



Venture Philanthropy Practices in Asia:

A GUIDE TO EFFECTIVE IMPACT ASSESSMENT

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About AVPN

The Asian Venture Philanthropy Network (AVPN) is a membership network headquartered in Singapore that seeks to increase the flow of financial, human and intellectual capital to the social sector, and to improve the social impact effectiveness of members across the Asia Pacific region. We promote venture philanthropy in the broader philanthropic and social investment communities and provide specific networking and learning services to meet the needs of our members.

We have over 280+ organisations from 28 different countries spanning different sectors. We are building a cross-sector network bringing together organisations and individuals from finance, business and the social sector. Our members include private equity firms, private banks, wealth management institutions, other financial services organisations, professional service firms, family businesses, corporations, foundations, universities and government-related entities.

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A GUIDE TO EFFECTIVE IMPACT ASSESSMENT

MARTINA METTGENBERG-LEMIERE, PHD | MAY 2016

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Executive Summary

In 2012, AVPN published the “Blueprint on Impact Assessment”, introducing Social Return on Investment (SROI). When we began searching for case studies in impact assessment in 2015, we were often told by Venture Philanthropy Organisations (VPOs) that they had yet to get started designing their impact assessment framework or that they were not sure that, what they are doing, was right and would prefer to learn from us.

Digging deeper revealed that these VPOs were struggling to find answers to a number of questions that are outlined in this guide. Some of these questions included how to get started, which framework or template is the best, how to implement impact assessment, which organisations can we learn from. Moreover, and while VPOs had a similar set of motivations, their emphasis varied: while most used impact assessment for performance management, many put marketing and branding or investor reporting higher on the agenda. These emphases on different motivations necessitate different approaches to impact assessment. Fundamentally, we felt that, while there are numerous nuanced and rigorous guides out there, VPOs are intimidated by the apparent rigour required to conduct impact assessment and are hesitant to reveal their stumbling blocks.

The Guide starts with defining impact assessment and comparing it to other approaches in the social and business sectors, as impact assessment can be compared to financial performance management or measurement and evaluation. We also outline the different emphases VPOs make for using impact assessment.

While this print version is static, we encourage you to check back on www.avpn.asia for further case studies and subsequent editions of this guide. You can also join AVPN as a member by contacting teamsbs@avpn.asia or follow us on LinkedIn <https://www.linkedin.com/groups/4166788> and Twitter [@avpn_asia](https://twitter.com/avpn_asia). If you have feedback, we would be delighted to hear from you via knowledge@avpn.asia.



Many people are intimidated by impact assessment. It is often seen as the domain of academics: complex, lengthy and costly...

One interviewee of our case studies on the challenges of impact assessment

Then the guide goes through the fundamentals of understanding your theory of change and a logic model of your operations. Based on this, we answer the most common questions and related subquestions:

Dimensions of impact assessment – how much time and money do we need, should we standardise or customise, use quantitative or qualitative data, aggregate on a portfolio level or compare to other organisations?

1. Learning from existing frameworks – whom can we learn from?
2. Implementation – how do we make impact assessment feasible?
3. Presentation – how do we present this more simply and effectively?

Each of these sections explains key readings and takeaways and includes references for further reading. At the end of each section, you will find checklists of items you should have already thought about or should consider further if you would want to progress on your journey to measuring impact. Finally, the references are listed in full at the end in the Recommended Reading Section.

In the last section on case studies, we expand on each organisation’s practices allowing you to understand them further for your particular social investment practice and motivation.

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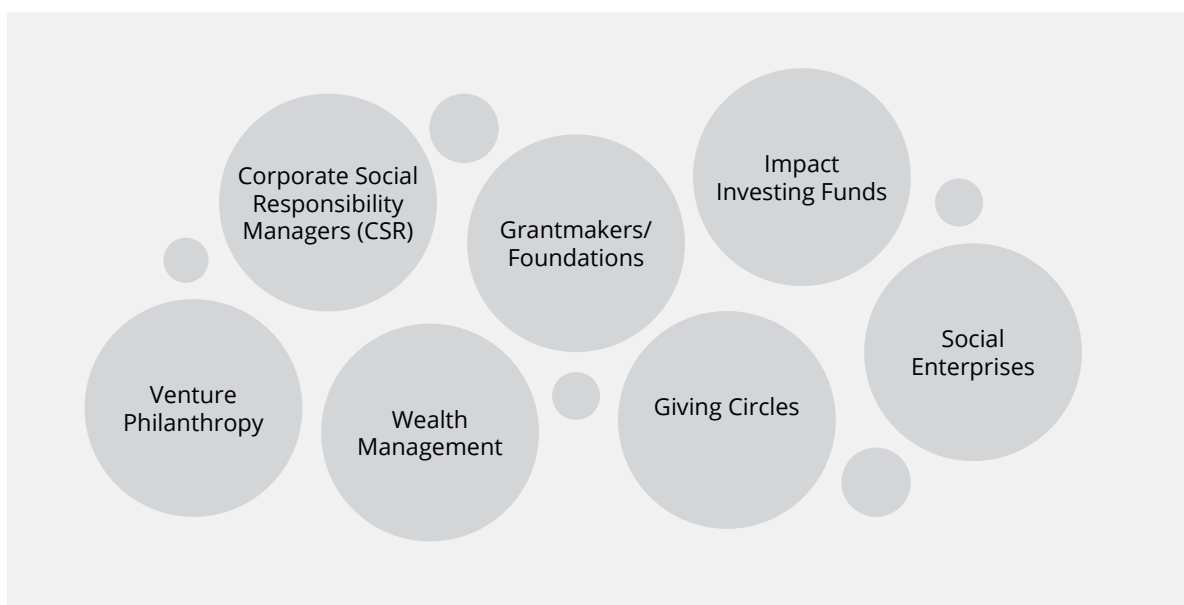
PROFILES, AUDIENCE AND MOTIVATIONS



Key Takeaways

- More often than not impact assessment frameworks are designed to cater to different audiences or users of impact assessment data. The audience can be either internal — senior management, board, Social Purpose Organisation — or external — donors, limited partners, potential funders and industry peers.
- Another crucial aspect of designing the framework is identifying the motivation for using information. There exists an overlap between audience and motivation. For an external audience, the motivation for doing assessment could be reporting requirements, fundraising or marketing/branding. For an internal audience however the motivation is primarily around performance management and risk management/investment decisions.

In the social investment and grant making space there exist a wide variety of organisations. Distinguishing them is necessary as it influences the motivations, resources and presentation needs for impact assessment. In this guide, we refer to the following types of organisations:



These categories are also reflected in the case studies at the end of this guide. Cutting across different organisational set-ups are the different motivations for impact assessment. These tend to be influenced by the stakeholders, audience or lack thereof. The fundamental questions for any organisation embarking on impact assessment are:

- Who are your stakeholders for your impact assessment? Who is your audience?
- And then ultimately, what is your motivation?

Audience

Social Purpose Organisations (SPOs)¹ measure their worth not only by their financial profitability but also by their ability to solve social problems. Social funders tend to fund SPOs, because they address and solve social issues. Therefore, the main question that needs to be asked is who the audience for the impact assessment is

- **Internal:** In principle, impact assessment is intended for SPOs to be able to better impact their beneficiary communities, and for funders to be able to understand their own effects²
- **External:** However, in practice, many SPOs feel put upon by funder requirements for reporting on impact³

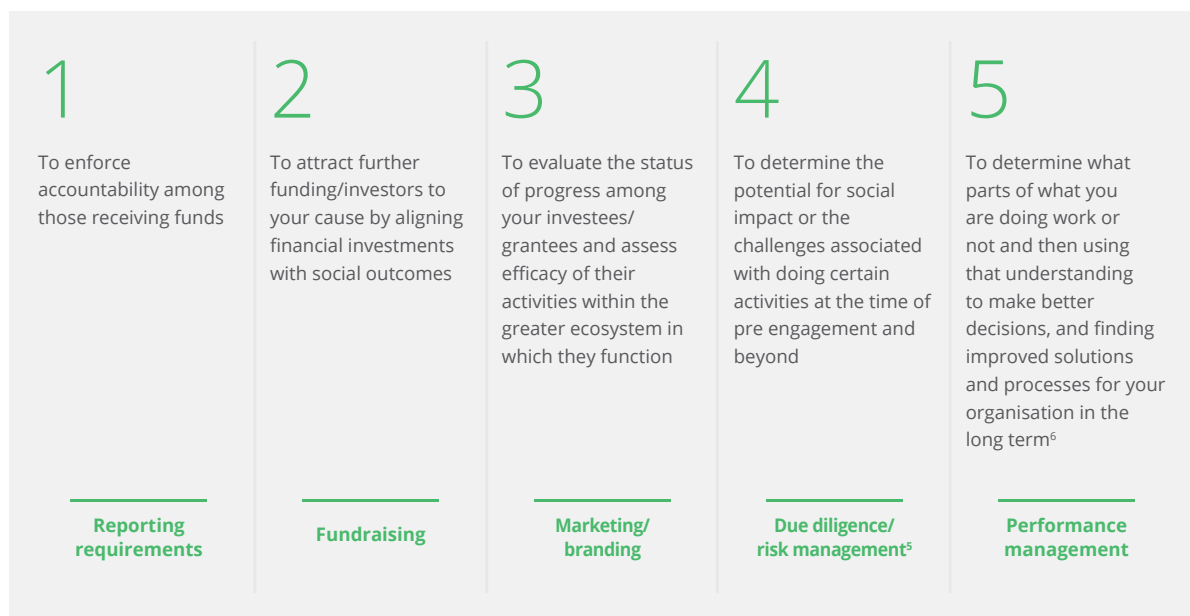
While you are doing impact assessment for internal and external stakeholders, it is critical to be aware of how the exercise of impact assessment is perceived by the SPOs. The two main perceptions are understand and improve performance thereby essentially partnering with the organisation or to assess the impact before making a funding decision.

As a funder you may have your own impact thesis in mind⁴, which may not be in line with the SPO. Therefore the first point that needs to be addressed is the issue of alignment. The most effective impact assessment is holistic incorporates the investors' impact thesis and the SPOs' ambition for impact.

Motivation

Identifying motivation involves keeping in mind the different stakeholders associated with your organisation. These could include the entities you report to (investors / Limited Partners) and the entities reporting to you (SPOs) or the interdependence of your partnerships.

Based on our research there appear to be five motivations behind undertaking impact assessment:



1 Throughout this guide, "social purpose organisation" or "SPO" is used to refer to organisations that are themselves generating impact directly. SPOs also include but are not limited to non-profits, charities or social enterprises.
 2 Ogain, E.N., Lumley, T. and Pritchard, D., 2012
 3 Puttick, R. and Ludlow, J., 2013
 4 AVPN Case Study on Caspian Impact Investment Adviser, 2016

The larger question is if you are doing impact assessment to assess, to evaluate or to learn and in what kind of relationship this process takes place. Ideally it will be a mixture of evaluation and learning and it will be conducted in partnership with the organisation rather than prescribing specific activities and report generation. We often heard in our case study interviews that creating impact is a journey together and that communication between funder and investee is key to thinking through and creating sustainable impact.

To understand the degree of alignment between you and the SPO, it is important to begin outlining your motivation for impact assessment and your ambition to achieve impact during the due diligence phase.

Depending on the type of funder, the emphasis for impact assessment may vary. The table below tries to capture which motivation resonates most depending on the kind of funder. For instance, grantmakers in endowed foundations may be more interested in managing the performance of their grant recipients and use the impact assessment to report to their board of trustees. Impact investors or wealth managers may need the impact not just for performance management but also for reporting to their investors again.

Checklist

At the end of each section is a checklist that will help you assess if you have answers to the most important questions that have been asked. Answers to these questions would indicate your level of preparedness for doing impact assessment. If the number of No's exceed the Yes' then you have not answered all the questions required in order to operationalise an impact assessment framework. It would be useful then to either go back through this guide to understand the sections fully or to go through the recommended reading outlined in Section 6.

Do you know what is your motivation for measuring impact? YES NO

Do you know your audience for impact assessment? YES NO

Are you and the SPO aligned in your ambition to measure social impact? YES NO

DEFINING AND COMPARING IMPACT AND IMPACT ASSESSMENT

Comparing sustainability and ESG reporting to impact measurement

Comparing financial performance to impact performance

What is impact?

Locating Impact

Making a difference: impact assessment thrives on humility, curiosity and partnership



Key Takeaways

- Impact assessment is similar to sustainability/ESG reporting and performance measurement, so if you are familiar with these, you can use these skills in impact assessment.
- Regardless of how you measure it, impact always consists of outputs and outcomes.
- For the purposes of measuring Social Outcomes, the terms *'impact assessment'*, *'impact measurement'* and *'monitoring and evaluation'* are largely the same, but *'measurement'* may indicate a more equal partnership between investor and investee than *'assessment'*, which seems to imply judgement.
- Impact could be located as based on what investees/grantees are able to achieve on the ground (beneficiary level impact) or your own impact in helping the SPO become successful.
- Impact is not generated by the framework but by the conversation the funder has with the investee on an ongoing basis, help with learning from the measurement and implement changes based on that. Fundamentally, this conversation needs to be led with curiosity, humility and in partnership.

Before we move on to the sections to get you started, which includes design to presentation of impact assessment, we will outline what we mean by impact assessment. The aim is to begin at a level that familiarizes the reader with concepts and terms most commonly used in the domain. Thereafter, you may decide to start using this primer at a stage most relevant to your experience.

Impact is the short form of social impact or societal impact, or in other words “the attribution of an organisation’s activities to broader and longer-term outcomes”.⁵ Impact can also be defined as the sum of outcomes attributable to the output (may be positive or negative) and is identified through evaluation⁶ or the overall difference an organisation, programme or intervention makes.⁷ In other words, impact is the difference that you intend to make or have made. Measuring it will allow you to understand how far your activities have helped create this difference and should inform your future strategy.

We will elaborate more on this in the context of structuring the impact assessment and especially in the context of the logic model and theory of change.

5 Hehenberger, L., Harling, A. and Scholten, P., 2013

6 NESTA, 2012

7 NPC, 2013

Comparing sustainability and ESG reporting to impact measurement

Many of our corporate members are concerned with corporate sustainability. They use different frameworks like customised Environmental, Social and Governmental performance (ESG), the UN Principles of Responsible Investment (PRI)⁸, or take steps towards becoming a certified BCorporation⁹ – if they are based in the US or UK – and/or the new Global Reporting Initiative (GRI) G4 standards to report on “the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others”.¹⁰

Recently, the sustainability reporting has moved from risk minimisation to corporate social impact strategies¹¹ and from reporting to shifting the conversation to one about value.¹² For these reasons, we believe that there are overlaps and mutual learnings from the two approaches. In this guide, we will mention GRI's G4 in the sections below but mainly focus on laying the foundation for measuring social impact.

Comparing financial performance to impact performance

These are similar but also different in a number of ways

1. They are similar in so far as impact measurement is another measurement tool, similar to financial performance.
2. Your experience with other measurements, such as financial performance measurement will make it easier as the approach needed is transferable.
3. Measuring impact, due to its many qualitative results in different dimensions, is often not about monetary results, so you have to think more about what impact looks like at different stages from a qualitative perspective.
4. In the Social Return on Investment approach, you can convert this qualitative discussion on impact to monetary terms and make social impact comparable to financial impact.

What is impact?

Impact consists of different components:

- **Output:** which can be defined as a measurable unit of a product/defined episode of service directly produced by an investee's activities and can be observed in the short-term.
- **Outcome:** which can be defined as an observable and measurable change for an individual or organisation, or in the results of a programme or intervention, and can be observed in the medium-term.

⁸ UN Principles of Responsible Investment, available at <https://www.unpri.org>

⁹ B-Corporation, available at <https://www.bcorporation.net>

¹⁰ Global Reporting Initiative, available at <https://www.globalreporting.org/Pages/default.aspx>

¹¹ Varga, E., EVPA, 2015

¹² See portrait of Mars Catalyst in the Section 'Cases for different social funders in Asia'

Locating Impact

As investors, the impact of the investment can be generated at the investee level or at the beneficiary level. The activities of investors mainly allow the SPO to generate impact on the level of their beneficiaries. Most of the time however, the investors claim the impact of the SPO on the beneficiary as their own. This raises questions of contribution, additionality and attribution, which we will look into later. In this section, we would like to highlight the important question: Where is the impact located?

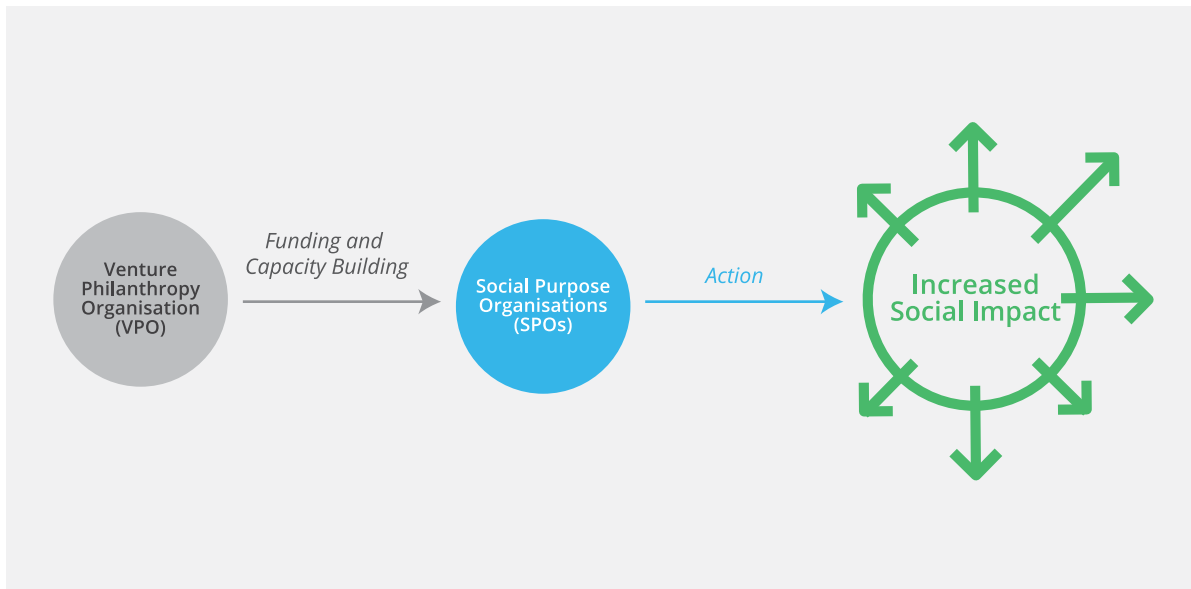


Figure 1: Locating Impact, AVPN Content, 2016

Making a difference: impact assessment thrives on humility, curiosity and partnership

There is overlap between impact assessment, measurement, monitoring and evaluation and the importance of the conversation around improving impact generation but impact assessment tries to understand the entire mission rather than simply evaluate pure performance.

- Impact measurement requires a set of practices to measure both outputs and outcomes through which an organisation establishes what difference its work makes.
- Monitoring is a systematic way of collecting and recording information to check progress against plans and enable evaluation.
- Evaluation uses information from “monitoring and elsewhere to judge and understand the performance of an organisation or project.”¹³ Others have defined it as a “systematic inquiry to inform decision-making and improve programmes, [with] systematic imply[ing] that the evaluation asks critical questions, collects appropriate information, and analyses and interprets the information for a specific use and purpose.”¹⁴

However, some investors may feel that assessment implies a power differential between funders and investees as well as judgement, and therefore prefer the term ‘evaluation’ over ‘assessment’. Beyond semantics, definitions of impact assessment vary and social change depends on a number of factors such as maturity and growth of organisations, objective, mission, and the resources

¹³ NPC, 2013, p. 7

¹⁴ Centre for Social Impact, 2013, p. 40

available for change. The impact assessment often grows with the organisation. Regardless of what you call impact assessment, it is your attempt to measure what difference you as a funder help the organisation make with their beneficiaries. The effectiveness depends on your continuous dialogue with the investee about what difference you want to see, which measurement works best and learning from your findings on the difference with curiosity, humility and in partnership. Interestingly, many investors we spoke with felt that this was what made their approach successful.

Checklist

Will you leverage your experience with different frameworks such as performance management, ESG/sustainability reporting?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you measure impact at the level of the beneficiaries the SPO is able to reach?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Do you measure impact as helping the SPOs become successful?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Beyond the method you use, is your conversation with the SPO and potentially beneficiaries marked by curiosity, humility and partnership?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

IMPACT ASSESSMENT – FROM START TO FINISH



1 - STARTING POINTS: THEORY OF CHANGE AND LOGIC MODEL

Structuring the framework

Logic Model

Theory of Change

Logic Model versus Theory of Change

Integration into the mission and impact thesis

Key Takeaways

- It is important to state clearly the social goals you are hoping to address and to include perspectives from different stakeholders on the objectives of doing impact assessment. This ensures any metrics or indicators selected for tracking are the most pertinent and useful without being tedious.
- A logic model or a theory of change is generally seen as a good starting point for developing a framework for assessment and both serve a similar purpose. However, businesses that are more stable or mature are best suited to the logic model whereas startups or incubated enterprises may find the theory of change better suited to their needs.
- Both logic model and theory of change are populated from the end goal and the subsequent outcomes but read from the bottom up, i.e what activities and interventions will result in intended outcomes.
- Finally the theory of change and/or logic models inform the impact thesis and are dynamic.

This section includes the starting points for impact assessment by helping you understand how to define your theory of change and logic model, before diving into the dimensions of impact assessment, templates you can learn from, implementation as well as the presentation. Throughout the Primer, we refer to the case studies presented at the end of the section.

Impact assessment is the process by which you can ensure that development activities are

- (i) informed by and take into account the key relevant social issues and formulate mitigative measures, and
- (ii) incorporate a strategy for participation of wide range of stakeholders.

Social Assessment is an iterative process that has to be organised in several stages to work best. The figure below provides an overview of the social assessment process featuring various phases of actions of the social assessment process.



Figure 2 - Steps to measuring Impact, G8 guidelines

The G8 Taskforce on Social Impact Investing and its working on group on impact measurement released a number of guides, namely the “Measuring Impact” guide¹⁵, which is now a widely referenced guide for the industry. The seven steps outlined in this guide are similar to the five steps outlined in the EVPA Practical Guide to impact assessment¹⁶:

- Step 1 – Setting objectives
- Step 2 – Analysing stakeholders (including social enterprises, internal team, board members etc.)
- Step 3 – Measuring results: outcome, impact and indicators
- Step 4 – Verifying and validating impact
- Step 5 – Monitoring and reporting

Both are holistic guides to impact measurement and almost vouch no further addition.

A common mistake made while designing an impact assessment framework is to decide upon the metrics or the methodology without fully understanding the linkages between the activities the organisation is involved in and the potential results of it. Rather than designing the questionnaire or sampling methods hastily, it is useful to take a step back and ask questions regarding the project goals.

A good starting point is through the help of a logic model framework and (or) defining a theory of change that helps in addressing Step 1 Goalsetting from the *Figure 2* above.

¹⁵ G8 Taskforce on Social Impact Investing, 2014, p. 7

¹⁶ Hehenberger, Harling and Scholten, 2015

STRUCTURING THE FRAMEWORK

Logic Model

The logic model is a systematic and visual way to present and share your understanding of the relationships among the resources you have to operate your programme, the activities you plan, and the changes or results you hope to achieve¹⁷. It describes the sequence of activities thought to bring change and how these activities are linked to the results that the programme has set to achieve. In the context of impact assessment, it presents how investment decisions link to results (social impact).

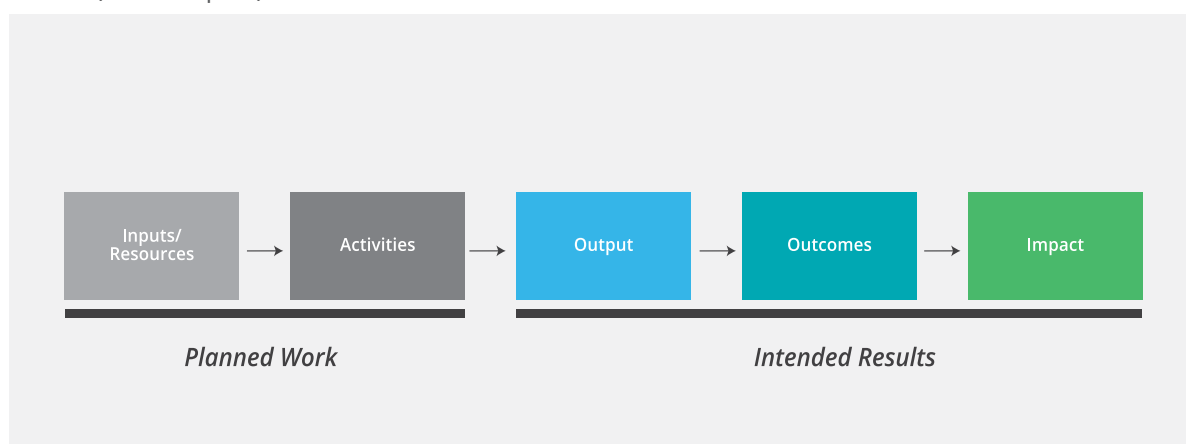


Figure 3: Logic Model Framework - W.K. Kellogg Foundation Logic Model Development Guide

The **inputs**, resources and activities undertaken not only have a direct one on one relationship with output but also determine the short term and long term outcomes.

Outputs by themselves are not the change that the programme desires; rather, outputs are an immediate result of activities and are generally easy to measure.

By extension, an **outcome** is the change that occurs or the difference seen in actions, learnings and conditions. It is generally the result of multiple outputs. It is important to note that there are sometimes unintended or negative outcomes as a result of activities undertaken and it is useful to incorporate these in the logic model to arrive at the net impact of the engagement.

Impact is the change that has taken place, taking into account the “counterfactual” or what would have happened anyways. This step is important to be able to attribute causality of your intervention to the change being seen on the ground.

A **logic model** should be read from left to right starting with the inputs but when populating the model, it’s advisable to go from right to left, i.e start by listing overall impact or long term and short term outcomes that you would like to see as a result of the programme intervention before listing the outputs. While the logic model helps you list *all* the possible outcomes the programme aims to achieve, you need to decide what outcomes should be measured.¹⁸ When making such decisions, it is useful to be cognisant of what motivated you to do impact assessment in the first place. Otherwise, there is a risk of focussing on measuring outputs and outcomes that don’t necessarily provide any value to you.

¹⁷ Kellogg Foundation, 2006

¹⁸ The materiality concept is the universally accepted accounting principle that all material matters are to be disclosed. Financial statement items are considered material (large enough to matter) if they are able to influence the economic decisions of users. And what is considered to be material is largely dependent on judgment. Similarly in impact assessment the concept of materiality is crucial since what data to collect and to omit is tied to the judgement of management or the leadership.

However, irrespective of the extent of impact you want to measure, it is imperative to use data collected from the impact assessment framework to course correct and not just for external reporting.

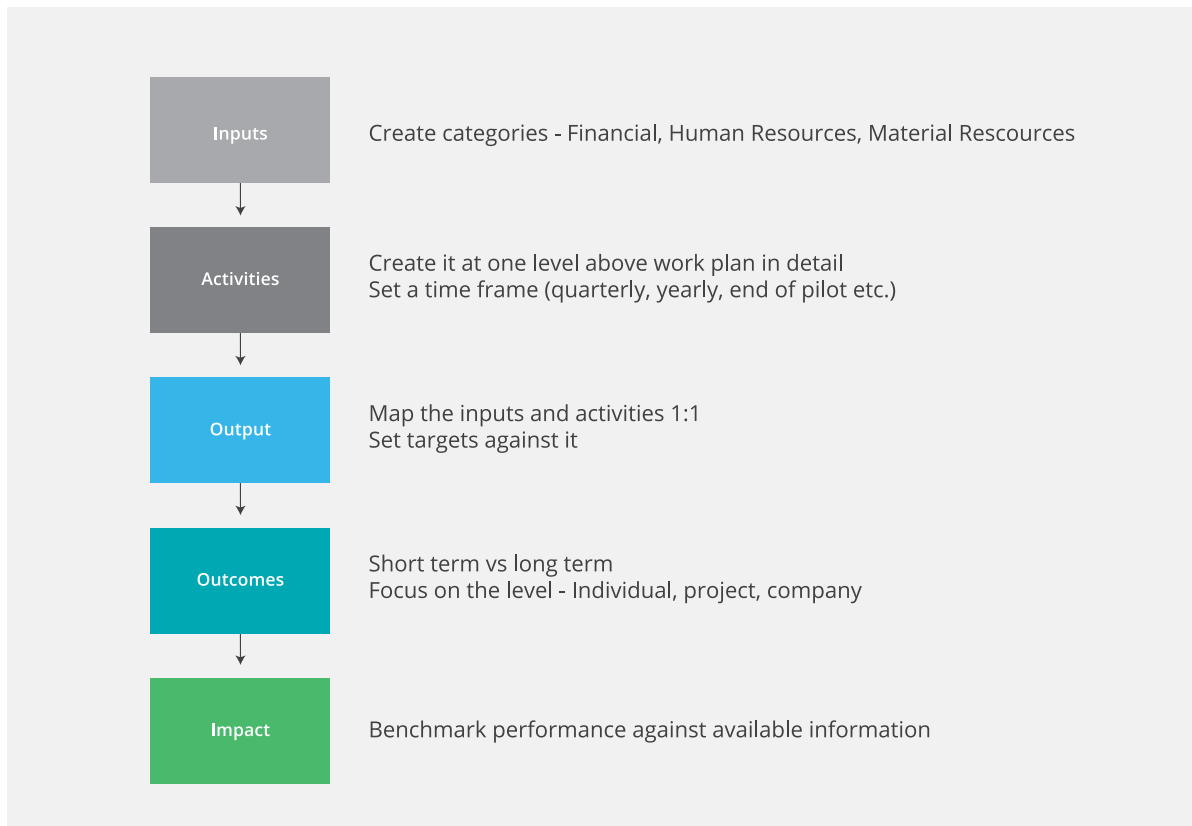


Figure 4: Pointers for Logic Model¹⁹

Theory of Change

A theory of change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. The theory of change is focused on mapping the causal linkages between what a programme or change initiative does (its activities or interventions) and how these lead to desired goals being achieved.²⁰ A theory of change is dynamic in nature and encourages its users to critically examine the hypothesis for change and the causal pathways developed between the long term goal and preconditions, informed by programme learnings.

The theory of change is useful in articulating the results you hold yourself accountable for, i.e. outcomes that can be predicted or expect based on your intervention and not what you *hope* will happen. It provides the space to integrate the external environment, which may have a bearing on your work, into the model.

¹⁹ Innovation Network: Logic Model Workbook, year unknown
²⁰ The Center for Theory of Change, year unknown

Five simple steps to creating a theory of change:

1. Clearly identify your long term goals
2. Conduct “backwards mapping” to identify the preconditions necessary to achieve that goal;
3. Some preconditions are beyond the sphere of influence – identify the interventions that your initiative will undertake to create the preconditions that can be achieved at the organisational level
4. Develop indicators for each precondition that will be used to assess the performance of the interventions
5. Clearly identify the assumptions being made in order for interventions to succeed²¹

There are several sources on templates and examples of the theory of change model. One useful guide we would like to mention here is the DFID Guide.²² Another easy to use guide is the GrantCraft Theory of Change, which takes the reader through 12 pages of guided outline and examples for drawing up a theory of change.²³ A more comprehensive list of templates has been developed by the RAND corporation.²⁴ Finally, if you want to draw this up more dynamically online, you can use the TOCO tool.²⁵

Logic Model versus Theory of Change

While the logic model requires identifying individual components of the programme or intervention in a way that allow you to see outcomes against the activities and inputs, it doesn't show why the listed inputs and activities are expected to produce those outcomes. Theories of change, in addition to outlining the outcomes and the preconditions (in form of activities/inputs) also require justifications at each step – you have to explain the hypothesis about why one thing leads to the other.

A theory of change is extremely useful for early stage organisations and business models that are yet to stabilise but are looking to understand what is their impact thesis. It articulates a theory of transformation and provides a roadmap for what to measure and what not. On the other hand, logic models are particularly handy for organisations or business models that are stable and mature with a clear understanding of their intended outputs and outcomes. The choice, therefore, could depend on the stage of business and the intention for the assessment. Developing a theory of change or creating a logic model is the first and crucial step in thinking about impact assessment, as it provides a logical underpinning for the framework you develop.

Integration into the mission and impact thesis

Ideally your theory of change and logic model result in, or are aligned with your mission and impact thesis. An impact thesis aligns the management of your portfolio and can be read like your mission. Impact theses are generally fluid and subject to change with progressive understanding of how impact is generated. Yet, it has been observed that investors move towards a narrower impact thesis as their experience increases.²⁶

21 Anderson, A., ANDE, 2005

22 Vogel, DFID, 2012

23 Grant Craft - a service from the Foundation Center - on Theory of Change

24 RAND Corps on Getting to Outcomes, available at http://www.rand.org/pubs/technical_reports/TR101.html

25 Theory of Change Online, available at <http://www.theoryofchange.org/toco-software/>

26 Saltuk and El Idrissi, JPM, 2015

Checklist

Have you developed your theory of change and/or logic model? YES NO

Are you able to clearly define your short-term and long-term outcomes? YES NO

Are your outcomes measurable? YES NO

Are you able to clarify the associated outputs and activities/inputs? YES NO

Have you developed a written narrative or a graphical representation of your causal pathway (theory of change/logic model)? YES NO

Have you set targets for your outputs and outcomes? YES NO

Is your theory of change and/or logic model informing your impact thesis? YES NO

2 – DIMENSIONS OF IMPACT ASSESSMENT

Time requirements

Quantitative versus qualitative data – Numbers versus stories'

Choose the framework according to stage of development

Issues of contribution, attribution and additionality

Customisation versus standardisation

Issues of comparison

Different ways of interpretation

Key Takeaways

- The time frame for and the frequency of doing impact assessment is tied up to the motivation behind undertaking it in the first place. The frequency varies from monthly, quarterly, yearly to the end of intervention (endline).
- Both qualitative and quantitative indicators have their role to play in conveying impact.
- The degree of robustness in collecting impact data (evidence) is linked to the stage of business. Mature and established organisations/business models lend themselves to robust methods of assessments such as Randomized Control Trials (RCTs), whereas organisations in their piloting or proof of concept stage are better suited to a logic model approach. Therefore it is advisable to choose a framework depends on the stage of development.
- Issues of contribution, attribution and additionality are linked to the robustness of the evidence collection framework. Attribution is the most challenging question to answer since it requires information on performance without an intervention.
- Most investors start with standardised frameworks and then move on to customised ones due to unique impact models. For purposes of comparison, standardised frameworks are better.
- Comparison at the level of the portfolio and to other organisations is not always possible. A higher degree of homogeneity in the portfolio means you can aggregate findings which facilitates greater comparison. However, not comparing to other similar models prevents learning from each other.
- Similar to comparison, interpretation depends on the frame.

Now that you have outlined your theory of change and/or your logic model, there are seven critical items to be considered and steps to be taken. These are

- How much time do you need to spend?
- What is more useful, quantifiable or qualitative data?
- Is a more complex framework necessarily better and how do you decide on the right measurement framework?
- What is the difference between contribution, attribution and additionality and more importantly, do you measure it?
- Should you standardise your approach or customise it?
- Do you compare your results to others and if so, how?
- How do you interpret the findings?

Time requirements

While it would be difficult to give absolute estimates of time as it varies significantly for different organisations, we found that the involvement of your investee, the choice of method and the speed of change desired, could contribute to deciding the time that impact assessment could take. Ideally, the amount of time spent on doing impact assessment depends on the underlying objectives for doing it in the first place.

The time it takes you to draw up a theory of change depends on your organisation and the number of stakeholders you would like buy-in from. While you can be fast on the structure of your framework, it is beneficial to lay strong foundations by getting buy-in from the relevant stakeholders. This way, your framework is supported by your investees and the beneficiaries, and will measure what really makes a difference on the ground. Building consensus and getting buy-in from different stakeholders can be a time consuming process. For the Happiness Foundation the process of designing a framework takes about two to three months including four to six weeks of data collection. Similarly, for JVPF, the bulk of the time required comes from the design during the due diligence phase, which can take up to six months.²⁷

Once you start to collect data, the timelines depends on your method and the respondents. Similarly, when you have the data, it depends on you to complete analysis, interpretation and presentation to the standard you prefer and in the timeframe you have.

Some organisations find it useful to conduct pre-assessment (also referred to as baseline) to assess the condition of the beneficiaries before the start of the project or intervention which can then be compared to the situation of the beneficiaries at the end of the intervention, (commonly referred to as endline). This is done with the aim of understanding the progress (if any) that has been made by beneficiaries over the period of the project or intervention. If you set up an impact assessment framework during the due diligence phase, you can then combine this with the baseline.

The process of baseline, midline (yearly reviews before the end of the project) and endline are popular amongst grant funders and CSR bodies where the projects are typically time bound with pre identified goals and intended outcomes. For funders, such as impact investors and private equity players who invest in on-going business entities, it is common to see periodic reviews to understand the measure of impact and also to identify and manage risks that could arise as a result. RS Group holds a multi asset class portfolio and has different time periods of reviewing impact performance based on the kind of funding involved. For their philanthropic portfolio, a review of performance is conducted every six months, whereas for the impact investing and public equity fund the reviews are annual coinciding with their annual financial reporting.²⁸

The time required for impact assessment is as a result of the cost and methodology being used. More robust methods of collecting data are typically costly and require more time, whereas when the scope of data collection is limited, it is possible to do impact assessment in a shorter span of time.

The State of Measurement Practice in the SGB sector report by Aspen Network of Development Entrepreneurs (ANDE)²⁹ provides useful examples of time and cost estimates associated with

²⁷ See portrait of The Happiness Foundation and JVPF in the Section 'Cases for different social funders in Asia'

²⁸ See portrait of RS Group in the Section 'Cases for different social funders in Asia'

²⁹ Edens and Lall, ANDE, 2014

impact assessment and can be helpful in getting resource estimates. Qualitative case studies with fewer resources on the ground can cost between USD 5000 – 10,000 and take a week or more to collect data. By contrast RCTs and quasi-experimental studies have a longer data collection period, spanning from three to six months.

The frequency of reviews depends on the nature of the organisation and the environment in which it operates. Organisations experiencing rapid change from inside and/or outside the organisation may want to monitor performance on at least a monthly basis while more established and mature businesses could even look at quarterly and yearly reporting of impact.

Impact assessment could be done on a monthly basis by building in the systems to collect data along with financial performance. This is a high touch exercise and generally done by those organisations who use impact assessment for improving of social outcomes and performance of their portfolio companies and organisations. However, monthly collection of data does allow little time for change to occur so it may not be beneficial to measure this often and stretch the resources of your investee into reporting rather than on implementing change.

The most common review period is one year since it provides enough time to observe changes taking place at the field level, that the indicators can capture. It is also convenient since it coincides with annual reporting and reduces the burden of reporting for SEs, as well reports made externally to donors, LPs or Board of Directors.

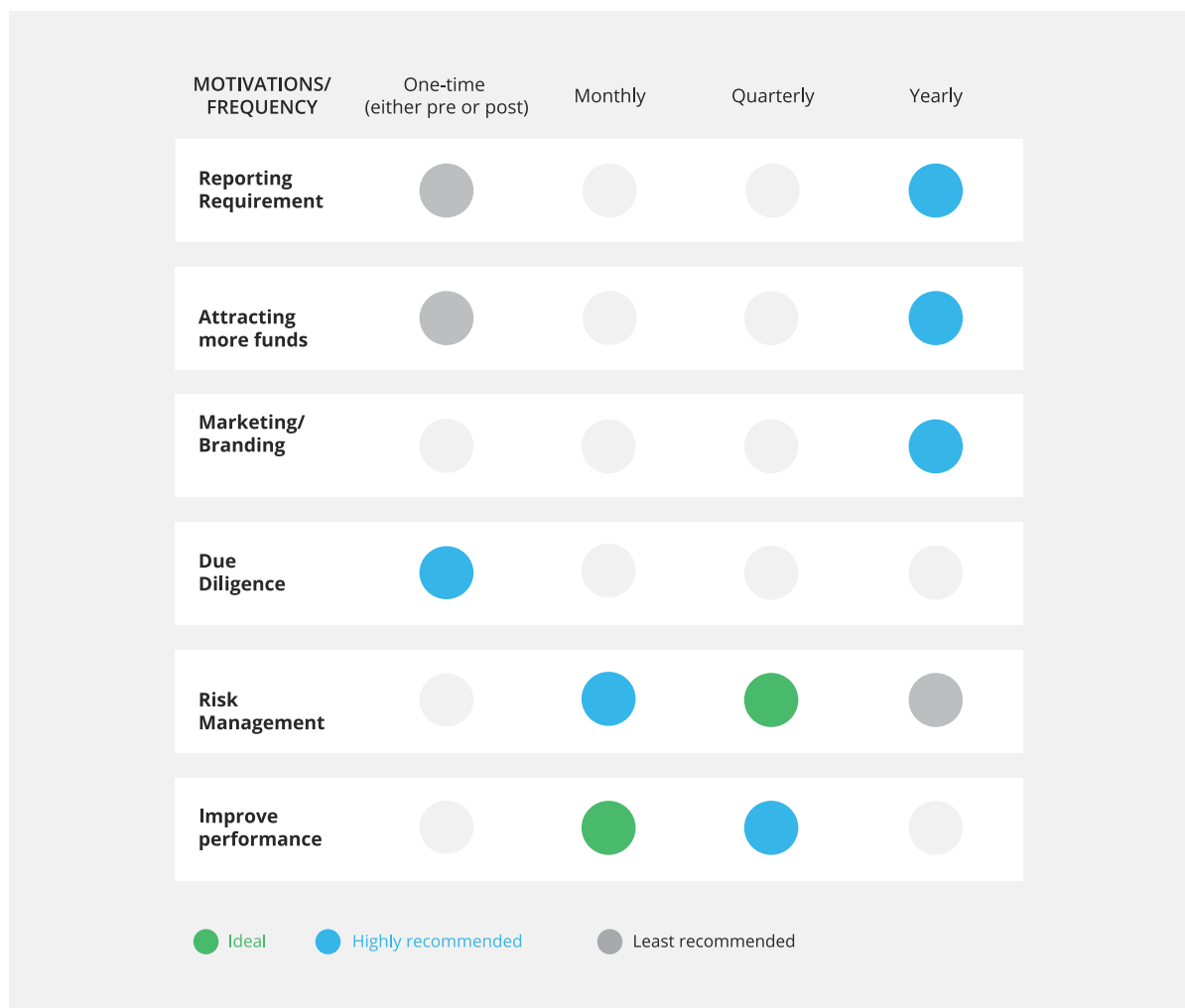


Figure 5 – The motivation-time matrix, AVPN Analysis, 2016

Quantitative versus qualitative data – Numbers versus stories

Indicators are measures of progress being made on outcomes or goals. These indicators (metrics) could be quantitative in nature by being numeric and objective in nature. Quantitative metrics are also widely favoured by a vast majority of organisations across the spectrum. On the other hand qualitative metrics help to unpack the “why” and are descriptive, relative and largely subjective. They provide nuance and greater depth in understanding an issue. Qualitative is as important as quantitative when choosing indicators.

Quantitative data is very helpful to measure volume, duration, and reach, but must be paired with evidence on the quality of relationships and impact. Yet the majority of those working in social sector appear to advocate for a balance in quantitative and qualitative analyses, believing it best to use a mixture of approaches that can capture the complexities and subjectivities of the communities and beneficiaries they are serving. Most organisations appear to benefit from this hybrid approach, using qualitative data (interviews with beneficiaries, site visits, town hall meetings, etc) to personalize their impact assessment approach.³⁰

It has become popular to report on a set of metrics referred to as vanity metrics. These are easily manipulated data points, and are biased toward the short-term. Vanity metrics often paint a rosy picture of programme success, but do not provide any useful insights on progress made³¹. Putting it simply, they exaggerate the benefits and success that could be accrued to the project. Yet they are easy to report on given the use of technology and ease of reporting especially with management pressure to report “topline” numbers. However, more often than not the use of these numbers actually has more serious pitfalls not just limited to a poor understanding of impact and progress but in actually making poor decisions. It also distorts incentives to the companies reporting them which eventually leads to underperformance. Examples of such metrics are number of followers or number of lives touched by the project.

Alternatively, MobLab suggests³² that the selection of metrics should be centered around the mission of the organisation and should reflect a common understanding of the theory of change. There is also no such thing as a perfect metric and you should not be afraid to continue customising to see what works best for you and your investees.

Choose the framework by stage of development

Another aspect to consider when choosing a framework is the stage of the enterprise. Business models that are mature and stable lend themselves to more complex methods of comparison, whereas those at the startup stage or just proving proof of concept may not provide a clear insight primarily because at that stage both the business model and its potential for impact is dynamic. The NESTA Standards of Evidence³³ introduce proportionality³⁴ with respect to evidence being sought to prove impact versus the stage of business model development. Within the scale of evidence development Randomized Control Trials (RCTs)³⁵ and Quasi-Experimental designs³⁶ are seen as the gold standard of evidence, due to their rigorous design but they also are the hardest to execute.

30 Schorr, SSIR, 2012

31 Greenpeace, Mobilisation Lab, 2015

32 Silberman and Mahendra, SSIR, 2015

33 Puttick and Ludlow, NESTA, 2013

34 Proportionality is the principle that means should be commensurate or appropriate to ends. It finds manifestations in fields such as law and mathematics.

35 Randomized controlled trial (RCT) is a type of experiment design, where the people being studied are randomly allocated one or other of the different treatments under study – typically referred to as the intervention and control group. RCT considered to be the gold standard and most commonly used in clinical and academic research.

36 Quasi-experimental design is similar to the randomized control trial with the only notable exception being the selection of control and intervention group is not purely by randomization.

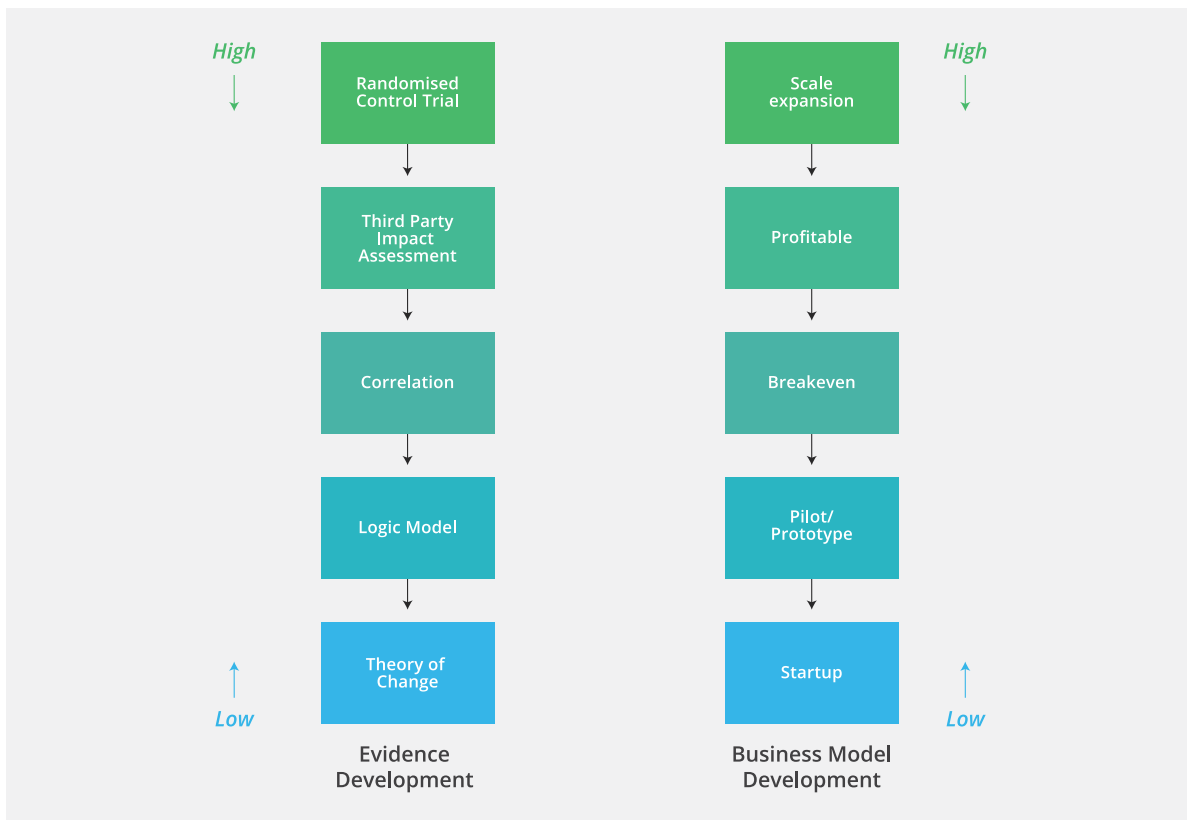


Figure 6 – NESTA's Standards of Evidence³⁷

Issues of contribution, attribution and additionality

Measuring impact requires us to not only enquire about the positive and negative outcomes but also think about the question of what would have happened anyway. This question – what would have happened anyways – can be broken down into two components:

- How much or what part of the outcome was caused by the contribution of your project or intervention or resource deployment factors in the outcome. This has been referred to in the literature as *attribution*.
- Another concept that is useful to understand is *additionality* which simply put means what outcomes did you achieve as a result of your intervention that you would have *otherwise* not seen.

These concepts of attribution and additionality together come in handy to assess the true impact that you have created. There are many ways to determine attribution i.e the extent to which the impact is seen is a result of your intervention. We will discuss some of the approaches for attribution in the subsequent section Issues of comparison.

Several investors have found it difficult to extract a meaningful measure of their portion of the impact. Instead, they simply report to their stakeholders the total impact of their investees, and reference the size and nature of the contribution that they had made to those outcomes. This leaves the reader to decide the value of that contribution rather than having it defined for them.³⁸ It is natural to want to understand what aspect of the impact is exclusively a factor of your involvement (through capital, technical assistance or capacity building) and contribution alone can not answer

³⁷ Hill and Ludlow, NESTA, 2015

³⁸ Saltuk and El Idrissi, JP Morgan, 2015

the question. It is useful to look at contribution in conjunction with comparison through methods of benchmarking performance, comparison to others or comparison within the group of beneficiaries to gain a nuanced understanding of the impact being created.

Customisation versus standardisation

Many organisations start with a standard global framework, then work to customise it; while others customise from the beginning. The rule of thumb seems to be that one general framework will never suffice for an organisation's particular condition or context. One example of this is Impact Investor Caspian's initial adoption of IRIS and BLab Analytics and its continued search for more granular data on the effect of its activities in different regions and on different populations.³⁹

Often the leadership of the organisation must take the lead in designing the customisation of the template, as they can see the bigger picture of the organisation's mission and how it trickles down to day-to-day implementation. Sometimes customisation is seen as a drain on resources.⁴⁰ In the end, it depends on whether you want to compare your organisation or the impact of the intervention at different timelines. If you want to compare, it would be helpful to start with standardised metrics and customise as you go along.

In our case studies, we found that not many organisations use standardised metrics or frameworks because they feel that their model is unique and does not fit into standard frameworks. However, this also means forgoing the possibility of comparison with others and the ability to learn from other models.

Issues of comparison

Absolute impact numbers tell us little about the true significance of having achieved those results. It is only when they are compared and contrasted do we have an idea of the overall performance. The underlying idea is to understand what works and solves a social issue and for funders to then allocate resources to the effective solutions. Yet, the question on comparison is a complex one – there are many dimensions to comparing results.

At the first level a decision needs to be made about the comparison between different companies and organisations in your portfolio or aggregating them at the company level. There is an ongoing debate on the merits and the ability to aggregate the results of different companies in the portfolio.

The proponents argue that aggregation allows for the funds to benchmark performance among SPOs in their portfolio and at the same time gives investee companies the ability to see if they are maximising impact, while opponents find it hard to report on collective impact across a portfolio with diverse sectors, geographies and business models. On the other extreme, you could decide not to aggregate at all and present each investee/grantee on its own merit.⁴¹

It is useful to remember that a high degree of homogeneity in the portfolio would make it easier to aggregate at the portfolio level. So for instance, if you focus only on one sector, it may be easier to compare similar SPO's and draw conclusions about their performance. A mixed approach would aggregate some fundamental numbers across your portfolio while crediting every organisation individually for their approach. An example of this is the Bridges Annual Reports, where larger figures are usually reported in aggregate, while each organisation is presented in closed-door investor meetings for performance management.⁴² At the next level of comparison, a decision needs to be made regarding whether to compare your impact with that made by other organisations.

39 AVPN Caspian Impact Investment Adviser, 2016

40 Ogain, Lumley and Pritchard, NPC, 2012

41 Saltuk and El Idrissi, JP Morgan, 2015

42 AVPN Case Study on Bridges Ventures, 2016

Comparison between organisations becomes critical when competing for limited resources like capital from the same donors, funders or Limited Partners. It can prove to be an invaluable tool to show how your organisation has been able to maximise impact when compared to those in the same domain.

A common way to compare is to convert them into the easiest convertible denominator i.e monetary value. The Social Return on Investment (SROI) is one of the most popular methods used. The framework enables you to convert the impact being seen in monetary value against the investment made (in finance, resources, time). SROI is useful not only for putting a monetary value to the impact but it allows for comparisons with financials results.

Different ways of interpretation

How you interpret your findings depends on your motivation for the impact assessment and the change you want to see. For instance, if you interpret in order to report the information, you will probably have some targets you would compare it to. Or if you work in a particular industry and generally want to understand how your intervention made a difference, you can compare your intervention to others. The underlying notion then is that interpretation becomes strong through comparison.

However the question is what you compare it to and we commonly see three ways for comparison and then interpretation.

- 1. You can compare it to your own goal.** In this case you would interpret the findings in the way in which you have achieved, under- or overreached your goals and then proceed to feel that you succeeded or failed.
- 2. You can compare the findings to others in the portfolio,** if they are comparable. Some organisations such as Impetus may focus sufficiently on one sector to be able to draw comparisons. Others only compare similar business models in the same sector.⁴³
- 3. You can compare within industries** and this is most often the case in platforms such as BLab Analytics and Sinzer, which employ abstraction of social impact to monetary terms via SROI, to allow for interpretation.

In all cases, the way you decide whether you are doing well or not, depends on your goal. Beyond failure and success, the more insightful way is to use this as a way to understand what worked and how. If you (over)achieved your goal, this can validate your approach. If you underachieved, you need to do more digging as to why this is the case and potentially change your methodology.

43 AVPN case study on Bridges Ventures, 2016

Checklist:

Do you know what is the frequency with which you will collect impact data? YES NO

Are you aware of the appropriate level of evidence required to prove impact for the stage of business your investee/grantee is in? YES NO

Are you aware of pitfalls of including vanity metrics? And can you identify in your current set of indicators if you have any? YES NO

Are you looking to prove attribution or contribution? YES NO

Will you aggregate impact data at the level of the portfolio? Or, will you track impact at individual organisation's level? YES NO

Will you compare yourself with other organisations on the impact achieved? YES NO

3 – LEARNING FROM EXISTING FRAMEWORKS

Standardised indicators

Customised indicators

Templates for designing indicators

Templates for due diligence

Templates for performance management and risk management

Other sources

Key Takeaways

- SPICED and SMART guidelines are helpful when designing customised indicators for the impact assessment framework.
- If you are looking to adopt standardised indicators, a catalogue of metrics such as IRIS, GRI's G4 framework, PRISM, PPI and BACO can prove to be useful
- Based on the motivation to do impact assessment the following frameworks can be useful
 - Due diligence – Progress out of Poverty Index and Best Available Charitable Option
 - Performance Management – Social Return on Investment, Impact Reporting and Investment Standards
 - Risk Management – De-risking toolkit by Bridges Ventures and Balanced Scorecard

In the previous two sections you learned about how to define your motivation and your understanding of what your organisation achieves with the theory of change and logic model. You also defined a few dimensions of your framework. In this section, we present templates used by various organisations for standardised and customised indicators and according to the different motivations.

Standardised indicators

In terms of selecting indicators, there are a few options.

Many impact investors use Impact Reporting and Investment Standards (IRIS).⁴⁴ These standards have been developed based on a number of existing frameworks and are undergoing refinement in on-going consultations with practitioners such as the Micro-insurance Network.⁴⁵ The drawback of using IRIS could be that the metrics are still focused on microfinance and can be perceived as too Western centric. However, GIIN released the IRIS 4.0, which includes 72 new metrics and has enhanced integration with frameworks such as Global Reporting Initiative (GRI) and Social Performance Indicators (SPI4).⁴⁶ Also, IRIS metrics are used by Global Impact Investing Reporting Standards (GIIRS)⁴⁷ and Portfolio, Risk, Impact and Sustainability Measurement (PRISM).⁴⁸ Finally, IRIS indicators tie in with B-Analytics⁴⁹, which means that your investor presentations become easier (see Section 5 on Presentation).

Corporate foundations and funders may also be inspired by the templates of the Global Reporting Initiative (GRI).⁵⁰ We recently noticed that banks and corporates in our membership are considering moving towards the new G4 Sustainability guidelines by GRI.⁵¹

44 IRIS, available at <https://iris.thegiin.org/metrics>

45 IRIS Micro-Insurance Network, available at <https://iris.thegiin.org/users/profile/microinsurance-network>

46 IRIS 4.0, <https://iris.thegiin.org/iris-4.0-launch>

47 B-Analytics, available at <http://b-analytics.net/giirs-ratings> and <https://iris.thegiin.org/b-impact-assessment-metrics>

48 PRISM, available at <http://prismforimpact.com/> and <https://iris.thegiin.org/prism>

49 IRIS, available at <https://iris.thegiin.org/users/profile/b-analytics>

50 GRI, available at <https://www.globalreporting.org/Pages/default.aspx>

51 GRI, available at <https://www.globalreporting.org/standards/g4/Pages/default.aspx>

These indicators track sustainability and are used by around 250 of the largest corporations. For instance, Starbucks is using these indicators for reporting on its impact.⁵² With regard to the kind of indicators, it could also be useful to take into account the stage of the enterprise. For instance, Impetus-PEF, argues that organisations which are investment ready would also be more likely to be impact-ready. Impetus-PEF has a template with suggested milestones based on the stage of the enterprise.⁵³ Similarly, the UK innovation agency NESTA outlines that different levels of evidence are required depending on the stage of the enterprise, and defines target outcomes according to the capacity of the enterprise on how to prove their effectiveness.⁵⁴ This is similar to the point we made earlier on how robustly you should measure; for early-stage enterprises that have a clear idea of their theory of change testing assumptions as well as drawing up a baseline may be as good a start as an RCTs for a mature organisation with a well-defined and tested model.

Customised indicators

Beyond the indicators you can download and plug in from the web, designing participatory indicators also increases “flexibility of the process, increased ownership of the measurement and evaluation process by community members and other stakeholders, better quality evaluation outcomes, strengthened evaluation capacities, and improved programme impacts”.⁵⁵ In addition, the benefits include increased relevance and achievability of goals.

Participatory indicators also help to bridge the gap between what is measurable and what is elusive, but essential. For instance, the number of connections in a network is measurable, but the quality of the interaction is more difficult to determine yet essential. Working with participants in the network helps to shape indicators to measure this elusive quality.

Additionally, when indicators are developed in collaboration with the social enterprises it results in a higher degree of ownership of the framework and process – ensuring higher quality of data collected.

Templates for designing indicators

Not necessarily templates, but some guidelines and steps are presented here. Customised indicators ideally fall into two categories: for quantitative indicators most would use SMART indicators and for qualitative most would use SPICED indicators.

SMART⁵⁶ stands for

- **Specific:** Specific metrics are clear and well-defined.
- **Measurable:** Progress toward metrics is monitored while work is underway. A measurable metric, tracked by the non-profit shows when work has been done and a metric is achieved.
- **Achievable:** Achievable metrics ensure that everything is in place to meet the metric.
- **Realistic:** Metrics should be realistic. A metric may have a dependency such as particular skills, access to resources (computers, tools, etc.), or access to key people and management support. Realistic metrics take these dependencies into account.
- **Timely:** Descriptions of metrics should include timelines, showing what is required, when. This may include details of delivery, stating (if relevant) where metrics are to be completed.

52 Starbucks, available at <http://www.starbucks.com/assets/79decb3b5f814b8086ebfc6f137aadd1.pdf>

53 Impetus-PEF, 2014

54 Puttick and Ludlow, NESTA, 2013; Hill and Ludlow, NESTA, 2015; Ni Ogain, NESTA, 2015

55 Better Evaluation, available at http://betterevaluation.org/toolkits/equal_access_participatory_monitoring

56 CSI, 2014

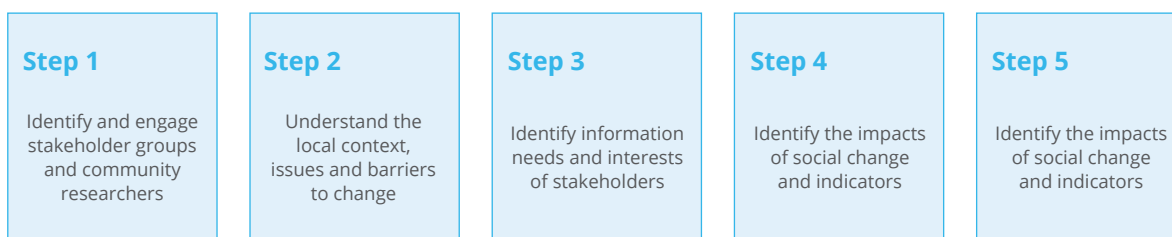
Setting SMART indicators may be familiar to many from business and management contexts and are most suitable for quantitative indicators.

By contrast, **SPICED**⁵⁷ stands for:

- **Subjective:** Informants have a special position that gives them particular insights. What appears anecdotal becomes critical data on the value of an item.
- **Participatory:** Indicators should be developed together with those best placed to assess them.
- **Interpreted** (and communicative): local indicators may not mean much to others, so they need to be interpreted and communicated.
- **Cross-checked:** The validity of the assessment needs to be cross-checked by comparing different indicators and progress, by using different informants, methods and researchers.
- **Empowering:** The process of setting and assessing indicators should be empowering in itself and allow groups and individuals to reflect critically on their situation.
- **Diverse and disaggregated:** There should be a deliberate effort to seek out different indicators from a range of groups, identified by gender, ethnicity, age, income, etc. This information needs to be recorded in such a way that these differences can be assessed over time.

This is particularly pertinent for qualitative indicators and requires consultations with stakeholders.

The process of designing SMART and SPICED involves five steps:



A few points to be considered in designing indicators are

- Set appropriate indicators and methods
- Get good input from a large variety of stakeholders
- Keep indicators manageable by keeping them to a reasonable number
- Enable the analysis of difference, be it in age, gender or income
- Remember indicators limitations in explaining the reasons behind the change

One trade-off for customised indicators is that the initial phase of development can take around six months as you need to consult stakeholders and build consensus. The Better Evaluation Toolkit⁵⁸ sees SMART indicators as easier to be designed than SPICED indicators, as SPICED indicators require an even greater need for consensus and therefore time. The benefit of SPICED indicators however is their sturdiness. To increase the benefit of using these sturdy indicators for comparison, you

⁵⁷ Roche, 1999, p. 49

⁵⁸ Better Evaluation, available at http://betterevaluation.org/toolkits/equal_access_participatory_monitoring

could consider matching SMART and SPICED indicators with existing indicators in IRIS or GRI, while retaining some unique indicators.

However, if you are just starting the process of impact assessment for your organisation or grantee then it would be useful to first look at the available standardised metrics. With better understanding of your own requirements and what works on the ground, you could eventually develop your own customised indicators.

Templates for due diligence

For due diligence and risk management, the predominant need seems to be to first understand whether an impact assessment framework exists at the SPO and how this solution solves the issue in focus.

Regarding whether an impact assessment framework exists on the SPO side, social investors appear to prioritise aligning their view on impact with the investee (e.g. Caspian case on pre-engagement⁵⁹ and impact assessment⁶⁰, Bridges Ventures under portfolio management⁶¹, Dasra⁶² and EdelGive⁶³ pre-engagement). VPOs do so in the due diligence process with application forms, reference checks and also site visits later in the process to understand the social mission.

The more experienced investors develop a framework based on their sector expertise. Either by recruiting internal sector experts (e.g. Caspian⁶⁴) or developing open-source reports on potential ventures (e.g. Dasra⁶⁵). At times, investors also ask their existing cohort to recommend future funding recipients this letting the cohort do the due diligence (e.g. Village Capital⁶⁶).

Some investors also share their criteria for effective organisations in one sector (e.g. Impetus) or more largely for enterprises one stage (e.g. NESTA). Impetus-PEF shares its understanding of scaling different business models and the concomitant requirements at each stage with all social investors.⁶⁷ Similarly, NESTA suggests standards of evidence depending on the stage of the development of the investee.⁶⁸ These indicators are not only checking the ability to create impact but also the ability to sustain the organisation more largely. As mentioned above in *Figure 6*, NESTA sees the following evidence required at different stages. With sector expertise, absolute standards become a little more applicable and useful.

In the absence of sector expertise and the need to compare, the Best Available Charitable Options (BACO) is used by some funders - including Acumen - to compare which other options could solve the issue. Rather than seeking an absolute standard for social return across an extremely diverse portfolio, BACO allows you to quantify an investment's social impact and compare it to the existing charitable options for that explicit social issue. BACO determines how cost-effective the solution is, or if there is an alternative way to solving the issue in a more affordable way.⁶⁹

To measure the benefits of livelihood and reduction in poverty, an accepted tool is the Progress out of Poverty Index (PPI) as it benchmarks organisations' projected impact against the country's poverty landscape and hence determines which segment of the population is being addressed.

59 AVPN Case Study on Caspian Impact Investment Adviser, 2015

60 AVPN Case Study on Caspian Impact Investment Adviser, 2016

61 AVPN Case Study on Bridges Ventures, 2016

62 AVPN Case Study on Dasra, 2015

63 AVPN Case Study on EdelGive Foundation, 2015

64 AVPN Case Study on Caspian Impact Assessment, available at <https://avpn.asia/2016/02/01/impact-assessment-caspian/>

65 AVPN Case Study on Dasra available at <https://avpn.asia/2015/08/28/pre-engagement-dasra-building-knowledge-for-funding-and-deal-flow/>

66 Village Capital Selection Process, available at http://www.vilcap.com/peer_selected_investment_model

67 Impetus-PEF, 2014

68 Puttick and Ludlow, NESTA, 2013

69 Acumen Fund BACO, 2007

Templates for performance management and risk management

Most organisations would use similar templates for due diligence as for performance management. If a social investor has not used templates during due diligence, they tend to design their social performance measurement approach using the theory of change or logic model.

Organisations that develop templates during due diligence like Caspian, Lok Capital and Bridges Ventures for instance⁷⁰, use this to continue to inform their performance management and impact assessment. At times they also co-create further indicators with the investee later or do mid-term third-party assessments.

In the Blueprint for impact assessment by SVT Consulting and AVPN⁷¹, five case studies from different organisations in Asia are presented with different impact measurement methodologies:

Dasra	Balanced Scorecard, IRIS
Insitor Fund	Customised
LGTVP	Customised, theory of change
Social Ventures Australia	SROI
Social Ventures Hong Kong	SROI and cost-benefit analysis


The SROI approach is popular, although it can be seen as complex and costly. Social Value International has worked hard however to make the methodology easier to access and apply. To this end, they have published numerous reports⁷² and have set up the Global Value Exchange.⁷³ The templates on the last pages of the Guide to Social Return on Investment are useful for drawing up your own strategy.⁷⁴

Regarding risk management, the templates are a little harder to get, but from our experience, scorecards, either balanced or not, seem to be a popular option to manage risk. Here are a few sources for different audiences:

Bridges Ventures — Impact Scorecard⁷⁵

Our IMPACT Scorecard is tailored to each portfolio company with a focus, above all, on materiality and practicality. We select Key Performance Indicators (KPIs) that tell us whether the company is achieving impact through what it sells or where it is located (Thematic KPIs), as well as through how it is operating (ESG factors that signal risks, as well as opportunities to create additional value). The result is a comprehensive IMPACT 'snapshot' that allows for timely management decisions and for Bridges Ventures to identify areas where it can provide support. Through our scorecard, we are also able to report our impact and our financial results side by side to our investors, in order to present the full story in scalable impact.

Our IMPACT Scorecard



Thematic KPIs

ESG Value Creation

ESG Risks

70 AVPN Case studies in Impact Assessment <https://avpn.asia/capability-development-model/impact-assessment/> and Portfolio Management <https://avpn.asia/capability-development-model/portfolio-management/>

71 Olsen, S., Dougherty, W., Rogalski, E and Teo, K.; SVT Group, AVPN, 2013

72 Social Value International, available at <http://socialvalueuk.org/home/social-value-international-uk>

73 Global Value Exchange, available at <http://www.globalvaluexchange.org>

74 Social Value International, The SROI guide

75 Bridges Ventures, 2012

New Profit — Balanced Scorecard⁷⁶

Perspective	Strategic Objectives	Targets
1 Financial	Fund Capitalization – secure \$5m in fund commitments Operating Revenues – secure \$500k in operating funds from foundations and friends Sustainability – manage cash flow to maintain an operating surplus Efficiency – maintain ratio of 1:4 staff \$/pro bono \$	<ul style="list-style-type: none"> Raise \$4.5m Maintain operating cash flow with three-month surplus
2 Investor	Build Investor Community – engage them in key aspects of NPI network Investor Satisfaction – use satisfaction survey and interviews Focused Investor Strategy – develop investor segmentation	<ul style="list-style-type: none"> Close three founding and three lead investors Achieve 80% satisfaction
3 Performance of Portfolio Organization	Growth – set specific growth targets with portfolio organizations Social Impact – increase the scope of portfolio organization's social impact Balanced Scorecard Performance – implement first scorecards for each portfolio organization Satisfaction with Fund Services – satisfaction from portfolio organizations regarding NPI and Monitor resources Best Practices – share the best practices across portfolio organizations	<ul style="list-style-type: none"> Create four scorecards with specific targets 80% performance for portfolio organizations Targeted number of shared learning and collaboration events
4 Internal Business Processes	Portfolio Management – implement performance management system Define Leadership Position – establish collaborative relationships with intellectual partners, establish best practices for performance, become policy spokesperson on philanthropic issues Board and Governance – expand and develop national board and develop academic board Satisfaction with Fund Services – satisfaction from portfolio organizations regarding NPI and Monitor resources Plan NPI Institute – plan for the future	<ul style="list-style-type: none"> Finalize process with portfolio organizations Meet targets for press hits and invitations to speak Secure relationships with 100% of potential intellectual partners
5 Learning and Growth	Fill Strategic Positions – design strategy for attracting and retaining talented staff Technology – identify technology needs and plan for procurement Knowledge Management – develop system for improvement and learning related to key processes Alignment – open lines of communication exist between NPI investors and portfolio organizations	<ul style="list-style-type: none"> Fill 100% of necessary strategic positions Finalize HR strategies for attracting and retaining staff

Root Capital — Scorecard⁷⁷

Social Scorecard

Name of Organization
Country
Product

% of Social Scorecard Complete

Instructions

Instructions:

- Please fill in the outlined cells with relevant information. You will notice that some of the (DASHED/WHITE) cells have been populated with information for you; there is no need to fill those out. Please fill in ALL information, or make a note where you are missing information and why.
- Some of the questions will require you to choose ratings based on the definitions of ratings provided ("Clean Rating").
- Some of the questions will require you to fill out written and quantitative questions, and ratings will be calculated for you ("Calculated Rating"). In this case, definitions of ratings are also provided to explain the calculated ratings.
- NOTE: Please fill in cells with white backgrounds, NOT light green backgrounds (such as beneath this text). Any cell that currently contains "Holds" or "not-RA" based on another cell WILL STOP WORKING if you enter something into that cell.

Rating Legend:

- "0" is the neutral rating. Most clients receive mostly Bs or As with a few higher ratings and a few lower ones.
- "AAA", "AA", and "A" ratings represent higher social scores.
- "B" is the "on target" rating. Items with any rating of "C" will not be approved by the Credit Committee and will result in an Overall Social Rating of "Does Not Meet RC Standards."
- NOTE: In some cases rating criteria have been removed from this public file in order to avoid disclosing the trigger criteria that would prevent loan approval.

1.0 Scale (Number of People Reached)

Social & Environmental Metrics (SEM)		All Loans/Portfolios					Definitions
		B	A	AA	AAA		
Total # Producers Reached							NOTE: Please include both members and non-members who sold to the cooperative, agroprocessor, or private enterprise. Women Producer are a subset of Producers Reached in the row above. Women Producer are a subset of Producers Reached in the row above. If hard data is not available, divide total production by average volume consumed per person per year in the country to get an estimate of number of consumers reached; consumers include those who eat food sold by the enterprise.
Total # Women Producers Reached							
Producers Reached Directly (i.e. sold to the cooperative, agroprocessor, or private enterprise)							
Women Producers Reached Directly							
Producers Reached Indirectly (i.e. benefit from goods and/or services sold by the company such as seeds or post-harvest handling)							
Women Producers Reached Indirectly							
Consumers Reached (i.e. domestic consumers of food sold by the enterprise to increase food security and nutrition)							
Employees, Non-Managerial, Full Time							
# Women Employees, Non-Managerial, Full Time							
Employees, Seasonal							
# Women Employees, Seasonal							
Average # Months Worked by Seasonal Employees							
Employees, Managerial							
# Women Employees, Managerial							
Total # Employees							
Board Members							
# Women Board Members							
Volume Purchased from Producers							
Payments to Producers (USD)							
Revenue Under Collaboration							
Average Payments to Producers							
Producers Revenue (USD)							
Total Number of People Reached							

76 Olsen, S., Dougherty, W., Rogalski, E and Teo, K.; SVT Group, AVPN, 2013
 77 Saltuk and El Idrissi, JP Morgan, 2015

One approach to de-risking social investments has been developed by Bridges Ventures. The report in particular identifies five risks not seven but corresponding de-risking approaches:

Risk factor	De-risking feature
Capital risk	Downside protection
	Bundling
Exit risk	Liquidity
Transaction cost risk	Bundling
	Track record
Unquantifiable risk	Placement & distribution
	Technical assistance
Impact risk	Impact evidence

“Impact evidence” suggests Randomised Control Trials (RCTs), which are expensive, lengthy and not suitable for early-stage ventures. The report offers three alternatives to RCTs. One is to combine primary research on stakeholders, customers or case studies with “reasonable efforts to understand additionality”.⁷⁸ Another is to use BACO in order to compare cost structures and best alternatives. The final and third one is to understand not only the impact on beneficiaries but all stakeholders and hence to adopt Environmental, Social and Governmental (ESG) Indicators into the framework. As mentioned earlier, the new G4 standards by GRI may be another alternative.⁷⁹

Other sources

If you are still looking for other templates we recommend four further sources:

1. **EVPA, 2011 and 2015: A practical guide to Managing and Measuring Impact**⁸⁰: Outlining how to do impact assessment, this guide is rigorous and widely accepted in Europe.
2. **The G8 Taskforce on Impact Investment, 2014: Measuring Impact**⁸¹: Similar to the EVPA guide, this is widely accepted as the gold standard of impact assessment and hence worth understanding and acting on.
3. **Rockefeller and SVT Group, 2008, Impact Measurement Approaches: recommendations to impact investors**⁸²: This is a very comprehensive catalogue of many different methodologies. While we outline the most common approaches here and take you through them, this catalogue gives you a comprehensive overview of all approaches.
4. **Foundation Center, updated continuously: Tools and Resources for Assessing Social Impact**⁸³: This online source is continuously updated and provides a list of 150+ assessment tools.

78 Barby and Gan, Bridges Ventures, 2014, p. 15

79 Global Reporting Initiative, G4, available at <https://www.globalreporting.org/standards/g4/Pages/default.aspx>

80 Hehenberger, L., Harling, A. and Scholten, P., EVPA, 2015

81 Social Impact Investment Taskforce: Established under the UK's presidency of the G8, 2015

82 Olsen, S and Galimidi, B, SVT Group and Rockefeller, 2008

83 TRASI, Foundation Center, ongoing, available at <http://trasi.foundationcenter.org>

Checklist

Are your metrics standardised (drawn from an existing catalogue of indicators)? YES NO

Are you following the SMART/SPICED principles when designing your own indicators? YES NO

Are you aware of the time it will take for you to design your customised metrics? YES NO

Are you adopting a framework for impact assessment based on your motivations? YES NO

Are there any benchmarks or other organisation you are comparing yourself with based on the framework decided? YES NO

4 – IMPLEMENTATION

Convincing your grantees to implement IA

Budget considerations

Staffing requirements

Common challenges of design and evaluation

Technology for Impact Assessment

Key Takeaways

- Some of the most important factors to consider when implementing your own impact assessment framework are
 - buy-in from senior management and investees/grantees;
 - identifying resources and the gaps;
 - working under a budget either given or decided and
 - finally assessing the stage of the business to understand the standard of evidence required and relevant.
- In order to obtain grantee buy-in, you need to design a framework that borrows from established sector practices, link it to financial outcomes (in the form of funding, reducing interest on debt) and collect data relevant for the business from a decision making standpoint.
- Regarding estimation of budget and staff, it seems that whatever is affordable requires staff time and whatever is freeing staff resources is expensive.
- Digitized data collection applications can prove to be effective when collecting large quantity of information but being cost effective while doing so.

By now you should have a sound understanding on what your impact is, how to theorize it and what tools would be best suited to collect information on impact data. We should spend some time considering some practical issues regarding impact assessment that are critical to its effective implementation. The list below are prerequisites to designing and implementing an effective impact assessment framework:

- Buy-in from senior management for doing impact assessment (see Caspian case)⁸⁴
- Buy-in from investees/grantees (see Lok Capital)⁸⁵
- Take stock of skills in your internal team and evaluate other resource gaps (see Lok Capital case and their involvement of third parties).
- Earmark a budget for doing impact assessment to not overreach and keep it practical
- Assess the stage of the business/ operations of grantees to see if the business model/ project is stable to render itself to impact assessment/decide which impact assessment is appropriate.

Rianta Capital, an impact investor based in Switzerland mentioned that the stage of business that they invest in determines if they can realistically measure every contribution.⁸⁶ This - concurring with the NESTA's Standards of Evidence - illustrates why some businesses may find it harder to articulate their success to achieve the stated outcomes.

84 AVPN Case study on Caspian Impact Investment Adviser <https://avpn.asia/2016/02/01/impact-assessment-caspian/>

85 AVPN case study on Lok Capital, available at <https://avpn.asia/2015/11/16/impact-assessment-lok-capital/>

86 See portrait of Rianta Capital in the Section 'Cases for different social funders in Asia'

Convincing your grantees to implement Impact Assessment

This is by far the most difficult question to answer and an issue that almost all practitioners face. Often impact assessment can be seen as a form of burden for SPOs. While there are no easy answers, we outlined some of the best practices followed in the industry and based on the conversations we have had with different kinds of funders for the purposes of this guide.

If working in an industry with established best practices in impact assessment, then adoption rate is higher. Microfinance and carbon credit trading are two notable examples. The microfinance sector has not only seen a lot of activity with respect to innovation and flow of capital, but has also been successful in laying down standardised tools for measurement through methods like MIX Markets⁸⁷, IRIS⁸⁸, or the Universal Standards for Social Performance Management.⁸⁹ The United Nations Framework Convention on Climate Change (UNFCCC) and the Gold Standard⁹⁰ have developed methodologies for measuring carbon emission reductions are seen as universal standards. Organisations like Nexus for Development⁹¹ follow these guidelines since it is not just critical to measure the extent of the impact but is also tied inextricably to the financial outcomes as well.

Many investors tend to include in-principle agreement to doing impact assessment or the enterprise's help in collecting impact data, in the grant proposal/ term sheet. This not only manages expectations but also binds both the investor and SPOs into a framework from the outset. Rianta Capital⁹² includes the collection and reporting of outcome indicators based on Key Performance Indicators (KPIs) in their term sheet.

It is also common to link subsequent rounds of funding to achievement of social outcomes which would necessitate the need for collecting data. In some cases the impact assessment results are tied to financial outcomes like lowering the rate of interest on loans provided to the SPO. A notable example is Happiness Foundation⁹³ which incentivizes the attainment of social outcomes by linking the rate of interest on the debt extended to the SPO to their ability to exceed their outcome targets.

Finally, you could try to include impact metrics along with financial metrics for periodic reporting so that it reduces the time taken for reporting and makes the collection of the data predictable.

In some cases, the level of data collected is influenced by the stage of development. Startup or early stage enterprises are less inclined to collect data not only because of perceived high opportunity cost, because of changing business and impact models. It is important to show how the information collected would be "useful" for the enterprise itself and not just as a reporting requirement from the funder's side.

87 MIX Markets, available at <http://www.mixmarket.org>

88 IRIS, available at <https://iris.thegiin.org>

89 Wardle, L, Social Performance Taskforce, 2014, available at http://sptf.info/images/usspm%20impl%20guide_english_20141217.pdf

90 Gold Standard, available at <http://www.goldstandard.org>

91 See portrait on Nexus for Development in the Section 'Cases for different social funders in Asia'

92 See portrait on Rianta Capital in the Section 'Cases for different social funders in Asia'

93 See portrait on The Happiness Foundation in the Section 'Cases for different social funders in Asia'

Budget considerations

SPOs are limited by time, resources and bandwidth. In this situation VPOs should be ready to bear some of the costs or expend resources rather than passing down the entire burden of impact assessment to the SPOs. The stage of the business again plays a key role in determining the money required – mature organisations are more likely to collect impact data without external funding sources as they have grassroots level networks and systems already in place to collect data, whereas startups are stretched for financial and other resources required for collecting data. It is also likely that early stage enterprises would have fewer systems in place to facilitate the collection of data.

The social investors we spoke with mentioned that the impact assessment process on their end costs them from anywhere around nothing - except time - to USD 200,000. In material terms, these costs arise from subscriptions to platforms such as B-Analytics and Sinzer to third-party reports done by organisations such as Sustainalytics to fully fledged accreditations by carbon trading bodies. Some detailed that they set aside 10% of the grant funding for this purpose. Other investors highlighted that it costs them hundreds of thousands of dollars to date, that it does not include generous pro-bono help from academics and other experts for the design and refining of the frameworks and that they usually do not count their own staff costs.

If you choose methods that are more rigorous or conduct data collection often or have a large sample size and do not have field staff on the ground to aid the data collection, you will spend more money on impact assessment. Lack of resources either on the VPO or the SPO side is the biggest limiting factor to impact assessment. Before a choice is made it is always useful to identify the budget you are willing to earmark for the activity exclusively. However, as one respondent put it in our interview, “if you are truly committed to making a difference, you have to put your money where your mouth is and invest”.

Staffing requirements

Beyond earmarking a budget, it is also crucial to take stock of skills in your internal team and evaluate other resource gaps (see Lok Capital case and their involvement of third parties).⁹⁴ As mentioned in the Section ‘Time requirements’, ideally there is one person responsible for the impact assessment and yet, the entire organisation needs to be impact-aware/-sensitive and ready to contribute to make impact assessment happen. This awareness/sensitivity is not effective without the skills to act. It then makes sense to take stock of the existing skills and then decide whether skills gaps can be addressed through training or needs to be contracted out.

The JP Morgan Report on Impact Assessment in Practice⁹⁵ talks about staffing requirements for managing impact and refers to the practice of large foundations, impact investors and funds to demonstrate the industry practice. The report cites example of the Rockefeller Foundation who dedicated resources from the portfolio management team to review investee reports across both financial and impact metrics.⁹⁶ The benefit of having the portfolio manager also look at impact assessment allows for a comprehensive overview of the performance of the social purpose organisation and view impact in conjunction with financial performance.

In other cases the report highlights the practice of engaging in third party evaluations either to reduce the time spent by staff or by keeping the assessment unbiased. However, such arrangements are costly – it would either be worthwhile either to do a portfolio level assessment every few years or have a smaller proportion of the entire portfolio assessed every year.

From our conversations with various categories of funders the emerging trend is that the number of people required for impact assessment would be directly related to how well designed the impact

⁹⁴ See AVPN Case Study on Lok Capital, available at <https://avpn.asia/2015/11/16/impact-assessment-lok-capital/>

⁹⁵ JPM Morgan, 2015

⁹⁶ Saltuk and El Idrissi, JP Morgan, 2015

assessment practice is. Organisations doing impact assessment for more than just reporting purposes or investment decision making or reviewing performance purposes, tend to have more dedicated staff for undertaking impact assessment. The rationale may seem obvious – if the information is being used for decision making then there is a greater need for the information to be more accurate and hence more resources would be allocated to the activity. Having said this, in our cases, the majority of organisations had one to two dedicated staff at maximum for the impact assessment, while management buy-in and impact-awareness were critical additions.

Common challenges of design and evaluation

When designing an assessment framework there is a wide spectrum of methods to choose from depending on the *ability to operationalise* the method as well as the *robustness of the data* collected through it. Robustness here implies that the method of collecting data and the inferences drawn from would provide the most accurate description of what is actually happening on the ground. They are also generally the hardest to operationalise and require higher resource allocation – time, money and staff.

Robustness of data collected is influenced by two factors – sample size and degree of comparison. Randomized Control Trials (RCT) are considered to be the gold standard of impact assessments because they are inarguably the most rigorous. They require the fewest assumptions, or leaps of faith, when drawing conclusions from the results⁹⁷ with the highest degree of comparison. Close on the heels of RCT in the degree of robustness is a quasi-experimental design. In this design the selection of control and intervention is not completely random but matched to the largest extent possible. These designs require a minimum level of sample size in order for the findings to be statistically significant.⁹⁸ To put it simply, the number of people included in the assessment should be large enough to make a meaningful assessment that is also valid statistically.

It is also possible to look at comparison groups within the programme design by selecting a group constituted by those who have dropped out of the project/intervention. In such a design those beneficiaries who enrolled at the beginning of the intervention but dropped out for any reason are compared with beneficiaries who continue with the intervention. This is a preferred method among those who would like to compare the outcomes to some control group (also called counterfactual) in order to assess the actual impact of the programme.

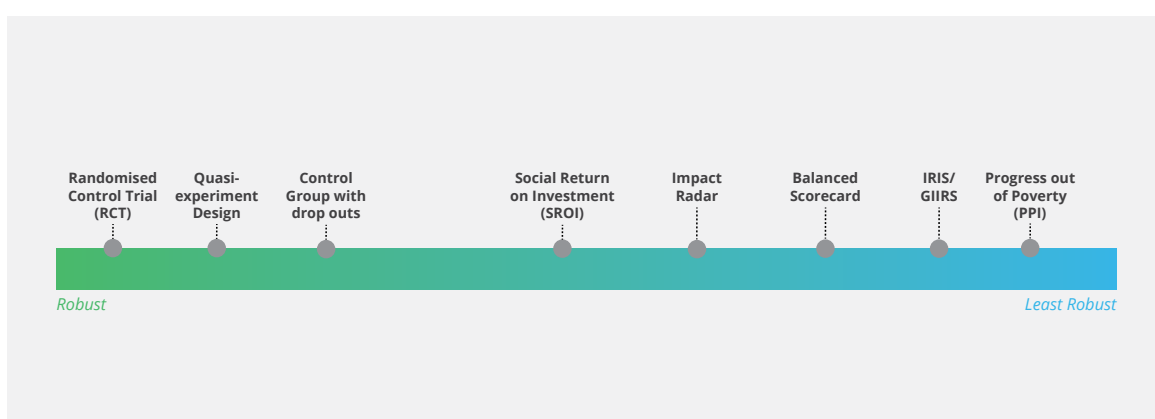


Figure 7 – Robustness Scale, AVPN Analysis, 2016

97 Introduction to Evaluations, JPal, available at <https://www.povertyactionlab.org/research-resources/introduction-evaluations>

98 Statistically significant: The likelihood (or certainty) that a result or relationship is caused by something other than mere random chance.

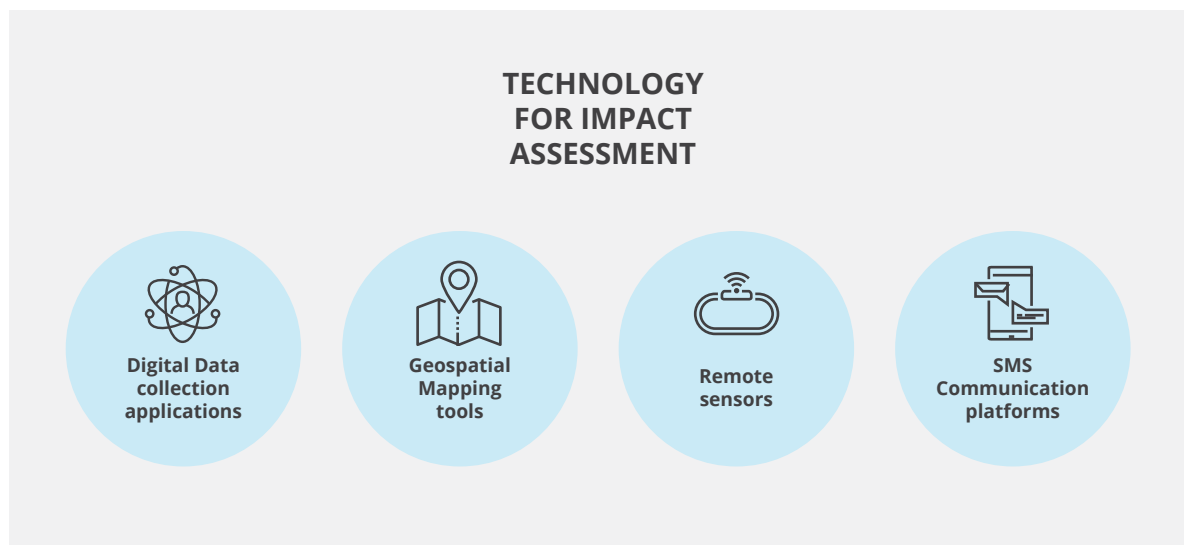
Methodologies like Social Return on Investment (SROI) and Impact Radar require you to estimate and quantify ideas like additionality and deadweight. These almost always require some approximations and leap of faith. However, built in the design of these methods is the idea of a counterfactual to compare and assess impact.

On the other end of the robustness spectrum is IRIS metrics/B-Labs or the Progress out of Poverty Index (PPI). These methods are designed to collect information regarding the beneficiaries and the beneficiaries alone with no minimum sample size determinant. They are also the easiest to adopt and implement with the least amount of cost. Therefore, not surprisingly these methods continue to be the preferred methods of impact assessment.

As we mentioned earlier, the stage of development of the organisation should also influence your choice of impact assessment framework as there is little point in burdening a start-up with a flexible model with a fully-fledged RCT. In so far, we again refer to NESTA's standards of evidence for the choice of impact assessment framework at different stages.⁹⁹

Technology for Impact Assessment

For a long time, organisations have used paper forms to conduct surveys, as paper was the cheapest and easiest solution. However, paper based data collection may be useful only in limited settings since entering data into an electronic format is a time consuming process.¹⁰⁰ Digital data collection applications are slowly gaining prominence to eliminate the need for paper surveys in the field and reduce the time taken for compiling data. Applications work on smartphones/tablets, allowing for easy and robust data collection, while providing functionalities like building the survey form, collecting and analysing data and producing simple reports. The technologies available for tracking impact can be broadly divided into four categories:¹⁰¹



Technology in impact measurement is uniquely suited to social investors and enterprises, both facing the dual pressure of time and cash constraints but still needing real data to know whether they are delivering on their social, and financial objectives.¹⁰² Acumen's Lean Data Initiative¹⁰³ encourages investees to collect impact data as efficiently and effectively as possible by leveraging mobile phones and associated technologies; applying rapid survey questionnaires; integrating the collection, analysis and use of data into the company's internal processes.

99 Puttick and Ludlow, NESTA, 2013

100 Kopernik, 2014

101 Kopernik, 2014

102 Saltuk and El Idrissi, JP Morgan, 2015

103 Adams, Gawande and Overdyk, Acumen and Root Capital, 2015; Acumen Fund 2015

Companies like Touchpoint¹⁰⁴, Magpi¹⁰⁵ and Commcare provide online platforms to collect and store survey data with rich functionalities. While subscribing to these technology platforms can be too expensive, there are companies working to provide the technology platform for free in exchange for use of collected data. The most notable example being Social Cops, an Indian company offering digitized data collection for social enterprises at no cost through a cross subsidization model¹⁰⁶.

Checklist

Has your board of directors/senior management approved your impact assessment plan?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Will you share the cost of data collection with the SPOs?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Have you earmarked a budget for doing impact assessment?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Do you have skills/resources within your team to do impact assessment?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Have your investees/grantees agreed to the framework and collection of information?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Do you know what method of sampling will you use for ensuring robustness of the results?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Are you relying on technology for collecting and presenting impact data?	<input type="checkbox"/> YES <input type="checkbox"/> NO

¹⁰⁴ Touchpoint, available at <http://touchpoint.com/>

¹⁰⁵ Magpi, available at <http://home.magpi.com/>

¹⁰⁶ Social Cops, available at <https://socialcops.com/>

5 – PRESENTATION

Reporting guidelines

External branding and marketing

Presenting your material more convincingly

Key Takeaways

- For the presentation, check back with your investors for existing reporting guidelines or set your own.
- The format may vary when you report to different stakeholders. For instance for the public you may choose an annual report, while for your investors you may supplement this report with more confidential granular information and finally for your investees you may want to discuss performance and therefore choose a more action-oriented way of discussing results.
- When you want to present your material more convincingly, comparison, stories and visual stories are ways beyond RCTs to help you present your work

Once you have completed the impact assessment and interpreted your results, you will probably want to share your results with a number of stakeholders. A few things to consider are existing reporting guidelines, which format to use and what would be the right narrative within each of these formats.

Reporting guidelines

Investors in your funds or foundations, such as Development Finance Institutions (DFIs), have their own reporting templates. It is likely that you will have other investors, too, and hence will need to report on a number of metrics important to multiple investors, your own interest and balance this with the feasibility of your beneficiaries. A case to learn from is the Caspian case, as Caspian is able to incorporate different stakeholder metrics into their measurement without overburdening the investees.¹⁰⁷

Investment fund managers with less stakeholder prescriptions may have to come up with your own reporting guidelines and to this end, there are a number of platforms, which can help you generate a report:

- B-Lab Analytics allows your beneficiaries to enter data, helps you analyse and benchmark it and finally allows you to get a formatted report¹⁰⁸.
- Sinzer¹⁰⁹ is a software solution for managing and measuring social impact. It supports multiple standard frameworks for measuring impact (e.g. SROI) and enables users to build their own Strategic Impact Framework with flexible building blocks. It integrated the Global Value Exchange into its software which contains over 2000 outcomes, indicators and valuations extracted from different sources, such as IRIS, TEEB, IFC etc.¹¹⁰ Sinzer also has case studies on selected organisations on its website.¹¹¹

Alternatively, most organisations we spoke with have their own Excel databases with data gathered through SurveyMonkey, which organisations then turn into graphics, infographics and reports.

¹⁰⁷ AVPN Case Study on Caspian Impact Investment Adviser, 2016

¹⁰⁸ It has to be mentioned that this service is not free for investors, funds or businesses and cost ranges from USD 500 – 10,000 [Status 09/04/2016].

¹⁰⁹ Sinzer website, available at <http://www.sinzer.org>

¹¹⁰ Packages for an account with 10 users start from EUR 500 + a fee per project (depending on the framework, e.g. EUR 60 annual fee for SROI. Setting up a community with one account) starts at EUR 2500. [Status 13/04/2016]

¹¹¹ VSB Foundation Case study on Sinzer website: <http://info.sinzer.org/case-study-vsbfoundation-eng-nl>

External branding and marketing

There is a whole range of options that let you report effectively. For marketing and branding, the most useful are the public reports by various foundations and impact investors. In terms of branding, most organisations may not go too deep but highlight the largest, aggregated numbers and supplement this with stories/anecdotes to make it more persuasive. Then there are various ways for you to share your impact. From our research we found three ways:

1. As an annual report
2. On your website and interactive
3. As a visual story

Annual Reports are the tools of our trade and certainly required for investors and marketing. Here are a few examples of visually appealing, yet robust reports:



SVhk

Impact Report 2007-2010

The first annual report for SVhk gives a clear overview of the portfolio organisations in clear and concise manner. Aggregations and comparisons are missing. It also reports on a longer timeframe than a year, thus allowing for some changes to occur.¹ Also noteworthy is its concise length at 24 pages, which allows affordable printing.

Then in 2013, SVhk shared that they are using KPIs and an SROI-like approach, while finally in 2016, they settled on a customised approach.

Between these three documents SVhk's journey becomes visible: from individually reported organisation's (2010) over SROI, KPIs and a detour of using the de-risking toolkit at due diligence (2013) to a customised approach questioning depth and breadth (2015).

¹ To know more about SVhk's impact measurement, refer to Olsen, S., Dougherty, W., Rogalski, E and Teo, K.; SVT Group, AVPN, 2013, the AVPN case study on SVhk, 2015 and the portrait of SVhk in the Section 'Cases for different social funders in Asia'.



DASRA

Catalyst for Social Change, 2014-2015

Opening with bold numbers, the report starts with the big picture of how change can be catalysed through collaboration and the report outlines then Dasra's main areas of focus (girls, women) while stating 'achievements' (neither output nor impact) before diving into its impact in three areas.

The breakup of organisational theory of change, its main focus and achievements before outlining impact coupled with its simple visuals makes this report credible.

Dasra shared its practice on using Balanced Scorecards for its beneficiaries in the AVPN-SVT report on Impact Assessment in 2013.¹ Now in 2015 the practice shifted to looking at the entire impact of their organisation. Dasra's 2014-2015 report is a good combination of key metrics and narrative.

¹ Olsen et al, AVPN-SVT, 2013

Whichever medium you choose,
balance data with stories while being
honest and robust



BRIDGES VENTURES

2013, 2014, 2015

Bridges initial 10 year report in 2013 outlined the development of its approach since inception in 2002. The three annual impact reports to date are themed and report on selected aspects in Bridges strategy:

- 2013: Spotlight on methodology
- 2014: Learning from a multi-fund approach
- 2015: The value of impact

By adopting this long-term themed approach in outlining what worked and what did not work. Bridges Ventures not only report but also shares findings with the industry to refine their approach. In their investor relations, non-aggregated scorecards and reports per portfolio organisation are presented at annual meetings with the emphasis on performance improvement.¹ As these are not public, we are unable to refer to them here.

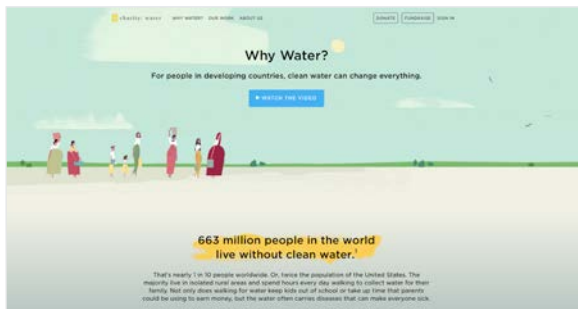


When you write your own report, you could use a narrative approach to make it more engaging and bring the reader along.¹ Dasra's report is very good at this. Alternatively, the themed reports of Bridges are engaging as they portray Bridges Ventures' impact through a particular lens. Finally, while all of us strive for numbers and representativeness, case studies can be more compelling and portray how change has occurred. To strengthen the point you aim to make, consider using different perspectives on the same issue. What unites all of these examples are their visually appealing presentation which drives their message non-verbally.

¹ AVPN Case Study on Bridges Ventures, 2016

¹ NCVO, unknown

To start with some websites we found inspiring for their clear graphics, pop-ups for more information and clean structure, there are



CHARITYWATER.ORG

www.charitywater.org/projects/#stat-info-2

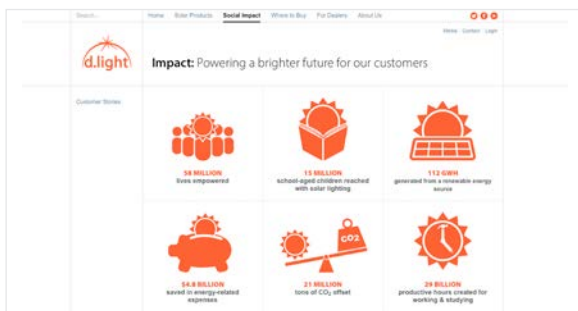
The website is not only graphically appealing but has clear headers of 'why water?' and 'our work'. This makes the link between the larger issue and the organisation. Overview of the portfolio organisations in clear and concise manner.



OPPORTUNITY INTERNATIONAL

<http://opportunity.org.au/what-we-do/measuring-impact>

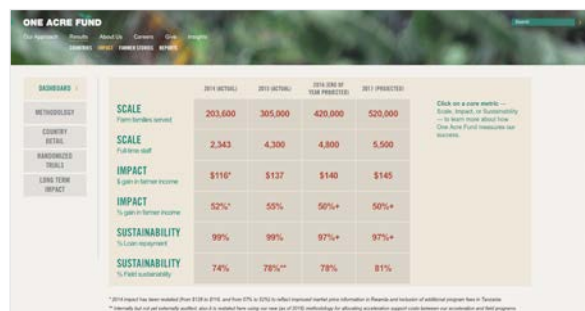
This website again has very clear structures and moreover outlines straightaway how Opportunity International works and then how they help. Website tabs differ by country.



D-LIGHT

www.dlight.com/social-impact/

The tabs and subdivisions place impact squarely in the centre after the introduction before business model. The section itself has easily comprehensible icons with high-level findings and studies on impact below the icons.



ONE ACRE FUND

www.oneacrefund.org/results/long-term-impact

Results come clearly after the introduction and are first presented on a map and then a dashboard with more data and definitions explained. This is one of the few examples which is able to make RCTs accessible.

While annual reports, website and infographics are common, the power of stories is becoming more recognised. If you are going for a video report, a recent collaboration between the Gates Foundation and Google Creative Labs found that impact can be best communicated by “reaching people at a deeper and more engaged level in order to connect them with a subject.” Aaron Kobler the Creative Director of the Data Arts Team at Google Creative Lab stated, “it’s better to create an experience rather than trying to tell them to just think differently.”¹¹² In particular, there is more of a need for “more transparency, and very clear explanations of action and process, as well as a bit of excitement, optimism, and engagement. Not just passing the basket, but inclusion in something bigger, and digital technology can make these aspirations observable, quantifiable, and shareable.”

112 Kanani, 2012

It is worth noting that this is particularly effective for fundraising. For the videos in the Gates–Google collaboration¹¹³, visit: <http://gcgh.grandchallenges.org/videos>. Another interesting source of presenting quantitative data well can be found on Hans Rosling’s website¹¹⁴ on income inequality: <http://www.gapminder.org/videos/> or Windy Films¹¹⁵ - for its visual storytelling of impact such as: Vineyard Cup¹¹⁶ and Sanaria¹¹⁷.

Presenting your material more convincingly

Whichever medium you choose to communicate your work and its effect, the balance to keep in these forms of presentation is to showcase data with the story while being honest and robust. Given that this is your interface with the public, who will assess and judge you for your efforts, it would be tempting to inflate or contextualise in such a way that you distort the findings. Not only does it make you look bad, it also leads to poor decision-making as the basis for your decisions rests on measures that are grand but do not make a difference.¹¹⁸

Most investors we spoke with do not rely on RCTs for robustness. As mentioned above, comparison is one way to make your impact convincing. You can compare within your portfolio, similar business models (e.g. domiciliary care)¹¹⁹, to your industry (e.g. microfinance) or through abstraction to monetary terms. There are benefits to standardisation, such as time-effectiveness and the ability for comparison to understanding what impact have been achieved.

Then there are other ways of portraying the change you achieve by contextualising with qualitative stories. However stories need to be carefully chosen to either portray a typical issue or portray a multitude of angles and thus a range within and breadth of one area.

Checklist

Do you know in what form will you present impact data? YES NO

Are you relying on external software for analytics and presentation? YES NO

Have you considered how to structure your annual report effectively? YES NO

Have you thought about how to present how you and your SPOs make a difference and considered alternatives such as videos? YES NO

113 Gates-Google Collaboration, available at <http://gcgh.grandchallenges.org/videos>

114 Hans Rosling, available at <http://www.gapminder.org/videos/>

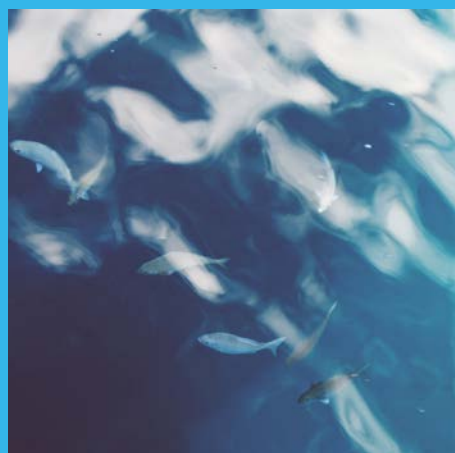
115 Windy Films, available at <http://windyfilms.com/>

116 Windy Films, Vineyard Cup, available at <http://windyfilms.com/vineyard-cup>

117 Windy Films, Sanaria, available at <http://windyfilms.com/sanaria>

118 Greenpeace, Mobilization Lab, 2015

119 See AVPN Case study on Bridges Ventures, available at <https://avpn.asia/2016/02/22/portfolio-management-bridges-ventures/>



CASES FOR DIFFERENT SOCIAL FUNDERS IN ASIA

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Case Study

Mars Catalyst

catalystcuratedcontent.com

Economics of Mutuality is an alternative 'correlative capitals' business model to the Milton Friedman Chicago School of Business model of financial capitalism, and endeavours to be adaptable to other businesses. The simple, stable and actionable metrics were developed involving many partners, experiments and revisions.

DIMENSIONS

Mars shareholders had a holistic view seeking to determine a 'right level of profit' that would promote value chain stability and business sustainability. In 2007, the "intentional business model" was introduced and in 2009, Mars pioneered the Economics of Mutuality (EoM), launching multiple pilots to enable a transition from a profit maximisation business model to a holistic value optimisation approach incorporating People, Planet and Profit Dimensions (3Ps) through simple, stable, actionable and non-monetised metrics. In 2014, EoM went public.

EoM assumes that business behaviour can only be meaningfully altered through measurement. Mars measures the business contribution, for example after two years Maua is 11%+ of the Kenya business (Profits) and addresses root causes (People and Planet). Collecting data and measuring holistic impact continuously along the Maua value chain is a promising work in progress. Mars does not currently compare results with other organisations. The different business units are separate, but do not aggregate for performance management. Similar business models have the same KPIs – aggregated for reporting purposes.

FRAMEWORKS

Customised EoM metrics, measuring 3Ps in a non-monetised way that is simple, stable, and actionable for business.

IMPLEMENTATION

Partners are satisfied that the framework is high-quality, twice peer-reviewed, and provides them with insights and hence are interested in implementing it. Mars uses and tests many types of data acquisition. People data is collected quarterly and social performance is measured annually. Mars has an internal team (Catalyst), other

business units and third parties for impact assessment.

PRESENTATION

Mars shared findings in 2014 with the World Economic Forum in Davos through a special journal on mutuality in business, and also produced short videos for the Economics of Mutuality [<https://vimeo.com/128297310>] and the EoM-based Maua initiative [<https://vimeo.com/128294699>].



Type of Funder
Corporate



Geography
Emerging markets



Sector
Livelihoods, food/nutrition, employment



Stage of Development
Scaling across geographies and continents



Type of Impact
People, planet, profit ('Doing good, and doing well – at scale')



Audience
Business leaders; external thought partners from academia, NGOs, and international organisations



Motivation
Corporate ethics; holistic measurable business performance

Case Study

Microsoft Japan

microsoft.com/about/philanthropies/disaster-response

Microsoft Japan has a robust application of SROI with holistic stakeholder involvement and focuses on the communication of results. It also aims to provide the government with effective and efficient models for youth engagement.

DIMENSIONS

Microsoft introduced the SROI methodology to evaluate the impact of the two most significant citizenship programmes: YouthSpark (promote computational thinking and computer science among underserved youth); and disaster recovery efforts following the East Japan Great Earthquake. The team believed that it was the right methodology to capture the whole theory of change; from inputs, outputs and outcomes to broader economic and social impact.

For YouthSpark, Microsoft Japan partnered with SROI pioneer, Prof. Tsukamoto. This allowed the team to include broader measures of social impact, such as mental and physical well-being of beneficiaries and families. It also allowed them to contextualise the programme as part of the effort to reduce the opportunity divide in Japan, for instance by estimating the contribution of the programme to concrete social outcomes.

For the recovery efforts in East Japan, the biggest benefit was the opportunity to engage with different types of stakeholders, from disaster victims to NPOs and government officials, to capture a richer description of the impact on the ground. Arriving at a clear view of social and economic impact per dollar invested in the programme was a very helpful internal and external communication tool.

FRAMEWORKS

Microsoft Japan uses SROI and customise through academics and stakeholder conversations.

IMPLEMENTATION

Microsoft NPO partners found that the data collection process was too long and complex and believed that their resources were better spent on supporting programmes. So Microsoft Japan decided to significantly reduce the reporting timeline (from 1.5 – 2 years to annual

reporting) and number of questions. The team, often underscores how the data collection process itself can help NPOs improve programme design. When NPOs see the scale of their impact, they appreciate the value of impact assessment.

PRESENTATION

For external, 3rd parties (academic papers, white papers, media articles). For internal management, high-level executive summary and then dive into report if needed.



Type of Funder
Corporate



Geography
Japan



Sector
Youth engagement and employability (NEET), disaster relief



Stage of Development
Ongoing



Type of Impact
Measures outputs and outcomes on beneficiaries



Audience
Internal company, NPOs, government



Motivation
Increase efficiency and resource use in these two sectors

Case Study

The Happiness Foundation

www.sk.com/Contribution/Foundation

The foundation's understanding is that the tool itself is not the most important aspect of impact assessment. It is cognisant that SROI has certain drawbacks but what matters is the idea of quantifying impact into measurement so both the investor and investee can talk about how to improve and how much progress to make.

DIMENSIONS

The Happiness Foundation's motivation for impact assessment comes from the need for performance management of investees. To define indicators, the foundation first examines potential investees' social mission by checking addressed social problems and the intervention. Then, the foundation evaluates SPOs social outcomes for the past three years and forecasts them for the next three years. After the investment is carried out, the foundation tracks investees' performance.

The foundation focuses largely on measuring the contribution of investees. Although the foundation does not consider additionality in the process of measuring social outcomes, the foundation tries to screen-out enterprises with negative outcomes in the DD process.

The foundation's impact is the sum of the investees' contribution. It compares the amount of social value each company creates in a time series manner but not across companies because each company's social value is incomparable across different sectors and business models.

FRAMEWORKS

The foundation uses an SROI-like evaluation framework to value a portfolio company's social value. It applies the general framework of SROI but does not count for additionality.

IMPLEMENTATION

As SPOs have social missions to accomplish, they are already keen on understanding their social impact. The foundation advises SPOs how to improve and maximise. To motivate improvement and measurement, the foundation gives incentives, such as deducting an interest

on convertible bonds or dividends on common/preferred stocks, for social impact. Investment managers are responsible for impact assessment and are the point of contact between the foundation and the SPOs.

PRESENTATION

Publishes annual reports with impact data

More at

<http://www.skhappiness.org/board/fiscal.jsp>



Type of Funder

Corporate foundation



Geography

Republic of Korea



Sector

Education, art & culture, health care, community development, job creation, information asymmetry



Stage of Development

Investment target: early-stage SPOs
Investment stage: seed ~ series A



Type of Impact

Beneficiary level impact of the SPO



Audience

Corporate entity, SPOs



Motivation

Performance management, reporting requirements

Case Study

Epic Foundation

epic.foundation

Successful in integrating monitoring and evaluation throughout the value chain; Epic Foundation is able to connect impact measurement upstream to their due diligence process and are fully integrated for monitoring downstream to allow for smart connection and experience of donors of their impact. In the process of piloting an innovative, web-based system that will provide full integration of Epic's monitoring system with that of its SPOs.

DIMENSIONS

Epic Foundation has a robust method of due diligence collecting information on 15 parameters, which are used for its impact assessment system to track the SPOs performance. Has standardised assessment method for all grantees customised depending on organisation (social enterprises v/s NGOs). Methodology allows for rigorous comparison of SPOs during due diligence and monitoring.

Epic advocates for working across silos and actively leverages the insights of over 100 partner organisations to look for additionality and complementarity to Epic Foundation in the due diligence and impact assessment.

FRAMEWORKS

Epic conducted extensive review of existing frameworks and learnt from many organisations such as Robin Hood Foundation (USA), Dasra (India), Echoing Green (USA), OECD and the UN.

IMPLEMENTATION

Epic is mindful of the SPOs, time and worked to design a system of collecting and storing information that is efficient and user friendly. At due diligence, 15 parameters are decided on. When it comes to monitoring, SPOs then continue to fill information for the same 15 parameters via simple web based forms. Their overall approach is a highly collaborative exercise with supported SPOs ('Monitoring and Collaboration', M&C).

The intended purpose is to work together towards understanding what is working on the ground as a key information for the SPO, Epic and its donors. Epic invests heavily in IA and believes "we should put our money where our mouth is": Epic believes that for funding high impact organisations it is imperative to measure the impact rigorously and be ready to bear the costs.

PRESENTATION

In 2016, Epic launched their Impact App (a mobile application) that will let the donors track the impact of their philanthropy investments. The app provides access to leading performance indicators, pictures and stories about supported SPOs.



Type of Funder
Foundation



Geography
New York, London, Bangkok



Sector
Children and youth



Stage of Development
Established NGOs and social enterprises



Type of Impact
Impact of their SPOs and innovations in the industry



Audience
Donors, foundations and SPOs



Motivation
Investment decision making, adding to sector discourse

Case Study

Social Ventures Hong Kong

sv-hk.org

Social Ventures Hong Kong has tried a number of approaches since 2007 and has developed a customised approach based on individual business models.

DIMENSIONS

Social Ventures Hong Kong (SVhk) developed the impact assessment framework after surveying existing knowledge. In the process, SVhk developed their theory of change and consulted with management on the priorities for impact assessment and the portfolio organisations on relevant metrics.

SVhk divided their portfolio into two broad categories based on their degree of engagement. For companies with lower engagement levels, SVhk measures their contribution to the lives touched. For companies receiving capital and active incubation support, metrics are more in depth and sector based. SVhk claim some attribution to the SPO's impact since their support has been critical for the survival and growth of the SPO. Aggregation at portfolio level is low due to different sectors and different business models, but key metrics are aggregated.

FRAMEWORKS

SVhk used the Bridges Ventures Impact Radar as a learning point but developed their own customised set of metrics based on individual business models.

IMPLEMENTATION








The qualitative assessment done before this framework was time-consuming, so portfolio companies were fine to switch. SVhk still consulted with the enterprises on relevancy of metrics.

Since their methodology was a revision for an ongoing portfolio, SVhk did not do a baseline, but consolidated numbers from the year before as the starting point. Now they follow quarterly reporting for review and yearly consolidation. There is no budget for impact assessment, so they use internal resources and time.

PRESENTATION

Reports to the board, qualitative stories are some of the ways they present impact. Rely on using infographics to make it more engaging and accessible for the reader.

More at <https://avpn.asia/2015/08/11/capacity-building-social-ventures-hong-kong/>

	Type of Funder Venture philanthropy
	Geography Hong Kong
	Sector Poverty, aging population, education, social inclusion and environment
	Stage of Development Early stage (incubation), growth stage
	Type of Impact Locate their impact with their SPOs impact
	Audience Internal reporting (board) and fundraising
	Motivation Performance management

Case Study

Japan Venture Philanthropy Fund

jvpf.jp/en

Japan Venture Philanthropy Fund has developed its customised version of impact assessment using theory of change and logic models and widely available tools like Excel. The fund develops key performance indicators with its portfolio organisations during due diligence to ensure alignment.

DIMENSIONS

Japan Venture Philanthropy Fund (JVPF) is managed by the Nippon Foundation and Social Investment Partners, who jointly fund and support organisations with pro-bono partners such as Bain & Company Japan, Inc., Clifford Chance Law Office and VOX Global Japan K.K.

During due diligence, JVPF supports candidates to build a mid-term management plan including a social impact creation plan.

After investment, investees' reports are customised to each organisation, although some are in the same sector (e.g. education), because beneficiaries and social impact vary in each organisation.

FRAMEWORKS

JVPF uses the theory of change and logic model to define milestones towards the organisation's long-term goal. Japan Venture Philanthropy Fund and the investees develop KPIs together.

IMPLEMENTATION

Investment only occurs when the investee has an understanding of its beneficiaries and social impact. Due diligence can take three to six months.

After investment, different metrics are reviewed monthly, quarterly and yearly. Japan Venture Philanthropy Fund uses Microsoft Excel for storing and analyzing data.

PRESENTATION

Quarterly and annual reports to communicate the social impact data to its stakeholders. Multiple events per year to report social impact to existing and potential donors.

More at

<https://avpn.asia/2015/08/11/capacity-building-japan-venture-philanthropy-fund/>



Type of Funder

Venture philanthropy



Geography

Japan



Sector

Education, childcare & women empowerment, community development



Stage of Development

Growth stage



Type of Impact

Individual organisations (investees)



Audience

Donors, potential organisations and other stakeholders



Motivation

To ensure that organisation members understand mid-term milestones towards the goal, review performance and deliver social return to donors

Case Study

Nexus for Development

nexusfordevelopment.org

Nexus for Development works collaboratively to realise economies of scale and access to finance for its members and partners. Nexus facilitates South-South knowledge sharing and lessons learned among its 23 members to support and scale up low-carbon development projects. Nexus also connects with corporates looking to engage in CSR.

DIMENSIONS

Nexus impact assessment framework so far builds on the carbon certification process and therefore requires significant data collection and monitoring. To gain carbon credits, SPOs need to demonstrate CO2 emission reductions and additionality of finance, meaning the project would not be possible without raising these funds.

Nexus has been assessing the SROI of the projects, as Nexus tries to quantify the social and economic benefits of the projects it supports for individuals and communities. Given the diversity of sectors and geographies where they operate, it is difficult to compare their impact with other organisations and aggregate results at portfolio level.

FRAMEWORKS

Gold Standard and United Nations Framework Convention on Climate Change's methodologies for Carbon Finance. SROI to measure associated socio-economics benefits.

IMPLEMENTATION



SPOs self-select Nexus on the need for impact assessment as carbon accounting requires technical expertise and is a pre-requisite to access carbon credits. Only businesses that can deliver sufficient emission reductions are supported.

Once carbon credits monitoring is in place, collecting additional socioeconomic data for beneficiaries is not a challenge. The first impact results – social, health, economic and environmental – can happen quickly but the monitoring happens after one to two years. Location of the business (local or international), business model and sample size affect the budget for assessment. Monitoring costs range from USD 30,000 to 100,000 per year.

Two staff at Nexus are carbon project experts. Nexus also relied on the support of academics to apply the SROI methodology.

PRESENTATION

In the brochures, social media and its own website, the most impactful numbers like reductions in emissions, respiratory diseases, required time and increases in acres of trees/forests and quality of life are highlighted.

	<i>Type of Funder</i> VP investor/ giving circle
	<i>Geography</i> Cambodia, Indonesia, Laos, Vietnam
	<i>Sector</i> Carbon finance, rural development, clean energy and water
	<i>Stage of Development</i> Proof of concept and scale expansion
	<i>Type of Impact</i> Locate their impact with their SPOs impact
	<i>Audience</i> Foundations/aid agencies and SPOs/ NPOs
	<i>Motivation</i> Fundraise for the SPOs and themselves; sensitize entities with whom emissions are being offset on environmental issues

Case Study

Rianta Capital Zurich's Artha Initiative

arthaplatform.com

This group has emerged from a unique context and exemplifies an initiative strategically guided by the values, vision and priorities of a single family office.

DIMENSIONS

Rianta Capital advises the Singh Family Trust and their associated entities in investments in companies that are scalable, create livelihoods and increase per capita incomes.

Impact is at the core of their investment rationale. These interventions occur through a programme called the Artha Initiative, and all investments today are systematically made in syndication with other funding partners who share their values and their approach to patient capital over extended time frames. Artha does spend time calculating the attribution of relative outputs to their intervention per se, but they are conscious of their catalytic role as an early-growth stage supporter of high impact enterprises. They do aggregate impact data from among their portfolio companies for reporting purposes.

FRAMEWORKS

Artha has reviewed and drawn ideas about impact reporting from IRIS and other funds like Bridges Ventures Impact Radar; they have developed their own framework upon review of a range of methodologies. This framework benchmarks a number of priority areas in a scorecard format that adheres to the objectives of the family they serve.

IMPLEMENTATION

In more recent investments, Artha includes some impact assessment reporting criteria in term sheets, but in earlier investments did not integrate these elements in a systematic fashion. Frequently, they interact with their older investee pool through use of a survey instrument to establish progress against impact baselines. Artha tends to collect such data bi-annually/quarterly.

PRESENTATION

Rianta Capital's Artha Initiative uses snapshots and aggregated scorecards to present their portfolio performance for internal purposes only. In 2016, they are actively exploring the use of various tools and apps to support the presentation of impact narratives and data capture, as well as spearheading (with several partner platforms) attempts to create interoperable API level solutions for technology platforms in the impact arena. Artha's overt goals are designed for optimising collaboration amongst like-minded investors with shared values.



Type of Funder

Impact investing



Geography

India



Sector

Livelihoods, agriculture, energy, water, health, education, ICT, etc.



Stage of Development

Early growth stage SPOs



Type of Impact

Locate their impact with their SPOs, impact



Audience

Rianta is an investment advisory structure serving the Singh family trust



Motivation

Internal impact investment portfolio development and reporting

Case Study

SOW Asia Foundation

sowasia.org

SOW Asia Foundation is an early-stage impact investor with significant capacity building activities based in Hong Kong.

DIMENSIONS

SOW Asia looks primarily at the problem and the solution within an addressable market and the quality of the team. SOW Asia is aware of the issues of additionality and attribution but is not sure if they have been able to address the challenges in answering them.

While it has strong anecdotal evidence to prove its value-addition through the two accelerator programmes, there is not an exclusive causal link between these programmes and the success of the enterprises, nor should this be the case.

FRAMEWORKS

SOW Asia tested the SROI framework but cited cost and complexity for smaller enterprises as the big challenges to easy adoption.








SOW Asia is currently using in-house scorecards to measure the economic performance and social value creation against the initially agreed objectives.

IMPLEMENTATION

SOW Asia is cognisant that gathering and reporting impact numbers is a challenge. It tried to address this by designing metrics that allow for data to be used for making business decisions. This makes data valuable for more than just reporting with greater buy-in.

PRESENTATION

Most of the reporting is done through internal documents and for performance management.

	<i>Type of Funder</i> Impact investors with significant capacity-building services
	<i>Geography</i> Hong Kong
	<i>Sector</i> Healthcare, education, environment and poverty alleviation
	<i>Stage of Development</i> Proof of concept/minimum viable product. Most enterprises SOW Asia invests in participate in a pre-investment accelerator programme Fast Forward or i2i.
	<i>Type of Impact</i> At enterprise level; significant (output/inputs) measurable impact within market
	<i>Audience</i> Performance management of social enterprises
	<i>Motivation</i> Internal assessment of investment decision and performance management

Case Study

RS Group

rsgroup.asia

RS Group is one of very few impact investors to generate impact via a multi asset-class portfolio, ranging from public equity/debt, impact investing and philanthropy, managed collectively through a “Total Portfolio Management Approach”.

DIMENSIONS

Under the “Total Portfolio Management Approach”, all available assets within the portfolio contribute to its mission for impact and performance, ranging from philanthropic to near market and market rate capital. Impact is generated from local community levels to macro systemic levels, with a goal for the portfolio to generate a holistic and integrated set of value creation – referred to as “Blended Value”.

FRAMEWORKS

RS Group measures and manages performance across the portfolio; in the process, it has faced the following challenges in capturing an integrated assessment of its total portfolio:

- Strategy evolvments over time affecting its ability to develop a unified performance metric framework from the outset;
- The varied stages of organisational development of investees and grantees; and
- The lack of a universal measurement system.

As a result, RS group measures each of its asset class by different parameters. Standardised metrics may be available for certain asset classes (e.g. measurement of ESG standards and carbon footprint in public equity and debt funds and IRIS metrics for impact investments), while customized metrics might be required where no standard indicators exist (e.g. philanthropy).

RS Group believes that being a multi-asset class portfolio has provided access to a wider variety of opportunities and flexibility in choosing the most appropriate instrument via which to generate the impact they seek.

IMPLEMENTATION

Fund managers and philanthropic grantees provide ongoing reporting on mutually agreed impact indicators, and RS Group also conducts annual review calls with all its invested fund managers. In addition, RS Group engaged Sustainalytics and B Analytics on a project basis to provide additional data on carbon footprint and IRIS-based impact metrics respectively.

PRESENTATION

To share their journey and attract others to join their path, RS Group launched a 5-year impact report (<http://report.rsgroup.asia>) in May 2016.

*Type of Funder***Impact investor / grantmaker***Geography***Hong Kong***Sector***Sustainability, environment, social entrepreneurship***Stage of Development***Early Stage, growth, listed companies***Type of Impact***Different investment strategies have different kinds of impact ranging from investee/organisational level to systemic/ecosystem level***Audience***Asset owners, finance professionals***Motivation***Performance and effectiveness management, and validation of capital allocation decision(s)**

Case Study

Lombard Odier

lombardodier.com

Lombard Odier offers an easy access to impact investments, through a fund of funds (FOF) that finances the development of access to basic services for low income populations in emerging and frontier countries. They have developed a methodology to assess and compare the impact of different investment solutions, thus bringing a degree of standardisation in the space.

DIMENSIONS

On one side, more and more impact investors are willing to invest for good. On the other side, there are a lot of quality SPOs that need financing. Lombard Odier believes that banks have a role to play in designing impact investment solutions adapted to typical investors, in order to convey capital from one side to the other.

The impact investment market is fragmented and composed of small funds with little track record. Investors need expertise to select the best players, both financially and from an impact perspective, but also to provide them with diversification, scale and liquidity. This is how Lombard Odier contributes to the market.

FRAMEWORKS

First, Lombard Odier measures the impact performance at the FOF portfolio level by aggregating data by sectors. For microfinance for instance, it consolidate the average loan and the number of micro entrepreneurs financed.

Next, it analyses each fund through five dimensions: pre-investment impact analysis, social reach, alignment of values, impact measurement and impact management.

Finally, it brings to light on the qualitative aspects of the impact, using stories to highlight the main trends, have in-depth beneficiary profiles to convey the granular impact.








IMPLEMENTATION

Before investment they check for the intentionality of having a tangible impact and ask for a theory of

change. The quality of the impact thesis and metrics being collected, as well as the five dimensions described earlier, are part of their due diligence.

PRESENTATION

It provides investors with a comprehensive social impact report every year, comprising every details of their impact assessment approach. A quarterly newsletter focuses on concrete investee companies, and explain how they positively impact the society.

	Type of Funder Wealth management
	Geography Global
	Sector Microfinance, fair trade agriculture, SME financing, access to basic services for low income populations
	Stage of Development Fund of funds, bespoke funds selection, direct investments
	Type of Impact 3 tier-portfolio level, impact at the fund level and beneficiary level
	Audience Investors, senior management
	Motivation Internal usage and reporting to investors

Case Study

Dasra

dasra.org

Over the last 16 years, Dasra has developed a robust, continuous impact assessment framework using Balanced Scorecard with IRIS and other indicators. Its process is also marked by close collaboration with and empowerment of grantees in the evaluation process. Dasra also champions gender transformative evaluation.

DIMENSIONS

Dasra's work spans three buckets - Capacity Building, Fundraising, Research. Dasra works with philanthropists, foundations, corporate CSR programmes and international aid agencies to channel funds via leveraged funding, giving circles and collaborative funding to organisations. Dasra constructs logic models for each bucket and shortlists indicators. These are integrated into the Balanced Scorecard, quarterly reports and Dasra's external communication on its impact. Activities are reported as outputs/contributions. Measuring attribution remains a challenge. A few key indicators are aggregated across buckets, and then across sectors. Overlaps are called out. Specific programme indicators are captured for specific donors (e.g. girls' health and empowerment indicators for USAID).

FRAMEWORKS

Theory of change, Outcome mapping, OECD DAC evaluation criteria, logic model, Standardised (IRIS) and customised indicators, balanced scorecards. Dasra's engagement with bilaterals and foundations like USAID, the Gates Foundation etc has pushed a gender transformative evaluation agenda.

IMPLEMENTATION

Five to six months to develop the logic model and two to three months for data collection. For organisations, first results are seen within three months of implementation. Results on outcomes can take three to five years. IA is done by a team of two at the Dasra level and by another specialist at the portfolio level, leadership and entire organisation is aligned and involved. Dasra facilitates organisations' engagement from design over management and communication to use of IA and encourages benchmarking results. Grantee challenges are budgetary and capacity-related. Dasra encourages grantees to

allocate around 15 percent of the budget for impact assessment and to help hire impact assessment staff.

PRESENTATION

Results are communicated quarterly to donors, internally via a management dashboard and externally in annual reports. Dasra support organisations to disseminate findings, systems and processes as briefs, blogs, conference presentations for building credibility, learning and reflection.



Type of Funder

Giving circle



Geography

India



Sector

Girls/adolescent girls, sanitation, governance, other (livelihoods, education etc.), family giving (strategic philanthropy)



Stage of Development

Scale/growth



Type of Impact

Measures outputs and outcomes aggregated across Dasra, sector specific indicators



Audience

Donors, SPOs/NPOs



Motivation

To strengthen programmes and advocate for scaling of effective interventions, build the ecosystems, measure influence on the sector in channelling financial capital and become a thought leader in philanthropy in developing economies

Case Study

Kopernik

kopernik.ngo

The use of digital data collection apps and skilled enumerators in the field has enabled Kopernik to rapidly collect large data sets across Indonesia.

DIMENSIONS

Typically, Kopernik begins by developing the programme's theory of change and logic model, mapping out two stages of outcome — intermediate and long term outcomes. Additionality and attribution are more complex questions and at this stage, the organisation primarily focuses on contribution. Kopernik tracks outcomes over time and some assessment of additionality can be derived by looking at a control group and analysis of baseline data. When programmes have a similar theory of change and key indicators, it is easier to aggregate. However, Kopernik thinks not everything is comparable and it is important to make that distinction when presenting impact data.

FRAMEWORKS

Kopernik developed its own impact assessment frameworks for women's empowerment and technology adoption by drawing upon multiple frameworks and indicators used by peers. The women's empowerment framework shares a number of indicators used and promoted by groups like Energia, ExxonMobil Foundation and WOCAN.

IMPLEMENTATION

Kopernik uses a number of 'impact tracker technologies' – ICT tools designed for Monitoring and Evaluation (M&E) and communication – based on their own research. For data collection, Kopernik has adopted digital applications (Magpi and CommCare), however continue to work on improving the quality and consistency of the data collected. Other impact tracker technologies include SMS platforms and remote sensors. For big projects a baseline survey is conducted within one month of recruitment (sales agents) and baseline surveys are conducted closer to the date of purchase of the product. They build approximately 10% of the total budget for M&E when pitching for projects.

Kopernik looks for grant funding to fund impact assessment for bigger projects. It has a dedicated team with an overlap with portfolio managers.

PRESENTATION

The website is Kopernik's primary tool and presentation includes impact snapshots, blogs with impact stories and engaging photos and write ups. Kopernik also relies on social media to communicate their impact. In the future, Kopernik plans to publish more impact assessments both aggregated across relevant programmes and at the project level.

	Type of Funder Social enterprise
	Geography Asia with the focus on Indonesia
	Sector Last mile technology, women and girls, energy access
	Stage of Development N/A
	Type of Impact Own impact on the beneficiaries
	Audience Foundations/aid agencies, internal team
	Motivation Performance management, reporting to donors

RECOMMENDED RESOURCES

Recommended Resources

Instead of giving you an alphabetic bibliography, we split up the resources by section and also indicate whether it gives you an overview, another example in the shape of a case study or practical guidance or a tool. These distinctions may enable you

- to find the resources to learn more generally (overview reports) or specifically (case studies)
- and to eventually jump into action (with practical guidance or tools).

All weblinks were checked for access on 09.04.2016.

Audience, Motivations and Profiles

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
AVPN Case Study: Caspian Impact Investment Adviser: IA in Financial Services, Agribusiness & Food and Affordable Housing in India	Asian Venture Philanthropy Network (AVPN)	2016	https://avpn.asia/2016/02/01/impact-assessment-ia-caspian-investment-adviser-ia-in-financial-services-agribusiness-food-and-affordable-housing-in-india/	Case Study
Impact Measurement: Exploring its role in Impact Investing	Graham, B. and Anderson, E. – National Australia Bank, The Difference Incubator and Benefit Capital	2015	https://www.nab.com.au/content/dam/nabrwd/About-Us/corporate-responsibility/docs/impact-measurement-exploring-its-role-in-impact-investing_final.pdf	Overview Report and practical guidance
Oranges & Lemons The State of Play of Impact Measurement among UK Social Investment Market	Moreau, S. and Hornsby, A. – Investing for Good for Big Society Capital and Esmée Fairbairn Foundation	2015	http://esmeefairbairn.org.uk/uploads/documents/orangesandlemons_edoc.pdf	Overview Report
Making an Impact: Impact measurement among charities and social enterprises in the UK	Ogain, E.N., Lumley, T. and Pritchard, D. – New Philanthropy Capital (NPC)	2012	www.thinknpc.org/publications/making-an-impact/making-an-impact/	Overview Report
Standards of Evidence: An approach that balances the need for evidence with Innovation	Puttick, R. and Ludlow, J. (NESTA)	2013	https://www.nesta.org.uk/sites/default/files/standards_of_evidence.pdf	Overview Report

Defining and comparing Impact Assessment

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
See above for reports by NESTA, 2013 and NPC, 2012				Overview Report
UN Principles of Responsible Investment	Unknown		http://www.unpri.org/about-pri/the-six-principles/	Overview and tools for action
B-Corporation	Unknown		https://www.bcorporation.net/	Overview and tools for action

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Global Reporting Initiative	Unknown		https://www.globalreporting.org/Information/about-gri/Pages/default.aspx	Overview and tools for action
Corporate Social Impact Strategies – new paths to collaborative growth	Varga, E. – European Venture Philanthropy Association (EVPA)	2015	http://evpa.eu.com/publication/corporate-social-impact-strategies/	Overview report with case studies
Mars Catalyst	Unknown		http://mars.com/global/about-mars/science-and-innovation/catalyst.aspx	Example

What is Impact? What is Impact Assessment?

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
A Practical Guide to Measuring and Managing Impact	Hehenberger, L., Harling, A. and Scholten, P. – European Venture Philanthropy Association (EVPA)	2015	http://evpa.eu.com/publication/guide-measuring-and-managing-impact-2015/	Practical guidance
The Compass: Your guide to social impact measurement	Muir, K. and Bennett, S. – Centre for Social Impact (CSI)	2014	http://www.csi.edu.au/media/uploads/CSI_The_Compass.pdf	Practical guidance
See above for reports by NESTA, 2013 and NPC, 2012				Overview reports
See above for EVPA 2015 and the G8 Taskforce for Social Impact Investing report on Measuring Impact				

Getting Started – Theory of Change and Logic Model - Dimensions of Impact Assessment

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Measuring Impact: Subject paper of the Impact Measurement Working Group	Social Impact Investment Taskforce: Established under the UK's presidency of the G8	2015	http://www.socialimpactinvestment.org/reports/Measuring%20Impact%20WG%20paper%20FINAL.pdf	
See above for report by EVPA, 2015				Overview report and practical guidance
Logic Model Development Guide	W.K. Kellogg Foundation	2006	https://www.wkcf.org/resource-directory/	Practical guidance
A community builder's approach to theory of change	Anderson, A. (ANDE)	2005	http://www.dochas.ie/Shared/Files/4/TOC_fac_guide.pdf	Practical guide
Theory of Change Basics: A primer on theory of change	Taplin, D., Clark, H. (ActKnowledge)	2012	http://www.theoryofchange.org/wp-content/uploads/toco_library/pdf/ToCBasics.pdf	Practical guidance
Review of the use of 'Theory of Change' in International Development	Vogel, I. – Department of International Development (DFID)	2012	http://r4d.dfid.gov.uk/pdf/outputs/mis_spc/DFID_ToC_Review_VogelV7.pdf	Practical guidance
Center for Theory of Change	Multiple authors	unknown	http://www.theoryofchange.org/what-is-theory-of-change/	Practical guidance and tools for action

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Mapping Change – Using a Theory of Change to Guide Planning and Evaluation	Grant Craft – a service of the Foundation Center	unknown	http://www.grantcraft.org/assets/content/resources/theory_change.pdf	Practical guidance and tools for action
Logic Model Workbook	Innovation Network	unknown	http://www.innonet.org/client_docs/File/logic_model_workbook.pdf	Practical guidance and tools for action
The State of Measurement Practice in the SGB Sector	Edens, G and Lall, S. – Aspen Network of Development Entrepreneurs (ANDE)	2014	http://www.aspeninstitute.org/sites/default/files/content/docs/pubs/The%20State%20of%20Measurement%20Practice%20in%20the%20SGB%20Sector.pdf	Overview report
Beyond Vanity Metrics: Toward better measurement of member engagement	Citizen Engagement and Mobilisation Lab	2015	http://www.mobilisationlab.org/wp-content/uploads/2015/04/Beyond-Vanity-Metrics_FINAL.pdf	Overview report and practical tips
Moving Beyond Vanity Metrics	Silberman, M. and Mahendra, J. – (SSIR)	2015	http://ssir.org/articles/entry/moving_beyond_vanity_metrics	Overview
Broader Evidence for Bigger Impact	Lisbeth B. Schorr – Stanford Social Innovation Review (SSIR)	2012	http://www.cssp.org/publications/general/document/Fall_2012_Broader_Evidence_for_Bigger_Impact.pdf	Overview
Impact Assessment in Practice: Experience from leading impact investors	Saltuk, Y., El Idrissi, A. – JP Morgan Social Finance	2015	https://www.jpmorgan.com/jmpdf/1320674289368.pdf	Overview and practical tips
Investing in Innovative Social Ventures: A practice Guide	Hill, K. and Ludlow, J. – (NESTA)	2015	https://www.nesta.org.uk/sites/default/files/investing_in_innovative_social_ventures_-_a_practice_guide-final.pdf	
Impact Measurement in Impact Investment – Learning from practice	Eibhlin Ni Ogain – (NESTA)	2015	https://www.nesta.org.uk/sites/default/files/impact_measurement_in_impact_investing.pdf	Overview report and reassessment of Standards of Evidence, 2013
AVPN Case Study: Bridges Ventures: Impact as an investment lens	Asian Venture Philanthropy Network (AVPN)	2016	https://avpn.asia/2016/02/22/portfolio-management-bridges-ventures-impact-as-an-investment-lens/	Case study

Learning from Existing Frameworks

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Impact Assessment for Development Agencies: Learning to value change (SPICED Indicators)	Roche, C. – Oxfam Great Britain	1999	http://policy-practice.oxfam.org.uk/publications/impact-assessment-for-development-agencies-learning-to-value-change-122808	Overview report and practical guidance
Impact Measurement: Exploring its role in Impact Investing	Graham, B. and Anderson, E. – National Australia Bank, The Difference Incubator and Benefit Capital		https://www.nab.com.au/content/dam/nabrwd/About-Us/corporate-responsibility/docs/impact-measurement-exploring-its-role-in-impact-investing_final.pdf	Overview report and practice guidance
Theory Of Change Online Software	Center for Theory of Change	unknown	http://www.theoryofchange.org/toco-software/	Practical guidance
See above for Mapping a Theory of Change by Grant Craft – a service of the Foundation Center				

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Getting to Outcomes: Promoting Accountability Through Methods and Tools for Planning, Implementation, and Evaluation	Rand Corporation		http://www.rand.org/pubs/technical_reports/TR101.html	<i>Practical guidance and tools for action</i>
IRIS Metrics	Global Impact Investing Network (GIIN)		https://iris.thegiin.org/metrics	<i>Tools for action</i>
Global Impact Investing Reporting Standards (GIIRS)	B – Analytics		http://b-analytics.net/giirs-ratings	<i>Overview</i>
Portfolio, Risk, Impact and Sustainability Measurement (PRISM)	Intelcap, GIZ and IFC	~2014	http://prismforimpact.com/home/	<i>Overview</i>
Global Reporting Initiative	unknown		https://www.globalreporting.org/Pages/default.aspx	<i>Overview and tools for action</i>
Building the Capacity for Impact: A report on the capacities needed by the social sector to deliver the aims of the social investment market	Impetus – Private Equity Foundation (PEF)	2014	http://www.impetus-pef.org.uk/wp-content/uploads/2014/09/Building-the-Capacity-for-Impact_September-2014_Final.pdf	<i>Overview report</i>
Equal Access Participatory Monitoring and Evaluation toolkit	Better Evaluation – RMIT University, PACT, ILAC, ODI	unknown	http://betterevaluation.org/toolkits/equal_access_participatory_monitoring	<i>Overview</i>
AVPN Case Study on Caspian Impact Investment Adviser	AVPN – Martina Mettgenberg-Lemiere	2015	https://avpn.asia/2015/08/11/caspian-making-due-diligence-work-through-pre-launch-work-low-costs-and-testing-the-relationship-in-negotiations-2/	<i>Case Study</i>
AVPN Case Study on Caspian Impact Investment Adviser	AVPN – Martina Mettgenberg-Lemiere	2016	https://avpn.asia/2016/02/01/impact-assessment-ia-caspian-investment-adviser-ia-in-financial-services-agribusiness-food-and-affordable-housing-in-india/	<i>Case Study</i>
AVPN Case Study on Bridges Ventures	AVPN – Martina Mettgenberg-Lemiere	2016	https://avpn.asia/2016/02/22/portfolio-management-bridges-ventures-impact-as-an-investment-lens/	<i>Case Study</i>
AVPN Case Study on Dasra	AVPN – Martina Mettgenberg-Lemiere	2015	https://avpn.asia/2015/08/28/pre-engagement-dasra-building-knowledge-for-funding-and-deal-flow/	<i>Case Study</i>
AVPN Case Study on EdelGive Foundation	AVPN – Martina Mettgenberg-Lemiere and Alexandra Wong	2015	https://avpn.asia/2015/08/11/pre-engagement-edelgives-due-diligence-using-ia-sector-overviews-transparency-and-funders-network/	<i>Case Study</i>
Village Capital Selection Process		unknown	http://www.vilcap.com/peer_selected_investment_model	<i>Case study</i>
Progress out of Poverty Index (PPI)	Grameen Foundation	unknown	http://www.progressoutofpoverty.org	<i>Tool for action</i>
Best Available Charitable Option (BACO)	Acumen	2007	http://acumen.org/idea/the-best-available-charitable-option/	<i>Tool for action</i>
A Blueprint for Impact Measurement for Venture Philanthropists and Social Investors in Asia	Olsen, S., Dougherty, W., Rogalski, E and Teo, K. – SVT Group, AVPN	2013	http://www.avpn.asia/wp-content/uploads/2013/01/AVPN-SVT-Blueprint-for-Impact-Measurement-for-Asian-Venture-Philanthropists.pdf	<i>Overview report and case studies</i>

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Shifting the Lens: A de-risking toolkit for impact investment	Barby, C. and Gan, J. – Bridges Ventures	2014	http://www.trilincglobal.com/wp-content/uploads/2014/01/BV_BoA_de-risking_report_FINAL-2.pdf	Overview report and some guidance
Benchmark your Portfolio	B Analytics	unknown	http://b-analytics.net/products/benchmark-and-report/benchmark-your-portfolio	Tool for action
AVPN case studies	AVPN – various authors	Ongoing, since 2015	https://avpn.asia/capability-development-model/	Case studies
Global Value Exchange		unknown	http://www.globalvaluexchange.org	Tool for action
The SROI Guide	Social Value International (SVI) – various authors	unknown	http://socialvalueuk.org/publications/publications and http://socialvalueuk.org/what-is-sroi/the-sroi-guide	Guidance
Ten Year Report	Bridges Ventures	2012	http://bridgesventures.com/wp-content/uploads/2013/01/Bridges_10_Year_Report_final.pdf	Overview report and case study
Impact Measurement approaches; Recommendations to Impact Investors	Olsen, S. and Galimidi, B. – Rockefeller and SVT Group	2008	http://svtgroup.net/wp-content/uploads/2011/09/RIIC_Report_Final.pdf	Overview report
Tools and Resources for assessing social impact	Foundation Center	ongoing	http://trasi.foundationcenter.org/browse.php	Tools for action
See above for EVPA 2015 and the G8 Taskforce for Social Impact Investing report on Measuring Impact				

Implementation

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
Impact Tracker Technologies	Kopernik	2014	http://impacttrackertech.kopernik.ngo/sites/impacttrackertech.kopernik.info/files/Kopernik-Impact-Tracker-Technology-Catalogue.pdf	Overview report
Introduction to Evaluations	Abdul Latif Jameel – Poverty Action Lab (J-PAL)		https://www.povertyactionlab.org/sites/default/files/resources/Introduction%20to%20Evaluations%20%281%29.pdf	Overview report
The Universal Standards for Social Performance Management Implementation Guide	Wardle, L. – Social Performance Task Force	2014	http://sptf.info/images/usspm%20impl%20guide_english_20141217.pdf	Guidance and tools for action
Enhanced Market Intelligence Reports	Mix Markets		http://mixmarket.org/funders_and_investors	Tool for action
Innovations in Impact Measurement	Adams, Gawande and Overdyk – Acumen Fund – Root Capital	2015	http://acumen.org/wp-content/uploads/2015/11/Innovations-in-Impact-Measurement-Report.pdf	Overview
The Lean Data Field Guide	Acumen Fund	2015	http://acumen.org/wp-content/uploads/2015/11/Lean-Data-Field-Guide.pdf	Guidance report
Technologies for data collection	Touchpoint Magpi Social Cops		http://touchpoint.com http://home.magpi.com https://socialcops.com	Tools for action

Presentation

RESOURCE	AUTHOR/ ORGANISATION	YEAR	SOURCE	TYPE OF RESOURCE
AVPN Caspian Case Study on Impact Assessment	Martina Mettgenberg-Lemiere, 2016, AVPN	2016	https://avpn.asia/2016/02/01/impact-assessment-ia-caspian-investment-adviser-ia-in-financial-services-agribusiness-food-and-affordable-housing-in-india/	Case study
Sinzer		unknown	http://sinzer.org	Tool for action
See above for B-Analytics and AVPN Case on Bridges Ventures				Case studies
Annual Reports by SVhk	Social Ventures Hong Kong		SVhk 2007-2010: http://sv-hk.org/files/SVhk-Impact-Report-2010.pdf SVhk 2011-2014: http://sv-hk.org/wordpress/wp-content/uploads/SVhk-Impact-Report-2011-2014.pdf Olsen, S., Dougherty, W., Rogalski, E and Teo, K.; SVT Group, AVPN, see above AVPN Case Study on SVhk: https://avpn.asia/2015/08/11/capacity-building-social-ventures-hong-kong-svhk-moving-social-enterprises-up-through-the-dual-engine-and-impact-assessment/	Overview and case studies
Dasra Annual Report Catalyst for Social Change	Dasra	2015	https://www.dasra.org/whats-new/news/dasra-update-dasra-annual-report-2014-15	Case study
Annual Reports by Bridges Ventures	Bridges Ventures		http://bridgesventures.com/category/news/type/reports	Case study
Annual Reports Know-how	National Council for Voluntary Organisations	unknown	https://knowhownonprofit.org/campaigns/communications/effective-communications-1/annual-reports	Overview and guidance
Exemplary Websites: Charity Water Opportunity International D.Light One acre fund			https://www.charitywater.org/projects/#stat-info-2 http://opportunity.org.au/what-we-do/measuring-impact http://www.dlight.com/social-impact/ https://www.oneacrefund.org/results/long-term-impact	Case studies
Grand- Challenges Description and Videos	Kanani, R – Gates-Google Collaboration		http://www.forbes.com/sites/rahimkanani/2012/05/04/communicating-for-social-impact-lessons-from-the-gates-foundation-and-google-creative-labs/#7e806797af82 http://gcgh.grandchallenges.org/videos	Case studies
	Windy Films		http://windyfilms.com http://windyfilms.com/vineyard-cup http://windyfilms.com/sanaria	Case studies

Methodology

Over the summer of 2015 we started surveying the literature on impact assessment. It seems that there is an abundance of guides, cases and tools and nothing else to say on this topic. However, AVPN members and the public kept asking us questions on how to get started, how much they should budget, whom they can learn from and how to actually do the impact assessment.

Despite the array of already available guides we decided to understand what is needed. We compiled questions asked and distilled them into the five areas found here. Given the questions we received, we decided to start with the basics and synthesise what we know about drawing up a theory of change and logic model and how this connects with impact assessment. Finally, we also wanted to make this practical by diving into issues of costs and time and to convince grantees. One part of the writing this guide then was to draw together the abundant literature, understand the common issues and make solutions accessible and actionable.

Another part of writing this guide was to understand how this was practiced. To this end, we contacted organisations from different points on the spectrum from grant making, social-first investors over blended value impact investors to seemingly mainstream wealth management and corporate functions and asked them about their dimensions of impact assessment, the design of their frameworks, implementation and presentation. These are not typical or best cases, but if we learned anything then it is that there is no typical or best impact assessment. Good impact assessment aims to further the conversation on impact and work towards acting on insights. The case studies validated our findings and the practical solutions we identified and now also provide you with insights into how your peers are doing impact assessment.

Finally, the resources guide in the end is structured in such a way that you can find either overview to further your understanding, a case study to see how others are doing impact assessment or a tool and guidance to help you get started on or perfect your approach.

Glossary

ESG

ESG (environmental, social and governance) is a generic term used in capital markets and used by investors to evaluate corporate behaviour and to determine the future financial performance of companies. ESG factors are a subset of non-financial performance indicators which include sustainable, ethical and corporate governance issues such as managing the company's carbon footprint and ensuring there are systems in place to ensure accountability.

Global Reporting Initiative (GRI)

GRI is an international independent organisation that helps businesses, governments and other organisations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others. The GRI Sustainability Reporting Guidelines (including the G4 guidelines) offer Reporting Principles, Standard Disclosures and an Implementation Manual for the preparation of sustainability reports by organisations, regardless of their size, sector or location.

Indicators

Indicators are the specific variables that are tracked to demonstrate the delivery of outputs and outcomes. Indicators may relate to direct quantities (e.g. number of hours of training provided) or to qualitative aspects of the change (e.g. levels of beneficiary confidence). An effective impact measurement system will incorporate a number of indicators, or an 'indicator set'.

Input

Resources put into a programme for its establishment and implementation. Examples are money, staff, time, facilities, equipment. etc.

Logic Model

A visual representation of how your programme works – a "picture" of your programme. A logic model includes what you put into your programme (resources), what you do (activities), and what you plan to achieve (outputs and outcomes).

Outcome

Outcomes are the ultimate changes one is trying to make in the world, as well as the intended and unintended side effects of the business. It includes specific changes in attitudes, behaviors, knowledge, skills, status, or level of functioning

expected to result from programme activities and which are most often expressed at an individual level.

Output

Outputs are the direct results of programme activities. They are usually described in terms of the size and/or scope of the services and products delivered or produced by the programme. They indicate if a programme was delivered to the intended audiences at the intended "dose." A programme output, for example, might be the number of classes taught, meetings held, or materials produced and distributed; programme participation rates and demography; or hours of each type of service provided.

Social Purpose Organisation (SPO)

Social Purpose Organisation or Mission Driven Organisation operate with the primary aim of achieving measurable social and environmental impact. Social purpose organisations include charities, non-profit organisations, and social enterprises (registered as e.g. Community Interest Companies, cooperatives or Industrial and Provident Societies, limited companies).

Social Return on Investment (SROI)

SROI is a framework for measuring accounting for how much value is created and destroyed by a programme or intervention and for whom. It includes three types of return which can be expressed qualitatively or quantitatively, however, there is a strong emphasis on quantification and monetisation.

Theory of Change

The theory of change, Impact thesis or causal model represents how a social purpose organisation achieves its impact by linking the organisation to its activities, and the activities to outputs, outcomes and impact. The impact chains form the central line running through the impact plan with each linkage to the outcome explained by the assumption made.

Venture Philanthropy Organisation (VPO)

A VPO provides long-term financing to SPOs operating with the principles of venture philanthropy. A VPO may use grant making (donations) or social investment (equity, debt, etc) approaches to funding SPOs, together with non-financial support.



About AVPN

The Asian Venture Philanthropy Network (AVPN) is a membership network headquartered in Singapore that seeks to increase the flow of financial, human and intellectual capital to the social sector, and to improve the social impact effectiveness of members across the Asia Pacific region.

We promote venture philanthropy in the broader philanthropic and social investment communities and provide specific networking and learning services to meet the needs of our members.

We have over 280+ organisations from 28 different countries spanning from various different sectors. We are building a cross-sector network bringing together organisations and individuals from finance, business and the social sector. Our members include private equity firms, private banks, wealth management institutions, other financial services organisations, professional service firms, family businesses, corporations, foundations, universities and government related entities.

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