Bachelor Thesis

Measuring Impact Performance
in Social Enterprises

The iooi Method as an Impact Measurement Tool for Small to Medium Social Enterprises: The Case of Impact Hub Berlin

Set by:	Prof. Dr. Claudia Gather
	Philipp Kenel

Date of submission:	11 August 2017
Number of words:	15755

Presented to:	Prüfungsamt des Fachbereichs 1 – Wirtschaftswissenschaften der Hochschule für Wirtschaft und Recht Berlin International Business Management

By:	Vera Kämpfer
	428 132
	verakaempfer@gmail.com

Hochschule für
Wirtschaft und Recht Berlin
Berlin School of Economics and Law

Abstract

In recent years, there has been a growing consensus that social entrepreneurs should measure their social impact for external legitimization and internal learning. Especially with the rise of new venture philanthropists pressing for a measured statement of return for their social investment, a range of models have been proposed, which vary in their approach and complexity. While some models rely on quantifiable measurements or calculations, others take a qualitative approach to measuring impact. Many small to medium social enterprises struggle with a lack of time, money and expertise to measure their impact using complex methodologies however. Since there is only limited research on the feasibility of the impact measurement methods proposed, this paper aims to discuss the input-output-outcome-impact (iooi) method developed by the *Bertelsmann Foundation*, a logical approach to measuring social impact recommended in reporting guidelines such as the *Social Reporting Standard* (SRS) or *Phineo*'s *Social Impact Navigator*, regarding its applicability and effectiveness as an impact measurement tool for small to medium social enterprises. By practically applying the model in a case study, this paper gives a recommendation on whether the iooi model can be considered a resource-sensitive impact measurement tool for social enterprises on the example of *Impact Hub Berlin*, an early-stage social enterprise. The findings indicate that the iooi method as a logical approach to measuring impact does provide a feasible framework to depict social impact in small to medium social enterprises, but is not adequate when it comes to comparing impact performance across organizations or industries. It cannot be concluded whether the iooi method is effective regarding the completeness of the measurement results, but the findings support the common claim that impact measurement contributes to organizational learning.

Table of Contents

List of Abbreviations

FTE	Full-time equivalent
GECES	Expert Group on Social Entrepreneurship
Iooi	Input-output-outcome-impact
KPI	Key Performance Indicator
LM	Logic Models
NGO	Non-governmental organization
NPC	New Philanthropy Capital
REDF	Roberts Enterprise Development Fund
ROI	Return on Investment
SBSC	Sustainability Balanced Scorecard
SDG	Sustainable Development Goals
SE	Social Enterprise
SEBS	Social Enterprise Balanced Scorecard
SROI	Social Return on Investment
SRS	Social Reporting Standard
ToC	Theory of Change
UN	United Nations
USAID	United States Agency for International Development

List of Figures

List of Tables

1 Introduction

1.1 An Introduction to Impact Measurement

Due to the increasing complexity of societal and ecological problems our world currently faces, social entrepreneurs have become important actors in addressing these challenges not only in developing, but also social welfare countries. Pressing problems such as climate change, increasing inequalities, lack of education, migration, or demographic change – to name only a few – seem to have become too complex to be addressed by traditional institutions and existing structures alone (Bornstein and Davis, 2010: 8-13). While most literature has acknowledged the importance of social entrepreneurs in filling these gaps, examples questioning the effectiveness of social enterprises have surfaced, one famous example being the accusation that buy-one-give-one models such as *TOMS* shoes would harm or even destroy local economies in developing countries (Rothstein, 2014). Closely connected to the discussion on the effectiveness of social enterprises in addressing social challenges, more and more literature has started to address the topic of impact measurement and reporting in social enterprises.

Today, an increasing number of social entrepreneurs, non-profits, institutions and even larger organizations, especially those with private foundations, are seeking to analyze and document the social impact produced by their efforts. This is not yet a fully established practice and is often regarded as a major challenge however. Firstly, because social entrepreneurs, in particular those operating under a for-profit model, have to constantly balance their efforts of having a positive social impact and being financially sustainable at the same time. Implementing an impact measurement system and collecting data can be costly and time consuming however (Clark and Brennan, 2016: 4). Competing for scarce resources whilst trying not to waste existing ones is a struggle many social enterprises encounter. Particularly small to medium social enterprises face time and capital restraints (Barraket and Yousefpour, 2013: 452) due to the lack of funding opportunities in the sector and slower financial success scaling (Mauksch et al., 2011: 15), making it difficult to

distribute resources to the collection, interpretation and publication of impact performance data on a larger scale and to transform numbers into a tangible impact measurement model. Additionally, engagement with the issue of impact is often viewed rather one-dimensionally in the sense of external presentation and legitimation. However, the essential meaning of impact orientation lies in the process of learning and particularly in the continuous improvement of the company's own work. That is why many companies do not recognize impact measurement as an important part of their strategy to scale and invest fewer resources into developing an impact performance measurement system (Zappalà and Lyons, 2009: 7).

Secondly, despite the growing amount of research on the topic, there seems to be no common agreement on which impact measurement model or practice turns out to be the most effective one. A literature review on impact performance measurement produces a wide range of suggestions on models and systems, but does not offer a concrete conclusion other than the common agreement that measuring social impact is indeed useful but challenging. One reason for that might be the fact that measuring impact itself is a non-standardized and complex process, as results cannot always be expressed in numbers, but need practices and parameters beyond common financial success indicators (Roder, 2011: 97). While different impact measurement models strongly vary in terms of approach, methodology and complexity (Barraket and Yousefpour, 2013: 448), literature offers only little insight on which role factors like company size, stage, stakeholder complexity and field or industry play when choosing the impact measurement model. Naturally, the question whether every impact measurement model is applicable to and feasible in every social enterprise arises.

Consequently, impact measurement based on concrete models and data is still challenging for social enterprises (Crucke and Decramer, 2016: 2). Besides the apparent difficulty to choose and apply an effective impact performance measurement system compatible with the venture's business operations, social enterprises face the barrier of operating under restricted financial and human resources (Clark and Brennan, 2016: 4). While many models such as the SROI (Social Return on Investment) have been popularized over the last years (Barraket and Yousefpour, 2013: 448), only little literature can be found on the feasibility of applying these models

in small and medium enterprises in practice. Since any attempt to test every impact measurement model in terms of applicability would exceed the scope of a Bachelor's thesis, this paper will focus on testing one impact measurement model, namely the input-output-outcome-impact (iooi) method[*] developed by the *Bertelsmann Foundation*, by applying it to a real-case scenario. The model is a logical approach to measuring impact performance and seems to offer social enterprises a relatively time- and cost- efficient way to depicting impact. The company chosen for the case study is *Impact Hub Berlin GmbH*, a more-than-profit early stage social enterprise in the field of social innovation, which comprises all processes that develop and apply new solutions to social and environmental challenges to enhance social progress (Phills et al., 2008). Impact Hub Berlin was founded in 2013 and is part of a global network of over 100 Impact Hubs worldwide. On the one hand, Impact Hub Berlin is a member-based co-working space for actors in the field of social innovation. Against a monthly membership fee, members have access to a professional infrastructure, global network, business consulting and events related to the topic. On the other hand, the company runs programs such as accelerators, start-up weekends or workshops related to social innovation together with companies, NGOs or foundations. The underlying goal is to create an ecosystem of different stakeholders within the field to promote and support the topic social innovation locally and globally (Impact Hub Berlin, n.d.). While Impact Hub Berlin aims to maximize the positive effects of its operations beyond financial returns, the company is at this point not able to precisely measure the impact the organization has on its target groups or pinpoint the reach of it. Reason for that is primarily the lack of personnel, time and capital.

By conceptualizing, applying and finally discussing the iooi method in a practical scenario, this thesis makes a twofold contribution:
Primarily, the thesis contributes to the current research on impact measurement in social enterprises as it applies and evaluates the iooi method through a real-life case study, thus identifying its advantages and difficulties practically. By providing a case study for measuring impact performance, this paper gives a recommendation

---

[*] *The terms iooi method and model will be used synonymously in this paper as different adaptations can be found in literature.*

on whether the iooi model can be considered a feasible model to measure impact in small to medium social enterprises, thus filling the research gap on the applicability of common impact measurement models in smaller enterprises. This might lay the groundwork for further research on the one hand, and can act as a guiding example for small and medium social enterprises that want to measure impact on the other hand.

Secondarily, this thesis enables a social enterprise, Impact Hub Berlin, to present a well-researched and analyzed impact measurement logic based on a commonly accepted model to its beneficiaries and stakeholders, thus verifying not only its financial, but also social success in a structured manner. By providing Impact Hub Berlin with a framework to measure its social impact, the company is able to convincingly portray its success externally in form of an impact report to be published annually, and use it as an internal tool to continuously improve Impact Hub Berlin's work beyond its current efforts. The company's impact report for the calendar year 2016, published on the 20th of July 2017, was based on the research outcomes of this paper (see Appendix D).

In the following, the research questions and objectives this paper seeks to examine as well as a brief outline of the organization of this paper will be presented.

1.2 Main Question and Secondary Questions

Main Question:

RQ1: Is the iooi method a feasible and effective impact measurement model to depict, evaluate and scale social impact performance in small to medium social enterprises?

Secondary Questions:

RQ1.1: Using the iooi method, what is Impact Hub Berlin's underlying impact logic and how can it be presented graphically?

RQ1.2: What is the actual impact achieved by Impact Hub Berlin within the business segment Membership in the calendar year 2016?

1.3   Objectives of the Thesis

RO1: Investigate and define the current state of impact measurement to provide an overview of existing impact measurement models proposed, including the iooi method examined in this paper.

RO2: Apply the iooi method by conceptualizing an impact logic model for Impact Hub Berlin and test it by measuring Impact Hub Berlin's performance within the business segment *Membership* in 2016.

RO3: Evaluate and discuss the feasibility and effectiveness of the iooi method as an impact performance measurement tool for small to medium social enterprises on the example of Impact Hub Berlin.

1.4   Organization of the Thesis

To provide the reader with an overview of relevant literature and definitions, chapter two will start by making an attempt to define social entrepreneurship and social impact. It will then offer a general overview on the current state of measuring impact in social enterprises and introduce common impact measurement models including the input-output-outcome-impact (iooi) method. The literature review will also touch upon the challenges of impact measurement per se to make the reader aware of limitations impact measurement practice still faces today.

The theoretical part will be followed by the presentation of the underlying research methodology chosen to answer the research question, which introduces the reader to the case study undertaken in chapter four and discussion in chapter five. The case study consists of two main parts: At first, chapter 4.1 will apply the iooi model by conceptualizing and graphically presenting an impact logic model for Impact Hub Berlin in order to research the model's feasibility. Subsequently, chapter 4.2 will test the iooi method on its effectiveness in depicting impact by measuring Impact Hub Berlin's impact during the reporting period 2016 on the basis of the logic model developed in chapter 4.1. In doing so, the case study will guide the reader

through the process of developing and applying the iooi model, thereby examining the applicability and effectiveness of the model as an impact measurement tool for small to medium social enterprises.

Based on the case study, this paper will pass on to a critical discussion of the iooi method as an impact measurement model for small and medium social enterprises in chapter five, thus aiming to answer this paper's main research question. The discussion will rely on the research findings and outcomes analyzed in the case study undertaken.

The thesis will conclude in discussing the implications of the research findings for the current state of impact measurement in a broader sense. The conclusion will also pose questions and give ideas for further research on the topic.

2   Reviewing Literature and Theory

A first literature review on impact performance measurement and reporting does indicate a common agreement that measuring social impact is indeed useful and recommended not only for external legitimation, but also internal learning (Barraket and Yousefpour, 2013: 448). There are however wide discrepancies in the methods, models and systems suggested (Clark and Brennan, 2016: 2). Looking at different literature in the field of social entrepreneurship, non-profit management or reporting in the third sector, there does not seem to be a common conclusion on which model offers the best solution to measuring impact performance efficiently and effectively. To provide the reader with an overview of the current state of the field, this literature review will examine the origins and status quo of impact measurement including an introduction of common models and approaches developed to measure impact. Before elaborating on the theoretical framework of impact measurement however, it is crucial to give a short definition of the terms *Social Entrepreneurship* and *Social Impact* to provide a common understanding of the terms as a base for the following chapters.

2.1 Defining Social Entrepreneurship

While social entrepreneurs in the broad sense have always existed in the form of humanitarians, philanthropists or reformers for example (Bornstein and Davis, 2010: 2), the term itself was particularly shaped by Dratyon when he founded *Ashoka* in 1980, one of the major organizations supporting social entrepreneurs today. In the late 1990s, social entrepreneurship then started to emerge more frequently in research and education, and experienced an increase in attention with the award of the Nobel Peace Prize to Muhammad Yunus for founding the *Grameen Bank* and pioneering the concepts of microcredit and microfinance in 2006 (Roder, 2011: 31).

Even though today's literature does still not provide one single universally accepted definition of social entrepreneurship per se (Roder, 2011: 31), there is a general understanding amongst authors of it being a process by which citizens address societal challenges through entrepreneurial action, thereby creating new approaches to existing social problems (Bornstein and Davis, 2010:1). Different literature agrees on the fact that one of the most important characteristics of social entrepreneurship is the focus on creating social impact as opposed to creating private wealth (Roder, 2011: 34 – 38). The generation of profit should not be more than means to an end to a social entrepreneur to reach the social impact intended, as pointed out by Greg Dees (2001), who is often referred to as the father of social entrepreneurship education. According to Dees, seeking to create systemic changes and sustainable improvements to achieve a long-term social return on investment is a fundamental characteristic of social entrepreneurs.

Roder (2011: 32) identifies four characteristics as decisive when defining social entrepreneurship: (1) the entrepreneurial element, (2) foundation of the organization, (3) the innovation, and (4) the social value proposition. The author argues that while the first three elements serve to differentiate social enterprises from other actors within the third sector, especially the fourth characteristic, the social mission, distinguishes the social entrepreneur from a traditional business entrepreneur. In her publication (2011: 57 - 62), Roder highlights the following characteristics as crucial for evaluating a social entrepreneur's social value proposition: (a) the social

entrepreneur's self-sustaining income generation, (b) the scalability of his social impact, (c) the replicability of his approach, and (c) his impact level.

A more complex but similar definition is given by Martin and Osberg (2007: 35), who classify entrepreneurs as social entrepreneurs if they engage in:

> (1) Identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own;

> (2) Identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state's hegemony; and

> (3) Forging a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large.

Interesting to note is that Martin and Osberg define the concept of social entrepreneurship without falling back on the term "impact", as opposed to most other definitions attempted.

It can be concluded that social entrepreneurs distinguish themselves from traditional profit-driven entrepreneurs by combining people and resources in a new way to find innovative solutions that significantly enhance society's capacity to address social challenges (Bornstein and Davis, 2010: 1). Taking the definitions given into account, this paper will define social entrepreneurship as the process of creating an organization that exists solely to address a social challenge, thereby reinvesting a substantial proportion of the income generated into creating transformative public or community benefits to approach this challenge.

Reviewing impact measurement literature, it can be observed that most attempts to define social entrepreneurship heavily rely on the term "impact" as an indicator for

success, giving a first hint on the difficulty to talk about social entrepreneurship without looking closer at the meaning behind the term. Measuring a social entrepreneur's impact is a challenging task, not only because data is often hard to collect, but also because the term impact per se demands a more detailed definition as a base for measurement. Hence, literature on social impact will be reviewed in the following.

2.2   Defining Social Impact

Similar to the current debate on finding a common definition for *Social Entrepreneurship*, the meaning behind the term *Social Impact* varies across third sector and impact measurement literature. Clark et al. (2004: 7) define social impact as "the share of the total outcome that occurred as a consequence of the activity of a company, above and beyond what would have happened anyway". Roder (2011: 99) describes these results that would have happened without external influence as "deadweights". What is important to note in Clark's definition is the indication that external factors can have an influence on an impact achieved or measured. Roder (2011: 99) calls the influence through other organizations "attributions". Other authors define social impact as "the value created as a consequence of someone's actvitiy" (Emerson et al., 2000), "the value experienced by beneficiaries and all others affected" (Kolodinsky et al., 2006) or "an impact that includes both positive and negative effects" (Wainwright, 2002) as summarized by Noya et al. (2015: 3). In some literature the term "societal impact", "social value creation" or "social return" instead of „social impact" can be found. Ebrahim and Rangan (2010) for example differentiate between economic, political, social, and cultural impact within the term societal impact. For simplification, these terms are all considered when speaking about social impact in this paper. As a definition, this thesis will adopt the one given by the *Group of Experts of the European Commission on Social Entrepreneurship* (GECES), who define social impact as "the reflection of social outcomes as measurement, both long-term and short-term, adjusted for the effects achieved by others (alternative attribution), for effects that would have happened anyway (deadweight), for negative consequences (displacement) and for effects declining over time (drop off)" (Noya et al, 2015: 4).

2.3 Status Quo of Impact Measurement

In today's competitive and hyper-connected world, organizations are increasingly challenged to depict and report the outcomes of their operations to fulfill stakeholders' expectations (Clark and Brennan, 2016: 1). Especially third-sector organizations are experiencing pressure to measure and demonstrate their social impact to fulfill the demand for transparency and accountability amongst society. Assessing impact performance has not only been demanded by funders, but is also highly encouraged by international bodies such as the *World Bank* or the *OECD* (Crucke and Decramer, 2016: 161).

The current interest in the field is not new however. In the 1970s, the social program evaluation was a popular method to evaluate the effectiveness and efficiency of a program. Traditionally, the movement originated from governments trying to understand the impact of public service programs as well as the development aid and non-profit sector aiming to evaluate the results of their actions. The movement was driven especially by university social work departments in the U.S. making it popular also amongst communities and governments. The trend to measure impact experienced a slight fallback in the early 1990s however, due to difficulties arising from evaluating objectives that were too long-term to measure and from failing to understand the importance of impact measurement for the internal learning of an organization. While some of these struggles are still evident today, impact measurement has received increased attention amongst the public, researchers, organizations and NGOs. It has become especially prominent in social enterprises and private or democratically governed third-sector organizations including churches, nonprofit cooperatives, private schools, development corporations or community initiatives amongst others. The rise of the new venture philanthropists of the 1990s has been another important driver of social impact measurement, who were pressing for a measured statement of return for their social investment (Zappalà and Lyons, 2009: 4-7).

Today, social enterprises have started to gain acknowledgement from both philanthropy and governments for developing innovative approaches to addressing social challenges. With a general shift from bureaucratic to contractual governance since

the early 1990s, the funding environment for social enterprises has become increasingly competitive however. Direct government funding is now often tied to specific projects and outputs, which social enterprises have to deliver, resulting in a new demand on their expertise on the one hand, and an increased pressure to report on their impact on the other hand. Parallel to improving access to public finance, impact measurement has become an important factor amongst investors seeking to invest into social organizations (Barraket and Yousefpour, 2013: 447). Consequently, a wide range of impact measurement models have been proposed, some of which have tried to quantify social impact in order to measure social returns on investment. In the following, a selection of commonly used impact measurement models will be summarized to offer the reader an overview of the current status of impact measurement methodologies. The iooi model examined in this paper will be presented in chapter 2.3.4.1.

2.3.1 Introducing Popular Methodologies

In the past years, several models have been suggested by different stakeholders to measure impact performance in organizations, which differ in their approaches to measuring impact and can thus be classified into categories. Roder (2011) for instance differentiates between models assessing organizational capacity, models measuring success on a cost-benefit base, social ratings and logic models. In the following, one method of each category will be introduced to make the reader aware of different approaches to impact measurement.

2.3.1.1 *Assessing Organizational Capacity: The Social Enterprise Balanced Scorecard*

The Balanced Scorecard, originally designed to support for-profit organizations in pursuing their mission, is a performance management tool pioneered by Kaplan and Norton in 1992. It takes a holistic approach to controlling achievement as the BSC links the performance of four company perspectives, namely the financial, customer, internal process and learning & growth perspective (Meehan, 2009: 84), whereas the financial component is given priority assuming that profit drives and

links all business operations (Somers, 2005: 46). By connecting the company's day-to-day processes with its goals for each perspective in a strategy map, the BSC focuses on strategy building for future directions based on cause-effect-relationships rather than examining current operations (Somers, 2005: 44). For each of the four perspectives, contextually relevant financial and non-financial measures that relate directly to the company mission are defined. The BSC's underlying goal is to overview the performance and importance of internal activities which are perceived as essential to reach (financial) goals or objectives within the organization (Meehan, 2009: 84).

In third-sector management literature, adaptations of the Balanced Scorecard have been developed to measure performance in third-sector organizations. Bull (2007) and Somers (2005) for instance broaden the scope of each of the four perspectives to better serve the needs of social organizations. As an example, the so-called Social Enterprise Balanced Scorecard (SEBS) developed by Somers (2005) as presented in *Figure 1* is designed to demonstrate social value added to stakeholders and to identify social goals and motivations within the organization. Three changes were introduced, (1) an additional layer ("Desired outcomes") putting social goals above the financial perspective; (2) an adaptation of the financial perspective to focus on sustainability; and (3) an extension of the customer perspective to capture more stakeholders to take into account that the creation of social and/or environmental value is the main driver of a social enterprise (Somers, 2005: 48).

Desired outcome (Social goals)

Financial sustainability perspective

Increase financial results

Manage Costs

Trading revenue

Non-trading revenue (grants)

Reduce costs

Track advocacy

Stakeholder perspective

Customers / Users

Employees

Community beneficiaries

Suppliers, Distributors, Partners

Internal Process perspective

Processes needed to excel

Information sharing across teams

Internal and External Communications

Resources perspective

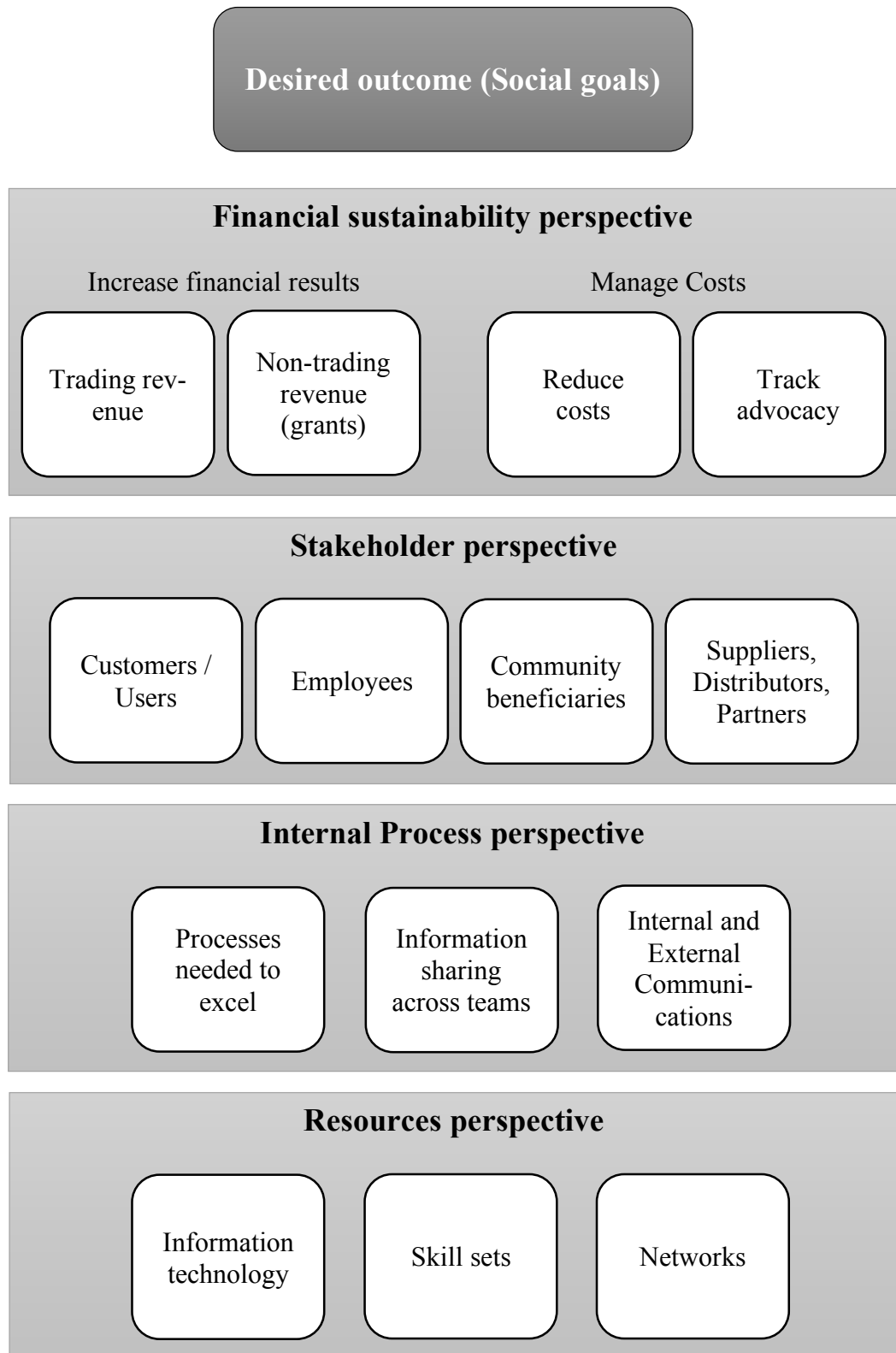Information technology

Skill sets

Networks

Figure 1: Social Enterprise Balanced Scorecard Model. Based on Somers, 2005:48.

An adaptation of the Balanced Scorecard can be a helpful tool for social enterprises to understand company processes related to sustainability and social value creation. In his study, Somers (2005: 53) found the SEBS to be a useful tool for internal planning as well as a way to balance financial gains and social goals. Roder (2011: 109) adds that the adapted scorecard is beneficial to illustrate causalities, promote transparency and is highly flexible in its application. The author criticizes however the focus on quantifiable and monetary KPIs, making it hard to integrate indicators incapable of measurement. Since indicators are chosen by each organization individually, the random selection of KPIs makes it hard to compare organizations. Besides the lack of standardization, Roder points out the complexity of the SEBS, making it very time-consuming for entrepreneurs to develop indicators and parameters for each of the four perspectives.

2.3.1.2 Cost-Benefit Analysis: The Social Return on Investment (SROI)

The Social Return on Investment method was developed by the *Roberts Enterprise Development Fund* (REDF) in the 1990s, a venture-philanthropy-fund wanting to measure the social impact of its investment activities. The underlying assumption was that each organization does not only produce financial, but also social and ecological value. Thus, the REDF developed a concept to measure the full return of investing into a social project (Roder, 2011: 110). To do that, the model tries to monetarize impact to create a basis to compare financial investments (cost) and social returns (benefit) of an investment (Rauscher et al., 2012: 10). The SROI method follows six steps:

1) Calculating the *Monetary Company Value* using a classical Discounted-Cash-Flow calculation;
2) Calculating the *Social Company Value* according to different KPIs (e.g. number of people reached, cost savings of people concerned, costs of providing a service to people);
3) Calculating the *Blended Value* by adding the results of the first two steps;
4) Calculating the *Return on Investment (ROI)* by dividing the result from step one by previous investments;

5) Calculating the *Social Return on Investment (SROI)* by dividing the result from step two by previous investments; and

6) Calculating the *Blended ROI* by dividing the results from step three by previous investments (Roder, 2011: 111-112).

While the SROI is primarily used in the U.S. and Great Britain, first studies have also been published in Germany (Roder, 2011: 110). An advantage of the SROI is the use of consistent KPIs to quantify social value created through an investment. By using the common language of money, financial and social gains of a project can be computed and demonstrated, which makes investments comparable and transparent (Rauscher et al., 2012: 10-11).

Problematic however is the complexity of the model. Collecting data to calculate the *Social Company Value* for instance is not only time- and cost-intensive, but also hard if data is not available. Choosing proxies for calculations intensifies this problem (Roder, 2011: 112). Moreover, many authors underline the problem of monetarizing social impact, stating that non-financial value cannot always be expressed in numbers or shows only in the long-term, which is not included in the SROI calculations. The SROI method also excludes any indirect impact an organization had on stakeholders. Moreover, the aspect of comparing SROI numbers across countries is criticized, as results can depend on factors such as the social state of a country. Step two for example often includes the cost of social benefits saved through a program, which leads to very high SROIs in countries with a weak welfare system (Rauscher et al., 2012: 11-12).

2.3.1.3   Social Ratings: The New Philanthropy Capital (NPC) Charity Analysis

The *New Philanthropy Capital* (NPC) was founded in London in 2002 with the intention to facilitate investment decisions and improve resource allocation by presenting best-practice examples in the non-profit sector. These best-practice examples are collected, evaluated and finally published in so-called *Research Reports*. Each report covers a different social field such as community, education, environment or health and provides extensive knowledge on the social problem, backgrounds, causes, stakeholders and existing solution approaches. Organizations por-

trayed in the reports are chosen by NPC and are assessed through a five-step analysis including (1) the identification of activities and results; (2) inspection of proofs for the results; (3) an analysis of the organizational capacity to deliver the results; (4) a risk analysis; and (5) a summary of the results (Roder, 2011: 116-117). The analysis done by NPC is very in-depth and does thus provide a good understanding of the underlying problem, solution approach, organizational capacities and risks. The approach focuses on impact reporting rather than measuring, believing that good impact practice is "the cycle of activities that focuses on impact: planning how to achieve it, delivering, assessing and learning for the future" (Gripper and Joy, 2016: 24). The analysis also considers factors like leadership, governance and organizational culture (Gripper and Joy, 2016: 32-40). By describing causalities in the field and presenting different stakeholders, it gives a descriptive overview of the field that is understandable also to and outsider. The narrative nature of the reports can be problematic however, since quantitative measurements are missing to a large extent. The information is thus not comparable and focuses more on the output rather than the impact level (Roder, 2011: 118).

2.3.1.4   Logic Models: The iooi Method by Bertelsmann Foundation

The logical approach to evaluating impact performance emerged in the 1970s and has since become a popular approach to measuring social impact in the Third Sector. The main idea behind logic models is to provide a framework for organizations that enables them to integrate impact evaluation into the program design and life cycle itself instead of measuring results only at the end of a program or activity. In short, logic models are a systematic and visual presentation of the relationships amongst resources the organization utilizes to operate a program (inputs), the activities executed (outputs) as well as changes achieved as results of these activities on the target groups (outcomes) and stakeholders or society overall (impact) (Zappalà and Lyons, 2009: 10). Logic models thus rely on casual or cause-effect relationships to explain the impact within projects as illustrated in *Figure 2*.

| Input | Output | Outcome | Impact |
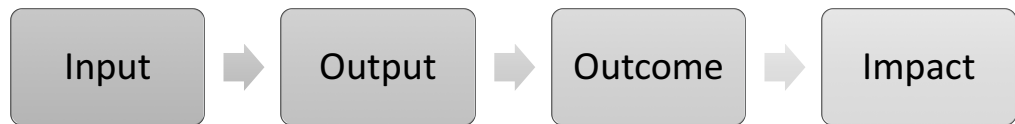
Figure 2: Causal Logic of a Logic Model. Source: Adapted from: Zappalà and Lyons, 2009:11.

With the increased popularity of using logic models as an impact measurement tool, many different versions, adaptations and names can be found in related literature. The *Theory of Change* (So and Staskevicius, 2013: 23) or *Whaley Logic Model* (Clark and Brennan, 2016: 5) for instance add an additional fifth layer, activities, as a step between input and output, defined as direct activities undertaken to transform resources (input) into deliverables (output). While some authors use the terms *Logic Model* and *Theory of Change* synonymously, others regard the ToC as an extension of the LM (Gardner et al., 2013: 11). Another popular adaption of the basic logic model is the *Logical Framework Analysis* (LogFrame), developed by the *United States Agency for International Development* (USAID), which is applied by many NGOs or government agencies. It uses a matrix to depict how activities and outputs contribute to a program's purpose and goal (Zappalà and Lyons, 2009: 11) as shown in *Figure 3*.

Hierarchy of Objectives	*Verifiable Indicators*	*Means of Verification*	*Assumptions*
Goal			
Purpose			
Outputs			
Activities	*Summary of Inputs*		

Figure 3: Logic Models - The LogFrame Guide. Source: Adapted from Zappalà and Lyons, 2009: 12.

Other adaptations include the differentiation between intermediate and end outcomes as well as long-term and short-term impact (Herranz, 2009: 29). The *Social Impact Model* in turn switches outcome and impact around, thus defining impact as the effect on the organization's target group and outcome as the overall effect on

society (Uebalhart and Zängl, 2013: 273). Despite different adaptations, all logic models share the intention to facilitate the articulation of how inputs or resources and outputs or activities contribute to outcomes and impact on certain stakeholder groups by creating logic chains based on cause-effect relationships. Since logic models are very adaptable and flexible by nature, their interpretation and application do not only vary across models derived, but can also differ amongst organizations themselves (Herranz, 2010: 57), especially regarding the visual presentation of the model produced.

This paper will apply and test the input-output-outcome-impact (iooi) method developed by *Bertelsmann Foundation* and utilized in *Phineo*'s *Social Impact Navigator* (2016), a practical guide to impact measurement for organizations as well as the *Social Reporting Standard* (2014), a standardized reporting guideline for third-sector organizations developed by *Ashoka Germany gGmbH, Auridis gGmbH, BonVenture Management GmbH, Phineo gAG, Vodafone Stiftung Deutschland, Schwab Foundation, University Hamburg* and the *Technical University of Munich* with the support of the *Federal Ministry for Family Affairs, Senior Citizens, Women and Youth* and based on Roder's publication *Reporting im Social Entrepreneurship* (2011).

The iooi method recommended by *Bertelsmann*, *Phineo* and the *SRS* is a very straight-forward adaptation of the Logic Model consisting of the classical four-layer logic chain as illustrated in *Figure 4*. Input is defined as the resources invested into the project including personnel, time, money, equipment, facilities amongst others. Outputs represent the services and products offered to the target groups by the organization, for instance workshops, products, training, consulting etc. Outcomes describe the direct results at the target group level, such as the acquirement of new skills, capabilities, knowledge, awareness or opinions, while impact refers to the results the organization's outputs and outcomes have on societal level (Riess, 2010: 20).

Input	Output	Outcome	Impact
Resources	*Services & Products*	*Results at the target group level*	*Results at the societal level*
- Personnel - Volunteers - Time - Money - Materials - Equipment - Facilities - Partners	- Workshops - Services - Products - Training programs - Consulting services	- Knowledge - Skills - Capabilities - Opinions - Attitudes - Awareness - Change in action - Change in living conditions	Social and economic changes for society as a whole or the population of a certain region

Short-term → *Long-term*

Figure 4: Logic Models - The iooi Model by Bertelsmann Foundation. Source: Adapted from Riess, 2010: 21.

The iooi method can be applied in two ways: Firstly, the underlying impact logic of an organization is constructed through a graphical representation of the causal relationship between inputs, outputs, outcomes and impact. The goal is to articulate the impact logic behind the organization and to showcase which outcome and impact it *intends* to achieve. Secondly, the visual impact model constructed is utilized to measure the impact the organization *actually* achieved during a certain time period. This is where the actual measurement takes place (Phineo, 2016). For this process, the iooi model by the *Bertelsmann Foundation* provides only the overall framework. To measure outcomes, *Bertelsmann*'s guidelines suggests using tools or instruments such as participant lists, surveys or press clippings. To measure impact, empirical analysis or project evaluations are recommended (Riess, 2010: 21).

For each tool, indicators are to be established. Additionally, organizations can note external factors hindering or supporting the project or operations (Riess, 2010: 28-29).

The diversity of models presented already hints towards a lack in standardization and the difficulty to compare measurement results amongst organizations. Indeed, the field of impact measurement still faces various challenges and results are often subject to limitations, as illustrated in the following.

2.3.2 Challenges and Limitations of Impact Measurement

As already indicated, measuring impact is still subject to several limitations. Firstly, since there is no commonly accepted definition of *impact* or *social impact* per se, different understandings of the term naturally induce conflict when it comes to evaluating impact performance. Moreover, Meehan (2009: 83) highlights the problem of plurality, stating that third sector organizations have to balance their performance in a constantly changing environment with multiple stakeholders and bottom lines. Somers (2005: 47) complements this statement adding that the constant trade-off between increasing financial performance versus increasing social impact in social enterprises makes objective evaluation difficult.

Another problem Meehan (2009: 83) points out is causality. With many stakeholders addressing social problems, it is difficult to isolate the effect a single organization has on the improvement of a social condition. Establishing and proving a causal link between activities and outcomes can be problematic in a multi-agency work environment with external factors like policy and economic changes at work. Zappalà and Lyons (2009: 1) thus raise the question of measuring impact on several levels and conclude, that it is difficult if not impossible to aggregate from the micro to the macro level. This means that social organizations might be able to capture the outcome their individual programs have on their target group and might even attempt to measure the impact of their whole organization on the target groups, moving beyond that level however is almost impossible. Proving impact on several levels in terms of measuring the positive change an organization's target group has on yet another stakeholder group as the concrete result of the organization's action is equally hard to achieve (Zappalà and Lyons, 2009: 1-2). This also leads to the

problem of taking credit for the outcomes of other social organizations which are regarded as stakeholders, but whose impact is not necessarily ascribable to the social organizations reporting on the success.

Regarding the field of impact investing, So and Staskevicius (2015: 57) furthermore warn about the use of informal measurement tools, saying that incomplete impact measurement for marketing purposes within organizations could become a serious constraint to the growing impact investing sector due to a loss in trust and credibility.

Closely related to the issue of credibility, one has to highlight the common use of proxies to estimate impact in case of a lack or inability to collect relevant data. While it can be perfectly reasonable to integrate proxy impact data from sources like government statistics or longitudinal studies if the issue addressed is too complex or long-term to collect data, it is crucial to indicate doing so (Olsen and Galimidi, 2008: 12). Moreover, an organization's impact is not always positive, but can be negative, even if unintended. It can be questionable whether impact measuring or reporting considers both positive and negative aspects of impact occurred (GECES, 2014: 34).

Finally, one has to address the problem of measurement per se. While there are various standardized financial indicators available to compare and evaluate financial success using concrete formula and numbers, measuring social impact is a far more complex and less to non-standardized process (Roder, 2011: 97). Sawhill and Williamson (2001) discovered that the more abstract the social mission and business model of a social organization, the more difficult it is to develop an impact measurement system. Looking more closely on early stage social enterprises, several challenges arise when it comes to measuring their impact performance. A study by Barraket and Yousefpour (2013) on the evaluation and social impact measurement amongst small to medium social enterprises found five underlying challenges their action research sample faced when it came to implementing an impact measurement system within their social enterprise: (1) time constraints and competing work commitments, (2) limited staff skills, experience and turnover leading to delays or lack of completion, (3) the complexity of planning the evaluation process and collecting consistent data, (4) organizational culture and the lack of management support, as well as (5) a lack of understanding of the impact measurement

method chosen amongst funders (Barraket and Yousefpour, 2013: 452-454). Gardner et al. (2013: 7) add that while stakeholder engagement is an important part of measuring and reporting impact, it is difficult to include all stakeholders in the process considering the time constraints of the organization. These barriers do not only influence the quality of impact measurement results, but also play a role in determining the model chosen to conduct the measurement. Having chosen Impact Hub Berlin as test subject of this paper, the challenges small and medium social enterprises face mentioned above will be touched upon again when it comes to answering this paper's research question, the critical discussion of the iooi method as an impact measurement tool for small and medium social enterprises based on the case study conducted in chapter four.

3 Methodology

This section shall provide the reader with an overview of the underlying research methodology and methods chosen to examine the research questions of this thesis. Aiming to discuss an impact measurement model by testing it in a particular situation, namely employing the input-output-outcome-impact model in an organizational context, this paper will conduct applied deductive research to answer its primary research question. To do so, the iooi model is (1) applied in a real-life case study upon having provided a theoretical framework in chapter two and (2) discussed based on the research findings of the case study. The case study conducted is designed according to guidelines provided by Hering and Schmidt (2014: 529 – 539). Object of the study is Impact Hub Berlin, as the researcher is employed at the company and has knowledge of the internal processes and access to internal documents needed to conduct the research as well as access to the management.

In order to test the iooi model not only in terms of feasibility for small to medium social enterprises, but also regarding its effectiveness as an impact measurement method, the case study in chapter four and the discussion in chapter five are split into two parts combining qualitative and quantitative research methods as illustrated in *Figure 5*.

Research Question:

Is the iooi method a feasible and effective impact measurement model to depict, evaluate and scale social impact performance in small to medium social enterprises?

Case Study

Conceptualizing Impact Hub Berlin's iooi method

Measuring Impact Hub Berlin's impact in 2016

Methodology

Group Discussion
→ Semi-Structured Participatory Observation

Secondary Data Analysis & Interpretation

Discussing the feasibility of the iooi method in small to medium SEs

Discussing the effectiveness of the iooi method as an impact measurement method

Discussion

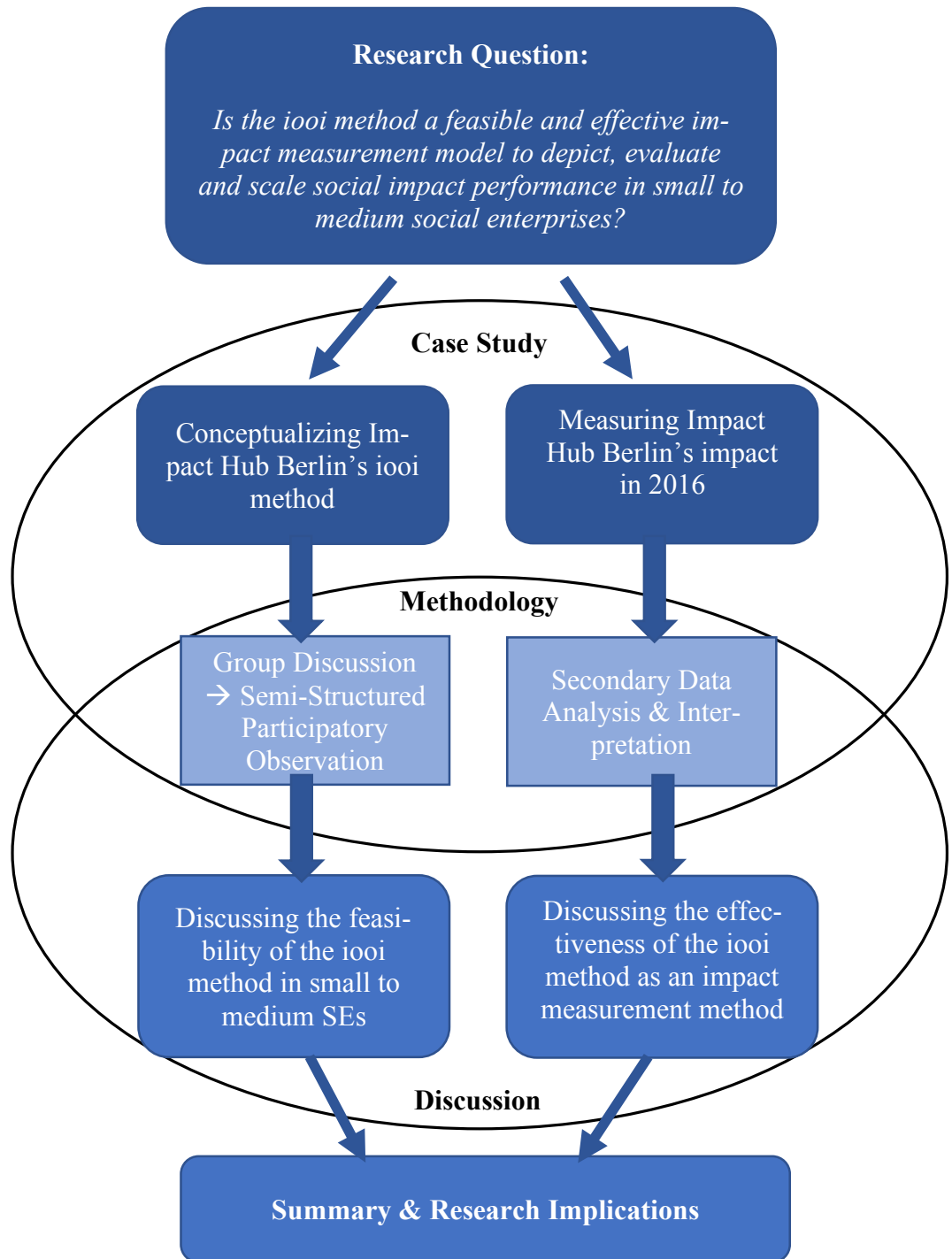**Summary & Research Implications**

Figure 5: Methodological Framework.

3.1 Testing and Evaluating Feasibility

In the first part of the case study (chapter 4.1), the theoretical framework of the iooi model is practically applied by developing Impact Hub Berlin's iooi model to test its feasibility. The development of Impact Hub Berlin's logic model takes a qualitative research approach in form of a group discussion according to Liebig and Nentwig-Gesemann (2009: 102 – 119). Goal of the group discussion is to collect information relevant to conceptualizing Impact Hub Berlin's iooi model. This includes the definition of the company's inputs, outputs, desired outcomes and impact on the target group and social challenge identified as well as the causal relationship between them, which will enable the researcher to develop Impact Hub Berlin's underlying impact logic. Selected participants of the one-day group discussion are Impact Hub Berlin's management board consisting of the four founders as well as six long-term employees that know the company well enough to contribute. The group composition thus ensures an appropriate size and collective social context experience and conduct as recommended by Liebig and Nentwig-Gesemann (2009: 105). In order to introduce the topic of impact measurement and the iooi method, the researcher gives a short introduction of the topic and the schedule. During the group discussion, the researcher then takes the role of a participatory observer as defined by Brosius et al. (2012: 181 – 196) in order to design a natural setting, since the researcher is also employed at Impact Hub Berlin. Following Brosius' recommendation, the researcher takes a rather passive role to be able to take notes. A third party, Marco Harenberg from *Harenberg Consulting* is invited to the group discussion as an objective facilitator. He also guides the discussion in terms of structure, but does not actively contribute to the content. Documentation of the workshop consists of an observation protocol produced by the researcher during the discussion and photographs as well as a written documentation of the outcomes produced by the participants (see Appendix B). The observation protocol is semi-structured, as it consists of pre-determined scales to make recording as easy as possible during the discussion as well as open space for observation notes. The scales are designed to give an indication on participation activity and complexity of the iooi model. Based on the photographs of the participants' notes and written documentation of

the discussion as well as observation notes by the participatory observer, the researcher (1) conceptualizes Impact Hub Berlin's iooi model in chapter 4.1 and (2) evaluates the feasibility of the model as an impact measurement tool for small to medium social enterprises in chapter 5.1.

3.2   Testing and Evaluating Effectiveness

In the second part of the case study (chapter 4.2), the underlying iooi model developed is applied by measuring Impact Hub Berlin's actual inputs, outputs, outcomes and impact achieved during the reporting period 2016. Here, the research takes a quantitative approach. The measurement results will form the basis to discuss the iooi method as an impact measurement tool in terms of effectiveness. Due to scope and time restrictions of this thesis, the impact measurement conducted in chapter 4.2 is subject to several restrictions as summarized in the following.

Firstly, the difficulty of measuring societal impact in any context has already been touched upon in the literature review. Measuring Impact Hub Berlin's actual impact on its stakeholders on various levels requires a very complex collection of data. To measure Impact Hub Berlin's impact on society in general would be an even more difficult, if not even impossible undertaking and would exceed the scope of this thesis. External factors such as changes in policies or economic developments as well as the activities of other actors in the field could influence, hinder or even falsify any data collection attempted. Thus, this paper restricts to measuring Impact Hub Berlin's influence on its direct target groups only and combines the categories *outcome* and *impact* into one category, defined as *the actual outcome / impact achieved on Impact Hub Berlin's direct target groups as a consequence of the company's input and outputs performed.*

Secondly, it will become clear after having constructed the logic model, that Impact Hub Berlin is a complex organization not only with regards to its target groups addressed, but also with regards to its amount of business activities. Impact Hub Berlin's business model is split into three segments: *Programs, Events* and *Membership.* This paper will measure impact performance for only one business segment, namely *Membership,* since data collection or interpretation for all three would go beyond the scope of this thesis. Since the primary goal of this paper is to

test the lOOI model in a real case scenario as opposed to performing a complete impact performance measurement for Impact Hub Berlin, this limitation is legitimate as going through the whole process of measuring impact once is considered sufficient to answer the research question posed.

Thus, the impact measurement narrows down on (1) the company's direct target groups, as opposed to all stakeholders, within (2) the company's business segment *Membership* as opposed to all of its three business segments. This limitation is not expected to decrease the value of the research result as repeating the impact measurement procedure for the other two business segments is not expected to significantly increase insights gained on the applicability of the iooi model as an impact measurement tool.

To gather data for the measurement, existing secondary is repurposed to conduct the impact measurement and interpreted according to Lang (2009: 444 -457). The main data source is secondary data collected by the Impact Hub network: The *Global Member Survey* is a descriptive online survey sent out globally to all members of the Impact Hubs annually to depict the organizations' impact on its members as well as the societal impact the members produce (see Appendix C). It is conducted annually by "Impact Hub Global" (*HUB GmbH*), a global charitable company to support the growth, expansion and performance of local Impact Hubs to strengthen the global Impact Hub network. All up and running Impact Hubs, including this paper's subject Impact Hub Berlin, have agreed to take part in the annual *Global Member Survey*. The survey questions were co-designed by the Impact Hub and the company's academic partner Peter Vandor from the *Vienna University of Economics and Business*, who verified all questions against academic relevance and bias. Local Impact Hubs, including Impact Hub Berlin, had the opportunity to enter up to ten standardized questions of local interest into the survey. The survey was conducted online between the 22nd of February and the 25th of March 2016 as an anonymous spot sample and was available in English, German, Italian, Spanish, Brazilian Portuguese, and Russian. It contained several hundred tailored, closed questions.

The available data for this paper's case study consists of 55 largely or fully complete responses. Compared to the most recent available data on membership during that time frame (75 members, February 2016), this corresponds to a return rate of

74% and provides a steady base to process and analyze the secondary data to measure Impact Hub Berlin's outcome / impact on its members in 2016 following the logic model developed in chapter 4.1. Impact is measured by using the secondary data collected in a new context, namely applying it to the iooi model. For this purpose, data reflecting the influence Impact Hub Berlin had on the activities and scaling progress of its members are extracted. The KPIs chosen for this purpose are introduced during the case study.

Upon conducting the impact measurement, the results are interpreted to give recommendations to improve Impact Hub Berlin's impact performance. The research findings also form the basis to discuss the iooi method in terms of effectiveness as an impact measurement tool in chapter 5.2.

4   The Case of Impact Hub Berlin

The case study forms the core of this thesis as it practically applies the iooi method in order to test its applicability as an impact measurement tool for small and medium social enterprises. As a first step, Impact Hub Berlin's underlying impact logic model is developed step by step using the input-output-outcome-impact model. The conceptualization roughly follows the guiding steps described in the *Social Reporting Standard*. The intention behind conceptualizing the logic model is to understand why Impact Hub Berlin was founded in the first place, what vision the company pursues, which direct target groups the company addresses, what products or services they offer them to achieve a positive impact, and, finally, what the cause-effect relationships between the inputs, outputs and outcomes / impact are. At the same time, the experience of undergoing the process serves as a basis to discuss whether the iooi model is a feasible impact measurement tool for small and medium enterprises in chapter five, based on the researcher's observation as an active participant in the case study (see Appendix B). In a second step, Impact Hub Berlin's impact achieved in 2016 is measured for the business segment *Membership*. Based on the results, this paper attempts to evaluate the effectiveness of measuring impact in social enterprises using the iooi model in chapter five.

4.1 Developing Impact Hub Berlin's Impact Logic Model

The first part of the case study, the conceptualization of Impact Hub Berlin's iooi model, starts by illustrating the identified social problem Impact Hub Berlin aims to approach. This is of central importance to developing the logic model, as social challenges are the core reason social enterprises form in the first place and every logic model hence derives from a problem statement. (Social Reporting Initiative, 2014: 8). Subsequently, Impact Hub Berlin's direct target groups are identified. As already described in the literature review, capturing impact beyond the company's direct target groups is an almost impossible undertaking and leads to causality problems. Thus, since the impact measurement concentrates on the direct target groups, external stakeholders are not considered in this case study. As a next step, Impact Hub Berlin's offers for its target groups, referred to as the company's *outputs*, as well as the desired *outcomes and impact* on the target groups are described. As defined in the methodology, this paper combines the categories *outcome* and *impact* into one category, defined as *the actual outcome / impact achieved on Impact Hub Berlin's direct target groups as a consequence of the company's input and outputs performed.* The intended outcome / impact can refer to a change in acting or thinking amongst the target groups as a concrete result of Impact Hub Berlin's actions for example. It could also be an increased awareness for certain topics or simply the transfer of knowledge and skills. Here, the difference between Impact Hub Berlin's *intended* and *actual* outcome / impact on its target groups must be highlighted. While this chapter presents what Impact Hub Berlin *intends* to achieve, chapter 4.2 demonstrates which outcomes Impact Hub Berlin *actually* achieved in 2016. This differentiation between conceptualizing and measuring impact is important to understand when it comes to the evaluation of Impact Hub Berlin's impact and the iooi model as a tool to do so.

After having described the outputs as well as outcomes / impact the outputs are intended to have on Impact Hub Berlin's target groups, the causal relationships between those is graphically presented including the resources Impact Hub Berlin's invests to perform its activities (*inputs*). The result represents Impact Hub Berlin's iooi model, which serves as a basis to evaluate Impact Hub Berlin's work performed

within the business segment *Membership* during the reporting period 2016 in chapter 4.2.

4.1.1 The Social Challenge Addressed

Impact Hub Berlin aims to create an ecosystem of social innovation that inspires, enables and connects relevant stakeholders to create and support sustainable ideas that address societal challenges. By doing so, the company wants to address the challenges social entrepreneurs and other stakeholders in the field of social innovation are still facing today (Appendix B). While a complete environmental and needs analysis for social entrepreneurship shall not be the focus of this paper and is still subject to research today, the main challenges Impact Hub Berlin aims to address can be summarized as follows based on a study by *Ashoka* and *McKinsey* on barriers for social innovation in Germany (Höll and Oldenburg, 2011: 2):

- Lack of follow-up financing for successful innovative projects and social enterprises
- Lack of transparency for the allocation of public financial resources
- Missing willingness to cooperate in the social sector
- No marketplace for imitators/franchising of social innovation
- Lack of qualified personnel, incentives or capable management in the social sector
- Hindering organizational culture in innovative social organizations
- Missing access to or knowledge of support offerings for social entrepreneurs
- Weak lobby for social entrepreneurs in politics

Figure 6 illustrates a simplified version of the social challenge Impact Hub Berlin aims to approach in form of a problem tree. A more detailed version constructed by the researcher based on a more extensive pool of sources can be found in the appendix (See Appendix A).
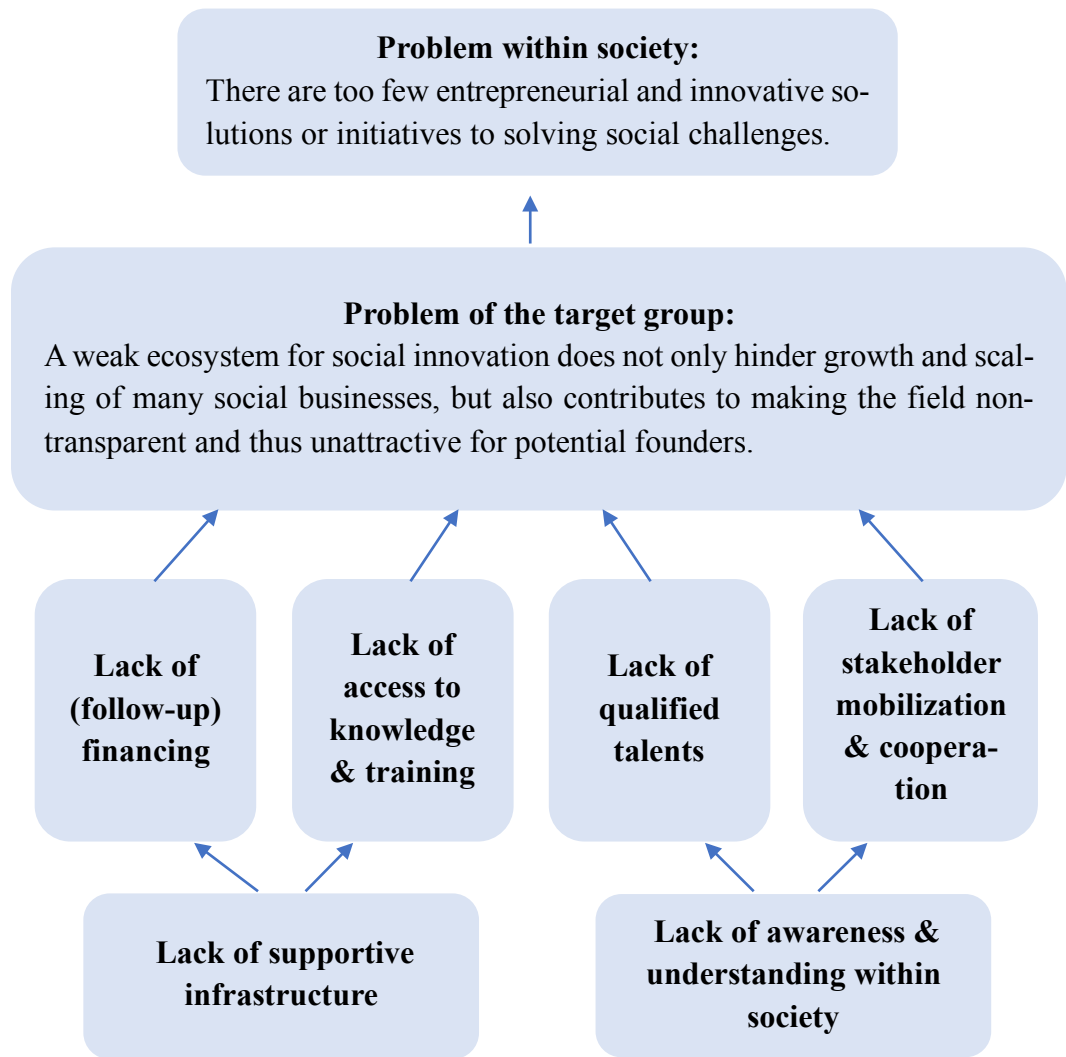
Figure 6: Impact Hub Berlin's Problem Tree.

4.1.2 Impact Hub Berlin's Target Groups

In order to conceptualize Impact Hub Berlin's logic model, there must be a clear understanding of who the company's direct target groups are, since any causal relationship between outputs and the desired impact is finally linked to the target group. When designing an offer, or output, and measuring its effectiveness, or impact, it has to be clear which customer group is addressed to approach the social challenge.

As identified in the previous chapter, Impact Hub Berlin aims to approach the challenges actors in the social innovation ecosystem are facing today. Amongst its stakeholders, Impact Hub Berlin has identified four direct target groups the com-

pany addresses: Entrepreneurs in the field of social innovation; companies and organizations, professionals, and students. Here, companies and organizations include for-profit enterprises as well as non-profits or foundations. Professionals can include intrapreneurs (managers within companies who promote innovative product development (Cambridge University Press, 2011)), journalists, researchers, consultants or designers. For all target groups, Impact Hub Berlin wants to inspire and enable them to get engaged in the topic of social innovation, collaborate and support each other (Appendix B).

4.1.3 Describing Impact Hub Berlin's Outputs, Desired Outcomes and Impact

In order to encourage different target groups and to meet their individual needs, Impact Hub Berlin's business model is split into three categories: *Membership*, *Events* and *Programs*. On the one hand, Impact Hub Berlin functions as an innovation lab and business incubator by providing a space for co-working and events related to positive change. On the other hand, Impact Hub Berlin runs programs, workshops and trainings connected to social innovation in partnership with NGOs, companies and foundations. Eventually, Impact Hub Berlin wants to approach the problems identified in chapter 4.1.1 by creating an ecosystem to foster social innovation. Through its offerings, the company wants to enable, inspire and connect different stakeholders within that ecosystem (Appendix B). In the following, the activities and offers as well as desired outcomes / impact to do so as defined in the group discussion will be briefly described for each business segment to provide the reader with an overview of Impact Hub Berlin's general outputs and mission.

4.1.3.1 *Membership*

Located in Kreuzberg, Berlin, Impact Hub Berlin's 562 qm2 co-working space offers its members a workspace to work, meet, learn and connect against a monthly membership fee. The goal is to create a community of entrepreneurs, NGOs, foundations and freelancers within the field of social innovation. Apart from providing

the physical space, Impact Hub Berlin aims to support its members through consulting offers, networking events and workshops amongst others. By providing its members the tools to scale their business, receive funding and promote their business, Impact Hub Berlin wants to tackle the lacking infrastructure for social entrepreneurs, connect them to a qualified network and beneficiaries (Appendix B).

4.1.3.2 Events

Apart from organizing community events, Impact Hub Berlin also rents its space to externals to host events, workshops or meetings around the topic social innovation. When renting the space, Impact Hub Berlin offers different services (outputs) including catering, cleaning services, event facilitation and promotion services. Impact Hub Berlin also provides discounts to early-stage social organizations. By hosting and facilitating public events or workshops, the company wants to promote the topic social innovation beyond its community, inspire attendees and encourage networking amongst different stakeholders (Appendix B).

4.1.3.3 Programs

Within the programs segment, Impact Hub Berlin designs, conceptualizes and executes projects in cooperation with different stakeholders in the private sector such as foundations or companies (e.g. *BMW Foundation, Vodafone Foundation, German Cooperation for International Cooperation (GIZ)*) as well as the public sector including governments (e.g. *Federal Ministry for Economic Cooperation and Development (BMZ)*. Each project is tailored to the customer and has a different thematic focus, mostly connected to the *United Nation*'s Sustainable Development Goals (SDGs). While the formats, geographic focus and topics can vary from start-up programs in the field of renewable energy in Tunisia to impact investing trainings in Germany or accelerators for social enterprises promoting female empowerment worldwide, Impact Hub Berlin's outputs generally incorporate the following services: Program design, project management, logistics, professional research, ex-

ecution and moderation, facilitation, consulting and reporting. Through its programs, Impact Hub Berlin wants to promote and support social innovation globally as well as across different stakeholders (Appendix B).

4.1.4 Presenting Impact Hub Berlin's iooi Model Graphically

Having identified Impact Hub Berlin's vision (desired impact) as well as its general offerings (outputs) for and desired effects (outcomes) on its direct target groups, Impact Hub Berlin's underlying impact logic can now be conceptualized. *Figure 7* presents Impact Hub Berlin's iooi model illustrating the company's general impact logic as identified during the group discussion. It also contains the fourth component, input, which broadly describes Impact Hub Berlin's resources invested. The causal relationship between the company's inputs and outputs per business segment as well as desired outcomes on its target groups can be observed. Finally, it shows the impact Impact Hub Berlin wants to achieve on a macro-level: Creating a social innovation ecosystem in which different stakeholders are encouraged to work together to empower social entrepreneurs in addressing social challenges and to help organizations to embrace their role in society (Appendix B).

The model also forms the basis to measure the company's actual impact achieved throughout the selected measurement cycle, which is annually. In order to test and evaluate the effectiveness of the iooi model in depicting social impact, the following chapter measures Impact Hub Berlin's impact on its target group achieved in 2016 within the business segment *Membership*.
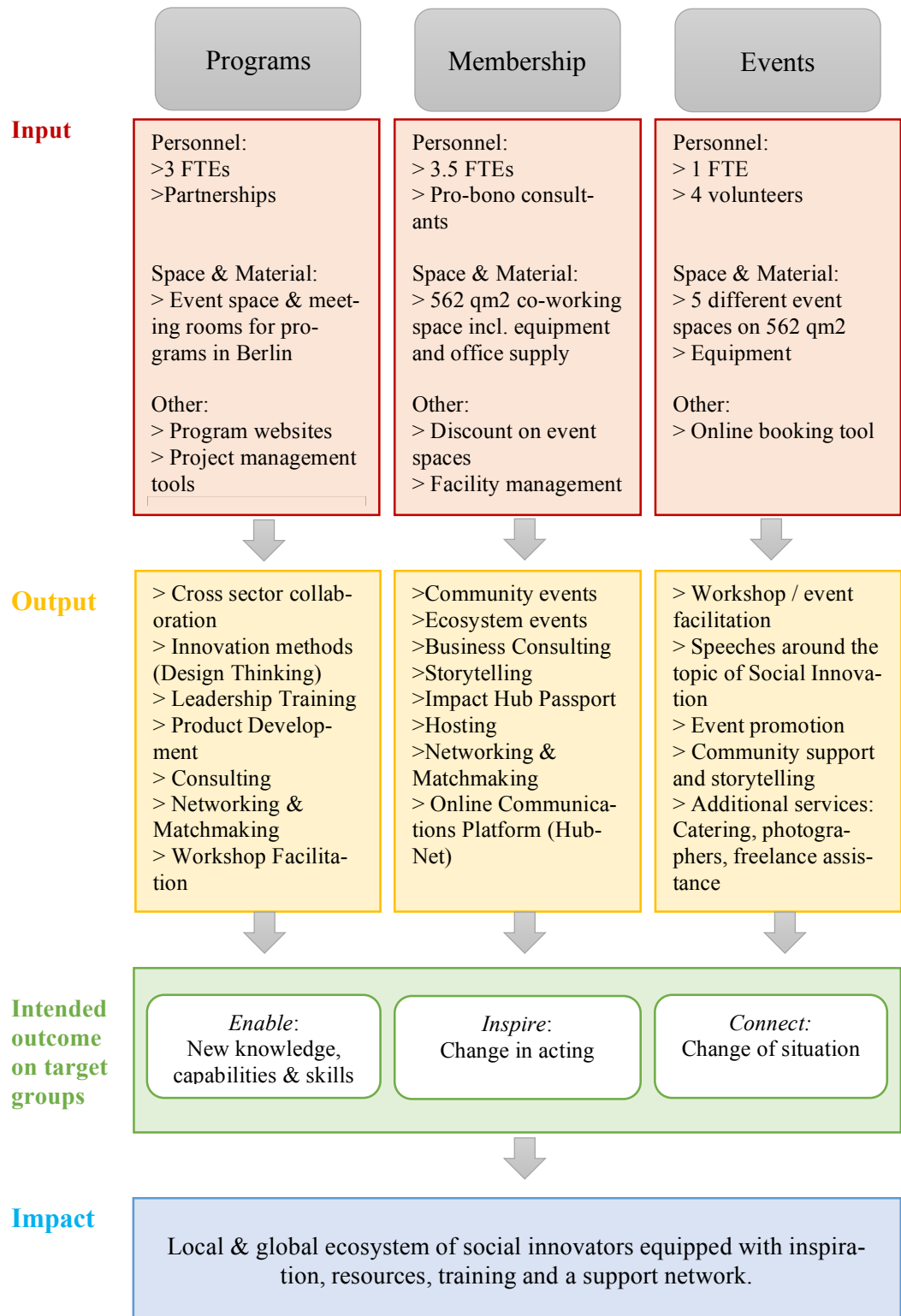
Programs

Membership

Events

Input

Personnel:
>3 FTEs
>Partnerships

Space & Material:
> Event space & meeting rooms for programs in Berlin

Other:
> Program websites
> Project management tools

Personnel:
> 3.5 FTEs
> Pro-bono consultants

Space & Material:
> 562 qm2 co-working space incl. equipment and office supply

Other:
> Discount on event spaces
> Facility management

Personnel:
> 1 FTE
> 4 volunteers

Space & Material:
> 5 different event spaces on 562 qm2
> Equipment

Other:
> Online booking tool

Output

> Cross sector collaboration
> Innovation methods (Design Thinking)
> Leadership Training
> Product Development
> Consulting
> Networking & Matchmaking
> Workshop Facilitation

>Community events
>Ecosystem events
>Business Consulting
>Storytelling
>Impact Hub Passport
>Hosting
>Networking & Matchmaking
> Online Communications Platform (Hub-Net)

> Workshop / event facilitation
> Speeches around the topic of Social Innovation
> Event promotion
> Community support and storytelling
> Additional services: Catering, photographers, freelance assistance

Intended outcome on target groups

Enable:
New knowledge, capabilities & skills

Inspire:
Change in acting

Connect:
Change of situation

Impact

Local & global ecosystem of social innovators equipped with inspiration, resources, training and a support network.

Figure 7: Impact Hub Berlin's iooi Model.

4.2 Measuring Impact Hub Berlin's Impact for Membership in 2016

Having conceptualized Impact Hub Berlin's underlying iooi model graphically, the company's actual outcomes / impact achieved during the reporting period 2016 on its members are measured in detail in the following chapter. While the target group addressed through the segment *Membership* is defined more closely in chapter 4.2.1, it generally includes all individuals holding a membership at Impact Hub Berlin including social entrepreneurs, companies, organizations, professionals as well as students. Impact is measured by reevaluating and integrating existing secondary data from the *Global Member Survey* conducted in March 2016 (see Appendix C) into the iooi model. As defined in the methodology, this paper restricts to measuring Impact Hub Berlin's influence on its direct target group, its members, only to avoid the problem of plurality and causality, and combines the categories *outcome* and *impact* into one category.

4.2.1 Defining the Target Group and Survey Sample

Generally, Impact Hub Berlin targets all four direct target groups identified within its membership model. The company aims to create a community of members with a diverse background, industry and expertise and tries to attract social entrepreneurs, freelancers, intrapreneurs, NGOs, foundations and companies altogether to encourage collaboration (Appendix B). Impact Hub Berlin offers different types of membership depending on the hours spent at the co-working space. The membership model also includes a "virtual" membership (0 hours of access to the physical infrastructure of Impact Hub) for the company's online offerings (Impact Hub Berlin, n.d.). The following data provides an insight into the 2016 sample's membership type, age and gender, and work experience.

The *Global Membership Survey* participants constitute a diverse mix with different types and durations of membership. 5.5% of the 55 respondents held a "virtual" membership, 10.9% a 5-15 hours membership, 14.5% a 20-40 hours membership, 23.6% a 50-90 hours membership and another 36.4% were 100+, permanent or pro-

gram members (participants in one of Impact Hub Berlin's programs). Most respondents had been members for six months or less (51%) when taking the survey, another 23.6% for 12 months or less and 25.5% for 1-2 years. 45.3% of the sample group were female and 45.3% male (One respondent provided no answer). The majority of the respondents belonged to the age groups 26-35 (54.7%) or 36-45 (22.6%) (Appendix C).

Respondents within the spot sample were active in a number of different industries and sectors. The most frequent ones include community and social inclusion (49.1%), business support (40%), finance and media (34.5%, multiple answers possible), and environment and energy (32.7%). 74.6% of the respondents stated to pursue goals that are social, environmental or both ("impact-first") (Appendix C).

4.2.2 Defining Key Performance Indicators

With the help of the iooi model developed in chapter 4.1, outputs and desired outcomes / impact can be specified for the segment *Membership*. In order to measure impact performance, the desired outcomes / impact represent the key performance indicators (KPIs) chosen to measure Impact Hub Berlin's actual impact. The output and impact definitions presented in *Table 1*, *Table 2* and *Table 3* are outcomes of the group discussion conducted at Impact Hub Berlin (see Appendix B).
Ideally, the impact measurement conducted in the following chapter results in making differences between Impact Hub Berlin's desired or planned impact and the company's actual impact measured visible. Any deviations would give insights on how effective the iooi method is in measuring impact performance. As in the graphical presentation of the iooi model, outputs and outcomes / impact are split into the categories *enable, inspire* and *connect*.

(1) Category Enable

Outputs	▪ Providing and managing Impact Hub Berlin's co-working space to provide a good working infrastructure
	▪ Organizing workshops for members to build skills and capabilities
	▪ Organizing business consulting in cooperation with the *Boston Consulting Group* and other professionals to help members to scale their activities and impact
	▪ Organizing and facilitating ecosystem events and workshops to connect Impact Hub members to other institutions and networks locally and globally
	▪ Promoting members through Impact Hub Berlin's communication channels to increase visibility and reach
Desired outcomes / impact (KPIs)	*Members are supported in:*
	▪ Accessing new clients or beneficiaries
	▪ Developing skills and capabilities
	▪ Gaining visibility and credibility
	▪ Generating revenue
	▪ Accessing better working infrastructure
	▪ Obtaining financial capital and investment
	▪ Accessing support institutions and networks
	▪ Expanding into new geographic areas
	▪ Evaluating impact of own activities

Table 1: Impact Hub Berlin's Output and Outcomes / Impact KPIs for the Category Enable.

(2) Category Inspire

Outputs	▪ Storytelling through Impact Hub Berlin's communication channels (newsletters, website, social media) to increase visibility of the field ▪ Organizing speeches and movie screenings on topics related to social innovation ▪ Monthly newsletters
Desired outcomes / impact (KPIs)	*Members are supported in:* ▪ Coming up with new ideas ▪ Learning about new issues and trends ▪ Strengthening personal motivation ▪ Learning how to start a new project or venture

Table 2: Impact Hub Berlin's Output and Outcomes / Impact KPIs for the Category Inspire.

(3) Category Connect

Outputs	▪ Organizing community events to encourage networking and peer-to-peer support amongst members ▪ Providing *HubNet*, an online platform giving access to the global network of social entrepreneurs, professionals, institutions and experts ▪ Providing an Impact Hub Passport, with which members can travel to and work from other Impact Hubs
Desired outcomes / impact (KPIs)	*Members are supported in:* ▪ Building international connections ▪ Connecting to advisors and experts ▪ Feeling part of a larger community and network ▪ Finding and keeping capable staff ▪ Partnering and collaborating with other members

Table 3: Impact Hub Berlin's Output and Outcomes / Impact KPIs for the Category Connect.

Based on the logic model developed in chapter 4.1.4, the graphical illustration of the iooi model for Impact Hub Berlin's business segment *Membership* is presented in *Figure 8*.
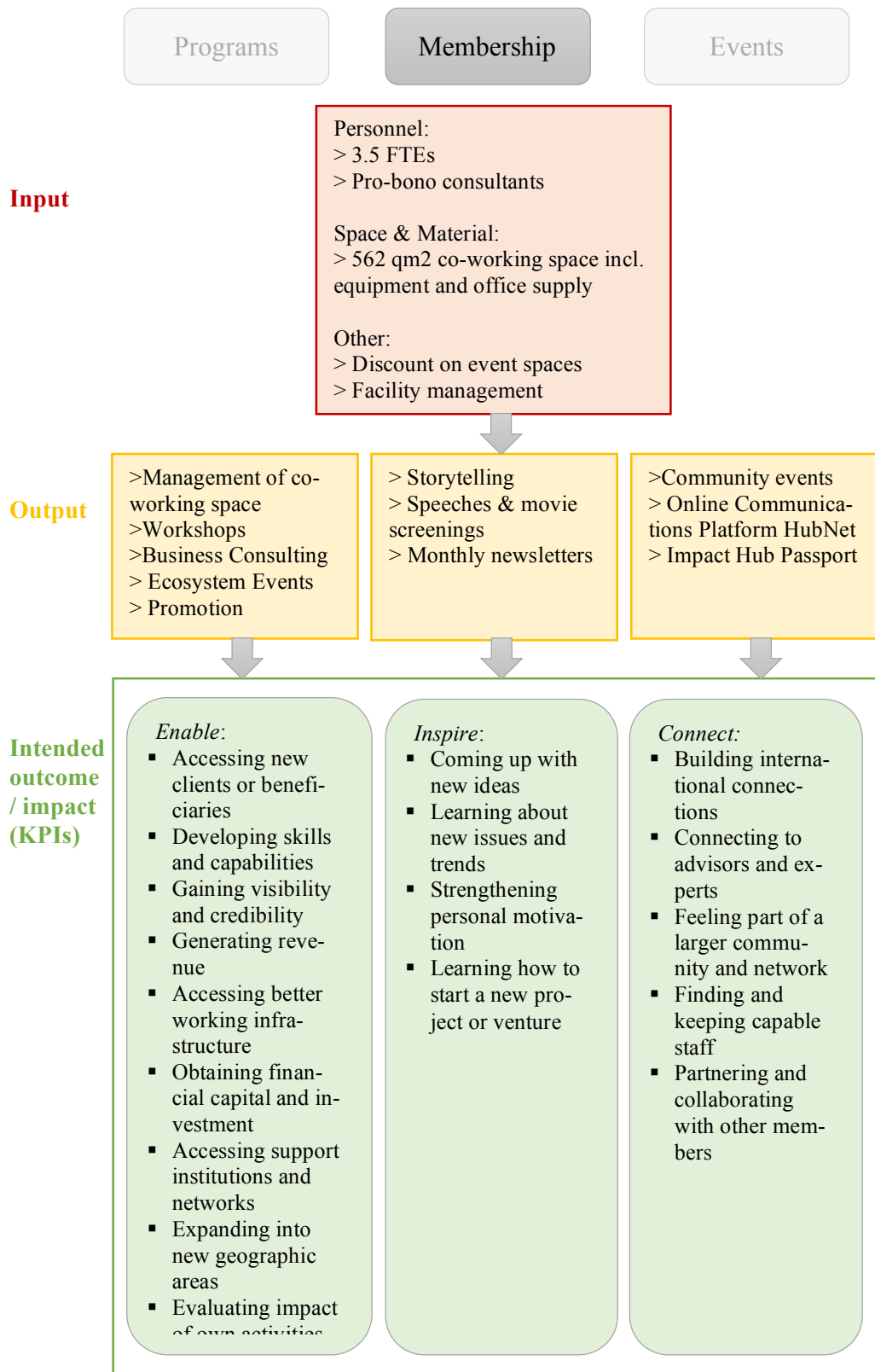
Programs	Membership	Events

Input

Personnel:
> 3.5 FTEs
> Pro-bono consultants

Space & Material:
> 562 qm2 co-working space incl. equipment and office supply

Other:
> Discount on event spaces
> Facility management

Output

>Management of co-working space >Workshops >Business Consulting > Ecosystem Events > Promotion	> Storytelling > Speeches & movie screenings > Monthly newsletters	>Community events > Online Communications Platform HubNet > Impact Hub Passport

Intended outcome / impact (KPIs)

Enable:
- Accessing new clients or beneficiaries
- Developing skills and capabilities
- Gaining visibility and credibility
- Generating revenue
- Accessing better working infrastructure
- Obtaining financial capital and investment
- Accessing support institutions and networks
- Expanding into new geographic areas
- Evaluating impact of own activities

Inspire:
- Coming up with new ideas
- Learning about new issues and trends
- Strengthening personal motivation
- Learning how to start a new project or venture

Connect:
- Building international connections
- Connecting to advisors and experts
- Feeling part of a larger community and network
- Finding and keeping capable staff
- Partnering and collaborating with other members

Figure 8: Impact Hub Berlin's iooi Model for the Segment Membership.

4.2.3 Measuring Outcomes / Impact on Direct Target Group

In the following, the KPIs chosen to depict the outcomes / impact on Impact Hub Berlin's members are measured using the secondary data available from the *Global Member Survey* published in March 2016 (see Appendix C). Having categorized the company's desired outcome / impact into the three categories *enable, inspire* and *connect* in the iooi model constructed, Impact Hub Berlin's measured outcome / impact is presented accordingly.

Secondary data is used from question 40 ("*Support*") within the sub-category V ("*What is your Impact Hub's impact on your members?"*). Here, participants had to evaluate the importance of each category related to the question "*How helpful was your Impact Hub membership in providing support in these areas?"* by choosing between three possible answers:

(1) Not important
(2) Important
(3) Very important

Only those respondents who ranked the topic important (2) and very important (3) were considered to evaluate each of the same category by choosing between six possible answers:

(0) Not member long enough to assess
(1) Not supportive
(2) Rather not supportive
(3) Neutral
(4) Rather supportive
(5) Supportive

In the following, the results for each of the categories *enable, inspire* and *connect* are presented and interpreted. To conclude, the researcher gives a short recommendation on how Impact Hub Berlin can use the results internally to scale impact performance before discussing the iooi model as an impact measurement tool in chapter five.

4.2.3.1 Category Enable

Table 4 presents the number [n] of responses given per answer (0) – (5) for each question (KPI) within the category *enable* by the valid respondents, as well as corresponding percentages (see Appendix C) as explained in the following.

Key Performance Indicators	Results						
	(0) [n]	(1) [n]	(2) [n]	(3) [n]	(4) [n]	(5) [n]	(4)+(5) [%]
Accessing new clients or beneficiaries	8	0	3	5	11	16	77.1
Developing skills and capabilities	6	0	2	15	13	7	54.1
Gaining visibility and credibility	8	0	3	9	10	11	63.6
Generating revenue	4	1	3	11	8	3	42.3
Accessing better working infrastructure	8	0	0	2	11	24	94.6
Obtaining financial capital and investment	4	1	4	7	3	1	25
Accessing support institutions and networks	3	1	2	6	3	8	55
Expanding into new geographic areas	4	1	0	1	3	5	80
Evaluating impact of own activities	7	0	4	14	6	5	37.9
***Enable* Total [%]**	/	1.6	8.6	28.8	28	32.9	
(4) + (5) Average [%]							**58.9**

Table 4: Impact Measurement for the Category Enable.

The lower column marked yellow provides a summary of which percentage of the survey respondents (55 respondents in total) chose the answers (1) to (5) overall. The percentages are calculated excluding answer (0) *not member long enough to assess*, as it is by nature not deemed relevant to measuring Impact Hub Berlin's impact.

In terms of measuring outcome / impact related to outputs, the right-hand column marked blue is much more significant however, as it provides more detailed information. It indicates how successful Impact Hub Berlin was in supporting its members within the category *enable* per KPI and thus shows which outcome / impact Impact Hub Berlin had on its target group in terms of output. The number presented in the column represents all survey respondents evaluating the statements with a (4) rather supportive or (5) supportive as a percentage of the total sample. A 100% response rate would hence indicate a perfect satisfaction with Impact Hub Berlin's outputs, or maximum impact. A high percentage number thus indicates success, while a low percentage number suggests that the desired outcome / impact could not be reached for larger parts of the target group. This could lead back either to a lack or an ineffectiveness in Impact Hub Berlin's output portfolio. Tracking the KPI back to the output it derived from can help the company to identify whether it might need to adapt or expand its offers.

In order to be able to compare the overall success in terms of outcome / impact achieved in the category *enable* to the categories *inspire* and *connect*, the average of the right-hand column is calculated. It expresses which percentage of the total respondents rated the statements with a (4) or (5) and is thus satisfied with the products and services received within the category.

Looking more closely at the data derived from the *Global Member Survey*, it can be observed that overall, Impact Hub Berlin's support in certain categories was rated much higher than others. Deficits can be observed in helping Impact Hub Berlin's members to obtain financial capital and investment (25%) and to evaluate their own impact (37.9%). In other areas such as providing access to a better working infrastructure (94.6%) as well as new clients and beneficiaries (77.1%), helping its members to expand to other geographical locations (80%) and helping them to gain visibility and credibility (63.6%), Impact Hub Berlin was relatively successful in creating positive impact on its target group. These gaps also explain the rather

low average percentage of 58.9% rating Impact Hub Berlin's products as services as rather supportive or supportive.

4.2.3.2 Category Inspire

The composition of *Table 5* follows the same principle as *Table 4*. The column marked yellow represents the overall percentage of those survey respondents who chose the answers (1) to (5), while the right-hand column marked blue represents the percentage of survey respondents evaluating each statement with a (4) rather supportive or (5) supportive.

Key Performance Indicators	Results						
	(0) [n]	(1) [n]	(2) [n]	(3) [n]	(4) [n]	(5) [n]	(4)+(5) [%]
Coming up with new ideas	7	0	3	5	10	22	80
Learning about new issues and trends	5	0	2	9	13	14	71.1
Strengthening personal motivation	6	0	2	2	14	25	90.7
Learning how to start a new project or venture	5	0	1	7	7	7	63.6
***Inspire* Total [%]**	/	0	5.6	16.1	30.8	47.6	
(4) + (5) Average [%]							**76.3**

Table 5: Impact Measurement for the Category Inspire.

Overall, Impact Hub Berlin performed much better within the category *inspire* with an average of 76.3 % responses rating the statements with a (4) or (5). For each of the four statements, far more than half of the respondents evaluated Impact Hub

Berlin as (rather) supportive regarding the statements. An especially high outcome / impact was achieved regarding the strengthening of personal motivation (90.7%) and coming up with new ideas (80%). It can also be highlighted that no respondent evaluated Impact Hub Berlin as (1) not supportive for any of the indicators.

4.2.3.3 Category Connect

The composition of *Table 6* follows the same principle as *Table 4* and *Table 5*.

Key Performance Indicators	Results						
	(0) [n]	(1) [n]	(2) [n]	(3) [n]	(4) [n]	(5) [n]	(4)+(5) [%]
Building international connections	5	1	2	10	10	17	67.5
Connecting to advisors and experts	7	0	4	4	18	18	81.8
Feeling part of a larger community and network	6	0	0	3	10	32	93.3
Finding and keeping capable staff	5	1	2	4	3	8	61.1
Partnering and collaborating with other members	5	0	2	3	16	23	88.6
***Connect* Total [%]**	/	1	5.2	12.6	29.8	51.3	
(4) + (5) Average [%]							**78.5**

Table 6: Impact Measurement for the Category Connect.

With a result of 78.5%, Impact Hub Berlin received a similar overall satisfaction in the category *connect* as in the category *inspire*. A high impact could be achieved in the areas of creating the feeling of being part of a larger community and network

(93.3%), facilitating the partnership and collaboration with other members (88.6%) and connecting members to advisors and experts (81.8%).

4.2.3.4 Attribution of Success to Impact Hub Berlin

Finally, the survey respondents were asked to depict the attribution of their success to Impact Hub Berlin on a scale from (1) not important to (10) very important. The following data corresponds to question 42 ("*How important do you consider Impact Hub for the overall success of your activities?")* (see Appendix C). *Table 7* shows the total number (n) as well as corresponding percentage of respondents per possible answer. The lower rows show the number and percentage distribution of respondents for different answer combinations.

Category	Results	
	Absolute [n]	Relative [%]
(1)	2	3,6
(2)	1	1,8
(3)	1	1,8
(4)	3	5,5
(5)	3	5,5
(6)	8	14,5
(7)	15	27,3
(8)	16	29,1
(9)	1	1,8
(10)	5	9,1
(1) – (2) Sum	3	**5.5**
(1) – (5) Sum	10	**18.2**
(6) - (10) Sum	45	**81,8**
(9) – (10) Sum	6	**10.9**

Table 7: Attribution of Success to Impact Hub Berlin.

Looking at the distribution percentages, the results seem encouraging. 81.8% of all 55 respondents evaluated Impact Hub Berlin as medium to very important for the overall success of their activities. While 5.5% attributed none to little success to Impact Hub Berlin, twice as many (10.9%) evaluated Impact Hub Berlin as very important for their success.

4.2.4 Interpretation of Results and Recommendations for Impact Hub Berlin

Generally, it can be observed that the majority of Impact Hub Berlin's members seem to show high appreciation for the support provided by Impact Hub Berlin, indicating that Impact Hub Berlin achieved a high outcome / impact on its target group through its offerings. Looking more closely at the average responses within the categories *inspire* and *connect*, the data shows that 76.3% experience Impact Hub Berlin as rather supportive or supportive in the area of inspiration and 78.5% find Impact Hub rather supportive or supportive in the areas of connections. For the category *enable*, it can be observed that satisfaction rates in that area are somewhat lower. Here, 58.9% of the respondents assess Impact Hub's services as (rather) supportive. 81.1% of the sample attribute at least some of their success to Impact Hub Berlin.

Looking at the KPIs, only very few respondents within the sample assessed Impact Hub Berlin as (1) not supportive or (2) rather not supportive. Since there is never more than one response per indicator, this is not especially alarming, but can be further investigated by tracking the KPI to outputs that were meant to create that impact using the iooi model developed for *Membership* in chapter 4.2.2. The same goes for KPIs with lower percentage numbers overall. In the areas of facilitating access to support institutions and networks, obtaining financial capital and investment or generating revenue for instance, additional consulting offers, investor pitches or business model training for members could be advised. Similarly, workshops, trainings or mentoring related to impact measurement could be initiated to increase satisfaction and thus impact. To improve skill building in the category of *enable*, it can be advised to invite members with a certain expertise to give talks at Impact Hub Berlin or to establish a mentor program for instance.

Looking at Impact Hub Berlin's output portfolio identified through the iooi model, it can be concluded that generally, offerings within the categories *Business Consulting*, *Matchmaking* and *Ecosystem Events* should be expanded to leverage impact, while the co-working space as well as offers within the category *Community events* and offers such as the online platform *HubNet* and the *Impact Hub Passport* are achieving high satisfaction and impact.

In the following, reliability, validity and limitations of the research are discussed.

4.2.5 Reliability, Validity and Limitations of Results

Firstly, it has to be addressed that the secondary data used for this research was collected by *HUB GmbH*, an overarching unit held in sole ownership by the *Impact Hub Association*, which is a not-for-profit association composed of representatives of the Impact Hubs. It is thus subject to confirmation bias, as questions could be posed in a way to favor positive responses. Since a second party, namely Peter Vandor from the *Vienna University of Economics and Business*, co-designed the survey questions, they were verified against academic relevance and bias by a neutral party however. Moreover, it must be mentioned that the author of this thesis is also employed at Impact Hub Berlin and is thus subject to biases by nature. To ensure the reliability and validity of the research, it should be added that negative results were not consciously excluded from the survey data chosen for this research. Regarding the impact measurement per se, secondary data was used only from those survey questions that explicitly mentioned Impact Hub Berlin in them (*"How helpful was your Impact Hub membership in providing support in these areas?"*) in order to exclude deadweight, effects that would have happened anyway and alternative attribution, effects achieved by others.

Secondly, looking at the spot sample of 55 respondents who participated in the Global Member Survey, it could be questioned whether they represent the opinion of all of Impact Hub Berlin's members throughout the year. For future reference, the survey results of the following year, 2017 in this case, could be included to have a wider variety of respondents and to be able to compare results over the year. Since

the 2017 results were published only after finalization of this paper, the results could not be included in this research.

In terms of completeness, it cannot be concluded whether the impact measurement is complete per se, since the iooi method does not offer a concrete framework for data collection. Generally, the results are only as good and valid as the KPIs chosen. It can be stated however that this paper consciously focused on measuring impact only on the micro-level. Trying to measure impact performance beyond the target groups on societal level would have led to plurality and causality problems, since alternative attribution of other actors in the field could not have been filtered.

Having touched upon the implications of the impact measurement results for Impact Hub Berlin as subject of the case study as well as reliability, validity and limitations of the results, the iooi method itself is discussed in the following chapter. By evaluating the application of the iooi model in the case study as well as the research outcomes, chapter five attempts to answer this paper's primary research question by discussing whether the iooi method can be considered a feasible and effective impact measurement tool to depict, evaluate and scale social impact performance in small and medium social enterprises. It also touches upon relevance and limitations of the research in general.

5   Discussing the iooi Method

In the following, the iooi method is critically discussed as an impact measurement tool for small and medium social enterprises. The discussion focuses on (1) the feasibility of using the iooi method to measure impact in social enterprises, (2) the effectiveness of the model itself regarding impact measurement. The discussion is based on the case study undertaken in chapter four and the observation notes taken by the researcher during the group discussion (see Appendix B).

5.1 Evaluating Feasibility

In order to evaluate whether the iooi method can be considered a feasible impact measurement tool for small and medium social enterprises, the discussion looks at the complexity of the model to take resource scarcity of a SE into account.

In terms of complexity, the logical approach to measuring impact using the iooi model is a very straightforward method. With a clear definition of what input, output, outcome and impact entail, Impact Hub Berlin's logic model could be easily constructed in a one-day group discussion environment, even without an expert on impact measurement besides the researcher present. Moreover, the conceptualization of the logic chain did not require extensive research time beforehand or any capital investment and is thus very time- and cost sensitive (Appendix B). This is a clear advantage compared to models such as the *Social Return on Investment* (SROI), which requires previous knowledge on measurement formulas and time for calculations (Roder, 2011: 112). Based on the author's observation, every employee knowing the enterprise well enough to understand the underlying social challenge, target group, causal relationships between inputs, outputs and the company vision could contribute to conceptualizing Impact Hub Berlin's iooi model (Appendix B). Consequently, it can be concluded that the iooi model can be conceptualized using internal resources and enterprises would most likely not need to hire an external consultant or expert. Moreover, most of the information that needed to be gathered to develop Impact Hub Berlin's logic chain was not new, but simply needed to be reformulated and integrated into the logic chain, which proves the notion that the iooi method is a relatively feasible impact measurement model in terms of time and complexity.

Another clear advantage of the iooi method is that once the underlying impact logic for the company is conceptualized graphically and measurement standards are defined, it can be easily reused for each cycle to measure impact. Moreover, the cause-effect relationship is easily adaptable if the company's operations change. Thus, the iooi model is a very flexible tool that can easily be adapted to the company needs. Even without the actual measurement practice in place, it can be used to understand

internal business processes and to communicate the company's general impact logic, products and services as well as the company mission and vision to stakeholders and the public.

Looking at the actual impact measurement however, the iooi method offers little to no guidelines on how to determine measurement standards, since it does not offer clear formulas or KPIs. The process of determining valid and reliable measurement standards to translate the desired impact into *actual* impact is left to the enterprise, or researcher in this case, and can require time to develop. Furthermore, it could be observed that the more complex the organization in terms of business segments, products and services as well as target groups, the more time-intensive will it be to measure outcomes or impact (Appendix B). Since Impact Hub Berlin is in the fortunate position to access existing data adaptable for the segment *Membership,* which could be integrated into the iooi model, a lot of time and effort could be saved. Thus, for the actual data collection, small and medium social enterprises might have to budget additional time and staff. Since the complexity of data collection is likely to hold true for most impact measurement methods however, the argument cannot be considered a criterion.

It can be concluded that the iooi method does provide a helpful and easy to use framework for social enterprises to develop their impact logic and measure their impact based on the outputs, outcomes and impact defined. Conceptualizing the impact chain including input, output, outcome and impact is a more or less simple process that requires only little capital and time investment. Collecting measurement data however is a more complex process in which the iooi method offers only little guidelines. Thus, the impact measurement results only seem to be as valid and reliable as the KPIs and data collection method chosen by the company, as discussed in the following chapter.

5.2 Evaluating Effectiveness

Looking at the effectiveness of the iooi method in terms of measuring impact results, it is hard to come to a general conclusion. As examined previously, the iooi model does not offer a clear framework to measure actual impact. While the general impact logic is clear, it is impossible to evaluate whether the impact measurement results are complete. Here, the measurement is only as good as the KPIs and data collection method defined. Closely connected to that, it can be added that the iooi model does not offer an effective framework to compare impact results across organizations, industries or social issues. Since the logic chains differ according to the underlying impact logic of social enterprises and the social challenge approached and since measurement KIPs are chosen individually, results are not comparable. If a social enterprise wants to measure its impact in order to attract investors for instance, more standardized models such as the SROI might be recommended. Moreover, it is difficult to proof that the outcomes or impact measured really track back to the outputs defined. Again, any evaluation would depend on the indicators and methods chosen or survey questions designed.

If the development of the logic chain is well thought-through however, the iooi method provides an effective way to track outcome results back to outputs and to adapt operations. Moreover, the model offers room for numeric as well as non-numeric KPIs, as it is very flexible. It also provides a way to communicate impact measurement results effectively, as the logic chain constructed should be understandable to external stakeholders and the public. Instead of solely presenting numbers, the organization can explain their impact logic using the graphical presentation of the logic chain. Moreover, the company could elaborate on their outputs offered and measure these as part of the impact measurement process. By depicting the number of events or services provided and describing them for instance, the efforts to address the social challenge identified become clear.

Furthermore, it could be observed during the case study, that logic models make a great contribution to internal learning and development (Appendix B). Since logic

models are flexible and can be shaped individually by each organization, employees are able to contribute to developing the impact logic as shown on the example of Impact Hub Berlin. Going through the whole process of discovering the organization's inputs, outputs, outcomes and impact, subsequently defining their cause-effect relationships and finally conceptualizing the underlying impact logic did not only increase the understanding of the company's operations, but also had a visible effect on employee motivation. Understanding the context and contribution of each role and business unit towards achieving a common goal or social impact seemed to have an effect on each employee's perception as an integral part of Impact Hub Berlin's operation (Appendix B). This said, the effect of conceptualizing the company's logic model on internal learning seems to increase continuously with the number of employees contributing to the process. Thus, in terms of internal learning, the iooi model can be considered an effective impact measurement tool as it aligns different understandings of the company's operations as well as the long-term mission and vision of the organization.

5.3   Conclusions, Relevance and Limitations of the Research Findings

Looking at external validity and the transferability of the research outcomes to other social enterprises, third-sector organizations or industries in general, it has to be highlighted that impact measurement is a not yet standardized process and outcomes of his paper can thus not be directly transferred to other cases one to one. As mentioned previously, logic models are very flexible in their adaptation as an impact measurement tool. Not only can KPIs utilized to evaluate impact vary across organizations, but also measurement tools differ. It is thus challenging to directly transfer this paper's research findings to other social enterprises or even organizations within the third sector. There are a few outcomes that can be generalized however. Firstly, the iooi model, or logic models in general, provide a cost- and time-sensitive way to depict impact in social enterprises, as they are easy to understand and construct. No extensive knowledge on the field of impact measurement is required to establish the cause-effect relationships between the company's inputs, outputs, outcomes and impact. Secondly, the logic chain provides a clear understanding of internal processes, which contributes to internal learning and external

understanding of the company's business processes established to create impact. Thirdly, assuming the impact measurement KPIs and methods were chosen carefully, the measured impact results can easily be tracked back to the company's outputs and inputs with the help of the iooi model developed, which makes it possible for social enterprises to adapt or extend their offerings to improve or scale their impact performance. Moreover, the graphical presentation of the model and the possibility to include non-numeric KPIs make the impact measurement easy to understand for external stakeholders.

It can be concluded that generally, the iooi method can be recommended as an impact measurement framework for social enterprises with restricted resources, as it is a time- and cost-sensitive method to measure impact. The recommendation depends on the underlying goal of measurement impact however. If the main driver behind measuring impact is the comparison of impact performance across organizations or industries, the iooi method is not advised, as the lack of standardization leads to a high diversity in measurement outcomes. A catalogue of generally-accepted performance metrics or indicators could be recommended here. If the main objective is to depict and plan impact performance internally, the iooi model does indeed form an effective and adaptable tool to do so.

6 Summary and Research Implications

As discussed throughout this paper, impact measurement is a rather unstandardized domain in the field of performance measurement that is still subject to research and controversy. Originating from different actors including governments, NGOs, philanthropists and universities, there is a wide range of impact measurement models suggested. They vary in the approach they take to measuring impact, in their complexity and adaptability. With the renewed interest in the field and the increased acknowledgment of social entrepreneurs for developing innovative approaches to addressing social challenges, there is increasing pressure on social enterprises to measure their impact achieved. A lot of social enterprises are small to medium enterprises with restrained resources however, and thus need an impact measurement model that is compatible with their resource allocation. By practically applying and evaluating the input-output-outcome-impact model developed by *Bertelsmann*

Foundation, this paper investigated the logical approach to measuring impact in social enterprises on the example of Impact Hub Berlin. Looking at feasibility of the iooi method in small to medium social enterprises, this paper concluded in a recommendation on the use of the iooi model as an impact measurement framework, as it is a simple method making a contribution not only to depicting and planning impact, but also to internal learning and external communication. One critical point however is the selection of viable KPIs and data collection methods, as the iooi model does not provide clear guidelines on the measurement per se. Closely connected to this, it cannot be concluded whether the iooi model can be assessed as effective regarding the impact measurement results. Any evaluation would depend on the goal pursued by measuring impact. If impact is to be communicated to the public, the iooi method can be very effective, while the model is not helpful in comparing results across organizations or industries.

The research and findings lead to several implications practically as well as theoretically. In terms of practical implications, this paper provides insights into the application of the iooi method in small to medium social enterprises and discloses the challenges as well as benefits related to it. The outcomes might be of use to other social enterprises wanting to report on their impact using the iooi model as suggested in the *Social Reporting Standard* or *Phineo*'s *Social Impact Navigator.* Moreover, the research provides a social enterprise, Impact Hub Berlin, with the necessary tool, the logic model constructed, to measure and report on their impact annually. A first outcome of this paper is the publication of Impact Hub Berlin's first impact report for the reporting period 2016 (see Appendix C), published on the 20th of July 2017. The logic model constructed for Impact Hub Berlin might also be transferrable to other Impact Hubs with minor adaptations depending on their business model, segments and offerings. Since the *Global Member Survey* is conducted for all up and running Impact Hubs worldwide, the impact evaluation scheme can be adopted to measure, interpret and even compare results to learn from each other.

In terms of theoretical implications, there are several research questions that can be explored further based on this paper's research findings. The first and most apparent one would be further practical research on the use of logic models as an impact

measurement tool in other social enterprises or third sector organizations to see whether the outcomes match the findings presented in this paper. As with every research, the more critical analyses of a subject there are, the more valid the findings. Moreover, further research can be undertaken regarding the applicability of other impact measurement methods proposed in small and medium social enterprises. Other models could be tested and compared to each other with regards to factors including resource scarcity, complexity and feasibility, similar to this paper's approach. Further research of this kind might conclude in the adaptation of different impact measurement models to the need of small- to medium social enterprises as compared to large NGOs for example.

Moreover, the question remains whether impact measurement in social enterprises can and needs to be comparable and what could be gained from developing or choosing a single comparable measurement method for all. If social entrepreneurs and their stakeholders were to regard impact measurement as an instrument to understand, scale and communicate their own impact, comparing measurement results might not be of importance. Additionally, with social enterprises targeting very different groups and topics within society, comparing measurement data would not be feasible or significant if the enterprises do not address the same social challenge. If comparing results is of importance to receive investment however, further research is required on how to develop a feasible measurement model applicable also in small to medium social enterprises.

Related to that, another very interesting question came up when writing this paper, namely, how exactly companies use the insights gained from measuring their impact, or, in other words, which impact impact measurement really has on organizations. Are results primarily used to plan and scale impact performance internally or are they generated for external legitimization to access investment for instance? While the findings from this research support the common notion that organizations benefit from internal learning, there is only limited critical research to be found on the effect impact measurement itself has on internal growth and external legitimacy including an increase in funding. Any attempt to answer this question would require a more extensive research throughout a longer period of time. Thus, this paper shall conclude with an expansion of the original research question, whether the iooi method is an effective approach to measuring impact, to taking a wider approach by asking: *Which impact does impact measurement itself have on social enterprises*

in the long-term on (1) internal development and growth regarding the optimization of operations, scaling of impact and employee motivation, and (2) the demonstration of legitimacy to external stakeholders leading to access to investment or political support? This question could be further examined by looking at Impact Hub Berlin's development and benefits from measuring impact in the long-term or in the context of a wider study including different organizations with differing impact measurement practices. It would be interesting and important to research whether the resources invested into measuring impact actually match the expected benefits of doing so, and if the current external demand for impact measurement in social enterprises is in fact justified.

Bibliography

Barraket, J. and Yousefpour, N. (2013): Evaluation and Social Impact Measurement Amongst Small to Medium Social Enterprises: Process, Purpose and Value. *Australian Journal of Public Administration* 72(4): 447-458.

Bornstein, D.; Davis, S. (2010): *Social entrepreneurship*. Oxford: Oxford University Press.

Brosius, B. et al. (2012): *Methoden der empirischen Kommunikationsforschung.* Wiesbaden: VS Verlag der Sozialwissenschaften.

Bull, M. (2007): "Balance": the development of a social enterprise business performance analysis tool. *Social Enterprise Journal*, 3(1): 49-66.

CAMBRIDGE UNIVERSITY PRESS (2011): *Cambridge Business English Dictionary*. Cambridge: Cambridge University Press.

Clark, C. and Brennan, L. (2016): Social Entrepreneurship: A Global Modal for Evaluating Long-Term Impact. *International Journal of Entrepreneurship* 20(1): 1-15.

Clark, C. et al. (2004): *Double bottom line project report: Assessing social impact in double bottom line ventures.* [Online] New York: Rockefeller Foundation. Available at: https://centers.fuqua.duke.edu/case/wp-content/uploads/sites/7/2015/02/Report_Clark_DoubleBottomLineProjectReport_2004.pdf [Accessed: 05 August 2017].

Crucke, S. and Decramer, A. (2016): The Development of a Measurement Instrument for the Organizational Performance of Social Enterprises. *Sustainability,* 8: 161-191.

Dees, J. G. (2001): *The Meaning of „Social Entrepreneurship".* [Online] Durham: Duke Innovation & Entrepreneurship Initiative. Available at: https://entrepreneurship.duke.edu/news-item/the-meaning-of-social-entrepreneurship/ [Accessed: 31 May 2017].

Ebrahim, A. and Rangan, V. K. (2010): The Limits of Nonprofit Impact: A Contingency Framework for Measuring Social Performance. [Online] *Harvard Business School Working Paper*, No. 10-099. Available at: http://www.hbs.edu/faculty/Publication%20Files/10-099.pdf [Accessed: 18 June 2017].

Gardner. C et al. (2013): *Impact Measurement: An introductory guide for Irish social enterprises and charities on using LM, Theory of Change and Social Return on Investment to Measure Impact.* [Online] Dublin: Quality Matters. Available at: http://qualitymatters.ie/wp-content/uploads/2014/08/quality-matters-impact-measurement-guide.pdf [Accessed: 18 June 2017].

GECES (2014): *Proposed Approaches to Social Impact Measurement in European Commission legislation and in practice relating to: EuSEFs and the EaSI.* [Online] Brussels: European Commission (Group of Experts of the European Commission on Social Entrepreneurship, GECES). Available at: http://ec.europa.eu/internal_market/social_business/docs/expert-group/social_impact/140605-sub-group-report_en.pdf [Accessed: 18 June 2017].

Gripper, R. and Joy, I. (2016): *What makes a good charity? NPC's guide to charity analysis.* [Online] London: New Philanthropy Capital. Available at: http://www.thinknpc.org/publications/good-charity/ [Accessed: 21 June 2017].

Hering, L. and Schmidt, R. (2014): Einzelfallanalyse. In: Baur, N. and Blasius, J., *Handbuch Methoden der empirischen Sozialforschung.* Wiesbaden: Springer VS.

Herranz, J. (2010): The Logic Model as a Tool for Developing a Network Performance Measurement System. [Online] *Public Performance & Management Review* 34(1): 56-80. Available at: https://www.researchgate.net/publication/259853507_The_Logic_Model_as_a_Tool_for_Developing_a_Network_Performance_Measurement_System [Accessed: 25 July 2017].

Höll and Oldenburg (2011): *Wie überwinden wir Hürden für soziale Problemlöser?* [Online] Munich: Ashoka. Available at: https://www.ashoka.org/de/atom/3851 [Accessed: 1 August 2017].

IMPACT HUB BERLIN (n.d.): *Impact Hub Berlin?* [Website] Available at: https://berlin.impacthub.net [Accessed: 06. August 2017].

Lang, R. (2009): Organizational Survey. In: Kühl, S. et al., *Handbuch Methoden der Organisationsforschung.* Wiesbaden: VS Verlag für Sozialwissenschaften.

Liebig, B. and Nentwig-Gesemann, I. (2009): Gruppendiskussion. In: Kühl, S. et al., *Handbuch Methoden der Organisationsforschung.* Wiesbaden: VS Verlag für Sozialwissenschaften.

Martin, R. L. and Osberg, S. (2007): Social Entrepreneurship: The Case for Definition. [Online] Stanford: *Stanford Social Innovation Review*. Available at: https://ssir.org/images/articles/2007SP_feature_martinosberg.pdf [Accessed: 31 May 2017].

Mauksch, S. et al. (2011): *Soziale Vision oder rentables Geschäftsmodell? Social Business in Deutschland 2030.* [Online] Wiesbaden: EBS Business School. Available at: http://www.forschungsnetzwerk.at/downloadpub/2011_Mauksch_etal_Soziale_Vision_SocialBusiness2030.pdf [Accessed: 31 May 2017].

Meehan, J. (2009): Strategic Management for Social Enterprises. In: Doherty, B. et al., *Management for Social Enterprise*. London: SAGE Publications Ltd.

Montgomery, A. et al. (2012): Collective Social Entrepreneurship: Collaboratively Shaping Social Good. *Journal of Business Ethics* 111 (3): 375-388.

Olsen, S. and Galimidi, B. (2008): *Catalog of approaches to impact measurement.* [Online] Social Venture Technology Group. Available at: http://www.midot.org.il/Sites/midot/content/Flash/CATALOG%20OF%20APPROACHES%20TO%20IMPACT%20MEASUREMENT.pdf [Accessed: 18 June 2017].

Phills, A. P. et al. (2008): Rediscovering Social Innovation. *Stanford Social Innovation Review* 6(4).

PHINEO gAG (2016): *Social Impact Navigator.* [Online] Available at: http://www.phineo.org/publikationen [Accessed: 25 July 2017].

Rauscher, O. et al. (2012): Social Impact Measurement und Social Return on Investment (SROI)–Analysis. [Online] *Vienna University of Economics and Business Working Paper*. Vienna: NPO-Kompetenzzentrum. Available at: http://socialvalueint.org/wp-content/uploads/2012/12/Social-Impact-Measurement-and-SROI_English_Version_final_2.pdf [Accessed: 21 June 2017].

Riess, B. (2010): *Corporate Citizenship planen und messen mit der iooi - Methode*. Gütersloh: Bertelsmann Stiftung. [Online] Available at: https://www.bertelsmann-stiftung.de/fileadmin/files/Leitfaden_CCMessungl.pdf [Accessed: 13 July 2017].

Roder, B. (2011): *Reporting im Social Entrepreneurship*. Wiesbaden: Gabler.

Rothstein, N. (2014): The Limits of Buy-One Give-One. [Online] Stanford: *Stanford Social Innovation Review*. Available at: https://ssir.org/articles/entry/the_limits_of_buy_one_give_one [Accessed: 31 May 2017].

Sawhill, J. C. and Williamson, D. (2011): Mission Impossible?: Measuring Success in Nonprofit Organizations. *Nonprofit Management and Leadership* 11(3): 371-386.

Scheuerle, T. et al. (2013): *Social Entrepreneurship in Deutschland – Potentiale und Wachstumsproblematiken.* [Online] Heidelberg: Centrum für soziale Investitionen und Innovationen (CSI) at Heidelberg University. Available at: https://www.kfw.de/PDF/Download-Center/Konzernthemen/Research/PDF-Dokumente-Studien-und-Materialien/Social-Entrepreneurship-in-Deutschland-LF.pdf [Accessed: 06 August 2017].

So, I. and Staskevicius, A. (2015): *Measuring the "impact" in impact investing.* [Online]. Boston: Harvard Business School Social Enterprise Initiative. Available at: http://www.hbs.edu/socialenterprise/Documents/MeasuringImpact.pdf [Accessed: 18 June 2017].

SOCIAL REPORTING INITIATIVE e.V. (2014): *Social Reporting Standard.* [Online] Available at: http://www.social-reporting-standard.de/fileadmin/redaktion/downloads/SRS_guidelines_2014_EN.pdf [Accessed: 25 July 2017].

Somers, A.B. (2005): "Shaping the balanced scorecard for use in UK social enterprises". *Social Enterprise Journal* 1: 43-56.

Unterberg, M. et al. (2015): *Herausforderungen bei der Gründung und Skalierung von Sozialunternehmen. Welche Rahmenbedingungen benötigen Social Entrepreneurs?* [Online] Hamburg: evers & jung GmbH. Available at: http://www.bmwi.de/Redaktion/DE/Downloads/H/herausforderungen-bei-der-gruendung-und-skalierung-von-sozialunternehmen-zusammenfassung.pdf?__blob=publicationFile&v=4 [Accessed: 06 August 2017].

Weber, M. and Scheck, B. (2012): *Impact Investing in Deutschland - Bestandsaufnahme und Handlungsanweisungen zur Weiterentwicklung.* [Online] Munich: Impact in Motion. Available at: http://www.bertelsmann-stiftung.de/fileadmin/files/user_upload/Impact_Investing_in_Deutschland.pdf [Accessed 31 May 2017].

Zappalà, G. and Lyons, M. (2009): Recent approaches to measuring social impact in the Third sector: An overview. [Online] *CSI Background Paper No. 6.* Sydney: Centre for Social Impact. Available at: https://www.socialauditnetwork.org.uk/files/8913/2938/6375/CSI_Background_P aper_No_5_-_Approaches_to_measuring_social_impact_-_150210.pdf [Accessed: 17 June 2017].

Zimmer, A. and Bräuer, S. (2014): *The Development of Social Entrepreneurs in Germany.* [Online] Münster: Westfälische Wilhelms University. Available at: https://www.uni-muenster.de/imperia/md/content/ifpol/mitarbeiter/zimmer/devel-opement_of_social_entrepreneurs.pdf [Accessed: 06 August 2017].

Appendix

A. Impact Hub Berlin's Problem Tree

Full version of Impact Hub Berlin's problem tree

B. Group Discussion

1. Observation protocol of the group discussion
2. Written documentation of the group discussion outcomes
3. Photographic documentation of the group discussion outcomes [digital]

C. Secondary Data

Excel file containing secondary data from the *Global Member Survey* 2016 conducted by *HUB GmbH* [digital]

D. Impact Hub Berlin's Impact Report 2016

The printed version of the impact report is handed in as a separate envelope.

Appendix A

Appendix B.1

Observation Protocol

Group Discussion Impact Hub Berlin
4th November 2016

Participants:

Management: Leon Reiner, Nele Kapretz, Anna Lässer, Vishal Jodhani

Employees: Sophie Münzberg, Anna Rösch, Florian Hanke, Clara Niedt, Robert Eckstein, Maaike Hoogstede

Participatory Observer: Vera Kämpfer

1. Contribution / participation	How active / passive are the participants during the group discussion?
1.1 Defining the social challenge (a) Management	✗———————————————— Active Passive
(b) Employees	————✗———————————— Active Passive
1.2 Defining the direct target groups (a) Management	✗———————————————— Active Passive
(b) Employees	✗———————————————— Active Passive

1

1.3 Defining inputs
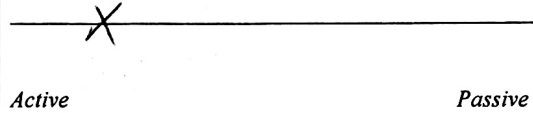
(a) Management

Active   *Passive*
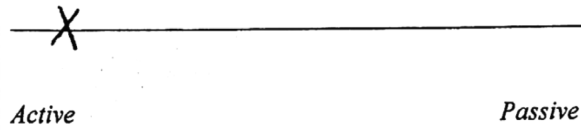
(b) Employees
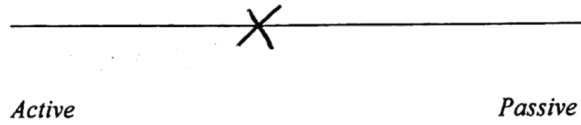
Active   *Passive*

1.4 Defining outputs

(a) Management

Active   *Passive*
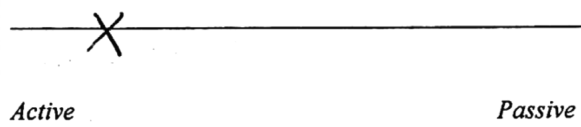
(b) Employees
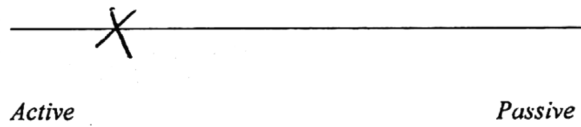
Active   *Passive*

1.5 Defining desired outcomes

(a) Management

Active   *Passive*
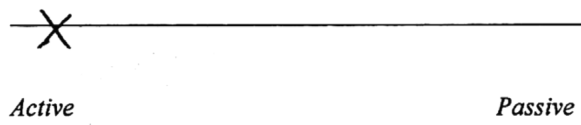
(b) Employees
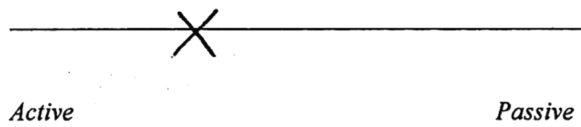
Active   *Passive*

1.6 Defining desired impact

(a) Management

Active   *Passive*
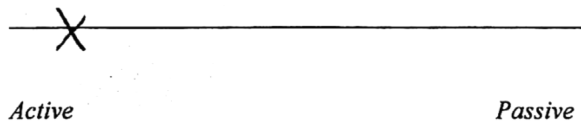
(b) Employees
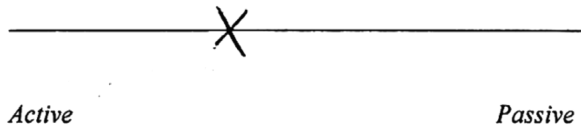
Active   *Passive*

1.7 Overall

(a) Management
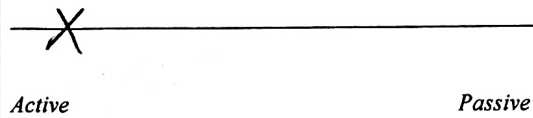
Active	Passive

(b) Employees

Active	Passive

1.8 Notes

- Participants understood iooi method very quickly
  → everyone engaged in discussion
- Some disagreement around desired outcomes/impact in the beginning
  → in the end alignment could be observed
  → mission statement was formulated
  → relationship between outputs and impact became clearer
  → contribution of each sub-team /employee to company vision becomes clear:
  "Why is my work important?"
  → clear increase in motivation throughout the discussion observable through increase in engagement

, Definition of cause-effect relationship between inputs, outputs and outcomes /impact led to understanding of other employees' functions & roles

3

1. Difficulty / Complexity	How difficult and complex is it to understand and define the iooi model?

1.1 Defining the social challenge

_____✗_____

Clear   Complex

_____✗_____

Consensus   Subject for discussion

1.2 Defining the direct target groups

_____✗_____

Clear   Complex

_____✗_____

Consensus   Subject for discussion

1.3 Defining inputs

__✗_____

Clear   Complex

__✗_____

Consensus   Subject for discussion

1.4 Defining outputs

_____✗_____

Clear   Complex

_____✗_____

Consensus   Subject for discussion

4

1.5 Defining desired outcomes

———————————X———————————————

Clear   *Complex*

—X————————————————————————

Consensus   *Subject for discussion*

1.6 Defining desired impact

————————————————X————————

Clear   *Complex*

————————————————————X————

Consensus   *Subject for discussion*

1.7 Defining cause-effect relationships

————————————————X————————

Clear   *Complex*

——————————————X——————————

Consensus   *Subject for discussion*

1.8 Overall

——————————X——————————————

Clear   *Complex*

—————————————X———————————

Consensus   *Subject for discussion*

5

1.9 Notes

- Most information needed to define input and outputs already there, but needed to be gathered and clustered
- Use of post-its very helpful to structure inputs and outputs
- Impact definition more complex than inputs and outputs, but discussion led to clarity
- Definition of cause-effect relationships complex, but leads to better understanding of processes and goal behind product & service portfolio
- Insights gained lead to new ideas, plans for future

- common vision!
- IOOi model conceptualized at the end of the day
- Helpful to have a facilitator guiding the discussion objectively

Written documentation

Group Discussion Impact Hub Berlin
4th November 2016

Participants:

Management: Leon Reiner, Nele Kapretz, Anna Lässer, Vishal Jodhani

Employees: Sophie Münzberg, Anna Rösch, Florian Hanke, Clara Niedt, Robert Eckstein, Maaike Hoogstede

Participatory Observer: Vera Kämpfer

- *Target Groups:*

Social Entrepreneurs	
Problems	- Frustration - Income uncertainty - Meaning & money - Strenghts? - Fear - Isolation - Recognition
Needs	- Skills - Professional - Collaborates - Space - Clients - Inspiration - Mentor - Community
What's already there?	- Meetups - Cafés - Welfare State (Security, Insurance) - Co-working spaces - Platforms (freelance.org)
What is needed?	- Complementary skills & partners - Mentors - Skill building

	- Getting noticed (by those who need us) - Talent / Skill fair - Identify the right space

Organizations / Large companies	
Problems	- Boring - Fear - Judgement - Risk - Lack of purpose - Lack of alternatives - Criticism - Old school
Needs	- Image - Collaboration - Innovation - Space - Skills - Impulse - Talent
What's already there?	- Challenge Formate (GreenCycle,..) - Mindfulness - Space offer - Zertifikate (B Corp) - Excursions (Impact Safari) - Accelerators & Incubators - Intrapreneur-Programme - Innovations- Agenturen (Darkhorse, BCG)
What is needed?	- Intrapreneurship - New methods (consultancies with topic collaboration - Highly professional accelerators for impact ventures - Scouts for funky talent - Integration of sustainable solutions in core business mindset

Professionals (Career shifter, intrapreneurs etc.)	
Problems	- Where to start? - Lack of experience - Uncertainty - No money - No business model - No legal structure - No recognition - No team - Lack of skills
Needs	- Money - Talent - Skills - Space - Professional network - Stage - Community - Credibility
What's already there?	- IHB - Social Impact Lab - Job platforms (The Changer) - Exist, Ashoka, Kfw, Fase - Awards (Google Challenge, Umweltpreis)
What is needed?	- Professional Environment - Start push - Mid-range Finance - Lack of leading network - Heterogeneity - Number of offers? - Offer more mature social business

Students	
Problems	- Expectations from outside - Become self-sustainable - Gap between real life and uni - Lack of alternatives - Unclear direction - Lack of access - Can't realize idea

Needs	- Mentor - Apprenticing / Practice - Opportunities - Inspiration - Recognition - Position
What's already there?	- Founding Centers at Unis - Stipends - Startup / Idea competitions - Excursions / trips / events / talks - Job Trade Fairs - Incubators
What is needed?	- More SEs at Job Trade Fairs - SE mandatory at business schools - Paid internships - Educate Founding Centers at Unis about SE - Inspirational events & workshops - Opportunity to connect school & real life

- *IOOI Model for each target group:*

Entrepreneurs	
Output	Outcomes
What we have Membership Member Stories Connect Events Inspire, Connect, Enable Hubperitivo & Ask The Expert BCG	New knowledge/capabili-ties/skills/opinions More resources More resilient Business savvy
What we could have Accelerate membership Stipends Accelerators Mid-range Financing Offer for more mature startups Investment ready	Change of acting Component Funding Lean approach
	Change of situation Create a measurable impact Connected founders Financial success scaling

Companies & Organisations

Output	Outcomes
What we have Cross sector collaboration (RicoLab, LoT) Innovation methods Collaborative space (Cebit) Leadership Training (Impact Safari) Product Development & Sprints (Lab4Globe)	**New knowledge/capabili-ties/skills/opinions** More purpose Inspired / new ideas New mindest New skillset (methods) Access to talents / ecosystem
What we could have Own solid methodology (collaborate 4 impact) Social intrapreneurship Organizational membership Consulting for different topics	**Change of acting** Integrate above in the everyday work life
	Change of situation Become change agents Companies innovate 4 impact Engage in Collaboration

Professionals

Output	Outcomes
What we have Access to global network Community, #connect Network on- and offline Skill building #enable #inspire Space Access to experts	**New knowledge/capabili-ties/skills/opinions** Mind set shift Options Feasibility
What we could have Skill exchange Complementary skills & partners Mentors Alumni network Job / Skill fair Getting noticed / more visibility	**Change of acting** Risk appetite Recalibrate business Focus up
	Change of situation Launch business Scale business

	Successful Career Shift Meaningful work

Students	
Output	Outcomes
What we have Tours at IHB Paid internships for students Talks at unis Corporate programs aimed at students Hosting	New knowledge/capabilities/skills/opinions Knowledge: What is SE? Inspiration, interest New mindset towards business Skills, capabilities
What we could have Cooperation with Founding Centers at unis SE training and workshops SE classes at unis Membership reduction for enrolled students Participate at Job Fairs Idea competitions Mentorship for thesis Events targeted at students, promote at unis Excursions for students (Impact Safari)	Change of acting Apply for job / internship in SE (Co-)found SE Become intrapreneur
	Change of situation Career alternatives New talent More SEs founded by students

Affidavit

I declare that I wrote this thesis independently and on my own. I clearly marked any language or ideas borrowed from other sources as not my own and documented their sources. The thesis does not contain any work that I have handed in or have had graded as a Prüfungsleistung earlier on. I am aware that any failure to do so constitutes plagiarism. Plagiarism is the presentation of another person's thoughts or words as if they were my own—even if I summarize, paraphrase, condense, cut, rearrange, or otherwise alter them. I am aware of the consequences and sanctions plagiarism entails. Among others, consequences may include nullification of the thesis, exclusion from the BA program without a degree, and legal consequences for lying under oath. These consequences also apply retrospectively, i.e. if plagiarism is discovered after the thesis has been accepted and graded.

My name: _____

Title of my thesis: _____

Date: _____

Signature: _____