

Annexure II**Guidance notes for all Social Enterprises on Annual Impact Report****1. Strategic Intent and Planning**

1.1. What is the social or environmental challenge the organization or the instrument listed is addressing?

The problem statement to be explained in detail. The challenge, its extent, causes and consequences and the part of the problem statement the organization and the instrument are trying to address shall be explained.

1.2. How the organization is planning to attend to the challenge or attending to the challenge?

The approach the organization or the specific instrument will be using or already using need to be explained. The organization shall also explain what the change is resulting for the targeted beneficiary and what proportion of the target group are experiencing the change.

1.3. Who is being impacted (target segment)?

The target beneficiaries / stakeholders to cover various kinds of target groups. Include the organization's internal definition of "target segments" it seeks to serve, usually along one or more of the three dimensions namely,

- a) Income (driven by socio-demographic and/or behavioural characteristics)
- b) Geography (ecosystem or geographic characteristics driven by population density (urban/rural), administrative boundaries, terrain etc); and
- c) Thematic issue (gender, caste, community that places the target segment at a disadvantage that has economic and non-economic consequences)

Where the target segment is a specific geographic region in its entirety, state so. Thematic issues could be one or more of the following: Conservation of Resources, Generation via renewable resources, Reduction in waste, Conservation (say of land, wildlife, historical monuments, etc.), Reduction in toxic substances.

Also, bring out possible deviations that might have occurred in the reporting period.

1.4. What will be the outcomes of the solution/program? Coverage should include positive and potential unintended negative outcomes.

Describe the Theory of change / logic model framework (defining input, output(s), outcome(s)) for the solution proposed. While identifying the targeted impact segment, both positive and potential unintended negative impacts need to be identified.

2. Approach

2.1. What is the baseline status / situation analysis / context description at the start of the activity, intervention, program or project?

The baseline measurement is done to establish the starting point in any activity, intervention, program or project. The measurements give the depth of the challenge and/or the spread of the challenge. The organization will establish the right kind of measurements keeping the end or what the organization or instrument wants to achieve since the baseline will be used to measure what actually changed due to the intervention. In absence of baseline study, a detailed situation analysis to be mentioned.

2.2. What has been the past performance trend?

For the on-going activity, intervention, program or project explain the key past performance trends and for proposed activity, intervention, program or project the narrative should explain the experience of similar programs in similar situations.

2.3. What is the solution implementation plan and the measures taken for sustainability of program outcomes?

Detailed implementation plan to be mentioned capturing all the essential activities. The interventions can be either perennial support or time bound support. In case of time bound support, the organization shall explain the exit strategy and how it ensures that the outcomes achieved will be sustained. In case of perennial support also, the organization can explain how it ensures sustainability of the project/program. Also, bring out possible deviations that might have occurred in the reporting period.

2.4. Please brief out alignment of solution to Sustainable Development Goals (SDGs)/national priorities/state priorities.

Explain the alignment of activity, intervention, program or project to respective SDGs and national/state priorities and schemes.

2.5. How have you taken into consideration stakeholder feedback in this reporting period?

The organization to mention how they have mapped and prioritized the key stakeholders for the engagement. The reporting shall include the list of stakeholders engaged, their feedback and how the organization used the feedback.

2.6. In the last year, what have you seen as the biggest risks to the achievement of the desired impact? How are these being mitigated?

Mention the key potential risks pertaining to the organization or the specific instrument that could hamper/hinder the achievements of desired intended outcomes in last year and the steps or strategies taken by organization to mitigate the same.

3. Impact Scorecard

3.1. What are the metrics monitored and what has been the trend?

The trend in performance shall be explained through the trend of the data across the output, outcome and impact metrics that are established by the organization. The metrics will capture the reach of the activity, intervention, program or project as well as level of inclusiveness of impact being generated (direct, indirect, extended). This shall help evaluate the delta change that has occurred in lives of various target stakeholders (including environment) due to the solution. The metrics monitored shall target to cover the reach, depth and inclusion.

3.1.1. **Reach** - Outreach metrics for target segment(s) served:

- a) Proportion of target segment(s) who have been reached in the reporting period
- b) Proportion of target segment(s) who accepted the organization's solution
- c) What part of the planned activity, intervention, program or project have been accomplished in the reporting period
- d) Cumulative reach (members of the target segment served since inception)
- e) Other suitable metrics in relation to the solution, usually relate to people, institutions or activities (Ex: monthly active users of MAUs for an

app/tech platform). These can be considered as needed, where the target segment is the specific geographic region.

- 3.1.2. **Depth** - The depth of impact on the median individual (of the target segments) Surveys (1% of the customers/recipients or at least 200 respondents per organization) asking respondents 'Has your quality of life changed', with response options being: Very much improved, slightly improved, no change, got slightly worse, got much worse.

Alternatively, SE can compare itself to different 'case studies' of High - Medium - Low depth organizations.

- 3.1.3. **Inclusion** - The SE must consider for itself how its approach intends to improve Inclusion for its customers / recipients, along one or more of the following themes.

- a) Theme 1: Net increase in Income levels of customers / recipients among target segment(s), as decided by the organization. The organization can self-select 'Low', 'Medium' or 'High'.
- b) Theme 2: Diversity and Inclusion: The SE exhibits how it prioritizes the inclusion of these disadvantaged groups or communities (either as owners, partners or customers) and empower them in their relationship with the SE over time.
- c) Theme 3: Social Equity: The SE exhibits how its approach has resulted in the disadvantaged group or community experiencing increased social equity. This can be through a survey as above or through qualitative criteria such as details of its strategy, processes and internal accountability/governance processes that have resulted in an internal culture that values and works towards achieving social equity for the disadvantaged group or community.

- 3.2. What are the highlights or achievements in the reporting period?

The organization to mention key highlights, achievements, challenges and/or disappointments faced during the reporting period.

- 3.3. Beneficiary / Stakeholder validation it is utmost necessary to capture the perspective of stakeholders for the program to draw a holistic picture of



impact/change that has been achieved by the program. The stakeholder voices would also help in capturing information that will help validate the impact claims. This can establish a check and avoid over claiming. The validation process shall answer the following questions.

- a) What would have happened in the absence of this activity, intervention, program or project?
- b) How much the activity, intervention, program or project contributed to the changes that are evidenced?
- c) How much unintended negative impacts happened due to the activity, intervention, program or project?
