

Social Return on Investment (SROI)

February 5, 2025

Presented by Frederick Richmond
The Center for Applied Management Practices

2025
WINTER
TRAINING
CONFERENCE

"BUILDING TOWARDS TOGETHER"

www.nascsp.org

Our Mission

- Human Service agencies act as a safety net for individuals and families helping them strengthen family relationships, achieve economic security, and overall good health and well-being.
- All too often, the role and contribution of social service agencies to the greater good of the individual and community is not understood.
- The challenge is to demonstrate both the social and **economic impact** social services have in their respective communities.

Data Storytelling is a Powerful Tool

- Data Storytelling offers a clear message about what your organization wants to achieve, what it's done, and its vision for the future. Weaving data into a narrative with charts, infographics and pictures can produce a compelling narrative of how your organization changes lives, delivers needed services in an efficient and effective and contributes to the overall well-being of the community.
- In Community Action, we are data collectors and can account for the delivery and impact of our services. Can we use this same data to tell a different story, that funding Community Action is a not only for a good cause but is a **good investment** as well?





We Are a Business!

- Human service organizations rarely see themselves as businesses. The IRS identifies a private nonprofit organization as a business and therefore is subject to the same “business and economic” market conditions as the private sector, e.g., supply and demand, competition for funds, competitive wages, availability of resources, etc. We can use ROI and SROI to tell our story and make the case that funding human services is a good investment.
- For many years, data generated/reported was primarily for third party reporting to funders. Organizations did not recognize that the same programmatic and fiscal data could be used to assess the organization’s efficiency and effectiveness could be used to demonstrate that our programs and services also yield a ROI and SROI.

Peter Drucker on Investment

- “Social sector organizations (both public and private nonprofits) have to think through very clearly **what results are for their programs and services.**
- Is this a responsible organization worthy of my **investment?**
- The successful social sector organization **will hold itself accountable for performance inside the organization.** The essence of a business.



Return-On-Investment

- The term **Return-On-Investment** is primarily used in the for-profit business world. **It is always expected that a for-profit business will provide a profit or monetary return in excess of its costs.** That is the nature of business.
- **Nonprofit and governmental organizations are not expected to generate a monetary profit and at times must deliver a necessary service for the common good regardless of the cost relative to the possible value of the outcome.**



Investment, ROI and SROI

- An **investment** is an asset you purchase or acquire with the expectation of it increasing in value.
- **Return-On-Investment** (ROI) compares the cost of the investment and how much was earned as a result of the investment.
- **ROI** is a rate of “dollars per dollar.” If the investment and return are measurable in dollars, one has a true, “ROI.”
- If the return is given in some other unit measure, i.e., GEDs earned, it is a “benefit per dollar,” or a **benefit/cost formulation**.
- **SROI** measures change in ways relevant to the people or organizations that experience or contribute to it, assigning monetary values to represent social, environmental, and economic outcomes. It is built on the logic of cost/benefit analysis and values the contributions of organizations whose results cannot always be easily measured in monetary terms.



Building Blocks

The foundational building blocks for developing Cost-Benefit, ROI and SROI analysis are:

- Identifying and documenting services or interventions provided to the individual or family.
- Associating those services with their expected outcome(s) for all programmatic activity. (Logic Model and Theory of Change).
- Establishing a **unit cost** for the service and assigning a **value** to the (expected) outcome prior to any ROI-SROI analysis.
- All services should produce a **measurable outcome**. All outcomes **have value**. However, the value is not always monetary in SROI.

We Are Investing For Results

We use the word “**results**” and the word “**outcomes**” interchangeably. Simply put, outcomes or results **are benefits** to individuals, families, organizations, and communities **derived from participation** in a program or service.

Family outcomes describe how individuals and families achieve and maintain stability and economic security, and overall well-being.

Agency outcomes describe the capacity of the organization to use sound management practices in the delivery of programs and services and to achieve results for their clients/customers.

Community outcomes describe the ability of the organization to mobilize public and private resources for programs that support low-income persons, the use of these resources to improve community infrastructure, and the involvement of low-income persons in community organizations and activities.

ROI vs SROI

- <https://www.futurelearn.com/info/courses/social-enterprise-growing-a-sustainable-business/0/steps/20921>



Social Return-On-Investment

www.thebalance.com/using-sroi-to-show-your-nonprofit-s-impact-2501977

1

How does SROI convey impact?

All nonprofits are data collectors. Successful organizations know how to turn that data into messages and images that win over supporters.

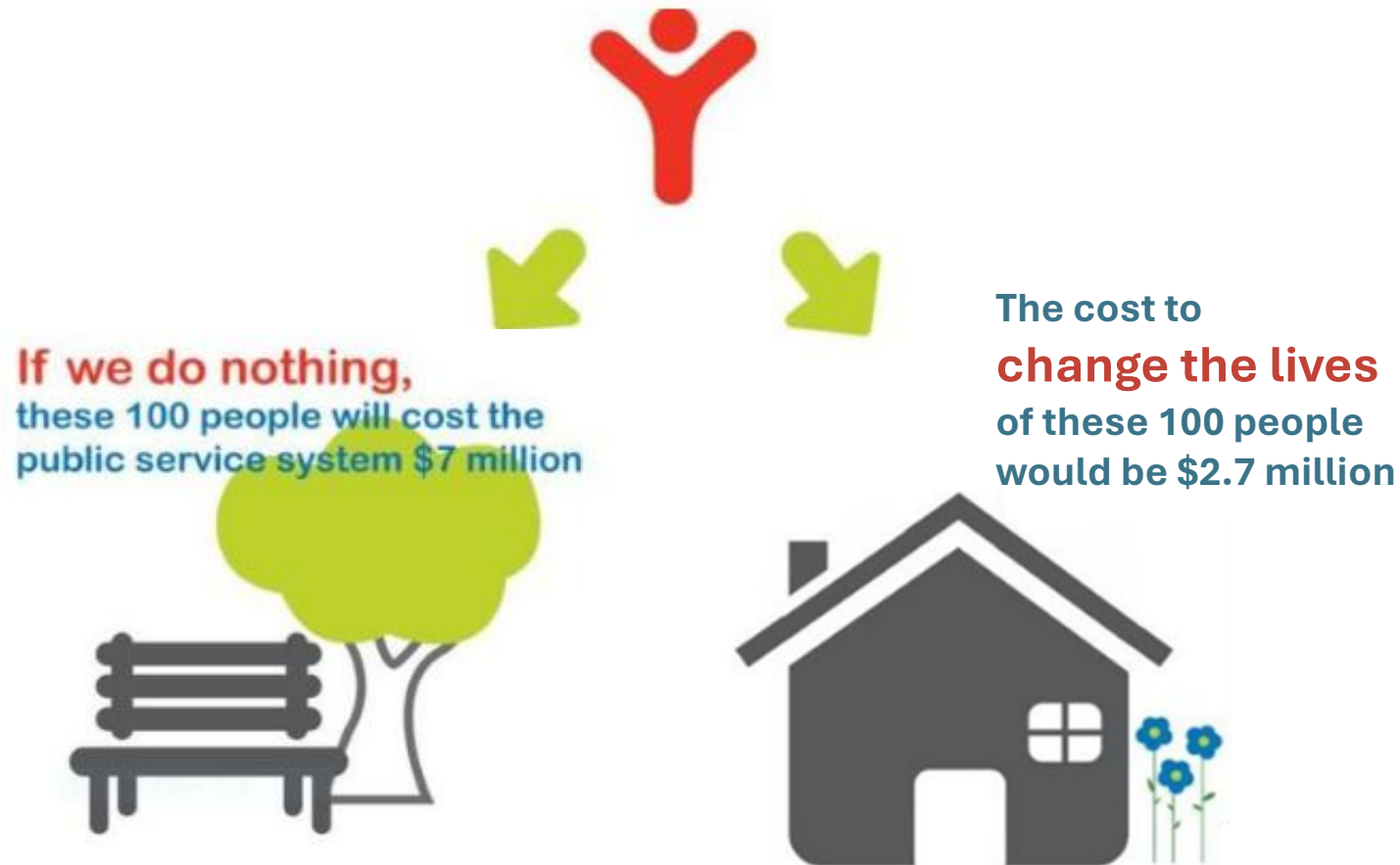
SROI is similar to ROI but shows the double bottom line: the financial impact ***and*** the social impact of the organization's work.

It's the social value that is often undervalued or not understood. SROI helps determine the cost of what would happen if your organization did not exist.

Social Return-On-Investment

www.thebalance.com/using-sroi-to-show-your-nonprofit-s-impact-2501977

2 How SROI Works

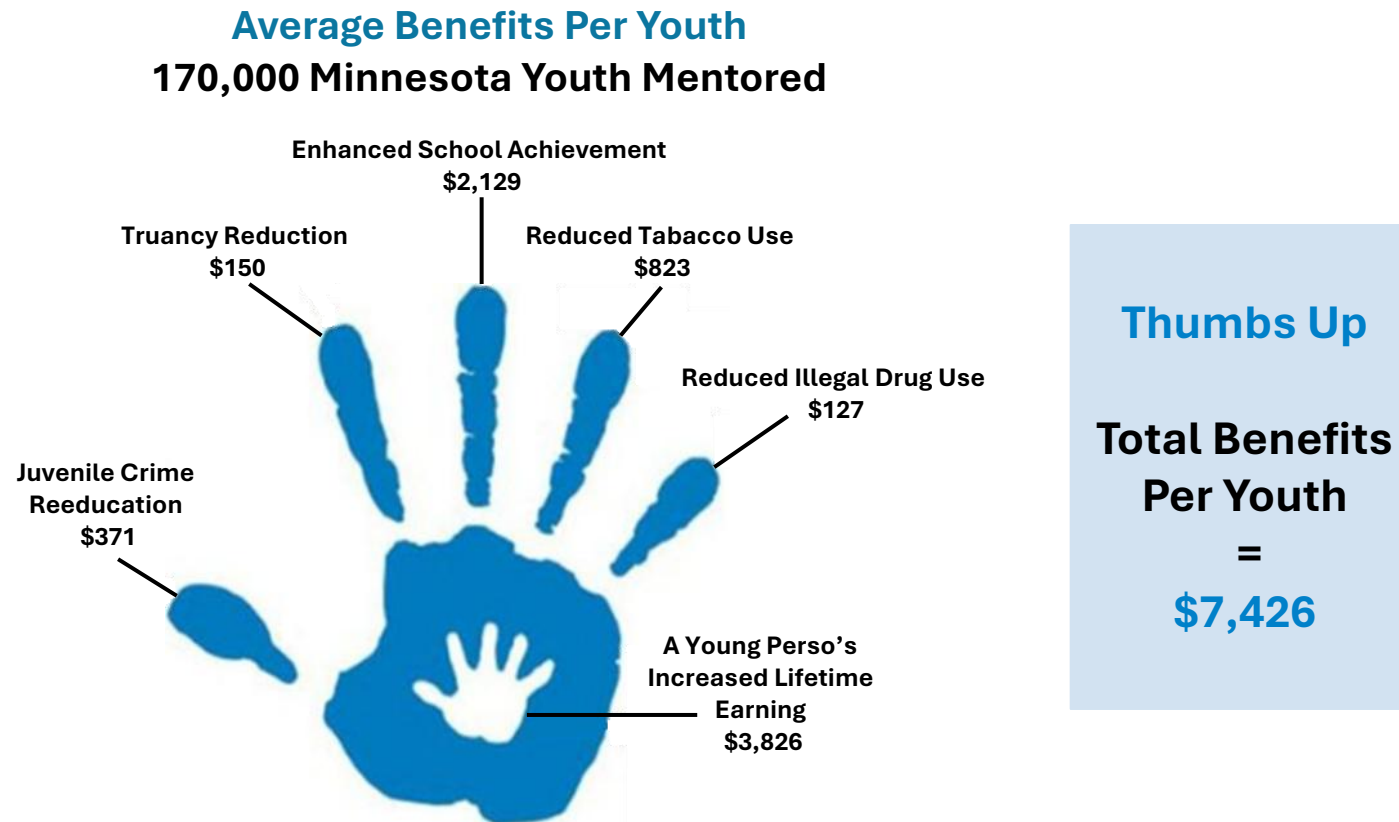


Social Return-On-Investment

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3 Turning SROI into Talking Points

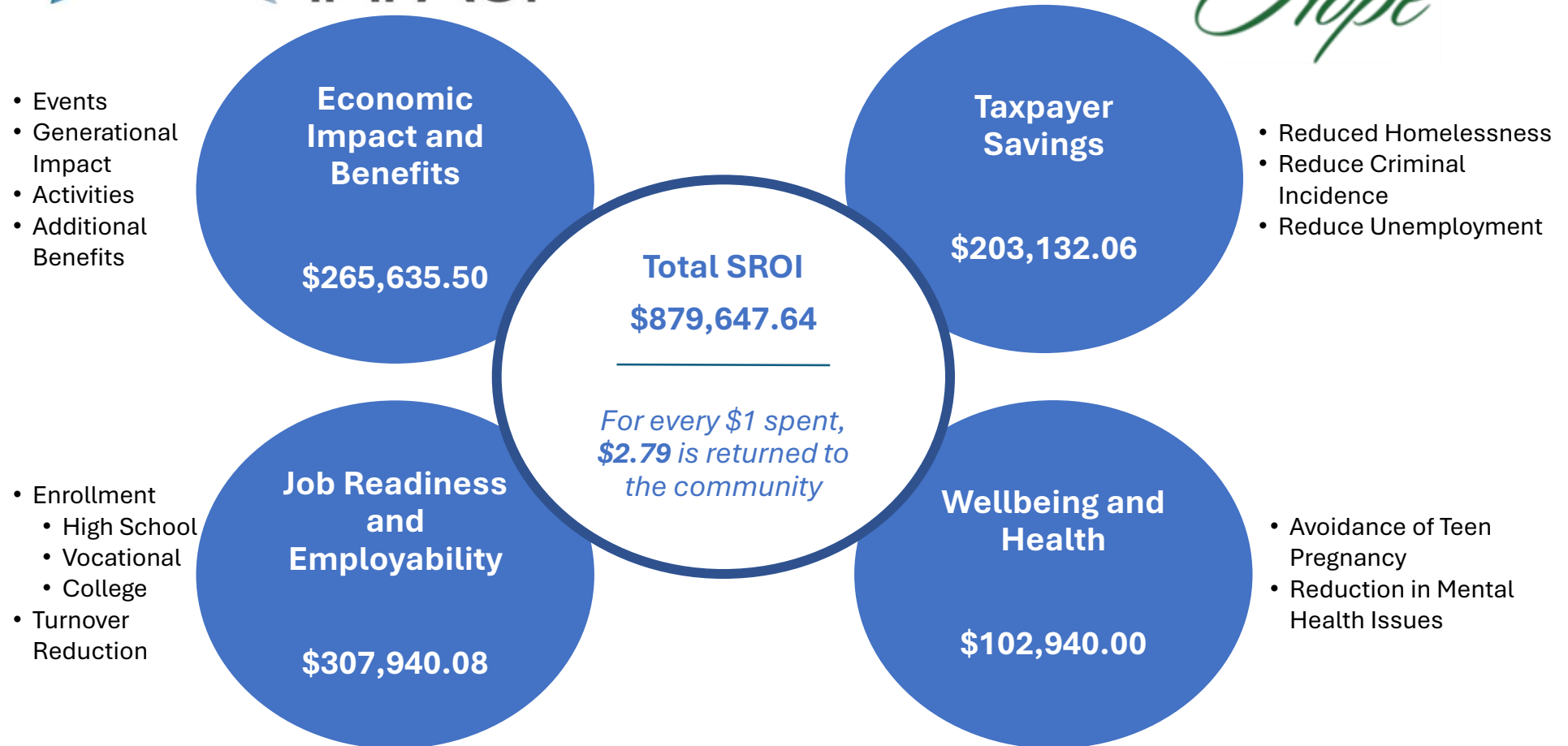
Give Mentoring A Hand... A Strong Return On Investment



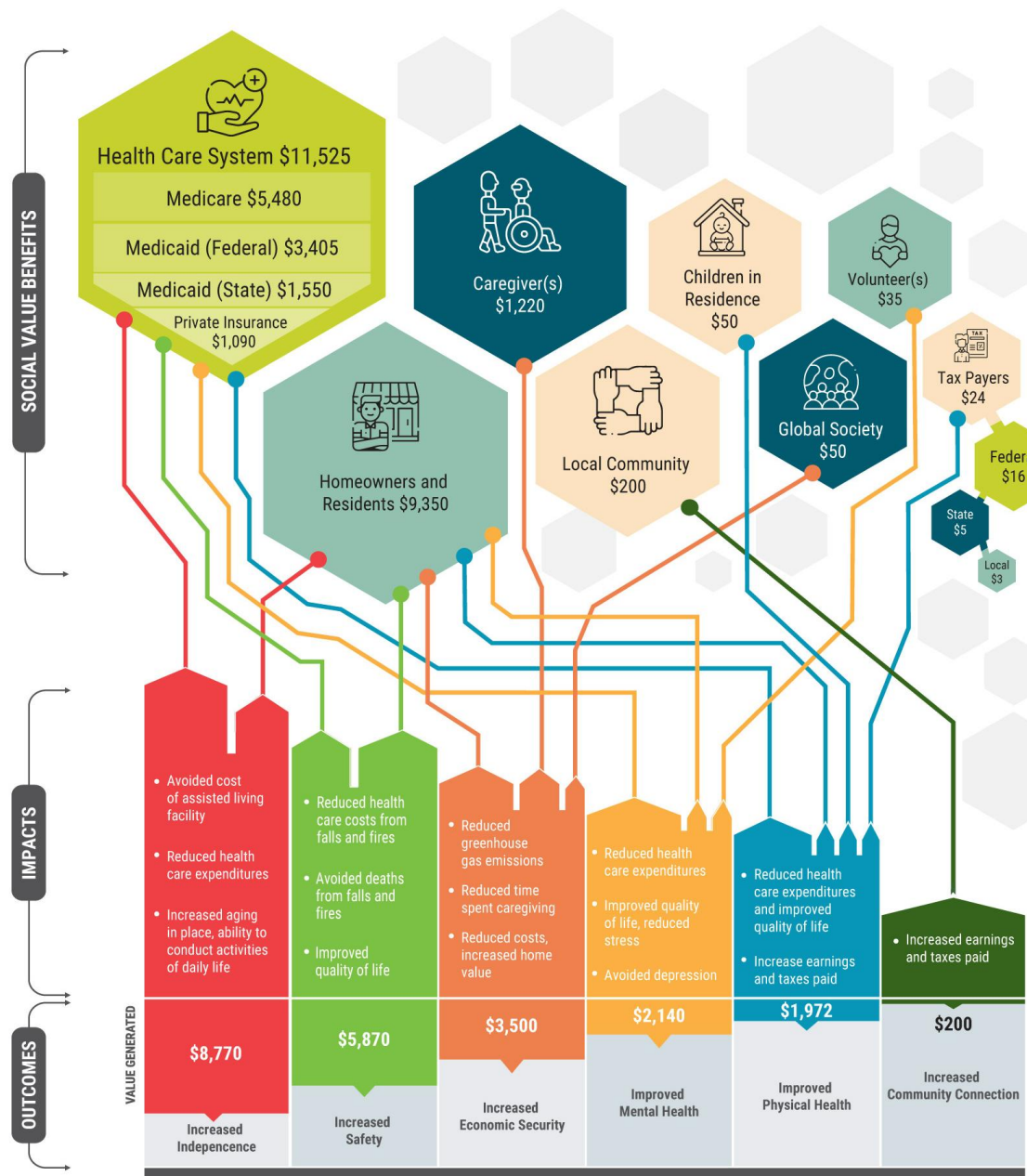
SROI Outcomes



Social Return on Investment for:



<https://fosteringhopefoundation.org/wp-content/uploads/2021/03/Fostering-Hope-CI4SI-SROI-Basic-Infographic.pdf>



THE SOCIAL VALUE GENERATED BY REBUILDING TOGETHER

Projected Social Return On Investment

\$1 → \$2.84

For every \$1 invested by Rebuilding Together and its affiliates in each home, there is a projected \$2.84 in social value generated through improved health, safety, independence and cost saving.

Median cost per home served

\$7,900

Estimated return on investment per home served

\$22,452



<https://rebuildingtogether.org/social-return-investment>



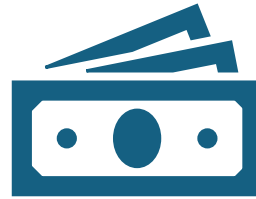
Social Return-On-Investment Examples

- **Economic Value** is created by taking a resource or set of inputs, providing additional inputs or processes that increase the value of those inputs, and thereby generate a product or service that has greater market value at the next level of the value chain. **Creating a new program from multiple-funding sources.**
- **Social Value** is created when resources, inputs, processes or policies are combined to generate improvements in the lives of individuals or society as a whole. It is in this arena that most nonprofits justify their existence, and unfortunately it is at this level that one has the most difficulty measuring the true value created. **Head Start.**

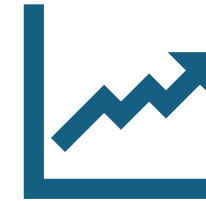
SROI and Benefit-Cost-Weatherization



Socio-Economic Value builds on the foundation of Economic Value creation by attempting to quantify and incorporate certain elements of social value. An entity creates Socio-Economic Value by making use of resources, inputs, or processes; increasing the value of these inputs, and by then generating cost savings for the public system or environment of which the entity is a part. **Weatherization.**



Comparison of **dollars** expended for Weatherization to the **dollars** saved as a result of lower energy expenditures. **ROI**



Comparison of **dollars** expended for Weatherization to the **reduction of K/WH hours** or the # of homes that reduced energy utilization to the dollars expended. **Benefit/Cost**

SROI-Weatherization

Comparison of dollars expended for Weatherization with the stability of the neighborhoods resulting from repairs to existing properties, possible increased value of the property and increased value of the tax base, and allowing persons to age in place in safe, energy efficient homes rather than placement into the long-term care system.

- Repairs to existing properties, maintaining value and stabilizing neighborhoods.
- Possible increased value of the property and increased value of the tax base.
- Persons remaining in their homes as a result of improvements.
- Older persons able to remain in their homes and age in place rather than placement into assisted living or other types of long-term care.



Goodwill Donation Calculator-Cost Benefit-1

[SHOP](#)[DONATE / GIVE](#)[PROGRAMS & SERVICES](#)[B2B SERVICES](#)[RECYCLE / REUSE](#)[ABOUT US](#)

DONATION CALCULATOR



Estimate the value of your donations automatically with this handy donation calculator and receipt form.

Goodwill Donation Calculator-Cost-Benefit-2

Simply enter the number of donated items into the form below to calculate the total value of your donation.

Mens's Clothing	GOOD	BETTER	BEST
Suits	<input type="text"/> \$14	<input type="text"/> \$25	<input type="text"/> \$50
Jackets	<input type="text"/> \$7	<input type="text"/> \$24	<input type="text"/> \$40
Slacks	<input type="text"/> \$5	<input type="text"/> \$10	<input type="text"/> \$20
Shirts	<input type="text" value="3"/> \$5	<input type="text"/> \$10	<input type="text"/> \$20
Outerwear	<input type="text"/> \$10	<input type="text"/> \$24	<input type="text"/> \$40
Sweaters	<input type="text"/> \$5	<input type="text"/> \$10	<input type="text"/> \$20
Accessories	<input type="text"/> \$3	<input type="text"/> \$5	<input type="text"/> \$8
Shoes	<input type="text"/> \$6	<input type="text"/> \$12	<input type="text"/> \$20

Childrens's Clothing	GOOD	BETTER	BEST
Dresses	<input type="text"/> \$4	<input type="text"/> \$8	<input type="text"/> \$12
Pants	<input type="text"/> \$3	<input type="text"/> \$5	<input type="text"/> \$10
Shirts	<input type="text"/> \$3	<input type="text"/> \$5	<input type="text"/> \$10
Outerwear	<input type="text"/> \$5	<input type="text"/> \$10	<input type="text"/> \$15
Sweaters	<input type="text"/> \$3	<input type="text"/> \$5	<input type="text"/> \$10
Shoes	<input type="text"/> \$3	<input type="text"/> \$6	<input type="text"/> \$12

Textiles	GOOD	BETTER	BEST
Blankets	<input type="text"/> \$2	<input type="text"/> \$4	<input type="text" value="4"/> \$6
Bedspreads	<input type="text"/> \$8	<input type="text"/> \$16	<input type="text"/> \$24
Pillows	<input type="text"/> \$2	<input type="text"/> \$4	<input type="text"/> \$6
Sheets	<input type="text"/> \$2	<input type="text"/> \$4	<input type="text"/> \$6
Curtains	<input type="text"/> \$2	<input type="text"/> \$4	<input type="text"/> \$6
Drapes	<input type="text"/> \$7	<input type="text"/> \$19	<input type="text"/> \$30
Throw Rug	<input type="text"/> \$2	<input type="text"/> \$4	<input type="text"/> \$6

Electronics	GOOD	BETTER	BEST
Vacuum Cleaner	<input type="text"/> \$20	<input type="text"/> \$30	<input type="text"/> \$40
Television	<input type="text"/> \$60	<input type="text" value="1"/> \$115	<input type="text"/> \$170
Stereo System	<input type="text"/> \$25	<input type="text"/> \$63	<input type="text"/> \$100
Radio	<input type="text"/> \$2	<input type="text"/> \$9	<input type="text"/> \$15
Small Appliance	<input type="text"/> \$2	<input type="text"/> \$7	<input type="text"/> \$12
Table Lamp	<input type="text"/> \$4	<input type="text"/> \$8	<input type="text"/> \$12

Housewares	GOOD	BETTER	BEST
Cookwares	<input type="text"/> \$1	<input type="text"/> \$2	<input type="text" value="3"/> \$3
Tabletops	<input type="text"/> \$1	<input type="text"/> \$2	<input type="text"/> \$3

Goodwill Donation Calculator-Cost Benefit-3

[Calculate your totals »](#)

CALCULATE TOTALS

Donation totals and its impact on **how it helps people in our community find work** to support themselves.



\$170.00

Total estimated value of donated goods.

=



9.59 Hours

Your donation value generates Goodwill program hours.

CREATE TAX RECEIPT

Share »  

<https://www.goodwillwm.org/index.php?page=donation-calculator>

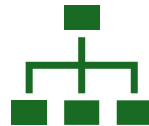
SROI-The Big Picture: Recognizing Return on Investment

- **Cost Savings to Society** may be immediate, such as those that accrue when residents use community-based health care rather than expensive emergency rooms, or they may accumulate over time, as when graduates of job training programs leave public assistance or find a better job at which they remain employed for years afterwards.
- **Multiplying Impact** – Nonprofits leverage public, corporate and philanthropic assets to fulfill their missions. This could be a monetary match or supplementing these funding sources with donated goods and services and by harnessing the power of volunteers.
- **Strengthening Community** – Nonprofits connect people to each other and to resources. They play an essential role in the region's safety net, improve the quality of life, may reduce duplication of services, find new resources, engage people on civic issues, and stimulate reform.

Where Do We Begin?



Begin with the theory of change. What social or economic impact are you trying to accomplish?



Measure the actual outputs/services your organization is creating/administering. This is known as key performance indicators.



Track outcomes by collecting data to measure the key performance indicators using a pre and post assessment tool. What has changed? How has the quality of life improved?

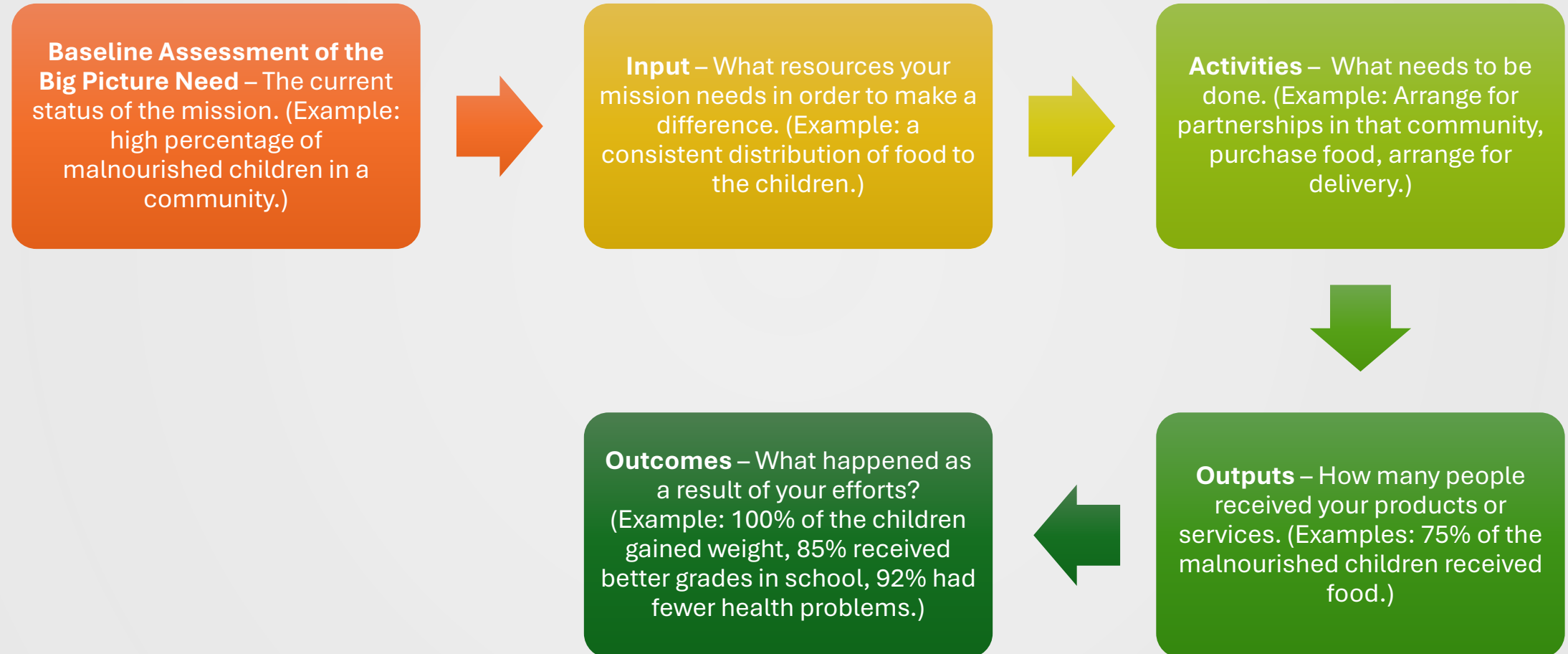


Start getting into the academic part of the conversation. Use focus groups and the data you've collected to show the social and economic impact that has transpired.



<https://www.socialimpactsolutions.com/the-social-return-on-investment-key-reasons-to-measure-your-impact>

Gathering Data





A Useful Methodology Reginald Carter's Seven Key Questions

- How many clients are you serving?
- Who are they?
- What services do you give them?
- What does it cost?
- What does it cost per service delivered?
- What happens to the clients as a result of the service?
- What does it cost per outcome?

Applying the Methodology-1

1. **How many clients are you serving?** 100
2. **Who are they?** Single unemployed women ages 21-34 who are seeking employment and have at least one child under the age of 12.
3. **What services do you give them?** A package of job readiness training, job placement and 90-day follow-up services after job placement.
4. **What does it cost?** \$150,000
5. **What does it cost per service delivered?**
 $\$150,000/100 = \$1,500/\text{job readiness training placement package per participant}$



Applying the Methodology-2

6. **What happens to the clients as a result of the service?** 10 clients of 10% of the program participants obtain a full-time job above minimum wage with employer provided benefits.
7. **What does it cost per outcome?** \$150,000/10 clients = \$15,000/outcome. The outcome is a full-time job above minimum wage with employer provided benefits.

This is a benefit/cost scenario. It is the cost to produce/deliver the service and the cost to achieve the outcome.

A Brief Discussion of Costs

A discussion of costs involves accounting. Consult an accountant. Do not underestimate the cost to produce a service. Cost calculations should include consideration of the following:

- Salaries and benefits
- Administrative and support services
- Overhead
- Client services not directly provided by the agency but in the client's case plan
- Value of donations



SROI Case Study

Case Methodology

Expenditures

Direct and indirect expenditures or costs of a case-management program (services, interventions, or investments).

- \$\$\$\$ Case-management
- \$\$\$\$ Job Training and Education
- \$\$\$\$ Food Stamps
- \$\$\$\$ Emergency Services
- \$\$\$\$ Medical Assistance
- \$\$\$\$ Cash Assistance
- \$\$\$\$ Child Care
- \$\$\$\$ Transportation



Calculating SROI Using the Carter-Richmond Methodology

- The Carter-Richmond Methodology is the expansion of the original seven Carter questions with the addition of two new questions that can be used to develop Return-On-Investment scenarios and calculations.
- Questions eight and nine were developed to help agencies think about **valuing services when a monetary value for an outcome can be established**. If a monetary value cannot be established, calculations would stop with question seven. At this point we have Cost/Benefit determination.



The Carter-Richmond Methodology-SROI

8. What is the value of a successful outcome?

- Establish a monetary value for each outcome.

9. What is the social return-on-investment?

- The return-on-investment should be thought of as the value of the outcome compared to **the cost of the outcome; a comparison of Question Eight with Question Seven:**

$$\text{SROI} = \frac{\text{Value of Outcome (Question 8)}}{\text{Cost of Outcome (Question 7)}}$$

The above calculation is for a single person or unit but can be expanded for an entire program as demonstrated below:

$$\text{SROI} = \frac{\text{Value of Outcome} \times \# \text{ participants achieving outcome}}{\text{Cost of Outcome} \times \# \text{ participants achieving outcome}}$$

The Carter-Richmond Methodology-SROI

8. **What is the value of a successful outcome?** The **value** of the outcome is income from employment (\$20,000), benefits from employer (\$4,000), EITC (\$3,000), payment of taxes (\$500), reduction or elimination of some welfare or other subsidized benefits (\$6,000) for a total of **\$33,500** per year.
9. **What is the social return-on-investment?**
SROI Individual = **Value of Outcome \$33,500**
Cost of Outcome \$15,000 or a 223% return

The most difficult task is **identifying a value(s)** for the achieved outcome, question eight. The assumptions of valuation and its documentation must be appropriate, accurate and accountable for the social return-on investment scenario to be credible.

SROI Using the Carter-Richmond Methodology for the Entire Program



This is the same rate of return for the program, 223%.

SROI Entire Program:

**Value of Outcomes (\$33,500) x (10)
participants=\$335,000**

**Cost of Outcomes (\$10,000) x (10)
participants =\$150,000**

The cost of the program at \$150,000 returned \$335,000 in benefits with a 10% success rate.

SROI Case Study

Case Methodology

Value of Outcomes

Compared to the value of the return measured by results or outcomes.

- \$\$\$ realized from income from employment
- \$\$\$ realized from payment of taxes
- \$\$\$ realized from reduction or elimination of Food Stamps
- \$\$\$ realized from reduction or elimination of Emergency Services
- \$\$\$ realized from reduction or elimination of Cash Assistance



Identifying Values of Subsidized Benefits

% of Poverty	Table 4-Programs and Services	Estimated Monthly Benefit Family Size (3)
200-400%	Children's Health Insurance Program-Subsidized-Varies by State	
200%	Weatherization	
185-250%	Maternal and Child Health-Varies by State	
185%	National School Breakfast/Lunch Program/Reduced Price Meals	
170%	Public Housing/Section 8	1000
200%	Children's Health Insurance Program (CHIP)-Free-Varies by State	
185%	WIC (Women Infants and Children)	130
150%	LIHEAP	500
130%	National School Breakfast/Lunch Program/Free Meals	100
130%	Supplemental Nutrition Assistance Program (Food Stamps)	768
130%	TANF-Varies by State	800
125%	Community Services Block Grant (CSBG) CAAs	100
100-130%	Head Start-Up to 10% above 100% for Higher Income or Emergencies	833
50-150%	Medicaid-Varies by State-Varies by Income, Age and Disability	1,500
0-300%	Subsidized childcare varies by state and duration	800
	Monthly Value	\$6,531
	Hourly Wage, 37.5 hrs./week x 4weeks=150 hrs./month/\$6,531=\$43.54/hr.	\$37-\$62/hr. Living Wage

Using the Outcome Assessment Scale to Calculate SROI

The program serves 100 clients at an annual cost of \$600,000

Self-Sufficiency Benchmarks	Outcome Scale - Employment	# & % of clients achieving outcomes	Gross ROI
Thriving	Full-time employment above minimum wage with employer benefits including health, life and disability insurance, sick leave and vacation and no subsidized benefits.	10 or 10 %	+ RPI @ \$50,000 \$500,000
Safe	Full-time employment above minimum wage with employer benefits including health insurance and limited sick leave and vacation and no subsidized benefits.	15 or 15%	+ ROI @ \$41,400 \$621,000
Stable	Full-time employment at minimum wage without employee benefits and receiving some subsidized benefits.	35 or 35%	+ ROI @ \$4,819 \$168,665
Prevention Line			
Vulnerable	Part-time employment without employee benefits and receiving subsidized benefits.	15 or 15%	- ROI (\$2,525) (\$37,875)
In-Crisis	Unemployed (strike out) and receiving subsidized benefits	25 or 25%	- ROI (\$20,000) (\$500,000)
ROI TOTAL			\$751,790

Sample Outcome Scale and ROI Values

Benchmark	Salary & Employee Benefits	Subsidized Benefits
Thriving +32,000 +18,000 \$50,000	Annual salary of \$24,900; benefit package worth \$5,000; payment of \$1,000 in federal, state, and local taxes, an Earned Income Tax Credit (EITC) of \$1,100 + 32,000	Avoidance of TANF, Food Stamps, Medical Assistance, and subsidized childcare valued at \$18,000. + \$18,000
Safe +\$25,400 +\$16,000 \$41,400	Annual salary of \$21,000; benefit package worth \$3,500, payment of \$400 in federal, state, and local taxes, an Earned Income Tax Credit (EITC) of \$500 + \$25,400	Avoidance of TANF, Food Stamps, Medical Assistance, and subsidized childcare valued at \$16,000. + 16,000
Stable +10,912 - 6,093 \$ 4,819	Annual salary of \$10,712 for a family of three, payment of \$200 in federal, state and local taxes. + 10,912	Receipt of reduced Food Stamps, Medical Assistance, and subsidized childcare valued at \$6,093 which is deducted from the annual wage and taxes. (\$6,039)
Vulnerable + \$6,600 - \$9,125 - \$2,525	Part-time salary of \$6,500, payment of \$100 in federal, state, and local taxes + \$6,600	Receipt of reduced Food Stamps, Medical Assistance, and subsidized childcare valued at \$9,125. (\$9,125)
In-Crisis - \$20,000	Unemployed	Receipt of reduced Food Stamps, Medical Assistance, and subsidized childcare valued at \$20,000. (\$20,000)

Types of SROI Models



Cost Savings and Cost Avoidance

The SROI can demonstrate a cost savings resulting from the service.



Revenue/Income Generating/Gains

The SROI can demonstrate that the intervention resulted in increasing income or revenues.

SROI Case Studies

Valuation – Cost Savings/Cost Avoidance

Asthma Management Program
Coatesville Family Center, Chester
County, PA

REACH-Residential Energy Assistance
Challenge-Louisville Metro
Community Action Partnership,
Louisville, KY

Denver Day Works, Bayaud Enterprises,
Denver, CO



**SROI Case Study-
Asthma Management
Program
Valuation – Cost
Savings/Cost
Avoidance**

Emergency room visits were reduced from 5 to 2 for an annual cost savings of \$1,350 per child, per year.

Crisis physician office visits were reduced from 5 to 2 for an annual cost savings of \$114 per child, per year.

Annual savings per child resulting from a shift in crisis care to preventive care is \$1,464.

SROI Case Study-Asthma Management Program

Valuation – Cost Savings/Cost Avoidance



THE COST OF THE FAMILY
CENTER ASTHMA
MANAGEMENT PROGRAM IS
\$252 PER CHILD ANNUALLY.
THIS GENERATES A SAVINGS OF
\$1,464 IN CRISIS CARE COSTS
PER CHILD.



GROSS SAVINGS IN
PHYSICIAN AND HOSPITAL
COSTS = \$83,448.



NET SAVINGS, PHYSICIAN,
AND HOSPITAL COSTS
MINUS NURSING COSTS =
\$69,084.

SROI Case Study-Asthma Management Program Valuation – Cost Savings/Cost Avoidance

Question 7: Cost of outcome = \$252

Nursing preventive care/training provided to the asthmatic child and family.

Question 8: Value of outcome = \$1,464

Per child annual savings in reduced use of emergency room and physician visits.

Question 9: Value of Outcome = \$1,464

Cost of Outcome = \$ 252

Every \$1 spent on preventive asthma care management results in saving \$5.80 in crisis/emergency services or a 580% return.



SROI Case Study-Asthma Management Program Valuation – Cost Savings/Cost Avoidance

Other SROI to consider. What is the \$\$ value of ?

- Reduction in school absenteeism
- Ability to do homework
- Increased likelihood of child not repeating grade
- Mother returned to work force
- Improved physical and mental well-being of child
- Improved physical and mental well-being of family

SROI REACH Case Study, Louisville, KY

The REACH Program is designed to help low-income households reduce their home energy self-sufficiency.

The Louisville Metro Community Action Partnership in collaboration with the Louisville Metro Housing Weatherization Program was the recipient of the REACH (Residential Energy Assistance Challenge) grant in order to:

- Minimize health and safety risks that result from high energy burdens on low-income Americans.
- Prevent homelessness as a result of inability to pay energy bills.
- Increase the efficiency of energy usage by low-income families.
- Target energy assistance to individuals who are most in need.



SROI REACH Case Study, Louisville, KY

The REACH project enrolled 150 client-family homeowners using the following criteria:

- Same income eligibility for LIHEAP
- Homeowner
- High energy usage
- Ability to provide “sweat equity” to contribute to the physical Weatherization efforts provided by the program



SROI REACH Case Study, Louisville, KY

Of the 150 enrolled families, 144 participated for the duration of the program. All families received case management consisting of in-home energy education and counseling. Weatherization services were provided that included a home inspection, installation of energy efficient materials, equipment and supplies, all with the goals of reducing the energy burden measured in both reductions in usage and costs, improving the overall livability of the home, and preventing homelessness from the inability to pay utility bills.



SROI REACH Case Study, Louisville, KY

Achievement of REACH Client and Program Outcomes

Maintain families in the own homes.

- All 144 families (clients) were able to remain in their own homes.

Reduce the cost of energy **or** energy usage.

- Overall, 85/144 or 59% of clients experienced a decrease in usage **or** a decrease energy expenditures and 65/144 or 45% experienced a reduction in **both** energy usage and energy costs.
- Overall, \$15,230.75 in actual saving was achieved by REACH clients, this in a time of rapidly rising utility costs.
- There was no record that any REACH clients experienced utility shut-offs.
- There was no record of arrearages for the REACH clients.
- Overall, 78/144 or 54% of clients increased their household income.



SROI REACH Case Study, Louisville, KY

The REACH project achieved two additional outcomes that have both an economic and social/community impact. Many of the REACH clients indicated that the difference in remaining in their own homes or moving into an assisted living or nursing facility was the energy and safety improvements made to their homes.

The potential value and “return-on-investment” of maintaining a person in their own home can be estimated using the following scenario. The cost of a personal care boarding home, assisted living facility or a nursing home could range from approximately \$1,500–\$6,000 monthly.



SROI REACH Case Study, Louisville, KY

The average monthly placement is \$2,000 monthly or \$24,000 yearly. Conservatively estimating that the REACH program maintained 10 of 144 or 6.9% of clients in their homes during the year, the REACH program would have saved the community \$240,000 in out-of-home long term placement costs. It should also be noted that a significant number of the elderly homeowners live with an extended family that typically include adult children and grandchildren, some of which were also adults. Loss of any of these REACH homes would therefore put multiple families at need of replacement housing. Simply one REACH house in “good standing” may provide safe and affordable housing for several families.



SROI REACH Case Study, Louisville, KY

Home having completed the REACH program have increased in value, have added stability to their respective neighborhoods and improved the quality of life for the clients. The increase value of these homes may also contribute to an increase in future property taxes. Additional research would be needed to convert these benefits into measurable economic gains.

A large orange circle on the left side of the slide, partially cut off by the edge.

An SROI Success Story Bayaud Enterprises- Denver, Colorado

Denver Day Works is a program administered by Bayaud Enterprises, a private nonprofit agency that receives CSBG funding from the City of Denver, the CSBG grant recipient. It provides a low- to no barrier work experience for people throughout the city who are experiencing homelessness, while also connecting participants to supportive services such as food, shelter, and other necessities. The initial pilot program ran from Nov. 1, 2016-Oct. 31, 2017, and received \$400,000 in funding.

An SROI Success Story

Bayaud Enterprises-Denver, Colorado

In its first year of operation (11/1/16 – 10/31/17), Denver Day Works provided more than 10,000 hours of work experience to 284 people experiencing homelessness.

- 462 people were recruited for the program-original goal: 350
- 284 participated in a day's work-original goal: 150
- Approximately 274 participants stayed with the program longer than the initial workday-original goal: 75 people
- 110 people achieved permanent employment-original goal: 49
- 57 people so far have maintained their employment-original goal: 30

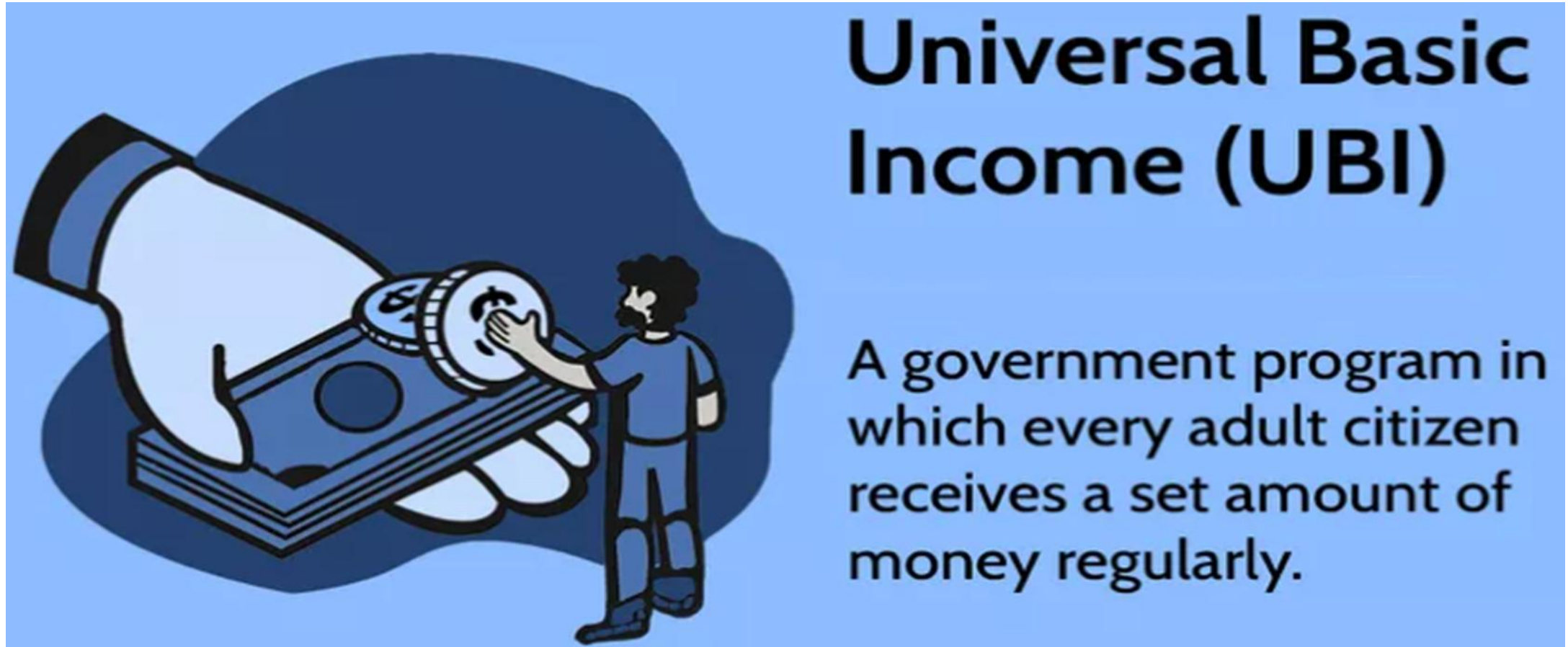


An SROI Success Story Bayaud Enterprises- Denver, Colorado

- As a result of successfully demonstrating the impact of the Denver Days Works program, the City of Denver determined that Bayaud Enterprises was a **good** investment and funded the program for the next three years and it continues to receive funding to this day. The program has been successfully replicated in a neighboring county.

A-Digression!

The Competition-UBI



Universal Basic Income (UBI)

A government program in which every adult citizen receives a set amount of money regularly.

What is Universal Basic Income?

- Universal basic income (UBI) is a government program in which every adult citizen receives a set amount of money regularly. **The goals of a basic income system are to alleviate poverty and replace other need-based social programs that potentially require greater bureaucratic involvement.** The idea of universal basic income has gained momentum in the U.S. as automation increasingly replaces workers in manufacturing and other sectors of the economy and threatens to leave many Americans without jobs that pay a subsistence wage.



UBI Defining Characteristics



Periodic

It is a recurrent payment (for example every month) rather than a one-off grant.



Cash payment

It is paid in cash, allowing the recipients to convert their benefits into whatever they may like.



Universal

It is paid to all, and not targeted to a specific population.



Individual

It is paid on an individual basis (versus household based).



Unconditional

It involves no work requirement or sanctions; it is accessible to those in work and out of work, voluntarily or not.

Adapted from Bidadanure, 2019, “The Political Theory of Universal Basic Income”



Origins of UBI

Johannes Ludovicus Vives (1492-1540)

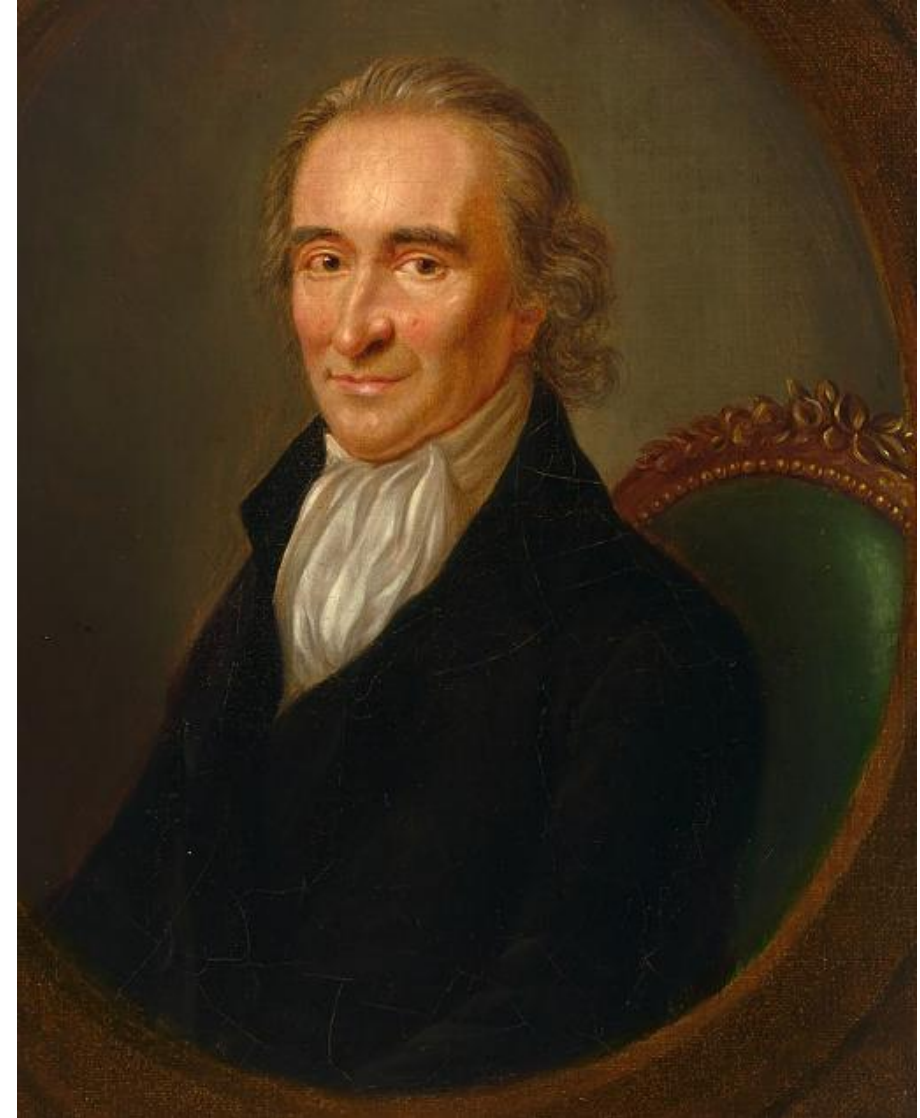
In a booklet *De Subventione Pauperum* (*On the Assistance to the Poor*), Vives proposed that the municipal government should be given the responsibility of securing a subsistence minimum to all its residents, not on grounds of justice but for the sake of a more effective exercise of morally required charity. The assistance scheme would be closely targeted to the poor. Because of their ability to target them more efficiently, public officials should be put in charge of poor relief. To be entitled to public charity, a poor person's poverty must not be undeserved, but he must deserve the help he gets by proving his willingness to work.

Origins of UBI

Thomas Paine 1737-1809

In 1797 Paine wrote the pamphlet [Agrarian Justice](#).

- For those aged twenty-one, the lump sum would offer capital to buy some property, start a business or save for future ventures.
- This lump sum, paid to young people, would hopefully prevent people from ever falling into poverty. But it was not just to prevent poverty; it was also to promote a degree of independence and enterprise such that people would not have to rely solely on their employers but would instead have an opportunity to work for themselves.
- For those over fifty-five, it would provide a basic pension to avoid destitution if a person could not work due to age-related illnesses.

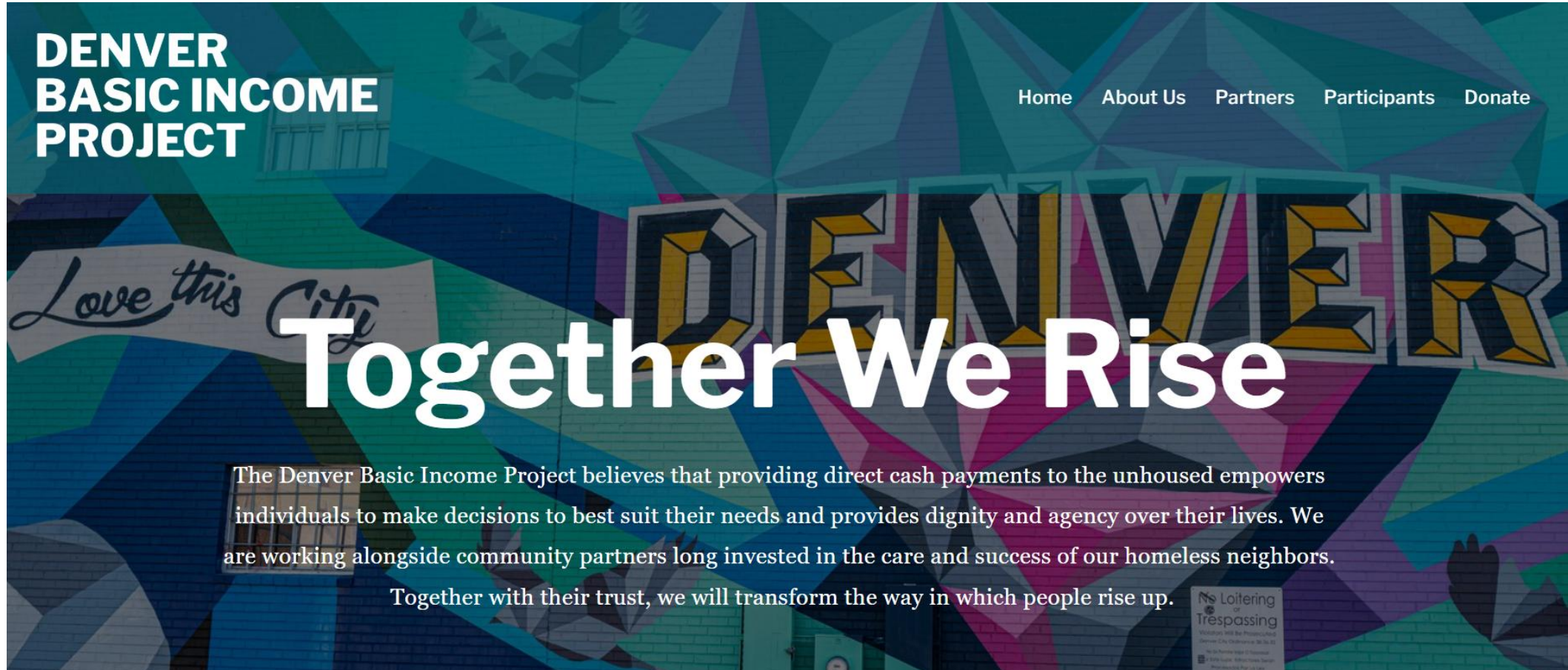


UBI enjoys considerable support from many sectors although several states are trying to ban the practice.

There are over 100 UBI pilots in eleven states. Google started its own pilot as well.

We must be able to demonstrate that our “industry” does an equal or better job than UBI. We have the data, but do we have the information? Are we ready???

Denver Basic Income Project



<https://denverbasicincomeproject.org/>

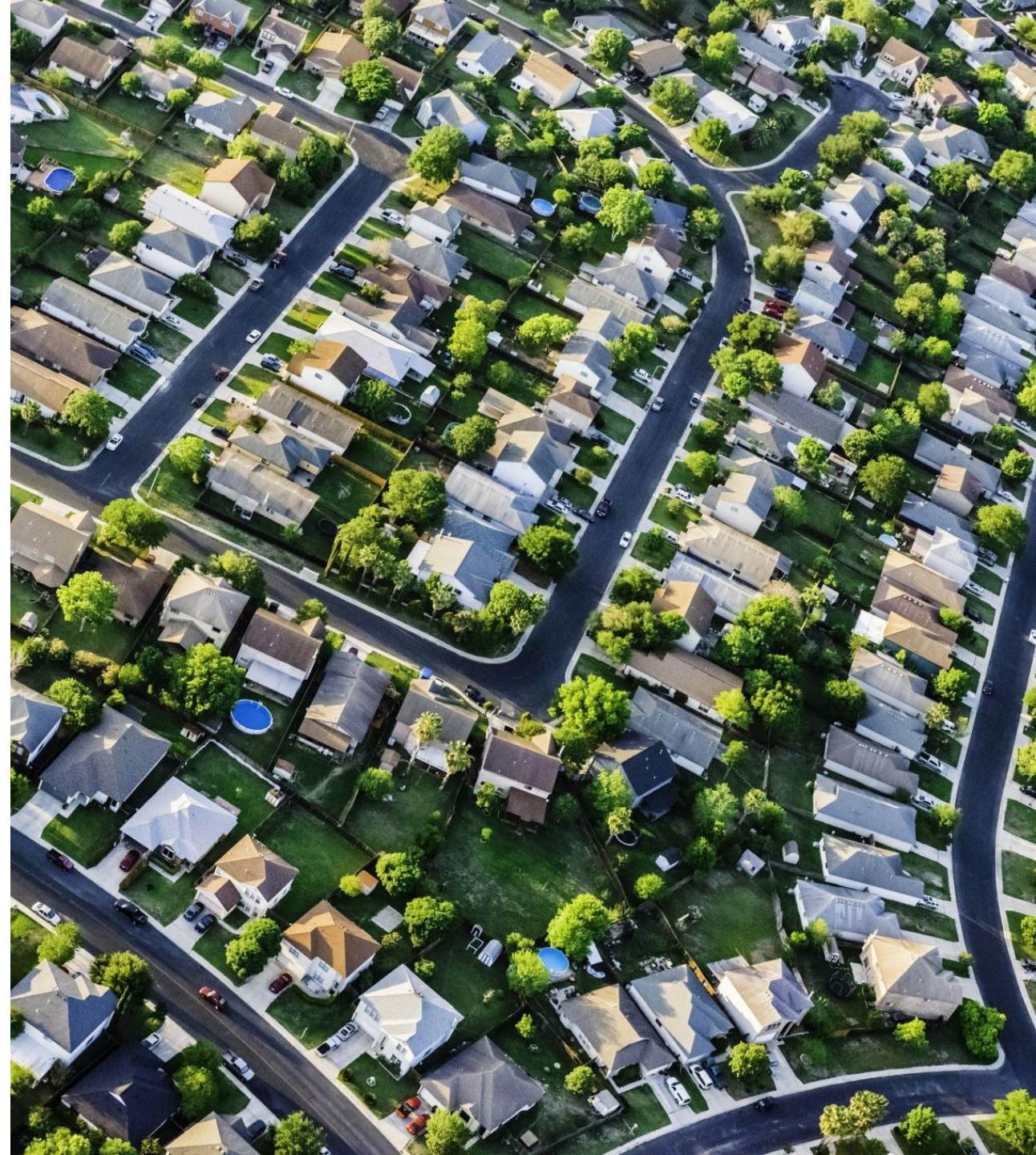
Denver Basic Income Project-Methodology

Guaranteed income initiatives provide unconditional cash to individuals and families and is often used to address issues related to poverty with the understanding that people know best how to meet their own needs. The Denver Basic Income Project (DBIP) is a guaranteed income project for adults experiencing homelessness in Denver, CO.

RANDOMIZATION Eligible applicants were randomly assigned to one of three payment groups: A) \$1,000 a month for 12 months, for a total of \$12,000 in a year; B) \$6,500 upon enrollment and \$500 a month for the subsequent 11 months, for a total of \$12,000 in a year, C) \$50 a month for 12 months, for a total of \$600 in a year. Group C acts as an active comparison group to understand what may happen when people receive a much smaller guaranteed income.

Denver Basic Income Project-Findings

HOUSING Analysis of housing outcomes revealed significant improvements across all payment groups. Approximately 45% of participants reported residing in their own house or apartment at Timepoint 3 (10-months), a substantial increase from Timepoint 1 (enrollment). Moreover, the proportion of participants experiencing unsheltered homelessness decreased markedly, with fewer individuals spending nights in unsheltered locations. Participants also reported feeling safer and more welcome at their sleep locations over time.



Denver Basic Income Project-Findings

FINANCIAL WELL-BEING Participants experienced changes in financial well-being during the first year of the program, with increases in full-time employment and improved ability to meet financial obligations. Across all payment groups, individuals reported reduced reliance on emergency financial assistance and greater financial security.

HEALTH Participants reported varied health outcomes. General health and energy levels showed mixed changes, with some groups experiencing declines over time. Notably, stress and anxiety levels remained relatively stable, while parenting distress improved for participants with children or dependents. Food insecurity decreased across all payment groups.

Denver Basic Income Project-Findings

COSTS OF SERVICE USE Analysis of cost savings associated with DBIP participation revealed substantial reductions in public service interactions, including emergency room visits, hospital nights, and jail stays. While cost savings varied across payment groups, all cohorts demonstrated significant reductions in public service utilization, indicating the potential economic benefits of DBIP.

In total, an estimated \$589,214 was saved on public services, including ambulance trips, shelter stays, hospital visits, jail time, and stays at drug or alcohol treatment centers.

[FINAL_DBIP+Year+One+Quantitative+Research+Report.pdf \(squarespace.com\)](#)

The Importance of SROI for Human Services

Applies similar standards of accountability used in the for-profit sector, to public and private human services.

Helps public and private human services demonstrate results in a competitive funding environment.

Demonstrates that human services can generate a measurable short and long-term positive impact for the client, agency and community.

Can demonstrate that a **modest** success can generate a positive return.

Helps establish realistic expectations for numbers of successful outcomes in client-level programs.

How SROI Can Benefit the Health and Well- Being of Your Staff

- A study was conducted in Michigan where clients and agency staff were administered the same satisfaction survey regarding agency provided services. Comparing the results, clients indicated **higher** rates of satisfaction than the staff providing the services. In the absence of outcome and SROI data, staff did not know how effective they were or how their client's perceived them which could have a negative effect on job performance and overall "self-esteem". Sharing outcome and SROI data with staff is important for morale, job performance and the **well-being** of staff .

Cautions for Using SROI

Harder-to-serve populations may have lower SROI than easier-to-serve populations.

Non-financial factors may outweigh the economic value and SROI for some expenditures.

Community data sources and quality vary, making SROI hard to compare between communities. Pre- and Post-test comparisons may be impossible because of lack of data.

SROI is an approximation tool. To remain credible, use conservative measures; stick to things you can defend.

The Principles of SROI



**INVOLVE
STAKEHOLDERS**
UNDERSTAND THE
WAY IN WHICH THE
ORGANIZATION
CREATES CHANGE
THROUGH A
DIALOGUE WITH
STAKEHOLDERS.



**UNDERSTAND
WHAT CHANGES**
ACKNOWLEDGE
AND ARTICULATE
ALL THE VALUES,
OBJECTIVES AND
STAKEHOLDERS OF
THE ORGANIZATION
BEFORE AGREEING
WHICH ASPECTS OF
THE ORGANIZATION
ARE TO BE
INCLUDED IN THE
SCOPE; AND
DETERMINE WHAT
MUST BE INCLUDED
IN THE ACCOUNT IN
ORDER THAT
STAKEHOLDERS
CAN MAKE
REASONABLE
DECISIONS.



**VALUE THE
THINGS THAT
MATTER**
USE FINANCIAL
PROXIES FOR
INDICATORS IN
ORDER TO
INCLUDE THE
VALUES OF
THOSE
EXCLUDED FROM
MARKETS IN
SAME TERMS AS
USED IN
MARKETS.

The Principles of SROI



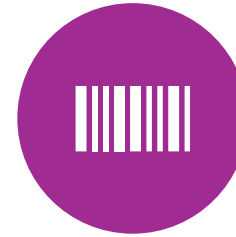
ONLY INCLUDE WHAT IS MATERIAL
ARTICULATE CLEARLY HOW ACTIVITIES CREATE CHANGE AND EVALUATE THIS THROUGH THE EVIDENCE GATHERED.



DO NOT OVER-CLAIM
MAKE COMPARISONS OF PERFORMANCE AND IMPACT USING APPROPRIATE BENCHMARKS, TARGETS AND EXTERNAL STANDARDS.



BE TRANSPARENT
DEMONSTRATE THE BASIS ON WHICH THE FINDINGS MAY BE CONSIDERED ACCURATE AND HONEST; AND SHOWING THAT THEY WILL BE REPORTED TO AND DISCUSSED WITH STAKEHOLDERS.



VERIFY THE RESULT
ENSURE APPROPRIATE INDEPENDENT VERIFICATION OF THE ACCOUNT.



. SOURCE:
[HTTP://WWW.THESROINET
WORK.ORG/WHAT-IS-SROI-
UK](http://www.thesroinetwork.org/what-is-sroi-uk)

Introducing the CAMP-CalCAPA SROI Calculator



Social Return On Investment

Our Social Return on Investment (SROI) training equips individuals and organizations with the knowledge and skills to measure and maximize their social impact. Through interactive workshops and practical exercises, participants learn how to quantify the value of their initiatives, drive informed decision-making, and communicate their impact effectively.

Health and human service organizations often struggle to show the value they've created from the monetary investments they've received.

SROI is useful because it measures change by assigning monetary values to represent social, environmental, and economic outcomes. It is built on a logic of cost/benefit analysis and highlights the value of contributions that are difficult to measure in monetary terms.

Our methodology for calculating SROI allows us to work with organizations to show their impact on individuals, communities, and our society as a whole.

Features

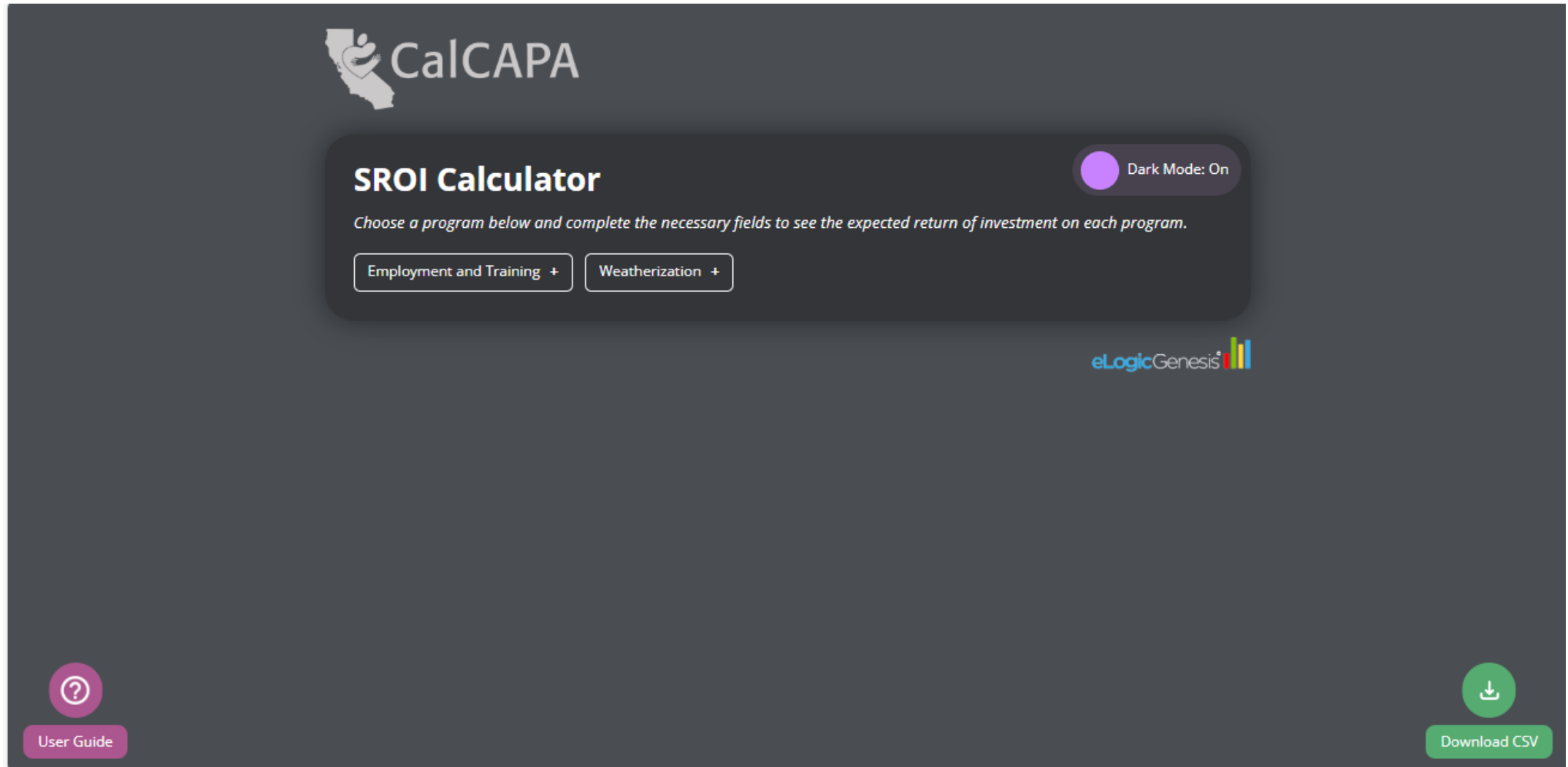
- + Free SROI Calculator
- + Comprehensive Curriculum
- + Practical Approach
- + Expert Facilitator
- + Hands-On Learning
- + Customized Workshops
- + Post-Training Support

[Try the SROI Calculator](#)

SROI Calculator

- The primary purpose of the Social Return-On-Investment (SROI) Calculator is to introduce, orient and educate CAAs as to the utility and benefit of monetizing services and outcomes to demonstrate that Community Action is a good investment. It is a web-based tool and is a **first step** to better understand the relationship between the **provision** of services and the **value** of results/outcome produced by successful programs using existing agency data.
- The SROI Calculator can be used to associate services with outcomes and demonstrate that a **modestly** successful program can produce a positive return-on-investment. Use of the Calculator and subsequent analysis of data may help CAAs identify the most cost effective and beneficial services, and generate **realistic performance expectations** for its programs, services and clients.

SROI Calculator-Demonstration



SROI Calculator-Demonstration

SROI Calculator

Choose a program below and complete the necessary fields to see the expected return of investment on each program.

Employment and Training ×

Weatherization +

Employment and Training

Program SROI: 1600.00%

Budget

50000

Clients Enrolled

50

Unit cost per client: \$1,000.00

Outcome

Employed Full Time

▼

Clients Achieved Outcome

20

Outcome Value

40000

🗑️

+ Add Outcome

Client Success Rate: 40.00%

Total Value of Outcomes: \$800,000.00

ⓧ Adding Services

Apprentice Program-Electrician +

Coaching +

Dress for Success Class +

Enrollment in Community College-Certified Nursing Assistant Program +

Interviewing Skills Coaching +

Job Placement +

Job Search +

On-the-Job Training +

Resume Development +

Summer Work Placement +

Supportive Services +

Vocational Training +

Volunteer Work Experience +



The Center for Applied Management Practices, Inc.

Social Return On Investment

NASCSP 2025 Winter Training Conference

February 5-7, 2025, Arlington, Virginia

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