



By NATALY NOGUER BLUE

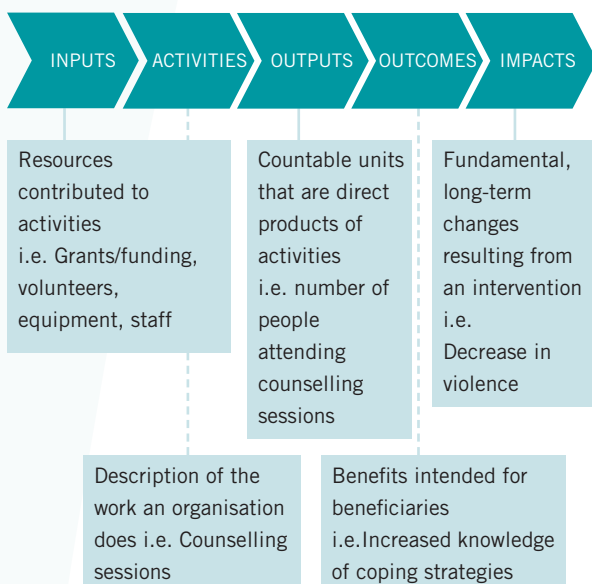
While the value added by voluntary organisations is widely accepted by government and other funders, there has been increased pressure for the voluntary sector to measure the difference they make to individual's lives and wider society. This report will aim to provide a brief overview of the impact measurement trend and its methods.

This report summarises the findings of a 10 week research project undertaken by Nataly Noguier Blue as Summer Scholar at Victoria University of Wellington in partnership with Volunteering New Zealand. The project was supervised by Drs Carolyn Cordery and Karen Smith of Victoria Business School and supported by Claire Teal of Volunteering New Zealand.

WHAT IS IMPACT MEASUREMENT?

Measurement in an organisation can happen at any level of the impact chain shown below (see figure 1). Measurement up to the output level looks at how efficient an organisation is in using their resources to deliver services and products. However, outcome measurement looks at how effective an intervention has been in producing intended benefits for participants. Measuring impact involves assessing the fundamental, long-term change an intervention has caused in participant's lives and communities.

Figure 1: Impact Chain



Adapted from: Fowler (1997) cited in Hailey, James, & Wrigley (2005, p. 7)

WHY MEASURE IMPACT?

The current trend towards impact measurement has been a result of many external and internal factors:

- Government is increasingly contracting voluntary organisations to deliver social services, and demand evidence of results.
- Philanthropic Foundations are becoming more 'hands on' and providing business advice (including impact measurement) to voluntary organisations to deliver higher impact.
- Staff want to measure impact to improve their work and energise team toward mission.

CHALLENGES IN IMPACT MEASUREMENT

While there has been an increase in the use of outcome measurement, the following are challenges for its use in the voluntary sector:

- Some staff think it is incompatible with their flexible approach, and a waste of time and resources.
- Impact is difficult to put in dollar numbers because of the social nature of the work voluntary organisations do.
- Impact is difficult to attribute to a particular organisation because there are many different factors affecting results.
- Measuring impact can lead to negative unintended consequences that hinder learning. For example, staff could focus on the indicators that are measured, rather than the long-term mission that is more difficult to measure.

SUMMARY OF FINDINGS

This literature review adapts a framework suggested by a 1998 Canberra workshop to categorise the wide range of impact measurement methods found in the literature (Apthorpe and Nevile, 1998, cited in Gasper, 2000). Instead of choosing a method based on level of popularity, this framework suggests that the following issues should be considered when choosing an impact measurement method:

Purpose of evaluation – Is the primary purpose of evaluation to prove impact to donors, or to learn to improve impact?

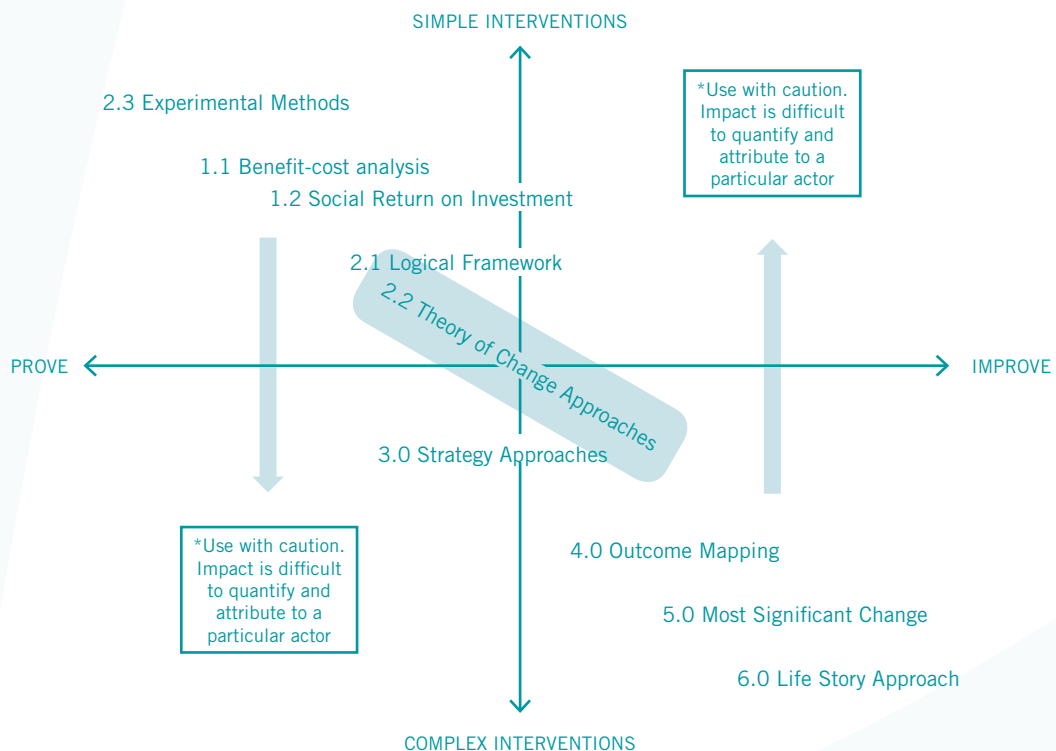
- Prove – Methods that prove impact emphasise the use of quantitative, single measures usually performed at the end of an intervention by external experts.
- Improve – Methods that focus on learning to improve impact emphasise qualitative, multiple measures performed by internal stakeholders with the autonomy to engage stakeholders, question assumptions and adapt an intervention.

Nature of the Intervention – Is the intervention more simple or more complex?

- Simple intervention – Simple interventions use routine practices in a linear and uncontested path towards a clearly-defined, discrete outcome.
- Complex Intervention – Complex interventions use non-routine practices in multiple, contested pathways to contribute to loosely-defined and emergent outcomes.

Figure 7 uses the above considerations to categorise the impact and outcome measurement methods discussed in this literature review. The main finding is that quantitative, single measure methods aiming to prove impact are more suited to simple interventions because the assumptions underlying the cybernetic model of control are fulfilled and single-loop learning is suitable. These methods are located in the top left-hand quadrant of figure 7 and include experimental methods, benefit-cost analysis, and social return on investment. However, these methods should be used with caution in complex interventions as issues of attribution and measurement arise when multiple actors and environmental factors contribute to end results. Instead, qualitative, methods with multiple measures that emphasise learning for improvement are more suited to complex interventions, as they facilitate a wider exploration of unintended change and the challenging of current assumptions. These methods are located in the bottom right-hand quadrant of figure 7 and include outcome mapping, most significant change, and life story approach. These methods should be used with caution and adapted in simple interventions as the cost and level of resources may be greater than potential benefits. It is important to note the methods in figure 7 could be placed in other quadrants depending on the user's approach, but they have been classified according to their primary characteristics and orientation.

Figure 7: Impact Assessment Methods



Adapted from: Apthorpe & Nevile (1998) cited in Gasper (2000)

The following is a table that summarises the main methods that can be used to measure impact, as well as links to examples and useful resources when possible.

| <i>Method</i> | <i>Example</i> |
|---|--|
| <p>1.1 Benefit-Cost Analysis – An economic framework that involves quantifying all the costs and benefits associated with a given intervention to determine its net benefit to society. A benefit-cost ratio is equal to the net present value of benefit/net present value of cost.</p> | <p>Benefits of Community Law www.communitylaw.org.nz/fileadmin/documents/assets/NZIER_report_on_Community_Law.pdf</p> |
| <p>1.2 Social Return on Investment – A framework for measuring the financial value of an organization’s impact relative to resources invested.</p> <ul style="list-style-type: none"> ▪ Useful Resource: www.thesroinetwork.org/publications/doc_details/241-a-guide-to-social-return-on-investment-2012 | <p>The Craft Cafe: Creative Solutions to Isolation and Loneliness www.socialimpactscotland.org.uk/media/3215/Craft%20Cafe%20SROI%20FINAL%20REVISED%20v2.pdf</p> |
| <p>2.1 Logical Framework – A planning and evaluation tool using in international development usually presenting in matrix format. It contains a description of a programme’s logic, how progress at each level will be assess, and the external conditions that need to be fulfilled for objectives to be achieved as planned.</p> <ul style="list-style-type: none"> ▪ Useful Resource: www.norad.no/en/tools-and-publications/publications/publication?key=109408 | <p>Example of use in linking regional pest management activities to outcomes www.envirolink.govt.nz/PageFiles/627/896-HBRC135%20Linking%20regional%20pest%20management%20activities%20to%20outcomes%20-%20a%20template.pdf</p> |
| <p>2.2 Theory of Change – A wide range of outcome-based, participatory approaches for impact planning, evaluation, and organizational capacity-building influenced by theory-based evaluation and social change fields of study. It is a flexible tool that explores and assesses how an organisation or project achieves change, or how change happens more broadly to identify how an organization can contribute to change. These approaches usually assess impact by mapping outcomes, developing indicators, identifying interventions, and identifying assumptions of how change happens.</p> <ul style="list-style-type: none"> ▪ Useful Resource: www.ces-vol.org.uk/Resources/CharitiesEvaluationServices/Documents/makingconnectionsusingatheoryofchangetodevelopplan-800-808.pdf | <p>Project Superwoman www.theoryofchange.org/wp-content/uploads/toco_library/pdf/Superwomen_Example.pdf</p> |
| <p>2.3 Test programme theory using Experimental Methods –</p> <p>Experimental Methods: Measures the impact of a programme by finding the difference in outcomes between a randomly selected control group and programme participants. It is considered the ‘gold standard’ of impact measurement, as it finds the counterfactual.</p> <p>Quasi-Experimental Methods: Measures the impact of a programme by finding the difference in outcomes between a comparison group and programme participants. It is considered less reliable than experimental methods because here may be selection bias in the construction of a comparison group.</p> <ul style="list-style-type: none"> ▪ Guide: siteresources.worldbank.org/INTISPMA/Resources/handbook.pdf | |

Method

Example

3. Strategy Approaches –

Balanced Scorecard: A private sector performance management tool that tracks measures from four financial and nonfinancial perspectives that are linked to an organisation's strategy. The four perspectives are financial, customer, internal process and learning and growth perspectives.

Kenya Red Cross – Balanced Scorecard
www.balancedscorecard.org/LinkClick.aspx?fileticket=b2j-xzGAsbk%3d&tabid=57

Strategy Map: A visual framework depicting the logical, causal relationships between different objectives for each perspective of a Balanced Scorecard. This tool can be used to help identify any measures that are not quite aligned with the overall strategy.

VINFEN Strategy Map – A private, non-profit human services organization based in Cambridge
www.balancedscorecard.org/Portals/0/PDF/Vinfen_FY06_Map.pdf

▪ Useful Resource:

www.cimaglobal.com/Documents/Thought_leadership_docs/tech_resrep_a_practitioners_guide_to_the_balanced_scorecard_2005.pdf

Public Value Scorecard: A performance management tool inspired by the Balanced Scorecard, but embodying Mark Moore's concept of public value strategy. It tracks measures related to a 'strategic triangle' of public value creation including mission, building operational capacity and expanding authorisation and support for mission.

BBC Public Value Approach
www.bbc.co.uk/bbctrust/assets/files/pdf/regulatory_framework/pvt/public_value_practice.pdf

▪ Useful Resource:

oueli.voinovichcenter.ohio.edu/alumni/public_value_scorecard.pdf

4. Outcome Mapping: Outcome Mapping is an integrated planning, monitoring, and evaluation approach developed by the IDRC that focuses on tracking and monitoring the behavioural changes of partners that an organisation works with and influences directly. However, an outcome map is also simply a map that demonstrates links between outcomes.

World Solidarity's Social Movements Programme
www.outcomemapping.ca/resource/resource.php?id=399

▪ Useful Resource:

www.outcomemapping.ca/resource/resource.php?id=269

5. Most Significant Change: A qualitative, participatory evaluation technique that involves collecting stories about most significant change from the field, and then using the organisational hierarchy to filter and select the most successful stories.

▪ Useful Resource:

www.mande.co.uk/docs/MSCGuide.pdf

6. Life Story Approach: A qualitative research method that explores the impact of a programme by privileging participant's personal narratives and life stories in order to better understand the multidimensional and dynamic nature of personal change.

Pathways through Participation – research on impact of volunteering
pathwaysthroughparticipation.org.uk/

▪ Useful Resource:

pathwaysthroughparticipation.org.uk/wp-content/uploads/2010/09/Understanding-impact-in-social-and-personal-context_paper3.pdf

REFERENCES

- Aporthe, R., & Nevile, A. (1998). Managing Emergency and Humanitarian Aid Evaluation - Evaluation no. 12. *Austalian Agency for International Development*.
- Gasper, D. E. S. (2000). Evaluating the "Logical Framework Approach" Towards Learning-Oriented Development Evaluation. *Public Administration and Development*, 20, 17–28.
- Hailey, J., James, R., & Wrigley, R. (2005). Rising to the Challenges: Assessing the Impacts of Organisational Capacity Building.