Grant Thornton
An instinct for growth™

Impact in action

How charities worldwide can measure impact to drive their mission

Contents

Foreword

At a time when negative headlines have shattered the public's trust in charities—and charitable giving remains at record lows across the world—it's clear that something's got to change if the industry hopes to move forward. For many organizations, that means finding new ways to measure their impact—and demonstrate the difference they're making in the world.

In today's evolving charity environment, stakeholder demands are shifting. Suddenly, a quarterly report detailing an organization's financial effectiveness is no longer enough to evaluate its success. People want to know how much of an impact it's making, how effectively it's implementing its strategy and how close it is to achieving its mission.

Global charitable giving is down. In some countries, alongside a spate of negative headlines, public trust in charities has begun to waver. In others, trust levels are more robust but there are still questions over how exactly donations help the causes they support.

In light of these trends, it's clear that stakeholders want organizations to provide suitable impact information in addition to showcasing their financial effectiveness—a request that poses significant challenges. For many charities and not for profits, it can be difficult to find individuals with the right skills and resources to properly measure, understand and communicate their impact.

Likewise, we do not have a universally-recognized methodology for measuring impact. That's because charities do not share the same mission or operate in uniform environments. An international aid charity will have very different goals to a heritage or conservation charity, for example. The wider ecosystem of funders and beneficiaries also adds another layer of complexity. For this reason, impact will mean different things to different parts of the not for profit sector.

Charities we spoke to around the world for Impact in action recognize that demonstrating impact is critical to effective governance. Measuring the genuine impact of work will allow charities to demonstrate the most accurate results possible to funders and stakeholders. This information can also inform future strategy and allow charities to understand the risks of failure and the benefits of success.

In this report, we share highlights from 30 conversations we conducted with leading figures from charities across the globe. We explore what impact means to different charities, the challenges they face in measuring it and the innovations developed to overcome these challenges. I am encouraged by the stories we have heard along the way—countless charities are taking great strides to quantify their impact, from embracing new database technologies to hiring new data quality teams.

Impact measurement is a tough challenge, but evidence suggests charities are meeting this head-on. There is no single solution to help every charity measure and report impact more effectively. Instead, drawing on our research with charities around the world, we offer a series of recommendations for leaders to consider on their impact journey. I hope you find this report interesting and stimulating.

Carol Rudge
Partner and Global Head of Not for Profit, Grant Thornton UK

Charities link impact with strategy, culture and governance

At a time when global charitable giving is down,[4] strong governance and strategy are more vital than ever. Charities recognize that being able to measure and demonstrate impact effectively is integral to a clearly-defined mission.

Indeed, charity leaders we interviewed were comfortable with the idea of moving away from simply measuring outputs towards a more comprehensive evaluation framework.

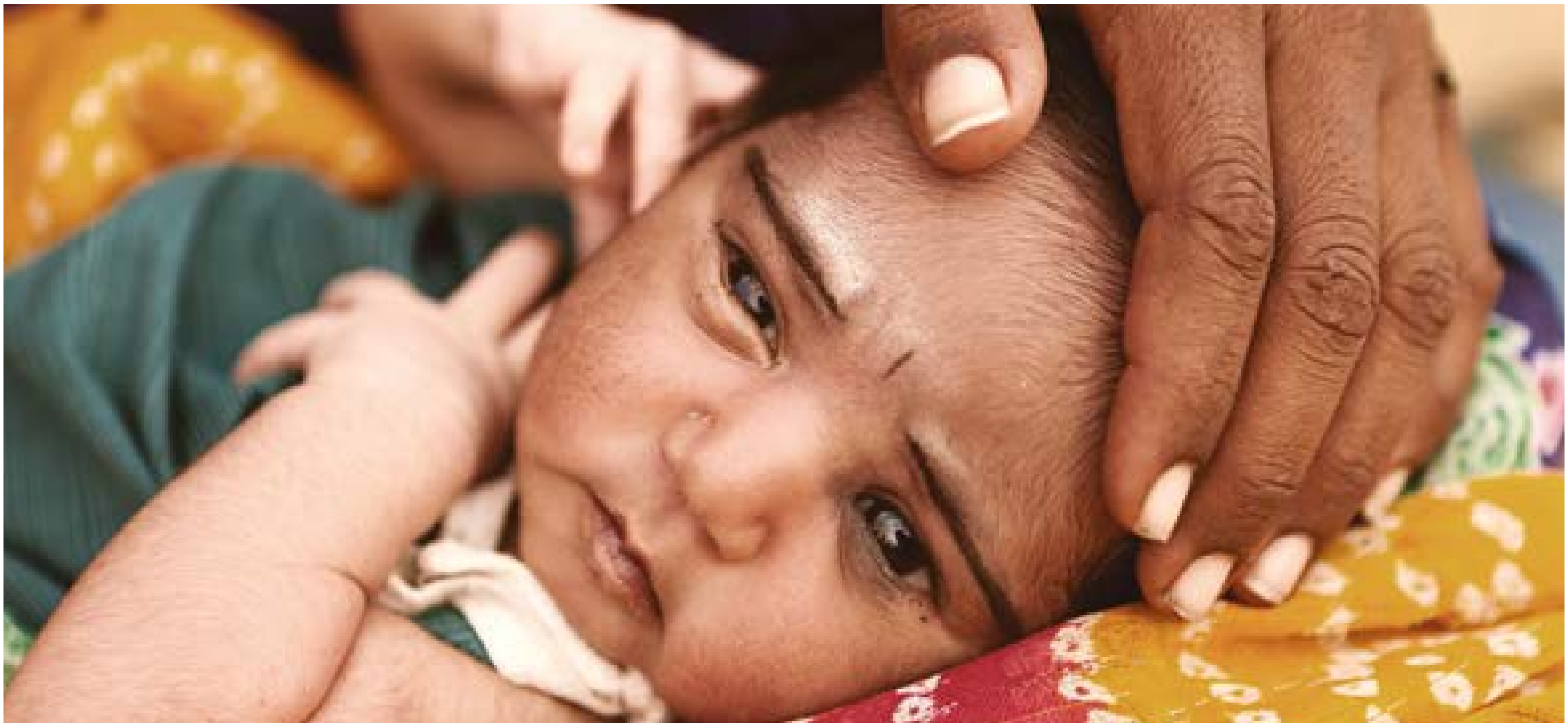
Kirsten Taylor at Perpetual Guardian Foundation described the link between impact and strategy this way: “You can measure impact and evaluate without a strategy. It’s just not going to be as rich.” Other charity leaders described impact measurement as part of a feedback loop that then informs future decision-making. As Peter Derrick at Effect Hope in Canada explained: “If you understand what it is that may enhance the likelihood of impact being achieved, those are the criteria that help you decide whether a project is working or not.”

One commonly expressed view was that, increasingly, the way a charity measures impact both defines and is shaped by its culture. One charity leader explained that getting impact right must start internally. This is fundamentally important. Changing the culture within an organization to be this way is the first stage in enabling it to become this way with the public.

Everyone we spoke with agreed that impact is different depending on the type of charity and the work it does. Impact will not—and should not—look the same for every charity.

Equally, not all impact is necessarily good. Sometimes things do not work and many believe these instances should be shared as much as the success stories. Matt Stevenson-Dodd at Street League had a frank message: “Let’s stop telling stories about how brilliant we are. Be honest. We should be taking risks and in doing so, we cannot always be right.”

[4] https://www.cafonline.org/about-us/publications/2017-publications/caf-world-giving-index-2017



Why measure impact?

Views from charities around the world

"Not measuring impact felt like you were delivering services in silos and you were meeting funders' targets but… you were not having any impact in the community."

Sandra Rupnarain, Family Services of Peel

"What are we doing and why? Are we doing it because we can? To keep financing the machine? These are fundamental questions which link to our strategy."

Chris Wright, Catch22

"[Members of the community] are going to be much greater supporters if they have got a real sense of the significant impact that the charity is delivering."

Louise Aitken, Akina Foundation

"If we can demonstrate, with evidence, that something was more impactful, we should be diverting funds where it has been going well."

Nick Hopkinson, The Life You Can Save

"Our CEO got us to imagine that we had met our goals as a charity and were now disbanded. That is the right concept. Our objective should be to no longer need to exist."

James Westhead, Teach First

Boards increasingly recognize the importance of measuring impact

Among the charity leaders we spoke with, there was a broad acceptance that boards are undergoing a cultural shift in accepting the importance of impact. Harry Johns at the Alzheimer's Association in the United States says: "The trustees and the board are certainly involved in the measurement process. They sense that ultimately the objectives of the strategic plan are tied to the mission itself."

Furthermore, there is evidence that trustees recognize the importance of the issue and are engaged in conversations with management on impact. As Kirsten Taylor at Perpetual Guardian Foundation put it: "It is important that the trustees are on the board to add value, to strategize. Trustees and the executive team want to receive that impact report and feel the comfort that the decisions they have made as a collective are appropriate to what we were trying to achieve."

Trustees must understand how impact affects decision-making

Public scrutiny of boards is increasing and not just in the not for profit sector. Their vital role in holding executives to account, assessing performance and making decisions on future activity is regularly cited in discussions about good governance. It also crops up when failures of governance are exposed and analyzed.

Many charity leaders we spoke with felt that for charity trustees to hold them to account effectively, understanding impact is vital. Take, for example, deciding where to direct resources. Does a charity spend funds now on something that is likely to have clear short-term outputs and measurable results? Or does it invest the funds for a longer-term return that could have a greater impact in a decade? A trustee must understand impact at their charity to inform this decision.

There is also a strong belief that impact is closely linked to managing risk—something very much part of trustees' remit. Corporate entities often choose not to do things like ending homelessness or protecting a habitat because the risk doesn't result in a fiscal return. Charities take on risks to achieve their mission rather than for financial return but do their boards always understand this? According to Jenny Brown, Chief Not-for-Profit Operating Officer at Grant Thornton UK: "Boards and stakeholders must understand that charities take risks. This risk needs to be put into the narrative. One hundred percent success should never be expected."

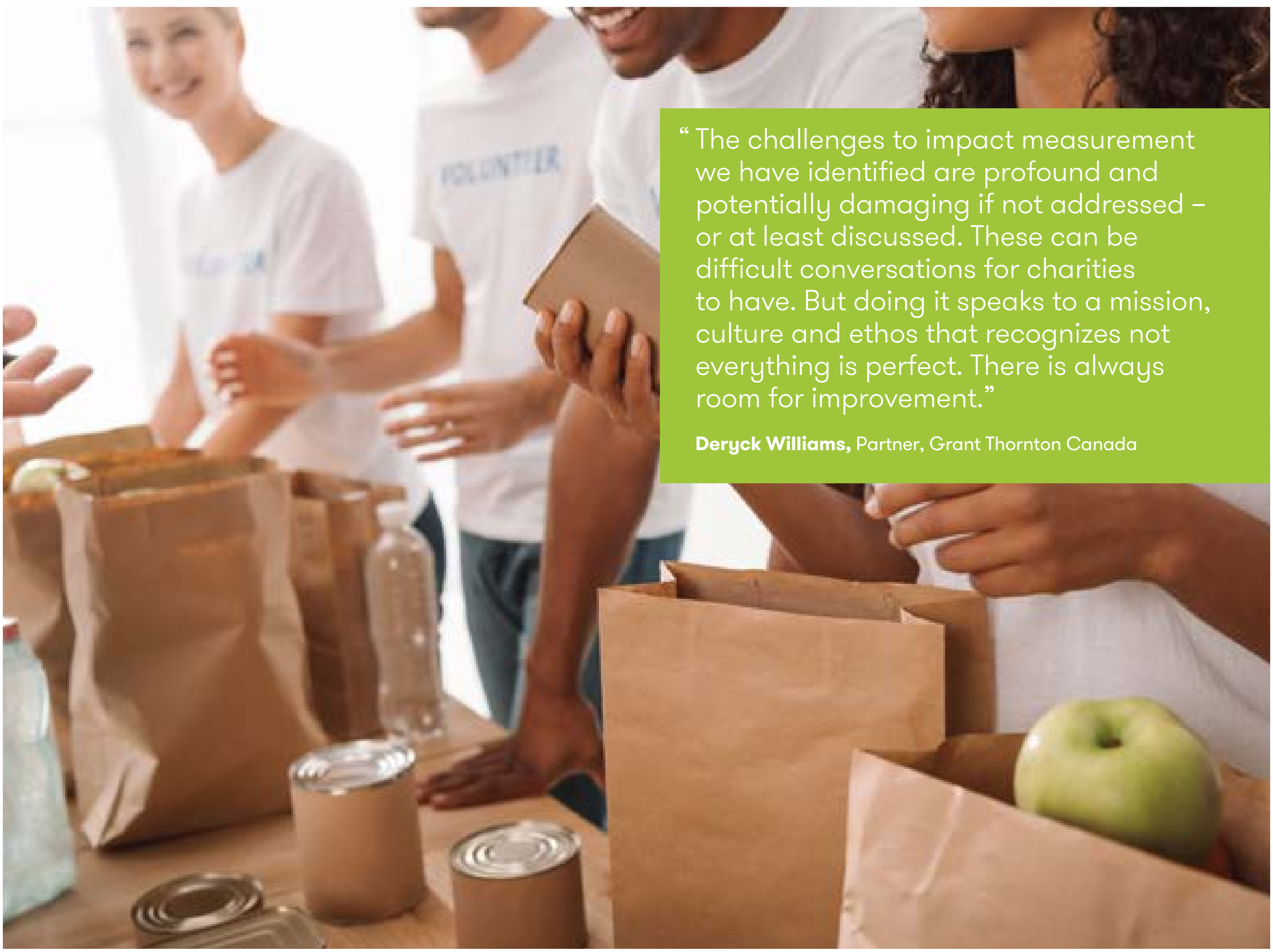
Thinking about risk appetite sets the foundations for impact that can be achieved and expected. John Guy, a trustee at the Catholic Agency For Overseas Development (CAFOD), said: "I would be surprised if any charity board now were not engaged in a conversation about risk appetite. It leads to a greater relationship and understanding between [management] and trustees."

"Our research highlights the critical governance role trustees play. Given impact is so closely linked to strategy and mission, any gaps in understanding or support between boards and management need to be rectified as a priority. The danger otherwise is that impact measurement is ultimately misunderstood and undervalued," says Carol Rudge, Partner and Global Head of Not-for-Profit at Grant Thornton UK.

Impact, strategy and governance are interlinked. A charity with a clear mission and strategy requires good governance to reduce the risk of failure. If the strategy succeeds, impact will follow.

Addressing the challenges of measuring impact effectively

Charities are united in their belief that impact measurement is vital and are looking for ways to improve how they do it. But amid a complex funding and stakeholder ecosystem, a range of barriers to measuring impact exist. Here, we set out three core challenges and offer ways to tackle them.



> "The challenges to impact measurement we have identified are profound and potentially damaging if not addressed – or at least discussed. These can be difficult conversations for charities to have. But doing it speaks to a mission, culture and ethos that recognizes not everything is perfect. There is always room for improvement."
>
> **Deryck Williams,** Partner, Grant Thornton Canada

Challenge:

Deciding what to measure

"How do you measure the impact of a coastline that has been saved?" posed one charity leader. Another pointed out that impact at an advocacy or awareness organization is very hard to measure.

Whether a coastline is saved or not is more binary than understanding the social implications of tackling illiteracy, for example. But a conservation charity may say in its mission that saving part of the environment, such as a coastline, is by definition a public good. In that instance, donors are effectively contributing to that public good. Thinking about impact in this way challenges charities to think more deeply about their mission. A charity setting out to save a coastline may then become responsible for managing it. So, the question then becomes, is it saving the coastline merely to keep it as it is? Or does it have other plans?

Linked to this, a difficult challenge raised in conversations was "are we measuring symptoms or causes?". In other words, it may be that eradicating symptoms of a problem has less overall impact than eradicating causes of a problem.

Charity leaders also agreed that it can be difficult to know that any change is because of their work. As one put it: "What if we had done nothing? If you only know your own results, it is hard to know the likely results had you not been involved." Another questioned whether charities should borrow techniques from science and medicine, such as randomized control trials, to tackle this issue. However, a charity should think carefully about assessing those it has not helped but has identified as in need, solely for the purpose of measurement. Charities considering this route should explore the protocols built into medical trials which attempt to deal with these difficult ethical issues.

Recommendation #1:

Don't tackle too much at once

Charities we spoke to agreed that sometimes focusing on less is actually more. Johnny Misley at the Ontario Soccer Organization explains: "Many [impact measurement] plans that I have seen fail were because they are trying to do too many things."

To give yourself the best chance of success, pick specific areas to target for impact measurement. Attempting to measure the impact of everything all at once is likely to lead to ineffective results.

"You cannot do it all in one go. Start small, but make sure it ties back to your strategy. Pick the one or two programs that are most critical and assess whether they are achieving their required impact—these will probably be the ones you already have the best data on. Work on your methodology until you have it right, then take those learnings to the next couple of programs. It really is a case of learning on the job."

Simon Hancox, Partner, Grant Thornton Australia

Case study

Focus on a niche

United Way is a worldwide movement that provides support to local communities. Here, Michelynn Lafleche, Vice President for Strategy, Research and Policy at United Way, Greater Toronto, explains how establishing a specific outcome can be the first step to success.

We talk about ourselves as a community impact organization. It means playing specific roles that help us drive the mission for the organization and understand what measurable change we are making in the communities that we work in.

The outcome of our youth success strategy is to provide meaningful career opportunities to 10,000 young people who are some distance from the labour market today. Back in 2012, United Way had worked for about ten years on youth issues, but it wasn't structured to drive towards an outcome.

We tightened up and focused on a niche—employability. We can create the conditions for individuals and groups of individuals who have particular characteristics to successfully access and retain employment. We did an enormous amount of research over a period of about nine months identifying different kinds of interventions globally that provided evidence of change for our target group. Then we established four key goals and designed three.

Because we know exactly what we are doing now, we have set specific targets and goals. Being clear of the ultimate outcomes that we are trying to achieve means we are then able to build structured monitoring and evaluation frameworks around them that allow us to collect data and tell the story of success, as well as to learn and improve the programs themselves.

We have a change story framework that the whole organization is trained to abide by. My team is responsible for accumulating data and pulling together the key facts and figures. Then, the marketing team has that vetted, proofed and ready to go.

"Measure real impact. Don't measure the impact that you think people want to hear about. Every year we get better at it, and every year there is more to get better at."

Michelynn Lafleche, Vice President for Strategy Research and Policy at United Way, Greater Toronto

"If we cannot demonstrate the impact we are having in the world, how do we justify to ourselves what we are doing? Anecdotes and heart-warming stories are great, but we need more evidence. That motivates me to keep going."

Nick Hopkinson, Director of Development, The Life You Can Save, UK

Challenge:

Gaps in skills, resources and funding

Harry Johns at Alzheimer's Association described cost as "the biggest factor in measuring impact", and many others agreed. "It is not so much that technology is holding us back, but our ability to have sufficient money or resources to utilize the technology that is out there," added one charity leader.

Similarly, many leaders reported that convincing stakeholders to fund impact measurement and reporting can be difficult because they are new to thinking about measurement in this way. While some funders are already on board, others would benefit from a complete cultural shift.

Other charity leaders raised staffing and skills concerns.

For example, relying on inadequately-skilled volunteers to capture important information. One charity leader explained that quality checks can be complex: "Our face-to-face staff are required to enter information into our database. Next, our quality team looks at that information to ensure it's the right sort of information."

> "It is really hard for charities to translate impact data into better results because we are all busy collecting the data so nobody has the capacity to think about how to improve."

James Westhead, Executive Director of External Communications, Development and Technology, Teach First

Recommendation #2:

Conduct a skills / resource gap audit

Carry out an honest assessment of whether investing in technology, seeking third party support, hiring more staff or training existing staff could improve your current impact measurement capabilities.

Consider the role of volunteers. Typically, these are people from the local community who want to give something back. Charities with large volunteer bases often struggle with impact measurement because, while these volunteers have some skills and attributes—such as enthusiasm and commitment—they may not have formal training in information gathering.

Look at a potential skills audit for your board and management too. The following questions may be a useful starting point.

1. Does your board have an impact expert on it, as well as a lawyer and an accountant?
2. Is your impact lead (or equivalent) senior enough in the leadership of the charity or just part of another division?
3. Do you dedicate resources to helping teams design and manage their projects for impact as well as just measuring them?

Challenge:

Impact timeframes

Charity leaders agreed that some impact takes years to properly materialize. Working with hard-to-reach groups can take time, as charities need to build trust before any work can begin to help them. Carol Mack at the Association of Charitable Foundations captures the essence of this time challenge: "Take the example of funding the establishment of a public park or playing field. An impact measurement made after five years may not look great. If a funder asked, 'Would I make the grant again?' at that point, they may say no. But what about after ten or 20 years? The picture will be very different."

> "We have to be very careful that we don't shape our impact reporting around today's solution or challenge. Because in five years' time it might look quite different. If we are trying to measure against an outcome that we see as relevant today, we may actually miss the boat."

Stephen Goodman, CEO, Volunteer Service Abroad

Recommendation #3:

Agree on parameters and stick to them

Get a group of people together to determine where you are in terms of measurement. For this to be most effective, include people who are responsible for information gathering. Align what you are doing with your strategy. Then ask yourself: "What are the key outcomes that would demonstrate the strategy is working?"

This is also the stage to understand and incorporate targets or key performance indicators (KPIs) that donors may request or even require in exchange for funding. If these do not align with your mission, now is the time to question whether your mission needs to change or if the demands that come with a particular stream of funding are too great.

Specify what exactly you will seek to measure, across what period of time. Good impact results come from working in a smarter way from the beginning of the project. However, make sure your stakeholders understand the genuine outcomes that support your mission may take years to come to light.

Case study

Moving from emergency relief to changing lives

St Vincent de Paul Society Queensland is an international charity working to assist people in need and to combat social injustice. Jackie Youngblutt is General Manager – Programs, and Deborah Nisbet is General Manager – Finance and Business Services. Here they explain how they are trying to change the way they think about impact.

In our mission statement we say we want to change the condition of the communities we help—not just offer emergency relief. But we do not truly know if we are changing their condition because we are not measuring it.

We also know that focusing just on delivering food will mean we lose young members and volunteers. The next generation wants more than that; they want to know that their actions have a genuine impact.

We are good at recording the number of people we help and how much is spent, but we have not been clear about what that means for families, or if we've made a difference. When we started capturing more information on this from our volunteers, it was challenging to find the right data to measure and analyze our impact.

We walked away from a partner helping us deliver one program because we wanted to report outcomes such as changes in health, but the partner did not understand this. There is a disparity in the way we think about this—(social) impact is not a common language.

Some members of our board are more progressive than others and we are trying to build their influence—for instance, we included an outcomes report in our last annual report.

We are not at the stage to use impact to determine where funds go, but it is our intention, and our new database should allow us to do it.

"The next generation wants more ... they want to know that their actions have a genuine impact."

Deborah Nisbet, General Manager – Finance and Business Services at St Vincent de Paul Society, Queensland

Telling the impact story

Measuring impact is only one challenge. Once charities have results, they are then faced with the task of sharing them with audiences effectively.

The views of charity leaders reveal that communicating the impact story is a challenge the whole sector is grappling with. Three main challenges emerged.

Challenge:

Analyzing what you have measured

As impact measurement data comes in, charities are faced with the challenge of scrutinizing the results to ensure they are accurate and robust. Complex results, in a variety of formats, can make this a lengthy process. Louise Aitken at Akina Foundation says that in some cases, "because of the verification required specialist support may be necessary."

Michelynn Lafleche at United Way describes what the verification process can look like: "There isn't a stat in our marketing material that hasn't crossed my desk for me to say yes, you can use that and yes, we have the evidence to support that statement."

Recommendation #4:

Verify your results before you share them

Sharing results that can be picked apart or undermined could do more harm than good. Explore who is best placed within your teams to carry out the verification process.

In addition, explore the best method and timeframe for analysis of results. Information gathering and some analysis will need to take place as a program is running. But consider how and when to bring in the person or people who verify, analyze and make sense of the results.

"There is often a blend of quantitative and qualitative evidence to analyze, both of which will likely play a role in telling your impact story. Consider whether you have people trained in analysis of both forms of results to draw the best conclusions and seek training or extra support, if not."

Brent Kennerley, Partner, Grant Thornton New Zealand

Case study

Bringing in specialist support

The Robert Wood Johnson Foundation is the largest US philanthropic organization dedicated to targeting health issues. Brian Quinn is Associate Vice President of Research-Evaluation-Learning and Vice President of Research-Evaluation-Learning.

We place a heavy premium on program evaluations. We don't have a standard evaluation toolkit because our programs differ in terms of what they are trying to achieve. Some of them are leadership programs or scholars' programs that are trying to help build human capital at the individual level. In other cases, we are trying to drive towards policy change, or working at a community level with a community-based organization. Our evaluations reflect that diversity.

The common threads across all of our evaluations is that we tend to use independent, third party evaluators. We tend to use a range of qualitative and quantitative methods, depending on what is available and what is realistic. Then, we try to walk-the-talk in terms of using evaluation findings to guide our grant making and our strategy going forward. You have to be able to be realistic about the challenge of trying to measure change in the not for profit sector. In the private sector, organizations have all kinds of data at their fingertips on share prices and sales data. In the social sector, it's a messy world and you can't always find the data you need when you need it.

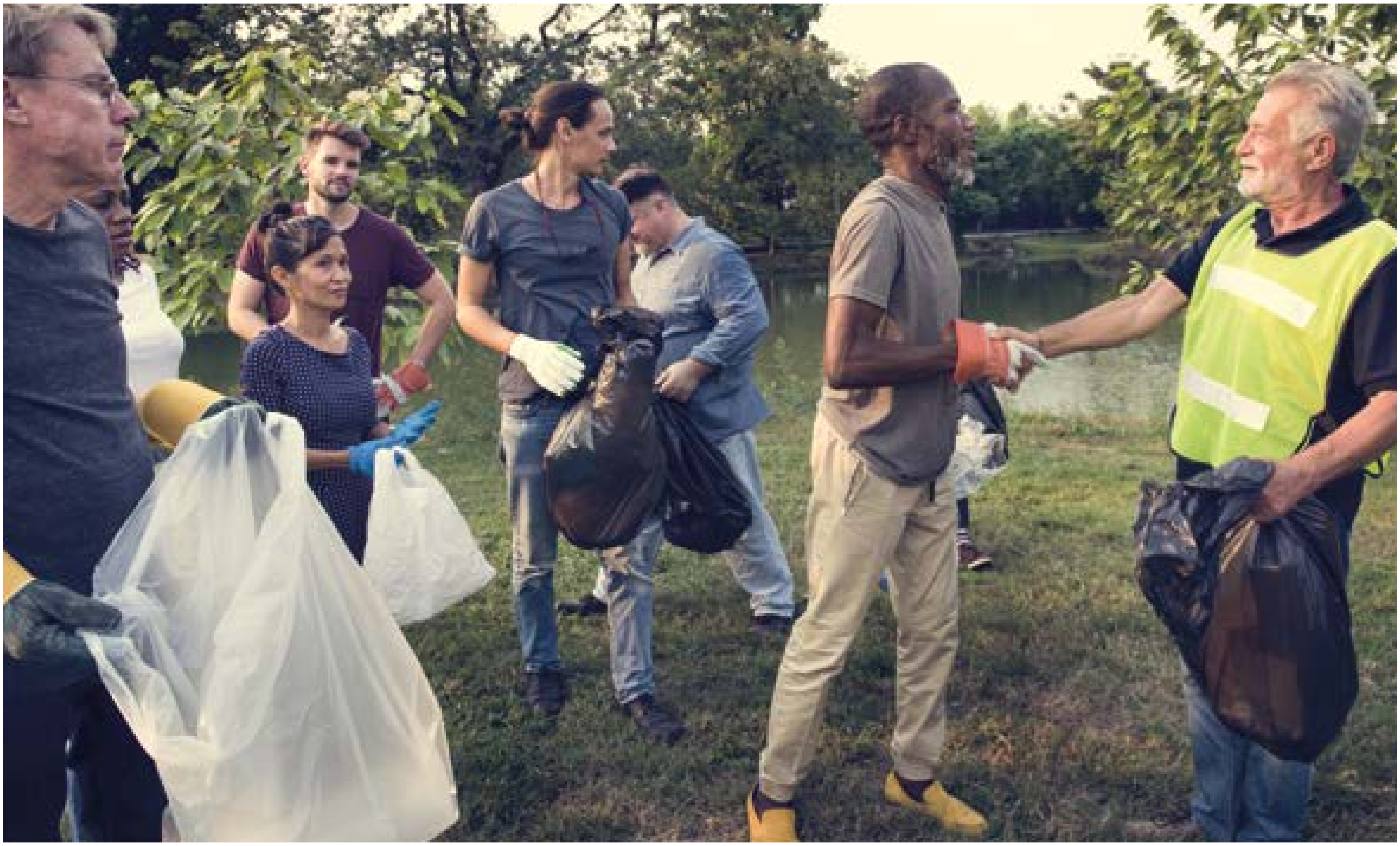
In the spaces that a lot of not for profit and foundations are working in, it's complicated stuff. If this was easy or there was a quick market-based or governmental solution, in many cases the problems would have been solved a long time ago.

I would encourage grantees at charities not to think about impact measurement being sort of a zero sum game with the other things that they do.

I think charities should view evaluation as a really helpful tool as they approach donors to talk about their work and display evidence that shows they're having an impact in their sector.

"The common threads across all of our evaluations is that we tend to use independent, third party evaluators. We tend to use a range of qualitative and quantitative methods, depending on what is available and what is realistic."

Brian Quinn, Associate Vice President of Research-Evaluation-Learning at The Robert Wood Johnson Foundation



Challenge:

Getting buy-in from your employees

When it comes to getting the story out there, a number of charity leaders highlighted the importance of bringing internal audiences onside. As one put it: “Getting the message out internally should be the start. Then, staff themselves become advocates.” Doing this links impact back to culture and good governance. It helps to make sure that all staff understand why impact is being measured in the way it is. It is also motivating for staff to know that their work makes a genuine difference.

Recommendation #5:

Empower your team members to act as advocates

A common thread in our conversations was the need to get the right people to sell the impact story—people with passion, who believe in it. According to Catriona Dejean at Tearfund in the United Kingdom, “You need strong people in the organization who are driving impact and can sell it to boards.”

As well as deploying passionate management teams to engage with boards, empower your staff to act as advocates. The most effective way to do this is to involve them in the early stages, when you are setting the parameters for what you will measure and how.

As Simon Hancox, Partner at Grant Thornton Australia, explains, this will also help install a new wave of charity workers and volunteers with the purpose they crave: “Frontline support staff are the ones collecting the information and will know how it all fits together. If they do not think it is meaningful, they will not invest their time tracking and gathering information because they won’t see the value in it. Their buy-in is essential. What’s more, a new generation of volunteers want to know that they are making a difference and donating their resources or time for a good reason. Securing buy-in from staff is becoming more important.”

Challenge:

Tailoring your story to different audiences

When telling the impact story, charity leaders reflected on how different stakeholders often need to hear the story in different ways.

The charities we spoke to all recognized the value of incorporating the reporting and communication elements into projects from the start. One explained that a good practice is to build in the communication mechanisms with institutional funders right at the outset of the project. Otherwise, they don't know whether what they funded was worthwhile and charities can be scrambling around afterwards trying to find out.

A few leaders shared their views on a potential tension between donors and the wider public. As one asked, "Do charities prioritize what donors want to hear? Or the public?" A commonly-held view was that institutional donors often understand impact because the values and criteria are so deeply embedded. Donors who are part of the wider public, on the other hand, can be trickier.

A charity board also emerged as an important audience for the impact story. A number of charities said that updating the board on progress is an integral part of their working practice. To do this effectively, impact must link to the strategy. "What really drives your passions is not the formal mission statement, it's the vision. Does your strategy flow beautifully and persistently into that vision? The board needs to know about that strategy," says Peter Derrick at Effect Hope.

"Boards are a critical audience, and it is important to understand their perspective—both as potential donors themselves and as ambassadors for your organization's mission and fundraising efforts. Are you confident they understand the choices that you make and the rationale for your efforts? If not, this needs explanation so their expectations are set correctly and their support is fully obtained," says Mark Oster, Partner, Grant Thornton US.

But should the fundamentals of the story being told change for each audience?

Recommendation #6:

Don't be afraid to tell your story your way

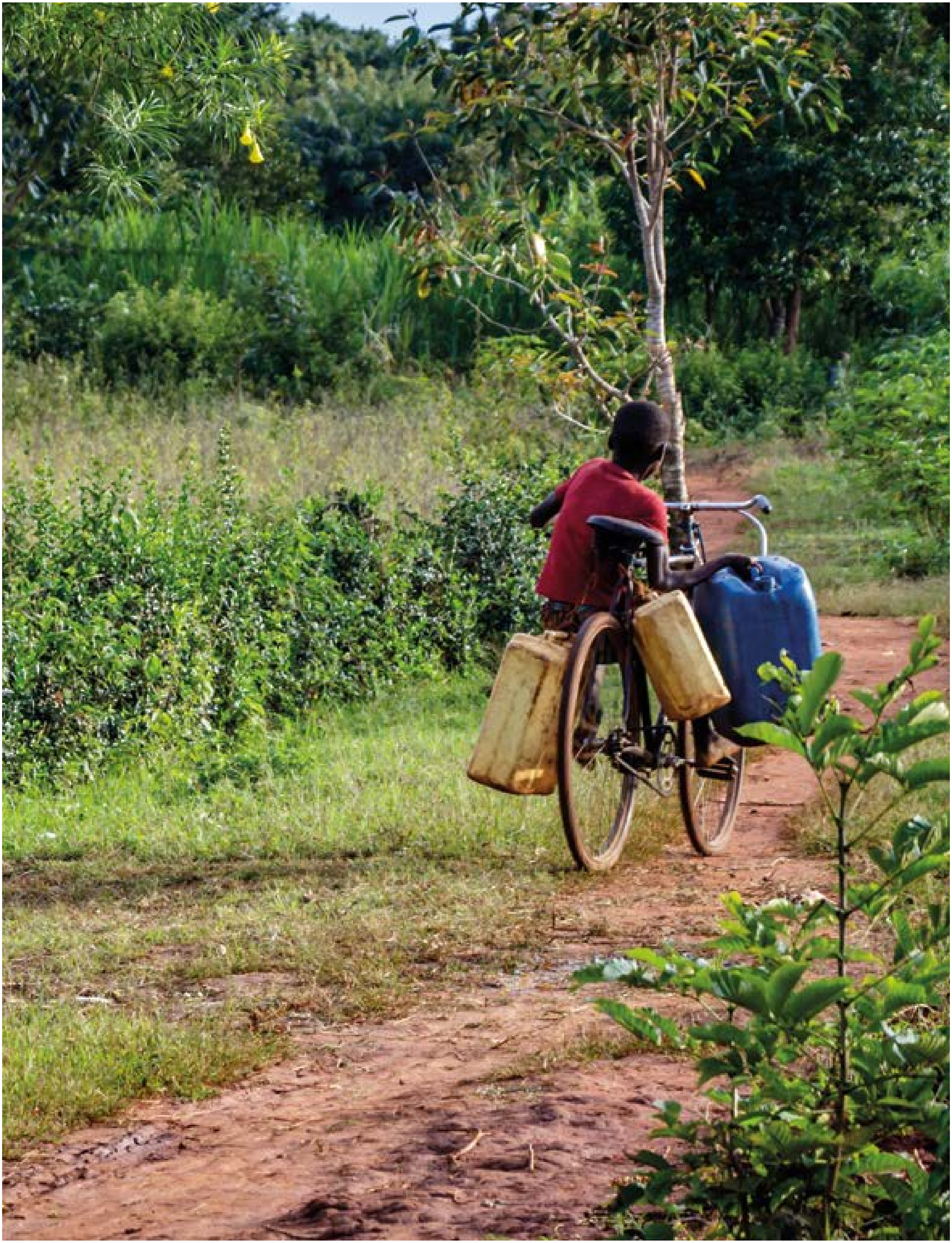
There is no doubt that the medium or the format you use to communicate to your board or an institutional investor, compared to public supporters, may be different. But the thrust of the impact story should include the following core components:

1. We believe our mission is crucial because…
2. You have provided money/time/support to help us achieve our mission by…
3. These are the outcomes we have achieved…
4. This is how those outcomes support our mission...

"Have confidence in your story and tell it in a way that aligns with your mission. There are a multitude of audiences out there and while you may use different methods to get the story across, the building blocks of the story shouldn't have to change."

Furthermore, when telling your story, do not shy away from pointing out where your impact has not been as significant as you had hoped. This information will be useful in setting future priorities.

Simon Hancox, Partner, Grant Thornton Australia



Case study

Three rules for communicating real impact

Street League is the United Kingdom's leading sport-for-employment charity, using sport to move unemployed 16-24 year olds into work. Matt Stevenson-Dodd is Chief Executive. Here he shares some of his top tips for telling the impact story.

We used to survey 100 people and if 60 got a job we would say "60 percent of all people we work with get jobs." I had no confidence in this statement and we were using it to get funding. So we embarked on a three year change program to improve how we measure impact.

Rather than just getting a job, we asked: What barriers did they have? Did they have qualifications? When they get a job, do they stay in it for six months? The answers to these questions help us determine whether a life has been changed.

In our annual reports, we publicize our failures upfront, and then we talk about our successes. We recognize that we do not get everything right. It was hard to get the board to agree to this.

We also set three golden rules.
First: We will never overclaim.
Second: All percentages come with real numbers (because 80 percent could be eight out of ten or 8,000 out of 10,000).
Third: All evidence is audited.

We link our internal database to our website and create a data visualization tool, so everyone can see our results in real time on our website. Our ethos is: if we present this data to you, you can decide if we are doing well.

"Everyone can see our results in real time on our website. Our ethos is: if we present this data to you, you can decide if we are doing well."

Matt Stevenson-Dodd,
Chief Executive at Street League, UK

Six steps to better impact measurement

Leaders across the charity sector recognize that effective impact measurement is a powerful way to demonstrate that the work they are doing is genuinely advancing their mission.

However, measuring impact comes with challenges. Here are six recommendations for charities to consider, to ensure the best impact measurement possible.

1 Don't tackle too much at once

As well as budgetary or skills constraints, the work charities undertake to fulfill their mission is often complex and multifaceted. To give yourself the best chance of success, pick specific areas to target for impact measurement. Critically, make sure that the areas you target are clearly linked to your overall mission, and have the buy-in of the staff who will gather the information. Otherwise, attempting to measure the impact of everything all at once is likely to be overwhelming and ultimately unsuccessful.

2 Conduct a skills/resource gap audit

Charity leaders worldwide told us that a lack of skills, staff and infrastructure is a significant barrier to effective impact measurement. Before beginning your impact measurement initiative, or as part of an existing analysis program, conduct an honest assessment of where support may be needed. Leaders we spoke to gave examples of investing in technology, seeking third party support, hiring more staff and training existing staff as ways to improve impact measurement capabilities.

3 Agree on parameters and stick to them

Our research has unearthed a need to specify what exactly you will seek to measure, across what period of time. A number of leaders told us that measuring symptoms of problems your mission seeks to solve, rather than causes, may be easier—but will have less meaning. Similarly, genuine outcomes that support your mission may take years to come to light. Will a funder understand that? Make sure all stakeholders are aware of the boundaries you are setting, and the potential consequences of doing so.

A common issue raised by charities around the world is making sense of the results impact measurement introduces. The need to ensure results are accurate and can be verified is critically important. Sharing results that can be picked apart or undermined could do more harm than good. Explore who is best placed within your teams to carry out the verification process and consider whether randomized control trials could help you prove impact by comparing the outcomes of groups you have and have not supported.

Verify your results before you share them

4

A broad range of stakeholders will each need to hear your impact results in a different way. Your people will be essential to managing this successfully. Passionate management teams can engage with boards and ensure trustees understand the impact of your work in line with your strategy. Likewise, encouraging staff to be part of the impact measurement process will create an army of advocates who feel empowered to engage with donors and benefactors.

Empower your team to act as advocates

5

Different audiences may require different media to get the story to them, but the fundamental building blocks should remain the same. When thinking about these components, a key factor that united the charity leaders we spoke to was that no organization can get everything right all the time. In fact, suggesting you can do this could be dangerous. So don't shy away from pointing out where your impact has not been as significant as you hoped. Doing so will demonstrate transparency and humility.

Don't be afraid to tell your story your way

6

Next steps

We are grateful to all of the charities that offered their insights. Sharing best practice is a powerful way for charities to plug some of these gaps together and we hope to hear more examples of success stories as charities seek to improve the way they measure impact.

In our next publication, we will look more closely at future trends and how they will affect impact measurement. For example, we will investigate the growing role of technology in measurement and reporting. We will assess the emerging generation of charity donors and workers who believe purpose is central. These trends all reinforce the notion that understanding impact is vital.

Contributors

Interviews and discussions for this report took place between May and August 2018. We would like to thank the following people for their insights and contributions:

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James Westhead, Executive Director of External Communications, Development and Technology, Teach First

Chris Wright, Chief Executive, Catch22

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Contact us

Across the globe, not for profit organizations are increasingly expected to deliver more, while facing the reality of cuts to government funding and voluntary giving. We understand the sector and help our clients to overcome these challenges and meet their goals.

To explore how your charity could improve its impact strategy, please contact one of our team of global specialists.

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