



Report on Social Metrics

Key Informant Interviews

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Executive Summary

- This report draws on 31 key informant stakeholder interviews on social metrics. It is a qualitative study that uses semi-structured, open ended questions and is not intended to provide a representative sample, but rather to draw insight from key stakeholder experience.
- We use four sub-groups to draw up our selective sample and in our analysis of the findings, Business Sector, Social Enterprise Sector, Not for Profit (NFP) Sector, and Social Metrics Practitioner Sector.
- Drawing on the Phase One Report, The Social metrics Environmental Scan, we define social metrics as "Social metrics are measurement tools that can be used to define and articulate social value, social outcomes and the results generated by investment and activities in the social sector." Most interviewees agreed with this definition, though several suggested that environmental outcomes should also be explicitly included in the definition.
- Of the 31 organizations, 23 use social metrics directly, 5 are membership-based organizations who while they do not use social metrics directly have members who do use social metrics and as a result these organizations are familiar with and provide assistance in the use of social metrics. The remaining 3 of the organizations do not use social metrics at all.
- Organizations use social metrics to measure the outputs, outcomes and impacts of their organization. They use social metrics to demonstrate the value of the organization beyond simply financial reporting.
- 17 specific social metrics tools are used across the 28 organizations who indicated they or their members use these metrics. These tools ranged from tracking volunteers to sustainability reporting. There was no consistent pattern in each of the four sub-groups as to what social metrics indicators they used. Greater experience with social metrics resulted in more specificity in how the interviewee responded to how they use social metrics and which types of social metrics are used.
- For those using social metrics the median amount of experience was 5 years, with some organizations having just started the process (less than one year) while others had used social metrics for 30 years. On average the Business sector group had less experience than the other three sub-groups, 3.5 years as compared to 8-10 years for the other three groups.

- We found no consistent pattern by either experience or sub-group as to why organizations had started to use social metrics or how they had become aware of them.
- The Business sector sub-group identified primarily internal stakeholders as those most interested in the social metrics of the organization. Most often these are employees. This was the only sub-group to indicate that the primary stakeholders for social metrics were internal to the organization rather than external. .
- Social Enterprise and NFP sector interviewees identified a mix of internal and external stakeholders, including funders, as key stakeholders interested in their social metrics.
- One of the four key informant subgroups is social metrics practitioners. These practitioners were identified in the sample selection as individuals with particular expertise in social metrics in Canada. Several provide social metrics advisory services to other organizations. Practitioners pointed to primarily external stakeholders (clients, funders) that speak to the advising and consulting role many social metrics practitioners perform. Internal stakeholders are primarily interested in social metrics for planning and priorities of the organization, while external stakeholders have an interest in the measurement of the organization’s impacts against the dollars invested in the organization.
- Most organizations feel that social metrics allows them to ‘tell their story’ more effectively. Of the four sub-groups, only Business interviewees talked about social metrics contributing to greater differentiation in the market-place.
- Time, costs and lack of resources were raised as major barriers to using social metrics. This was true for all sub-groups except for Practitioners where the majority raised the lack of consistency in the field and limited agreement on what impact is and how to measure it as the major barrier, followed by lack of resources. This response may reflect their advisory role in social metrics rather than the implementation of social metrics within their own organizations.
- There was limited consistency on how to advance social metrics in Canada. Some felt we needed to start at a high level and work down, others to begin at a local level and build capacity. Experience with social metrics did not determine which approach the interviewee put forward. However, interviewees from the NFP sector tended to identify the need for better tools and more collaboration as ways to advance the field.
- Interviewees were roughly split on standardization of social metrics. Roughly half were in favor with a high degree of flexibility, while the other half were against standardization. Amount of experience was not a factor in how interviewees answered this question. However those in the NFP sector were more cautious about

standardization with 64% indicating they did not support standardization of social metrics. The other sub-groups tended to be evenly split on the issue.

- Overwhelmingly interviewees want government to play a role in developing social metrics in Canada. However none of the interviewees wanted to see government play a leadership role, but rather a facilitator and partnership role. Social Enterprise and NFP interviewees indicated that government had a role to play as a funder of this activity. Business sector interviewees did not identify this as government's role and were more split on whether government should be involved or not.

Survey Background

The Carleton Centre for Community Innovation completed thirty-one interviews with key informant stakeholder organizations across Canada on their understanding and use of social metrics. Please see attached Appendix 1 for a complete list of interviews conducted.

Our total sample size was forty-two organizations. We divided our sample into four sub-categories of organizations to be interviewed, those representing businesses (8 organizations), the not for profit sector (12 organizations), social enterprise (11 organizations), and social metrics practitioners (11). These forty-two organizations were contacted over the course of January 2011 by the Carleton Centre for Community Innovation. Of these forty-two organizations, thirty-one responded positively and eleven either did not respond to our contacts or declined participation in the study. What is noticeable is that the highest percentage of organizations declining to participate in the study came from businesses. Half the businesses we contacted (4 out of 8) declined to participate.

The interviewers included three Masters' students, who serve as research assistants at the Carleton Centre for Community Innovation and Principal Investigator Dr. Tessa Hebb. A thirty to forty minute telephone survey was then scheduled and conducted with survey participants. The exception was the Quebec participant who preferred to receive the survey in French and provide written answers in French that were subsequently translated into English by our research team.

The Social Metrics survey consisted of twelve primary questions. The interviews were semi-structured allowing for conversation between the interviewer and the participant on the subject under discussion.

Notes were taken by the interviewer throughout. These notes were then synthesized into a case document for each interview. Please see Appendix 2 for the survey instrument used in the study.

Methodology

The report is based on qualitative research and using open-ended, semi-structured interviews. It does not intend to provide a representative sample, but rather to generate additional insights into the current use of social metrics by key informants in Canada. Thirty-one key informant

semi-structured interviews were undertaken by telephone over the months of January and February 2011. Approximately twelve questions were covered over the course of the interview. Each interview was approximately thirty to forty minutes long. Notes were taken by the interviewer and were compiled in a synthesis case document for each interview.

The interviewees were informed at the beginning of the interview that the study was a joint initiative of the Carleton Centre for Community Innovation and HRSDC. As a result we can expect some of their answers, particularly on the role of government in the development of social metrics, may have been influenced by their knowledge of HRSDC key personnel as readers of the report. That said the ideas and lists generated in this study of social metrics were derived from the synthesis of responses to open ended questions, no prompts were used.

The thirty-one interviews were conducted with individuals who responded positively to our request for an interview from a selective sample of forty-two potential Canadian key informants on the topic of social metrics. The selective sample included individuals from organizations from across Canada with a sample of roughly equal numbers of key informants across four sectors: business, social enterprise, not for profit and social metrics practitioners. Organizations in each sub-group were identified by the researchers as using or being familiar with social metrics. Most are stand alone organizations structured as either for profit businesses, social enterprises, or not for profits. Several are membership-based associations. Some were membership-based organizations whose members were identified as using social metrics. Social metrics practitioners were identified in the sample selection as individuals with particular expertise in social metrics in Canada. Several provide social metrics advisory services to other organizations. Interviewees included both men and women. The key informants were selected to provide a snap shot of current thinking across these four sectors on the use of social metrics. While we can draw insight from these findings we cannot generalize from this small selective sample to the broader population with any statistical validity.

Findings

Each interview began with a review of the ethical considerations of the study, including confidentiality. Interviewees agreed to have their names and organizations identified as participants. To ensure a common understanding of social metrics, the interviewers then provided a definition of social metrics: "Social metrics are measurement tools that can be used to define and articulate social value, social outcomes and the results generated by investment and activities in the social sector."

Understanding the Use of Social Metrics in Canada

All interviewees indicated they were aware of social metrics and most agreed with the definition provided. However several pointed out this is still a new and evolving field of understanding. “We need to ensure flexibility in our definitions.” “While the definition is understood, there is currently no consistency in how social metrics are used.” One provocative comment suggests “Every metric implies some social value.... No metric is objective: they all reflect some commitment to a world view or a social value.” Several interviewees commented that the definition did not include environmental aspects. “Many people know this idea as ‘triple bottom line’ we must not forget about the environment when we think about social metrics.” said one, “I’m not sure if this definition encompasses sustainable livelihoods” said another.

Twenty-three organizations in the sample are currently using social metrics. Eight organizations (roughly one quarter) are not using social metrics at present. Of the twenty-three who are using them, a range of social outputs and outcomes of their work are measured. There was no consistent pattern as to how these organizations use social metrics. Some are measuring the financial aspects of their organizations against their social outputs and outcomes. Others use sustainability frameworks such as ‘sustainable livelihoods’ to assess their progress. Some organizations list a range of indicators used to track their performance in the community including measuring “a sense of belonging”, as a community well-being indicator. Many organizations including businesses, track volunteer hours as a social metric.

Of the eight organizations that do not use social metrics themselves, most work with other organizations and in broad networks that use social metrics. These eight organizations did not think that social metrics were applicable to them, but rather in most cases social metrics were applicable to their members or clients. They assisted their members and clients in using social metrics. Only three organizations indicated that neither they nor their members or clients used social metrics. In these cases the organization indicated there were considerable barriers to taking up social metrics, most particularly the amount of time and resources involved, and the lack of standardization.

Most provided examples of quantitative measurements that primarily counted the outputs of the organizations. Examples included the number of clients served, number of day care spaces created, number of units of low-income housing generated, etc. Others focused on broader outcomes and impacts; this is particularly true for large organizations that survey their

communities on a regular basis such as the ‘Vibrant Communities Project’, the ‘Sustainable Livelihoods Framework’, ‘United Way’, the Chantier de l’Economie Sociale, and VanCity Credit Union’s “Demonstrating Value”. Some mentioned using ‘social return on investment (SROI)’ metrics – though no single standardized SROI was mentioned. One interview said that while they had used SROI in the past, they were now moving away from this metric, as it is time consuming and expensive. In this case they are moving toward measuring outputs and outcomes with greater emphasis on qualitative measurement. Other metrics mentioned in the survey included GIIRS, IRIS (Impact Reporting and Investment) standards and Sustainability Reporting. Among those who answered this question there was no uniform metric mentioned, pointing to the lack of standardization in the field. The interviewees provided these responses to open ended questions and were not prompted in any way or provided a list from which to choose.

Key Social Metrics Indicators include:

Asset Mapping
Charity Intelligence
Demonstrating Value (2 respondents)
Developmental Assets
Development Wheel
GIIRS
Google Analytics
IRIS (Impact Reporting and Investing Standards)
Measuring Community Impact (2 respondents)
Results Based Management
Social Return on Investment (SROI) (3 respondents)
Sustainability Reporting
Sustainable Livelihoods (3 respondents)
Tracking volunteer hours
Vital Signs (2 respondents)

Social metrics are used for such purposes as:

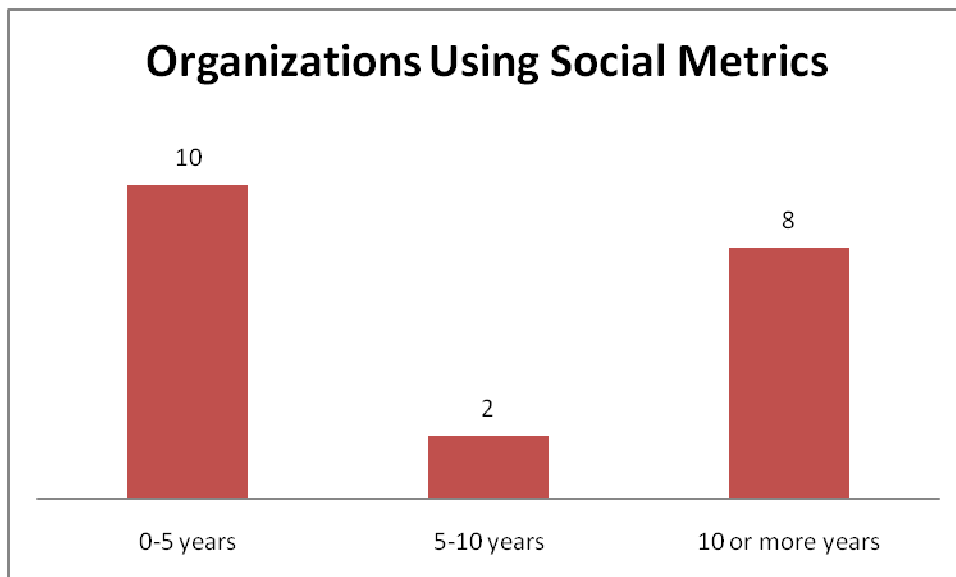
- identifying where the organization is effective in addressing social needs in the community,
- finding cost savings for the organization,
- the interest of funders and investors,

- savings for government.

Most thought that the metrics they used are useful, but do not adequately capture the full impact of their organization. “All metrics are inaccurate by themselves, but some are very useful” was how one interviewee expressed this. “The key issue is that you have to have something more than just a metric – you need the context of specific questions of what impacts you are trying to create” said one interviewee. “There is a disconnect between a measurement of an indicator and the impact that indicator is said to have, there is a causal disconnect between outputs and outcomes and the resources and expertise required to make these connections are not available” said another social metrics user.

Twenty out of thirty-one organizations answered how long they had been using social metrics. The length of time that these organizations had been using social metrics ranged from less than a year to thirty years. Roughly half the reporting organizations had been using social metrics for five years or less (10 organizations); two organizations had been using social metrics between five and ten years, and eight organizations had been using social metrics ten years and more. The median number of years the twenty reporting organizations have been using social metrics is 5 years, the average is 8.5 years.

Figure 1: Length of time organizations used social metrics



Report on Social Metrics – Phase 2 Key Informant Interviews
Dr. Tessa Hebb

There was no unifying answer as to why organizations had begun using social metrics, or how they had become aware of social metrics. For one organization, the early model of SROI pioneered by REDF was a template from which to develop their social metrics. Others had requests from funders, several developed their own models. As to why they began to use social metrics most responded that it was a way to demonstrate their value. “We started using them because we wanted to be more efficient in our service delivery.”

Interviewees were asked if there were other social metrics the organization thought about using but had not. Responses to this question ranged in sophistication depending on their experience. More experienced organizations provided a deeper level of specificity and a broader range of metrics that they had considered using but had chosen not to for a variety of reasons. One organization “Did a tele-learning series on our web site where we looked to working definitions of poverty and the implications for planning, evaluating and communication. It explores where some frameworks are good for evaluation, others only for communication and vice versa.” Another interviewee suggested, “There are lots we have thought about using but haven’t. The challenge is balancing measuring and the completion of our regular daily activities. They are very time consuming and take away from our daily activities. Also we need to move to more consistent use of definitions in the field, the IRIS (Impact Reporting and Investment) standards might be a good starting point as funders are increasingly demanding IRIS standards.” “We looked at SROI a lot and we have also looked at some of the work done by firms in the US, we find SROI is limited in its usefulness. We are keeping an eye on other measures but SROI is really investment-driven, but what I’ve seen is that support for systems showing value is needed. SROI doesn’t allow for it. A shopping list of indicators isn’t enough, you need a system.” Several respondents identified a lack of qualitative metrics that better capture social outcomes and impacts. Many identify lack of time, lack of consistency (maturity) in the field, limited demand by funders, and lack of resources as barriers to taking on other social metrics, “No, you have to do the best with what you have. The work is very intuitive.”

Stakeholders identified by several respondents in order of frequency raised include:

- Funders
- Organization’s members
- Employees

Other stakeholder groups mentioned by at least one respondent include:

- employers

- donors
- investors
- communities
- boards of directors
- government
- regulators
- businesses

Funders were identified as having a primary interest in the financial and performance aspects of the organization. For example “more concrete outputs for the dollars invested”. Members seemed to be most interested in the social impacts of the organization. Third party rating agencies, such as Charity Intelligence were seen as providing credible information on the organization and its effectiveness for other stakeholders. Stakeholders were seen to have an interest in metrics that examined the underlying causes of social problems, and longitudinal studies of individuals and community groups. But cost-effective measurement tools were raised as a concern for stakeholders. “There is enormous frustration because funders and organizations want all the metrics, but no one is willing to pay for them,” said one interviewee.

One respondent indicated that stakeholders would like to see more standardized metrics across organizations. That said, another interviewee said, “I don’t believe there is a single tool that can meet the needs of all stakeholders in the social enterprise arena. Manager, investor, customer – they will all have to see different things.”

Opportunities and Barriers to Using Social Metrics

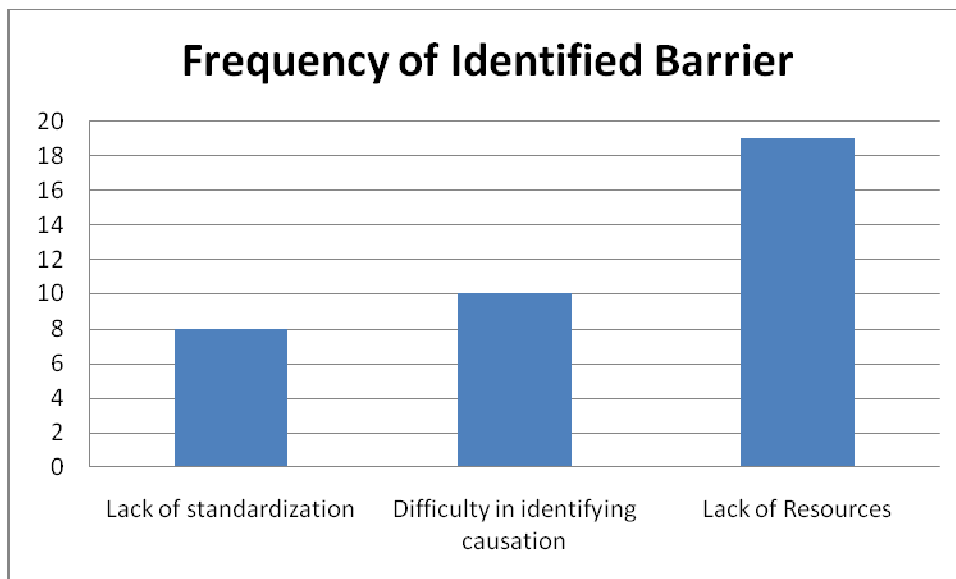
Most respondents felt that social metrics make a positive contribution. Most felt that it allowed both the organization and its stakeholders to better assess the impact the organization is having, in other words to know ‘what works’ and make adjustments to strategies in order to achieve desired outcomes. “It allows for greater recognition of businesses and organizations in the sector (social enterprise and not for profit) and as a result can increase their financing.” “Lots of issues are only examined by economic measures, so social metrics provide the rest of the story for the data...” “It elevates the importance of social and environmental impact in relation to economic impact, if it is done right.” From the business perspective, it holds “businesses feet to the candle”, social metrics demonstrate that businesses exist for reasons beyond simply “making a profit’. These metrics show business can be more than just ‘a money making machine’. When other companies get involved in their community, it creates a sense of

competition in the market place, and as a result it is not necessary to regulate corporate social responsibility.

Many felt that social metrics allowed the organization to communicate its impacts in a better way. They also allow organizations to collaborate more effectively. As many of the benefits accrue to government, measuring impact can lead to greater leverage when seeking government funding. Social metrics can also lead to better policy formulation. On the other hand, one respondent was not sure if social metrics were beneficial because of the time and resources they took away from “doing the real work of the organization”.

The question of organizational resources (particularly the time, skills and money involved) needed for implementing social metrics was the issue most often raised by interviewees as the barrier to social metrics in Canada. Another barrier is the difficulty of distinguishing correlation from causation when it came to the attribution of underlying observed change. For this respondent “it is important to remember that all metrics are imperfect.” “On their own, social metrics have minimal value” said another. A third barrier is the lack of comparability or standardization of social metrics. Several respondents used the expression “comparing apples to oranges” when describing barriers to the use of social metrics.

Figure 2: Barriers to the Use of Social Metrics in Canada



Note: Several respondents gave more than one answer to this question.

Other barriers mentioned included:

- the fact that this data is often seen as “the soft stuff” when investors and organizations want “hard numbers
- a lack of interest by funders
- no shared understanding of metrics
- ‘gaming’ the metrics to inflate impact,
- the sensitive nature of surveying vulnerable client populations
- inappropriateness of putting economic value on the organization’s mission,
- lack of academic rigour in measurement
- the need for longitudinal study in order to fully evaluate the impacts of an organization over time
- Revenue Canada (for business reporting)
- the nonprofit culture of “not tooting ones own horn”
- difficulty in communicating social metrics results

Most in the not-for-profit sector saw using social metrics as an opportunity to demonstrate the real value of the sector to government, funders, and their communities. While a business respondent indicated that “using social metrics allows businesses to move beyond self-promotion, and can be useful for staff recruitment and retention.” One suggested that using social metrics captures the ‘blended value’ of the organization, moving beyond simply the financial bottom line. Another felt that using social metrics “helps to tell the story of an organization.”

Most pointed to the benefits of measurement to organizations both internally and externally. Several interviewees talked about the importance of social metrics in the planning cycle of the organization. “It gives an opportunity to correct and change course if needed”.

Interviewees were asked about how to advance the social metrics field in Canada. Some felt that such efforts needed to start at a high-level, bringing social metrics into the mainstream. “We need to start at a high level and let the results trickle down,” said one interviewee. One pointed to the recent Task Force on Social Finance as a step in the right direction, and went on to suggest that government support the restructuring of laws and regulations that will facilitate and encourage the development of social metrics. Another suggested that Stats Can could play a role in helping to develop common social metrics, and in government valuing such metrics.

Others expressed the need for capacity building at the local and organizational level, “through training, demystification, and enhancing our understanding of social metrics, combating myths.” Developing a deeper understanding of social metrics including the need for common tools was raised by several respondents. “Providing a common vocabulary, access to information and knowledge on social metrics would be helpful” said one interviewee. “Opportunities for collaboration and debate between organizations would be useful to help define social metrics as a whole for the field.” Additionally, finding leaders and champions of social metrics would help expand the field.

While many funders are calling for increased use of metrics, few are prepared to provide the financial resources required to gain the expertise required by the organization. Many respondents indicated that social metrics should not be overly resource intensive, if we are to expand their use. “Metrics that are time and money intensive limits their use.” “I think being really clear about who needs what metrics, when, for what purpose and in what format will help address the lower-than-anticipated use of them.” While one respondent indicated that funders should make the use of social metrics mandatory for organizations to receive funding, this was a minority view.

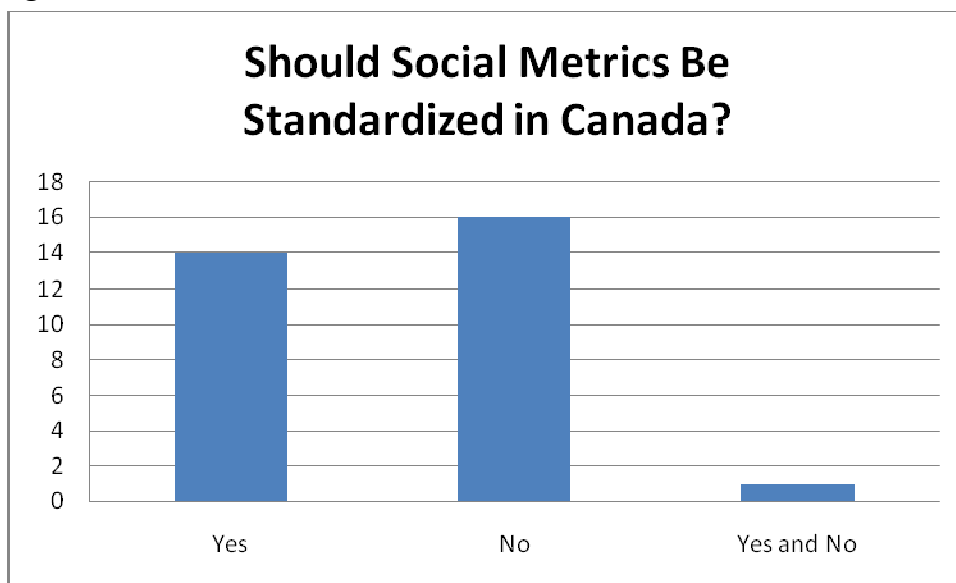
There is a sense that those who ask for these metrics, do not use them once provided, “I actually will not do any more social return on investment analyses for funders and groups because I don’t believe they know how to use them and therefore it’s a waste of money.”

Respondents were split as to whether social metrics should move toward greater standardization in Canada. Fourteen respondents indicated that we should be moving in this direction, while sixteen respondents indicated that we should not move to standardized social metrics. One individual responded yes and no to this question.

Those in favour of greater standardization felt that it would allow us to “compare apples to apples” this expression was used a number of times in answer to this question. However all positive respondents provided caveats for standardization of social metrics in Canada. Such metrics would have to be developed with “significant flexibility” to account for the regional differences in Canada. “Standardization would need to be applied with caution”. “Social metrics could be loosely, but not rigorously standardized.” One interviewee suggested that while 70% of social metrics could be standardized, 30% should be left open to account for organizational, local and regional differences.

For the sixteen who did not support standardization of social metrics in Canada, their rationale also focused on the organizational, local and regional diversity that would make standardization difficult in their opinion. Almost all talked about the need for flexibility in social metrics. Several felt it was too early to bring standardization to the field. A “principles-based reporting mechanism, rather than standard metrics” was raised as a possibility by one interviewee. Another suggested that global standards would be required, rather than national standards. Another mentioned backlash from the sector that might result from such standardization.

Figure 3: Should Social Metrics Be Standardized in Canada?



Overwhelmingly respondents want government to play a role, but not to lead the development of social metrics in Canada. They want government to be engaged and supportive, but fear that a government lead initiative would impose restrictions on the sector. It should be enabling, but not developing social metrics. Several indicated that government had no role to play in imposing or setting standards, “this will get people’s back’s up.” “Too much government involvement could turn social metrics into a regulatory thing, rather than having any real positive impact” said one interviewee. “We need nuances metrics that are responsive to communities” said another.

Government is seen primarily as a funder in the development of social metrics rather than having a legislative role. A significant number of respondents indicated that Government should play a role in funding the use of social metrics by organizations.

Government is seen as partner with a role to play in creating opportunities for facilitating discussion, particularly across the country and for cooperative action between government bodies and the field as a whole.

From the investor perspective, Government is seen as having a role through Canada Revenue Agency, particularly on issues dealing with charities and social enterprises. This respondent wanted to see “Government offer more incentives for investors to demand social measurement.” One mentioned the recommendations of the Task Force on Social Finance as a good starting point for identifying Government’s role in the sector. Another pointed to Stats Can’s potential role in training and policy development on issues of social metrics. Others indicated that HRSDC had a role in facilitating organizations to take up social metrics and capacity building in the sector. Another suggested that access to Government data could be helpful to the sector.

Only six out of thirty-one respondents indicated that Government did not have a role to play in developing social metrics in Canada. They suggested that others were taking the lead and that Government should ask for these metrics as a funder, but not necessarily create or standardize these metrics. “If we allow Government to get involved it will ‘kill innovation’ because organizations may not fit in any of the boxes that Government has pre-defined.” One respondent did not know if Government had a role to play or not.

Analysis

We established four key informant groups for the interviews: Business, Social Enterprise, Not for Profit (NFP) and Social Metrics Practitioners (see Appendix 1 for list of organizations by subgroup). We analyzed the responses according to the key informant group assigned to the interview.

Key Informant Interviews: Business Sector

We originally identified eight key informants from the business sector for interviews. Four of the eight responded positively to our inquiry. The remaining four either declined to be interviewed or did not respond to our request despite numerous contacts. As a result we have the fewest number of interviews in the Business group on which to draw our analysis.

From the four interviews conducted we can draw some general conclusions. Three of the businesses use social metrics and in the fourth case, the members of the business organization use social metrics. One organization had been using social metrics for six years, another for three to four years, for the third organization using social metrics was comparatively new, and had been implemented in the last eight months. The average amount of experience with social metrics for this group is 3.5 years. Asked why they use social metrics members of this group indicated that data should be used to drive decision making in the organization, but that one needs to make sure the impacts are well defined and do not make too big a claim. None of the four interviewees identified a metric that they thought about using but hadn't. When asked to describe what social metrics are used, several indicated they used some form of either corporate social responsibility (CSR) or sustainability (environmental) reporting within their organization. One mentioned that having benchmarks against which to measure performance is important for business.

Key social metrics indicators

Specific indicators Business sector interviewees used include:

Sustainability Reporting

Tracking volunteer hours

Evaluation of their community program

“Measuring Community Impact” (developed with CBSR)

Stakeholders Interest

For these businesses, social metrics appear to have the most influence on their internal operations. For the three organizations using social metrics, employees were identified as the major stakeholder. While one business key informant talked about additional external stakeholders (particularly regulators) as having an interest in environmental, social and governance (ESG) impacts of companies, the other interviews suggested that social metrics were only of interest internally. One mentioned that their own members are not looking for social metrics within the organization.

All four businesses pointed to the usefulness of social metrics as a means of measuring what the business is trying to achieve. This group spoke specifically of the ability to differentiate their business from other competition when social metrics are used. Interestingly the ability to use social metrics for differentiation in the market place was not raised by any of the other three sectors in the study.

When asked about barriers to using social metrics all four businesses raised the issue of resources, time, and costs. This finding holds true across all four sectors in the study and will be discussed in more detail below. Other barriers included the lack of standard definitions in social metrics and risk aversion for undertaking new activities on the part of business to take on social metrics. The opportunities that result from using social metrics identified in the four interviews include the ability to communicate more effectively and “tell the story of the organization”. This was seen as more than just self promotion when attached to a set of metrics. In addition, having consistency in reporting was seen as a positive, it is also noted that social metrics have the ability to attract employees, and investors to the business.

No patterns emerge within the Business sector on how to advance social metrics in Canada. Nor does there appear to be any link between the amount of experience with social metrics within the organization and ways to advance social metrics including moving to more standardized metrics and government involvement (see Table 1). Each interview raised a different way to advance social metrics including more reporting requirements from Canada Revenue Agency, following up on the work of the Task Force on Social Finance, working with social metrics leaders. When it comes to standardization two organizations want to “compare apples to apples”, while two felt that the differences between organizations would not allow for standardized metrics. Similarly, while two organizations wanted to see greater government involvement as enablers of social metrics, two felt that government should not be involved. Here we find a higher percentage within the Business group who do not want to see government involvement than we do in the interviews from the other sectors of the study. Finally we see that the two organizations with greater experience with social metrics indicated they did not think government should be overly involved in developing social metrics going forward. A final difference between the Business group and the other sectors is that none of these interviewees indicated that government should fund the development of social metrics in Canada.

Table 1: Business Sector Responses to Standardization and Role of Government in Social Metrics

years experience	Standardize	Government
0.7	Yes	Yes
4	No	No
6	Yes	No
no-companies do	No	Yes

Key Informant Interviews: Social Enterprise Sector

We approached eleven potential key informants from social enterprises and organizations that work directly with social enterprises in Canada, nine agreed to participate in the study. Of these nine organizations, seven use social metrics in their organization and two are membership based organizations whose members use social metrics. A range of social metrics are used by these organizations with experience ranging from two years to twenty five years. In contrast to the Business sector interviewees, the average amount of experience for this group is 8 years. When asked the reason for using social metrics this group overwhelmingly gave responses similar to this one: “social metrics tells us about ourselves and provides over all impact information.” Two interviewees said that they were surprised that our definition of social metrics did not include a direct reference to environmental impacts. Unlike the Business sector above, no one mentioned product or organizational differentiation in the market place. One membership-based organization does not use social metrics because of the lack of standardized tools, and indicated that while members and clients of the organization used some social metrics, it continues to be a small number because of the lack of social metrics tools.

Unlike the Business sector interviewees, this more experienced group did indicate a variety of social metrics that they had contemplated but had not used. The metrics these organizations had contemplated but rejected, attempted to capture larger impacts on the community, impacts of collaboration, weighted different outcomes, and generally were more qualitative in nature and therefore more complex and used too many resources.

Key social metrics indicators

A variety of social metrics identified and used by social enterprise sector organizations:

Social Return on Investment (SROI)

Sustainable Livelihoods Metrics

Demonstrating Value Metrics

“Metrics that capture savings to government”

Stakeholders Interest

In contrast to the Business sector interviewees, this group identified a greater range of stakeholders that included stakeholders both internal and external to their organizations. Dominant stakeholders for the social enterprise sector are “ourselves”, “our members” and “our funders” including government, and “our investors”. Individuals and communities were

also mentioned, as were other organizations. The primary interest of these external stakeholders is greater specific information on the outcomes achieved measured against the funds invested.

Social metrics are useful to this sector to both measure what is being achieved and to communicate these impacts to others. “Simply measuring financial returns does not tell the whole story of these enterprises.” Interestingly, the usefulness of social metrics is both internal and external for these organizations. Several pointed to the importance of this data for internal planning, while others indicated that they could leverage the information when seeking external funding from government, donors and investors.

Similar to the Business sector group, time and resources is the primary barrier to implementing social metrics. Some felt that these metrics were hard to understand, lacked consistency, and that impacts in general were hard to identify and measure. These interviewees indicated that they were looking for opportunities to have greater dissemination of social metrics data and hoped to find ways to collaborate and debate these issues going forward.

Most social enterprise sector interviewees suggested that more resources would be needed to advance social metrics in Canada. Several felt that funders needed to ask for this kind of information. Others looked toward 3rd party providers, champions and leaders, as well as accessible and simple tools in order to advance social metrics. Similar to the Business group many different suggestions surfaced in response to the question of how to advance social metrics. No specific organization or government agency was identified to advance this field.

On the issue of standardization half the respondents were in favour of some sort of loose or flexible standardization that recognized individual and regional differences and allowed for comparison among organizations. While the other half were not in favour of standardization and thought the organizations needed greater flexibility than standardization allowed (See Table 2). What is interesting in these results is that the social enterprise sector interviewees with greater experience tend to move away from standardization as an option for social metrics.

In sharp contrast to the Business sector interviewees, most social enterprise interviewees identified a role for government in advancing social metrics in Canada. Seven of nine interviewees indicated that government had a role to play. The majority indicated that government should fund the advancement of social metrics and their use. None saw

government as the leader of this process, but rather as a partner. One pointed to the important role that government has in collecting data and making that information available to the sector. Of the two interviewees that either did not think government had a role, or didn't know if government should have a role, both are relatively experienced in the social metrics field with ten years of experience in the field. Given the small number of responses this may well be a random finding rather than a pattern in this sector.

Table 2: Social Enterprise Sector Responses to Standardization and Role of Government in Social Metrics

years experience	standardize	Government
2	No	Yes
3	Yes	Yes
4	Yes	Yes
4	not sure	Yes and no
5	No	Yes
10	Yes	No
10	No	Don't know
25	No	Yes
None	Yes	Yes

Key Informant Interviews: Not for Profit Sector

The Not for Profit (NFP) sector key informants were most responsive to the interview request. Of the twelve organizations identified, eleven responded positively to the interview request. Of these, seven organizations use social metrics and four do not. The four organizations that do not use social metrics are all membership-based organizations; of these two identified their members use social metrics, particularly in a grantor/grantee relationship, while two did not identify any members or clients who use these metrics. It is more difficult to assess the length of experience these eleven organizations have with social metrics. Four do not use them and a further two did not answer this question. Of the five remaining organizations most are experienced with one organization having 30 years of experience while one has just started

using social metrics. Similarly to the Social Enterprise sector interviewees, those who use social metrics use them to measure the impacts of the organization.

A greater number of specific social metrics indicators were identified by this group than those identified by the Social Enterprise or Business sector interviewees. However no two interviewees in this group raised similar metrics, which speaks to the multi-faceted and hybrid nature of this sector. Many mentioned that they used quantitative methods and counted number of participants, members, and clients served. One distinguished between staff and volunteers using a hybrid model that focuses on volunteers and their contributions. Metrics contemplated and not used included those that measure broader social impacts; one metric named was “Appreciative Inquiry”. Interestingly in this group of interviewees, one indicated that a third party rating agency, Charity Intelligence, did not provide an adequate assessment of social impacts, while another NFP suggested that a positive rating from Charity Intelligence had assisted the organization.

Key social metrics indicators

Not for Profit sector interviewees indicated they used the following specific metrics:

Charity Intelligence

Developmental Assets

GIIRS

Google Analytics

IRIS (Impact Reporting and Investing Standards)

Sustainable Livelihoods (also raised in SE group)

Vibrant Communities

Vital Signs

Stakeholders Interest

The Not for Profit sector organizations tended to identify external stakeholders interested in social metrics of the organization. This is a sharp contrast from the Business sector interviewees who primarily identified internal stakeholders. Many NFP sector interviewees identified funders as interested in social metrics, followed by investors, government, corporations, and other social partners. Two of the seven using social metrics also indicated internal stakeholder interest including members, board members and steering committees.

Most NFP sector interviewees felt that social metrics are useful to their organizations, though it should be noted that one organization that currently uses social metrics indicated that it is not useful and takes too much time and resources. For the other eight interviewees social metrics “add to the financial picture and help to tell the story of the organization”. They allow the organization to know if it is achieving its mission, demonstrates the value of the NFP sector to society and facilitates the planning process. In general the NFP sector interviewees had very similar responses to this question as both Social Enterprise and Business sector key informants. Overwhelmingly this group identified time and resources as the major barrier to using social metrics. This result is similar to both the Business sector interviews and the Social Enterprise sector interviews. This group went on to add further barriers which may be indicative of their experience in the field and their frustration with implementation. Two NFPs stating that only government is interested in social metrics “no one else asks for these” and a further one saying funders may ask for them but are not really interested and don’t use the data once they have it. The lack of standards and complexity of social metrics were also raised as a barrier.

Despite the barriers to social metrics raised by the NFP sector interviewees, the opportunities identified for social metrics were expansive. Social metrics allows these organizations to track value over time and to provide feedback to the organization for future planning. Several were in favour of moving to more qualitative measurement, and indicated that social metrics promotes the sector, adds to our body of knowledge, brings new partners on board, and is positive for policy development in the sector.

A broad range of options were identified to advance the field in Canada. Two areas received most attention, developing better social finance tools and assistance, and greater collaboration in the sector. Involving government and funders in social metrics development was seen as helpful, as was increasing funding and resources to the sector to incentivize the use of social metrics. More NFP sector interviewees were cautious about standardization as a way to advance social metrics than we found with either the Social Enterprise or Business sector interviewees where respondents tended to be evenly divided on whether standardization is desirable. Seven of the nine NFP interviewees did not support standardization. This may be reflective of the diverse nature of the NFP sector. Many indicated that it was not practical, the field was not ready, and lacked common definitions. It should be noted that the two NFP organizations with the most experience in social metrics were supportive of some form of standardization, but the small non-representative nature of the sample does not allow us to generalize from this result. Those who support standardization want to see flexibility with diversity across regions.

Most NFP interviewees see a role for government in developing social metrics. Only two NFPs saw no role for government. For these respondents other organizations in the field should take the lead. For those supportive of government’s role, no NFPs saw government as leaders, but rather as funders, facilitators, incentivizing investors, and as conveners. Two government bodies were identified by name; Canada Revenue Agency and Stats Canada. It was suggested that CRA could ask for these metrics as part of the reporting process.

Table 3: Not for Profit Sector Responses to Standardization and Role of Government in Social Metrics

years experience	Standardize	Government
0.7	No	Yes
4	No	Yes
8	Yes	Yes
10	Yes	Yes
30	Yes	Yes
N/A	No	No
N/A	No	Yes
None	No	Yes
None	Yes	Yes
No-members do	No	Yes
No-members do	No	No

Key Informant Interviews: Social Metrics Practitioners

Seven of eleven Social Metrics practitioners agreed to participate in the study. While this response rate (64%) is not as low as the Business sector group (50%). One plausible explanation is that individuals associated with private, for-profit organizations are less likely to participate in university studies than those associated with not for profit and social enterprise organizations. Because many in this group of practitioners were selected because of their expertise in the field, providing advice and consulting services on the use of social metrics, these individuals

tend to have considerable experience with social metrics even when their own organization may not use them directly. For those who do use them directly, these metrics tend to be output focused, and used in planning and accountability for their organizations. Practitioners use a range of qualitative and quantitative measurements. Similarly to NFPs, several specific metrics were raised by the practitioners; however no two practitioners raised the same metric. It should be noted that several metrics raised by this group were also raised by the Business, Social Enterprise and NFP groups (indicated below).

Key Social Metrics Indicators

Asset Mapping

Community Impact measurement Project (also raised by Business group)

Demonstrating Value (also raised by SE group)

Development Wheel

Results Based Management

SROI (also raised by SE group)

Sustainable Livelihoods (also raised by SE and NFP group)

Metrics contemplated but not used included FSG Impact (developed in the US) and IRIS (used in the NFP group). One practitioner indicated that while the organization used SROI in the past, they were moving away from this metric as it has proven to be costly and time consuming.

Stakeholders

Not surprisingly the practitioners' stakeholders tend to be external to the organization: clients, funders, employers, members and communities were all raised as organizational stakeholders interested in social metrics.

For this group, with its external focus, the ways in which social metrics are useful corresponds to the opportunities social metrics provide. Three of the seven interviewees suggested that social metrics help organizations to plan their priorities and mobilize their resources. They show what works within an organization and “bring people within the organization or partnership on to the same page”. To be used most effectively social metrics need to be embedded in the practice of the organization. Similar to both SEs and NFPs, practitioners see social metrics as a way to elevate the importance of the organization's social impacts and to effectively “tell the story” of the organization.

Unlike the other three sectors time and resources was not raised by the majority of practitioners as the major barrier to implementing social metrics. While three of seven practitioners raised this concern, this may be indicative of their advisory role rather than implementing social metrics themselves. Four of seven raised the fact that there is a lack of consistency in the field and limited agreement on what impact is and how to measure it. Using different tools and operating at too high a level were also raised as barriers.

Strategies to advance the field were more diverse among social metric practitioners. Some focused on knowledge as key, seeking more research, building skills and tools, increased access to data, and developing larger systems. For others opportunities for collaboration, mobilizing stakeholders, and shared learning, are ways to advance the field. In general the practitioners provide more detailed and sophisticated answers to these questions, based on their experience in the field. However there tends to be more divergence in their answers than we find with the other three groups.

There is an almost even split in the group on issues of standardization. Given that three of the practitioners did not provide the length of experience in the field, it is difficult to determine if there is a pattern linking experience with standardization for practitioners. However if we assume that all practitioners are relatively experienced then we see no pattern in how they approached this question.

The social metrics practitioners overwhelmingly support a role for government in developing the social metrics field. Most see that role as capacity building, finding a common language in social metrics, using social metrics themselves. One Social Metrics Practitioner raised a concern that government involvement in developing this field could “kill innovation”, but this was not the view of the majority of interviewees. Like social enterprise and NFP interviewees, two practitioners indicated that the role of government is also to fund this activity.

Table 4: Social Metrics Practitioners Responses to Standardization and Role of Government in Social Metrics

years experience	standardize	Government
3	Yes	Yes
10	No	Yes

10	Yes	Yes
20	Yes	Yes
N/A	Yes	Yes
N/A	No	No
N/A	No	Yes

Implications of the Research

We find that based on the interviews organizations use social metrics to measure the outputs, outcomes and impacts of their organization. They use social metrics to demonstrate the value of the organization beyond simply financial reporting. Seventeen specific social metrics tools were raised by the interviewees, demonstrating a high degree of diversity between social metrics and indeed between the organizations using social metrics. The social metrics tools used ranged from tracking volunteers to sustainability reporting. There was no consistent pattern in each of the four sub-groups as to what social metrics indicators they used. The greater the degree of experience with social metrics for the organization, the more specificity the interviewee was able to provide in both how social metrics are used, and which types of social metrics are used.

Half the respondents using social metrics had used them for 5 years or less. On average the Business sector group had less experience than the other three sub-groups, 3.5 years as compared to 8-10 years for the other three groups. We found no consistent pattern by either experience or sub-group as to why organizations had started to use social metrics or how they had become aware of them.

The Business sector sub-group identified primarily internal stakeholders as those most interested in the social metrics of the organization. Most often these are employees. This was the only sub-group to do so. Social Enterprise and NFP sector interviewees identified a mix of internal and external stakeholders, including funders, as key stakeholders interested in their social metrics. Practitioners pointed to primarily external stakeholders (clients, funders), which speaks to the advising and consulting role many social metrics practitioners perform. Internal stakeholders are primarily interested in social metrics for planning and priorities of the organization, while external stakeholders have an interest in the measurement of the organization's impacts against the funds invested in the organization.

Most organizations feel that social metrics allows them to ‘tell their story’ more effectively. Of the four sub-groups, only Business interviewees talked about social metrics allowing for greater differentiation in the market-place. Time, costs and lack of resources were raised as major barriers to using social metrics. This was true for all sub-groups except for practitioners which may reflect their advisory role.

We found limited consistency on how to advance social metrics in Canada. Some felt we needed to start at a high level and work down, others to begin at a local level and build capacity. Experience with social metrics did not determine which approach the interviewee put forward. However, interviewees from the NFP sector tended to identify the need for better tools and more collaboration as ways to advance the field. Interviewees were roughly split on standardization of social metrics. Roughly half were in favor with a high degree of flexibility, while the other half were against standardization. Amount of experience was not a factor in how interviewees answered this question. However those in the NFP sector were more cautious about standardization with 64% indicating they did not support standardization of social metrics. The other sub-groups tended to be evenly split on the issue.

Overwhelmingly interviewees want government to play a role in developing social metrics in Canada. However none of the interviewees wanted to see government play a leadership role, but rather a facilitator and partnership role. Social Enterprise and NFP interviewees indicated that government had a role to play as a funder of this activity. Business sector interviewees did not identify this as government’s role and were more split on whether government should be involved or not.

Limitations

One of the limitations of this study is the small selective sample that results in selection bias. This bias holds for the researchers who draw up the sampling frame, and for the self-selective process of those who agree to be interviewed. While the results of these interviews can give us greater insight into how key informants view social metrics in Canada, they do not represent with any statistical validity the collective views of each of the four sectors identified in the report. These key informant interviews are not intended to act as a survey on social metrics, and should not be generalized beyond the selected sample.

Additionally, semi-structured, open ended interview questions such as those asked here, are appropriate for qualitative rather than quantitative analysis. Each interview should be viewed as an individual case. The researcher then looks for patterns between the cases and draws insight when such patterns emerge. Again this process does not reveal statistically valid survey results, but rather should be used to generate further insight into our understanding and use of social metrics in Canada.

A further limitation in this study is the lack of participation by businesses identified in the business sector. Only half of those contacted in the sample from the business sector participated. It is impossible to infer the reasons why there was such a low response rate from this sector when compared to the other three sectors of the study. It may be that these individuals simply did not have time to respond, did not see the value in responding, do not respond to university researchers requests, did not feel comfortable discussing social metrics, or do not use social metrics in their organizations.

Conclusion

This research study provides further insight into the use of social metrics in Canada and the ways in which the social metrics field can be further advanced in Canada. It draws on thirty-one semi-structured key informant interviews in an exploration of these organizations current use of social metrics. It is not intended as a survey of the field and as a result one cannot make broad generalized statements on the use of social metrics to the whole field or to the four specific sub-sectors indicated here. However it does provide unique insight into the current use of social metrics by key informants. Additionally it explores the barriers to social metrics in Canada and the potential opportunities that social metrics can offer to organizations.

This Phase 2 Report builds on the earlier Phase 1 Social Metrics Environmental Scan and brings new information and insight drawn from the responses of key identified stakeholders. We believe that the new knowledge brought forward through this report is a key component in understanding the development of social metrics in Canada. Because we cannot generalize from this study, it is suggested that an appropriate next step would be to undertake a representative, statistically valid survey on social metrics across a broad random sample of businesses, social enterprises and Not for Profits. Such a survey could lead to quantifiable outcomes as we deepen our understanding of social metrics and their use in Canada.

Report on Social Metrics – Phase 2 Key Informant Interviews
Dr. Tessa Hebb

Using social metrics to measure the impacts of organizations offers exciting opportunities going forward. We are pleased to be a part of gaining a fuller understanding of this important area of endeavour.

Report on Social Metrics – Phase 2 Key Informant Interviews
 Dr. Tessa Hebb

Appendix 1: List of Interviews

Organization	Interview
Air Miles for Social Change	Owen Ward
Canadian Business for Social Responsibility	Blake Connoy
Farm Credit Canada (for Food Banks Association partnership)	Brenda Stasuik
The Co Operators	Barbara Turley-McIntyre
Ashoka Canada	Elisha Muskat
BC Centre for Social Enterprise	Stacie Corriveau
Causeway Work Centre	Don Palmer
Chantier de l’Economie Sociale	Nancy Neamtan
CEDNET	Paul Chamberlain
Centre for Social Innovation	Tonya Surman
Edmonton Social Enterprise Fund	Bob Ward
Enterprising Nonprofits	David LePage
SEDI	Laura Watts
Assiniboine Credit Union – Jubilee Fund	Rita Borthwick
Vibrant Communities	Mark Cabaj
Volunteer Canada	Paula Speevak Sladowski
CEDIF Nova Scotia	Chris Payne
Community Foundations of Canada	Monica Patten
Community Sector Council Newfoundland and Labrador	Darlene Scott
Imagine Canada	Brenda Couch Cameron
Philanthropic Foundations Canada	Hillary Pearson
RDÉE Ontario	Martine Plourde
Social Venture Exchange	Adam Spence
United Way of Canada – Action for Neighbourhood Change	Nadine Grill
CCCR	Ethel Cote
CISED	Doug Pawson
Corporate Knights	Toby Heaps
Norah Sobalov Associates	Norah Sobalov
SiMPACT SROI (Stephanie Robertson)	Stephanie Robertson
Social Capital Partners	Karim Harji
Vancity – Demonstrating Value Dashboard	Bryn Sadwonick

total organizations contacted = 42
of organizations participating = 31
of organizations declined = 11

Colour code

Business
NFP Sector
Social Enterprise
Social Metrics Practitioners

Appendix 2: Survey Instrument

Organization name:

Interviewee:

Date:

Before we begin, I would just like to remind you that any information you disclose will be kept confidential and anonymous. If we do wish to use a direct quote, we will show you how the quote will be used and request your express consent. Any parts of the interview that you wish to have removed will be deleted or destroyed.

To ensure we have a common understanding of social metrics, I am going to read you a definition: "Social metrics are measurement tools that can be used to define and articulate social value, social outcomes and the results generated by investment and activities in the social sector."

1. Following the agreed to definition, are you aware of social metrics and what is your understanding of them?

2. Do you use social metrics in your organization's work? If yes: how do you use these metrics currently? Go to question 3.

If no > 2B

2B If no: is it applicable to your organization? If yes > 2C.

If yes > 2C If no: are social metrics applicable to other organizations you work with?

2C If yes: Do these organizations use social metrics?

If yes go to question 3-6 (ask about the organizations that use social metrics) if no go to 2C. If no to all, go to question 7.

2C If applicable: are you planning on using social metrics in the future? What prevents you or other organizations you work with from using social metrics at the moment? What social metrics would you consider in the future? What social metrics would your stakeholders like to see you use? Go to question 7.

3. If yes to question 2: what kind of social metrics do you use? What do they tell you about your organization? Do you think social metrics adequately measure your organization's overall social impact?

4. If yes to question 2: how long have you been using these metrics? Why did you begin to use them? How did you become aware of them?

5. If yes to question 2: Are there other social metrics you thought about using but haven't?

What stopped you from using them?

6. If yes to question 2: Which of your stakeholders is most interested in your social metric?
What social metrics would your stakeholders like to see you use?
7. In what ways are social metrics beneficial?
8. What in your opinion are the barriers to using social metrics?
9. What opportunities do you see in using social metrics?
10. How can the use of social metrics be advanced in Canada? For individual organizations? For the field as a whole?
11. Should we be moving to standardization of social metrics in Canada? If yes, why ? If no, why not?
12. Does Government have a role to play in developing social metrics in Canada? If yes, what do you think that role is? If no, why not?