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Video Transcript

ENTREPRENEURSHIP IN NONPROFITS

Indicators for impact measurement

[Georg von Schnurbein] You have learned about 'logic framework' and the 'theory of change'. Now you can tell a story about your initiative and the intended impact. If you want to dig deeper, you need more detailed answers. As you can see on the chart, the closer we get to the question of real change in the sense of our mission, the more complex the answer becomes.
For input, you only need a good controlling. And output is also easy to measure by counting. If you want to know your outcome, you might have to conduct a survey. And if you talk about impact, you often have to use estimations. Outcome and impact cannot be measured directly. So we use indicators to get information about the potentials of outcome and impact.

Let's use the example of teenage mothers once more. Our project idea is to offer child care during school hours at the schools so that the mothers can attend classes. Here, you see the simplified logic framework. Input is financial resources for staff and infrastructure after childcare. The activity is the childcare. The output is the number of children in care.
Now, the initial outcome is twofold. First, children getting regular care in the daycare. Second, teenage mothers attending school classes regularly. Long-term outcomes include children developing linguistic, motoric, and social capacities, and the mothers being able to graduate. Finally, impact on the societal level is a reduction of health and social costs as well as a reduction of working poor.

Before we start developing indicators, we always have to check if this logic model includes the right information and consequences. Probably, you might want to ask a third person to challenge your own model. If everything is fine, we can build the indicators. We focus now on the outcome two, that is, on school attendance.
Now, how does an indicator look like? First, I want to give you some basic terms. To define an indicator, you need three different pieces of information. As metadata, you need a title and the definition of the indicator, and then the data input. For our selected outcome, we call the indicator "school attendance," and define it as "number of teenage mothers that attend 90% of their selected classes". Data input comes from the school administration, and counts the number of school hours missed by teenage mothers on average.
After that, you have to check if your indicator is the right measure. Therefore, compare the indicator with the objectives of the project, and test if it tells you something in reference to these goals. Additionally, you have to be sure to use the right scale. You can give the temperature in Celsius or Fahrenheit, but you might understand one better than the other.

You can fill up a spreadsheet with all your criteria for input, output, outcome, and impact, and then fill in the indicators, the definition, the data input, and how to measure it. For each criterion, you need at least one indicator. Sometimes you need more than one. Needless to say, that this has to be done at the beginning of the project, because otherwise you will miss necessary data or underestimate the cost of evaluation.
We have one final step of preparation before we can start to use the indicator. In order to measure changes before and after the project, we need information about the baseline, that is, the situation before the project starts. In our example, we would need to know the average school hours missed before we

start the project. Only with this information, we can make a clear statement about the impact of our project.
Indicators are the metrics to measure outcome. Just as important as a good indicator is the selection of the right measurement method. This will be explained in the text following this video.