How to bell the cat named Social Impact Measurements

Challenges and Limitations in setting up Social Impact Measurement

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HOW TO BELL THE CAT NAMED
SOCIAL IMPACT MEASUREMENTS

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Abstract

Social Entrepreneurship and Social Enterprises are an emerging trend. An increasing number of individuals are finding ways to address a social issue through their entrepreneurial skills. As well as increasing number of corporations and investing organizations are looking for ventures that address a social issue to fulfil their social responsibility. Thus, it is increasingly becoming important for the social entrepreneurs to measure and report their impacts to society in an accurate way. This research seeks to find out the challenges faced by social entrepreneurs while setting up social impact measurements in their ventures and the solutions adopted by them. Through a series of semi-structured interviews with successful social entrepreneurs, this research collects qualitative data that increases the knowledge in this area and contributes in a better understanding of the challenges faced by social entrepreneurs. This research found that Theory Of Change is the most commonly used method and is preferred by practitioners as it is easy to implement. The research summarises the efforts it takes to implement the measurements, recommends best practices or advice to make impact measurement easier and useful. Also, a framework is developed that can be used in setting up measurements in a social venture.

Key-words

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- Liisa Smiths, Ignitia, Sweden
- Rustam Nabiev, SHIFO Foundation, Sweden
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1. Introduction

1.1. Background

In recent decades, Entrepreneurship has developed into a whole new field of academic studies as well as a formal field of practice with “start-up communities” springing up in almost all parts of the world. Within this area, there is a budding sub-field of Social entrepreneurship that circles around entrepreneurship with social impact at its core. Even though entrepreneurship is now a well-established area of research, its subset, social entrepreneurship is still quite a new concept with a major influx of research papers published only in 2003 and onwards, as pointed out by Rey-Marti, Ribeiro-Soriano and Palacios-Marqués (2015). Since then the definition of social entrepreneurship has been presented by different researchers. Bornstein and Davis (2010) in their book “Social Entrepreneurship – what everyone needs to know” summarize the definitions and other factors of social entrepreneurship. They re-phrase the definition of Social Entrepreneurs by Dees (1998) and state it as:

“Social Entrepreneurs create public value, pursue new opportunities, innovate and adapt, act boldly, leverage resources they don’t control and exhibit strong sense of accountability”. (Bornstein and Davis 2010)

Each Social Entrepreneur works on a plan of how they will bring the change they envision in the society or environment. They aim or thrive to disrupt the order permanently and put in place a new equilibrium in which the target group gets a better condition, and/or the problem is eradicated. With this aim or vision in mind, social entrepreneurs focus and prepare a theory of change which guides them to translate their intended impacts on society to needed outcomes and outputs that need to be achieved. They then define the activities they need to do to get those outputs. Once social entrepreneurs have defined or evolved their theory of change, it is important to know if their activities are giving the right outcomes or not. At this point, they have a need for a mechanism to do a good measurement of their Impact.

In the Business world, on the other hand, Corporates are increasingly investing in Social ventures. Earlier corporates used investments in a social cause as a tool to demonstrate corporate social responsibility (Parsa, Tand and Dai, 2016). Recently trends show, Corporates are moving from being a single bottom line company, where they measure their success in terms of financial value created, to a triple bottom line company measuring corporate contribution not just on financial value created but also on social and environmental impact created (Maas and Liket 2011). They at times collaborate with social entrepreneurs to open new market areas and penetrate them (Dahan et al, 2015). With more social ventures surfacing up regularly, it is difficult for corporates to judge which venture to invest in. They also thus have a requirement to have reliable impact measurements to make the right decision. Thus, with the growing momentum for social entrepreneurship, a need to have good social impact measurements is also growing for investors’ and for social entrepreneurs’ side.
Currently, there is no single social impact measurement tool that is acceptable across the board. There are methods proposed and used by different foundations depending on their own needs. Mass and Liket (2011) in their article “Social Impact measurement: classification of methods” lists around 30 methods including Social return on investment (SROI) and Acumen Scorecard. Each of it has different advantages and can be used to achieve desired results.

1.2. Social Impact Measurement Handbook

In our quest for a master’s thesis project in social entrepreneurship, we contacted Ashoka’s office in Sweden. Ashoka is the pioneers in Social entrepreneurship and have been promoting the concept since last 30 yrs. The organization is non-profit and helps social ventures, which have potential to bring a major change in the society, with skills, network, funding, strategic advice and visibility (Ashoka, n.d.). Ashoka Sweden had been given a task by Social Innovation project Skåne to prepare a Social Impact measurement handbook for new and young social entrepreneurs. This handbook would also be used by other organisations like municipalities, companies, and intermediaries. Ashoka offered to provide access to their fellows (successful and well known social entrepreneurs) that have been flagged by regional Ashoka offices as best in reporting impact measurements and Ashoka’s knowledge in this area in form of existing tools and documents.

1.3. Problem Statement

With the above background, Ashoka’s Social Impact measurement handbook task and the available resources, we concentrated our attention on methods, tools practices used for Social impact measurement today and see how they are being used. As different Social Impact Measurement methods/practices are, it is easy to imagine that it would be hard for a new entrepreneur and social enterprise to decide which method to use. Clare C. et al (2004) gives a comparative analysis of the global methods that were in practice at that time. The list has grown a little bigger since then. To help further on this topic, Maas and Liket (2011) classified the methods to help understand when to use which method. With the help of these studies, one can get a comprehensive view of what research says about social impact measurement methods.

It is interesting to see that there are many different methods used by different organisations and foundations. We, as researchers of this field, wonder why so many methods exist? Why hasn’t a Social impact measurement standard emerged globally till now even after years of people using these methods? What motivates a social entrepreneur to rather go for developing a new method for measurement than to adapt an existing one? These are questions lead to a realization that up till now it has not been explored from a social entrepreneur’s viewpoint what impact measurements mean for them, does the global methods have usability for them and what was found missing in the social impact measurement field that motivated or pushed social entrepreneurs at some point to develop or evolve into their own measurements. Thus, with the access to Ashoka Fellows, we shall be able to find common challenges they faced while setting up social measurements in their
ventures. The measurements are key for social entrepreneurs to improve their program design, increase fundraising and enhance employee morale (Fortenbaugh 2018). As well the impact reports of the enterprises, which are based on their measurement are the deciding factor of donors, foundations and impact investment companies to decide which enterprise should get funded.

1.4. The Purpose and Research Question

Keeping in mind the above presented background and problem statement as the foundation, much of the research has been done in the area of Social impact measurement methods and when to use which method. However Social entrepreneurs’ perspective is rarely explored. This research seeks to complement prior studies by investigating the following question:

What are the challenges and limitations seen by social entrepreneurs while setting up social Impact measurements?

The purpose of this research is to increase knowledge in the social impact measurement area by providing insights into real-life experiences of social entrepreneurs when implementing impact measurements. The research uses experiences of Ashoka Fellows while setting up impact measurements. Its contribution is to understand of the gap that exists between the current body of knowledge on the methods available for measuring social impact and real-life experience that a social entrepreneur face when setting up measurements in his or her venture.

1.5. Scope

As mentioned above, this research covers a collection of experiences of Ashoka Fellows, understands their learning curve and the evolution in the field of impact measurements. The research analyses these experiences to look for challenges and patterns. As a result, the research develops guidelines and framework for new social entrepreneurs to help them setup impact measurement as part of their social venture.

1.5.1. Delimitations

Due to the limited timeframe of the thesis project, some limitation was imposed to increase the quality of the work:

- This research does not cover the view point of Investing organizations and intermediaries (that are facilitating confluence of social entrepreneurs and investing organizations).
- This research does not present comparisons of methods used by social entrepreneurs rather it focuses on finding pattern in their evolution and common challenges.
- This research does not explore experiences of social entrepreneurs while displaying the impact measurements towards investors rather is focused on how they developed their measurement methods and tools.
1.5.2. Limitations

The research was limited by two main constraints. The First limitation was the timeframe to complete the thesis project. We had around three months to finish the thesis project together with the handbook task for Ashoka. Secondly, research focused only on social entrepreneurs that are connected with Ashoka. Research covers a sample of ten Ashoka fellows that were interviewed in a timespan on 1 month. Also, the data collection focus in the interview was limited to the area that was relevant to Handbook preparation and we needed to find data for our research within that area.

1.5.3. Perspectives

This research is conducted from the perspective of social entrepreneurs who have developed impact measurement methods that have been regarded as best practices.

1.5.4. Target Group

The target groups for this research are:

- Scholars and researchers in the academic area of social impact measurement.
- Social Entrepreneurs and enterprises (new or existing) that aim to measure their impact in an efficient and effective way.
- Investing organisation and intermediaries that want to understand the point of view of Social Entrepreneurs.
2. Literature Review and Theory

As mentioned in the introduction we are targeting the field of social entrepreneurship and especially the area of social impact measurements. But before we go deep into it, there are some misconceptions about the concepts and ideas that have to be cleared in advanced. As we can see, society is using terms like entrepreneurship and innovation for almost everything, even politicians use these keywords displaced of sense in their campaigns to take a fresh and fancy approach to their voters. Without going deeper into this misusage of the concepts we will go through the definitions of the concepts and the theories involved, for a clear understanding of what a Social Entrepreneur means and why innovation is present in their doing.

Our two Frameworks are Social Entrepreneurship and Social Impact Measurements. Within Social entrepreneurship, we will discuss the concepts of entrepreneurship, innovation and “what is so social about entrepreneurship anyways”. Ending the first framework with the different definitions of the social enterprise and the social business. The second framework is about the measurement and what they mean for the social entrepreneurs. There we based our logic starting with industrial management and innovation accounting for entering later the specific field of Social Impact Measurements.

2.1. Social Entrepreneurship

2.1.1. Entrepreneurship

Many researchers have been dedicating their efforts to these concepts. Martin and Osberg (2007) gave us in their paper “Social Entrepreneurship: The Case for Definition” an extensive and complete development of the concepts. These two Stanford researchers from the leading school in the field of social innovation started their definition process by the definition of the word entrepreneur. Going back to the origins and foundations in the 19\textsuperscript{th} century, created by the French economist Jean Baptiste Say. He defined the entrepreneur “as one who shifts economic resources out of the area of lower and into an area of higher productivity and greater yield.” Giving a special focus on the value creation and the translation from French “The one who undertakes.” The authors continue their argument with the father of entrepreneurship and Austrian economist Joseph Schumpeter (1942), who defined the \textit{Unternehmer} in the German language as the person who identifies commercial opportunities and pushes the existing solutions to the status of obsolescence by his ventures through the “creative destruction.” For further explaining the term, they show some prominent examples like Steve Jobs and the big rooted impacts he has made in our society, through the technological changes which completely transformed the way we communicate with each other. Entrepreneurship is, therefore, a way to change the stated equilibrium and bring change to materials, products, services, business and even society (Martin and Osberg 2007).

“Entrepreneurship is the process of doing something new and something different for the purpose of creating wealth for the individual and adding value to society.”
(Kao 1993). As we see in this definition from Kao (1993) the idea of Entrepreneurship is also related to what Martin and Osberg (2007) mentioned. The entrepreneurs are not only creating products and services, they are also transforming the society by adding value to it. This process of entrepreneurship is getting more and more important for the society, especially facing the problems of humanity and the environment.

2.1.2. Innovation

Entrepreneurship is innovation for the society, but it doesn’t have to target actually a societal problem. Many scholars talk about the entrepreneurs targeting problems of their customers, but just listening to the words of Henry Ford: “If I had asked people what they wanted, they would have said faster horses.” We can see that this give us a view on the entrepreneurial innovation process that changes society but it isn’t targeting a problem for itself.

As stated by Schumpeter (1942) Entrepreneurship and Innovation are the driving forces of change and creative destruction. Without innovation there is no change. In fact, it is the process of creative destruction where an innovation makes the old products become obsolete. Also, innovation is what takes the whole equilibrium apart and creates a new and better equilibrium as mentioned by Martin and Osberg (2007).

We now have a clear understanding what entrepreneurship is about and how innovation is the main pillar of it, but if the entrepreneurial process already adds value to the society through innovation, why is there a need for a social entrepreneur? This question will be developed in the following part.

2.1.3. Social Entrepreneurship

By analysing the literature, we found the following bibliometric analysis of social entrepreneurship made by Rey-Marti et al. (2015), where they found 2984 articles in the Web of Science related to social entrepreneurship, most of them in English and from the United States. The usage of the idea states back to 1964 but getting popular from 2003 onwards.

Bornstein and Davis (2010) in their Book “Social Entrepreneurship”, they clearly stated, that social entrepreneurship is about building or transforming institutions, addressing problems from the society and advancing in these matters. Martin and Osberg (2007) stated that the result of entrepreneurship and social entrepreneurship are focused on the problems aimed by the entrepreneurs, e.g. Steve Jobs change the society, but he wasn’t aiming any latent social problem. The disruption created by the iPhone had a deep impact on how we communicate but he wasn’t aiming or solving any bigger social problem by bringing this innovation into the markets. Steve Jobs’ main goal was to sell innovative phones through innovation using the existing technology of the internet, but he was not aiming to help the world to communicate better and solve social problems.
But then what is so social about entrepreneurship anyways? Here we can find the inputs of Dees (1998), where he mentions the importance of social benefits and the mission-related impact social entrepreneurship must have. Out of all this Martin and Osberg (2007) define three main components of social entrepreneurship:

- “identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own;
- identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state’s hegemony; and
- forging a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large.”

For Martin and Osberg (2007) the social entrepreneur is the one who identifies an unjust equilibrium in society, sees an opportunity to change it and executes a solution to bring society into a new and fairer equilibrium.

Paredo and McLean (2006), defines social entrepreneurship as, “social entrepreneurship is exercised where some person or persons (1) aim either exclusively or in some prominent way to create social value of some kind and pursue the goal through some combination of (2) recognizing and exploiting opportunities to create this value, (3) employing innovation, (4) tolerating risk and (5) declining to accept limitations in available resources.” From this, we can appreciate that social entrepreneurs are eager to create social value exclusively or in a dominant way more than focus on maximizing profits for themselves. As mentioned by Venkataraman (1997) the social entrepreneur likes the concept of bringing change through innovation and enhancing the social welfare by putting societal goals over selfish profit.

In all the definitions and papers reviewed there is also a big discussion if social entrepreneurship may or may not be able for the creation of profit. All of the Authors mentioned above are clear that the creation of profit isn’t a bad thing and it’s acceptable to have them, but the main focus of the social entrepreneur should stay in the solution of a social problem. The solution of a social problem should not be vague, and the corporate social responsibility (CSR) mentioned by Azmat and Samaratuge (2009) isn’t the most important factor in social entrepreneurship. We mention this because many Startups try to define themselves as social entrepreneurship by marketing themselves as socially responsible, but the CSR isn't part of it. Yunus (2010) talks also about it and mentions that the difference of a social entrepreneur/business/enterprise and CSR is that the first type dedicates 100 percent of its finance and resources to a social cause and in CSR there is a profit maximizing company devoting just 5 percent or less to be a good neighbour by doing something social on the side of their main business.
Another important differentiation that has to be done is the difference between social service provision, social activism and social entrepreneurship mentioned and illustrated by Martin and Osberg (2007):

![Figure 1 Martin and Osberg (2010)](image)

Social service provision and social activism are important and valuable activities for the improvements of social problems, but they should not be confused with social entrepreneurship. The creation of a non-governmental institution or a not-for-profit company to help people by building hospitals in rural and disconnected areas is key for the improvement of the social problematics faced in the third world, but these institutions are not applying any kind of innovation or disruption. In the words of Martin and Osberg (2007) there is no new equilibrium created and sustained. In other words, the social service provision can be compared to continuous improvements and social entrepreneurship would be more about a disruptive innovation.

In the case of social activism, the people are pushing agendas and convincing companies and institutions to a new equilibrium but not engaging directly in the entrepreneurial process and therefore this is also not social entrepreneurship. Because of the lack of an entrepreneur, a person who undertakes and creates something.

Muhammad Yunus (2010) also talks in his book “Building Social Business” about the difference of old-school not-for-profit organizations targeting social dilemmas, which sustained themselves exclusively from charitable and philanthropic donations and he highlighted the need of creating self-sustainable business models or even revenue generating companies in this field.

The shift to a more business-oriented concept of helping is evident and the dependency of more and more donations for keeping the solutions working has to be attacked (Shell 2007). This is why the Social Enterprise is winning on the terrain.
2.1.4. Social Enterprise and Social Business

To go into the ideas of social enterprises and businesses, we have to think about liberalism and a market-oriented approach to what was in the past provided by the welfare state. This rather confusing acclamation is the base for the terrain given to social enterprises and businesses. Dart (2004) exposes this phenomenon, telling us that the governments in most countries, especially in pro-business and market-driven societies, has been deregulating the “market” of social problems. Social problems were mostly regarded as needs to address by the governments in the public services field, but nowadays there has been a switch to privatizing these services by companies that can provide the services in a more efficient way than the government (Harding 2004). Both Harding (2004) and Dart (2004) tell us that these developments have created opportunities for the social entrepreneur and social business people to address societal problems as a business. The social entrepreneur are creating new approaches and disruptions and on another side there are business people creating businesses for the services.

The social enterprise has to be understood as businesses that provide the society with product and services which had been provided in the past by the public service or by not-for-profit organisations that weren’t handled like a business (Shell 2007).

As an example, here in Sweden, there are entrepreneurs which are disrupting the healthcare service market through remote patient assistance. These Start-ups are providing the market with a new and innovative solution through phone or video-conference communication between the doctors and their patients. These services are saving money for the society in the cases of minor pathologies with a quick and time efficient service provision.

But this rather business oriented definition of the social enterprise is also critiqued by other social entrepreneurs like Muhammad Yunus, the creator of the Grameen Bank. In his book “Building Social Business” (Yunus 2010), he talks about the main factors of a social business, which should tackle a social problem as its main objective, and not the maximization of profit. The businesses should attain financial and economic sustainability and profit should stay within the company for expansion and improvements. Yunus (2010) also says that the companies should be run like other enterprises and the investment amount should be reimbursed to the funders so that the company is not anymore, a charity NGO or old school foundation dependent on new money from outside for their existence. He also talks in his book about two different type of social businesses. Type one is like the mentioned above and types two is a business run and owned by poor people, were profit exists and is used to take these people out of poverty.

So there exists a difference between the developed world social enterprise and the underdeveloped countries social enterprises. On the one hand you have businesses targeting issues formerly provided by the welfare state, which are rising more cost efficient solutions and on the other hand, you have businesses solving problems which were formerly targeted by charity and aid campaigns, and now these businesses are creating self-sustaining solutions. These definitions are not well defined since it is a quite new field in the academic world and there are quite
some discussions on the table about it. Either way we can talk about social enterprises as companies dedicating themselves to solve and provide services in the field of social problems in a pretty broad sense, no matter if it is in Europe or in Africa.

2.2. Social Impact Measurements

2.2.1. Industrial Management

Engwall et al. (2014) talk about the importance of management tools and techniques for the administration of companies, enterprises and businesses. These techniques are essential for the processes of value proposition, creation and capture. Which help to design, develop and implement the complete process in an effective and efficient way. An important part of this is Accounting, this is important for a clear display of what is the endeavour achieving and where are the major constraints.

This theory is good for big companies which are developing themselves in different fields and areas, but for Start-ups and Entrepreneurs, there are major setbacks in this field, especially regarding key factors like return on Investment, market share, customers and revenue (Ries 2011). Therefore Ries (2011) developed the term of Innovation Accounting. A new and adapted way for Start-ups to define key metrics for their businesses and how they can prove the way they are doing business the right way. This process is based mainly in the set-up of metrics, based on assumptions from the business plan or model and the adaptation over time through the learnings in the process.

The innovation accounting doesn’t replace by any sense the normal accounting, but it gives the Start-ups the possibility to focus on early-stage metrics, instead of the big metrics of established businesses. The metrics from normal Accounting would look just unattractive for investors and be demotivating for the workers within the Start-ups (Ries 2011).

In this sense there is also a need for social entrepreneurs, enterprises and businesses to find a way of accounting for their companies. These companies don’t have profit maximization as the main purpose like big corporations and start-ups instead, they have a clear or not so clear goal of tackling a social problem. Some social endeavours are based just in helping people or communities which are in problematic situations. The need for the social entrepreneur to develop their own metrics is essential not only within the enterprise for management and for inspiring the workers but also for seeding money, generating credibility, communicating with stakeholders and much more (Meldrum et al. 2016; Elkington and Hartigan 2008).

The times of romantic storytelling about the achievements in the social field are over (Yunus 2010) and the necessity of hard facts and measurements is now a reality (Bornstein and Davis 2010). But what should the social entrepreneurs
measure exactly? In the literature there is one term that has established itself over all other, which is social impact and the measurements or assessment of it.

### 2.2.2. Social Impact

The importance of Social Impact Measurements is described by Arvidson and Lyon (2014), as they say that social enterprises have to showcase their measurements, especially the companies in developed countries like the UK to prove the value of what the enterprises are doing and their efforts. Bornstein and Davis (2010) describe this importance with the example of afterschool's and if these institutions are just wasting the time of the children or actually generating an impact in their lives.

Epstein and Yuthas (2017) talk about the first steps on how to measure this impact: first by defining what success means for the company and afterwards figuring out how this can be achieved. Ashoka recommends the Social Reporting standards (SRS year), a joint venture of them with different universities and institutions for clarifying the complexity and the need for social impact measurements. Mass and Liket (2011) did the effort in their research to find the process and definition of social impact, which was done by displaying the Impact Value Chain (figure 2).

![Impact Value Chain](image)

*Figure 2 Impact value chain (adapted from Clark et al. 2004) by Mass and Liket (2011)*

As you can see in figure 2 every social enterprise has its inputs and activities done by the organisation, which create specific outputs. After the outputs and based on assumptions you can generate the outcomes of the efforts. These Outcomes, which subtracted by the assumptions or measurements of “what would have happened anyways” creates the Social Impact. This process is also mentioned by Epstein and Yuthas (2017) and many other Authors, but mainly they refer to it as the Theory of Change, which describes the chain illustrated below.

Inputs → Activities → Outputs → Outcomes → Social Impact
In this Theory of Change, there are easy metrics to measure, like the inputs, activities and outputs. For taking an example, we can look at a University. There you can measure the number of students enrolling every year. The activities of a university are mostly clear and measurable, and the number of students that graduate every year is also measurable. Now you have to define through assumptions what the outcome of a university means. Is it the number of social enterprises founded by the graduates? Or is it the number of employed graduates by big companies? This is the tricky part for setting up the measurements. As the final step comes the social impact of the university. Did the society really profit by spending money on free education (applicable for Sweden) for this student and what was the impact of it? This is again something that is only measurable by setting up assumptions. This measurements and assumptions are not free of critique, as Yunus (2010) mentions in his book, the entrepreneurs are free to set up their measurements and assumptions, but the necessity exists of validating these. He says that a good way of validation is to seek a partnership with a governmental agency, a private consulting company or a university. Without these audits or validations, the data could be easily falsified, and the credibility compromised.

Fortenbaugh (2018) talks about seven important points that social entrepreneurs have to have in mind when setting up their impact measurements. Within these points there is the need of testing a theory of change for the enterprise, as well establishing a learning culture within the company to be constantly learning from the results. He mentions also the importance of the focus on the execution which gives the entrepreneurs the desired effectiveness regarding the outcomes. Further on, his advice is to show the impact through stories, survey all the stakeholders, committing to complete transparency and investing in an impact and evaluation team.

Another important tool for measuring the impact is the SROI (Social Return on Investment). This is based on a complex thought through indicator based on assumptions. The assumptions are mostly explained as follow: “if you invest one dollar in our social enterprise than the society will save X dollar”. As you imagine, these are strong statements and need to be verified and backed by serious institutions for having sufficient weight (Forti and Goldberg 2015).

Social Impact Measurements are not only a subject for social entrepreneurs, it has also become important for Businesses and their corporate social responsibility, in which they call it double or even triple bottom line reporting (Mass and Liket 2011; Clark et. Al. 2004). This is the way that businesses try to show, after their financial reporting, their social impact in society for getting a better acceptance. Because of the rising importance of social impact measurement in the corporate field, there has been a lot of organization actively creating tools and frameworks for measuring social impact. These tools were deeply studied by Mass and Liket (2011) on different parameters and they criticized all of them by the lack of real impact measurements, the missing orientation on outputs and the short vision (time length) of them. In the list of analysed tools, you can find frameworks proposed by governments, big corporations, highly known consulting companies, international organisation, etc. We did also the work of looking through all these tools and mostly the tools are complex and difficult to set up. Especially if you are a small social enterprise at the beginning of your path, then you won’t have sufficient
resources for setting these tools up. By resources, we mean time, human capital, money, infrastructure and so on. Further, most of these tools won't be addressing the impacts you are targeting, so they would just disorientate your impact efforts.

Nevertheless, Dichter et. al. (2016) also analysed the different tools and they saw that there was a tendency of an upward accountability, which is more centered for the investors instead of a downward accountability with a bigger focus on the beneficiaries, stakeholders and the company itself. They also mention the four most important constraints of social entrepreneurs on their measurements, which are: dynamic changing environment, financial constraints, limited human capital and poor data management systems. But they also mentioned a way to overcome those constraints through the acronym BUILD:

- **Bottom-up**: listen to the beneficiaries
- **Useful**: quality of data for taking decisions
- **Iterative**: learning, adaptation and replication of the system
- **Light-touch**: low cost, minimal investments
- **Dynamic**: rapid data collection

Dichter et al. (2016) think that by keeping these in mind the social entrepreneurs would have a better chance to build up their measurements based on a lean data system which will give them high-quality impact data. Dichter and his team worked closely with Acumen, a social organisation with the goal of eradicating poverty, to help social entrepreneurs in this field through online courses and seminars.

Not only Acumen is involved in this field and offer this kind of services, there are many others like GIIN (Global Impact Investing Network), Aspen Network for development Entrepreneurs (ANDE), Omidyar Network, B Lab, IRIS (Impact Reporting and Investment Standards), JPAL (Abdul Latif Jameel Poverty Action Lab) and many others. Important to mention is also the efforts of different universities like Stanford Social Innovation, HEC Paris and many other. In the references, you will find the links to all this organisations and institutions.
3. Methodology

3.1. Research Paradigm

A research paradigm is a philosophy with which a research is conducted and a reflection of the researcher's belief mechanism. It also depends on the area or field of research. Two main paradigms in which research is done is Positivism and Interpretivism. Positivism has roots in believing that reality is independent of social factors and is objective. Interpretivism believes that truth or reality is very subjective and is shaped by person’s perception. Interpretivism results in producing subjective, qualitative data from a relatively small sample size. (Collis and Hussey, 2014). This research question thrives to find out challenges are faced by social entrepreneurs. This area of research is very people focused, so is very subjective with many factors like circumstances, cultural background influencing the social entrepreneurs. So, in this study we kept our philosophy in the interpretivist paradigm to explore the reality of the research area.

3.2. Research Approach

There are two research approaches – quantitative and qualitative. Quantitative approach strives to gather numerical data to analyse it statistically whereas a qualitative approach looks to examines data that is rich in details and depth. Interpretivism normally suggests a qualitative approach (Collis and Hussey, 2014). In this research, qualitative research was chosen to develop an understanding of the research area and if possible theorize.

3.3. Data Collection

As this research was conducted in parallel to the preparation of Social impact measurement handbook for Ashoka, we used social entrepreneurs associated with Ashoka also known as Ashoka Fellows, a sample group to collect the data.

3.3.1. Primary Data

Primary Data was collected through semi-structured interviews of the Ashoka fellows. Ashoka provided us with a list of 45 Ashoka fellows that they identified as best in reporting their social impact out of 3500 Ashoka fellows worldwide. Ashoka fellow list provided by Ashoka is attached in the appendix as appendix 1. Also, there were few other Ashoka fellows from Scandinavia that were regarded as interesting as they were working this Scandinavian region and were easily approachable. Out of these fellows, we selected 15 Ashoka fellows based on the comments by Ashoka personal on their social impact measurements. As the fellows were regarded as best in social impact measurement, it meant that they have been able to master the skill of measuring their impact against all challenges that are seen in a journey of a social entrepreneur. This provided the needed quality. Selected 15 fellows were contacted via email for a 45-min interview for the purpose of creating a social impact measurement handbook together with an indication of the area where the questions will be related to. Interviewees were
asked to send links of their impact report before the interviews and we used this information for preparation for the interview.

Interviews were conducted remotely via Zoom or Skype and were recorded. We developed an Interview guide with questions covering all intended aspects of the research and handbook. Interview guide is attached as Appendix 2. Most interviews started with the introduction of the handbook and purpose of the interview. Interviewees were then asked to provide a summary of their venture and vision. Then more specific questions about the measurements and how they evolved. Interviews collected their experiences in setting up the measurement, how it is used. We also tried to collect advice for new social entrepreneurs with the intention to fish out challenges faced. Open questions like what was good, challenging & missing helped to triggered them to summarize their journey in a holistic manner. Interviews were flexible allowing open discussion and the guide acted framework to steer the interviewee to cover all aspects. By the time of writing this thesis, we had conducted interviews of ten Ashoka fellows or social entrepreneurs associated with Ashoka.

3.3.2. Secondary data

To gain an understanding of Social entrepreneurship and social impact measurements, we collected additional research from relevant sources like Google Scholar, KTH Primo. “Stanford social innovation review” was one of the major sources for us to build up our knowledge in this area. As a secondary data, we reviewed the impact reports sent by social entrepreneurs. We also looked into websites of ventures of these entrepreneurs to gain knowledge of what they do and their impacts. This data was used in preparations for the interview with the social entrepreneurs.

3.4. Data Analysis

All Interviews were transcribed and then analysed. For the analysis we used ‘General analytical procedure’ (Collis and Hussey, 2014). General Analytical procedure includes Data reduction, Data display and then conclusions. We reduced the data from the interview transcripts and took out key takeaways. As the Interviews were semi-structured according to interview guide, it was easy to find responses that were key to this study. The responses that were important to answer the research question or highlighted the important actions taken by the interviewees were picked up as key takeaways. Also, as the interviews were done one after the other, we found common points that were repeatedly mentioned by the entrepreneurs. This also helped us to decide which key takeaway we should highlight in the results section. However, during discussion and conclusion, we have also mentioned points that were not explicitly covered in key takeaways but were vital for the discussions. These takeaways were then displayed and grouped together based on common themes or codes. Due to a common interview guide as the base, it was possible to find responses that were answered in the same area & so once we grouped similar key takeaways together then common themes or codes emerged. We selected five common codes as listed below:
With common codes in place, it was easier to come to interpret data based on how often each takeaway was repeated by a different interviewee.

3.5. Ethics and Sustainability

Needed ethical considerations were taken into account in this research. All interviewees were offered to be the collaborators for the Handbook and that their names will be mentioned. At the start of the interview, all interviewees were informed that the interviews will be recorded. As the main purpose of the interview was the preparation of the Handbook, we have not included the transcripts of the interviews in the thesis as it will be a public document however the key takeaways from each interview has been included in the results section.

Sustainability is seen as having three dimensions of Social, Economic, and environmental (Kuhlman and Farrington, 2010). United Nations in their Agenda of development have inbuilt sustainability in these dimensions.

*Development is a multidimensional undertaking to achieve a higher quality of life for all people. Economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development.*

The topic of this research, Social entrepreneurship and social impact measurement, enables individuals and companies to increase the impact of their ventures in all the three dimensions. Social enterprise is focused on creating a social development as well as achieving economic self-sufficiency. Many social entrepreneurs have environmental protection as their main goal. Impact investment is a growing trend where corporates work and support ventures that have a social cause at heart. This helps corporates to increase their impact in all the three dimensions.
4. Results and Discussion

As mentioned in the methodology section, we conducted interviews of social entrepreneurs. These interviews are then analysed and key takeaways from each interview are presented in this section under the heading of “Interview results”. Further, these takeaways were grouped together on common themes/codes that are then presented in the “discussion” subsection.

4.1. Interview Results

4.1.1. WILL MUIR, CO-FOUNDER, EQUAL COMMUNITY FOUNDATION

Equal Community Foundation (ECF) works with adolescent boys, typically 12-14 yrs of age, to help them in becoming gender equitable adult men (Equal Community Foundation, 2018). Active with low-income community in Pune, Western India, ECF provides a 45-week program called Action for equality to the adolescent boys of these communities. ECF’s mission is ‘to raise every boy in India is raised to be gender equitable’. Will Muir is a founding member of the foundation and an Ashoka Fellows since 2016 (Ashoka, n.d.). He founded ECF to approach the gender inequality issue by engaging with adolescent boys (age group 13- 15). From the ECF’s Annual Evaluation Report (2017) it can see that Action for Equality program is evaluated on two indicators, process evaluation and outcome evaluation. Process evaluation covers enrolment and attendance of participants whereas outcome evaluation is based on their Knowledge, skills, attitude and behaviour changes after the completion of the program.

Will highlighted that currently, ECF is evaluating a participant for a period of two and a half years including 45-week program itself. It also covers interviews with women in the participant’s family who provide information about how participant’s behaviour has changed over time. Will informed that their impact measurement tools are based on their theory of change which sees the change happening at the individual level first then on the peer level and then on the community level. They have set up their evaluation framework based on the theory of change. This framework translates into the toolkit ECF uses to measure process and outcome indicators. According to Will, Impact measurement is well integrated into the program and is a continuously developing to improve. ECF is also promoting their knowledge and tools to other organizations under Project Raise – a collaboration of many organization working towards a single focused goal of raising gender equitable boys in India.

As result of analysing the interview with Will Muir, we list the below key takeaways from the interview:

**Measurements Integrated into the activities:** For ECF, measuring impact is not an add-on activity that they have to do, it is part of the program. So, they don’t have to anything extra. It is used for fundraising and marketing. Also, for Improving measurements methods.
**Constant Measurements Focus:** As measurement was a non-negotiable factor by the funding organization, ECF needed to keep a constant focus to have good measurements of their outcomes and to keep improving it over time. Due to this ECF was able to evolve their measurements and now use for both evidence purpose and as a guiding tool on what to focus on.

**Cross Verify measurements:** As part of their evaluation process, ECF verifies their measurements from different sources like checking the behaviour of participants both from participant’s response and from their family member’s response. And to actually assess if they are implementing the skills that they learned.

**Own Measurement Methods based on Theory of Change:** ECF has developed and evolved their own methods to measure their outcomes. They use ECF’s theory of change as the strategy guide.

**Not Measuring Societal Level Impact:** ECF believes that with changes in the Skills, knowledge, attitudes and behaviours of participants to be more gender equitable the violence against women in the society will decrease. Will understands that currently, they are not measuring the societal level impacts of their effort. However, they want to move in that direction over time.

**Good Measurements give a high level of confidence:** ECF has a high level of confidence on the data they gather and can definitively base their outcome with evidence rooted in the measurement taken.

**Taking good measurement is a time consuming, complex process:** According to ECF’s journey, it takes 2-3 years to reach a good level of confidence in the measurements. It needs dedicated resources with specific skills working to improve it constantly. Also, it is a challenge to simplify when you need to scale up.

**Take External help for expert advice and credibility:** ECF takes support from experts in improving, verifying and reviewing measurements. This helps the organization to get the latest knowledge and credibility.

**Slow and Steady:** Will thinks that if they would have known how much time it would take then he might have put in more resources but then it would also risk in making mistakes. Thus, he recommends keeping the focus on the measurements and go slow but steady.

**Start with Impact:** Will advise that it is important for new social entrepreneurs to clearly know what they want to achieve, what is the problem they are going to solve and the impact they want to achieve with the enterprise right from the beginning.

**4.1.2. Serra Titiz, Founder, Mikado Consulting, Turkey**

Together with Elif Urcan, Project coordinator, Mikado Consulting, Turkey

Mikado Consulting is a social enterprise working towards sustainable development. They provide consulting services to private companies to implement sustainable business strategies (Mikado Consulting, n.d.). Mikado has been promoting social entrepreneurship in Turkey since 11 yrs now. Working with young entrepreneurs, government agencies and investors with social inclination, Mikado is pushing for the creation of social entrepreneurship ecosystem. They develop management
frameworks for social enterprises to set up their operation on. They also educate young social entrepreneurs to be more efficient and effective. Recently they have been working in creating a legal status for social enterprises in Turkey. Mikado is a catalyst helping organization to strengthen their capacities so that they can contribute to sustainable development. Social innovation, social impact, and sustainability act as a foundation for Mikado. Mikado believes "what can be measured can be managed". Serra Titiz has been working in sustainability since 2003 and founded Mikado in 2007.

Mikado is collaborating with Koç University, Turkey and Social Value, UK for developing tools for young social entrepreneurs and pushing for an Eco-System to support social innovations in Turkey. They have worked on many projects including "Maximize your Impact" (Mikado Consulting, 2018) and “Know your impact” (Koç University, n.d.) providing guides for social entrepreneurs. These projects promote social entrepreneurs to clearly define their impact from the beginning. Linked to "Social Return on Investment (SROI)" promoted by social value UK, these project work on 10 questions that social entrepreneurs shall thrive to answer in order to make the bases of their ventures. Over years Mikado has established itself as one of its kind organization in Turkey working to fill the social entrepreneurship void.

After analyzing the interview with Serra Titiz and Elif Urcan, we list the below key takeaways:

**Measurement through Management:** Mikado believes that by “managing” that is by focusing on their impacts and target group, setting up operations after defining the impact, social entrepreneurs can keep things on track. In this way measurements as fully integrated into the operations and will not be an additional burden.

**Measurement is ignored due to lack of knowledge:** For social entrepreneurs, measurement is an unknown area. As they have not done it before they think it is very difficult, needs a budget and is beyond their expertise. They don’t have time and money for it, so they just keep running away from it even though they know it is important.

**Many different methods used along with SROI:** Mikado use and promote many different methods to young social entrepreneurs. They develop frameworks based on different methods. SROI is also used and is promoted. It has become bases for their stakeholder-based outcome maps. SROI in particularly promoted as Mikado partner with SROI’s founding organization Social Value UK.

**Too young to measure societal impact:** Turkish Social enterprises are too young to see the impact on the societal level so currently it is not being measured.

**Own Indicators developed:** Due to lack of quality National level statistics, Mikado together with Koç University has developed few indicators that help to understand changes in certain areas.

**Old is Gold:** As Mikado grew older in this field it became easier for them to make the impact. Now they are an established name, and everyone wants to work with them.
Start Small, involve target group and measure from Day 1: They advise young entrepreneurs to measure from day 1 by involving the target group. Also, social entrepreneurs should focus on a small portion of the big problem they want to solve.

4.1.3. Liisa Smiths, Founder, Ignitia – tropical weather forecasting

Ignitia works towards providing accurate weather forecasting in tropical regions targeting small-scale farmers so they can increase their earnings by increasing yields. Ignitia began as a research project to understand the differences in tropical weather events and create a model to predict them more accurately. It began in 2010 to develop algorithms for the forecasting tropical weather. It was in the end of 2014, Ignitia formally launched its first product. Ignitia has two metrics. One is “How well farmers understand the information sent out” and other is How much more money they make which translates to how much increase in yield happens due to farmers using their service. The measurement ways have evolved over time from taking interviews with farmers to “rapid prototyping” methodology where they observe the farmers on how they have used the information provided by the service. Ignitia takes help from a third-party organization to collect data (interviews) that helps them to focus on their core capabilities.

Measurements have helped Ignitia to shape their service however the biggest challenge is to collect data without biases. Due to the culture in the African countries, there is always a major factor that the interviewee will try to impress the interviewer by giving the responses that may not give the true picture. So Ignitia is constantly trying to find ways to cross verify the measurement done through interviews.

Key takeaways from the Interview:

Don’t use global methods for measurement: Ignitia has developed their own metrics to measure their outcomes. They do use external parties to collect interviews, however, it is hard for them to know if they use any globally known tools, although they expect them to use well-accepted methods.

External parties measure and collect data: Ignitia employs external parties to collect interviews from farmers. This gives more validation to the data collected.

Operations and solutions evolve using feedback from measurement: Using the feedback from measurement Ignitia has evolved its solution over time. They started with a symbol-based information in the SMS that did not work so well and then they move to a key work approach which is going ok in many countries. This also means that measurement is integrated into the process.

Cultural effect on measurement: A major challenge that Ignitia has is to understand the effect of culture on the measurement through interviews approach where there is always have a bias of the person being interviewed wanting to impress you and is especially very high in the cultures Ignitia is working in.

Cross verification of results through multiple sources: Due to the bias in the interviews, it is also needed to develop ways to cross verify the claims made in the
interviews. For example, if many farmers (using the service) claim a good increase in yield but there are no social-economic changes in their spending like sending kids to school or buying a bike to go to farm then Ignitia gets alerted and need to cross verify.

**Spend time in understanding the end customer first**: Liisa suggests spending a major time, in the beginning, to understand the core customer’s need and culture before making solutions.

**Not measuring Societal level impact**: From the interview, it was evident that Ignitia is currently finding ways to cross verify the outcomes of their activities and the wish to increase the objectivity of the measurement. It is thus implicit that social level impact will be a next step which is yet to be taken.

**4.1.4. Hanne S. Finstad, Founder, Forsker Fabrikken, Norway**

Forsker Fabrikken or Scientist Factory works with children to make them more interested in science by introducing its fun side. As kids go to music, sports and dance course in their free time, at Scientist Factory they can come to explore and learn the STEM (Science, technology, Engineering and Math) subjects. This helps the kids to make an informed choice of subjects when they grow up. Scientist Factory team believes that STEM subjects are all very important for the future of this planet. They want to fill the gap between what is happening in Lab and research fields with what is being taught in the classrooms. Hanne S. Finstad, a scientist herself, founded Scientist Factory in 2002 with an ambition to make science as fun for kids and to be able to inspire children to choose these subjects when they grow up. Scientist Factory provides courses for children of different age groups during their free time and in form of 5-day summer camps. In these courses and camps, children have a possibility to go deeper into different concepts of science and grow their knowledge.

Since 2002, Hanne has been keeping records of all enrolled kids. After every course, children are asked to fill in an evaluation form. And Scientist Factory performs a survey 10 years later to understand if these courses had an impact on the choice of the subjects when children grow up. With this measurement tools, Hanne and her organization are able to see if there are any short-term changes needed in day to day operations as well as an impression of the outcome of their activities.

Key takeaways from the Interview:

**Start collecting data from Day 1**: They are keeping records of all the registrations since 2002 which helps them to go back and contacts old participants who are most likely in their early 20s and understand how scientist factory has helped them to choose the subjects.

**Developed our own measurements**: They developed their own surveys and indicators. They were not asked by their sponsors to use any existing tools.

**Data gives confidence**: With long historical data since 2002 and after doing 3 surveys (10-year survey, performed after every three years) they can see
consistently same results that is, 20% of the participants of the survey think that the courses in scientist factory inspired them to take STEM subject as grownups. Further analysis can be done to find insights.

**Measurements are part of the process:** They take course evaluations after every course to see if everything is going OK and big survey every 3 years of 10yr old students to measure the outcome.

**Hard to measure Societal Level Impact:** As Scientist factory effectively touches thousands of kids in different ways over a long span of time, it is a mammoth task to measure the societal level impact of their activities. Hanne thinks that there are multiple factors that influence children choice of subject that are external to scientist factory’s activities, like the social-economic background, Having a parent who studies STEM already etc. This is complex. If you had time and finances, then you could do a long-term study (10 years) to find more pattern. But in the real world that never happens.

**Challenging to put resources and effort on measurement:** Being a social entrepreneur and a start-up with limited resources, it is hard to put too much of resources on the measurement. However, if you have the data from the beginning then it can give insights and further directions to grow faster.

**Know your goal:** It is important to have a clear goal of what you want to achieve and how you will measure that. Once that is clear then data can be collected accordingly and often quite easily.

**4.1.5. Admir Lukacevik, Founder, Idrott Utan Gränser**

Idrott Utan Gränser (IUG) or Sports without Borders in English, works with kids by providing them with an opportunity to do meaningful free time activities by helping them to try out new things. These activities are included in the sports or physical education lessons in the school, during the evenings, weekends, and holidays (Idrott Utan Gränser, n.d.). IUG’s vision to ensure that every kid feels confirmed or wanted in the society, gains self-esteem and self-confidence. IUG’s theory is that Kids will start to feel wanted and confidence in the society when they dare to participate actively and are not afraid to fail. They dare to create new social relationships and dare to say no. To achieve this IUG employs athletes that are credible role models and build strong relationships with kids. These leaders are usually from a similar background that the kids they mentor and thus create a lot of inspiration. The self-confidence and self-esteem, children improve their performance in sports and also in studies. It gives the kids new direction instead of just fooling around.

Admir Lukacevik moved to Sweden after the Bosnian war in 90’s. As a kid, it was difficult to see possibilities and feel wanted. Basketball helped Admir to gain confidence. He worked as a coach for many years helping many kids to discover self-esteem. It is here he was awarded by the Swedish King as Young Leader. He then established IUG. IUG is working towards challenges of providing kids with feeling to be wanted, improve teacher and kid’s relationship and to make all kids have same possibilities irrespective of their social affiliations. Admir has prepared
steps under the IUG method for the coaches in IUG to work with kids to improve their performance on the 4 identified indicators.

- Dare to be Active
- Dare to do mistakes
- Create New Social relations
- Dare to say No

This is measured before the start of the program (Zero Measurement) and after every year for the children. It has shown a great increase in a number of kids on these indicators. All activities are linked to these indicators.

As result of analysing the interview with Admir Lukacevik, we list the below key takeaways from the interview:

**Program is working towards Measurements:** The IUG method developed by Admir is helping its employees (coaches) to persuade kids to move towards the 4 indicators. In this way, the whole program is constantly working towards the goals to improve the situation that is measure yearly through the indicators.

**Measurement helped to showcase the impact:** Measurements on indicators and interviews with kids and coaches has helped IUG to showcase the impact they have. This has helped them to influence more and more municipalities and expand within Sweden.

**Own Indicators and interviews for measurement:** IUG has identified its own indicators of change in children’s behaviour and has also developed interviews with help from Inkludera to testify the results by talking to kids and employees.

**Not Measuring Societal Level Impact:** IUG measures the students they work with. However, it is hard and IUG in currently don’t have time to measure national impact. They are not measuring a control group but take a Zero measurement before they start work with the school.

**External Help has helped:** IUG has taken help from Inkludera and got support from Ashoka that has helped them to think bigger and strategically. Inkludera has helped them to do better measurements to showcase the impact and Ashoka have provided the network to expand.

**Things get easy with time:** In the beginning, it was difficult to get baseline measurement from a school, but as IUG started to be known then Zero measurements were easy and IUG had more confidence.

**Focus on “Reason for Being”:** Admir advice that young social entrepreneurs should be clear on why they are creating their venture, what they will do and how.

**Compassion is the Key:** It is important for young entrepreneurs to have compassion for the cause. This help in the journey to keep you on track.

**4.1.6. Knut Ove Børseth, Founder, Drive for Life, Norway**
Together with Olav Karlsen, Impact Manager, Drive for Life, Norway
Drive for Life is a Norwegian based social enterprise operating since 2012 in Norway and Sweden with expansion plans to Singapore. They organize community clubs focus on extreme sports for children which are not well integrated into their communities in academic and social aspects. In other words, they try to integrate through leisure activities the trouble-makers and losers of society. Their mission is to integrate these kids into a successful life, by empowering a positive mindset. Another goal is to change the view of the society on these kids.

The Impact measurements of Drive for life are based on Surveys/Interviews at three different point in the life cycle of their participants. The first measurement is at the beginning of the program for the measurement of inputs. Followed by a measurement at the end of the program based on the outputs and three years later they follow up with the participants to measure the outcomes. Drive for Life works on all measurement together with the agency DNV GL (Veritas), Norway’s Statistical Agency. This Agency provides also important data of reference groups. With the data of the reference groups, they are able to report the social impact by comparing their participants to the participants of other institutions and organizations.

After analysing the interview with Knut Ove Børseth and Olav Karlsen, we list the below key takeaways:

**Measurements are key for management**: They consider the measurements they do as one of the most important parts of their success. The measurements are as important for their operations as for the reporting to the communities and economic supporters. In the field of social entrepreneurship, it is key to have successful and solid measurements to be different than the competitors.

**Measurements should start from day one**: The measurements should be designed before starting the operations and they should be based on what the enterprise wants to achieve and there should be an intensive analysis of the environment the enterprise is inserted. It is also important to define in the beginning who are these measurements for, who are you reporting to (Shareholder/Stakeholder Analysis).

**Creation of Reference group for measuring social impact**: By defining and measuring reference groups with the data provided by DNV GL (Veritas) they could compare the “what would have happened anyways”

**Start from scratch**: There is no such thing as standard measurements in the industry. Create everything from scratch and tailored to your specific enterprise.

**Cooperation is vital**: Find cooperation and ideas from other social enterprises and governmental institutions, like DNV GL (Veritas). If in the country, there are no governmental statistical institutions than find private companies who do similar work and request cooperation through CSR.

**Stories to Measurements**: In the field of social entrepreneurship there are many stories to tell, but the goal is to transform the life stories into measurements.
Integrate all your workers into the process: The workers should feel ownership over the measurements and they should also know the importance of them.

Use existing questions for your surveys/interviews: By doing that you can use also the data from established institutions and you do not have to reinvent the wheel.

Keep an eye on the process: Review and adapt your measurement all the time. If the target group changes, so will the reference group. Observe, analyse and adapt to changes over time.

Social Impact can only be measured over time: The time factor is inherent to social impact.

Monetize your impact: Translate your impact and outcomes into value and cost for society. The monetization of the impact is an attractive and understandable factor for everybody.

4.1.7. Rustam Nabiev, CEO and Founder, SHIFO Foundation, Sweden

Shifo is a Swedish based social enterprise founded in 2013, which provides IT solutions in the healthcare field. They have projects running in Uganda and Afghanistan for the moment and next to scale their solutions into other countries. Their vision is that no mother or child in this world should die from preventable diseases caused by missing vaccination. Therefore, they implement an administration platform based on smart papers to secure the administration of electronic health records, where previously were only paper-based records. With their solution they focus on three main goals: reduction of time used by health workers in administration tasks, governments should sustain the system through the existing budget and it has to work in all environments regardless of existing infrastructure.

When they started their work, they didn’t have any kind of measurements. Through time and upon request of their stakeholders they implemented measurements based on the result and performance framework, which were good but not optimal. Two years ago they came across the theory of change and they developed an automated IT-System of measurements based on the theory.

After analysing the interview with Rustam Nabiev, we list the below key takeaways:

Measurement for Management: Social Impact Measurements are key for making decisions within the company. They are the most important factor for sales and marketing of the enterprise.

Numbers instead of Stories and promises: Measurements provide the fundament for the reporting to Stakeholders, but they must be solid and verified by third-party organizations. If you want to scale a social enterprise, you need the proof of concept through measurements.
Set your goals high: High goals are key to be the best provider for the problem you are addressing.

Automatization the Measurements: Create an automated system for your measurements, it helps you improve faster and saves you time.

How to measure: Set an Impact goal, work outcome objectives and outputs. Don’t measure unimportant indicators. Evaluate the importance of every indicator your measure.

Verification of Measurements: Validate your measurements by partnering up with universities or hire external consulting companies for that purpose.

Keep a balance: between measurements and the original work you are doing, don’t lose the focus of the vision.

Theory of Change as a Strategy: The theory of change is your main strategy and you should involve every worker in it. But you should review it to not get disrupted. Review and align your measurements from time to time.

Serious indicators: If the indicators are not being measured on a regular basis, then they can’t be good or serious measurements.

Need for a technical person within the team: There has to be a co-founder with technical and IT-knowledge to set up the measurements, otherwise there is a need for external help in this field. Measurements are comparable to accounting and they have to be done.

4.1.8. Sebastian Salinas, CEO and Founder, BalloonLatam, Chile
Together with Claudia Chiang, Impact Manager, BalloonLatam, Chile

BalloonLatam is a young social enterprise established in 2017 in Chile. Prior to the establishment of the company they were working for 5 years in different communities in Chile, Mexico and Argentina. Their main goal and vision is to fortified local rural communities through entrepreneurship. By helping micro-entrepreneurs, as well as small and medium enterprises in their business models, marketing and other fields of business. They insert themselves in a local community and impart courses on the subjects and help the locals with contacts and other resources. They stay a maximum of 3-4 years in each community for boosting the development. Balloon is not only present in the Americas, since it is a movement created by the founder with two other English founders which are practicing the same concept in Africa. Soon there is BallonInternational coming.

They started measuring outputs previous to 2017 and thanks to a social impact measurement plan they got the resources to establish themselves as a social enterprise. Their main measurement fields are economic inclusion, trust, identification with the community, community responsibility (also the environmental aspect of it) and social cohesion. Special on their measurements is that the final social impact is not directly linked to their outputs and outcomes.
After analysing the interview with Sebastian Salinas and Claudia Chiang, we list the below key takeaways:

**Creation of reference group:** Within the communities, there are people that do not participate in the program, which are valuable to interview as a reference group.

**Negative Externalities:** Keep an eye on negative aspects of what your enterprise is doing. E.g. if a small business is getting successful, are the parents letting their kids attend school?

**Work with existing questionnaires:** Base your survey on existing ones. It saves money and resources to not reinvent every question from scratch.

**Keep an eye on what you are measuring:** Review and adapt to change constantly, especially on your measurements.

**Theory of Change:** Was the main framework used for setting up the measurements, based on the handbooks of JPAL (Abdul Latif Jameel Poverty Action Lab) and BID (Inter-American Development Bank).

**BalloonLatam as the pioneer in Latam:** for Social Impact Measurements. They are even providing other social enterprises with consultancies on the subject.

**Don’t lose the Focus:** By measuring the social impact most enterprises lose the focus on the outputs or are even forgetting their main activities.

**Action first:** A social enterprise should always focus on the action first and if they think they are creating an impact, then they should expand to social impact measurements. If the enterprise doesn’t have the know-how, then they should contact a specialist in the field.

**4.1.9. Sofia Appelgren, CEO and Founder, Mitt Liv, Sweden**

Together with Laras Piniji, Impact Manager, Mitt Liv, Sweden

Mitt Liv is a Swedish social enterprise established in 2009, which started their work a year before that. The vision of Sofia was to find a way to integrate immigrants into work life by creating an inclusive society and pointing out the benefits of diversity in the work environment. They divide their efforts into two different fronts. On the one hand, they have a mentorship program for immigrants, providing them with network and courses of the Swedish labour market. The goal on this side is to help them find a job within the first 5 months after the conclusion of the program. On the other hand, Mitt liv is a consultancy company for enterprises in the field of inclusive management and they run also functions as a recruiting company for the companies and the participants of the mentorship program. Mitt liv is run totally auto-sustainable.

Mitt Liv started measuring in 2016 when they saw the necessity for it and hired an independent consultant that helped the team setting up their indicators. They have
an output and outcome-based measurement system, based on surveys to the mentors and mentees, after the conclusion of the program. For the mentees they do a follow-up survey 5 months after the conclusion of the program.

After analysing the interview with Sofia Appelgren and Laras Pinijji, we list the below key takeaways:

**Importance of Measurements**: For management and reporting. They set up an ending open question for suggestions and comments, from which they gain valuable feedback on their programs.

**Storytelling**: Measurements are good, but stories have their value too.

**Usage of public Data**: They use data from the governmental agency to evaluate the background in which they are working.

**Cost-intensive setup of measurements**: Investment in human capital for consultancy and expertise to set up the measurement system.

**Limitations**: In the identification of “the what would have happened anyways” and the response frequency of online surveys.

### 4.1.10. Vera Cordeiro, Founder, Associação Saúde Criança, Brazil

Together with Adriana Boscov (CEO) and Adriane Menna Barreto (COO)

Associação Saúde Criança was founded in 1991 by Dr. Vera Cordeiro. In that time, she was working as a medical doctor in the paediatric part of a public hospital in Rio de Janeiro, Brazil. Through her work and engagement, she realized that many of the pathologies of her young patients were due to poverty and their environmental living conditions. She took a step back and saw that the work in the hospital was not enough and the health of the children could only improve through important changes in their environment. The Vision she had was to help these kids to get healthy, so they do not need to come to the hospital all the time. It is a more global view of how health care is seen. The organization is not only providing health care and health assistance, it is also caring about the living conditions of the children’s and their families, the education and the documentation for social assistance, and the formation of the parents to pursue a profession for generating a stable income for their family.

Since the goal of the organization is to help the families of the sick kids to get out from under the poverty line, they started from day one with the documentation of goal settings with their beneficiaries in the form of a family action plan. The impact in society was to lower the health cost by the improvement of the living standards of the families, and the final goal is to make see the government’s health as a broader concept and not just as medical care. They start always their activities with an in-depth interview and follow up on a constant basis for measuring the improvements in the life of their target group. This began from day one of Saúde
Criança in 1991. Back then their headquarters was in former horse barn in Rio de Janeiro. The documentation was in paper form and the romanticism of the task was inspiring. With time the project grew, and two important factors were improved with the help of Ashoka. By connecting the organization to McKinsey in 1997, who offered 5000 man-hours of pro bono consultancy for the professionalization of work processes and digitalization. This helped Vera and her team to organized in a corporate way and push their measurements into the next level of social impact. McKinsey ideate also the most important KPI’s for the success of the organization. In 2005 the regional government of Belo Horizonte adopted their working method as a policy in a joint venture with Avina Foundation, which was a big recognition to their work. In 2012 a local Software company called Radix helped Saúde Criança with the development of a management software to automate the whole recollection data and the creation of specific rapports.

After analysing the interview with Vera Cordeiro, Adriana Boscov and Adriane Menna Barreto, we list the below key takeaways:

**Goal setting and measurements are key:** In the effort of helping the beneficiaries, the recollection of data is as important as the activity itself. Setting up clear goals is fundamental for the success of the endeavour. Start from day one with the inputs and what the outputs and outcomes will look alike.

**Constant follow up:** Follow up constantly on your target group, to keep the goals aligned and the improvements in sight.

**Seek for help and validation:** Through the fellowships in Ashoka, Avina, Skoll and Schwab Foundation they handled to get external help from big consultancy companies like McKinsey or Universities like Georgetown for improving their measurements.

**Do not follow every advice:** Some people advised her to narrow their impact efforts because it was too multidisciplinary, but it worked out!

**Data is essential for reporting:** The collected data is the base for all reports and you can report with it on different levels. They have reports even for the beneficiaries.

**Train the team and make them feel ownership:** train your team for pulling the best data possible and make them feel proud owners of the process.

**Involve the team:** gather your team for a brainstorm on social impact, vision and mission of the enterprise.

**Keep an eye on changes:** Be alert of changes and open for adaptation. Review your purpose on a constant basis.

**Advice for new Entrepreneurs:** Start collecting data in a cheap way, e.g. with an online spreadsheet. Keep yourself curious. Inform yourself on the subject and stay up to date.
4.2. Discussion

All the key takeaways were grouped together on common focus areas or themes, academically known as “Codes”. The Codes or common areas are:

- Measurement method used
- Is Social Impact measured?
- Measurement as a management tool
- The Effort needed for Measuring impact
- Using External Support for Measurement

In the below section, each of these focus areas are presented and discussed.

4.2.1. Measurement Method used

As in research of this subject, the researchers found different proposed methods, thus it is important to understand what is being used in real world. This code tries to understand which of the globally known measurement method are used in the social venture run by the interviewed fellows. Fellows were asked if they used any method from the globally known list of methods like SRS, SROI, Theory of Change or any other method.

In the interviews, when the social entrepreneurs were asked which global or commonly used method they were using to measure their impact, most of them said that we use our own measurement method and tools that we developed over the years. Digging deep into the methods and evolution, things became clearer. We could find out some common threads in the methods used. Out of the ten interviews conducted, we could see many social entrepreneurs use “Theory of change” as a platform for setting up the venture and thus are measuring accordingly. To understand it better let’s take an example, when we asked Will Muir, founder Equal community foundation, on how the measurement has evolved in his venture, Will said:

“The key developments have been that we have moved from an evaluation tool/survey to an evaluation toolkit that is designed around an Evaluation framework. The Evolution Framework is linked to something called the theory of change. Our Theory of change says that if boys engage in those activities and boys demonstrate such an attitude then we believe that behaviours would also change positively.”

Here one can see that even though ECF is using own methods, the underlying framework is built upon Theory of change. Below is a graphical representation of the data from all interviews:
Here in Graph 1 it can be seen that five Social Entrepreneurs use “Theory of change” and three uses “output and outcome” for measurements which can be regarded as a subset of the theory of change. Some Social Entrepreneurs used more than one methods as well. Overall it can be clearly seen that nine out of ten social entrepreneurs used the theory of change in some form or the other. This is in line with what many researchers have established that the theory of change is an “easy to use” method that allows easy measurement at different stages like Input, Activities, Output, outcome depending on where the social entrepreneur has a need.

Advice for setting up measurement methods, these social entrepreneurs also backed Theory of change. Many suggested using the theory of change to set up measurements. There were other advice in this area also. Admir Lukacevik of IUG, Will Muir of ECF and Hanne S. Finstad from ForskerFabrikken, all advised on the lines of Knowing your Impact or Goal from the beginning. Or in other words, they all advise young entrepreneurs to first finalize a goal that they will aim for in their venture. This can then be used to translate the Impact into needed outcome and output. they will then lead the entrepreneurs to know what activities and inputs are needed to be done to achieve the aimed impact – a reverse path of Theory of change.

Use of Reference groups was also advised to be used wherever possible. Using questions or indicators from existing surveys or data was advised as well. Advice like starting small and to involve the target group was heard from many interviews. It was also regarded as vital to know the culture of the target group so one is aware of the effects of the culture on the measurements that are taken. One contradiction was also found in advice from different Social entrepreneurs. Some suggested to “Measure from Day one” and even to the extent of “automating the measurement”. However, on the other hand, some suggested to “start doing the work and then if it is good then start measuring”. Anyways all advice and suggestions show the importance of using the right method for measurement and when it is time to start measuring.
4.2.2. Is social Impact measured?

Each social venture works to bring some impact to the society. Outcomes are the direct impacts of the venture were as it is vital to understand the impact of the venture on the societal/community or system. We can sense that it was a bit difficult for most social entrepreneurs to definitively say their social impact. So we thought to group the response related to social impact under this code and then see if we can draw some conclusions.

Also, from the Literature review & looking at Impact value chain in figure 2, it can be seen Social Impact is venture’s outcome subtracted by the assumptions or measurements of “what would have happened anyways”. So, it is important to understand if the social enterprise measures social impact or not and why they do so. Ambition is not to establish a right or wrong approach but to understand what is happening and why. From the interviews it was seen that majority of social entrepreneurs were not measuring social level impacts. The result is depicted in graphical form in graph 2.

From the above graph, it can be seen four out of ten social enterprises measure their social impact, rest currently measure their outcomes. When asked about measuring social impact, those who don’t measure social impact highlighted that it is hard, time-consuming activity to measure social impact. Normally a social entrepreneur does not have such vast resources to do this. The assumptions or measurements about “What would have happened anyways” needs the effort to take measurements of the target group that has not been served by the venture. It also needs national or municipal level statistics to see the change with and without the venture. Not all social issues are measured by government agencies and if it is measured it may not be of good quality or easily accessible for social entrepreneurs. These have been found to be issues stopping social entrepreneurs to measure social impact. However, these Social entrepreneurs pointed out that as they have been in the field and measuring for a long time, it has given them enough confidence to project their outcomes as the change they are bringing. However Social entrepreneurs suggest to also verify their measurement to support the confidence.

For those who measure social impact, It can be observed that they actively work with government agencies and/or academia as suggested by Md. Yunus
mentioned in Literature review. Drive for life in Norway actively works with Det Norske Veritas (DNV) that is helping them with statistics and data on the societal level. Similarly, Rustam Nabiev of Shifo Foundation and Sebastian Salinas of BalloonLatam work with Government agencies and academia respectively. They themselves say that they are lucky to get useful data that they can use.

Almost all have developed their own measurement indicators to measure their outputs and outcomes. And Claudia cautioned also to measure any negative impact that your venture brings in. Rustam suggests dropping those indicators that are not used constantly. On the whole, the data suggest either to use data from government agencies/academia to measure social impact or have good and historical data to get the confidence to project the outcome of the venture.

4.2.3. Measurement as a management tool

Engwall et. Al. (2014) define in industrial management three important processes in value creation: Innovation, Operations and Marketing. The processes are fundamental for the development of a company and should be managed throughout enterprise within the different departments (R&D, Production and Sales). For the management team, there are a set of different tools on which the managers can rely upon.

This is not different in social enterprises and the social impact measurements are vital as a management tool, especially regarding the fact that most social enterprises do not have “maximization of revenue” as their main goal. This is why the accounting of other factors play a key role in the field of social businesses. Therefore, we will discuss the use of social impact measurements in the three processes: Operations, Marketing and Innovation.

4.2.3.1. Operations

The social entrepreneurs we interviewed confirmed without exceptions that the measurements are vital feedbacks for their operations. Most of them told us that the outputs and outcomes are giving them important information for the optimization and the continuous improvement efforts within the enterprise and also for the measurements itself. Rustam went even a step further and used the theory of change for setting up the strategy of his social enterprise. For him, the vision, mission and goals of his company are stated in the theory of change and he succeeded to automate the measurements in his IT-based solution. He also recommends the creation of IT-based measurements tools for a better and constant handling of the measurements, which is also mentioned by Dichter et. al. (2016). Will had a similar input about keeping a constant focus on them and find ways to simplify them, especially when a social company wants to scale.

Knut Ove, Rustam and Sebastian mentioned the importance to integrate all workers on the process. The idea is to make them feel ownership and value the importance of the measurement. This motivates the workers and inspires them to perform better when they know the impact they are generating by their work.
Some of the entrepreneurs also expressed some concerns about the measurements. They talked about dangerous developments when a social enterprise starts to put the focus too much on the measurements and forgets about the operational part of the venture. Claudia and Rustam advise **keeping always a healthy balance between the operations and the measurements**, so that the measurements alone become the sense of the company.

Claudia also recommends measuring negative externalities to be aware if there is negative impact caused by the company. E.g. they keep track of the children’s education of their rural entrepreneurs to check that there is drop-outs product of the commercial success of the parents.

### 4.2.3.2. Sales

In this field, all the entrepreneurs agree that the measurements are vital for marketing and reporting to shareholders and stakeholders. Their impact reports are fundamental for any type of donation or scaling effort. Some of the entrepreneurs realized this on the way to success and other could only start operations as a company by creating impact reports. The entrepreneurs also mentioned the importance of their reports for the corporate identity and the acceptance of their businesses in the country or region there are inserted.

Within the impact reports, there are different approaches from the entrepreneurs. Some are **basing their sales pitch on hard facts, numbers and graphs**. While others go for the **more emotional pitch by telling stories of the people they helped**. Both are great strategies for success, as we saw from the interviewed people. But we can also say that **a good balance between the two strategies is best**. Emotional stories backed by numbers and facts. Knut Ove showed a great approach by using the SROI in an incredible way. His report mentions the savings generated for society by investing in his venture and in the reintegration of a youngster, that instead of becoming a cost for the society this teenager will become a successful tax-paying adult of society.

### 4.2.3.3. Innovation

All of the enterprises are innovative in their fields but Rustam and Knut Ove, for example, told us about the growing competitiveness in the social enterprise market and there is a need of innovation for not getting disrupted by new entrants. Rustam mentioned that through his strategy plan based on the theory of change and the measurements, he is losing a bit the ability of innovation and therefore a reviewing of the strategic plan and the measurements is necessary from time to time to keep the spirit of innovation and not become stiff as a company and get disrupted.

### 4.2.4. The Effort needed for Measuring impact

In order to understand the challenges and impediments of a social entrepreneur in measuring impact, it is important to understand the effort they put in for measurements and thus this theme was selected. The general impression of all the interviewed people about setting up and keep running the measurements is that
these are time-consuming, costly and there is human capital that has to be designated to it. For setting them up Serra mentioned that there is a knowledge gap that a big impediment. This is shared by all of the entrepreneurs and it takes a lot of time and human capital. Claudia e.g. worked with the whole team on that and also got help from externals. Many said that the know-how must be within the company and if there is a lack in this field in the team, so there is a necessity of adding an impact measurement specialist or even get the consultancy for that, as Sofia did. Rustam, as mentioned before, recommends setting up an IT-solution that helps through automatization the whole process.

For running the measurements there is still a big need of money, time and human capital. Most of the entrepreneurs measure their impact with a survey. One of them said that the response frequency of online sent survey isn’t optimal. Knut Ove and Claudia solved that problem by doing the survey in a controld environment with an interviewer, which is costlier, but it secures the quality of the data. Liisa e.g. has to send externals to observe the beneficiaries of her program, due to the cultural issue that the responses in the surveys aren’t sincere. Some of the companies had people 100% dedicated to the measurements and designate helpers and volunteers, as well as other workers to help them up with these tasks. Sadly, we missed to ask for specific numbers and facts in these field and we can’t display any detailed information on this.

4.2.5. Using External Support for Measurement

As previously mentioned setting up and running the measurements is a complex and thought through effort that has to be done. Social entrepreneurs mainly focus on changing the world by action. They are doers doing stuff and helping the people and society to develop. So, the whole concept of measuring is annoying to them. In the normal business world, for example, you just have to hire an accountant to do the math. Ries (2010) on another taught normal entrepreneurs to also find their own measurements through innovation accounting to keep the workers motivated, this is easily fixed by raising money and hiring the right talents. But Social entrepreneurs run on lower budgets and they have to do most of the work themselves, but there is still a way to get help and bootstrap. Ashoka France, for example, helped many fellows in a joint venture with HEC Paris to bring knowledge to the social entrepreneurs. Ashoka Scandinavia is doing a similar effort by creating together with us a handbook for the entrepreneurs.

Through the interviews we identified different external support providers on which the interviewees relied on, some got help for free others had to pay. The help came from different institutions like private consultants, consulting companies, other social entrepreneurs, universities, non-governmental institutions, governmental institutions and even private companies helping through CSR or just passively approving the usage of their data.

Sofia, for example, bootstrapped a private consultant for setting up her measuring. Salinas got help through a program of Ashoka and HEC Paris and finally, he hired Claudia for this purpose, who studied at JPAL (Abdul Latif Jameel Poverty Action Lab) that offers courses on this and she had also expertise from working at the Inter-American Development Bank. Vera got help from McKenzie in a CSR effort of the company, which not only helped her with the measurement but
also in professionalizing the company as a whole. After the great help Vera got from McKenzie, she also got the help from Georgetown University to validate their impact and measurements. Some other got help from universities, other entrepreneurs and/or organizations like Ashoka. Some of our interviewees are now helping others in this field or even get hired by enterprises for these purposes.

Another important help which most of our entrepreneurs needed, was the validation and the verification of the data and the processes for measuring. This is similar to auditing for accounting in the business world. Knut Ove works in his measurements really close with DNV GL (Veritas), the Norwegian statistical office which also does the whole auditing. Rustam works with local universities and hires consulting companies when needed.

Since most of our entrepreneurs work with surveys, which is a powerful tool but costly to set up and validate, they have overcome these costs by basing their survey and interview questions from existing ones. This is also a good way of getting some data for their impact reports without the cost of collecting this data themselves. Also, the use of statistical data on the situation prior to their work is taken from this companies by asking them for permission.

Vera also mentioned the key help she got by becoming fellow from Ashoka, Avina, Skoll and Schwab Foundation. She said that the fellowships helped her to get all the help from consultancy companies, universities and software companies.
5. Conclusion and Further Research

5.1. Conclusion

There is no such thing as a magical solution or an incredible software out there, which fits all the different requirements of social entrepreneurs. The entrepreneurs are forced to build their own measurements and immerse themselves into the theory and best practices of the field. This task will require hours and hours of human capital, acquisition of software or even efforts on building up their own IT-tools and surveys. It is not an easy task and the best way is to acquire the know-how in the most cost-efficient way. This could be done by studying the different handbooks, attending courses from organisations like Acumen, bootstrapping or other social entrepreneurs and so on. From our side, we can recommend the theory of change and the framework created by us included in the handbook (see appendix 3), based on it. This will give valuable insight into the processes and the correlations involved.

Social impact measurements are impossible to standardize since every endeavour requires a unique set of KPI’s which are specific to the impact measured. In the world of business, companies are legally bound to keep track on their financial measurements and for a big corporation it is also mandatory to audit these reports. This is different in the field of social entrepreneurship, although the need of these measurements is as vital as accounting for profit maximizing company. As we saw in the results section the measurements are key for the social entrepreneurs and for their operations, sales and innovation processes.

5.2. Recommendations

We strongly recommend future entrepreneurs in the social field to set up their measurements from day one. They need to go through one of the handbooks available or visit one of the many courses offered. They also need to do profound research on existing data samples. This research is essential so that they do not reinvent the wheel and they can base their measurements on already existing ones. Therefore, it is vital to check national statistic agencies, the ones from international organizations and even private poll offices.

Further, they need to build up in their enterprises a team, which is dedicated to the social impact measurements. Search for collaboration and bootstrapping in the initial phase might be sufficient, but for scaling up their company or bigger expansion plans it will be essential to have an in-house team.

Experimenting and developing the theory of change is the most common way of an entrepreneur to succeed with solid measurements. This theory gives social entrepreneurs from day one a clear strategy for your company to what you’re doing, how you are doing it and what do you want to achieve with it. The process is long, since the impact will be in the future and being open to adaptation is key for innovation.
Finally, since there is no standard in this field and all the measurements are different, there is an important need for the enterprises to validate and verify their data and processes. This can be achieved by partnering up with governmental institutions, universities or private consulting companies asking them for a corporate social responsibility effort.

5.3. Implications and Contributions

Our aim with this thesis was to identify the constraints and limitations that young social entrepreneurs faced in the process of setting up their social impact measurements. Thanks to our selected group of established and recognized entrepreneurs, we could clarify the challenges they faced in the early stage of their endeavours and how they managed to solve them. With our handbook on this, we want to contribute to the social community with an easy overview and a framework to work upon for an easy way to set up their measurements by using the Theory of Change. The theory was always there, but some entrepreneurs didn’t see that they are using it, or at least parts of it. The Canvas of the Handbook will help them as well as scholars to see the theory of change and how to apply it in their enterprises or analysis of the measurements.

5.4. Limitations

We faced limitations in our research design for the quantification of time, money, human capital and other resources used by the entrepreneurs. As well we had the time constraint of the thesis process itself, to find other entrepreneurs, which are not fellow from Ashoka. This could have given us valuable insights on social enterprises who were not guided by Ashoka for their Social impact measurement.

5.5. Future Research

We suggest further researches in a more quantitative study to analyse the cost structure of social impact measurements and the implications that this represents for new social entrepreneurs. Further, a deep analysis of non-Ashoka fellows which had created their measurement without the guidance of Ashoka and their partner organisations, would add a reference group to this sample of entrepreneurs in a comparative study. We can also suggest that a similar research can be conducted from the point of view of investing organisation and intermediaries on the challenges they face while selecting a social enterprise to invest in.
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## Appendix

### 7.1. Appendix 1: List of Ashoka Fellows with good social impact measurements

<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Fellow’s Year</th>
<th>Organization</th>
<th>What impressed you in the way the social entrepreneur measures impact?</th>
<th>Website with resources on their impact evaluation</th>
<th>Your name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mary Cotten</td>
<td>Canada</td>
<td>Yes</td>
<td>World of empathy</td>
<td>haven’t studied in detail but have heard that the study results are really compelling and prove the way he understood the importance of the project, as interesting when the seedling impact evaluation of a person has led to significant changes in someone’s decision making and funding decision. Despite a monetary gap, the project is successful in delivering a key step in the cycle of women entrepreneurship.</td>
<td><a href="https://www.worldofempathy.org">https://www.worldofempathy.org</a> [<a href="https://wwwudem.edu.co/">https://wwwudem.edu.co/</a>]<a href="https://www.womenentrepreneurship.org">https://www.womenentrepreneurship.org</a></td>
<td>Ogie Leongbo, Kavita</td>
</tr>
<tr>
<td>Bate and Du</td>
<td>Germany</td>
<td>No</td>
<td>Bate und Du</td>
<td>excellent at making an impact, as he is part of his strategy to improve the knowledge base, not about 2.0% of the target group is developing new skills and new tools to impact learning with the help of a University in Belgium.</td>
<td><a href="http://www.bateunddu.de">http://www.bateunddu.de</a> <a href="https://wemaketheworldbetter.org">https://wemaketheworldbetter.org</a></td>
<td>Olga Slobodkina</td>
</tr>
<tr>
<td>Kim Nguyen</td>
<td>Belgium</td>
<td>Yes</td>
<td>InsureAid</td>
<td>Excellent in terms of measuring impact, which is gradually building up a sense of measuring impact. To see how they consulted with 100s of academic experts globally.</td>
<td><a href="http://www.insureaid.org">http://www.insureaid.org</a> <a href="https://www.innovisus.com">https://www.innovisus.com</a></td>
<td>Pauline Vanhage</td>
</tr>
<tr>
<td>Sebastien Galasso</td>
<td>China</td>
<td>Yes</td>
<td>Social Innovation</td>
<td>very excellent. Involves the creation of local solutions, as well as explaining models, great potential.</td>
<td><a href="http://www.societaleducazione.org">http://www.societaleducazione.org</a> <a href="https://www.cambiamenti.it">https://www.cambiamenti.it</a></td>
<td>Sebastien Galasso</td>
</tr>
<tr>
<td>Jami Harder</td>
<td>Germany</td>
<td>Yes</td>
<td>Graphcore</td>
<td>very excellent, well explained model, great potential.</td>
<td><a href="http://www.graphcore.com">http://www.graphcore.com</a> <a href="https://www.oecd.org">https://www.oecd.org</a></td>
<td>Gerhard Domi</td>
</tr>
<tr>
<td>Jeff Sturgeon</td>
<td>Yes</td>
<td></td>
<td>Collective Impact Media Expert and Author</td>
<td>This is a major goal of the online platform for entrepreneurs, but she is also the founder of one of the most important social impact consulting firms in the world. She is the first to consider the impact of digital and every one of their activities.</td>
<td><a href="https://www.collectiveimpactmedia.com">https://www.collectiveimpactmedia.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Wayne OctanOctan</td>
</tr>
<tr>
<td>Same Titel</td>
<td>Turkey</td>
<td>Yes</td>
<td>Economic Development</td>
<td>Turkey is one of the top countries that is making an impact on digital and every one of their activities.</td>
<td><a href="http://www.collectiveimpactmedia.com">http://www.collectiveimpactmedia.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Wayne OctanOctan</td>
</tr>
<tr>
<td>Rodrigo Nato</td>
<td>Turkey</td>
<td>Yes</td>
<td>Economic Development</td>
<td>Turkey is one of the top countries that is making an impact on digital and every one of their activities.</td>
<td><a href="http://www.collectiveimpactmedia.com">http://www.collectiveimpactmedia.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Wayne OctanOctan</td>
</tr>
<tr>
<td>Gustav Mikhnev</td>
<td>Indonesia</td>
<td>Yes</td>
<td>Kupерistik</td>
<td>Kupерistik is the first Polish company to develop a catalog for impact tracking, which can be used by other enterprises.</td>
<td><a href="https://kupernik.info/impact-assessment">https://kupernik.info/impact-assessment</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Evgeniy</td>
</tr>
<tr>
<td>Vanessa Spencer</td>
<td>U.S.</td>
<td>Yes</td>
<td>WokeWorks</td>
<td>Vanessa Spencer has been working on social issues for a long time.</td>
<td><a href="https://www.wokeworks.com">https://www.wokeworks.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Ana Sator</td>
</tr>
<tr>
<td>Ana Sator</td>
<td>Mexico</td>
<td>Yes</td>
<td>BnBolal</td>
<td>have tried different methods and ways to improve their impact measurement.</td>
<td><a href="https://www.wokeworks.com">https://www.wokeworks.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Angelika</td>
</tr>
<tr>
<td>Flaviana Ribeiro</td>
<td>Brazil</td>
<td>Yes</td>
<td>CEDS</td>
<td>keeps a long record of all medical attention and prescription.</td>
<td><a href="https://www.wokeworks.com">https://www.wokeworks.com</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Fernando Olivenha</td>
</tr>
</tbody>
</table>

### Notes
- [Pepa’s Story](http://www.pepa.org) - Germany, 2007
- [Zeitgeist](http://www.zeitgeist.org) - Germany, 2008
- [Tappan](http://www.tappan.org) - India, 2009
- [Armadillo](http://www.armadillo.org) - Belgium, 2010
- [Mobile School](http://www.middleschool.org) - France, 2011
- [Mobil](http://www.mobil.org) - France, 2012
- [RHED](http://www.rhed.org) - France, 2013

<table>
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<tr>
<th>Name</th>
<th>Country</th>
<th>Fellow’s Year</th>
<th>Organization</th>
<th>What impressed you in the way the social entrepreneur measures impact?</th>
<th>Website with resources on their impact evaluation</th>
<th>Your name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pepa</td>
<td>Germany</td>
<td>Yes</td>
<td>Collectives</td>
<td>Lived study with a control group, external evaluation.</td>
<td><a href="http://www.pepa.org">http://www.pepa.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Laura</td>
</tr>
<tr>
<td>Wimmed Aebel</td>
<td>Germany</td>
<td>Yes</td>
<td>Zeitgeist</td>
<td>External evaluation done several years ago, ongoing quality measurement and continuous evaluation of results in a very understandable way through the target group.</td>
<td><a href="http://www.zeitgeist.org">http://www.zeitgeist.org</a></td>
<td>Laura</td>
</tr>
<tr>
<td>Linwen Wallere</td>
<td>India</td>
<td>Yes</td>
<td>Tappan</td>
<td>also conducted an ITC. They did it with a PIAU, which is the registry methodology in this area, so maybe it’s worth trying something similar.</td>
<td><a href="https://tappan.org">https://tappan.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Suggested by Clara</td>
</tr>
<tr>
<td>Armadillo</td>
<td>Belgium</td>
<td>Yes</td>
<td>Middle School</td>
<td>Armadillo has developed a teaching tool to help students to learn about the impact they can have on the world, as well as being a way to improve his teaching. In association with a cotton, Tanzania, as the first company to develop a tool for measuring the impact of the installation of microfinance systems on a business.</td>
<td><a href="http://www.middleschool.org">http://www.middleschool.org</a></td>
<td>Pauline Verhegghe</td>
</tr>
<tr>
<td>Messenger</td>
<td>France</td>
<td>B-1</td>
<td>Mobil</td>
<td>He developed a model demonstrating the value related to the social impact that the research conducted for banks and finance companies on credit, that are now associated to the project and financing (i.e., ‘I want to be part of the project and financing’).</td>
<td><a href="http://www.mobil.org">http://www.mobil.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Send me a brief, I introduce &amp; co you</td>
</tr>
<tr>
<td>Jean Louis Will</td>
<td>France</td>
<td>B-2</td>
<td>RHED</td>
<td>Same kind of model, by engaging mutual insurance on social impact prevention thanks to regular and adapted socio-professional services for seniors.</td>
<td><a href="http://www.rhed.org">http://www.rhed.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Send me a brief, I introduce &amp; co you</td>
</tr>
<tr>
<td>Jeanne DeMoor</td>
<td>France</td>
<td>B-3</td>
<td>Supportive</td>
<td>Supportive by RHED.</td>
<td><a href="http://www.rhed.org">http://www.rhed.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Send me a brief, I introduce &amp; co you</td>
</tr>
<tr>
<td>Jeanne DeMoor</td>
<td>France</td>
<td>B-4</td>
<td>To see</td>
<td>Supportive by RHED.</td>
<td><a href="http://www.rhed.org">http://www.rhed.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Send me a brief, I introduce &amp; co you</td>
</tr>
<tr>
<td>Armadillo</td>
<td>Belgium</td>
<td>B-5</td>
<td>Tappan</td>
<td>Supportive by RHED.</td>
<td><a href="https://tappan.org">https://tappan.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Lena Chang</td>
</tr>
<tr>
<td>Frank Hoffmann</td>
<td>Germany</td>
<td>B-6</td>
<td>Hand discovery</td>
<td></td>
<td><a href="https://www.hand-discovery.org">https://www.hand-discovery.org</a> <a href="https://impactmedia.com">https://impactmedia.com</a></td>
<td>Markus Freiberg</td>
</tr>
<tr>
<td>Name</td>
<td>Country</td>
<td>Fellow?</td>
<td>Yes/No</td>
<td>Organization</td>
<td>What impressed you in the way the social entrepreneur added value to society?</td>
<td>Website with materials on their impact evaluation</td>
</tr>
<tr>
<td>------------------</td>
<td>---------</td>
<td>---------</td>
<td>--------</td>
<td>---------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------</td>
</tr>
<tr>
<td>Vera Camejo</td>
<td>Brazil</td>
<td>Yes</td>
<td>Yes</td>
<td>Sorsche Ganga</td>
<td>Great impact analysis, not only checking hard data but actually seeing and feeling the happiness generated with medium and long-term impact. Collaborative with Georgetown, USA.</td>
<td><a href="https://www.peacepeople.org/communications/peacepeople-impact-stories/">https://www.peacepeople.org/communications/peacepeople-impact-stories/</a></td>
</tr>
<tr>
<td>Carlos Alberto Rikardo</td>
<td>Brazil</td>
<td>Yes</td>
<td>Yes</td>
<td>Instituto Sociedade e Territorial</td>
<td>Monitoring of documentation of lands and conservation of native communities, in an easy, accessible, and quick format.</td>
<td><a href="https://liferay">https://liferay</a> senza.org.br/</td>
</tr>
<tr>
<td>Gaston Wariambo</td>
<td>Brazil</td>
<td>Yes</td>
<td>Yes</td>
<td>Imagon</td>
<td>High improvements in attendance and conservation of protected areas. Very important to point out the main role it plays in the creation of the social progress index in the region.</td>
<td><a href="http://www.imagon.org.br/">http://www.imagon.org.br/</a></td>
</tr>
<tr>
<td>Gladys Balbynes</td>
<td>Brazil</td>
<td>Yes</td>
<td>Yes</td>
<td>CRB-V</td>
<td>Highly monitored activities with great habits to institutionalize in easy and accessible ways.</td>
<td><a href="http://www.crbv.org/">http://www.crbv.org/</a></td>
</tr>
<tr>
<td>Celina Grzyb</td>
<td>Brazil</td>
<td>Yes</td>
<td>Yes</td>
<td>SIMUS</td>
<td>Has a long experience in measuring such one of the projects, with great dated.</td>
<td><a href="http://www.simus.org.br/">http://www.simus.org.br/</a></td>
</tr>
<tr>
<td>Ruth Cameron</td>
<td>Germany</td>
<td>Yes</td>
<td>Yes</td>
<td>SaveAirlift</td>
<td>Propriety to assess the efficiency of her complex intervention in South Africa.</td>
<td>in process, suggested by Olwin</td>
</tr>
<tr>
<td>Ingo Rademacher</td>
<td>Germany</td>
<td>Yes</td>
<td>Yes</td>
<td>iAge a-care</td>
<td>Proper RCT to assess the efficacy of her complex intervention in South Africa.</td>
<td>in process, suggested by Olwin</td>
</tr>
<tr>
<td>Tim &amp; Mark</td>
<td>South Africa</td>
<td>Yes</td>
<td>Yes</td>
<td>Revenir CHANGE</td>
<td>Proper RCT both for learning and evaluation purposes of the Revenir CHANGE model. First stage, now at 6th stage.</td>
<td>in process, <a href="http://www.revenir-change.org/">http://www.revenir-change.org/</a></td>
</tr>
<tr>
<td>Prieto</td>
<td>Spain</td>
<td>Yes</td>
<td>Yes</td>
<td>European Social Leaders</td>
<td>How they evaluate their impact using a comprehensive impact analysis with scientific and computer groups.</td>
<td><a href="http://bit.ly/1mX2D74">http://bit.ly/1mX2D74</a></td>
</tr>
<tr>
<td>Kholi Che Gomath</td>
<td>Namibia</td>
<td>Yes</td>
<td>Yes</td>
<td>Drive for Life</td>
<td>With its developed a tool to measure indigenous change in educational boys in gender norms, which is very hard to measure.</td>
<td><a href="http://lackiwicz.com/impact">http://lackiwicz.com/impact</a></td>
</tr>
<tr>
<td>William Muli</td>
<td>India</td>
<td>Yes</td>
<td>Yes</td>
<td>Equal Community Found</td>
<td>Good understanding of the problem and raising awareness around masculine norms, which is very hard to measure.</td>
<td><a href="http://www.equalcommunityfound.org/impact">http://www.equalcommunityfound.org/impact</a></td>
</tr>
<tr>
<td>Shaunee Lambe</td>
<td>UK</td>
<td>Yes</td>
<td>Yes</td>
<td>Just for Kids</td>
<td>Extensive selection of materials with detailed documentation of their work including studies and scientific papers.</td>
<td><a href="https://www.justforkids.org/impact">https://www.justforkids.org/impact</a></td>
</tr>
<tr>
<td>James Morton</td>
<td>UK</td>
<td>Yes</td>
<td>Yes</td>
<td>ChemEarth</td>
<td>Tracking numerous outcomes against baseline.</td>
<td><a href="http://www.chemearth.org/impact">http://www.chemearth.org/impact</a></td>
</tr>
<tr>
<td>Charlie Howard</td>
<td>UK</td>
<td>Yes</td>
<td>Yes</td>
<td>MAC-UK</td>
<td>Various scientific research and well tracked outcomes against baseline.</td>
<td><a href="http://www.macc-uk.org/impact">http://www.macc-uk.org/impact</a></td>
</tr>
<tr>
<td>Junior Small</td>
<td>UK</td>
<td>Yes</td>
<td>Yes</td>
<td>SOS Project</td>
<td>Calculating rate savings as a result of their work.</td>
<td></td>
</tr>
<tr>
<td>Ruth Datehorne</td>
<td>UK</td>
<td>Yes</td>
<td>Yes</td>
<td>RECLAIM</td>
<td>Calculating rate savings as a result of their work.</td>
<td></td>
</tr>
</tbody>
</table>
7.2. Appendix 2: Interview Guide

Vision:
Vision, Mission and Goals? Tell us shortly about the company?

Measurement:
How Important are Impact Measurements for your organization? what you use it for or gain from it?
When you started your endeavour, how did you setup your measurements?
Tools, Equipments, People, etc?
How was the evolution or adaptation process from then to now?
How much effort are you putting into it right now?
Do you measure societal level impacts in any way? If yes, then how do you translate your outcomes to societal impacts?
Specific Questions on impact reports if any
What was good or encouraging in implementation of measurements?
What was difficult or challenging / bad in implementation of measurements?
What was missing or what could have been better in implementation of measurements?
What advice you will give to new Social Entrepreneurs related to Impact measurement?
7.3. Appendix 3: Handbook developed for Ashoka

Handbook is attached from the next page. This page is intentionally left blank.
Social Impact Measurement Handbook

BY NICOLAS BERLINGER
RAJAT SINGHAL
“In a bird's eye view you tend to survey everything and decide on a particular point, then you swoop down and pick it up. In a worms eye view you don't have that advantage of looking at everything.” (Muhammad Yunus)

Sometimes when you are working on something you might feel like the worm, but if you take the perspective of the bird everything will get clear. Taking a bird-eye view on social impact measurements will help you to master this complex task. This Handbook is a practical guide to fly above and land in safe haven.

Acknowledgements

For finding the best collaboration possible, we have also got the outstanding help from Ashoka Scandinavia, specially from Emma Lindgren and Ezgi Dahlberg for getting us in touch with all these amazing entrepreneurs and changemakers. We also had the opportunity to participate in the Ashoka Changemaker Summit 2018 in Berlin, were we got valuable inputs and idea for this framework from candidates, corporation, facilitators and investors.

Special thanks go also to Gregg Varounek, our KTH – Royal Institute of Technology Professor and Board Member of the Social Entrepreneurship Forum in Stockholm, for helping us through the whole process and writing the academic and practitioner point of view on social impact measurements in this handbook. As well Erika Augustinsson from Malmö University and Mötesplats Social Innovation for trusting us with this task and the collection of data from the perspective of the intermediaries.
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Introduction

The world of Social Entrepreneurship is growing rapidly. Social enterprises are popping up all over and the competition on social solutions are, to a larger extent than before, competing for funding, clients and attention. Just like you, there are hundreds of other people seeking a way to solve the problems of humanity, meaning that you need to show why your solution is worth investing in.

The positive news is that most of your co-social entrepreneurs have the same mindset as you: they are open for cooperation, collaboration, joint-ventures and they put the higher goals of social impact above their companies and ideas. On the one hand you have to create an innovative solution for the problems you are targeting. The goal is noble, and you will try to solve one of the most emblematic problems our societies are facing.

However, your whole efforts won’t be enough if the numbers and the performance of your work isn’t given. This is why on the other hand you have to showcase the effectiveness and efficiency of your work. Therefore, you have to measure your impact and report it to your stake- and shareholders in the best way possible. This practice is essential for becoming a solid and scalable social enterprise for the future.

If you picked up this handbook, then you are most likely curious and conscious about impact measurement. As well the complexity of this task. In our effort to help you and your team succeed in this path, we suggest a simple framework for setting up your first measurements. This is a not so easy endeavour and it involves many hours of brainstorming, research and ideation for getting the optimal result.

The main goal after working yourselves through the handbook is to start measuring your impact on a solid and visual way. This will be just the beginning of your journey and change will be needed as you grow in this field together with your endeavor.

Through the writing of this handbook we collaborated with ten outstanding entrepreneurs, which are known for their success and their solid numbers. They were
once upon a time in your position and they had to go almost the whole way by themselves. Some with more and others with less help, but by analyzing their paths and recommendations you can learn from them and their success. It is important to mention that all of them are nowadays Ashoka Fellows, globally acknowledged as leading and system changing social entrepreneurs.

Who is this book for?

“Here's to the crazy ones, the misfits, the rebels, the troublemakers, the round pegs in the square holes... the ones who see things differently -- they're not fond of rules... You can quote them, disagree with them, glorify or vilify them, but the only thing you can't do is ignore them because they change things... they push the human race forward, and while some may see them as the crazy ones, we see genius, because the ones who are crazy enough to think that they can change the world, are the ones who do.” (Steve Jobs)

This quote represents you? So, you are a changemaker and this is all about!

This handbook is not only for social entrepreneurs and beginners of this exciting field, the ones who have a social goal in mind and an action plan for it. This is also for social enterprises and businesses, governmental offices and startups seeking their social impact or corporations who are entering the field of corporate social responsibility and are keen to do great work in this field.

This handbook will not change the world, but it will show you how to measure the changes you are making with your unique and great ideas for a better future. This is why we want to thank you and your teams for the effort of creating a better equilibrium and helping humankind to go this extra mile.

How to use this book

This book is meant to be a step by step guide for the person responsible for impact measurement inside your company. All the social enterprises, which collaborated with us
mention the importance of a dedicated or assigned person for impact measurements and its achievements. It is as important as an accountant for a normal business, since the management numbers of your work will be found within the social impact measurements and not necessarily in the balance sheet. Another aspect mentioned by our entrepreneurs is that the person in charge does not work alone in this process. They emphasized the huge importance of integrating all your team members in the process and make them feel ownership and responsibility for the measurements. The whole process is collaborative and highly creative.

Since there is no such thing like a magic formula or an accounting software for your measurements, you will have to start from scratch with a bird eye view of the whole. All measurements are as different as all the different ideas of the entrepreneurs. There are of course some similarities for enterprises tackling the same problems, but the uniqueness of the environment and the causes you are pursuing are key factors which will not let you just copy-paste the measurements of others. You may seek for inspiration in others, but the necessity of adaptation to your specific intervention is key for your success.

Through the process we suggest that you and your team leave room for brainstorming, research, follow-up and refining. This handbook will give you the key steps and ideas that the established community of entrepreneurs went through for setting up their measurements. The process proposed in this handbook is inspired in the Business Model Generation by Alexander Osterwalder and it incorporates key elements from the practices of design thinking and human-centered design. All this work method are known for their creativity and the usage of visual thinking. The idea is to bring easy and fun ways to work together and collaborate in front of a whiteboard or canvas and find the best solutions.

You will need a wall, pencils and post-it’s during the elaboration of the TOC-Canvas. TOC stands for the Theory of Change, a concept and a Canvas that we will described in detail later. The working method of visual thinking is proven by millions of people and companies to be one of the most effective ways to create and ideate results. The elements of visual thinking, will help you and your team to work together and succeed in this important area of social entrepreneurship.
If you have problems or no idea on how to conduct a brainstorm or an ideation process than please refer in the section “Helpful resources” to the Crash Course Handbook on design thinking by Stanford University. There you will find helpful information on all this and also a lot of other inputs for your work and enterprise.

Why do you need Social Impact Measurements?

Work in progress

- What is Social Impact measurements?
- Why is it needed? Self-sustainability
- How will it help me (SE) in my work?
- Possible disadvantages/hazards around a bigger focus on measuring impact?
- Long term effects: is it difficult to measure- will they have difficulties getting funds?
- What happens if only the most visible and popular impacts are measured?
- On a systemic level, is an increased focus on impact measurement a way of applying market solutions on civil society?
- Way of shaping and sharpening the work of civil society?
Our Collaborators
Social Entrepreneurs

ADMIR LUKACEVIC, IDROTT UTAN GRÄNSER, SWEDEN
Admir Lukacevic, Founder, idrott Utan Gränser (IUG) or Sports without Borders. IUG works with kids by providing them opportunity to do meaningful free time activities, by active participation that helps them to be confident. IUG employs good local athletes to teach sports to municipal school kids and inspire them.
http://www.iug.se/

HANNE S. FINSTAD, FORSKERFABRIKKEN, NORWAY
Despite considerable economic resources, Norway ranks below France and Germany in science education. As a scientist herself, Hanne Finstad believes that you learn science by doing. Through Forskerfabrikken (Scientist Factory) Hanne is creating opportunities for as many kids to have as many moments of inspiration in science.
https://www.forskerfabrikken.no/

KNUT OVE BØRSETH and OLAV KARLESEN
KJOR FOR LIVET, NORWAY
Knut ove, founded Drive for Live, as he realized that he could use his position as a rally professional with majority of fans from vulnerable youth groups at risk of dropping out of school and isolated from society, and steer them in a positive direction in life. Olav Karlsen is working with Knut ove and is responsible for managing Social Impact measurements for Drive for live in Norway.

http://www.kjorforlivet.no/

LIISA SMITHS, IGNITIA, SWEDEN

Liisa Smits, Founded Ignitia with a vision to be a highly accurate and leading weather forecasting provider in tropical region. Especially targeting small scale farmers so that they can help these farmers to increase their yield. Ignitia provides hyper-local weather updates, via SMS, based on GPS location.

http://www.ignitia.se/

RUSTAM NABIEV, SHIFO FOUNDATION, SWEDEN

Rustam Nabiev’s Shifo Foundations has developed MyChild solutions with and for frontline workers, enabling them to easily track individual children and entire communities’ immunization records and preventive health needs over time, which is currently used by over 600 health service delivery points across Afghanistan, Uganda and Gambia.

https://shifo.org/
SERRA TITIZ and ELIF URCAN, MIKADO CONSULTING, TURKEY

Serra Titiz, founder, Mikado Sustainable Development Consulting, in Istanbul, Turkey. Mikado develops models through viable partnerships among private sector, civil society, educational institutions and public organizations. Elif Urcan, works with Serra at Mikado focusing on sustainable development, community investment, Corporate Social responsibility, and social impact.

http://www.mikadoconsulting.com/

SEBASTIAN SALINAS and CLAUDIA CHIANG, BALLOONLATAM, CHILE

Through his entrepreneurship project, BalloonLatam, Sebastián Salinas is forming agents of change in rural communities, youth, businesses, and the public sector. By creating links with regional governments, businesses and people he has managed to consolidate his project and made it economically sustainable and lasting through time.

Claudia Chiang is working with Sebastian as Impact Manager, at BalloonLatam.


SOFIA APPELGREN and LARAS PINJII, MITT LIV, SWEDEN

In the close-knit culture of Sweden, corporate hiring operates on networking, personal relationships, and references. To a large degree, immigrant communities do not have
access to these resources. Sofia Appelgren has launched a program that matches the most
dynamic and entrepreneurial persons with Swedish entrepreneurs and corporate leaders.
Laras Piniji works with Sofia as Impact Manager in Mitt Liv, Sweden.
http://www.mittliv.com/

VERA CORDEIRO, ADRIANA BOSCOV AND ADRIANE MENNA
ASSOCIAÇÃO SAÚDE CRIANÇA, BRAZIL

Dr. Vera Gaensly Cordeiro, founded Associação Saúde Criança in 1991 not only providing
health care and assistance but also caring about the living conditions of the children’s and
their families, the education and the documentation for social assistance, and the
formation of the parents to pursue a profession for generating a stable income for their
family. Adriana Boscov, Executive Director & Adriane Menna, Operations Director, work
with Dr. Vero Cordeiro in Saúde Criança.
http://www.saudecrianca.org.br/

WILL MUIR, EQUAL COMMUNITY FOUNDATION, INDIA

Will believes that the traditional strategy to tackle the problem of gender-based
discrimination to support women is incomplete as it fails to systematically engage
adolescent boys and men. Will Muir, as founder of Equal Community Foundation (ECF)
works with adolescent boys, typically 12-14 yrs of age, to help them in becoming gender equitable adult men.

https://ecf.org.in/

Intermediaries

JENNY CARENCO, CEO, PROSPER IMPACT CONSULTING AB
Prosper is a private company that works with design, measurability, and financing of innovative Social efforts. They work designing and creating financing models for improved labor market, integration of newcomers, for reduced problematic school absence, for reducing unemployment among young people and for better access accessible housing for structurally homeless.

REACH FOR CHANGES
Reach for Change is an international nonprofit organization that works for a world where all children reach their full potential. They assume the UN's 17 global goals for sustainable development, and more specifically the nearly 40 sub-goals with direct links with children. They thrive to find social entrepreneurs who can contribute to one or more of the sub-goals, and to support them in scaling up their business and impact.

http://reachforchange.org/

SOCIAL INITIATIVE
Social Initiative is an independent, non-profit adviser that helps businesses and individuals make a significant difference in the world. Their goal is to help vulnerable people to improve their living conditions themselves. Since its inception in 2002, Social Innovation has developed successful community engagement for over 30 companies and individuals.

http://www.socialinitiative.se

INKLUDERA

Include want everyone living in Sweden to participate in community life. Therefore, they work for strong social innovations to become national solutions. Inkludera helps
organizations grow and reach more individuals in their target groups. They do this by expanding cooperation with the public sector and by securing private financing.

https://inkudera.se/
The three questions for success

Do you have a Social Business Idea / Plan Ready?

    Yes __________ No __________

Do you have your impact goal (what you want to change) defined?

    Yes __________ No __________

Have you Identified your target group (beneficiary)?

    Yes __________ No __________

If you’ve answered “yes” to all of these Questions then you are at the right place and are ready to use this HANDBOOK!

Welcome to the World of SOCIAL IMPACT MEASUREMENTS!

Sharpen your pen and get the post-it’s ready! Don’t forget to gather your team for obtaining a bird eye view on this!
Before we go into the TOC-Canvas previously mentioned we recommend to start analyzing the environment your enterprise is immersed and the particularities you will be confronted in your specific field of action. Therefore, a deep and thought through Stake- and Shareholder analysis will help you to identify and overlook the forces acting on your solution. This will save you time later on, while filling up the Canvas.

Stake- and Shareholder Analysis

Two great tools for this purpose are the concepts brought up by Marketers and the Marketing Theories, like the PESTEL analysis (Political, Economic, Social, Technological, Environment & Legal) and the following SWOT- Analysis (Strength, Weaknesses, Opportunities and Threats). Of course this methods should be adapted to the social entrepreneur environment. Specially, you will find here advises from our selected team of entrepreneurs, for a better understanding and a practical view from the field. The PESTEL will give you valuable inputs for the TOC-Canvas overall and the SWOT will help you analyze in detail what your organization will need for success in this field.

Both Analysis can be used with the same visual thinking and canvas principles prior explained. Setting up the frames and brainstorming on them with the post-it’s will help your whole team to be actively involved in the process and you will get great inputs.
PESTEL-Analysis

Each social enterprise is influenced by many factors and entities. These factors can be analyzed by performing PESTEL (Political, Economic, Social, Technological, Environment & Legal) Analysis. So let’s take a look on different factors of PESTEL Analysis:

Political Factors

*These factors cover the influence of the government & political landscape surrounding the social issue(s) you are aiming to solve.* Understanding Political Factors related to your issues will help you to develop ability to understand the gap which lead in vision to connect ends and to create large impact in long run.

Government policies, regulations, Laws, attention given to the issue from the government and other political parties, political stability are factors that come under this category. It might be that conditions are not favourable but this would help you to be aware of those conditions and plan your work accordingly. This category also include any government funded statistics body that takes national or regional level measurements on different social issues. These measurements are indicators, statistics that reflect status of a problem or capability on a national or regional level. These measurements are used by Government at different levels & thus are vital stakeholders in your business / enterprise environment. These Government institutions can

* ● provide you with the framework and Legal boundaries.*
provide current & historically valuable data (statistics, indicators etc) to understand the current status of a social issue.

We recommend to as much as possible use national or regional statistics as a platform to develop your measurements. It might be not exactly what you need or it is not accurate, but if your measurement is backed by Govt. data then it brings more tangibility. Knut Ove’s Drive for live with help of DNV GL (Veritas) can now statistically show that their activities save a net community benefit per participant of around 1.8M NOK (average) + unpredictable effects such as reduced risk of traffic accidents and interference with other types of crime.¹

**Economic Factors**

*These are the factors that cover the influence of economy into the impacts of your social venture.* As an example, Financial stability of the economy enables investors to focus on their social responsibilities and thus get fundings available. Economic factors include inflation rate, interest rates, foreign exchange rates, economic growth patterns, workforce costs, taxation benefits and concessions proposed by the government for the issue (if any).

Looking a little deeper into *Social Funding organizations*, they consist of foundations & organizations that are working towards a social cause and provide financial assistance to “worthy” interventions or social enterprises. Some well-known names in this category are Acumen foundation and Gates foundation. There are also *Impact Investors* that invest in a business idea with an intention to generate a measurable, beneficial social or environmental impact alongside a financial return. Both these type of organization / people, want to see what positive changes you as a social entrepreneur is making towards your impact goal. This is done by highlighting impact measurements along with showing healthy financial figures. Many social entrepreneurs have said that regular measurements and reporting are non-negotiable condition normally put forward by funders. This analysis

¹ [http://www.kjorforlivet.no/2016/04/15/kjor-for-livet-feirer-5-ar/]
will help you to identify these organisations and the requirements they might put on your venture.

**Social Factor**

*These factors scrutinize the social environment surrounding the social issue your wish to solve and to understand implications of working with the issue.* Here you gauge factors like cultural trends, demographics, population analytics etc. There could be various flavours in the society. Your issue could be a sensitive issue culturally and it will need special handling or it could be that the society or community you are focusing are open and are accepting the changes you are trying to bring in then it might have a positive expanding effect. This analysis help you to be aware of these factors.

To better understand the Social factors, it is important to analyze Target Group / Beneficiaries, who are the group of people that are impacted by the issue you are trying to solve. It is important for you as a social entrepreneur to understand your target group. You need to empathize with them & understand the target group’s conditions, needs & expectations by taking a lot of Interviews and Surveys. It also helps to observe their typical day before designing a product or service for them. We recommend to check out this Human-Centered Design video (https://vimeo.com/106505300) from designkit.org to understand this better. By doing this analysis you will be able to understand the hidden reasons behind a social issue like economic / cultural constraints or due to a public policy that forces society or institutions.

From the measurements point of view, It is also important to keep in mind the Impact of Culture. At times you can run into Social Desirability Bias where the interviewee gives response that the interviewer wants to hear as they want to be polite to them. This was experienced by Liisa Smits when they tired to question farmers in Ghana about the impact of forecast service on their yield and most of the time they got positive response, it was later after much questioning they revealed the true responses. It was due to fact that they wanted to be nice to the interviewers so choose to say what they thought interviewer would like to hear. After understanding this Ignitia had to find ways to verify the data collected through interview using other channels.
There might exist **Other Social Entrepreneurs** that are working in the same area. You shall look for opportunities to collaborate with other similar ventures by exchange of Ideas & way of working. **Will Muir from ECF, India** is working with other social organisations that are active in the area of gender equality in India under an initiative known as Project Raise ([https://ecf.org.in/what_we_do/projectraise/](https://ecf.org.in/what_we_do/projectraise/)) However it could also happen that there is a sense of competition among Social Entrepreneurs however we think that this is normally a constructive competition in the Social Entrepreneurship domain.

In today’s world there also exist **Intermediaries**, that are organizations that help the social entrepreneurs through different tools like Network with other stakeholders, providing strategy support, skill development, Common spaces, Visibility etc. Accelerators, Open spaces for social ventures are a good example.

**Technological Factors**

*These factors effects the available technologies to support or limits solution of your social issue and to measure your impact.* It might be there are technologies available but too expensive so you might have to develop an indigenous technology or system to suit your needs and budget. Or it could be that there has not been any innovation in that area and that is why this issue is still there. In this analysis, you need to gauge what technology is used by your target group now, what is available globally for this type of work and issue, How you can connect the ends and may be use technology from another domain to help the target group. It is also worth to revisit technologies that were expensive few years ago but due to exponential growth it is cheap and can be used for your purpose now like LEDs, Smart phones etc.

When is comes to technological factors for measurements commonly used measurement tools are Interview (Physical or Virtual), Surveys (Google Forms, Facebook pool, manual written surveys, online survey tools), Excel spreadsheets etc. Taking it one step forward, some SEs work with customized IT tools to automate the measurements. They do that with collaborating IT experts. In future with technologies like Drones are cheap enough to
come in range of a social startup then that could also be used to take needed measurements.

**Environmental Factors**

*These factors include influences from and to the surrounding Natural environment like Climate, nature etc.* They include climate, weather, geographical location, global changes in climate, environmental offsets etc. It depends on your goal and issue if this is a factor that will have influence on your venture. **Liisa Smith’s** Ignitia is working with climate and forecasts so these factors are at the core. Global warming has a direct impact on Liisa’s venture as it increases unpredictable weather trends etc. Thus it needs to be considered and decision need to be taken accordingly.

**Legal Factors**

*Legal Factors provide you a visibility and consciousness of legal boundaries in which you need to operate your venture in.* They have both both external and internal sides. Certain laws impact the legal existence and trade regulations. Some influence internal way of working and operational regulations followed internally in a venture. Also In some countries a social enterprise have a separate legal form than a normal company that would mean different set of rules and laws to work in. The whole point is to be aware of all these factors at an early stage so you can setup operations and measurements accordingly.

Specially you have to look out for the new General Data Protection Regulation (GDPR), which forces companies to keep clean knowledge to the customers about how their data is being used.

To know more about PESTEL model please follow: [http://pestleanalysis.com/what-is-pestle-analysis/](http://pestleanalysis.com/what-is-pestle-analysis/)
### PESTEL Analysis Checklist

<table>
<thead>
<tr>
<th><strong>POLITICAL FACTORS</strong></th>
<th><strong>TECHNOLOGICAL FACTORS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Any Government Policies impacting you?</td>
<td>■ Technology going cheap</td>
</tr>
<tr>
<td>■ Regulatory bodies you need to work with?</td>
<td>■ Innovations in diff. fields</td>
</tr>
<tr>
<td>■ Any National incentives for Social enterprises?</td>
<td>■ Electronics, Software &amp; design</td>
</tr>
<tr>
<td>■ National or Regional statistics available?</td>
<td>■ Accessibility of remote areas</td>
</tr>
<tr>
<td>■ Reusing available data</td>
<td>■ Available Tools for Measurements</td>
</tr>
<tr>
<td>■ Developing further measurements</td>
<td>■ Te-using, adapting existing tools</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>ECONOMIC FACTORS</strong></th>
<th><strong>ENVIRONMENT FACTORS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Economic trends, Taxation implied?</td>
<td>■ Climate &amp; Weather impacts?</td>
</tr>
<tr>
<td>■ Impacts from Interest and exchange rates?</td>
<td>■ Geographical location &amp; its selection</td>
</tr>
<tr>
<td>■ Active Social funding organisations &amp; foundations for your social issue</td>
<td>■ Global changes in climate</td>
</tr>
<tr>
<td>■ Accessible Impact Investors</td>
<td>■ Environmental offsets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>SOCIAL FACTORS</strong></th>
<th><strong>LEGAL FACTORS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Look for cultural impacts</td>
<td>■ Legal status of social ventures in the country</td>
</tr>
<tr>
<td>■ Social Desirability &amp; other biases in measurements?</td>
<td>■ Special Laws implied on social venture</td>
</tr>
<tr>
<td>■ Do Demographics &amp; Population analysis</td>
<td>■ Laws surrounding this social issue</td>
</tr>
<tr>
<td>■ Racial, ethnic, religious influences</td>
<td>■ GDPR implications?</td>
</tr>
<tr>
<td>■ Sensitivity of the issue?</td>
<td></td>
</tr>
<tr>
<td>■ Other Active Social Entrepreneurs</td>
<td></td>
</tr>
<tr>
<td>■ Any Collaboration possibilities?</td>
<td></td>
</tr>
<tr>
<td>■ Active Intermediaries?</td>
<td></td>
</tr>
<tr>
<td>■ Strategy &amp; Networking support available</td>
<td></td>
</tr>
</tbody>
</table>

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2 Inspiration taken from PEST Analysis article from Sammut-Bonnici, Tanya & Galea, David. (2015) in Wiley Encyclopedia of Management
SWOT-Analysis

After the PESTEL-Analysis where you managed to identify all the different forces impacting on the systems and activities that are relevant to your area of focus and social issue/-s, we recommend to do a SWOT-Analysis to identify the Strengths and Opportunities, as well the Weaknesses and Threats you might be facing while setting up your Impact Measurements. If you are not familiar with a SWOT-Analysis, we recommend you

(Source: Wikipedia)

This can easily be done by using the principles of visual thinking and brainstorming. Just set up the SWOT-Canvas on the wall and fill it up with post-it's. The idea is not to generate boring documents that you will trash after using them. The goal is to have a good and clear view of the given situation and where you can improve and where you have to watch out or find help. This part is related to PESTEL and you have to regard it as the second step. How the factors are impacting into your organization. Take a look on the talents and potentials within your team, identify your weaknesses. Find the opportunities you have and face your threats.
Here comes just an example of how you can analyze your company and the opportunities and threats you might be facing. The idea of this analysis is to get a view of the constraints you will be facing during the process and it will help you to find solutions in a quick and more efficient way.

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you have a talent in econometrics?</td>
<td>Missing Data Management Softwares?</td>
</tr>
<tr>
<td>Great Networking with Statistic Offices?</td>
<td>Target group doesn’t answer trustworthy because of Social Desirability Bias</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Someone in the team can do all the math needed?</td>
<td>Expensive Softwares will affect our Operations</td>
</tr>
<tr>
<td>We can partner up with the National Statistic Agency?</td>
<td>More expenses for cross-checking the data from target group</td>
</tr>
</tbody>
</table>

Once you got the bird-eye view of the environment, it is now time to go deep into the social impact measurements itself. For this process we have ideate a solution based on the interviews with all our entrepreneurs, which more or less had similar ways of targeting the social impact based on measurements and the collection of data from their beneficiaries. Before going into the Canvas we will offer you an explanation about the Theory of Change and a good example of it.
Introduction of The Framework: Theory of Change

The theory helps users to envision the desired change that is expected to happen and how it is build upon.

From the interviews with our entrepreneurs, the research and the countless talks to people from the field, we have identified the Theory of Change as the foundation for successful impact measurements. This theory is the best way to visualize the effects and causalities between the different steps. Some of the entrepreneurs use the theory of change from day one. Some others are using parts of it without knowing it. Rustam Nabiev went even a step further, when he came across the theory, he created the whole strategy for his enterprise based on the Theory of Change.

The Theory of Change is also known by some as IAOOI (Input, Activity, Output, Outcome and Impact) or the Impact Value Chain. On the end it is the same theory with other names. It is a systemic view of the whole process starting with the Inputs into the system, here displayed as activity with its outputs, outcomes and ending the whole with the social impact.

```
Input → Activity → Output → Outcome → Social Impact
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For the purpose of simplification, we will analyse the theory of change with the example of a university: In a University you have a functioning system with professors, assistants, infrastructure and so on. The professors are focus on research and giving lectures to their students, which can be seen as the activity. The students are the beneficiaries or target group of this system. They are, in other words the Input. Every semester thousands of students enrol into their education and benefit from the activities offered by the university. Here you have to be conscious that there are many other inputs, e.g. research money, funding from the government and many more. It is important to identify them all
for the purpose of transparency, efficiency and effectiveness of the system. Only by measuring what is coming in, you will be able to identify what is coming out!

In this case the main outputs of a university are the graduates and the research papers produced. By analyzing your outputs, you can take valuable management decisions, e.g. if you have a huge number of dropouts, you will have to go through the system and find the causes provoking this system failure. But maybe this number of dropouts is also part of your goal or your value proposition, e.g. in the effort of excellence and prestige of your degrees. On another side you have the research papers published by the professors and their staff members, which have the higher purpose of closing gaps in the theories and inspiring change in society. The output is just a number in this case, but the goal is to create outcomes and later on impact.

Outcomes are the next step, for measuring and achieving them, you have to go through a process of assumptions based on your supreme goals. For example, in Sweden universities are focusing on sustainability and ethics and they want to create a better future by inspiring their students into a proactive mindset towards these goals. The idea is to supply the labor market with outstanding professionals (output) to achieve a more sustainable future (impact). So, in this case the measurements are focused on how the young professionals are pushing the employees into this vision (outcome). But there are also some other cases, with negative impact, e.g. after the financial crisis in 2008 there was debate in Switzerland about what went wrong. Some scholars criticized the leading business and finance schools for bringing up ruthless professionals without sufficient ethics for creating a healthy economic environment. The outcomes are the gap between the systems output and the social impact. There can be many different ways of measuring these outcomes, like number of graduates employed by big corporations, government or small and medium enterprises or the number of graduates that created new businesses and startups. Maybe the number of graduates, which started their own social enterprise? In the other example, for the research papers you could measure the number of citations from other researchers.
For getting from outcomes to social impact you have to set up new assumptions and specially you will find here the factor “what would have happened anyways?”, which has to be subtracted from your outcomes to get a clean and lean social impact. A University is clearly having an impact on society. The research papers could be the cause for changes in governmental policies and some of the graduates could have created billion-dollar unicorns bringing thousands of jobs and tax incomes for the country, but the biggest question here is how much impact did really have the university on all this? Can you measure this? Can you say clearly what happened thanks to the university and what would have happened anyways? If you can answer these questions and base your argumentations on solid numbers, then you should burn this handbook and write a bestseller about how you did it. This field is quite new and there is no magic solution for it, but through the next steps you will be able to get close to it.

The TOC-Canvas

**TOC - CANVAS**

<table>
<thead>
<tr>
<th>INPUT</th>
<th>ACTIVITY</th>
<th>OUTPUT</th>
<th>OUTCOME</th>
<th>SOCIAL IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>

The Canvas is easy to set up. You have to mark on the wall the 5 fields and put the names of each field on the top. Filling it up is the next step, for this we identified with the help of our research and the interviews of the social entrepreneurs the order on how to do it best. Thanks to the entrepreneurs you will get valuable inputs and suggestions for this process.
Each block is unique, and you will see the difficulties of analyzing it, but stay calm, breathe and gather your team in front of it. Set up task for research, brainstorming and ideation. Go step by step and you will see the results popping up in front of you. We have to tell you, that once you went through the whole process the work won’t be finished! You will start measuring for sure, but the process is like any other process in life. Evaluate your data, identify feedback loops and adapt your measurements. Change is constant, and you should embrace change, because change is what you are working for. You are a Changemaker!

Activity

This is the system you created or better say the business model of your company. Here you can find your activities, interventions and all related action you ideated for the solution of a problem. This system is fed by inputs and creates outputs.

This is one of the easy parts, since you already answered with a yes, the question: Do you have a Social Business Idea / Plan Ready? Then you just have to put it in the column of activity. It is best if you have it already a business model canvas. If you are not familiar to this, than please take a look into the following video (Video)³ and check out the book by Alexander Osterwalder (Business Model Generation). This will help you a lot to take information out of it and relate it to the inputs and outputs. Other valuable examples for the activity field are the Lean Canvas by Ash Maurya (LEANSTACK)⁴ or the social business model canvas. We strongly recommend working with a business model (SBMC)⁵, since the simplification of your activities are visually displayed, and the group work will be much easier for the next parts.

³ https://www.youtube.com/watch?v=QoAOzMTLP5s

⁴ https://leanstack.com/leancanvas

⁵ http://www.socialbusinessmodelcanvas.com/
If you do not have a visual way of displaying your activities than grab your post-it`s and start filling them into this field. Make sure to put all the different activities from your endeavor and keep in mind that these activities will have inputs coming into them and outputs going out of them.

The activity field is your system, here you will find all the different task your enterprise is doing, and it is also the part of this whole process were changes happen. All the information from the rest of the Canvas are valuable for the three key fields within your organization: Operations, Sales and Innovation (R&D). You will adapt and improve your operations with the data collected. You will also create with the data amazing reports and graphs for marketing and sales purposes. Finally, the data will also give you insights on how the world is changing and how you can innovate your offer for society.

Keep also in mind that within your activities, to assign resources as our collaborators are doing (an Impact Manager, time, money, infrastructure and maybe a software) for the purpose of measurements. All the collaborators had to invest in this field and if there is no fitting person within the team, than you will have to find one or bootstrap your way through it. Bootstrapping is a common term in the entrepreneurial scene for finding collaboration or help without spending money. You might see this as favor for favor with our co-social-entrepreneurs. Our collaborators also mentioned the problem, that sometimes the measurements are taking too much of their work-time and that you should never lose the focus on the main reason you are doing all this: to change the world by activities and not by measuring. Here it is recommended to check the SWOT-Analysis to check on strengths, weaknesses, opportunities and threats.

**ACTIVITIES CHECKLIST**

- Business Model or other framework?
- Clear Activities?
- Assign resources for measurements?
- Did you check your SWOT-Analysis in the process?
Social Impact

This is what your whole business is here for. The impact on societal level and how you can influence it through your activities.

As you answered the second question, “Do you have your impact goal (what you want to change) defined?”, also with a yes, you can start working here. First, we recommend a brainstorm session with your whole team and maybe add some of your beneficiaries into this round. You have to ask yourselves the following questions:

- What do you want to change in society?
- What is your Vision\(^6\) and Mission Statement\(^7\)?
- What are your most important goals?
- What are the direct impacts in society from your activities?
- How would you quantify this changes and impacts?
- How is this change being measured today?
- Where can you find that information?

After identifying and clarifying all these questions you should assign task-groups for the research part of this column. Keep here in mind the previous exercise of the Stake- and

\(^6\) An aspirational description of what an organization would like to achieve or accomplish in the mid-term or long-term future. It is intended to serves as a clear guide for choosing current and future courses of action.

Read more: [http://www.businessdictionary.com/definition/vision-statement.html](http://www.businessdictionary.com/definition/vision-statement.html)

\(^7\) A written declaration of an organization’s core purpose and focus that normally remains unchanged over time. Properly crafted mission statements (1) serve as filters to separate what is important from what is not, (2) clearly state which markets will be served and how, and (3) communicate a sense of intended direction to the entire organization.

A mission is different from a vision in that the former is the cause and the latter is the effect; a mission is something to be accomplished whereas a vision is something to be pursued for that accomplishment. Also called company mission, corporate mission, or corporate purpose.

Shareholder Analysis, specifically the PESTEL-Analysis. There you will find a lot of inputs on where to look for the answers you might not come up with.

Some good resources to find indicators and statistics for your impact are:

- The same applies in the Regional and Community level: There you have the statistical agencies from the regional governments.
- Private Research Companies: Here you should identify some of the most prestigious Market and Social Research companies that operate in your area.
- Universities: These institutions are data addicted and they use to collect data for their researches.
- Other Entrepreneurs: Sometimes you do not have to reinvent the wheel and you can exchange information and ideas for social impact with other social enterprises. Knut Ove for example meets up with other enterprises in the region and also worldwide to exchange insights and ideas with similar companies (e.g. Waves for Change, a South African social enterprise with the same goal but surfing instead of motorized sports).

An important thing you have to keep in mind, is to be open and approach these institutions, you might find help and great inputs. Or even fantastic cooperation like in the case of Knut Ove and DNV GL (Veritas). Thanks to that cooperation Drive for Life was able to set up an SROI (Social Return on Investment) that shows how much economic impact an investment on one teenager can have on the society, by changing their lives from a cost for society to a successful taxpayer. The SROI is something you should keep in mind too! With this tool you will be able to show how much the society is getting back from every penny the society is investing in your idea.

Once you have finished with the research and you have closed the knowledge gaps, then you can start filling the canvas together with your team. This definition and ideation process will help you to see the most important Key Performance Indicators from the Brainstorming and Research parts. Claudia and Sebastian for example came up with these
five indicators: economic inclusion, trust, identification with the community, community responsibilities (also the environmental aspect of it) and social cohesion. Present and discuss together all the knowledge you have gathered and define and display them in the Canvas on post-it’s. The post-it’s will help you in the next steps for having a visual goal to target throughout the measurement part.

If you identify and/or think that there are possible outcomes that you can measure, than don’t be too religious or stiff in the order of the canvas and add this to the outcome part. Later on you can still check them and analyze the quality of these measurements and the possibility of gathering data from them.

The next steps are the inputs, outputs and outcomes, which are highly connected to each other and they will lead you to your predefined social impact. For feeding inputs and creating outputs you will work closely with your Business Model, from which you will identify all things that are coming in and out of the system. Finally, from the outputs and the social impact you will close the gap of the outcomes. Easy said, isn’t it? But let’s go step by step.

<table>
<thead>
<tr>
<th>SOCIAL IMPACT CHECKLIST</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Social Impact are clear and measurable?</td>
</tr>
<tr>
<td>✓ Vision and Mission Statement are clear?</td>
</tr>
<tr>
<td>✓ Research on existing statistics is done?</td>
</tr>
<tr>
<td>✓ Did you use your PESTEL-Analysis for identifying sources?</td>
</tr>
<tr>
<td>✓ Do you have a linkage between the activity and social impact?</td>
</tr>
</tbody>
</table>

Most of the entrepreneurs we interviewed agree that there are three main moments for measurements. The first one is when all starts (Input). The second one is when you finished the activities with your beneficiaries (Output). And the last but not least measurement you will do, are highly dependent on your model and system, which is the
outcomes. This can be from 5 months up to 3 years after the activity was finished. In some cases, there can be more than one follow up on different times or maybe on a yearly basis.

An easy way to do all this, is with online surveys, but there is the terrible factor of response rate (sometimes lower than 30%), which won’t help you to gather all the information needed. This is why it is highly recommended to rely on conducted interviews. **Ballon Latam** does this with interviewers equipped with iPad’s and they go step by step with the beneficiaries through the surveys. **Saúde Criança** has a huge team of voluntaries, which do this effort in front of computers and collect all the data needed by their system.

From the existing ways of measuring impact, you should take the questions, study the indicators and produce the surveys and interviews needed for your measurements. You have to keep all this in mind when you start collecting data in the next three steps of the canvas. Be aware to not collect too much data or indicators which are not needed, start small and steady as **Serra and Will** recommend. Don’t be otherwise to minimalistic since there is still no time machine that can help you to go back in time and collect the missing data.

*This is all what comes into your System (Activities). The main focus is on the Beneficiaries, but do not forget all the other things that are feeding your system.*

A good way to start here is the Zero measurement mentioned by **Admir** or a deep analysis of the current situation mentioned by **Sofia and Laras**. This is a great way to show how the
society was in the moment you started and what are the problems and constraints given. This will also fortify your activity by showcasing why you entered this field and what are the exact problems you are targeting. The value of this analysis will be given as a great argument in your impact report, as well in your sales and marketing pitches.

As mentioned before a survey and/or interviews are the best way to collect the data you need, if you have an other type of activity where you can’t apply this kind of measurements, than you have to find a way of collecting data from other places than your beneficiaries.

**Vera** and her team uses this instance also for goal setting. In her fight against poverty and the related diseases that children under the poverty line suffer, she and her team set up together with the parents of the kids an action plan for the activities needed and the expected outputs and outcomes.

Here you can see the necessity of collecting data from day one, especially demographic data and the data needed for your final social impact. Feed your imagination with the two previous columns (Activity and Social Impact). Don’t stop putting post-it’s with questions till you are not satisfied with the linkage to the two other fields of the canvas. Once you have more or less all the questions, than start grouping the questions into categories and design your survey or interview template. Try to use question that already exist from established research institutes, this will help you to save money and resources. You won’t need later on to validate and verify the questions by a third party consulting company. Keep in mind the outcomes you want to measure and the possible outcomes.

Another important insight here is to identify a reference group. This group can be people in same demographic group of your beneficiaries, but they aren’t willing to participate in your activities or you might not have the resources to accept them all. **Sebastian and Claudia** in Ballon Latam enter small rural communities in Latin America for teaching them about entrepreneurship. Some of the people in the villages don’t want to participate with them, so they identify them in their reference group and they try to keep themselves in
touch with them. On the end of the activities they invite them all to a BBQ and there they try to get also data from the people that didn’t participated in their program.

Watch out for the new standard of GDPR (General Data Protection Regulation) and other regulations that may apply in your country or community.

INPUT CHECKLIST

- Zero Measurement (Analysis of the current situation)?
- Demographic Questions?
- Questions from established statistic offices?
- Goal setting?
- Identification of Reference group?
- Feeds from Activity?
- Feeds from Social Impact?
- Survey/Interviews are set up?
- GDPR?

Output

The Outputs are all the things coming out from your activities. This are valuable sources for your activity feedbacks and also the prestep for outcomes and finally social impact.

Based on the data collected on your inputs you will be able to copy most of the questions into your output survey/interview. Don’t forget to integrate new questions, which are related to the activities itself and keep also in mind the outcomes and impacts for further questions. The process of data collection is very important, since you will be able to identify important modifications you could do to your activities. Integrate open questions and customer satisfaction questions to have direct feedback from your target group, as Sofia and Laras integrate that into their activity closing survey.
Check also your questions from the input section and evaluate and adapt them if necessary. There has to be a direct relation between most of the questions in the input and output section. As well you have to start thinking about the outcomes. Here you can measure the fulfillment of activity related goals, but you should keep in mind the goals of your beneficiaries in the future.

Do here the same as for input section. Group your team together in front of the canvas: put up questions, brainstorm for more questions and find the connection between the sections. Group them and design the questionnaires for the surveys and interviews. Collect the data! Analyze it! Find the feedback! Start over again!

Do not forget the reference group, if you were able to identify one! As mentioned you can now collect data from your reference group and compare this data to your target group. If you are lucky and ask the right questions, you may find already here some tendencies to the question: “What would have happen anyways”. By identifying this kind of statements, you can display why your solution is more effective than the other ones out there.

**OUTPUT CHECKLIST**

- Questions from Inputs?
- New questions?
- Keep Outcomes and Goals of Target Group in mind!
- Questionnaire for reference group if possible!
- Goal achievement?
- Customer Satisfaction and Open questions?
- Survey/Interviews are set up?
Outcomes are the things that happen long after your activities and outputs. These things might happen thanks to your activities offered, but there can be other factors influencing the.

The focus here is on a follow up on your target group and the environment of them. This can be to a specific time spectrum after the activity or you can follow up multiple times, if needed. Make sure to keep in touch with them. Create a social media community or follow up events, like BBQ or coffee meet-ups. There are a lot of different forms of interacting after the activities ended. Your main question here should be:

- What has happened over time?
- What changed?
- How did their lives improved?
- Were your efforts positive on the development of the beneficiaries?
- Did something else influenced the outcomes?

Don’t forget the reference group if it’s possible. Keep in mind the “what would have happened anyways”, if you have a reference group it is easier to identify the answer to this question, like previously explained in the output section. If not you will have to ideate it based on assumptions, which is a pretty tricky thing to do.

Important is also the fact that here you can analyze the data of the target group and take it to the next level. Get the Big Data and the amazing results your enterprise is creating. For example Vera and her team got help from McKenzie, which took all the data collected and generated the social impact through Big Data and with the help of business intelligence softwares.

Be also aware of negative externalities, for example Claudia told us that by helping the people to develop their businesses, there could be a negative impact on the kids of the
rural entrepreneurs, if they get taken out of school to help out with the business. This is just one example that she is measuring, luckily it didn’t happen yet! Keep in mind that maybe by helping a group or community your activity could be having negative outcomes. Control and measure this factors too, so that you can help and find solutions in the case of such a negative externality.

Maybe during your Social Impact session you already identified some of the possible outcomes. Try to connect them to the data you are able to get from the previous two steps (Input and Output). Verify, check and adapt if necessary. All the data should be connected from beginning to end. The essence of good measurements is to be able to see the changes and use the information.

Here applies the same principle of Input and Output. Group your team and create the questionnaire. See the possibility of going the first steps into the society level and ask for feedbacks. Define, design and and start collecting data!

With your outcomes you will be able to say how much you have been doing for the target group and if you compare this later to the Social Impact indicators that you set up at the beginning you might even come with the proportion of change you and your team had contributed on the overall picture for a better society. Close the canvas and review your impact!

<table>
<thead>
<tr>
<th>OUTCOME CHECKLIST</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Stay in touch with target group</td>
</tr>
<tr>
<td>☐ Questions about changes over time</td>
</tr>
<tr>
<td>☐ Big Data and Business Intelligence</td>
</tr>
<tr>
<td>☐ Reference Group</td>
</tr>
<tr>
<td>☐ Connected to the data from Input and Output</td>
</tr>
<tr>
<td>☐ Connection to Social Impact</td>
</tr>
<tr>
<td>☐ Reporting</td>
</tr>
<tr>
<td>☐ Long term goals achieved?</td>
</tr>
</tbody>
</table>
Things to Watch out! And further suggestions

Validation and Verification

All the measurements that you are setting up are great and the numbers are optimal, but without a proper validation or verification of this data and indicators, you won’t be able to win the trust of the investors. You have to think like a big corporation. You can put your financial numbers together but without the independent audition on this numbers, nobody will believe nor invest into your company.

In the business world big corporation are force to audit their numbers, but in the social entrepreneurship field you are free to do it or not. There is no legislation on how to measure and what the numbers and indicators should look like. Therefore, some crooks within the field are able to set up beautiful reports and attract huge investments for their enterprises, which are actually not doing what they promised or just little of what they say. This is why there is urge for social entrepreneurs to professionalize their work and get solid validated and verified data.

Our entrepreneurs had different approaches for this dilemma. Rustam Nabiev for example tries to find partnerships with local universities and if this fails he has to hire consultancy companies. Vera and her team got thanks to Ashoka the help from McKenzie and later on the help from Georgetown University. Knut Ove works hand by hand with DNV GL (Veritas). So, the idea in here is to bootstrap this costs by partnering up with universities, governmental institutions or ask for a corporate social responsibility effort from a solid and known consultancy firm.

Softwares and Spreadsheets

As you might notice there is an existing need in this whole process of a data management system. Some of the entrepreneurs created their own softwares with fully automated data collection like Rustam Nabiev. Some others are looking for solutions with machine learning, like Will Muir. At Saude Crianca they even got help from one of brazil’s biggest
software creator (Radix) for a data management system, which they are even licensing now to other enterprises.

It is not a cheap thing to develop such a system and till you don’t reach the level of popularity and trust for a CSR-gift from a tech-company, then you should start on a small scale. If you have an expert in your team all will be easier. Otherwise Adriana Boscov recommends to start with a spreadsheet in google drive. This will allow you to access the information online and collaborate within the team.
**Reporting**

Once you filled up all the fields of the Canvas and you have a clear picture of the data you have to measure, collect and evaluate, then you will have to start creating reports. These reports are not only about beautiful graphs and tables. They are also emotional testimonials and stories. Here you have to find a good mix between Storytelling and results backed on solid numbers. These Impact Reports can be directed to your Stake- and Shareholders or in some cases, like at **Saúde Criança** they end up every process with their beneficiaries with a full report on how everything developed over the time.

Here you can see some examples from our entrepreneurs:

**Drive for life**

Here you can see the SROI example from Knut Ove and his team, which we mentioned above.
Will Muir’s Equal Community Foundation

Outcome evaluation indicators include Skill development, Attitude change and Behaviour change. Below are some results presented in their annual evaluation report 2016-2017 to get a feel of reporting done by them.

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Gender equitability scores of 107 graduates in the context of gender norms

Admir Lukacevic’ s IUG

They reports changes in behaviour of participant kids on the lines of “Dare to be Active”, “Dare to do mistakes”, “Create New Social relations” & “Dare to say No”. Below show changes in kids on the above indicators after 12 months in the IUG program
Saude Crianca

Here you can see the relation between the vision and mission of Saude Crianca and their respective measurement results.
Intermediaries

As explained in the Social factors of PESTEL analysis, there exist INTERMEDIARIES working towards helping social entrepreneurs in a variety of ways. They typically support social entrepreneurs in

- step by step guidance to reach the targets.
- expanding their operations.
- gathering right skills to solve the issue.
- making strategic decisions.
- Networking with other key stakeholders
- Improving visibility of your social venture
- generating investment.

As a social entrepreneur, you shall engage with intermediaries as much as possible especially in your early stages to get all the guidance that helps you to make right choices. Your ultimate aim shall be to create a new ecosystem or stable equilibrium that replaces the current unjust equilibrium for the target group. This can be created with combined efforts of various stakeholders. Intermediaries acts as the glue to connect these intermediaries. We have gathered inputs from few key Intermediaries in Sweden to highlight their ways of working and principles.

Prosper Impact Consulting Ab

Att veta vad man ska mäta – A och O för rättvisande effektmätning
Jenny Carencio, VD, Prosper Impact Consulting AB

Prosper är ett privat företag som arbetar med design, mätbarhet och finansiering av innovativa sociala insatser. Bland annat har Prosper i samarbete med flera av landets kommuner och regioner designat och skapat finansieringsmodeller för förbättrad arbetsmarknadsintegration av nyanlända, för bättre tillgång till stöd för unga med lindrig psykisk ohälsa, för minskad problematisk skolfrånvaro, för minskad arbetslöshet bland unga och för bättre tillgång på åtkomliga bostäder för strukturellt hemlösa.
Prosper-modellens tre grundprinciper
Prosper-modellen för effektmätning bygger på tre grundprinciper:
1) Att man definierat problemet man försöker lösa rätt och därigenom också identifierat den effekt man vill uppnå, och
2) Att man inte mäter effekt som varande skillnaden mellan utgångsläge och utfallet utan att man i stället etablerar en baslinje – det vill säga det som hade hänt över tid om allting fortsatt som vanligt – och sedan jämför denna baslinje med utfallet, och
3) Att det är bättre att ha ungefär rätt än exakt fel. Det är bättre att kunna etablera en effekt med en viss felskillnad, än att lägga enorma resurser på att mäta den exakta effekten, vilken ändå aldrig kommer att kunna vara helt och hållet sann i varje enskilt fall.

Att på rätt sätt definiera problemet man försöker lösa och den effekt man skapar

Prosper definierar effekt (engelskans ”impact”) som varande mätbara förbättringar, besparingar och effektiviseringar som uppstår när ett prioriterat problem för en viss målgrupp minskar eller avhjälp. Effekten av tjänsten ovan skulle till exempel kunna vara snabbare inlärning av svenska och värdeskapandet sänkta kostnader för svenskundervisning. En annan effekt skulle kunna vara att målgruppens känsla av isolering och utanförskap bryts.
och att deras psykiska hälsa därigenom förbättras, vilket leder till minskade värdkostnader alternativ högre anställningsbarhet och därigenom minskade kostnader för arbetslöshet.

Om vi från början beskrivit problemet som vi försöker lösa som t.ex. ”lång inlärningstid för svenska språket”, och en rorotsak till detta problem som varande ”avsaknaden av kontakter med etablerade svenskar”, så skulle vi också kunna definiera effekten som ”kortare inlärningstid för svenska” och värdeskapandet som ”minskade SFI-kostnader per person”.

I bilden nedan beskrivs de olike stegen i värdekedjan mot effekt och värdeskapande.

**Resurser** är de pengar, den tid eller de varor och tjänster som behövs för att genomföra de **aktiviteter** som ska bidra till att vi uppnår effekt och att värde skapas. I vårt exempel ovan är resurserna de pengar, de tjänster och den tid som behövts för att utveckla tjänsten. Aktiviteten är den tjänst som sammanför personerna i möten. **Produkten** av denna tjänst är det antal personer i målgruppen som deltagit i möten med infödda svenskar, och **resultatet** kan enligt exemplet ovan vara att personerna lär sig svenska snabbare. **Effekten** av att de lär sig svenska snabbare blir att de behöver kortare tid i svenskutbildningen och **värdeskapandet** blir att kostnaderna per person för svenskundervisning minskar.

Både resultatet, effekten och värdeskapandet är mätbara, om man är noga med att mäta utgångsläget så att man har någonting att jämföra med. Effektmätning är alltså något man arbetar med från början, inte något man gör i slutet av en insats eller ett projekt för att se om det man gjort fått resultat.

**Effekten och värdeskapandet är skillnaden mellan baslinjen och utfallet**

Om vi skulle definiera effekt som ”skillnaden mellan hur det var när vi började och hur det är nu”, så skulle de flesta förebyggande insatser anses sakna effekt. Ta ett exempel med barn i riskgrupper. I utgångsläget så har de kanske inte ännu problem i skolan, de behöver kanske inte ännu extrainsatser, och de har inte ännu gått ut nian utan gymnasiebehörighet och sedan hamnat i utanförskap. Men de *riskerar* att hamna där...
om vi inte fångar upp dem tidigare. Därför är det viktigt att vi med hjälp av bland annat forskningen och empiri fastställer en s.k. baslinje. Barn som i förskolan har kraftigt utagerande beteende, hur stor risk jämfört med barngruppen i stort är det att dessa barn misslyckas i skolan, och vad ger ett sådant skolmisslyckande för negativa effekter och kostnader i framtiden? Detta scenario är vår baslinje. I bilden nedan beskrivs schematiskt hur vi tänker.


Det är bättre att ha ungefär rätt än exakt fel

Vi hoppas att man både från sociala entreprenörers, sociala företags och offentlig sektors sida arbetar mer och mer med att definiera varje tjänst eller insats värdekedja mot effekt och värdeskapande. Det kommer nämligen att vara helt avgörande för att tillräcklig finansiering går till rätt tjänster och insatser.

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**Reach for Changes metod för att mäta effekt**

Reach for Change är en internationell ideell organisation som arbetar för en värld där alla barn når sin fulla potential. Vi utgår från FN:s 17 globala mål för hållbar utveckling, och mer specifikt de nästan 40 delmålen med direkt koppling till barn. Vår metod är att hitta sociala entreprenörer som kan bidra till ett eller flera av delmålen, och att stödja dem i att skala upp sin verksamhet och effekt.

Vårt stöd ges i första hand i form av ett inkubatorprogram som innefattar kapacitetsbyggarande, nätverk och finansiering. En plats i inkubatorn innebär dessutom en kvalitetsstämpel som bygger de sociala entreprenörernas trovärdighet och legitimitet. Reach for Change grundades 2009 och är nu verksamt i 17 länder på tre kontinenter.

I vår effektmätning följer vi upp och utvärderar både vår direkta effekt på sociala entreprenörer, och vår indirekta effekt på barn.
Hur vi mäter effekt på sociala entreprenörer

Vår direkta effekt ses bland de sociala entreprenörerna, och för dem har vi följande mål på kort, medellång och lång sikt:

- **Kort sikt (under inkubatorn)** - De sociala entreprenörerna har den organisatoriska infrastruktur de behöver - i form av strategi, processer, individer, system, trovärdighet och kontakter - för att hållbart leverera och skala upp effektiva lösningar för barn.

- **Medellång sikt (inom tre år)** - De sociala entreprenörerna har utvecklat en effektiv lösning, är finansiellt hållbara, är operativt redo för uppskalning, samt har påbörjat implementering av sin strategi för uppskalning.

- **Lång sikt (efter inkubatorn)** - De sociala entreprenörerna har avsedd effekt på en betydande andel av barnen i sin målgrupp, och bidrar därmed till uppfyllelse av FN:s globala mål för hållbar utveckling.

Uppfyllelse av målen på kort och medellång sikt mäter vi med hjälp av vårt verktyg Development Tracker © 2015. Verktyget mäter organisatorisk utveckling inom fem områden: (A) Effektiv lösning, (B) Finansiell hållbarhet, (C) Ledarskap och team, (D) Uppskalning och (E) Systemförändring. Utveckling inom respektive område indikeras av att den sociala entreprenören checkar av fördefinierade milstolpar. Ett exempel inom område (A) Effektiv lösning är milstolpe A3 Resultatkedja skapad (se bild nedan).

![Development Tracker](image)

I början av varje år definierar vi tillsammans med de sociala entreprenörerna vilka milstolpar som de ska sikta på att uppnå det kommande året. Målsättningarna kan variera med entreprenörernas olika förutsättningar. Så här kan det se ut för en entreprenör som befinner sig i inkubatorår 1, arbetar heltid med sin verksamhet och erhåller finansiellt stöd från Reach for Change:
I samband med att vi sätter mål för året, kartlägger vi även varje social entreprenörs utgångspunkt för respektive milstolpe. Varje milstolpe kan graderas på fyra nivåer: (0) Ej påbörjad, (1) Påbörjad, (2) Nästan uppnådd och (3) Uppnådd. Nedan är ett exempel på hur kartläggningsen kan se ut för en entreprenör i inkubatorår 1.

För att följa entreprenörens utveckling över tid uppdateras Kartläggnningen var fjärde månad. I samband med detta sker ett utvecklingssamtal mellan entreprenören och dennes programkontakt på Reach for Change, där man går igenom framgångar, utmaningar, prioriterade nästa steg samt vilket stöd entreprenören har behov av från Reach for Change under de kommande fyra månaderna.
Utöver att vi följer vår sociala entreprenörs organisatoriska utveckling med hjälp av Development Tracker © 2015, är vi även intresserade av att veta i vilken utsträckning deras utveckling kan härledas till just Reach for Changes inkubatorstöd. Var fjärde månad ber vi våra sociala entreprenörer att anonymt skatta hur stor roll vi spelat i deras utveckling. Vi frågar även hur nöjda de är med vårt stöd, samt vad i vårt stöd de tycker var särskilt bra och vad vi kan göra bättre. I slutet av året skickar vi en längre enkät som mer djupgående fångar upp våra entreprenörs syn på i vilken utsträckning och på vilket sätt vi bidragit till deras utveckling.

Efter att våra entreprenörer ‘tagit examen’ från vår inkubator, följer vi upp på deras utveckling genom en årlig Alumni-enkät. I denna är vi nyfikna på om deras organisation fortfarande är verksam, och i så fall om den växer eller minskar i intäkter, antal anställda, antal engagerade volontärer samt geografisk räckvidd (ex. antal skolor de samarbetar med, eller antal kommuner de är verksamma i). Vi vill förstås även få en bild av hur våra Alumni effekt på barn utvecklat sig - mer om det under nästa rubrik.

Hur vi mäter effekt på barn
FN:s 17 globala mål för hållbar utveckling omfattar 169 delmål, varav nästan 40 har direkt koppling till barn. De sociala entreprenörer som Reach for Change stöttar bidra till ett eller flera av dessa delmål.

Danska Ordblindetræning drivs av de sociala entreprenörerna Mikael Højbjerg and Thomas Mose, och som verkar för att bidra till delmål 4.6: “Senast 2030 säkerställa att alla ungdomar och en väsentlig andel av alla vuxna – både män och kvinnor – lär sig läsa, skriva och räkna”. I Danmark kämpar varje dag mer än 43 000 barn med dyslexi för att lära sig att läsa och skriva, och Mikael och Thomas arbetar för att ge dem samma möjligheter som barn utan dyslexi att fullgöra skolan, gå vidare till högre studier och förverkliga sin potential.

Reach for Change hjälper våra sociala entreprenörer att mäta effekt på barn genom att följa milstolparna inom Development Tracker-området (A) Effektiv lösning.
Under det första inkubatoråret fokuserar vi på att hjälpa våra sociala entreprenörer att planera och förbereda för effektmätning; att tydliggöra problemet de adresserar, deras lösning på det problemet samt vilka effektmål de siktar på att uppnå. Vi hjälper dem även att bygga upp en systematik för att räkna, verifiera och dokumentera deras ‘prestationer’ (outputs). En gemensam prestation för alla våra entreprenörer är antal stöttade barn.

Under första inkubatoråret ger vi även stöd i hur våra entreprenörer kan utforska sin effekt kvalitativt (exempelvis genom intervjuer och fokusgrupper) och beskriva den genom kortare caseberättelser (impact stories). Entreprenörerna rapporterar caseberättelser och antal stöttade barn till oss tre gånger per år.

Under det andra och tredje inkubatoråret fokuserar våra entreprenörer på att mäta inte enbart sina prestationer (ex. antal stöttade barn) utan även uppfyllelse av sina effektmål (outcomes) d.v.s vilken förändring som skett. Deras effektmål och mätverktyg skiljer sig åt, men processteggen för att mäta är gemensamma; identifiera effektindikatorer, utveckla mätverktyg, göra urval, samla in och processa data samt tolka resultat.

Ordblindeträning fick stöd av Danmarks utbildningsdepartement att genomföra sin effektmätning. 30 barn i årskurs 4-5 fick under en minut läsa ord från Elbros Ordlister, före och efter att de under en vecka fick 30 timmars support av Ordblindeträning. Antal korrekt lästa ord ökade signifikant från i genomsnitt 27 till 32 (+19 %), vilket föranledde att Danmarks utbildningsdepartement refererade till Ordblindeträningens metod som en av de mest effektiva för att hjälpa barn med dyslexi.

På lång sikt (efter inkubatorn), är Reach for Changes mål att våra sociala entreprenörer har avsedd effekt på “en betydande andel av barnen i sin målgrupp”. För att kunna utvärdera uppfyllelse av detta mål behöver vi följa upp på dels hur många barn våra entreprenörer stöttat, dels hur många barn det uppskattningsvis finns totalt i deras målgrupp. Utifrån de studier som gjorts uppskattar man att det finns åtminstone 43 000 barn med dyslexi i Danmark. Ordblindeträning har hittills stöttat 10 700 av dessa barn, d.v.s. 25 %.

Social Initiative

Theory of Change och Outcome Mapping

Det är vanligt idag att man beskriver och mäter aktiviteterna i verksamheten, snarare än effekterna. Att mäta aktiviteterna, t ex hur många föreläsningar eller möten man har haft och hur många som har deltagit i dem, säger ingenting om vilken skillnad man har åstadkommit för målgruppen eller i samhället.

Effektmätning bör göras redan när man startar en verksamhet, men det är aldrig för sent att börja.

Vartför mäter vi och för vem?

Det finns flera anledningar till att mäta effekter. För att kunna vidareutveckla verksamheten och fortsätta vara relevanta behöver ni veta vad som fungerar bra och vad som inte går som det var tänkt, och om aktiviteterna uppfyller syftet med organisationen. Om inte behöver ni anpassa aktiviteterna eller kanske avsluta dem.
För att behålla fokus och skapa eller behålla engagemang bland medarbetare behöver ni vara tydliga med vad syftet med verksamheten är och att kunna visa att ni uppnår det.

För att visa att er organisation skapar förändring och gör skillnad, miljömässigt eller i människors liv, behöver ni kunna bevisa det. Investerare/givare som har många organisationer och områden att välja mellan, behöver se att deras eventuella bidrag/investering gör skillnad. Annars väljer de kanske hellre en annan organisation att investera i.

Social Initiatives val
Det finns en rad olika metoder att mäta resultat och effekter på idag. Hos oss på Social Initiative började det med att vi ville rapportera tillbaka till våra uppdragsgivare - företagen och familjerna - som investerar i de sociala entreprenörerna och i projekten. Därför var det redan från början viktigt för oss att ta fram en metod som vi kunde använda oss av i alla typer av projekt och organisationer, oavsett om de var större eller mindre, vinstdrivande eller ideella och nystartade eller erfarna. Det var också viktigt för oss att hitta en metod som kunde användas av projekten själva utan att ta för mycket vare sig finansiella eller personella resurser i anspråk.

Metoden
Vi tog avstamp i två vedertagna metoder – Theory of Change och Outcome Mapping.
Theory of Change definierar de samhällsutmaningar som organisationen arbetar för att lösa, organisationens mål och vad som behövs för att nå dit. Outcome mapping visar sambanden mellan aktiviteter, utfall och förväntade mål.

Metoden följer fyra steg, där man börjar med målet – vilken skillnad ni vill åstadkomma. Sedan arbetar man sig bakåt för att se vad som behövs för att nå dit, vilka steg på vägen som behövs.
1. Sätt upp målen
2. Bestäm önskade utfall och kartlägg aktiviteter
3. Sätt upp indikatorer
4. Analysera och rapportera effekter

1. Sätt upp målen
Enklast är att sätta upp målen utifrån att besvara följande frågor:
- Vilken utmaning i samhället vill ni lösa?
- Beskriv storleken och omfattningen på problemet/utmaningen
- Vad är slutmålet med er verksamhet
- För vem engagerar ni er? Vem är målgruppen?

Målet/målen bör vara så konkret formulerade som möjligt, och mätbara, och kunna kopplas till er verksamhet på ett tydligt sätt. Undvik alltför generella mål, som t ex ”minska arbetslösheten”. Ett mer avgränsat mål skulle istället kunna vara ”öka sysselsättningen bland arbetslösa ungdomar 18-25 år i Malmö”.

Lärdomar (specifikt i tex en ruta) som kopplar till 1.
- Välj helst ett, men max två mål.
- Kom ihåg att det inte bara är ert arbete som bidrar till att nå målet utan det är statliga, kommunala, ideella och privata initiativ som tillsammans åstadkommer förändringen.
- Utgå gärna från de 17 Globala målen för hållbar utveckling när ni ska sätta upp era mål, men se till att bli så konkret som möjligt.

2. Bestäm önskade utfall och kartlägg aktiviteter
Utfallen delas upp på lång och medellång sikt. Utfallen på medellång sikt leder till de långsiktiga utfallen som i sin tur påverkar målen.

- Identifiera de långsiktiga utfall som behövs för att nå målet (vad behöver de här människorna för att nå målet?)
- Identifiera utfall på medellång sikt som behövs för att nå de långsiktiga utfallen
- Beskriv de viktigaste aktiviteterna som behövs för att nå utfallen
- Beskriv de insatser som behövs för att driva verksamheten.
- Dokumentera de antaganden ni gör för att ni ska lyckas nå målen – både de ni har kontroll över och andra, utanför er kontroll.

Lärdomar (specifikt i tex en ruta) som kopplar till 2.
- Vid sidan av målet tar det längst tid och tankekraft att formulera utfall på lång och medellång sikt. Låt det få ta tid. Använd post-it lappar eller liknande och flytta runt utfallen alltftersom ni får ny kunskap och nya infallsvinklar.
- Det är frestande att börja med insatserna, sedan aktiviteterna och sist utfallen. Se till att börja i målet och sedan utfallen för då säkerställer ni att ni jobbar med rätt saker.

Outcome mapping

3. Sätt upp indikatorer
Indikatorer ska mäta de förväntade utfallen och behöver vara
- Specifika
- Måtbara
- Möjliga att nå
- Relevanta
- Tidsspecifika
De första två återkopplar till organisationens planerade arbete, medan de två sista visar på verksamhetens resultat. Att mäta antalet deltagare är alltså inte ett resultat. Däremot visar det att man har genomfört planerade aktiviteter som målgruppen har deltagit i.

För att kunna påvisa förändring är det bra att ha en basmätning som man kan jämföra utfallet med under tiden och efter genomförda aktiviteter.

Lärdomar (specifikt i tex en ruta) som kopplar till 3.
- Om det är möjligt vill man gärna rensa från den förändring som ändå skulle ha ägt rum utan vår insats. Detta kan man göra genom att ha en kontrollgrupp eller en basmätning.

4. Analysera och rapportera effekter
Det blev tydligt för oss på Social Initiative att de system vi satte upp och metoderna vi lärde ut för att bättre kunna redovisa effekterna av våra uppdragsgivares satsningar, även var väldigt användbara i projekt och för organisationerna. Idag använder de flesta av de organisationer och sociala entreprenörer vi arbetar med effektmåtningsverktyget integrerat i sin verksamhet, både i syfte att förbättra verksamheten och visa på vilka effekter man åstadkommer för att på så vis kunna resa pengar och investeringar till organisationen.

Att kontinuerligt analysera datan och informationen för att sedan använda den som input i verksamhetsutvecklingen är nyckeln för en lyckad effektmätning. Kom överens internt om hur ofta ni ska mäta och vad, och hur ni ska återkoppla resultaten in i verksamheten igen.

Dela med er av analysen och effekterna till övriga medarbetare, styrelse och nuvarande och potentiella investerare.

Lärdomar (specifikt i tex en ruta) som kopplar till 4.
- Se till att involvera alla medarbetare i att formulera mål och önskade utfall. Det skapar delaktighet och ger värdefull erfarenhet och kunskap så att de utfall ni väljer blir så relevanta som möjligt.
- Låt det ta tid och var öppen för förändringar under tiden.
Case Tjejzonen


Tjejzonens Theory of Change

Vi delar med oss av några av de lärdomar som vi tillsammans drog under varje steg i processen;

1. Sätt upp målen
   · Tjejzonen använder sin Storasystermetod för att bidra till målet att öka den psykiska hälsan bland tjejer 10-25 år i Sverige. För att visa på hur de önskade utfallen leder till ökad psykisk hälsa använder sig Tjejzonen av befintlig forskning. Vi rekommenderar er att använda forskningsresultat som redan finns tillgängliga.

2. Bestäm önskade utfall och kartlägg aktiviteter
   · Volontärerna på Tjejzonen, eller Storasyster som de kallas, är centrala i arbetet med att stötta Lillasystrarna. Samtidigt växer de själva genom uppdraget. Vi diskuterade om volontärerna skulle vara en del av målet eller utfallet på lång sikt, men landade i att de framförallt är ett verktyg för att bidra till en positiv förändring hos Lillasystrarna. Möjligheten att påverka Lillasystrarna är dock större om volontärerna är nöjda med sitt uppdrag och därför valde vi ett önskat utfall på medellång sikt som vi kallar "nöjda Storasyster".

3. Sätt upp indikatorer

4. Analysera och rapportera effekter

Helpful Resources

Books:
- “Business Model Generation” by Alexander Osterwalder and Yves Pigneur
- “Doing good better” by William Macaskill
- “51 questions on Social Entrepreneurship” by Neetal Parekh
- “Building Social Business” by Mohammed Yunus
- “The Social Entrepreneur’s Handbook” by Ian C. MacMillan and James D. Thompson
- “How to Change the World” by David Bornstein
- “Social Entrepreneurship: What everyone needs to know” by David Bornstein and Susan Davis
- “The Power of Unreasonable People” by John Elkington and Pamela Hartigan

Websites and online handbooks and courses (Here you will find great information for how to conduct a brainstorming sessions, visualize your thought, emphasize with your beneficiaries, other impact measurement handbooks and ideate solutions):

- Design Thinking Crash Course from Hasso Plattner Institute of Design at Stanford University: https://dschool.stanford.edu/resources-collections/a-virtual-crash-course-in-design-thinking
- DesignKit for human centered design by Ideo.org: http://www.designkit.org/
- Acumen, this organization offers online courses on different topics from the world of social entrepreneurship and also the usage of Lean Data: https://acumen.org/
- Social Return on Investment (SROI):
  http://www.sroi.se/
  http://www.socialvalueuk.org/
• Impact Investing:
  IRIS  https://iris.thegiin.org/
  The GIIN  https://thegiin.org/
  CASE Foundation  https://casefoundation.org/networkmap/
  iPAR  https://iparimpact.com/