

What does the investment return?

an experiment in measuring social value in a participatory manner



Wouter Rijnveld, January 2013



Report of an experiment in Social Return on Investment,

- Initiated and funded by Red een Kind, the Netherlands
- Together with Livingstonia Synod Aids Program, LISAP, Malawi
- In Nkhata Bay district, TA Malanda, villages Mteperera and Thula, near Chintheche (see map below).
- Field work in September and November 2012
- Implemented by Resultante, consultancy company of Wouter Rijnveld



Abstract : For three concrete community based activities (an early childhood development program, a weekly program for older children, and a safe motherhood program) we did participatory exercises with a number of stakeholders to establish the theory of change, the inputs, outputs and outcomes of the activities. The inputs and the outcomes were related to specific stakeholders and were valued in monetary terms. The principles and practices of social return on investment (SROI) were used to arrive at comparisons of the investments made and the value created. This report also initiates a discussion how using SROI could be further used.

Picture front page: participatory SROI exercises in Mteperera, September 2012



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List of abbreviations

BMI	Body Mass Index
CBCC	Community Based Child Care (Centre)
CC	Children's Corner
CPAR	Canadian Physicians for Aid and Relief
FGD	Focus Group Discussion
FTU	Full time unit
LISAP	Livingstonia Synod Aids Program
MK	Malawian Kwacha
MUAC	Mid Upper Arm Circumference
NGO	Non-Governmental Organization
PICD	Participatory Integrated Community Development
PPTCT	Prevention of Parent to Child Transmission
REK	Red een Kind
SM	Safe Motherhood
SROI	Social Return on Investment
ST	Standard (indication of class year in schools)
StC	Save the Children
TA	Traditional Authority
TBA	Traditional Birth Attendant
U5	Under five (years of age)

Why did we do this experiment?

Introduction

Red een Kind is a Dutch NGO and operates in an environment where the pressure for results, evidence, value is increasing. Its partner organization LISAP is a Malawian NGO that faces similar pressures. REK and LISAP already make use of a results based management system where regular reporting on indicators is used to feed the policy cycle. However, most information collected is at output level and related to specific themes for which funding is provided.

Red een Kind has the wish to experiment with and develop methods for monitoring that do more justice to the integrated nature of their strategies and of most of their partners. And also methods that are more empowering and less extractive than most of the regular methods. For this reason Red een Kind decided to do an experiment with Social Return on Investment (SROI) through participatory workshops.

What does LISAP do?

Background

LISAP is implementing a five year program (2011-2015) in 47 villages in TA Malanda in Nkhata Bay District of Northern Region of Malawi. The program has the title “Community Empowerment for sustainable livelihood of children”. The program works to reduce the vulnerability of children in an environment that is affected by HIV and aids. The number of people in these villages is just under 40,000 with over 11,500 children.

LISAP uses multiple strategies and they work with religious and traditional leaders, youths, mothers and children at various ages. They do this in very close cooperation with local governance structures such as area development committees. Their activities include strengthening local organizational capacities, training of change agents, prevention of transmission of HIV, behavior change interventions related to sexual and reproductive health, nutrition and food security, support to community based child centers and children’s corners and village savings and loan associations.



Figure 1. Example of a CBCC

In the two selected villages there are two Community Based Child Centers (CBCC). These are places where two to five year old children come each morning. Five or six volunteers from the village are trained to support these children in their physical, social, cognitive and spiritual development. They

sing, learn traditional dances, pray, do social games, physical exercises and have a curriculum with educational and practical knowledge and skills. The village contributes food materials so that the children also eat during their stay in the CBCC. There is also a children’s corner: a once a week program for primary school youth that reaches some 90 children with psychosocial and other activities. The age distribution in these two villages is shown in the table below.

Table 1. Age distribution in the two selected villages

Village	Under 5	6 -18 yrs	15 – 24 yrs	15 -49 yrs
Thula	97	335	105	604
Mteperera	105	206	127	496

The program is financially supported by Help a Child, through co-financing funds of the ICCO alliance. These funds are linked to the themes Basic Health and Basic Education and reporting frameworks are linked to these two themes.

How did we do this experiment?

Methodology

The two villages were selected because they were not too far from Chintheche, but also because these villages are among the more active ones. Therefore, the results of this experiment should be regarded as examples of well running projects and are not necessarily representative for all villages.



Figure 2. Impressions of the SROI workshops

Together with LISAP a selection of specific activities was made, for which a participatory workshop was to be done. The Community Based Child Centres (CBCC), the Children's Corner (CC) and the Safe Motherhood program (SM) were selected. Initially, the village savings and loans activity was also to be included, but this was not feasible.

For each of the activities, the relevant stakeholders were invited to a workshop at the CBCC of Mteperera. The three workshops¹ ran in parallel with plenary explanations or discussions when needed. Facilitation was done by LISAP staff and by me. In the workshops, the participants went through discussions about the theory of change, analysis of stakeholders, inventory of inputs, valuations of inputs, outcomes per stakeholder and for each outcome the indicators to measure it, the value to attach to it and the corrections to be made. The Excel document in Annex 1 has a sheet with the design of the flipcharts used. After these exercises were done, a verification workshop was done with the major stakeholders to verify all the inputs given with village registers and especially to review the various corrections and calculations.

In November a second visit was held in which the findings were presented wider groups of representatives from the villages and focus group discussions were held to discuss about the use and possibilities of SROI for the villages.

The Investments and the returns

Findings

This chapter provides brief descriptions of the contents of the SROI processes for the three activities. A more extensive report is available for the SROI process of the CBCCs. This report will also be offered for official accreditation to The SROI Network. The software Social Evaluator was also used and a report from this software is also available for the CBCCs as Annex 2.

The first description below offers some general explanations that are not repeated in the subsequent two SROI descriptions.

SROI of Community Based Child Centers

Scope and stakeholders

Both Mteperera and Thula have a CBCC which is attended by 45 and 47 children respectively; just over half of the children from 2 to 5 years old. Both villages have built a simple structure where the children meet every morning from Monday to Friday. Volunteer caregivers are being trained to offer a curriculum to the children which helps them develop physically, socially, mentally and spiritually and prepares them for the first class of primary school (standard one). Every day there is a meal for the children, which is prepared from community contributions. The CBCC is also used as a means to offer preventive health services, notably immunization. LISAP has provided the training of the

¹ Fruitful use was made of two guides: *A guide to Social Return on Investment*, 2012, by The SROI Network; and *Social Return on Investment, a practical guide for the development cooperation sector*, 2010, by Context, International Cooperation.

caregivers and the awareness and encouragement of the community at large. In some cases, they also offer help in building a more permanent structure, but this had not happened yet in these villages. Save the Children has also contributed with some materials. Working on early childhood development is also stimulated very much by the government of Malawi.

The stakeholders were listed with the help of LISAP staff. The following stakeholders were identified:

Stakeholder	Present	Total population
Children from 2 to 5 years old	It was decided not to invite them since they cannot meaningfully contribute.	92 children are involved with the two CBCCs
Parents of these children	From each village one parent was invited (both mothers)	They represented a total of 67 households that the children come from.
Caregivers	From each village one caregiver was invited (both female)	They represented a total of 8 caregivers for the two CBCCs.
Parent committee	The two parents	20 persons
Village headmen and community members	Both village headmen were present at some stages, e.g. during the verification sessions.	2 village headmen and 150 active community members.
Primary school teachers standard 1	one standard 1 teacher from the nearby Mgodhi primary school	3 ST1 teachers in Mgodhi primary school
Rural hospital Chintheche	Nobody from the hospital was present in the group, but in the other parallel groups there was somebody who could give input where needed	n.a.
Other NGOs (notably Save the Children)	Not present because not feasible to invite them	
Government	Not present because their influence and the changes for them was deemed small	
LISAP and REK	LISAP staff was present	

The scope of the SROI analysis done were the activities of the CBCCs for one single year. The data of the year 2011 were used to estimate the value generated in 2012. LISAPs involvement in this project is five years. The CBCC itself is intended to last much longer and can be considered as an ongoing activity (although without further support from LISAP).

The overall objective of the CBCCs was formulated by the stakeholders as “to develop the child’s brain physically, mentally, socially, spiritually, emotionally, so that the child should not have problems in next level of education”. This was also briefly summarized as ‘holistic development’. For each of the aspects of holistic development a number of specific activities of the CBCC curriculum were listed and discussed in what way they contributed to the development of the children.



Figure 3. Group discussing the theory of change

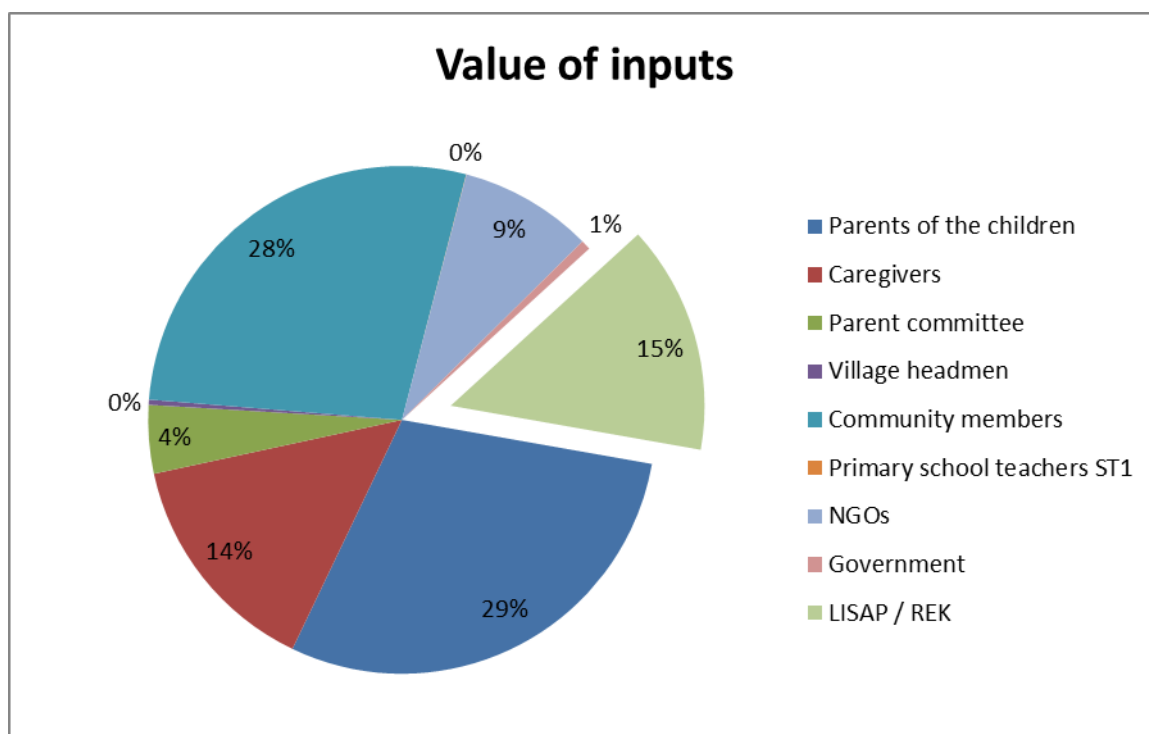
Inputs, Outcomes and evidence

The table below presents the inputs for each of the stakeholders, the financial proxy that was used to value these investments and the total value of the investments for each group of stakeholders. A plenary discussion was held about the value of time. It was decided to value time at MK 325 per day (€0.87). This is a very low figure, but represents the average income that an unskilled person could get throughout the year. It is the figure used by the Malawian ministry of works for a day work in cash for work programs. Skilled labour (e.g. health staff or teachers) was rated at MK 1,200 per day.

Stakeholders	Inputs	Financial Proxy	Value of inputs
Children 2 - 5 yrs	none	None	€ -
Parents of the children	additional time preparing children, and items	Cost of time for 1 hour/day per child extra with 210 days/year and 87% attendance rate + cost of materials	€ 1,866
Caregivers	time spent in the CBCC	Cost of time for 5 hours/day per caregiver	€ 922
Parent committee	time for meetings and coordination	Cost of time for 3 hours/week for cooking	€ 277
Village headmen	time for supervision and meetings	Cost of time for supervising meetings	€ 21
Community members	contributions in work, food and money	Cost of time for 100 hours/year voluntary work and 50 MK contribution per 2 months	€ 1,769

Stakeholders	Inputs	Financial Proxy	Value of inputs
Primary school teachers ST1	Hardly any inputs (chalk)	Cost of time involvement: 1hour / year per teacher	€ 1
Health workers	none	None	€ -
NGOs	CBCC kits from Save the Children	Cost of the kit provided, depreciated over 2 years	€ 541
Government	training by social worker	Cost of 30 days per year skilled time	€ 39
LISAP / REK	Financial contribution	All budget items relating to CBCC from 2012 budget for 2 out of 49 CBCCs + all overhead budget items pro rato.	€ 927
Total			€6,362

The figure below presents the relative investments of each stakeholder group (not per individual but for each group as a whole). It shows that the financial contribution from REK is just 15% of the total investments made.



The following table presents the outcomes and the indicators to give evidence for these outcomes, for each of the stakeholders. In some cases there is more than one outcome per stakeholder.

Stakeholders	Outcomes	Indicators
Children 2 - 5 yrs	Improved health	BMI and MUAC Improved coverage with U5 services
	Improved educational performance	grades in ST 1 Actually this is after 3 yrs of CBCC, but then the outcome also lasts longer than 1 yr.
Parents of the children	More time available for other activities	More gardens, increased income. From 1 to 3 gardens pp

Stakeholders	Outcomes	Indicators
Caregivers	Increased skills and knowledge	can be seen on drop out rate of children
	Increased social status	can be seen on # caregivers dropping out
Parent committee	Increased social status and unity and power of command	No. of projects achieved
Village headmen	Increased social status and unity and improved profile	No. of committees formed and projects achieved
Community members	Improved working in harmony with one voice + feeling of ownership	# of projects achieved already included in parents committee
Primary school teachers ST1	Increased grades in ST 1	Average grade increase for CBCC children
Health workers	Improved coverage for the under 5 services	# of children reached at centers
NGOs	not considered	
Government	improved education stats, but not considered	
LISAP / REK	Work created (LISAP), REK not considered	4 jobs for this project, pro rata of total budget: 0.03 full time unit (ftu) for CBCC in these villages

Long discussions were held if the educational performance (which is one of the explicitly intended objectives of the program) should or shouldn't be measured all through the educational career of the child. It was decided to include only the improved performance in standard one in the analysis, because the effect of the CBCC is harder to claim and will be very much diluted on educational performance in subsequent years, let alone for secondary school or beyond.

The following table is a continuation of the previous table and presents the same outcomes with their financial proxies and the total value. Further details of the calculations can be found in the impact map that is included as an annex. In some cases there is more than one proxy per outcome. In some cases reference is made to the value game: this is a method where participants rank the value of a number of items in order of value. The monetary value of all these items is known except the value of the outcome under discussion. The value of the outcome is then taken as the next lowest value in the list of items. E.g. if the value of an outcome is ranked between a goat and a bicycle, the lowest value of a goat is included in the calculations.

Stakeholders	Outcomes	Financial proxy	Value of outcomes
Children 2 - 5 yrs	Improved health	Value of time saved by health workers to reach this coverage, 2 workers (12 hrs/worker/CBCC/yr)	€ 19
		Cost saving on medical expenditure on children (reduction of 2 clinic visits per child per year)	€ 310
	Improved educational performance	Value of time saved by teachers, per year	€ 29
Parents of the children	More time available for other activities	Value of additional time available (4 hours per day)	€ 5.376
Caregivers	Increased skills and knowledge	value of increased status and knowledge: relative value assessed	€ 6.486

Stakeholders	Outcomes	Financial proxy	Value of outcomes
		through a value game	
	Increased social status	Combined with above	
Parent committee	Increased social status and unity and power of command	value of social unity and power of command: relative value assessed through a value game	€ 432
Village headmen	Increased social status and unity and improved profile	relative subjective value of improved profile of village	€ 3.243
Community members	Improved working in harmony with one voice + feeling of ownership	value of increased unity included in parents committee / village headmen	-
Primary school teachers ST1	Increased grades in ST 1	Value of time saved by teachers	€ 29
Health workers	Improved coverage for the under 5 services	Value of time saved by health workers to reach this coverage	€ 19
NGOs	not considered	not included in calculations	
Government	improved education stats, but not considered	not included in calculations	
LISAP / REK	Work created (LISAP), REK not considered	average salary for the 0.03 ftu	€ 207
Total			€ 16.152

Net Impact

In SROI analysis it is essential to consider the question if the outcomes and the changes described are due to the intervention or due to any other influences. Several concepts are distinguished:

- Deadweight: that part of the changes that would have occurred anyway, e.g. due to general changes in the environment or in the economy.
- Attribution to others: that part of the changes that is caused by other stakeholders that are not included in the calculations, e.g. other NGOs or government efforts that are not included.
- Displacement: that part of the changes that is displacing other activities or changes, e.g. jobs created but taken away from other places; or criminality reduced but displaced to the next neighbourhood.
- Drop off: if the changes last longer than a single year, drop off is the percentage that the change diminishes in every next year.
- Discounting: if the changes take place later than the investments, the money is worth less according to standard accounting practices.

The corrections on the values of the outcomes are essential in order not to overclaim the value generated, but some are rather complicated. In this case, we dealt with these corrections in the following ways:

- Many outcomes were already formulated as 'changes in' or 'increase in', indicating the increase that is specifically due to the intervention. In such cases deadweight and attribution had already be taken into account. E.g. 'more time available for working in gardens'.

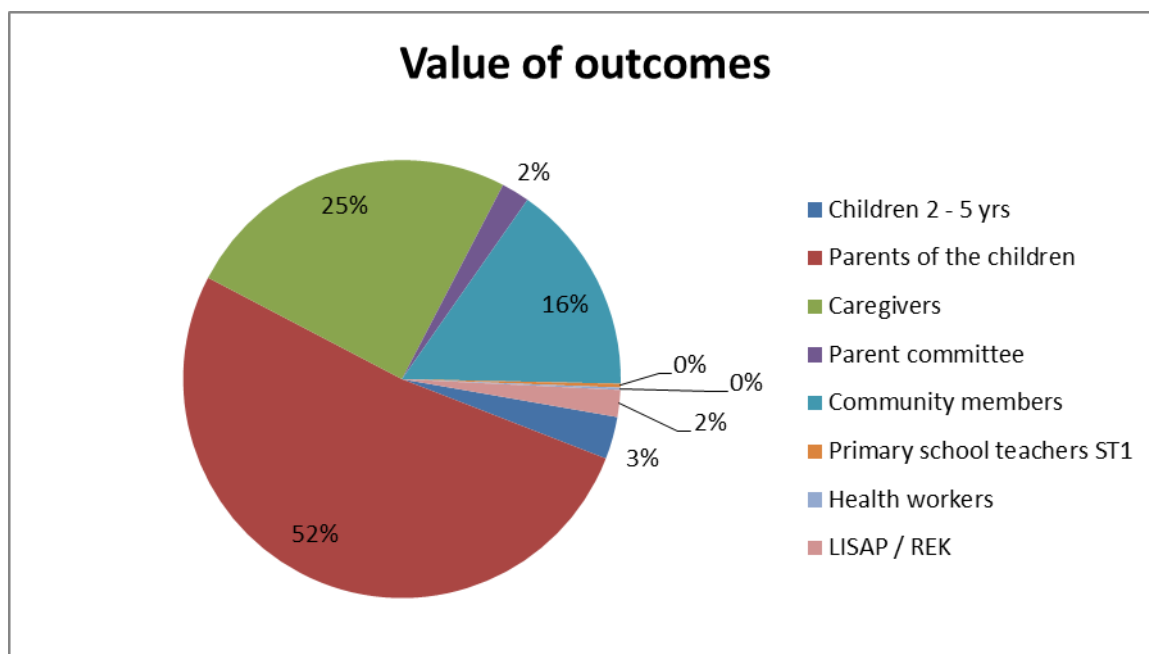
- In the participatory workshop, the discussion of deadweight and attribution was combined with the question what part of the change could have occurred without the CBCC. This was further elaborated to identify other actors and factors of influence.
- With LISAP staff there was a preliminary discussion that the CBCC does not displace any other activities, so that discussion on displacement was not held in the workshops.
- For discounting the Malawian Kwacha values were calculated to Euro values (using the then current rate of 370 MK/€), and a standard amount of 3.5% per year was used as a discounting value. This is the recommended standard. This percentage was also applied to the outcomes of the first year since most changes take place toward the end of the year and in any case later than the investments are made. This was also done based on the general intention not to overclaim the value generated.
- It was decided to restrict the analysis to changes made in one year of operation. Most of the changes identified would happen again in subsequent years, but only if the CBCC would also continue to run (which is the intention). Some other changes, e.g. better educational performance, would last longer than a year for those children graduating to standard 1. But this would be the combined benefit from 2, 3 or 4 years attendance to the CBCC and this would make calculations very complicated.

The table below shows the corrections made for each of the outcomes. Some of the other actors to whom some partial outcomes are attributed are other activities of LISAP not included in the analysis and two other NGOs: Save the Children (apart from the CBCC kits that were included in the analysis) and CPAR. Both NGOs also offer trainings and awareness raising activities.

Stakeholders	Outcomes	% subtracted due to corrections	Resulting value
Children 2 - 5 yrs	Improved health	13%: Save the Children also works on health; discounting	€ 286
	Improved educational performance	3.4%: discounting	€ 28
Parents of the children	More time available for other activities	3.4%: discounting	€ 5,194
Caregivers	Increased skills and knowledge and social status	61.4%: CPAR and StC also provide trainings; discounting	€ 2,507
Parent committee	Increased social status and unity and power of command	51.7%: also due to other projects of CPAR and StC; discounting	€ 209
Village headmen	Increased social status and unity and improved profile	51.7%: also due to other projects of CPAR and StC; discounting	€ 1,567
Community members	Improved working in harmony with one voice + feeling of ownership	Combined with village headmen	
Primary school teachers ST1	Increased grades in ST 1	3.4%: discounting	€ 28
Health workers	Improved coverage for	13%: StC also has health	€ 17

Stakeholders	Outcomes	% subtracted due to corrections	Resulting value
	the under 5 services	projects; discounting	
NGOs	not considered	Not considered	
Government	improved education stats, but not considered	Not considered	
LISAP / REK	Work created (LISAP), REK not considered	3.4%: discounting	€ 200
Total			€ 10,036

The figure below presents the proportion of the total value generated for each stakeholder group (not per individual but for each group as a whole). It shows that the parents receive the largest share of the benefits.



Social return calculation

The resulting total value generated, after all corrections is equal to € 10,036 and the total investment is equal to € 6,362. This means the net value generated in one single year of operation is € 3,674 and the ratio of value to investments is 1.58 : 1.

If only the financial contribution of REK is considered, the total investment is € 927 and the ratio to the value generated is 10.83 : 1. However, when presenting the SROI in this form, it should be mentioned that the value is only generated thanks to the other stakeholders' investments of 85% of the total.

SROI of Children's Corners

Scope and stakeholders

In Mteperera and Thula there is one Children's Corner (CC). This CC is attended by 94 children from 6 to 18 years old. They meet weekly on Saturdays at church premises and learn life skills, mainly focusing on the psychosocial domain, but holistic in nature. Volunteers have received training to work as supervisors, and sometimes parents also contribute their knowledge and skills for specific sessions.

The stakeholders were listed with the help of LISAP staff. The following stakeholders were identified:

Stakeholder	Present	Total population
Children from 6 to 18 years old	Two girls were invited and present	94 children attend regularly
Parents of these children	From each village one parent was invited; one father and one mother were present	The 94 children come from 68 families.
Teacher primary school	The head teacher from Mgodhi primary school was present	10 teachers
Supervisors of the CC	1 supervisor was present	6 for this CC
Village headmen	Both village headmen were present at some stages, e.g. during the verification sessions.	2 village headmen
Churches	Not present, but almost all participants were members of different churches	11 churches in the 2 villages
LISAP and REK	LISAP staff was present as well as the coordinator of the TA Malanda committee	

Apart from these stakeholders, a data officer from the rural hospital, who knows these villages well, was also present, but was not regarded a direct stakeholder.

The scope of the SROI analysis done were the activities of the CBCCs for one single year. The data of the year 2011 were used to estimate the value generated in 2012. LISAPs involvement in this project is five years. The CC itself is intended to last much longer and can be considered as an ongoing activity (although without further support from LISAP).

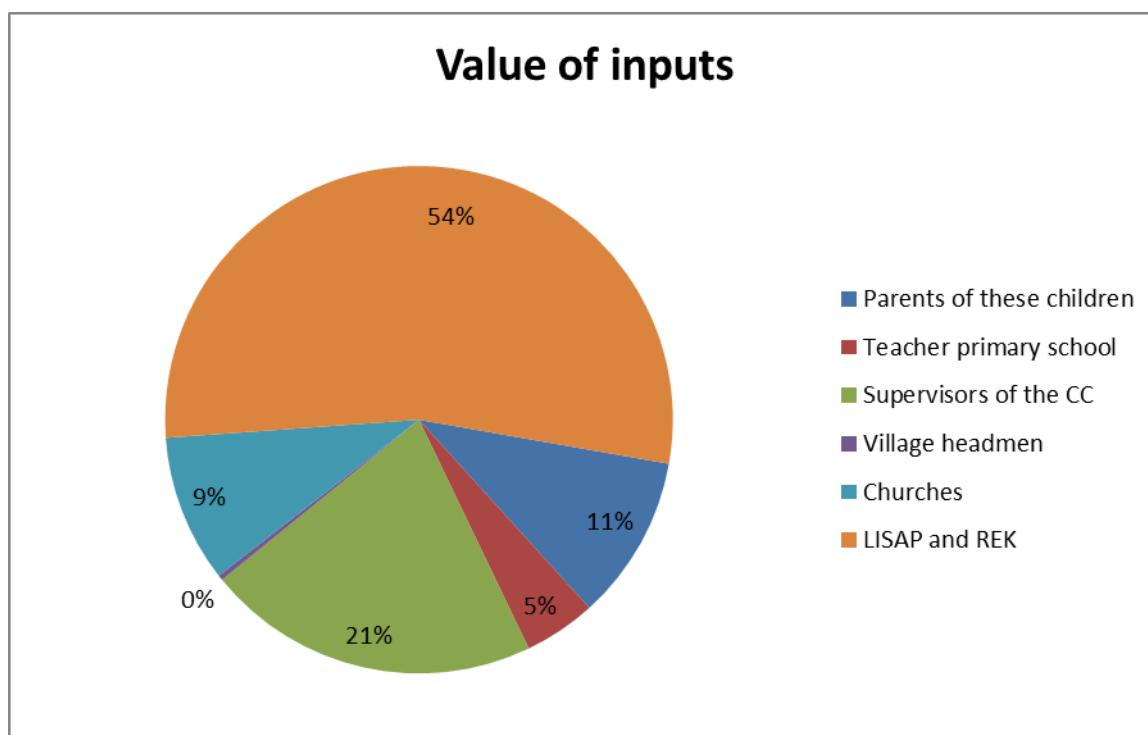
Inputs, Outcomes and evidence

The table below presents the inputs for each of the stakeholders, the financial proxy that was used to value these investments and the total value of the investments for each group of stakeholders. A plenary discussion was held about the value of time. It was decided to value time at MK 325 per day (€0.87). This is a very low figure, but represents the average income that an unskilled person could get throughout the year. It is the figure used by the Malawian ministry of works for a day work in cash for work programs. Skilled labour (e.g. health staff or teachers) was rated at MK 1,200 per day.

Stakeholders	Inputs	Financial Proxy	Value of inputs
Children from 6 to 18 years old	312 hours time spent pp per year	This time is not included in the analysis, since it does not represent economic value	€ -

Stakeholders	Inputs	Financial Proxy	Value of inputs
Parents of these children	Volunteering lessons	Cost of time for 58 half days in a year in total	€ 94
Teacher primary school	Supply of books and teaching materials	Cost of these books and other materials	€ 41
Supervisors of the CC	Time spent during the sessions and for preparation	Cost of their time, 288 hours pp per year	€ 190
Village headmen	time for supervision, meetings	Cost of time for supervising meetings	€ 3
Churches	Use of premises, guidance and some materials	Value of rent of premises and materials, and value of time: 1 day per pastor per year	€ 84
LISAP and REK	Financial contribution	All budget items relating to CBCC from 2012 budget for 2 out of 49 CBCCs + all overhead budget items pro rato.	€ 482
Total			€ 893

The figure below presents the relative investments of each stakeholder group (not per individual but for each group as a whole). The total investment is very small: 7 times smaller than the investments made for the CBCC.



The following table presents the outcomes and the indicators to give evidence for these outcomes, for each of the stakeholders. In some cases there is more than one outcome per stakeholder.

Stakeholders	Outcomes	Indicators
Children from 6 to 18 years old	Reduction of early pregnancies, STIs and HIV	# teenage pregnancies (decrease)
	Improvement in school	Pass rates at ST8 (# pupils passed)

Stakeholders	Outcomes	Indicators
	performance and able to study hard at home	
Parents of these children	reduction of bad behaviour	willingness to help in chores, decrease of stealing
Teacher primary school	Less dropouts and better performance of their pupils	# dropouts and grades (decrease in # dropouts), whole school
Supervisors of the CC	Behaviour changed, less time for bad behaviour, increased skills, attitude	Perception of behavior by self and others
Village headmen	Reduced civil cases because crime reduced	# civil cases of under 18's (reduction in)
Churches	Increased attendance and faithfulness	# attendants from 6-18 years old
LISAP / REK	Work created (LISAP), REK not considered	4 jobs for this project, pro rata of total budget: 0.02 ftu for CC in these villages

The following table is a continuation of the previous table and presents the same outcomes with their financial proxies and the total value. Further details of the calculations can be found in the impact map that is included as an annex. In some cases there is more than one proxy per outcome. In some cases reference is made to the value game: this is a method where participants rank the value of a number of items in order of value. The monetary value of all these items is known except the value of the outcome under discussion. The value of the outcome is then taken as the next lowest value in the list of items. E.g. if the value of an outcome is ranked between a goat and a bicycle, the lowest value of a goat is included in the calculations.

Stakeholders	Outcomes	Financial proxy	Value of outcomes
Children from 6 to 18 years old	Reduction of early pregnancies, STIs and HIV	Value of time and costs saved for prevented pregnancies	€ 723
	Improvement in school performance and able to study hard at home	Value of time saved: reduction in parents time for supervising	€ 178
Parents of these children	reduction of bad behaviour	Willingness of parents to pay for improved behavior of children	€ 2,032
Teacher primary school	Less dropouts and better performance of their pupils	Value of time saved by teacher by not going for follow up dropouts	€ 1
Supervisors of the CC	Behaviour changed, less time for bad behaviour, increased skills, attitude	value of the training received, 10 days pp, based on real cost of training	€ 608
Village headmen	Reduced civil cases because crime reduced	Value of time saved in (prevented) court cases	€ 9
Churches	Increased attendance and faithfulness	Decided not to include in analysis	€ -

Stakeholders	Outcomes	Financial proxy	Value of outcomes
LISAP / REK	Work created (LISAP), REK not considered	average salary for the 0.02 ftu	€ 136
Total			€ 3,688

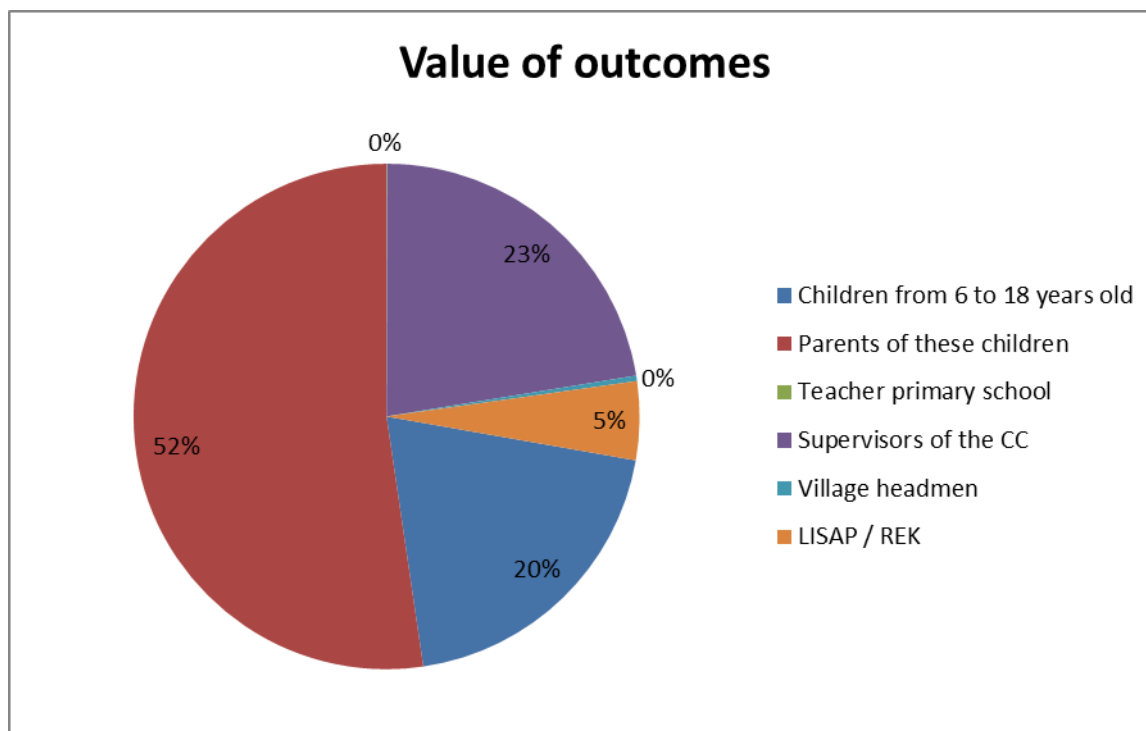
Net Impact

Similar corrections as for the CBCC analysis were made: see the paragraph on the CBCC analysis for explanations. The same general discussions apply to this paragraph.

The table below shows the corrections made for each of the outcomes. Some of the other actors to whom some partial outcomes are attributed are other activities of LISAP not included in the analysis and two other NGOs: Save the Children (apart from the CBCC kits that were included in the analysis) and CPAR. Both NGOs also offer trainings and awareness raising activities.

Stakeholders	Outcomes	% subtracted due to corrections	Resulting value
Children from 6 to 18 years old	Reduction of early pregnancies, STIs and HIV	32%: hospital outreach, schools and churches also contribute; discounting	€ 489
	Improvement in school performance and able to study hard at home	81%: most of this effect is contributed by the schools directly; discounting	€ 34
Parents of these children	reduction of bad behaviour	32%: parents, churches and other NGOs also contribute	€ 1,375
Teacher primary school	Less dropouts and better performance of their pupils	3,4%: discounting	€ 1
Supervisors of the CC	Behaviour changed, less time for bad behaviour, increased skills, attitude	3,4%: discounting	€ 588
Village headmen	Reduced civil cases because crime reduced	3,4%: discounting	€ 9
Churches	Increased attendance and faithfulness	Not included in calculation	€ -
LISAP / REK	Work created (LISAP), REK not considered	3.4%: discounting	€ 132
Total			€ 2,627

The figure below presents the proportion of the total value generated for each stakeholder group (not per individual but for each group as a whole). It shows that the parents receive the largest share of the benefits.



Social return calculation

The resulting total value generated, after all corrections is equal to € 2,627 and the total investment is equal to € 893. This means the net value generated in one single year of operation is € 1,734 and the ratio of value to investments is 2.94 : 1.

If only the financial contribution of REK is considered, the total investment is € 482 and the ratio to the value generated is 5.45 : 1. However, when presenting the SROI in this form, it should be mentioned that the value is only generated thanks to the other stakeholders' investments of 45% of the total.

SROI of Safe Motherhood

Scope and stakeholders

Two activities were included: the safe motherhood program and the prevention of parent to child transmission (PPTCT) activities. The safe motherhood program includes training of traditional birth attendants (TBAs), training and sensitization of village headmen, traditional healers and health surveyors. And one woman per village is trained to do further outreach to other women in child bearing age. The purpose of these activities is to stimulate pregnant women to make use of antenatal care and to deliver in the rural hospital in Chintheche in order to reduce maternal and neonatal mortality. The PPTCT project includes the training of church leaders and community leaders and a facilitator into change agents. They do awareness sessions with expecting couples to prevent transmission of HIV to the babies, e.g. by stimulating male testing.

The stakeholders were listed with the help of LISAP staff. The following stakeholders were identified:

Stakeholder	Present	Total population
Women 15-49	One woman from each village was present	295 women in two villages
Women 15-49 living with HIV	One woman living with HIV was present.	78 such women. They are a subgroup of the 295 women above
Husbands of women 15-49	Two husbands were present	Only the husbands of pregnant women are counted: 30
Rural Hospital Chintheche	One nurse from the rural hospital was present and a health surveillance attendant	n.a.
Village headmen	One village headmen participated in this workshop	2 village headmen from 2 villages
Traditional Birth Attendants	One TBA was present	7 TBAs
Traditional healer	One traditional healer was present some of the time	15 traditional healers in the two villages
PPTCT facilitators	The PPTCT facilitator was present	1 for the 2 villages
LISAP and REK	LISAP staff was present	n.a.

The scope of the SROI analysis done were the activities for one single year. The data of the year 2011 were used to estimate the value generated in 2012. LISAPs involvement in this project is five years.

The overall objective of these programs was to reduce maternal mortality and neonatal mortality. In order to reach this, use of antenatal care and delivery at the hospital were stimulated. This is also government policy. Use of TBAs and traditional healers is discouraged in the program and this is also government policy. Therefore, this program is expected to have negative side effects on the income of TBAs and traditional healers. LISAP deals with this by involving them as much as possible in the program and make them part of a change that is happening anyway.

A complicating factor in the participatory workshop on this topic was that it deals with issues of life and death and monetizing these is difficult and has ethical implications: can someone express the life of a mother or a baby in financial terms? How should the emotional value of loss of children be weighed against the additional costs that living children bring the first years of their lives? What is the trade-off between costs for treating complications and the loss of a mother? In the field of health economics, these are just regular and accepted discussions, but they do not lend themselves well for participatory sessions with people whose lives and whose children are concerned directly. Therefore, in the workshop we decided to leave issues of life and death out of the calculations where these were too difficult.

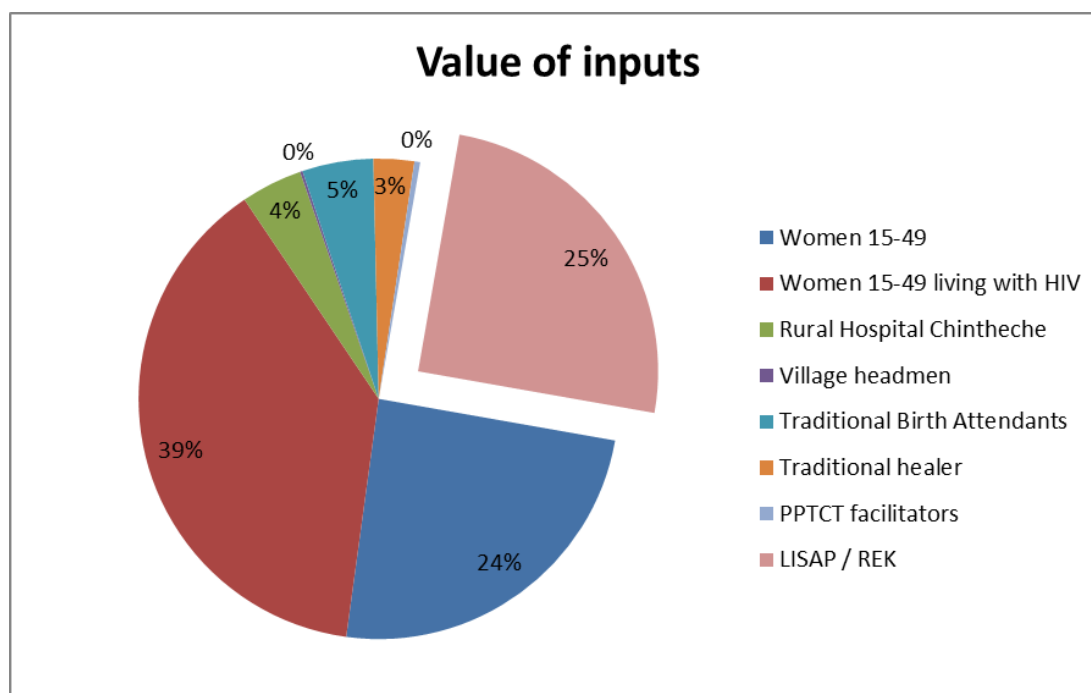
Inputs, Outcomes and evidence

The table below presents the inputs for each of the stakeholders, the financial proxy that was used to value these investments and the total value of the investments for each group of stakeholders. A plenary discussion was held about the value of time. It was decided to value time at MK 325 per day (€0.87). This is a very low figure, but represents the average income that an unskilled person could

get throughout the year. It is the figure used by the Malawian ministry of works for a day work in cash for work programs. Skilled labour (e.g. health staff or teachers) was rated at MK 1,200 per day.

Stakeholders	Inputs	Financial Proxy	Value of inputs
Women 15-49	Time attending sessions	Cost of time for 80 women attending on average, 20 times per year	€ 703
Women 15-49 living with HIV	Time providing awareness on safe motherhood	Cost of time for 35 who are involved actively, 24 h/month	€ 1,107
Husbands of women 15-49	None	n.a.	€ -
Rural Hospital Chintheche	Efforts for additional deliveries in the hospital	Costs for 22 additional deliveries per year	€ 119
Village headmen	Providing awareness on safe motherhood	Cost of time for 2 h/month	€ 5
Traditional Birth Attendants	Providing awareness on safe motherhood	Cost of time for 15 h/month	€ 138
Traditional healer	Providing awareness on safe motherhood	Cost of time for 4 h/month	€ 79
PPTCT facilitators	Time spent to encourage mothers and fathers to attend hospital	Cost of time for 8 h/month	€ 11
LISAP / REK	Financial contribution	All budget items from 2012 budget for these activities + all overhead budget items pro rata.	€ 721
Total			€ 2,882

The figure below presents the relative investments of each stakeholder group (not per individual but for each group as a whole). It shows that the financial contribution from REK is just 25% of the total investments made.



The following table presents the outcomes and the indicators to give evidence for these outcomes, for each of the stakeholders. In some cases there is more than one outcome per stakeholder.

Stakeholders	Outcomes	Indicators
Women 15-49	less complications during deliveries	Additional complications reported to hospital
	less maternal deaths	No. of maternal deaths prevented
	less neonatal deaths	No. of neonatal deaths prevented
Women 15-49 living with HIV	improved health	No. of PLWHA died, counted by the village people
Husbands of women 15-49	Improved health when tested positive and prevention if not	30 babies a year, 1 already testing, 3 additional testing, 17% prevalence=> 0,51 positive. others start living positive + family planning
Rural Hospital Chintheche	Reduced maternal complications to refer	Less referrals
Village headmen	improved community development because less deaths	# of development initiatives
Traditional Birth Attendants	More recognition and resocialization	Perception of recognition
	Reduction of income but also reduced workload, reduced risk	Decrease in no. of deliveries done by TBA
Traditional healer	Reduction of income but also reduced workload, reduced risk	Decrease in pregnant women who are their clients
PPTCT facilitators	Increased knowledge and more work	Knowledge has increased
LISAP / REK	Work created (LISAP), REK not considered	4 jobs for this project, pro rata of total budget: 0.02 ftu for these activities in these villages

The following table is a continuation of the previous table and presents the same outcomes with their financial proxies and the total value. Further details of the calculations can be found in the impact map that is included as an annex.

Stakeholders	Outcomes	Financial proxy	Value of outcomes
Women 15-49	less complications during deliveries	Decided not to calculate cost of treating complications and cost of a death (burial, mourning, emotional loss etc)	€ -
	less maternal deaths	No. of life years added and productive value per year	€ 1,190
	less neonatal deaths	Decided not to calculate the value of a life of a child	€ -
Women 15-49 living with HIV	improved health	No. of life years added and productive value per year	€ 1,983
Husbands of women 15-49	Improved health when tested positive and	No. of life years added and productive value per year	€ 198

Stakeholders	Outcomes	Financial proxy	Value of outcomes
	prevention if not		
Rural Hospital Chintheche	Reduced maternal complications to refer	not included	
Village headmen	improved community development because less deaths	Cost for 5 specific projects when artisans had to do this	€ 5,795
Traditional Birth Attendants	More recognition and resocialization	Not included	
	Reduction of income but also reduced workload, reduced risk	Value of gifts received by TBA for a delivery	€ - 223
Traditional healer	Reduction of income but also reduced workload, reduced risk	Fee paid by clients	€ - 74
PPTCT facilitators	Increased knowledge and more work	real cost of training provided, 5 days in Ekwendeni	€ 35
LISAP / REK	Work created (LISAP), REK not considered	average salary for the 0.02 ftu	€ 161
Total			€ 9,065

Please note that two negative outcomes are included (in bold). Also note that the financial value does not include some of the life and death issues.

Net Impact

Similar corrections as for the CBCC analysis were made: see the paragraph on the CBCC analysis for explanations. The same general discussions apply to this paragraph.

The table below shows the corrections made for each of the outcomes. Some of the other actors to whom some partial outcomes are attributed are other activities of LISAP not included in the analysis and two other NGOs: Save the Children (apart from the CBCC kits that were included in the analysis) and CPAR. Both NGOs also offer trainings and awareness raising activities.

Stakeholders	Outcomes	% subtracted due to corrections	Resulting value
Women 15-49	less complications during deliveries	n.a.	€ -
	less maternal deaths	52%: government awareness, rising level of education, other NGOs; discounting	€ 575
	less neonatal deaths	n.a.	€ -
Women 15-49 living with HIV	improved health	52%: many other actors active in HIV and aids, e.g. ARV availability; discounting	€ 958
Husbands of women 15-49	Improved health when tested positive and prevention if not	32%: many other actors on HIV and aids, but less focus on husbands of pregnant wives; discounting	€ 134

Stakeholders	Outcomes	% subtracted due to corrections	Resulting value
Rural Hospital Chintheche	Reduced maternal complications to refer	n.a.	€ -
Village headmen	improved community development because less deaths	95%: projects take place anyway; only 10% because of less deaths; discounting	€ 280
Traditional Birth Attendants	More recognition and resocialization	n.a.	€ -
	Reduction of income but also reduced workload, reduced risk	52%: discouraging use of TBAs is a nationwide government policy; discounting	€ - 108
Traditional healer	Reduction of income but also reduced workload, reduced risk	52%: discouraging use of TBAs is a nationwide government policy; discounting	€ - 36
PPTCT facilitators	Increased knowledge and more work	52%: hospital takes care of ANC training; discounting	€ 17
LISAP / REK	Work created (LISAP), REK not considered	3.4%: discounting	€ 156
Total			€ 1,976

Again: remember that this table does not include the value of some of the life and death issues (saved lives as a result of less complications during child birth and prevention of neonatal death).

Social return calculation

The resulting total value generated, after all corrections and excluding some values of lives saved, is equal to € 1,976 and the total investment is equal to € 2,882. This means the net value generated in one single year of operation is minus € 906 plus the lives saved, and the ratio of value to investments is 0.69 : 1.

If only the financial contribution of REK is considered, the total investment is € 721 and the ratio to the value generated is 2.74 : 1, still excluding the lives saved. However, when presenting the SROI in this form, it should be mentioned that the value is only generated thanks to the other stakeholders' investments of 75% of the total.

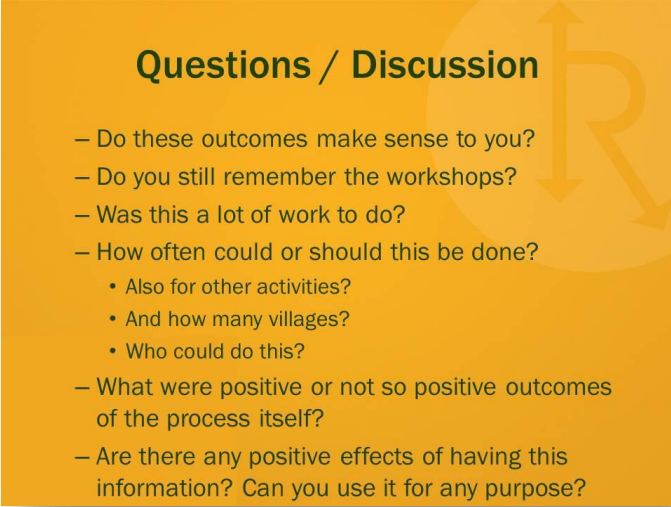
It would be possible to extent this SROI analysis with some more in-depth health economics where the values of lives can indeed be expressed in monetary terms, but in the scope of this experiment this was not possible.

If the three analyses are combined the total value of the investments in a single year for the three activities is equivalent to € 10,138, of which € 2,129 from REK. This generates a social value of at least €14,698 which is a ratio of 1.45 to 1.

How and when could this be used?

In order to provide some input for this question, two meetings with community representatives were held, one with each of the two villages involved. Each meeting was with about twenty-five persons selected in such a way that they represented the village. In each meeting the experiment and the results were presented through a PowerPoint presentation. After a brief question and answer session and a break, each of the meetings continued in a focus group discussion with about ten persons out of the larger group. These ten persons (men and women) were selected based on their willingness and ability to present feedback and ideas.

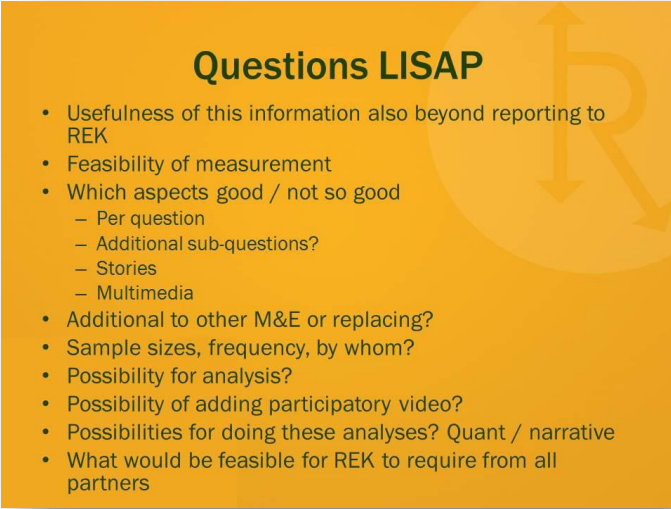
It was explained that the exercise was an experiment and that feedback from the groups would be used by LISAP and REK to make decisions about whether or not to continue this type of results measurement. The questions below were used informally to structure the discussions.



Questions / Discussion

- Do these outcomes make sense to you?
- Do you still remember the workshops?
- Was this a lot of work to do?
- How often could or should this be done?
 - Also for other activities?
 - And how many villages?
 - Who could do this?
- What were positive or not so positive outcomes of the process itself?
- Are there any positive effects of having this information? Can you use it for any purpose?

At the office of LISAP another meeting was held with all staff who had been involved in the experiment as well as the director and assistant director. The guiding questions below were used.



Questions LISAP

- Usefulness of this information also beyond reporting to REK
- Feasibility of measurement
- Which aspects good / not so good
 - Per question
 - Additional sub-questions?
 - Stories
 - Multimedia
- Additional to other M&E or replacing?
- Sample sizes, frequency, by whom?
- Possibility for analysis?
- Possibility of adding participatory video?
- Possibilities for doing these analyses? Quant / narrative
- What would be feasible for REK to require from all partners

Apart from this formal meeting several information discussions were also held to get opinions, feedback and ideas. The paragraphs below incorporate the feedback from the community. A document with raw information from these meetings is available. All information has been used along with the author’s observations and views.

What works fine?

The participatory workshops did have an empowering effect. The comment that many participants during the focus group discussion made, was that they now have insight in what gets in and comes out of the projects.

“SROI is exciting because it shows that our efforts have value and can be valued”
participant during FGD

The empowering effect was strongest when participants realized what their actual share in the investments was in relation to the financial contribution from REK. In the CBCC group the village headman was called and the group explained that the various stakeholders contributed 85% of the investments and REK only 15%, which led to an enthusiastic applause for all these stakeholders and words of praise from the headman. Several volunteers expressed that it made them proud to see the value of what they invest, and the value of the outcomes that they helped produce.

Participants expressed that it was the first time that all stakeholders for one activity did meet each other. LISAP had already done more participatory exercises (e.g. participatory integrated community development exercises), but this was at a much higher and more general level and not around specific activities. This could lead to increased ongoing interaction between the stakeholders. One of the CBCC caregivers said: “This encouraged me to continue to seek the contact with the standard one teacher, which I did not have before the workshop. Since then I have had contact a few more times on what to include or not to include in the CBCC activities.”

The information provided by such analyses could be used at different levels to convince people to invest resources in these (and other) activities. The community could use this to convince people to volunteer (one village headman expressed that he had used it this way already); or to attract other investors or donors after LISAP would have left. LISAP and REK could also use this information to show the profitability of their work to convince others to invest.

The method can be used very well to focus on real outcomes for real people, since the method forces participants to think what really changes for people, to make this concrete and the value this. This would bring monitoring from the output level to the outcome level.

What does not work fine?

The workshop on safe motherhood showed the limitations of using participatory workshops for SROI analyses. It would be possible to do health economic analyses, but it is not always ethical or feasible to ask people to monetize their own lives or the lives of their children, especially when they might have experienced situations of loss and mourning in the recent past. This makes the exercise either

incomplete (“we generate xxx value not including the lives saved”) as was done in this exercise, or the analysis should be done separately and based on other information.

One of the participants in the focus groups remarked that she had shared the flip charts with several others and that she would be confident to repeat most of the exercises in another round. And indeed, it is very much possible to do most of this analysis in participatory workshops if they workshop includes some people who have good arithmetic skills. However, some aspects are more complicated and harder to replicate without expert advice and this would prevent finalizing the analysis: calculating the pro rata budget for specific local activities out of a much wider budget and including the pro rata share of overhead costs (but these values could be provided by LISAP); some of the corrections (e.g. thinking through attribution, but especially discounting and calculating net present value). Some participants wished the analysis could be simplified to leave out the more complex analyses. This would of course be possible, but the value generated would then be overstated.

Since SROI analysis requires a detailed analysis of specific activities and specific changes for specific stakeholders, it is not easy to do such analysis for an integrated project as a whole. When this is attempted, one would immediately get back to the specific activities, strategies or projects. This would either make the SROI analysis very big (e.g. in the case of LISAP with nine different activities that are integrated in the same communities), or would break up the SROI analysis into smaller bits that would need to be combined again in a wider analysis, much like these three analyses were done and combined later on.

Options for use

It would not be advisable to pile different systems of monitoring and evaluation on top of each other. REK and LISAP currently use: 1) half yearly narrative reports; 2) quarterly reports on output indicators which are related to the different activities; 3) annual reports with outcome indicators related to an overall result frameworks and thematic result frameworks; 4) mid-term evaluations and final evaluations of projects; 5) Participatory Integrated Community Development (PICD) activities which are participatory workshops with community representatives to determine the focus and progress of the program. What place could be given to SROI analyses?

If SROI analyses would be primarily used for its empowering effects on the community (which was a big effect found in this experiment), then they could be integrated in (some of) the PICD workshops. In these workshops stakeholders do meet each other and discuss progress of the activities. Adding SROI analyses of some activities to these workshops could make such discussions much more concrete. The SROI analyses would give the stakeholders a much bigger voice and exercise of power, when they realize the size of their share in the investments.

If SROI analyses would primarily be used to have strong socio-economic calculations of the returns on the investment to convince current or future donors and investors, then the SROI analyses could be done instead of or as part of mid-term or final evaluations. This could be done in a random sample of villages in order to be representative for the wider program.

SROI analyses could also be used as the overarching framework for outcome level reporting. It would not be possible to set fixed outcomes and fixed indicators, but each location, or each project, or each partner could be requested to use participatory SROI analyses to report on changes effected. By doing this, experience will build up in the use of valuation techniques.

In any case, capacity development and initial guidance of organizations involved would be needed.

Annex 1. Impact maps

The complete impact maps with all detailed calculations are in a separate Excel file.

To give an impression: the (unreadable) picture below shows how the impact map looks like. The header section shows the general information, the rows hold the different stakeholders, the orange columns show the numbers of stakeholders and the intended changes for each; the blue columns show the inputs and their values; the purple columns show the outcomes, indicators and sources; the green columns show the valuation of these outcomes; the red columns the various corrections; the black columns the values over the years (not used here because we considered only value for a single year not regarding the lasting value); the dark blue columns calculate the discounting; and the bottom right corner shows the SROI calculation.

Social Return on Investment - the impact map				SROI = €1,58 / €1,00	
Stakeholder	Intended change	Input resources	Impact metrics	Total value of impact	Value
Children 2-6 yrs	10	€1000	Improved health	€1000	€1000
Parents of the children	10	€1000	Improved educational attainment	€1000	€1000
Employers	10	€1000	Increased skills and knowledge	€1000	€1000
Private foundation	10	€1000	Increased social cohesion	€1000	€1000
Large foundation	10	€1000	Increased social cohesion	€1000	€1000
Community foundation	10	€1000	Increased social cohesion	€1000	€1000
Primary school teachers	10	€1000	Improved social cohesion	€1000	€1000
Health workers	10	€1000	Improved social cohesion	€1000	€1000
NGOs	10	€1000	Improved social cohesion	€1000	€1000
Government	10	€1000	Improved social cohesion	€1000	€1000
Other	10	€1000	Improved social cohesion	€1000	€1000
Total					

The Excel document also contains summaries for each SROI analysis, a calculation of the combined SROI and a design of the flipcharts used during the participatory workshops.

Annex 2. Report from SocialEvaluater

The (Dutch) pdf report from the software SocialEvaluater is embedded here and can be opened by double clicking the icon below.



Adobe Acrobat Document