

## Understanding Impact Measurement Resources

### Introduction

Charities often ask OR analysts to help with impact measurement and theory of change. These terms are not always familiar to OR analysts, but the content of the work certainly is. This note gives a very brief introduction to each and signposts a small number of useful starting points for relevant charity-sector resources.

### ***Impact measurement***

For charities, impact measurement is about the difference they are making to the world.

Impact measurement (or outcomes evaluation) is good practice for any enterprise to:

- a) clarify what they are aiming to achieve by their activities
- b) check how well they have achieved what they set out to do, and whether they could do better by doing additional or different things
- c) help market their services to potential service users
- d) build staff buy-in.

It is especially important for charities because the people who fund charities are rarely the people who directly benefit from their work; so funders need to find another way of assessing whether the charity is making the difference it claims to make, and whether their own objectives are being met and they are getting value for money. It is common for funders to require impact measurement for the grants, donations or contracts they offer.

There are a lot of resources available to support impact measurement and some relevant links are listed overleaf.

Impact measurement is often associated with the ***theory of change***. This is the terminology most often used in the charity sector for the underlying logic that explains the link between their work and the intended outcomes, following the chain from inputs to activities to outputs to outcomes and impact.

All planned activities should have an underlying logic that links what the organisation is doing to what it achieves. This is not always articulated, particularly in charities because:

- They are frequently founded, and supported by, visionary people who see (and inspire others with) the value of offering a particular service because it is the right thing to do, without any need to spell out exactly how it works.
- As time goes by and circumstances change, the activities undertaken by the charity and their impact may change, and the original logic may no longer be valid, or may not be shared by everybody involved.

For any analyst who plans to measure impact, it is important to understand what the charity is doing and how that links to the intended impact. At its simplest, that is all that is meant by 'theory of change'.

### **Impact Links**

[Understanding Impact - NPC](#) NPC is a charity think tank and consultancy that has led the way in promoting impact measurement and Theory of Change. Both are covered in the resources linked to on this page. This may be the only link that you need.

### ***If you want to explore more:***

[The Green Book \(2022\) - GOV.UK](#) An authoritative guide on economic appraisal, monitoring and evaluation intended primarily for government policies, programmes and projects but with wider applicability. It is particularly relevant if the charity wants to put an economic value on their impact.

[The Magenta Book - GOV.UK](#) An equally authoritative guide to evaluation of interventions and their impacts

[Starting out on social return on investment \(SROI\) | Better Evaluation](#) For those who want to use this approach, and/or understand more about 'social value'

[How to measure impact](#) Particularly focused on impact of research; from LSE

[Impact measurement tools and surveys for charities](#) Suggestions for use of ONS data in impact measurement

[A Beginner's Guide to Impact Measurement - Social Good Stuff](#)

[Evaluation Approaches | Better Evaluation](#) A very full list of different ways of approaching evaluation

### ***Case studies:***

You will find several examples of impact measurement on the Pro Bono OR website, and the OR Society may be able to put you in touch with the relevant analyst(s) if you want to follow up any. Also:

[Impact measurement — Data Orchard](#) Some case studies from a small but influential consultancy

[Project reports | Pro Bono Economics](#) Case studies of impact measurement undertaken by volunteer economists