

Understanding Impact Assessment

Impact analysis is an integral part of the program cycle. It is done both at the beginning and the end of each project.

Baseline Assessments: Assessment done before starting any project provides prospective analysis of what the impact of an intervention might be, and such information is important for funders and building strategy.

End-line Assessments: An impact analysis executed at the end or mid cycle of the program aims to showcase what extent and how a policy intervention corrects the problem it was intended to address.

Impact assessment is therefore, necessary for NPOs to understand the result of their intervention. The impact is characterised as follows-

1. Significance of change
2. Effectiveness of organisational activities
3. Achievement of mission
4. Social return on investment
5. Communicating results
6. Sustainability of intervention
7. Ongoing process

What leads to Impact?

“Social Accounting- a process that can help an organisation to investigate its performance against social, environmental and goals and values of the organisation in economic terms based on the performance of indicators which then helps in measuring impact.”

Importance of assessments

Impact assessment is important for NPOs in various aspects. Data and stories collected during the exercise helps you communicate your achievements better. Project funding is increasingly dependent on the strength of the impact assessment. Therefore, conducting the assessment contributes towards creating a well-researched pitch for marketing and to attract new donors. Quantitative and qualitative inputs and feedback received for the programs and activities which helps in improving them. Lastly, it also helps in building a base and extending collaborations with other non-profits.'

Some of the major benefits are stated below

- Compliance
- Project Improvement
- Value for money
- Accountability to board and funders
- Portfolio performance management
- Marketing and communications

While the importance is clear, this is an underutilised strategy for NPOs. It is important to fill the gap in between performance delivery and program monitoring.

Toolbox INDIA has conducted survey to understand the needs and requirements of NPOs

Monitoring and Evaluation

- Percentage of NPOs that have a system to track programs (Monitoring & Evaluation)
- Percentage of NPOs that do not have a system to track programs (Monitoring & Evaluation) and require support

