



Five steps to getting started on measurement and evaluation

All impact enterprises share the goal of creating positive change through business. They also share the same challenges in measuring and evaluating (M&E) the impact they are having on the communities they are targeting. This article outlines five key steps to measuring and evaluating the impact of your business. Enterprises that take ownership of this business imperative will be at an advantage; putting themselves in the strongest position to refine strategic approaches and maximise impact.

FIVE STEPS TO MEASURING AND EVALUATING IMPACT

1 Define a clear vision

First and foremost, you will need to build a clear vision of what your project wants to achieve and how it intends to achieve it. One possible format for this is a Theory of Change, which we have seen utilised in a number of TRANSFORM projects – such as [Zayohub](#) and [doctHERS](#) – both of which developed its own Theory of Change with support from M&E consultancy [Altai](#). Not only are such tools often a pre-requisite for potential funders, but they are also incredibly useful for building a strategic overview of ambitions, and understanding how particular activities will lead to expected outcomes.

2 Choose your indicators

Based on your overall objective and Theory of Change, you will be able to identify indicators to measure your enterprise's impact. For our work with Transforming Palm Sugar Myanmar ([ToPPS Mynamar](#)), this was a crucial step. It allowed the project to determine objectives and goals, and to then align these with their local NGO partner to ensure consistency of thought and action.

Indicators should be based on outputs of your activity, as well as outcomes and impact. All three are vital if you want to prove that your interventions are genuinely causing change. Some indicators are quantitative by nature, such as the number of beneficiaries, but others are more qualitative, for example the extent to which a product has helped customers improve their livelihoods or wellbeing – meaning that different methodologies may be used to track against different indicators. Quantitative indicators could be tracked through data analytics or surveys, while qualitative indicators lend themselves better to in-depth interviews, focus group discussions or ethnographic research.

Why should an enterprise measure and evaluate impact?



Accountability:

potential impact investors require M&E to make funding decisions and ensure they share a common vision with the project, but M&E is also important for broader accountability purposes including tracking results against set objectives



Learning:

M&E helps projects to test that their products and services are truly benefiting the communities they serve, allowing them to further refine future approaches and strategy



Communication:

M&E produces insights from users on the ground and engages partners, consumers and clients in ongoing dialogue

“Using a Theory of Change approach from the outset was invaluable in co-ordinating the multiple priorities of project stakeholders. It created a strong visual of the stages at which key indicators would be achieved, and how they interlink as part of the broader picture.”

Theo Shand, ToPPS Myanmar



3 Create a practical plan for data collection and analysis

After building a clear vision and choosing the metrics and methodologies you will use to track your progress towards impact, you need to create a practical, comprehensive plan for collecting and analysing data. Digital enterprises are particularly well placed to harness and commercialise large amounts of data, which we have seen come to life through digital wellbeing platform [Maya](#).

Consider who will be responsible for collecting what and map out needs in terms of internal training or external support for each element of your plan. Altai suggests that between five and ten percent of project costs are allocated to M&E.

Data collection and analysis can be time consuming and expensive, so building a clear and systematic plan at the outset is critical. Altai worked extensively with impact enterprise [SWEEP](#) to do this. Altai conducted a field visit, literature review, and project study – to develop a methodology that streamlined the process and ensured consistency in measurement and evaluation practices.

There are a number of digital platforms that can help streamline data collection and analysis such as [SurveyCTO](#), [Open Data Kit](#) and [Survey to Go](#).

“Enterprises often have far more data and information available than they think, which can be leveraged quickly and easily for measurement and evaluation purposes.”
**Geraldine Baudienville,
Altai**

4 Share data with stakeholders

Stakeholders are a crucial group to take into account when it comes to sharing impact data. Stakeholders can range from existing investors who are keen to understand the exact impact of their contribution, to potential new fundraisers who you may be seeking additional backing from. For [D2D Pro](#), promoting their data through communication materials, blogs and reports ensured strong stakeholder engagement. This marketing approach allowed the enterprise to celebrate the work of their team, while also sharing findings and learnings with other players in the sector.

5 Learn and improve

Monitoring and evaluation can help a business better understand its customers, their views on the products or services it provides and any other challenges the enterprise may be facing. The data you collect will show whether or not your vision or Theory of Change is accurate, and if it isn't, where and how to improve it to scale or deepen your social impact and business success. This learning process will help to iterate and evolve your business, growing turnover while also expanding the reach, inclusion and efficacy of your impact.

IN SUMMARY: THREE KEY LEARNINGS

1

Planning is key:

Steps 1-3 in this guide are focused around preparation and planning – aspects that are key for accurately and efficiently measuring and evaluating your impact.

2

M&E is a business priority:

While M&E might not always be seen as a priority, it is a crucial element of a successful business and will help to grow and evolve your reach, impact and funding in the long term.

3

The value add is worth the investment:

M&E can be seen as laborious, and as something that requires excess time and effort. But the value add is significant, particularly for developing and refining future strategies and approaches. And remember: more often than not, a lot of the data is already there and waiting to be explored.



ENTERPRISES INCLUDED IN THIS CASE STUDY

- Zayohub works with communities living in under-served, climate-change affected communities to create locally driven sustainable social and economic development.
- doctHERS is a digital health platform that matches the underutilised capacity of female doctors to the unmet need of health consumers via technology.
- ToPPS Mynamar aims to improve livelihoods of palm sugar farmers and reduce GHG emissions and deforestation.
- SWEEP provides underserved people in Bangladesh access to sanitation waste collection services.
- D2D Pro upskills door-to-door sales agents to sell high-impact products to low-income households.



The impact enterprises discussed in this article are part of the TRANSFORM portfolio. TRANSFORM is a joint initiative between Unilever, FCDO and EY. Established in 2015, it works to accelerate impact enterprises, blending funding and support to deliver market-based solutions to the world's biggest development challenges. TRANSFORM uses its capabilities and expertise in marketing, distribution, digital, and business resilience to deliver transformative market-based solutions to low-income households in sub-Saharan Africa and South Asia that last. For more information on TRANSFORM, visit our website www.transform.global, and follow us on Twitter (@TRANSFORM_SDGs) and LinkedIn.

Altai Consulting have contributed to this article. Altai provides strategy consulting, research and monitoring & evaluations services in the developing world. For more information on Altai, visit www.altaiconsulting.com.

