

5.1.2. WHY MEASUREMENT MATTERS: STEPS BEYOND MONITORING AND EVALUATION



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Photographs: Isabel Muñoz. ARCO art fair. www.blancaberlingaleria.com
<https://isabelmunoz.es/>. Teresa Hernández Alcalá. www.tetepinta.com

Code n. M5 Unit1 SU1.2



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The importance of the process for all those **responsible for change**

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STARTING

State of the art

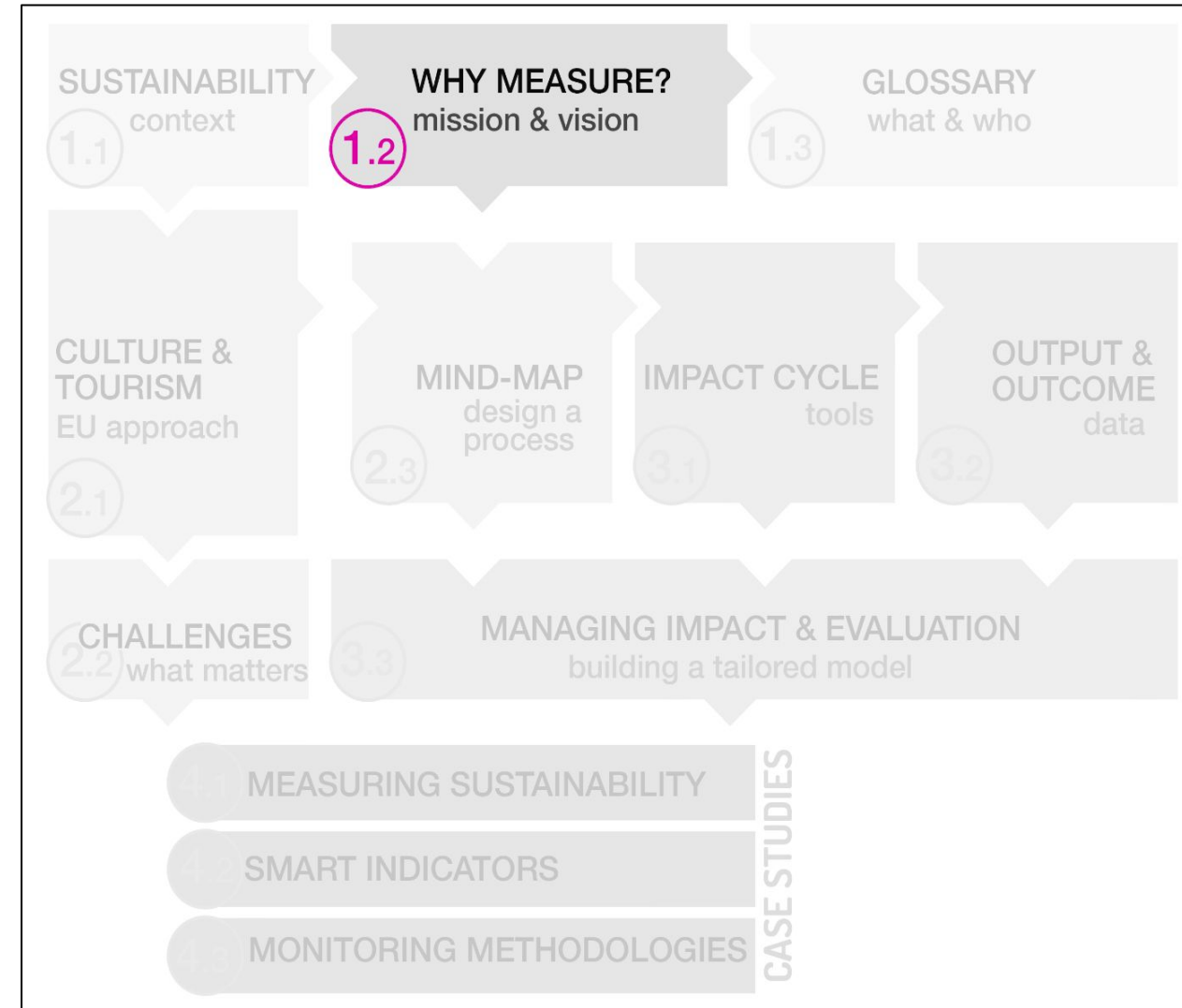


STARTING.

- Measuring social impact is **fashionable and trend-setting** in business management.
- Treat social impact in the same way we treat finance: **by measuring it.**
- They can help us create more **systemic and sustainable change.**
- it is necessary to measure to check whether **the change** we are aiming for is taking place.
- Business credibility is **at stake**

Aim & objectives

- The vision of the **Orange Economy**. A context of sustainability for Cultural Heritage and tourism
- To know the **overview MAP** for the sustainability of social enterprise. A model applicable to Cultural Heritage.
- **Reasons** or motives for private or public institutions to measure the social impact of their actions.
- Assess **the mission and vision of the social enterprise** as a starting point in the beginning of a measurement cycle and a way to apply the theory of change. The steps beyond to monitoring and evaluation.



Keywords & terms

Emerging economies

Orange economy

Theory of change

Cultural and creative industries

Sustainability of social enterprise

(SIM) Social impact measurement

Mission & vision



Background

Getting used to the term "orange economy", the comparison with other economies, and the sectors involved. The importance of 2021 as the International Year of the Creative Economy (Orange Economy) for Sustainable Development so declared at the 74th General Assembly of the United Nations. The basics of impact measurement will be described, the economic and social reasons to initiate a valid process adapted to the business mission and vision.

Why measure? Are the objectives justifying impact measurement being met?

We will understand, from a descriptive image, the guidelines of sustainable social entrepreneurship with a more appropriate language and very present throughout the module.

Finally, a reflection on impact measurement and its entry into the business agenda.





What will you learn. Learning outcomes

At the end of this presentation (or section), you will be able to:

- Learning outcome 1: A clear perspective on different economies, **the orange or creative economy** as a driver of sustainable economy
- Learning outcome 2: Recognise the procedure, methodologies and responsible agents involved in the **cycle for sustainable entrepreneurship**
- Learning outcome 3: To deepen **the factors** that justify the measurement of impact. **Why measure?**
- Learning outcome 4: Understanding the **mission and vision** as objectives to be achieved by institutions in any economic sector and thus justifying a measurement methodology in line with objectives and with a greater purpose: to create business value for the beneficiary agents.

SECTION 1

The colors of the economy



THE COLORS OF THE ECONOMY

sustainable growth and stimulus for investment



The **United Nations** declares 2021 as the "International Year of the Creative Economy (Orange economy) for Sustainable Development".

“An economy that brings together cultural goods and services based on three different sectors: arts and heritage, cultural industries and new technologies; and which has a production chain as large as it is complex, although it may not seem so, since it involves content creators, producers, collaborators and distributors (as well as, of course, the end consumer), thus providing employment and opportunitiemerous social actors”

A walk through the new economies|2030



If we want to achieve the Sustainable Development Goals and the targets of the Paris Agreement on Climate Change, we must transform the current economic model through a New Economy.

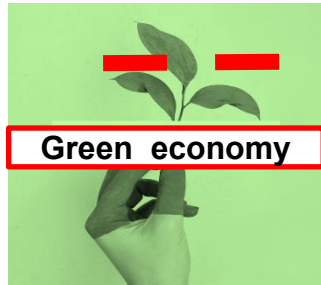
A new economy that includes new models such as the Circular Economy, the Social and Solidarity Economy, the Economy of the Common Good, the Collaborative Economy and Ethical Finance, colors economies, among others. And the nexus of all of them is social innovation. They all constitute a coherent and innovative proposal for a new economy at the service of people and the planet and adapted to the reality of the 21st century.

The main purpose of all of them is that they all involve people who generate ideas to improve people's lives, society and the health of the planet. Therefore, social innovation, social impact and its measurement has become a lever for managing change and reducing inequalities.

A walk through the new economies|2030 Objectives



Circular economy



Green economy



Blue economy



cities in transition



The common good



Present economy



ecofeminism



B&B companies



collaborative economy



social and solidarity economy



pro-common economy



The ethical bank



Citizen economy



Yellow economy



violet economy



impact investors economy



social enterprises

A walk through the new economies|2030 objectives

more efficient use of resources and enhances innovation and recycling. It **reduces** the extraction of natural resources as well as **the loss of materials** and waste in the production and consumption process.



Green economy



Blue economy

ocean resources and developing countries
boosting innovation and recycling
less loss of materials and waste generated during production and consumption.



Relies more on human capital and ICTs, can support youth entrepreneurship and **job creation**. The orange economy involves trade, labour and the production of CCIs: **cultural heritage and tourism**, advertising, design, film, performing arts, music, etc

attention is the monetisation of consumer attention by platforms such as Google, Facebook, Instagram, Snapchat, Twitter, Tik Tok and others by **collecting vast amounts** of information about consumers.



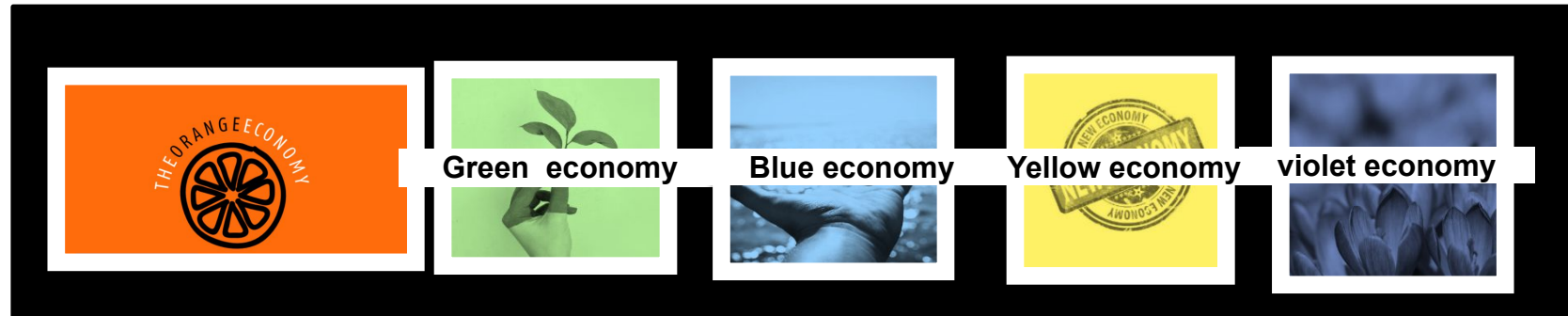
Yellow economy



violet economy

decent jobs and **addressing gender inequalities**.
more investment in education and health care **for children, the elderly and the disabled**

THE ORANGE ECONOMY | Creative economy



Is the economy a world of colour? Evidently not. Although some theorists combine economy with a certain colour, to give it a sign of identity, to delimit a specific economic activity, to define a specialised branch of the economy. In our case, we made a brief tour through 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, film, music, design, publishing, crafts and fashion".*

THE ORANGE ECONOMY |value of creativity

NUMBERS

contribution to the economy

6.1% of global GDP **2% and 7%** of the GDP of national economies.
The global economy generates a GDP of **\$ 4,300 billion** and the export of creative and cultural goods and services reaches **\$ 646 billion**, **82%** of which belongs to developed countries.

VALUES

The strategic importance of the creative economy is underpinned by four fundamental values:

- Economic value
- Value of innovation
- Social value.
- Sustainable value.

<https://empresason.com/art/833/economias-verde-azul-naranja>



The orange economy is postulated as **the engine** of the economy of the countries for having the ability to turn a **creative idea into a business**. This group of activities is starting to grow and consolidate as a new form of entrepreneurship and business activity.

SECTION 2

Overview map_



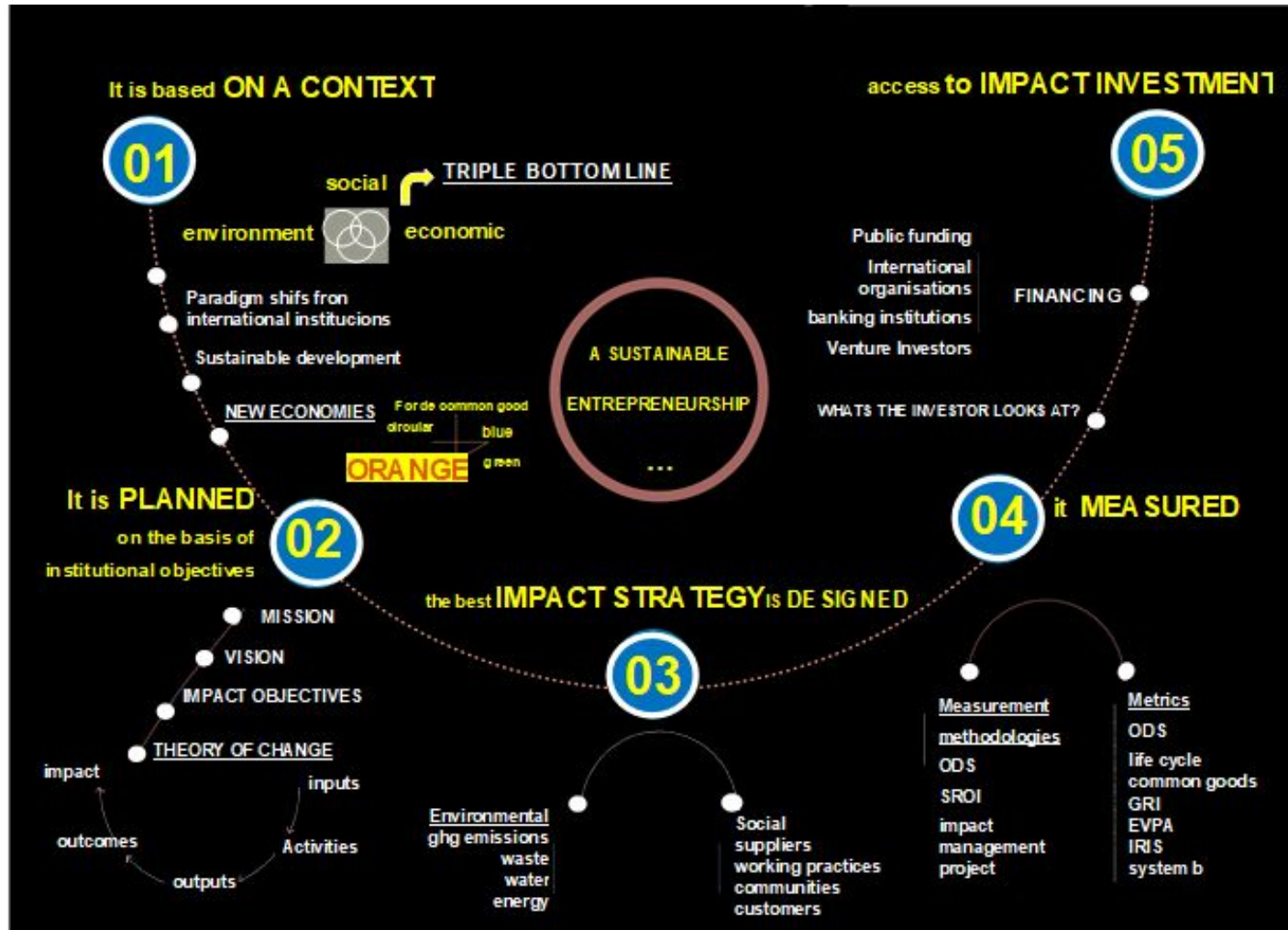
Overview MAP_measure beyond monitoring and evaluation

OVERVIEW MAP_

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



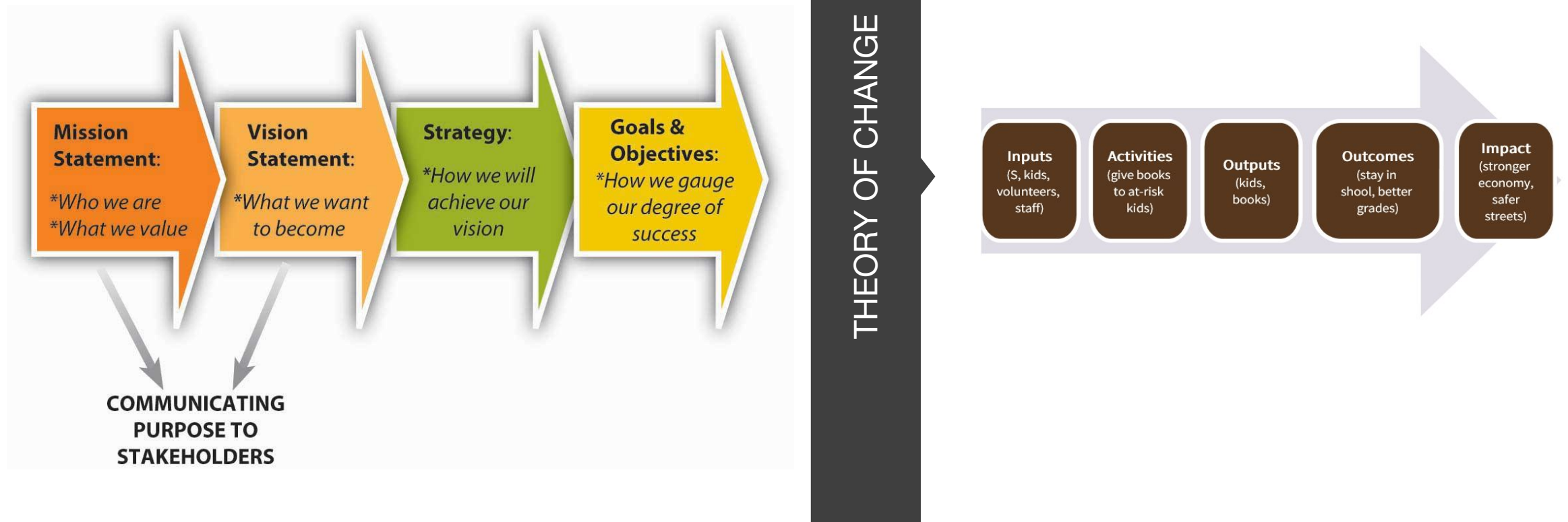
Overview MAP_ Terms applicable in a sustainable cultural enterprise



A **sustainable social** enterprises should consider:

- Based in an entrepreneurial **context** and within the new economies.
- Planning should be based on institutional objectives to initiate a **theory of change process**.
- Design the best **impact strategy**, environmental or social
- **Measure** this impact with methodologies and metrics applied to objectives.
- Accessing **funding space** from different international organisations.

Overview MAP_Terms of social impact measurement



<https://open.lib.umn.edu/principlesmanagement/chapter/4-3-the-roles-of-mission-vision-and-values>

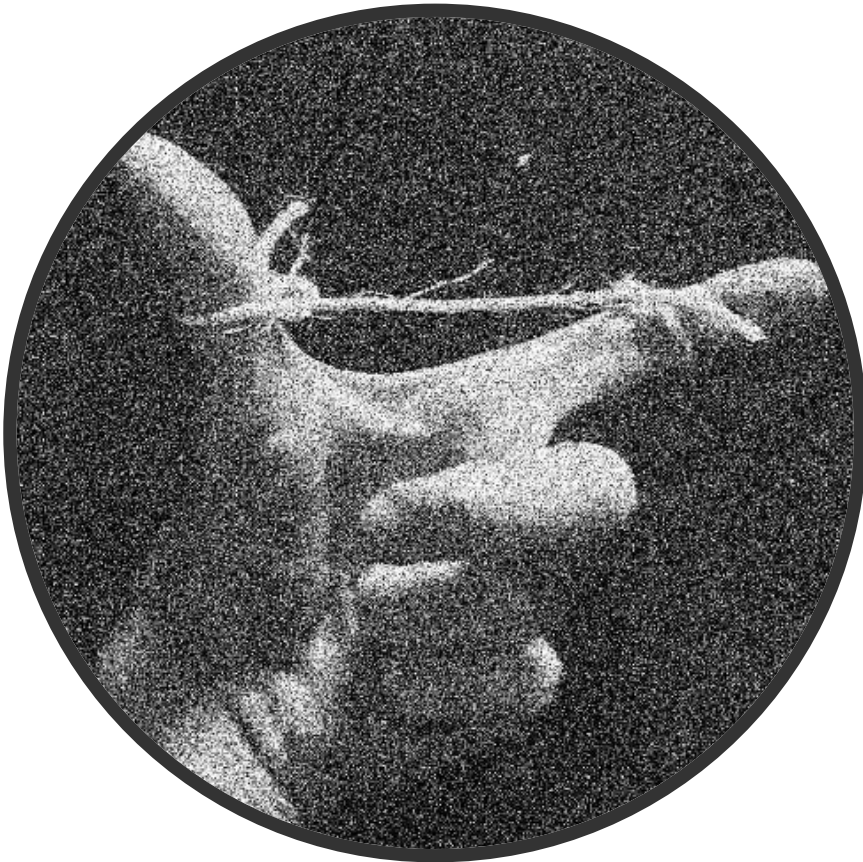
<https://www.futurelearn.com/info/courses/social-innovation/0/steps/87013>

SECTION 3

Why measure?

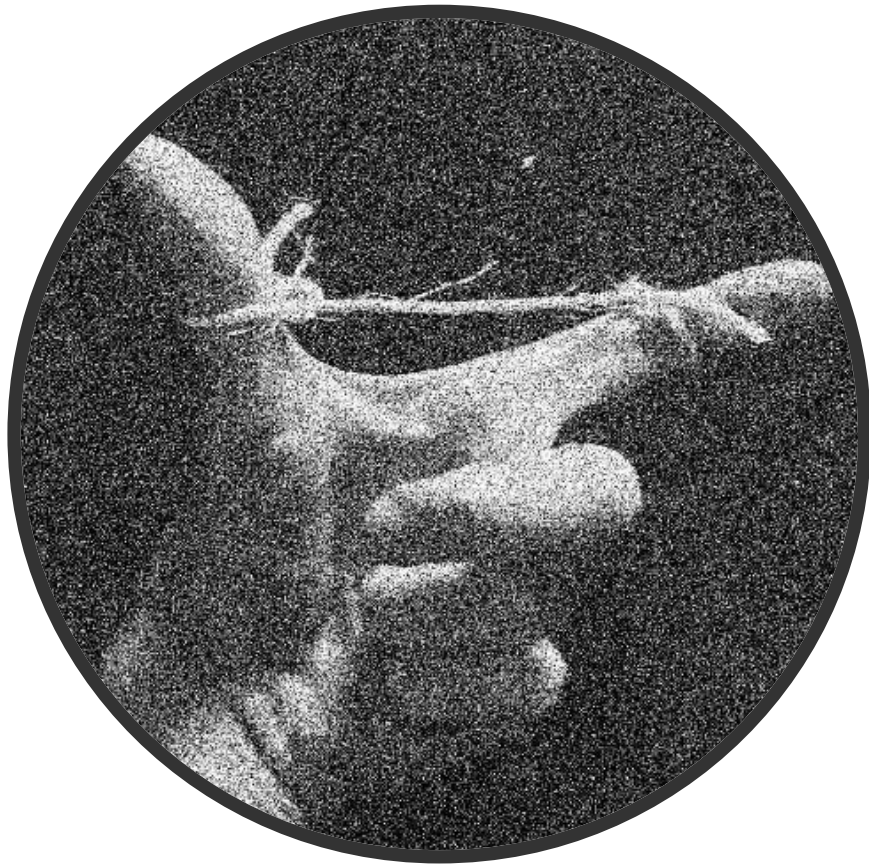


WHY do we measure?



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.

WHY do we measure?

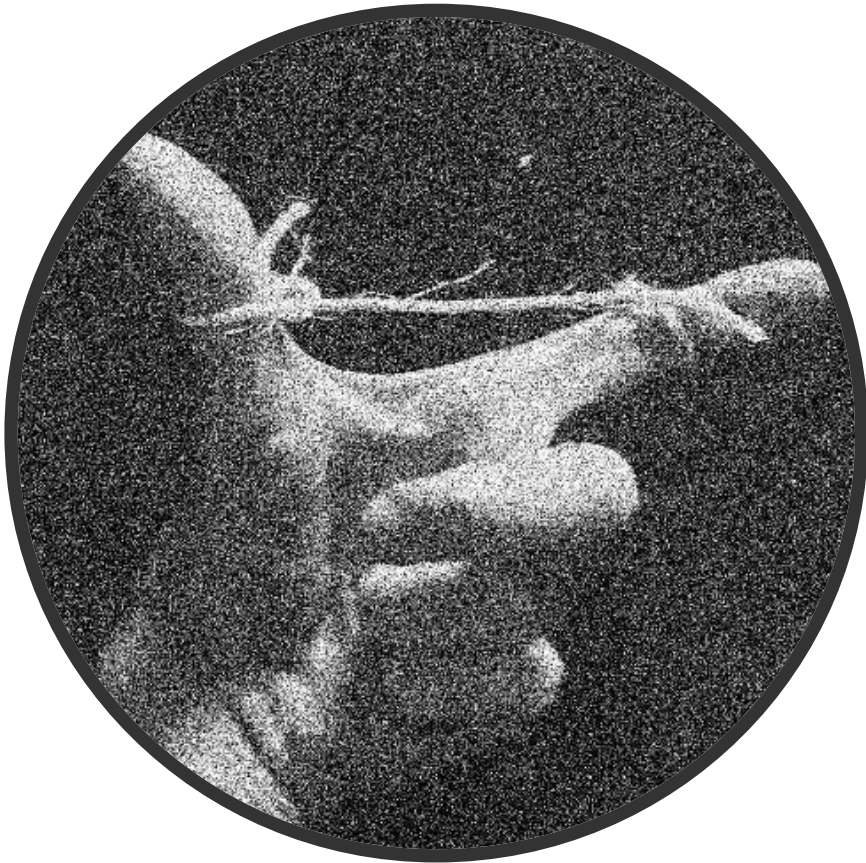


Introduction to the subject

Those organisations, mainly from the **third and fourth 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?

Six reasons why Social Impact Measurement (SIM) is of great importance

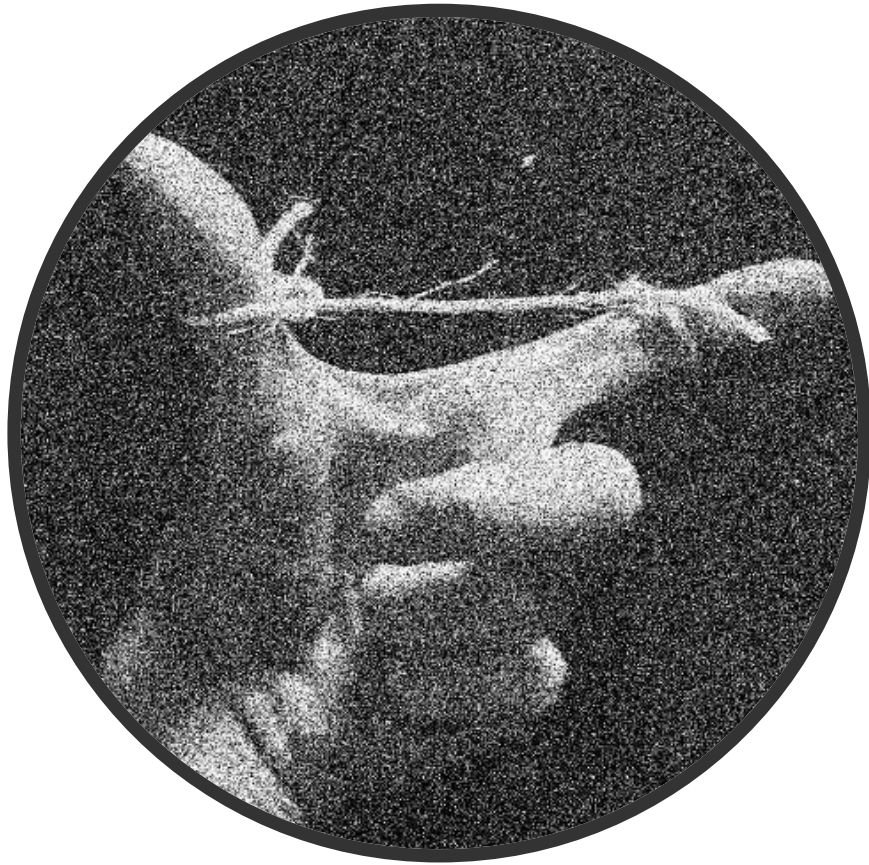
WHY do we measure?



Six reasons

- 1- achieve your mission
- 2- attract additional funding
- 3- effectively communicate the impact of your work
- 4- use impact to inform programme improvement
- 5- demonstrate value for money
- 6- social impact management and measurement enters the business agenda

Impact measurement enters in the **business agenda**



Business view

The business environment has been looking for some time for elements that allow for accountability of its social performance, not only internally, as a way to better manage strategic decisions, but also externally (non-financial reporting), as a way to value its contribution to society.

SECTION 4

Mission & Vision





Impact is what matters: what are the strategic objectives that align with your purpose?
what are the measurable results of achieving the **vision**, and what are the outcomes of achieving the **mission**?”

<https://www.ruth-ng.co.uk/writing-company-mission-and-vision-statements/>

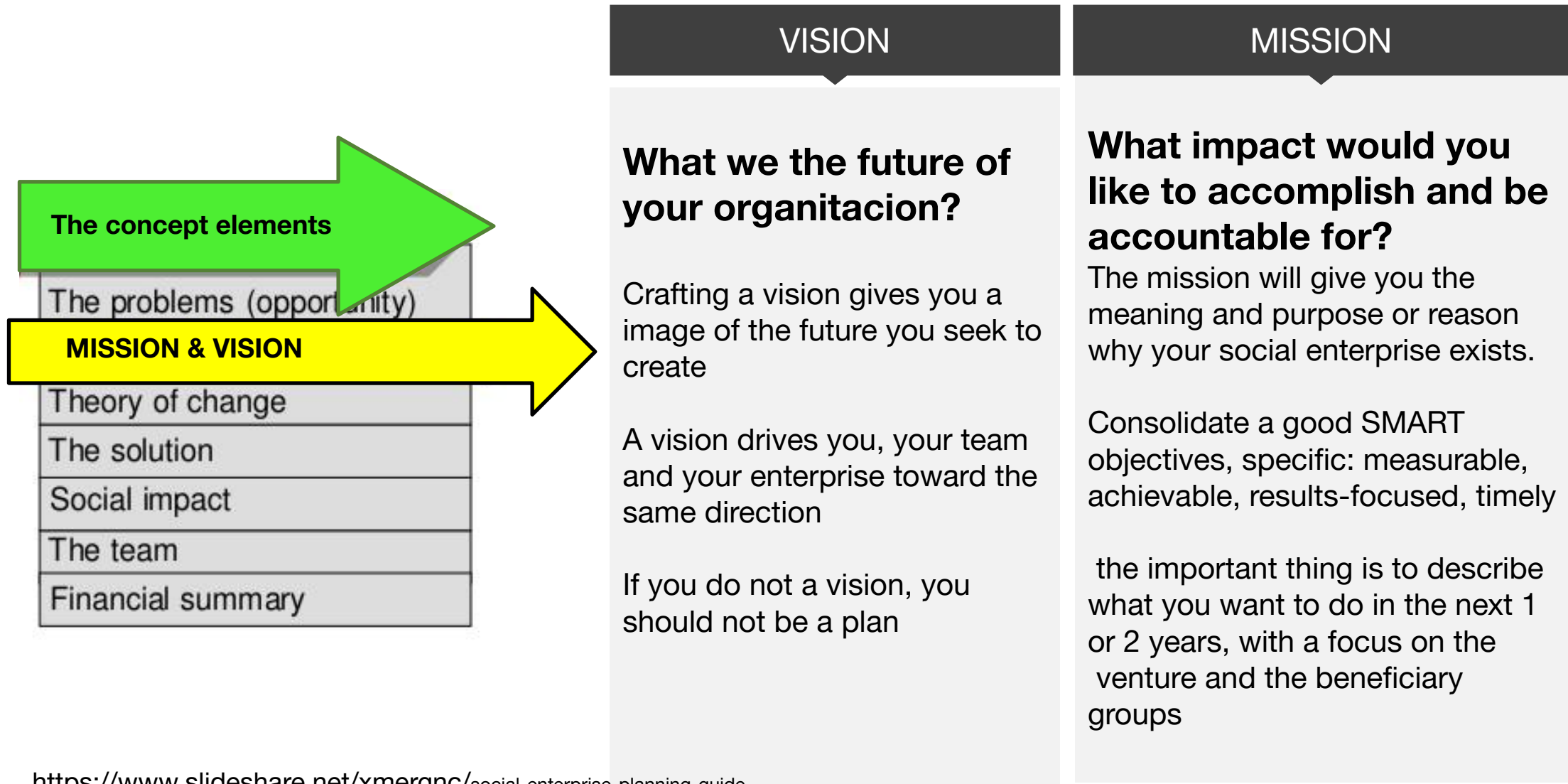
Mission and vision in social entrepreneurship



CREATING YOUR VISION, MISSION & VALUES

“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”.

Mission and vision in social entrepreneurship





Reflections: Insights and common key ideas

It's about choosing the best strategy and measurement methodology to best suit your business.

Creating business value
New business mindset
and awareness

A measurement cycle
from objectives

Fulfilment Mission and
vision external investment
guarantee

It has a why and reasons for it:

chained guidelines set by
the mission and vision
and theory of change

reporting to investors and
stakeholders

moving from trend to
action on the sustainable
development goals
agenda

It faces a challenge of technical skills and tools:

Lack of training and
technical knowledge in
measurement
methodologies.

Improving the use and
quality of data

Strengthening employee
capabilities

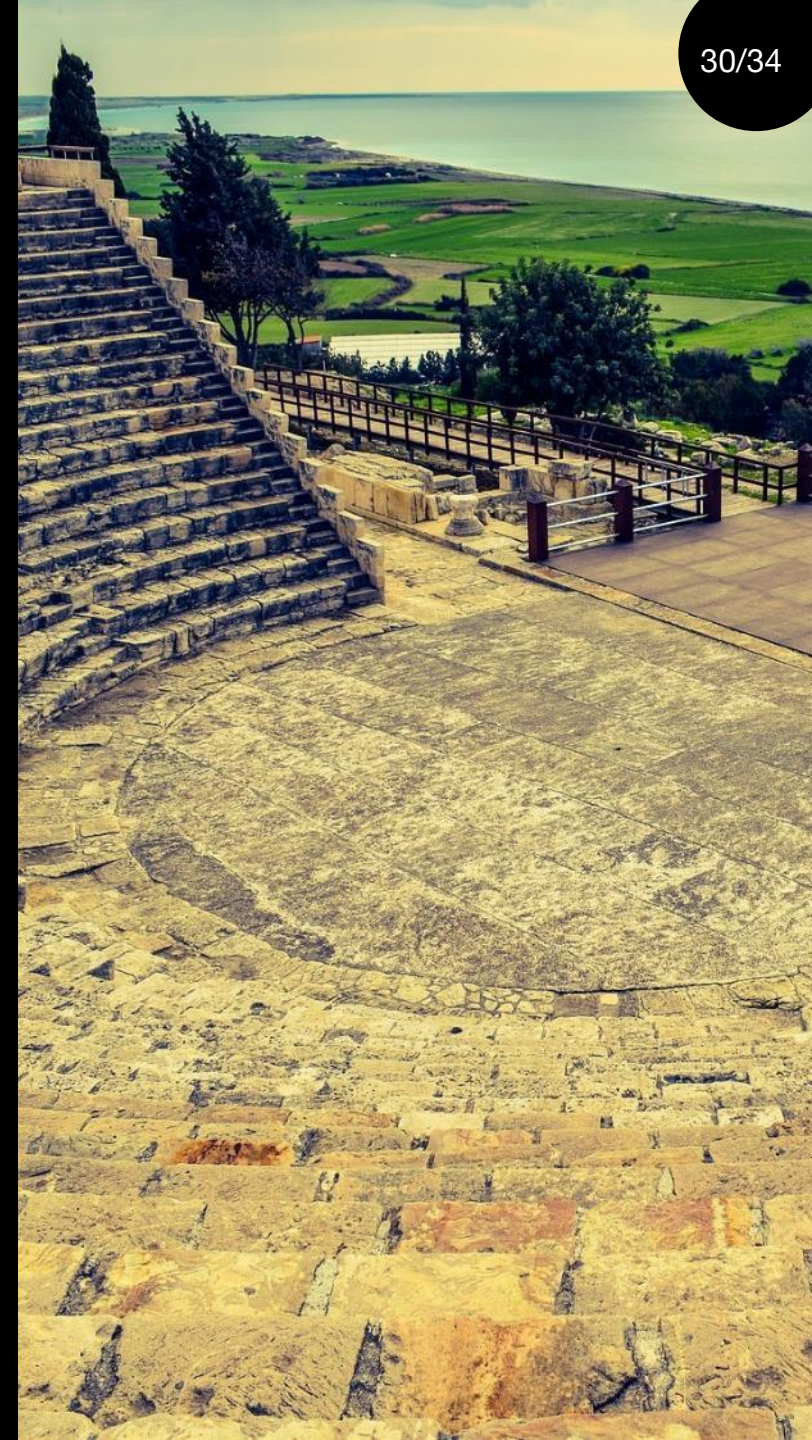
Tips

Measuring social and environmental impact aligns with sustainable development goals

- + Has impact measurement entered the cultural heritage management agenda?
- + Does the business created by the action measurement justify the process?
- + Are mission and vision objectives met in the action measurement cycle?

Key takeaways

This presentation tried to explain, from the general context set out in subunit 1.1, the basic concepts for implementing a social impact measurement cycle. The importance of following the roadmap set by the mission, vision and objectives set in advance and thus applying the theory of change from this perspective





Closing section

List of references

OER: **SOPACT**. Alan Pierce post. 11/11/2016

<https://www.sopact.com/perspectives/why-measure-social-impact>

<https://youtu.be/cjciyYVlbvc>

OER: **How to Write Brilliant Mission and Vision Statements.**

May 5th 2019

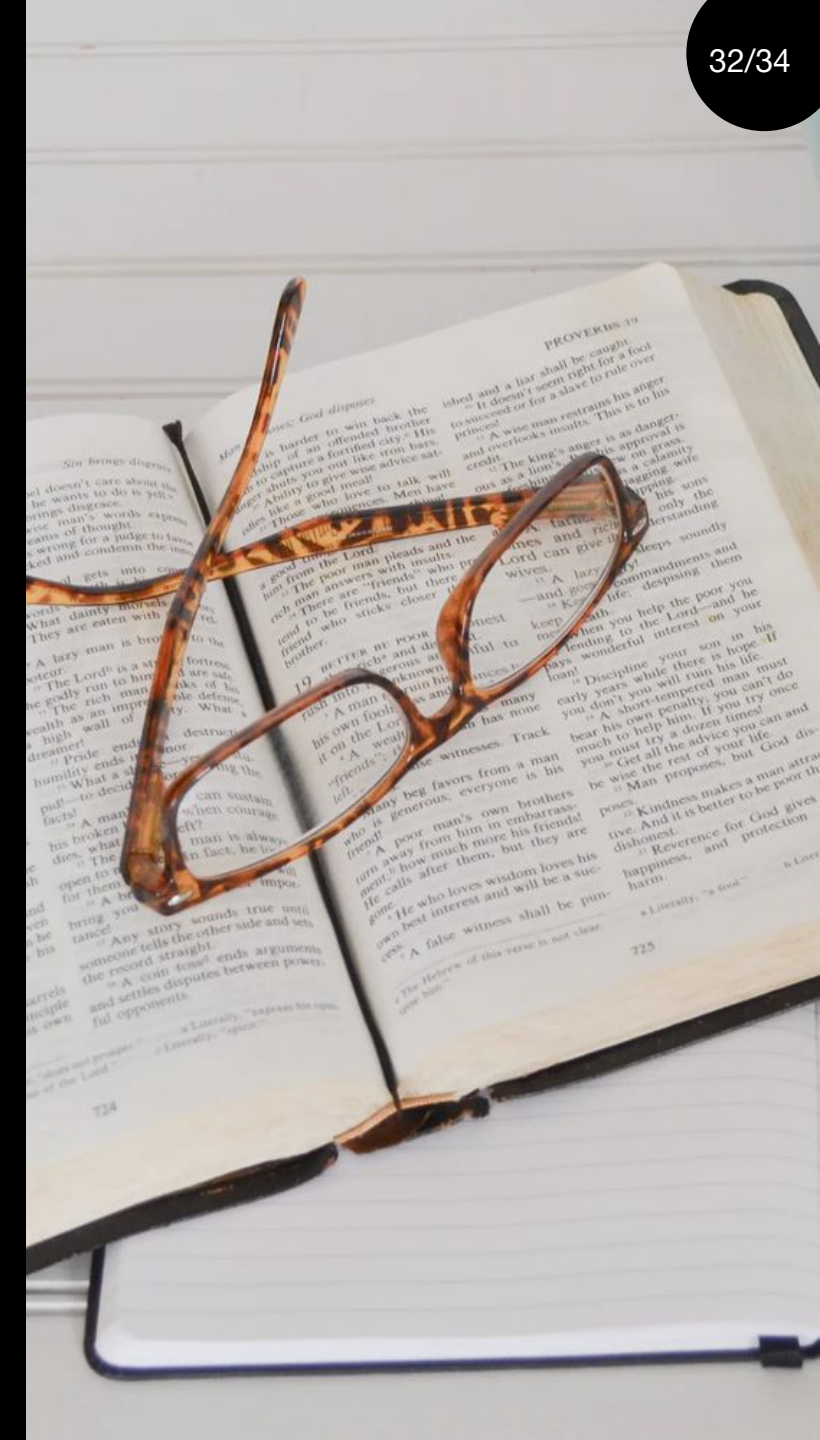
<https://www.ruth-ng.co.uk/writing-company-mission-and-vision-statements/>

OER: **IE University**

<https://www.ie.edu/insights/articles/the-creative-economy-the-new-dorado-that-europe-and-latin-america-want-to-lead/>

To continue your learning

Understand why social impact measurement processes are conducted for business sustainability.



A photograph of a desk with a laptop, a colorful mug, and a notebook. The laptop screen is blank. The mug has a colorful grid pattern. The notebook is brown. The background is blurred, showing some fruit and a glass of juice.

Author's & Credits

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She is partner and co-founder of the non-profit association La Cultora.

Currently its main lines of work are focused on; the direction of a Faculty of Visual Arts at the TAI University Arts Centre, teaching in the area of Fine Arts, artistic and cultural projects within the CCI, training through entrepreneurship and new skills, social innovation through sustainability and social value, and applied research on citizen participation.

la cultura 



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