



## HOW TO ASSESS YOUR SOCIAL INVESTMENTS

**SEED** is a catalyst for high performance and sustainability in not-for-profit organizations. More than 200 community-serving organizations across the United States have improved their visioning, strategic planning and performance with **SEED**. Our catalytic coaching services unleash creativity, efficient coordinated action and shared leadership. Real-time progress measurement tracks social value and return on investment.

### Apples and Pears - The Challenge of Assessing Returns on Social Investments

How do you report that lives, organizations and whole systems are being changed for the better?

Anecdotal accounts can be conveyed alongside a tally of numbers reached. However, this rarely communicates the richness of social impacts achieved, nor provides a clear basis for justifying investment to sustain the work. At the other extreme, credible research-based evidence typically demands a skill set and financial capacity beyond the reach of community-based organizations.

Investors face parallel challenges. Traditional approaches to outcome measurement do not allow investors to compare returns across different types of social investments. For example, a single investor might contribute to social change in public school education, operating food banks, clearing wilderness trails, supporting military families, or helping immigrants master ESL.

The challenge is to have a standardized approach and language that effectively translates the art of achieving social impacts into the science of financial returns. Community-serving organizations and their funders need a language for comparing apples to apples, as well as apples to pears, whether across year, within year or across multiple investment opportunities.

The good news is – this does not need to be expensive or tricky!

### SEED's new 'Language' of Social ROI

#### What is it?

SEED has developed a metric for computing the social value of diverse investments in the public sector, where the end game is not net profit but increased social impact (profit to society). SEED's approach is easy-to-use, inexpensive and rooted in successful applications of cost benefit analysis. It allows non-profits and investors to understand, report and uplift outcome performance.

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## How does it work?

A set of **standardized SEED Results Ladders™** are used by leadership teams to map program outcomes on a scale from 1 to 10. SEED's system captures change over time, considering both the numbers reached and the depth of engagement.

Drawing from well-established research to compute social value, SEED translates these complexities into social impact dollars.

Comparing against operating costs yields a benefit-cost ratio and permits estimates of ROI.

Visit the SEED website for an example of how one investor was able to compare performance across multiple organizations at 18-month intervals.

## Everybody Benefits!



### For Programs, Organizations and Coalitions

The SEED results-mapping process yields spirited conversations and immediately useful data. Leadership teams achieve clarity about where they are in relation to where they want to be, and what they need to do to get there—with each target.

### For Investors

Funders become equipped to “sum up” and monetize the value of a total portfolio, as well as clusters of grants with similar objectives. Capacity building investors can also estimate

the social value of expanded impact potential and long-term sustainability. Where and how an investment portfolio is becoming more impactful can be tracked over time.

### For Society

The more organizations that use this methodology, the more they will be able to attract investments, so the more society will benefit. We would venture to say that many of the 1.5 million US-based non-profits could apply this little bit of SEED to grow a lot deeper and wider results.

To scale SEED's reach, we are seeking investments in helping to digitize our methodology. Contact Melinda Lackey ([mlackey@seedimpact.org](mailto:mlackey@seedimpact.org)) to explore interest in this capacity-building opportunity.

**How about a quick demonstration?** Contact us: [possibilities@seedimpact.org](mailto:possibilities@seedimpact.org)