# Social Impact Measurement: What, Why, How

## What?

**Social impact measurement is the process of measuring what kind of difference has been made by a product, service, organization or system.**

Rigor, high-quality data and sound methodology are used. Two big challenges face social impact measurement:

1. Measures can be used for assessment or learning, but it is difficult to find measures that do both well.
2. Different stakeholders care about different measures.

## Why?

**Measurement transforms social impact from anecdote to authenticity.**

Without the measurement, the social impact is just anecdotes [marketing] and hypotheses. Measurement makes social impact real. **Measurement makes social impact … more impactful.** The social forces driving a surge in impact investing and social enterprise also require more thoughtful measurement: An engaged and activist workforce and consumer base; easy access to information and expectations of transparency; and heightened awareness of broader impact.

## How?

**Evaluators have developed strategies for social impact measurement over several decades.**

Evaluators look to assess the value, worth, merit, and impact of initiatives. They are now bringing this lens to impact investing, where they are partnering with experts from other fields to make social impact measurement relevant. They have contributed to …

- IRIS: Commonly accepted impact performance measures (https://iris.thegiin.org)
- MIX SP Indicators: Social impact performance relevant to microfinance (https://sptf.info/component/content/article?id=120:mix-sp-indicators)
- Impact Management Project: A consortium of funders focused on shared understanding of measuring and managing impact (http://www.impactmanagementproject.com/)

**3 Ways to Get Social Impact Measurement Right:**
Be intentional. Recognize the importance of measurement and find opportunities to measure impact throughout your organization.

Be inclusive. Think about what questions you hope to answer for which stakeholders, and engage them in articulating what information (data) they would find valuable.

Be collaborative. Engage peers, partners, and experts to gain perspective, share resources, and learn.

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# Additional Resources:

**The American Evaluation Associations' Social Impact Measurement Topical Interest Group (TIG)**:
http://comm.eval.org/socialimpactmeasurement/

The purpose of the Social Impact Measurement TIG is to:

1. Contribute to **greater awareness and knowledge sharing** amongst the conventional evaluation sector and market actors interested in evaluating impact of their work about the tools and approaches used by each;

2. Develop and/or adapt **appropriate tools, methods and approaches** for innovative finance and market based models; and

3. **Strengthen the evaluative capacity** of individuals and organizations to assess and evaluate the outcomes and impact for this emerging and growing area.

**IRIS**: https://iris.thegiin.org/

IRIS is a catalog of generally-accepted performance metrics, managed by the Global Impact Investing Network (GIIN). The GIIN recognizes impact measurement as a core characteristic of impact investing and offers IRIS as a free public good to support transparency, credibility, and accountability in impact measurement practices across the impact investment industry.

**Impact Management Project (IMP)**: http://www.impactmanagementproject.com/

IMP publicly shares consensus on how we talk about, measure and manage impact, bridging the perspectives of investment, grantmaking, business, non-profits, social science, evaluation, wealth management, policy, standards bodies and accounting (among others).

For more information, visit www.theimprovegroup.com