

MONITORING, EVALUATION, AND IMPACT MEASUREMENT
IN THE SOCIAL INVESTMENT AGENDA



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**ZIGLA CONSULTORES SPECIALIZE IN
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ZIGLA has more than 10 years of experience in product and service development for International Cooperation Organizations, Companies, Governments, Foundations and Social Organizations.

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01. M&E IN THE SOCIAL INVESTMENT AGENDA

In recent years, Latin America has taken clear steps towards building a Social Investment agenda. This agenda was prompted by foundations and social organizations, and consequently vitalized by the international cooperation and companies. This institutional participation, which aims to deal with social problems, is redefining the scope of traditional philanthropy by molding a tailored approach for this day and age.

Strategy, innovation, impact and sustainability are some of the key concepts of this agenda. Quite simply, it is a more active and sustained role for those who have good intentions and who take on the commitment to mobilize resources to address social problems.

The agenda is under construction. As always, the innovators distinguish themselves while the others go along for the ride. There are common and uneven patterns, vanguards and rearguards, and a mixed scenario with different levels of risk for those who make decisions. Furthermore, there is an even greater gap between the forcefulness of the discursive agreements (that flow in papers, seminars and conventions) and the outcomes of their implementation, which often move at a trickling pace.

In the last decade, traditional issues like poverty, education and health have taken a back seat on the regional philanthropy agenda. In their place, new concerns like democratic governability, the environment and economic development have risen to the forefront. (ZIGLA and AVINA 2010). That being said, the most interesting aspect of this emerging regional agenda has less to do with the “what”, and more to do with the “how”. In other words, it includes a deeper systemic approach that incorporates new tools and planning stages that attack the *causes* of social problems rather than the consequences.

With this in mind, people seem to agree that it is not enough to simply have good intentions, but rather that it is essential to develop projects that are capable of generating significant, measurable and replicable changes. It is this conclusion that drives the importance of program monitoring, evaluation and impact measurement on the social investment agenda.

What place does Monitoring and Evaluation (M&E) hold in the Latin American social investment agenda? What are the main trends? When and why is it worth it to measure impact? And for those that do not measure impact, what are the common arguments? And why these arguments represent an invaluable opportunity for us all? These are just some of the questions this article addresses.

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02. REGIONAL TRENDS IN M&E

Between September and October 2010, we at **ZIGLA Consultores** performed a study in Latin America on *Monitoring, Evaluation and Impact Measurement in Social Programs*. The study was created based on a survey conducted among 161 social sector experts and leaders from 21 countries in the region; its purpose was to identify and map needs and trends in the region on the issue of social impact evaluation and measurement.

With the purpose of identifying when evaluation strategies are defined and implemented, we consulted different aspects of impact monitoring, evaluation and measurement in social programs. These are the following **general trends** that we identified in our research:

- Despite the fact that 97% of respondents agree that it is quite / very important to incorporate previous results information in the design and planning of a program, more than one third of respondents do not define evaluation strategies in the design phase.
- Similarly, more than half of the respondents do not have impact measurement methodologies; only 18% have been able to monetize financial impact and 14% do not conduct any type of evaluation stage whatsoever.
- Although 81% of respondents have a final evaluation stage, only 40% of the respondents indicate low or no satisfaction with the implemented evaluation methodologies.
- Most organizations that carry out evaluations that measure and monetize the financial impact of their programs recognize that the experience was very useful in making decisions.
- More than 90% of respondents recognize that they are interested in including impact measurement tools in their program strategies.

“It is widely accepted that a project’s evaluability conditions are best determined in the moment in which a project strategy is defined.”

It is also worth mentioning two additional aspects of the identified outcomes and trends. The first one deals with “when”; in other words, when is the best time to define an M&E methodology. It is widely accepted that a project’s evaluability conditions are best determined in the moment in which a project strategy is defined.

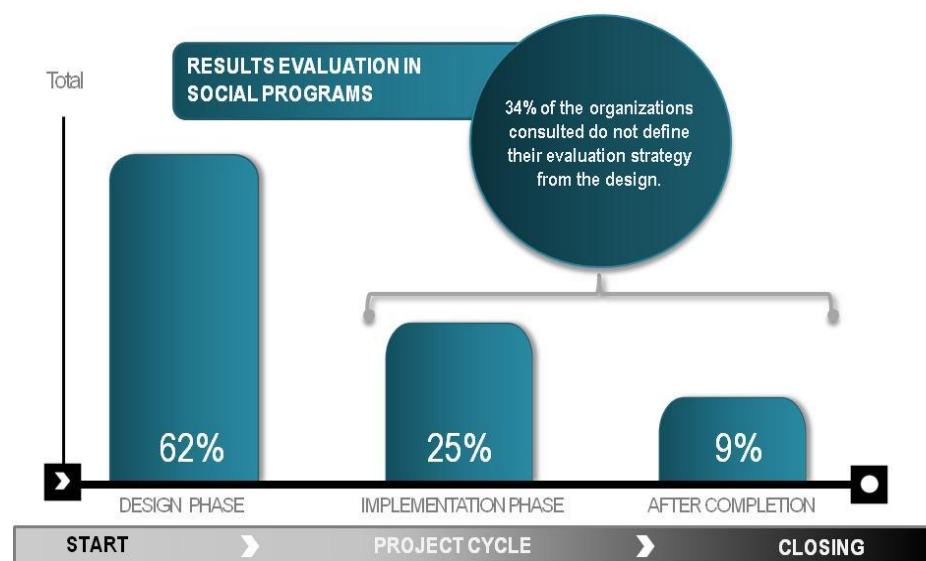
“It is striking that one third of the respondents decide to initiate their monitoring and evaluation strategies after their programs have already started: set from the beginning, *what, how, when* and *what* will be evaluated is a key to measure well.”

While establishing the decisive elements of a project from its design, the tasks of Management, Monitoring and Evaluation shall be facilitated by the framework provided. This enables the development of projects that are measurable and analyzable in the short, medium and long term.

However, despite the fact that good project planning facilitates constant outcome monitoring and analysis, it is very important to define from the onset what type of follow-up and evaluation methods a project will include.

The 2010 Study indicates a warning sign here. As we see in Chart 1, more than one third of the respondents decide to initiate their monitoring and evaluation strategies after their programs have already started.

Chart 1. In what stage of the project cycle would you say that the outcome evaluation tools or methodologies are defined?

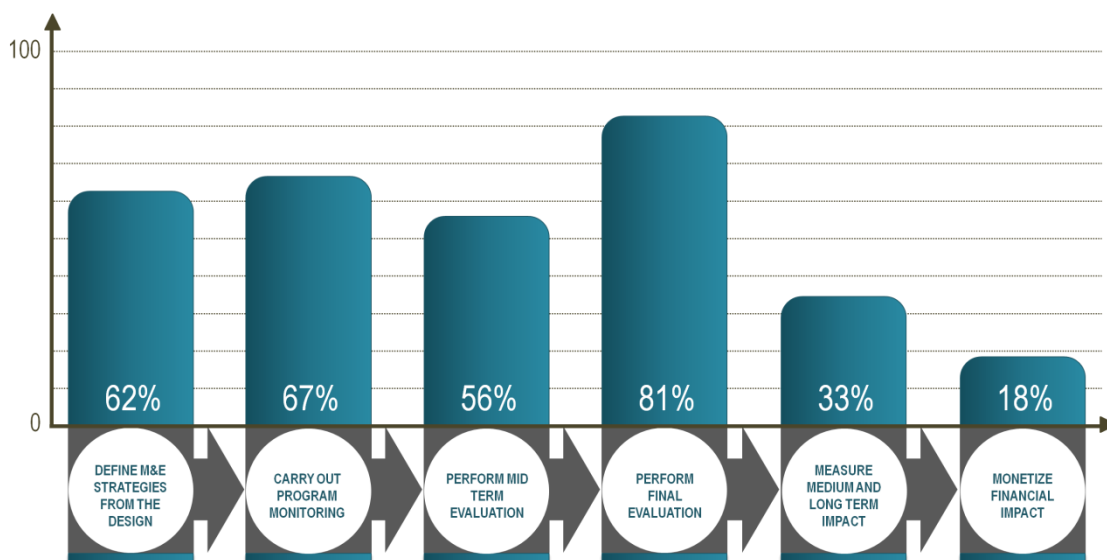


SOURCE: *Monitoring, Evaluation and Impact Measurement in Social Programs*, ZIGLA Consultores, 2010.

People designing and implementing social projects have historically faced the challenge of creating programs that include comprehensive monitoring and evaluation strategies. There are many varieties of methodologies, techniques and tools; their relevance depends on many variables that are inherent to the project as well as to the context. Budget and time constraints often end up compromising these decisions in a negative way. Therefore, establishing a good plan from the beginning is integral to effective evaluation.

The second point of focus is good M&E practices. These best practices generally follow a sequence similar to the one outlined below (Chart 2). This potential “virtuous cycle” of M&E was formed by a best practice trend analysis in the 2010 Study.

Chart 2. Results in the M&E cycle



SOURCE: *Monitoring, Evaluation and Impact Measurement in Social Programs*, ZIGLA Consultores, 2010.

As we can see in the results, the majority of respondents conduct a final program evaluation. Of course, this is a promising statistic, but we must analyze this result in perspective, particularly within the context of the rest of the cycle’s stages. Let’s take into account the fact that one third of respondents do not define an M&E strategy from the onset. In regards to this, it seems clear that the final evaluations do not include baseline data with which they can compare the collected results to the initial situation in which the program began.

Another red flag emerges in the low percentage of organizations that measure impact. Although impact-seizing stages are less recurrent here than in final evaluations (and, as is mentioned in the Appendix, this is not always recommendable), there is a significant gap between these outcomes.

Finally, it is not surprising to see the relatively low percentage of respondents who perform a Mid-Term Evaluation since this stage is mainly applied to projects that run longer than a year. Similarly, the extremely low percentage of respondents who have monetized the financial impact of their programs can be attributed to the fact that these types of methodologies (for example, SROI) are usually applied to economic development projects and have not been duly explored in Latin America thus far.

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03. LOCAL TRENDS IN M&E: ARGENTINA, BRAZIL, PERU & USA.

3.1. ARGENTINA: THE COMPANY'S ROLE IN THE SOCIAL INVESTMENT AGENDA

by Maximiliano Luft
Specialist in Social Investment and Knowledge Management
ZIGLA Consultores Founder

Companies have always been a fundamental driving force for economic and social development due to their ability to adapt and reinvent themselves in the face of different system disorders. This ability to adapt is bolstered by constant innovation in the fields of management, evaluation and investment analysis.

Conversely, social organizations have already begun to include M&E methodologies and technologies that are more tailored to their needs. By doing this, they are able to gradually identify, interpret and communicate the actual impact of their programs. This advancement in strategically creating information ends up playing a decisive role in improving the life cycle of projects and is particularly useful in aiding decision-making for social investment opportunities.

“Private-sector interest in social matters (fostered mainly by the Corporate Social Responsibility agenda), is a catalyst for implementing social programs in companies that have become involved with community organizations.”

In Latin America, the asymmetry between the private and social sectors remains significant; the technical and technological gaps are even more disparate than they were 20 years ago. However, the steady arrival of companies involved in social investment programs has opened doors that address this gap and improve the forecast of social change at the regional level.

A similar scenario takes place in Argentina. The social sector, which has greatly expanded and diversified during this period, has shown signs of maturity and establishment in its approaches, as well as an encouraging shared work agenda with both companies and the government on different levels.

That being said, the challenge is even more ambitious. Private-sector interest in social matters (fostered mainly by the Corporate Social Responsibility agenda), is a catalyst for implementing social programs in companies that have become involved with community organizations.

In this context, companies not only have a major ally in social organizations, but also a huge opportunity. This involves more than simply forming alliances; it involves jointly leveraging strategies for change. Therefore, the companies must learn about the innovative approaches that the social organizations have achieved with a lot of effort and service, to strengthen them later with tools and technologies that help overcome the traditional barriers of the social sector, and to improve their scalability as well as replicability conditions.

Taking into account the 2010 Study's results, the overall picture is bright. There are a significant number of organizations that have a healthy approach to M&E. Although the identification and measurement of medium and long-term impact remains a pending issue, Argentina beats the regional average in two fundamental aspects: a) defining M&E strategy in the design stage, and b) implementing monitoring stages in their programs.

It remains to be seen if the propagation of strategic alliances between companies and social organizations will result in more efficient and sustainable models in design, management and evaluation of social programs, which in turn may influence better social change strategies.

M&E Cycle in Social Programs	Argentina	Total	Dif.
DEFINE M&E STRATEGIES FROM THE DESIGN	74%	63%	▲
CARRY OUT PROGRAM MONITORING	72%	67%	▲
PERFORM MID TERM EVALUATION	46%	56%	▼
PERFORM FINAL EVALUATION	78%	81%	●
MEASURE MEDIUM AND LONG TERM IMPACT	33%	33%	●
MONETIZE FINANCIAL IMPACT	13%	18%	▼

▲ More than 4 percentage points above the regional average
● Average near the regional average
▼ More than 4 percentage points below the regional average

“Although the identification and measurement of medium and long-term impact remains a pending issue, Argentina beats the regional average in two fundamental aspects: a) defining M&E strategy in the design stage, and b) implementing monitoring stages in their programs.”

SOURCE: *Monitoring, Evaluation and Impact Measurement in Social Programs*, ZIGLA Consultores, 2010.

3.2. SOCIAL INVESTMENT IN BRAZIL: BEING STRATEGIC IS A CHOICE

by Elenice Tamashiro
Specialist in Social Investment – ZIGLA Consultores Representative in Brazil.

It has become increasingly common to hear about the importance of strategic social investment and how to best guide institutions and organizations in their approach prioritizing investments, achieving better outcomes and seizing their impact.

In the last 10 years, Brazil has evolved greatly in the way it develops social investment programs for public purposes, yet it still has a long way to go before it is strategically and efficiently consolidated.

Charities Aid Foundation recently reported that a quarter of Brazilians make cash donations to social organizations; given Brazil's general socioeconomic status, this emphasizes the fact that donating is more related to munificence than actual personal wealth ([Global Giving Report 2010](#)).

The truth is that from a solidarity gesture of an individual donation up to a €36 million fund that the EU would invest in Latin America, there is no end to the different reasons why it takes place. As donors either at the individual level or through an institutional framework, we want to know if our contribution has been well invested and whether or not it made a difference.

“It is essential to establish parameters from the onset in order to later analyze the changes and advancements the program brought about in intervention. This is the only recommendable way to gain initial, (and essential) feedback that aids the social investment’s efficiency and impact. Organizations and their leaders recognize this as a priority and long-term goal: to *strategically* develop social investment programs.”

Is the generosity of donating perhaps an end in itself that we can be satisfied with? What happens when we apply this question to the context of companies, governments and the social sector? Is it possible to balance the satisfaction of donating with the responsibility of ensuring that our contribution will foster social change? I personally think so, but social investment must be carried out in a rigorous, systematic and strategic manner.

If we look at the results of ZIGLA’s 2010 Study on Monitoring, Evaluation and Impact Measurement in Latin America, it is interesting to turn our focus to Brazil, where sector leaders and authorities agree on the importance of including M&E strategies. Despite this, a high percentage of respondents either feel that they do not apply or they are not satisfied with their experience implementing such methodologies.

M&E Cycle in Social Programs	Brazil	Total	Dif.
DEFINE M&E STRATEGIES FROM THE DESIGN	63%	63%	●
CARRY OUT PROGRAM MONITORING	61%	67%	▼
PERFORM MID TERM EVALUATION	61%	56%	▲
PERFORM FINAL EVALUATION	82%	81%	●
MEASURE MEDIUM AND LONG TERM IMPACT	32%	33%	●
MONETIZE FINANCIAL IMPACT	23%	18%	▲

▲ More than 4 percentage points above the regional average ● Average near the regional average ▼ More than 4 percentage points below the regional average

SOURCE: *Monitoring, Evaluation and Impact Measurement in Social Programs*, ZIGLA Consultores, 2010.

The good news is that a high percentage of organizations in Brazil perform final evaluations of their programs. That being said, it is essential to establish parameters from the onset in order to later analyze the changes and advancements the program brought about in intervention. This is the only recommendable way to gain initial (and essential) feedback that aids the social investment’s efficiency and impact. Organizations and their leaders recognize this as a priority and long-term goal: to *strategically* develop social investment programs.

This challenge requires about a lot of early planning: ‘what needs to be changed?’ and ‘how will we carry out and evaluate those changes?’ As a result, it is crucial to include monitoring and evaluation strategies that allow for progress-analysis, lesson-learning, adjustments to approach, strategic networking, and in summary, better organizations with stories of social changes.

3.3. SYSTEMATIZATION AND EVALUABILITY IN PERU: TOOLS FOR CREATING CHANGE

by Jorge Cabrejos

Specialist in Monitoring and Evaluation – ZIGLA Consultores Representative in Peru.

In recent years, the general level of professionalism in the management and evaluation of social programs has significantly increased. This change calls for deeper analysis in the design and implementation of evaluation strategies that meet their objectives efficiently and achieving positive changes in the beneficiary population. As a result, tools that foster learning and improvement have been developed for the purpose of demonstrating achievements and outcomes.

With this in mind, it is interesting to analyze the results of ZIGLA’s 2010 Study, where 87% of Peruvian respondents recognized the importance of utilizing previous program results as an input for future decision-making and organizational adjustment. This percentage is relevant, as it indicates a philosophical trend in those in charge of carrying out social development processes: there is an interest in translating previous results and lessons learned into future action.

“In recent years, the general level of professionalism in the management and evaluation of social programs has significantly increased. This change calls for deeper analysis in the design and implementation of evaluation strategies that meet their objectives efficiently and achieving positive changes in the beneficiary population.”

M&E Cycle in Social Programs	Peru	Total	Dif.
DEFINE M&E STRATEGIES FROM THE DESIGN	65%	63%	●
CARRY OUT PROGRAM MONITORING	71%	67%	▲
PERFORM MID TERM EVALUATION	52%	56%	●
PERFORM FINAL EVALUATION	74%	81%	▼
MEASURE MEDIUM AND LONG TERM IMPACT	36%	33%	●
MONETIZE FINANCIAL IMPACT	10%	18%	▼

▲ More than 4 percentage points above the regional average
 ● Average near the regional average
 ▼ More than 4 percentage points below the regional average

SOURCE: *Monitoring, Evaluation and Impact Measurement in Social Programs*, ZIGLA Consultores, 2010.

Systematization, defined as the compilation and analysis of methodologically organized knowledge, is an integral process for these types of organizations. In fact, it is one of the main vehicles for the efficient and sustainable intervention-processes that are so popular in international development and NGOs.

In the Peru data, another important result to consider is the 29% of surveyed organizations that responded that they have incorporated result-evaluation strategies, tools, and methodologies either during the project execution or at its conclusion. This means that nearly one third of the respondents do not pre-plan M&E strategies capable of generating the minimum conditions for efficient social impact measurement.

Given these circumstances, it is vital to foster the creation of programs and projects that include accessible evaluability conditions. In other words, projects that include an analysis aimed at determining the chances of effective evaluation and intervention as part of their initial plan, while also keeping in mind the pre-determined changes and results for their beneficiaries. (Osuna and Cirera 2005).

Both the systemization and the evaluability-analysis greatly facilitate the planning and execution of strategic interventions that efficiently adjust a program for the better. It is the duty of all social development stakeholders to innovate and improve, incorporating new work approaches that develop efficient contributions for everyone.

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3.4. USA: NEW PARADIGMS IN THE DONATOR'S PHILOSOPHY

by Martin Manville

Specialist in Knowledge Management - ZIGLA Consultores Representative in the USA.

Accountability and evaluation are increasingly important terms in the field of philanthropy. The combination of improved communicative technology and a less stable economy has resulted in a philosophical change in patronage.

Whereas donations were once characterized by a blind munificent faith, present day philanthropists often require transparency and assessment in exchange for their charity. Their reasoning is understandable: *If I give X amount of dollars, I want to know where it is going and what sort of impact it is having.*

Unfortunately, philanthropic evaluation is not as simple as it seems. In the 2008 *Money Well Spent: A Strategic Plan for Smart Philanthropy*, Paul Brest and Hal Harvey explain that impact evaluation is both “complex and expensive,” and it is often difficult to distinguish between correlation and causation in the field of charitable donations (Brest and Harvey 2008).

That being said, Brest and Harvey portray impact assessment as an “essential” tool for “determining whether a philanthropic intervention is actually making a difference.” Without evaluation, they argue, it is impossible to know if your money is being well spent.

Brest and Harvey’s strong characterization of the evaluation process was met with some criticism. Alnoor Ebrahim and V. Kasturi Rangan re-evaluate this theory in their paper *The Limits of Nonprofit Impact: A Contingency Framework for Measuring Social Performance* (Ebrahim and Rangan 2010). According to the authors, evaluation techniques should be tailored to the specifics of each organization. Rather than recommend impact evaluation across the board, Ebrahim and Rangan argue that “some organizations should measure long-term impacts while others should focus on shorter-term outputs and outcomes.” This so-called “contingency framework” is designed to keep costs low and efficiency high, providing organizations with a good balance of feedback and economic flexibility.

The recent influx of literature on this topic highlights the growing importance of evaluation in this sector. While most of the theorists are writing about North America in particular, it is increasingly clear that the same concepts apply worldwide. For that reason, Zigla’s 2010 trend analysis on “Monitoring, Evaluation and Impact Measurement in Social Programs” is an important tool for the Latin American market. Judging from their findings, it appears that the Latin American philanthropy sector is well-intentioned yet lacking, to some degree, in terms of M&E strategies and Impact Measurement. Perhaps this study can serve as a launching pad for future discussions like that of Harvey & Brest and Ebrahim & Rangan tailored specifically for the emerging Latin American market.

04. THE ARGUMENTS COME TO LIGHT

Having already looked at the “what” and the “how”, it is now time to talk about the “why”. As part of the conducted survey, leaders and experts in the field were asked about the arguments that support the identified outcomes. In the first place, approximately 40% of the respondents indicated either ‘low’ or ‘no’ satisfaction with the evaluation methodologies implemented. As we delved deeper into this issue, two recurrent arguments were identified.

The first argument states that dissatisfaction is caused by the *criterion* used to evaluate, which many times is *anachronistic* or *improvised*, and *does not respond to the needs of the project itself*. The general lack of thoroughness in selecting evaluation techniques and methods combined with *bad timing* in conducting the evaluation results in ineffective evaluations that are unable to account for the changes produced by a program’s intervention.

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The second argument attributes the dissatisfaction to the *lack of pertinence* in the methodologies employed in the projects. As we have mentioned, it is almost always the donors who establish the proposed methodologies to carry out evaluation. Moreover, it is this that causes the “canned methodologies” which often suffer from scarce viability and adaptability within the local context and reality of the executing organization.

Our 2010 Study also looked deeply into the reasons why many organizations fail to include M&E strategies and Impact Measurement in their programs.

The first response is that it’s too “costly”. Respondents often complained about the price of the tools, since there are also enormous demands on the mobilization of human, logistic, and operating resources. Furthermore, respondents often explained that it was more important to focus on activities more aligned with the program’s objectives.

The second response is that it’s too “complex”, both at the methodological and technical levels. Often, due to ignorance or previous bad experience, some organizations reject the incorporation of M&E, sensing that it will create more problems than solutions. Above all, this happens when the process includes different levels of implementation and/or geographical dispersion. This usually complicates activity coordination and follow-up, which in turn makes an M&E platform all the more important. In this context, organizations often use the final evaluation as the only stage for result seizing and analysis.

The final response is a problem of “time”. In situations with particularly tight deadlines and urgent result schedules, the medium and long-term impact seizing seems like a *privilege* that is out of reach and reality.

05. CONCLUSIONS: FACING THE OPPORTUNITIES

“Good intentions should translate into innovative and effective solutions. Therefore, it is essential to insist in the consolidation of channels and practices in accountability that allow each party to learn and improve.”

In order to translate the 2010 study’s findings into contributions for the regional social investment agenda, we will present the main conclusions and the subsequent opportunities to take into account.

First, it must be noted that there is still a big gap between M&E’s relevance on the agenda and the regularity with which it is practiced. Although the majority of respondents recognize this importance, many organizations have still not included M&E platforms in their programs. An even more significant gap exists when you consider the low percentage of organizations that measure impact in the medium and long term.






This *relevance-implementation* gap has partial explanations in each argument from the previous chapter. There are issues of cost, time and complexity that contribute to the lack of M&E strategies in programs. This much is true. That being said, there is an even bigger obstacle blocking the way, one of a cultural nature, and it has to do with the still incipient *accountability* conditions among all the stakeholders that participate directly or indirectly (passively or actively) in the regional agenda of social investment.

The social and philanthropic sector is constantly evolving in order to deal with our most pressing social issues. As it evolves, it will be increasingly important for social organizations to become more and more professional. Part of this change includes identifying standards that increase the thoroughness in which the economic, human and technological resources are mobilized.

Good intentions should translate into innovative and effective solutions. Therefore, it is essential to insist in the consolidation of channels and practices in accountability that allow each party to learn and improve. All parties involved have an opportunity to contribute in this sense: Donors, executing organizations, companies, public entities, cooperation agencies, consulting firms, facilitators, evaluators, beneficiaries, etc. Without exception, everyone has opportunities within reach; as a result, decision-making processes in regional social investment issues should finally leverage high impact innovative and effective solutions.

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In view of the results and arguments, the most critical aspects are, in fact, the most interesting opportunities. Among them, we found these *opportunities*:

-  Favor participation stages and accountability among the different stakeholders involved.
-  Define from the onset of the program M&E strategies capable of best identifying the “*what*”, the “*when*” and the “*how*” of capturing program changes and advancements.
-  Incorporate program management and simple monitoring systems tailored to the specifics of each organization.
-  Improve the conditions so that the life-cycle of social programs includes impact measurement stages.
-  Stimulate decision-making processes that include strategic information gleaned from previous knowledge and results.

All these opportunities are neither everything nor enough, but from the perspective that M&E offers, they truly make up a valuable selection of options for those who want to delve deeper into a more strategic regional agenda of social investment. At least the challenge has been laid out.

RECOMMENDATIONS FOR ACHIEVING AN M&E STRATEGY

By María Agustina Budani
Specialist in M&E
ZIGLA Consultores Director

01/ Why measure impact?

Impact measurement seeks to identify the changes that have occurred since program implementation. The question of the why can be answered in two ways, taking into account the perspectives of stakeholders involved:

- First we look at the perspective of the organization that carries out the program. By identifying the changes, they can determine if a difference is actually being made; this, in turn, will help the stakeholders be better informed and also contribute to improving the development of funds.
- The second perspective is that of the investor/donor. By measuring the impact, they can determine if the changes produced by the program are in line with the objectives that were originally proposed. They can also monitor if their investments are being carried out according to the strategic objectives of the donor, and they can finally determine the impact their investment had on society.

02/ When should the impact be measured?

The impact evaluation takes place after a few years of implementation, and once the true "echo" of the program has reached the beneficiary population.

However, it is fundamental to establish the methodologies and tools for carrying out this evaluation at the beginning of a program's life cycle, and that the criteria for the evaluation are defined during the implementation itself.

03/ What organizations or programs should measure the impact?

Depending on their structures, models and objectives, certain organizations should measure the long term impact of their projects. Other organizations should solely concentrate on measuring the short and medium term outcomes.

To identify if an organization or program should measure its impact, they should utilize an analysis framework created by the Harvard Business School that uses the Theory of Change prototype and the organization's Operational Strategy to determine if it is appropriate or not to advance in an impact evaluation process.

Theory of Change: Methodology employed to articulate the causal logic or "pathway" through which a set of interventions is expected to lead to a long-term goal.

- **Focused:** The relationship between cause and effect is linear and clearly understood.
- **Complex:** The cause-effect relationship is only weakly understood, and there may be multiple causal factors at play.

Operational Strategy: Refers to what an organization actually does in implementing its mission.

- **Focused:** the organization concentrates on a highly specific task or intervention.
- **Complex:** The organization expands its boundaries to absorb other key functions or niches that deem to be important in order to achieve its mission.

Figure N1: Contingency Framework for Measuring Results



Source: Based on Harvard Business School.

04/ Initiatives for the standardization of social impact measurement

The main initiatives that seek to “standardize” the way social impact is measured are presented below.

Rockefeller Foundation, Acumen Fund and B Lab began the presentation of Standards on impact investment - *Impact Reporting & Investment Standards*. IRIS initiative is supported in sector efforts to create a common language that allows comparison and communication through the many organizations that seek to generate a social or environmental impact.

Another similar initiative is B Lab’s GIIRS (Global Impact Investing Rating System) a social impact evaluation system for institutional investors of capital, the intermediaries of financial services, and the companies that seek to align their mission with growth and liquidity.

In turn, there are two initiatives that seek to give the investor the answer to the following question: how much social value will be created for every dollar invested? The first of these initiatives is *Best Available Charitable Option* (BACO), a methodology developed by Acumen

Fund whose purpose is to help investors identify where the most effective choice for philanthropic investment. On one hand, *SROI Network*, a network that counts on the contribution from the Great Britain Government and NEF (New Economics Foundation) among others, developed a methodology that allows social impacts to be monetized. Once it is monetized, these two methodological initiatives find a way to standardize and compare the impacts of the different programs.

On the other hand, Poverty Lab is an initiative of MIT (Massachusetts Institute of Technology) that promotes the use of experimental impact evaluation methodologies. Like all impact evaluation methodologies, the randomization that Poverty Lab fosters seeks to determine if a social program has had impact and how significant that impact has been.

Finally, it is worth mentioning other two initiatives that seek to guide organizations concerning methodologies and tools to use: a) the M&E Map from ZIGLA Consultores and b) TRASI (*Tools and Resources for Assessing Social Impact*), a platform developed by Foundation Center that contains resources and tools to determine social impact.

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www.bcorporation.net
- **Best Available Charitable Option (BACO)**
www.acumenfund.org/knowledge-center.html?document=56
- **Foundation Center**
foundationcenter.org/
- **GIIRS (Global Impact Investing Rating System)**
www.giirs.org
- **M&E Map**
www.mapa.ziglaconsultores.com
- **NEF (New Economics Foundation)**
www.neweconomics.org
- **Poverty Lab - MIT**
www.povertyactionlab.org/es/about-j-pal
- **Rockefeller Foundation**
www.rockefellerfoundation.org
- **SROI Network**
www.thesroinetwork.org
- **TRASI**
<http://trasi.foundationcenter.org/>



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