NAVIGATING THROUGH THE IMPACT QUESTIONS

THE 10 IMPACT QUESTIONS

1. How much change in each outcome has happened? (or is likely to happen)?
2. How can we measure these outcomes?
3. What is the relative importance of the different changes in outcomes?
4. How long do we need to measure the outcomes?

WHY WE CHOSE A GENDER LENS FOR THIS WORKSHOP?

In alignment with the British Council’s Developing Inclusive and Creative Economies (DICE) programme objectives, to create and develop inclusive creative and social economies, we aimed to create a resource that would support ideas around developing capacity to manage impact programmes with a focus on gender equality and impact investing through a gender lens. In addition, we intended to increase dialogue and the knowledge shared with intermediaries related to impact measurement and management (IMM) on key themes. This included conversations around the dynamics of social and creative enterprises and their adoption of gender lens and other inclusive opportunities for all genders in South African IMM practices. We particularly wanted to support intermediaries in assisting entrepreneurs in preparing themselves to become more investment ready social and creative enterprises, while improving sustainability practices, when focusing on gender-impact work. In addition, ANDE is now ready to increase its impact along with the prominence of the small and growing business (SGB) sector. With a larger team, new capabilities, growing credibility and 10 years’ worth of committed contribution to the ecosystem, ANDE is aligning its objectives and new strategy with the Sustainable Development Goals (SDG’s). Three urgent issues have been identified as critical focus areas for programmes to be launched in the near future, with Gender Equality (SDG 5) being one of them:
**SUPPORTING WOMEN AS ENTREPRENEURS IS CONSISTENTLY LISTED AS THE HIGHEST PRIORITY GENDER GAP ANDE MEMBERS AIM TO ADDRESS**

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women as Entrepreneurs</td>
<td>88%</td>
</tr>
<tr>
<td>Women as Leaders</td>
<td>65%</td>
</tr>
<tr>
<td>Women as Employees</td>
<td>49%</td>
</tr>
<tr>
<td>Women in the Community</td>
<td>39%</td>
</tr>
<tr>
<td>Women as Clients</td>
<td>32%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
</tr>
</tbody>
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**ANDE MEMBER PROMINENCE:**
- Globally, ANDE members are identifying gender gaps as a high priority in the work they do to support entrepreneurs.
- Supporting women as entrepreneurs has become one of the highest priorities for ANDE members.
- ANDE members show interest in promoting gender inclusion – seen in their efforts to support women’s leadership through investment and capacity building.

In line with this, ANDE seeks to promote impact investing through a gender lens to help improve access to capital, equity, products and services provided by the SGBs supported in emerging markets.

Impact investing through a gender lens matters for practices in impact measurement and management, because it highlights that investments in social, economic and financial systems are affected by gender. This deliberate inclusion of gender criteria in investment structures is an impactful way of working to shift structural gender inequality.

**CONTINUING THE JOURNEY OF THE TEN IMPACT QUESTIONS**

Based on learnings from questions one to four, we understand the need for identified outcomes. We know that these outcomes can be intended or unintended, positive or negative. Questions five to eight delve deeper into ways in which outcomes can be used to measure the impact value of a programme or intervention. For this we need to consider:

**IMPACT QUESTION 5:** How much change in each outcome has happened? (or is likely to happen)?

To answer this question, we require two different data points: the baseline (at the start of the activity) and the endline (when the outcome occurs). The change or difference between these two points is the measure of impact of the intervention.

**THINGS TO REMEMBER:**
- It’s important to establish your indicators early so that you can identify what your baselines are for collecting data.
- If you forget to collect the baseline data, it is recommended to ask scaling questions about “how much...” or “how many...” circumstances have changed since the beginning of the project to establish your indicators.

**IMPACT QUESTION 6:** How can we measure these outcomes?

To measure the outcomes which we identified in Question 4 (see: Learning Brief 2/4), we need to begin to think about the data we will work to capture. Even if we understand that the difference between point A and point B is the impact, question six supports the process of measuring those outcomes. By using the data points in question five, there is a need to develop indicators. Indicators can reflect absolutes (e.g. feedback from Yes/No questions) or a variable range (e.g. rating-related questions). The importance is that the indicators are identified and are relevant to the programme in question.
THINGS TO REMEMBER:
- To measure the change from the comparison between baseline data and endline data, we must decide on indicators before we begin the programme or intervention.

INDICATORS CAN BE SUBJECTIVE OR OBJECTIVE:

SUBJECTIVE:
- The opinion of the person interviewed provides an idea of the change that has occurred.
- Numeric scales are useful when trying to understand an individual’s perceived change in an outcome of an intervention.

OBJECTIVE:
- These indicators can be observed by a third party, where change in outcomes is easily identified.
- Baseline data is especially important for this.

IMPACT QUESTION 7:
What is the relative importance of the different changes in outcomes?

This requires input and engagement from the myriad of stakeholders involved (beneficiaries, intermediaries, investors). It is up to them to determine the relevance and validity of the changes in outcomes.

WAYS TO ESTABLISH THE RELATIVE IMPORTANCE OF OUTCOMES:
- RANKING: Listing all the outcomes that different stakeholders experience in a ranking order (most important to least important).
- DIFFERENTIAL WEIGHTING: Stakeholders rating the outcomes on a scale of 1 to 10.
- FINANCIAL PROXY: Replace the differential weighting with a financial value. Prices allocated to each outcome are meant to give an indication of the preferences stakeholders have.

IMPACT QUESTION 8:
How long do we need to measure the outcomes?

This question is dependent on the programme or intervention in question — and the type of outcomes agreed. It is also dependent on when the stakeholders engage with the process, and what their expectations are. What is most helpful here is to manage these expectations through clear communication of project timelines and associated outcomes based on the resources available.

EXAMPLE: Gender lens investing platform
Finance and technical assistance programme to female enterprises

PROPOSED OUTCOMES:
- Growth in female-led businesses
- Increased access to markets
- Higher gender representation
- Women as entrepreneurs in the economy

TIMELINE: 10 years

PROPOSED INDICATORS AND TARGETS:
TURNOVER: 50% increase
FEMALE OWNED: 50%
DISTRIBUTION OUTSIDE THE COMMUNITY: 60%

While there has been significant discussion about the design and development of indicators, another important factor to consider is the development of targets for each of the indicators. This is critical as it adds nuance and value to the indicator. For example, an indicator like “number of female owned businesses” is relatively easy to track and is neither positive nor negative.
KEY TAKEAWAYS FROM THE PANEL DISCUSSION

PANELISTS

Zinhle Phakathi, Impact Hub
“Impact Hub City is a catalyst to foster social innovation. We are a global community, consultancy and a creative space. We work at the intersection of innovation and society to collaboratively create impact with an entrepreneurial mindset”

Michelle Schenck, Kiva
“Kiva is an international non-profit, founded in 2005 in San Francisco, with a mission to expand financial access to help underserved communities thrive.”

CHALLENGES OF MEASURING GENDER IMPACT WORK

- While gender exclusion has been identified as a challenge, specifically tracking gender inclusion needs to be explored further. There are obvious methods – using number of women, or number of female-headed businesses as indicators. However, this is an area which requires more attention.
- KIVA includes gender as a core indicator on their project impact score card. However, what is also important to note is that one can’t assume that there is female empowerment if a woman is the recipient of a loan. It is more complex than that. Key questions to engage with include: “Can the woman use the money?”; “Can she make decisions about the use of the money, or even contribute towards deciding how the money is used?”
- With small businesses, resources are often so limited at the beginning that designing metrics and establishing measurement methodologies do not receive the time they require. This is true of all metrics, not just those specific to a gender-lens. Further effort needs to be engaged to empower business owners – male and female – to implement these systems from the beginning, thus allowing more accurate measurement and progress tracking.
- While there are examples of female-focused grants, these tend to be focused on female youth. Opportunities for older women (specifically above 35 years), appear to be more challenging to source.

“The new equality lounge [established by Impact Hub JHB] is about opening up the space for women. This is about highlighting where women have been disruptive in the space – and empowerment for women in these spaces.”

“In Africa, in general, the first and main thing Kiva seeks to address is gender exclusion. 81% of our loans go to women. This is an attempt to correct financial exclusion.”