

Impact Report 2017 on Yokohama City Social Impact Evaluation Model Project
funded by Goldman Sachs
– Impact Measurement by using Social Return on Investment (SROI) analysis
(Summary)

1 . About Yokohama City Social Impact Evaluation Pilot Project

Yokohama City Social Impact Evaluation Model (YCSIEM) Project is a multi-stakeholder based collaborative project which delivers comprehensive interventions for primary school students in difficulties with school or family lives in an attempt to enhance learning ability and social skill of the target group. As **Table 1** and **Figure 1** show, in this collaborative framework, **Goldman Sachs** funds the project in the form of donation, **Tasukeai Yui** which is a nonprofit social welfare corporation plays service provider’s role and **Yokohama City Government** arranges local social resources including local primary schools, community organizations and local public agencies in charge of public assistance to children and family in need. In addition, **Public Management & Social Strategy Institute (PMSSI)** delivers intermediary services and impact evaluation with using SROI method.

Figure 1. Yokohama City Social Impact Measurement Model Project 2017

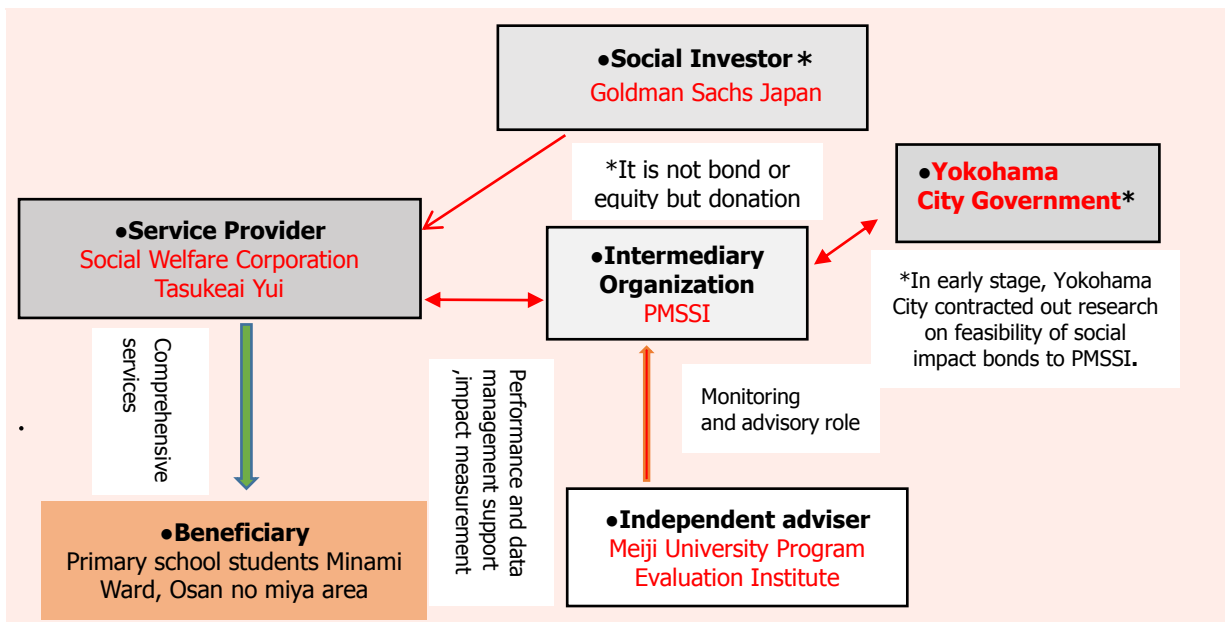


Table 1. Collaborative framework of YCSIEM

Stakeholders	
Government partner	Yokohama City
Contributor	Goldman Sachs Japan
Service provider	Social Welfare Corporation Tasukeai Yui
Intermediary	Public Management & Social Strategy Institute (PMSSI)
Independent adviser	Meiji University Program evaluation Institute

2. Structure and social outcomes sought of YCSIEM

The site for YCSIEM project is a small community space called as “Community Salon Osan” which was established through renovation of a vacant house which is used to be a Japanese pub. Osan is located at *Osan no Miya* area, Minami Ward in Yokohama City. The *Osan no Miya* area is relatively peripheral area of city center in Yokohama City, which has more livelihood protection households and more immigrants and people with roots in other countries compared to other areas in the City. Such socially and economically disadvantageous conditions underlie the fact that some children suffer from difficulties with school and family lives. The difficulties children bear include lower academic attainment, lower social skills and lack of self-confidence and trust in others.

For this reason, the project is targeted at children, in particular, primary school students from the age of 6 to 12. In order to avoid stigma, the project accepts children who wish to receive supports regardless of with or without difficulties within the limits of admission capacity. Nevertheless, in 2017, 12 students are regarded as target population of the total users (20). Since this is an experimental and pilot project, the size of target population and investment seems to be rather small. However, the program stakeholders intend to expand similar projects to other areas if the effect of the project can be proved. In reality, in 2019, another project site is scheduled to launch.

As **table 2** shows, the project delivers comprehensive supports with the aim of seeking social outcomes with regard to (1) Learning skill and academic achievement, (2) Lifestyle and dietary habits, (3) Family and social relations. According to the expected changes in these areas, more specifically, outcome indicators and financial proxies are defined and thereby social outcomes are quantified and monetized. The data testifying to outcomes is basically collected by questionnaires for students and parents. In addition to this, academic records and results of national and local achievement tests reported by students were used.

Table 2. Structure of YCSIEM

Location	Yokohama City, Minami Ward, Hie Primary School District
Policy area and Intervention	Comprehensive learning support for children with difficulties in family relation, social relation and school life.
Duration of partnership agreement	12 months: April 2017 to March 2018 The project has been operated since October 2016. The current partnership agreement is valid until March 2020 and is likely to be renewed. It would be possible for the project to convert into SIB in future.
Outcomes sought	Improvement of (1) Learning skill and academic achievement (2) Lifestyle and dietary habits (3) Family and social relations
Intervention	(1) Learning support (Teaching): three days per week (2) Providing opportunities for socializing at community salon “Osan” (3) Providing meals after school
Target Population	Around 12 primary school students with difficulties in family relation, social relation and school life (students whose parents are considered “in need”, who have family roots in foreign countries, and suffering from learning disorder).
Operational cost	7,500,000 JPY (=GBP 58,000, USD 70,000)

3. What is SROI?

In this impact evaluation project, SROI as one form of impact measurement is used for calculating social outcomes which can be attributable to the pure effect of the project and quantifiable.

Concept of SROI(Social Return on Investment) was pioneered by REDF, which is a venture philanthropy fund based in San Francisco in 1996. The SROI methodology evolved from cost-benefit analysis (CBA) and a technique drawn from applied economics. In more recent years, SROI has been widespread globally, in particular, theories and technique regarding SROI have been reinforced and sophisticated in the UK. In the SROI evaluation framework, social value created through social program is translated into financial value with using method of quantification and monetization of social outcomes. That is, SROI analysis, mirroring the private sector assessing return on investment, reports a ratio of investment to financial values of social benefit (SROI ratio) . One of key features of SROI method is stakeholders' involvement in evaluation process.

4. Calculation of SROI

In conclusion, the SROI for the first year of the project suggests that total social benefits achieved successfully exceeded the total cost. It is noticeable that SROI ratio is 1.62. This means that every \$ 1 invested in the project, \$ 1.62 in social value is created. Table 3 presents the breakdown of social value calculated by SROI analysis. Taking the results, the effectiveness and efficiency of the project can be fully proved.

Table 3. Calculating SROI

Total Additional Value (Total Social Benefits) 【B】	JPY 12,041,314 (US\$ 109,466)
Net Benefits 【B–C】	JPY 4602,809 (US\$ 41,844)
SROI ratio 【B/C】	1.62
Total Cost 【C】 (fiscal year of 2017)	JPY 7438,505 (US\$ 67,623)

5. Theory of Change and Collective Impact

The assumptions that link a program's inputs and activities to the desired ends can be called "theories of change" (Weiss 1998: 338). All stakeholders share the theory of change with regard to design and operation of this project. The theory of change in this project can be visualized as **Figure 2**.

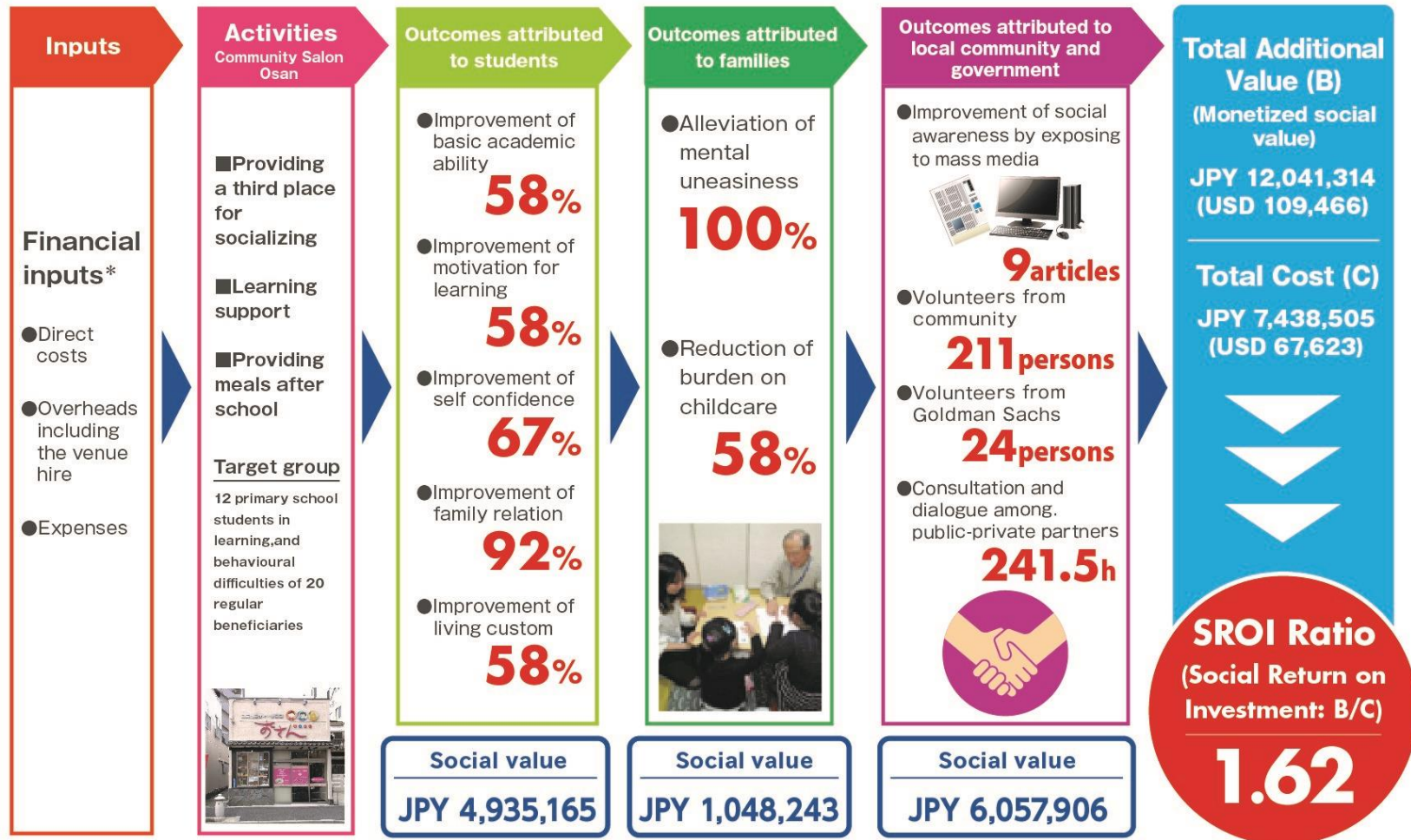
Furthermore, as previously mentioned, different stakeholders beyond public-private and profit-non-profit boundary involves in this project in attempt to achieve common goal. Through the process of designing and operating the project from scratch, based at multi-stakeholder collaboration, stakeholders share the common measurement framework such as SROI. Such collaboration can be conceived as "collective impact" (Kania & Kramer 2011). As associated effects of the collective impact initiative, we can identify social outcomes such as strengthen social capital or social cohesion beyond sectors and organizations as well as outcomes attributed to individuals.

References

- Kania, J., and Kramer, M.(2011) "Collective Impact." *Stanford Social Innovation Review*. 9(1): 36-41.
Weiss, Carol H.(1998) *Evaluation*.(2nd ed.) New Jersey: Prentice Hall.

Figure 2. Theory of Change

Yokohama City Social Impact Evaluation Pilot Project 2017 — A Year in Evaluation of Social Return on Investment (SROI)



*In SROI analysis, nonfinancial inputs such as in-kind contribution from volunteers tend to be considered as "Inputs". However, in this evaluation, we regard volunteers contribution as not cost but social benefit. Because such contribution can create "social capital" or community cohesion.