1
2

Social Value International

Principle 5: Do Not Overclaim. SVI Standard & Short Guidance (V.01)

A DRAFT for consultation

Please email all responses to safaa@socialvalueint.org
7th September 2021

Foreword from SVI CEO Ben Carpenter

Social Value International is building a movement to transform the way organisations account for value, make decisions and achieve social goals. An important part of our work is developing a principles based approach for accounting for value and decision making. As a membership organisation we work collaboratively to set standards for applying each principle.

This is the first consultation regarding a standard and short guidance for applying SVI's fifth principle: "Do Not Overclaim". The work has been inspired by the Guide to SROI and other evolving practice in the field of impact measurement and management.

Technical Note: You may be expecting this standard and short guidance to include concepts such as "Duration" and "Drop off". These concepts are not addressed in this document and will instead be covered in the Standard and Guidance for applying Principle Two: Understand what changes.

Acknowledgements: Special thanks to Alison Freeman from EY's Climate Change and Sustainability Service team and a member of SVI's Methodology Sub-Committee, who has lea authorship of this first draft. A big thanks also to all other members of the SVI Methodology Sub Committee for their contributions to this initial draft.

It is now time for you to help us shape this Principle, the Standard and short Guidance in this document.

Please use the SVI commenting template and submit your responses via email to hello@socialvalueint.org before the deadline of 7th September 2021.

Would you like to sponsor this document?

To help SVI continue to set standards and produce guidance we are looking for sponsorship and partners for this important work.

Please contact us for more information on this opportunity.

3

CONTENTS

Executive summary

This principle of Do not over-claim is designed to help organisations account for their impact (how much change is caused by their activities) and make decisions that optimise social value. Principle five guides practitioners through a set of considerations that help them shed light on the relationship between their activities and the outcomes that take place as a result. The considerations include:

Counterfactual: To what extent would the change have happened without our activities?
Attribution: Who else contributed to the change?
Displacement: In creating value in one place, was there a reduction of value elsewhere (a 'trade-off')?

This standard lays out the considerations for setting an appropriate level of rigour in your accounts for these concepts. There should be enough rigour to support (completeness and accuracy) the decisions being made. This means the level of rigour should reflect the purpose of the account and the risks inherent in any related decisions. SVI Standards have the explicit purpose of optimising value for affected stakeholders.

Social Value Accounts must consider each of these questions, even at a low level of rigour. They will inform better decision making and allocation of resources. For example; if your data shows that a positive outcome is/was going to happen without your intervention then your resources could be saved from trying to make it happen.

Answering these questions should also lead to better 'systems thinking' and collaboration with others. If an organisation knows what role they play in contributing to the change alongside others - they can decide how to collaborate more efficiently with these other actors

Just like with the other Principles of Social Value, SVI advocates for a stakeholders informed approach - which means the starting point should always be gathering opinions from people who experience the change in outcomes.

Social Value Accounts can explore each of the considerations separately to inform decisions. The data may be quantified and totalled in a Social Value Account (for example SROI analysis) if an understanding of the net value is required.

Introduction

This suite of documents is for organisations that want to create Optimum Social Value (OSV). Optimising Social Value means contributing (net) positively to societally agreed goals, such as the Sustainable Development Goals, as far and as fast as possible.

Historically, one might have expected optimising Social Value to be the preserve of social-purpose organisations. However, there is increasing recognition that actually all organisations should pursue optimum Social Value. For example, many organisations have recognised that aligning with societal interests is in the interests of their long-term viability.

Even if you are unable to explicitly pursue the goal of optimising Social Value, by following these standards you will make the gap between current decisions and optimal decisions for affected stakeholders transparent. Most organisations will find such a gap, given that if resources flowed perfectly to the things that optimised Social Value, we would not see negative social trends. Making the gap transparent means others will be able to use this information to influence the conditions in which you are operating and this will make it easier for you to make decisions that better optimise Social Value in future.

Principles 1-7 relate to how Social Value Accounts should be prepared so these are written primarily for people who have been tasked with preparing such accounts. In contrast Principle 8 - Be Responsive - is written for people who are making decisions about organisations. It is primarily for people who manage organisations directly including non-executives and executives. However those who influence organisations, e.g. investors, customers and donors can use it to promote optimisation of Social Value by the organisations they make decisions about.

The Principles of Social Value

1. Involve Stakeholders
2. Understand what changes
3. Value what matters
4. Only include what is material
5. Do not overclaim
6. Be transparent
7. Verify the result
8. Be responsive

Principle 5 relates to the challenge of calculating how much of the changes (to people's lives and the environment) are caused by your activities – this is your 'impact'. It includes concepts such as counterfactual evidence and analysis of your contribution to changes as part of a system (attribution and displacement).

Summary of the Principle and Key Terms

Do not over-claim

Only claim the value that activities are responsible for creating.

This principle requires reference to baselines, trends and benchmarks to help assess the extent to which a change is caused by the activity, as opposed to other factors. Reporting on and managing the outcomes that have been determined with the affected stakeholders will enable other people or organisations to better understand how they can contribute to creating value, avoiding negative outcomes and encouraging a system or collective approach to achieving outcomes.

Optimum Social Value in more detail

Optimising Social Value means delivering on societally agreed goals, such as the United Nations Sustainable Development Goals, as far and as fast as possible. This means both implementing activities that are designed to maximise the extent and rate of positive change, whilst also identifying and eliminating activities that result in negative Social Value as fast as possible.

Optimum Social Value is the best combination of value that is possible, considering all affected stakeholders. The optimum value for any one stakeholder group:

- Reflects a level and rate of positive value that is in the interests* of the affected group

And:

- Only includes a level of negative value that the affected group has agreed to accept for the benefit of another stakeholder.

Achieving the optimal value for affected stakeholders as a whole will often require trade-offs between value created and destroyed for different stakeholder groups. Where such trade-offs have to be made there is a higher risk that suboptimal value will result. Where a stakeholder group is faced with potentially sub-optimal value, the decision to pursue this should be based on the stakeholders' risk appetite.

*Stakeholders' interests can be judged with reference to:

- A level and rate of positive change that is a meaningful contribution to societally agreed goals such Sustainable Development Goals.
- At a level and rate that is ambitious, where targets have been set with the involvement of representatives of the affected stakeholders.
- The risk appetite of the affected stakeholders. That is to say a stakeholder group might choose a more uncertain option with more positive results over a more certain option with less positive results.
- That they will not have to experience negative value, unless they have agreed to for the benefit of another stakeholder, or that is worse than the average for the context.

Social Value Accounts

Social Value Accounts, prepared in accordance with the principles of Social Value, provide a 'complete' summary of all the material changes that stakeholders experience (or are expected to experience) as a result of activities within a given scope.

The accounts include qualitative and quantitative data to determine what is material;
Qualitatively there is a description of all relevant outcomes with analysis of the causal relationships between the activities and the change;
Quantitatively the outcomes are tested for significance by measurement and analysis of;

- The extent of change (duration, depth and scale),
- Contribution of other factors (counterfactual and attribution),
- The relative importance of the change (value) from the perspective of those who experience it.

In order to create accountability and support decisions about optimising Social Value the accounts must be stakeholder informed. The principles of Social Value can be applied with different levels of rigour. The appropriate level of rigour for Social Value Accounts will be determined by the type of decisions they are designed to inform.

Rigour

Rigour in Social Value Accounting has two aspects- **Completeness** and **Accuracy**. The appropriate level of these for any Social Value Account is determined primarily by **Risk** to the affected stakeholders of decisions taken based on less complete or accurate information.

Completeness is the extent to which the account includes a description of relevant and significant change for all stakeholder groups for whom there could be relevant and significant change. Completeness is generally concerned with the extent to which the account tells a story that relates to people's actual experience of effects of the activities. An account is more complete when the range of patterns of change, both positive and negative, that all the different groups of people experience is thoroughly explored and synthesised.

Accuracy is the degree of precision with which the story of change has been quantified. An account is more accurate where indicators represent change well, relative importance of outcomes is quantified (valued) using a consistent approach, statistical confidence in quantified data is high and the extent to which change was caused by the activities within scope is clearly evidenced. Whilst accuracy is very important to many types of decisions, accuracy without an appropriate level of completeness can lead to precision about a narrow set of more easily measured changes that exclude other material changes . Focus on accuracy alone can therefore lead to decisions that are against the interests of accountability and responsiveness.

Risk should be used as a guide to determining an appropriate level of completeness and accuracy for decisions. Risk in this context is the likelihood that the results of the decision do not reflect the preferences of the affected stakeholders. For example if stakeholders might experience significantly worse outcomes than anticipated but would not have chosen to accept this in exchange for a chance at better outcomes. Risk in any decision is increased where there are extreme

consequences, where there are significant trade-offs between stakeholders and where the decision is hard to reverse.

The SVI Standard for applying Principle 5

1. Decide on the level of accuracy for counterfactual, attribution and deadweight, based on the types of decisions the analysis is designed to inform. Document this, together with the risks of using it for other decisions.

2. For each outcome collect information on the counterfactual (likelihood of it happening without us).
    a. Ask Stakeholders “how likely is it that this would have happened anyway?”
    b. Where necessary (for the decision and risk) identify more rigorous methods for calculating counterfactual
    c. Calculate counterfactual levels
    d. Explore insights from the data
    e. Present options and risks of how to allocate resources to optimise social value
    f. Respond by implementing an option regarding your allocation of resources

3. For each outcome collect information on attribution
    a. Ask stakeholders “who else contributes to this outcome” (other stakeholders)
    b. How much each stakeholder contributes (complements)
    c. Explore insights from the data
    d. Present options and risks for working in partnership to optimise value
    e. Respond by implementing an option regarding partnerships to optimise value

4. For each outcome collect information on displacement
    a. Identify any stakeholders that are adversely affected in another area or in another way
    b. Calculate the negative value
    c. Assess for materiality
    d. Present options and risks on how to mitigate the material displacement affects
    e. Respond by implementing an option to mitigate any material displacement affects

5. When aggregating all of the data in an account of value ensure that the calculations are consistent, transparent and comparable.
    a. Counterfactual, attribution and displacement should each be quantified and accounted for unless a clear rationale for overlap is provided.

Short Guidance for Applying the Principle

Context

The principle of "Do Not Over-claim" means understanding and capturing your impact, meaning the outcomes that were caused by your intervention. It guides practitioners away from over-claiming change that is outside their influence or mitigated by flow-on effects elsewhere in a system. It should also guide practitioners away from under-claiming negative outcomes caused by their activities.

Over-claiming can take place at other points in a social value assessment. For example, over-claiming can be caused by misuse of financial proxies, duration and drop-off estimations, or poor controls of bias when measuring outcomes. These over-claiming risks are addressed in standards and guides for earlier Principles in the series, namely Principles 1 2, 3 and 4. The guide to Principle 7, Verify the results will also support practitioners in identifying areas where over-claiming may have crept in.

Principle 5 ensures that organisations are only claiming the value that they create but the primary reason for applying the principle is to gain insights that enable better decision-making. Resources can be more effectively allocated when you understand the role of your activities within the broader system of influences.

Principle 5 guides organisations through a set of considerations that shed light on the relationship between the outcomes you have identified and measured and other factors in a complex world. It is part of identifying 'causality'1. If you want to invest in activities (programs, strategies and policies) that optimise Social Value, you need to identify other contributions to positive outcomes and ensure positive outcomes do not come at the expense of harm elsewhere.

The standard and guidance for applying Principle 2: Understand what changes (Part 1 creating well defined outcomes) outlines how 'chains of events' should be used to synthesise your judgements about stakeholders' experience of change on. In this standard and guidance, three further concepts are introduced to better understand and evidence causation. The concepts and the information they provide for decision makers are summarised below:

Concept	Description	Decisions it can inform
Counterfactual	The extent to which an outcome would have happened anyway (otherwise known as deadweight)	To allocate resources towards another set of positive outcomes that are less likely to happen without your activities
Attribution	The extent to which an outcome	Who to collaborate with, or

[1] Definition of Causality: "the relationship between something that happens and the reason for it happening; the principle that nothing can happen without a cause", Oxford Dictionary

	is attributable to others (sometimes known as contribution).	how best to maximise your effect with other influences.
Displacement	The extent to which a positive outcome is offset by a negative outcome elsewhere within a system	How to manage trade-offs and ensure the design of your activities do not advantage some at the expense of others without your knowledge.

The guidance in this document has the following structure:

Stage 1 supports you in deciding on the appropriate level of accuracy to apply to your accounting around this Principle. Cause and effect research has traditionally been perceived as a resource intensive endeavour, meaning it was only accessible to large, well funded evaluation designs and research institutions. Social Value International's approach is intentionally more accessible for organisations that do not need such high levels of accuracy to support their decision-making. Nevertheless, the level of accuracy that should be applied to research around not over-claiming should be proportionate to the risk appetite and decisions it is designed to inform, this is explored further in Stage 1.

Stages 2-4 provide more information on the three considerations- Counterfactual, Attribution and Displacement- and the range of approaches that can be taken to address them. An assessment of each consideration can be made separately to inform decisions. If a full account of net value (see box below) is being prepared, then each consideration should be quantified and applied to the gross value.

This guidance should also refer to SVI's supplementary guidance on data collection best practice[2] which offers advice on issues such as how to address biases in the data and how to set sample sizes.

Gross and net value

Gross and net value are used as a shorthand to refer to outcomes before and after impact considerations have been applied.

Gross value – quantification of the relative importance of the changes

Net value – quantification of the relative importance of the changes after counterfactual, attribution and displacement levels have been applied.

Net value = gross value * (1- deadweight) * attribution * displacement

[2] To be published soon some general guidance addressing good data collection practice including managing biases, sample sizes, ethics etc.

Stage 1: Identify the appropriate level of rigour

The right rigour for the decision

The principle of "Do not over-claim", like all Principles of Social Value, can be applied with differing amounts of rigour- completeness and accuracy. Identifying the appropriate level of rigour for your account is an important scoping step to plan the information that should be gathered.

Social Value's Standard for Principle 5 recognises that approaches that are often considered low rigour will be good enough to support decisions that optimise value. As set out in the DRAFT Standard for Principle 8, Be Responsive, the degree of rigour should be guided by:

- *Consequences*. How significant the anticipated effects are expected to be and the degree of certainty.
- *Trade-offs.* The extent to which there are trade-offs between affected groups, especially where any group is forecast to be negatively affected.
- *Irreversibility.* The alterability of the decisions that the Social Value Accounts will be used for. For example, in the event that the results are different to those forecast, how easily can the activities be changed, based on time and cost?

Decisions that affect many people and have significant outcomes (consequences), decisions with potential winners and losers (trade-offs) and decisions that are hard to reverse are riskier and more rigour should be applied to Social Value Accounts that inform them. This document does not provide guidance on the level of rigour that is appropriate. However, here are some examples to illustrate where the levels of rigour required may vary:

Rigour	Low	Medium	High
Scenario	User experience redesign at a recycling depot	New social housing investment scheme	Vaccine development
Investment level	Local	Regional	National
Risk: what's at stake?	The redesign is a simple intervention intended to improve recycling rates. There is a low likelihood of other potential negative outcomes for users of the service.	A significant number of people may benefit from good social housing and it is likely to improve a variety of aspects of their quality of life.	Vaccines can have complex and long-term health impacts alongside their intended outcomes. Taken at a national scale, the likelihood of an instance of severe harm increases.

Accountability and rigour

An organisation should be answerable to those affected by its decisions. Reporting and disclosures are an important mechanism for external stakeholders to hold organisations to account for their decisions and commitments.

A low level of rigour may lead to over-claiming positive outcomes or trivialising your influence in creating undesired outcomes. This may harm your credibility and undermine relationships. As market-based mechanisms are growing (for example polluter-pays tax systems and payment by outcomes commissioning) there will be increasing scrutiny around the role of individual players. Additionally, other stakeholders may rely on your assessment as part of their decision making. Investors and funders for example will be interested in your accounts.

In preparing an account, organisations should be mindful of common, legal or good practice and adhere to the expectations of relevant audiences for verifiable information.

Setting the level of rigour

Rigour refers to the accuracy and completeness of the account. Completeness ensures you are capturing all the material changes that result from your activities. Standards for Principles 1 and 2 (part 1) provide further application guidance, including how to recognise and define outcomes - intended, unintended, positive and negative. Your account should have a 'complete' set of outcomes and present a rounded picture of what has happened (not just focusing on intended positive outcomes).

Accuracy relates to the precision applied in your research methods. It is common to see different impact methodologies organised along a spectrum or hierarchy of accuracy - which in this context is often termed "rigour". For example, often presented at the lowest end of the scale are approaches orientated around qualitative methods whereas statistical social science research methods such as Randomised Control Trials (RCTs) or Regression analysis are presented at the high end of the scale.

Alongside the chosen method, the other consideration around rigour is the way the approach is executed or implemented. For example, a poorly implemented RCT or Regression analysis will be less rigorous and reliable than a well-executed data collection exercise that directly asks stakeholders about causality. Executing data collection well means considering things like biases and representative samples. These are important issues to follow irrespective of the approach and we encourage you to read SVI Supplementary Guidance on data collection.

This short guide presents a range of different techniques or approaches that can be used to avoid over-claiming and your own professional judgement is required to select the approach that is suitable for your context. This professional judgement will need to be tested through the Social Value International Assurance standard.

Rigour limitations

Constraints such as resources and access to data are also likely to influence the approach you take and therefore the level of rigour in your analysis. More rigorous approaches are typically more costly and more time intensive. Where your decision making requires a high level of rigour but your resources do not allow for this, it is essential that this disparity is disclosed in your analysis to highlight the risk to decision makers (see Principle 6 guide).

Stage 2: Assess counterfactual

What does counterfactual mean?

Counterfactual refers to what would have occurred even if the activities had not taken place. This concept is opposed to the factual scenario, or what actually did take place for your stakeholders. The counterfactual scenario can be used to assess the level of outcome that would have happened anyway: another term used for this is “deadweight”.

What decisions can counterfactual assessments inform?

The counterfactual helps you assess how much of an outcome would have taken place regardless of your work. The net effect after accounting for the counterfactual can help impact managers with:

Strategy - select the right societal aims:	Tactics – improve Social Value by picking better options for services, products and procedures	Operations – innovation to improve the results of existing activities
When settling on goals counterfactual trends can help impact managers to determine whether they are pursuing objectives that add value to society. This is especially pertinent for selecting preventative aims or goals. Showing avoided harm (negative outcomes) that would have happened in the absence of your work is critical for early intervention programs. This might include health programs or reporting on the impact of environmental measures such as “avoided” carbon emissions.	Chose activities that achieve a positive step-change in Social Value in comparison to that delivered by similar services, products or policies offered by similar organisations.	Improve your approach by identifying delivery techniques that would be least likely to happen without you (sometimes referred to as unique selling point).

Approaches to gathering counterfactual data and insight

Overview

How do you determine what might have happened to your stakeholders if your work did not exist? Social scientists and evaluators have intensively discussed the merits of different approaches to understanding the counterfactual in recent years. This has led to some confusion for impact managers within organisations who aspire to achieve best practice. Social Value Accounts, however, are designed for routine organisational decision making, so high levels of accuracy are generally the exception rather than the norm. This section provides a short overview of approaches before focussing on the standard required to meet Principle 5.

	Approach	Description	Example
Low /\ Rigour / resource intensity / risk profile of related decisions \/ High	Stakeholder opinion	The counterfactual is hypothesised by stakeholders based on their opinions.	Small businesses that are part of a low interest loan scheme provide their opinions on what would have happened for their business in the absence of the loan.
	Secondary data benchmarks	Plausible comparisons are drawn using datasets that match the characteristics of the treatment group. These datasets are used to assess the counterfactual level.	Government data on the success rates of small businesses nationally is used as a counterfactual benchmark.
	Quasi-experimental	Non-random assignment to treatment and control groups to evaluate impact. There are many types of quasi-experimental design as the approach to forming control groups can also vary.	A control group is put in place but t he control group of businesses is not random. They may be selected based on another variable such as time they gain access to the loan (also known as cohort or pipeline design studies).
	Randomised Control Trial (RCT)	Random assignment of individuals to either a treatment and a control group to evaluate impact. The size of each sample should be significant to best control for other variables.	Randomise a population of small businesses. Half are offered a low interest loan and the others are used for comparison.

RCTs are considered by some researchers as the only way to understand the counterfactual if you require a high level of rigour. However, a broader consensus recognises that a range of approaches are credible and appropriate depending on the circumstance. For example, if a policy or intervention is rolled out nationally, or at a system level, it is not possible to create a counterfactual control group. Control trials, especially RCTs may also have inherent ethical drawbacks due to knowingly depriving one group from a potentially valuable intervention. RCTs are

therefore one of the most rigorous approaches you can take to the counterfactual, but in some cases other quasi-experimental methods may be more appropriate.

A service improvement decision that has relatively low risks attached requires a lower level of rigour. For example, a decision to change the timing or even location of an activity could be a low risk and/or easily reversible and so a highly rigorous approach to counterfactual would be inappropriate.

The table below summarises some options for calculating the size of the counterfactual and organises these by their commonly perceived levels of rigour, required resource and the likely risk profile of decisions based on evidence from these methods. The methods can often also be combined to give complementary findings.

There are differing views on the relative merits of the approaches summarised above, and ultimately the approach taken should be based on the nature of the decision the account is seeking to inform, especially the risk to affected stakeholders. If your decisions require an RCT or high level of rigour then we encourage you to see further guidance available on these approaches [see appendix for recommended reading]. The guidance provided below relates to the first two options (speaking to your stakeholders and using secondary data as benchmarks) for assessing the counterfactual, as this is standard required for Social Value accounting.

Stakeholder opinion

Gathering the perspectives of stakeholders who have experienced the intervention is the starting point for understanding the counterfactual. Engage with your stakeholders to answer these questions in relation to each outcome:

Questions to ask stakeholders:	How likely is it that the change would have happened without this activity? To help build up the picture you can also ask other questions: - Do you think you would have experienced the change without this activity? - What else might have happened without this activity? - Would the starting situation have continued, or would the situation have got worse or improved? - Do you know anyone in a similar starting situation, what has happened to them during this period?

This grounding will allow you to interpret the meaning of the quantitative data you collect and provide insights into who else to collaborate with.

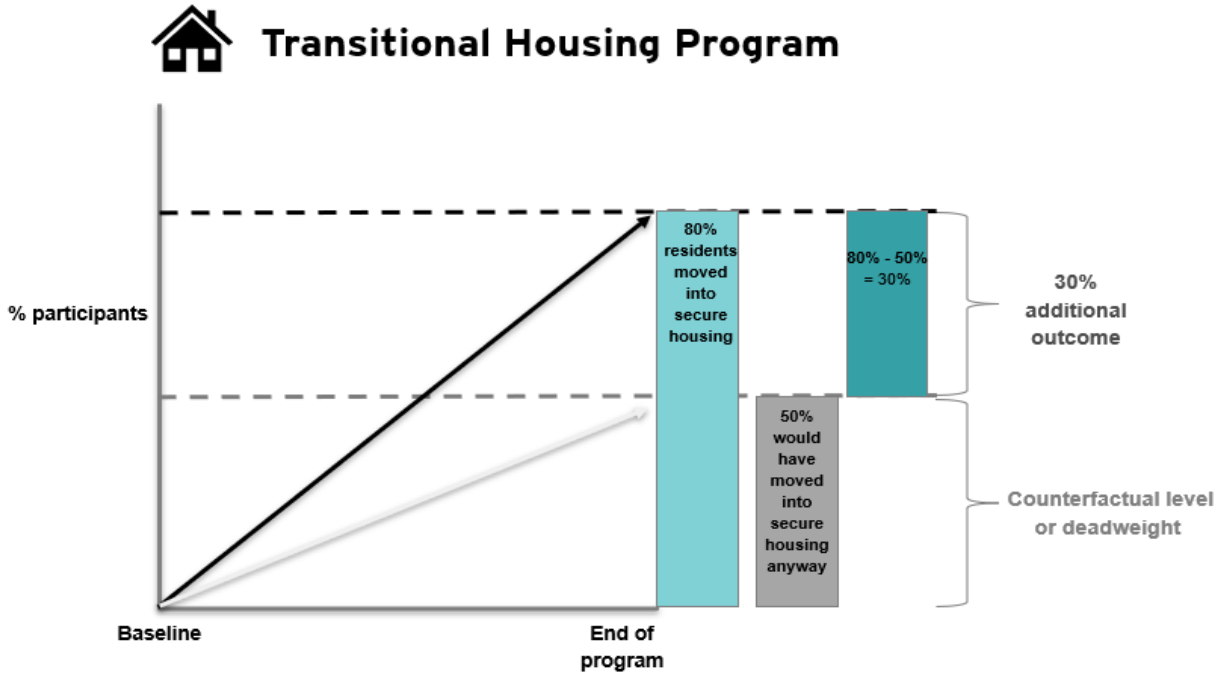
In many cases, it may not be appropriate to use secondary data or a control group to estimate the counterfactual particularly when there may be no close comparison to your groups of stakeholders. In these cases asking your own stakeholders is the most reliable way to estimate the level of deadweight, or the counterfactual outcome level.

Secondary data benchmarking

To estimate the counterfactual level, a comparison indicator or 'benchmark' can be used. The comparison indicator may come from public or market data sets that can provide you with outcome trends either locally or nationally for a similar segment of the population to your stakeholder group. For example, you may look at data on employment rates, industry trends or national environmental accounts over time. Alternatively, you may find useful benchmarks from other research organisations or sector based publications.

Counterfactual outcome levels are most easily handled as a percentage. For example, you run a transitional housing program that aims to improve housing security as this is gateway to a range of positive health, economic and social outcomes for individuals. You do this by supporting people to deal with the needs that left them in housing crisis. An indicator of success is getting people into secure long-term housing.

After six months of support, 80 per cent, or eight out of every ten participants, have secured long-term housing. However, the national rate of people in housing crisis receiving long-term housing is 50 per cent or one in two during the same period. The national benchmark must therefore be subtracted from the outcome you measured. This leaves you with an outcome additionality of 30 per cent (see chart below).



Counterfactual calculation illustrated

Finding meaningful benchmarks

Ensure the benchmark or comparison indicator is representative of the same stakeholders as yours. You should relate to the characteristics of your specific stakeholders as closely as possible. This can be achieved by using techniques like propensity score matching (see additional guidance on data collection best practice).

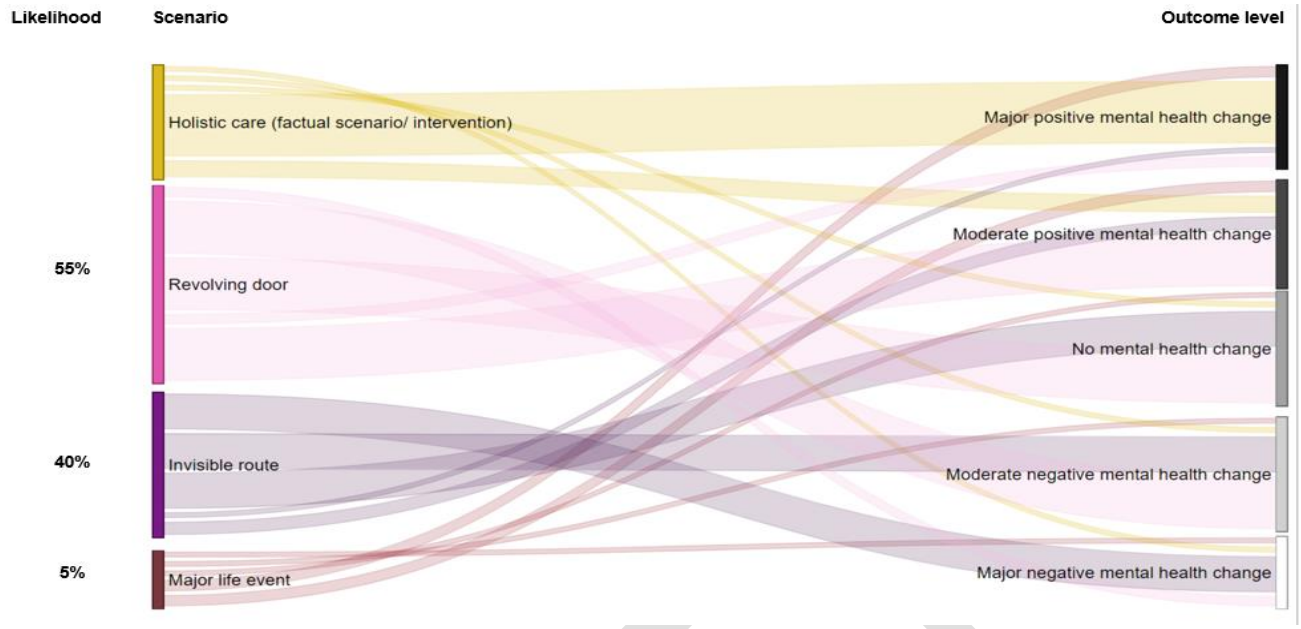
Remember you are looking for trend data, so either a change from your baseline year to intervention completion year or multiple data points from successive years. Comparing your outcome data (normally a percentage change figure) to a static point-in-time percentage is a very common pitfall when using counterfactual benchmarks.

Apply counterfactual trends to each outcome, not just one. In searching for benchmark data trends be wary of using composite indicators like overall wellbeing or proxy indicators like income levels. These are often extrapolated to be deadweights across a number of outcomes. Try to find a benchmark that reflects trends in your specific outcome as closely as possible.

It is likely to be challenging to find a benchmark that is very close to characteristics of your intervention group. For example, you may be running a program for long-term unemployed 22-26 year old women. You may be able to find employment rates for young people defined as 15-24 year olds, then separately you might find the employment rates for long-term unemployed, and separately again the employment rates for unemployed women. Best practice is to triangulate these benchmarks and provide a rationale for the most likely trend for your specific cohort.
Once you have estimated your counterfactual and quantified it as a percentage, it should be deducted from your measured outcomes (removing a slice of the outcome pie). The exception is when your initiative prevents harm (a prevention program), in which case it should be added to your measured outcome level. The harm you prevented is an invisible outcome so you would not have been able to gather data directly from your treatment group.

Technique: Weighted pathways

Stakeholder opinions can be used to identify multiple possible pathways that your stakeholders would otherwise have taken. For example, if people at risk of domestic abuse did not receive help from your holistic care service, they may otherwise have: (i) been trapped in a revolving door of services receiving temporary help such as counselling or short-term sanctuary housing but ultimately falling back into the risk situation; or (ii) they may remained invisible – unidentified by care services; or (iii) some other major event may have taken place in their life changing their risk level. You can ask stakeholders to rank the likelihood of each pathway or use survey data to profile and match your cohort to the most likely scenario. This can then be used to inform your estimate of the counterfactual outcome level. Once you have well-defined counterfactual groups, it may be possible to find related literature their likely health, social and economic outcomes. The figure below illustrates the link between different pathways and the likely outcome levels.



The benefits of this exercise is that it adds transparency around the selection of a counterfactual benchmark or percentage, it manages the differences in counterfactual scenarios across a population and a richer understanding of the counterfactual pathways may assist with decision making.

Would the 'market' have provided these outcomes anyway?

Many organisations are providing services in a marketplace. For example, you may provide services where stakeholders can choose other providers such as care services. Similarly, you may have won a contract to deliver a social intervention that would otherwise have been awarded to a competitor.

This also applies to downstream initiatives that buyers may introduce through procurement. For example, if you address modern slavery in your supply chain, a supplier may improve the worker wellbeing in response. However, legislation may have prompted alternative buyers to implement a similar intervention.

An assessment of market dynamics should be included in your counterfactual research. The key question is how much change a rival or competitor would have delivered. Arguably the amount could be 100%. However, the rival would not have done it exactly the same way, so this allows you to explore how much more or less outcome would have been achieved. For reporting, SVI recommend that organisations report both gross outcome level (before counterfactual is considered) and the net (additional or less) value in light of the counterfactual.

Stage 3: Assess attribution

What does attribution mean?

Attribution is an assessment of how much of the outcome was caused by others , and it leaves you with the portion of outcomes that your intervention can take credit for. It is applied to the net outcome level after you have accounted for counterfactual outcome levels.

Other contributors to outcomes could be organisations, individuals (e.g. family members) or even something about an individual's circumstances like their health or financial resources. Attribution can be easily allocated in simple linear interventions. For example, if you introduce recycling bins to an office for the first time and nobody else provided other behaviour triggers, any immediate increase in recycling rates could fairly be attributed to your intervention.

Most social change is influenced by a wider system of contributors, is non-linear and takes longer to occur. For example, youth crime rates may decrease in a shopping centre sometime after the asset manager introduces new security guard training. The reduction in crime may be influenced by the guard's work but also changes in policing actions and initiatives by schools. Attribution in these cases is much more challenging to assess, but identification of different factors is still important for improving services.

Some of these influences will be accounted for in the counterfactual (see box on page X for further guidance on how to account for both). However, to fully interrogate your role and work out how to form partnerships, an attribution lens should also be applied.

What decisions can attribution assessments inform?

Understanding attribution helps you to identify and understand the other (internal and external) stakeholders that contribute to any outcome change. This is useful for optimising the amount of value you create. There are several ways that an impact manager might respond to attribution findings:

Strategy - select the right societal aim	Tactics – select collective impact options for services, products and procedures	Operations – better collaboration on your approach
When setting goals, assess which other organisations are contributing positively to socially desirable changes. Look to fill gaps or set goals that leverage enabling contributors. Understanding which outcomes are achieved largely as a result of your activities will allow you to focus more on these outcomes. For example, an attribution study might reveal low attribution for interns' knowledge-based outcomes,	New joint initiatives can be identified when you understand who else is contributing to the change. For example, in the case of the shopping centre and youth crime, you may be choosing between hiring extra security guards or running an after-school clubs. Partnering with schools to create clubs may more Social Value.	The approach to delivering your intervention should be guided by stakeholder collaboration. Understanding who else is working on your objective will help you to join up efforts. For example, in the case of the shopping centre this may mean collaborating with the police, schools, youth centres and health services. The attribution study would show what each player is doing and

perhaps because they are studying alongside the placement. However, you measure high attribution for professional network building. You may choose to optimise value by focussing on opportunities for interns to build relationships.		how to connect up efforts.

Approaches to gathering attribution data

Assessing the level of attribution to each contributing factor is not an exact science and it will not be possible to get a completely accurate assessment. The purpose of considering attribution in Social Value studies is to help you manage change, so building a stakeholder informed assessment on attribution is sufficient.

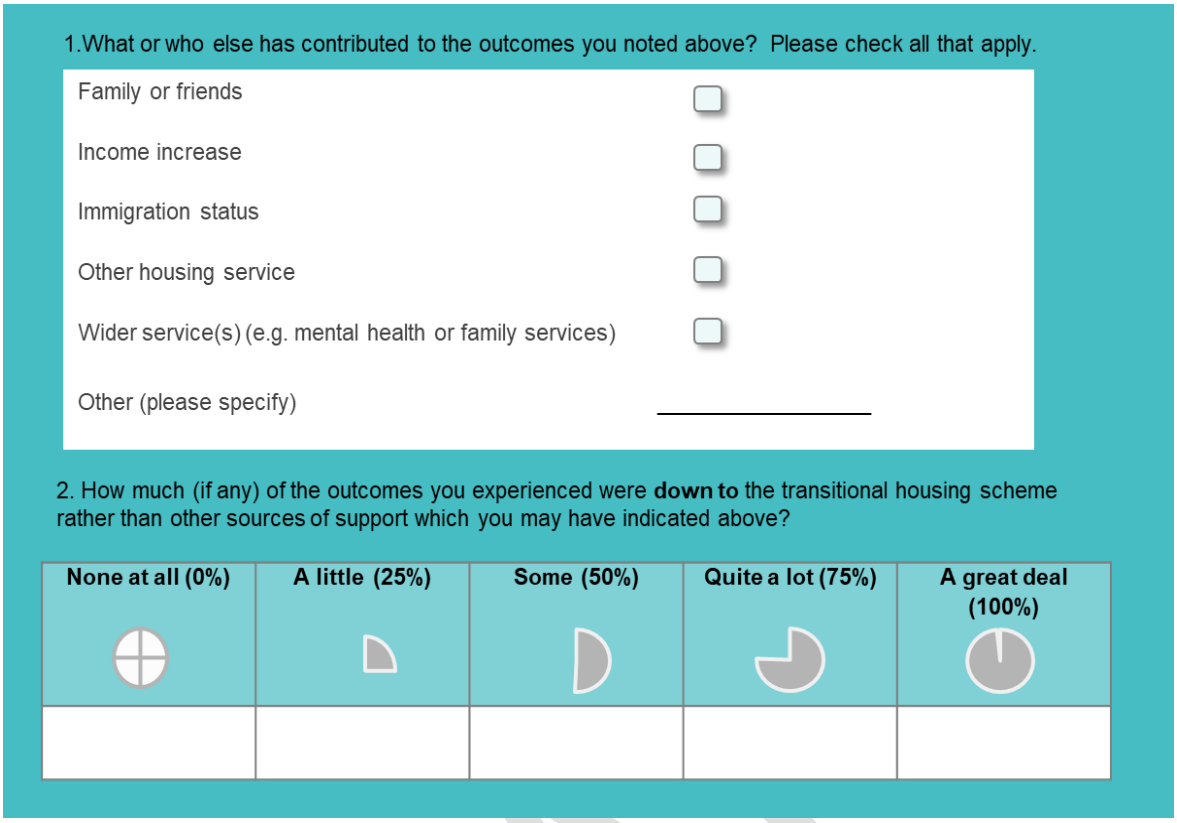
Stakeholder opinion

Start by engaging with impacted stakeholders to understand their perceptions on who or what else contributed to any outcomes. Some questions to explore during your qualitative engagement include:

Questions to ask stakeholders	- Who else contributed to the outcome? - How much of the change can be attributed to this activity? - How much of the change can be attributed to each of the other contributors? - What was the most important in driving the outcome?

Descriptive input from stakeholders on the broader contributors may be sufficient for your assessment. If you or your stakeholders require greater accuracy through quantification, then a follow up question is required to ask stakeholders to try and quantify how much of the change can be attributed to each factor. This can be done using qualitative scales and it is important not to aim for absolute precision in this - but a level of accuracy that is appropriate to the related decision making.

Some examples for collecting data on attribution are included in boxes below. A common approach is to build attribution questions into surveys. These should be based on an initial round of engagement with stakeholders to identify a short-list of other stakeholders that contribute.
Using the example of our transitional housing program, the stakeholders who experienced the outcome of moving into long-term housing might be presented with a survey question such as the following:



In the example above, the survey prompts the respondent to think of other influences on their outcomes. This is good questionnaire design because it enables the respondent to consider wider influences and reduces positive bias towards your intervention. However, if less rigour or precision is required, question two alone would be a more time efficient approach to the survey.

Consulting directly with the other contributors (if they are people or organisations) will help you to understand their inputs and how they perceive their actions to drive change. This is an opportunity to generate ideas for collaboration to optimise value.

If you are undertaking an SROI or quantitative analysis you should summarise your assessment in a percentage of attribution. Impacted stakeholders can be asked to estimate the attribution to your intervention in this case. If your impacted stakeholders are not in a position to make the judgement then you can engage with other influencing stakeholders to generate an estimate.

Technique: Attribution Venn diagrams

You can work with stakeholders to map the roles and relative influence of difference factors through Venn diagrams. Draw a circle to indicate the stakeholder group (or community) experiencing an outcome. Then add circles to represent all the influencing factors over an outcome. Size the circles by their relative influence, in other words big circles for a significant influence and small for a minor influence. Organise the circles to show the overlap between factors and the amount of community. The benefit of this exercise is that it gives a sense of relative size and interrelationships between factors.

Technique: Attribution stakeholders split 100%

Focus groups can be facilitated with representatives from all the key influencing stakeholders, such as service providers or family members. A mediator then encourages each representative to present the role that they took in contributing to the change. The group must then collectively distribute 100% between the different stakeholders. The benefit of this exercise is that it captures both qualitative attribution data and reduces systematic positive bias.

564
565

Technique: attribution scale

A detailed attribution scale with defined criteria can be a useful tool for summarising evidence or relationships mapped through your theory of change or contribution analysis diagram. An example of such a scale is provided below:

Attribution % threshold	Role	Example
100%	EXCLUSIVE	XX was the only organisation or factor involved in relising the outcome.
75%	CRITICAL	No other factor or organisation could achieve the outcome with comparable effectiveness (speed and depth of outcomes) due to the direct work of the organisation.
50%	LEADING	XXX is the lead organisation directly required for an outcome to be achieved and has a high degree of control over its achievement.
35%	PARTNERING	XXX makes a distinctive contribution as one of the few key factors directly and indirectly influencing the outcome. However XXX's success is contingent upon alignment of other factors.
20%	SUPPORTING	XXX plays an important role but is one contributor amongst several. Impacts are mainly indirect or general system support. The degree of control is low over the outcome, but pushes in the right direction.
10%	PARTICIPATING	XXX does not play a distinctive role but is one among many other factors which influence a given outcome. XXX provides systemic support to other drivers. Your contribution would be the same as many other actors.

566

Distinguishing attribution and counterfactual outcome levels

Managing value created or destroyed by an intervention normally benefits from separating out the concepts of attribution and counterfactual. Counterfactual estimates provide information to determine the net additional change that took place and attribution provides information on the influence of different factors within the factual scenario.

The Standard for Principle 5 requires a rationale for the approach to calculating the levels of each concept and that aggregation should be based on a consistent method. This box provides further information on the overlap between the two concepts to help practitioners decide on the most appropriate way of accounting for the two concepts and for providing a rationale. The cases are broken down by the potential approach taken to calculating the counterfactual along with one exception:

Stakeholder opinion

If your counterfactual is based on stakeholder opinion you will need to also estimate attribution. For

example, if you asked your stakeholders to estimate the counterfactual level of change in a survey (rather than using a control study or secondary benchmark) then it is best practice to control for bias by also applying a separate estimate for attribution.

Secondary data benchmarking and low validity control studies

If you are comparing a national benchmark to a local program to understand the counterfactual, or if you are using a control group that has significant differences to your treatment population then attribution will be poorly accounted for.

In these cases the counterfactual is too general. Influences may be specific to your context and stakeholder group (perhaps they are refugees experiencing housing crisis) and therefore are unlikely to be captured in a more general counterfactual benchmark you might use (for example the national rate of housing placements). Or perhaps you used a control group that was based in a different geography and you need to account for the local service system. Attribution should be accounted for separately to the counterfactual in these cases.

High validity control studies

It is not common practice to include attribution estimates in economic and social studies when they are based on comparator or control group studies. This is because there is overlap in estimates of the counterfactual and attribution.

The level of overlap will be large if the role of other influences is likely to be similar for both your treatment and non-treatment population. For example, if you are a car sharing company, improving people's lives by improving their mobility, you could compare a randomised sample of users to a randomised control sample of non-users to understand their improved ability to get from A to B. In both the treatment and control populations, the influences of public transport, walking, cycling and other private car ownership should be similar.

If you are using a control study that adequately estimates the contribution of your intervention in relation to other factors then an explanation of why you are not applying a further attribution estimate will suffice and you can use one number to represent both your counterfactual and attribution considerations. This will normally be for high rigour studies related to high risk decisions.

Gateway interventions – an exception to the rule

There are cases however where a control group will not adequately account for attribution. This will be applicable if there is a big difference in the causal chain of events in the counterfactual and factual scenarios. Some comparator groups will have a very different experience to their factual equivalents.

Interventions can be a gateway to a context (or influencing environment) that is very different to the starting context. This might be the case if your work provides an enabling condition such as information, referrals or transport that give access to outcomes. Suppose you run a screening programme to detect cancer. And that programme leads to many people receiving cancer treatment and ultimately recovering. Without your intervention, a large portion of patients may not have

received treatment in time and may not have recovered. So deadweight for this section of your sample may be 0%. However, the providers of the cancer treatment are going to deserve a significant share of the attribution for those who receive treatment. The multiple influences involved in the factual scenario must also be adequately accounted for in this case, and attribution should be calculated separately to counterfactual. This is an exception to the general rule that high validity control groups can use a combined attribution and counterfactual number.

Stage 4: Assess displacement

Displacement is another aspect of "do not over-claim" and, in much the same way as attribution, it forces you to start thinking about the 'system' that you operate in. It helps you to understand the bigger picture and provides insights into how you can collaborate with others.

What does displacement mean?

Displacement is where the positive effect of an outcome is offset by a reduction in outcome elsewhere. A benefit is therefore not created from nothing but instead it is moved around a system. The concept of displacement is often referred to by organisations as 'trade-offs' and managing these is key to optimising social value.

Displacement is common for outcomes in the employability, criminal justice, land use and environmental sectors. Displacement is especially likely in place-based interventions, that is, interventions that target change in one geographical area. To give an example, imagine a Local Authority had an issue with drug dealing on the streets in the evenings. They decided to increase street lighting and police patrols. After a month of the scheme, drug related crimes had dropped, and the scheme appeared to be a success. However, the scheme stopped at the Local Authority boundary. When drug related crime rates were examined on a regional basis, it became clear that a neighbouring town was now experiencing an increase in drug related incidents and crime. In this case, the positive outcome of reduced drug-related crime had not occurred at all, the drug dealing had simply been moved to another location.

A similar phenomenon exists with employability schemes. In a market where there are a limited number of jobs, one person's success in securing a job will indirectly prevent another jobseeker from experiencing the same outcome. Associated outcomes relating to taxes paid, productivity gains, reduced welfare payments and wages received need to be offset to account for these benefits being denied to other stakeholders. This is not a reason to abandon the scheme but a consideration to help you maximise value. For example, if you are assisting people who are marginalised from the workforce then other social benefits may not cause any displacement.

Carbon emissions from driving an electric car are similarly displaced from your personal exhaust pipe to the fossil fuel energy production sites if you are using grid energy. The emissions are less, but if the grid is electrified by coal and gas the emissions still exist, just elsewhere.

What decisions can displacement assessments inform?

Displacement helps you think about value beyond your target stakeholders or jurisdictions. It shifts the focus from a specific population or area to a broader system. To solve complex, system-level problems such as the ambitions set out in the Sustainable Development Goals, social value practitioners will need to ensure the net effect of their activities are positive.
An impact manager will find a displacement lens assists them with:

Strategy - select the right societal aim	Tactics – select options for services, products and procedures	Operations – better scoping and collaboration on your approach
An inquiry into the root cause of displacement will illuminate wider influences in the system or underlying causes of harm. This should guide your goal setting. For example, your original goal may be better working conditions in your supply chain. You may discover market forces will displace trade away from your suppliers to cheaper markets if measures are taken to improve working conditions. You may therefore choose a different goal, like increasing customer demand for fairly traded goods.	Identifying system dynamics will help you to innovate activities to mitigate or manage their effects. For example, you may choose to to target job creation rather than employability after realising job opportunities were a limiting factor in the market system.	A displacement analysis will give you a more complete picture of who is affected by your work. This will help to ensure you are engaging all the stakeholders who will directly and indirectly experience outcomes to fully understand your influence. Additionally, a fuller understanding of who else influences outcomes elsewhere in a system will enable smarter collaboration. A joined-up approach is normally necessary to address undesirable system dynamics.

Approaches to gathering displacement data

Stakeholder opinion

Start by establishing whether displacement may be applicable to your intervention by engaging with impacted stakeholders to understand if there are wider stakeholders who are affected by outcomes you create. Questions that will help you build out this theory could include:

Questions to ask stakeholders	- Was any value or harm moved elsewhere? - Did the intervention influence your (or others) use of similar services? - Has an (undesirable) outcome reduced for you, or do you find it takes place elsewhere?

Include any new stakeholders that are significantly affected by displacement in your value map. Consider the strength of the causal relationship between any outcomes that might offset elsewhere. Work with your stakeholders to redesign and innovate your approach to avoid displacement.

Secondary data

You can subtract a displacement estimate from your total value (to give a net effect) if you are able to identify reliable data. In the case of employment outcomes, you may be able to access local

output area databases with timely displacement rates. In our environmental example above, emission intensity factors for grid energy could be accurately factored into your calculation. For other outcomes the data available to support your displacement estimates may be less certain. You may not know exactly where crime is being displaced to, or how the wellbeing of people on a housing waiting list is affected.

You must make a judgement about the reasonable amount of time you will spend researching credible data on displacement depending on its importance to your value story. If in doubt, be conservative and over-estimate the effects so that you can claim you know that “at least” this much impact is taking place.

Appendix

Recommendations for further reading

- Additionality Guide, HCA, Fourth Edition, 2014
- Alternatives to the Conventional Counterfactual, American Evaluation Association, Orlando 2009
- Summary of Session 713 Think Tank:
- Additionality Guide: A standard approach to assessing the additional impact of interventions, English Partnerships, 2008
- Chapter 7: Retreat From Radical Skepticism: Rebalancing Theory, Observational Data and Randomization in Development Economics, Christopher B. Barrett and Michael R. Carter
- Measuring impact by design: A guide to methods for impact measurement (PDF version, 6.23 mb), Impact Canada, 2019
- Measuring Effectiveness: Roadmap to Assessing System-level and SDG Investing, TIIP & IRRC, 2018

SVI Glossary

To add

Relationship to other standards

SVI intends the principle of Do Not Over-Claim to reduce the accountability gap to those who experience material outcomes. As such the starting point should be to speak to people who have experienced outcomes (read more in the Overview of Principles Document). The 8 principles are all interconnected and need to be applied collectively.

The table below sets out some important connections between principle 5 and the other principles.

Principle	**How it relates**
Principle 1 Involve Stakeholders	SVI approach is stakeholder informed and the starting point for establishing causality is always talking to stakeholders who experience the outcomes.
Principle 2 Understand what changes Part 1 creating well defined outcomes Part 2 measuring	This standard guides you through the process of mapping the causality of your outcomes in relation to your activities. The standard for creating well defined outcomes must be adhered to otherwise there's a risk you will be assessing the wrong outcomes . The process of collecting data on the quantities of change is found in Part 3 of Standard for Principle Two. In practice this exercise is often combined with

quantities of change	collecting quantities on causality. For example, when designing a survey for stakeholders, questions on change are often combined with attribution questions.
Principle 3 Value what matters	Valuing outcomes and assessing causality can be two separate exercises.
Principle 4 Only include what is material	Causality is one of the factors in determining whether an outcome is material therefore the standard for Principle 4 should be read.
Principle 6 Be Transparent	Your data and analysis around causality should be disclosed so that anyone using the data for decision making can be aware of the reliability and risks associated
Principle 7 Verify the result	Verification of the data is important and linked to principle 1 it is important that a section of stakeholders are involved in verifying the conclusions on causality and the proposed decisions to optimise value. External verification may be preferable for high risk decisions.
Principle 8 Be Responsive	Your data from assessing these aspects of causality should lead to insights about how to optimise value creation, such as “can my resources be more effectively allocated to achieving other outcomes?” Or “who else should I be collaborating with?”

665