



LEARN. SOCIAL ENTREPRENEURSHIP **SOCIAL IMPACT MEASUREMENT - brief introduction**

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REGIONAL CONFERENCE

The road to financial sustainability
of civil society organizations

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// PURPOSE, TOPICS

To present the **importance, mission, benefit and best use** of social impact measurement.

// what impact measurement means and what is its mission

// why it is important for different stakeholders

// what is the benefit

// what different types of methodologies exist and how they can be used by SE, CSOs and state bodies?

// relevant resources (researches, networks, events etc.)

// IMPACT MEASUREMENT...

// **no common language / definitions** - the lack of consensus

// (social) impact / (social) value / (social) return

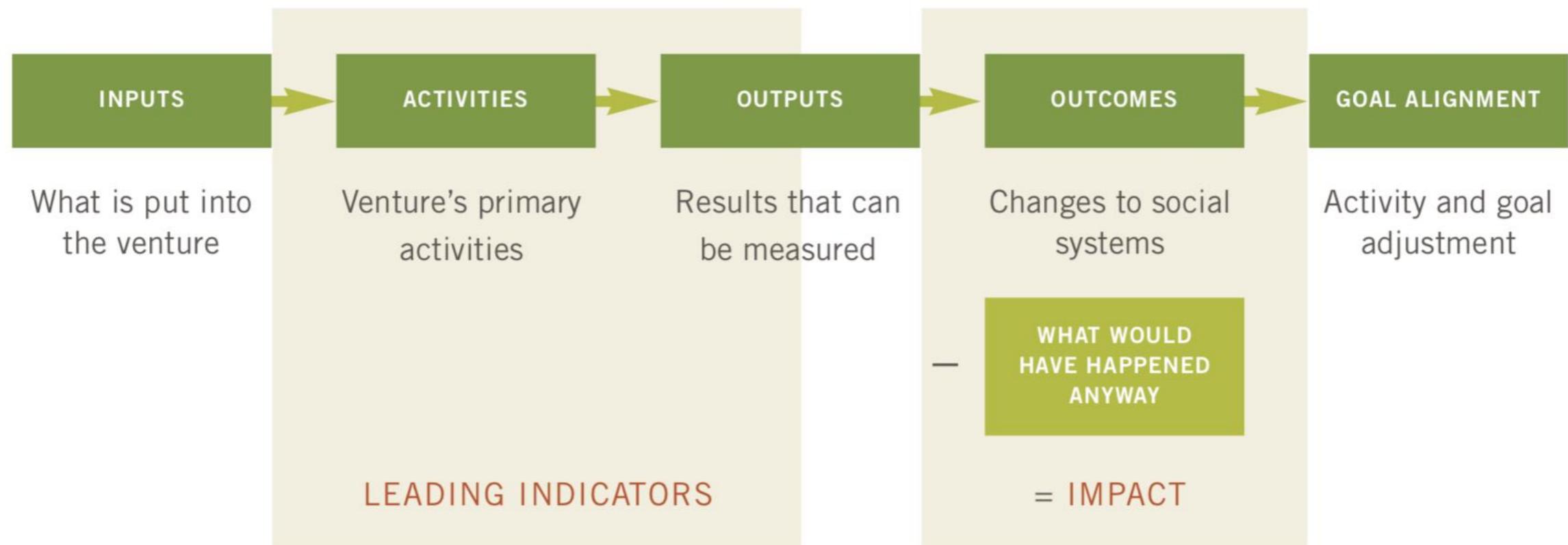
// IM aims to assess the **social value** and **impact** produced by the activities or operations of any for-profit or non-profit organization

// **a relatively new field**, but not a new phenomenon

// **not currently widespread** (see challenges), even though it is gaining traction

// experimentation still needed to help **structure it** (result: a standardized, synthetic measurement process) and **create a measuring culture**

// IMPACT MEASUREMENT...



Outputs: The things produced / **Outcomes:** Net benefit to recipients; intended results; attributable to activities / **Impact:** Net benefit to broader community; often long-term, including unintended 'spillover' effects

// IM METHODOLOGIES...

Variety of methodologies:

1/ to evaluate organizational efficiency (forecasting, monitoring and measuring positive social impact on society) - e.g. **PQASSO, SAA**

2/ to measure user progress (tools combining the path of progress and improvement tools), e.g. **The Outcome Star**

3/ for financial impact assessment (emphasis on reporting on savings, benefits, monetization of social impact), e.g. **CBA, SROI**

4/ organizations themselves adapt existing and / or create new tools

// IM METHODOLOGIES...

1. Acumen Scorecard
2. Atkinson Compass Assessment for Investors (ACAFI)
3. Balanced Scorecard (BSc)
4. Best Available Charitable Option (BACO)
5. BoP Impact Assessment Framework
6. Center for High Impact Philanthropy Cost per Impact
7. Charity Assessment Method of Performance (CHAMP)
8. Foundation Investment Bubble Chart
9. Hewlett Foundation Expected Return
10. Local Economic Multiplier (LEM)
11. Measuring Impact Framework (MIF)
12. Millennium Development Goal scan (MDG-scan)
13. Measuring Impacts Toolkit
14. Ongoing Assessment of Social Impacts (OASIS)
15. Participatory Impact Assessment
16. Poverty Social Impact Assessment (PSIA)
17. Public Value Scorecard (PVSc)
18. Robin Hood Foundation Benefit-Cost Ratio
19. Social Compatibility Analysis (SCA)
20. Social Costs-Benefit Analysis (SCBA)
21. Social Cost-Effectiveness Analysis (SCEA)
22. Social e-valuator
23. Social Footprint
24. Social Impact Assessment (SIA)
25. Social return Assessment (SRA)
26. Social return on Investment (SROI)
27. Socio-Economic Assessment Toolbox (SEAT)
28. Stakeholder Value Added (SVA)
29. Toolbox for Analysing Sustainable Ventures in Developing Countries
30. Wellventure Monitor

Maas & Liket (2011, p. 9)

// IM METHODOLOGIES...

“As to methods there may be a million and then some, but principles are few. The man who grasps principles can successfully select his own methods. The man who tries methods, ignoring principles, is sure to have trouble.” Ralph Waldo Emerson, 19th Century American philosopher

Tightly defined purpose - mission and objectives
Engage all relevant stakeholders - iteratively
Understand the change you are seeking to achieve
Measure and prioritize the things that matter
Do not over claim
Be transparent – both purpose and measurement
Verify the impact you are claiming

METHODS OF MEASURING AND EVALUATING PRO BONO LEGAL WORK; LES HEMS, THE CENTRE FOR SOCIAL IMPACT; National Access to Justice and Pro Bono Conference, Brisbane, 27 August 2010

// IM IMPORTANCE

- **governments, state/local authorities** - increase of transparency and credibility, have budgetary constraints and need to allocate their resources even more carefully than in the past (ensure scarce resources are being used to most effect)
- **CSOs/SEs/Es** - assess relationship between mission and activities, set realistic objectives, monitor and improve performance, increase accountability and maintain public trust, raise public profile – reputational value; prioritize decisions and access capital markets more competitively
- **impact investors / donors**- social value of investment, need to determine whether their investment will indeed produce a social impact in addition to financial returns
- **services-users / customers** - increase accountability and maintain trust, method of engaging corporates
- **community** - to understand the satisfaction level of the beneficiaries of the CSOs/SEs activities

// IM CHALLENGES...

Conceptual challenges include ensuring that:

- measurement is a tool for achieving greater impact, rather than focusing on accountability and reporting
- the private, public and social sectors have an equal voice so as to carve out a true hybrid space
- guidelines do not restrict innovation in the social sector
- difficulties in measuring social impact do not discourage funding interventions in areas that are harder to measure but socially important

“Policy Brief on Social Impact Measurement for Social Enterprises” (2015)

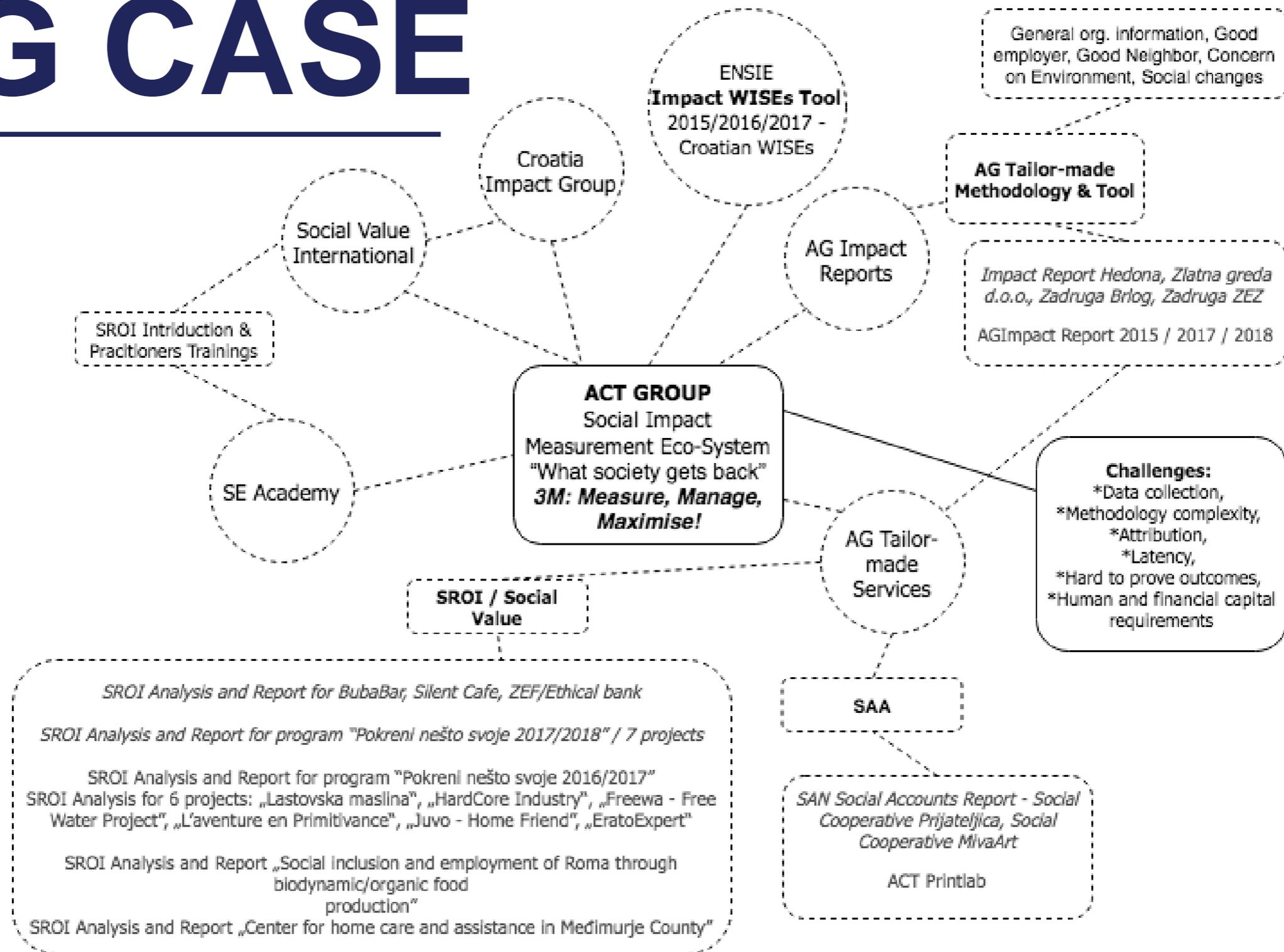
// IM CHALLENGES...

Practical challenges include ensuring that:

- social impact requirements are not overly burdensome for CSOs / social enterprises
- CSOs / social enterprises have adequate resources and capacities to measure impact, and measuring is proportionate
- the needs of both the stakeholders and the social enterprise are aligned

“Policy Brief on Social Impact Measurement for Social Enterprises” (2015)

AG CASE



// IM RELEVANT RESOURCES

“Single Market Act II” - http://europa.eu/rapid/press-release_IP-12-1054_en.htm

<http://socialvalueint.org/>, <http://www.socialvalueuk.org/>

<http://www.socialauditnetwork.org.uk/>

Measuring and managing impact - A practical guide -

<https://evpa.eu.com/knowledge-centre/publications/measuring-and-managing-impact-a-practical-guide>

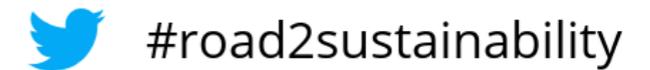
“Proposed approaches to social impact measurement in European Commission legislation and in practice relating to: EuSEFs and the EaSI”(June 2014) -

http://ec.europa.eu/internal_market/social_business/docs/expert-group/social_impact/140605-sub-group-report_en.pdf

“Policy Brief on Social Impact Measurement for Social Enterprises” (2015)

- https://www.oecd.org/social/PB-SIM-Web_FINAL.pdf

<http://www.socialimpactinvestment.org/>



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