

# Variables for Measuring the Impact of the Social Enterprises in the Field of Community Development

A. Irudaya Veni Mary, M. Victor Louis Anthuvan, P. Christie, A. Indira

**Abstract**—In India, social enterprises are working to create social value in various fields including education; health; women and child development; environment protection and community development. Although social enterprises have brought about tremendous changes in the lives of beneficiaries, the importance of their works is not understood thoroughly. One of the ways to prove themselves is to measure the impact, which in recent times has received much attention. This paper focuses on the study of social value created by the social enterprises in the field of community development. It also aims to put forth a research tool for measuring the social value created by the social enterprises in the field of community development. A close-ended interview schedule was prepared to measure the social value creation and it was administered among 60 beneficiaries of two social enterprises who work in the field of community development. The study results show that the social enterprises have brought four types of impact in the life of their beneficiaries; economic impact, social impact, political impact and cultural impact. This study is limited to the social enterprises those who work towards community development. This empirical finding will enable the reader to understand various types of social value created by the social enterprises working in the field of community development. This study will also serve as guide for social enterprises in community development activities to measure their impact and thereby improve their operation towards the betterment of the society. This paper is derived from an empirical research carried out to describe the different types of social value created by the social enterprises in India.

**Keywords**—Social enterprise, social entrepreneurs, social impact, social value, tool for social impact measurement.

## I. INTRODUCTION

**S**Ocial enterprises are those that blend social values into commercial enterprises. Through the social enterprise, social entrepreneurs seek to bring a fundamental, systematic, and sustainable social change, in whatever field they work such as education, or health care or economic development [1]. In today's era, we find social enterprises working in variety of fields. The social enterprises around the world work in the fields of economic development, education, health, women welfare, differently abled welfare, welfare of the gay and lesbian community with the intention of seeking equality, housing, career counseling, environment protection, and violence prevention [2]. In India, the social enterprises are working in the fields of education, health care, women

development, child welfare, differently abled welfare, youth welfare, senior citizens welfare, community development activities like rural people welfare, tribal people welfare, slum dwellers welfare, dalit people welfare; economic development, agricultural development, waste management, tourism, electricity, renewal of handicraft works, entrepreneurship development, human rights, disaster management, peace-making, environment protection, wild life protection etc.

The social enterprises in community development activities aim at improving the living standard of the poor and marginalised people in the sphere of their economic, social, political, and cultural life. Further, Khatiwada explains that community development through social entrepreneurship is a viable mechanism because the social enterprises in the field of community development are enabling the people in the community to meet both their tangible and intangible needs. Some of the needs are education, health, water and sanitation, environment, economic activities, participation, inclusion, and so on [3].

The social enterprises in the field of community development create four dimensions of social impact. The dimensions are the change in attitudes and behaviour; idea expansion: ripples, replication and multiplication; creation of employment; and impact on national policy. They change the attitudes and behaviour of the community members by changing their view on the social problems and the way it is so far approached. Once the idea is proved, the social enterprises spread their vision or idea and its effect to a broader community. They create employment opportunity for the community members. They carry out advocacy work and bring a policy level change in order to effectively address the social issue [4]. Although social enterprises have brought about tremendous change in the lives of beneficiaries, the importance of their work is not fully understood. One of the ways to prove their importance is to measure their impact on their beneficiaries, which in recent times has received much attention from various academicians, investors and practitioners. Measuring the impact created by the social enterprises has become the most vital task in order to prove with evidence to various stakeholders such as government, investors or donors, beneficiaries and to the general public [5], [6].

## II. SOCIAL IMPACT

According to Hadad and Găucă, the social impact is “the positive shifts (changes) in the status quo of people (affected by a specific social problem) as a consequence of an action, activity, process, project and even policy undertaken by

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individuals, companies, NGOs and governments. The impact can be positive or negative, intentional or unintentional, immediate and direct, or it can manifest later over time and reach out to different persons, persons who were not even included in the target, but who indirectly benefit from the impact. We may refer to this phenomenon as the spill overs of social impact.” [7] For the purpose of this article, the meaning of impact is “a positive integrated change created by the social enterprises in the life of their beneficiaries (community members). Integrated change means improving the life of the beneficiaries (community members) in the spheres of their economic, social, political and cultural life”.

### III. SOCIAL IMPACT MEASUREMENT

The objective of social impact measurement is to measure the social value or impact created through their activities [6]. Impact measurement is “the measurement of the impact of changes (outcomes) intentionally achieved in the lives of beneficiaries as a result of services and products, delivered by an organisation, for which the beneficiaries do not give full economic value” [5]. Social impact evaluation is a process that measures the level of reduction in the social problems towards which the social enterprises work for. In other words, it is a change in the society or behaviour of the individuals caused through the intervention of the social enterprises [8].

### IV. IMPORTANCE OF IMPACT MEASUREMENT

We live in a world where accountability of an organisation and the measurability of its value creation are highly demanded by its stakeholders [7]. In the field of entrepreneurship, the most recent topic of concern among the scholars is “social impact measurement”. Measuring the impact created by the social enterprises has become the most vital task in order to prove their impact on the society with evidence to various stakeholders such as government, investors or donors, beneficiaries and to the general public [5]. The impact measurement is not only a measuring tool; it is also one of the strategies to further advance its social mission by identifying the weak areas in the social value creation. It is important for the social enterprises to measure their impact in order to develop their competitive advantage, to raise funds and to extend their markets [9].

Impact measurement is important in order to achieve greater impact rather than focusing on accountability and reporting. The major objective of impact measurement is to improve the activities carried out in the social enterprise towards their mission. The positive outcomes of social impact measurement are: it helps the social enterprises to increase the awareness level of their activities among its stakeholders and to the general public; it helps them to identify and avoid irrelevant behaviours that are not in alignment with their mission statement; it also enables them to prove to the world that their innovative solutions are apt to solve the particular social problems [6]. It helps the social enterprises to advance the efficiency of their operations towards their mission, to reduce the unexpected negative impacts and to win the trust from the

society [10].

Measuring impact will enable the social enterprises to attract more investors and increase funds, thereby making the success of the organisation evident. It is one of the methods to communicate to the investors and to the beneficiaries that the organisation aims to further improve the service delivery, it helps to gain commitment of employees and volunteers to the organisation, it helps the organisation to narrate the impact or outcome with evidence, to gain competitive advantage, to measure the overall effectiveness of the organisations and to improve it more effectively [11]. Effective total impact measurement enables the social enterprise to take better business decisions, helps them to understand how their activities create positive and negative social, fiscal, environmental and economic impacts. It is important to increase the social value to the beneficiaries; it enables them to check whether they are achieving their goal and to reveal their impact to the stakeholders [12].

The Enterprising Non-Profits has listed six reasons to justify the importance of impact measurement for a social enterprise. 1. The impact measurement is essential for the social enterprises to confirm whether they are on the right path towards their mission. 2. It helps them to identify the need of any change in the existing plan and further improve it based on the mission. 3. It enables the social enterprises to improve their day-to-day actions towards social value creations. 4. It helps them to get support from funders, investors, partners, political leaders and community. 5. It also helps the social enterprises to contribute to the field of social entrepreneurship through impact measurement report. The social enterprises can teach other peer social entrepreneurs to perform efficiently and can attract new ideas and techniques to the field through their impact measurement reports. 6. Finally, the impact measurement helps them to be prepared when demands for facts arise [13].

The social impact measurement will help the social enterprises to strengthen the stakeholders’ support and create public awareness. It will also help them to identify unaligned behaviours or actions with their social missions. In addition, it also enables the social enterprises to develop a model for treating or solving social problem and to prove the developed model to the public sectors. Slowly a culture of social impact measurement is arising among social enterprises. It is important for the social enterprises in order to remain viable in the market [6]. Although the impact measurement is vital for the social enterprises, they face many practical challenges for measuring their impact while carrying out the impact measurement activities.

### V. IMPACT MEASUREMENT TOOLS

Knowing the importance of impact measurement tools, many investors, academicians and practitioners have put forth various impact measurement tools. Maas and Liket, listed out 30 impact measurement tools: 1. Acumen Scorecard, 2. Atkisson Compass Assessment for Investors - (ACAI), 3. Balanced Scorecard, 4. Best Available Charitable Option (BACO), 5. Bottom of the Pyramid (BoP) Impact Assessment

Framework, 6. Center for High Impact Philanthropy Cost per Impact, 7. Charity Assessment Method of Performance (CHAMP) (2006), 8. Foundation Investment Bubble Chart, 9. Hewlett Foundation Expected Return (2008), 10. Local Economic Multiples, 11. Measuring Impact Framework (2008), 12. Millennium Development Goal (MDG)-scan (2009), 13. Measuring Impacts Toolkit (2004), 14. Ongoing Assessment of Social Impacts (OASIS) (1999), 15. Participatory Impact Assessment (early 1990s), 16. Poverty Social Impact Assessment (PSIA) (2000), 17. Public Value Scorecard (PVSc) (2003), 18. Robin Hood Foundation Benefit-Cost Ratio (2004), 19. Social Compatibility Analysis (SCA) (2003), 20. Social Cost-Benefit Analysis (SCBA), 21. Social Cost Effectiveness Analysis (SCEA), 22. Social Evaluator (2007), 23. Social Footprint (2006), 24. Social Impact Assessment (SIA) (1994), 25. Social Return Assessment (SRA) (2000), 26. Social Return on Investment (SROI) (1996), 27. Socio-Economic Assessment Toolbox (SEAT) (2003), 28. Stakeholder Value Added (SVA) (2001), 29. Toolbox for Analyzing Sustainable Ventures in Developing Countries (2009), and 30. Wellventure Monitor TM, (2006) [14]. Apart from these, the author Joseph has added few more impact measurement tools such as 31. IRIS (Impact Reporting and Investment Standards) (2008), 32. Scalors (2009), 33. Simple (2007), 34. PQASSO (2000s), 35. HIP (2006), and 36. PULSE (2006) [15]. Further author Mouchamps (2014) added few more measures. They are 37. Social Accounting Network (SAN) Framework, 38. Triple Bottom Line (TBL), 39. Global Reporting Initiative (GRI), 40. EFQM Excellence Model, 41. Logical Framework, and 42. Skandia Navigator [16]. Thus, 42 impact measurement tools were identified from the existing literatures. While looking at the years of development of all these measurement tools, although the initiative was taken in 1990 but the actual attention has been given from the year 2001.

Among the above said tools, fifteen measurement tools are explained further below:

ACAI was developed by Acumen Fund; McKinsey in the year 2000. This tool measures the social impact in four dimensions. They are Nature, Society, Economy and well-being. The variables measured under Nature are environmental impact, utilization of resources such as water, energy. The parameters such as employment creation, sustainability of the organisation in perspective of financial sustainability are measured under the dimension of Economy. The indicators such as the accountability and transparency of the organisation, corporate culture and ethics, and governance are measured under the dimension of Society. The dimension of well-being measures the organisation's impact on the targeted beneficiaries or improvement in the quality life of the beneficiaries. [14]-[17].

*Balanced Scorecard* was developed by Robert Kaplan and David Norton in the year 1992. [14]. This tool measures the impact in four perspectives. They are Financial Perspective, Customer Perspective, Business Process Perspective and Learning and growth perspective. The Financial Perspective includes financial performance such as debtors, creditors, cash

flow, profitability and return on investment. The Customer Perspective comprises of the direct impact on the customers and customer satisfaction. Business Process Perspective contains the key business processes such as time taken in production, re-work costs or time to process an order. Learning and growth perspective include organisation's development, learning ability, staff training, number of training days, the number of qualified staff, total hours spent on staff training and attitudes to organisational culture related to both individual and corporate self-improvements. [18].

*Social Enterprise Balanced Scorecard Model (SEBC)* is an amended tool of Balanced Scorecard. As the perspectives of Balanced Scorecard clearly indicates that it measures only financial output, the UK social economy has amended the Balanced Scorecard with three changes in the year 2004 in order to measure both financial and social value add. The three changes are: an additional layer that explains the social goals was added; the organisational sustainability was added together with financial performance under the financial perspective; and the customer perspective was broadened with a larger number of stakeholder groups such as donors, grant funders, employees, and the wider community together with customers [19].

BACO was developed by Acumen Fund in the year 2006. It helps the investors to find out the right charitable options where their philanthropic fund will be most effectively utilized. The BACO calculates the social impact on per individual out of the net cost. [14]-[20].

*Center for High Impact Philanthropy Cost Per Impact* was developed by Centre for High Impact Philanthropy, University of Pennsylvania, in the year 2007. This tool was developed to measure the success rate of the organisation. This success rate is calculated as total cost spent for the programme divided by the result [14]-[21].

*Hewlett Foundation Expected Return* was developed by William and Flora Hewlett Foundation in the year 2008. This tool measures the expected return by finding the right answers for five questions. They are: What's the goal? - proving the need for investment. How much good can it do? - analysing the activity whether it will meet or suit the need; Is it a good bet? - assessing the worthiness to take risk and proving the possibility of success; How much difference will we make? - estimating the philanthropy share of impact in comparison with other funding sources such as investors, donors and government agencies; and What's the price tag? - the estimation of total finance required to meet the need [14]-[22].

*IRIS (Impact Reporting and Investment Standards)* was developed by Acumen Fund, B Lab, and the Rockefeller Foundation in the year 2008 and now promoted by the Global Impact Investing Network (GIIN). This tool measures the social, environmental, and financial performance of the organisations. (Joseph, n.d.). There are five types of metrics imbibed in this tool. They are Financial Metrics, Governance Metrics, Community Impact and Supplier Metrics, Environment Metrics for Developed Markets, and Optional Business Model Impact Metrics. Financial Metrics includes financial status of the organisation. The Governance Metrics

comprise of client feedback system, mission statement, information about temporary and permanent employee, number of male and female employees, number workers with disability and workers' safety [23].

The Community Impact and Supplier Metrics consists of information about organisations that donate, supporting entrepreneurial venture, number of hours worked for community development, female ownership and participation. The social impact objectives measured by this tool are access to clean water and sanitation, access to education, access to energy, access to financial services, access to information, affordable housing, agricultural productivity, capacity building, community development, conflict resolution, disease-specific prevention and mitigation, employment generation, equality and empowerment, food security, generate funds for charitable giving, health improvement, human rights protection or expansion and income/productivity growth [23].

Environment Metrics for Developed Markets includes environmental impact created by the organisation and utilization of natural resources such as energy, waste management and water. The environmental impact objectives measured in this tool are biodiversity conservation, energy and fuel efficiency, natural resources conservation, pollution prevention & waste management, sustainable energy, sustainable land use, and water resources management. The Optional Business Model Impact Metrics includes the information about beneficiaries such as their total numbers, number of poor clients, family wise and individual wise clients' details and about donors [23].

*Participatory Impact Assessment* was developed by Feinstein International Center in the early 1990s [14]. The participatory impact assessment is carried out through eight stages. In stage one, it defines the questions to be answered that is analysing the social mission of the organisation. In stage two, it defines the geographical and time limits of the project that is assessing and understanding on the physical and time boundaries of the project. In stage three, it identifies and prioritizes locally defined impact indicators particularly, the indicators that is to be measured based on inputs, activities, outputs, change or impact of the project. In stage four, it decides on which methods to use for measuring change, and test them. Some useful methods for measuring impact are simple ranking, simple scoring, before and after scoring, before and after proportional piling, pair-wise ranking, matrix scoring, impact calendars, and radar diagrams [24].

In stage five, it decides on which sampling method and sample size to use. The sample size should be based on time availability and money adequacy; the questions and methods. The three suitable sampling methods are Random sampling, purposive and convenience. In stage six, it decides on how to assess project attribution that is assessing the changes created by the project in the community or area where the project is implemented. In stage seven, it decides on how to triangulate results from participatory methods with other information, that is, it compares the results obtained from participatory method with secondary information, including project monitoring

data, and direct observation. In stage eight, it plans for the feedback and final cross-checking of results with communities. In this stage the results are taken back to the community and local partners including community-based organisations, local NGOs or local government partners in order to verify the results. If any corrections are suggested, then it corrects the results and provides the information. [24].

*Poverty Social Impact Assessment (PSIA)* was developed by World Bank in the year 2000. This tool analyses the distributional impact of policy reforms on the well-being of different stakeholders with particular focus on the poor and vulnerable people [14]. There are various processes involved while using this tool. Firstly, choosing appropriate indicators to measure the welfare and poverty, based on the policy in the country; secondly, analysing the distributional impact of policy change on different groups of people specifically on the poor and on the vulnerable people; thirdly, assessing on the transmission channels through which the policy reforms have impacted the various stakeholders. There are five major transmission channels. They are employment; prices (production, consumption, and wages); access to goods and services; assets; and transfers and taxes; and fourthly, assessing the impact of policy reforms on the institutions through which the economic agents were transferred. The institutions comprise of markets, legal systems, and the formal rules and informal behaviour of implementing agencies, including government [25].

*Public Value Scorecard (PVSc)* was developed by Professor M.H. Moore, Director of the Hauser Center for Non-profit Corporations at the John F. Kennedy School of Government at Harvard University in the year 2003. It measures the nonfinancial value creation [14]. It helps the organisations to understand the nature of the public value and increase their value to the society. This scorecard assesses the public value based on five dimensions. The five dimensions include the assessment on the usefulness of the public value, high regard for the public value creation, political acceptance, positive experience and profitability [26].

*Social Impact Assessment (SIA)* was developed by Inter organisational Committee on Guidelines and Principles for Social Impact Assessment in the year 1994 [14]. This tool adopts a participatory method to assess the impact. It involves in the process of identifying and managing social problems during project development. It effectively engages targeted communities and ensures their participation while identifying, assessing, and managing the social impacts [27].

*Social Return Assessment (SRA)* was developed by Pacific Community Ventures in the year 2000 [14]. This tool can be used by any organisation, or project, programme or activity. It helps to assess the impacts such as social, economic and environmental impacts in a useful and meaningful way. Three stages are involved for impact measurement while using this tool. The stages are A - exploring (and describing) the change, stage B- measuring the change and stage C - valuing the change. In stage A, it establishes the scope of the measurement that is, the changes to be measured and the stakeholders who will be involved in the measurement, then it



identifies various changes been created and understand the nature of the changes. Stage B is a process of identifying indicators to measure the changes and data collection through a questionnaire on a five-point scale method, analysis and summarising the results. The stage C is adopted only when there is a requirement to value of the impacts or changes in comparison with the initial investment in order to produce a ratio of benefits to investment, in other words when there is a need to produce monetary value to the impacts [28].

*Socio-Economic Assessment Toolbox (SEAT)* was developed by Anglo American plc in the year 2003 [14]. This tool enables the organisation to identify the socio-economic impact created by the organisation and thereby record the progress of their social mission of developing sustainable communities. It helps to identify the weak operation area where it has not performed well and to improve the operation area in the future. The purpose of this tool is to communicate about the socio-economic impact created by the organisation to various stakeholders such as targeted communities, employees, government and other key stakeholders. It also helps to analyze the future expectation of the stakeholder involved in the organisation and to plan for the future [29].

*Social Return on Investment (SROI)* analysis tool was developed by The Roberts Enterprise Development Fund in the year 1996 and formalized in 2006 to measure the success of its operations towards creating a social value to the society. This measurement tool provides monetary value to the social as well as market objectives of the organisation. [14]- [15]. There are two types of SROI analysis tools, they are evaluative and forecast. The evaluative SROI tool measures the actual outcomes created by an organisation. The forecast tool predicts the expected outcomes or social value that would be created by an operation. The forecast SROI enables the organisations to plan effectively in advance and to maximize its social value creation for the society [30].

*Toolbox for Analyzing Sustainable Ventures in Developing Countries* was developed by United Nations Environment Program in the year 2009. This tool was developed to identify opportunities, to understand the factors that are leading to the success of the organisation and to analyze the economic, social and environmental benefit using a cost benefit analysis and to understand the influence of the distributed impacts on the society [14]-[31].

## VI. CHALLENGES OF IMPACT MEASUREMENT

Measuring the effectiveness of social enterprise with regard to social impact is a great challenge faced by the social entrepreneurs [32]-[33]. Most social enterprises are indeed struggling for measuring their social impact due to various reasons. First and foremost, the inadequate human and financial resources to measure or administer social impact measurement tool is the greatest challenge faced by the social enterprises. To explain further, the impact measurement requires specialized skills, efforts, time, and money; but at present, these are inadequately available to the social enterprises. Therefore, the social enterprises perceive the impact measurement as a burden to them. The other

challenges are lack of metrics with new indicators to measure the social impact; lack of measurement tools to measure intangible outcomes of the social enterprises; the complex nature of the multiple social impact; lack of financial support to measure short-term goals; the rigidity of the indicators in the measurement tools; lack of adequate papers that explains indicators; and metrics to measure social impact [6].

In the past, the impact of community development was proved through case study method but at present, the impact measurement requires quantitative measurement tools through which causal relationship between the programme and impacts are explained. Therefore, the social enterprises are finding it difficult to show the causal relationship between programmes and impacts. Measuring the impact is a challenge for them because of the complexity of the social problem and change takes place over a long period of time which requires a consistent longitudinal research study. Impact measurement reporting becomes burdensome due to difference in the expectation of different funders and they find it difficult to prepare a report that would meet the needs of both the organisations and the expectation of different funders. The social enterprises find it difficult to understand the impact measurement tools and to put them to effective use hence they require training [34].

## VII. RESEARCH GAP

One of the requirements of impact measurement is, the impact measurement tool must measure the level of social impact based on the change in the life of the beneficiaries created by the social enterprises. The social impact measurement must evaluate impact on individuals; in accordance with the unique social mission of the organisation. It must have both qualitative and quantitative data; the data should be comparable and must be affordable. Although the attention on social impact evaluation in Social Enterprises is growing among academic literature in the past few years, the literature on this subject is quite fragmented [8]. The diverse nature of social enterprises requires multiple measurement tools to measure their social value creation or social objectives. Single measurement cannot evaluate the social enterprises with different social objectives [35]. The social impact assessment must involve multi-dimensional impacts, that is, the impact measurement should not restrict itself to economic impact alone in addition it must measure the political, social and cultural impact [15].

In view of all the above said requirements of an impact measurement tool, the present paper aims to create an impact measurement tool that is applicable to social enterprises in the field of community development. Further, this paper aims to bring out an impact measurement tool based on the social objectives and on the level of impacts created in the life of the beneficiaries. As the social objectives and the impact of the social enterprises in the field of community development are multi-dimensional, this paper aims to bring an integrated impact measurement tool that comprises of variables, which measure the economic, social, political and cultural impacts

created in the life of the beneficiaries through social enterprises in the field of community development.

### VIII. METHODOLOGY

The study design of this research paper is descriptive and exploratory in nature. This study explored various variables to measure the impact of social enterprises in the field of community development. An integrated impact measurement tool that comprises of 28 variables to measure the economic, social, political and cultural impact was prepared by the study. Further, this tool was tested in the field of community development and the results are described in this paper.

This study was conducted among the beneficiaries of two social enterprises in Tamil Nadu (India) working in the field of community development. The social enterprises are Trust for Village Self Governance (TVSG), in Kuthambakkam, Tiruvallur District and Keystone Foundation, Kotagiri, Nilgiri District. The Trust for Village Self Governance (TVSG) is founded by Shri. Elango Rangaswamy in the year 2001. This social enterprise is working with the social mission of bringing rural community development through changing the system of local Indian governance by strengthening the panchayath (village council). The Keystone Foundation was founded by three friends Ms. Snehlata Nath, Mr. Pratim Roy and Mr. Mathew John in the year 1993. Keystone is working with the mission of enhancing the quality of life and the environment of indigenous communities using eco-development approaches. The indigenous communities include people living in mountains and adjoining regions.

The sample size of the study is 60 beneficiaries, in particular 30 beneficiaries in each social enterprise. Among the 60 beneficiaries, 30 beneficiaries are from the villages of Kuthambakkam Panchayath, Tiruvallur District that are heterogeneous communities. Another 30 beneficiaries are from different tribal communities who live as homogeneous community in different villages in the Nilgiri District. The impact measurement tool consists of variables to measure the economic, social, political, and cultural impacts created in the life of the beneficiaries. It is a quantitative interview schedule framed on a five-point scale with 28 items. The views of the beneficiaries on the impact were measured on a five-point scale where "Not at all" ranked as "1" equal to zero percent, "A little" ranked as "2" equal to 25 percent, "To certain extent" ranked as "3" equal to 50 percent, "Much" ranked as "4" equal to 75 percent and "Very much" ranked as "5" equal to 100 percent as shown in the impact measurement tool below:

#### Impact Measurement Tool for Measuring the Impact of the Social Enterprises in the Field of Community Development

Respondents :Beneficiaries  
Name :  
Age :  
Gender : Male/ Female  
Place of Living : Rural/ Urban/ Tribal  
Educational qualification :

"What are the impacts of the social enterprise's work in

your life?" is given in Table I. The impact measurement tool was validated through construct validity, because the tool was prepared based on the learning derived from the review of literatures on social entrepreneurship and from the analysis of published case studies on Indian social entrepreneurs in the field of community development. The reliability of the instrument was tested with the help of reliability analysis in SPSS. The Cronbach's Alpha value for the scale items are described in Table II.

TABLE I  
IMPACT MEASUREMENT TOOL

Not at all	A	To certain	Much	Very much					
1	2	3	4	5					
S.No	Impact				1	2	3	4	5
The services of the social enterprise have									
Economic Impact									
1.	Bailed me out of poverty								
2.	Ensured me regular and steady income								
3.	Made me financially better off								
4.	Made me employable through skill or job								
5.	Increased access to job Opportunity								
6.	Made me economically empowered								
7.	Developed / supported me as entrepreneur								
8.	Increased agricultural production								
9.	Increased access to technology								
10.	Enabled access to quality product at an								
Social Impact									
11.	Protected environment								
12.	Improved educational status/ Brought quality								
13.	Ensured quality health care/ Better treatment								
14.	Stopped or prevented migration								
15.	Improved infrastructure in my community								
16.	Enabled me to eat better /tasty food								
17.	Prevented/stopped police harassment								
18.	Saved and protected me from trafficking								
Political Impact									
19.	Empowered me to fight for my rights								
20.	Increased my confidence								
21.	Increased my dignity								
22.	Enabled me to gain decision making power								
23.	Increased my knowledge/awareness on my								
24.	Ensured our local Community right								
25.	Empowered me to contest in the election								
Cultural Impact									
26.	Brought attitudinal change								
27.	Put an end to the huge caste taboo of								
28.	Ensured easy access to Government offices								
Any other, Please, specify									

TABLE II  
THE CRONBACH'S ALPHA VALUES OF THE IMPACT MEASUREMENT TOOL

S.No	Scale Items	Cronbach's Alpha Values
1.	Economic Impact	.694
2.	Social Impact	.727
3.	Political Impact	.911
4.	Cultural Impact	.626
5.	Overall Scale	.871

The impact measurement tool was administered using face

to face interview technique either in the home or in the working place (units of social enterprise) of the beneficiaries. Since the researcher collected information from the beneficiaries either at their home or in the working place, observing the situation gave lot more information on the actual impact of social entrepreneurs' activities on the society.

The software "IBM SPSS Statistics Version 19" was used for the data analysis. The statistical measurements namely reliability test was used to measure the reliability of the impact measurement tool and mean test was used to describe the results of the study.

## IX. RESULTS

The results detail the demographic details of the beneficiaries and the level impacts namely economic, social, political and cultural impact created by the social enterprises in their life.

### A. Demographic Profile of the Beneficiaries

Predominantly, 78.3 percent of the respondents are female and 21.7 percent of them are male. This data indicates that women are actively participating in the initiatives of the social enterprise. The age group of the respondents ranges between 19-70 years. Among them a majority, more than one third (38.3%) of the respondents are up to the age group of 30 years. The second majority (31.7%) of the beneficiaries are between the age group of 31-40 years. The mean age of the respondents is 36.78.

### B. The Level of Impact

Table III presents the mean score of the views on the impact given by the beneficiaries. The views are presented separately based on the social enterprises.

TABLE III  
THE MEAN SCORE OF THE IMPACTS

S.No	Impacts	Social Enterprise 1		Social Enterprise 2	
		Mean	S.D	Mean	S.D
I	Economic Impact				
1.	Bailed out of poverty	4.53	1.008	3.83	.747
2.	Ensured regular and steady income	4.60	.932	4.57	.504
3.	Made financially better off	4.60	.968	4.00	.695
4.	Made employable through skill or job training	4.70	.915	4.70	.596
5.	Increased access to job Opportunity	2.60	1.850	4.50	.938
6.	Made economically empowered	2.43	1.851	4.50	1.042
7.	Developed / supported as entrepreneur	1.43	1.104	3.30	1.643
8.	Increased agricultural production	3.70	1.841	3.00	1.339
9.	Increased access to technology	3.83	1.821	3.73	1.048
10.	Enabled access to quality product at an affordable price	3.13	1.570	1.80	1.424
	Total	3.55	.857	3.79	.538
II	Social Impact				
11.	Protected environment	4.77	.568	3.93	1.202
12.	Improved educational status/ Brought quality education	4.83	.461	4.47	.681
13.	Ensured quality health care/ Better treatment	4.20	1.064	4.10	.885
14.	Stopped or prevented migration	3.80	.925	3.70	1.055
15.	Improved infrastructure in the community	4.73	.785	2.90	1.561
16.	Enabled to eat better /tasty food	3.57	1.357	3.30	1.822
17.	Prevented/stopped police harassment	4.47	1.224	1.60	1.163
18.	Saved and protected from trafficking	1.47	2.285	.00	.000
	Total	3.98	.742	3.10	.599
III	Political Impact				
19.	Empowered to fight for the rights	4.43	.898	3.93	.944
20.	Increased the confidence	4.50	.861	4.33	.844
21.	Increased dignity	4.43	1.073	4.27	.828
22.	Enabled to gain decision making power	4.27	1.202	4.30	.877
23.	Increased knowledge/awareness on the right	4.43	.971	4.27	.907
24.	Ensured local Community right	4.37	1.217	3.67	1.241
25.	Empowered to contest in the election	3.67	1.729	3.37	1.650
	Total	4.30	1.013	4.02	.788
IV	Cultural Impact				
26.	Brought attitudinal change	4.63	.718	4.07	.944
27.	Put an end to the huge caste taboo of untouchability	4.63	.718	.00	.000
28.	Ensured easy access to Government offices	4.57	1.073	3.57	1.569
	Total	4.61	.758	3.82	1.078

The above table indicates that, although the level of impact varies between the two social enterprises their services have definitely improved the economic, social, political and cultural life of the beneficiaries. The mean score with regard to economic impact indicates that the level of economic impact created by the social enterprise 2 (3.79) is slightly higher than the social enterprise 1 (3.55). Regarding the other impacts such as social, political and cultural impacts, the level of impact created by the social enterprise 1 is higher than the social enterprise 2. It is because, the social enterprise 2 gives more importance to their social objectives of improving the economic life of their beneficiaries than the other social objectives such as improving the life of their beneficiaries in the spheres of social, political and cultural life. But the social enterprise 1 is giving an equal importance to all the social objectives.

*Economic Impact:* The social enterprises have pulled out their beneficiaries from poverty, ensured steady income and made them financially better off through the following services: they have made the unskilled people into employable people by providing skill or job training and after the training, the social enterprises have either given them job opportunity in the social enterprise or referred them to other organisation; they empowered and developed some of their beneficiaries as entrepreneurs by giving them relevant training, guidance and monetary support; they increased the agricultural production through providing loan, good seeds, organic manure, assistance during harvesting, motors, hosepipes, bore well through government for irrigation, training on organic farming and renovating the ponds; they have increased access to technology by innovating new technology or adopting the existing technology, by implementing technologies at the work place of the social enterprises, and by training the beneficiaries to handle the technologies efficiently; the social enterprises have increased the access to quality product at an affordable price by developing entrepreneurs from the targeted community and by proving evidence of the community development, they attracted many entrepreneurs outside their targeted communities.

*Social Impact:* The social enterprises have created social impact in the life of their targeted community people through following services. It ensured quality health care and better treatment by consistently creating awareness on health and hygienic practices, by conducting regular (monthly) medical camp in collaboration with medical colleges and by providing financial assistance in times of medical emergencies. They creatively developed quality education by upgrading the middle school to high school, improving the infrastructures in the school such as renovating the school building, building separate toilets for boys and girls, by providing assistance such as school bags, books, note books, school dress and stationary items and financial assistance for the higher studies. These efforts of the social enterprises have increased enrolment, increased attendance, reduced dropout rates in the school, created interest and enthusiasm in learning among students and improved the performance of the students in the school. The social enterprises have reduced the level of

migration to the cities since they provide job opportunity and entrepreneurial opportunity at the community itself.

They have improved the infrastructure facilities in the community such as replaced the huts with concrete house; renovated the damaged school; built marriage hall in the community; brought the government schemes such as Aanganwadi center and ration shop to the village; built TV room and GYM for young boys; established computer center in the village; constructed proper cement roads, proper foot path and sanitation facilities; built panchayath office; built drainage system to prevent flood; brought meter box and regularized the electricity facility in a subsidized price; provided drinking water facility; and brought separated dustbin systems for plastics and other garbage. The social enterprises enabled the beneficiaries to get proper nutritional food by improving their economic status and by creating awareness on the importance of healthy food habits. It protected women and children from trafficking and prevented/stopped police harassment by empowering people through awareness programmes and through advocacy and lobbying works. They improved the environment of the communities through awareness creation for utilizing the nature and the natural resources with responsibility, training on water resource management and waste management, reducing CO2 emission through eco-friendly products.

*Political Impact:* The social enterprises have improved the political status of the beneficiaries by increasing their confidence level and the level of dignity, enabling them to gain decision making power, increasing their knowledge and awareness on their own rights, empowering them to fight for their rights and by ensuring the local community rights. Their efforts also have empowered the beneficiaries to the level of contesting in the election. The social entrepreneurs have improved the political status of the beneficiaries by involving them in their work, teaching and guiding them to ask for their rights and through awareness creation.

*Cultural impact:* The social enterprises have improved the cultural life of the people by bringing attitudinal change with regard to environment protection, education, health and hygienic practices and by protecting the traditional good practices or cultures through awareness programmes and through research and documents. Secondly, they have ensured easy access to government offices by empowering, teaching, guiding them on the way to approach the government officials. With regard to the caste taboo of "untouchability" by organizing the women into self-help groups (SHGs), by creating attitudinal changing awareness programme and by creating Samathuvapuram (village community) with hundred houses where all the caste people live as neighbours in one community.

## X. CONCLUSION

The social enterprises in the field of community development do not work with one or two objectives instead they work with multiple social objectives such as improving the life of the people in the targeted communities in the sphere of economic, social, political and cultural life. Therefore, in



order to measure the impacts of the social enterprises in the field of community, the impact measurement tool requires multiple variables that can measure multiples social objectives and activities. Therefore, this study has come up with an impact measurement tool that consists of integrated variables. The variables that are identified and measured in this study will be useful to measure the compound social mission of the social enterprises in the field of community development. Since the tool and its variables are social mission based, it is very easy for the social enterprises in the field of community development to administer it as well as it is very easy for all types of beneficiaries whether young or old, educated or illiterate, male or female to understand and to answer appropriately. Since the tool and the variables in it are completely based on social mission of the social enterprises the beneficiaries will democratically participate in the research.

This tool is purely designed for measuring field level impact and it measures only the intangible impact of the social enterprise. It involves only the beneficiaries who are key stakeholders of the social enterprise. This tool quantifies the intangible outcomes of the social enterprise. It is a very cost-effective tool. This tool can be used for a continuous assessment or measurement, that is, it can be used as pre and post assessment tool to assess whether the activities of the social enterprises are towards its social mission or not. It also helps the social enterprises to identify those social objectives that are achieved satisfactorily and those that are not satisfactory. This will enable them to improve their works toward the social objectives that are not achieved satisfactorily.

Further, this paper provides suggestions to the future researchers to focus on identifying variables for social enterprises working in different fields. As the social enterprises are working in various fields, it is important to have separate tool with unique variables for measuring their impacts on the society.

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