10 Lessons about measuring impact

Impact must be designed and carefully planned

Most funders have a broad idea of how they want to change the world; which development area they want to focus on; how they foresee change will happen, but, change and impact never happens in a linear fashion. For this reason, impact must be carefully planned and designed through impact strategies, theories of change, impact policies and statements.

Achieving impact requires effort, time and the impact journey is messy

The majority of funders don't consider all the stakeholders involved along the impact journey. For example:

- 1. the people/organisations directly impacted
- 2. the people/organisations responsible for facilitating the change (through implementation)
- 3. any other stakeholders (indirectly) impacted across the ecosystem.

Failure and challenges are guaranteed

While funders are doing much to manage risk through strict criteria, guidelines and extensive due diligence – they fail to:

- 1. capture or act on lessons learnt during implementation or
- 2. use insights from monitoring and evaluation processes or
- 3. institute timely and proactive actions based on experience and outcomes.

Simple solutions seldom solve complex problems

Funders often have ambitious goals but, they mostly underestimate what it will take to change the underlying systems that contribute to the social challenges the want to solve in the first place.

In most cases, the causes and challenges they are trying to solve will require many actors, lots of influence and an enormous amount of resources. Inadvertently, impact assessments seldom indicate that investors achieve these ambitious goals.

Impact innovation is not for everybody

Impact innovation does not necessarily mean impact at scale. While every funder may want to claim uniqueness—what works in development—has been created and tested over many decades by many people.

An inherent adversity to risk; a lack of patience to trial interventions in different locations and contexts, as well as going from pilot to scale, all take a lot of resources, many stakeholders and a variety of development approaches.

Impact is only impact if there is evidence

Impact can only be determined by the people who can confirm it. Whilst impact strategies and theories of change are useful, they will remain abstract if not informed by the recipients views, perceptions, inputs and expectations.

Without engagement, many investments simply disappear over time because communities cannot attest to the difference an intervention made.

Impact occurs on many levels

Whilst an investment strategy is critically important, impact happens—or doesn't—because of implementation.

The careful management of implementation is what determines if the envisaged impact will materialise or not. In most cases a lot of time and effort are spent focused on creating the perfect strategy, but too little time and attention is awarded to managing the process of creating the impact.

Impact is created by many actors

Most of the time impact is co-created, by government, co-funders, implementing partners, support organizations and facilitators.

It is not only a question to whom impact can be attributed, but also who else contributed to impact results, something overlooked by many funders when assessing impact.

Achieving impact requires consistency

To measure impact, you will need good baseline data. From here you need measurement processes along the way, to ensure impact is monitored consistently from the implementation phase to conclusion and exit phase. This way, impact is managed and measured consistently allowing you to improve impact results along the way.

Impact data is incredibly powerful

When it comes to tracking progress towards your organization's desired impact, the right indicators are essential. They serve as a framework for monitoring effectiveness and provide actionable data to drive continuous improvement. Your indicators should really get to the heart of the matter and say something of central importance about the outcome. Too often, we're drawn to the indicators that are easiest to measure.

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