

Program, Project, Business and Social Action – Impact Assessment

Lucia Marisy Souza Ribeiro de Oliveira¹, Luciana Souza de Oliveira², Bruno Cezar Silva³, Henrique Pereira de Aquino⁴, René Geraldo Cordeiro Silva Junior⁵, Thais Pereira de Azevedo⁶, Luciano de Oliveira Costa⁷, Marcia Bento Moreira⁸, Denes Dantas Vieira⁹, Vanderlei Souza Carvalho¹⁰

¹Universidade Federal do Vale do São Francisco, Praça da República, 33. Bairro Dom Tomaz, CEP 48907-180 Juazeiro – Bahia

²Instituto Federal de Educação, Ciência e Tecnologia do Sertão Pernambucano, Praça da República, 33/ Bairro Dom Tomaz. CEP 48.907-180 Juazeiro – Bahia

³Universidade Federal do Vale do São Francisco, Rua Rio de Janeiro, 32 João xxiii Juazeiro BA CEP 48900 330

⁴Universidade Federal do Vale do São Francisco, Rua Mario Borges, 146. Bairro João XXIII. CEP 48.900-200/ Juazeiro - Bahia

⁵Universidade Federal do Vale do São Francisco, Rua Anizio Moura Leal, 67. Apartamento 204. Bairro Maria Auxiliadora, CEP 56.328-010 / Petrolina - Pernambuco

⁶Universidade Federal do Vale do São Francisco, Rua Amadeus Mozart, 90. Condomínio Portal das Aguas/ Pedra do Bode. CEP 56.332-460/ Petyrolina – Pernambuco.

⁷Secretaria de Educação do Estado da Bahia, Praça Dr. José Inacio da Silva, 08 - Edifício Rio Jordão - CEP 48.903-430/ Centro - Juazeiro – Bahia

⁸Universidade Federal do Vale do São Francisco, Rua Santa Inês, 121.Vila Eulália. CEP 56.331-100 / Petrolina – Pernambuco

⁹Universidade Federal do Vale do São Francisco, Rua Almirante tamandaré, 29 A – Bairro Country Club. CEP 48.902-380/ Juazeiro- Bahia

¹⁰Universidade Federal do Vale do São Francisco, Avenida Armando Pereira de Almeida, 56. Residencial Vitória 1, Casa 06, quadra A. Jardim Vitória. CEP 48.900-457/ Juazeiro – Bahia.

Abstract— This article presents and discusses the SROI - Social Return on Investment, an important methodology used to assess the socioeconomic and environmental impact of a program, project, business or social action, carried out in poor communities and aimed at vulnerable populations, in view of its transformation. It addresses concepts, principles and the step by step of its execution, as a way to subsidize actors from public, private and non-governmental organizations, when there is a need to present to the society and the financial institutions, the cost-benefit non-monetized of the investments made for the realization of the intervention. The research to obtain the data was qualitative analytical, looking for classic and contemporary authors who approach the subject. The conclusions point to the increasing need to scientifically evaluate social actions, in order to qualify entrepreneurial organizations and also satisfy funding agencies.

Keywords— Impact assessment; SROI; Theory of Change.

I. THEORETICAL FRAMEWORK - HISTORY

The idea of writing this article came up in the Professional Master's Degree in Rural Extension at UNIVASF - Federal University of Vale do São Francisco, during the classes of the discipline Social Projects, an opportunity in which students linked to Non-Governmental Organizations for a long time and, consequently, executing the mission of its institutions through projects financed by national and international organizations, manifested the

difficulty in effectively evaluating the results obtained with the actions carried out, including to meet the requirements of the sponsors.

Although this practice has been required in countries in Europe and the United States since the 1960s, in Brazil it is still an unusual tool, either due to the lack of knowledge on how to do it, or due to the wrong understanding of the actors when they do not measure the legitimacy of this intervention in rendering accounts to the financing agency,

for whom, evaluating the project is an essential condition in obtaining data that will determine the effectiveness of the strategies used and the impact produced, allowing to improve the process.

Studies by Pinto et al (2019), point out that, from a base of 579 social impact businesses in Brazil, 31% do not have defined impact indicators; 28% have indicators, but do not measure them formally and 28% do not think it necessary to measure the impact generated by their work, leaving only 13% of businesses that have a formal impact measurement process. By impact, the effect resulting from an action under certain conditions is being considered here, that is, the intentional or unintentional changes resulting from the intervention, which can be both positive and negative. In the impact assessment, it is possible to prove whether the proposed objectives were fully or partially achieved and, more than that, to establish a cause and effect relationship between the intervention, identified by the selected indicators, whose purpose is to monitor the activities that the project, program or social business carries out with the ultimate goal of generating impact. Indicators are also necessary for the analysis of the impact itself, whether for measuring quantitative or qualitative aspects.

Development projects, stimulated since the Second World War for the reconstruction of the defeated countries and the movement of decimated economies, still remain the main instruments for promoting social, economic and socio-environmental changes, however, the objectives today are focused on reducing poverty and sustainable environmental preservation, through much more effective and efficient control instruments, requiring the participation of the subjects involved and multidisciplinary interventions. In the Brazilian case, the resumption of democracy in the mid-1980s, ignited the flame in organized civil society, to create different ways of intervening in the social reality of poor communities, with a view to their transformation, arising from there, non-governmental organizations to act in the voids left by the state. These organizations have played relevant roles with the most vulnerable populations and excluded from public policies, but they are currently facing difficulties in raising funds to continue developing their purposes, both due to the global situation of scarcity of financial resources, and the low professionalization of their actors. with regard to the ability to prove to its financiers the impacts resulting from the investments they have made. This text aims to contribute to this discussion, pointing out some useful elements for scientific evaluation of projects, programs, businesses or social actions.

There are dozens of methodologies applied to the impact assessment of social projects, however, in this article, the principles and know-how of SROI - Social Return on Investment (Social Return on Investment), which is a methodology widely applied by funding agencies, will be addressed. to measure the non-financial impact of a project, program, business or social action, in comparison with the amount invested (PEIXOTO et al, 2016), hearing from participants the history of social transformation generated by the intervention, such as quality improvement of life in the educational, cultural, information, health, housing, job and income generation and economic aspects, if that is the objective. It is, therefore, a cost-benefit analysis, recognized by the United Kingdom Cabinet Office, very conducive to organizations to evaluate intangible aspects, difficult to be observed and directly measured, but which account for everything that is relevant by “ stakeholders ”, that is, the beneficiaries. SROI's concern is to measure non-monetary value, generating information based on quantitative, qualitative and financial data, capable of explaining the changes that have occurred.

II. SROI METHODOLOGY- SOCIAL RETURN ON INVESTMENT

Table 1

Principles and Stages of Sroi	
<ul style="list-style-type: none"> Involve stakeholders Understand what has changed Valuing the things that matter Only include what is material Not taking ownership of the results of others Be transparent Check the results 	<ol style="list-style-type: none"> 1.Establish the scope and key stakeholders 2.Map Results 3.Establish the results and performance indicators assign them value 4.Understand the impact 5.Calculate SROI 6.Report

SOURCE: SROI Guide

The SROI methodology, as noted in TABLE 01, is based on seven principles:

According to Lazzarini (2018), stakeholders are people or organizations that participate in social action and are affected positively or negatively by the changes resulting from this action. In practice, the important thing is to choose the key stakeholders for listening, dispensing with all the actors involved. Key stakeholders should be

understood as those members who demonstrated, during the entire execution of the intervention, an interest in the problems raised, discussing about them; giving an opinion; bringing the contradictory when the positions placed as the best do not convince them; presenting alternatives capable of solving problems. Therefore, it is necessary to have a clear idea of what to evaluate, based on the initial objectives and their adaptations when, in the middle of the course, there was a need for changes in planning. Then, a mapping of the results brought by the stakeholders, ranking each one by assigning a value that should start from the most important to the least relevant, all in the view of those involved and to establish the impact. It is important at this stage to assess whether that result would occur in any way, regardless of social action, or whether it was only evident due to the project. To do so, input, output and measurable results must be established for each result. Finally, the calculation of the SROI is calculated by the sum of all benefits; the subtraction of the negative impacts detected and the comparison of the result with the investment, returning the conclusions evidenced, whatever they may be, positive or negative, clarifying that, in the case of social projects, the benefits are hardly expressed in monetary units and imputing values nutritional, educational, health, housing, well-being, leisure, recreation, etc. it implies fixing a price for subjective issues that involve human life and tend not to be monetized (LAZZARINI, 2018).

The important thing is not to lose sight of the fact that resources destined to operate social changes need to be spent effectively, ensuring satisfaction for both entrepreneurs and financiers, hence the metric chosen to demonstrate the results should not be based on the number of beneficiaries, for example. example, but in the changes brought by the project to the lives of the populations involved. Change is what should matter. As stated by Barros and Lima (2012), it is not enough for stakeholders to demonstrate satisfaction with the project or program. The financiers of the action need to be convinced that each currency unit allocated to the actions has generated a positive impact evidenced by important changes in the life of the population. Sustainability, characterized by its continuity, will depend on 100% of this understanding.

The SROI tool gained strength in 2007, when the UK government invested valuable resources so that the concept and guidelines for this evaluation method were better structured, but it was in 2009 that the method was consolidated when used by a consortium led by Social Value UK, publishing the guide for using the methodology, whose purpose is to assess impacts of funded projects. It is a methodology that seeks to give objectivity to a subjective

impact (LAZZARINI, 2018). Monetization is not the focus itself. The focus is on identifying change.

In Latin America, it is still common to find projects and policies with clearly unattainable objectives, however, as there is no evaluation, governments do not incur political costs because they do not reach the specified goals and reap the bonus of the promise. Results-oriented management requires the definition of more realistic goals and targets; specifying the means to achieve them; the design of a clear strategy to be followed; an assessment of the instruments available and the difficulties in mobilizing them; the allocation of authority and responsibilities among partners; the setting up of an information system consistent with the management needs and the definition of learning mechanisms that allow incorporating the lessons learned in the management decision process (IICA, 2010).

The Theory of Change, which presents itself as an essential foundation in the application of SROI, is a description that explains what will happen in the project's trajectory, between the beginning and its end. Once the long-term goals of the planned social action are defined, the activities to be carried out to achieve the objectives are identified. During the process of creating the "path of change", participants are required to question their assumptions about change and how activities can be tested to determine whether the key assumptions are strong enough to guarantee expected results (IICA, 2010).

In the design of the Theory of Change, six steps must be accomplished:

- Identify long-term goals;
- Map and connect the preconditions or requirements necessary to achieve these objectives and explain the necessary conditions;
- Identify the basic assumptions about the context;
- Identify the interventions that your initiative will carry out to create the desired change;
- Develop indicators to measure your results and evaluate the performance of your initiative;
- Write a narrative to explain the logic of your initiative.

When fulfilling these steps in the design of the project, program, business or social action path, some benefits can be accounted for in its execution, such as:

- More reliable results, in view of the clarity of the hypothesis raised
- Visual representation of the change that you want to achieve with the intervention

- Indicators described in a measurable way, ensuring the measurement of results
- Consensus among stakeholders on what should be done to ensure results
- Definition of the complexity of the intervention

In the construction of the Theory of Change, the logical framework can be used, which is a tool that allows actors to visualize how inputs and activities lead to certain results, facilitating the assessment of the impact that one wishes to achieve (LAZZARINI, 2018).

Before we even start the step by step in the execution of the SROI, we will do some reflections on what is a social project, which according to Armani (2003), is a “planned social action, structured in objectives, results and activities based on a limited amount of resources (human, material and financial) and time”. In this same understanding, Millar & Haal (2013), state that Social Projects are a way of organizing actions to transform a given social reality or some institution. These are temporary activities, with beginning, middle and end, carried out in groups and designed to bring about changes that produce a real contribution to a particular community or social cause. Usually, the executing institution raises funds to accomplish what is intended. The Social Project enhances citizenship and social awareness, making society more egalitarian. Peixoto et al (2016), states that the use of SROI is essential for social organizations, not only to demonstrate its value as an institution, but also for the role they can play in obtaining financing for their projects. This, not to mention that this tool has received a lot of attention due to a combination of its controversial approach, where it claims to be holistic and comprehensive, but uses a monetized language, combined with qualitative narratives, to express the different types of value created.

In the view of IICA - International Institute of Agricultural Sciences, Social Projects are planned undertakings that consist of a set of interrelated and coordinated activities to achieve specific objectives within the limits of a stipulated budget and time period. It is the most operational unit of planning, focused on development, which also requires reflection. Development according to Amartya Sen (2000), can only be defined in this way if it brings human evolution, with dignity and happiness for the population. He states: “(...) development consists in eliminating deprivations of freedom that limit people's choices and opportunities to exercise their condition predominantly as agents of their own change” (SEN, 2000).

III. THE KNOWLEDGE - DOING SROI - SOCIAL RETURN ON INVESTMENT

According to White (2011), in the application of SROI, the following must be observed steps:

3.1.The first step when applying the SROI method is to build a group of control or comparative, in order to verify if the group not participating in the Intervention achieved in the same time equal conditions, worse or better than stakeholders.

3.2.The second step consists of the work plan and the identification of the stakeholders, who are the beneficiaries of the project, program, business or actions that will be the focus of the evaluation. It is time to determine the about what really needs to be assessed and which actors are to be ears, considering all those who were affected by the changes, positive or negative, intentional or unintentional. It's a tool which seeks solutions to complex social problems, defining the indicators that will measure progress and results of change. In this perspective, the theory of change must be subjected to a validation empirical and a demonstration of its social impact, although action may generate unforeseen impacts.

3.3.The next step is to define and assign proxy financial values. That process is generally called “social and / or environmental valuation”, in which a monetary value is estimated to be attributed to environmental impacts and social. Such impacts, although full of value for society, do not bring a market price, only the value that the goods represent for people, varying from group to group. For example, the price of a kilo of meat is much easier to be priced by the market than a house, which will be evaluated considering the built area, location, materials, the number of rooms, etc. Reach a price setting for social value it is a subjective and complex process, but it is possible to be done, based on group consensus.

3.4.In the fourth step, benefits and costs are financially subtracted to determine the real value of the evaluated assets. For example, value of space in terms of rent, even if it is assigned or owned;hours of volunteer work, considering market value, etc.

3.5.When the objective is also to assess the environmental impact, due to catastrophes and environmental and human health damage resulting from the technologies whose harmful effects were not assessed before their introduction to the market, it is very important to carry out risk assessment.

Due to environmental impacts, the following concepts are being considered: “Any change in the physical, chemical and biological properties of the

environment, caused by any form of matter or energy resulting from human activities that, directly or indirectly, affect: I - health, the safety and well-being of the population; II - economic and social activities; III - the biota; IV - the aesthetic and sanitary conditions of the environment; V - the quality of environmental resources”(BRASIL, 2009).

For Veranez (2016), “studies are carried out to identify, predict, interpret and prevent the environmental effects that certain actions, plans, programs or projects can cause to health, human well-being and the environment, including alternatives to the project or action, and assuming public participation”. The results of this assessment should be taken to the authorities in order to minimize its negative impacts on the population.

IV. SOME CONSIDERATIONS

It is increasingly recurrent for governments, investors and society in general, the requirement for organizations that receive funding in order to execute a program, project, business or social action, to promote an impact assessment at the end of the interventions, as a important tool capable of legitimizing spending and demonstrating to society its contribution to the transformation process of the populations involved.

The choice in this article by SROI - Social Return on Investment, was due to its proven effectiveness in measuring the non-financial impact of interventions, in comparison with the amount invested, with the speech of stakeholders as the parameter main to determine the results, having the clarity of its complexity, considering that the SROI's concern is to measure non-monetary value, generating information based on quantitative, qualitative and financial data, capable of explaining the changes that occurred.

REFERENCES

- [1] A. Domingos, Como elaborar projetos? Guia prático para elaboração e gestão de projetos sociais. Porto Alegre: TOMO EDITORIAL, 2003.
- [2] G. Carlos, Avaliação de impacto e resultados de projetos de cooperação técnica desenvolvidos pelo IICA no Brasil / IICA – Brasília: IICA, 2010. p.112.
- [3] GUIDE SROI - SOCIAL RETURN ON INVESTMENT. Traduzido para o português pelo IDIS - Instituto para o Desenvolvimento do Investimento Social com o apoio da Fundação Rockefeller. Fundação Rockefeller, 2009.
- [4] L. Sérgio Giovanetti, The measurement of social impact and opportunities for research in business administration. RAUSP Management Journal, 2018, 53, pp.134-137.
- [5] M. Ross, HALL Kelly (2013) – Social Return on Investment (SROI) and Performance Measurement. Disponível em: <<http://www.tandfonline.com/doi/abs/10.1080/14719037.2012.698857>>.
- [6] PEIXOTO et al. Avaliação Econômica de Projeto Social. 1ª ed. São Paulo: Dinâmica Gráfica e Editora, 2012.
- [7] PINTO, C.D et al. Avaliação Econômica de Projetos Sociais. 1ª ed. São Paulo: Dinâmica Gráfica e Editora, 2012.
- [8] PIPE SOCIAL. 1º Mapa de Negócios de Impacto Social + Ambiental. Disponível em <http://pipe.social/mapa2017.Acesso> em 12 de agosto de 2020.
- [9] SEN, Amartya Kumar. Desenvolvimento como liberdade. São Paulo: Companhia das Letras. 2000.
- [10] W. Howard, An Introduction to the use of randomized control trials to evaluate development interventions. The International Initiative for Impact Evaluation. (3ie). Working Paper 9, February, 2011. Disponível em http://www.3ieimpact.org/media/filer_public/2012/05/07/working_paper9.PDF.Acesso em 10/08/2020.
- [11] VERONEZ, L. Proposição de Estrutura para Seleção de Metodologias para Avaliação de Impacto Social. TCC. Curso Superior de Engenharia da produção. Universidade Federal do Espírito Santo, 2016.