



JOINT VENTURE

EVAUATION OF THE IMPACT ASSESSMENT METHODOLOGY

2023

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Project introduction



Joint Venture - business between socially excluded people and NGOs - is an Erasmus+ project that aims to build a more inclusive business world by enabling collaboration between NGOs, entrepreneurs, and people at risk of social inclusion.

OUR ASSIGNMENT

The Joint Venture partners are tasked with producing:

1. Training materials that have been adapted to meet the needs of the business world, entrepreneurs at risk of exclusion, and NGO professionals
2. Eighty-eight best practice examples of business projects led by NGOs across Europe that have proved to be economically and socially viable
3. A practical authentication guide for business incubators (a specially designed programme to help young start-ups innovate and grow) by working with nine entrepreneurs and their individual NGOs. In this way, we will build business models supported by professionals from the business world
4. Indicators that will properly measure the social impact and success of the companies created

Project partners

The Joint Venture consortium is formed of six organisations specialising in adult training for disadvantaged people facing social and economic exclusion, and represents a partnership across five European countries including the UK, Spain, Bulgaria, Romania and Italy.



[COMMUNITY ACTION DACORUM](#)

United Kingdom

Community Action Dacorum (CAD) is a charity that provides a circle of support to the local community. As a council for voluntary service, they bring people together to achieve more in their communities and improve quality of life. CAD supports voluntary organisations and community groups at the early stages of their development, provides funding advice, representation and a payroll service to help organisations grow and flourish, and deliver services and projects that support local individuals, businesses and community groups.



[ASOCIACIÓN CON VALORES](#)

Spain

The Con Valores Association is an NGO with a business focus, using professionals from the business world to solve social challenges. Their focus is job creation through entrepreneurship. They have created an environment where the business world works together with the social world, where companies contribute their experience to create an inclusive productive fabric while the NGOs share their knowledge in integrating people at risk of exclusion.



[FI GROUP](#)

Spain

FI Group is a leader in the research, development and innovation sectors at both national and European level, and has an ambitious internationalisation plan. They have a Corporate Social Responsibility Group that aims to promote, and coordinate initiatives related to the environment, social aid, healthy living, anti-corruption and equality, as well as collaborating with non-profit entities dedicated to some of these causes.



[CSC DANILO DOLCI](#)

Italy

The Centre for Creative Development “Danilo Dolci” is a non-profit association involving young people and adults, which mainly acts through projects in the educational field carried out in cooperation with schools, universities, institutions, associations and social groups both at local and international level. Organise maieutic workshops in schools, universities, organisations and institutions. Their activities include organising cultural and educational activities that promote the life and work of Danilo Dolci, and organising European seminars, training courses, youth exchanges, etc.



[THE CASA IOANA ASSOCIATION](#)

Romania

The Casa Ioana Association (Casa Ioana) is a NGO that empowers survivors of domestic abuse and family homelessness to self-dependency. Activities are designed to support survivors from the time they leave their abusers to when they feel ready to move on. Providing safe accommodation and help with meals ensures a beneficiary’s physical and personal needs are met, while vital psychosocial support and help with life and job skills enable survivors to be financially independent.



[CEED BULGARIA](#)

Bulgaria

CEED strives for a world where entrepreneurs have the tools and support they need to spur innovation, create jobs, and build thriving economies. They provide entrepreneurs with business expertise through its accelerator programmes that connect participants to a community of mentors and of entrepreneurs to help take their small businesses to next level. CEED uses a holistic combination of market connections, community engagement, capacity building and access to capital. CEED drives economic growth by developing, connecting and mentoring entrepreneurs so they can create jobs and in turn accelerate economic prosperity. Building a community of entrepreneurs is paramount in their approach.



Introduction & context

The overall objective of the Joint Venture project is to design a new incubation methodology for people at risk of exclusion, but, and this is the most innovative part, working together with an NGO and supported by the business world.

We have validated the effectiveness of this hybrid model of collaboration between entrepreneurs and NGOs, analysing best practices, training contents and validating the incubation of 9 joint ventures (entrepreneurs plus one NGO). Finally, we have made this new methodology available to all NGOs and administrations in Europe. In this way, we hope to create a useful resource, and support NGOs in the creation of new streams of income, and helping to resolve the situation of 83 million people at risk of exclusion.

In this report we will focus mainly on Intellectual Output 4 (Measuring social impact methodology) that was coordinated by DANILLO DOLCI. Our aim is to explain and evaluate the impact assessment methodology. It aims to evaluate how the incubated joint ventures implemented the inclusive business models developed within the incubation programme.

By providing this paper, we hope to disseminate this methodology and make it accessible to other organisations in Europe that are interested in using, modifying, and improving the model. We are confident that inclusive incubation models, like the one created by the Joint Venture Partnership, with the assistance of the business world, may offer creative solutions to the social and economic problems the European Union is presently experiencing.

The purpose of this document is to summarise and present the results of the evaluation of the newly proposed Measurement methodology developed under the IO4/Task 4.2.

The report structure follows the logic of the questionnaires used by partners in the feedback interviews with incubated entrepreneurs. The aim of the partners is not only to share the feedback by trainees, but also to give some relevant comments and explanations.

With this document Joint Venture will show why companies should measure and report their social impact. Measuring the social impact of an organisation can be a really difficult but rewarding exercise.

Measuring and reporting a social impact can help:

- Prove performance and authenticity as well as promote your organisation
- Provide proof of return on investment for impact investors
- Attract more impact investment from interested parties and for crowdfunding
- Understand gaps and improve enterprise value offering
- Establish authority

Overview of Joint Venture's enterprises

Previous research on the people in our target category showed that they frequently chose to become entrepreneurs out of necessity, rather than a desire to create an enterprise.

This means that entrepreneurs sometimes embark on their business ventures without having a specific or realistic idea from which to work from. Below, we present a short presentation on the profile of those incubated in the Joint Venture project.

Entrepreneurs registered	People at risk of exclusion were invited to answer the call for participants in February 2022.
Entrepreneurs selected	Following interviews, 9 people were selected to be part of the incubation process from ACV, Danilo Dolci and Casa Ioana. The new entrepreneurs were then organised into 9 different projects (NGOs) taking into account their profiles, experiences and business ideas.
Involving professionals	Joint Venture also launched a call for business professionals to recruit volunteers to support the incubator as trainers, mentors or coaches.
12 weeks of incubation / 420 hours of training, mentoring and coaching	The Joint Venture incubator offered participants the opportunity to participate in a 12-week incubation programme, representing a total of 420 hours between training, mentoring, coaching and other tasks undertaken by participants in order to design their business models.
Nine incubated projects	At the end of the incubation programme, the Joint Venture incubator supported the definition and the launch of 9 business ideas developed by people at risk of exclusion with the support of NGOs.

Follow up and evaluation of learning opportunities

Evaluation of the practical validation of the business models using questionnaires was undertaken monthly.

Search for funding opportunities

Funding options that can be used by entrepreneurs once their business model has been finalised and validated were explored.

Below is a short summary of the demographic representation of the trainees. It is obvious that most trainees were middle-aged people with secondary education. It should be noted that most people were citizens from disadvantaged groups.

Demography	ACV	Casa Ioana	Danilo Dolci
Age	40-50 years old	18 and 62 years old	30-60 years old
Education level	Mostly secondary education	Mostly secondary education and vocational schools	Mostly secondary education
Gender	Mostly women	Mostly women	Mostly men
Employment situation	Mostly unemployed	Mostly employed	Mostly employed
Nationality	Mostly citizens, but some were migrants	Mostly citizens from disadvantaged groups	Mostly citizens



Examples of impact measurement

Social impact measurement aims to assess the social value and impact produced by the activities or operations of any for-profit or non-profit organisation. Although any business can have a social impact, non-profit organisations and social enterprises are explicitly designed to create social value while addressing social challenges and are therefore expected to produce social impact.

In this section, we provide examples of how the impact measurement developed whilst implementing the project. These concrete examples come from the interviews with the entrepreneurs with incubated ventures.

- *Needs as the basis of the creation of the social enterprises and expected impact (Questions n° 3)*

Needs assessment is a crucial part of the proposed evaluation methodology. All trainees were asked about their motivation and the needs that urged them to take part in the Incubation programme and start an enterprise. The social enterprise should first gain an understanding of community needs to design interventions to improve quality of life. The incubated ventures were urged to conduct initial research in order to gain a broader understanding of the community, its members, culture(s) and to identify and prioritise real community needs (ideally by the community for the community, or at least in close collaboration with key stakeholders and representatives).

Below is short example on how one incubated venture assessed the need before starting their enterprise.

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Need identified	Significant gap in social need for individuals with limited mobility, including older adults and people with physical disabilities or functional diversity. These individuals often have trouble in accessing essential services and participating in society, resulting in social exclusion and reduced quality of life.

■ *Identification of the stakeholders and potential donors (question n° 4)*

Stakeholder participation is measured by the capacity of social entrepreneurship to connect and collaborate actively with donors, sponsors, clients, and communities (Lumpkin, Bacq, & Pidduck, 2018). Organisations need to engage with the environment to acquire various resources necessary for their survival because they are not self-sufficient (Pfeffer & Salancik, 1978). Thus, in order to improve the barriers faced towards significant social impacts, it is important for social enterprises to seek social change by engaging various stakeholders (Pearce & Doh, 2005).

Stakeholder engagement is important towards SE performance because it strengthens the relationship among the parties involved. Consequently, failure to interact with shareholders will result in higher challenges faced and thus, compromises their performance.

Among the various models describing and measuring performance of organisations, the Resource Based View theory has commonly been referred to (Ahmed, Khuwaja, & Othman, 2018). According to Barney (1991), the theory deems that enterprises require different types of organisational resources such as capability resources, technological resources, administrative experience, and information resources. The framework comprises of social entrepreneurship performance, government support, and stakeholder engagement.¹

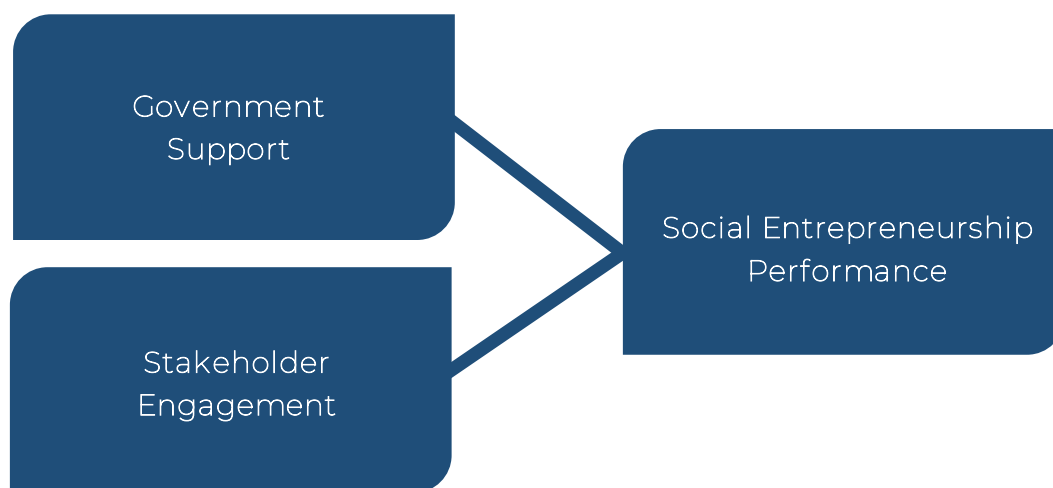


Figure 1: Theoretical Framework

The stakeholder and donor engagement is part of the “DO” phase of the proposed within the project assessment methodology. Below is an example of interviewed venture that has participated in the JV Incubation programme and assessed their success in communicating with stakeholders and donors.

¹ <https://hrmars.com/index.php/IJARBSS/article/view/10441/Government-Support-Stakeholder-Engagement-and-Social-Entrepreneurship-Performance-An-Exploratory-Factor-Analysis>

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Stakeholders and donors engagement	<p>Stakeholders are members of the local community who are engaged in supporting individuals with limited mobility. This target group is growing due to the aging population in Spain, as older people often face mobility issues. Another group are on people with physical disabilities or functional diversity.</p> <p>One of the mentors of the incubation programme, who manages a robotics company in the Valencian Community, showed interest in funding the project. However, the agreement did not materialize due to the lack of provisions for creating jointly owned commercial companies.</p>

■ *Indicators developed (question n° 5)*

Some indicators are the basic for measuring social impact and are prerequisite for the success of the company:

- Sustainability: The goal of every enterprise is to become self-sustaining.
- Socially Inclusive: Social enterprises are attractive in modern society because they strive for inclusion in the workplace.
- Diversifiable: Social models that are applicable for the public.
- Professional: Social enterprise demand high level of professionalism.
- Easily Replicated: Social models that are easily applicable in different countries and societies.
- Value Addition: Measure benefit both in terms of profit and in terms of social impact.
- Reactive: Social enterprises respond actively to social needs and provide answers to problems within the community.

Half of the ventures incubated within the Joint Venture programme have not set their indicators. Those who have done it have used basic indicators such as activity and result oriented indicators. Most indicators were very specific to the venture activity, rather than its social impact, and were measured day-to-day. Consequently, partners concluded that companies need more training on how to set their indicators and how to use the measurement to attract investors.

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Indicators	They have two types of indicators to verify their success and impact at the community level: action/activity indicators and result indicators.

Action indicators are easy to measure, such as the number of evaluated homes and the implemented measures to improve accessibility and empowerment for people with limited mobility. Result indicators, such as the percentage of people with functional diversity affected by the project, are more complicated.

The project aims not only to improve accessibility and empower people with functional diversity but also to enhance society as a whole. The project was submitted to the European Reconstruction Fund to help stabilize the population in rural areas of the Valencian Community.

■ *Tools to gather data (question n° 6)*

Data collection is the process of gathering, measuring, and analysing data with the help of data collection tools to find answers to various questions. The insights gathered from the data collection forms evaluate outcomes, forecasts trends, and opportunities. Social enterprise uses data collection tools to gather data on stakeholder's needs, including social need, social market trends, feedback from users and recommendations. When preparing their ventures within the Joint Venture Incubation programme the social enterprises used mainly two methods:

- Primary – this is original, first-hand data collected by the entrepreneurs. This process is the initial information-gathering step, performed before anyone carries out any further steps. Primary data results are highly needed and essential for the further development of the entrepreneurial idea. The primary research was conducted at the beginning of the incubation programme and the data was used to structure the initial idea and to assess the social need.
- Secondary – second-hand data was collected by the incubated entrepreneurs throughout the whole programme. Entrepreneurs were mentored by the NGOs. Data was gathered, mainly through desk research and direct interaction with stakeholders and potential users. This helped the trainees to better structure their business model.

Accurate data collection is imperative to make business decisions, provide quality assurance, and get the right outcomes.

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Tools for data collection	Regarding potential tools, the company is considering various options such as IoT devices and smart speakers. These technologies have the potential to improve significantly the lives of older adults and people with functional diversity by making accessibility solutions more affordable and widely available. With the progress of the work on the project, the entrepreneurs will evaluate the effectiveness of these tools and refine their approach as needed.

■ *Unexpected impact (question n° 7)*

Unexpected impacts from a social enterprise activity refer to the unintended or unforeseen positive outcomes that arise because of the organisation's initiatives. While the social enterprise may have a primary goal or intended impact, it can also generate additional benefits that go beyond its initial objectives. Some examples of unexpected impacts include Job Creation and Economic Growth; Community Empowerment; Environmental Benefits;

Knowledge Transfer and Innovation; Policy Influence and Systems Change; Social Awareness and Behavioural Change.

This is important for social enterprises to remain open to unexpected impacts and adapt their strategies accordingly. By recognizing and leveraging these unintended positive outcomes, social enterprises can further enhance their overall impact and contribute to sustainable change in society.

Most incubated ventures have not assessed the unexpected impact, as the companies are in too early stage of development.

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Unexpected impact	The social enterprise may produce unexpected impacts, such as technological advancements, increased awareness and advocacy, new economic opportunities, and positive spill over effects on caregivers, family members, and the broader community. These impacts could contribute to social cohesion and overall wellbeing.

- *Potential donors to whom the report should be sent (list the reasons and the importance to develop an impact measurement report) (question n° 8).*

Social enterprises are businesses and as such, they are required to generate profit just as other businesses. Rather than seeking funds and donations from external sources as non-profit organisations do, social enterprises are self-sustainable and generate their profit to continue their business. Due to the specific activities of the social enterprise, donors can play substantial role.

Donors play a crucial role in supporting social enterprises for several reasons:

1. **Financial Support:** Donors provide essential funding that help social enterprises sustain their operations, expand their reach, and develop new initiatives. Since social enterprises often have a dual mission of generating social impact and financial sustainability, donations can bridge the gap between revenue generated from their products or services and the costs associated with achieving their social goals.
2. **Validation and Credibility:** Donor support lends credibility to a social enterprise's work and mission. When individuals, foundations, or corporations choose to donate to a social enterprise, it signals that they believe in the organisation's ability to create positive change. This validation can attract additional support from other stakeholders, such as customers, investors, and partners.
3. **Flexibility and Risk-Taking:** Donor funding provides social enterprises with greater flexibility to take risks and pursue innovative approaches. Unlike traditional funding sources that may have stricter requirements or predefined outcomes, donors often have a more open-minded and risk-tolerant approach. This enables social enterprises to



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experiment, iterate, and adapt their strategies to achieve better results in addressing social or environmental challenges.

4. **Capacity Building:** Donors not only provide financial resources but also offer expertise, guidance, and capacity-building support to social enterprises. This can include mentorship, training programmes, technical assistance, and access to networks and resources. By investing in the development and growth of social enterprises, donors contribute to building stronger and more sustainable organisations that can maximize their impact.
5. **Amplifying Impact:** Donor support can catalyse a multiplier effect by enabling social enterprises to scale up their operations and reach more beneficiaries. With additional resources, social enterprises can expand their programmes, replicate successful models in new locations, or develop innovative solutions that have a broader societal impact. This amplification of impact is made possible through the generosity and belief of donors in the organisation's mission.

In summary, donors are vital for the success of social enterprises as they provide crucial financial support, validate the organisation's work, offer flexibility for innovation, contribute to capacity building, and help amplify the social impact achieved. Their contributions go beyond funding and play a significant role in driving positive change in communities and addressing pressing social and environmental issues.

Name of the entrepreneur	ADOLFO CONESA ARIZA
Name of the enterprise	CODIFIVA
Potential donors	The company is interested in communicating the analysis of their potential impact to the target group, public administrations, and private companies that have collaborated in funding the project. Currently, the project is in negotiations with Apple, who has shown interest in collaborating with them as a technological partner. The entrepreneurs are optimistic about resuming personalized consulting based on the capacities and needs of each person with functional diversity and proposing tailored and secure solutions. The project believes that IoT devices and smart speakers, once considered a luxury, are becoming more affordable and will significantly improve the lives of older adults and people with functional diversity. The project is dedicated to understanding the real needs of these individuals and tailoring the proposals to meet those needs, ultimately achieving the objectives of the project.

Tips and further resources

Social enterprises can use impact measurement as a valuable tool to assess and enhance their social and environmental impact.

Here are some ways social enterprises can effectively utilize impact measurement:

1. **Establish Clear Objectives:** Clearly define the objectives and intended outcomes of your social enterprise's initiatives. Identify the key indicators that reflect progress towards these goals. This will provide a foundation for measuring impact and evaluating success.
2. **Select Appropriate Metrics:** Choose metrics that align with your social or environmental objectives and are relevant to your stakeholders. These metrics can include quantitative data (e.g., number of beneficiaries reached, jobs created, greenhouse gas emissions reduced) as well as qualitative data (e.g., changes in beneficiaries' quality of life, testimonials, and case studies). Ensure that the selected metrics capture both the short-term and long-term impact of your initiatives.
3. **Collect Data:** Develop a data collection plan that outlines how and when data will be collected, and by whom. Determine the most effective methods for gathering data, such as surveys, interviews, focus groups, or data tracking systems. Consider using technology to streamline data collection processes and minimize errors.
4. **Analyse and Interpret Data:** Once data is collected, analyse and interpret it to gain insights into your social enterprise's impact. Use statistical analysis, visualization tools, and other analytical techniques to identify trends, patterns, and correlations in the data. This analysis can help you understand the effectiveness of your programmes, identify areas for improvement, and make data-driven decisions.
5. **Monitor Progress Over Time:** Regularly track and monitor your impact indicators to assess progress over time. Establish a monitoring and evaluation framework that allows you to capture data at regular intervals and compare results against baseline measurements. This ongoing monitoring helps you identify changes, trends, and areas that may require adjustments to maximize impact.
6. **Learn from Evaluation Findings:** Reflect on evaluation findings and learn from them. Analyse the reasons behind the impact achieved or not achieved and identify factors that contributed to success or challenges. Use this information to adapt strategies, refine programmes, and improve implementation approaches. Continuous learning and improvement are crucial for increasing impact over time.
7. **Communicate Impact:** Effectively communicate your impact to stakeholders and the wider community. Use impact measurement data to create compelling narratives, stories, and visualizations that highlight the positive change created by your social enterprise. Share your impact through various channels such as reports, websites, social media, and presentations to engage stakeholders, build trust, and attract support.
8. **Engage Stakeholders:** Involve stakeholders, including beneficiaries, employees, partners, and funders, in the impact measurement process. Seek their input on the metrics and indicators to be measured, and ensure their perspectives are considered during data

analysis and interpretation. Engaging stakeholders fosters transparency, accountability, and a shared understanding of your social enterprise's impact.

Remember that impact measurement is an iterative process. Regularly review and refine your impact measurement framework based on new insights, changes in strategies, and feedback from stakeholders. By consistently measuring and evaluating impact, social enterprises can demonstrate their effectiveness, make informed decisions, and continuously enhance their ability to create positive social and environmental change.

Conclusions

Social enterprises can improve their impact in several ways:

1. **Refine and Expand Programs:** Regularly assess the effectiveness of your programmes and initiatives. Collect feedback from beneficiaries, track outcomes, and evaluate the impact of your interventions. Use this information to refine and improve your approaches. Identify areas for expansion and scale successful programmes to reach more people and create a larger impact.
2. **Collaborate and Learn from Others:** Engage in partnerships and collaborations with other organisations, both within and outside your sector. Learn from their experiences, share knowledge, and explore opportunities for joint initiatives. Collaborations can bring new perspectives, resources, and expertise, enhancing the impact of your social enterprise.
3. **Embrace Technology and Innovation:** Embrace technological advancements and innovative solutions to improve your impact. Leverage digital platforms, data analytics, and automation tools to streamline operations, enhance efficiency, and reach a wider audience. Explore how emerging technologies such as artificial intelligence, blockchain, or renewable energy can be integrated into your work to create greater social and environmental impact.
4. **Engage Stakeholders:** Actively involve stakeholders, including beneficiaries, employees, volunteers, customers, funders, and community members in decision-making processes. Seek their input, listen to their feedback, and involve them in co-designing solutions. Engaged stakeholders are more likely to support and champion your initiatives, leading to increased impact.
5. **Foster a Learning Culture:** Cultivate a culture of learning and improvement within your organisation. Encourage open dialogue, knowledge sharing, and continuous professional development for your team members. Create spaces for reflection, celebrate successes, and learn from failures. Regularly evaluate your strategies, adapt to changing circumstances, and incorporate new insights to maximise impact.
6. **Measure and Communicate Impact:** Develop robust impact measurement systems to track and evaluate your social and environmental outcomes. Use data and evidence to demonstrate the effectiveness of your programmes and initiatives. Communicate your impact through compelling stories, case studies, infographics, and reports. Engage with stakeholders, including donors, investors, and the wider community, to raise awareness and build support for your mission.
7. **Pursue Policy and Advocacy:** To create systemic change, engage in policy advocacy and work towards influencing the larger social and environmental ecosystem. Advocate for policies and regulations that support your cause and address the root causes of the issues you are addressing. Collaborate with government bodies, policymakers, and advocacy groups to bring about lasting change.
8. **Continuously innovate and reiterate.** Stay abreast of emerging trends, challenges, and opportunities in your field. Foster a mind-set of innovation and be open to experimentation. Continuously iterate and adapt your strategies based on feedback, lessons learned, and the evolving needs of your target population. Encourage creativity and empower your team to come up with new ideas and approaches.

By adopting these strategies, social enterprises can continually improve their impact and contribute to positive social and environmental change.



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