

Measuring Social Impact

A very brief guide to Social Value, Social Accounting and Audit and other tools Part II

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So how do we measure?

- Systematically
- Qualitative and quantitative
- Many tools available, some simple, some complex
- Choose a framework and then select appropriate tools to use within the framework, depending on what you want to find out
- At its simplest, develop an outcomes framework...

1. Identify the problem.

Clarify the problem you are addressing and its underlying causes.

2. Agree your aims.

Identify your long-term aim and more specific aims.

3. Map outcomes.

Carry out backwards mapping, to identify the outcomes along the way necessary for achieving your aims.

4. Identify activities and outputs.

Identify the activities that you will carry out and the outputs you will deliver to achieve those outcomes.

5. Specify indicators and targets.

Develop indicators that will be used to assess progress and achievements, and to test the theory and its different components.

Outcomes monitoring framework

| Specific aims | Outcomes | Outcome indicators | Info collection methods | When and by whom | How to report and use |
|---|--------------------------------------|---|-------------------------|---------------------------------|--|
| <i>To improve clients employment related skills</i> | Clients have better interview skills | How clients present themselves at interview | Workshop feedback form | Trainer after every workshop | Quarter reports to trustees and annual report to funders |
| | | | Observation | Keyworker during mock interview | |

Social Accounting?

- A logical and flexible framework which enables your organisation to build on existing documentation and reporting systems and develop a process so that you can *prove and improve* your social, economic and environmental performance, and *be accountable* to those you work with and work for...

Where did social accounting come from?

- SAA developed through work with social and community enterprises and voluntary sector since 1990
- Developed by John Pearce, Alan Kay, new economics foundation and others from 1980's onwards
- Focus on organisations with a “core” purpose of creating social or community benefit (different from corporate sector...)
- Concentrates on the overall sustainability of a organisations – financial and triple bottom line
- Provides a over-arching reporting framework into which other tools and techniques can be fitted.

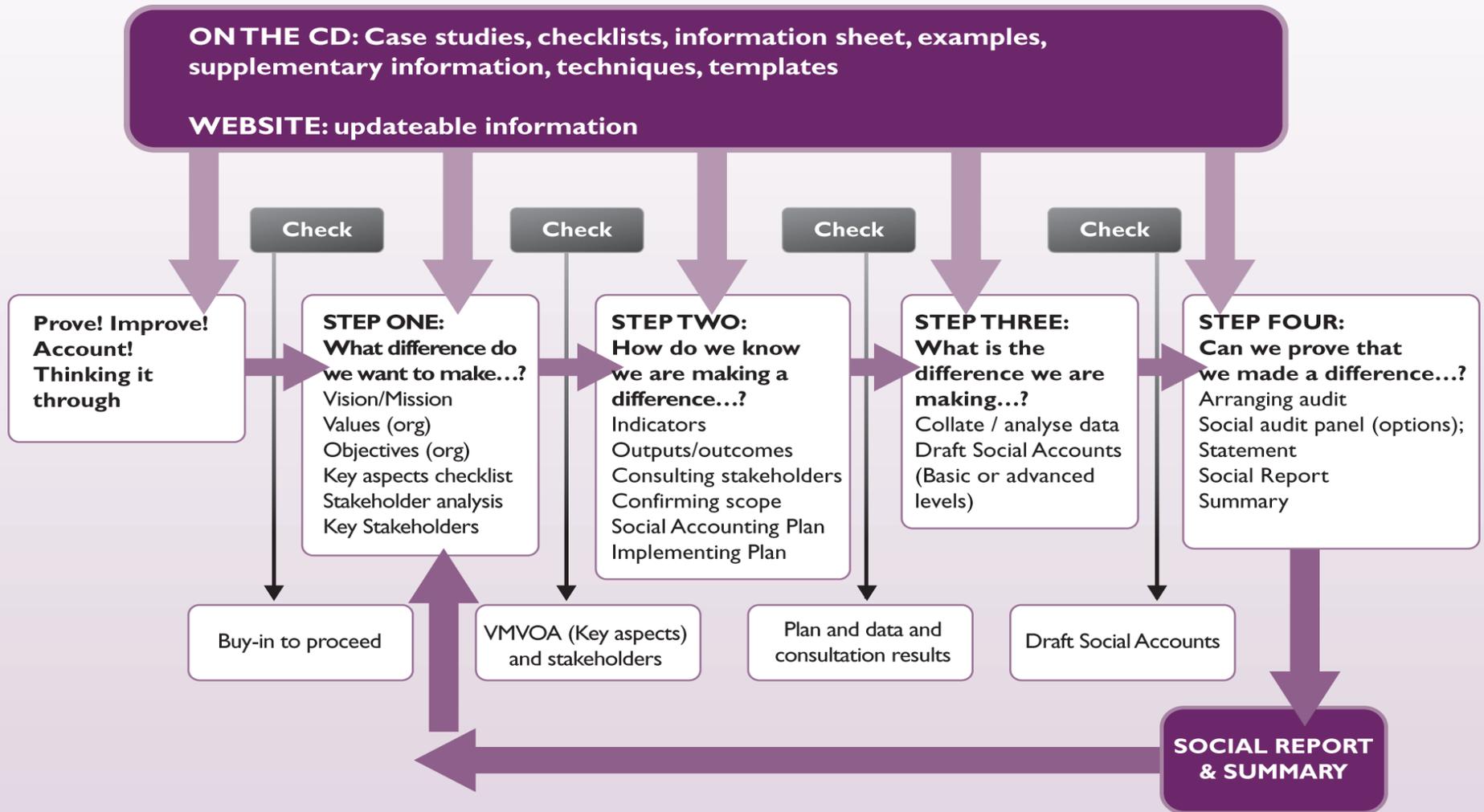
Social Accounting principles

- **Clear purpose:** Ensure a clear vision/mission, values, objectives, activities, outputs and outcomes
- **Defined scope:** Clarity about which aspects of work will be covered and who will be consulted this time round. (Social, Economic, Environmental)
- **Engaged stakeholders.** Identify relevant stakeholders and consult them as part of the social accounting process.
- **Transparent:** sharing findings with stakeholders
- **Determine materiality,** ie what must be included to give a fair and true picture
- **Make comparisons,** ie. make appropriate comparisons with self and others from year to year, using benchmarks, targets and external standards
- **Embed the process:** ensure the process of social accounting becomes regular practise in the life cycle of the organisation.
- **Verify Accounts:** through independent social audit.

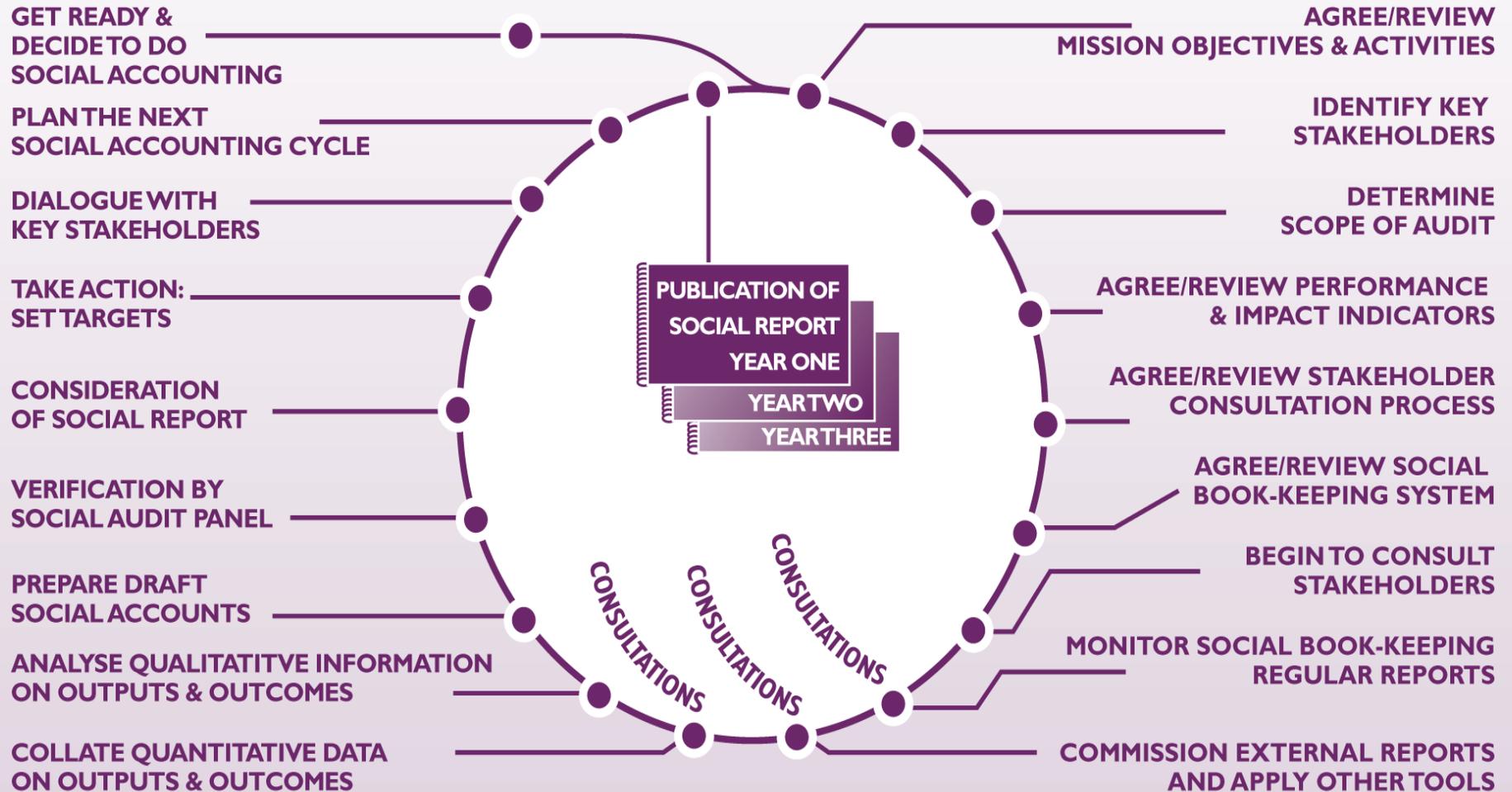
SAA and other techniques, tools, etc...

- SAA provides the organisational framework
- SAA cycle merges with the existing life cycle of an organisation, eg. business planning cycle
- Other techniques can fit into it eg. SROI, Outcomes Stars, LM3, Performance Dashboard, checklists, Balanced Scorecard, etc.
- The tools you use will depend on what you're trying to find out
 - Social outcomes, eg. outcomes stars
 - Economic outcomes , eg. LM3, SROI
 - Environmental outcomes, eg. eco-mapping, EMAS-easy

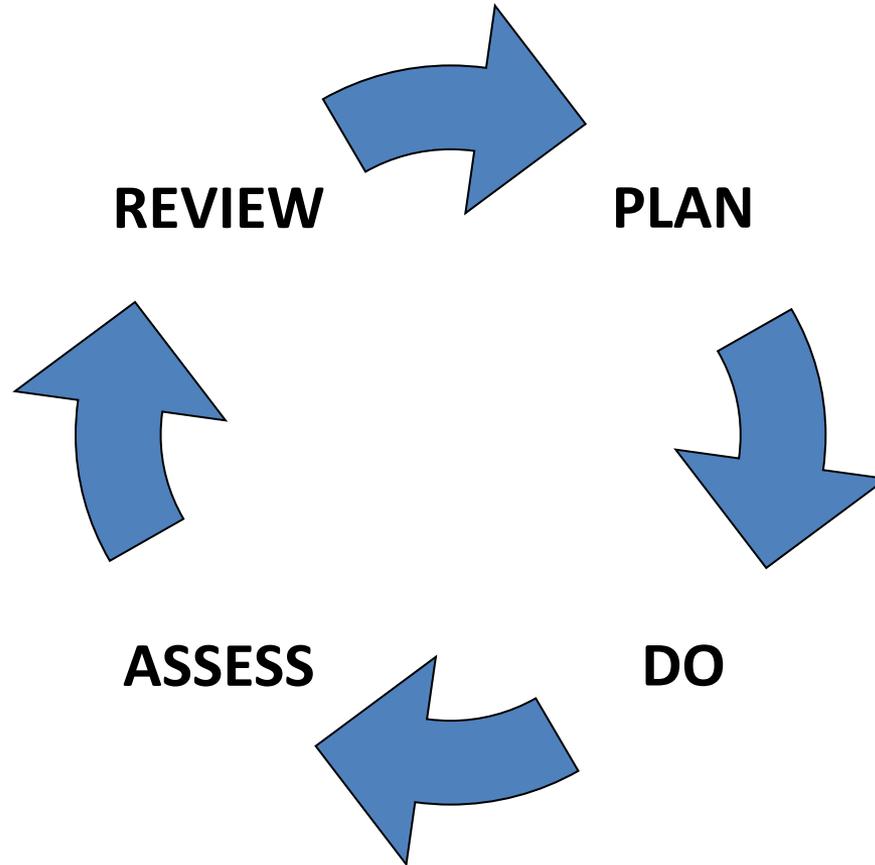
Overall process of social accounting and audit



Social accounting and audit cycle



At its simplest...



Case study: SES Sunderland



- Social enterprise (**Sustainable Enterprise Strategies**) - located in Sunderland (est. 1983) – T/O £1m pa; 25 staff
- Addresses poverty and inequality through enterprise support
- Supports self-employment in hard pressed communities
- Supports social/community enterprise development
- Works in partnership and within consortia

Case Study: SES and Social Accounting

- Keeps social accounts every year – most recent 2010
- Looked at outcomes eg. benefits to individuals and communities
- Assessed performance of organisation and social impact (social, environmental, local economic)
- Wrote a report that was verified



SES benefits of Social Accounting

- **Managed** the organisation better
- Understood their **performance** and their **impact** on beneficiaries
- **Communicated** better with funders – thus winning contracts and business - sustainability
- Understood and improved overall **sustainability**
- **Improved** the services they provided through listening to stakeholders' views
- More **accountable** through better reporting
- Learnt new **skills**

Recap: Critical characteristics of SAA...

- **Framework** which can include different tools
- Becomes **embedded** in the organisational life cycle
- Runs **alongside financial accounts**
- Reports on **social, environmental and economic performance and impact**
- Done by and controlled by the organisation - **empowerment**
- Accounting to **all stakeholders**
- Mix of **measurement and “story”**
- Independent **verification** adds credibility

Exercise...

- Work in small groups
- Consider social accounting and audit
- Write a list of benefits and snags/challenges of doing social accounting in your organisations

Making it manageable, consider your scope

- Layering - covering all your aims over a number of years?
- Timescale, eg. Financial / calendar year / project timetable?
- Consider your motivation for doing it including the audience, key stakeholders?
- Think about who will do the work, when, and build it in. What gives?
- Only plan to do what you know your organisation can accomplish well within the resources available.
- When it comes to writing your organisation's report, be open and transparent about why you may have omitted certain aspects of your work and not consulted certain stakeholders.
- Make sure that you focus on the *core* of what your organisation does. It is these core activities that you need to be able to measure in terms of performance and impact.

Getting ready – the first steps...

- *Understanding* what outcomes measurement is, and being clear about why your organisation wants to do it and what benefits you hope to get from it.
- Examining *what your organisation already does* and the information it is already collecting and seeing how outcomes measuring can build on it
- Ensuring that there is *commitment* within the organisation to do this
- Making sure that the whole process is manageable and being clear about *who will do the work* and who is responsible for what.
- Ensuring that you have the *necessary resources* to devote to it.
- Making the *decision* to proceed

The next steps:

- Think about your own organisation and write down 3 actions you will take (as a result of this session) towards measuring your organisation's impact.
- Put names and deadlines by your actions!

Further resources/reading

1. Frameworks

- Social Accounting and Audit - www.socialauditnetwork.org.uk
- Social Return on Investment www.thesroinetwork.org

2. Briefings and guides and tools

- Charities Evaluation Services - www.ces-vol.org.uk
- New Economics Foundation (NEF) - www.proveandimprove.org/
- Social Impact Scotland – www.socialimpactsotland.org.uk
- Big Society Capital, outcomes matrix –
www.bigsocietycapital.com/outcomes-matrix
- Inspiring Impact – www.inspiringimpact.org

3. Software

- e.g. Social Impact Tracker, Lamplight, Your Value! Community Matters, VIEWS

For further information:

- Helen Vines, VINESWORKS
 - Social auditor and social accounting trainer (10 yrs+)
 - SAN South West Regional Co-ordinator, and founder director and Company Secretary of SAN
 - CES Outcomes Champion and PQASSO Mentor
 - Social enterprise business adviser and evaluator
- For help setting up bespoke impact measurement systems, for training and facilitation in social impact measurement, particularly around social accounting and auditing and CES Outcomes.
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