

Measuring Societal Investments

This section provides an in-depth analysis of the latest trends in measuring and evaluating the societal outcomes and/or impacts of corporate societal engagement programs.

KEY FINDINGS IN THIS SECTION:

- Measurement of societal outcomes and/or impacts is on the rise.
- Companies are more strategic in terms of their societal outcomes measurement.
- Measurement resources are limited in terms of support to grantees and in terms of measuring business results.

LEVELS OF MEASUREMENT

STATE OF EVALUATION: MORE COMPANIES ARE MEASURING THEIR SOCIETAL RESULTS

The *Giving in Numbers* Survey asked respondents to use the following logic model when categorizing evaluation efforts:



In 2015, 79% (n=198) of corporate giving departments measured the outcomes and/or impacts on at least one grant. More companies are measuring societal outcomes and/or impacts: Of the companies that provided measurement information for each of the last three years, 79% of them measured outcomes and/or impacts in 2013 compared to 87% in 2015 (n=112).

SCOPE OF MEASUREMENT: STRATEGIC MEASUREMENT OF OUTCOMES AND/OR IMPACTS

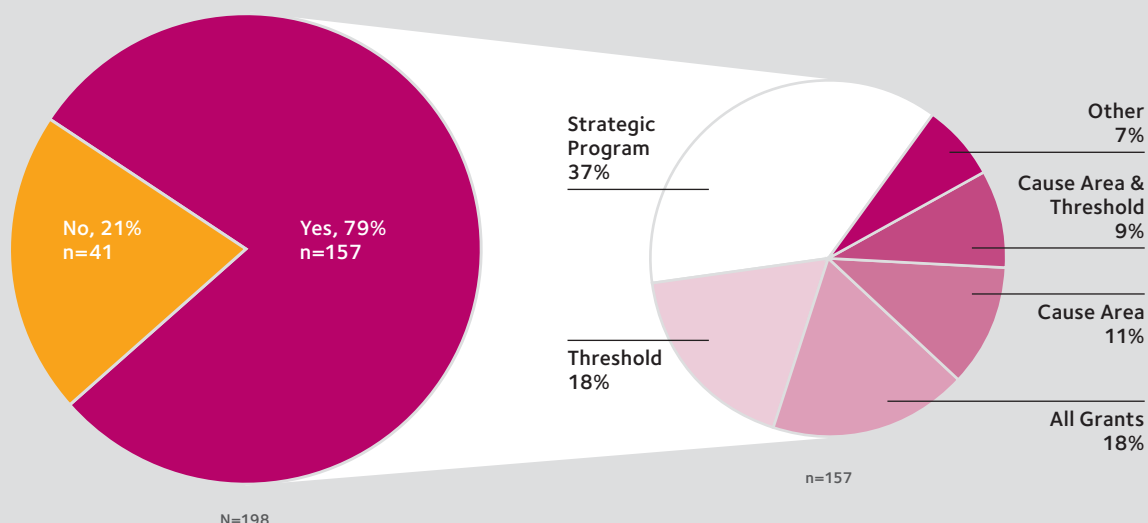
Most corporations are not evaluating societal outcomes and/or impacts for all their grants, but rather focusing on those that align with their strategic programs. There was a decrease in terms of the proportion of companies that measure societal outcomes and/or impacts on all their grants: 17% of all companies in 2013 compared to 13% of the same set of companies in 2015 (n=112). Typically, companies that measured societal outcomes and/or impacts on all their grants also had fewer partners in their portfolio. In 2015 the median number of grants was 225 for companies that measured their outcomes and/or impacts on all grants compared to a median of 596 grants for companies that measured outcomes and/or impacts only on select grants. Among companies measuring strategic philanthropic programs in 2015, the top programmatic focus areas, in terms of percentage of companies devoting most of their evaluations and measurement resources, were Education (37% of companies), Health and Social Services (27% of companies), and Community and Economic Development (13% of companies).

EXPERIENCE LEVEL IN EVALUATION

The scope of measurement is also associated with companies' level of experience with measurement. There is a higher proportion of very experienced companies (i.e., companies with at least five years of grant-evaluation experience) that measure their societal outcomes and/or impacts on all grants (37%), compared to those that measure only specific grants (20%). Measuring societal outcomes and/or impacts is still a relatively new field, as 77% of respondents who measure societal outcomes and/or impacts have fewer than five years of grant-evaluation experience (n=156). Whereas only 33% of companies have developed an internal, entirely in-house resource to evaluate strategic grants, the majority of companies (79%), who may or may not have developed internal resources, have worked with external partners to measure their societal outcomes and/or impacts, either through grantees, consulting firms, research institutions, universities, and/or publicly available data.

FIGURE 17

Percentage of Companies that Measure Societal Outcomes and/or Impacts and Scope of Measurement, 2015



MEASUREMENT APPLICATIONS

MEASURING BUSINESS RESULTS

Although the majority of companies measured their societal outcomes and/or impacts, there is still a gap in terms of measuring the business value of employee engagement programs. In 2015, one out of four respondent companies measured the business value of corporate volunteer programs. Examples of measuring the business value of volunteering include employee engagement surveys that assess aspects such as job and volunteer satisfaction, rates/scores of employee engagement, connection between employees' well-being/retention/promotion/leadership with employee engagement, benchmarking between employees who volunteer and those who don't, and volunteered hours captured by internal portals/surveys.

Companies with larger revenues may be able to allocate more resources to measuring the business value of employee engagement and therefore understand better employees' interests and attain higher volunteer participation rates. In 2015, companies that measured the business value of employee participation in corporate volunteer programs also had higher median revenues (\$22.4 billion) and a higher employee-volunteer participation rate (32%) than companies that did not measure the business value of employee engagement and who had median revenues of \$14.5 billion and a volunteer participation rate of 30%.

SUPPORTING MEASUREMENT OF RESULTS

Companies' resources and capacity to measure societal outcomes and/or impacts may be limited and so may be their ability to support their grantees' measurement efforts. In terms of the different support mechanisms companies offer to their grantees: 57% of companies in 2015 did not provide support to their grantees; 18% provided cash support only; 16% provided both cash and in-kind support; and 9% provided in-kind support only. Other ways of supporting grantees included funding expertise from third-party evaluation professionals.

Companies can provide support to grantees by informing themselves about existing tools and resources from experts. CECP's E-Community is a measurement and evaluation sub-group of CECP's network that provides curated resources and peer sharing. Over the past year, the E-Community has received briefing documents on: Impact Reporting & Investment Standards (IRIS) (of the Global Impact Investing Network), which is a catalogue of generally accepted performance metrics; PerformWell (of the Urban Institute), which provides measurement tools and practical knowledge to manage performance; and Salesforce for Nonprofits, which provides custom use of the platform to nonprofits to manage, track, and report on their work.

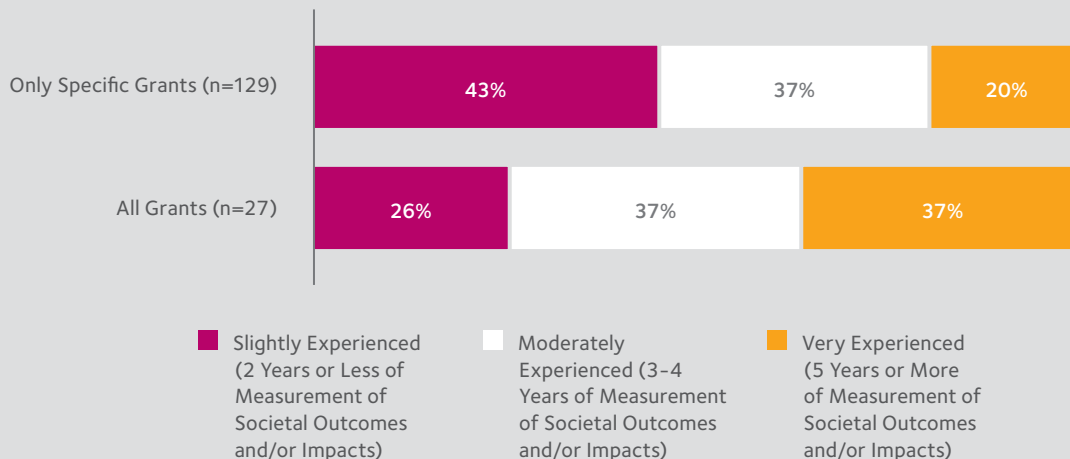
HOW RESULTS DATA ARE USED

Respondents were asked how their companies use data from grantees and/or nonprofit partners. More than one option could have been selected from a set of choices regarding internal and external purposes. It's important to understand how measurement data are used because this will give a sense of how companies look for potential ways to expand their current programs. CECP first captured this perspective in its publication *Measuring the Value* (2010), which is organized around three key audiences for results data. The top three most popular uses of data reported to companies by grantees/nonprofit partners in 2015 were (n=194):

- To monitor grantees to decide which grantees/partners to fund (87% of companies)
- To demonstrate outcomes to internal stakeholders (86% of companies)
- To report publicly what companies' giving achieved (70% of companies)

FIGURE 18

Scope of Measurement and Experience Level in Evaluation of Societal Outcomes and/or Impacts, Percentage of Companies, 2015



N=156