

Overview

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There is growing pressure for governments and not-for-profits (NFPs) to demonstrate social impact, driven by finite resources and increasing expectations from citizens and communities. The achievement of social impact comes from a complex set of accountabilities, services and interactions between government, NFP organisations, the community and other stakeholders. Among the many challenges with this expectation is the fact there is no clear and concrete set of practices or the necessary organisational arrangements within NFPs and government to conduct effective measurement of social impact. The chapters in this section tackle this very issue and present compelling arguments that answer such questions as: what if we were bold enough to say we could measure policy impact? What if we could demonstrate that there is a way to report incremental social impact? What if we rethought the relationship between government funders and NFPs to measure impact? All three chapters explore the delicate and fundamental relationship between NFPs, government and community in the achievement of measuring social impact.

In Chapter 9, Emma Tomkinson addresses a new frontier for reporting required of NFPs to government funders. Tomkinson explores the current limits of reporting, such as the capability of NFPs and limited sharing of lessons from social impact across a wide stakeholder base. She then explores what will be necessary to shift reporting from outputs to outcomes with a particular hypothesis on the role of the government funders in the activity of measuring social impact. Tomkinson emphasises a more active role for government funders in the prescription and tracking of social impact. Tomkinson purports that government funders and NFPs can work better together to

generate measurement models and reporting and, by partnering, generate better-quality data to distil lessons and statements of social value achieved.

In Chapter 10, Dale Tweedie takes an NFP view of the observed disconnects between NFPs and key stakeholders such as government, boards and members, which impact on the ability to be accountable for the quality of their services. Tweedie draws attention to the classical tensions such as time spent on reporting on service delivery compared with time spent on improving service delivery. The finite resources of NFPs mean reporting is limited to the necessary requirements set by government funders, which are commonly output based rather than outcomes based. This is further compounded by the variability in reporting requirements between different government funders. Tweedie uncovers important insights about reporting social impact from the perspective of NFPs, and he offers important considerations for future reporting on social impact such as external evaluations. He presents such important ideas as challenging point-in-time formal reports with dynamic, ongoing dialogue-based interaction between funders and NFPs to better harness lessons and understand impacts. He further explores the better linkages between reporting impact and services delivered by NFPs and the tracking of both qualitative and quantitative measures. Tweedie also points to innovative NFP measurement activities that capture service delivery impacts and go beyond what funders expect to report. He pays attention to the variability of NFPs' skills and capacity to evaluate, including at the board level, and he suggests strategies such as drawing on third-party, external expert evaluation to provide feedback on the effectiveness of service delivery. Last, Tweedie addresses the issues of red tape reduction and the importance of striking the balance between removing unnecessary burdens and maintaining compliance with standards for effective service delivery.

In Chapter 11, Rodney Scott and Ross Boyd provide a detailed analysis of the lessons of measuring impact from the New Zealand 'Better Public Services' (BPS) reforms. Scott and Boyd take us through the evolution of performance management in the New Zealand public sector from an inputs focus, to an outputs focus and then to an outcomes focus. They then take us into a more progressive measurement framework, which focuses on collaborating for outcomes and results. Scott and Boyd discuss the 2011 New Zealand Government BPS reforms,

which aimed to improve the lives of New Zealanders in 10 key social impact areas and which relied on collective accountability across multiple government and NFP organisations. The chapter explores the evaluation of the 10 social impact areas against five-year targets (2012–17). Most insightfully, the discussion points to the learning attitude applied to the measures that has meant in some areas targets have been changed to be more expansive or more specific. The authors discuss 10 lessons from the design, measurement and refinement of the targets and measures for collective social impact.

The lessons discussed by Scott and Boyd provide important considerations for future collective impact targets and measures. Some of the lessons discussed include getting the right language to define the targets and measures. The authors ask whether there is a material difference between 96 per cent participation and 100 per cent participation in early childhood education, versus focusing on a different target and measure such as quality of early childhood learning. A common feature of measurement is that once targets and measures are defined, increased reporting can reveal a more accurate picture and hence the baseline may appear to go backwards, which is what happened with the reporting of domestic violence—a social issue that is often under-reported—which saw an increase under the reforms. This implies that leaders need wisdom as they interpret results. The important observations the authors make are that the targets and measures across the 10 social impact areas are in a constant state of review and reflection because in complex systems the nature of our understanding and articulation is never perfect but rather an ongoing process of refinement through learning. This chapter is an excellent example of a government taking courage to define what it might mean to measure collective impact. There is a lot to learn from Scott and Boyd.

Common threads across the chapters point to a shared view that measurement is limited to current simple models, which can be too outputs focused. The results from measuring impact remain locked in formal reports and little is shared and learnt by the collective for sustainable improvements to service delivery across the NFP sector. Encouragingly, each of these authors points out that the choice to effectively measure social impact lies with government funders and NFPs because the approaches, specific measures and methods that are

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required should and can be refined and changed to work better for all involved. These chapters will give readers confidence that we can demonstrate, as a collective, that we are meeting great expectations of social impact.

This text is taken from *The Three Sector Solution: Delivering public policy in collaboration with not-for-profits and business*, edited by John Butcher and David Gilchrist, published 2016 by ANU Press, The Australian National University, Canberra, Australia.