LEARNING LAB 4

OBJECTIVES: The fourth, and final DICE workshop focused on the remaining two Impact Questions (9 and 10), as well as a collaborative feedback session on members’ and other stakeholder groups’ experience using the IMM Toolkit to measure and manage the social impacts of their own organisations.

DATE: 6th February 2020, Workshop17, West Street, Sandton, Johannesburg; 11th February 2020, Workshop17, Watershed, Waterfront, Cape Town

NAVIGATING THROUGH THE IMPACT QUESTIONS

THE 10 IMPACT QUESTIONS

9. How much of each change in each outcome is caused by our activities?
10. Which outcomes matter enough to be managed?

CONTINUING THE JOURNEY OF THE TEN IMPACT QUESTIONS

REMINDERS:

1. Individuals experience different events in their lives that result in certain changes. Those changes can be termed “outcomes”.
2. Individuals place different levels of importance on each of these changes (or outcomes) depending on their understanding, appreciation or value felt from each change.
3. Social value is the ability to quantify that relative importance that individuals place on each change. These outcomes or changes are directly related to the “impact”. Impact can be defined as the means of understanding how much we are contributing to changes.

Based on learnings from questions one to eight, we understand the need for identified outcomes and that these can be intended or unintended and positive or negative. We also understand how outcomes can be used to measure the impact value of a programme or intervention.
**IMPACT QUESTION 9**

How much of each change in each outcome is caused by our activities?

Social impact interventions are generally people focused. As such, there are multiple factors which may cause changes in behaviour, decision-making and consequences thereof. **Question 9** is particularly important for practitioners in both understanding the contribution of an intervention towards a change in outcomes (e.g. what change would have been experienced even if the intervention had not happened), whether or not that causal link actually exists, and who else contributes to the changes experienced. This is particularly relevant when the practitioner is engaging directly with stakeholders.

**BENEFITS OF ASKING THIS QUESTION:**

- Prevents over-claiming responsibility for the changes in outcomes experienced.
- Helps to identify potential partners who are contributing to the same outcomes. Working together with other organisations with similar goals can help to create additional shared value.
- Identifies individuals who have experienced outcome changes regardless of the intervention. This, in turn, can help ensure that the intervention is redirected to others who are either at greater risk, or who would not experience a change in outcomes without the intervention.

**RISKS IF WE FAIL TO ASK THIS QUESTION:**

- Over-claiming the intervention’s contribution to the change in outcomes.
- Misallocation of resources resulting in limited additional value creation.
- The absence of a counter-factual will result in not knowing whether the program had a direct causal effect on specific outcomes.

**IMPACT QUESTION 10**

Which outcomes matter enough (and are important enough) to be managed?

If previous questions have already been addressed, practitioners already have an understanding of the different stakeholders involved in the intervention. However, **question 10** addresses the value or importance that each stakeholder allocates to different outcomes. Depending on the stakeholder, different outcomes may be more important than others.

**BENEFITS OF ASKING THIS QUESTION:**

- Identifies the changes in outcomes which are valued the most. With this information, it is possible to direct the intervention to areas displaying the greatest impact.
- Ensures better understanding of how the value of our intervention is viewed. This in turn, empowers us to communicate our value better to investors, funders and, where needed, to partners.
- Enforces ideal allocation of resources. By this we mean that if we identify that certain changes in outcomes are experienced, but are not greatly valued by the beneficiaries, this should not be a priority area for impact measurement. In an ideal world, all changes in outcomes should be measured as perceptions change over time. However, where resources are limited, it is of paramount importance that only the most valued impacts are measured.

**RISKS IF WE FAIL TO ASK THIS QUESTION:**

- Resources are focused on collecting evidence which does not bring value as the evidence is not linked to those areas which are most appreciated. Where resources are limited, it is critical that they are focused on areas which result in maximum value.
- Areas of improvement are not identified and thus, we continue to implement activities or an intervention “because this is what we have always done” rather than ensuring it’s focus brings maximum value by identifying ideal targeting methodologies.
Well-designed and implemented IMM processes are key to running an effective social enterprise. In an effort to support practitioners in this space, SVUK and ANDE developed an excel based IMM toolkit. This toolkit has been designed specifically to support social and creative entrepreneurs and organisations by providing a standard approach to measure and accurately manage the impact of the activities they provide. The IMM toolkit not only serves as an efficient tool for storing and managing qualitative and quantitative data, but is intended to ensure appropriate data to inform decision-making leading to ongoing improvements at a practitioner or organisation level.

REMINDER: WHAT WAS THE IMM TOOLKIT DESIGNED FOR?
- Storing evidence on the ten key impact questions
- Creating social value / impact targets
- Comparing targets to actual performance
- Identifying insights that help increase impacts

FEEDBACK ON THE IMM TOOLKIT

PRACTITIONERS’ 1 EXPERIENCE WITH THE TOOLKIT:
- Ensured we were well equipped to inform financial decisions.
- Improved our ability to manage investor expectations.
- Provided a valuable means to bridge the gap between the investors (financial questions/answers) and the beneficiaries (those who experience the change in outcomes).
- Supports efficient communication of what is being done, and what is being measured.
- Extremely administratively intensive.
- Provides a consolidated view of the intended impact of an initiative.
- The toolkit is very useful in measuring impact, once we know how to use it and do so appropriately.
- By using the toolkit we have been able to identify gaps in our approach in terms of: 1) Mapping our stakeholders; and 2) Understanding what we are measuring.
- The tool takes a long-term measurement impact approach.
- The toolkit has been useful to support storytelling of our initiatives and to motivate for programme budgets.

PRACTITIONERS’ 2 CHALLENGES WITH THE TOOLKIT:
- At a grassroot level, the stakeholders (such as the entrepreneurs) may find the language difficult to understand.
- Assumes there is an active M & E department to post or capture the required data into the toolkit.
- Requires the implementers to have a clear understanding of what they want to measure (based on engagements with stakeholders and their objectives and understanding of the problem being addressed). Unfortunately, this is not always the case.
- Challenging to implement mid-way through a programme. The toolkit is ideally most effective when introduced at the start of an intervention, which is rarely the case.
- It is not very easy to understand initially. It takes some time to come to grips with the different components of the toolkit.
- The data is only as good as what is captured. Where there are challenges with data capturing, the value of the toolkit is severely limited.
- Collecting data on a quarterly basis, as suggested by the toolkit, can be challenging for smaller enterprises and intermediaries given capacity constraints and / or the type of intervention.

1 Experience limited to those who attended the fourth and final DICE workshop
2 Experience limited to those who attended Training of Trainer Workshops in August 2019 and the fourth workshop
PRACTITIONERS SUGGESTED IMPROVEMENTS FOR FUTURE ITERATIONS OF THE TOOLKIT:

- Include a glossary of terms used in the toolkit with definitions in laymen language to support organisations with explaining the content to stakeholders.
- Consider creating an approach (IMM toolkit) which is designed specifically for entrepreneurs, rather than intermediaries.
- Integrate Key Performance Indicators into the toolkit measurement model.
- Establish an online toolkit to promote further transparency and learning.
- Divide the tool into customised versions appropriate for different groups or organisations.
- Integrate design thinking into the toolkit.
- Provide a training and capacity building component.
- Assist the users and organisations on how to align the data captured within the toolkit with the organisation’s theory of change.
- Develop a method to review the accuracy of the data.

IN CLOSING

- Impact management is about increasing our positive impacts and reducing our negative impacts.
- We need to use the Principles of Social Value to answer the ten key impact questions.
- By setting targets we can hold ourselves to account – instead of asking how much impact have we created, we are starting to ask:

  "Have we created as much impact as we expected?" & "What can we do differently to increase our impact?"