



Enactus: Demonstrating Social Value in a Competitive Environment

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Executive Summary

This research focuses on effective social value measurement. It starts by outlining the competitive environment, which is under economic pressure due to limited resources. Commissioners of public services are driven to include social value into their decision making. The problem for social enterprises such as Enactus The Hague University of Applied Sciences (THUAS) (a non-profit organisation) is that social value remains poorly defined with various tools and limited resources at their disposal. There is a problem to justify their value when they are driven by social purposes with 'less quantifiable' outcomes. Traditional valuation methods focus on financial indicators; therefore, the research objective was formulated to gain an insight into social value measurement in order to recommend an approach to Enactus THUAS.

The literature review revealed a number of reasons to measure social value, its importance in helping an organisation to focus holistically and focus on performance. The creation of value is intrinsically linked to values and perceptions of stakeholders. There are also a number of tools and strategies to measure social value, and the research focused in depth on Social Return on Investment (SROI) and the Sustainable Livelihoods Framework (SLF) and past and future frameworks of Enactus. The SROI framework has the advantage of estimating 'financial proxies' that attempt to measure less concrete values, however, the tool requires knowledge and dedicated resources to implement. SLF has the advantage of being flexible and demonstrates the assets that holistically affect lives, but also struggles to provide guidance on creating monitorable and observable indicators for social impact. The theory highlighted common themes in effective social value measurement in stakeholder engagement, transparency, standardisation, communication and resource intensity.

The methodological choice was exploratory in character, to provide clarity and use a qualitative data approach because the topic is subjective and required the viewpoints and opinions of those involved in its implementation. Qualitative research was conducted by in-depth interviews and questionnaires, due to a limited sample size and to triangulate the data, secondary data in the form of document reviews from annual reports was used to internally validate claims.

Empirical data found that focus was more 'output' based, the methods teams used to measure outcomes and value projects were testimonials, interviews and questionnaires. This were simple and straightforward to use with team resources, this is a reason why so many teams use them. The disadvantages with these approaches were the ability to capture wider outcomes and knowledge in critically reviewing data collection methods that tended to have a positive bias. There was a lack of standardisation in the terms used which created inconsistency in what was measured. Funding organisations are keen on clarity and demonstrating a clear need, innovation and scalability, which current measures lack.

In conclusion, the participation of stakeholders is considered an important element of effective social value measures to clearly define needs, provide innovation and clearly state specific and measurable objectives that need to be met. Value depends on the perception of stakeholders and projects have multiple stakeholder viewpoints to consider. The recommendations to Enactus THUAS is to provide training on measurements techniques,

use a mixture of qualitative and quantitative methods and to actively engage with stakeholders in the needs assessment and throughout the project to accurately monitor and effectively measure social value.

On reflection, this is a challenging topic because of the nature of the terms 'social' and 'value' there is a wide amount of room for interpretation from respondents. The use of increased primary data and to go into depth of the processes teams used would have provided more concrete examples of value measurement. The researcher considers that there is no 'one-track' approach to calculate social value and it is dependent on the nature of the project and the outcomes identified.

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1. Introduction

1.1 Problem Field Analysis

This research is about evaluating the principles of social value and measurement tools that measure social value: Social Return on Investment (SROI) and the Sustainable Livelihoods Framework (SLF) in order to recommend a suitable framework that can be used by Enactus The Hague University of Applied Sciences.

Enactus (Entrepreneurial Action Us) is an international non-profit organization with a branch based at The Hague University of Applied Sciences (THUAS). The goal of the organisation is to use the power of social enterprise to improve the quality of life for people in need. Social enterprises exist to create social value; it is a powerful concept, and one with numerous definitions. In essence, for the social enterprise's survival they need to demonstrate effective measurement of the wider impact of their activities.

There is intense competition amongst social enterprises to justify the social returns they can bring to local communities. This is combined with an economic environment of tight funding restrictions and increased competitiveness for grants and charitable funds. The importance of this has reached governmental levels in 2012, the UK have now introduced the Public Services Social Value Act (2012) that "requires that public authorities take into account wider social and environmental value when they choose suppliers. So if charity Y can demonstrate that it cannot only deliver efficiency but add value, for example by offering apprenticeships to local unemployed youngsters, it may win the contract, even though rival X, submitted a much lower-cost bid (The Guardian)"

Enactus THUAS became a charitable Foundation; therefore it needs to generate its own sources of income. Enactus THUAS is therefore under increasing pressure to demonstrate their social impact to funders and those commissioning their services. Therefore, Enactus must evaluate its outcomes and justify that these outcomes create value in order to receive funding and investment from government and business.

Despite the growth in tools to understand and report on social impact, for many non-profit organisations like Enactus the use of these measures has not yet taken off due to perceptions of cost and time. A further limitation to implement measures is that "*measuring social value is hard because in many of the important fields of social action, people do not agree about what the outcome should be*" (G Mulgan, Stanford Innovation Review) therefore it is important to set out an appropriate approach to measure value.

However, Enactus (Worldwide) has been developing an approach based on the Sustainable Livelihoods Framework for measuring the social value of its projects that its Hague branch can use.

Adato and Meinzen-Dick (2002) define the Sustainable Livelihoods Framework as "*a conceptual framework is a particular form of livelihoods analysis used by a growing number of research and applied development organizations, including the Department for International Development (DfID) of the United Kingdom (one of its strongest supporters), the United Nations Development Program (UNDP), as well as non-governmental organizations (NGOs). It is primarily a conceptual framework for analysing causes of poverty, peoples' access to resources and their diverse livelihoods activities, and the*

relationship between relevant factors at micro, intermediate, and macro levels. It is also a framework for assessing and prioritizing interventions.”

However, the framework is not without its limitations, Hinshelwood (2003) states “one particular criticism of the sustainable livelihoods approach and framework is that they tend to be adopted in entirety, rigidly and uncritically.” Hinshelwood (2003) goes on to state that there is a lack of training and experience for those using the tools and people require skills and knowledge to implement them, because “without this they become merely a confused diagram and a wordy manual.” Therefore the approach is not without criticism.

Enactus THUAS does not generate revenue from its activities; therefore traditional valuation methods have limitations with a need for robust financial data. Also, current valuation does not take into account ‘softer’ outcomes that impact wider stakeholders achieved by community projects.

All of the above pose significant threats to measurement for Enactus and overall in the non-profit sector, and this has led to the conclusion that work is needed to shed light on this difficult area. In a time where funding for public services is being tightened there is serious risk that the activities generating these wider social benefits are reduced because there is lack of evidence to support their continuation.

Therefore, better insight is needed into the social value generated by social enterprise projects, so that important opportunities are not missed to achieve more with the limited resources at our disposal.

Therefore measuring social value effectively should be actively pursued by Enactus. Therefore, **this research will evaluate social value measurement in order to recommend an approach Enactus THUAS can use to measure its outcomes and improve its value reporting.**

Note: This research will not calculate the social value of Enactus projects. It will evaluate the tools available and determine the approach Enactus should use to measure its outcomes and improve its value reporting.

The following sections will outline the background to the researcher and the perspective and limitations from which this research is written. It will also discuss the problem area in more detail and how this research aims to resolve it.

1.2 Background of the Researcher



Enactus The Hague University of Applied Sciences (2014)

The researcher is writing from the perspective of a project leader for the Enactus project that focuses on youth unemployment 'Make It Work' located in The Hague University of Applied Sciences (THUAS). Enactus THUAS is a team consisting of 21 students from Masters and Bachelor Studies across the university. Project leaders of Enactus projects are provided with a guide to evaluating project impact and outcomes (Team Handbook 2014) this includes broad definitions of Qualitative, Quantitative and 'Mixture of both' information.

This research will therefore critically review impact measurement of social value to determine the most appropriate method Enactus The Hague University (THUAS) can use to demonstrate and to improve its reporting on value.

Assumptions and Limitations

There are limitations to this study. The researcher is using the perspective of a member of Enactus and focusing on measures only linked to social outcomes identified by Enactus teams. Therefore the product of this study will benefit Enactus THUAS by looking for answers from this perspective. The focus will be on Enactus teams and not all small to medium social enterprises. The assumption is that other social enterprises have more commercial objectives and resources to be able to measure social value in a variety of ways. This study would like to explore methods that an Enactus team can use to gain insight into measuring social value.

The researcher's interest is also only on funding organisations working in the Netherlands, especially funders that provide assistance to social enterprises and connected with

municipalities because these are more closely linked with Enactus THUAS immediate environment.

The researcher in the next section will outline the current problem with social value measures and the reasons Enactus THUAS needs to explore the issue of social value measurement.

1.3 Problem Statement

This section outlines the problem with current social value measures and the problem statement, is seeking to resolve this for Enactus THUAS. It summarises the statements in the literature about the criticisms of current measures of social value, mainly because of their limitations due to a 'financialised' viewpoint. This also affects the use of these measures in guiding decision making and adequate links to the organisation's mission and objectives.

Restrictions on public funding and Government has driven inclusion of social value within its procurement of public services and demonstrates a growing importance in creating robust impact measurements for a social enterprise.

There is a growing body of research concerned with how best to measure social outcomes and impacts of social enterprise. Current metrics face various criticisms from social enterprises and practitioners in terms of guiding decision-making and being effective in value reporting. It is mostly that current measures encompass too many roles but are satisfying none, for instance operational data, financial justification to stakeholders and evaluating their greater impact on society. Terminology is also inconsistent because outcomes are not countable or measurable in finite ways.

As a result of this, Nicholls J (2007) highlights "*the current measures of social value are they traditionally view markets as places where people come to trade goods and services using money. This is a problem because in a market place, value is only realised when a trade is successful. The realised value is circumscribed by what the buyer and seller agree and by the rules that manage trading in that market, and is measured using the financial price as a proxy for the value*". Social value often generates less quantifiable outcomes and social enterprises use softer, less concrete language to explain their benefits, making it difficult for decision makers to decide on value.

The impact measurement approaches that are in place are therefore 'financialized' using the 'market theory' that has limited use for social enterprises. In addition, value is often viewed objectively and often not aligned to the 'mission-related' impact of the organisation. Mulgan (2010) asserts that "*few metrics guide real decisions. First, most metrics assume that value is objective, and therefore discoverable through analysis. Yet as most modern economists now agree, value is not an objective fact.*"

Kendall and Knapp (2000) state limitations with measuring social value including "*widespread perceived difficulty in establishing the relationship between complex input factors (grants, volunteers, market income, social capital, etc.) and the social impacts that correspond to the mission objectives of such organizations*". Therefore to resolve these problems this research will explore social value measurement in order to recommend in a framework that will be meaningful and useful to the Enactus THUAS organisation in order to participate in a competitive environment.

The problem statement that will be addressed in this thesis is therefore to review impact measurement of social value to determine the most appropriate method Enactus The Hague University (THUAS) can use to demonstrate and to improve its reporting on value. In order to resolve this problem statement, the researcher has selected a main research question and sub-questions to analyse this topic.

1.4 Research objective

To start reviewing impact measurement of social value to determine the most appropriate method, firstly in this section I will use De Huckin steps to outline the strategic importance of the area of research.

Social value measurement is important, because *“social entrepreneurs use social impact reporting in a number of strategic ways to enhance their performance, access resources, and build organizational legitimacy, as stated by Nicholls (2009).”* In other words, it can create improvements in performance, increase competitiveness and determine the organisation’s reason to exist.

Present insight from academic literature outlines the limitations of financial valuation methods for social enterprise, however, what can organisations do to overcome these difficulties and what framework can they put in place? Nicholls (2009) suggests there is *“a degree of bespoke reporting is required if social impacts are to be fully expressed within their appropriate context ”* However, we do not know yet what is the most effective ‘bespoke’ reporting that balances judgements as well as facts.

Another notable gap is *“the absence of any relational analysis of the information needs of external stakeholders and how evaluative data from social enterprises informs their decision making given that establishing legitimacy with funders is a primary driver of impact measurement and evaluative activities (Nicholls 2009).”* It would benefit to gain insight into what would satisfy funders in terms of market competitiveness and capture the ‘softer’ outcomes that demonstrate the impact of a social enterprise.

Ormiston & Seymour in their paper Understanding Value Creation in Social Entrepreneurship: The Importance of Aligning Mission, Strategy and Impact Measurement (2011) state *“despite growing empirical contributions to academic inquiry into social entrepreneurship, literature has avoided tackling understanding and measuring social impact (Austin et al. 2006b). This mirrors related fields of research that recognise value creation as a central concept and yet develop ‘little consensus on what value creation is or on how it can be achieved’ (Lepak et al. 2007, p. 180).*

Therefore the research objective is gaining an insight into social value measurement in order to recommend the approach Enactus can use to measure its outcomes and improve its value reporting.

Following this initial awareness into social value measurement, the next section will identify the main research question and sub-questions that will enable the researcher to gain insight into measuring social value.

1.5 Research Questions

This section contains the research questions that will be used in order to find a solution to the problem statement. These questions deconstruct the problem statement to focus the research on key areas for the literature review in defining social value, understanding current measurement tools and for the field research to determine the criteria to evaluate impact measurement tools and funding organisations criteria in order to measure value competitively.

The main research question is: **What approach can Enactus The Hague University of Applied Sciences use to measure the social value of its community projects in order to increase its competitiveness?**

The research sub-questions are divided into theoretical (those answered by academic research and literature) and empirical (those answered by fieldwork i.e. interviews, questionnaires and document reviews):

Theoretical Questions

1. Why is it important to measure social value?

To explore current literature about social value and identify a definition. It is descriptive overview of current definitions, where there are differences and similarities and which definition can apply to Enactus based on its organisation's values and mission. It will ascertain from literature why academics / practitioners believe it is important for an organisation to focus on measuring social value. This question will define: what is Enactus? What is social value? What is meant by competitiveness? Why is there a link between 'competitiveness' and measuring social value?

2. What are the tools and principles available for measuring 'social value'?

To examine how social value is measured and the current tools (Social Return on Investment - (SROI) and the Sustainable Livelihood Framework (SLF). It will identify what indicators have been used in the past to evaluate these tools to explore that these are a good fit for an organisation. This question also identifies the limitations and benefits of using these tools according to literature.

Empirical Questions

3. How does Enactus (Worldwide) measure its outcomes and value its projects?

To identify and explore the current method of measuring outcomes through in-depth interviews with board members and Enactus projects. It is important to understand what outcomes should be measured and why they are important to the organisation. This will determine the criteria to evaluate the tools that measure social value.

4. What criteria are funding organisations looking for when valuing projects?

To identify criteria for 'competitive' by focusing on criteria from Dutch funding organisations such as Fonds 1818, to determine how non-profit organisations are defined as creating value.

5. What framework does Enactus need to develop in order to measure social value and increase competitiveness?

Using questions 2, 3 and 4 to provide a recommendation the most appropriate approach to measure its outcomes and report its value.

1.6. Conceptual Model

The conceptual model for this research (Figure 1.6) evaluates the tools, measures and funding organisations' expectations that influence social value measurement in order to increase competitiveness of the Enactus organisation and recommend a framework.

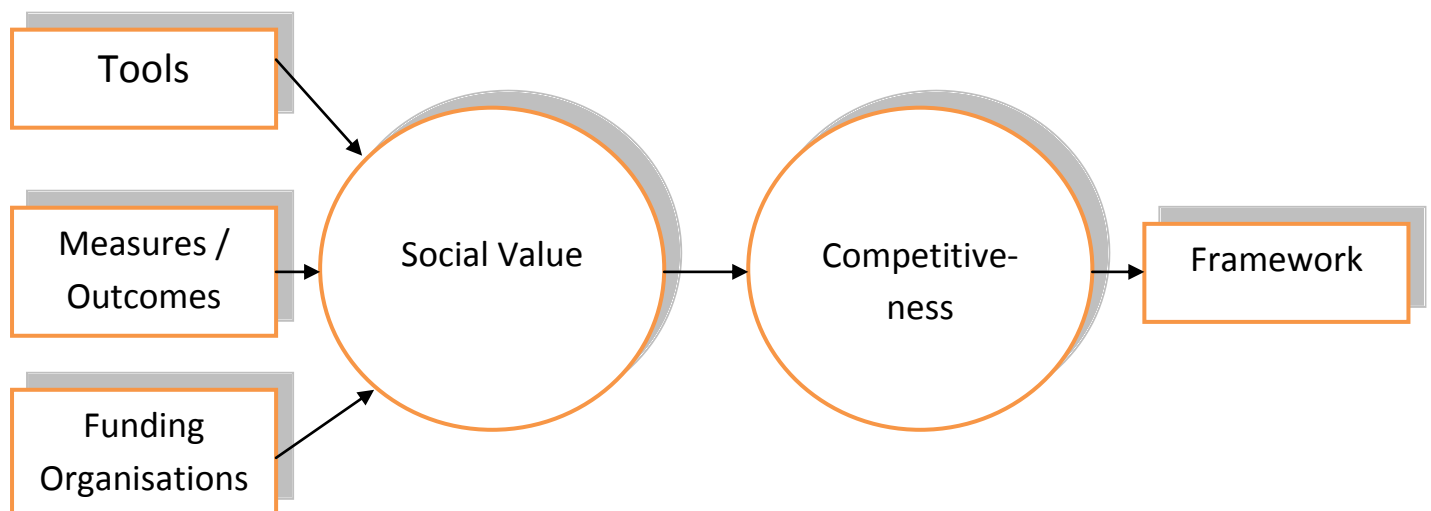


Figure 1.6 Conceptual Model

1.7 Structure of the Report

The entire thesis is placed into 5 main chapters. Below a brief summary is provided;

Chapter 1: Introduction

This chapter gives an overview about the aims and purpose of the research and describes the need for this research and what will be the outcome of conducting this research. The background of the research is also included in the first chapter, including an outline of the sponsor company and the problem statement.

Chapter 2: Literature Review

This chapter gives detailed information about the research topic. Various materials from different sources such as academic papers and databases are included in this chapter. Different researchers and their findings will be included in this chapter and the author will undertake a critical analysis of different research.

Chapter 3: Research Methodologies

The chapter will focus on different approaches to research methodologies including primary and secondary data types and models are analysed in this research. A final research strategy of qualitative methods is selected, which the entire research will be carried out on.

Chapter 4: Findings and Analysis

The chapter will demonstrate the findings and recommendations from this research. Analysis and findings collated from in-depth interviews, questionnaires and case studies will be included here.

Chapter 5: Conclusions and Recommendations

The final result of the research is the final chapter. The entire research, its study and findings will be included in this chapter. A final recommendation will be given to the problem statement.

Chapter 1 Summary

Chapter 1 outlines the problem field analysis, which demonstrates that under increasing economic pressures to target resources effectively for public services, commissioners of public services are driven to include social value into their decision-making. Therefore, social enterprises need to demonstrate social value when it bids for funds or aims its services at target groups in an ever-increasing competitive environment. Social value is however, a poorly defined area, particularly because it contains 'less quantifiable' and 'softer' outcomes with different definitions for instance what is 'creating social value', tools and measurements being used, driving inconsistency and lack of transparency to those that attempt to measure it. There is a low take up from many social organisations to the main frameworks available such as Social Return on Investment (SROI), a framework that the UK Government is encouraging use of by the charity sector. Social value measurement is an area of emerging research and it would benefit Enactus THUAS to have insight because of their need to develop as a social enterprise, seek funding opportunities and demonstrate their impact effectively. The chapter also set out how the research will explore this topic through the main research question and sub-questions in order to tackle this issue and gain more clarity.

The next chapter will outline the literature review, in order to start researching this topic it explores definitions of social value and the reasons why it is important to measure social value in the first place, it will also explore the strengths and limitations of traditional valuation methods to learn lessons about current tools that are used.

Chapter 2: Literature Review

2.1 Critical overview of literature

2.1.1 Introduction

The objective this critical literature review is to define social value and understand why it is important. It will also evaluate the benefits and limitations of traditional valuation methods outlined in literature.

This section will start by investigating what is the definition for social value and why is it important to measure social value. Then, what lessons can be learned from current social value measurement models. Outcomes from social enterprise activities are often 'soft' and less quantifiable than from private sector actions; therefore the section looks at academic definitions of these outcomes. The literature was based upon searches in EBSCO and Google Scholar containing works that are published in different academic journals and articles in order to formulate a range of viewpoints.

2.1.2 Non-Profit and For-Profit Value Definitions

The main differences between for-profit and social enterprise values are outlined by Yang et al (2014) *"For-profit companies are focused on profit-maximization, and accordingly they are market-driven. In contrast, social enterprises simultaneously pursue the triple bottom line. The operational goal of social enterprises is to maximize social-oriented profits. Therefore, social enterprises devote resources to creating social impact and social value."*

Porter and Kramer (2011) developed the idea of creating social value because of the presumed trade-off between economic efficiency and social progress. They tackled the importance of social value by highlighting the idea that social enterprise creates economic value by creating societal value. Porter and Kramer (2011) state *"real social entrepreneurship should be measured by its ability to create shared value, not just social benefit"* also that *"value is defined as benefits relative to costs, not just benefits alone."* In contrast, Auserwald (2010) focuses on the benefits beyond those assigned to cost stating *"such enterprises, and the social entrepreneurs who create them, derive their impacts not from market exchange, but rather from the inherent value of the human lives that their actions help to preserve or enhance."*

According to Social Enterprise UK, in its assessment The Future of Social Value, the key challenge of social impact measurement is the difficulty in evidencing and deciding how social value needs to be measured. Challenges identified in terms of measurement and frameworks were;

- "Proportionality – how can measurement become better and more rigorous without excluding smaller organisations that do not have the capacity to meet those demands?
- Language – there is still not enough consistency of language between sectors on what key terms mean –how can we break down language barriers?
- Positive and negative value – measurement of social value should take account of where that is negative; to use a financial accounting analogy, it's not just a profit statement, it's a profit and loss statement – how can this be encouraged?

- Stakeholder engagement – at a time of stretched capacity (on all sides), what types and levels of stakeholder engagement are most needed and most effective?
- Central to the measurement issue is that it needs to work for both sides
- Commissioners need the evidence base to be able to justify their decision-making, and for that evidence to have some credibility and rigour. Social Enterprise UK”

2.1.3 Conclusion

In conclusion, academics are not agreed on what creates value, some stating value is benefits in relation to cost and others that it is in benefits alone. Despite popularity to introduce social impact measurement, many social enterprises and practitioners are finding inconsistencies in implementation particularly in the use of language and terminologies, for example the meaning of key terms such as ‘social enterprise’ and ‘value’ to clearly define what needs to be measured. Therefore, this is causing difficulties in creating accurate and transparent measures. Another key area is the type and level of stakeholder engagement, gaining a wide range of input from stakeholders is important in qualitative impact measurement, however, with limited resources, targeting stakeholders is increasingly required. The section concludes by emphasising that measures must be rigorous and credible to Commissioners of public services in order to be effective for their decision making.

Since non-profit and for profit value definitions differ, the next section will look at social enterprise in more depth, social enterprise is somewhat a hybrid of both non-profit and for-profit, therefore a greater understanding will enable the researcher to formulate a clearer value definition.

2.2 What is a Social Enterprise?

2.2.1 Introduction

The aim of this chapter is to address the following questions about social enterprise: (1) What is a social enterprise? and (2) What is Enactus? It outlines current definitions about social enterprise and that a social enterprise has a mission-related purpose to drive social change and large scale transformative benefits to society. Defining an organization as such is a useful step in determining the measurement of impact and social value.

2.2.2 Social Enterprise and Enactus

To begin an exploration of what is social value for Enactus, it is important to understand the type of organisation that it represents. In literature social entrepreneurship remains a poorly understood, Felício (2013) provides academic insight stating “*Boddice (2009) states “(it is) a complex phenomenon” with a growing importance in the academic context alongside Mair, Robertson, & Hockerts (2006)*”. However to define the organisation clearly will enable the researcher to define the values that are important to consider when identifying social value measurement therefore this research will discuss what is a social enterprise in order to outline the key attributes of what is valued by this type of organisation from the literature review. Enactus is a non-profit organisation, according to the Enactus story (Enactus.org) “*Enactus is a community of student, academic and business leaders committed to using the*

power of entrepreneurial action to transform lives and shape a better more sustainable world. It stands for,

Entrepreneurial—having the perspective to see an opportunity and the talent to create value from that opportunity;

Action—the willingness to do something and the commitment to see it through even when the outcome is not guaranteed;

Us—a group of people who see themselves connected in some important way; individuals that are part of a greater whole.

Although Enactus does not specifically state that it works as a social enterprise, it contains the following characteristics that aligns with literature definitions about social enterprise. Martin and Osberg (2007) state that *“social entrepreneurship signals the imperative to drive social change, and it is that potential payoff, with its lasting, transformational benefit to society, that sets the field and its practitioners apart.”* This can be identified in the key purpose of Enactus which states it is *“To enable progress through entrepreneurial action”*. It is founded on *“the basic principle that entrepreneurial action can be a powerful catalyst for human progress (Enactus.org)”*

Peredo and McLean (2006) outline that social enterprises are stated to be distinguished by having a ‘Triple Bottom Line’, which means that they have financial goals, but that these goals exist to sustainably achieve a social and/or environmental mission.

However, Dart (2004) in *The Legitimacy of Social Enterprise* goes further than the triple bottom line in explaining the function of social enterprise is that they are created *‘in response to much more broad and complex contexts’* rather than the narrow economic or strategic reasons, and Emerson and Twersky (1996) also said they represent a *“strategically better option for organizations to fulfil their pro-social mission.”*

Therefore, a broader-context including wide-ranging impact is highlighted, also outlined by Mair & Martí, (2006) *“non-profit social organizations fall within the broader context of the social organizations that aim to create sustainable social value and economic wealth.”* With these numerous definitions, *“the comprehension of the key issues of social organization remains insufficient (Dees & Anderson, 2006; Nicholls, 2006).”*

There is also a distinction between social organisations based on their revenue source. According to Fowler (2000) and Perrini (2006), the **source** of revenue is the essential element that characterizes the social organisation. Therefore, the research on social organisations takes two points of view: civil society organizations with their own sources of revenue from volunteers and Non Profit Social Organisations as stated by Galaskiewicz & Bielefeld (1998) with private or public tax-free revenue. Felicio (2013) states how Non Profit Social Organisations operate in *“highly competitive socio-economic environments with greater financial constraints.”*

Value for a social enterprise is also highlighted as part of its mission as stated by Martin and Osweg (2007) *“the critical distinction between entrepreneurship and social entrepreneurship*

*lies in the **value proposition** itself...The social entrepreneur, neither anticipates nor organizes to create substantial financial profit for his or her investors...the social entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or to society at large."* The role of stakeholders also plays a key role in deriving value as Ormiston & Seymour (2011) suggests that *"that value is linked with exchanges and perceptions of worth."*

2.2.3 Conclusion

In conclusion, there are various definitions of value for social enterprise that contrasts with a for-profit enterprise, namely the vision and mission of the organisation. Social enterprises focus on the triple bottom line (people, planet, profit), meaning their financial goals achieve a social mission. Therefore, it is important that the enterprise is driven to tackle social needs and make social change and transformative benefits to wider society (Martin and Osberg (2007)) in order to be defined as a 'social' enterprise. In addition, a key difference between a social enterprise and other forms of non-profit is the organisation's ability to create sustainable value and economic wealth in society; here the creation of value is subject to the exchanges and perception of worth by stakeholders. The section concludes that value of social enterprises focuses on the benefits it is achieving in society along with those perceived by those who interact with it.

The next section will explore the views on the importance of social value measurement and understand the reasons that social enterprise would perform this activity.

2.3 Why is it important to measure social value?

2.3.1 Introduction

This section aims to address the following questions: (1) Why is it important to measure social value? This is by researching the academic viewpoints on the importance of measuring social value; it aims to discuss whether organisations would need to undertake this task because as outlined in the previous section, measuring value can be complex and difficult to obtain quantifiable outcomes, therefore this section investigates the need for organisations to perform this task. This section also looks at (2) What are the tools and principles available for measuring 'social value'?

In order to address the first question, a critical analysis of current literature about social value with a descriptive overview of current definitions that can be applied to Enactus' organisation values and mission is presented. The second part of the question will examine how social value is measured and two current tools (Social Return on Investment - (SROI) and the Sustainable Livelihoods Framework (SLF) that are past and future frameworks. It will also identify (a) what indicators have been used in the past to evaluate these tools to explore that these are a good fit for an organisation and (b) the benefits and limitations of using these tools, techniques and strategies.

2.3.2 Understanding Non-financial impacts

Often measuring financial value takes precedence, in a review of social entrepreneurs by Harvard Business Review, it was found "in a targeted study of close to 20 entrepreneurs, we found that those who prioritized financial goals over social ones were more likely to grow their social enterprises and achieve greater impact." Therefore, why is it important to measure social value?

Wood & Leighton (2010) defined social value as *"referring to the wider non-financial impacts of programs, organizations and interventions, including the wellbeing of individuals and communities, promotion of social capital, and protection of the surrounding environment."* Here the focus is on 'soft' and less quantifiable outcomes therefore causing the main difficulty of measuring and justifying these outcomes.

In addition, Wood and Leighton (2010) state that *"measures of social value, which take into account wider 'value added' impacts and softer outcomes, are increasingly replacing narrow financial returns as funders and commissioners seek ever more 'bang for their buck'."* This highlights their importance to commissioners of services in being able to justify procurement of these services.

2.3.3 Evaluating organisation performance

Impact measurement enables the evaluation of organisational performance, however, for social enterprises, the diversity of resources is considered to affect the ability to create comparable outputs. Comparability is therefore considered to be an important feature in good measures. This is because comparable measures will enable evaluation of the organisation's performance to meet its goals. As stated by Behn (2003) *"To evaluate the performance of an agency, its managers have to compare that performance with some standard. But without such a basis for comparison, it is impossible to determine whether the agency is performing well or poorly."*

In the review of literature there is also little discourse about the value of these measurement activities to social enterprises, their funders or the communities they seek to serve. Mulgan (2010) confirms *"funders, non-profit executives, and policymakers are very enthusiastic about measuring social value. Alas, they cannot agree on what it is, let alone how to assess it."*

Therefore some of the reasons that it is important to measure social value is linked to demonstrating 'wider financial impacts' and improvements in society from goods and services provided for social purposes. In evaluating organisation performance comparison is also an important feature in evaluating outputs. The diversity of resources used in social enterprises is also expressed as hindering the ability to compare outputs effectively. The next section will explore the importance of impact measurement for social enterprise and its link to competitiveness.

2.3.4 Impact Measurement and Competitiveness

The researcher has looked at initial reasons for measuring social value; however, are there links between measuring value and being competitive? This is an area to explore because social enterprises *"operate alongside, and sometimes competing directly with, the private sector in a turbulent and competitive environment"* (Ryan and Lyne, 2008).

Ryan and Lyne (2008) citing Kendall and Arnold (1999) state the link between competitiveness and measuring social value is highlighted *"in a study of voluntary organisations who have sought to become revenue generating social enterprises McBrearty identifies an assortment of business models, but concludes that the only model that can*

realistically withstand competition in the market is one which is designed to compete with for-profit organisations from the start. McBreaty (ibid, 74) concludes that ‘it could be argued that they could only succeed in a context where their social contribution is genuinely recognised and valued’.

Therefore from the above, measuring social value can be seen as an important step in establishing competitiveness and highlighting value to organisations that do not possess sufficient financial indicators.

Mulgan (2010) and Wood & Leighton (2010) agree that “organisations who have engaged in the process of measuring social value report the following benefits:

- Ability to justify use of external funding and defend their position
- Able to make a stronger case for additional funding and further investment in advance
- Focus efforts and plan more strategically to allocate resources more effectively
- Continuous improvement because of reviews of social value assessment
- More strongly communicate to the people using services about value of work

2.3.5 Therefore, It is important to measure social value for the following reasons;

1. There has been an increasing awareness by various organisations and governments to measure social value and social impact ((Ryan and Lyne (2008); Kendall and Arnold (1999)). For example, the UK Government implemented the Public Services (Social Value Act) 2012 because it believes “Social enterprises and voluntary organisations play an invaluable role in society and already deliver first rate public services – but we want them to be able to do more. This new law, the Social Value Act, means that local authorities commissioning public services now have to think harder about maximizing value to communities (Nick Hurd, Minister for Civil Society, UK Government).”
2. Due to the Eurozone economic crisis and economies facing recession in most European countries, it is found that public services face unparalleled cuts. In light of these stark budgetary conditions, policy makers from both sides of the political spectrum are more keenly focused on ensuring ‘genuine’ value for money in the delivery of services. This has led to growing interest in social value, value added and outcomes measures as alternatives to narrow interpretations of monetary value for money. For the third sector, a key partner in delivering public services whose unique selling proposition (USP) is displaying exactly this sort of wider social value, this is a time of unique challenges and opportunities (Wood and Leighton (2010), DEMOS, Measuring Social Value)
3. Funders and policy makers in private sectors are now demanding to measure social value to direct how the money is effectively and efficiently utilised. Social organisations need to demonstrate their impact to funders, partners and beneficiaries (Mulgan, 2010)
4. Measuring social impact helps in understanding, managing and communicating the social value that work creates in a clear and consistent way. It helps to better target

social work and attracts investors to retain their trust and confidence (Social Enterprise UK).

Therefore in summary, the reasons to measure social impact and outcomes are:

- Improves management and planning of projects
- A clearer understanding of the impact of the work
- Communication of the total value of the work to internal (employees) and external (consumers, investors, suppliers, community) stakeholders; and
- More holistic attention is paid to the social, environmental and economic value that the business creates.

In conclusion, current literature investigates the importance of measuring social value for social enterprise in terms of competing with for-profit organisations and making clear the social purpose and non-financial impacts of the organisation. It is stated that it is important to measure social value in order to adequate planning and communicate these outcomes to funders and stakeholders and is important in establishing their trust and confidence in the enterprise.

Now that the importance of social value measurement is clarified, there are tools and techniques available to measure social value. The next section will explore these tools and techniques and gain a deeper understanding by exploring their benefits and limitations.

2.4 Tools and Techniques available for measuring 'social value':

There are a multitude of tools and techniques to help organisations to measure social value. One reason for their creation is that organisations are ensuring value for money in public service delivery, which has risen in the policy agenda of government, as demonstrated by the emergence of the Social Value Act (2012).

In terms of what is being measured 'social value' can be defined as "*the necessary goods and services provided by organizations with social purposes*" (Austin, Stevenson, & Wei-Skillern, 2006).

2.4.1 Challenges with current tools and techniques

Academics highlight there is a rigidity to social value frameworks that hinders the ability to create effective metrics, Mulgan (2010) goes on to say "*Their main obstacle is assuming that social value is objective, fixed, and stable...when people approach social value as subjective, malleable, and variable, they create better metrics to capture it.*"

Nicholls (2009) suggests that lessons learnt from the effectiveness of current measurement tools come from the issues posed from the "*institutional complexity of social sector action that also makes deadweight calculations formidably difficult*" This includes diversity of actual and goodwill resources (donations, volunteers, subsidies) compared to a more well-defined commercial environment where business operates.

According to Ormiston & Seymour (2011) the creation of 'social metrics' has resulted in "*numerous qualitative and quantitative 'social metrics' have been developed within academia in recent years to measure social impact*" This "*generates multiple, distinctive, non-comparable outputs* (Nicholls 2009)." This is further supported by Mulgan (2010) that

“metrics to meet these needs have proliferated over the last 40 years, resulting in competing methods for calculating social value.” Whilst some ventures are using them, social entrepreneurs have only taken them up to a limited extent (Brooks 2009, Quarter and Richmond 2001)."

Most notably, Ormiston & Seymour (2011) continues that “these quantitative social metrics have been **criticised** for imposing an ‘inappropriate consistency onto what is inevitably a complex picture made up of data of very uneven reliability’ (Mulgan 2006, p. 87).”

Measuring social impact using these approaches is claimed to be expensive and time consuming (Wood and Leighton 2010, DEMOS), however others argue that this there is "a variety of misunderstandings" in implementing an approach to measure value, for example, the SROI Network published SROI, Myths and Challenges created to educate organisations on how to implement it. Tuan (2008) states after a review of eight integrated cost approaches to measuring social value is wary about the implementation of these approaches and warns organisations “in moving forward, it is essential for the social sector to be very clear about the purpose and benefit of creating and implementing an integrated cost approach to measuring social value”

The next section is a summary of the social metrics and the benefits and advantages of using them for social enterprise.

2.4.2 Tools for Measuring Social Value

Following these challenges of overall measures, it is necessary to look into the specific tools and strategies available for measuring value to gain a deeper understanding of the nature of these tools and form an opinion to an appropriate framework for Enactus THUAS. The researcher has chosen to focus on a range of common ‘qualitative social metrics’ highlighted by academics and gain deeper focus into SROI and SLF as past and future frameworks that have/will be used by Enactus.

Ormiston & Seymour (2011) they state that “Qualitative social metrics include the triple bottom line (Elkington 2004), the balanced scorecard for not-for-profits (Kaplan 2002) and the family of measures (Sawhill and Williamson 2001).” Therefore the researcher has included a summary of the advantages and disadvantages of these qualitative approaches. The value of qualitative social metrics has been recognised in achieving mission alignment, yet such **metrics are argued to be of limited use in attracting donor funding or establishing comparability and benchmarks** (Nicholls 2006).” Therefore using these measures could cause limitations to effectiveness of competitive social value reporting for Enactus. This is shown in Table 2.4.2 below.

Table 2.4.2 Summary of Qualitative Social Metrics

Model	Benefit	Disadvantage
Triple Bottom Line	Elkington (2004) explains “the triple bottom line focusing corporations not just on the economic value that they add, but also on the environmental and social value that they add – or destroy. Elkington (2004) begins to look toward future trends and the move is towards soft values and open transparency.	Elkington states that however, this is likely to bring greater challenges in triple bottom line measurement he states it “Paradoxically, this will not make the transition any easier for business people. For many it will prove gruelling, if not impossible.”
Balanced Scorecard (non-profit)	Kaplan (2002) states the balanced scorecard can be used to make an organization more strategy focused to deliver ‘demonstrable performance’.	Kaplan describes that to use this approach non-profits need to define the customer, for example a donor will contribute ‘financial resources’ and the question is ‘ <i>who is the customer?</i> ’ the one paying for or the one receiving the service. Kaplan (2002) states another claim by non-profits using this system is that their outcomes are unique and therefore cannot be accurately quantified.
Family of measures	Sawhill and Williamson (2001) define “three types of performance metrics these are a) to measure its success in mobilizing its resources, b) its staff’s effectiveness on the job and c) the non-profit’s progress in fulfilling its mission.” It is considered that most non-profits already possess information on (a) and (b)	However, they concede that unless the organization has a narrow mission or scope, measurement of (c) is more difficult.

Impact measurement such as **Social Return on Investment (SROI)** is widely considered to help the Third Sector to become increasingly enterprising and will be a valuable tool in demonstrating its effectiveness and the positive impact it can have on the lives of people. However, Arvidson et al (2010) describes there is a prominence of this measurement tool over others “*SROI has received much attention due to a combination of its ambitious and sometimes controversial approach; it claims to be holistic and comprehensive, and it uses a monetised language, combined with qualitative narratives, to express the different types of value created.* (Arvidson et al, 2010)” SROI is a financial representation of the value of the impact made by an organisation. It is considered by practitioners to be transparent and consistent.

In summary, the range of tools provides both economic and social indicators; however, for practitioners there are different resource considerations to make. Based on Angier Griffen (The Pentagon Partnership's) analysis of 'quality and impact tools map', using the above tools, the researcher adjusted the matrix below (Figure 2.4.2.1) that plots the qualitative tools above (including SLF) in terms of their economic and social indicators and their resource intensity from low to high, this enables the reader to understand the type and complexity of each tool and their main focus – economic or social. The next section will focus in depth about SROI and SLF.

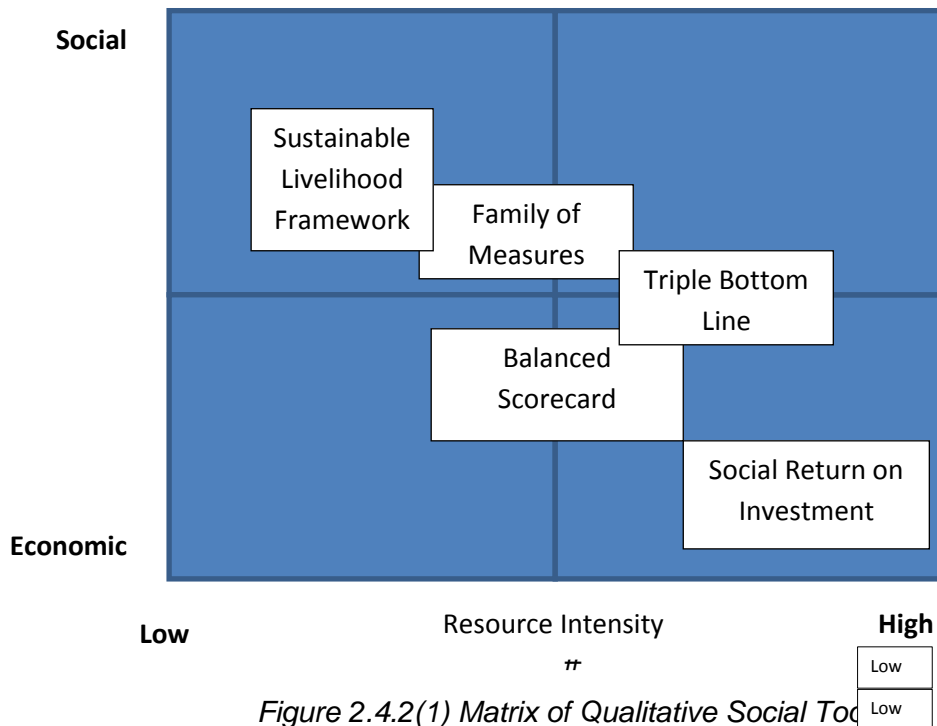


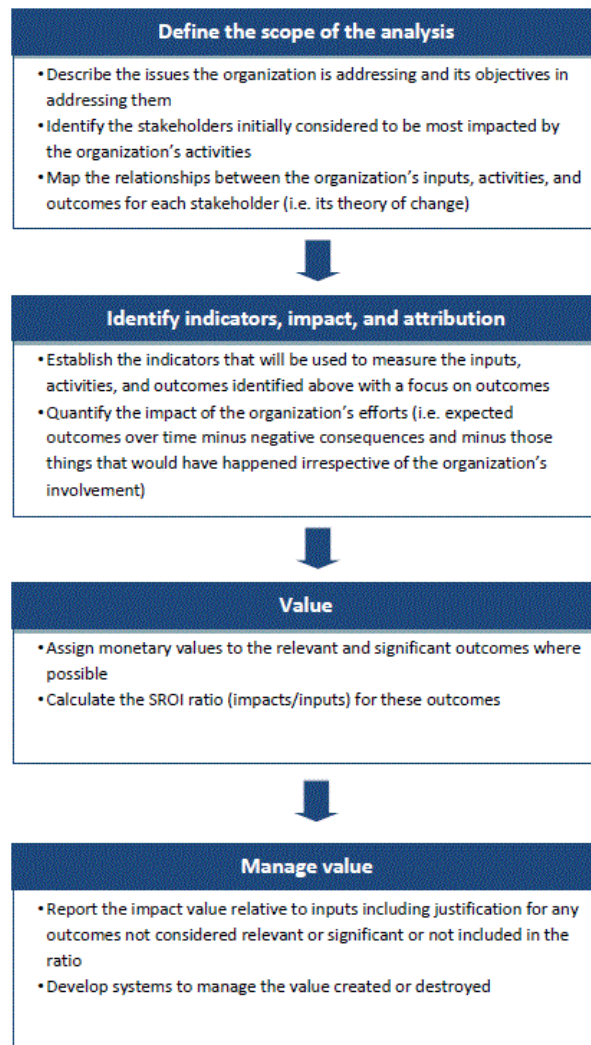
Figure 2.4.2(1) Matrix of Qualitative Social Tools

2.4.3 What is Social Return on Investment (SROI)?

After a range of tools and their benefits and disadvantages, the researcher has focused on SROI, firstly because this is a tool that is widely promoted by the UK Government and social enterprises and secondly because it is the tool that Enactus Worldwide has promoted to teams in the last two years. Therefore, this section will outline the background and main points of SROI and its main advantages and challenges.

Tuan (2008) states reasoning for the creation of a Social Return on Investment "Many organizations with social objectives were not reporting on the relationship between their investment and the outcomes they were achieving. What we want is a consistent approach to measuring value: get organizations to forecast social returns, build the systems to track those over time, then look back and see how those went."

SROI is a 'principles-based method' for measuring additional financial value that is not normally included in accounts (i.e., environmental and social value) in relation to resources invested. SROI is used to evaluate impact on stakeholders; it also looks at ways to improve performance and investments. The overall SROI analysis involves nine stages when defining value, SROI takes the following steps:



SROI Value steps - <http://minney.org/quality-checkers-sroi-report>

The SROI method has been standardized by the SROI Network and “*provides a quantitative approach to understanding and managing the impacts of a project. It accounts for stakeholders' views of impact, and puts financial 'proxy' values on all those impacts identified by stakeholders which do not typically have market values.*”

There are three ways to consider financial proxies the SROI Network guidance states;

- **Contingent valuation** – people are asked directly for the value they place on something
- **Revealed preference techniques** – similar valuations are taken from the market-place
- **Travel cost method** – people's willingness to travel to access a service

The aim is that values of those left out from markets are no longer excluded and their values are noted in the same terms as used in markets i.e. 'monetary'. Some SROI users employ a version of the method that does not require that all impacts be assigned a financial proxy.

There are seven principles of SROI (The SROI Network);

- Involve stakeholders (i.e. everyone who has a 'stake' or an interest in the subject of the SROI)
- Understand what changes (for those stakeholders)

- Value what matters
- Only include what is material
- Do not over-claim
- Be transparent
- Verify the result¹

In summary, The SROI Network states there are 4 main elements needed to measure social value creation: inputs, outputs, outcomes and impacts;

- **Inputs** – investment into the activity
- **Outputs** – product of the activity (numbers of workshops, attendees)
- **Outcomes** – ‘changes to people resulting from the activity’ e.g. improved income
- **Impact** – ‘Outcomes less an estimate of what would have happened anyway’

An important aspect that needs to be decided in any organisation is what outputs are measured this is because **what gets measured gets valued**. This objective is a ‘theory of change’. Outputs measure progress towards achieving that change through an organisation’s work. Weiss (1995) defines a theory of change as a theory of “how and why an initiative works.” Connell and Kubisch (1998) state that with a theory of change in hand, the measurement and data collection elements of the evaluation process will be facilitated. For example, a theory of change asks that participants be as clear as possible about not only the ultimate outcomes and impacts they hope to achieve, but also the avenues through which they expect to achieve them (Weiss, 1995). Once outcomes are identified SROI analysis can begin, the next section looks in depth at this analysis.

2.4.4 What is SROI analysis?

The role of participation is highlighted in SROI analysis. According to Context International Co-operation, “*SROI enables you to measure the results of your activities in a participatory way, thus enriching the (development) objectives of your organisation and providing learning opportunities at various levels with all your project partners.*”

SROI analysis is a process of understanding, measuring and reporting on the social, environmental and economic value that is being created by an organisation ((New Economic Forum (NEF)). NEF’s SROI framework measures social value by ‘translating social objectives into financial and non-financial measures’. Rather, it presents a framework for exploring an organisation’s social impact, in which monetisation plays an important, but not an exclusive role.

$$[\text{SROI}] = [\text{Net present value of benefits}] / [\text{Net present value of investment}]$$

This ratio is the net present value of benefits to the net present value of the investment. For example, a ratio of 3:1 indicates that an investment of £1 delivers £3 in social value².

¹ 7 principles of SROI (The SROI Network Guide)

² Factsheet 16 Social Return on Investment http://www.pulseregeneration.co.uk/assets/files/Factsheets/FS-16_SROI.pdf

2.4.5 Measuring value is a guide to social return on investment (SROI)

Most simply put, The SROI Network explains that the SROI process involves:

- Talking with stakeholders to identify what social value means to them
- Understanding how that value is created through a set of activities
- Finding appropriate indicators, or 'ways of knowing' that change has taken place
- Putting financial proxies on those indicators that do not lend themselves to monetisation
- Comparing the financial value of the social change created to the financial cost of producing these changes

2.4.6 Potential benefits of using SROI analysis

The SROI process delivers a number of benefits as outlined by NEF (2008) *"in terms of proving, SROI provides a powerful means of demonstrating and communicating social value. It allows organisations and investors to see how much, and where, social value is being created."*

Demonstrating and communicating social value is emphasised, and as Arvidson et al (2010) go further to state *"an SROI process ideally promotes better communication and engagement between different stakeholders (clients, third sector organisations internally, and patrons of different kinds)."*

Therefore in summary benefits include

- Transparency of activities
- Improved communication between stakeholders
- Improved awareness of 'value-adding' activity

However, according to Gair (2002) Practitioners need significant financial and human resources to conduct an SROI analysis. For example, *"over a year REDF had a full-time, dedicated staff member who designed and implemented our SROI approach"*. The potential limitations of SROI are: (a) Benefits that cannot be monetised (b) Focus on monetisation (c) Needs considerable capacity (d) Some outcomes not easily associated with monetary value (Social Return on Investment, Wikipedia).

In conclusion, SROI is a comprehensive tool to measure impact and put monetised values to social outcomes, which is important for stakeholders and decision making. However, the complexity of calculating and value in a resource intensive way creates heavy challenges for community social organisations.

Another impact measurement tool that Enactus plan to use is the Sustainable Livelihoods Framework (SLF), therefore the researcher will explore this tool in more depth to understand its benefits and potential limitations.

2.5 Thoughts on the Sustainable Livelihoods Framework (SLF)

This section explores the Sustainable Livelihoods Framework (SLF) because it is the new framework that will be used to measure impact by Enactus from September 2014. The SLF

shows how “in different contexts, sustainable livelihoods are achieved through access to a range of livelihood resources (natural, economic, human and social capitals) which are combined in the pursuit of different livelihood strategies. Central to the framework is the analysis of the range of formal and informal organisational and institutional factors that influence sustainable livelihood outcomes (Scoones, 1998:1).” In essence, the SLF analyses people's livelihoods and how they change over time, important to this is social capital and how it is analysed to determine value. Currently much of the literature focuses on its use in rural agricultural programmes in developing countries.

The Department for International Development (DFID) in the UK is a key user of the Sustainable Livelihoods Framework (SLF). DFID outlines that the framework shown below in Figure 2.5.1 which:

- Provides a checklist of core issues and the demonstrates links between them
- Focuses on essential structures and processes and their influences and access
- Emphasizes the multiple connections between the various factors which affect livelihoods

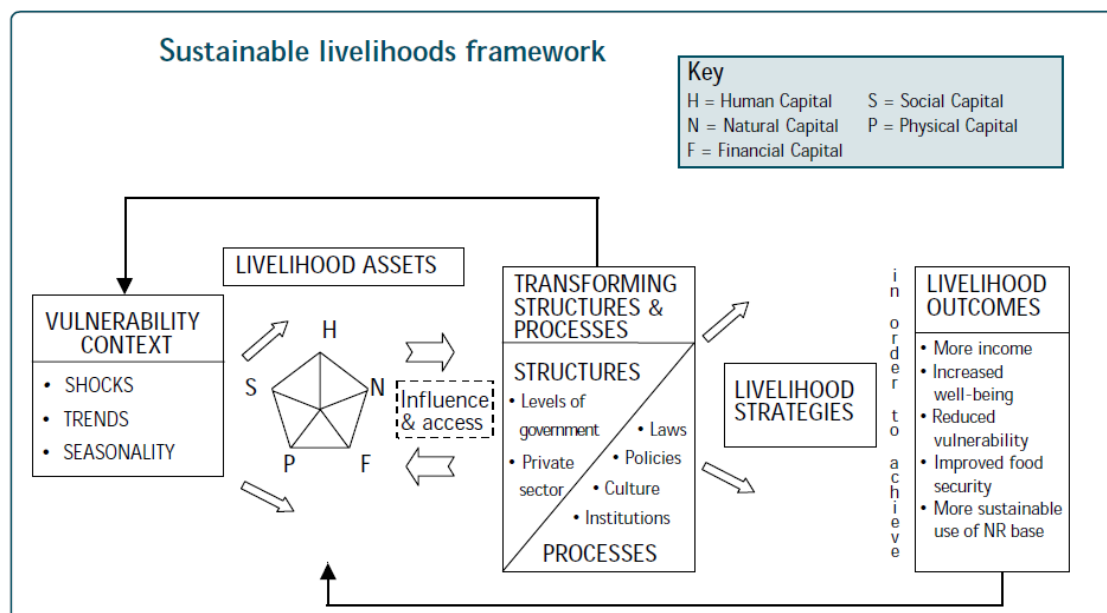


Figure 2.5.1 DFID Sustainable Livelihoods Approach (Guidance Sheet)

The Sustainable Livelihoods Framework believes people need different assets to achieve positive livelihood outcomes; these are human, natural, financial, physical and social capital. This means that people have multiple options to be able to achieve positive results in their lives.

Carney (1998) defines livelihood as “A livelihood system comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.”

2.5.1 Principles of SLF

In order to implement SLF it has seven guiding principles, outlined by IFAD, in this way, SLF does not propose answers or methods which differ from SROI which has a detailed methodology. The issues surrounding poverty and the reasons for poverty are complex, therefore most SLF experts such as DFID and IFAD (International Fund for Agricultural Development) state that the framework is flexible and practitioners need to modify to fit local circumstances.

The SLF guiding principles are:

- **People-centric** – people are at the heart of analysis, understanding the changes in their circumstances and involvement in the project life-cycle.
- **Holistic** – there are many agents and actors involved from beneficiaries, partners and government from the external environment who need consultation and to participate in analysis of the circumstances. DFID state *“one of the **core ideas** is that the majority of analysis should be conducted in a participatory manner to develop a meaningful dialogue with partners about how to address the underlying political and economic factors that perpetuate poverty.”*
- **Dynamic** – the external environment is constantly changing and analysis needs to be dynamic to understand what is influencing capital.
- **Strengths** - the SLF supports existing strategies and builds upon them, focusing on people's perceived strengths and the opportunities they have at their disposal.
- **Micro-macro links** – investigates the influence of policies and structures and whether local priorities are included.
- **Broad partnerships** – SLF encourages a broad range of partners from the public and private sectors.
- **Sustainability** – for ongoing change to the assets and a person's livelihood

The next section will look at the individual components of SLF and how they interact with one another.

2.5.2 SLF Components

As seen in Figure 2.5.1, the 'stresses and shocks' are the effects of the external environment in which people exist and this is also called the '*Vulnerability Context*'. It is important to understand because the external environment has a direct impact on the status of people's assets and their available options to know if they are able to pursue beneficial livelihood outcomes.

The core goal of the Sustainable Livelihoods approach is therefore to help people to '*become more resilient*' so that they have increase ability to capitalise on its positive outcomes. Therefore the analysis starts from the premise that those with more assets are therefore likely to have a greater range of options and be able to change and use multiple strategies to secure their livelihoods.

The pentagon is a visualisation of the status of the 5 asset types. To perform an assessment of availability of assets, the pentagon is drawn for a certain target group, where the lines meet in the centre is an assessment of zero access to assets while the outer limit represents

maximum access to assets. Poverty analyses have demonstrated that people's ability to escape from poverty is critically dependent upon their access to assets (DFID).

Haan (2012) states that *"In identifying where interventions can best be made...the assumption is that people pursue a range of livelihood outcomes (health, income, reduced vulnerability, etc.) by drawing on a range of assets to pursue a variety of activities."*

The next stage is Transforming Structures and Processes, this enables practitioners to understand the exchanges between the different type of capital and the sources of influence for example government policy and legislations and access to the various types of capital. This enables an understanding of people's use of livelihood strategies and those of decision-making bodies.

DFID states that *"The methods for conducting cost effective, linked policy and institutional analysis at multiple levels are not well developed."* This is a limitation for practitioners to be able to clearly map out policy and governmental stakeholder's influence on the ability for people to have access to assets. However, it is considered useful when thinking about governance and the individual structures and processes that affect livelihoods.

2.5.3 Livelihood outcomes

The overall aim of the SLF is the achievement of livelihood outcomes. Livelihood outcomes are *"the outcome that people consider important (DFID)"* and therefore the goals they want to meet through the assets and strategies. As previously stated in the SLF principles understanding the outcomes of interventions needs to be *"established through participatory enquiry"* to truly understand the underlying factors that influence improved well-being and income.

It is suggested that to ensure this, it is important to discuss indicators with particular groups and involve them in the monitoring process. One of the key assets is social assets which is closely linked to this research area, therefore a further look is taken into SLF's monitoring of social capital.

2.5.4 Social Capital

In exploring the SLF, one of the assets most connected to this research is social capital, as a fundamental component of a person's livelihood and most closely associated with understanding social value. In the context of SLF, social capital is *"the social resources upon which people draw in pursuit of their livelihood objectives (DFID)."* Social capital includes understanding a person's access to networks and their connectedness, membership of groups and their relationship, trust and reciprocal exchanges. It is considered important and a capital in its own right because *"Mutual trust and reciprocity lower the costs of working together. This means that social capital has a direct impact upon other types of capital (DFID)"* Social capital is analysed in different ways.

2.5.5 Social Capital Analysis

In terms of analysing a person's social capital, DFID states that from the outside it is difficult to gauge *"they may be discernible only after lengthy analysis (which may be beyond project/programme resources) and it is unlikely that they will be quantifiable (DFID)."*

For example, a count of the number of registered groups in a community does not necessarily demonstrate social capital because of group membership alone, it is also

necessary to determine the nature and quality of the group as well. Therefore, analysis is often focusing on trends – whether the condition of social systems are becoming better or worse for livelihoods – rather than trying to establish levels of social capital. An additional method to analyse social capital is observation of people’s coping strategies in times of crisis and the extent to which they rely on the social resources to overcome difficulty.

The fieldwork will investigate the approach Enactus teams used to analyse social capital and whether considerations were made for quality and trends. There are advantages and disadvantages to using the SLF to understand the issues with using this framework.

2.5.6 Advantages and Disadvantages of SLF

DFID states that “The livelihoods approach seeks to promote choice, opportunity and diversity”. In terms of benefits Krantz (2001) states that it enables a greater understanding about the *“underlying causes of poverty by focusing on the variety of factors, at different levels, that directly or indirectly determine or constrain poor people’s access to resources/assets of different kinds, and thus their livelihoods.”*

However, Krantz (2001) outlines “there is no unified approach to applying the Sustainable Livelihoods concept.” A main weakness of the SLF approach is the power relationships within poor communities as Adato et al (2002) state that *“missing from the sustainable livelihoods framework are the notions of power and power relationships”*. Krantz (2001) also affirms that a weakness of the SLA is *“the way resources and other livelihood opportunities are distributed locally is often influenced by informal structures of social dominance and power within the communities themselves.”*

Assessing non-tangible outcomes, which may be very subjective and private, is a challenge (DFID). Ashley & Carney (1999) state some of the challenges with implementation of a Sustainable Livelihoods Approach are

- 1) Uneven emphasis and neglect: the framework doesn’t tackle all poverty issues. In particular, power, gender, markets and the sector can get lost within ‘transforming structures and processes’.
- 2) Poverty: the causality between sustainable livelihoods and poverty reduction is still unclear

In addition, the Advanced Training on Humanitarian Action (ATHA) outlines the critical points of the framework which includes that *“Local organizations may not have the capacity to carry out the type of analytical research integral to the sustainable livelihoods approach to development.”*

2.5.7 Competing Livelihood Strategies

A finding from the SLF is that in determining a livelihood strategy to assist one group, there may be a case that it can disadvantage other groups. This creates a competitive environment in the allocation of scarce resources. DFID explains *“The poor are themselves a heterogeneous and internally competitive grouping”*. This ‘internal competition’ is for resources and assets and means that there is no solution to the problem in the SLF; however, it can be mitigated by;

- Expanding the number of choices and opportunities for the poor and building up their ability to take advantage of these opportunities. Empowerment by leaving them to make the final choice of what they will do; and
- it is important to put in place contingencies for those that may not achieve their livelihood objectives in what will always be a competitive environment (DFID).

In terms of monitoring and identifying outcomes the DFID states there are “*several difficulties in this area*” *these include different outcomes competing in terms of priorities and resources and the ability to convert outcomes (such as increased well-being) into observable indicators.*”

SLF Conclusion

SLF has been academically researched in a limited way, focusing on its implementation in rural, agricultural projects in developing countries therefore there is less data available about its implementation in other contexts than SROI. However it provides a framework to understand access to resources/assets that affect people’s livelihoods and the ways people want to achieve their goals. The poor are a ‘competitive grouping’ and some outcomes may conflict where it can benefit some and disadvantage others. Therefore, this approach actively involves stakeholders in identifying their needs in order to successfully understand what is affecting their livelihood and how the strategies have helped them overcome it.

There are also weaknesses in the approach, for instance, the creation of objective and monitorable indicators overall and for social capital. Another factor in particular is the role of power relationships in poorer communities and helping achieve an understanding of informal structures within a community. The approach fits more closely to the Enactus organisation because it does not overly rely on creating financial proxies.

Therefore, the next section builds a theoretical framework based on the common themes highlighted by these tools and frameworks. It draws out the important factors highlighted by academics in creating effective measures and the researcher will now explore these areas by undertaking fieldwork.

2.7 Theoretical Framework

There are important underlying assumptions related to this research that are found in the literature review. Therefore the author will explicitly state the theories that will be used to test these assumptions. The author has taken key elements from SROI and the Sustainable Livelihoods Framework to test with Enactus teams their influence and effectiveness on measuring social value.

The concern that this research is investigating is that social value measurement is complex and unquantifiable for a community project that is why the problem statement is what approach can Enactus The Hague University of Applied Sciences use to measure the social value of its community projects in order to increase its competitiveness.

Overall there are three overarching themes that the fieldwork will explore (1) Internal organisation (objectives, mission, vision), (2) Stakeholder drivers (Enactus Netherlands, board members and beneficiaries), and (3) External drivers (funding bodies, society values).

The following five **thematic areas** will be tested in the field to understand their importance to effective impact measurement in order to make a recommend for an approach Enactus THUAS can take;

Stakeholder Engagement

Holistic approaches such as SLF and SROI heavily mention the involvement of stakeholders, particularly power relationships to create effective measures for social value.

Standardisation

The language to express what is being measured in terms of consistency of meaning and enabling efficient comparison.

Transparency

To ensure credibility and rigour, there is a transparent evidence base to support measures and assumptions.

Communication

The value created is fully understood and reporting mechanisms are clear and accurate to stakeholders.

Resource intensity

Cost and consumption of time is considered manageable and realistic to achieve the project's objectives.

2.8 Summary of Theoretical Questions

It is important to measure social value for the following reasons from the literature review;

1. Why is it important to measure social value?

Social enterprises, such as Enactus, have a social mission which is considered a Unique Selling Point for governmental and funding organisations looking to procure social services. Social value is their **value proposition** and built into their purpose, which differs from other types of entrepreneurship. They highlight their value by increasing empowerment, reducing social exclusion and improving the quality of life of underprivileged people.

These social enterprises operate in parallel with the private sector, often in competition in a changing and stark economic environment, due to increasing pressures on commissioners of services to defend their choices in service delivery partners. Social enterprises operate with limited human and financial resources at their disposal. However, organisations who have engaged in the process of measuring social value report benefits by (1) being able to justify the use and impact of external funding, (2) make a stronger case for investment opportunities, (3) focus efforts and target resources with improved planning and (4) communicate better with stakeholders. An important aspect about the creation of value is that it can be "subject to the exchanges and perception of worth by stakeholders." For

instance, different stakeholders will have different perceptions of the value they get from different things.

Enactus teams from empirical findings also believe that measuring social value is important. This is in terms of accountability to stakeholders and measuring progress of the project in reaching its goals. Currently measurement is used as an internal tool to monitor progress rather than an external justification for funding.

2. What are the tools and principles available for measuring 'social value'?

The researcher looked at various measurement frameworks and tools, and common advantages were that these tools allowed organisations to look holistically not just at economic value, but social and environmental as well. The tools brought focus, either in looking at future trends (Triple Bottom Line) or in enabling an organisation to focus on demonstrating performance (Balanced Scorecard). However, disadvantages of the tools are that softer values are difficult to quantify, with unique outcomes non-profits struggle to accurately quantify them, also it is difficult to track whose needs are being fulfilled (donor or beneficiary) and how exactly an intervention is fulfilling the organisation's mission. Common principles of these frameworks are stakeholder engagement, standardisation, transparency, communication and resource intensity.

The specific main tools explored were SROI (Social Return on Investment) and SLF (Sustainable Livelihoods Framework) as past and future frameworks that have/will be used by Enactus. SROI provides a quantifiable method in assigning values to impacts; it allocates 'financial proxies' to indicators that are not clearly monetised, this is to understand whether a change has taken place. A prominent feature is including the perspective of different stakeholders and identifying what social value means then together finding appropriate indicators. A drawback of the SROI approach is its complexity, it needs resources to collect the data that develops financial proxies, either through benchmarking standards from market values or by analysing stakeholder input that many smaller organisations do not have the capacity to perform.

SLF believes people need 5 different assets (financial, physical, natural, human and social) achieve positive livelihood outcomes. This is because people need multiple options to be able to achieve positive results in their lives. SLF is flexible and analyses people's livelihoods and how they change over time, academically it has been analysed extensively for rural and agricultural programmes in developing countries. The advantages of SLF is that it is a holistic framework to help understand the access to resources/assets that affect people's livelihoods and the ways people want to achieve their goals. It also values a 'participatory manner' with stakeholders. For non-tangible outcomes, the SLF looks at trends and the quality of groups to determine whether social assets have improved. The disadvantage is that assessing non-tangible outcomes is still considered 'subjective and private', also difficulties in the creation of objective and monitorable indicators.

Both SROI and SLF methods are seen from studies to require sufficient capacity and people resources to carry out analysis integral to understanding value- adding activities.

Chapter 3: Research Methodology

3.1. Introduction

In this chapter, the research methodology is outlined, the researcher ensured triangulation of findings this includes the qualitative approach, in-depth interview and questionnaire methods, data sources and respondents from Enactus and procedure the researcher will use to obtain empirical evidence to analyse the theoretical framework.

3.1.2. The qualitative research approach

The character of this study is exploratory in order to gain insight on the topic of social value measurement. It will provide clarification of the problem of social value measurement and impact reporting in order to understand what approach Enactus can use to measure social value. Research began with an exploratory investigation into current literature and the tools used for social impact reporting and social value measurement in order to create a broad theoretical framework.

The research is qualitative this is because the topic is subjective about the role social value measurement should take. It also contains meanings and judgments are expressed from the participants and an interpretation needed to construct a better understanding of the problem (Saunders et al, 2012). The reason this thesis uses qualitative research is *“its ability to provide complex textual descriptions of how people experience a given research issue (Mack et al, 2005).”* Social value can be considered intangible as a topic therefore not easily counted and quantified using countable quantitative methods.

3.1.3. Explanation of qualitative research methods

The researcher used range of techniques in order to help triangulate findings. This included primary sources from **3 in-depth interviews** as the qualitative research method and primary data. In depth interviews are ideal for collating data on individuals' personal perspectives, and experiences, particularly when abstract topics are being explored. The researcher also used 4 semi-structured **questionnaires** with open-ended questions and some selected ranking questions to gain a wide range of views from Enactus teams and in order to collect information from a broader sample than can be reached by personal interview. Finally, as secondary data, a review of a sample of **23 case studies** from the 2013 annual reports that contain the reporting on outcomes from Enactus teams. This will complete an analysis of impact measurement performed by Enactus teams.

3.2. Research Design

3.2.1 Data gathering strategies

The advantage in using in-depth interviews in this exploratory research is the ability to use open-ended questions that give respondents the opportunity to respond in their own words instead of restricting their answers from a pre-defined list or selection. Open-ended questions gave the ability to evoke responses that were:

- Salient and culturally significant to the respondent
- Diverse, unexpected and illustrative in nature
- Original responses improves validity because it is direct from the source

An additional advantage is that in depth interviews enable flexibility to probe initial responses for clarification and to reach an understanding of why or how.

3.2.2 Question themes

The author determined the interview questions by focusing on the core themes from the theoretical framework. Using these five thematic areas in this research, the author developed an interview framework using the theme labels.

The type of data the author collected are participants understanding and viewpoints about the organisational context and mission and gaining a deeper understanding of project value and the perceived benefits they bring to the organisation in terms of competitive advantage. The author checked with the sponsor organisation if these questions are relevant and relate to the problem statement.

Before commencing interviews, interview questions were developed listing the areas of questioning, edit and prioritising questions based on theoretical framework, deciding which questions are open (so that the interviewee will give detailed and expanded answers) or semi-structured (to understand their beliefs by ranking statements and comparing it to academic literature).

The sequencing of the questions was to develop a logical flow so that the data analysis is more structured. This was done in order to answer the research question to understand an appropriate approach to measure value for Enactus THUAS. Interview questions are categorised based on the research questions and will fall into two main categories either 'concept-driven' from the literature or from the data collected in interviews 'data-driven'.

The interview framework is shown in Appendix 1 this enabled the research questions to be reflected upon and answers provided by respondents. The questionnaire is shown in Appendix 3.

3.2.3 Interviewee selection

To determine the interviewee selection, the aim is to have a range of respondents from senior managers to project staff, and this will provide an overall organisation view of outcome measurement and enable an assessment of feasibility of implementing social value measures, particularly from on the ground project staff.

Ideally, it would be better to interview all Enactus teams, however, due to time and resource limitations, in-depth interviewees were selected in terms of benchmarking – quality and status of their projects, ease of access and availability and wider respondents gathered via specific Enactus member social media groups on LinkedIn.

Following this, the author organised the interviews, *“the goal of the interview is to deeply explore the respondent's point of view, feelings and perspectives (Pereira et al)”*. This

included scripting initial questions using simple language and no jargon, preparing an interview schedule, interviewees were given a code and this will match with the interview protocol. Before conducting the interview the author piloted the interview with a classmate before conducting them in earnest. A recommendation will be made for the organisation framework needed to measure social value.

The interview format was semi-structured to enable a flow of the conversation and based on the information provided by the participant. The author will aim to interpret the opinions of participants and gain clarity and a deeper understanding of the topic throughout the interview. The experience of conducting interviews by the author is limited therefore to mitigate these; the interview format will follow the principles of;

- Being conversational to encourage dialogue and a good active listener that prompts respondents and ask why for more in-depth analysis
- Record the interviews using audiotape and field notes, including observations of body language and tone.
- Reflect after the interview with person feedback on the experience.

Interviews were conducted via Skype for the Enactus Netherlands Program Manager, Board Member for Enactus University College Utrecht and Project Leader for OneDollarGlasses at Technical University Munich due to availability in their schedules. An appointment was made for a 1 hour interview with a brief explanation about the researcher and topic so that the correct person was being interviewed and they had time to ask clarification questions. None were asked prior to interview. At the start of the interview background provided before questions commenced. Interviews were held in a quiet private room with a good internet connection via computer and field notes taken during the discussion. This enabled participants to freely discuss issues and extend their opinion confidentially. The Enactus Netherlands Programme Manager had short availability; therefore questions were focused about strategic decisions and judging criteria rather than operational activities of teams.

3.2.4 Data Sampling in Qualitative Research

There is an element of convenience sampling, this is because respondents need to be connected with Enactus to know what measures are currently performed by teams and teams have an understanding of the Enactus values and mission. Therefore pre-defined respondent selection was carried out considered due to restrictions on time and participant availability.

In-depth interviews with project teams explored the nature of value measurement and to find a dominant trend; these is because social value measurement is not formally undertaken and will therefore likely be semi-structured and provide guidance for the recommendation and conclusion stage of the research.

Data was gathered using in-depth interviews, containing some probing questions to explore responses and some specific closed questions, data was gathered from;

Interviewees	Position
Interviewee 1	Enactus Netherlands Programme Manager
Interviewee 2	Board Member and Treasurer, Enactus University College Utrecht, Netherlands
Interviewee 3	Project Leader, OneDollarGlasses, Enactus Technical University Munich, Germany
Questionnaires	
Respondent 1	Project Member, Enactus North Arkansas College, USA
Respondent 2	Owner of StudentRentIt.com, Enactus Texas State University, USA
Respondent 3	Alumni, Sedikong Organic Farm, Enactus University of Limpopo
Respondent 4	Project Member of My Streets - Enactus Kent, UK

- To understand and align to the strategic vision of Enactus Netherlands which Enactus THUAS is a part, the researcher will interview the Enactus Netherlands Programme Manager; this is to gain insight into the strategic value of impact measurement. An additional document review of the Enactus Team Handbook (2014) and New Judging Criterion on Sustainable Livelihoods presentation provided by the Enactus Programme Manager was also undertaken to support verbal findings.
- Enactus projects held within the Netherlands and abroad, therefore in-depth interviews were held with the project leaders from Technical University Munich (2013 Enactus World Champions) whose project *OneDollarGlasses* is based in Africa and South America, and the University College Utrecht whose project *ArtLinks* is based in Utrecht and they were a finalist at the 2014 National Competition. These are considered as benchmark 'competitive' Enactus teams that have successfully met Enactus judging criteria and demonstrated the outcomes of their projects to a jury of business leaders.
- There was an online questionnaire designed in SurveyMonkey for a simple and easy of use format (see Appendix 3). This was sent to collate experiences on measuring value from Enactus teams from a range of projects and team members via specific Enactus member LinkedIn groups and Facebook; this provided more responses from a range of projects and gave an insight into research question 3. How does Enactus measure its outcomes and value its projects? Gaining an understanding of different Enactus teams' impact measurement tools is to provide a basis for comparison for Enactus THUAS.
- To strengthen the research and widen and randomise the sample size to ensure external validity, secondary data was collected and the researcher will analyse 23 case studies from annual report data submitted by winning and finalist Enactus teams worldwide from the 2013 World Competition. Case studies are available on the Enactus Worldwide website as a public source – <http://enactus.org/worldcup/2013-results/>. The case studies are divided into 3 categories (1) projects relating to natural resources / farming, (2) projects relating to employment and (3) projects relating to technology. This is to provide some consistency of comparison in how the outcomes are measured.
- Desk research and document reviews investigated an overview of funding organisation requirements. Table 3.2.6 and Table 3.2.6a outline the key documents reviewed and

their significant comments that were compared with interview and questionnaire data to find key trends in the analysis.

3.2.5 Data Analysis

The author prepared the interviews in short written reports that will be checked by the interviewees. These document summaries will provide a list of key points, “how it relates to my research and why it is significant” (Saunders, 2012). Once the categories are generated then data was organised by searching for key themes and patterns that emerge from the respondents and linked to the theory. As relationships between the data forms, there will be ‘testable relationships’ where there was a need to determine whether there is a connection or relationship between two variables, for example, funding organisations and high preference for financial indicators.

The research evaluated the strengths and weaknesses of current principles and two current tools available namely Social Return on Investment (SROI) and the Sustainable Livelihoods Framework (SLF) and its use by social enterprises from the critical literature review. The research developed inductive inferences, making broad generalisations from the literature review and in-depth interviews of participants’ viewpoints. The research will then tested the inferences to draw specific conclusions about the effectiveness of the social value measurement tools and their appropriateness for Enactus.

The researcher used the constant comparative method from Glaser & Strauss (1967) “this process involves: Identifying a few local concepts, principles, structural or process features of the experience or phenomenon of interest.” Phrases and sentences within the interviews and field notes were reviewed to codify it and test whether it fit the concepts suggested by the data. Primary interview data was weighted more heavily in the analysis than document reviews where there were no direct participants.

Data was analysed from the following empirical sources to collect evidence for the theoretical framework

- Stakeholder Engagement (interviews / questionnaires)
- Standardisation (annual reports)
- Transparency (interviews / questionnaires)
- Communication (interviews / questionnaires)
- Resource Intensity (interviews / annual reports)

Table 3.2.5: List of coded profiles of participants

Interview Type	Profile	Code
1	Enactus Netherlands Programme Manager	EPM
2	Board Member and Treasurer – University College Utrecht	Board
3	Enactus Team Project Members (5)	Proj-Mem
	Project Leader, OneDollarGlasses, Technical University Munich	Proj-Mem
	Project Member, North Arkansas College	Proj-Mem
	Owner, StudentRentIt.com, Texas State University	Proj-Mem
	Alumni, University of Limpopo	Proj-Mem
	Project Member, Enactus Kent UK	Proj-Mem

Table 3.2.5a Significant remarks from interviews and questionnaires

	EPM	Board	Proj-Mem
Stakeholder Engagement			
Participation	Y		Y
Active Involvement	Y		
Standardisation			
Language used		Y	Y
Use of Frameworks	Y		
Flexibility	Y		
Communication			
Measurement	Y	Y	Y
Outcomes	Y	Y	Y
Monitor Progress		Y	Y
Objectives / Mission	Y	Y	Y
Transparency			
Needs assessment	Y	Y	Y
Focus on Financial than Social			Y
Demonstrates impact	Y	Y	Y
Resource Intensity			
Time	Y	Y	Y
Cost	Y		Y
Knowledge			Y
Complexity			Y

Each interview was analysed in turn, then once all interviews and questionnaires were completed they were compared and contrasted with each other by theme. This enabled categorisation of the significant remarks and subsequent analysis with secondary data. Secondary data was also compared to the key remarks.

Case Study and Document review analysis

Enactus teams' projects were analysed using a 'descriptive approach'. A series of themes was developed and case studies were into the following broad headings.

- Importance of measuring impact
- Outcomes measured by teams
- Measures and Techniques used
- Benefits and Challenges of these techniques

The identification of issues described the findings and this enabled differences and contrasts to be identified and linkages to the themes from the theoretical framework. Rating and ranking techniques using a Likert scale made it simple to rank statements and the researcher also based findings on the frequency of the terms used to determine trends in the data.

Table 3.2.6 Documents Reviewed

Document	Code
Internal documents	
Enactus Team Handbook 2014	Internal
Enactus Team Annual Reports	Internal
Funding Organisation Funding Criteria	
Fond1818	Funding
Ashoka	Funding
Oranje Fund Growth program	Funding
ABN-AMRO Social Impact Fund	Funding
VSB Fund	Funding
Doen Foundation	Funding

Table 3.2.6a Significant terms from document review

	Internal	Funding
Stakeholder Engagement		
Participation	Y	Y
Active Involvement		Y
Standardisation		
Language used	Y	
Use of Frameworks		
Flexibility		
Transparency		
Measurement	Y	Y
Outcomes	Y	Y
Monitor Progress		Y
SMART Objectives / Mission		Y

Communication		
Needs assessment	Y	Y
Focus on Financial than Social		Y
Demonstrates impact	Y	Y
Resource Intensity		
Time		Y
Cost		Y
Knowledge		
Complexity		

3.2.6 Reliability, Validity and Ethics

In order to produce consistent results, researcher error was minimised through preparation of the interview questions and creating a document summary to interviewees to reduce misinterpretation of their meanings. To reduce participant bias, interviews were conducted in one-to-one settings to avoid coercion in responses that may arise from group settings. Anonymity of respondents was maintained through use of codes in interview protocol and identity kept private. To reduce participant error in their performance, the researcher ensured questions were tested first in a pilot format with 2 MBA classmates so that use of language and interpretation are maintained consistently across interviewees.

Within the questionnaire, minimum personal details were taken, only the name of the team and the person's role within the team to gain a wide range of perspectives. This meant the online questionnaire maintained participant anonymity.

The main threat to validity is the ambiguity about causal direction, meaning a 'lack of clarity between cause and effect'. The researcher ensured that a critical and objective view (Saunders 2012) is taken of participants responses and linkages to theory, this involved examining the research steps undertaken, how the interviewee was selected, the way that data was collected and the type of question asked, the style, environment factors and how the data was analysed, before drawing a specific conclusion.

Ethical concerns are the standards of behaviour guiding personal conduct in terms of confidentiality of documents, responses and treatment of participants during field work. In order to maintain ethical standards, the researcher will follow the University's code of conduct and identify the most appropriate contact and approach with my sponsor company liaison. Appropriate dress code, language and conduct will be considered when conducting I depth interviews and adequate time given to respondents in preparing for interviews by releasing the schedule in advance.

3.2.7 Strengths and Limitations of the Information

The strengths of this information is that interviews were taken from primary sources in decision making positions, therefore the respondents had a good knowledge of the project and outcomes and the importance of measures and Enactus' judging criteria.

Information was also gathered from finalist and Winning Teams therefore, there has already been a filtration process of the quality of the teams reporting and projects from the National Competition stages and these teams data can be used as a benchmark of quality for others.

Projects are aligned to Enactus Values and reporting against the same criteria this meant that there was the ability for greater comparison about what works and does not work in terms of impact measurement.

The limitations of this data are there are a small number of primary sources for in-depth interviews and questionnaires to mitigate this it is supported by findings from secondary data used from Annual Reports.

The Annual Reports are mandatory, so teams do make an effort to complete them to good quality, because they are part of the judging criterion. The reports “provide an overview of the team’s efforts, results and achievements. It may also include information on future plans for growth and expansion.”

One of the limitations of using the annual reports however, are that they contain information that are limited to the dimensions noted below as part of Enactus rules (Team Handbook 2014), therefore the amount of information contained cannot be as comprehensive as a longer document.

- 1) Four single sheets of 8 ½” X 11” or A4 size paper printed single-sided
- 2) Two single sheets of 8 ½” X 11” or A4 size paper printed on both sides.
- 3) One sheet of 11” X 17” or A3 size paper printed on both sides.

From the initial interviews it was necessary to briefly clarify what was meant by ‘impact’ measurement; therefore, questionnaire respondents would not have had the opportunity to clarify understanding of the term social impact / value, and may have derived other meanings from it. However, this was mitigated by testing the questionnaire with classmate and other person.

As a point of further analysis, interviews with groups of external stakeholders and beneficiaries would have been helpful to determine what types and levels of stakeholder engagement are most needed and most effective and strengthen the data in terms of its influence on social impact measurement.

Chapter 3 Summary

This research used qualitative research methods because the topic is subjective and requires an exploratory approach. Meaning and judgements were taken from participations from in-depth interviews and questionnaires. There is a small sample size of interviewees and the researcher notes this can cause validity and credibility issues, therefore to support the primary data and increase internal validity, secondary data was reviewed and included from Annual reports from finalist and winning teams. Primary and secondary data was compared and contrasted using a the theoretical framework as a guide and rankings based on the frequency of terms used to spot trends in the data.

Chapter 4: Findings and Analysis

4.1 Introduction

This chapter analyses the in-depth interviews, questionnaires and case studies from Enactus teams and how projects were measured and valued. The chapter begins with a summary of the Guidelines and Judging Criteria that govern measurement which are contained in the Team Handbook. This is important because it provides the context in which Enactus teams operate. Then a summary of the findings from (23) Enactus teams case studies will be presented, outlining social impact measures and the outcomes reported, this will provide an understanding into what outcomes are often captured by teams and in their view should be measured. Finally, in-depth interviews will provide a deeper insight into the why these outcomes are important to Enactus to help determine the approach Enactus THUAS needs to take.

The findings will answer the empirical research questions that are;

Q3. How does Enactus (Worldwide) measure its outcomes and value its projects?

To identify and explore the current method of measuring outcomes through in-depth interviews with board members and Enactus projects. It is important to understand what outcomes should be measured and why they are important to the organisation. This will determine the criteria to evaluate the tools that measure social value.

Q4. What criteria are funding organisations looking for when valuing projects?

To identify criteria for 'competitive' by focusing on criteria from Dutch funding organisations such as Fonds 1818, to determine how non-profit organisations are defined as creating value.

4.1.1 Enactus Worldwide Case Studies

A range of 23 country case studies (See Appendix 5) have been analysed to gain a wide perspective of how Enactus Teams measure impact. These are finalists and winners from the 2013 Enactus World Competition. The countries chosen are geographically spread from each continent to randomise the sample. The case studies are divided into 3 categories (1) projects relating to natural resources / farming, (2) projects relating to employment and (3) projects relating to technology. This is to provide some consistency of comparison in how the outcomes are measured.

4.1.2 Project Types

Teams presented different projects in the annual reports. Figure 4.1.2 shows a breakdown of the type of projects analysed in the case studies. The majority of projects presented were Employment related providing employability skills and experiences to people. Choosing this type of project also helps Enactus THUAS because as stated by the Enactus Netherlands Programme Manager "*The projects in the Netherlands are more geared to assisting groups*

with social assets and not so much on natural assets, for example agriculture development projects.”

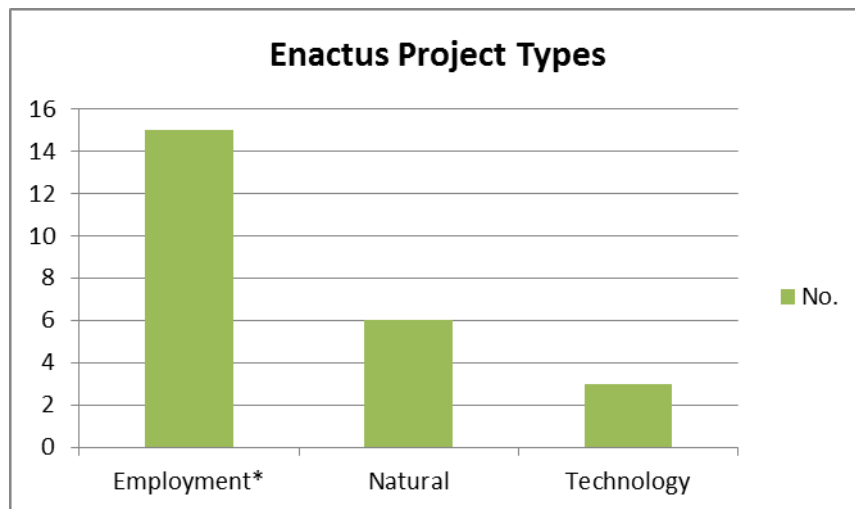


Figure 4.1.2 Case study project types

* classified as Employment project because outcome was beneficiaries gained employment

4.1.3 What outcomes should be measured and why they are important to the organisation?

In order to explore the current method which Enactus uses to measure outcomes, first Enactus Teams were asked whether they consider measuring impact as important, this determines whether teams consider it necessary to carry out and the extent they feel measuring impact is critical to perform.

Strategically, the Enactus Netherlands Programme Manager stated measuring impact is important for **accountability**, according to the Enactus Team Handbook (2014) *“every initiative or project we undertake will be judged by the only measure that matters: how effectively we create lasting and meaningful progress in the lives of those we serve.”*

During in-depth interviews, University College Utrecht (UCU) felt that it was “important” to measure impact to enable the team to monitor the progress being made and whether goals or outcomes are being met.

“It is important to measure the impact of our projects as to see how much progress is made. Additionally, when measuring the impact of our projects we are able to see how much closer we are to our final ‘outcome’ or goal.”(UCU)

Enactus Texas State University also states that progress or ‘seeing improvement’ is a reason to measure impact *“To assess whether lives of ordinary people have improved”*

The need to see improvement is reinforced by Enactus Kent, UK *“It is essential to measure the impact of the project in order to evaluate the improvements we have been able to trigger in our beneficiaries' lives and also to make sure that our project remains orientated towards their individual needs, which are very specific from one to another.”(Enactus Kent, UK)*

Technical University Munich did question the author to clarify the definition of 'impact' and after discussion, concluded in their context it meant the "*intended results*" of the project. They consider measuring the impact of their project is significant because it "*helps with performance and strategic decisions*" including "*addressing problem areas*"

The types of strategic decision that measuring impact can be linked to is Return On Investment, meaning the amount invested or spent achieved the expected return. Enactus Texas State University states measuring impact is important because it enables them "*To gauge the cost per customer and ensure our ROI was greater than cost to do business.*"

In conclusion, teams consider undertaking impact measurement as an important way to track progress, improvements and returns.

4.1.4 Enactus Measurement Guidelines

Enactus considers that "*the use of the right measurement tools, coupled with an understanding of the varying degrees of outcome-assessment, will prove to be an integral part of a team's success.*"

In all the case studies reviewed and teams interviewed, all teams were assessed based on a judging criterion and needed to report using this criterion to demonstrate the impact of their work.

4.1.5 Enactus Judging Criterion

Every year Enactus teams are required to compete in national competitions, culminating in a World Cup in order to demonstrate successful delivery of projects and progress during the year. The Judging Criterion "*allows the creation of a framework to base projects on*", in 2013³ it states;

Considering the relevant **economic, social and environmental factors**, which Enactus team most effectively **empowered people** in need by applying business and economic concepts and an entrepreneurial approach **to improve their quality of life and standard of living?**

The criterion offers a "broad-focus" approach in asking projects to apply business and economic concepts with a pronounced emphasis on outcome.

Projects currently follow the following methodology

- **Rationale / Needs Assessment** – consider social factors here, determine the people in need
- **Inputs** – resources, time and funds dedicated to the project
- **Activities** – these are the project activities that it takes to achieve the chosen results
- **Outputs** – the product of project activities and measured by the amount of work accomplished such as number of workshops / classes / and attendees.

³ 2013 Judging Criteria used because the projects evaluated were conducted in 2013

- **Outcomes** – defined as ‘the changes expected to result from a project’ – therefore the outcomes that should be measured are those that relate to the benefits or changes for individuals or groups during or after participating in program activities.

Enactus highlights it is **outcome focused** and there are 5 factors that Enactus want teams to consider and demonstrate when measuring their projects. Firstly, Enactus projects are required to look at 3 impact factors – social, economic and environmental. These three factors mirror the triple bottom line concept, (i.e. profits, people, planet) and teams are encouraged to take an integrated approach to demonstrate their projects are effective and sustainable.

This research is focusing on the measurement of **social factors** to seek an answer to the problem statement about what is the most appropriate approach for Enactus THUAS to measure social value.

Social factors do not have a specific definition provided in the Enactus Team Handbook; however it is linked to the factors that affect people’s lifestyles and behaviours. Social factors that teams outlined in case studies are:

- **Unemployment**
- **Access to Networks**
- **Access to Resources – such as education, health and welfare**
- **Education levels**
- **Status and recognition**

In addition to the 3 main factors teams are also asked to report about empowerment and quality of life which is also related to changes in social outcomes (Team Handbook, 2014);

- ‘Effective Empowerment’ - how teams will equip the target group with the knowledge, skills, and/or confidence to become independent.
- ‘Quality of Life’ - refers to non-material aspects: the social, cultural and emotional circumstances of an individual or target group
- ‘Standard of Living’ - refers to material aspects: the physical, financial and environmental circumstances of an individual or target group

Ideally teams use measurement to “*track progress using selected indicators*” in order to demonstrate achievement of an improved Quality of Life and Standard of Living for the project beneficiaries.

From the Enactus Team Handbook (2014), in order to understand the outcomes, teams “*should investigate, observe and listen to the priorities, needs, wants and goals of the target audience.*” And determine how it is currently done by the target group in order to identify whether changes are needed.

First and foremost to determine what to measure, teams outline the People in Need and their Needs Assessment. All case studies of projects started with a needs assessment. As part of the judging criterion “*A key evaluation is the team’s ability to illustrate the need(s) of the target group(s) they worked with and why they chose to address those needs* (Enactus Team Handbook, 2014)”

Some teams outlined that they carried out the Needs Assessment by

- Observation of groups or processes
- Interviews with target group
- Surveys of target group

Observations are documented from case-studies as;

*“Enactus Kabarak (Kenya) **saw the need** to improve agricultural produce...”*

“Data collection conducted via direct observations, interviews and questionnaires (Enactus Malaysia, Annual Report)”

“formal community study and situational analysis” (Enactus Puerto Rico Humancao)

Surveys and Interviews are mentioned directly;

“our partners interview and select them to join the training... they put in place a detailed criteria, they look for are people who are literate, mechanical (because they need to use tools, bend wires etc) Technical University Munich, OneDollarGlasses.”

Once a Need Assessment is completed, this will identify the outcomes that teams want to meet; these can become project descriptions or a mission statement.

In-depth interviews asked which outcomes are measured for projects;

“We measured the personal impact of the women or how the project (Enactus UCU) has personally impacted the women (University College Utrecht)”

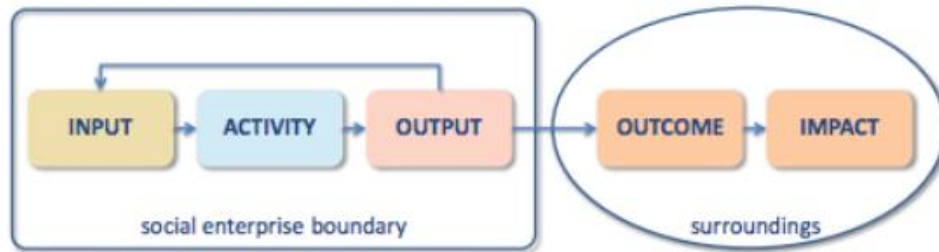
Identifying outcomes is described as understanding an issue before and after an activity;

“Scope of understanding of issue before and after exposure to the problem and its contributing factors and potential solutions (Texas State University)”

An outcome is stated in the Enactus Team Handbook (2014) is defined as ‘*the changes expected to result from a project*’ therefore the outcomes that should be measured are those that relate to the benefits or changes for individuals or groups during or after participating in program activities. Enactus state that good outcomes illustrate a ‘positive’ change in the beneficiaries’ quality of life and/or standard of living. According to the Judging Criterion, monitoring outcomes is more important than measuring just outputs, ideas or ambitions because it is the team’s achievement of outcomes that “result in benefit or betterment of the target group(s)”

Outcomes are very different to outputs. It comes from the theory of change approach from SROI is a methodology that Enactus asks its teams to consider when measuring the impact of their activities, particularly the portion of the impact that can be attributed to their activity (see Figure 4.1.5 below).

The outcomes of your project lie outside of your project. What portion of the impact can be attributed to your project?



Bron: Social E-evaluator



Figure 4.1.5 Theory of Change (Enactus team preparation)

From the in-depth interviews and 23 case studies, teams often reported on multiple social outcomes for instance increasing skills, increasing confidence and gaining employment. The following Social Impact 'Outcomes/Results' were identified (Figure 4.1.5a) by Enactus Teams. Phrases have been categorised into common groupings in order to undertake a more detailed analysis, for example there are various phrases used such as occupation, jobs created, new jobs that are classified as 'gained employment';

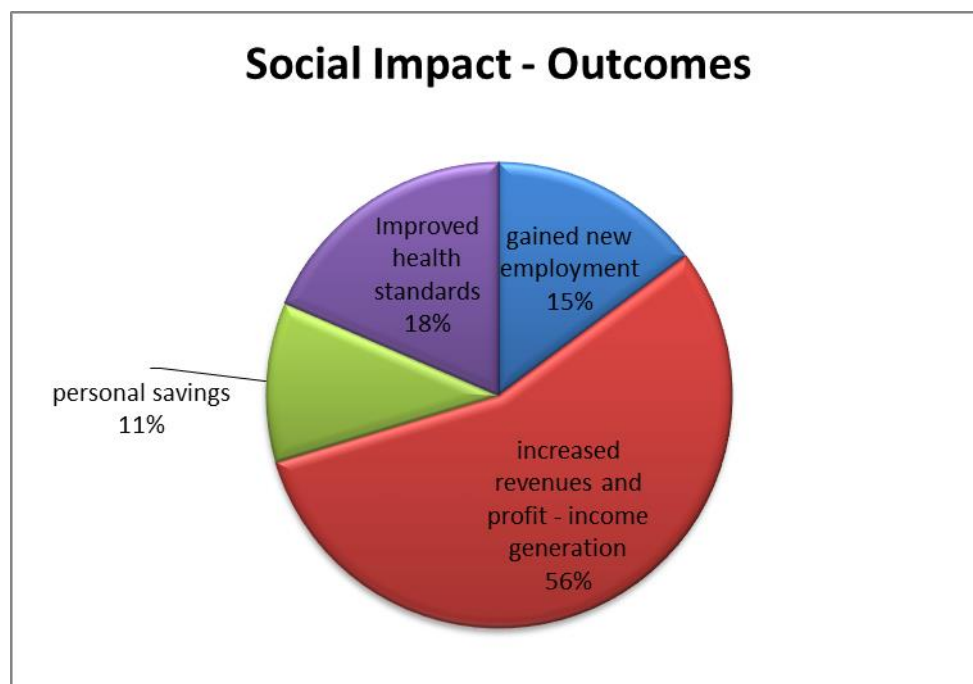


Figure 4.1.5a. Enactus Social Impact Outcomes/Results

Outcome	No. of Teams
Gained new employment	4
Increased revenues and profit - income generation	15
Personal savings	3
Improved health standards	5

Increase of revenues and profits and income generation (as a new source) is cited by 15 out of 23 teams (65%) as an outcome or 'change expected as a result from the project'. This followed by improved health standards of the target group and customers, followed by gaining employment and lastly the target group achieving personal savings as a result of project activity.

All teams reported on social impact and outcomes. However, out of the 23 projects analysed, 12 out of 23 (52%) of teams categorised separate specific outcomes for social impact, quality of life, standard of living and effective empowerment (Figure 4.1.5b).

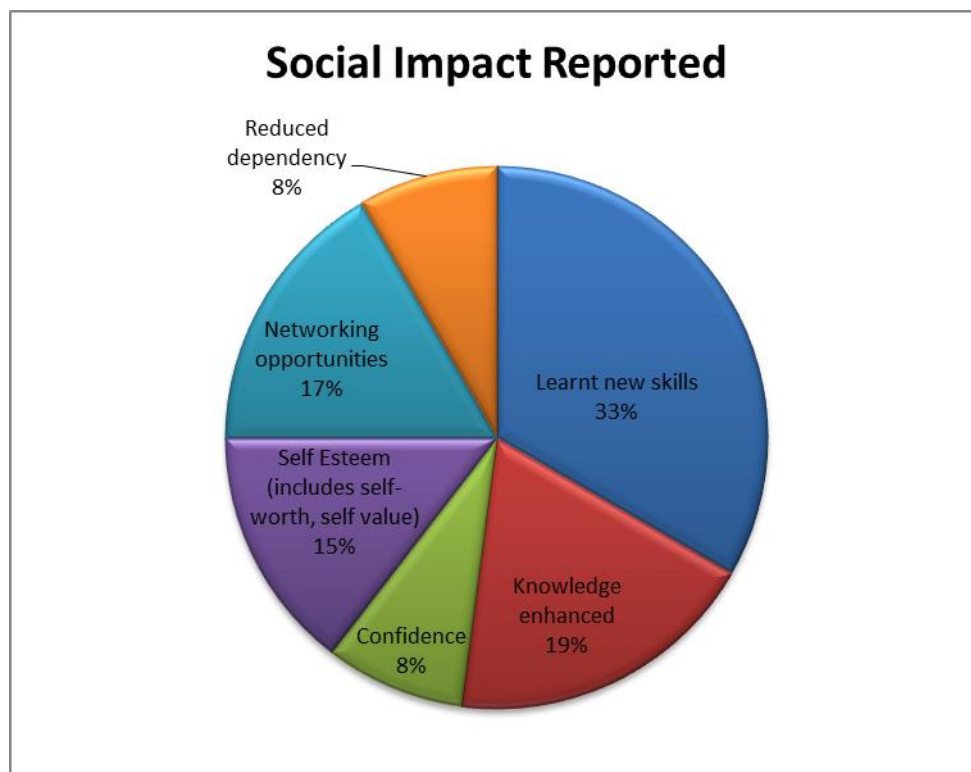


Figure 4.1.5b Phrases to describe Social Impact

Quality of Life

The measure for '**Quality of Life**' refers to "non-material aspects: the social, cultural and emotional circumstances of an individual or target group"

Enactus Team Handbook (2014) states "*Measuring an increase in a person's quality of life is somewhat subjective. Especially given that there are various factors such as religion, culture, age, gender and others that impact **the way people perceive their own existence and consequently, their quality of life.***"

In assessment of the case studies, reporting on 'quality of life' was recorded in qualitative statements, and as being achieved by using the following phrases. In total 4 out of 23 teams (see Table 4.1.5c) reported quality of life as a stand-alone indicator. It demonstrates the variety of terms used to express quality of life, only 3 teams decided to categorise Quality of Life separately from all outcomes. Increased self-esteem and learning new skills are both mentioned twice and therefore most commonly cited improvements in quality of life.

Table 4.1.5c. Quality of Life indicators

Outcome	Phrase used	Enactus Team
Quality of Life	Knowledge enhanced	Guatemala
Quality of Life	Learnt new skills	Guatemala
Quality of Life	Increased self esteem	Guatemala
Quality of Life	Solid administrative structure	Puerto Rico
Quality of Life	Learnt new skills	Puerto Rico
Quality of Life	Improved self esteem	Nigeria
Quality of Life	Sending children to school	Nigeria

Standard of Living

For the factor of '**Standard of Living**' this refers to "*material aspects: the physical, financial and environmental circumstances of an individual or target group.*"

Enactus Team Handbook (2014) state the following - The measurement of successful standard of living is often largely '**income based**'. But, it is associated strongly with the '**access**' and '**affordability**' of items such as:

- education or skills development
- health care and sanitation
- materialistic comforts such as housing, clothes and transportation

In total 6 out of 23 teams reported Standard of Living as a stand-alone indicator and reported the following attributes in Table 4.1.5d. The metrics are income and savings based. Increased revenues and profits and personal savings are the most mentioned attributes to improvements in Standard of Living.

Table 4.1.5d Standard of Living indicators

Outcome	Phrase used	Enactus Team
Standard of Living	Increased revenues and profits	Guatemala
Standard of Living	Personal savings	Guatemala
Standard of Living	Expansion of business	India
Standard of Living	Improved health standards	India
Standard of Living	Gained employment	Malaysia
Standard of Living	Increased revenues and profits	Malaysia
Standard of Living	Personal savings	Nigeria
Standard of Living	Income generation, revenue and profits	Singapore
Standard of Living	Income generation, revenue and profits	Puerto Rico
Standard of Living	Living and working conditions	Puerto Rico

Three of the teams when reporting Standard of Living contained use of actual figures and numbers;

“550 families save an average \$150,562.50 by using briquettes, these savings are channelled into meeting family needs i.e. better access to primary healthcare, education, housing etc.” (Enactus, Nigeria)

“New structure for scholarship program, with an income of \$12,500” (Enactus Puerto Rico, Humancao)

“Recurring revenue 2393 USD annually (Philip Morris International), Non-recurring revenue 1869 USD (Capital Commercial Trust) 633 USD (DBS Social Enterprise Event)” (Enactus Singapore)

The remaining four teams expressed Standard of Living in qualitative terms;

“Acquisition of better income, education and occupation” (Enactus Malaysia)

“The families economy have improved and with saving money they have start new businesses, (e)stablishing 550 breeding broilers” (Enactus Guatemala)

“Newly developed potential of the owner to expand his venture” (Enactus India)

Three teams (13%) reported both Quality of Life and Standard of Living together. The phrases used are again varied but Self-esteem is the most reported phrased used twice when reporting these factors together.

Outcome	Phrase used	Enactus Team
Quality of Life & Standard of Living	Improved mental state	China
Quality of Life & Standard of Living	Realised social identity and self-value	China
Quality of Life & Standard of Living	Increased self-esteem & self-worth	Malaysia
Quality of Life & Standard of Living	Income generation	UK
Quality of Life & Standard of Living	Personal savings	UK
Quality of Life & Standard of Living	Improved health standards	UK

Standard of Living also includes “improvement of status” teams are asked to more specifically in guidance to look at areas such as increases in income, power and life satisfaction, although it is noted that this definitions means ‘life satisfaction’ blends into the definition for quality of life.

4.1.6 Effective Empowerment

The most reported outcome factor from the analysed teams’ case studies was reporting about effective empowerment, 12 out of 23 teams (52%) reported exclusively about Effective Empowerment.

Enactus states that “*Individuals are empowered **when they implement** the skills and/or knowledge they learn during the initial stages of the project in their lives*” It also includes when individuals develop the confidence to move from dependency to self-determination.

Phrases used to explain effective empowerment were again varied touching on improved access to feelings and behaviours. The common phrases used to describe Effective Empowerment are shown in Figure 4.x. ‘Learnt New Skills’ and ‘Knowledge Enhanced’ is mentioned by the majority of teams when describing Effective Empowerment.

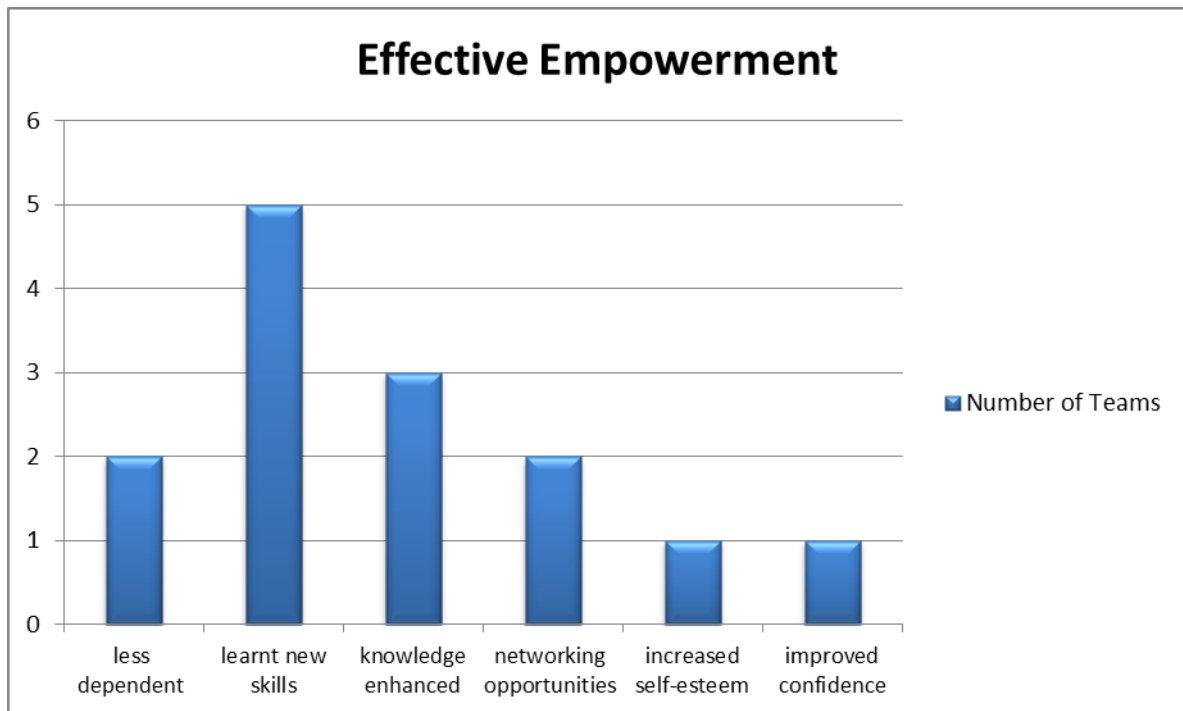


Figure 4.1.6 Phrases used to report Effective Empowerment

*Teams can report multiple outcomes, for example improved confidence and learnt new skills.

Examples from teams are provided verbatim below;

“Newly developed potential, less dependent” (Enactus India)

“Development of skill sets and knowledge transfer” (Enactus Malaysia)

“A business board appointed to oversee and assess business operations.” (Enactus Puerto Rico, Humancao)

“Women’s empowerment through business skills transfer” (Enactus South Africa)

This links back to the Judging Criterion which also balances outcomes with the importance of method, i.e., “empowering people in need.” It also supports “the long-standing belief within Enactus that the best way to help people in the long run is to equip them with knowledge and skills to help themselves. (Team Handbook 2014)”

During in-depth interviews and questionnaires, team members were asked which outcomes they felt **cannot be measured**. This is to understand the limitations with current measurement techniques. The wider outcomes of projects such as integration back into society for instance the implementation of the new skills into people’s lifestyle was considered a difficult area to measure.

“For most of our projects we like help our target groups reintegrate back into society; however this is very difficult to measure. When they leave the workshops we have little indication of how they lead their lives or their lives next to the workshops (University College Utrecht).”

“We do not have a profile of who the glasses get sold to. We also want to measure people we sell glasses to...What is happening in their lives, improvements, changes...we do not know, only the side that we train, even then the impact on their lives at home, confidence, self-esteem, pride in having a job we do not capture in our reports yet (Technical University Munich)”

“Confidence levels of the business management, staff morale, impact on greater community” (Enactus University of Limpopo)

“So those tools I talked about above were not very efficient in evaluating very abstract things, such as confidence, self-esteem, team-work, etc.” (Enactus Kent, UK)

In addition to this difficulty, it is difficult to establish the causal links between the activity and the outcome;

“We cannot predict that there is a causal link between our workshops and our target groups’ reintegration back into society (University College Utrecht)”

“Whether or not a user leased an apartment after hearing about an apartment through our site” (StudentRentIt.com, Enactus Texas State, USA)

“It is only in theory that the increase in understanding will translate into action.” (Enactus, North Arkansas, USA)

In summary, Enactus teams are required to look at three main factors economic, environmental and social, additional social outcomes are based on quality of life, standard of living and effective empowerment. Teams used these themes to report on changes in beneficiaries’ progress, in most cases through the use of qualitative expressions, there are varied responses that cut across the additional social outcomes and used interchangeably. Quantitative data is used most in the case of standard of living quantitative data to evidence their findings. Teams found challenges in not being able to measure outcomes for confidence, self-esteem and causality between action and feelings generated.

4.1.7 Current Methods of Data Collection for Social Outcomes

From the previous section we understand which outcomes are measured on and why, it is also necessary to determine the method, tools and metrics teams used to measure these outcomes, so that an appropriate approach can be recommended for Enactus THUAS.

Enactus states that teams *“may use a combination of the measurement tools both qualitative and quantitative to measure the impact and outcomes of each project”*. Enactus asks that teams *“must clearly identify the measurement tools that will be used.”* There are three types of measures;

- **Qualitative** measurements based on interviews and testimonials of participants
- **Quantitative** measurements based on “translating experience into units that be counted, compared, measured and expressed statistically” such as pre and post exam results, observations and ratings.

- Using a **mix of qualitative and quantitative measurements** where each team can answer “was this project successful?”

Most importantly at the outset, teams are encouraged to ‘*determine such indicators*’ so that they are able to measure their impact throughout the project. Indicators demonstrate whether or not an outcome has been achieved. *“Indicators are specific observable, measureable characteristics or changes that will represent achievement of an outcome and the specific statistic(s) the team will calculate to summarize its level of achievement.”*

The Enactus Team Handbook (2014) provides over-arching guidelines to measure social factors effectively, *“teams should think about how they will measure areas such as the following: an increase in income, increase in purchasing power, improvement in overall satisfaction in life, etc.”*

However, the Enactus Netherlands Program Manager states *“There is no standardised model for developing monitoring and metrics; however teams are given guidance on the framework and judging criteria.”*

Enactus teams can implement a monitoring system to keep track of the improvement in those assets; this can be decided by teams. *“It was decided to let teams design their own monitoring system because of the diversity of the projects and there can’t be a one size fits all approach; therefore, there is a need to adapt to local conditions.”* This is re-iterated in analysis of case studies where no standardised measures were found in place, with teams given the freedom to decide their own measures.

4.1.8 Judging Level of Impact

The descriptions used by teams are wide-ranging and often subjective self-assessments of the teams’ programs. In order to effectively grade projects, judges use the Level of Impact (Team Handbook 2014) descriptions from Table 4.x below as a tool in making better evaluation from the outcomes stated. Note: Each level is contingent upon meeting requirements described in prior level.

Table 4.1.8 Level of Impact and Descriptions

Level of Impact	Description
Insufficient (equivalent to low impact):	Project(s) activities satisfactorily completed, but had little effect on changing or improving lives.
Good (equivalent to medium impact):	Project(s) gave criterion/issue public attention, gained support and participation of key stakeholders; endorsements/testimonials set forth.
Very Good (equivalent to high impact):	Project(s) advocated the passage of significant, sustainable change in target audience, attention/support around project clearly advanced, key stakeholders strongly influenced.
Excellent (equivalent to exceptional impact):	Project(s) clearly provided evidence of systematic/habitual, long-term change that has significantly improved lives of target audience members , has proven sustainable for multiple years, and has further solidified commitments from key stakeholders.

4.2 Stakeholder Engagement

In designing metrics or deciding the measurement tools to use, from the teams interviewed there were very few descriptions about the involvement of Key Stakeholders. Participation of stakeholders was included by all teams in terms of the number of strategic partnerships and a list of partners' names as collaborators only but not the role that was played in measurement or satisfaction with outcomes.

4.2.1 Type of Stakeholders

Partners and Stakeholders from document reviews and interviews are categorised into different types;

- **Beneficiaries** (people in need / target group)
- **Board members and Advisers** (internal)
- **Enactus Judges** (internal)
- **Financial partners** – providing sources of finance such as banks, sponsors
- **Delivery partners** – providing delivery of services such as social organisations, government, health and social care workers, businesses (telecoms, marketing, logistics)

Deciding what to measure was straightforward from the type of business, that we need to measure how many we glasses are sold so that we can see if the business is sustainable. Other measures decided as a team (Technical University Munich)

Enactus South Africa outlines the role of each of their partners only, for example;

Interventions...Engaged Vodacom- a national telecommunications provider and established innovative, convenient, texting service, and developed a marketing strategy implemented by Hlolo marketing (local advertising company) (Enactus South Africa)

4.2.2 Tools and Metrics Used to Measure Social Impact

From case studies and interviews respondents were asked about what type of tools or metrics they use to measure impact. *“The outcomes we were measuring were psychological, which made them so hard to measure.”* (Enactus Kent, UK). Therefore, teams attempt to do this in a number of ways analysed below in order of frequency;

The majority of teams that reported on social impact used qualitative methods to report on impact. These are ‘testimonials’, ‘interviews’ and ‘questionnaires’. Use of these methods is considered particularly useful for teams with direct contact with targets groups.

Testimonials – personal statements and opinions from the target group or stakeholders that state their perceived changes resulting from project activities. These were presented as videos by all teams at the World Cup Competition.

Example Testimonials: Kookieland (University of Utrecht, Netherlands)

“Rose had no acquaintances when she fled from Liberia and now lives independently in an apartment in Utrecht. She speaks very good English, to improve its Dutch language courses they follow. Although she has not yet fully mastered Dutch, Rose is anything but shy when it comes to speaking. She has also been repeatedly beautiful speeches given away during cooking island catering ...”

In terms of use of Testimonials, although these are endorsed by Enactus, there are challenges with their use. Enactus Kent UK state that *“We found examples to illustrate our progress, when we presented at the National Competition. But I wouldn't say we really managed to 'measure' our impact. We could see the impact of our project through daily examples (more interviews, ability to speak in public, more involvement in the project, volunteering, better communication with the team), but we could not give numbers.”*

It is considered that testimonials can be positively skewed as evidence, with teams seeking positive viewpoints more than negative from their participants. Testimonials are often showcased at Enactus competitions therefore it is not likely to find negative testimonials in the data explored.

Interviews – structured or semi-structured questions with respondents, examples of use of these are enabling target groups to express ‘in their own words’ and monitoring development;

“For one of our projects, ArtLinks...we measured the women's social progress through performing interviews (questionnaires) with the women at the beginning of the workshops and at the end. They were able to express their own growth and development within the project.” (Enactus, University College Utrecht)

Teams considered the benefits of using interviews, as a personal way to understand participants' views of their current situation and gauge from testimony whether there are any improvements.

"I would say that the interview method is a good way to measure impact, as you can get a personal testimony from our target group (the people we are trying to impact). It might even be an idea to do a set of interviews over the course of the project as well (University College Utrecht)."

"It helps to understand what kinds of problems (people) are facing, I can understand their state of mind, level of productiveness, it helps me to know their progress and if I can help them. A tangible example is they said that someone told me that a problem they had is they did not have food, so production levels were low, so I organised them to receive food." (Enactus Technical University Munich)

Surveys / Questionnaires were only mentioned in a few cases *"A survey was conducted both before and after the presentation of our environmental program"* (Enactus North Arkansas College, USA)

"We have been using some questionnaires, which were not that efficient, considering that the beneficiaries were usually interpreting the questions in their own way." (Enactus Kent UK)

Tests were mentioned by two teams *"Pre and Post Tests conducted every 3 months to measure the level of performance (Enactus Malaysia)"* and *"Tests, case studies, hands-on exercises (Enactus Puerto Rico)"*

4.2.3 Benefits of Using these Tool and Metrics

Respondents identified that using these tools – surveys and interviews enabled them to have greater visibility and a better understanding of the progress of participants.

"Sensory related information tends to be better incorporated into the long term memory. The before and after survey demonstrated a better understanding of the environmental impacts of trash and how to combat those impacts, than what was understood by the children before being exposed to the program." (Enactus North Arkansas College, USA)

"The impact can be visibly measured" (Enactus University of Limpopo)

4.2.4 Teams Use of Quantitative Data

In the majority of cases, quantitative data used when reporting **social impact** was used to express tangible achievement of project results, this uses facts and figures in amounts or percentage increases;

- **Number of people employed**
- **Number of workshops or events held**
- **% increase in income**
- **Total sales or revenues figures**
- **Profit made or increased**

In fact, last year's Enactus World Cup Winners - Technical University Munich noted that as a team they have 'countable' metrics and do not currently have measures for 'softer' outcomes;

"We record all our metrics in Excel – this is to report to our stakeholders and show that we have sustainable social business, it would be helpful for us to have a simple metric to implement about confidence and satisfaction so we know this from our trainees." (Enactus Technical University Munich)

The quantitative metrics measured as discussed within in-depth interviews these were;

"We were able to measure impact in terms of the profit we made from our craft items (made from renewable waste materials)" (Enactus, UCU)

"Number of jobs created, increase in revenue, operation efficiency." (Enactus, North Arkansas College, USA)

"Unique monthly users were a key performance indicator. We paid X and saw Y amount of users." (StudentRentIt.com, Enactus Texas State University, USA)

Our metrics are quite simple / straightforward, we looked at (1) How many people are trained (2) How many glasses are sold (3) Number of people employed (4) Can they live from it? I.e. is it sustainable? Is the revenue and cost breaking even or making a profit? (Enactus Technical University Munich)

All teams used quantitative data to describe the number of people directly and indirectly impacted. The number of people directly impacted is listed as *"the total number of individuals that were direct beneficiaries of the team's community outreach projects"*. Those indirectly impacted are from the 'wider ripple effect' of the project activities (i.e. what the project will mean for other resources, assets and communities)

However, according to previous definitions by Enactus, this is considered an 'output' rather than an 'outcome' measure because it is a *"product of project activities and measured by the amount of work accomplished."*

Direct impact is considered easier to measure *"(We know) what they did, planning to do, questions they have, they know we are there for them not going away and leaving them."*

Reporting is done by those on the ground and the project team keeps in regular contact with trainees.” (Enactus Technical University Munich)

4.3 Adoption of the Sustainable Livelihood Framework (SLF)

In September 2014, future Enactus projects will be asked to adopt a new judging criterion based on an adaptation of the Sustainable Livelihoods Framework. *“Enactus has moved from classroom-based projects such as workshops into real world projects and needed measurement instruments focusing on aspects of quality of life. Enactus Worldwide set up an innovation team that included staff from all around the world and looked at what other organisations use, including aid organisations.” (Enactus Netherlands Programme Manager)*

The Enactus Netherlands Programme Manager explains *“The previous challenges with other impact measurement tools were complexity and the amount of time it takes to put together reporting.”*

The new Judging Criterion is simplified to state “Which Enactus team most effectively used entrepreneurial action to empower people to improve their livelihoods in an economically, socially and environmentally sustainable way?”

The descriptive phrase for the target audience “in need” will be removed and the “Quality of life and Standard of Living” simplified to “livelihoods”

The reason that Enactus has chosen to change the criterion is because the new framework strongly focuses on the needs assessment of communities and **impact measurement** using a list of assets needed for a secure livelihood. Learning from experience, it was decided to focus on livelihoods. The 5 asset categories, as stated by the Enactus Netherlands Programme Manager *“can be discussed directly with the target audience to understand what are their needs and wants and how teams can develop a strategy.”*

Strategically, Enactus wants a **HOLISTIC** approach and refers heavily to accountability values. The criterion is thought to be more streamlined towards “enabling progress through entrepreneurial action”.

It is an evolution from the old criterion, and still holds the principles of empowerment at its core. The Enactus Netherlands Programme Manager explains *“The addition of the term ‘livelihood’ is considered to provide a clearer and more objective aim for a project’s final results.”* From the SLF presentation, people are being brought further into the process *“People learn the most when they are engaged; it is important that project beneficiaries are an active part of all the stages of project design and execution that is one of the reasons we changed the criterion and connected it with an impact measurement system.”* Sustainability has also been explicitly added into the criterion rather than being implied.

In particular for social assets, it will be important for teams to be explicit about how did they measure the improvement in assets, measures can be around how did a group use their network, and how much has the network of a beneficiary grown in number of people added to network. Enactus strategically feels that the move to the SLF approach is a positive step in simplifying and clarifying impact measurement for teams.

Now that the main findings surrounding Enactus teams has been explored the next section, the researcher will look at the criteria of funding organisations to determine the main categories and elements that make a successful funding application.

4.4. Types of Data required by Funding Organisations

To enable the researcher to gain clarity about the competitive environment and understand research question 4, **the criteria are funding organisations looking for when valuing projects**, desk research was carried out to understand how non-profits are defined as creating value. The desk research was collated to determine the funding criteria of Dutch funding organisations, the following were chosen on the basis of;

- Well-established (long running) funding or grant agency – this is a criterion because it provides a benchmark for funding criteria from established sources
- Connected to Dutch Government or Municipality – this links back to the research problem field analysis that government and public sector have less resources therefore limited choice when it comes to choosing providers of services.
- From McKinsey report on Dutch Social Enterprise (See Appendix 6) – this resource outlined organizations supporting Social Enterprises and their activities. It is important to understand funding sources for social enterprise because Enactus itself is classified as such an organisation.

The type of information that social enterprises are expected to demonstrate according to funding organisations criteria can be summarised into 7 themes in order of frequency;

4.4.1 Common Funding Criteria Themes;

- **Clear / Demonstrable Need** - *the project fulfils a clear need or demand-driven*
- **Innovation (Newness)** – *what makes the project special or unique selling proposition*
- **Impact of initiative** – *how did project meet its social relevance or purpose*
- **SMART objectives** – *objectives are specific, measurable, achievable, realistic and time-bound*
- **Scalability** – *the project's ability to achieve large-scale growth in a cost effective way*
- **Wider needs met (range)** – *significant range of the target group, wider audience*
- **Sustainable / Long term change** – *project can support itself or can be embedded into communities or other organizations*



Figure 4.4.1 Word Cloud of Funding Criteria Terms

Table 4.4.1 below is a summary of the funding organisations and the key criteria, common phrases are highlighted in the key words from desk research.

Table 4.4.1 Summary of the funding organisations and the key criteria

Name of Funding Organisation	Key Criteria	Key Words
Fonds1818	<ul style="list-style-type: none"> Does your project have a social purpose which enables people to participate in social life independently? 	<ul style="list-style-type: none"> Wider audience - on a larger group than the social environment Enables people Social purpose
Ashoka	<ul style="list-style-type: none"> The idea is new and scalable? This solution has the potential to change the system and it affects the national level? 	<ul style="list-style-type: none"> New/innovative Scalable Change systems at national level Ambition and Vision
Oranje Fund Growth program	<ul style="list-style-type: none"> Increase your organization's social cohesion in the Netherlands? What has your organization achieved? Is your organization ready for Growth Program? The initiative is successful? Active in several places? Significant range of the target group? <p>All previous points, plus:</p> <ul style="list-style-type: none"> What is the social relevance of your initiative? What is the impact of your initiative the target audience? What support have you acquired? What makes the concept special (Target, approach, impact, range)? How scalable is your project? What is the ambition and vision of your organization? 	<ul style="list-style-type: none"> Range of target group Impact of initiative on the target audience Support acquired Innovative / concept special (Target, approach, impact, range)? How scalable is the project
Anton Jurgens Fund	<ul style="list-style-type: none"> understanding how your initiative implements creating social impact (potential) financially sustainable way 	<ul style="list-style-type: none"> Create 'social impact' Sustainable (long-term)
UnLtd	<ul style="list-style-type: none"> Have a real social impact Fulfil a clear need and demand Have clear outputs and goals Provide a learning experience or opportunity 	<ul style="list-style-type: none"> Social impact Clear needs/outputs
ABN AMRO Social Impact Fund	<ul style="list-style-type: none"> Companies with a social mission The company must be innovative and scalable business model and an innovative contribution to the market; the company must have use 'theory of change'. The social impact should be identifiable (measurable), just as the financial results. 	<ul style="list-style-type: none"> Scalable Business Model Innovative Attainable goals financially and socially Social Aspirations Theory of Change

VSF Fund	<ul style="list-style-type: none"> • What problems you want to solve, or what situation you want to improve and what your project is going to do. • Formulate this objective SMART (specific, measurable, achievable, realistic and time-bound). • Think about how you measure or determine your project is successful 	<ul style="list-style-type: none"> • SMART objectives • Clearly defined needs
Skanfonds	<ul style="list-style-type: none"> • Initiatives that strengthen social relationships in society and encourage people to care about each other • Initiatives should be demand-driven; there must be a clear, demonstrable need from the target. • The project can support themselves or can be embedded in municipalities or other organizations • SMART objectives 	<ul style="list-style-type: none"> • Innovative • Clear demonstrable need • Focus on social cohesion and caring for people • Clear Long-term goals • Self-supporting
Doen Foundation	<ul style="list-style-type: none"> • The initiative will be based on a clear and thorough plan (specific, measurable, achievable, realistic and time-bound, SMART), where it is likely that within the initiative in advance (self) formulated objectives are realized. • The budget and coverage of the initiative are clear and realistic with a real cost-benefit ratio. • The initiative has a transparent governance structure with clearly separated functions. • The proposed activities bring about structural change and lasting effect. • The initiative is a demonstrable need and is well embedded. • The initiative has an entrepreneurial approach. For example, this translates into a contribution of the promoters. 	<ul style="list-style-type: none"> • Demonstrable need • Clear and SMART plan / objectives • Real cost-benefit ratio • transparent governance structure • structural change and lasting effect (long term changes)

4.5 Analysis

The key findings are outlined using the theoretical framework for analysis.

4.5.1 Stakeholder Engagement

At a Strategic level, involvement of stakeholders is mentioned by the Enactus Programme Manager *“People learn the most when they are engaged; it is important that project beneficiaries are an active part of all the stages of project design and execution.”* Enactus does encourage teams to do this, and teams are marked higher in their level of impact, when demonstrating the influence and commitment of stakeholders.

The findings relating to stakeholder engagement at team level shows there is a strong internal focus to Enactus team activity, using Judging Criteria as a basis for developing

reports and outcomes. In designing metrics or deciding the measurement tools to use, from the teams interviewed there were very few descriptions about the involvement of Key Stakeholders. Participation of stakeholders was included by all teams in terms of the number of strategic partnerships and a list of partners' names as collaborators only but not the role that was played in measurement or satisfaction with outcomes.

However, within the Enactus Annual Reports and during interviews, stakeholders only covered internal groups and external parties outlined in section 4.2.1. Annual reports are provided for Board Members and Enactus Judges using the Judging criteria and Team Handbook, this information focuses on Testimonials, interviews, photographs, and financial indicators that internal stakeholders and donors like. It is stated that 'what gets measured gets done'. However, the following stakeholder needs are not fully addressed Beneficiaries, Financial Partners and Delivery Partners.

Outcomes are as a result of needs assessments carried out by teams through observation, interviews and questionnaires; however, the involvement or interaction of stakeholders in the process of defining a target group and their needs is not clearly documented or described.

It is noted that partners were from a range of organisations both private and public. This aligns with the SLF which encourages a broad range of partners from the public and private sectors. The methods used by Enactus teams are holistic looking at private and public sector solutions as well as economic and environmental impact factors as well as social.

4.5.2 Standardisation

There is a broad-based outcome focus used by Enactus, attempts are made by Enactus teams to use standardise required outcomes in terms of specifying effective empowerment, quality of life and standard of living. The methodology of collecting inputs and a needs assessment is also well defined in the Team Handbook (2014). In the rankings asked by the researcher, 67% of teams interviewed (4 out of 6) believed that the language used in impact measurement are not clearly defined.

Social factors do not have a specific definition provided in the Enactus Team Handbook. Therefore, the social outcomes declared are mostly intangible and identified as behaviour based and those covered by reporting are 'self-esteem' and 'confidence'.

The main outcomes for Effective Empowerment is the transfer of skills and knowledge, also self-esteem and confidence however, these same terms are also used interchangeably to also express quality of life and standard of living outcomes.

This has created in some cases "*multiple, distinctive, non-comparable outputs* (Nicholls 2004)." During the analysis, teams chose to report varied outcomes from improvements in skills to self-esteem against the same intervention. This does support the strategic view that the Enactus Netherlands Programme Manager states "*It was decided to let teams design their own monitoring system because of the diversity of the projects and there can't be a one size fits all approach; therefore, there is a need to adapt to local conditions.*"

However, it makes comparability between projects much harder. Ability to compare means that teams can benchmark against a standard. It is therefore considered to be an important

feature in good measures. This is because comparable measures will enable evaluation of the organisation's performance to meet its goals. As stated by Behn (2003) *"Evaluation requires a comparison. To evaluate the performance of an agency, its managers have to compare that performance with some standard."*

Standard of Living outcomes were more tangible with teams stating % increase in income, % increase in revenues/ sales and number of people employed as indicators; this provided a quantifiable output of the project. Quantitative data was also used to describe the number of people directly and indirectly impacted also amounts of attendees, profit and sales figures, however a disadvantage of using these measures are that these are classified as outputs rather than outcomes.

These outputs demonstrate that there are difficulties for teams in representing *'behavioural or emotional changes'* for example, there are benefits to understanding the impact of those who purchased products or the families of those employed or wider changes in a beneficiary's life after implementation of the activity.

I believe the overall challenge with measuring impact is how do we measure everything. Although I do believe this is one good technique of measuring impact (interviews), it measures the personal impact on the women. (Enactus UCU)

It's not 100% accurate to determine which customers came to the website through Enactus efforts.(Enactus Texas State University)

Funding organisations also highlight this criteria asking are wider needs met (range) – a *significant range of the target group, a wider audience*. Therefore it would be beneficial to track these indirect impacts as well as direct impacts.

Enactus Team Handbook (2014) states *"Measuring an increase in a person's quality of life is somewhat subjective...that impact is the way people perceive their own existence and consequently, their quality of life."*

Data collection by teams of *'how people perceived their own existence'* was not standardised and used a mixture of pre and post interviews and tests, testimonials and questionnaires. The benefits of this approach is the flexibility for use of resources within the team, and ease of access to respondents with direct contact, however, challenges with this are positive bias and freedom meant multiple terminology used in qualitative assessments that is difficult to define trends and analyse consistently.

Linking to the above criteria, stakeholder engagement would be beneficial in tracking wider impacts.

4.5.3 Transparency

Currently measurement is used as an internal tool with focus is on accountability to internal stakeholders and measuring progress of the project in reaching its goals rather than an external justification for funding. Therefore the evidence base focuses on internal justification using the Judging Criterion. Enactus asks that teams *"must clearly identify the measurement*

tools that will be used.” However this was not apparent from Annual Reports only during interviews with the team.

To provide an evidence base, Enactus does strongly highlight that teams undertake a Rationale / Needs Assessment to determine the people in need; this is more explicitly stated than the inputs to outcomes methodology used by SROI. In summary, in SROI there are 4 main elements needed to measure social value creation: inputs, outputs, outcomes and impacts. Enactus heavily emphasises Rationale and Needs as its own stage that comes before inputs.

Enactus states it is “*A key evaluation team’s ability to illustrate the need(s) of the target group(s) they worked with and why they chose to address those needs.*” The needs assessment also provided the evidence base to justify the objectives chosen and the following results. For example, people in need were unemployed youngsters, the objectives were to provide CV training, and the outcome was securing a certain number of jobs.

The criterion from funding organisations also uses information about demand-driven services and how the project addressed these needs, as a determinant of a good funding proposal. Therefore 50% of teams asked (3 out of 6) believed that choosing outcomes to measure was not difficult because of this strong needs base.

From those asked 67% (4 out of 6) believed that metrics or measures focus on financial values more than social values. The value created by financial indicators seemed more tangible and quantifiable to donors, it was mentioned that measuring through interviews and testimonials went alongside numeric indicators “*that is also why we measure financial outcomes because it will give a very different impression.*” Quantitative data therefore added more weight to the evidence from personal statements and feedback from participants.

4.5.4 Communication

One aspect of Enactus is that it does not ‘mandate’ specific tools. It is considered the judging criterion provides a clear mandate for teams while actually enhancing our programmatic approach of providing them the creative freedom and flexibility to determine how best to achieve that mandate. From interviews and case study review, only one team (Puerto Rico) mentioned the use of specific measurement framework to assess their projects. No teams used SROI, SLF or any other formal methodology to determine the social value of their projects.

Although teams are using measures to help understand and communicate their value, from the document review, there are a variety of reporting styles used that impedes real clearness and consistency. Clearness; the ability to fulfil a clear need was among the criteria from funding organisations.

For example, the format of annual reports had various headings, reporting on all three factors effective empowerment, quality of life and standard of living and others not. This made reviews inconsistent and again the ability to compare and contrast project outcomes was hindered.

Funding organisations are keen to see SMART objectives which are specific, measurable, achievable, realistic and time-bound, in a review of the objectives of the Enactus teams, most did not state objectives using descriptors of People in Need, and those that did were not written in a SMART style, often not specific or being time-bound. For example;

“To reinsert long term unemployed seniors into the job market” does not clarify which seniors and which job markets

Therefore, it is important for communication to set SMART objectives for both communicating effectively with stakeholders and demonstrating to funding organisations that needs are clearly met.

4.5.5 Resource Intensity

From the 6 teams asked (5 out of 6) 83% believed there are not enough human or financial resources to measure impact effectively. The one team that did not agree used automated metrics collected through their website such as number of visitors and traffic to the website.

Challenges of current measures were around lack of knowledge and uncertainty around what is supposed to be measured and analysed for areas such as confidence and self-esteem. 5 out of 6 teams (83%) of those asked agreed that ‘measuring impact is complex’.

I don't know what we need to ask in order to measure these things, is there a simple way? It would be useful to collect data on confidence levels, motivation, and satisfaction. But we do not know how and what to measure. It will help us to improve our training and solve problems better. It will engage our team members better and it is the type of information that our funders and donors ask for and like. (Enactus Technical University Munich)

This subjectivity often meant with limited resources, teams chose more ‘simple and straightforward’ countable metrics. Interviews, testimonials and questionnaires were frequently used by teams therefore considered the most efficient and reasonable way to collect data.

Enactus teams are small teams of student volunteers who work on irregular basis. Use of a formal tool such Social E-evaluator was piloted with a small group of teams. The Enactus Netherlands Programme Manager states “it was considered time consuming and resource intensive.”

In summary, the perceived amount of resources and intensity of the task became a factor in choosing the measurement techniques.

Table 4.5.5 is a summary of the 6 teams asked to rank the following statements (shown in the order of the interview list in section 3.2.4;

Table 4.5.5 Ranking of statements

Statements	1	2	3	4	5	6
1. Measuring impact is complex	Agree	Agree	Strongly Agree	Agree	Disagree	Strongly Agree
2. The language used in impact measurement is not clearly defined	Agree	Agree	Agree	Disagree	Disagree	Agree
3. Metrics / Measures focus on financial value more than social value	Uncertain	Agree	Disagree	Agree	Agree	Agree
4. Choosing which outcomes to measure is difficult	Agree	Disagree	Agree	Disagree	Disagree	Agree
5. There are not enough resources (human or financial) to measure impact effectively	Agree	Agree	Strongly Agree	Agree	Disagree	Agree

Chapter 4 Summary

Based on the empirical research, in answer to the research questions the methods teams used to measure outcomes and value projects were testimonials, interviews and questionnaires. This were simple and straightforward to use with team resources, this is a reason why so many teams use them. However, there were challenges with these tools in a lack of knowledge in how to mitigate for bias or misunderstanding by participants giving testimonials or answering questionnaires.

The main contributors to effective measurement of social outcomes are identified from the theoretical framework and empirical findings are;

Stakeholder Engagement –the participation of key stakeholders is strategically important in deciding relevant measures and outcomes and also considered to contribute to higher 'levels of impact' and key to good measure; However it is not apparent whether it is carried out openly by teams in terms of creating measures. There is a lack of emphasis about the consultation with stakeholders in terms of impact measurement.

Standardisation – Enactus provides freedom to teams to decide their own monitoring and measurement techniques; however this has caused high degrees of variation and terminology. Lack of standard terms causes confusion in determining the value of the intervention and who it benefits. Current measures do not help teams to assess wider impacts of their projects; there is a challenge in knowing what to ask or how to record this consistently.

Transparency – A positive aspect is the strong rationale / needs assessment that provides a strong evidence base to support projects, and defining a clear need that is demand-driven, is a primary criterion for funding organisations. In addition, teams do not know how to explicitly state the bias or limitations with measurements. Quantitative data adds weight to the evidence from personal statements and feedback from participants.

Communication – Enactus projects could communicate value more clearly through the use of SMART objectives; these enable tracking of objectives to outcomes and enable funding organisations to clearly see the links between the user demands and whether it was

achieved as planned. Outcomes or measures of innovation is considered a differentiator for projects because it shows the 'uniqueness' particularly when there is intense competition for funds and resources and that funding organisations only have limited donations they can provide.

Resource Intensity – Previous use of formal tools in the past such as Social E-evaluator or SROI methods were seen to be resource intensive and time-consuming for small groups to use. Effective measurement can only take place where there is sufficient knowledge to do so, otherwise it is viewed as complex. Therefore impact measures tend to be implemented the more knowledge and straightforward the techniques are such as interviews and financial indicators.

5. Conclusions

The research questions supported reaching a conclusion for the main question:

What approach can Enactus The Hague University of Applied Sciences use to measure the social value of its community projects in order to increase its competitiveness?

The empirical evidence tested whether the components of the theoretical framework were valid in terms of effective social value measurement. The researcher has made the following conclusions;

Effective social value measurement starts with being able to identify the needs of a target group. Empirical evidence showed that this is undertaken by all teams and measures were created to show progress. Strategically, it is seen that good measures are 'outcome' focused however during day-to-day project activity, the measures reported on tended to focus on outputs (sales / numbers) rather than outcomes.

It is concluded, that it is better to focus on outcomes that outputs because impact is derived from the changes in the lives of the target group. One of the reasons there currently more focus on outputs rather than outcomes is the perception that outcomes are harder to measure. The topic of value is seen as subjective and intangible. A lack of consistency is attributed to this because empirical data shows that 'value' has a wide-range of perspectives, for instance the Enactus Program Manager values '*accountability to the target group*', Partners '*a successful return on ROI*'. The concept of social impact is further exacerbated by inconsistent use of terminology, for example 'self-esteem' being used to justify empowerment, quality of life and standard of living.

- **Beneficiaries (people in need / target group)**
 - For example, teams collate information in how individuals feel before and after training, and their skills levels but participants also need to identify which outcomes they hope to achieve and how to determine whether the change that occurred as a result of the intervention specifically by the Enactus team.
 - For instance Enactus Kent UK in their project MyStreets, engaged with beneficiaries using questionnaires, however found that "*beneficiaries were usually interpreting the questions in their own way.*" They also state that "*evaluations for growth of their confidence and self-esteem over the year were made into graphs to be able to prove our results to sponsor companies or partners*" however are these the measures that create most value for them?
 - Another issue as noted by Technical University Munich, progress reports raised issues with access to food that affected productivity in making glasses. This means that stakeholders like beneficiaries also need other aspects measured not only numbers of products sold and profits in order to determine factors such as quality of life or empowerment.
- **Financial partners – providing sources of finance such as banks, sponsors**
 - Figures for amounts for % increase in profitability and sales or revenue are recorded. As outlined by the criteria of funding organisations other aspects such as innovation and sustainability were important elements to demonstrate and therefore include in value measures or outcome reporting. It is also noted

that it is unclear if these measures are recorded in the way that funding organisations need, for example over a period of 3 years to demonstrate organisational stability.

- **Delivery partners – providing delivery of services such as social organisations, government, health and social care workers, businesses (telecoms, marketing, logistics)**
 - It is not clear to determine the measures that involve delivery partners. Each of these delivery partners will have different objectives to fulfil; therefore measures must encompass their varied objectives and therefore capture wider outcomes of the project.
 - Central to the measurement issue is that it needs to work for both sides (DFID). Stakeholders make decisions and decide to engage with the project to invest or allocate resources to it. Therefore, measurement needs to provide significant support for that decision-making, and to have clarity of the demands of stakeholders, teams need to test and challenge their understanding. As stated by the Team Handbook and two of the interviews, engagement with stakeholders needs to be documented throughout the whole project for more effective measurement.

Therefore, effective measurement needs both qualitative and quantitative components; this is because the use of pure qualitative data gives a high amount of inconsistency, and room for different interpretation by stakeholders. For qualitative data, the ability to critically report the disadvantages as well as advantages of testimonials and surveys increases credibility of the source of data.

Quantitative data provides additional support to show achievement of outcomes, that activity did 'benefit' a target group by being carried out to fulfil a need. However, in order improve the effectiveness of quantitative data, it needs to steer clear of only stating outputs such as numbers of people employed and amount of profit. Funding organisations also want to see improvements in beneficiaries' lives and the uses of these outputs to highlight outcomes and value.

The evidence concludes that a way that this can be done, from funding criteria, is that organisations need to set clearly defined objectives (SMART) in order to track '*changes as a result of the activity*'. In addition, to clearly set these objectives and effectively value something, it is necessary to know what is valued by that particular group – the outcome that they want. It is concluded that teams are very good at identifying the target group's needs but not at translating these into specific and measurable objectives. Creating comparable measures helps to define a standard, and benchmark a project and this is an important aspect from funding organisations to clearly see impact and change over time in order to value that the project is sustainable.

Another key area of effective social value measurement is the participation of stakeholders in defining what needs to be measured; this is highlighted in the literature review but also from evidence that teams are not capturing all of the needs of stakeholders. From looking at the range of stakeholders teams have different target groups not only the beneficiaries that they serve, they are 'accountable' to internal Board members, Judges but also Partners and Financial institutions. Each, as expressed earlier, have different needs and therefore value different things. Therefore, effective social value measurements takes into account the

needs of various stakeholders, this would also ensure that measures are holistic and tackle the challenges that teams face in reporting 'wider-impact' of their activities and successfully demonstrate that needs are met as shown in Figure 5 below.

An example stated during interview of the benefits to capturing wider impact was provided from OneDollarGlasses (Technical University Munich). The project helps unemployed individuals from impoverished backgrounds to gain skills in making affordable glasses. The team monitors and measures the number of people trained and products sold and profitability. However, as the project leader states there are no specific measures for 'qualitative' aspects such as confidence, self-esteem for the person. In turn, the impact on the individual's home life, wider community and the impact on those who have purchased affordable glasses are not measured. Therefore the project has not realised or mapped out all the benefits from each of its stakeholders. This could encourage further funding, as described by social enterprise funding organisations, scalability and ability to impact a 'wider audience' is a criteria for their funding decisions.

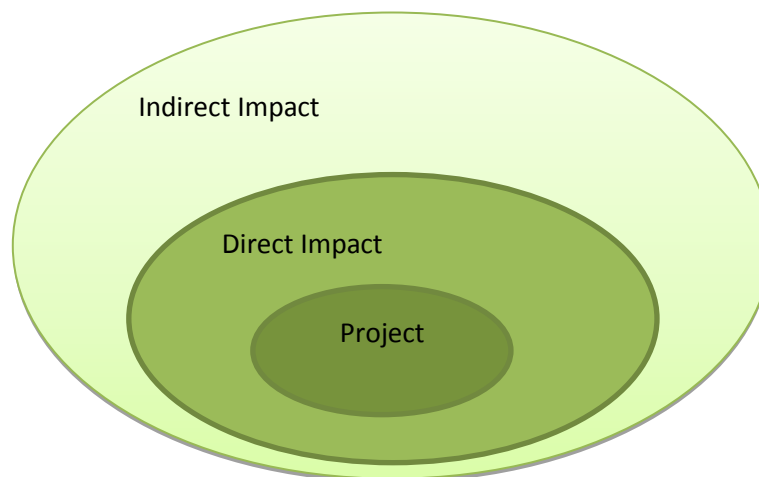


Figure 5 Ripple effect of an Enactus project

Finally, a key to implementing measures because of resource intensity is not only because of cost and time factors but also the knowledge that team members possess about how and what to measure. It is concluded that teams chose measures that were familiar and within their capabilities to feasibly perform knowledge-wise. Therefore, an important component of effective social value measurement is the knowledge of the organisation about social factors. It is also concluded that the adoption of the SLF framework will address some of these areas by simplifying the language used, and the outcomes that projects need to monitor and this will have a beneficial effect in creating transparency and consistency to social impact measurement.

6. Recommendations

Recommendations are split into areas for future research and recommendations for Enactus THUAS.

6.1 Recommendations for Enactus THUAS

1. Impact measurement has yet to be established at Enactus THUAS therefore there is scope to influence the direction of this activity. It is recommended that Enactus THUAS provide knowledge and training workshops on how to use measurement tools and their advantages and limitations to project members so that when they are undertaking questionnaires, surveys, interviews and other measures they are fully aware of claims being made and how to mitigate issues with data to make their findings more credible and valid.
2. Using the SLF as a guide, it is recommended that stakeholder engagement is carried out not only to clearly define needs of the target group (through focus groups, interviews and surveys) but also in defining from stakeholders innovation and deciding outcomes that projects will achieve and appropriate measurement techniques that are realistic and achievable. Stakeholders need to be involved in collecting measures as part of their key participation in order to capture wider impact that rates higher in terms of Level of Impact in Judging Criterion.
3. Enactus THUAS need to implement SMART objectives into their projects; this is often lacking from Enactus projects and is an important factor to funding organisations in establishing clearness and achievement of goals.
4. It is recommended that both qualitative and quantitative measures are collected to demonstrate social value, teams need to support testimonials and interviews with hard data that includes satisfaction surveys and independence (increase in income, profit or sales) also how these profits and incomes are used by beneficiaries to improve their livelihood. A strong needs assessment including all stakeholders is recommended to be carried out to enable them to create a benchmark will make the assessment of assets much more straightforward.
5. Enactus (Worldwide) will roll-out an adaptation of the Sustainable Livelihoods Framework approach (SLF) from September 2014, with each country such as The Netherlands 'translating' this task to fit local needs. SLF does consider this appropriate because it needs to suit local conditions. However, there are over-arching themes such as Stakeholder Engagement and Transparency that can benefit from being included in Annual Reports so that teams can report 'once' for both internal Enactus uses and for External funding bodies.

6.2 Critical Reflection of Research

1. The researcher has found analysing social value challenging in terms of interpreting qualitative statements and generalising data to fit trends. The nature of each project is very different and viewpoints on value, so a lack of tangibility makes comparison much harder. Attempts were made to find common terms and look at similar projects

in order to draw out major conclusions. The subjective nature of the topic also meant conclusions were not hard-line, and in impact measurement there is no right or wrong answer only what works for that team and those particular outcomes.

2. During the research process it was found that the Enactus organisation is already implementing an adapted Sustainable Livelihoods Framework, therefore research focused on this model. However, teams are not using any frameworks currently and there are small amounts of theoretical data on this framework's use for social community projects which again, limited comparisons and ability to draw conclusions on its effectiveness.
3. This research had limitations in primary sources therefore, increasing the number of interviews and questionnaire samples would increase the validity of the findings. The researcher also reflects that increased amounts of primary data from interviews will have provided further understanding about the processes used to measure impact and strengthened the conclusions made.

6.3 Recommendations for Future Research

The recommendations outlined below are regarding non-profit 'social value' measurement

1. The creation of value lies in the perception of worth by stakeholders as they say 'beauty is in the eye of the beholder'. Therefore research into different types of non-profit stakeholders and the different perceptions of the value they have would be beneficial to the field of social value measurement in order to have a deeper understanding of what is 'valued' and therefore identify ways to capture it.
2. More research into analysing intangible outcomes such as self-esteem and confidence from social organisations would identify common themes and thereby begin to create a standardised and consistent terminology and language for non-profit organisations to use in their value reporting. A further study into funding bodies analysing good and bad practice application examples will also enable trends to be established in what makes a 'good' impact measure.
3. Further research could also compare other tools such as Cost Benefit Analysis and Triple Bottom Line to add more depth to the models compared and provide additional options for Enactus THUAS.

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Appendices

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Appendix 1 Interview Framework

Table 3.2 Framework of areas covered by interview

	1. EPM	2. Board	3. Proj-Mem
Stakeholder Engagement			
Participation	Y		Y
Active Involvement	Y		
Standardisation			
Language used		Y	Y
Use of Frameworks	Y		
Flexibility	Y		
Communication			
Measurement	Y	Y	Y
Outcomes	Y	Y	Y
Monitor Progress		Y	Y
Objectives / Mission	Y	Y	Y
Transparency			
Needs assessment	Y	Y	Y
Focus on Financial than Social			Y
Demonstrates impact	Y	Y	Y
Resource Intensity			
Time	Y	Y	Y
Cost	Y		Y
Knowledge			Y
Complexity			Y

Appendix 2: In-depth Interviews

Master's Thesis – Summary of Interview about Measuring Impact at Enactus

Interviewee Marjolein Schaftenaar, Programme Director, Enactus Netherlands

Interview on 27th June 2014 via Skype (45 minutes)

Aruna Why did Enactus choose to use the Sustainable Livelihoods Framework?

Marjolein This started about 2 years ago, as part of the rebranding process from SIFE to Enactus and a review of the judging criteria, which are the guiding principles to teams. Teams needed a framework to help them measure project impact. Enactus has moved from classroom-based projects such as workshops into real world projects and needed measurement instruments focusing on aspects of quality of life. Enactus Worldwide set up an innovation team that included staff from all around the world and looked at what other organisations use, including aid organisations. Enactus Worldwide researched the framework based on the number of people helped by livelihood strategies.

The new framework is an improvement because it strongly focuses on the needs assessment of communities and impact measurement using a list of assets needed for a secure livelihood. These assets can be discussed directly with the target audience to understand what are their needs and wants and how teams can develop a strategy.

In terms of the Enactus framework and judging criteria, the Sustainable Livelihoods Framework is a shortened judging criteria and helps team on how to move from needs assessment, it is a more **holistic system** than previously because the teams have to assess all assets – financial, social and environmental (natural).

Aruna How has the SLF been adapted to fit Enactus?

Marjolein Using the Sustainable Livelihoods Framework there are different asset categories it helps teams to assess needs of beneficiaries in holistic way, for example financial, does the target group have access to financial services, or social, does the target group have a network and relationships and for example, environmental does the target group have access to energy. It incorporates the Enactus values of 'quality of life' at its core. Overall the judging criteria remains the same, only the measurement is more open.

Previously, the criteria meant teams were not assessing whole need. The Sustainable Livelihood Framework was chosen in a global way because it must fit all types of Enactus projects worldwide including those in developing countries. The SLF takes into account the needs and wants of individuals, and when executing the project, Enactus teams can implement a monitoring system to keep track of the improvement in those assets; this can be decided by teams. It was decided to let teams design their own monitoring system because of the diversity of the projects and there can't be a one size fits all approach; therefore, there is a need to adapt to local conditions.

Previous Challenges – The previous challenges with other impact measurement tools were complexity and the amount of time it takes to put together reporting. For instance, there was a pilot with the Social Evaluator Group which asked teams for feedback. It was deemed too complex and time consuming, another factor for using these tools is that the Enactus

projects are too small to make use of it, and generate many social outcomes; therefore it is better for projects with high monetary values such as Government projects. Not all impact assessment has to be financial because it depends on needs assessment, for example if a project enhances standard of living, then it can be measured impact in financial terms, for instance an increase in stock.

The SLF is a major change in terms of freedom to explore a range of projects that can focus more on social assets category for standard of living, teams can do more social projects and the judging criteria openly worded as high level statements and won't require teams to tick the matrix, to gain a clear view of how the team met the needs of a target group, for example areas such as;

- Who did the teams partner with?
- How did they measure the improvement in assets?
- Did the team come up with quantifiable metrics/
- If financial assets, what was the change in the beneficiaries income and access to financial
- For social assets, measures can be around how did a group use their network, and how much has the network of a beneficiary grown in number of people added to network

There is no standardised model for developing monitoring and metrics, however teams are given guidance on the framework and judging criteria.

Outcomes and impact – the SLF will need translating into Dutch context, for instance to break down the new criterion and look at our Netherlands projects. The projects in the Netherlands are more geared to assisting groups with social assets and not so much on natural assets, for example agriculture development projects. Translating it to the Dutch context means to look at a handful of Netherlands projects and decide what it means for projects we are running, does the framework help to bring a new perspective and can it deliver quantifiable results.

Note The presentation materials are hopefully available in the next week. Marjolein kindly offered to send a copy once they are available.

Name Jakob Schillinger (Project Leader)

Email jakob.schillinger@onedollarglasses.org

Enactus Team Technical University Munich (2013 Enactus World Champions)

Project Name OneDollarGlasses

Time on project One and half years (entire project)

Interview on 7th July 2014 via Skype (40 mins)

Just to clarify, what do you mean by impact? This is the results from your projects that you present at competition.

Brief summary of project We train people to set up their own social businesses in making and selling glasses. Our project is based in communities in Rwanda, Burkina Faso and Bolivia.

Our metrics are quite simple / straightforward, we look at;

- How many people are trained
- How many glasses are sold
- Number of people employed
- Can they live from it? I.e. is it sustainable? Is the revenue and cost breaking even or making a profit?

Long term sustainability is very important; sometimes Enactus says at competition, you did this project last year, but I think it is important that a project is self-sustaining over a number of years. I think it is important that project lasts for more than one year so that it can be a livelihood for people.

Although project is expanding to other regions, as a project, personally as a project leader I want to go more in depth.

It is also very important to put in place good structures with our partners, particularly in recruiting the right resources - attract motivated people, the right people to work with and right resources, to make the project self-sustaining from the revenues you generate.

How did you choose the people you train?

The people we train are chosen through our partners and they put in place a detailed criteria, there is a very long list, I could send it to you but it is very long, they look for are people who are literate, mechanical (because they need to use tools, bend wires etc). Are people interviewed? Yes, that's right, our partners interview and select them to join the training, although I am not sure of the selection process – we also want fast learners – usually Enactus comes and puts people into 3 stages, beginner, intermediate, advanced... who will be able to take it on in the long term. By meeting the people in person you get a feeling for people who are fast learners.

Do you measure the results for people who buy glasses or being trained?

Ideally both, but we focus is on the people we train because we have a direct relationship with them and work with them closely on the ground and have regular contact with them through phone calls, emails, progress reports.

What are the Benefits of the methods you use to measure impact?

It helps to understand what kinds of problems are they facing, in the progress reports I can understand their state of mind, level of productiveness, it helps me to know their progress and if I can help them. A tangible example is they said that someone told me that a problem they had is they did not have food, so production levels were low, so I organised them to receive food.

Weekly and monthly progress reports, what they did, planning to do, questions they have, they know we are there for them not going away and leaving them. Reporting is done by those on the ground and the project team keeps in regular contact with trainees.

It seems you collect countable data, do you also ask about softer measures in your reports?

No, but it is a good idea because It would be useful to collect data on confidence levels, motivation, satisfaction – it will help us to improve our training and solve problems better. It will engage our team members better and it is the type of information that our funders and donors ask for and like.

We are a team of Students, still learning and wanting to improve how we do things

Feedback (softer) helps funding decisions in getting more donations, better reporting, our donors like the stories about people. It helps with performance and strategic decisions.

We record all our metrics in Excel – this is to report to our stakeholders and show that we have sustainable social business, it would be helpful for us to have a simple metric to implement about confidence and satisfaction so we know this from our trainees.

What are some of the Challenges/ Limitations in measuring impact?

For me it is language barrier (French is my third language) and I can miss the detail / more in depth about how they are feeling. Distance is also a challenge because we are based in Germany and the project is in Africa therefore we cannot always see first-hand what is going on.

Were stakeholders involved in deciding what you measure? How did you decide what outcomes to measure?

It was straightforward from the type of business, so we decided what we need to measure how many we glasses are sold so that we can see if the business is sustainable. Other measures decided as a team.

Can you tell me about the Outcomes that are not measured?

Well, we do not have a profile of who the glasses get sold to? We also want to measure people we sell glasses to...What is happening in their lives, improvements, changes...we do not know, only the side that we train, even then the impact on their lives at home, confidence, self-esteem, pride in having a job we do not capture in our reports yet.

Impact for our direct trainees we get a feeling for it on the ground.

How did you decide those countries?

Partners found us, we check that they align with our values and are a good fit.

Do you use any kind of frameworks such as SROI or Sustainable Livelihoods?

No we only use the measures and reports as discussed.

Name MeeMee Ploem

Name of Enactus Team Enactus University College Utrecht

Name of Project Board member Secretary and Treasurer

Time on project Two years

Short project summary (what does your project do?)

Last year I was the Secretary/Treasurer of Enactus UCU. Therefore I was responsible for the internal communication within my Enactus group and the finances. I also got an overview of all the projects, and during our Board Meetings/Project Leader Meetings we would discuss the progress of our projects.

1. Why is it important to measure the impact of your project?

It is important to measure the impact of our projects as to see how much progress is made. Additionally, when measuring the impact of our projects we are able to see how much closer we are to our final 'outcome' or goal.

2. Please give examples of tools or metrics did your project use to demonstrate impact

We have measured impact in a few different ways. For one of our projects, ArtLinks, we were able to measure impact in terms of the profit we made from our craft items (made from renewable waste materials), but we were also able to measure impact in terms of the women's social progress. We measured the women's social progress through performing interviews (questionnaires) with the women at the beginning of the workshops and at the end. They were able to express their own growth and development within the project.

2a. What are the benefits of using this method to measure impact?

I would say that the interview method is a good way to measure impact, as you can get a personal testimony from our target group (the people we are trying to impact). It might even be an idea to do a set of interviews over the course of the project as well.

2b. What are some of the challenges / limitations of using this method to measure impact?

I believe the overall challenge with measuring impact is how do we **measure** everything. Although I do believe this is one good technique of measuring impact, it measures the personal impact on the women. However, that is also why we measure financial outcomes because it will give a very different impression.

3. Which outcomes of your projects do you measure?

We measured the personal impact of the women, or how the project (Enactus UCU) has personally impacted the women.

4. What outcomes do you feel cannot be measured?

For most of our projects we like help our target groups reintegrate back into society, however this is very difficult to measure. When they leave the workshops we have little indication of how they lead their lives, or their lives next to the workshops. We cannot predict that there is a causal link between our workshops and our target groups *reintegration back into society*.

5. Please rate the following statements

Statements	Strongly Agree	Agree	Uncertain	Disagree
1. Measuring impact is complex		x		
2. The language used in impact measurement is not clearly defined		x		
3. Metrics / Measures focus on financial value more than social value			x	
4. Choosing which outcomes to measure is difficult		x		
5. There are not enough resources (human or financial) to measure impact effectively		x		

Appendix 3 Research Questionnaire

Questionnaire – Enactus Measuring Impact

Hi, my name is Aruna Rao and I am a project leader and Master of Business Administration (MBA) student from Enactus – De Haagse Hogeschool in The Hague, Netherlands. For my Master's thesis called 'Enactus – Measuring Social Value' I am researching ways Enactus teams measure the impact of their projects. This short questionnaire is to seek viewpoints about measuring impact of your Enactus projects. All data will remain confidential and used for thesis purposes only. **Please return this questionnaire by email to A.I.Rao@student.hhs.nl.** Thank you for your kind assistance.

Name of Enactus Team

Name of Project

Short project summary (what does your project do?)

Your role in the project Project Leader ☐ Project Member ☐

Other role (please state) _____


1. Why is it important to measure the impact of your project?
2. Please give examples of tools or metrics your project used to demonstrate impact
 - 2a. What are the benefits of using this method to measure impact?
 - 2b. What are the challenges / limitations of using this method to measure impact?
3. Which outcomes of your projects do you measure?
4. What outcomes do you feel cannot be measured?
5. Please rate the following statements

Statements	Strongly Agree	Agree	Uncertain	Disagree
1. Measuring impact is complex				
2. The language used in impact measurement is not clearly defined				
3. Metrics / Measures focus on financial value more than social value				
4. Choosing which outcomes to measure is difficult				
5. There are not enough resources (human or financial) to measure impact effectively				

Thank you for your time in completing this questionnaire. If you have any queries, please feel free to contact me. Aruna Rao Project Leader – Enactus De Haagse Hogeschool
Email A.I.Rao@student.hhs.nl

Appendix 4: Completed Questionnaires

Enactus - Measuring Impact

#1 	COMPLETE Collector: New Web Link (Web Link) Started: Sunday, July 06, 2014 9:03:06 AM Last Modified: Sunday, July 06, 2014 9:32:35 AM Time Spent: 00:29:29 IP Address: 70.215.131.137
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PAGE 2: Your project

Q1: Name of Enactus Team and Project	North Arkansas College/Environmental Sustainability
Q2: What is your role in the project?	Project Member
Q3: Short project summary: What does your project do? Educate young children on the dangerous environmental impact of accumulated trash, while encouraging them to reduce, reuse, and recycle.	
Q4: Why is it important to measure the impact of your project? Measuring the impact of this project is equivocal to gauging the apathy versus concern of rising generations to the condition of our environment, and their potential to regulate such conditions.	
Q5: Please give examples of tools or metrics your project uses to demonstrate impact A survey was conducted both before and after the presentation of our environmental program. Additionally, visual, auditory, and hands-on displays were incorporated throughout the program.	
Q6: What are the benefits of using these tool or metrics? Sensory related information tends to be better incorporated into the long term memory. The before and after survey demonstrated a better understanding of the environmental impacts of trash and how to combat those impacts, than what was understood by the children before being exposed to the program.	
Q7: What are the challenges of using these tools or metrics? There is always a +/- aspect to any metric tool.	
Q8: Which outcomes of your projects do you measure? Scope of understanding of issue before and after exposure to the problem and its contributing factors and potential solutions.	
Q9: What outcomes do you feel cannot be measured? Practice. It is only in theory that the increase in understanding will translate into action.	

Q10: Please rate the following statements.

1. Measuring impact is complex	Strongly Agree
2. The language used in impact measurement is not clearly defined	Agree
3. Metrics / Measures focus on financial value more than social value	Disagree
4. Choosing which outcomes to measure is difficult	Agree
5. There are not enough resources (human or financial) to measure impact effectively	Strongly Agree


Enactus - Measuring Impact

#2 	COMPLETE Collector: New Web Link (Web Link) Started: Thursday, July 10, 2014 9:10:33 AM Last Modified: Thursday, July 10, 2014 9:15:25 AM Time Spent: 00:04:52 IP Address: 162.211.218.250
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PAGE 2: Your project

Q1: Name of Enactus Team and Project	Texas State University, StudentRentIt.com
Q2: What is your role in the project?	Other (please specify) Owner of StudentRentIt.com
Q3: Short project summary: What does your project do?	We had worked with Enactus students to perform marketing and advertising around Texas State University for our product.
Q4: Why is it important to measure the impact of your project?	To gauge the cost per customer and ensure our ROI was greater than cost to do business
Q5: Please give examples of tools or metrics your project uses to demonstrate impact	Unique monthly users was key performance indicator. We paid X and saw Y amount of users.
Q6: What are the benefits of using these tool or metrics?	It allows us to ensure our product is creating value. Value is derived by site traffic. Traffic impacts advertising income as well as leads generated for apartment communities
Q7: What are the challenges of using these tools or metrics?	It's not 100% accurate to determine which customers came to the website through Enactus efforts.
Q8: Which outcomes of your projects do you measure?	All, we measure traffic, MAU, engagement, bounce rate, calls generated, apartment tours generated, apartment contact forms generated
Q9: What outcomes do you feel cannot be measured?	Whether or not a user leased an apartment after hearing about an apartment through our site.
Q10: Please rate the following statements.	
1. Measuring impact is complex	Agree
2. The language used in impact measurement is not clearly defined	Disagree
3. Metrics / Measures focus on financial value more than social value	Agree
4. Choosing which outcomes to measure is difficult	Disagree
5. There are not enough resources (human or financial) to measure impact effectively	Agree


Enactus - Measuring Impact

#3 	COMPLETE Collector: New Web Link (Web Link) Started: Wednesday, July 09, 2014 5:56:04 AM Last Modified: Thursday, July 10, 2014 12:18:02 PM Time Spent: Over a day IP Address: 196.24.71.2
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PAGE 2: Your project

Q1: Name of Enactus Team and Project	University of Limpopo, Sedikong Organic Farm
<hr/>	
Q2: What is your role in the project?	Other (please specify) Alumni
<hr/>	
Q3: Short project summary: What does your project do?	Offer the farm management with fund raising, product packaging and marketing resources.
<hr/>	
Q4: Why is it important to measure the impact of your project?	to asses whether lives of ordinary people have improved
<hr/>	
Q5: Please give examples of tools or metrics your project uses to demonstrate impact	number of jobs created, increase in revenue, operation efficiency.
<hr/>	
Q6: What are the benefits of using these tool or metrics?	the impact can be visibly measured
<hr/>	
Q7: What are the challenges of using these tools or metrics?	none
<hr/>	
Q8: Which outcomes of your projects do you measure?	operation efficiency, financial management skills, increase in market share,
<hr/>	
Q9: What outcomes do you feel cannot be measured?	Confidence levels of the business management, staff morale, impact on greater community
<hr/>	
Q10: Please rate the following statements.	
1. Measuring impact is complex	Disagree
2. The language used in impact measurement is not clearly defined	Disagree
3. Metrics / Measures focus on financial value more than social value	Agree
4. Choosing which outcomes to measure is difficult	Disagree
5. There are not enough resources (human or financial) to measure impact effectively	Disagree

Enactus - Measuring Impact

#4 	COMPLETE Collector: New Web Link (Web Link) Started: Monday, July 21, 2014 2:13:49 AM Last Modified: Monday, July 21, 2014 2:29:51 AM Time Spent: 00:16:02 IP Address: 217.108.226.131
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PAGE 2: Your project

Q1: Name of Enactus Team and Project	My Streets - Enactus Kent (UK)
Q2: What is your role in the project?	Project Member
Q3: Short project summary: What does your project do? <p>This project aims at empowering homeless individuals in order to reintegrate them back into society. We have created a tour-guiding company, which is directly giving them work, enables them to share their own personal stories, develop skills and fight the social stigma associated with homelessness.</p>	
Q4: Why is it important to measure the impact of your project? <p>It is essential to measure the impact of the project in order to evaluate the improvements we have been able to trigger in our beneficiaries' lives and also to make sure that our project remains orientated towards their individual needs, which are very specific from one to another.</p>	
Q5: Please give examples of tools or metrics your project uses to demonstrate impact <p>We have been using some questionnaires, which were not that efficient, considering that the beneficiaries were usually interpreting the questions in their own way. We have been trying to evaluate for example the growth of their confidence and self-esteem over the year and made graphs to be able to prove our results to sponsor companies or partners.</p>	
Q6: What are the benefits of using these tool or metrics? <p>Our project is mainly based on quality of life instead of standard of living, since the money they make from the tours (for now, we started the tours this year) remains minimal. So those tools I talked about above were not very efficient in evaluating very abstract things, such as confidence, self-esteem, team-work, etc.</p>	
Q7: What are the challenges of using these tools or metrics?	<i>Respondent skipped this question</i>
Q8: Which outcomes of your projects do you measure? <p>We were mainly focusing on the individual, his or her needs but also his or her own image of himself/herself. With homeless individuals, it is essential to make them believe in their own capabilities again, unless they won't commit to the project and do their best to make it successful. I was personally in charge of our relationships with them, I had regular one to one meetings with them to give them feedback, encourage them, talk about issues they were facing. The outcomes we were measuring were psychological, which made them so hard to measure.</p>	

Q9: What outcomes do you feel cannot be measured?

We found examples to illustrate our progress, when we presented at the National Competition. But I wouldn't say we really managed to 'measure' our impact. We could see the impact of our project through daily examples (more interviews, ability to speak in public, more involvement in the project, volunteering, better communication with the team), but we could not give numbers.

Q10: Please rate the following statements.

- | | |
|--|----------------|
| 1. Measuring impact is complex | Strongly Agree |
| 2. The language used in impact measurement is not clearly defined | Strongly Agree |
| 3. Metrics / Measures focus on financial value more than social value | Strongly Agree |
| 4. Choosing which outcomes to measure is difficult | Strongly Agree |
| 5. There are not enough resources (human or financial) to measure impact effectively | Agree |

Appendix 5 Team Case Studies

Below is a summary of outcomes and Social Impact listed by the 23 teams in the 2013 Annual Reports. A summary of annual reports is also provided.

Outcome	Country	Social Impact
networking opportunities	Australia	students connected
knowledge enhanced	Australia	increased participation
less dependent	Brazil	no. packets produced
knowledge enhanced	Canada	jobs completed
learnt new skills	China	gained employment
improved mental state	China	positive attitude
realised social identity and self value	China	increased revenues and profit
confidence	France	gained employment
learnt new skills	France	
networking opportunities	France	
knowledge enhanced	Guatemala	increased revenues and profits
learnt new skills	Guatemala	personal savings
increased self esteem	Guatemala	
learnt new skills	India	expansion of business
	India	improved health standards
less dependent	India	-
networking opportunities	Korea	increased revenues and profits
learnt new skills	Korea	gained employment
increased self-esteem	Korea	

development of valuable skill sets and knowledge transfer	Malaysia	
networking opportunities	Malaysia	gained employment and profit from sales better income and occupation
increased self esteem & self worth	Malaysia	
less dependent	Malaysia	
learnt new skills	Morocco	personal savings
networking opportunities	Netherlands	
learnt new skills	Netherlands	income generation revenue and sales
networking opportunities	Netherlands	
improved self esteem	Nigeria	personal savings
learnt new skills	Nigeria	Sending children to school
	Nigeria	income generation revenue and sales
knowledge enhanced	Poland	Reducing the amount of environmentally hazardous wastes
knowledge enhanced	Poland	support for homeless people
learnt new skills	Puerto Rico	solid administrative structure
	Puerto Rico	income generation revenue and sales
	Puerto Rico	living and working conditions
learnt new skills	S.Africa	less reliance on grants
confidence	S.Africa	increased revenues and profits

knowledge enhanced	UK	income generation
	UK	personal savings
	UK	improved health standards
learnt new skills	USA	income generation
confidence	USA	profits
less dependent	USA	
knowledge enhanced	Zimbabwe	improved health standards
increased self esteem	Zimbabwe	increased revenues and profits
	Zimbabwe	gained employment
learnt new skills	Mexico	formal group
knowledge enhanced	Mexico	increased revenues and profits
networking opportunities	Mexico	improved health standards
knowledge enhanced	Kenya	increased revenues and profits
learnt new skills	Russia	increased revenues and profits
knowledge enhanced	Singapore	income generation
improved confidence	Singapore	
learnt new skills	Phillipines	income generation
learnt new skills	Tunisia	increased revenues and profits
networking opportunities	Tunisia	improved health standards

Australia – University of New England (EMPLOYMENT)

Project Summary Farming Futures, connecting UNE's Agricultural and Agribusiness students with industry and promote opportunities in Agriculture through careers fairs, industry dinners and social media. People in need are agriculture students and companies seeking graduates.

Mission/Vision Ensuring the agricultural industry's sustainability by addressing the severe graduate shortage.

Social Impact 96% of attendees felt their networking opportunities **significantly increased**. 92% of attendees felt their knowledge of career prospects **enhanced**.

Economic Impact 25 companies connecting professionally with 250 current students, 11 students employed by one company for vacation work.

Environmental Impact None

People directly impacted 275 people

Brazil – University Para .. (TECH / EMPLOYMENT)

Project Summary Organolate; a women's empowerment partnership project based in riverside communities where illiteracy is 51% and women do not have an active role in generating income for their families. Developed a technology to aid the production process, perfecting chocolate powder to organic and lactose free standards that can commercialise it in more rigorous markets.

Mission/Vision

Social Impact Inspired the ability and willpower of the women, empowering them to improve their role in their families.

Economic Impact 180 packets produced and commercialised and a 2500% increase in the product's selling price.

Environmental Impact None described

People directly impacted 71

People indirectly impacted by 5 projects 196,941

Canada – Ryerson University (EMPLOYMENT)

Project Summary Start Me Up is a project targets people in need who are from backgrounds with technology, youth, fashion and green innovation entrepreneurs.

Mission/Vision Help entrepreneurs to start and expand businesses through education, resources and funding to accelerate ideas and ensure long term success.

Social Impact Instil entrepreneurship and empower people. Provide entrepreneurs with inspiration and customised resources for them to start and expand successful businesses.

Example case of Energy Savers The idea is energy retrofits, the entrepreneur needed funding, a business plan and human capital. Start Me Up provided education with idea consultation and grant applications, the outcome was 3 retrofits completed, 400 home owners educated and 12 business partners secured. Homeowners saved \$3000 in bills.

People directly impacted Worked one-to one with 180 entrepreneurs, created 36 new jobs, directly impacted 2239 individuals, helped to start and expand 94 businesses

Economic Impact Raise capital to generate revenues and generated \$600 revenue per home and 10% commission

Environmental Impact Reduced pollutants and drives green innovation, reducing 9 tonnes of greenhouse gases

Shanghai University of Finance and Economics – China (EMPLOYMENT/FARMING)

Project Summary Coffee Green project established sustainable urban mushroom cultivation to help the 40s50s generation.

Mission/Vision none stated

Social Impact Created jobs for the lost generation of urban residents (40s – 50s), improving mental state of a particular social group. All of the 40s50s residents have realized social identity and self-value through learning new skills and managing and take positive attitudes now. Built a self-management model to help leaders and growers smoothly run the whole business.

People directly impacted 5 communities and 99 residents are directly involved. 37 trainings made them acquire skills.

Economic Impact Created business with monthly revenue of 12,000 dollars with 60% net margin. The 40s50s sell 460 kilos of mushrooms daily and made 7000 dollars monthly profit.

Environmental Impact Disposed of coffee grounds in an environmental way for economic use

University of Nantes – France (Employment)

Project Summary entr-apprendre is a project to to reinsert long term unemployed seniors into the job market.

Mission/Vision none stated

Social Impact To recreate social links and help seniors to regain confidence in themselves. 60 hours of face-to-face interaction per senior in inter-generational brainstorming meetings. 48 hours per senior of professional training. 6 found jobs, 4 setting up businesses, and 1 internship, 1 looking for work.

People directly impacted 12 seniors

Economic Impact Financial independence.

Environmental Impact None described

University of the Valley - Guatemala (Employment/FARMING)

Project Summary Smart Farming empowers farmers to create organic fertilizer through a self-sustainable agricultural cycle, increasing agricultural production profit. This is by increasing the farmer's agricultural knowledge, improving the family's economy and decreasing the usage of agro-chemical products. There were six workshops given.

Mission/Vision Not explained.

Social Impact Empowerment because farmers are in charge of the whole fertilizer creation and they are successfully implementing the methodology. Farmers acquired knowledge and developing leadership, entrepreneurship and self-esteem.

People directly impacted 21 farmers involved, 105 people directly impacted and more than 120,000 Guatemalans reached.

Economic Impact \$300 saving in the investment and each farmer obtains a profit of \$400 by each harvest time – totalling \$700 per farmer per crop. The families economy have improved and with saving money they have started new business establishing 550 breeding broilers.

Environmental Impact Turning waste and excrement into saved money lowering the agricultural investment by 250% and increasing the profits.

Delhi Technological University – India (EMPLOYMENT)

Project Summary Project Ann aims to ameliorate the economic, social and safety conditions of roadside food stalls across New Delhi. Owners have a lack of knowledge and business expertise, workers have un-organised employment structures, meagre incomes and suffer social alienation and customers face health risk exposure.

Mission/Vision none stated

Social Impact Basic education and waiter etiquettes for workers, health check-ups for workers and making food cleaner and safer for customers. Empowerment because it made the workers less dependent on the food stall owner, newly developed potential of the owner to expand his business, improvement in food hygiene for customers.

People directly impacted not stated

Economic Impact Increase in number of orders from 16 – 62%, increase in the income of workers from 10 – 50%, increase in the income of roadside stall owners 11 – 43%.

Environmental Impact Waste segregation, water conservation, jute bags for food delivery, usage of CFL bulbs

Sungkyunkwan University – Korea (EMPLOYMENT)

Project Summary Do Hands project asks companies to employ the homeless people to make paper hangers and distribute them to local dry cleaners. The paper hangers will bear the ads for the companies.

Mission/Vision Triple Bottom Line approach - there are homeless, jobless people with slim job opportunities and lack of confidence. The homeless need a stable job opportunity to recover their self-confidence.

Social Impact Empowerment from collaboration to make production manuals. Transferring basic working skills and knowledge, providing psycho-therapy through art education and self-confidence improved.

People directly impacted 25 homeless people helped to find jobs.

Economic Impact Total sales resulting in \$139,046 and 8 contracts.

Environmental Impact Saving of 8200kg iron hangers, reused paper and plastic.

Universiti Malaysia Sabah (Employment)

Project Summary Unfold provided a mobile academy with trainings to leverage employability, entrepreneurial skills and knowledge to improve the lives of vulnerable and less privileged communities.

Mission/Vision None described

Social Impact Eliminated social isolation, increased self-worth and confidence. The empowerment of underprivileged communities through the development of valuable skill sets and knowledge transfer. Establishment of strategic partnerships for long term sustainability. Emancipation from being too dependent on external aids, and also more occupational opportunities.

Assessments - Data collection conducted via direct observations, interviews and questionnaires. Pre and Post Tests conducted every 3 months to measure the level of performance.

People directly impacted 225 underprivileged individuals

Economic Impact 38 newly secured jobs, increase in sales by \$66,222 in Creative Crafts and \$31,200 increase in Charming Ornaments.

Environmental Impact Implemented concepts of upcycling and freecycling

Mohammadia School of Engineers – Morocco (TECH)

Project Summary Solar Cooker designed cheap solar ovens and transferred manufacturing know how to 2 remote villages. Most families in rural Morocco still cook with wood; however wood is becoming scarce due to over-exploitation.

Mission/Vision None described

Social Impact 91 households have discovered solar cooking and now able to make their own solar ovens.

People directly impacted 91 households in 2 villages

Economic Impact A cheaper solar oven proto-type

Environmental Impact Use of solar energy and 360 kilos of wood saved per day

University of Utrecht – Netherlands (Employment)

Project Summary Kookieland is a multi-cultural catering company in Utrecht where food is prepared and served by migrant women. Here they are empowered to practice their Dutch and gain work experience. The catering team consists of women with a refugee background, now living in Netherlands and trying to build out an existence. These women have the chance to develop their passion cooking. They also have language and hospitality courses. The purpose is to eventually continue into the labor market.

Mission/Vision None described

Social Impact The women have few social contacts leading to boredom and loneliness. Women also have difficulty finding work, so they do not generate income and thus enjoy a low standard of living. By offering a work and learning program for these women, they can learn to work in an organization, and they can learn the Dutch language. Cook Island women pay financial compensation and creates an environment where women new experiences and connections to make. **45 hours of workshops given to women and \$2275 invested in personal development**

People directly impacted 6 lives impacted and 5 partnerships established.

Economic Impact \$9175 revenue

Environmental Impact none described

Kaduna Polytechnic – Nigeria (Tech / Employ / Natural)

Project Summary Evergreen aims to solve desert encroachment, climate change, unemployment and women marginalisation, the target audience is women and youth in Kaduna. It includes introduction of briquette machines (flammable matter blocks) and energy efficient stoves.

Mission/Vision None described

Social Impact Through the sensitization program, women are empowered to contribute to family income and be a voice champion of issues. Improved self-esteem because they have become economically active, earn a living and take responsibility. Cooking is healthier and hygienic less fumes are inhaled, curbed indiscriminate tree felling. Empowering them with entrepreneurial skills to generate income (listed under Economic), empowering by adopting the 'train the trainer' strategy each beneficiary trains 2 new people under supervision.

People directly impacted 200 people trained on use of briquettes, 550 families save an average \$150,562 per year by using briquettes. 40 families can afford quality education for their children.

Economic Impact 15 project beneficiaries each now earn \$35 per month on the production and sales of briquettes.

Environmental Impact 100,500 trees planted to restore lost arable land, distributing 80 stoves and wonder boxes 1.9 million kg of carbon dioxide will not be emitted into atmosphere. Introduced a cheaper alternative to firewood.

University of Gdansk – Poland (Natural)

Project Summary Second Life of Waste tackles the lack of eco-awareness in sorting waste and recycling huge amounts of materials that are not used again. There is a need to equip homeless shelters, therefore the project organised an educational campaign, converted PET plastic bottles to quilts and donated quilts to homeless shelters.

Mission/Vision None described

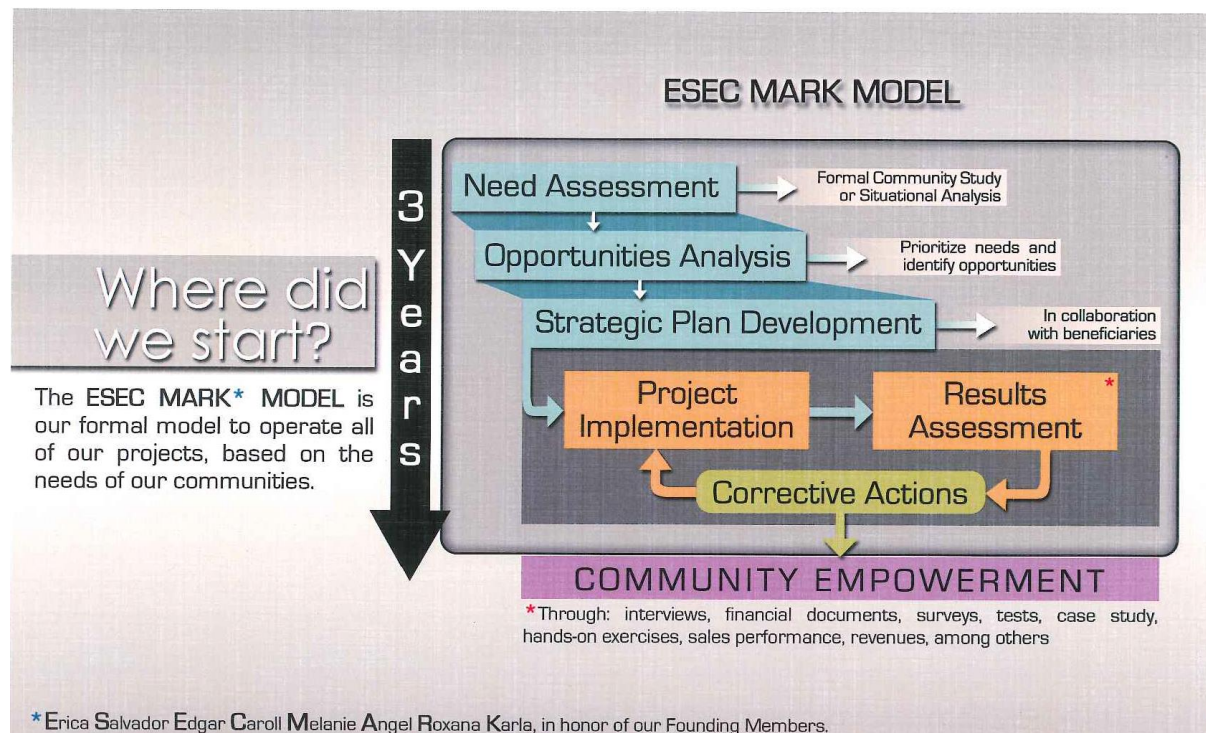
Social Impact Reducing the amount of environmentally hazardous wastes, support for homeless people

People directly impacted Educated 900 school children, 100 fitness clubs, 400 people from eco-events, manufactured 200 quilts.

Economic Impact 2500 bottles collected, 4 eco events organised and 200 quilts manufactured worth about \$1875 (1 quilt = USD 9.3)

Environmental Impact Promotion of ecological awareness, encourage society to recycle waste and show they have economic value to be used again.

University of Puerto Rico Humacao



Project Summary A Lack of solid administrative and fiscal structures risk educational services for low income families at House Maria Mazzarello.

Mission/Vision Build capacity and create sustainable business opportunities for people in Honduras

Social Impact Empowerment from a business board, to oversee and assess business operations. Effective empowerment because 31 parents shown their potential as entrepreneurs to sustain their families. Providing a new structure for the scholarship program.

People directly impacted 340 girls and 31 parents

Economic Impact \$75,415 (\$10415 donations, \$6500 t-shirt venture, \$12,500 Scholarship program and Bakery business)

Environmental Impact A recycling program was implemented among students generating \$6000

University of Pretoria – South Africa

Project Summary Mohlakeng Market created a platform where vendors and entrepreneurs from the village can trade under one roof. Job creation was stimulated while a sustainable income was generated for both St. John's and the vendors with a replicable business model.

Needs analysis undertaken

Mission/Vision None described

Social Impact 35 directly impacted women's empowerment through business skills transfer, the education and certification of St. John's employees, curbed reliance on social government grants,

increased income of 53% on average per vendor due to increased business knowledge and new confidence.

People directly impacted 635 people

Project Blueprint (Interventions) The engagement of stakeholders, securing capital from First National Bank, engaged Vodacom to establish a texting service to reserve stalls and generate income for St. Johns. Entrepreneurial mentorship from MBA students at Gordon Institute of Business Science, marketing strategy implemented by Hlolo marketing (local advertising company), community awareness and environmental consciousness affected behavioural change, management and vocational skills training by university staff, financial services provider and professional development agency.

Economic Impact Vendor profit and St. John's profit – total revenue \$4197, total profit \$2536

Environmental Impact Rehabilitation of the informal dumping site, training on environmental awareness and recycling principles drastically reduced pollution in the area.

Appendix 6: McKinsey Extract - Opportunities for the Dutch Social Enterprise Sector

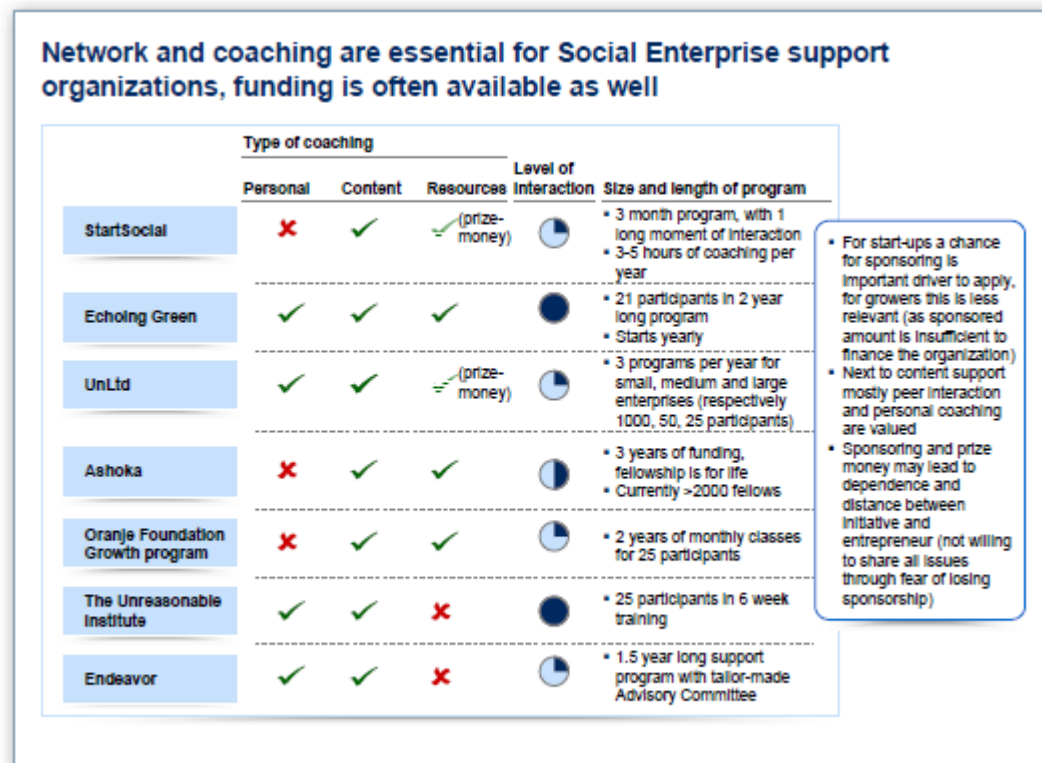


Figure 17