HALL AITKEN

July 2011

Evaluation of MSV & SROI Project
Final Report

Contents

HALL AITKEN

"The projects have put social outcomes measurement onto the stage."

Executive summary

This report presents the findings of our evaluation of the Measuring Social Value project and the SROI Project. The research explored how the two projects have made a difference in promoting awareness and use of Social Return on Investment (SROI) and the principles it is based on.

Taking the evidence we have developed in total, along with that of others and an appreciation of the general context for the third sector we draw the following conclusions:

— The projects have successfully raised awareness and understanding of SROI principles to a degree proportionate to their different funding and target population levels.
— There is greater use of SROI in full as a result of the projects but this is significantly less than intended as yet.
— For those that have used it learning has been a key benefit.
— There is good evidence to suggest that use of SROI principles is growing as a result of the projects.
— There is a general perception that a 'full' SROI is time and resource intensive, and limited understanding of the potential for proportional use.

— Raising awareness of SROI in full, rather than of the general principles, as a starting point, may be creating barriers to spreading application of principles and the full method.

We have explored these and other conclusions below in summary and in more depth in the full report.

Understanding the principles is apparently high but could be improved

Understanding of the principles appears to be high. But there is a significant difference between the extent to which people claim to understand the principles through simple questioning and their actual understanding through discussion and probing. While there is no question that most people back the very general thrust of the principles, there remains significant work to help many people understand what they actually mean in both theory and practice. Key evidence that has led us to this conclusion includes:

— In surveys the vast majority of respondents claim to understand most of the principles.
— Only Principle 4 – Materiality – is significantly less well understood but even in this case 80% of survey respondents claim understanding (the new supplement on materiality may have addressed this).

— In focus groups, interviews and informal discussions a very different picture emerges. For example, for the most widely understood principle (involve stakeholders) many do not appreciate the SROI definition of stakeholders which includes all agencies and those affected by intervention effects, but may exclude decision makers and funders.

SROI is seen as difficult – with little appreciation of proportionality

Most people in surveys and discussion perceive that implementing SROI stages (not just the principles) is difficult or very difficult. This is a widely held belief that can be found both among those who have not attended SROI training, and those who have. This is also the case for both practitioners and funders, few of whom are yet convinced that SROI 'in full' is appropriate – although most are looking for a greater focus on outcomes and on financial value. Key evidence supporting this includes:

— Over two thirds of survey respondents rated SROI stages 3 through to 6 as difficult or very difficult.
— In focus groups, practitioners - including those who had attended SROI training - reinforced the message that most people find the SROI methodology difficult to implement.

— Funders showed least use, and commitment to use, of SROI principles and methodology. Although in discussion it was clear that most have adopted, or will be adopting, greater focus on outcomes and greater focus on demonstrating value.

Many members of the project teams articulated the idea that use of SROI principles and processes should be proportional to the context, in terms of:

— The use of the evaluation – internal or external (using a comparison of internal management accounts and externally published and audited accounts); and
— The size of the project or organisation.

However, in general this more subtle understanding of SROI did not appear to be widely shared among the sector.

Use of SROI principles is modest

Given the apparent widespread understanding of SROI principles and the general recognition of their value it is surprising that use of the principles (as distinct from SROI) stands at no more than one third of our survey respondents for any principle. The only exception being private sector respondents (largely consultants), 45% of whom claim to use the involving stakeholders principle (Principle 1). The general view of our interviewees and focus group participants, as well as those we spoke to informally at conferences and the two project teams, tended to support the view that use of the principles would be a pre-curser to the use of SROI in full. Our findings suggest that there is still therefore some distance to travel in promoting the principles before

we might expect significant take up of SROI in full. Evidence supporting our conclusions about use of the principles includes:

— For all sectors, use of Principles 1 and 2 (stakeholders and story of change/evidence) is around the 30% level;
— For the other five principles use levels across all sectors range from 14% to 19%;
— Use by the private sector (often consultants) is highest with use by the public sector being lowest, apart from gathering evidence (part of Principle 2); and
— Our interviews, discussions and focus groups suggested a much higher level of use of the principles – but our interviews and focus groups were skewed towards those more likely to be current users.

Learning is a key benefit of applying SROI

Our in-depth discussions with practitioners suggested that even where an SROI process was incomplete or may never be completed, significant learning had taken place. The value to an organisation of identifying its outcomes and attempting to place a value on them appears to be very high. So there may be a strong learning benefit from SROI. Our impression (not fully verifiable within this limited study) is that the inclusive and involving nature of well conducted SROI exercises can promote more organisational learning than many external "objective" evaluation studies. Our evidence for these conclusions is drawn largely from focus groups and interviews and comments such as:

"SROI provides a structured approach to examining an organisation or service in detail".

Using the principles delivers significant value

Of those using the principles most report value from all principles. But this does vary significantly and placing a monetary value is seen as the least useful principle. Evidence includes:

— 85% of survey respondents using principle 1 reported benefits from involving stakeholders; and
— 59% of those using principle 3 reported benefits of value and outcomes.

Funders want to value outcomes, but are not yet 'sold' on SROI

It is clear that few funders or commissioners are persuaded that SROI is appropriate for them or the projects they fund. This is largely either because they perceive the process as being too complex for the organisations they fund or because they feel the process is not robust. Where they have engaged there is a suggestion of a change in attitude. But, while they may not espouse SROI, for the most part they do not have an alternative way of meeting their aspirations to measure value. So an opportunity remains to engage with them.

Evidence to support this conclusion includes:

— Funders show noticeably lower levels of use and intention to use of principles 3 (valuing) and 4 (materiality) than other groups – and these are the principles that differentiate SROI from other outcome evaluation approaches.
— In interviews funders expressed support for a greater outcome and value focus but were not persuaded of the value of SROI as the most feasible approach.
— On the other hand funders that had engaged seriously with SROI seemed to show greater enthusiasm for the approach.

In part the resistance of funders may be addressed by exploring the proportionate use of SROI for the projects they fund.

Perceptions of complexity and lack of buy in to monetisation are key barriers

If SROI can deliver more funding and contracts to an organisation it may be worth some extra effort – evaluations often incur significant costs. And if better impact and additional funds are to be obtained then extra effort may be a price worth paying. As evaluators we are well aware that any method claiming rigour and robustness will come at a cost. But in the past many people have, with some justification, seen evaluation reports as having little value. So, as some of the interviewees confirmed, part of the challenge may be in convincing people and projects that measuring progress and outcomes is worthy of appropriate levels of effort at all – independent of SROI or any other method. SROI has, for many, been a major increase in effort towards outcome evaluation and

they find it complex and hard. Monetisation is often seen as 'a step too far'.

Both projects delivered well received services

Almost all the feedback about project services was positive. Our surveys, interviews and focus groups suggested that the guide in particular was very well received. Participant satisfaction surveys carried out by the projects following seminars and workshops were also positive.

Training was seen by most as too short but the addition of mentoring support, highlighted in our interim report as a key need, has been highly valued wherever it has been available. The proxies databank has received mixed responses. Many are very positive but some moderately negative. We suspect, but cannot demonstrate, that this is largely due to different expectations by different users and the extent to which these were met or not.

The two projects have made a sustainable impact (attribution)

It is clear from a variety of evidence that interest in SROI principles and detailed implementation has grown over the period of the project. Awareness of SROI has increased and it now has a high recognition factor evident from informal discussions at conferences, from media articles and so on. The actual number of completed and published reports has also grown but apparently only modestly (unless there are a large number of unpublished reports).

It would require a very large-scale study to demonstrate the contribution of the two projects to these changes robustly (the attribution). However, we believe there is strong evidence that suggests the projects have made an important contribution, including:

— The reach of the two projects has been extensive, with several thousand organisations contacted or involved in some way;
— Our survey respondents completing more than one survey showed a noticeable drop in *lack* of understanding from 2009 to 2010;
— Over the same period use of SROI principles rose significantly among this group;
— Understanding of the principles showed a much greater increase among those who had used services from the projects as against those who had not; and
— For all survey respondents the greatest change appeared to have taken place in the six months to August 2010 which is approximately the timescale over which an impact from the two projects would be expected.

Delivery approach has promoted sustainability

The diffuse networks of delivery involving both projects have made evaluating their impact very difficult. Our assessment of the delivery approach is therefore somewhat compromised but we have attempted to look at strengths and weaknesses of the approach from the point of view of delivery rather than the evaluation process.

The strengths of the approach include:

— Many, if not most, of the existing SROI advocates in the UK have been supported through the two projects as deliverers so the project delivery has successfully "backed evangelists";
— As a result the two projects have reached a large number of people through informal networking as well as through formal services; and
— The sustainability of the projects' effort may be expected to be significantly higher because their delivery was through supporting and growing an existing network rather than funding a time limited consultancy project.

Weaknesses include:

— Because of the large number of people involved, the SROI methodology has not evolved or clarified as fast as it may have done with a more focussed organisational structure;
— Progress with delivering final SROI reports has been slow - but this contrasts with raising awareness and understanding which appears to have been higher than might have been expected.

Taken together we cannot draw a definitive conclusion but we suspect that the long-term sustainability of the projects' benefits will be higher than would have been the case with an alternative delivery model and that this longer term benefit outweighs any short term losses.

Evaluation purpose and approach

This report presents the findings of our evaluation of the Measuring Social Value project and the SROI Project. The evaluation is only concerned with the impact of these two projects and is not an attempt to assess or evaluate Social Return on Investment (SROI) itself.

Social Return on Investment (SROI)

SROI is a framework for measuring and accounting for social, environmental and economic costs and benefits. It tells the story of how a project or service creates change by measuring outcomes and using monetary values to represent them. However, as a Cabinet Office guide highlights:

"SROI is about value rather than money. Money is simply a common unit and as such is a useful and widely accepted way of conveying value." [1]

SROI is based on a set of seven principles:

1. Involve stakeholders;
2. Understand what changes;
3. Value the things that matter;
4. Only include what is material;
5. Do not overclaim;
6. Be transparent; and
7. Verify the results.

And the approach consists of six stages:

1. Establishing scope and identifying stakeholders;
2. Mapping outcomes;
3. Evidencing outcomes and giving them a value;
4. Establishing impact;
5. Calculating SROI; and
6. Reporting, using and embedding results.

An SROI analysis can either be evaluative – conducted retrospectively and based on actual outcomes – or a forecast predicting the social value of intended outcomes.

Projects to raise the profile and use of SROI

In 2008 the UK Government's Office for Civil Society commissioned the Measuring Social Value project and the Scottish Government's Third Sector Division commissioned the SROI Project. These projects were designed to work together to further develop the SROI approach, and to promote and support its use. The driver behind this was a commitment to developing a greater role for the third sector in delivering services and action to build social value.

Measuring Social Value (MSV) project

The Office for Civil Society's Measuring Social Value project aims to help third sector organisations understand, measure, prove and articulate the social and environmental impact they have achieved and the value this creates. It also aims to support social investors and commissioners of public services to understand this social value and influence investment or purchasing decisions.

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1 Cabinet Office (Office for the Third Sector) (2009) A guide to Social Return on Investment

Building on existing work on impact measurement, the project focuses on:

— Standardising the Social Return on Investment (SROI) approach;
— Making SROI more accessible and affordable for commissioners, social investors, policy makers and third sector organisations; and
— Developing a network of practitioners to raise awareness of SROI and social reporting.

The SROI Network leads a consortium that also includes New Philanthropy Capital, New Economics Foundation, Charities Evaluation Services and National Council of Voluntary Organisations.

The project activity falls under five headings[2]:

— Agreed principles and accessible methodology;
— Dissemination of guidance;
— Encouragement of use;
— Develop network of practitioners; and
— Contribute to the portal in cooperation with the SROI project.

SROI Project

The Scottish Government's Third Sector Division commissioned this project which aimed to make SROI "a common standard for measuring and reporting the social added value generated by organisations of the third sector in Scotland, based on commonly agreed principles"[3]. The project's focus has been on raising awareness and making SROI more accessible. Building on the "tipping point theory", the idea was to engage with enthusiastic "early adopters" of the approach to use them as influencers to create additional interest and action.

Forth Sector Development leads the consortium which also includes:

— SROI Network;
— Haldane Associates;
— New Economics Foundation;
— New Philanthropy Capital;
— Social Audit Network;
— Association of Chief Officers of Scottish Voluntary Organisations;
— Social Enterprise Academy; and
— Greenspace Scotland.

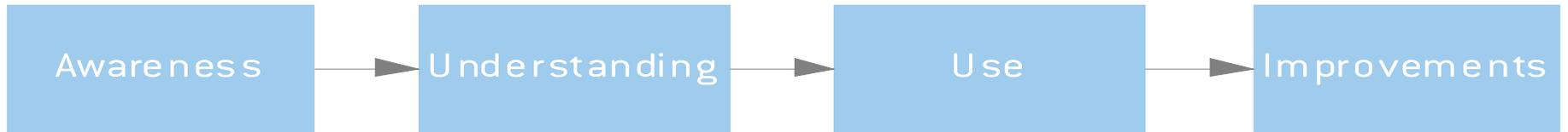The project activity is delivered under these headings[4]:

— Strategic assessment;
— Engagement programme of seminars, presentations and targeted meetings;
— Website – the SROI portal;
— Indicator bank- a databank of indicators and financial proxies; and
— Training programme.

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[2] Tender document for Measuring Social Value, August 2008

[3] http://www.sroiproject.org.uk/about/aims.aspx

[4] SROI Contract 2009-11

Figure 1 - Simplified theory of change

| Awareness | Understanding | Use | Improvements |

Evaluation framework

The SROI Network has a key role in both of these projects and commissioned this evaluation of the two projects together, on behalf of the UK Government's Office of Civil Society and the Scottish Government's Third Sector Division.

Theory of change

At the core of the evaluation framework is the theory of change that describes the change the two projects aim to achieve and how needs, activities, outputs and outcomes link together. The simplest presentation of the theory of change for the two projects is as in Figure 1 above.

Figure 2 overleaf illustrates the theory of change in a more detailed version, summarising the more complex model available in Appendix 1. The theory of change includes interventions to increase the supply side through increasing the number of practitioners, as well as the work to stimulate demand from investors and commissioners.

Initial awareness raising should lead to more interest and in turn to more people understanding the SROI principles and their potential value. The key assumption underlying the theory of change is that this understanding will lead to use of SROI. The theory of change assumes further that in the medium term organisations improve what they are doing by implementing the learning from the process. This in turn should lead to increased value and better recognition of this value they create. And the wider impact would then be an overall increase in social value.

A major challenge for the evaluation and for assessing the projects' effectiveness in general was that they don't work in isolation. Instead, they are interlinked between them and much activity related to SROI and measuring social value is taking place outside them, thus making attribution difficult.

To address the need to demonstrate how third sector activities achieve value, the projects deliver support and awareness raising activity consisting of:

— Guidance – with the SROI Guide at its core – which is developed and improved as the method evolves;
— A web portal that provides access to information and resources;
— A databank of indicators and financial proxies;
— Engagement events organised by the projects and presentations at existing events;
— Targeted presentations to and one-to-one meetings with key organisations;
— A programme of training courses; and
— A conference on measuring social value.

In its final year, the SROI Project also delivered mentoring support.

Figure 2 - Theory of change summary version

Need/issues	Activities	Outputs	Intermediate outcomes	Longer term outcomes	Wider impact
	Other network action				
	Research and development	Outcomes and values database			
Need to demonstrate how 3rd sector achieves value					
	SROI Guide	SROI Training	Understanding of SROI principles and value	Commitment to and use of SROI principles	Change and learning
Third sector could be more competitive		Network of practitioners		Increased value and recognition	Increased social value outcomes
	Accreditation				
No consistent approach to measuring social value	Promotion, support	Web portal			

Evaluation questions

This evaluation was about assessing what difference the two projects were making. From the theory of change we developed and agreed a set of research questions for the evaluation to address. The top-level questions are:

1. To what extent have people understood the SROI principles and recognised their potential value to their organisation?
2. To what extent are organisations committed to and using SROI principles?
3. What evidence is there of change and learning as a result of using the SROI principles?
4. To what extent are organisations recognising the actual value achieved through using SROI?
5. What are people's views on the key project interventions?
6. What has the impact of the key project interventions been?
7. How suitable are the projects' management and processes for achieving the objectives?

Evaluation method

The evaluation was limited in resources and should not be seen as a fully robust review of the two projects and their impacts. However, we used a variety of methods to achieve a level of triangulation that means we are reasonably confident in our conclusions and interpretations. We have summarised the evaluation method below and provided more detail – such as an analysis of who the survey respondents were - in the appendices.

Stakeholder consultations	Interviews with government stakeholders and others and a small workshop to develop a theory of change.
Demand and supply side e-survey	Three rounds of surveys with respondent numbers: 304 (round 1), 224 (round 2) and 459 (round 3) responses.
Focus groups with existing and aspiring practitioners	Through two rounds of focus groups with 34 participants from charities and social enterprises, local authorities, consultancies, third sector intermediaries and funders. We also undertook 12 phone interviews to capture the views of some non-attendees.
Further stakeholder consultation	We conducted two further rounds of interviews with people involved in delivering the projects, and with individuals who have been involved at a more strategic level (seven interviews).
Desk research and other data gathering	Reports from project partners, other research reports and informal discussions at conferences, LinkedIn and so on.

In March 2010 we reported on the interim findings of the research. A summary of the key points from this is in Appendix 3.

Report structure

The following chapters present the findings of the research:

— Findings on how people understand and use the SROI principles;
— Perceived and real benefits from and barriers to using SROI;
— Analysis of how the projects have contributed;
— Commentary on the model of change and project delivery; and
— A summary assessment with recommendations for a pathway to SROI.

The main body of the report includes some diagrams to illustrate key findings. Further survey data is available in the technical appendix.

Understanding and use of SROI

This section looks at the findings for the first two evaluation questions:

— Understanding of the principles and recognition of their potential value; and
— Use of, and commitment to using, the principles.

It goes on to comment on the understanding and use of the actual stages in the SROI method.

Focus on principles before the specific method

Early stakeholder consultations suggested the evaluation should focus primarily on the seven principles of SROI (rather than the detailed SROI method):

1. Involve stakeholders;
2. Understand what changes;
3. Value the things that matter;
4. Only include what is material;
5. Do not overclaim;
6. Be transparent; and
7. Verify the results.

Later consultations reinforced this view. Both government sponsors and other funders said that they wished to see greater focus on outcomes from the third sector. Government stakeholders in particular also highlighted the value of placing a monetary value on these outcomes. While there are some who are strong advocates of the full SROI method, many members of the two project teams and key sponsors are more interested in moves towards greater use of the principles in any format:

"Perhaps in retrospect we should have just focused on outcomes."
Sponsor

"We are strongly committed to an outcome focus but we don't want to support any particular approach exclusively"
Major funder

By taking this focus we have therefore been able to explore the extent to which individuals and organisations may be moving towards SROI in steps. At the same time there is a specific SROI method and the two projects did work to develop and promote it. Later in this section we have therefore also explored the understanding and adoption of the SROI method as well as the SROI principles.

Understanding the principles

Most claim to understand

In general most people claim to understand the principles of SROI. Only a minority of respondents reported that they did not understand the principles in our most recent survey.

However as Figure 3 overleaf shows, this varied by principle and by sector. Very few of those in the private sector reported not understanding any of the principles. This reflects the fact that private sector involvement is generally by consultants with specific expertise in the principles of SROI.

Respondents in the public and third sectors were much more likely not to understand several of the principles. Principle 4 – identifying what is material – was the principle most frequently not understood. More than a quarter of public sector respondents (27%) and around one in five third sector respondents (19%) did not understand this.

Public sector respondents showed the least understanding with much lower levels of understanding of principles of valuing outcomes, materiality, no over-claiming and transparency.

Figure 3 - Proportion of respondents not understanding SROI principles by principles and sector

Principle Sector	1 Involve stakeholders	2a Story of change	2b Evidence outcomes	3 Value	4 Materiality	5 No overclaim	6 Transparency	7 Verify
Private	0%	0%	0%	3%	3%	3%	0%	0%
Public	0%	6%	3%	12%	27%	16%	13%	6%
Third	2%	6%	3%	6%	19%	7%	4%	8%
All	2%	5%	2%	7%	19%	9%	6%	7%

Source: Survey 3 (n=381)

These responses reflected our findings in interviews, focus groups and informal conversations at conferences where the most common initial response was a variation of:

"It's just common sense really"

During discussions of Principle 4 in more detail some commented that 'material' had different meanings across professional backgrounds which led to confusion. And some were concerned that ultimately only those factors practitioners could identify appropriate financial proxies for would get included. A common question was if an outcome that only applied to a small proportion of clients but was substantial should be included. One focus group participant explained their experience of using the materiality principle as follows:

"It is not always obvious at the start what is material. We had identified reduced reliance on anti-depressants as an outcome – and assumed this would be material due to the perceived high costs of drugs to the NHS. After spending a significant amount of time trying to establish the cost of these drugs, we discovered the cost was minimal and made no difference to the ratio."

Project partners have taken steps to address the issues related to explaining the methodology and its principles. The SROI Network has been leading on developing improved additional guidance, such as the supplementary guidance on materiality[5], through the Methodology Working Group.

Actual understanding is much lower

Any survey risks giving an incomplete understanding – this can be seen in the different responses to similar questions in a different survey (see the heading 'language is important' below). So more in depth exploration in discussion is important and in this case revealed a rather different picture.

As an example very few survey respondents said they did not understand Principle 1 "Involve stakeholders".

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[5] Version 4, March 2011

The summary explanation in the guide for this principle is:

Inform what gets measured and how this is measured and valued by involving stakeholders.

Stakeholders are those **people or organisations that experience change** as a result of the activity and they will be best placed to describe the change. This principle means that stakeholders need to be identified and then **involved in consultation throughout the analysis**, in order that the value, and the way that it is measured, is informed by those affected by or who affect the activity.'

In our focus groups and interviews we explored the principles further and it became clear that many who initially claimed to understand this principle in fact did not.

Involvement in SROI had prompted some to involve additional groups to those they would have involved in other evaluation activity. Some had included beneficiary groups in planning and others had looked at their impact on external agencies that might see some impact of an organisation's work. But others described a form of 'stakeholder involvement' that amounted simply to stakeholder interviews. Or in other cases stakeholder involvement was limited to board members seeing papers.

Many in our focus groups seemed to miss the two of the most important meanings of the principle:

— The definition of stakeholders as those *affected* by an intervention rather than those concerned with funding or delivering it; and
— The idea of involving these stakeholders *throughout* the process.

We found a similar gap between claimed and actual understanding held true across three of the other principles:

— Understand what changes;
— Value the things that matter;
— Only include what is material.

All our focus group participants had some level of prior involvement or training in SROI so their responses were not 'off the cuff'. We also found that workshop discussions and informal conversations at SROI related conferences or events showed a similar pattern.

It seemed that in each case the principle contained a series of important meanings that many people had not explored.

Language is important.

We have concluded that the key reason for the difference in claimed and real understanding is rooted in the structure and language of the principles.

In the interim report we commented on the significant difference between the levels of non-understanding of the principles in two different surveys. Our first survey found around 15% non-understanding for most principles and up to 29% for Principle 4. A previous survey conducted by the SROI project had found non-understanding at around 2% with a maximum under 5%. The key difference between the surveys was that we included a short explanation of each principle – whereas the SROI survey used the principle labels only. Figure 4 overleaf shows the principle in the short form used in the SROI project survey and elsewhere, along with the explanation that appears in the SROI guide and our survey wording.

Figure 4 - SROI principles showing explanations

Principle		Explanation from SROI Guide	Explanation in Hall Aitken survey
1	Involve stakeholders	Inform what gets measured and how this is measured and valued by involving stakeholders.	Involve beneficiary groups in planning what gets measured and how.
2	Understand what changes	Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.	2a: Develop a story of change.
			2b: Gather evidence of positive and negative change.
3	Value the things that matter	Use financial proxies in order that the value of the outcomes can be recognised, but also to compare the value of a range of outcomes. Many outcomes are not traded in markets and as a result their value is not recognised.	Give financial value to non-financial outcomes.
4	Only include what is material	Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.	In the accounts include everything – but no more – to give a more accurate picture.
5	Do not over-claim	Only claim the value that organisations are responsible for creating.	Calculate true additionality of your intervention.
6	Be transparent	Demonstrate the basis on which the analysis may be considered accurate and honest, and show that it will be reported to and discussed with stakeholders.	Explain clearly how you established social value.
7	Verify the result	Ensure appropriate independent assurance.	Verify the result through independent assurance.

While other explanations are possible (such as different respondent groups), we concluded the greater explanation in our survey made some respondents realise they did not understand. Whereas the shorthand version of the principles used generally and in the project survey appear more straightforward.

The focus groups and interviews have reinforced this impression. To an extent the clear lack of understanding of the 'materiality principle' has helped in this being addressed – new guidance is available. The less obvious lack of understanding of three of the other principles means that they have not been addressed.

Using the principles

Use is much lower than understanding – and this is a key challenge

Our most recent survey suggests that overall around three in ten respondents are using the first two principles – 'involving stakeholders' and 'understanding what changes', as shown in Figure 5 overleaf. Less than one in five claim to be using the other principles. Given the discussion above about understanding the principles it seems likely that at least some think they are using the principles but in fact they are not – or are only doing so in a partial manner.

We suggest this level of use of the principles is a cause for some concern. Many people claim the principles are a matter of "common sense" and each (apart from 'valuing the things that matter') have congruence with most approaches to evaluation. So such low levels of use suggest that the commitment to any form of organised consideration of outcomes and impacts is low.

Given these levels of use of the principles, it is clear the challenge facing the two projects introducing SROI in its full form is very significant.

Figure 5 - Proportion of respondents using SROI principles by principle and sector

Principle	1	2a	2b	3	4	5	6	7
Sector	Involve stakeholders	Story of change	Evidence outcomes	Value	Materiality	No overclaim	Transparency	Verify
Private	45%	33%	31%	28%	23%	23%	28%	25%
Public	29%	24%	35%	18%	10%	12%	16%	19%
Third	31%	27%	29%	18%	14%	16%	18%	12%
All	32%	27%	30%	19%	14%	16%	19%	14%

Source: Survey 3 (n=381)

Use follows understanding by sector

Looking at the usage by sector it is clear that, as with understanding, all the principles are being used more widely by the private sector. And use by public sector organisations is less widespread than among the third sector for all principles except 2b - gathering evidence of positive and negative impacts and Principle 7 - verifying results. For these two principles the public sector use is higher than the overall rate for all sectors. However public sector use of principles 4 – materiality - and 5 – not over-claiming - are particularly low.

There were no major differences in use levels by organisation size for most of the principles. However, organisations with 50 or more employees were more likely to have used principles 6 and 7 than organisations smaller than this.

Funders show limited commitment to SROI in full

As outlined earlier, Principle 4 – only use what is material - is the least well understood principle according to our survey.   However, as Figure 6 shows, there are different perceptions of how valuable this principle is across different types of role. This principle is most used by consultants and researchers, which is perhaps to be expected. Almost four out of ten had used the principle (39%).

Figure 6 - Use of Principle 4 (materiality) by role

■ Using but no benefit yet

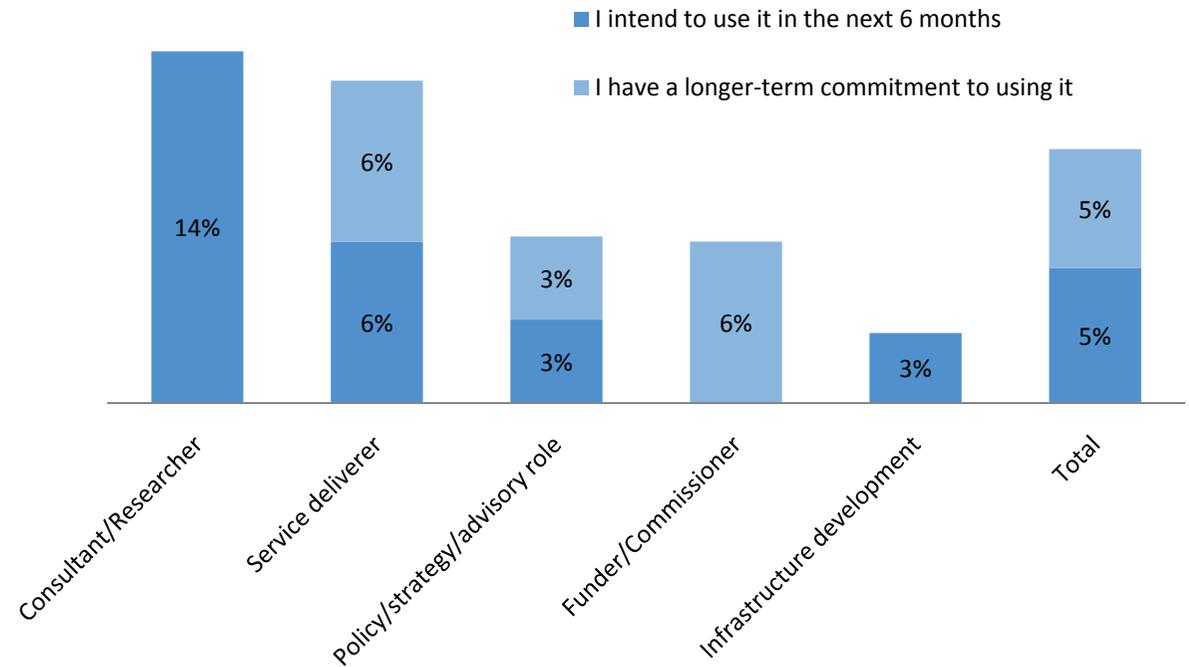■ Using and have evidence of value to my organisation
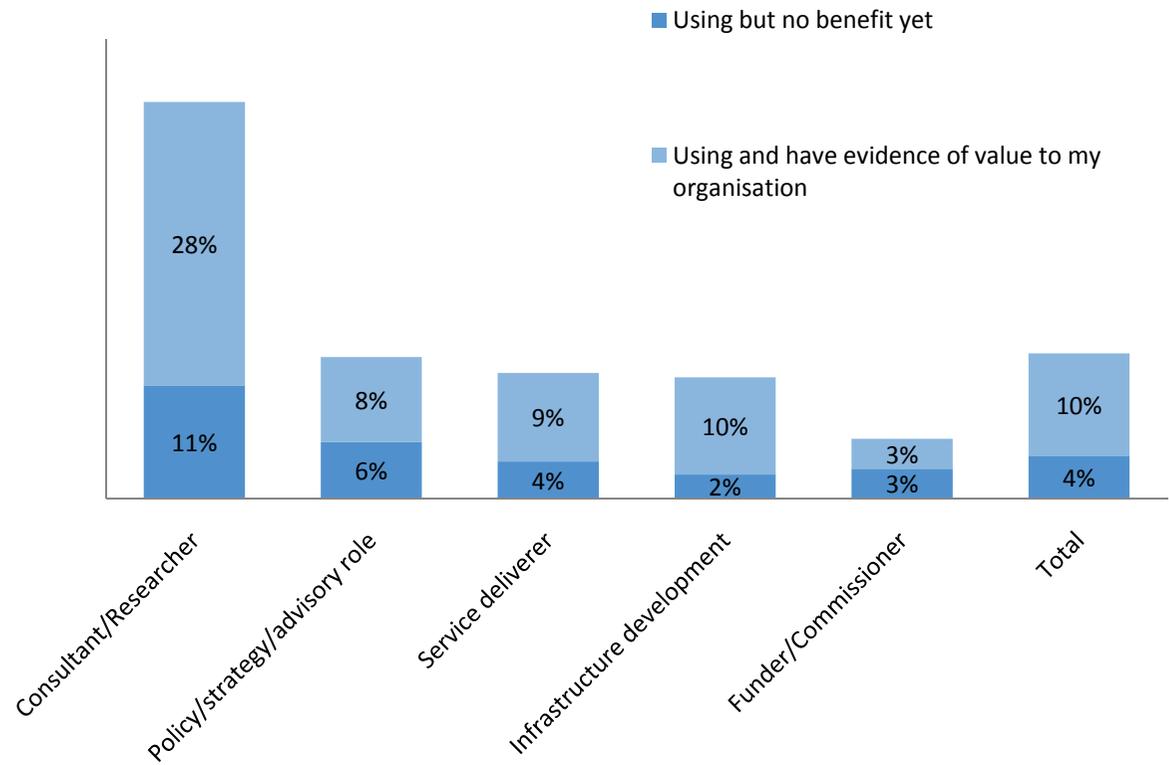
Source: SROI survey (n=449)

Funders and commissioners are least likely to have used this principle (6%). Among service deliverers (the largest group of respondents) who we might expect to be making most use of this principle, fewer than one in ten have identified the benefits of using this principle.

If we then look at those not currently using Principle 4, Figure 7shows that again it is consultants and researchers who are most likely to be planning to make use of it. A further 14% of those not using this principle intend to make use of it during the next six months. Service deliverers provide the next highest proportion of those intending to used the principle with 12% intending to make use of it – although only half of these within the next 6 months. Funders and commissioners identified little interest in using this principle in the near future.

Figure 7 - % of those not using Principle 4 intending to do so by role

Legend: ■ I intend to use it in the next 6 months   ■ I have a longer-term commitment to using it

Consultant/Researcher: 14%
Service deliverer: 6% / 6%
Policy/strategy/advisory role: 3% / 3%
Funder/Commissioner: 6%
Infrastructure development: 3%
Total: 5% / 5%

Source: SROI survey (n=449)

We found a similar pattern across the other principles. There are clearly implications for the development of SROI if funders are not currently backing its use and we found them to be ambivalent in interviews, typical comments including:

"There needs to be some way of valuing outcomes and we are happy with monetisation as a direction of travel rather than introducing SROI at present."

"Thought leadership is still involving and SROI can be too time consuming so we use our own approach."

Understanding and using SROI methodology

Users see SROI as difficult

For those respondents who indicated they had used or attempted to use SROI, we asked how difficult they found the various stages of the method. They found the first two stages to be the least problematic but were most likely to identify difficulties with Stage 3 – evidencing outcomes and giving them a value. This very much tallies with the issues identified with the principles. Some 79% of users who had a view thought that this was difficult or very difficult. For stages 4 to 6 the proportions reporting difficulties were fairly stable at between 66% and 70% as Figure 8 shows.

Figure 8 - Proportion of users reporting stages as being difficult or very difficult
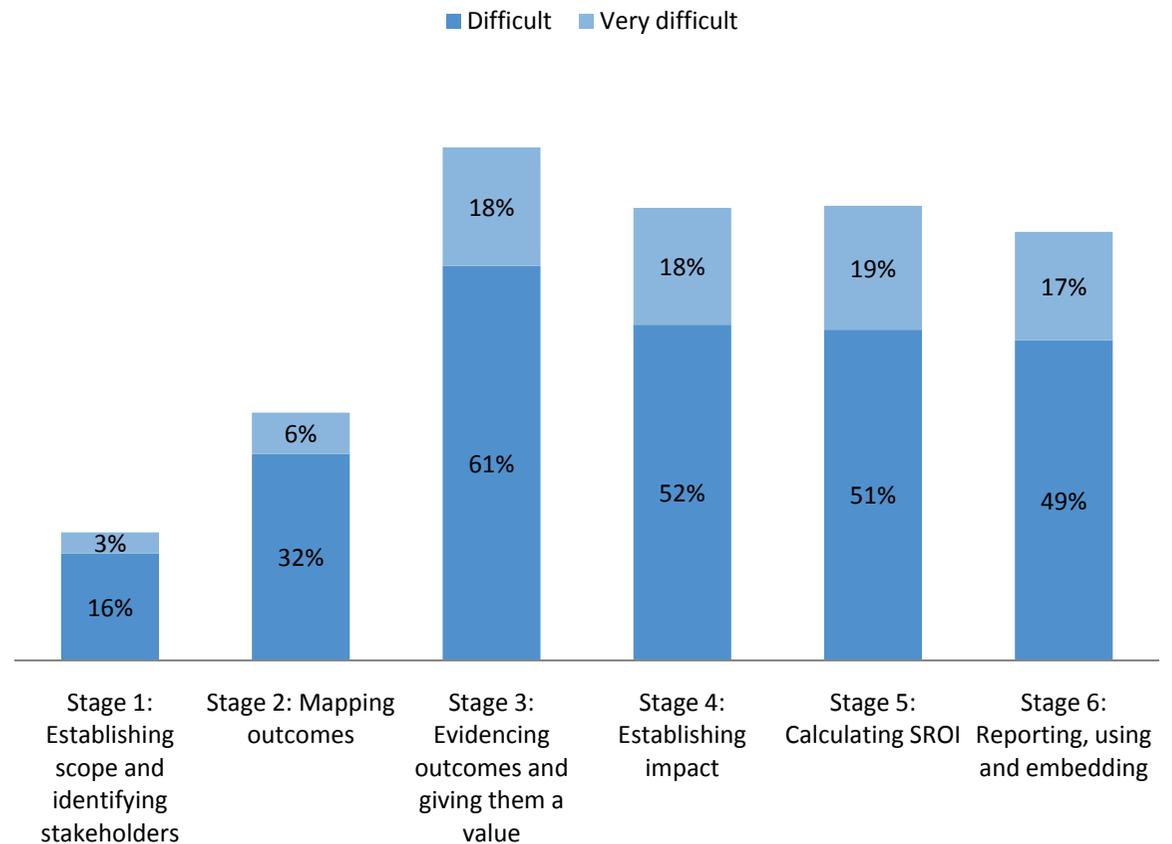
Source: SROI survey 3 (n=153)

Users from all sectors found these latter stages difficult in similar proportions. These views were reflected in the focus groups, where comments included:

"The early stages of the process to involve beneficiaries and stakeholders, as with any good evaluation process, is very useful. Later stages are complicated and difficult and the final figures don't always pass the 'so what' test."

"We just don't have the time to do this properly."

It can be argued that the first two stages of SROI are very similar to other approaches to evaluation – and fewer people see these as difficult. But the four stages that are more specific to SROI are seen to be challenging by most people.

Greater understanding can increase perceptions of difficulty

Figure 9 contrasts the percentages of those that had used support who found individual stages 'difficult' or 'very difficult' against those that hadn't been in contact with the projects.

Figure 9 - Difficulty of use as perceived by users and non-users of support
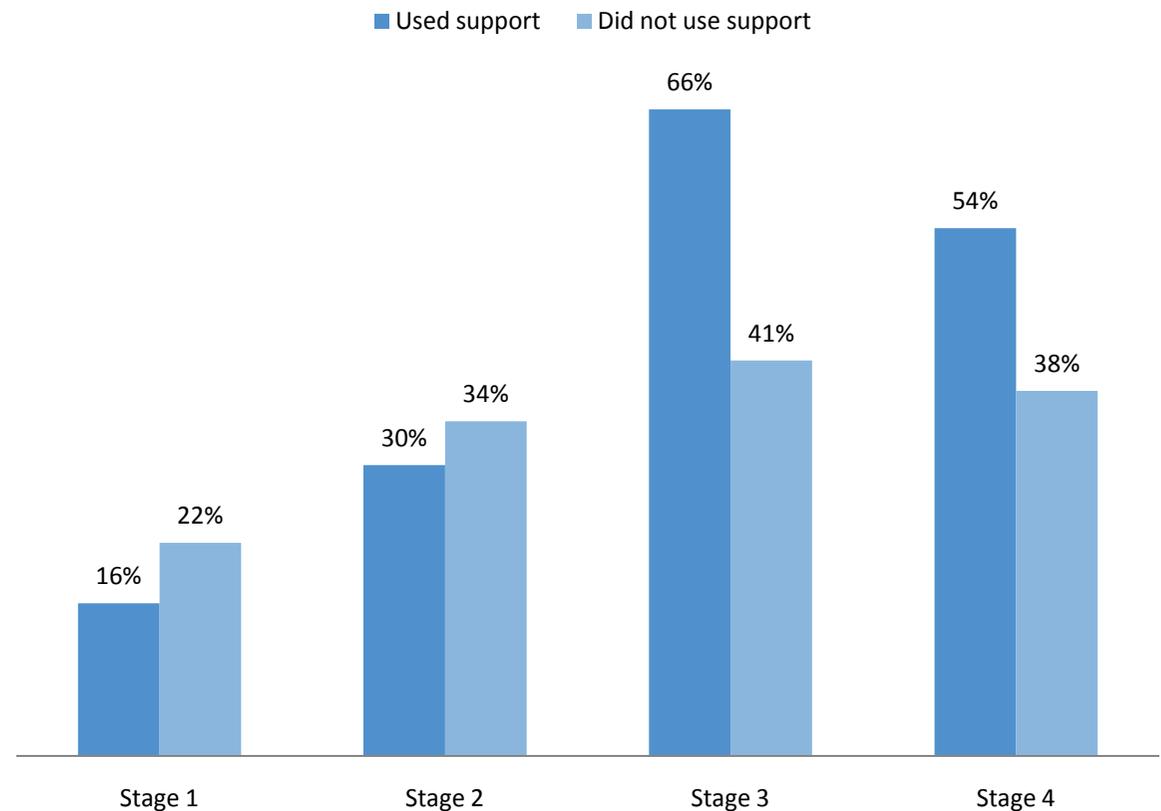
Source: SROI survey (n=179)

As might be expected, those respondents that had used some sort of support or attended events found stages 1 – 'establishing scope and identifying stakeholders' - and 2 – 'mapping outcomes' – less difficult to do than those who hadn't.

But, interestingly, the balance is different for stages 3 – 'evidencing outcomes and giving them a value' - and 4 –'establishing impact'. Two thirds of those that had some involvement with project activities found stage 3 difficult of very difficult, compared to 41% of people who hadn't. This could imply that increased understanding also means increased understanding of the difficulties.

Several of the text responses shed some light on this by suggesting that once people become aware of what is actually involved in doing those steps properly, they find them more daunting. As one person put it:

"My colleagues felt the training left them with more questions than answers."

The analysis of text responses and focus group feedback suggest that many were concerned that doing the calculations and applying deadweight, attribution and so on was one of the areas where practitioners could most easily 'go wrong'. Most of the focus group participants with some experience of SROI found it particularly difficult to get data on deadweight.

Conclusions

Understanding the principles "overclaimed"

The structure and wording of the SROI principles may be undermining their value as a useful tool. Certainly there is a significant difference between the extent to which people claim to understand the principles through simple questioning and their actual understanding through discussion and probing. While there is no question that most people back the very general thrust of the principles, there remains significant work to help many people understand what they actually mean in both theory and practice.

SROI is seen as difficult

Most people in surveys and discussion perceive that implementing SROI stages (not just the principles) is difficult or very difficult. This is a widely held belief and can be found among those who have not attended SROI training, and those who have. It can also be found among practitioners and funders, few of whom are yet to be convinced that SROI in full is appropriate – although most are looking for a greater focus on outcomes and on financial value.

Use of SROI principles is modest

Given the apparent widespread understanding of SROI principles and the general recognition of their value it is surprising that use of the principles (as distinct from SROI) stands at no more than one third of our survey respondents for any principle. The only exception being private sector respondents (largely consultants) 45% of whom claim to use the involving stakeholders principle (Principle 1). The general view of our interviewees and focus group participants, as well as those we spoke to informally at conferences and the two project teams, tended to support the view that use of the principles in general would be a pre-curser to the use of SROI in full. Our findings suggest that there is still therefore a significant distance to travel in promoting the principles before we might expect significant take up of SROI in full.

Funders want to value outcomes, but are not yet 'sold' on SROI

It is clear that few funders or commissioners are persuaded that SROI is appropriate for them or the projects they fund. In general this is because they perceive the process as too complex for the organisations they fund OR they feel the process is not robust. Where they have engaged there is a suggestion of a change in attitude. But while they may not espouse SROI, for the most part they do not have an alternative way of meeting their aspirations to measure value. So an opportunity remains to engage with them.

Change, learning and value

The findings in this section address the evaluation questions 3 – evidence of change and learning – and 4 – recognition of the value achieved through using SROI.

Those research participants who were already using SROI commented on the benefits this had brought to their organisation. But we also identified some challenges people had faced during the process, as well as barriers to using the approach in the first place.

Change and learning

Where survey and focus group participants had experience of using SROI they usually had recognised the value to their organisation. They also often suggested that the benefits came from the process itself rather than the resulting figures. The most common benefits people mentioned were:

— Getting a clearer picture of the value of what they do and what impact it has on people's lives;
— "Confidence backed up by hard evidence and proof that our projects bring meaningful measurable benefits to society";
— Engaging better with funders and commissioners;
— Help with defining strategic direction;
— Changes in ways of thinking and working, for example developing better monitoring and evaluation systems; and
— "SROI provides a structured approach to examining an organisation of service in detail."

Many people reported that the structured approach to considering outcomes and the value they add had been a key stimulus to thinking more clearly about their organisation. In turn they expected to see tangible increased value in the future.

Value of use

The continued use of the principles may well depend on whether organisations are able to identify value from using them. From our most recent survey we can identify the proportion of those using the principles who were able to identify the value of using the principles for their organisation. Users are most likely to recognise value from using Principle 1 (involving stakeholders) with 85% having seen demonstrable value from doing so.

However only six out of ten users identified that Principle 3 - attaching monetary values to outcomes – proves valuable to their organisation. This is often seen as the key distinguishing value of SROI so this seems a relatively low positive response – given that this is the view of those who have gone beyond understanding to some level of use of the principles.

The nature of this value was not always clear and certainly in some, if not most cases, the value has been in terms of learning. However there are more tangible examples of value from our focus groups, for example in several cases (5 out of 36) the SROI review had already helped to attract funding.

Figure 10 - Proportion of users identifying value by principle used
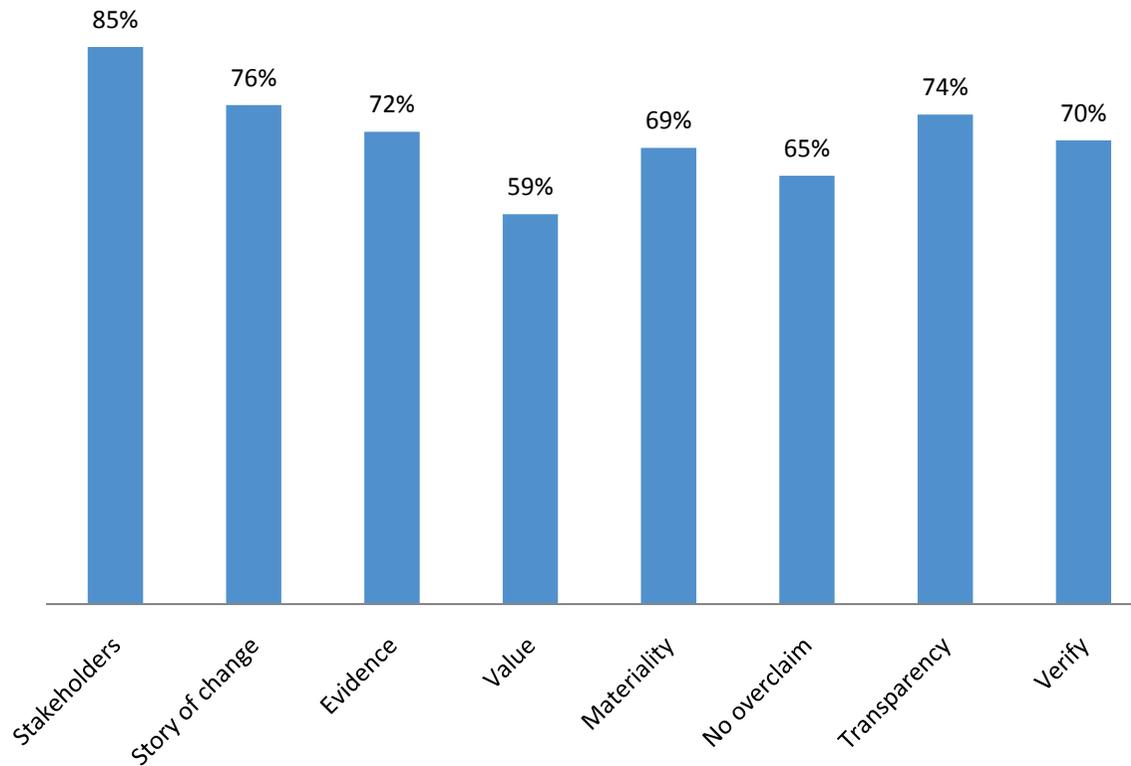
Source: SROI survey 3 (n=123)

Real and perceived barriers

Of the barriers to using SROI which we identified, some are real challenges users have been facing. But often it seems that it was a person's or organisation's perception that has stopped them from applying the principles.

Lack of systems and culture is the key barrier to any impact measurement

The perceived or experienced resource requirements for undertaking an SROI was by far the most significant barrier with 168 survey respondents commenting along those lines. Some people had carried out an analysis or attempted to do so and found it more time consuming than expected. But many comments implied that it was the respondents' perception or expectation that the process would be time consuming and resource intensive. Others seemed to have realistic expectations of what an SROI involves but commented they were unable to find the appropriate resources. Typical responses were similar to this:

"We are a very small organisation and therefore have limited staff. Most if not all are involved in developing and delivering the service. We therefore struggle to understand how we could actively complete an SROI."

It appears that for those who already have good monitoring and evaluation systems in place undertaking an SROI wouldn't have significant additional resource implications. So the underlying barrier is the lack of good evaluation data and systems suitable for producing it. One focus group participant who sits on the board for several voluntary and community organisations, for instance, had tried to get the organisations to adopt SROI but found that they had "a culture where measuring impact is not seen as important".

This matched project team members' perceptions too, and in interviews they suggested that:

"SROI has acted as a sort of lightning rod for resistance to measurement and evaluation in general."

While there is an increasing interest in evaluation in the third sector, there is still, in our general and very widespread experience across the UK, a resistance to using any form of process that uses significant budgets and time. So we agree that resistance to SROI may simply be resistance to any form of resource intensive impact measurement and evaluation.

Finding proxies and doing the calculations are perceived as challenges

The perceived complexity of the process and that it is difficult to do is another factor that appears to stop people who (say they) understand the SROI principles from using them. The most common insecurities for survey and focus group participants were related to:

— Finding suitable financial proxies - "Fixing the monetary equivalent is a nightmare!"
— Making decisions on who or what to include in the process (materiality); and
— Doing the calculations – deadweight, displacement, attribution and drop off.

In the interim evaluation we identified a high demand for the databank of indicators and proxies which wasn't available yet at the time. The importance of the proxy databank was mentioned frequently this time round, along with requests for improving and updating it. Suggestions from the focus groups included publishing ranges for proxies based on a review of a range of different studies.

Some respondents, however, rejected the idea of attaching a financial value to social outcomes altogether.

Perceptions of flaws in the monetisation process

While the above points made the process seem difficult and complex to some respondents, others went as far as saying the model was flawed or not robust enough. It's the extent of subjectivity practitioners as well as stakeholders apply inevitably in making decisions, especially about materiality and attribution, that tends to cause this concern:

— "Too may leaps of faith"
— "It still appears to be academically not robust – being able to pick and choose your financial proxies means you can choose the final result."
— "Credibility is a barrier."
— "Risk of extrapolation to absurd claims".

As with any modeling process SROI is defined by its assumptions. To be credible, all assumptions and sources of estimates must be stated clearly and the SROI guide emphasises this. The guidance also covers sensitivity analysis as part of the process and recommends testing how the ratio practitioners have arrived at would change if certain assumptions were different. But these are relatively sophisticated interpretations and we found this level of understanding was not widely shared among our consultees.

Lack of recognition and support are further barriers

Focus group participants and survey respondents often commented:

— That funders, commissioners or investors didn't understand and recognise the value of SROI;
— That SROI was just the 'flavour of the moment' and could be replaced by something else soon - *"We, like many others, are just 'watching this space"*;
— That it is not obvious yet if SROI has the current government's backing.

Although the MSV project continued after the change in government, no clear statement of the new UK government's policy related to SROI has been made yet.

The uncertainty around lack of wider recognition may, in turn, be the reason for another challenge some research participants had experienced – the lack of support from within their own organisations. For some individuals keen to use SROI finding the right level of support in terms of time, resources and moral support had been a problem. One focus group attendee, for example, described how difficult he had found it to get approval from senior staff to dedicate resources to undertaking an SROI, overcoming the view that SROI was 'not just the trendy thing'. A comment from the survey was "It's given me better awareness and understanding, but as an organisation we're not really using it."

Conclusions

Learning is a key benefit of applying SROI

Our in-depth discussion with practitioners suggested that even where an SROI process was incomplete or may never be completed, significant learning had taken place. The value to an organisation of identifying its outcomes and attempting to place a value on them appears to be very high. So there may be a strong learning benefit from SROI. Our impression (not verifiable within this limited study) is that the inclusive and involving nature of well conducted SROI exercises and can promote more organisational learning than many external "objective" evaluation studies. Our evidence for these conclusions is drawn largely from focus groups and interviews and comments such as:

— "Greater awareness of both positive and negative impacts."
— "Better understanding of what the impact is and which elements are critical in delivering this impact."

Using the principles delivers significant value

For those using the principles most report value from all principles. But this does vary significantly and placing a monetary value is seen as the least useful principle. Overall however users are clear the process and method has much to offer. And at least in some cases this is not simply a case of early

adopters or existing advocates supporting the technique.

Perceptions of complexity and lack of buy in to monetisation are key barriers

As at interim evaluation stage, a key question in interpreting these results is to consider what a realistic expectation of complexity and difficulty might be. There are a still small but gradually growing number of SROI assessments and SROI advocates.

If SROI can deliver more funding and contracts to an organisation it may be worth some extra effort – evaluations often incur heavy costs. And if better impact and additional funds are to be obtained then extra effort may be a price worth paying. As evaluators we are well aware that any method claiming rigour and robustness will come at a cost. But in the past many people have, with some justification, seen evaluation reports as having little value. So, as some of the interviewees confirmed, part of the challenge may be in convincing people and projects that measuring progress and outcomes is worthy of appropriate levels of effort at all – independent of SROI or any other method.

SROI has, for many, been a major increase in effort towards outcome evaluation and they find it complex and hard. Monetisation is often seen as 'a step too far'.

The projects' impact

The findings in this section address the evaluation questions 5 and 6:

— Views on key project interventions; and
— The impact of interventions delivered by the projects.

Feedback and views

Positive feedback for all interventions

Feedback on project activities in the e-survey and focus groups, as well as the interviews, was largely positive. Many respondents said the guide and web portal were useful and, for those that had used it, the databank of indicators and financial proxies had become an important resource. Comments from focus group participants included:

"Its [the guide's] strengths are that it's clear, concise, well written and provides a logical structure."

"Using the databank has saved us some time and efforts, and sometimes confirmed we were on the right tracks."

But some commented that both would need to be updated continuously and developed further over time.

Furthermore, respondents appreciated opportunities to discuss issues and share experiences with peers and called for more networking opportunities.

Training was good but follow up is essential

One of the objectives of the SROI Project was to develop SROI training, accredited by the Institute of Leadership and Management. The project organised five two-day training courses to pilot the training between July and November 2009. Evaluation of the training pilot[6] found that:

— The majority of trained people said they were more likely to do an SROI in future: seven of nine interviewees - with four having definite plans – and 41 of 42 survey respondents; and
— Although participants reported they were leaving the course motivated to do an SROI, 92% felt they would need further support – such as follow up sessions, mentoring of informal peer support.

Overall the pilot evaluation confirmed that training format and contents are appropriate. But it highlighted the need for follow up support.

According to the results from a feedback exercise NCVO carried out on their awareness raising workshops[7] within the MSV project, some 92% of participants felt the session had increased their knowledge and understanding of social value and the benefits of measuring it. But they were less sure that they were 'more able to make an informed choice as to whether SROI is appropriate to the organisation' (71% agreed).

Our surveys and the focus groups in particular confirmed the value of the training:

"The training has been a vital step in being able to undertake an SROI."

Several people commented in our survey and focus groups they had been able to pass on the knowledge from events and training to other organisations or within their own. And many stated they wanted to find out more about SROI.

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[6] Evaluation report provided by Charities Evaluation Services covered 42 questionnaire responses and nine interviews.

[7] Feedback summary provided by NCVO

But few of those research participants that had attended the two-day training sessions felt this had enabled them to do an SROI on their own. Most implied they would need further training or direct support to do so. As the training receded into the distance, trainees' confidence they could implement SROI decreased significantly. So while the training increased motivation to adopt SROI, for most participants we spoke to it failed to equip them to tackle an assessment confidently.

At the focus groups some also suggested that training and guidance should be tailored better for different target groups such as charities or consultants.

Mentoring support was effective

Some respondents had benefited from mentoring – a form of support that was not in the original list of activities. The SROI Project introduced this element later on in response to feedback received. Feedback on the mentoring was positive throughout and the evidence suggests that this type of support – practical hands-on advice and support - is what practitioners need and want.

As one survey respondent commented:

"Mentoring was by far the most useful. We couldn't have done it without that support."

It seems clear that training needs to be followed up by mentoring if it is to be effective. This increases the cost of such training but, arguably, without this support the value of the training seems likely to be lost.

Progress towards target outcomes: SROI project

SROI Project outcomes

The outcomes of the SROI Project as in the project contract were:

a. 'Widespread awareness of SROI among all target groups, and recognition of its value;
b. Increasing adoption/ acceptance/ use of SROI as a reporting method on the part of all target groups;
c. Increasing numbers within target groups to have the ability and understanding to take forward SROI on their own behalf;
d. Target groups to be knowledgeable about where they can find information on SROI practitioners, completed projects, indicators and proxies, which meets their needs and is easily accessible;
e. SROI to have increased in accessibility, and to be on track to continue to do so'.

These outcomes were translated into target measures against which the project reported on a quarterly basis, as in Figure 11.

Figure 11 - Progress against targets (SROI Project)

Indicators	Linked outcome	Target	Actual at March 11
Numbers of additional SROI predictive/forecast reports	B	70	54
Numbers of additional SROI evaluative reports	B	100	19
Numbers of additional SROI UK members in Scotland	C	50	122
Numbers of third sector organisations aware of SROI	A	4,000	3,824
Number of funders given specific information about SROI	A	40	164
SIF Reports	B	50	40
Numbers of Local Authorities aware of SROI	A	30	32
Pilot activity with LA	B	minimum 1	3
Numbers of accountants/auditors/professional bodies aware and considering SROI	A	25	91
Auditors and Accountants - Orgs to incorporate SROI into financial audit	B	3	2
Conference attendees	A	200	Conference cancelled8
Number of organisations requesting SROI information (via website)	A	2,000	1,563
Unique visits in year 1	A	5,000	2,263
Number of unique visits in year 2 (+20%)	A	6,000	12,929
Numbers of people receiving ILM qualification in SROI	C	90	78
Number of new indicators	D	500	510

Source: SROI Project final project management report to March 2011

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[8] The conference was "replaced by a Scottish Government cross government/ public sector/ third sector event with 100 attendees" (Source: SG comments on draft report)

Mixed progress to outcome targets

The actual figures against these targets recorded in monitoring returns and the evidence from the data we gathered clearly indicates that many of the SROI project outcomes have been met, in particular awareness raising. Others, relating to increased use of SROI have not.

However, as with all developmental projects, there was no past experience basis on which to set these targets in the first place. We also need to consider that some outputs, such as the number of completed reports, are difficult to capture. The actual number of reports is likely to be higher than the recorded number. So the achievement or otherwise of targets should not be seen as a key measure of the project's success.

It is clear that:

— The project has significantly contributed to raising awareness of SROI in Scotland – reaching a critical mass of around 10% of all voluntary sector organisations in Scotland and some people in every Council.
— The project has significantly contributed to increasing the number of individuals interested in using SROI.
— The project has catalysed and supported SROI being introduced in three local authority pilots.
— The project has *not yet* led to a significant proportion of organisations recognising the value of and committed to using SROI.
— The project has *not yet* led to there being a substantial bank of completed SROI reports.

Progress towards target outcomes: MSV project

MSV Project outcomes

The tender document for the Measuring Social Value project set out the outcomes to be achieved over the three years:

a. 'Third sector organisations, purchasers, grant funders and social investors using a common, principles-based SROI methodology;
b. Third sector organisations and social investors finding this methodology more accessible and thereby increasing the usage of SROI;
c. Third sector organisations having the foundations of good strategic planning, outcomes evaluation and information collection systems in place that will reduce the cost and administrative burden of carrying out SROI;
d. Third sector organisations will have robust cost-benefit analysis of their effectiveness and impact;
e. Third sector organisations will be able to prove and articulate the social added value they provide;
f. Commissioners, purchasers, grant-funders and social investors will increasingly be making more intelligent decisions based on impact.

Some of the outputs related to these were quantified in the tender document, but we do not have monitoring progress against them. The targets included those shown in Figure 12.

Figure 12 - Targets from project tender document (MSV)

Indicator	Linked outcome	Target	Progress to June 10
Number of new SROI reports in the SROI research library	A	100	
Number of practitioners, operating in England, trained to the revised standard, using an accredited course developed by the Scottish Government	B	30	15?
Number of delegates at conference to promote SROI to a wide audience including the private sector and academic community	B	150	
Number of key people targeted by seminars/ workshops/ briefing sessions that disseminate information on SROI	A	500	2080

Source: Info provided by MSV project

Progress to outcomes unclear

We have not been able to obtain information on any other targets, nor on progress towards those we have indicated above. Therefore we cannot comment on progress.

Impacts and attribution

Levels of understanding have increased

By looking at respondents who had completed two surveys we were able to identify the rate of change in the proportion of respondents who did not understand the principles over the intervening year. As Figure 13 shows, the most significant change is in the proportion not understanding Principle 4 which has dropped from 20% to just 10%. This suggests that efforts to improve understanding of this principle have been more successful than for some of the other principles.

On other hand the proportion of this cohort not understanding some of the principles has increased slightly, including Principle 1 (involving stakeholders), Principle 3 (attaching monetary values) and Principle 6 (transparency). Our other evidence suggests the survey understates the reductions in non-understanding. As respondents came to understand the principles more, some realised they did not understand them fully.

Figure 13 - Proportion of respondents who do not understand principles in the first and third surveys
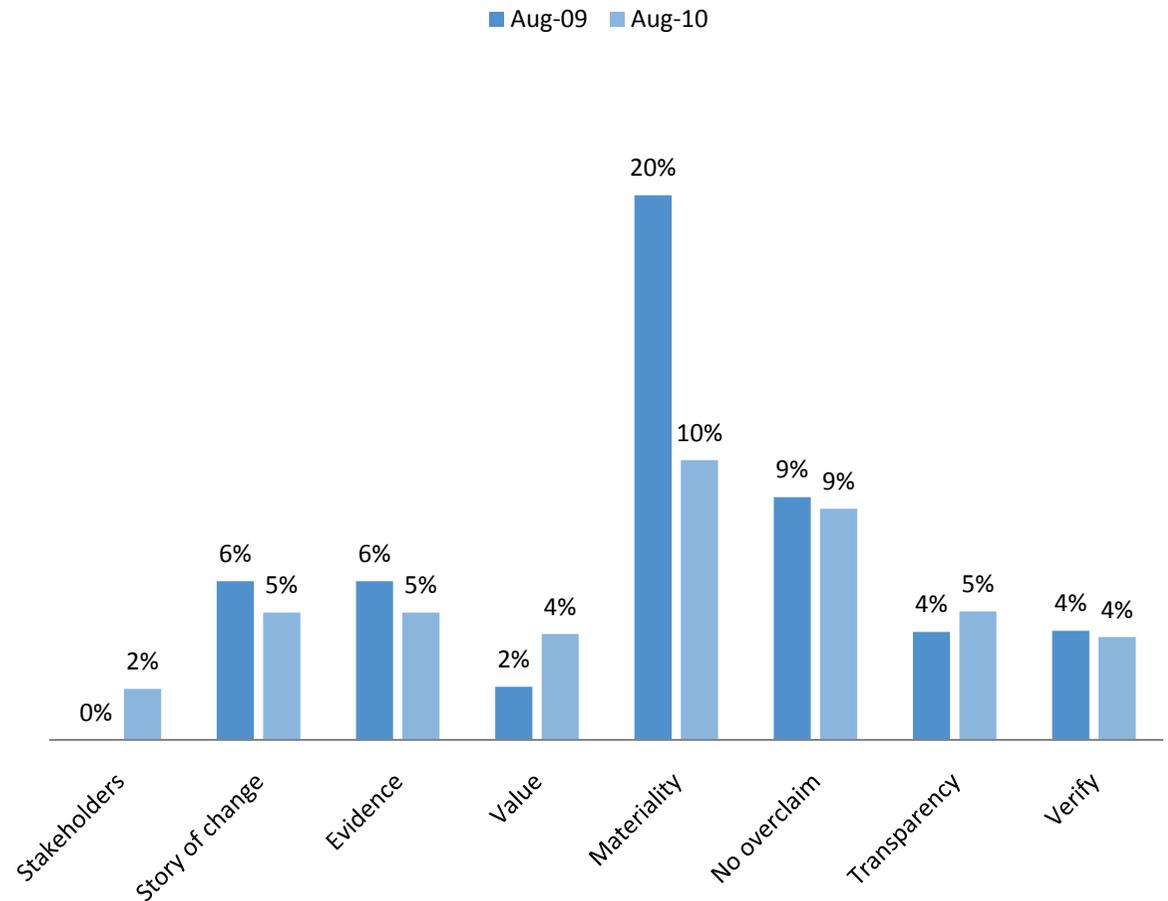
Source: Surveys 1 and 3 (n=101)

Use of the principles has increased

The theory of change outlined earlier suggested that once organisations increase their understanding of the SROI principles they will be more likely to use the approach. By looking at respondents who had completed two surveys we were able to identify the rate of change in the use of the principles over the period of approximately one year. As Figure 14 shows, the proportion of respondents using each of the SROI principles has increased. The biggest increase in usage was for Principle 3 – attaching value – which increased by 11 percentage points over the period. Other significant increases were in the use of Principle 1 (involving stakeholders) which was the most widely used principle (+8 points) and in Principle 4 (materiality) which also increased by 8 points. This increase in use for Principle 4 is interesting because this was the most widely misunderstood of the principles and this suggests some success in improving understanding.

The smallest increases in usage were for principles 2a (+ 2.5%) and 2b (+4%); although these remained the second and third most widely used of the principles. The survey data suggests that some people may have been 'stuck' at the stage of attaching values and identifying material impacts at the time of the first survey but that they had been able to progress over the subsequent year.

Again these findings were supported in the focus group discussions.

Figure 14 - Changes in the % of respondents using SROI principles between 1st and 3rd surveys
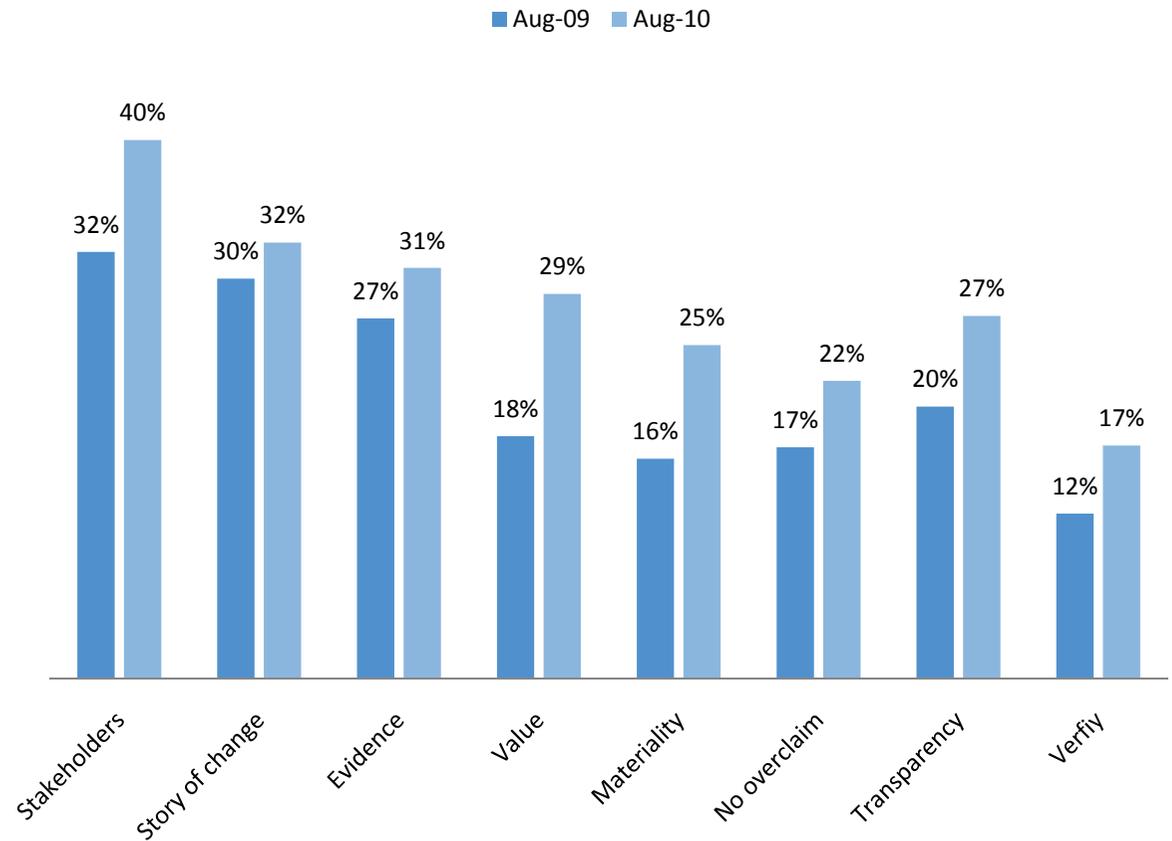
Source: Surveys 1 and 3 (n=101)

Projects' support has contributed to these changes

The support provided through the SROI and MSV programmes aimed to improve understanding (and ultimately use) of the SROI principles. Our survey found that among those who had used some form of SROI support, two thirds identified that their understanding had improved. As Figure 15 shows, this compares to only a quarter of those who had not used the support.

Conversely there was no evidence to suggest that those using support found the various stages of the process any less difficult.

Figure 15 - Improvement in understanding over past two years by support used

Legend: ■ Understanding improved ■ Understanding not improved

Used support: 66%, 26%
Did not use support: 25%, 37%
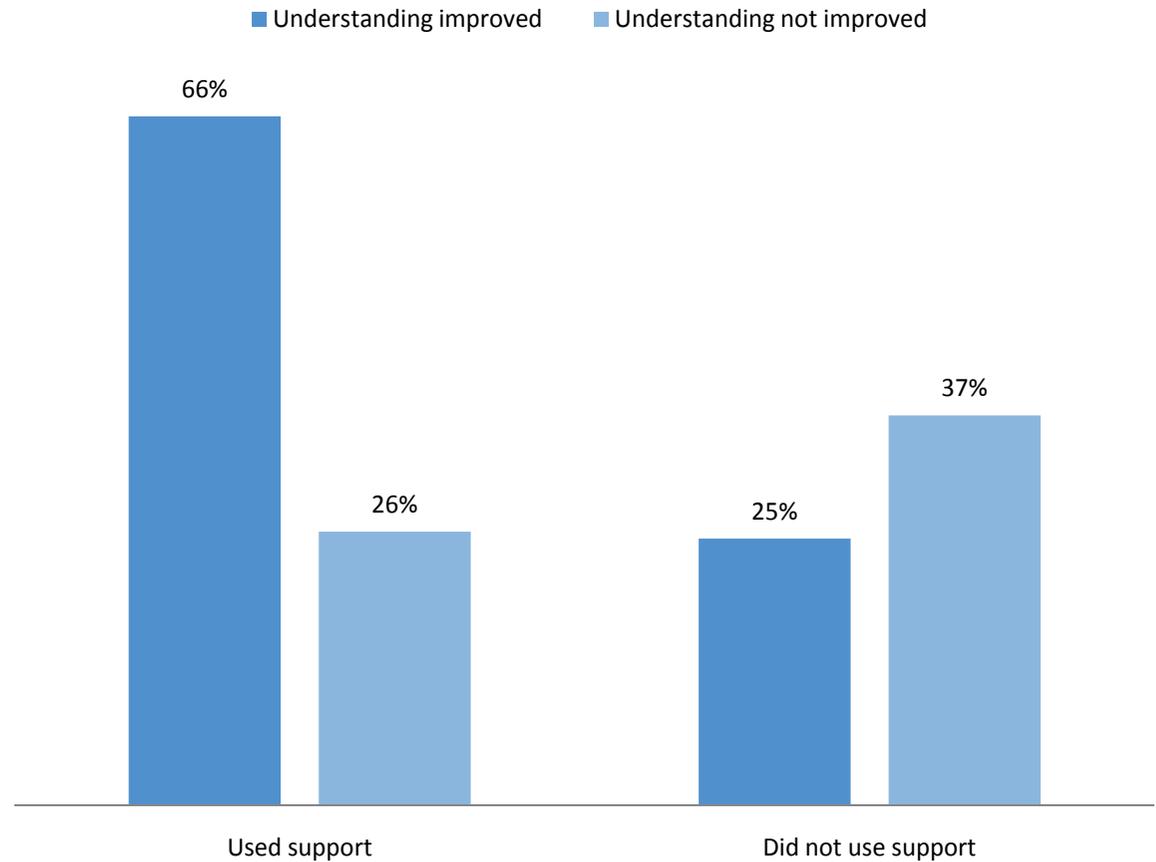
Tailored and resource intensive approaches are most effective

The projects provided a range of different resources, support and training to improve understanding of the SROI principles and help organisations to implement the approach. As Figure 16 shows, our survey suggests that the most effective approach in improving understanding is where there was a tailored presentation to staff or members of an organisation.

Almost nine out of every ten respondents who had participated in these presentations identified an improved understanding over the previous two years (88%). The databank of indicators and proxies was also strongly linked to improved understanding among respondents, with around eight out of ten people who had used this noting improved understanding (79%). Engagement seminars was the form of support showing the lowest proportion of participants with improved understanding. Only 63% of those who had attended one of these seminars had identified an improved understanding over the past two years.

Around 10% of respondents had seen no benefits from attending or accessing support from the projects. The most common explanation was that the contents were not relevant to their role. Improvements in marketing and advance information can reduce such problems but this rate of non-relevance appears reasonable to us.

Figure 16 - Proportion of respondents with improved understanding of SROI by support type
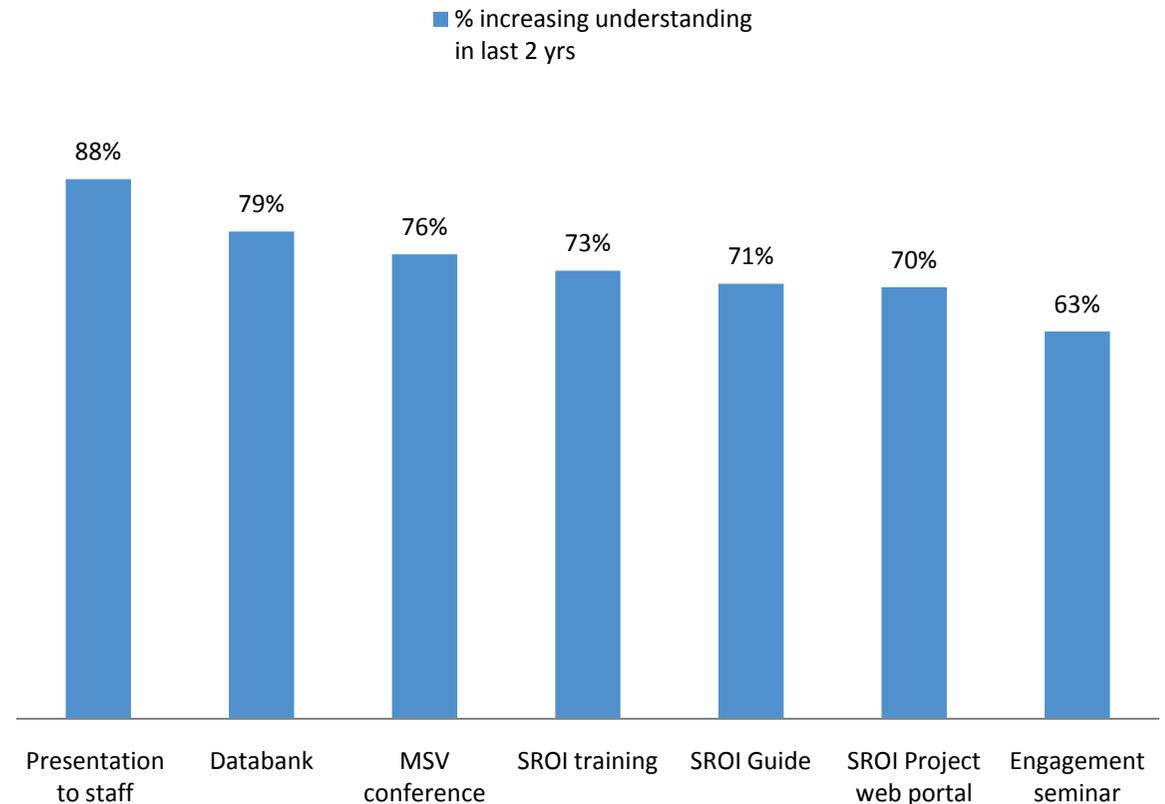
Source: Hall Aitken e-survey (n=161)

Overall it seems that bespoke sessions, practical tools and networking opportunities might be the most effective means of improving understanding, as opposed to more generic approaches. However, the most effective approaches are also those which are most resource intensive.

Scotland and England

Looking at the findings split between Scotland and England, a higher proportion of respondents from Scotland had accessed support (73% against 62%). And among those who did access support, those in Scotland were slightly more likely to have reported increased understanding over the past two years.

The survey responses do not account for key difference in scale between the projects in Scotland and England however. The SROI project was better resourced in absolute terms and proportional to population had well in excess of 10 times the resource of the MSV project. So in Scotland the direct penetration claimed by the project was around 10% of all voluntary organisations compared to under 1% in England. The survey respondents too came disproportionately from Scotland (relative to overall population, as shown in the appendix).

■ England   ■ Scotland

62%   73%   64%   66%

% Using support   % using support who improved understanding
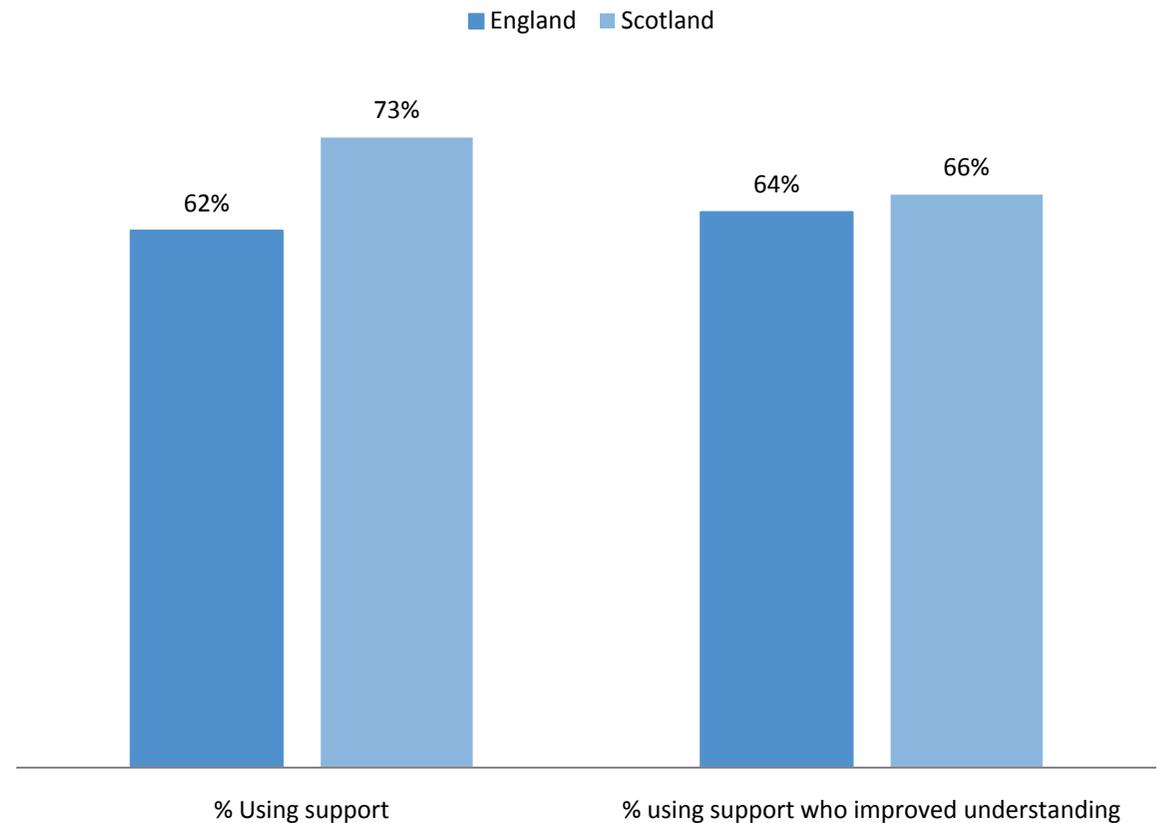
Increased understanding is recent

Most survey responses suggest that this has happened over the six months before the most recent survey (ended January 2011). And this is the case for organisations in England (36%) and Scotland (32%). This is supported by figures from nef which identify a peak of training participation and enquiries during the second quarter of 2010. For the project period, enquiries to nef for its training courses have grown as follows:

2009	Q3	66
2009	Q4	48
2010	Q1	104
2010	Q2	130
2010	Q3	100
2010	Q4	60*

*less than half way through Q4

This period coincides with the time when the efforts of the two projects might reasonably be expected to have had the most impact. So we suggest this supports the contention that the projects were largely responsible for the change.

Conclusions

Both projects delivered well received services

Almost all the feedback about project services was positive. Our survey, interviews and focus groups suggested that the guide in particular was very well received. Participant satisfaction surveys carried out by the projects following seminars and workshops were also positive.

Training was seen by most as too short but the addition of mentoring support, highlighted in our interim report is a key need, has been highly valued wherever it has been available. The proxies databank received mixed responses. Many are very positive but some moderately negative. We suspect, but cannot demonstrate, that this is largely due to different expectations by different users and the extent to which these were met or not.

The two projects have made an additional impact

It is clear from a variety of evidence that interest in SROI principles and detailed implementation has grown over the period of the project. Awareness of SROI has risen significantly and it now has a high recognition factor evident from informal discussions at conferences, from media articles and so on. The actual number of completed and published reports has also grown but apparently only modestly (but we can assume there are further, unpublished reports). It would require a very large scale study to demonstrate the contribution of the two projects to these changes robustly. However, we believe there is clear evidence that suggests the projects have made a significant contribution. There have been other interventions including government backing and wider activities by the SROI network and its partners. But it seems reasonable to attribute a high proportion of the progress to the projects – particularly in Scotland where the relative scale of the project was much larger.

Project delivery and management

This section addresses research question 7, 'How suitable are the projects' management and processes for achieving the objectives'.

Project management

Networked delivery

The MSV project was delivered in England by a consortium including:

— The SROI Network
— New Philanthropy Capital
— New Economics Foundation
— Charities Evaluation Services
— National Council of Voluntary Organisations.

It delivered the following activity[9]:

— Agreed principles and accessible methodology;
— Dissemination of guidance;
— Encouragement of use;
— Develop network of practitioners; and
— Contribute to the portal in cooperation with the SROI project.

The SROI project was delivered in Scotland by a consortium including:

— Forth Sector Development
— The SROI Network
— Haldane Associates
— New Economics Foundation
— New Philanthropy Capital
— Social Audit Network
— Association of Chief Officers of Scottish Voluntary Organisations
— Social Enterprise Academy
— Greenspace Scotland.

It delivered the following activity[10]:

— Strategic assessment;
— Engagement programme of seminars, presentations and targeted meetings;
— Website – the SROI portal;
— Indicator bank - a databank of indicators and financial proxies; and
— Training programme.

So together the two projects involved a total of 11 delivery partners and 10 linked but separate activities. The management arrangements have tended more towards a collaborative partnership than a main contractor and sub-contractor arrangements, irrespective of the legal status. In itself this approach is different to most contract delivery and would be worth investigating as a model.

In practice however the diffuse nature of the delivery networks have made evaluating the particular contribution of the management approach very difficult within the limited resources available. The projects should not be judged on their supply of data to evaluators so we have used the data available to us to make some comment on this evaluation question.

Communication worked well overall

Communication among project partners seems to have worked reasonably well according to interviewees, especially in MSV. In the SROI Project some partners felt more involved than others. But from interview comments it appears that links between the two projects could possibly have been improved. Partners of both projects met regularly to discuss progress and next steps.

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[9] Tender document for Measuring Social Value, August 2008

[10] SROI Contract 2009-11

Broad satisfaction

Since survey respondents and focus group attendees had little knowledge of project management arrangements we have relied on feedback in interviews from team members and the sponsoring departments.

It appears that there is broad satisfaction with the way the projects have been managed. We did pick up some hints of communication difficulties and also of role confusion. Few team members, if any, appeared to have a clear idea of what was happening across both projects at any one time. And there were certainly some cases where the numbers of people involved in different locations meant that work was duplicated or omitted. The most serious delay appeared to be with the proxy databank. Partly this seemed to be due to technical issues – in common with many IT projects the original timescale estimate may have been over optimistic. And partly delays in supplying data for input were responsible. There also seemed to be some differences between interviewees about how the proxies should have been developed. Certainly many initially loaded onto the database were subsequently removed after review.

However, the broad view was of satisfaction with the management approach. The two projects appeared to have worked together reasonably well and in a complementary fashion.

Methodology differences

Perhaps the most important issue to arise from our interviews and other contacts with team members and sponsoring departments was the lack of a clear consensus on:

— SROI methodology development; and
— How best to introduce it.

Among those who have had a significant involvement in the project delivery there appear to be three groups, which we have characterised as follows:

— The 'purists' who see that the SROI method is (or can be if executed properly) a robust tool that can stand up to scrutiny IF operated in full;
— The 'principlists' who see that a general move towards the SROI principles is a good thing and that applying the principles is more important than following the method in detail; and
— The 'pragmatists' who are largely concerned with moving to a greater focus on measurable outcomes and for whom SROI is just one means to achieve this.

Each of these positions can be argued, and in a wider sense can have their place. However, there was in our view some weakness in clear direction for the projects, because these positions were adopted at different times by different people and there was no clear resolution, in practice, of the focus of the project.

This has not fatally undermined the project. But we suggest it may have led to some confusion for the target audiences.

For example, it is widely recognised that there is not a sector-wide commitment to measuring progress towards outcomes in any consistent way. This applies equally to funders and commissioners. The former tend to focus on the initial purpose of their grants not the actual value delivered. The latter focus on cost and track record rather than actual value delivered.

So large-scale awareness raising events about SROI are, at the same time, promoting the wider principle of outcome focus and measurement. It appears to us that a focus on SROI by some purists at such events leads to some attendees rejecting all types of outcome measurement, at least for a time.

Overall it seems to us that the developing nature of the SROI method and the differences within the teams may not have been the best starting point for high profile promotion of the method. We suspect that this may help explain some of the resistance to the approach and the perceptions of difficulty shared by so many (see earlier sections on understanding and use).

Partners in Scotland have recognised this and the Future strategy for SROI in Scotland[11] states that it needs to 'maintain momentum through focus on deployment on principles' and 'support ongoing cultural change – e.g. outcomes not outputs', by continuing to acknowledge other models and adopting a more bespoke approach.

[11] Draft provided by FSD, February 2011

Conclusions

The strengths of the approach include:

— Many, if not most, of the existing SROI advocates in the UK have been supported through the two projects as deliverers so the project delivery has successfully "backed evangelists";
— As a result the two projects have reached a large number of people through informal networking as well as through formal services; and
— The sustainability of the projects' effort may be expected to be significantly higher because their delivery was through supporting and growing an existing network rather than funding a time limited consultancy project.

Weaknesses include:

— Because of the large numbers of people involved the SROI methodology has not evolved or clarified as fast as it may have done with a more focussed organisational structure; and
— Progress with delivering final SROI reports has been slow. But this contrasts with raising awareness and understanding which appears to have been higher than might have been expected.

Taken together we cannot draw a definitive conclusion but we suspect that the long-term sustainability of the project will be higher than would have been the case in an alternative delivery model and that this is longer term benefit outweighs any short term losses.

Reviewing the theory of change

This section draws on the evidence from the previous sections to explore the extent to which the theory of change underlying the two projects has been shown to be the case. It then goes on to suggest consequences for the future.

The theory of change

We set out the overall theory of change at the start of this report, summarised most simply as in Figure 17.

In broad terms the projects' activities have been to develop the SROI method and then promote it widely. Guidance, training and workshops to raise understanding have followed. Support for use has been provided through the guide, proxy database and some mentoring support.

Although this theory of change appears inarguable, there could have been other approaches, for example:

— A focus on developing full SROI assessments with a (relatively) small number of projects and growing interest gradually based on demonstration of success and value; and
— A focus on introducing SROI through funders rather than more widely.

In considering the project success it is therefore important to review not only how well the project has achieved its goals but also the extent to which the theory of change has proved to be an appropriate foundation for the projects' design.

Increased awareness is key achievement

Evidence shows that MSV and the SROI Project have made significant progress in raising awareness of SROI and also of social value measurement in general. They have created momentum that future activity can build on. As one interviewee put it:

'The projects have put social outcomes measurement onto the stage'.

Figure 17 - Simplified theory of change
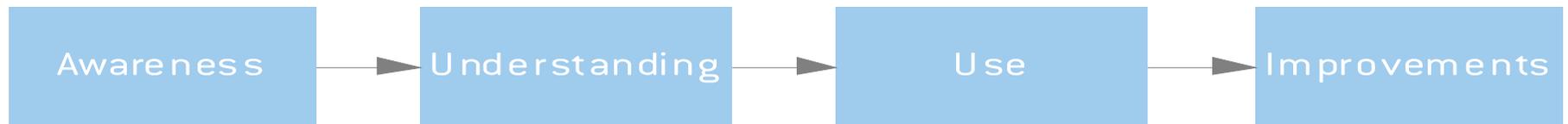
In summary we found:

— Project activity has increased awareness;
— In many cases awareness led to increased understanding; and
— Those who have used the principles claim valuable benefits – including learning - from doing so.

But:

— Often people just *think* they understand principles but they don't really understand the true meaning;
— Many don't really understand the principles until they have been trained or try SROI – particularly when working through stages 3 and 4 of the process;
— Understanding often hasn't led to using the SROI principles; and

Use of the SROI method in full is still limited.It may be that sufficient momentum has been established and the wider network has been raised to a level where it will sustain the effort required to support this momentum.

Greater understanding leads some to reject SROI

However there is evidence that greater understanding has led many to explicitly reject SROI as a way forward. It is notable that in our survey the greatest number of text responses (168 compared with 71 for the next most popular comment) suggested that SROI was too time consuming and expensive to use.

While the key reason for resistance has been the amount of work involved, there are other reasons:

— Perceived or real lack of recognition among funders;
— Perceived lack of robustness of the methodology;
— A resistance to monetization of social outcomes in principle;
— Lack of support across organisations to back individual advocates; and
— Uncertainty around government backing.

We conclude there is sufficient evidence to suggest there is a significant barrier to moving from understanding to use and that this has not been fully addressed within the two projects so far.

Recognising and responding to difficulty

In order to explore this further we have drawn together eight potential explanations or hypotheses, drawing on the views of our research respondents. These are summarised in Figure 18.

Figure 18 - Potential explanations for low progress from understanding to use

Hypothesis	Evidence
SROI doesn't work and is too flawed	No - some argue this but where it has been used feedback is positive.
SROI is very difficult to do	Yes - there is a lot of evidence to confirm this.
SROI works but is poorly explained – at least until people have been trained	No – feedback on the guide and other support, as well as training has been very positive.
Aspiring practitioners are poorly trained	No – feedback on the quality of training has been positive.
Training and support are not enough (quantity)	Yes – many people wanted additional training and ongoing support through mentoring, networking etc.
People are not aware of all support that is available	No – we have limited specific evidence on this but our view is that this is not true
The quality of support is poor.	No - feedback suggests the opposite.
There is no point in doing it as funders don't want it.	Partially - few funders want SROI in full, but many want SROI principles and may not know this.

In summary, we suggest that SROI as set out in the guide is difficult and challenging to do in practice. A short two day training course is not enough for SROI for anyone who is not already familiar with most of the techniques to then undertake SROI without further support.

This is in line with DEMOS' 2010 report on measuring social value[12] which warned that SROI as a package was a long way from the capacity of the majority of third sector organisations they had reviewed. The report highlighted organisations had to have mastered sound outcomes evaluation before they can consider SROI and that "the ambitious SROI agenda risks organisations attempting to run before they can walk".

A clear demand for social outcomes approach and SROI principles

The context against which the MSV and SROI projects were developed has changed somewhat, but in a direction that should encourage greater interest. Government in England and Scotland is looking for greater demonstration of value and greater value for money in public funded activities. Major funders are focusing more on outcomes each year. And new forms of loan and equity funding for the social sector also look for increased evidence of social and economic return on their investment.

On the supply side too there is a clear and substantial increase in interest in demonstrating value among service deliverers and managers.

Conclusions

Taking the evidence we have developed in total, along with that of others and an appreciation of the general context for the third sector we draw the following conclusions:

— The projects have successfully raised awareness and understanding of SROI principles to a degree proportionate to their different funding and target population levels.
— There is greater use of SROI in full as a result of the projects but this is significantly less than intended as yet.
— For those that have used it learning has been a key benefit.
— There is good evidence to suggest that use of SROI principles is growing as a result of the projects.
— There is a general perception that a 'full' SROI is time and resource intensive, and limited understanding of the potential for proportional use.
— Raising awareness of SROI in full, rather than of the general principles, as a starting point, may be creating barriers to spreading application of principles and the full method.

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[12] DEMOS *Measuring social value – the gap between policy and practice*, 2010

Appendix 1 – Theory of change detailed version
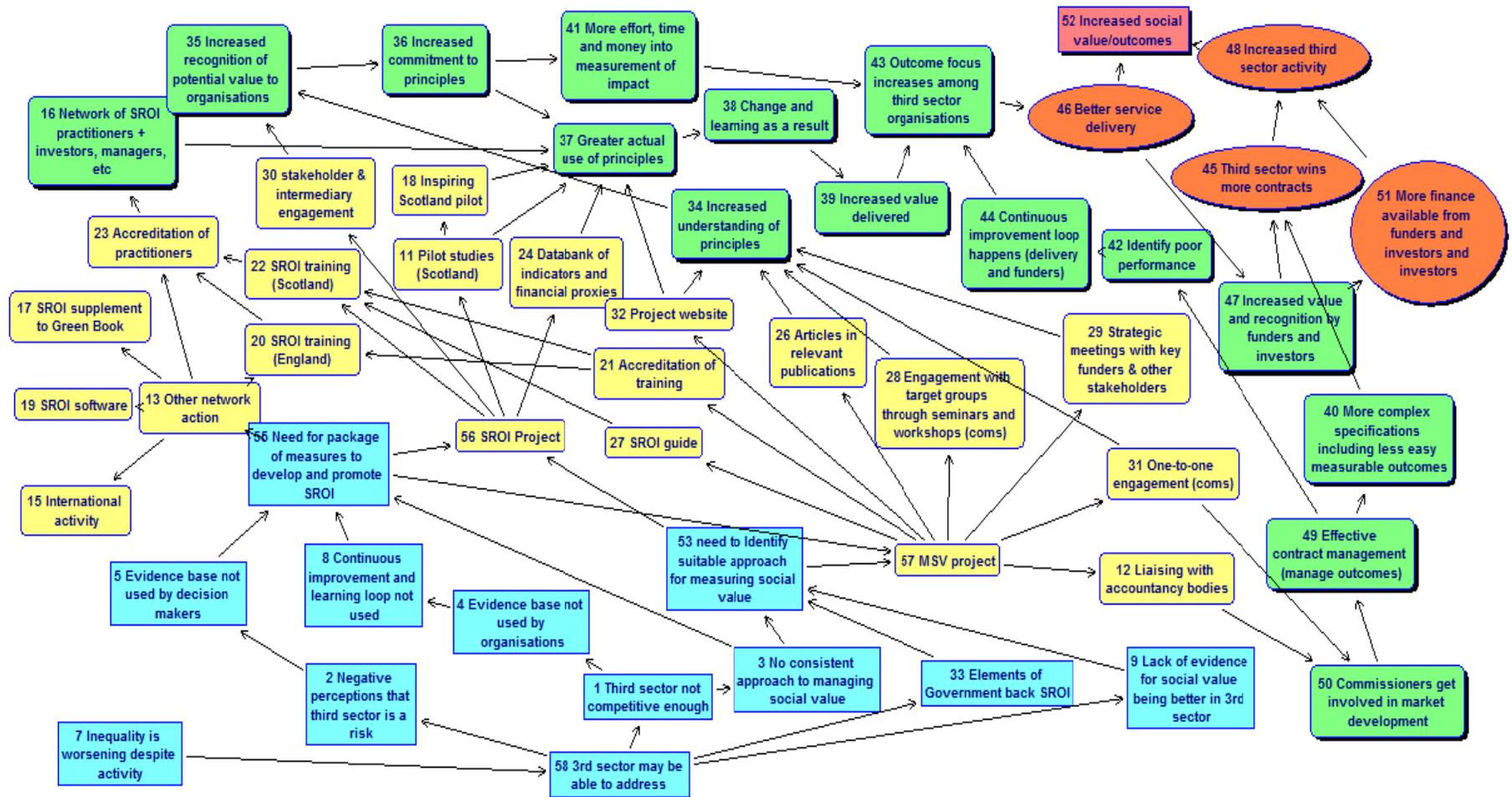
Appendix 2 – Profile of e-survey respondents

This appendix describes who responded to the survey in the final round which attracted 459 responses.

Scottish bias in geographic spread remains

Respondents selected the area(s) their organisations covers. As at the interim stage, there is a Scottish bias with 30% covering England, 57% covering Scotland and 12% operating UK-wide. 6% of responses to this question came from outside the UK.

Two thirds represent service deliverers and organisations supporting them

Almost three quarters (74%) of responses represented the third sector, 18% came from the public sector and 8% from the private sector – mainly consultancies. Figure 19 shows what survey respondents consider their main role.

Figure 19 - Main role of respondents

- Service deliverer
- Infrastructure development
- Consultant/Researcher
- Funder/Commissioner
- Policy/strategy/advisory role
- Other
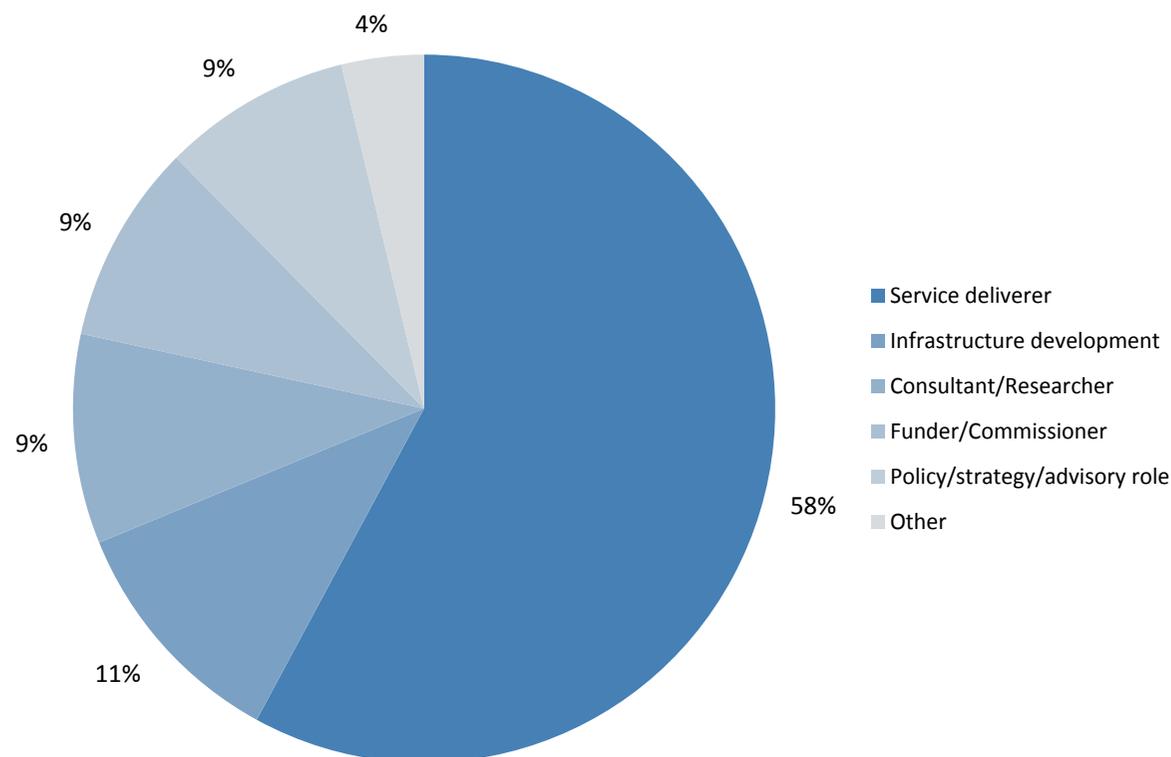
Source: Hall Aitken e-survey n=451

58% are service deliverers, so together with the 11% who are infrastructure organisations supporting the third sector, more than two thirds of responses represented the SROI supply side. On the demand side we have funders and commissioners (9%), plus a share of the 9% that have a policy/strategy/advisory role.

Majority are small organisations

Figure 20 and Figure 21 show the organisation size for third sector respondents[13] by turnover and number of employees. More than half represented very small organisations with a turnover of less than £1m (57%) and two thirds had under 50 employees (69%). Over two thirds (71%) have or expected to bid for public sector contracts or grants.

Figure 20 - Size of third sector organisations responding to survey (by turnover)

66.2%	less than £1m
21.5%	more than £1m to £5m
2.5%	more than £5m to £10m
5.6%	more than £10m to £25m
2.5%	more than £25m to £50m
0.7%	more than £50m to £100m
1.1%	over £100m
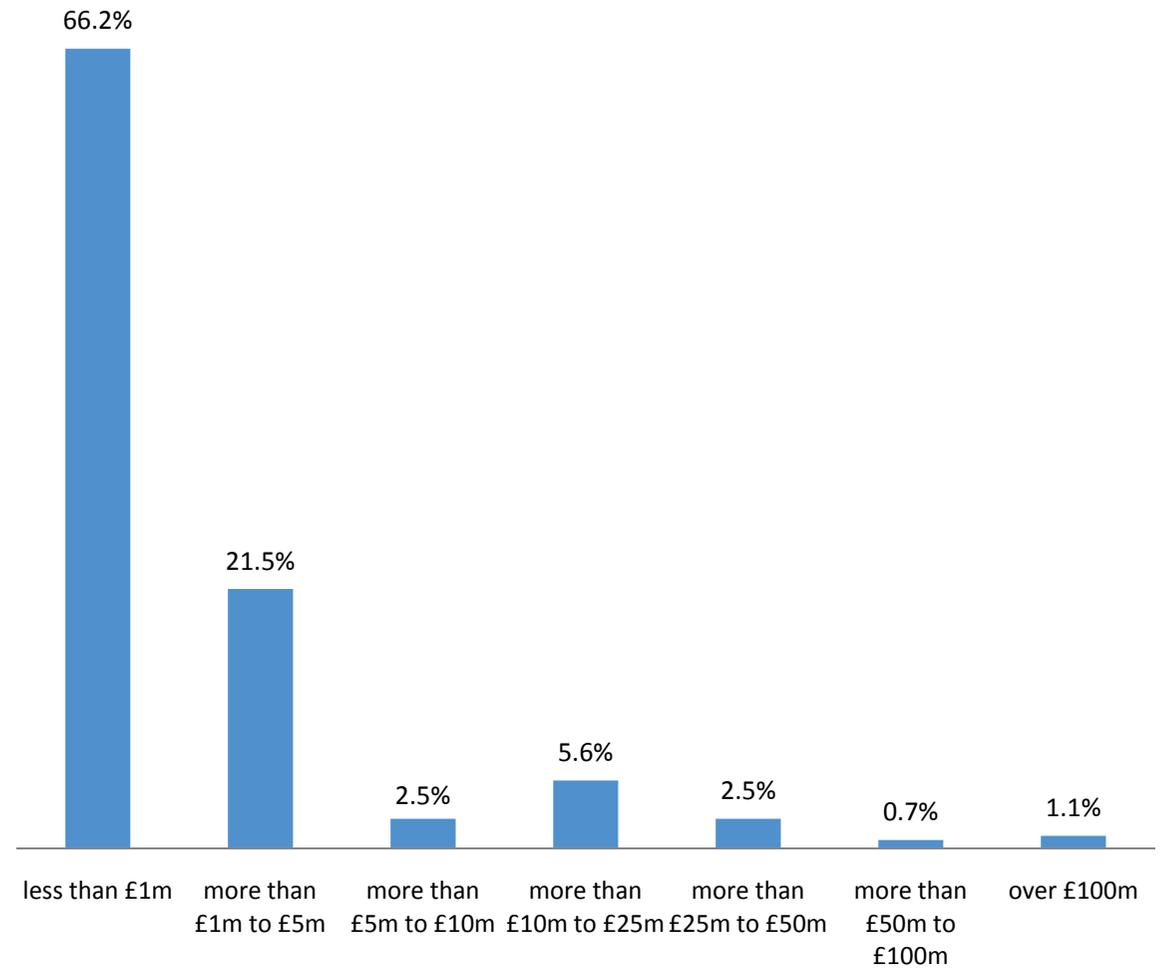
Source: Hall Aitken e-survey n=441

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[13] Excluding third sector intermediate or umbrella organisations

Most cover health and social care

As at the interim stage, just under three-quarters of third sector respondents (73%) said their organisations worked in health, wellbeing and social care, more than half (52%) covered employment and enterprise. And around one quarter each said they worked in housing, arts, or sports and leisure.

Figure 21 - Size of third sector organisations responding to e-survey (by no of employees)
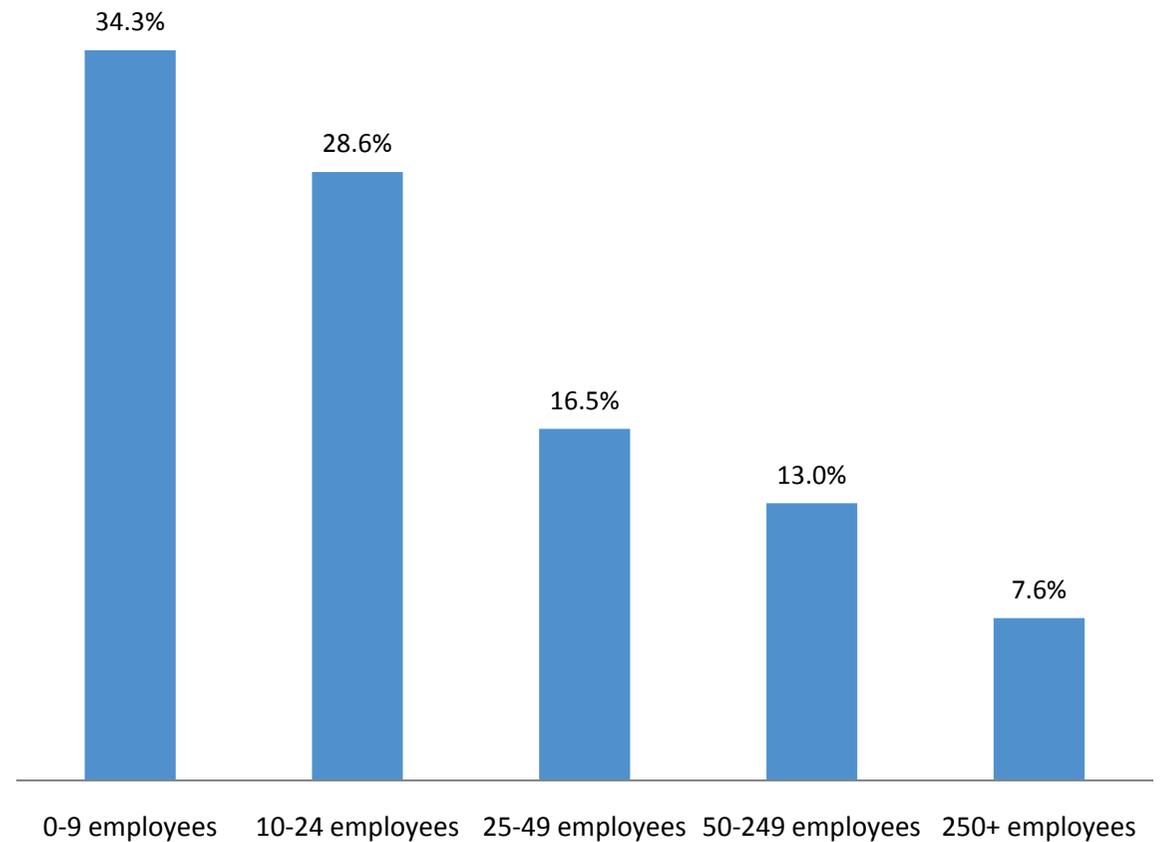
Source: Hall Aitken e-survey n=441

Appendix 3 – Summary of interim findings

In March 2010 we reported on the interim findings of the research. The key points were, in summary:

— Levels of understanding varied across principles, with Principle 4 – materiality – being the least understood;
— People interpreted principles differently and many may not understand true meaning;
— There was a strong implication that projects were making a difference;
— But many people thought it was too early to say if SROI was benefitting their organisation;
— The biggest barrier to using SROI was *the perception* that it is resource intensive and difficult to do.

In the interim report we recommended:

— Reworking principles and language to increase understanding and reduce confusion with process stages;
— Focussing attention on making the case for outcome measurement in general and educating people to expect a reasonable level of cost and effort;
— Promoting ratio ranges rather than one headline figure to increase credibility of the method; and
— Driving the production and communication of good case studies as convincing examples.

Appendix 4 – List of stakeholders consulted

The following stakeholders were involved in the stakeholder consultation. Some were interviewed more than once over the evaluation period.

— Sally Cupitt, CES
— Ceri Doyle, BIG
— Sheila Durie, SROI Network and Haldane Associates
— Lee Ferguson, Manager of Public Sector Contracts, Scottish Government
— Lucy Heady, New Philanthropy Capital
— Tracey Houston, Third Sector Division, Scottish Government
— Helen Kersley, New Economics Foundation
— Tris Lumley, New Philanthropy Capital
— Neal Mackay, Forth Sector Development
— Claire Michelet, Office for Civil Society, UK Government
— Jeremy Nicholls, SROI Network
— Geoff Pope, Third Sector Division, Scottish Government
— Tamsyn Roberts, Office for Civil Society, UK Government
— Angela Williamson, Forth Sector Development

We also undertook less formal interviews with at least ten more contacts at various conferences, including a soft outcomes event organised by CVS Fife. Interviewees chose to remain anonymous.

Appendix 5 – Other method information

e-survey

The e-survey gathered information on awareness, attitudes and use of SROI from both supply and demand side. We distributed it directly to 730 contacts on our database and also through the projects' databases and various publications and websites[14], including the nef SROI bulletin, NCVO and SCVO publications and the SROI Network website.

The survey had three rounds to allow us to track change over time:

Round 1 – January 2010: 304 responses

Round 2 – August 2010: 224 responses

Round 3 – January 2011: 459 responses

During the first phase we organised a prize draw to encourage responses.

Focus groups

Through two rounds of focus group discussions – March/May 2010 and December 2010 - we explored views on and experiences of 34 participants more in-depth. They represented charities and social enterprises, local authorities, consultancies, third sector intermediaries and funders. We recruited suitable participants mainly through the e-survey and held sessions in London, Liverpool, Edinburgh and Glasgow. The adverse weather conditions during the second round led to cancellation of two of the sessions at short notice and low attendance at those that took place. To get additional responses we also undertook 12 phone interviews to capture the views of some non-attendees.

[14] Including the nef SROI bulletin, NCVO and SCVO publications and the SROI Network website

Technical Appendix

Survey Rounds	Frequency	Percent	Valid Percent	Cumulative Percent
1st Round	304	30.8	30.8	30.8
2nd Round	224	22.7	22.7	53.5
3rd Round	459	46.5	46.5	100.0
Total	987	100.0	100.0	

Respondent Type	Frequency	Percent	Valid Percent	Cumulative Percent
Single survey	596	60.4	60.4	60.4
Multi survey	391	39.6	39.6	100.0
Total	987	100.0	100.0	

Q2 Which area(s) does your organisation cover? (please select all that apply)

Areas[a]	Responses		Percent of Cases
	N	Percent	
England	355	33.2%	37.2%
Scotland	454	42.4%	47.5%
Wales	32	3.0%	3.4%
Northern Ireland	10	.9%	1.0%
UK-wide	139	13.0%	14.6%
Outside UK	80	7.5%	8.4%
Total	1070	100.0%	112.0%
a. Dichotomy group tabulated at value 1.			

Q3 Please tick which category applies to your organisation (please select main category):

Category	Frequency	Percent	Valid Percent	Cumulative Percent
Community sector	57	5.8	5.8	8.7
Private sector	77	7.8	7.8	16.5
Public sector	206	20.9	20.9	37.4
Social enterprise	156	15.8	15.8	53.2
Third sector intermediary or umbrella organisation	177	17.9	17.9	71.1
Voluntary sector	285	28.9	28.9	100.0
No response	29	2.9	2.9	2.9
Total	987	100.0	100.0	

Q4 What is your main role?

Roles	Frequency	Percent	Valid Percent	Cumulative Percent
Commissioner	48	4.9	4.9	7.5
Consultant/Researcher	65	6.6	6.6	14.1
Funder	51	5.2	5.2	19.3
Infrastructure development	68	6.9	6.9	26.1
Investor	1	.1	.1	26.2
Other	129	13.1	13.1	39.3
Policy/strategy/advisory role	46	4.7	4.7	44.0
Service deliverer	553	56.0	56.0	100.0
No response	26	2.6	2.6	2.6
Total	987	100.0	100.0	

Q5 Which sector(s) does your organisation cover? (please select all that apply)

Sectorsª	Responses		Percent of Cases
	N	Percent	
Health, Wellbeing and Social Care	599	33.1%	75.8%
Employment and Enterprise	461	25.5%	58.4%
Housing	245	13.5%	31.0%
Arts	256	14.1%	32.4%
Sports and Leisure	249	13.8%	31.5%
Total	1810	100.0%	229.1%
a. Dichotomy group tabulated at value 1.			

Q6 Have you or do you expect to bid for public sector service contracts or grants?

Bidding	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	652	66.1	69.1	69.1
No	150	15.2	15.9	85.0
Not applicable	141	14.3	15.0	100.0
Total	943	95.5	100.0	
No response	44	4.5		
Total	987	100.0		

Q7 Turnover:
(Funders, investors and commissioners - please give the average amount you invest or purchase per year)

Turnover	Frequency	Percent	Valid Percent	Cumulative Percent
less than £1m	463	46.9	57.9	57.9
more than £1m to £5m	145	14.7	18.1	76.1
more than £5m to £10m	37	3.7	4.6	80.7
more than £10m to £25m	50	5.1	6.3	87.0
more than £25m to £50m	21	2.1	2.6	89.6
more than £50m to £100m	20	2.0	2.5	92.1
more than £100m	63	6.4	7.9	100.0
Total	799	81.0	100.0	
No response	188	19.0		
Total	987	100.0		

Q8 Organisation size, number of employees:

Size	Frequency	Percent	Valid Percent	Cumulative Percent
0-9	319	32.3	34.8	34.8
10-24	192	19.5	20.9	55.7
25-49	108	10.9	11.8	67.5
50-249	111	11.2	12.1	79.6
250+	187	18.9	20.4	100.0
Total	917	92.9	100.0	
No response	70	7.1		
Total	987	100.0		

Q9. Please choose the statement from the drop down menu that best describes your awareness/use for each of the principles below. This will help us to understand if and how people use the principles that make up the SROI approach. If you can, give us the view that represents your organisation, otherwise your individual view.

Principle1	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	9	.9	1.1	1.1
I have a reasonable understanding of this principle	153	15.5	18.5	19.6
I have a good understanding of this principle	271	27.5	32.8	52.4
I have a longer-term commitment to using it (but not within the next six months)	37	3.7	4.5	56.8
I intend to use it in the next six months	95	9.6	11.5	68.3
I have used this but don't think the organisation has benefitted yet	39	4.0	4.7	73.0
I am using this principle and have evidence of the value its use has brought to my organisation	223	22.6	27.0	100.0
Total	827	83.8	100.0	
No response	160	16.2		
Total	987	100.0		

Principle2a	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	58	5.9	7.0	7.0
I have a reasonable understanding of this principle	231	23.4	27.9	34.9
I have a good understanding of this principle	217	22.0	26.2	61.2
I have a longer-term commitment to using it (but not within the next six months)	27	2.7	3.3	64.4
I intend to use it in the next six months	69	7.0	8.3	72.8
I have used this but don't think the organisation has benefitted yet	48	4.9	5.8	78.6
I am using this principle and have evidence of the value its use has brought to my organisation	177	17.9	21.4	100.0
Total	827	83.8	100.0	
No response	160	16.2		
Total	987	100.0		

Principle2b	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	25	2.5	3.1	3.1
I have a reasonable understanding of this principle	204	20.7	24.9	28.0
I have a good understanding of this principle	220	22.3	26.9	54.9
I have a longer-term commitment to using it (but not within the next six months)	39	4.0	4.8	59.7
I intend to use it in the next six months	84	8.5	10.3	69.9
I have used this but don't think the organisation has benefitted yet	51	5.2	6.2	76.2
I am using this principle and have evidence of the value its use has brought to my organisation	195	19.8	23.8	100.0
Total	818	82.9	100.0	
No response	169	17.1		
Total	987	100.0		

Principle3	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	67	6.8	8.2	8.2
I have a reasonable understanding of this principle	240	24.3	29.3	37.4
I have a good understanding of this principle	228	23.1	27.8	65.2
I have a longer-term commitment to using it (but not within the next six months)	58	5.9	7.1	72.3
I intend to use it in the next six months	81	8.2	9.9	82.2
I have used this but don't think the organisation has benefitted yet	56	5.7	6.8	89.0
I am using this principle and have evidence of the value its use has brought to my organisation	90	9.1	11.0	100.0
Total	820	83.1	100.0	
No response	167	16.9		
Total	987	100.0		

Principle4	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	177	17.9	21.7	21.7
I have a reasonable understanding of this principle	235	23.8	28.9	50.6
I have a good understanding of this principle	209	21.2	25.7	76.3
I have a longer-term commitment to using it (but not within the next six months)	25	2.5	3.1	79.4
I intend to use it in the next six months	46	4.7	5.7	85.0
I have used this but don't think the organisation has benefitted yet	30	3.0	3.7	88.7
I am using this principle and have evidence of the value its use has brought to my organisation	92	9.3	11.3	100.0
Total	814	82.5	100.0	
No response	173	17.5		
Total	987	100.0		

Principle5	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	77	7.8	9.4	9.4
I have a reasonable understanding of this principle	253	25.6	31.0	40.5
I have a good understanding of this principle	271	27.5	33.3	73.7
I have a longer-term commitment to using it (but not within the next six months)	34	3.4	4.2	77.9
I intend to use it in the next six months	51	5.2	6.3	84.2
I have used this but don't think the organisation has benefitted yet	34	3.4	4.2	88.3
I am using this principle and have evidence of the value its use has brought to my organisation	95	9.6	11.7	100.0
Total	815	82.6	100.0	
No response	172	17.4		
Total	987	100.0		

Principle6	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	51	5.2	6.2	6.2
I have a reasonable understanding of this principle	263	26.6	32.2	38.4
I have a good understanding of this principle	249	25.2	30.5	68.9
I have a longer-term commitment to using it (but not within the next six months)	30	3.0	3.7	72.6
I intend to use it in the next six months	64	6.5	7.8	80.4
I have used this but don't think the organisation has benefitted yet	44	4.5	5.4	85.8
I am using this principle and have evidence of the value its use has brought to my organisation	116	11.8	14.2	100.0
Total	817	82.8	100.0	
No response	170	17.2		
Total	987	100.0		

Principle7	Frequency	Percent	Valid Percent	Cumulative Percent
I don't understand this principle	65	6.6	8.0	8.0
I have a reasonable understanding of this principle	229	23.2	28.2	36.2
I have a good understanding of this principle	265	26.8	32.6	68.8
I have a longer-term commitment to using it (but not within the next six months)	67	6.8	8.3	77.1
I intend to use it in the next six months	74	7.5	9.1	86.2
I have used this but don't think the organisation has benefitted yet	27	2.7	3.3	89.5
I am using this principle and have evidence of the value its use has brought to my organisation	85	8.6	10.5	100.0
Total	812	82.3	100.0	
No response	175	17.7		
Total	987	100.0		

Q10 Has your or your organisation's understanding or use of SROI changed significantly.....

...in the last 2 years	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	182	18.4	53.7	53.7
No	100	10.1	29.5	83.2
Don't know	57	5.8	16.8	100.0
Total	339	34.3	100.0	
No response	648	65.7		
Total	987	100.0		

...in the last 12 months	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	218	22.1	46.7	46.7
No	179	18.1	38.3	85.0
Don't know	70	7.1	15.0	100.0
Total	467	47.3	100.0	
No response	520	52.7		
Total	987	100.0		

…in the last 6 months	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	314	31.8	42.3	42.3
No	321	32.5	43.2	85.5
Don't know	108	10.9	14.5	100.0
Total	743	75.3	100.0	
No response	244	24.7		
Total	987	100.0		

Stage 2	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	10	1.0	3.7	3.7
Easy	131	13.3	48.7	52.4
Difficult	68	6.9	25.3	77.7
Very difficult	9	.9	3.3	81.0
Not sure	51	5.2	19.0	100.0
Total	269	27.3	100.0	
No response	718	72.7		
Total	987	100.0		

Q11 If you have used SROI, please tell us how easy or difficult you found each of the stages of the process.

Stage 1	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	37	3.7	13.7	13.7
Easy	152	15.4	56.3	70.0
Difficult	38	3.9	14.1	84.1
Very difficult	5	.5	1.9	85.9
Not sure	38	3.9	14.1	100.0
Total	270	27.4	100.0	
No response	717	72.6		
Total	987	100.0		

Stage 3	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	6	.6	2.2	2.2
Easy	34	3.4	12.7	14.9
Difficult	134	13.6	50.0	64.9
Very difficult	39	4.0	14.6	79.5
Not sure	55	5.6	20.5	100.0
Total	268	27.2	100.0	
No response	719	72.8		
Total	987	100.0		

Stage 4	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	5	.5	1.9	1.9
Easy	53	5.4	20.0	21.9
Difficult	109	11.0	41.1	63.0
Very difficult	31	3.1	11.7	74.7
Not sure	67	6.8	25.3	100.0
Total	265	26.8	100.0	
No response	722	73.2		
Total	987	100.0		

Stage 6	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	6	.6	2.3	2.3
Easy	52	5.3	19.9	22.2
Difficult	89	9.0	34.1	56.3
Very difficult	31	3.1	11.9	68.2
Not sure	83	8.4	31.8	100.0
Total	261	26.4	100.0	
No response	726	73.6		
Total	987	100.0		

Q12 A range of support is available to provide information and guidance on SROI. Please tell us if you have been involved in or used any of the following:

Stage 5	Frequency	Percent	Valid Percent	Cumulative Percent
Very easy	4	.4	1.5	1.5
Easy	59	6.0	22.3	23.9
Difficult	98	9.9	37.1	61.0
Very difficult	36	3.6	13.6	74.6
Not sure	67	6.8	25.4	100.0
Total	264	26.7	100.0	
No response	723	73.3		
Total	987	100.0		

SROI Guide	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	443	44.9	59.5	59.5
No	301	30.5	40.5	100.0
Total	744	75.4	100.0	
No response	243	24.6		
Total	987	100.0		

SROI Web Portal	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	289	29.3	40.2	40.2
No	430	43.6	59.8	100.0
Total	719	72.8	100.0	
No response	268	27.2		
Total	987	100.0		

Half-day Seminar	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	165	16.7	23.5	23.5
No	538	54.5	76.5	100.0
Total	703	71.2	100.0	
No response	284	28.8		
Total	987	100.0		

Databank	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	115	11.7	16.5	16.5
No	584	59.2	83.5	100.0
Total	699	70.8	100.0	
No response	288	29.2		
Total	987	100.0		

Presentation	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	168	17.0	24.0	24.0
No	532	53.9	76.0	100.0
Total	700	70.9	100.0	
No response	287	29.1		
Total	987	100.0		

Conference	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	132	13.4	18.6	18.6
No	577	58.5	81.4	100.0
Total	709	71.8	100.0	
No response	278	28.2		
Total	987	100.0		

SROI Training	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	239	24.2	34.8	34.8
No	447	45.3	65.2	100.0
Total	686	69.5	100.0	
No response	301	30.5		
Total	987	100.0		

SROI Network:
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Final Report

The SROI Network

SROIproject