Impact measurement in practice: A case study report examining the approaches of five charities and social enterprises who have used social investment

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Content

Executive summary

As public funds increasingly come under pressure across a number of countries, social investment has been viewed as offering an alternative innovative approach to tackle social problems and create impact.

Social investment holds significant promise to fund a new wave of social interventions tackling a range of social issues. Sustainability is key to the impact of social investments, as organisations who have the ability to generate revenue can repay investments and so finance can be reinvested which can increase the funding available for good causes.

Measuring financial sustainability is relatively straightforward. However, generating social impact is a fundamental aspect of social investment and is much more complex to measure. If social investment is to fulfil its potential, it needs to develop systems and processes to measure social impact in a standardised way.

Many reports have highlighted the differences in impact measurement practices across different funds and investees. There is also a dearth of reports that look specifically at how frontline organisations are measuring impact. To improve consistency and impact measurement practice, we need to explore the approaches that are currently used by organisations.

This report profiles five organisations who have received different types of social investment products and are delivering a range of different activities and services. We hope that the report will help to inform the debate about how to improve and understand measurement of social impact in the social investment market.

From the case studies, we have highlighted a number of common themes and lessons from the impact measurement practices of each organisation.

Theme 1: co-developing an approach with your investor

The majority of organisations had a hands-on and engaged approach from investors in relation to measuring their impact. Most found that this helped kick start and clarify their approach to impact measurement.

Theme 2: Embedding impact measurement into day to day operations

Most of the organisations interviewed found that data collection became much more useful when it was integrated into day-to-day tasks. This means adapting approaches to fit with business activities, or ensuring that processes in the organisation considered impact data at key decision points.

Theme 3: engaging all staff members

Each organisation agreed that an essential aspect of developing a successful approach was to ensure that all staff members were bought into the idea of measuring impact.

Theme 4: using a theory of change

The majority of organisations had used a theory of change to develop their impact measurement approach. Most of the enterprises felt that it was important to have a model that underpinned their work and acted as a guide for their services and data to capture.

Theme 5: using qualitative as well as quantitative data

Most of the organisations in the report use quantitative methods but also spoke about the importance of having rich qualitative information to add detail to the numbers.

We also summarised a number of top tips for organisations based on the direct experiences of charities and social enterprises profiled in this report. These tips can be used by organisations when thinking about their own impact measurement approach or if they are designing impact measurement with a social investor for the first time.

Simplicity is key: Make sure that any approach gives meaningful information that you can use to make decisions. If in doubt, keep it simple - having less data points but good ones that relate to your core purpose is better than complicated systems.

Impact measurement is a work in progress: It is important that enterprises that are new to measurement realise that it is ok for it to be work in progress. Early stage enterprises in particular find that they develop their approach as they grow and learn about what does and does not work

Make it a team effort: It is important that everyone across the organisation is on board with measuring impact. This helps embed the approach in the organisation and makes sure that there is a culture of reviewing and improving.

Do it for the right reasons: Do not just measure something because your funder or investor asks you to as part of their reporting. If you are ask the right questions you will get something meaningful which will help you to improve rather than just gathering information to fill in a grant report.

Embed measurement into everyday business operation: Organisations strongly recommend choosing impact metrics that also relate to the wider benefits – for example, data that helps with marketing, sales and account management.

Qualitative data: There is also huge value in collecting good qualitative data from service users. Qualitative data can be used to interpret any statistics or quantitative results you have gathered.

Have an impact Lead: The majority of organisations agreed that having a dedicated impact lead ensures that data collection is implemented, interpreted and used for decision making.

We hope that by sharing information on frontline impact measurement approaches, a clearer picture will emerge of how to develop more consistency in this area. A recent GIIN report found that funds who invest in impact management over time reap the benefits in terms of revenue growth, operational effectiveness, investment decisions, marketing and reputation as well as strategic alignment.[1] Better impact practice is key to the development of the social investment market and it is also an essential business function that can mark out social enterprises from their competitors and add to their commercial success and long term viability.

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[1] Global Impact Investing Network: The business value of impact measurement. August 2016.

Section 1: Impact measurement in the social investment market

Social investment has become increasingly relevant over the last decade in an environment where new innovations are needed to tackle social and economic challenges. While public funds are under pressure in many countries, social investment has gained traction as a potential alternative to tackling social issues in a sustainable way.

The past five years in particular have seen a growing market of investment funds, ventures and intermediaries. Research undertaken by J.P.Morgan and GIIN in 2016 demonstrates that 157 funds have committed a total of USD 116.2bn for impact investments since inception.[2]

In the UK, the social investment market is worth at least £1,500m and a total of £472m was committed to charities and social enterprises in 2015.[3] However, as the size of the global social investment market increases, so does the need to ensure a consistent and high quality approach to measuring impact. Social investment needs an evidence base to demonstrate that it can deliver financial as well as social return and measuring impact is critical to this objective.

As impact measurement is core to the definition of social investment, there have been a number of resources and papers published on this subject over recent years. The most commonly used tools for impact measurement in the space are the BSC outcomes matrix and the GIIN IRIS metrics.[4,5] The outcomes matrix outlines a series of outcomes maps which highlight the most important outcomes in sectors where charities and social enterprises operate. It also lists common measures for organisations to track these outcomes. IRIS is a catalogue of metrics and indicators common to outcomes in social investment.

In addition, the European Venture Philanthropy Association published a practical guide to measuring and impact in 2013 which covers five key steps which are: 1) setting objectives; 2) analysing stakeholders; 3) measuring results or indicators; 4) verifying and valuing impact; and 5) monitoring and reporting.[6]

The G8 Social Investment Taskforce published guidelines on impact measurement for impact investors in 2014. These guidelines outline seven phases of impact measurement organised along a plan, do, assess, reviews framework. [7] In addition, New Philanthropy Capital has published guidance on impact measurement in 2014 in its report 'Smart Money'. This report encourages investors to think about the market they operate in, to use a theory of change approach, think about impact at both the fund and beneficiary level and to consider additionality and the impact of deal structure.[8]

Social Value International published research looking at international impact measurement practices among social investors in 2015. It found that although many funds are measuring impact, there is a wide scope in the methods and approaches used. The research concluded that current impact measurement in social investment may not capture the more nuanced and direct impacts of investments. [9]

Similarly, JP Morgan published a paper looking at impact assessment in practice. Its report covers sixty-eight case studies from twenty-one leading impact investors. These case studies examine impact assessment practice and different viewpoints on impact assessment along the investment process.[10] Another report examines the role of impact measurement in impact investing. It explores current impact

[2] The Annual Impact Investor Survey Sixth Edition. (2016). J.P.Morgan and GIIN.
[3] Big Society Capital: Social Investment Insights Series: The size and composition of social investment in the UK. March 2016.
[4] http://www.bigsocietycapital.com/outcomes-matrix
[5] https://iris.thegiin.org/
[6] European Venture Philanthropy Association (2013) A Practical Guide to Measuring and Managing Impact. EVPA
[7] http://www.thinknpc.org/publications/impact-measurement-working-group-measuring-impact/
[8] Rotheroe, A, and Joy, I. (2014) Smart Money. Understanding the impact of social investment. New Philanthropy Capital
[9] http://socialvalueint.org/wp-content/uploads/2015/05/SIAA_Influencing-Impact-Report_April-2015.pdf
[10] J.P Morgan (2015). Impact Assessment in Practice Experience from leading impact investors. Global Social Finance.

measurement practice globally and analyses nine different framework for measuring impact with the aim of providing a more consistent approach to investors.[11]

In 2015, Investing for Good published a comprehensive analysis of impact measurement practice among social investors in the UK. The report found that there was significant variation between the approaches used to measure impact across social investment funds. Some funds used more developed approaches like scorecards and classified metrics while other funds relied on a more qualitative approach - using conversations and case studies. Following the report, an impact group was set up to support collaboration and sharing learning between social investors.

While there have been many reports examining impact measurement practice and progress made with 99% of social investors reporting use of impact metrics in the most recent GIIN survey[12], there are few reports that examine what practice looks like for frontline organisation who receive different types of social investment. The report highlights the lack of common standards when it comes to impact measurement processes – for example how to gather impact data, what metrics to use, how to report and what evidence standards to use. This is to some extent expected as organisations should gather what is proportionate and useful in their own context but there is a role for greater consolidation of approaches where appropriate.

The 2016 Social Impact Survey was recently published by Buzzacott, Matter & Co and The Good Economy Partnership with support from the Esmée Fairbairn Foundation. 184 people responded to it so the findings should be taken in that context. Some of the key headlines include 90 per cent of organisations surveyed use measurement to collect feedback from their clients, 84 per use evidence to inform operations and 91 per cent of use it to attract funding or investment, but only 2 per cent found the measurement process easy.

Understanding exactly how social enterprise and charities are measuring impact is important to moving towards increased consistency in practice. Nesta Impact Investment published a report highlighting practice among its portfolio in 2015. However, there are still few reports that examine different impact measurement approaches among enterprises who have received social investment of different types – from loans through to equity. This report examines the impact measurement approaches of five organisations who have received investment from a Big Society Capital intermediary. The organisations were chosen to represent different sectors, products and types of social investment received.

The purpose of this paper

Social investment is a growing market and the ability to evidence impact is core to its success. The aim of this report is to add to the debate of how to improve the management and measurement of social impact in the social investment market. This report can be used by social investment funds to improve the approach they use with their investees. The content can also be used by charities and social enterprises to help them consider how they might develop an impact measurement approach based on experiences of organisations who have used social investment.

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[11] B and Anderson, E, Impact Measurement: Exploring its role in Impact Investing, National Australia Bank, The Difference Incubator and Benefit Capital, 2015

[12] The Annual Impact Investor Survey Sixth Edition. (2016). J.P.Morgan and GIIN.

Section 3: Impact measurement in practice: case studies of five enterprises

This section highlight the impact measurement approaches used by five charities and social enterprises who are using social investment and highlights key learning which could be applied by other organisations.

K10

Investment received:	Investor:	Currently measuring:
£600,000 loan	Impact Ventures UK	The background of young people engaged in the programme, the impact on hard and soft outcomes, the material impact on the individual of the intervention.

The K10 model

K10 is an award winning organisation that provides support to companies around apprenticeships by offering consultancy, training (ROTO registered) and employing (ATA accredited) individuals that are supported throughout the process. Founded in 2010, the enterprise aims to address the declining number of apprentices as well as supporting the industry in creating and delivering apprenticeship schemes which meet their skills gaps, improve productivity and also address issues around youth unemployment.

Approach to measuring impact

K10's investor, Impact Ventures UK (IVUK) had a very active approach to assessing impact and co-developing a plan for impact measurement with the enterprise. As part of its due diligence, IVUK developed a theory of change with the enterprise which allowed them to see what final and intermediate outcomes that it would measure. The investor provided a secondee to K10 to support impact measurement and help to embed and integrate it into the day to day operations of the enterprise.

K10's theory of change
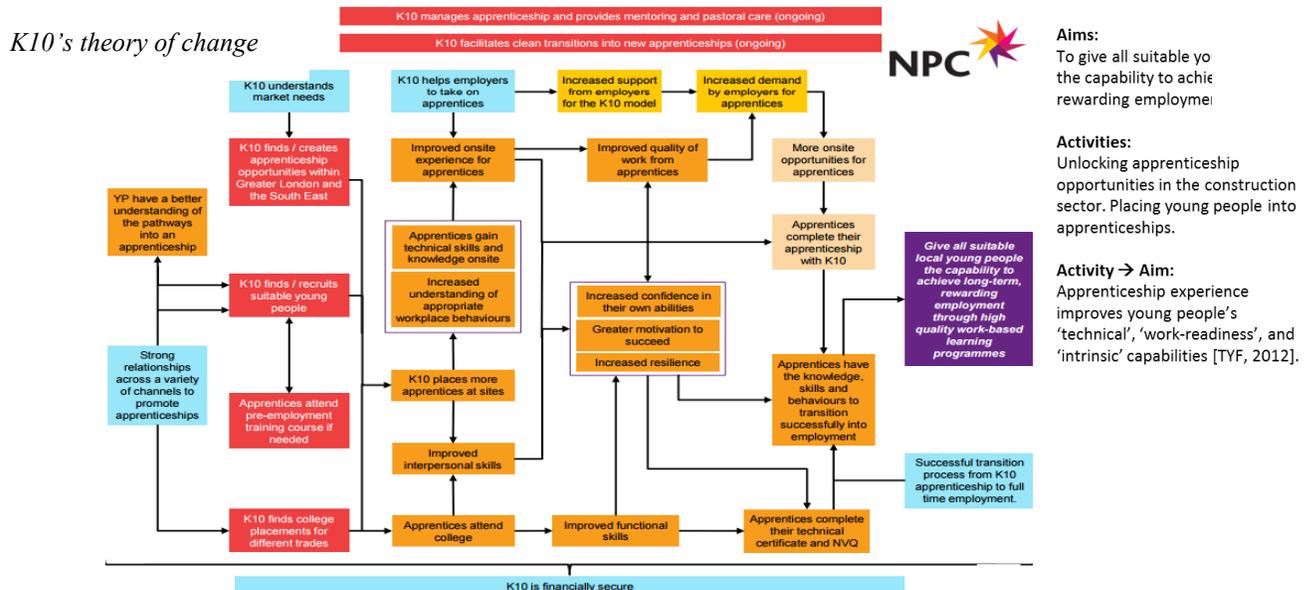
K10 collects information on the background of apprentices coming into the programme which is important as one of their goals is to engage hard to reach groups and make opportunities more accessible to people that may be under-represented in that sector.

K10 gathers information on employment, demographics and the personal situations of the young people applying to the programme. This helps them understand whether they are reaching the right groups as well as targeting support for the specific needs the young person may have.

As Tom Storey, Co-Founder of K10 told us *"all impact analysis starts at the application form, we need to be aware of personal situations to target support and it also forms our baseline – so we can see how things change".*

The enterprise has three main indicators that it uses to track social impact. The first indicator looks at the background of the individuals to ensure that the targeted outreach undertaken is successful. The second indicator sets out a baseline and follow up assessment of young people's well-being and confidence by using a tool called the social ladder which asks young people to rate how they feel using the rungs of the ladder. As Tom said *"we can see the change in confidence and the body language of the young people we work with, but we need to figure out a way of quantifying this".* The third indicator is what material benefit the intervention is having on improving the lives of young people.

What results have you seen?

From K10's application data, the enterprise found that over 80% of apprentices were previously unemployed, 12% are ex-offenders, 15% are women and three quarters are between the ages of 18 and 24. *"This helps us to know that we are reaching the right groups",* said Tom. From the analysis, it is also clear that confidence, resilience, self-esteem and career-direction are highly valued outcomes. *"These are the things which young people talk about in relation to employment"*, said Tom. In terms of the material benefits to the apprentices, on average their wages have increased by 2.3 times their salary from when they were initially employed.

How have you used impact results?

K10 uses the data it collects to regularly reflect on what is and is not working with the training programme. From data on the personal circumstances of the young people, K10 identified the need to provide additional pastoral care. K10 is providing the team with additional training to address this issue and is also working with college partners to provide additional support through their team. Another trend K10 found in its feedback from young people was that travel costs were a barrier to engaging with the programme*. "We now cover travel costs and have since seen improved attendance"*, said Tom.

Challenges and benefits of impact measurement

A significant challenge can be balancing commercial with impact objectives. *"At times, we need to make tough decisions. Impact is at the heart of what we do but we also need to be a viable business",* Tom said. Resourcing impact measurement can also be a challenge especially at an early stage. However, the benefits of collecting impact data make it worthwhile. As Tom said "*It's a black and white reminder of why we are here and what we set up to do - when we see positive results we can be proud of our work".*

Top tips for other organisations

Embedding data collection with everyday operations of the enterprise is crucial. *"I would say that you need to stick to collecting data and look at it regularly",* said Tom.

There is also huge value in collecting good qualitative data from the people you work with. As Tom said, *"Make sure you look in the free text boxes of any survey – they give you a wealth of information on what the young person is going through or feeling in their own words."*

Investment received:	Investor:	Currently measuring:
£50,000 loan	Charity Bank	Children's progress in each session, emotional and behavioural skills, feedback from families.

Twinkle House

The Twinkle House model

Twinkle House opened in 2004 following a community consultation with parents who felt frustrated by the lack of meaningful services for children with disabilities in their local area. Many parents had previously used sensory rooms and found that their children engaged well in this environment.

As a result, the charity developed a targeted sensory-based support service for children and young people. It works with children between the ages of 0 and 19 who may have learning disabilities, emotional and behavioural difficulties, sensory needs, visual or other impairments or illnesses.

Twinkle House provides support which is child-centred and generally involves discussion through play, social stories, teaching of relaxation techniques, understanding emotions and dealing with conflict. The charity aims to increase emotional resilience and children's ability to self-cope. By providing support in an environment where children and young people feel safe, calm and understood, it improves their ability to open up and discuss their difficulties more freely.

Twinkle House provides advice and support to families and carers. This helps families to better support their children which ultimately can improve the well-being of both children and families. After 10 years of providing one-to-one support from one small sensory room, Twinkle House expanded to larger premises using a loan from Charity Bank and its own funds. This move aims to meet the growing needs of families who want a wider range of support. Families now have access to a wide range of support services and facilities, including sleep counselling, children's dance, yoga, a hydrotherapy pool, sensory rooms and a Specialist Resource Library.

Approach to measuring impact

"Because Twinkle House is developing a new model of support for children and families, showing that we have a robust approach is crucial to our survival. Having data on impact is key to proving that our support is needed", said Jill Boardman, Chief Executive of Twinkle House.

Twinkle House uses a bespoke case management system called Gravitas Case Outcome Recording System (CORS). This records routine information on service users – like attendance and background information as well as progress and achievements in each session. The value of the system is that it can be customised for each type of service that Twinkle House provides.

Twinkle House also uses the Goodman's Strengths and Difficulties Questionnaire – an emotional and behavioural screening tool for children. This is given to children (and carers) before they start using services, mid-way through and after they finish receiving support. The results from the questionnaire are recorded on CORS which allows the Charity to track the impact it is having on emotional health, mental health and behavioural functioning.

In addition to formal assessment, Twinkle House's Integrated Practitioners continuously assess children and young people throughout the programme, liaising with parents, carers and other professionals and keep these reports on the CORS system. Finally, the charity collects feedback from carers and parents. This is reviewed regularly to ensure that services are relevant and to make continuous improvements. *"We feel it is important to have robust evidence of our impact as we have to demonstrate the value of what we do to a wide variety of stakeholders—such as grant funders, families, donors, schools and statutory agencies",* said Jill.

What results have you seen?

12,234 people accessed support from Twinkle House last year which was an increase of 4,650 on the previous year. It provided 901 one-to-one targeted support sessions with a qualified nurses and social workers, supported 60 families with sleep disturbance counselling and other practical advice and 418 children attended classes in therapeutic dance and yoga and mindfulness. 963 children accessed the charity's sensory facilities and 1,549 adults with disabilities, sensory impairments or mental health needs benefited from sensory relaxation sessions.

Twinkle House provided information, strategies and emotional support to 5,097 care-workers, teaching assistants and parents or carers. 98% of children and young people 0-19 (in some cases families) accessing Twinkle House 1:1 and other support services report having improved mental health and well-being.

From the outcomes star results, the average score children and young people accessing the service is between 1 and 2. 1 on this scale means that the person is not coping well with their difficulty. Average scores on leaving the service are 9 and 10. A score of 10 means that the young person has reported being able to cope with the difficulty that they originally came to Twinkle House with in the first place. A quote from a parent whose child benefited from Twinkle House support illustrates the impact it has made: "*The support has made a difference, as C's ability to self-regulate is improving. C is able to calm down more quickly following an outburst.*"

How have you used impact results?

"*Twinkle House was originally set up by a group of parents so responding to their feedback is an important part of our service*", said Jill. The Charity looks at feedback forms regularly to understand how it can improve its facilities and services. For example, it received feedback from families that they wanted increased opportunities to meet and talk to other families. In response to this, the charity started providing more family oriented services and now has a café.

Twinkle House also ran a consultation with families and found that there was demand for more holistic services beyond sensory activities and therapy. As a result, it successfully applied for Big Lottery funding to run leisure activities like dance, yoga and mindfulness. Jill also thinks that having good quality data helps with referrals from statutory agencies who have confidence that it is running a high quality service. As Jill put it "*We are able to feed the data we collect into children's reviews along with other statutory agencies. This helps us to operate on an equal footing as some of the statutory agencies in this area.*"

Challenges and benefits of impact measurement

Recording impact data is integral to Twinkle House's day to day work. Data is used to ensure it is meeting needs for service users. "*If we are not then we stop, re-assess and start again*", said Jill. Even when data collection is a routine part of the session, most of the value is in taking the time to look at the data and understand what it means and this takes time and expertise.

Ideally the charity would have one person responsible for impact measurement but it can be challenging to fundraise for this role. However, ensuring that measurement is routine and using a data collection system has helped to systematise the collection of impact data. Jill feels that the benefits of investing in impact measurement are clear: "we have increased trust in our ability to run robust high quality services and achieve good outcomes for children and their families. The fact that we receive referrals from a large number of NHS professionals is a vote of confidence of this". Jill also feels that in a time of increased cuts, showing that social enterprise can be a sustainable model as well as having positive impact is important. "We have had other organisations who are interested in becoming a social enterprise coming to us asking for advice. Having robust data is an important part of showing that the model works", said Jill.

Top tips for other organisations

Having one person leading on impact measurement who has the expertise in understanding the data is key. This can be difficult to resource but as Jill said, "understanding the data is the most valuable part". Because data collection can be time consuming, it is also important to take the time to think about what data is relevant and useful and what is not. .

Finally, listening to your service users and making changes based on their needs is vital to ensure you are delivering what is required. Since the charity was founded it has consulted with families about their need. "Because of this, our service users have helped us develop a unique service that is tailored to meet their needs", said Jill.

ThinkForward

Investment received:	Investor:	Currently measuring:
£900,000 as part of a social impact bond	Big Society Capital and Impetus-PEF	Entry into employment, improvements in attainment, attendance and behaviour and improvements in social and emotional skills.

The ThinkForward model

ThinkForward was set up to provide targeted early intervention support to young people entering their GCSE years who are at risk of leaving school without entering employment or going on to further or higher education. It places highly skilled Progression Coaches in schools to provide one to one support to young people.

Young people are normally selected in year 8 and begin working intensively with coaches in year 9. Over five years, the coaches support young people to overcome challenges at school, home or in the community, set goals and link them to support provided by charities and organisations outside the school.

Approach to measuring impact

ThinkForward has a strong Theory of Change model underpinning the programme. As Luke McCarthy, Programme Development Manager at ThinkForward said *"We very consciously have set outcomes we are working towards throughout the five years - sustained employment is the ultimate outcome but this is linked to intermediate outcomes like attendance, behaviour, Ready for Work skills and qualifications"*.

The charity collects data on a termly basis from schools and elsewhere. This includes data on everything from progress against a Ready for Work scale, attendance, behaviour, through to attainment and employment outcomes. Coaches and managers can then use the data to understand if there is anything they need to focus on with the young people they support.

ThinkForward assesses sustained employment outcomes by making monthly contact with young people while they are on the programme and then following up at three, six, 12 and 18 months after young people leave the programme. One of the key developments ThinkForward has made with impact measurement was to design a bespoke scale that measures softer skills that are indicators of how ready a young person is for the workplace. This Ready to Work scale helps them to understand the shorter term outcomes with a young person and helps pinpoint support – *"from the data, we can see who is not making expected progression and intervene. We can also see young people's strengths and weaknesses in different areas and match them with the most appropriate support"*, said Luke.

Because ThinkForward received investment through a social impact bond, collecting this outcome information was crucial. The monitoring of data allowed the investors to understand if the programme led to any cost savings and was used to assess the level of financial return. As Luke said *"we were lucky to have very hands-on investors – they helped us design our impact measurement processes and were very interested in understanding the data and the lessons that it held"*.

To date, the charity has not looked at attribution to find out whether the outcomes would have happened anyway for the young people it supports. To address this, ThinkForward is working on a randomised control trial with the Education Endowment Foundation. This will look at children's academic attainment and social and emotional skills compared with similar groups who did not take part in the ThinkForward programme.

What results have you seen?

In 2015, the first cohort of students graduated from ThinkForward after four years of support. Results showed that 91% were in education, employment or training at age 18, 85% had improved behaviour or attendance at school, 72% gained five GCSE's, 24% passed two A-levels (or equivalent), 21% gained a job through ThinkForward and 12% went to university.

How have you used impact results?

"It is absolutely essential to the success of the programme that we learn from our data and make improvements," said Luke. ThinkForward reviews results each term and tries to understand why there might be differences in progress between certain pupils and certain schools and makes changes to its support as a result.

For example, Luke said *"when we looked at earlier cohorts of students on the programme, we realised that we needed to take a more targeted approach to ensure that we had the most at-risk students involved. We then started to use data on what puts students at risk of being NEET later in life and used this to generate a shortlist of students to take part in the programme".* On a more practical level, it also made changes to the data dashboard that coaches access to ensure that any gaps in attendance were flagged. As Luke told us "*We now flag each young person who hasn't been seen in the last month – this ensures that regular contact is made".*

Challenges and benefits of impact measurement

Luke felt that one of the biggest challenges was the perception of impact measurement among staff. *"From the beginning it's important for staff to be clear that impact measurement helps them do their jobs better and that it's not just for funders. It's really important to show them how the data will be used and how it will benefit them".*

However, the challenges are worth it for the benefits. As Luke said, *"this is about allowing us to provide more effective support – having data on our impact is fundamental to an intelligent design and actually delivering something that works".* The charity is also in the process of scaling up its service to other schools and locations and as Luke told us *"having evidence that the model works will be key to doing this".*

Top tips for other organisations

Do impact measurement for the right reasons: *"It's about understanding your effectiveness - don't just measure something because your funder or investor asks you to,"* said Luke. It's also important to remember that impact measurement is a journey in itself. As Luke said, *"you may not have all the right systems or processes in place and you may still need to convince a few people of its value. But, if you are willing and ready to make this investment you will get something meaningful that will help improve what you do rather than something that is used solely to report funders".*

London Community Land Trust

Investment received:	Investor:	Currently measuring:
£500,000 community share offer	Over 130 individuals and organisations, with support from Resonance	Homes built, pipeline of properties, engaged members, impact on residents (in terms of quality of life and stability).

The London Community Land Trust model

London Community Land Trust (CLT) aims to provide permanent and affordable housing to the increasing number of people who do not qualify for social housing but yet cannot afford to buy a home on the open market. This is done in a way that does not require government subsidy or a reduced profit margin for developers. Importantly, homes are priced according to local earnings and not the property market. This will ensure that homes remain affordable even if they are sold at a future date. Its first flagship project is in Mile End, London. It has aspirations to develop more sites, expanding beyond East London and is working on a second site in Lewisham.

Approach to measuring impact

London CLT worked very closely with Resonance to build a social impact model using a tool called the Transformational Index. As Andy Schofield, Housing Director for London CLT said, *'we were lucky to receive a grant from Big Potential which allowed us to work with Resonance to develop a framework for measuring our social impact.'* This work continued throughout the period running up to the community share offer. This allowed London CLT to understand their main USP when it came to social impact, as well as defining the main questions that would be used to test whether they are making progress on their mission.

London CLT aims not only to provide affordable housing but also to influence the debate around affordable housing at a sector level, working closely with its partner Citizens UK. This means that it collects data on its leverage and influence as well as the impact its homes have on people's lives.

One of the simpler metrics London CLT looks at is how many homes it has provided and how many new homes are in its pipeline. *'Having a healthy pipeline is key to showing that Community Land Trusts work as a model and is expanding across London'*, said Andy.

Another unique aspect to the Community Land Trust is that it is completely owned and run by its members. Ensuring that there is high engagement from members is also key to the long term mission of the organisation so it also tracks levels of engagement of its members.

London CLT aims to track the impact its homes have on residents' lives. It will use semi-structured interviews at first to do this and will then start using quantitative surveys. These interviews and surveys will look at stability, residents' quality of life and strength of relationships in the community. As Andy said, *'it's not just about providing housing - we hope that by offering affordable homes, people can stay in their community, put down roots, so actually this is also about family, stability and stronger neighbourhoods.'*

What results have you seen?

As the Community Land Trust is just seeing its first residents now, it has not yet measured impact on residents. Most of its data looks at its pipeline, the influence it is having on the wider housing debate and the level of engagement with members. So far it has provided 23 homes in its first Mile End site. It has a further 184 homes in its pipeline which should provide homes to 727 Londoners. It currently has a member base of over 2,000 and is testing a new model of property development with the local authority in Lewisham.

How have you used impact results?

London CLT used the evidence it was collecting throughout the development of the site at Mile End. The organisation engaged local members and other residents by running workshops and carrying out surveys. As Andy said, *'members gave us feedback that they wanted to be engaged in different ways and so we created different kinds of opportunities for people to get involved'.* London CLT also influenced the architectural process and outcomes in response to feedback. '*I think the development improved as a result - we knew we were helping to build something that would work for local residents'*, said Andy.

Challenges and benefits of impact measurement

One of the challenging aspects to impact measurement for London CLT is to capture the wider influence it is having. As it aims to offer an alternative housing model and influence the housing debate, it needs to track the kind of influence it has and the new partnerships it develops. As Andy said, *'we can't ignore how we can have more impact on people's lives through expanding and collaborating.'*

Like most early stage organisations, it can be a struggle to resource impact measurement. '*It can be challenging to carve space out for this and reflect on what we are really doing',* Andy said. But the benefits are clear according to Andy. '*It's really important to us that we hear the voices of stakeholders other than our own – we need to ensure that what we are doing is what the community wants so having this in our mission helps us to make sure this happens.*' Also, because London CLT is aiming to show that its model of affordable housing is effective, having evidence and validation is crucial to future expansion. As Andy said, *'having evidence of our impact will be key to showing that this model works and will help us shape the design of how we operate in future.'*

Top tips for other organisations

Simplicity is key to getting a system in place that gives you meaningful data. As Andy said, *'if in doubt, keep it simple - having less data points but good ones that relate to your core purpose is better than wasting time on things that are of less value.'*

It is also important that enterprises that are new to measurement realise that it can be work in progress. Early stage enterprises will particularly find that they develop their approach as they grow and learn about what does and does not work. *'Don't expect to get it all right at once and don't beat yourself up - it's fine to be on a trajectory*, said Andy. Thinking about how you take action on the impact framework is also important. It can be tempting to think that you are measuring impact by having a framework but you need to implement it as well. As Andy said, *'the overview or framework is no substitute for an action plan - a list of things to do is just as important.'*

Finally, it's important that everyone across the organisation is on board with measuring impact. This helps embed the approach in the organisation and makes sure that there is a culture of review and improvement. As Andy said, '*do make it a team effort - we're a small staff team so it's important we are all on the same page. It's important to be a champion for the data.'*

Oomph!

Investment received:	Investor:	Currently measuring:
£233,250 equity	Nesta Impact Investments	Improvement in older people's quality of life, mental stimulation, physical mobility and social interaction, improvements in the quality of activities provided by care homes and job satisfaction of care home staff

The Oomph! Model

Oomph! ('Our Organisation Makes People Happy!') is a social enterprise that aims to improve the well-being of older people in care settings by transforming the quality of activity provision. It does this by training staff to deliver fun, interactive, group exercise classes within care homes and in the community.

Its specialist exercises are based on an expert methodology and use sensory props, reminiscence imagery, music and simple routines to deliver physical and mental health benefits. It also trains staff in how to deliver high quality, person centred and holistic activity programmes in the care home.

In August 2016 Oomph planned to launch a new offer to care providers – an innovative, activity-led transportation solution that enables older adults to get out and about in the community. All products have a full package of ongoing account management support including monthly resource packs, regular calls to every setting and quarterly reporting to head office clients.

Approach to measuring impact

Understanding whether their work is effective is crucial to Oomph's work. "We need to collect data on our impact not only for our own purposes but also because care providers need this data to understand if we are offering a cost effective service – it's an important part of our offer", said Parita, Head of Impact at Oomph!

Oomph!'s approach to impact measurement is twofold: It collects ongoing monitoring information on its impact using surveys and feedback from the care settings with trained staff. It combines this with longer term higher quality research that tries to pin down whether the service is having a statistically significant effect and looks at attribution.

As Parita said, "we need to have regular information coming back from across our entire portfolio on how our training and support is being implemented and the impact it's having. However, we also want to combine this with more rigorous evaluation that looks at things like significant change before and after the programme and whether that change would have happened anyway." Oomph! have now carried out a pre-post evaluation with 46 older people using the EQ5D scale (a widely used and validated measure of quality of life). Across all trained staff, Oomph! collects feedback on whether new skills have been gained and they've implemented changes, as well as how this has impacted older people and their own job satisfaction.

While Oomph! has gathered good evidence of its impact, the team felt that they could improve the way they were collecting data to get even more relevant information. As a result, Oomph! recently went through a significant review of how it collects impact data. "We hadn't changed our approach since our first investment in 2012 and we had quite a number of new products in the business – we knew we needed to update what we were doing", said Parita.

Oomph! developed an updated Theory of Change with its investor to have an overall picture of how its different products contributed to its social mission. It used this to assess what measurement was fit for purpose and what needed to be changed or updated. "We needed a more coherent approach across the business", said Parita. "We also knew that the data from our surveys were becoming less and less useful due to survey fatigue".

As a result, Oomph! now have an updated approach to collecting data from its care settings. It developed a standard set of questions for account managers to cover over calls with clients. Qualitative client

14

feedback is then codified against a set of key areas per question. Over time, due to consistency in collection, this will allow Oomph! to convert rich qualitative information from care homes into aggregated quantitative information. "We hope this will give us a much clearer picture of how our care settings are implementing Oomph! tools and resources and the impact we are having", said Parita.

Oomph! is also developing an app that will allow them to record attendance and impact information about every resident that participates in an activity thus giving much more live information about quality of activity provision in the care settings.

What results have you seen?

In the last year, Oomph! have trained 1,095 staff across 39 care providers. 99% of staff taking part in the training rate the training as good or excellent and 100% say they would recommend it to a colleague. A pre-post audit found a 69% improvement in staff activity skills over three months and 78% of the staff also said their job satisfaction had significantly increased.

In terms of impact on older adults, 38,260 Oomph! classes have been delivered in the last year. When asked about the impact of these classes on older adults, two thirds of staff said physical mobility was significantly improved, three quarters said mental stimulation was significantly improved and four fifths said social interaction was significantly improved.

A pre-post evaluation using the EQ5D scale (a widely used measure of quality of life) also saw a ten percent improvement in health-related quality of life for older people who were attending more than one Oomph! class a week versus a three percent fall for those attending less than weekly.

How have you used impact results?

Oomph! uses its results both externally with clients to help them understand the value of their work, internally to improve the effectiveness of their products and also to guide their future strategy. As Parita said, "We report impact measurement back to our clients who highly value this. We also use the impact data to understand what's working well in the care setting and where further support is required."

Internally, Oomph! uses impact data to evaluate the impact of its different training and support products on a quarterly basis. Products are then iterated based on this data. Finally, Oomph! has used its impact measurement to understand how it can widen its offering to other settings and products. When we were developing our new strategy, we kept going back to our theory of change to assess how any new product or area of business fitted with our impact mission", said Parita.

Challenges and benefits of impact measurement

A challenge has been striking the balance between doing high quality research and impact measurement that may be less rigorous but gives you information in the short term. "I think we were quite ambitious about the standard of evaluation we wanted to undertake – but we learnt that we need a balance between pragmatic measurement that may not be perfect but gives you regular information and rigorous research that takes a longer time", said Parita.

Oomph! now thinks carefully about where it will carry out longer term rigorous evaluation and has joined forces with academic researchers to apply for funding for this work. In terms of collecting information across all homes, initially the lack of internet in care homes made data collection more difficult.

Another challenge was finding an approach that would fit very neatly with the account management process. "We wanted to ask questions that would feel like they were part of our customer service – not something extra that sat on top. I now feel like we have gotten this right with the use of standard questions and codifying the information so it can be aggregated across themes", said Parita.

The benefits of measurement have been very clear to Oomph: "Having evidence of our impact is crucial to good client service, we can go back to our care providers and show them why we are proving good value for money", Parita says. Having such positive feedback has also boosted staff morale. "We really believe in the potential that Oomph! has to improve the quality of life of older adults and seeing it in the numbers confirms why we work here", said Parita.

Top tips for other organisations

"Having a dedicated lead on impact has helped Oomph! prioritise this area. My role has certainly helped us to embed impact measurement into the organisations", said Parita. Parita also encourages other organisations to think about balancing light touch regular information with more robust research that may take place over a longer time frame: "Consider breadth of data collection as well as depth, and work with academics to support you on deeper studies."

It's also key to start measuring when your organisation is at an early stage. This means that good practice can be embedded early on, and iterate and improve your approach as you learn about what is practical and giving meaningful information. As Parita said, "build data collection into your way of working early and be open to iterating."

One of the most important things that Oomph! has learnt over the past few years is to choose impact metrics that also relate to the wider benefits – for example, data that helps with marketing, sales and account management. According to Parita, "we are now in a place where our impact data drives wider benefits in our business - including sales, marketing, product development, and team morale. This really works."

Section 4: Key themes and lessons

In this section, we discuss the key themes and lessons from the five case studies above. Many of the organisations featured use similar methods, have experienced the same challenges and are using common strategies to overcome them. Below is a summary of the key themes and lessons from the case studies.

Theme 1: co-developing an approach with your investor

The majority of organisations had a hands-on and engaged approach from investors in relation to measuring their impact. Most found that this helped to kick start and clarify their approach to impact measurement. In some cases, investors had dedicated staff in their teams that supported enterprises in a hands-on way. As Luke from ThinkForward said "we were lucky to have very hands-on investors – they helped us design our impact measurement processes and were very interested in understanding the data and the lessons that it held".

Theme 2: Embedding impact measurement into day to day operations

Most of the enterprises found that data collection became much more useful when it was integrated with day-to-day tasks. This means adapting approaches to fit with business activities, or ensuring that processes in the organisation considered impact data at decision-making steps. For example, Oomph! adapted its data collection from care homes to integrate with its account management process. As Parita said, "We hope this will give us a richer picture of how care homes or implementing Oomph! tools and resources."

Theme 3: engaging all staff members

Each organisation agreed that an essential part of developing a successful impact measurement approach is to make sure that all staff members were bought into it. Impact measurement can be perceived as a top-down process and something that is done to satisfy funders or investors. The case studies illustrate the importance of showing staff the value of measuring impact and engaging them in developing the approach. As Andy from London CLT said, 'do make it a team effort - We're a small staff team so it's important we are all on the same page. It's important to be a champion for the data.'

Theme 4: using theory of change

The majority of organisations we spoke to had used theory of change when developing their impact measurement. Most of the enterprises felt that it was important to have a model that unpinned their work and acted as a guide for the enterprise's activities as well as measurement. Oomph! also used theory of change to design a new approach to impact measurement as part of a recent strategy review. Similarly, as Luke from ThinkForward said "we very consciously have set outcomes we are working towards throughout the five years - sustained employment is the ultimate outcome but this is linked to intermediate outcomes like attendance, behaviour, soft skills and qualifications".

Theme 5: using qualitative as well as quantitative data

Most of the organisations in the report use quantitative methods but also spoke about the importance of having rich qualitative information to add detail to the numbers. Interviews and discussions with beneficiaries are used to get this richer information and in some cases interviews are also coded to give qualitative as well as quantitative information. As Tom from K10 said, "Make sure you look in the free text boxes of any survey – they give you a wealth of information on what the young person is going through or feeling in their own words."

Section 5: Top tips

Below is the summary of top tips in the words of the organisations profiled. These tips can be used by organisations when designing their own impact measurement approach.

Simplicity is key: Make sure that any approach you use gives meaningful information that you can be used to make decisions. "If in doubt, keep it simple - having less data points but good ones that relate to your core purpose is better than wasting time on things that are of less value."

Impact measurement is a work in progress: It is also important that enterprises who are new to measurement realise that it is ok for it to be a work in progress. Early stage enterprises, in particular, will find that they develop their approach as they grow and learn about what does and does not work. "Don't expect to get it all right at once and don't beat yourself up - it's fine to be on a trajectory."

Make it a team effort: It is important that everyone across the organisation is on board with measuring impact. This helps embed the approach in the organisation and ensures there is a culture of reviewing and improving. "Do make it a team effort - we're a small staff team so it's important we are all on the same page. It's important to be a champion for the data."

Do it for the right reasons: Impact measurement is about understanding your effectiveness – do not just measure something because your funder or investor asks you to. It is also important to remember that impact measurement is a journey in itself. "You may not have all the right systems or processes in place and you may still need to convince a few people of its value. But, if you are willing and ready to make this investment you will get something meaningful that will help improve what you do rather than something that is used solely to report funders."

Embed it with the everyday business operation: The enterprises strongly recommend choosing impact metrics that also relate to wider benefits – for example, data that helps with marketing, sales and account management. "We are now in a place where our impact data drives wider benefits in our business - including sales, marketing, product development, and team morale. This really works." This also means using impact data regularly to make decisions about the business.

Qualitative data: There is also huge value in collecting good qualitative data from the people you work with. Both Oomph! and K10 recommend making use out of qualitative data to understand the detail behind any quantitative data collected. This helps them to better understand what impact they are having.

Have an impact Lead: The majority of organisations agreed that having a dedicated impact lead ensures that data collection is implemented. As Parita from Oomph! mentioned, "Having a dedicated lead on impact has helped Oomph! prioritise this area." Without a dedicated resource, organisations risk not being able to combine both the process around data collection together with analysing and interpreting the results and finally feeding this back into service improvement. The value of impact measurement is in taking the time to look at the data and understanding what it means which can be challenging for staff who have other full-time roles and who do not have expertise in interpreting data and service improvement. The prefect balance for this role is a mixture of analytical skills as well as understanding how impact results can be used to improve services and strategy.