

Questions for Impact Measurement in the SGB Sector

Metrics from the Ground Up Nairobi February 27-28, 2018

During the closing session, we identified six major themes and questions that we as a sector should explore. These issues surfaced throughout multiple sessions as the most critical challenges or tensions for us as a community. We asked participants to form groups by topic (number of people in blue), and develop a potential solution that the ANDE network could drive forward, starting with the phrase “ANDE should...”

1. Unintended Consequences - 5

- Every business creates an impact, positive and negative, intended and unintended.
- Our various definitions of impact focused on intention and focused on positive impact.
If we only measure what we intend to happen, do we risk misallocation of resources?
ANDE should review existing resources to examine unintended impact.

2. Aligning Incentives - 10

- Entrepreneurs, investors, and donors don't align on what impact is, and what to measure.
- [Kenyans] don't align with [Americans] on what impact is and what to measure.
How can we align intentions and incentives, and create a more inclusive system?
ANDE should facilitate a working group with key players to align.

3. Tools and Targets - 8

- There are plenty of tools and frameworks. Practitioners should just start collecting and using data and hold themselves accountable.
- Tools aren't widely being used and people are searching for a standard for good practice.
How do we know we are doing enough good, and also good enough impact measurement?
ANDE should do a workshop or webinar around business viability with financial and social performance.

4. Right-Sizing - 26

- Academics and evaluators want stable interventions and long-term data collection.
- Practitioners want data insights to influence design.
How can we balance the demands for rigor and rapid, business-focused insights?
ANDE should... create a tool for helping entrepreneurs decide where they fit on the spectrum. Connect academics to entrepreneurs. Advocate at the donor level.

5. Where's the money - 9

- Impact measurement should drive business value and be aligned with business goals.
- Investors and entrepreneurs say they don't have the resources (financial and human) to measure.
Who should pay for impact measurement? How much does/should it cost? How to structure?
ANDE should establish a baseline among members of who is paying for what. Map the membership base and look at costs by type or area or fund structure.

6. Supporting Entrepreneurs - 14

- Impact happens through the enterprise, not the investor or intermediary.
- Entrepreneurs don't have the time to or experience in measuring impact.

How can we build capacity for small and growing businesses to measure?

ANDE should create a catalog or platform with who has done what, case studies, webinars, or in-person trainings.