

Measuring Impact



Co-funded by the
Erasmus+ Programme
of the European Union

CONNECT 2021-2024

Connecting universities-industry through smart entrepreneurial cooperation
and competitive intelligence of students in Moldova, Georgia and Armenia



Measuring Social Impact: ROI vs. SROI

For-profit

Return on Investment – **ROI** – **quantitative**:
(investors + shareholders)

Looks at: revenue, profit, staffing, customer satisfaction, etc.

Social impact

Social Return on Investment – **SROI** – **qualitative + quantitative**:

(investors + funders + entrepreneurs + community)

Looks at the “triple bottom line” - Profit, People, Planet

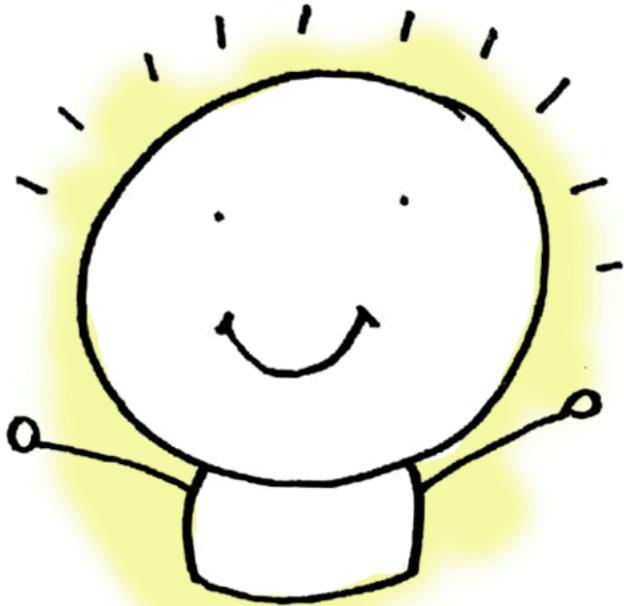
Challenges in measuring social impact

More difficult – social + financial + environmental value.

SROI attempts to measure value outside of the venture itself

Capturing the essence of change.

Same story. Two versions.



80 children who dropped out,
are now going to school again.



80 girls went back to school
again, because they have
separate toilets now.

We measure the Impact of a program or business in 4 steps:

Input

Output

Outcome

Impact

Input

Inputs are the **resources** your organization devotes to a particular program:

Financial (direct or indirect)

Operational (the business)

Time (staff or volunteers)

Expertise (consultant, organization)

Simple to measure:

How many hours were given?

How much money was needed?

Output

Outputs show what your program produces

- Usually described with numbers
- Outputs are measurable and readily determined.

Example

A job-training program

"...we trained 200 people last year..."

Simple to measure:

How many people did you serve last year?

How many finished the program?

Outputs tell the story of what you produced, or your organization's activities. Output measures do not address the value or impact for your clients.

Outcomes are the **effect** your program has on the **people** or **issues** you serve or address.

Outcomes prove a **change that occurred because** of your program.

Outcomes answer questions, such as:

- Did the participants raise their skill-levels?
- Did their training lead to employment?
- Has their social position improved?

Outcomes are about **performance levels** - measuring outcomes requires more time and resources, and you may have to track performance over time.

Outcome

Measuring Outcome

Describe the outcomes to achieve (why do you perform the process or service in the first place?)

Find a quantitative measure (% of clients demonstrating new behavior, % of clients staying employed, etc.).

Confirm the desired outcomes are actually linked to your outputs or activities.

Implement these measures and **track** them over time.

Demonstrate and **increase** your success because you have the data to confidently and appropriately communicate your impact and value.

Remember, measure what is “**above the norm**” (you should **discount** “*what was happening anyway*”).

Impact

Impacts are the **long-term, direct or indirect results** of your outcomes.

Impacts are hard to measure since they may or may not happen. They are what we **hope** our efforts will accomplish.

For instance, graduating from a training program may eventually lead to a better quality of life for the individual.

But how do you know?

What are the indicators of a better quality of life?

How long will it take to see the impact?

Example:

500 people graduate from a training program and find jobs;
2 years later 420 of them are still employed.

What is the Social Impact?