

Module:	5.- Sustainability, impact measurement and project evaluation.
Sub-Unit:	5.1- CONCEPTS AROUND SUSTAINABILITY AND IMPACT MEASUREMENT. 5.1.2. WHY MEASUREMENT MATTERS: STEPS BEYOND MONITORING AND EVALUATION
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What drives companies and organisations to measure social impact?

Measurement has become one of the most discussed trends. The most obvious, of course, is because it is necessary to know whether the change we are aiming for is actually happening. There are other compelling reasons that will help us recognize why impact measurement is fundamentally a matter of value creation. Equally, and not least, they can help us create more systemic and sustainable change.

Other reasons go hand in hand with the vision of the actors involved or their position within the impact ecosystem. Whether as a funder, as a service or product provider, as a beneficiary or somewhere in between. However, all actors in this spectrum are there for a higher motivation: to improve a social or environmental condition. Where the successful implementation of actions or programmes will be of enormous relevance for business credibility.

In this subunit we will continue to advance in the global vision developed since the previous unit on SUSTAINABILITY IN CULTURE AS A STRATEGIC VISION. A general context from which we will analyse the growth of the Orange economy, the creative economy, and the commitment of international organisations as an engine of economic growth and sustainability. To do so, we will trace the path from a MAP, a panorama of steps as a guarantee of sustainability of the social enterprise, and we will also familiarise ourselves with some terms specific to this module, such as the steps beyond to monitoring and evaluation. The focus will be a the reflection on the mission and vision of the company as a starting point in the beginning of a measurement cycle and a way to correctly apply the theory of change: a necessary basis in the fulfilment of objectives, and finally, to explain and list the reasons or motives why private or public institutions measure the social impact of their actions.

Is the economy a world of colour? Clearly not. Although some theorists combine economics with a certain colour, to give it a sign of identity, to delimit a specific economic activity, to define a specialised branch of economics. In our case, we will take a brief look at all of them to finally focus on the orange, creative economy as the driving force of the sustainable economy. John Howkins, a specialist on the subject of the "creative industries", defines the orange economy as comprising sectors in which the value of goods and services is based on intellectual property. Sectors ranging from architecture, cultural heritage, visual and performing arts, through (film, music, editorial design, crafts and fashion".

The strategic importance of the creative economy is based on four fundamental values: Economic value. Innovation value. Social value. Sustainable value.

We measure impact because it encourages us to stay true to who we are and what we are about, so that the impact journey reflects the characteristics of our identity and the social value of actions. Why we do the process determines the nature of our journey and, ultimately, the quality of our destination.

This journey or circle of guidelines will help us understand the logical framework for a social impact venture. The terms and concepts we will be looking at will build a bag of knowledge about the more technical language used throughout this social impact and sustainability module. Managing and internalising it from this sub-unit will help in the follow-up and understanding process.

A **sustainable social enterprise** should be based on: A business context and within the new economies, Planning is supported by institutional objectives to initiate a theory of change process, The best designed impact, environmental or social impact statement, impact measurement with methodologies and metrics applied to objectives, Direct access to funding space from different international organisations.

Measurement is a useful tool for rethinking strategies and incorporating, with the results obtained, more informed and valid practices, and directing the focus of interest of impact investors towards more socially profitable actions.

Those companies, organisations in any business sector, that pursue a social purpose, face increased pressure not only to create positive change in the world, but also to demonstrate it. and the only way to really prove the amount of social good you are creating is to measure it; but why is it so important?

1- it fulfils its mission, 2- attracts additional funding, 3- effectively communicates the impact of its work , 4- uses impact to inform programme improvement, 5- demonstrates value for money, 6- enters the business agenda as a tangible value.

A clear and focused mission statement will guide all major decisions made to support an organisation or an improvement initiative, especially decisions about which new programmes and projects to undertake, which to avoid and which to abandon. First, understand and embrace the reason or why for the project. Next, determine the **mission**: what the project will do and how the work will be done. Finally, set the **vision**, i.e... where things will be in the future.

Impact is what matters: what are the strategic objectives that align with your purpose; what are the measurable outcomes of achieving the vision; and what are the outcomes of achieving the vision. In summary: A vision drives you, your team and your company in the same direction. If you don't have a vision, you don't have a plan, developing a vision gives you a picture of the future you intend to create.

This means that in measuring impact we must reflect on and be critical of our work. Be pragmatic and let go of idealism. And with the courage (and data) for self-assessment we can move on to creating more effective processes. This path will grow our impact. If we engage in continuous measurement and evaluation, we are also likely to be engaged with stakeholders along our impact value chain. Applying effective impact measurement can mean a major shift in strategies to achieve our organisation's vision or in the mentality of our funding targets. In either case, stakeholders, funding sources, venture capitalists, departments, partnerships and even our beneficiaries will be positively affected by a transparent engagement with impact evidence... **And what is impact?**

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