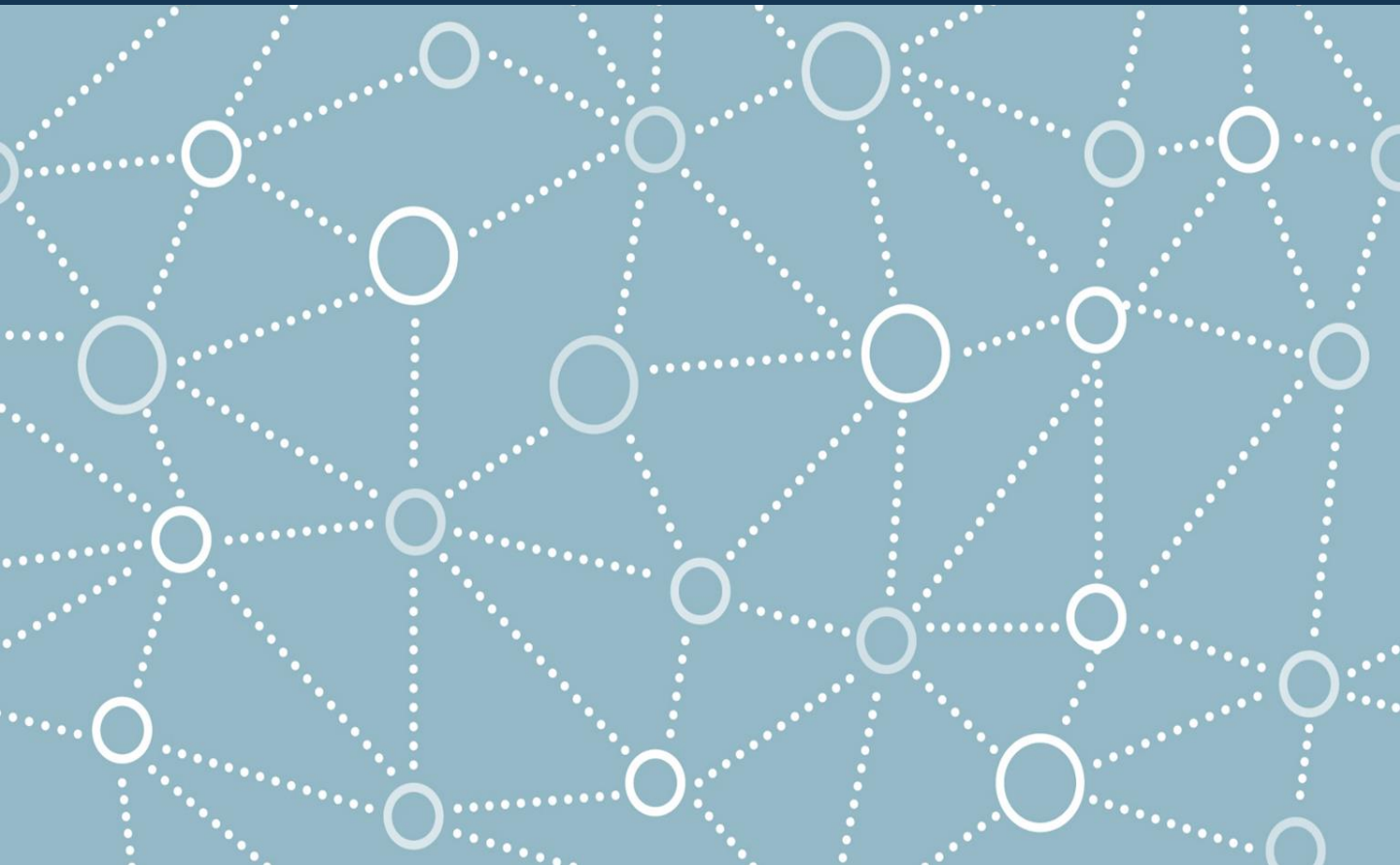




Driving Impact Through Networks

Learning through experience



Introduction

Social purpose organisations today operate in a complex environment where making an impact is predicated on a set of organisations, from providers to funders, working in tandem. Charities, social enterprises, funders, and investors all operate across a set of networks that vary in their type and purpose.

In this paper we survey the available approaches to measuring the benefits created by networks. By 'network,' we mean any group of organisations who have come together to collaborate on a common dimension of activity. We are using the term 'network impact' to describe the

compound effect of a network that is more than the sum of its parts. This includes but is not limited to specific kinds of network initiatives like shared measurement or collective impact initiatives.

There are many types of networks in the social sector, and organisations can benefit from these networks in a number of ways. Networks create efficiencies and stimulate innovation. Social purpose organisations benefit from the economies of scale created by shared systems and tools, and can access greater innovation by collaborating with others working in the same field. Aligning goals and outcomes among diverse organisations

can also help unlock genuinely new solutions to complex social problems. Funders benefit from a more efficient use of programme funding and reduced duplication of service activities.

Network impact is an emergent field, and there are many different approaches to measuring the success of a network. This paper provides an overview of current thinking on network impact, pulling together insights from Aleron and Sinzer's recent network impact event and three case studies looking at the way different types of networks provide value for their members.

Practitioners' Event

On the 1st of December 2016, Aleron and Sinzer co-hosted an event bringing together over 50 leaders from charities, foundations, investors, and peak bodies to discuss network impact. At the event a range of experts from frontline practice, investment, and research backgrounds shared their first-hand experience, practical lessons, and reflections on the future of impact in networks.

Four key themes emerged through the session:

1 Network impact is a post-organisation mindset

Bethia McNeil, Director for the Centre for Youth Impact, argued that the sector's current approach to doing impact is often individualistic, expensive and protectionist. Network impact offers the chance to go beyond the perspective of individual organisations to a *post-organisation* approach. This new mindset is both philosophical and practical.

Paul Perkins, CEO of The Winch and the North Camden Zone, echoed this in describing the North Camden Zone collective impact pilot as an example of what can happen when an organisation applies its mission beyond the borders of its own activities. Like many charities, The Winch currently collects and reports on impact data as much for marketing purposes, as for driving decisions about outcomes. Their collective impact pilot seeks to change this by making data fundamental to driving accountability for outcomes.

2 A collaborative and progressive approach is central to creating lasting change

Reflecting on her experience at Citizens Advice where she was Head of Impact and Evaluation, Tamsin Shuker insisted on the importance to recognise the different types of style and maturity in adopting network impact approaches. She used to distinguish between sprinters, joggers, walkers, and plodders and tailor her engagement with each group. The 'sprinters' might run off and develop their own impact approach if an organisation doesn't keep pace, while the 'plodders' might need intensive support to keep them on board. However, she was clear on the necessity to have a single message and single language to ensure clarity of purpose and action.

Hugh Taylor from Aleron and Emma Verheijke from Sinzer reflected on the importance of building consensus in their work with the Age UK network in Kent to implement a new online impact management platform. Those 'outside the tent' can be brought on board voluntarily by showing tangible

results such as specific software tools and the encouragement from leader organisations in the network.

3 Funders need to support but not drive

As Senior Head of Evaluation at the Big Lottery Fund, Tamsin Shuker, raised some open questions about the role of the funder in promoting network impact. Funders shouldn't always take on the role of dictating shared measurement approaches. It is important to also recognise the existing expertise of charities in devising their own impact measurement approaches.

Marcus Hulme, Social Impact Director at Big Society Capital, noted that there are various roles for funders in encouraging shared impact approaches, from pooling together resources to tackle an issue, to mandating shared measurement approaches. One method that hasn't worked in the past is a "build it and they will come" approach to creating new shared platforms. Marcus is more in favour of ongoing support and a better sharing of data within and across networks.

4 There is no single right approach


A common message from all contributors was that there is a range of different approaches to creating impact within networks and as a result there is no 'one-size-fits-all' approach. Organisations form networks with a variety of different objectives, from sharing the efficiencies of a common tool (for example, Age UK or Citizens Advice) to solving a complex problem collectively (for example, North London Zone). These types of networks have different goals and therefore different factors for success.

A framework for understanding network impact

How do you measure the impact of a network?

Discussion at the event showed the need for greater understanding of the types of networks being formed, and the success factors required to create impact and measure change.

We have distilled our reflections into a framework of three core types of network: networks that are formally integrated, that share a common platform, or that share a common language of success (Figure 1).



	Common language of success	Common platform	Formally integrated
Network type			
Goal	<i>To collaborate on a common dimension for greater impact & efficiency</i>	<i>To enhance collaboration and innovation among members</i>	<i>To address an issue collectively or with strong centralised control</i>
Case study	Big Society Capital outcomes matrix	Utrecht Social Impact Factory	West London Zone
Role of network funder	Shorter-term grant funding tied to specific projects	Core funding for creation and maintenance of common systems	Varied and longer term funding streams
Dimensions by which to measure success	Voluntary implementation	Facilitation of collaboration and connectivity	Aggregate impact
	Alignment with intended goals	Effectiveness of tools	Effectiveness of network Added social value
Key success factors	Shared vision	Shared systems & processes	Centrally-managed contracts
	Shared language of success	Shared metrics & tools	Shared governance Performance monitoring




Figure 1 - Approaches to network impact

Each type of network has different goals, and as such different factors for success, different roles for network funders, and different ways to measure success.

Common language of success networks bring together autonomous organisations to collaborate on a common dimension. Key factors for success include 'standardisation' approaches such as shared outcomes frameworks, shared Theories of Change, and shared metrics. Funders of common language networks are responsible for funding the initial outlay of effort to develop shared resources. They also need to play an ongoing support role to ensure the resources are used.

Common platform networks create value for their members

by giving them access to bespoke systems to either increase collaboration or improve impact practice. A key factor for success is access to shared systems and processes to foster collaboration among members and spread good ideas. Similarly, members may be provided with access to shared tools and metrics to help them measure and improve their impact. In common platform networks, the funder plays a key ongoing role to facilitate the take-up of these shared systems, processes and tools.

Formally integrated networks aim to provide a joined-up, responsive approach to solving a problem for a defined cohort. Collective impact initiatives can be formally integrated networks, as can multi-branch

organisations with a central core. In formally integrated networks, the centre plays a strong role to support its member organisations and monitor progress towards a common goal. Also important are shared processes that all partner organisations benefit from, and governance and funding arrangements that facilitate adaptability. One of the key roles of the network funder is to provide long-term or 'patient' capital. This gives the programme sufficient time to realise outcomes and flexibility to revise programme specifications as needed.

In what follows, we highlight key reflections on measuring the impact of a network, structured around three case studies.

Case Study 1:

Big Society Capital Outcomes Matrix and Shared Value Metrics

Shared language of success network

Big Society Capital (BSC) has developed a **shared outcomes matrix** to help organisations interested in social investment to plan and measure their social impact.¹ A common challenge for organisations entering into social investment transactions is the difficulty in measuring the impact of a product or a service, and comparing it to a benchmark. BSC's outcomes matrix aims to overcome this challenge by developing a common language around social investment and impact assessment, structured around outcome areas and beneficiary groups.

Building on this work, BSC is now redeveloping its outcomes matrix to include tools to measure **shared metrics** for each outcome area. Its goal is to develop an evidence-driven, collaboratively developed common measurement system available for the whole sector, to make it easier to compare and standardise impact.² A common system will incentivise collaboration, and create a robust and consistent evidence base that can be used to allocate resources and drive progress.

Standardisation resources like shared outcomes frameworks and metrics must tread a fine line between standardisation

and preserving meaningful differences in goals between organisations. In developing its shared metrics, BSC is taking care to align its framework with existing systems for measuring impact that are already in place. Instead of prescribing metrics, BSC sees its role to be helping organisations to **find the common ground** in what they are all individually measuring. BSC hopes that this approach will ensure the widest possible take-up of its shared measurement metrics across funders and social purpose organisations.

BSC has developed a number of key insights from its experience so far. Firstly, good impact measurement requires **ongoing time and resources**. Organisations may need additional funding or support to implement and maintain these the new approaches. In addition, impact measurement approaches need to be tailored to each sector, and tools need to be proportionate to the programmes they measure. Even with a shared measurement system in place, not everything will be comparable. Different organisations will be coming from different starting points, and their services may have different resources, timing, and contexts.

¹ <http://www.goodfinance.org.uk/impact-matrix>

² This work is being led for BSC by the Impact Management Programme and is funded by the Access Foundation and Power to Change. <https://access-socialinvestment.org.uk/capacity-building/capacity-building-programmes/impact-management/>

Case Study 2:

Utrecht Social Impact Factory

A common platform network for collaboration or improved impact

The Utrecht Social Impact Factory (SIF) is an example of a common platform network. Members benefit from a co-working environment that fosters collaboration and new connections, as well as an online impact measurement tool, developed in collaboration with Sinzer, to promote greater impact.

The SIF was established in 2016 as a partnership between the City of Utrecht, Kirkman Company (a company that helps existing large organisations to transform into social enterprises), and Seat2Meet (a company providing co-working spaces for social enterprises). It aims to connect and inspire social enterprises and other socially-minded organisations with a fair, sustainable and socially inclusive approach to doing business. Members can use co-working space in a centrally-located building in Utrecht and participate in various workshops and events. Additionally, late in 2016 the SIF launched a Social Impact Market, which is an online platform to connect social enterprises with commissioners interested in purchasing their services.

One of the two key advantages that networks like the SIF confer on its members is a common platform to collect data against shared metrics and tools in order to measure their social impact. Sinzer has developed an impact template for the SIF on the Sinzer software platform, an online IT system that organisations can use to measure and manage their impact. The SIF template that has been developed allows social enterprises to measure and report on their social impact using common output and outcome measures. Social enterprises use the template to select the measures most relevant to their services, send surveys to collect data from stakeholders, and report the results.³

Secondly, the SIF has facilitated collaboration and connection, through shared systems and processes for its members. For example, SIF's co-working space is designed to encourage serendipitous meetings between different social enterprises.

³For further reading, see <http://blog.sinzer.org/how-government-procurement-can-be-used-to-create-social-impact>

Organisations using the co-working space are provided with 'recommended matches' of other organisations who possess relevant skills and interests. The SIF also provides members with access to a broad network of partner organisations including government and private sector bodies, through regular events and workshop series. The online Social Impact Market also provides a platform for social enterprises to showcase their products and connect to potential commissioners.

In the case of the Social Impact Factory, ongoing funding is required to maintain the shared platform, for example to organise a forward programme of events and activities. Ongoing funding is also needed for training and support to help members correctly use shared tools. Sinzer's next phase of work with the Social Impact Marketplace in 2017 is to give the social enterprises further training on how best to use the measurement tools, how to correctly survey beneficiaries, and how to select the best metrics for their services.

Case Study 3:

West London Zone

Formally integrated network to address a specific issue

West London Zone (WLZ) is a network designed to connect children's services in West London to ensure that at-risk children arrive safe, happy and healthy in adulthood. WLZ is a collective impact initiative, which launched its pilot programme in 2015/16. As a collective impact initiative, it comprises a partnership of local organisations supported by a 'backbone' team that manages the partnership, monitors progress and raises finances. It employs Link Workers based in children's centres, schools and job centres, who engage children and young people, coordinate delivery partner support on the ground and link families to wider support in the community. WLZ is co-commissioned by local authorities, schools, central government and private philanthropy, backed by social investment. This enables patient capital to fund the pilot and start-up phases, including the work of the backbone organisation.

In WLZ, the backbone helps to support delivery to the WLZ cohort and assess the progress of its cohort to outcomes. WLZ has formal contracts in place with its delivery partner organisations and manages its relationships through a dedicated partnerships manager and bespoke partnership practice materials. WLZ has developed a shared quality framework that sets out a shared understanding of what 'good' looks like across six contract dimensions, where performance determines future contract success.⁴

The backbone organisation has also set up

shared processes that all partner organisations benefit from. For example, WLZ collects data on attendance after each session run by its partner organisations as a way to help ensure the cohort is progressing towards the intended outcome. Link Workers work with partner organisations to address attendance issues, either by following up with the children directly or by giving the partner key information which would help a partner engage a child. If, say, a child missed a session on Monday, the backbone team would receive attendance data the following day, follow up with the absent child by the end of the week and resolve any issues to ensure the child is back in attendance for the next Monday.

Another key factor for success is the creation of **governance and funding arrangements that facilitate adaptability**. WLZ can adapt each child's package of partner support in response to outcomes data. The backbone can also act as a convener which can bring partner organisations together to revise whole programme dimensions as necessary. Increasingly the backbone is playing a facilitator role in hosting multilateral meetings between partner organisations where they can share best practice and solve problems collaboratively.

WLZ is evaluating the effectiveness of its impact by tracking the progress of each individual child on the programme over time in a joined-up, 'whole-child' approach to measurement. It has also recently released the results of its evaluation of the pilot implementation phase.⁵

⁴See <http://westlondonzone.org/pilot-implementation-study/> and <http://westlondonzone.org/results-of-pilot-partners-survey/> for results. E.g. 8 out of 12 partners surveyed believed that working collectively improved delivery around 'the whole child'.

How to measure a network's success

As we have seen, different networks have different goals and thus different factors for success. Measuring the success of a network accordingly varies.

Formally integrated networks which were designed to address a problem for a defined cohort should be evaluated based on the impact of the intervention and the success of the network itself. Common platform networks should be measured based on their success in facilitating access to shared platforms and tools. Common language of success networks should be measured based on the success of implementation and alignment to the goals of its members. Some sample questions that different networks could use to evaluate their success are outlined in Figure 2.

Common language of success networks	
<p>Success of the implementation:</p> <ul style="list-style-type: none"> • Have a significant number of organisations voluntarily adopted the new standardised frameworks? • Have organisations been approaching metrics and outcomes in a consistent way? 	<p>Alignment with intended goals of organisations:</p> <ul style="list-style-type: none"> • Has adopting a common outcomes framework reduced duplication? • Has it freed up time for organisations to use for other projects? • Has it enabled improvements in practice e.g. through comparison with other organisations or increased focus on impact?
Common platform networks	
<p>Facilitation of collaboration and connectivity:</p> <ul style="list-style-type: none"> • Are internal systems working to promote collaboration? • Has the network connected members with others important to their work or given them access to new perspectives? • How has being part of this network helped members advance their business? 	<p>Access to common tools:</p> <ul style="list-style-type: none"> • Is the tool easy to use? • Has it been adopted by members correctly? • Has the tool helped members save time or improve their impact practice?
Formally integrated networks	
<p>Overall impact:</p> <ul style="list-style-type: none"> • Did the programme achieve the desired change for its cohort? • Did it do better than doing nothing? • Is it more effective than other interventions? 	<p>Success of the network itself:</p> <ul style="list-style-type: none"> • Was the programme implemented effectively? • Do organisations feel that working collectively improved delivery for the target group? • Is the partnership greater than the sum of its parts?

Figure 2 – Approaches to measuring the success of networks will vary by network type

Closing thoughts

Network approaches are being increasingly favoured by both social purpose organisations and by funders who are looking to achieve greater impact in an increasingly tight funding environment.

This is because the compound impact of an effective network is more than the sum of its parts: networks create efficiencies and stimulate innovation.

However, there is much still to learn and to do. Many organisations face different levels of maturity when it comes to implementing network approaches. Some network tools put in place by funders have also languished without sufficient ongoing support to facilitate their adoption.

We encourage the sector to come together to create a

community of learning around network impact. Social purpose organisations which have overcome organisational barriers to implement network approaches can share their successes with others. Funders, too, must play an ongoing role to ensure take-up of the shared systems the networks have put in place. As an emerging field, we all still have much to learn from each other.

Feedback, comments, questions? We encourage you to get in touch to share your own experiences with creating network impact.



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