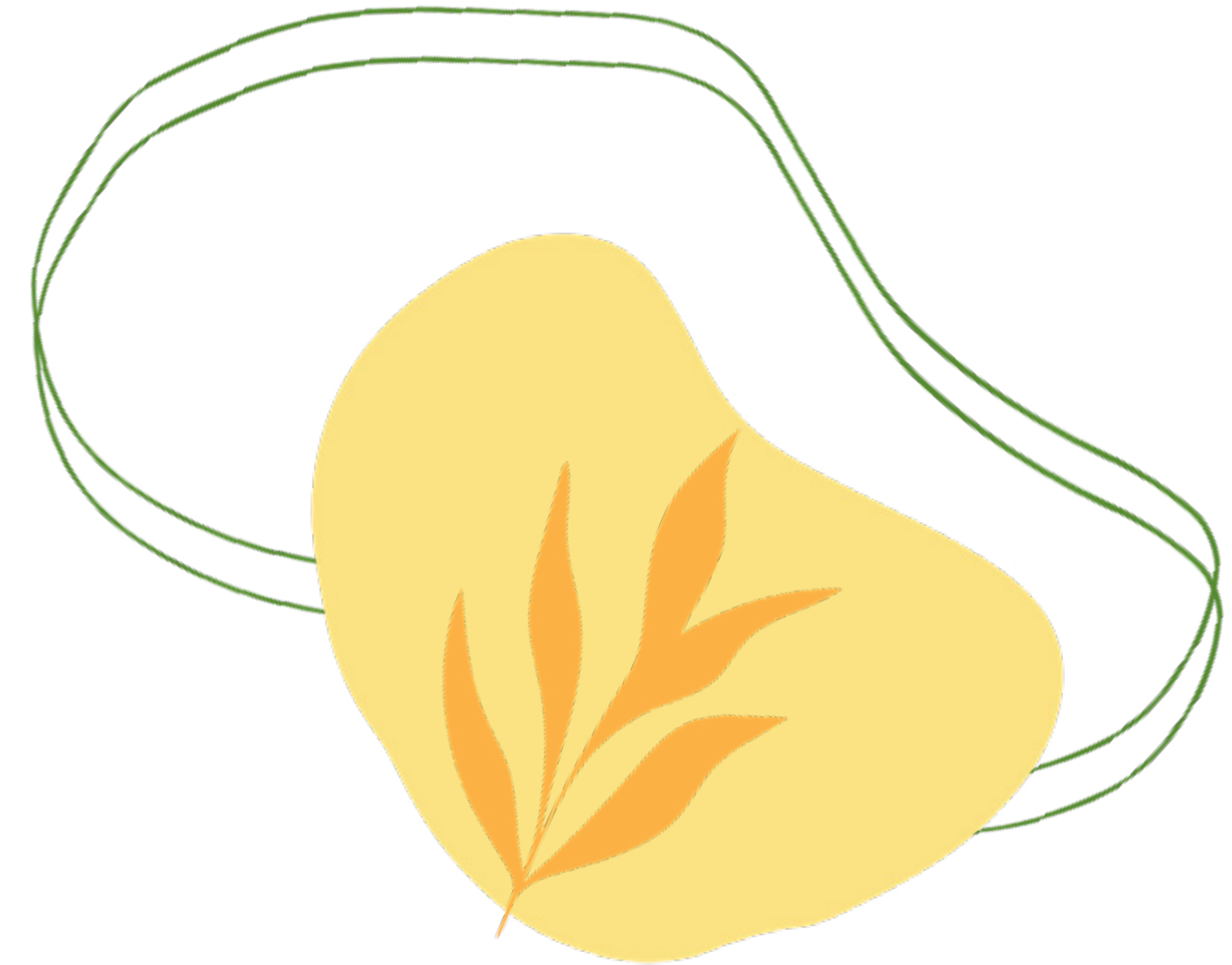
c. Platform

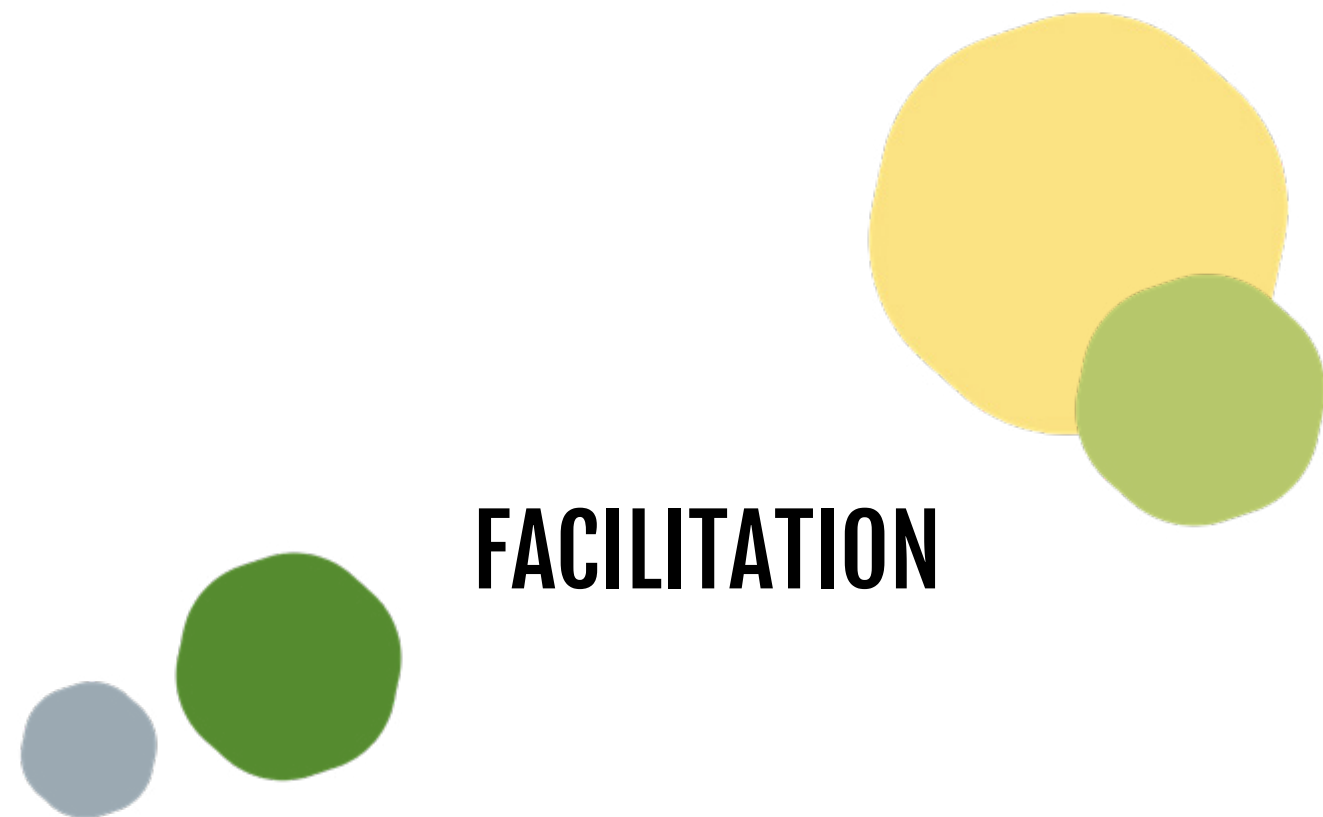
We did not invent collaborative financing. The [Enspiral collective](#) thoroughly documented their use of what they called Cobudgeting process and we built on their journey. More practically, they built an online tool, called COBUDGET, which supports groups that are going through this process as a distributed organisation. Since our project took place during the pandemic, and so it was impossible to meet in person, the platform became the main meeting place for presenting, discussing, altering and even merging the different projects. The platform is here: <https://cobudget.co> Please find our hand book on how to use the platform in the Appendix.

d. Time

- Step 1. Preparation by facilitators - minimum one week
- Step 2. Platform setup - a few hours
- Step 3. Produce supporting materials - minimum one week
- Step 4. Invitation - at least one week before the first workshop
- Step 5. First workshop - 90 minutes
- Step 6. Groups post their projects on the platform, questions, insights, feedback - 2 weeks
- Step 7. First round of allocation - 1 week
- Step 8. Second workshop - 90 minutes
- Step 9. Second and final round of funding allocation process - 1 week
- Step 10. Announcement of final outcome, money transfers - 1 day

TOTAL: a little over one month





FACILITATION

We assigned two facilitators to hold the process, right at the beginning. They became responsible for making sure all the preparatory groundwork was laid down, monitored the cobudgeting process from beginning to end, and facilitated the sessions, dealt with emerging issues and questions, and conducted a thorough evaluation process afterwards. The facilitators had the following areas of responsibility:

a. framework

Before launching the Cobudgeting process, the facilitators made some basic decisions.

- Who can participate in this process? We decided that everyone who was part of a group that proposed a prototype, and the collaboratio helvetica employees who have been actively working on the Nova Helvetia journey would be invited, and nobody else.
- How the funds for allocation are distributed among participants? Our decision was to give everyone an equal amount of funds to allocate.
- How many rounds of allocation runs do we do? In theory you only have to go through the process once. However, we decided to do a 'trial run' before the actual allocation, in order to allow time for insights and exchange on stepping into this new role, unfamiliar for most of us.
- Do we allow partially funded projects? We decided that groups who do not fully reach the desired funds can still take the amount allocated to their project and use it.
- Timeline. We set up a timeline that ran over a period of a month, allowing the participants to engage with the process at their own pace.
- Platform. We used the Cobudget platform developed by the Enspiral team, which required us to set up the project there and invite our participants.

- Supporting materials. We drafted a brief handbook on prototyping, on how to use the platform and also on the interim steps of the allocation process.
- We also drafted a questionnaire for evaluating the process, which we not only sent out to participants once the process was finished, but offered to collective spaces for discussion, and allowed people to be interviewed instead of filling out the questionnaire.

b. ground rules

We quickly realised that we have to set some rules about participation and prototypes in order to ensure the fairness and quality of the cobudgeting process. In addition, the amount that we allocated together came from Migros Pioneer Fund, and there were certain minimum expectations that we had to report on towards them. Collaboratio helvetica also decided to define in some sense what counts as a new prototype, and also record our own expectations from the working groups. This is why we crafted a Memorandum of Understanding which contained the conditions for receiving funding, that we made available to all participants before we started the process.

c. invitation

We sent an invitation to all eligible participants where we introduced the idea of Cobudgeting, shared the Timetable, and provided a handbook that contained the step by step instructions for participation.

d. workshop spaces

We realised early on that it is crucially important to make this process as collective an experience as possible, not only within the working groups but across all participants. This is why we decided to hold 2 workshops around the topic of collaborative financing, besides the prototyping workshop that preceded the cobudgeting. The first cobudgeting workshop provided a

space to walk all participants through the steps of the process, share open questions and answer some concerns. This was before we launched the first round of the allocation process. After we closed the first round, and before the second one, we again held a workshop to discuss the challenges, insights, inspirations and outcomes of the process until then.

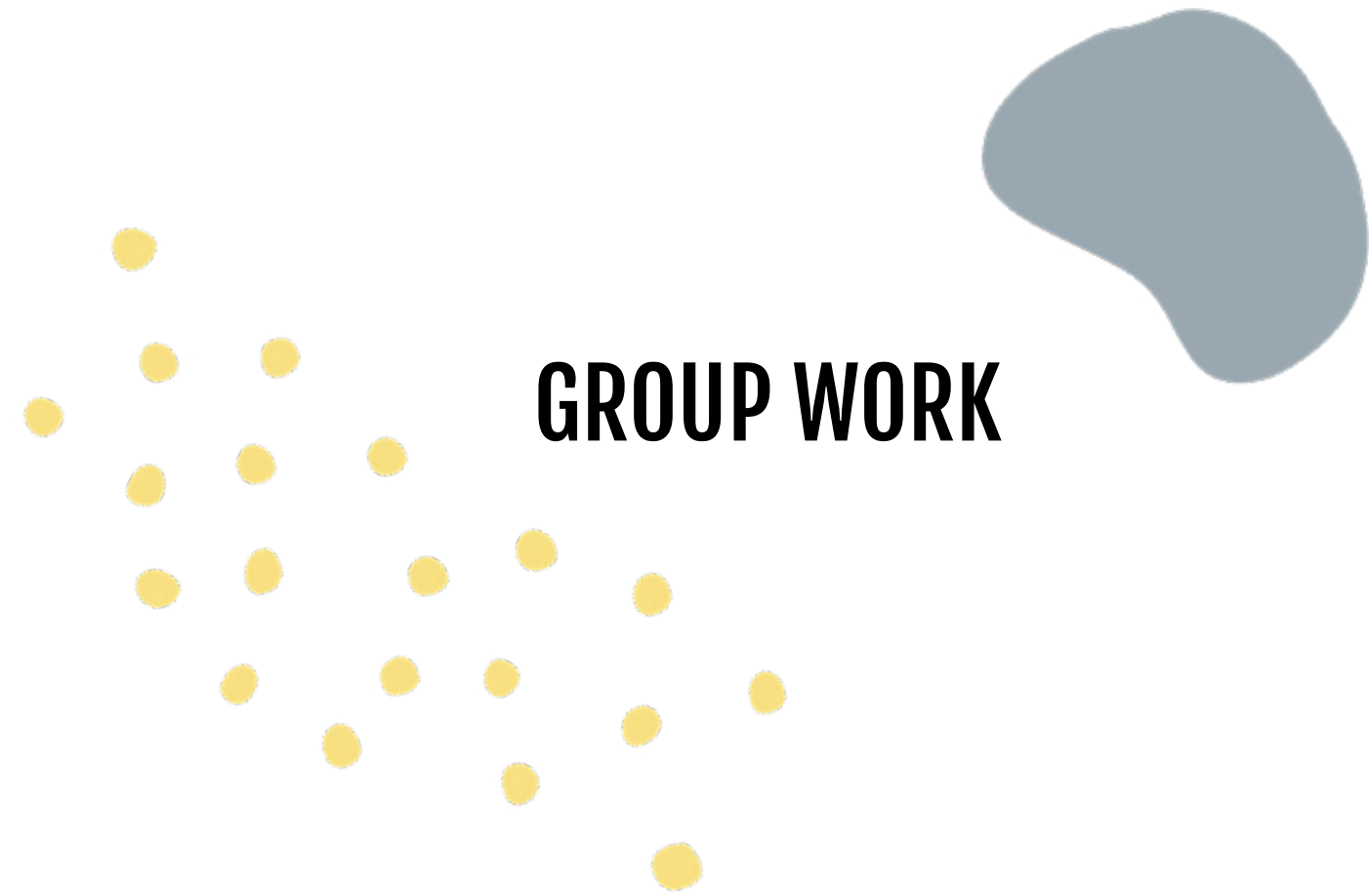
We also held an open space for feedback and evaluation after the funding allocation was done.

e. communication

The clarity and structure of communication was essential to the success of the project. We sent out emails, shared documents, reiterated again and again the timeline, and collected all documents in one place. Still one of the most important feedback from participants at the end was the request for even more clarity. For example we proposed and explained the two funding allocation rounds in the workshops as well as in several pieces of communication, and it still came as a surprise and a source of confusion to some. In retrospect creating a temporary webspace for the entire project and store everything in one place would have been useful.

f. learning materials

As mentioned above, we created small handouts for the different parts of the process. We put together a Prototyping Handbook, and also a Cobudgeting one, which walked participants through the entire process, together with dates, screenshots and reference materials. While this was very much needed, it is important to note that most people did not read these and the main source of information and the foundation for the collective process were the in-person workshops.



GROUP WORK

The concept for the Nova Helvetia journey was based on awareness-based change methodologies which emphasise the deep importance of collectivity and collaboration in systemic level social change work. Not acting alone is a very important underlying principle of these techniques. This is why we put as a condition to the prototype proposals that they need to be held by a team of at least two people.

While the facilitators held space for the larger collective vessels, we also created designated times for working groups to come together and go through self-facilitated processes in order to activate collective intelligence. Just a few examples are [System mapping](#), [stakeholder interviews](#), the [Stuck exercise](#), collective sense-making and sharing rounds. The focus on group work and collective action was upheld and nurtured throughout the prototyping and cobudgeting phase.

a. prototype proposals

Originally our assumption was that the prototypes will simply come out of the reflection papers of the Nova Helvetia process. To our surprise and delight, it became a much more multifaceted journey with many surprises. Some working groups who wrote a reflection paper did not submit a proposal. Some groups have split up, one group has merged with another group. New prototypes and teams emerged around new insights and ideas among people who originally worked in different groups. It was delightful to see almost an organic, burgeoning process of idea generation and team formation.

As mentioned above, prototype proposals were strictly tied to a collaborative approach. At least 2 people needed to be involved to be eligible for the funding opportunity. We encouraged creativity and thinking out of the box, and

strongly emphasised the importance of keeping the scope of the prototype realistic. Since the prototypes were made visible to every participant, there was a rich conversation around each proposal, and they have been evolving throughout the process.

b. Collaboration

Much of the Theory U process that we used during the Nova Helvetia journey focuses on self-awareness. That individual level work however is simply a preparation for collaboration and collective action. Parallel to that, participants were also learning how to come together with others and share wildly different perspectives without discord. This process was taken a step further in the cobudgeting process, where people were collaborating within their teams as well as collaborating across teams. An important part of the cobudgeting process is the engagement with each group's project on the Cobudget platform, posing questions, offering connections and insight, and actively contributing to the improvement of each proposal. This eco-system level collaboration is a major part of the cobudgeting process, and one of the main reasons we believe that cobudgeting is a funding allocation process very much fit for funding systemic level work. In the live process of collective discussion and mutual support, the likelihood of discovering existing ideas and tools and finding an unusual or unforeseen use of them (exaptation) is much more likely.

c. Participation

Active participation is a key part of the collaborative finance process. We can say that most of the facilitation work is focused on making sure that people are motivated, confident and committed to participating throughout the

journey. We estimated that it is a 2 hours a week commitment on behalf of the participants just to participate, not including working on one's own project. The outcome of the allocation process is also impacted by participation: teams who spent enough time on the platform engaging with questions and suggestions were more likely to achieve their financial goal.

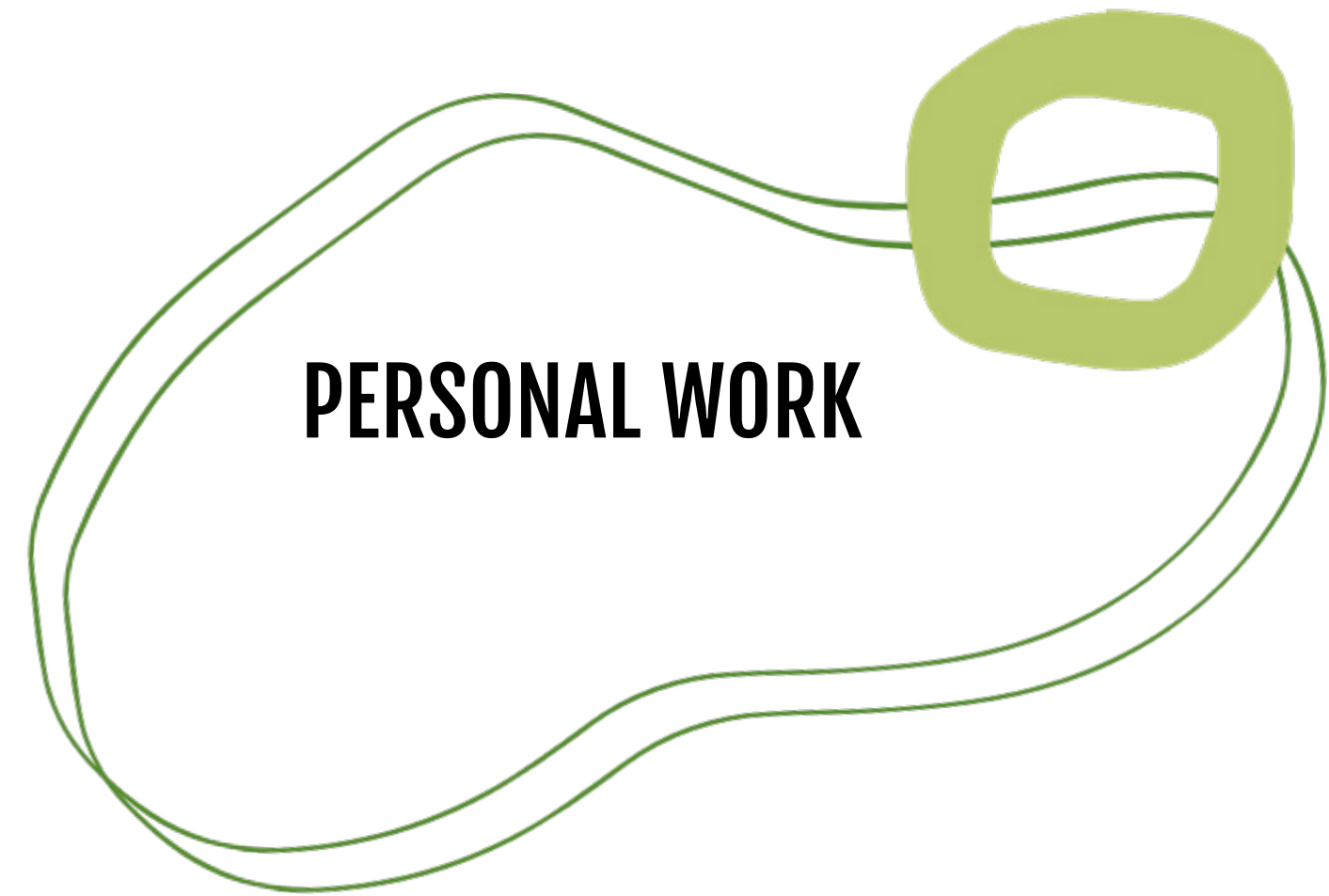
Another key aspect of participation is the opportunity for self-reflection, insight and perspective change. We will return to these in the Personal Work section.

d. Planning and coordination

The groups worked in complete autonomy. Apart from the initial Nova Helvetia U process that introduced certain tools for collaboration, we did not monitor or organise any aspect of the group work. It felt like an important strength-test for the teams, whether they could plan, organise and coordinate among themselves. We are very happy to report that this trust paid off well. All groups self-managed themselves without requiring the facilitators to step in.

e. Prototype actions

After the funds were allocated, each group set out to deliver their project. Once again, we did not monitor this process. The memorandum of understanding document that they signed (see Appendix) specified a few details of delivering their prototypes and reporting back, and it happened largely without stress.



While cobudgeting is a collective and collaborative process, its success depends to a large extent on a deep personal commitment to shifting perspectives, curiosity, sense-making, reflection and autonomous action. Collaboration, especially among people with very different backgrounds, is not possible without a certain level of self-awareness and a personal practice of owning responsibility for whatever emerges, listening to others and the environment beyond articulated words, and caring for a safe space within oneself that can resist outer turmoil and provocation.

a. embodiment

One important aspect of the participatory finance process is the necessity to step into a new, very different role (the 'funder') while still occupying one's original role (the 'receiver'). The active tension between the two roles were tangible throughout the process, and we found that the workshop spaces provided an excellent space for articulating the dilemmas and sharing the hard questions that emerged from this tension. During the first workshop, such questions as why we decided not to put an upper limit on group size (which could result in large groups simply getting funded because all their team members allocate all their money to their own project), came up. The facilitators' job was to hold space for the emerging insights about a radically new perspective on financial matters, based on trust.

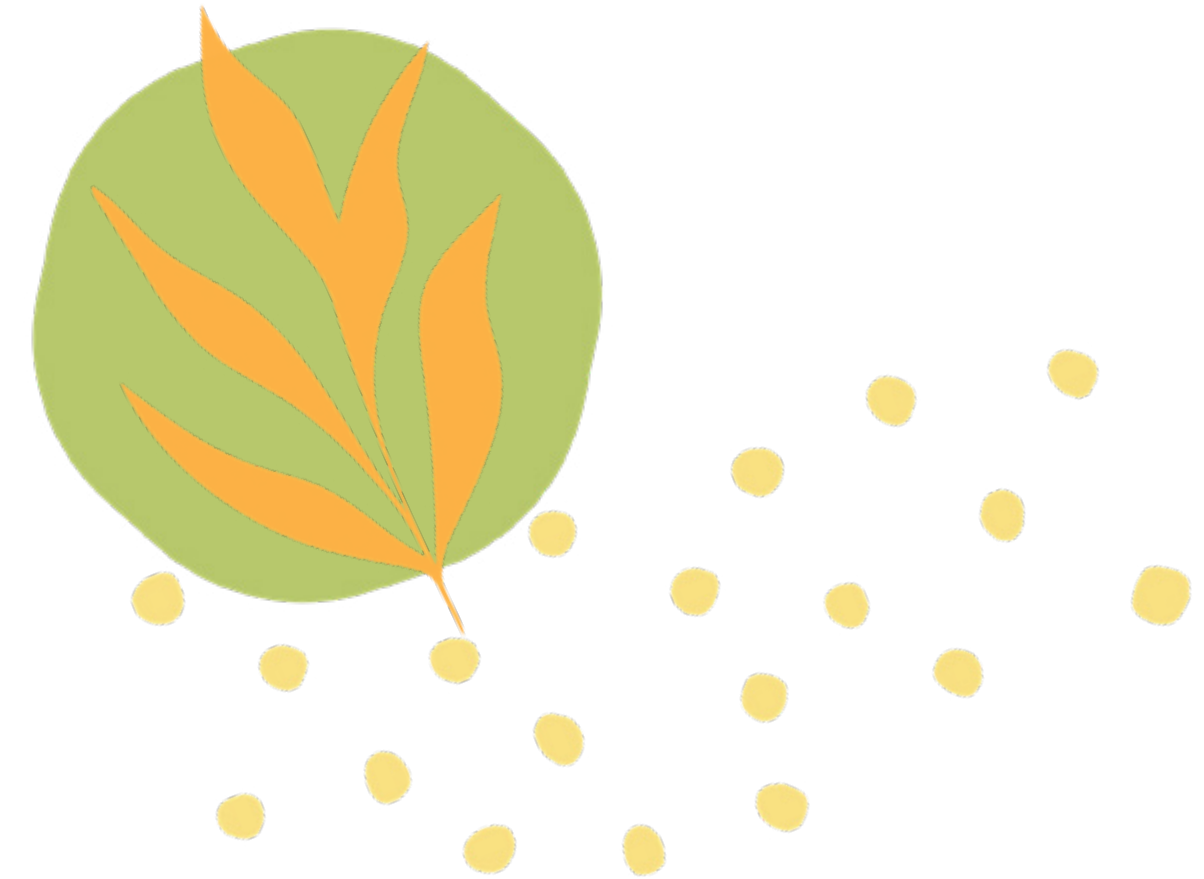
In the regular world, trust on a collective level is alien to resource allocation processes. Money distribution is hierarchical and strongly controlled. Stepping into a collectively held collaborative finance process means to personally deal with the alarm and anxiety that emerges from deviating the 'norm', and allow a new paradigm to emerge that could guide us through this process in a very different way.

b. Participation

While we already mentioned participation in the Group Work section, it is worthwhile to revisit it here. A personal commitment is essential to the success of the collective process. This is not something we are generally socialised to do - in our normal lives participation tends to be transactional (I show up if it is in my interest, not because I feel responsible for the whole), not emerging from caring for the collective. Generally we do not have a culture around community, caring for a commons, and sharing the responsibility for an emergent space. Collaborative financing stretches our assumptions about what it means to contribute, how to be part of a collective process, and how to be personally accountable for a collective outcome. It is a key aspect of what we can call a paradigm shift in ways of working together.

c. Sagacity

Innovation is deeply interconnected with serendipity - and sagacity, the ability to recognise that something truly new is emerging, and hold it, is an essential part of serendipity. Personal presence in a collective process is essential to the success of the whole, and it also means to remain alert, open and flexible to the constantly changing and shifting landscape of the collective mind, to be generous with time and attention, and magnanimous with ideas and insights. Offering one's personal skill to recognise and capture key moments for others is one of the most important contribution to the collective.





“We take care of the land, and the land takes care of us.”¹ – one definition of a commons

The concept of the 'commons' is so little known in our everyday culture that collective work, working or caring for a commons, is not an activity we can easily identify with or even recognise.

The [Digital Library of the Commons](#) defines “commons” as “a general term for shared resources in which each stakeholder has an equal interest”. What this definition leaves out is the point that the 'commons', the commonly held resource, is also an active stakeholder, embodying the value that is created collectively. How does the collective give back to the individuals that make it possible?

a. A space of caring

One characteristic of the collective work that individuals are held by in a commons is caring. The well-being and comfort of each participant is essential to the whole, there is no competition, only some sense of ambition (without being ambitious) and an aspiration to do one's best. The collaborative finance process became such a caring space. It doesn't mean that everyone was equally happy, but it does mean that every single participant felt that the process of resource allocation was fair and the outcome just.

b. A space for emerging ideas and insights

Another characteristic of the collective work is a fertile possibility for new ideas and insights, often emerging from cross-pollination and cross-collaborative dialogue. When the One Health group could not find capacity to run their own

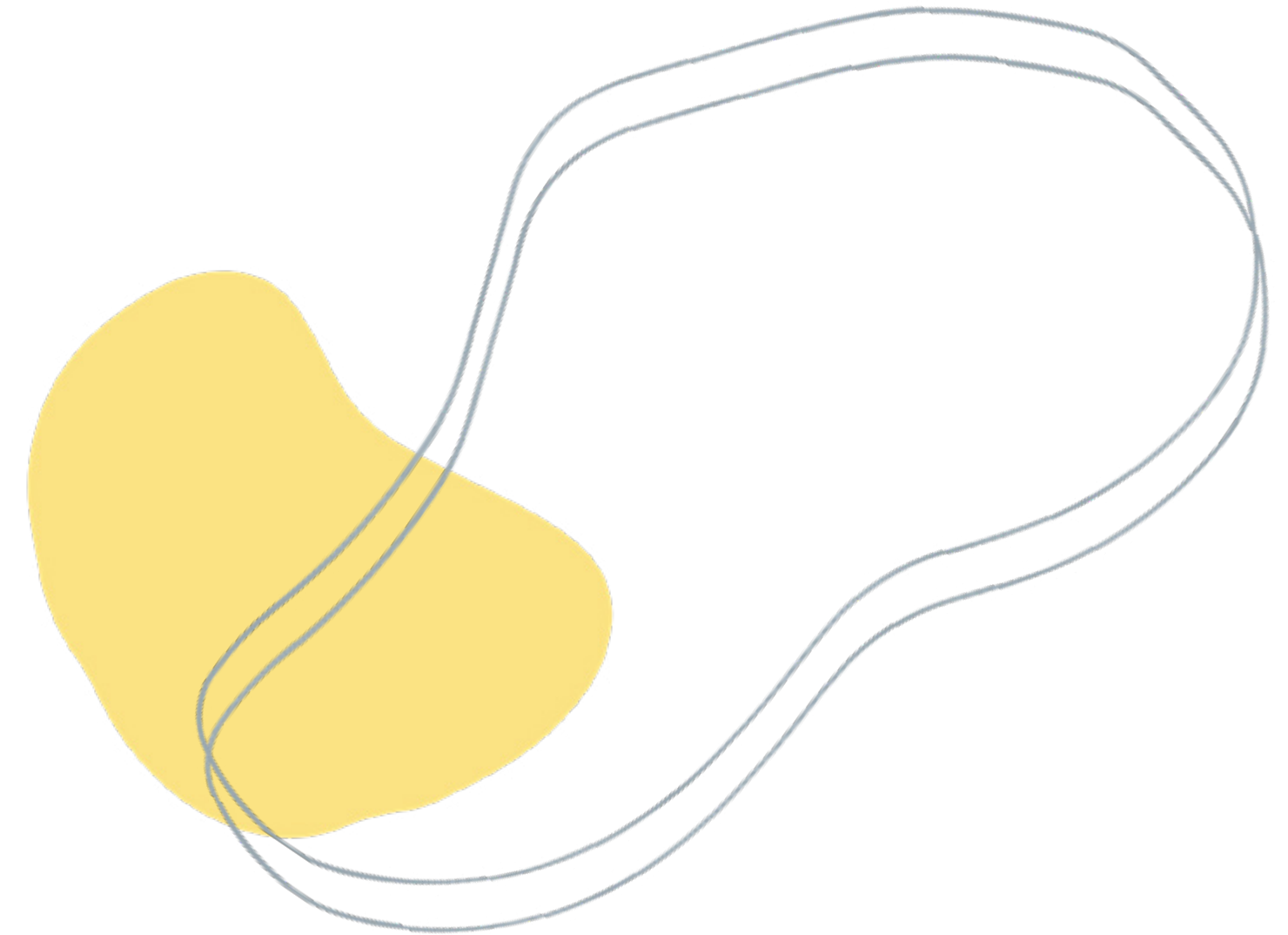
¹<https://hewlett.org/we-take-care-of-the-land-and-the-land-takes-care-of-us-indigenous-led-conservation/>

prototype, they ended up supporting the Cities and Neighborhoods project in facilitating a dedicated dialogue evening about the topics of health in Bern. We can see the parallel between this emerging collaboration and the 'exaption' process described at the beginning. There is not always a need to search for something new, when a serendipitous encounter can enable two projects to take off in mutual support.

In the Cobudget platform conversations insights and suggestions were generously shared, and even tentative ideas thoroughly explored. This collectively held field gave back to each individual as much as they had put in, in terms of inspiration and support.

c. Gift to the future

It is not easy to produce in real life small pockets of alternatives to the mainstream mode of operation. In conducting such experiments in creating and caring for a commonly held resource (in this case for the innovative space of the Nova Helvetia project and the money that was given to this space by Migros Pioneer Fund), we dedicated ourselves to trying out a way of allocating resources that clearly belongs to the future. It required a personal and collective stretch of imagination, a lot of time and effort, and a generosity to create something new. The reason why we decided to collect our learnings in this Guidebook is because we feel that the importance of the journey passes way beyond the actual collaborative financing process for the Nova Helvetia groups. In a way, we hold this experiment as a gift to the future, believing firmly that another world is possible.





RESOURCES

Handbook - step-by-step aid for the Nova Helvetia working groups:
https://docs.google.com/document/d/1oHJ-h97BuMIGetPo9DOxXWH-cp5uxFwDz_eivkwFP-Os/edit#heading=h.7vf4i9gpxcfu

Questions for feedback survey: [Cobudget survey questions](#)

Prototyping workbook:
<https://docs.google.com/document/d/1LfQ1EEhQI8GT-D876fCqf4B2rWetB-gMm8Hfvi1c03IE/edit>

How to apply for the Nova Helvetia prototype fund:
https://docs.google.com/document/d/1BHm9WysMvWtLxHnAbhrdgtxW0-y6nMHe9HMtWzYp_TY/edit#heading=h.mx61zijqo2f0

Memorandum of Understanding template:
https://docs.google.com/document/d/1up_TFTNyryuVMeKRgJ6gfaE-ViOpXolONJPB5ACo3Ync/edit#heading=h.mx61zijqo2f0

BIG THANK YOU TO OUR SUPPORTERS



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