

Measurement of Impact

In any evaluation the key questions in terms of impact are:-

01

What changes did the operation bring about?

Were changes positive or negative?

02

03

Were there any unplanned or unintended changes?

Specific methods for measuring Impact-

1. **The Social Return on Investment Analysis (SROI)**, is a method that tries to measure the social value created by social organisations or projects and to assess it in monetary terms. Besides the financial aspect, social, cultural, political and ecological impacts of various activities are explicitly included in the analysis.

$SROI = \text{Tangible} + \text{Intangible Value to the Community}$

SROI is similar to ROI but expresses social cultural and ecological impact in monetary terms contrasted with the amount of invested capital. Thus, SROI shows financial impact AND the social impact of the non-profit's work.

2. **The Cost-Benefit-Analysis (CBA)** is another method of measuring impact. This takes into account only the monetary terms as a specific form of economic evaluation where costs of an intervention identified is contrasted with the benefits reaped by the people. This method quantifies and monetises the impact made by the programmevaluated.

Making Impact Relevant

Impact assessment is one of the important exercise conducted by almost every NPO to understand the effect of its work. Certain characteristics that every impact study should fulfil are following-



Decoding results

Once the data is collected and analysed for any impact assessment it should be presented easy and clear format. The results presented could be easily understandable and informed decisions could be taken on the basis of them.

“The goal of any dashboard is to deliver the right data to the right people in the right time frame so that a business decision can be made.”

Impact assessment data is presented under 3 major dashboards-

- **Strategic or Business Intelligence (BI) dashboards-** These dashboards track key performance indicators (KPIs) of departments within an organization. Impact assessment results helps to keep track of these KPIs and performance of an organisation as a whole. Such dashboards can be shared internally, or externally as a report for stakeholders.
- **Operational or accountability dashboards-** These dashboards show the data of budget utilized under each head as compared to the amount dedicated to it along with other relevant operational details about the whole organizational needs. Accountability dashboards give a view of information needed on a daily or weekly basis, to keep up with strategic plan laid out and resolves upcoming challenges.
- **Analytical dashboards-** Analytics dashboards show trends over time, and look for the performance insights. This type of dashboard is not only relevant for the organisation to keep track of accomplishment of goals but also for the funders and other stakeholders to understand the visual representation of the stats related to each program and beneficiaries impacted by the services of the organisation.

Incorporating insights

Once the simulations have been conducted over the collected data, it should be presented and communicated to the relevant stakeholders, funders and board for complete transparency. Following guideline will help on using the impact assessment results for marketing and strategic planning of business-

