

# Measuring the impact of your work

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## Introduction



Most organisations are used to recording and reporting upon project targets and the outcomes of their work, often as requirements of funding. What can be more challenging is measuring the impact of this work or how it is affecting the communities that organisations seek to support. This information sheet will help you to understand the importance of impact reporting and some principles about how to go about recording it.

## What is impact?

Impact goes beyond measuring the outputs and outcomes of your work and looks at the longer-term, broader change that comes about because of your organisation's work.

For example:

- **An output would be:** To deliver a job training programme over six months.
- **An outcome could be:** A job training programme results in 70% of participants gaining employment within six months.
- **Whereas an impact would be:** A job training programme contributes to long-term financial stability, reduced reliance on benefits, and improved community wellbeing.

## Why measuring impact is important



Measuring impact is important for organisations to understand the effectiveness of their work and ensure they are delivering real, positive change for their beneficiaries. Without a clear understanding of impact, it is difficult to know if resources are being used efficiently or if adjustments need to be made to improve outcomes.

Measuring impact plays a crucial role in improving services, securing funding, and demonstrating success. By identifying what is working well and what needs improvement, organisations can refine their services to better meet the needs of beneficiaries, ensuring resources are used effectively. Integrating impact within your planning cycle will ensure it becomes a regular part of your reporting rather than a one-off activity. Having this sort of regular input will show how you are making a difference over a longer period of time and understand how any changes in your service are affecting the impact you make.

Additionally, funders want to know how their money has made a difference, and when applying to a funder, the funder also wants to be able to see that you are effective in what you deliver.

**It also helps organisations to build trust with donors, stakeholders, and the wider community by showcasing tangible, lasting results.**

## How do we measure impact?

There are no hard and fast rules on how or what to measure – it will vary depending on the nature of your work, what you hope to achieve and who the beneficiaries are. But what is important is to identify the change that your organisation wants to make and then identify how this can be recorded. This is typically through setting a few indicators that represent the longer-term change you want to measure in your community; this may be a reduction in isolation, improved mental wellbeing or increased financial resilience.

Two commonly used methodologies are **Theory of Change** and **Social Return on Investment** which both give a specific framework to work within.

## Theory of change

A **Theory of Change (ToC)** is a structured framework that outlines how an organisations activities lead to the desired social impact. It maps the step-by-step process of change, linking **inputs** (resources) to **outputs** (activities), **outcomes** (short- and medium-term changes), and the ultimate **impact** (long-term change).

They are a useful tool helping in many areas of an organisations work:

- **Clarity & Strategy:** Helping clearly define goals and show how work leads to meaningful change.
- **Funding Applications:** Provides a strong, evidence-based rationale to convince funders of the organisation's effectiveness.
- **Monitoring & Evaluation:** Establishes clear indicators to measure and evidence progress and assess impact.
- **Stakeholder Engagement:** Helps communicate the organisations approach to beneficiaries, funders, and partners.
- **Adaptation & Learning:** Identifies potential challenges and areas for improvement in service delivery

This [article](#) by Data Orchard, written for the Newid: Digital for the Third Sector project gives a real-life example of how a theory of change can be applied to measure impact.

## What is sroi (social return on investment)?

**Social Return on Investment (SROI)** is a method used to measure and communicate the social, environmental, and economic value created by an organisation's activities. It goes beyond financial metrics by assigning a monetary value to social benefits, helping charities and funders understand the full impact of their work.

How SROI Helps Measure Impact:

- **Quantifies Social Value:** Converts outcomes (e.g., improved mental health, increased employability) into financial terms, making impact measurable.
- **Strengthens Funding Applications:** Demonstrates tangible benefits, showing funders a clear return on investment for their support.
- **Improves Decision-Making:** Helps organisations allocate resources effectively based on what delivers the most value.

- **Enhances Accountability & Transparency:** Provides evidence-based reporting to stakeholders, ensuring that programmes achieve meaningful change.
- **Supports Strategic Growth:** Identifies successful interventions, enabling charities to scale impactful activities.

## Set key indicators



The long-term changes organisations make are not always easy to measure, such as levels of loneliness or financial resilience; therefore, we can set ourselves indicators that represent these changes.

Indicators are normally set using quantitative measures, i.e. those that can be counted. Several of your outcomes may contribute towards the impact you make. They are 'indicators' to provide a quick/easy way to track progress, for example:

To reduce loneliness, you may count:

- People accessing a luncheon club
- People using a community car scheme to attend a social activity
- New people attending social events

To complement this data, the evaluation would then explore this more deeply with direct questions to beneficiaries to gauge the impact of the work on addressing loneliness.

With a system that lets you count unique service users (e.g. – counted once regardless of how many times they accessed support) this would then tell you how many people have reduced their loneliness. This can be repeated annually and would show how your organisation is impacting upon people's loneliness.

To complement these quantitative measures, qualitative measures are also used to give a more descriptive representation of changes, which may be through case studies and personal stories, feedback or observations, and interviews. These give a more human and emotional sense of the impact you have made.

**Remember to review the indicators you use to ensure they are still appropriate and able to capture the impact you want to report on.**

# Data collection methods

There are many ways data can be collected, such as surveys and questionnaires, interviews and focus groups, case studies and testimonials, monitoring service usage, and even social media and digital engagement tracking. But it is important to remember to use methods that are repeatable and are not going to be overly complex, expensive, or time-consuming to use.

Surveys can give you more specific information on impact by directly asking about the impact the organisation's work has had on someone. However, surveys take more time and resources to produce, circulate, and extract data from. Indicators can be used as a much easier and quicker way to measure impact. Surveys are, however, a good tool to reinforce the findings from the indicators and will give you a more in-depth understanding of the impact.

**Only collect the data you need; this is important for GDPR compliance and also your time/effort.**

Too much data can be distracting and lead you to lose sight of exactly what it is you wanted to measure and understand.

As measuring impact requires you to show a change that has been achieved, it is helpful to collect baseline data. By collecting data at the start of your project/activity, you can demonstrate people's 'baseline' or starting point and then measure the same indicator again after (and potentially during depending on the length of the intervention), giving you the opportunity to show the change that's been achieved between the start and end of your work.

## Analysing and reporting impact

Once you have the data, consider how you will use it.

Start by organising the data into key areas and separate quantitative data (numbers, percentages) from qualitative data (stories, testimonials). Then you can compare it against baseline data or previous years' data and against any targets you have set.

Look for any key trends or patterns in the data; have levels increased or decreased? Was this what you expected? If not, you may need to delve further into the reasons to understand why something has/has not happened. Have there been any unintended consequences (positive or negative) of your work?

Depending on the data collected, you may also be able to compare the impact made upon different groups (e.g., age, gender, location) to identify disparities in outcomes.

You may also want to report on the cost-effectiveness of your service; this could be the cost per beneficiary or Social Return on Investment (SROI). You may also want to identify if your work helped you to attract more funding or develop new partnerships.

# Communicating impact

Think about different ways you can communicate your impact with different audiences e.g. sharing the infographics as social media images.

Write an impact report that you can share with funders, stakeholders, and supporters and include in your annual report. Keeping this short — 1-2 pages is sufficient to capture the headline impact and showcase how good you are at what you do. Think about different ways you can communicate your impact with different audiences e.g. sharing the infographics as social media images and using shorter clips of any videos can be a great way to reach people who wouldn't normally see your annual report or want to read the longer document.

Make the report easy to read and use infographics (charts, statistics, and graphics to make data digestible), photos, and case studies to show real people who have been impacted by your work and make the impact feel personal. Quotes and testimonials also help give first-hand accounts of the impact.

**They can be made using tools such as Canva by including photos/quotes.**

You may also like to use video to report and share the impact, which gives you the opportunity to include people's individual stories. Videos do not always have to take a lot of time. AI tools can even make a video just from some text.

You should also use this data to inform future strategy and development of services, as well as reviewing the process undertaken and identifying how it could be improved for the future.

## Tools and software

There is a wealth of tools and software available (many of which are free) that can help with **Measuring & Reporting Impact**. Some examples include:

- **Survey Tools:** Google Forms, SurveyMonkey, Typeform, Tripetto, MS Forms
- **CRM Systems:** Salesforce, Beacon, Charitylog (to track donor and beneficiary interactions) [Newid](#), [using Airtable](#) (designed specifically for the Welsh voluntary sector)
- **Data Analysis:** Microsoft Excel, Power BI, Google Data Studio
- **Infographic & Reporting Design:** Canva, Piktochart, Visme

### Top tip

Explore what functions are already available to you within your existing systems, especially if your workplace uses Microsoft 365 or Google Workspace

## Further resources

## Information and resources

### **New Philanthropy Capital: Theory of Change**

<https://wcva.cymru/wp-content/uploads/2020/01/Impact-Measurement-Starter.pdf>

### **Social Value Cymru**

<https://mantellgwynedd.com/eng/svc/social-value-cymru.html>

### **Social Change UK, SROI**

[http://social-change.co.uk/files/Social\\_Change\\_-\\_Introduction\\_to\\_SROI\\_1.pdf](http://social-change.co.uk/files/Social_Change_-_Introduction_to_SROI_1.pdf)

### **Inspiring Impact Resources**

<https://www.thinknpc.org/resource-hub/the-inspiring-impact-programme/> *(NB please note the Inspiring*

*Impact project is no longer live, but resources developed during the programme are still available at this link)*

### **Newid: Digital for the Third Sector**

[Simple ways to show impact using digital tools](#)

### **Training**

WCVA – A theory of Change approach to evaluation:

<https://wcva.cymru/training-info/impact-and-evaluation/>

## Impact report examples

### **Charity digital – six inspiring impact reports**

<https://charitydigital.org.uk/topics/six-impact-reports-to-inspire-you-9941>