

## World Café «Aiming for Impact»

*Hosted by Sara Stühlinger, Center for Philanthropy Studies (CEPS)*

Achieving impact has become a major topic among philanthropic actors over the past few years. Questions about the measurability in practice, the costs and motivation behind impact measurement as well as new financing mechanisms and their contribution in the aiming for impact, were the core issues of this World Café. The following hypothesis connected the three discussion rounds:

**Hypothesis:** The focus on the concrete impact has significantly advanced philanthropic work and creates new opportunities for effective comparability and new financing models through measurability.



Dr. Janine Händel, Roger Federer Foundation

### «Comparability in practice»

One possible approach for impact measurement is the orientation on the Sustainable Development Goals (SDGs). However, translating the overarching SDGs into concrete indicators is a challenging task as many indicators are not fully defined and leave room for interpretation on a national level. Defining these indicators has to be done now in each country, involving all stakeholders and respecting political processes which is demanding for smaller organizations, timewise and resourcewise. The following discussion question resulted: What could be ways of bottom-up solutions for comparability of impact on the ground?

Key points of discussion:

- Talk to local stakeholders, include directly the beneficiaries.
- Use the SDGs as a motivation and legitimacy to accelerate political process in the country.
- Accept variance in indicators across different local contexts.
- Minimum standards for global comparisons across countries are desirable, while maintaining sufficient flexibility regarding the national/local context.
- Sometimes there is a danger of mission drift if organizations try to align too strongly with the SDGs.



Angela Kail, New Philanthropy Capital

### «Measuring the non-measurable»

It is often assumed that there is a clear distinction between objective and subjective criteria. A closer look, however, reveals that much is based on subjectivity. Consequently, we can measure almost anything—it is a case of thinking about how we can measure it. However, we should be more concerned about who

we measure for, why, and what it costs. The questions for the discussion were therefore: How can we reduce costs of impact measurement? What is the point of impact measurement?

Key points of discussion:

- For whom do we carry out impact measurements? Is it for improving or just proving? If the donor wants us to measure impact, enough money must be budgeted for it.
- Be more targeted when collecting data. Do not ask for reports that you are not going to read. This will result in reduced costs.
- Good impact measurement can be seen as an investment which might result in future savings.
- Accept subjectivity. It is better to measure something than nothing.
- Proven interventions do not have to be examined over and over again in an extended evaluation, but this knowledge can be accepted as given.



Nan Buzard, International Committee of the Red Cross

#### «Humanitarian Impact Bond»

A humanitarian impact bond is a contract which helps to shift risk to a third party while the funding can still be done by a risk averse funder. The International Committee of the Red Cross managed to attract new funders through the implementation of a humanitarian impact bond. However, the costs of introduction are substantial and the outcome needs to be measurable. The tables were asked to discuss the following question: What innovative financing mechanisms make sense for the nonprofit sector?

Key points of discussion:

- Crowdfunding via social media channels reaches a new audience.
- Alternative ownership models: Shareholder foundations that own businesses to finance their philanthropic activities.
- Keep it simple! New instruments and standardization are expensive when newly introduced.

Why compare?

What are your system & actor + time + geographic boundaries?

Bottom up solutions:-

- Community, child, family feedback
- RCTs (randomised control trials)
- ~~Define local for~~ Contextualise "impact" to the situation with communities, policy makers, and other system actors
- Collaborate together + align on metrics, ~~method~~ methodologies etc. e.g. several foundations & governments etc.
- Address egos preventing this

WHAT INNOVATIVE FINANCING MECHANISMS MAKE SENSE TO BONDERS - COMPELLING & FEASIBLE TO IMPLEMENT.

BLOCK CHAIN?

IMPACT FOR LOANS: <sup>URS OPINIONS</sup> SOCIAL ENTREPRENEURS GET LOAN WITH X% RATE. DECREASES ACCORDING TO EFFECTIVENESS, BASED ON POOL. FROM DONORS. -VE THE LOAN HAS TO BE PAID BACK SO FAILURE HAS HIGHER COST TO ENTREPRENEUR.

- COULD DO OTHER WAY ROUND SO % LOW TO START UP?

- MECHANISM THAT SHOW MEASURABLE IMPACTS LEVERAGES FURTHER INVESTMENT.

- PUTTING A VALUE ON PRIVATE SECTOR PROPOSING FOR SPECIFIC DEVELOPMENT OUTCOMES - TO LEVERAGE FURTHER FINANCING.

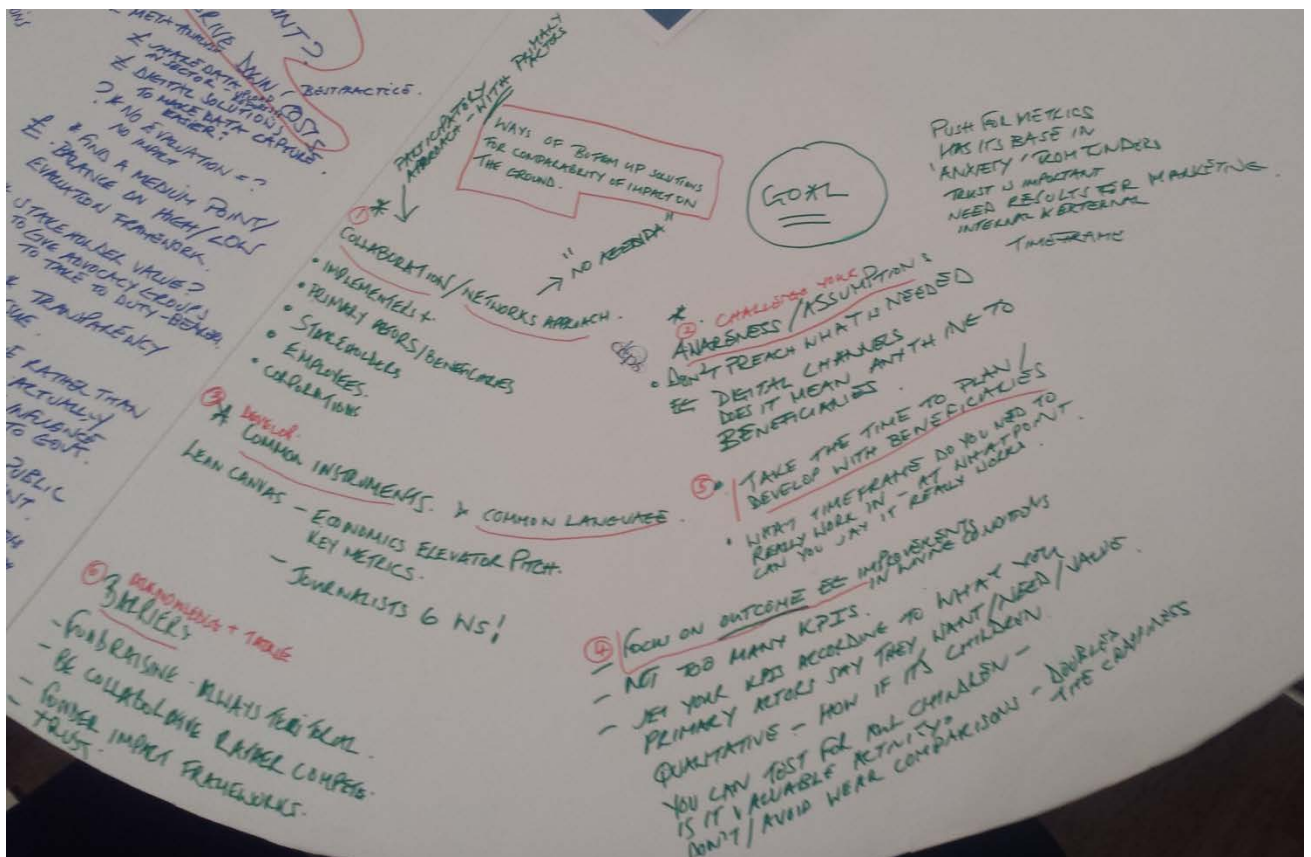
(IS THIS DIFFERENT TO CURRENT CSR OR COULD IT BE MORE STRUCTURED, INTENTIONAL & MULTI-SECTOR COLLABORATIVE?).

NOT JUST 1 ~~COUNTRY~~ COMPANY AT A TIME!

<sup>THEY ARE BEING RISKY HERE. INVESTMENT INTO PHILANTHROPY.</sup>

<sup>IMPACT MEASUREMENTS NEED TO BE NEEDED IN ADVANCE</sup>





'Effective Altruism' (movement)

↳ universal metrics / "unit" that is applicable universally needed

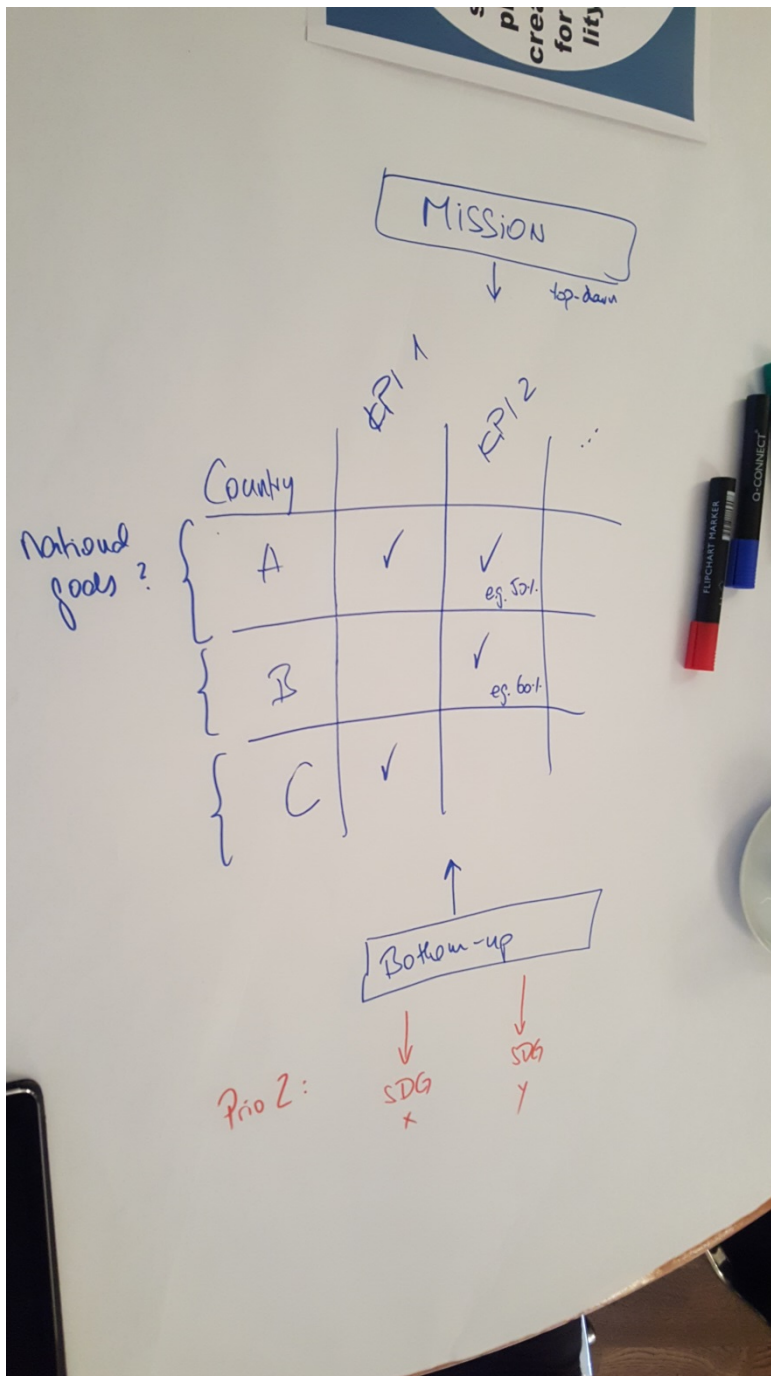
Language / terminology to balance / bring together impact for donors / NGOs / beneficiaries, and also (both quantitatively / qualitatively) communicate failures / negative experiences  $\rightarrow$  learning

Measure of impact depends on the topic, some are easier than others -

Contextualize  $\left\{ \begin{array}{l} \text{dev} \\ \text{humanitarian assistance} \end{array} \right.$

how to bring sustainability to impact?

Impact depends from which perspective donors  
beneficiaries





**Hypothesis:**  
The focus on the  
The focus on the  
concrete impact and  
concretely work with  
significantly work with  
philanthropic opportunities  
create new financing  
for and new through  
measurability.

**Learning?**  
→ Optimising yourself?  
→ How will it be used?

**Reduce cost of measurement**

- Work together
- Measure less(!) = Reduce scope, embrace subjectivity
- Know why you're measuring to better distill + use

**Public disclosure of lessons, data, evaluations etc.**

- More transparency
- Track the benefit/how much your information is used (avoid measuring + reporting for the sake of it)

**Set up mechanisms to share info between funders + other stakeholders**

**Understand the risks of ↓ costs or simplifying impact measurement**

- Sometimes in depth is needed (costly) → invest where needed

**Agree/use minimum standards metrics collectively, Agree on proxy measures**

**Collective funding mechanisms for impact measurement (e.g. dedicated side by side funding)**

→ foundations/funds that NGOs can access  
→ or governments, public institutions etc.

**MISSION**

Country	EP1	EP2
A	✓	✓
B		
C	✓	

**Not good?**

**Pro 2:**

