

EVROPSKÁ UNIE Evropské strukturální a investiční fondy Operační program Výzkum, vývoj a vzdělávání





TWO BUSINESS

"Social entrepreneurs must run two business: the one dealing with money, the other dealing with impact."

(Gordon, M. 2020, p. 181)

TWO BUSINESS

"...You are running a business and impact business, and there are two models there.They may overlap completely, or they may not. One is the set of activities that you do to create impact, and other is the set of activities you do to keep the lights on."

(Kevin Starr from Mulago Foundation in Gordon. M. 2020, p. 182)

IMPACT AND MISSION STATEMENT

"... your impact model is your compass, and an eight-word mission statement is due north..."

(Gordon, M. 2020, p. 182-184)

WHY IMPACT? MEASURING, REPORTING

- Enhance performance great feedback for entrepreneur
- Facilitate acces to extra resources
- Build organizational legitimacy

(Beurgré 2017, p. 281) -comparision with others

MODELING IMPACT – IMPACT MODEL

- Description of the problem
- Be clear about why you are solving it
- Necessity of your solution
- Metrics

(Gordon, M. 2020, p. 182-184)

STEPS IN MEASURING SOCIAL Impact

- Define the social value proposition connected to mission and vision, What is succes of business? Can it be measured?
- Quantify the social value translate into numbers: identify 3-5 indicators, measure and track over the time
- Monetize the social value translate into money (if possible)

(Beugré 2017, p. 279-280)

Indicators: http://www.social-impact-navigator.org/impact-analysis/indicators/what-are-indicators/



Determining needs

How to assess a project's context factors and define target groups.

Defining project objectives

How to define project objectives and choose among various options.

Developing a logic model

How to plan social impact.

.... PART2 ANALYZING IMPACT

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Preparing impact analysis

How to monitor and evaluate

Developing indicators

Collecting data

Analyzing data

.... PART 3 **IMPROVING** IMPACT

Learning & improving

Reporting impact

MONITORING AND EVALUATION (1)

| | Monitoring | Evaluation |
|------------------|--|---|
| Initial question | What's happening in the project? | Why is something happening, with what degree of quality, and with what consequences (results)? |
| Why? | To review the project's progress To be able to make informed decisions To be able to carry out adjustments To provide a basis for further analysis (e.g., evaluation) | To describe and assess progress and results To draw conclusions and derive recommendations |
| Who? | Carried out internally by project staff | Carried out internally or externally |

Source: Social Impact Navigator, to be continued on the next slide

https://www.socialimpactnavigator.org/impactanalysis/prepare/monitori ng-evaluation/

MONITORING AND EVALUATION (2)

| Who? | Carried out internally by project staff | Carried out internally or externally |
|--|--|---|
| When? | Continuously (throughout the whole project) | At any given time during the project, at the project's end, or some time after the project's completion |
| Important for what level of the logic model? | Focus on inputs, outputs, and easily measurable results (outcomes) | Focus on results (outcomes and impact) |

Evaluations are no substitute for monitoring

Source: Social Impact Navigator https://www.social-impact-navigator.org/impact-analysis/prepare/monitoringevaluation

SRS 2014 INDICATORS

- IMPORTANT ABOUT ALL USED INDICATORS:
- Direct and indirect (quality)
- their formulation should be specific, measurable and positive. (SMART)
- Estimates should be made if exact figures are not known or cannot be obtained.
- You should give reasons for these and the assumptions underlying them, as well as specifying your sources for the respective baseline data. (SRS 2014)

CATEGORIES EXAMPLES OF INDICATORS

actions, attitudes.Ncompetencies and•capabilities (i.e.,•motivation, self•confidence, sense of•responsibility, reliability)•

Number / percentage of youths, who

- regularly participate in trainings
- coordinate meetings with their mentors proactively
- show up for meetings on time
- have a positive attitude with regard to upcoming job interviews
- agree that they gained higher self-efficacy beliefs
- can stand to look a conversation partner in the eye
- share their opinions
- are able to speak openly about their problems and wishes
- · can concentrate on tasks they work on

| Practical capabilities and competencies | Number / percentage of youths, who are able to write high-quality applications show a responsible conduct with money know their rights and duties and voice them |
|--|--|
| Professional capabilities and competencies | Number of jobs started / finished no-show-rate at work Number / percentage of youths, who work together with colleagues in teams know how to deal with challenges on their own or seek for support proactively communicate politely and clearly with their colleagues/supervisors/clients. know how to use relevant IT-systems |

http://www. socialimpactnavigator.or g/impactanalysis/indi cators/devel op/

DEVELOPING INDICATORS (1)

| Yes | | |
|----------|------|---------|
| 165 | No | Comment |
| | | |
| <u> </u> | | |
| | | |
| | | |

Social Impact Navigator, Checklist for developing Indicators (part 1)

Online available on https://www .socialimpactnavigator.or g/appendix/ downloads/

DEVELOPING INDICATORS (2)

The indicators meet the SMART criteria.

Each different aspect of an objective is covered by an indicator.

There aren't multiple indicators measuring the same thing.

Target values are (where possible and appropriate) assigned to the indicators.

Stakeholders were involved in the development of the indicators.

Social Impact Navigator, Checklist for developing Indicators (part 1)

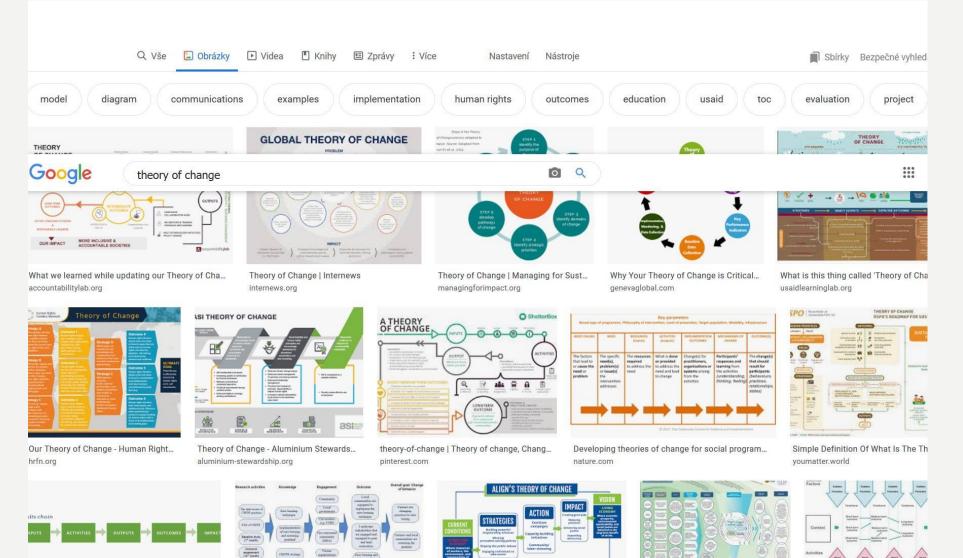
Online available on https://www .socialimpactnavigator.or g/appendix/ downloads/

THEORY OF CHANGE

- CHAIN OF IMPACT, IMPACT CHAIN
- 1001 inputs outputs outcomes impact

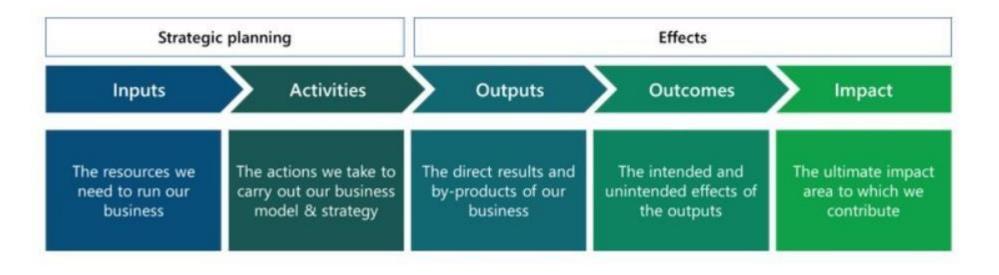
• Globaly used method for portraying social effects (SRS 2014, p.3)

THEORY OF CHANGE



ALION

THEORY OF CHANGE

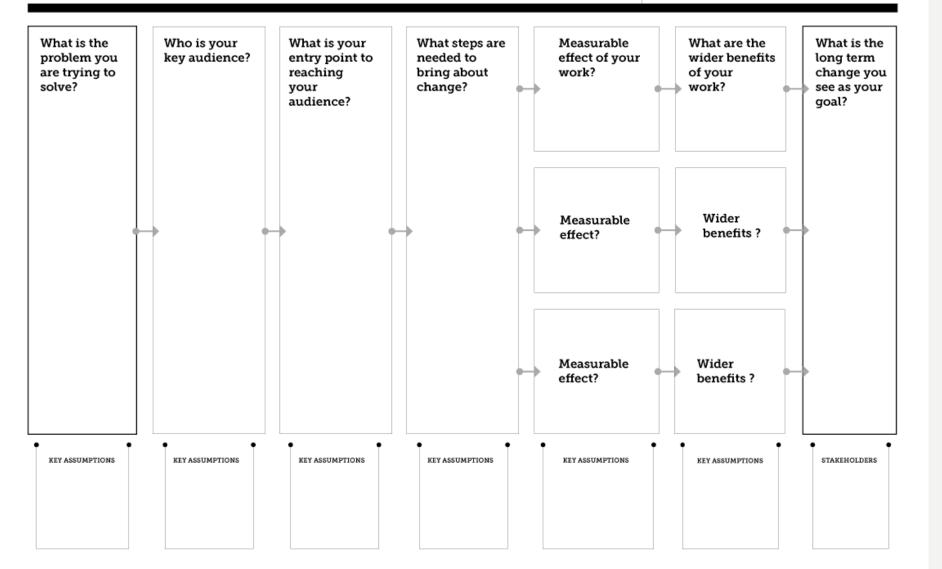


https://sustainalize.com/2019/04/using-theory-of-change-tobuild-a-strategy-with-impact/



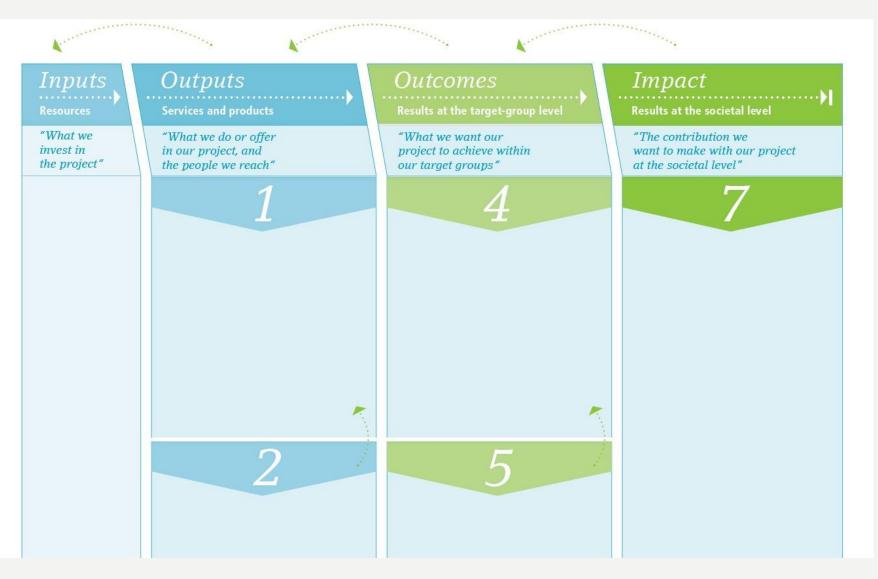
I want to clarify my priorities by defining my goals and the path to reach them

THEORY OF CHANGE

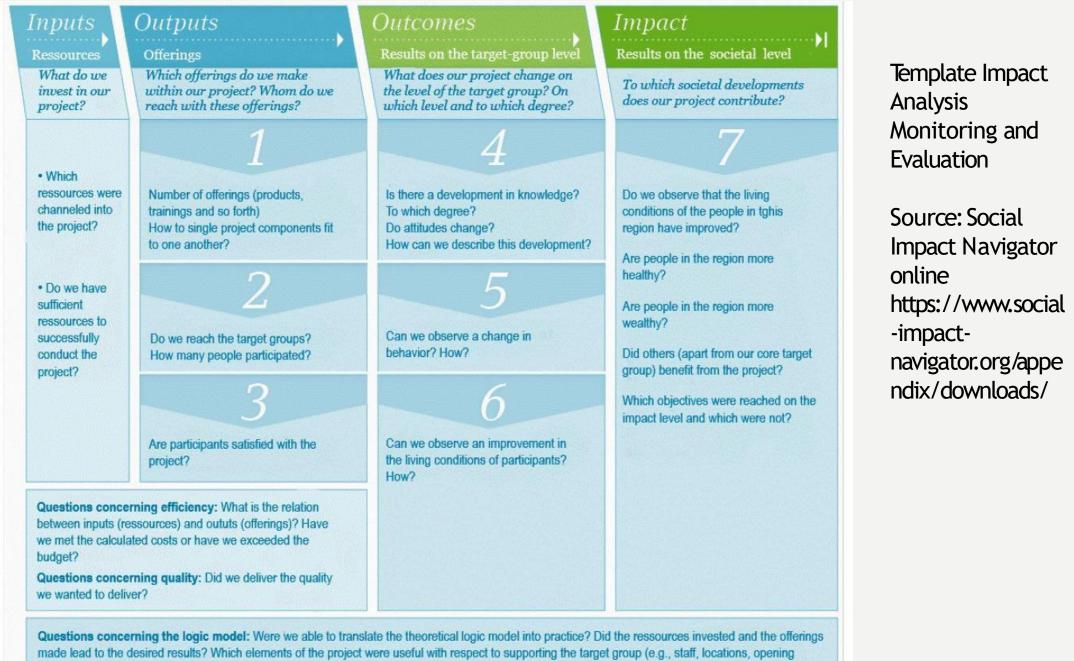


https://diy toolkit.org /tools/the ory-ofchange/

TEMPLATE LOGIC MODEL



Source: Social Impact Navigator, template online https://www .socialimpactnavigator.or g/appendix/ downloads/



hours)? What works? What does not? Why?

• Watch the video, about 3 min.:

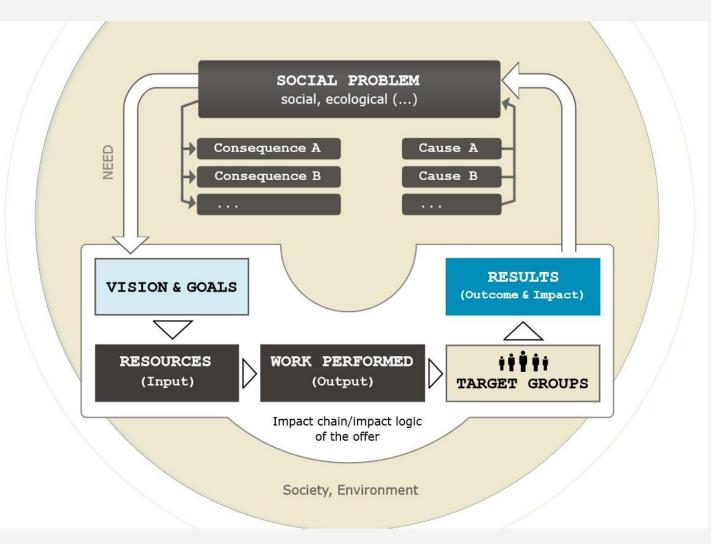
https://diytoolkit.org/tools/theory-of-change/

https://www.youtube.com/watch?v=dpb4AGT684U

MEASURING SOCIAL IMPACT

https://www.youtube.com/watch?v=zHLs503L5Lw

THEORY OF CHANGE (SRS)



https://www.soci al-reportingstandard.de/filea dmin/redaktion/d ownloads/SRS_g uidelines_2014_ EN.pdf,p.9

OUTPUTS X OUTCOMES



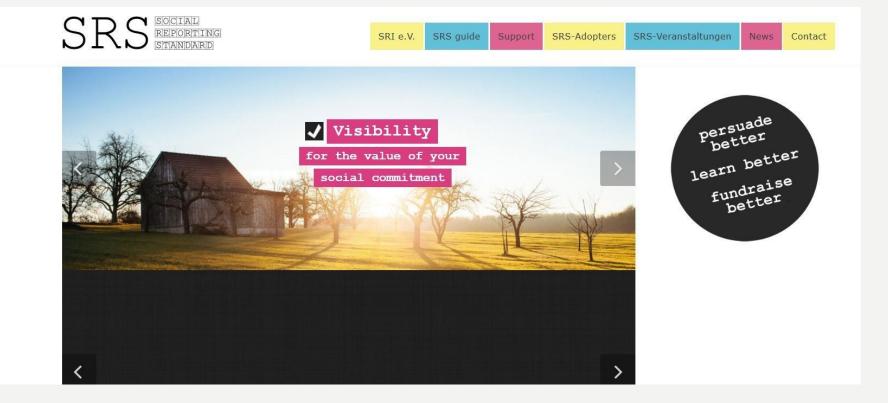
Image: Result ladder. Adapted from the "Kursbuch Wirkung" (Results Course Book) p. 5, www.kursbuch-wirkung.de, PHINEO gAG 2013

https://www.so cial-reportingstandard.de/file admin/redaktio n/downloads/SR S_guidelines_2 014_EN.pdf,p. 10

EXAMPLES

• In a small groups please search for the examples...

HTTPS://WWW.SOCIAL-REPORTING-STANDARD.DE/EN/



SRS 2014: SOCIAL PROBLEM

Social problem - describe:

- the starting social situation,
- the scope,
- the causes and the consequences of the problem.
- which specific problem is to be solved
- who specifically is affected by the problem and in what way (target group). Describe the consequences for the members of the target group, their environment and society.
- How can the problem be depicted in figures? (SRS 2014, p.7)
- What are the existing solutions of the problem?

| Stakeholders | How are they integrated into the project? What are their expecta- tions regarding the project? | What positive influence can they have on the project? Where does their potential lie? | What negative influence can they have on the success of the project? Where do their weaknesses lie? | What are the consequences for the project? How can these stakeholders be integrated? |
|--------------|--|---|---|--|
| | Target Groups | | | |
| | | | | |
| | | | | |
| | Other Stakeholders | | | |
| | | | | |

SRS 2014: IMPACT LOGIC

| Image: Impact Logic Table Temp- late | Target group | Work performed | Expected results |
|---|--------------|----------------|------------------|
| | | | |

Work performed - outputs

Expected results - outcomes and impact

https://www.social-reporting-standard.de/fileadmin/redaktion/downloads/SRS_guidelines_2014_EN.pdf

SRS 2014: INPUTS - RESOURCES

- Financial resources: personnel and operating costs, including (pro-rata) administrative costs
- Material resources: property used (for example, vehicles or non-utilised teaching material), rooms and facilities
- Time resources: hours contributed by the volunteer staff and the commitments of pro-bono partners

Could be included:

- Knowledge and skills of employees
- Organisational knowledge/culture, patents, licenses, copyrights
- Collaborations and relationships with partners, the public, target groups, etc.

https://www.social-reporting-

standard.de/fileadmin/redaktion/downloads/SRS_guidelines_2014_EN.pdf, p. 12

SRS 2014 OUTPUTS

• Examples of outputs?

OUTPUTS (SRS 2014, P.25)

- Personal services: number of people who have been served by the activities (e.g. number of students, the partici-pants in a measure)
- Institution-related services: number of served institutions (e.g. number of schools, the cooperation partners)
- Activity-related services: number of activities carried out (e.g. number of courses, training, events, hours of care, trees planted)
- Cost per service unit (e.g. cost for a school or workplace)
- Time required per unit (e.g. time for the implementation of one course, time for the mediation of one job

OUTCOMES – EXAMPLES (SRS 2014, P.26)

- Details regarding the participants of a training measure about what they have learned and how it has been implemented
- Information about partner organisations that altered their activities either after a training or as part of a cooperation
- Results of child development tests
- Number of participants in a business start-up program who have successfully taken the step to self-employment (still self-employed one year after foundation)
- Changes in the school performance (e.g. average grade, drop-out rate) of students in a tutoring program
- Savings to the national economy (as long as this can be realistically calculated or estimated) due to lower recidivism rates among participants of a rehabilitation program
- Changes in attitudes concerning issues or in population groups as a result of an awareness campaign (as determined by a survey)

OUTPUTS X OUTCOMES

YEA: Example of outputs, outcomes and impact

At YEA, a project is designed to help young people find an apprenticeship in a vocational-training program.

The project's outputs (products and services) include tutoring and job-application training sessions.



However, the mere implementation of tutoring sessions, or even a high number of participants, does not say anything about the effect on the target groups, that is the social impact achieved. This is because participating in these sessions does not automatically imply that the youth will be able to find jobs afterwards. Yet the outputs are, of course, a prerequisite for achieving this goal.

If, as a result of the training, the young people acquire useful job-hunting **knowledge and skills**, gain self-confidence, and can follow through on their applications independently, these are results on the higher level (**outcomes**).

If the project does succeed in helping young people take on positions in vocational training, which in turn contributes to an overall **decline in unemployment** in the region, then a change at the societal level has been made (this is what we call impact).

Social Impact Navigator

https://ww w.socialimpactnavigator.o rg/planning

impact/defi ning-socialimpact/ • How to obtain the data?

Expense: Time, Cost, Expertise

Longitudinal studies with control groups Repeated standardised tests Standardised surveys Participant observation by external specialists Focus groups Structured interviews with specialists Monitoring participant numbers, requests etc. Photo and video documentation Case studies Collection of anecdotes Reliability of the comments

https:// WWW.SO cialreportin gstandar d.de/file admin/r edaktio n/downl oads/SR S_guidel ines 20 14_EN. pdf,p. 26

Method delivers more fact-based data

DOT GLASSES

- <u>https://www.youtube.com/watch?v=-q0k8r_jqRI</u>short version, introduction
- <u>https://www.youtube.com/watch?v=KVA-xQjCWoA_konference video</u>
- <u>https://dotglasses.org/</u>- homepage

DOT GLASSES

- What social problem does DG solve? Causes and causalities of the problem?
- Description of the solution, what could be the social change?
- Impact logic: target group-activity-impact
- Impact: how is presented and measured?

PROBLEM DESCRIPTION Dot glasses

• A relatively large part of the population in developing countries has vision problems and due to poor availability of medical care and glasses (price, sales network) suffers from impaired vision for a lifetime or long term, this leads to their poorer opportunities for further education, employment and worsening overall quality of life, poor functioning of the economy

SOLUTION AND SOCIAL CHANGE

- DT offers very affordable (2USD) design variable glasses in two basic designs, which can be easily adjusted to the individual needs of each
- Thanks to a network of local distributors, the glasses are available in many places local markets, permanent shops, travel sellers
- With the help of these glasses, the eyesight of disabled people will be improved, which enables an increase in the labor market, better education of school-age children, and will also support local entrepreneurs and organizations increasing the performance of the local economy,...

IMPACT LOGIC: TARGET GROUP-ACTIVITY-IMPACT

- Target group?
- Activity and impact examples?

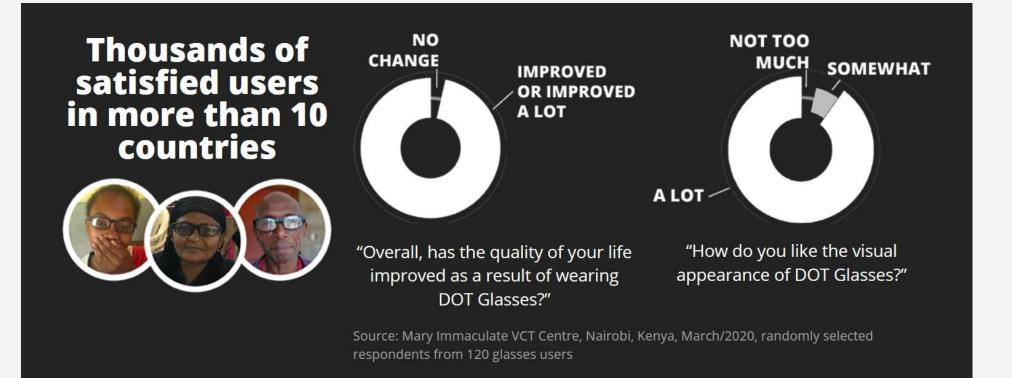
| | Target group | Outputs | Outcomes and Impact |
|--|---|--|--|
| | People with visual impairments | Sales of glasses: thousands of satisfied users in more than 10 countries | Improving the quality of life Supporting the weakest sections of the population and improving their situation Better employment, better productivity, improvement of economical situation Possibility of further education especially for children and youth |
| | Local entrepreneurs and vendors/salesmen | Delivery of sales sets, support of know-how, finance, training | Support for local entrepreneurs and the economy |
| | Local charity/nonprofit organizations | Cooperation, communication, delivery of sales sets | Support for local organizations, improving of economical situation |
| | Existing network of optics shops | Delivery of sales sets | Support for local entrepreneurs and the economy |

Global effects of providing corrective eyeglasses

Large, positive effects of providing eyeglasses have been recorded in multiple studies in low- and mid-income settings. In a broadly accepted study among tea pickers in India, research has shown the following average impact of glasses provision.



https://dotglasses.org/our-impact/



https://dotglasses.org/product/

PŘESTUPNÍ STANICE



https://prestupnistanice.cz/e n/

PŘESTUPNÍ STANICE

- What is the social impact of Přestupní stanice what can you find on the webpage?
- Could there be any improvement?



The Life Cycle Analysis (LCA) is a scientifically respected method used for quantifying the impact a product or a technology has on the environment. It takes into account a wide range of aspects, reflecting all the life phases of a product from its production requirements to its consequences as waste.

In 2018, an LCA of the MIWA system was conducted by a team of experts from the University of Chemistry and Technology in Prague. It brought us great results: in comparison to the normal distribution of food in disposable packaging, MIWA can reduce the overall negative environmental impact up to 71%!

This number doesn't stand only for packaging waste reduction. In LCA, numerous factors are taken into account such as ecotoxicity, fossil fuel consumption, influence on climate change, and water consumption.

MIWA, https://www.miwa.eu/how-it-works



About us In:

Insert offer



How does it work in practice?



Small company

The family car service added over 1,000 liters of used oils to the market (which it has once every 2 months), for which it now paid 60 EUR for liquidation and 80 EUR for collection.

The recycler via Cyrkl offered **regular pick-up** every two months and **recycling at no cost.** The car service thus received a pleasant annual saving.

Annual savings for a small business



Big company

Thanks to long-term cooperation and the application of our recommendations in the entire waste management of a large company, **significant savings** have been found.

The company created financial savings through **the application of a circular waste scan** and the sale of a full range of waste materials at the market.

Annual savings for a big business



CYRKL https://www.cyrkl.com/en/how-it-works

TOOLS FOR MEASURING AND Reporting Social Impact

- Cost-effectiveness analysis used when impossible monetize the impact
- Cost-benefit analysis
- Social accounting and auditing
- Blended value accounting
- SROI

(Beugré 2017, p. 282)

SROI – WHAT IS IT

"Social Return on Investment (SROI) is a framework for measuring and accounting for this much broader concept of value; it seeks to reduce inequality and environmental degradation and improve wellbeing by incorporating social, environmental and economiccostsandbenefits.

SROI measures change in ways that are relevant to the people or organisations that experience or contribute to it. It tells the story of how change is being created by measuring social, environmental and economic outcomes and uses monetary values to represent them. This enables a ratio of benefits to costs to be calculated. For example, a ratio of 3:1 indicates that an investment of £1 delivers £3 of social value.

SROI is about value, rather than money. Money is simply a common unit and as such is a useful and widely accepted way of conveying value."

The Guide to Social Return on Investment, online https://socialvalueuk.org/wpcontent/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202015.pdf

The principles of SROI

SROI was developed from social accounting and cost-benefit analysis and is based on seven principles. These principles underpin how SROI should be applied and are set out in full in the Resources Section (see page 96-98). The principles are:

- Involve stakeholders.
- Understand what changes.
- Value the things that matter.
- Only include what is material.
- Do not over-claim.
- Be transparent.
- Verify the result.

Source: The Guide to Social Return on Investment, online https://socialvalueuk.org/wpcontent/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202015.pdf

THE STAGES IN SROI

1 Establishing scope and identifying keystakeholders.

2 Mapping outcomes.

3 Evidencing outcomes and giving them a value.

4 Establishing impact

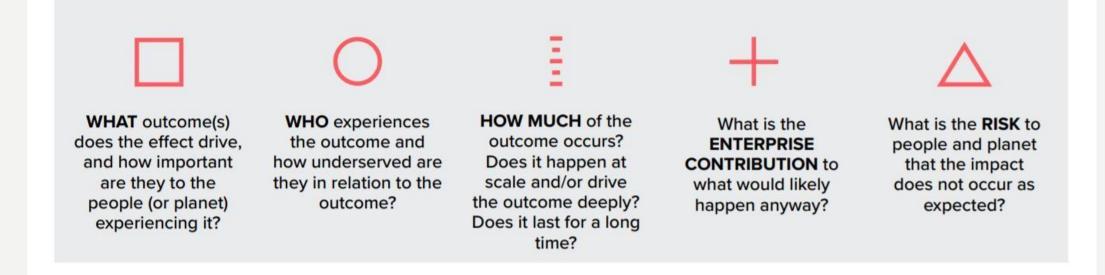
5 C alculating the SROI

6 Reporting, using and embedding

The Guide to Social Return on Investment, online https://socialvalueuk.org/wpcontent/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202015.pdf

IMPACT INVESTMENT

Figure 2 | The five dimensions of impact

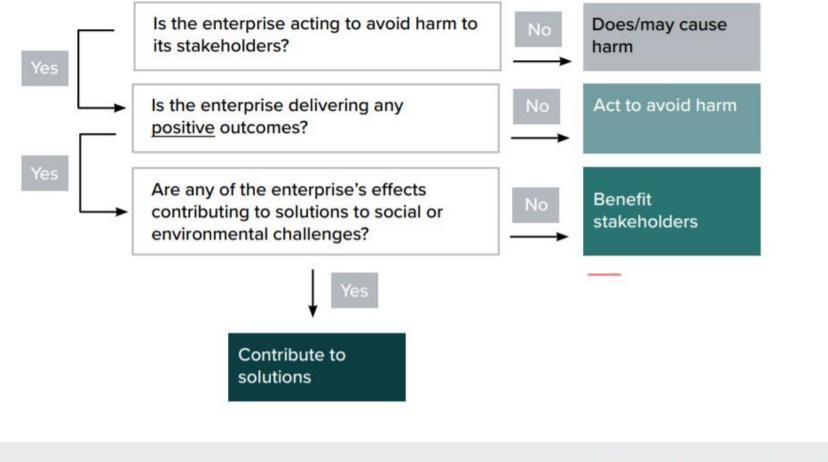


Source: The Guide to classifying the Impact...

| | he fifteen impact data categories X Perf | ormance Goal or threshold for success | | | | |
|-----------|---|--|--|--|--|--|
| IMPACT | CATEGORIES OF | ASSESSMENT | | | | |
| | Outcome: The outcome experienced by the stakeholder when engaging with the enterprise. The outcome can be positive or negative, intended or unintended. | Negative Positive outcome outcome | | | | |
| WHAT | Outcome Threshold: The level of outcome that the stakeholder considers to be positive or 'good enough'. The threshold can be a nationally- or internationally-agreed standard. | | | | | |
| | Importance of Outcome to Stakeholder: Stakeholders' view of whether the outcome they experience is important | Unimportant Important outcome outcome | | | | |
| | SDG: The Sustainable Development Goal(s) that the outcome relates to, along with the specific target(s) | | | | | |
| O M | Stakeholder: The type of stakeholder experiencing the outcome Geographical Boundary: The geographical location where the stake- holder experiences the social and/or environmental outcome. Other attributes other than the geographical location can be used to define the boundary. | Well-served Under-served | | | | |
| | Baseline: The level of outcome experienced by the stakeholder prior to engaging with the enterprise | | | | | |
| | Stakeholder Characteristics: Socio-demographics and behavioural characteristics of the stakeholder to enable segmentation during the intervention | | | | | |
| ********* | Scale: The number of individuals experiencing the outcome | Small scale Large scale | | | | |
| MUCH | Depth: The degree of change experienced by the stakeholder | Low degree High degree | | | | |
| | Duration: The time period for which the stakeholder experiences the outcome | Short-term | | | | |

The fifteen impact data categories shortened as an example from the Guide to classifying the Impact...

Figure 5 | Classifying the impact of an enterprise



IMPACT MANAGEMENT PROJECT impactmanagementproject.com from the Guide to classifying the Impact...

| DIMENSION | | > | EFFECT #1 | EFFECT #2 | EFFECT #3 |
|-----------|--|---|---|---|---|
| WHAT | What outcome(s) does the effect relate to, and how important are they to the people (or planet) experiencing it? | > | Important positive outcome: CO2 emissions | Important positive outcome: Access to healthcare services | Important positive outcome: Decent income |
| | How significant is the effect that occurs in the time period? | > | Marginal depth | At scale; marginal change | Deep change, at scale, long-term |
| О | Who experiences the effect and how underserved are they in relation to the outcome? | > | The planet, underserved | Customers, not underserved | Employees, underserved |
| | How does the effect compare and contribute to what is likely to occur anyway? | > | Likely the same | Likely better | Likely better |
| | Which risk factors are material and how likely is the effect different from the expectation? | > | Low risk | Medium risk | Low risk |
| | | | ~ | ~ | ~ |
| | | | Act to avoid harm | Benefit stakeholders | Contribute to solutions |

from the Guide to classifying the Impact...

RESOURCES:

- Beugré, Constantin: Social Entrepreneurship. Managing the Creation of Social Value, Routledge 2017, ISBN 978-0-415-81737-0
- Gordon, Michael: Becoming a Social Entrepreneur, Starting Out, Scaling Up and Staying True, Routledge 2020, ISBN 978-0367-19773-5
- Impact Investment: A Guide to Classifying the Impact of an Investment online https://29kjwb3armds2g3gi4lq2sx1-wpengine.netdna-ssl.com/wp-content/uploads/A-Guide-to-Classifying-the-Impact-of-an-Investment-2021.pdf
- <u>Nesta:Theory of Change template DIY toolkit online: https://diytoolkit.org/tools/theory-of-change/</u>
- Phineo: Social Impact Navigator online https://www.social-impact-navigator.org/
- <u>Social Reporting Initiative e.V.: Social Reporting Standard, 2014, online: https://www.social-reporting-standard.de/fileadmin/redaktion/downloads/SRS_guidelines_2014_EN.pdf</u>
- The SROI Network: A guide to Social Return on Investment, online https://socialvalueuk.org/wpcontent/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202 015.pdf



EVROPSKÁ UNIE Evropské strukturální a investiční fondy Operační program Výzkum, vývoj a vzdělávání



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