Family Value:

Evaluating How the Household Converts New Income from Investee Businesses into Social Gains

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Summary

- Social impact measurement focus has been on individuals and firms; depicted via *impact value chain*.
- This model is missing an important component: the household. Households convert, or fail to convert, new revenue from employment or ownership in investee businesses into concrete social outcomes.
- Opportunity to use technology-enhanced mixed methods to better understand this conversion process, integrate household into impact value chain.
- Important to examine gender dynamics & household decisions on the utilization of incremental income.

Range of Actors in the II Ecosystem

ASSET OWNERS	ASSET MAN	NAGERS	DEMAND-	SIDE ACTORS	SERVICE PI	ROVIDERS
 High net worth individuals/families Corporations Governments Employees Retail investors Foundations 	Investment a Fund manage Family office Foundations Banks Corporation Venture fun Impact investignds/intern Pension fun Sovereign w Development finance instite Government	gers es s ds stment nediaries ds realth funds nt tutions	Corporatio Small and gbusinesses Social enter Cooperativ Microfinan institutions Community developme institutions	growing rprises es ce s / nt finance	Networks Standards-sbodies Consulting Non-goversorganizatio Universities Capacity deproviders Government	firms nmental ons s evelopment

Harji and Jackson (2012) Accelerating Impact: Achievements, Challenges and What's Next in Building the Impact Investing Industry

3

A Range of Uses, Users and Needs

Needs (selected)

- Clear, efficient measures
- Balance of standardized & customized measures
- Output-level data as well as outcomes (and impact?)
- Approaches that are feasible and cost efficient

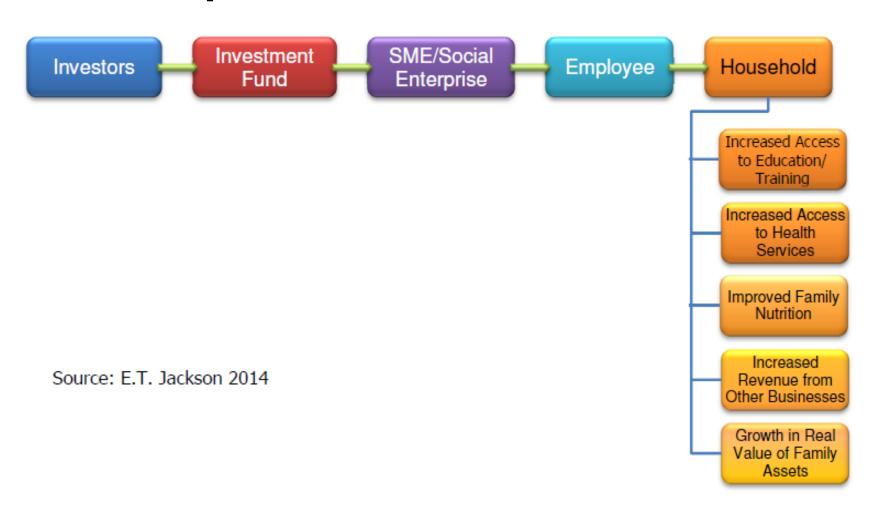
Potential Units of Analysis

- Firm/Enterprise
- Fund
- Individual (as customer and/or beneficiary)
- Household (direct / indirect)
- Community (direct / indirect)

The Impact Value Chain

	Input	Activity	Output	Outcome	Impact
Definition ²	Resources that are deployed in service of a certain (set of) activities	Actions, or tasks, that are performed in support of specific impact objectives	Tangible, immediate practices, products and services that result from the activities that are undertaken	Changes, or effects, on individuals or the environment that follow from the delivery of products and services	Changes, or effects, on society or the environment that follow from outcomes that have been achieved
Illustrative Example	Investments to an impact organization (e.g., in a microfinance institution)	Actions by an impact organization to attract clients (e.g., campaigns)	Number of clients served by an impact organization (e.g., loans extended)	Changes among clients (e.g., doubling of household income among MFI clients)	Changes in broader environment of the impact organization (e.g., less crime)
Illustrative Insight for Investors	Capital deployed (i.e., initial investment)	Activities undertaken to deliver on impact goals	Services rendered through impact capital provided	Income generated by beneficiaries due to impact capital	Impact on society due to impact capital

(Adding) Household Outcomes: Social Impact Results Chain



Potential Indicators and Approaches

Indicators

- Increased access to education and training
- Increased access to health services
- Improved family nutrition
- Increased revenue from other businesses
- Growth in the real value of family assets

Approaches

- Examining gender dynamics and consequences
- Technology-enhanced M&E (data collection and analysis)
- Mixed methods inquiry (including triangulation)
- Contextual analysis for market-based approaches