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Abstract

Growing expectations of NPO/NGO accountability and impact have led foundations, government units, angel investors, and other funders to emphasize such measures as social return on investment (SROI), social value creation, and impact investing, all intended to verify that social outcomes clearly justify resource utilization. This means that NPO/NGOs must not only attempt to measure their impact, they should also incorporate intended impacts into their mission-vision-goals processes and into their strategic thinking. All of these are significant governance functions, and the measures are all variants of the economics-based approached commonly referred to as benefit-cost analysis (BCA).

This presentation and the underlying paper peel back the popular but imprecise verbiage to get at the underlying economic concepts, especially the normatively-charged welfare economics elements that underlie BCA. Participants in this interactive session will learn about applications of these concepts to visioning and mission statements, strategic positioning, and impact assessment in selected program areas, and then brainstorm extensions to organizations of more immediate interest.

Worksheets will facilitate identification of “impact stakeholders,” those who stand to gain and/or lose from program implementation, as well as how best to measure those impacts in monetary and related units.