Social Return on Investment (SROI): An Innovative Approach to Planning, Monitoring & Evaluation in the SDG Era

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The UN SDGs

THE GLOBAL GOALS
For Sustainable Development

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace and Justice, Strong Institutions
17. Partnerships for the Goals
Financing Global Health

Best Measures of Success in Global Health?

**BEST MEASURE OF SUCCESS: LIVES SAVED**
What are the characteristics of a successful global health program? We asked respondents to rank in order of importance.

- **Health Impact/Lives Saved**: 75%
- **Community Ownership**: 70%
- **Cost-Effectiveness/Value-for-Money/Return on Investment**: 58%
- **Broad Collaboration Among Stakeholders**: 51%
- **Ability to be Taken to Scale**: 43%

*The scores represent weighted calculations based on respondents’ rankings. Chart shows percentage of importance.

What is SROI Analysis?

* A process for understanding, measuring, and reporting on the social, environmental, and economic value created by an organization, program, or policy
Why SROI Analysis for Global Health?

MACRO
- Better information - better decisions - better health
- Get the best value for money
- Strike a balance between investments

MICRO
- Internal Performance Management
- Attract/disburse funds
- Strengthen relationships with key stakeholders
Using SROI

* When:
  * Planning (prospective)
  * Evaluation (retrospective)

* How:
  * At the policy level
  * At the organizational level
  * At the program level

* Who:
  * Non-profits/NGOs, Government agencies, For-profits/CSR, Donors, Investors, etc.
Principles of SROI Analysis

“WHAT GETS MEASURED, GETS VALUED”

1. Involve stakeholders
2. Understand what changes
3. Value what matters
4. Only include what is material
5. Do not over-claim
6. Be transparent
7. Verify results
How to do an SROI Analysis: Six Stages

1. Establishing scope and identifying key stakeholders.
3. Evidencing outcomes and giving them a value.
4. Establishing impact.
5. Calculating the SROI.
6. Reporting, using, and embedding.
Key Features of SROI Analysis

* Multiple Types of Information (Mixed Methods)
  * Quantitative, Qualitative, Financial, Narrative

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\text{SROI} = \frac{\text{Net present value of benefits}}{\text{Net present value of investment}}
\]

For example, an SROI of 3:1 indicates that for every $1 invested, the program delivers $3 in value (economic, social and/or environmental)
Example: Applying SROI to an Emergency Medical System (EMS) in Kenya
Stakeholders Identified:

* Priorities:
  * Disparate services exist but need coordination
  * Need for a Good Samaritan Policy
  * Need for a centralized emergency phone number that actually works
  * Ambulance vehicles exist but need equipment upgrade+staff training
  * Ambulance dispatch technology *already* exists!
  * Pilot should include entire Nairobi, not just certain districts for political and equity reasons
Selected Differences in Estimates of SROI and CBA

SROI Analysis
* Costs Include:
  * 74 Staffed Ambulances
  * 25 Ambulance Equipment Upgrades only
* Benefits Include:
  * $ Value of lives saved
  * $ Value of less disability
  * $ Value of skills acquired through trainings
  * $ Value of less welfare spending

Cost Benefit Analysis
* Costs Include:
  * 99 Staffed Ambulances
  * Emergency Dispatch Technology
* Benefits Include:
  * $ Value of lives saved
More Examples: SROI Reports in Global Health

* International HIV/AIDS Alliance: The true cost of stigma in Zambia

* International HIV/AIDS Alliance: CHAHA Program for children affected by HIV/AIDS in India

* Mkombozi: Delivering health services in the streets of Moshi, Tanzania
Findings Summary: SROI Analysis

✓ Encourages accountability, transparency, and sustainability in decision-making

✓ Places stakeholders at the center of the process, including beneficiaries of aid whose voices have often been ignored

➤ Some challenges: monetization, comparability, etc.

✓ Not a magic bullet, but can provide added value over current approaches
SROI Resources & Support

* The International SROI Network (www.thesroinetwork.org)
* New Economics Foundation (www.neweconomics.org)
* SVT Group (www.svtgroup.net)
* SROI Online Training (www.globalsroi.com)

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THANK YOU