Africa Recovery Strategy Series
Applying Impact Reporting to African Enterprises

Conducted via Zoom Webinar – Registration via www.impactatafrica.org/webinar

21 October 2020 – 4 pm EA Time
Africa Recovery Strategy Series

Applying Impact Reporting to African Enterprises
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Please engage on Twitter via @ImpactAtAfrica
Introduction

Impact Measurement and Management Insights I

Only half of investees report to have an IMM practice

<table>
<thead>
<tr>
<th>Category</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Intermediary</td>
<td>93%</td>
<td>7%</td>
</tr>
<tr>
<td>Investor</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Investee</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Why organisations are not measuring impact

1. Insufficient financial resources
2. We don’t know what IMM is or how to measure impact
3. Insufficient human resources
4. We haven’t set impact goals
5. We haven’t found the right tool
6. Impact is not a priority for our organisation

Introduction

Impact Measurement and Management Insights II

Top Tools

- United Nations Sustainable Development Goals (SDGs) (72%)
  - IRIS Catalog of Metrics (48%)
  - IRIS Core Metric Sets (38%)
  - Impact Management Project (Five Dimensions) (33%)
- United Nations Principles for Responsible Investment (30%)

Introduction

Impact Management Project (IMP): Five Dimensions of Impact

- **WHAT**
  What outcomes does the effect relate to, and how important are they to people (or the planet) experiencing it?

- **HOW MUCH**
  How much of the effect occurs in the time period?

- **WHO**
  Who experiences the effect, and how underserved are they in relation to the outcome?

- **CONTRIBUTION**
  How does the effect compare and contribute to what is likely to occur anyway?

- **RISK**
  Which risk factors are material, and how likely is the effect different from the expectation?

Source: Impact Management Project (IMP)
Case Study

Using Impact Reporting to Build Trust and Deliver Success with Investors & Donors

Case Study: GROW Educare Centres
Impact Report + Statement Highlights
Purpose for GROW Educare
Further Opportunities
GROW Educare

Introduction Video

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Source: https://www.youtube.com/watch?v=swQB2DY7jrw
Founded in 2014, SA Focus
Early Childhood Development, Social Franchising
Launched in Western Cape, Expanded to KZN & GP
44 Centres by end 2019, over 100 Teachers, 1500+ Children served
## GROW Educare

### Theory of Change Measures

| Start-up | Educational equipment & training manual per classroom of 30 children  
5 days induction training for all staff  
Installation of all equipment, posters & policies  
Teacher training x 10  
Education mentoring x 18  
Termly kits  
Teacher training x 10  
New Teacher Training  
Education Mentoring x 10  
Termly kits  
Teacher Training – Ad hoc  
New Teacher Training  
Termly kits |
|---|---|
| Year 1 | Infrastructure upgrade (regulations & GROW standards.)  
Marketing support to relaunch centre as GROW Educare Centre  
Access to affordable funding packages  
Financial and business training for franchisees x 5 days  
Franchisee meeting & training x 10  
Franchisee business mentoring x 10  
Franchisee Training & Meeting x 10  
Franchisee Business Mentoring x 4  
Franchisee Training Ad hoc  
Franchisee Meetings x 10 |
| Year 2 | |
| Year 3 - 5 | |
GROW Educare

Theory of Change Structure

<table>
<thead>
<tr>
<th>Outcome</th>
<th>What We Monitor and Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Teaching</td>
<td>Correct teacher child ratio 1:15 per age group</td>
</tr>
<tr>
<td></td>
<td>Teachers and principals qualified</td>
</tr>
<tr>
<td></td>
<td>Teachers are GROW trained</td>
</tr>
<tr>
<td></td>
<td>Teachers are competent – GROW assessment</td>
</tr>
<tr>
<td>Child Development</td>
<td>Programme is correctly implemented</td>
</tr>
<tr>
<td></td>
<td>Children are developing according to milestones – GROW assessment</td>
</tr>
<tr>
<td>Business Sustainability</td>
<td>School is at capacity</td>
</tr>
<tr>
<td></td>
<td>Fees are at target level</td>
</tr>
<tr>
<td></td>
<td>Franchise fees are paid on time</td>
</tr>
<tr>
<td></td>
<td>Teachers are paid target salary</td>
</tr>
<tr>
<td></td>
<td>Principal/Owner is earning target salary</td>
</tr>
<tr>
<td>Compliance to GROW Standards</td>
<td>Centre is registered</td>
</tr>
<tr>
<td></td>
<td>Centre is professionally managed (Compliance Check)</td>
</tr>
<tr>
<td></td>
<td>Training and Meetings attended</td>
</tr>
<tr>
<td>Living GROW Values</td>
<td>Franchisee is a brand Ambassador (Brand Ambassador assessment)</td>
</tr>
<tr>
<td></td>
<td>Franchisee and Teachers go the extra mile (Parent Survey)</td>
</tr>
</tbody>
</table>
Impact Report & Statement

North to South – Discussions to Delivery ... & The Process

Colin and James met in London in late October 2019
Colin and Relativ team met with Tracey in November 2019
Relativ/GROW Team Workshops held in Jan/February 2020:
  Discovery Process: Strategy, Operations, Lessons
  Data Sharing & Mapping: Theory of Change, Outcomes
Impact Management Project, Sopact guidance and support
Impact Statement + Report delivered in June 2020

**Engagement:** Establish scope & purpose
**Discovery:** Co-creation of methodology
**Data Collection:** Map stakeholders & systems
**Analysis:** Apply indicators & standards
**Reporting:** Finalise format & function
## Impact Report & Statement

### GROW Impact Report & Statement

### Appendix: GROW Educare Centres Impact Statement

All indicators, except (d) Scale and (g) Counterfactual, refer to GROW Educare Centres that have been running for 3 years or more.

### Impact 1: Improved child learning outcomes

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Impact Category</th>
<th>Definition</th>
<th>Indicator</th>
<th>Date / Value</th>
<th>Analysis</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>What</td>
<td>Outcome level in period</td>
<td>The level of outcome experienced by the stakeholder when engaging with the enterprise. The outcome can be positive or negative, intended or unintended.</td>
<td>Average child assessment score against developmental milestones</td>
<td>98%</td>
<td>91%</td>
<td>Biannual assessments by GROW teachers</td>
</tr>
<tr>
<td>Importance of the outcome to stakeholder</td>
<td>Outcome/target threshold</td>
<td>The level of outcome that the stakeholder or organisation considers to be a positive outcome. Anything below this level is considered a negative outcome. The outcome threshold can be a nationally or internationally agreed standard.</td>
<td>Target threshold score for development of children</td>
<td>80%</td>
<td>n/a</td>
<td>GROW goals per 5 Star Rating System</td>
</tr>
<tr>
<td>Stakeholder characteristics</td>
<td>Importance of children developing according to milestones</td>
<td>The stakeholders’ view of whether the outcome they experience is expected (within the other outcomes). Where possible, the people experiencing the outcome provide this data, although third-party research may also be considered. For the environment, scientific research provides this view.</td>
<td>Proportion of children under 5 years of age who are developmentally on track in health, learning and psychosocial well-being, by sex</td>
<td>4.2.1</td>
<td>n/a</td>
<td>Global Indicators Framework for the SDGs and Targets of the 2030 Agenda for Sustainable Development</td>
</tr>
<tr>
<td>Stakeholder characteristics</td>
<td>SDG target or other global goal</td>
<td>The Sustainable Development Goal or other global goal that the outcome relates to. An outcome might relate to more than one goal.</td>
<td>Proportion of children aged 2-5 years old from low-income households in developing countries</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Who</td>
<td>Geographical Boundary</td>
<td>The type of stakeholder experiencing the outcome.</td>
<td>Children attending GROW Educare Centres</td>
<td>n/a</td>
<td>n/a</td>
<td>GROW Educare Centres database</td>
</tr>
<tr>
<td>Who</td>
<td>Geographical Boundary</td>
<td>The geographical location where the stakeholder experiences the social and/or environmental outcome.</td>
<td>Western Cape, KwaZulu-Natal, Gauteng</td>
<td>n/a</td>
<td>n/a</td>
<td>GROW Educare Centres database</td>
</tr>
<tr>
<td>Who</td>
<td>Stakeholder level of influence</td>
<td>The level of influence of the stakeholder over the social and/or environmental outcome.</td>
<td>Children influencing GROW Educare Centres</td>
<td>n/a</td>
<td>n/a</td>
<td>GROW Educare Centres database</td>
</tr>
<tr>
<td>Who</td>
<td>Stakeholder characteristics</td>
<td>The type of stakeholder influencing the outcome.</td>
<td>Children aged 2-5 years old from low-income households</td>
<td>n/a</td>
<td>n/a</td>
<td>GROW Educare Centres database</td>
</tr>
</tbody>
</table>

### Period: 2014-2019

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**Impact Report 2014-2019**

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**GROW Educare Centres**

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**Appendix: GROW Educare Centres Impact Statement**

All indicators, except (d) Scale and (g) Counterfactual, refer to GROW Educare Centres that have been running for 3 years or more.
Impact Report & Statement

Highlights: Report & Statement

Detail: The evidence of impact
Progress: Non-linear, accounts for externalities
Data: Setting benchmarks & thresholds key
Insights: Allows for multiple perspectives
Alignment: Facilitates team commitment
Purpose for GROW Educare

What has GROW Educare Gained So Far?

Engaging discussions on what we measure and why
Data collection & validation
Internal M&E process review
Design of new data collection requirements
Theory of change tested & supported with facts
Impact story visual and accessible
Value for internal and external Stakeholders
Purpose for GROW Educare

Does GROW Educare See Future Value?

Framework for future reporting
Integrated performance management tool - GROW App
Strategic tool to critically assess impact
Potential for developing (ECD) sector standards
Tool for investors, donors to compare impact across portfolio
Further Opportunities

Building Investor and Donor Value?

Trust
- Relational time
- Establish context
- Transparency
- Accountability
- Communication
- Comparable
- Humility

Success
- Co-created Theory of Change
- Common vision & goals
- Achievable thresholds
- (Active) Participation
- IMM - Organizational imperative
- Concurrent learning
- Leverage storytelling

School Fees
- Spend time planning, building common understanding
- Collaborative exercise, evidence (data) dependent
- Be prepared for making sense of inconsistencies, sacred cows
- Identify the right partners - systems, analysts, reporting
- Benchmarks to determine thresholds may be hard to find
- Onboarding your entire team as contributors to success
- When in doubt, be brave enough to justify your own expertise
- Delivering impact is not a consistent, upward trajectory
02.
About Impact@Africa
Michael Sudarkasa – Impact@Africa Chair & Africa Business Group CEO
The Path to Impact@Africa & Achievements through 2019


4. Impact@Africa Validation and Operationalisation Meeting (2017, Egypt)

5. Launching of Impact@Africa at RBF 2018 (2018, South Africa)

6. Strategic Consultative Meeting (2019, Ethiopia)

Impact@Africa

The pan-African impact investment ecosystem development network that brings together all ecosystem players and provides a strong, unified voice for the advancement of impact investing on the continent.

Mission

Foster impact investment ecosystem growth in Africa by serving as a leader and information hub that pilots, promotes and advocates for innovations that solve transactional barriers and builds capacities to strengthen infrastructure.

Vision

A robust impact investment ecosystem that delivers for Africa and supports the implementation of Agenda 2063 and the Sustainable Development Goals (SDGs).

Formally Registered as Limited by Guarantee Company in Kenya as Impact Council For Investment In Africa Ltd ("Impact@Africa")
### Membership Segments, Benefits & Annual Fees

<table>
<thead>
<tr>
<th>Groups</th>
<th>Corporate Fee</th>
<th>Individual Fee</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>2,500 USD</td>
<td>200 USD</td>
<td>• Matchmaking with FOF and (global / local) co-investors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Access to deal-flow and investment opportunities</td>
</tr>
<tr>
<td>Corporations &amp; Foundations</td>
<td>2,500 USD</td>
<td>200 USD</td>
<td>• Access to shared value / impact opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Showcase and replicate opportunities</td>
</tr>
<tr>
<td>Policy Actors</td>
<td>2,500 USD</td>
<td>200 USD</td>
<td>• Public-private partnership development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Mapping of opportunities, facilitate access to funding</td>
</tr>
<tr>
<td>Enterprise Support</td>
<td>1,000 USD</td>
<td>200 USD</td>
<td>• Access to investors and funders</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Outreach to new markets</td>
</tr>
<tr>
<td>Advisors &amp; Consultants</td>
<td>1,000 USD</td>
<td>200 USD</td>
<td>• Access to clients</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Thought leadership opportunities</td>
</tr>
<tr>
<td>Academia</td>
<td>500 USD</td>
<td>200 USD</td>
<td>• Promotion of educational offerings continentally</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Digital platform &amp; research sharing</td>
</tr>
<tr>
<td>Associations of Entrepreneurs</td>
<td>500 USD</td>
<td>200 USD</td>
<td>• Facilitate access to capital and capacity development / technical assistance</td>
</tr>
</tbody>
</table>

Visit [www.impactatafrica.org/membership](http://www.impactatafrica.org/membership) for more information and to register membership interest.
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