

SOCIAL VALUE MANAGEMENT CERTIFICATE CASE STUDY: AYALA FOUNDATION

As the social development arm of the Ayala group of companies, Ayala Foundation envisions communities where people are creative, productive, self-reliant, and proud to be Filipino.

Ayala Foundation implements programs in Education, Community Leadership, Suitable and Sustainable Livelihood, and Arts and Culture. Its initiatives are present in virtually all regions in the Philippines



WHY HAVE YOU DECIDED TO UNDERTAKE THE SOCIAL VALUE CERTIFICATE ORGANISATIONAL PATHWAY?

Ayala Foundation, the social development arm of the Ayala group of companies, creates social value in communities and basic sectors while also implementing corporate social responsibility initiatives. The Ayala group, as one of the biggest conglomerates in the Philippines, is committed to making wider and more sustainable impact in crucial fronts for progress.

Ayala Foundation nurtures partnerships to create social impact in communities and basic sectors and links them with the shared value creation process of the Ayala group. The foundation aims to serve as catalyst in improving the quality of life among underserved sectors, in an effort to build communities where citizens are productive, productive, self-reliant, and proud to be Filipino. The foundation recognizes that its impact needs to be measured using an internationally recognized standard, which makes Social Return of Investment (SROI) the appropriate framework.

Being recognized as an SROI trailblazer, both in the Ayala group and in the non profit sector in the Philippines, is one of Ayala Foundation's goals. To achieve this, the foundation needs to align its impact measurement systems and processes with international standards, thus giving it greater credibility. This is also the reason why the foundation took the organizational path.

The Social Value Certificate gives Ayala Foundation the credibility to claim its adherence to expertise in social value measurement

HOW HAVE YOU FORMALISED YOUR COMMITMENT FOR LEVEL ONE OF THE SOCIAL VALUE CERTIFICATE? WHAT PRACTICES OR PROCESSES ARE YOU PUTTING IN PLACE?

In 2016, Ayala Foundation sent two of its staff to undergo SROI training in Singapore. That signalled the organization's commitment to measuring its programs' impact.

In 2017, the foundation established a program governance unit, which is dedicated to documenting and measuring the social values it creates.

In 2018, Ayala Foundation's executive committee and board of trustees recognized the relevance of social value measurement and SROI. Both the executive committee and the board approved a motion to build Ayala Foundation's capacity for social value measurement. Applying the rigours of an internationally recognized framework would allow the foundation to take the lead in championing SROI not only within the Ayala group but in the Philippine non-profit sector as well.

As a result, Ayala Foundation's Social Development Division, particularly its program governance unit, prepared a work plan to operationalize the capacity-building efforts for SROI. Among the components of the plan were:

- **January 2019:** A three-day SROI training for 20 staff members, in partnership with Social Value International
- **January 2019:** SROI briefing for Ayala group of companies' key officials, conducted in partnership with Social Value International
- **January 2019:** Executive session on SROI for Ayala Foundation's executive committee, in partnership with Social Value International
- **Ongoing this 2019:** Ten handholding sessions on SROI measurement for the program governance team, conducted online by the UK-based Just Economics
- **2019-2020:** SROI report assurance of five candidates for SROI practitioners (ongoing SROI measurement of selected projects)
- **2019-2020:** Five accredited SROI practitioners (currently measuring their selected projects, in preparation for the application for report assurance and practitioner accreditation later this year)
- **2019-2021:** Levels 1-3 Social Value Certification for Ayala Foundation

ARE THERE ANY OTHER SPECIFIC PROJECTS YOU ARE DOING AT THE MOMENT THAT ARE RELATED TO SROI/SOCIAL VALUE?

Aside from the implementation of the capacity building plan for SROI, Ayala Foundation continues to measure the SROI of its programs and projects. Recently measured was the SROI of the El Nido Community Development Program involving farmers, informal sectors, women, indigenous people, and teachers, and students. The results are being used to guide the expansion of the ongoing initiatives, as well as for replication in other areas.

An SROI roadshow within the Ayala group is scheduled this year.

WHAT HAVE YOU LEARNT SO FAR IN YOUR COMMITMENT FOR LEVEL ONE OF THE SOCIAL VALUE CERTIFICATE? IS THERE ANYTHING THAT YOU BELIEVE YOU WILL GAIN OR FIND USEFUL IN THE NEXT STEPS YOU WILL TAKE FOR LEVEL 2 OF THE SOCIAL VALUE CERTIFICATE?

Ayala Foundation sees the need to align its program management system with the principles of SROI. This requires the review of existing processes, practices, and templates, into which SROI principles may be introduced and integrated

Ruel Maranan, President of the Ayala Foundation stated:

“Achieving level one of the Social Value Certificate with Social Value International is a milestone for us at Ayala Foundation. This affirms our commitment to measuring the social value of our programs, while also giving us the credibility to serve as an advocate for the importance of measuring social impact and value within our conglomerate, in our various communities, and in the rest of the country.”

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