



Giving Thoughts



THE CONFERENCE BOARD INITIATIVE ON CORPORATE PHILANTHROPY

Defining Impact

by Cecily Wallman-Stokes, Katherine Hovde, Carol McLaughlin, and Katherina Rosqueta

The word “impact” is everywhere these days, but not everyone uses or understands it in the same way. Why does this matter? A clear definition of impact is necessary to develop an effective and rewarding philanthropic strategy, since impact definitions drive decisions and ultimately move dollars. Differing—but unvoiced—assumptions about the definition of impact can also create communication difficulties between donors, grantees, and beneficiaries. This report explores current definitions of impact in philanthropy and international development, with a particular focus on the ways impact definition can affect work serving women and girls. It aims to help donors develop their own definitions of impact and to clarify the many (sometimes conflicting) uses of the term “impact.” In places, it uses real-world examples from the perspective of those working in the women and girls space to illustrate the repercussions of those uses.

Donors have a particular obligation to seek clarity and consensus with regard to definitions of impact, as their definitions often carry disproportionate weight: programs can have more of an incentive to satisfy funders than beneficiaries. In particular, for donors focused on historically

disempowered groups, such as women and girls, it is critical to include those beneficiary voices in the impact definition process; otherwise, philanthropic efforts run the risk of recreating the same imbalanced power dynamics they are trying to counteract.

* This *Giving Thoughts* is based on Cecily Wallman-Stokes, Katherine Hovde, Carol McLaughlin, and Katherina Rosqueta, *What Are We Talking about When We Talk about Impact?* Center for High Impact Philanthropy; Women Moving Millions, September 2013.



Approach and methodology

In the development of this paper, the Center for High Impact Philanthropy's multidisciplinary team examined over 50 sources of information, including available academic research, policy briefs, and foundation materials. We drew from recognized experts in program evaluation, nonprofit leaders, and websites and publications of the 10 largest US foundations. We also reviewed literature on giving by individual donors and the literature on beneficiary voice in program development and evaluation. The goal was not to conduct an exhaustive review at this stage, but to provide an overview of the landscape of impact definition. While we touch on issues of impact measurement, a full discussion of measurement approaches is beyond the scope of this paper. This document will anchor the center's additional guidance on impact definition and its implications, both for donors and for the populations they aim to serve.

Clarifying Assumptions in Defining Impact

For most people and organizations, impact implies a change brought about by some sort of action. Moreover, with some exceptions, the effect or change is generally presumed to be positive.

From the analysis informing this report, five key points have emerged as areas where misunderstandings are common:

- 1 **Actions can fail to produce change due to a host of factors.** The absence of observed change does not necessarily indicate an ineffective action (see third observation below).
- 2 **Actions can produce unanticipated changes, including negative ones.** Impact is not always positive, and negative impact is not always evidence of an ineffective intervention.
- 3 **Actions that prevent a particular change, even if they do not change the overall status quo, can still have an impact.** Maintaining the status quo is an impact if the alternate scenario is a worsening situation—for instance, blowing up a meteor that otherwise would destroy a city.

- 4 **Change can occur and be observed independent of a particular action.** Measuring outcomes and impacts can happen even without measuring a particular intervention's contribution or lack thereof. The moon can be observed rising, whether or not a pack of wolves howls at it.
- 5 **Impact sought is subjective; it is defined by a person or group and for a person or group.** Impact definitions are not abstract, objective truths. They are the product of decisions made by people and organizations, and they often aim to change behaviors or situations for those on the receiving end of an intervention. This is not always problematic, but it must be recognized in order to account for potential bias or disempowerment.

Impact vocabulary

It is also important to clarify some of the vocabulary around impact. Many discussions of impact explicitly or implicitly refer to what evaluation professionals call the impact, value, or results chain, representing actions and resources along with their expected effects. Those effects are described as outcomes, which lead to impacts. An example of a results chain for lowering malaria prevalence is presented in Chart 1 on page 3.

While the example may appear straightforward, achieving clarity about what is impact versus outcome can become very difficult—for instance, if you raise the average income of women within the community, is that impact? Or is it an intermediate outcome, contributing to the larger impact of raising women's status within that community? There is no single right answer; it is simply necessary to define “impact” clearly at the start.

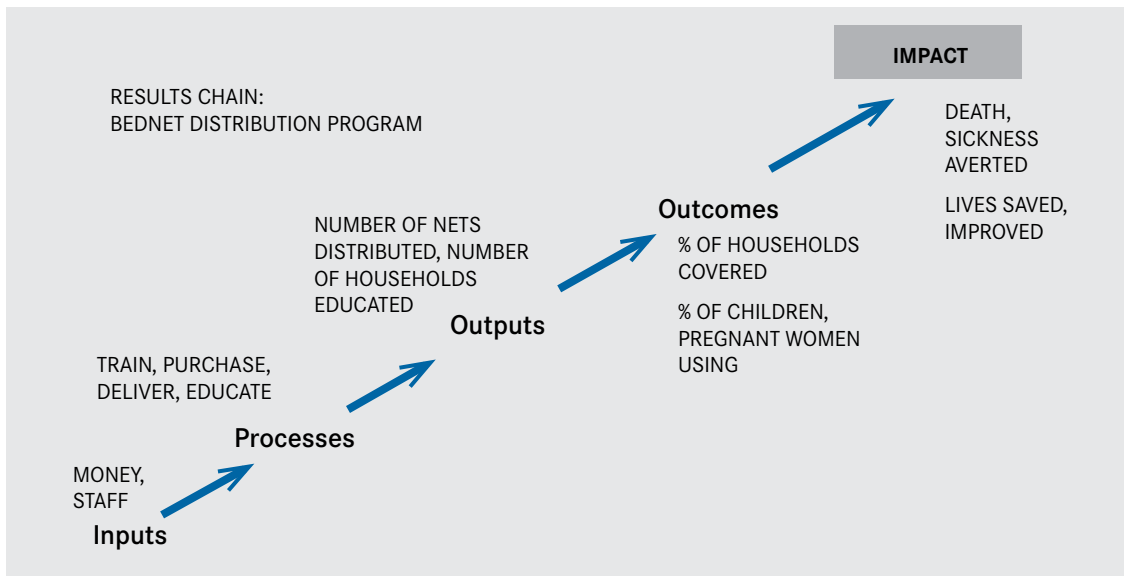
Relatedly, definitions can also shift depending on where an organization or actor is located within a particular chain. Many groups and interventions work toward the same goals, and each group may define its outcomes and impact within a single smaller portion of the broader impact chain. Finally, to add to the general confusion, the two terms are often confounded or used interchangeably in practice.

Technical Definitions: The Program Evaluation Perspective

Program evaluation experts do not agree on how best to measure impact, but they do in general agree on how to define it. For most program evaluation experts, the definition of impact is quite specific and differs in important ways from colloquial uses common outside of the evaluation world.

Chart 1

Measuring and managing to impact



Source: Adapted from Cecily Wallman-Stokes, Katherine Hovde, Carol McLaughlin, and Katherina Rosqueta, *What Are We Talking about When We Talk about Impact?* Center for High Impact Philanthropy; Women Moving Millions, September 2013.

In particular, technical definitions address the issue of causality, or attribution of results to a specific intervention. For this group, the causal link between action and change must be tight, ideally measurable, and generally must include consideration of what might have happened in the absence of the action.

The more definitively causality can be established, the more rigorous the evaluation of impact. Impact for this group is also differentiated from outcomes: it is an overall assessment of change attributable to an intervention. Sometimes there is also a temporal distinction made, with “impact” being defined as longer-term, sustainable change, as opposed to shorter-term outcomes.

Colloquial Definitions: Donor and Nonprofit Perspectives

In reviewing “colloquial” definitions and uses of impact, consider stakeholders commonly involved in philanthropic donations or investments, such as foundations, individual donors, nonprofits, and social impact investors (beneficiary perspectives are discussed in the following section). In contrast to the relative consensus found among program evaluation experts, these groups demonstrated considerable diversity regarding the use and implied definitions of the word “impact.”

Foundations

In the publicly available materials for the 10 largest foundations in the United States, language around impact is common, though not universal, and there is variation in the ways that foundations apply the term to their work.

When they exist, publicly available impact definitions are most often foundation specific and related to particular areas, indicators, or outcomes that the foundation presumes to directly affect. Technical, conceptual definitions of impact (like those used by evaluation professionals) are less common, though some impact-focused foundations are exceptions.

There is a strong assumption that what the foundation is trying to achieve is a public good, and outcomes related to that good are evidence of the foundation’s impact. While in-depth discussions around mission definition, impact measurement, and related concepts may happen behind the scenes, public materials tend more toward the colloquial: “something good,” not necessarily “a measurable, attributable change.”

Using outcomes to indicate impact When they do discuss their own impact, foundations often explicitly reference outcomes of grantees. Focusing at the outcome level allows foundations to draw clear causal links—they provide dollar

inputs, and their grantees return these outcomes. In some ways, this approach is also attribution focused, but the limits of measuring attribution set the boundary of impact definition, rather than the definition driving the limits of measurement. This approach is not always entirely satisfying, as this quote from the Ford Foundation suggests:

“No single grant or grantee can, on its own, bring about the kinds of broad social change we seek, such as improving the transparency and effectiveness of government, preventing gender discrimination, or enabling families to move out of poverty. For this reason, we assess the effectiveness of our work at multiple levels: strategic initiative, general approach, and individual grant.”

In this case, the foundation distinguishes between the impact it seeks and the set of outcomes any individual organization is poised to deliver.

Individual donors

Individual donors are a mixed group, but a number of studies over the past few years have attempted to draw broad conclusions regarding high-net-worth donor characteristics and trends.¹ Although donors may not use the word “impact,” they are clearly concerned with results. As Linda Raftree, special advisor to the Rockefeller Foundation’s Evaluation Office, says:

“Most donors, regardless of the vocabulary they use, want their donations to produce results. What characterizes ‘results’ may be very different to various donors. Sometimes the desire to see results can lead donors to seek indicators, like low overhead expense ratios, that are actually bad proxies for results. Sometimes the ‘result’ a donor seeks might simply be public recognition. But believing that donors do not seek results is akin to believing that they would be just as happy throwing their money in the trash.”²

A 2012 study found that high-net-worth individuals gave more to those nonprofits that they felt to be “high impact” (however they defined the term)³, and there are also indications that concerns about how to best identify those organizations and evaluate their worthiness are holding back investment.⁴

An important factor that differentiates individual from institutional donors is the potential for personal impact. Results or impact for an individual donor may be tied not just to what a grantee accomplishes in terms of outcomes, but also how the donor’s involvement in that organization changes them or makes them feel. “Impact,” therefore, can be a two-way street.

Impact investors

Impact investors can be foundations, individual donors, or, depending on one’s definition of impact, any organization that makes investments. There is a subset of thinkers for whom the term “impact investing” is an example of all that is wrong in the definition debates. For example, Jeremy Nicholls, chief executive of the SROI Network, says: “All organizations regardless of their aims and objectives have an impact, and so, for the non-initiated, impact isn’t and cannot be something unique to social purpose organizations or their investors.”

His point is supported by Sean Stannard-Stockton, a wealth adviser with Ensemble Capital Management, who says: “Clearly, the latest buzz is about impact, and who wouldn’t like that? I mean, after all, who would launch a strategy with a focus on being ineffectual? Incompetent investing just doesn’t have the same ring to it as impact investing. We want to do more than simply earn a financial return—we want to actually change the world, and so for better and in some ways worse, the word of the day is: impact!”

Assuming impact is a social benefit Leaving aside the frustration, there are in fact lots of open questions regarding the definition of “impact” that “impact investors” are seeking. There is a prevailing assumption that it must be some kind of social good. In some cases, this impact is seen as a bonus, with a distinction made from a traditional investment (which nonetheless may include social goods such as employment and income-earning potential for certain groups).

1 Katherina M. Rosqueta, Kathleen Noonan, and Miriam Shark. “I’m Not Rockefeller: Implications for Major Foundations Seeking to Engage Ultra-High-Net-Worth Donors,” *The Foundation Review* 3, no. 4, article 9, 2011; *Money for Good II: Driving Dollars to the Highest-Performing Nonprofits*, Hope Consulting, 2011 (<http://www.guidestar.org/ViewCmsFile.aspx?ContentID=4038>); *The 2012 Bank of America Study of High Net Worth Philanthropy: Issues Driving Charitable Activities among Wealthy Households*, Bank of America and The Center on Philanthropy at Indiana University, November 2012 (http://newsroom.bankofamerica.com/files/press_kit/additional/2012_BAC_Study_of_High_Net_Worth_Philanthropy_0.pdf).

2 Sean Stannard-Stockton, *Getting Results: Outputs, Outcomes & Impact*, Tactical Philanthropy, June 29, 2010 (<http://www.tacticalphilanthropy.com/2010/06/outputs-outcomes-impact-oh-my/>). Note also findings of *The Cygnus Donor Survey: Where Philanthropy Is Headed in 2012*, June 2012 (http://www.cygresearch.com/files/free/Exec_Summary-The_Cygnus_Donor_Survey_2012-US.pdf).

3 *The 2012 Bank of America Study of High Net Worth Philanthropy*.

4 *Money for Good II* found that better communication around results could lead to significant additional capital moving toward highly effective nonprofits.

In others, a comparison is drawn to a traditional charitable donation, which raises the standards for anticipated impact.⁵ There is also currently no consensus as to what kind of financial return an “impact investment” must yield to be considered as such.

Nonprofits

Nonprofits generally depend at least partially on foundations and individual donors for support, so it should not be surprising that they are attentive to donor definitions of impact. Donor definitions and nonprofit definitions are intimately related; the way that grantees define their own impact informs how funders can define theirs, and the way that funders want to define their impact can inform a nonprofit’s impact definition and assessment approach. Things get sticky, however, when different donors push different definitions, or when the definitions most useful to the nonprofit are different from those of a key donor.

The Center for High Impact Philanthropy and the Wharton Social Impact Initiative recently interviewed four high-performing, well-resourced nonprofits on the subject of impact assessment, performance management, and communication with funders around the distinctions, definitions, and best uses of each.

Within this high-performing group, there is an understanding that their work supports big-picture, long-term impacts, but they felt that shorter-term, specific outcomes were more

relevant to their needs, as they were immediately related and attributable to their work. The leaders of these nonprofits felt that measuring outcomes provided the kind of feedback that they needed to manage their organization’s performance, while measuring impact delivered results that were (a) less reliable due to the methodological issues inherent in measuring further along the value chain; and (b) less useful in terms of immediate relevancy to the organization’s decision making and activities.⁶

Pressure to measure through the impact value chain The same nonprofits, however, described pressure from funders to measure and report all the way out to impact. While this tension is not solely a definitional issue, definitions are an underlying component; when funders and grantees are not aligned on exactly what they are trying to achieve and how they will monitor progress toward those achievements, it is difficult to align at other decision points throughout the engagement.

As it is those who use a technical definition of impact, attribution is central to the way these nonprofits think about impact, but the reasoning leads them to a different place. Rather than trying to extend the attribution chain all the way out to impact, the impact focus shifts to where the chain of attribution ends. Outputs and outcomes are directly affected by the organization’s activities, and focusing measurement efforts on those components therefore returns data that can directly inform their organizational decisions.

The Importance of Establishing Causality: Push the Measurement or Pull Back the Impact Definition?^a

For stakeholders who believe that understanding causal linkages is central to understanding impact, there are at least two directions to go. One is to attempt to extend the chain of attribution—often at high cost, with imprecise or unreliable results. The other is to say that because attribution is so central to impact and because it is difficult to measure, impact definition and/or assessment should be focused closer to what can actually be attributed.

The first approach carries the risk of inefficient resource allocation, high opportunity costs, and unreliable results; the second carries the risk of missing big-picture effects

(positive or negative) and does not contribute to the evidence base around impact of a particular intervention. These downsides can be especially relevant for women and girls, as interventions that are not considered part of the women and girls space can nevertheless have important impacts on women and girls as a group; these impacts (positive or negative) will not be captured without deliberate efforts to measure impact for women and girls specifically.

^a See also Jason Saul, “The Dirty Little Secret about Measurement,” Mission Measurement Blog, 2010 (http://missionmeasurement.com/ideas/blog_entry/the-dirty-little-secret-about-measurement1).

5 *Acumen Fund Concept Paper: The Best Available Charitable Option (BACO)*, Acumen Fund, 2102 (http://acumen.org/wp-content/uploads/2007/01/BACO%20Concept%20Paper_01.24.071.pdf).

6 *A Donor’s Guide: Working with Nonprofits to Measure Performance and Manage to Impact*, The Center for High Impact Philanthropy and Wharton Social Impact Initiative, forthcoming.

Missing Definitions: The Beneficiary Perspective

Many social programs operate with a top-down approach; socioeconomic data indicate a need in a certain population, or a donor has a particular connection to a topic. Funders provide resources to nonprofits, which implement a program designed to address the original need. They may also collect data to demonstrate how well their program is alleviating that need—and that may lead to an understanding of the program's impact. But what if the target population would actually identify their need differently? Is it still impact, in any sense beyond the technical definition?

The market dynamics of philanthropy encourage this top-down approach. Funders—whether individual or institutional—are in some sense the “customers” for the services of nonprofits, even though they are not the ultimate consumers.

It has been noted that beneficiaries are often left out of the impact measurement process. This may be due in part to a growing focus on externally verifiable metrics, such as income, that can be more easily captured and assessed for statistical significance.⁷

While this is an important issue, the question of impact definition in some ways precedes it. Inclusion of beneficiaries in the definition of impact will naturally lead to an inclusion in the measurement approach. Conversely, leaving beneficiaries out of the definition process makes exclusion from measurement logical—once your desired impact is defined, there is usually little benefit to measuring indicators that are not directly related.

Power imbalance of impact Some suggest that even the idea of “impact” inherently infers a power imbalance. Impact is active, implying a passive counterpart—the donor or organization is acting, while the beneficiary is being acted upon. It is important to note that even in this discussion, we are still relying on “experts” discussing beneficiaries, rather than direct reports from beneficiaries themselves.⁸ The scarcity of resources reporting directly from

beneficiaries demonstrates the gap in opportunities for direct communication. These absences of voice, and the accompanying issues of power dynamics, are central to the gender lens discussion in the following section.

Bringing a Gender Lens to Impact Definitions

The liveliness of the impact discussion is partly a function of increasing pressure for interventions to demonstrate value, often quantitatively—getting impact definitions right, in many cases, corresponds to getting dollars. Assumptions about impact therefore have direct implications for the women and girls space.

The feminist evaluation literature suggests that traditional approaches to impact fall short in several key areas.⁹ This section examines five themes coursing through the previous discussion of impact definitions and examines them more closely through a gender lens. They are:

- Attribution, or causality
- Measurability
- The tendency to define impact positively
- How time plays into impact definition
- The question of who defines impact

From attribution to contribution As noted in earlier sections, attribution and causality are central to definitions of impact for many in the field of impact research. Much of the work in the women and girls space is about building collective impact to reach a critical mass. The end goal may in fact be measurable and quantifiable in some respect (for instance, the passage of a land rights bill), but the extent to which any one organization or program contributed to that outcome may be unknowable or at least difficult to measure quantitatively.

Illustrating this principle as it relates to political advocacy, Paul Brest gives the example of a group of people pushing a boulder up a hill. It's easy to see when the group has succeeded in reaching the top of the hill, but no one person can know how much they contributed—or even whether they were necessary to achieve the outcome.¹⁰

7 Fay Twersky, Phil Buchanan, and Valerie Threlfall. “Listening to Those Who Matter Most, the Beneficiaries,” *Stanford Social Innovation Review*, Spring 2013 (http://www.ssireview.org/articles/entry/listening_to_those_who_matter_most_the_beneficiaries); Mario Morino, *Leap of Reason: Managing to Outcomes in an Era of Scarcity*, 1st ed. (Venture Philanthropy Partners, 2011); Liz Allen, “Opinion: Measure for Measuring’s Sake?” Wellcome Trust Blog, January 31, 2013 (blog.wellcome.ac.uk/2013/01/31/opinion-measure-for-measuring-sake/).

8 Drawn from Fay Twersky, Phil Buchanan, Valerie Threlfall, Jeremy Nicholls, Daniel Stid, Rosalind Eyban, and others.

9 This section draws from the literature on gender in development (Srilatha Batliwala, Alexandra Pittman, Aruna Rao, David Kellaher, and others) as well as materials from foundations and groups serving women and girls specifically (Global Fund for Women, International Network of Women's Funds, Women's Funding Network, etc.).

10 Paul Brest, “Risky Business,” *Stanford Social Innovation Review*, Summer 2012 (http://www.ssireview.org/articles/entry/risky_business_2).

Organizations involved in this kind of effort may have difficulty communicating the value of their work to audiences more focused on identifying directly attributable outcomes. On the other hand, the notion of collective impact, and the idea of many parts contributing to something larger than the sum, may appeal to others.¹¹

Measurability While much of the current debate around impact and measurement is beyond the scope of this report, there are important ways in which measurement can inform impact definition, rather than an impact definition driving measurement choices. A bias toward quantification may bias definitions of impact toward more easily quantifiable goals: for instance, increasing income among female earners rather than increasing the status of women in society.¹²

Beyond the issues around measuring shared contribution and bias toward more easily quantifiable goals, there is mistrust around measurement in the gender in development literature because the impact of a variety of programs on women and girls has so frequently been overlooked. If beneficiary voices are almost never present in impact definitions, women and girls' experiences often never even make it into impact assessment. All results for beneficiaries are assumed to be the same, and women and girls are effectively invisible.

There is in fact ample evidence that program effects for women and girls are not the same as they are for men and boys. For example, in many countries, girls and women bear primary responsibility for obtaining water. Installing an improved water and sanitation system may improve primary health indicators for all, but it also affects women and girls' time (usually positively) and freedom (sometimes negatively, as the time spent traveling to the water source is often spent with friends and peers, away from the directives of other members of the family). The positive might outweigh the negative, but you don't know—and can't react accordingly—if you don't measure.

While one response to these past omissions is to be wary of measurement and quantification, the other is to embrace it, insisting that any effort to define and assess impact across

all sectors must include a gender lens. For advocates of the latter approach, this is not just a “women and girls” issue, but is rather the way that development needs to think about interventions in order to do more good than harm.

Time horizon bias Impact definition and assessment in the women and girls space is frequently subject to a temporal bias. Evaluations are most often grant funded—whether as part of a program budget or as a distinct initiative—and as such are subject to the same limitations of many other grants. In particular, the vast majority of grants are time limited; for evaluation, this means that investigators have a certain number of years to collect data, and that data will ideally demonstrate the extent to which a given program has achieved impact.

However, important initiatives for women and girls often work toward structural shifts in society. These are big, amorphous goals that are difficult to capture in a typical two-, three-, or five-year evaluation cycle. To take the example of the suffragettes, gaining the vote was a decades-long process. If a typical five- or even 10-year impact evaluation was conducted in the midst of that movement, it likely would not have captured a great deal of progress. Again, setting interim outcome goals without losing track of one's ultimate objective (impact sought) may be one way of compensating for temporal bias.

Tendency to define impact as positive As seen in the previous discussion, in many if not most definitions of impact, positive change is assumed as the ultimate goal. An observed change is the foundation of attribution and the status quo (lack of change) is the default. Advocates for gender-lensed evaluation point out that this assumption can be problematic for the women and girls sector, where positive impact may simply be holding the line.¹³ For instance, keeping a women's health clinic open despite organized opposition may be evidence of effective work, but a positive change-focused approach would not capture that benefit.

Impact can even be negative: when work is challenging power structures, there may be a backlash in the face of progress. This would traditionally be taken as evidence that an intervention isn't working, but it may in fact be the opposite.

This problem can be addressed in part by choosing an appropriate counterfactual, taking the overall landscape into account. If the counterfactual is a movement away

11 For examples of current work around collective impact measurement, see Fay Hanleybrown, “Shared Measurement for Collective Impact,” FSG Social Impact Blog, September 14, 2011 (<http://www.fsg.org/KnowledgeExchange/Blogs/SocialImpact/PostID/166.aspx>), and resources collected in this piece from John Kania and Mark Kramer, “Collective Impact,” *Stanford Social Innovation Review*, Winter 2011 (http://www.ssireview.org/articles/entry/collective_impact).

12 The Robin Hood Foundation approach to grant making, for example, equates impact across different kinds of programs to the expected income and earnings gains of program beneficiaries.

13 Srilatha Batliwala and Alexandra Pittman, *Capturing Change in Women's Realities: A Critical Overview of Current Monitoring & Evaluation Frameworks*, AWID Women's Rights, June 2010.

from the desired outcome, an intervention that holds the line will demonstrate value. A gender-lensed approach to evaluation will assess the context around an intervention before assuming that impact will be an observable change and assigning a counterfactual accordingly.

Who defines impact? As noted earlier, beneficiaries are often left out of the impact conversation. This omission is particularly problematic for populations of women and girls who have historically had little opportunity to voice their needs. Perpetuating that dynamic may have negative effects apart from or alongside other, positive impact.

Additionally, even “positive” impact may miss the mark if it is not defined with input from the target population. For example, Helen Gichohi, speaking about an intervention to support women entrepreneurs in Kenya, noted that the conversations during the planning process were all about supporting collectives of female entrepreneurs; nobody thought to consider whether women might want to go into business on their own as single business owners.¹⁴ Ultimately, getting impact definitions “right” includes representing the voices of a group that has historically been voiceless: actively seeking out those voices will lead to more responsible and respectful work overall.

Conclusion and Recommendations

As illustrated in the preceding pages, impact does not mean the same thing for every person or organization in philanthropy and international development. The definition of impact depends on who is talking and who is listening.

This confusion can be problematic: for example, in impact investing, uniform guidelines might release more capital, but the noise around impact definition makes it difficult to arrive at a consensus; for nonprofits, juggling conflicting donor definitions requires time and resources when both may be limited. In particular, the confusion around impact has given rise to additional common misconceptions, and these misconceptions contribute to much of the gender bias in impact thinking:

- **Impact is always change—and the change is always positive.** Neither of these ideas holds true in every circumstance, particularly for interventions relating to women and girls. For example, “holding the line” (perhaps preventing the passage of a restrictive law) may represent an enormous accomplishment. Defining impact as positive change will undervalue

the contributions of many effective organizations working on hard problems or under difficult conditions.

- **Some impacts simply can't be measured.** This stems in part from another misconception that impact must be attributed to a particular actor or action. In reality, some impacts—such as a change in attitudes toward women—are very difficult or perhaps impossible to attribute to specific causes, but the impact itself can still be measured, even without a clear causal attribution. This is especially relevant for the transformative social change that can be witnessed in women's empowerment; large-scale, systemic shifts can rarely be attributed to a single group or intervention, but they are visible and measurable nonetheless. Defining impact as attributable change can exclude work done as a component of collective efforts, perpetuating the idea that those efforts are outside the realm of the impact-focused donor.

With these considerations in mind, it is clear that there is no one “right” or common definition of impact for every person in every situation. Good definitions are inclusive, but above all they are useful in clarifying a path to action. In that spirit, there are three questions that the impact-focused donor should ask throughout their philanthropic engagement:

- 1 **What difference do I want to make?** By asking this question, a donor can take the first step toward defining their own desired impact clearly, openly, and deliberately.
 - 2 **Is that difference meaningful to the population I hope to serve?** In other words, does my definition of impact align with others', particularly those I hope to help? This can be a difficult question to answer, and a full discussion of possible methods is beyond the scope of this paper. Personal engagement with beneficiaries is valuable for many reasons, including the opportunity to hear on-the-ground perspectives on impact.
- The bulk of many donors' philanthropic dollars flows through intermediary organizations. Broadly speaking, these organizations can incorporate beneficiary perspectives via: (1) a specific focus on women and girls, (2) representation from beneficiary groups in their leadership structures, and (3) impact assessments that evaluate impact on women and girls specifically, ideally using an approach that allows for participation from the populations served. This list is by no means exhaustive, but it may provide a starting point for donors looking to bring a bottom-up approach to their impact definitions.

14 “Gazing through the Gender Lens with Helen Gichohi,” Pioneers Post TV, 2013 (<http://www.pioneerspost.com/pp-tv/20130809/gazing-through-the-gender-lens-helen-gichohi>).

3 How will I know if I—or we—are moving closer to making that difference? With this question, donors can make deliberate decisions to guide their measurement approach in a way that reflects their desired impact. Is attribution important? Are effects on women and girls addressed specifically, with enough flexibility to capture positive, negative, or neutral impacts? What is the expected time frame? These three questions offer concrete ways to incorporate impact thinking into philanthropic decision making, giving donors more confidence to invest in interventions that benefit women and girls in a range of ways. It is our hope that by outlining different ways of thinking about impact, all actors in the space—researchers, donors, nonprofits, and beneficiaries—may have clearer and more rewarding conversations that, in turn, may lead to more money doing more good.

About the Authors

Cecily W. Wallman-Stokes is a social impact fellow at the Center for High Impact Philanthropy. She currently leads much of the center's work on global health, international development, and cross-cutting issues of social impact measurement. Her interdisciplinary background includes work in vaccine policy, agricultural economics, and reproductive health for organizations such as the Johns Hopkins University School of Public Health, the Guttmacher Institute, and the Bill & Melinda Gates Foundation.

Katherine H. Hovde is a senior analyst at the Center for High Impact Philanthropy, with expertise in education policy, program design, and evaluation. Since 1990, she has worked for the World Bank on a variety of education projects in Latin America, South Asia, and Eastern Europe. In the United States, she has worked with the Consortium for Policy Research on Education at the University of Pennsylvania and other nonprofit organizations focused on education and social issues.

Carol A. McLaughlin is the research director at the Center for High Impact Philanthropy and a faculty at the Perelman School of Medicine at the University of Pennsylvania. She is a primary care physician and public health specialist with experience in research, community engagement, and program implementation in the United States and the developing world.

Katherina M. Rosqueta is the founding executive director of the Center for High Impact Philanthropy and adjunct faculty at the University of Pennsylvania School of Social Policy & Practice. Previously, she was a consultant at McKinsey & Company. Prior to joining McKinsey, she worked in community development, nonprofit management, and corporate and venture philanthropy.



About Giving Thoughts

Giving Thoughts is a public forum in which The Conference Board engages experts from the disciplines of corporate philanthropy, impact investment, and social innovation in an open dialogue about issues of concern to member companies. Subscribe for free to the *Giving Thoughts* report and blog at www.conference-board.org/givingthoughts.

The opinions expressed in this report are those of the author(s) only and do not necessarily reflect the views of The Conference Board. The Conference Board makes no representation as to the accuracy and completeness of the content. This report is not intended to provide legal advice, and no legal or business decision should be based solely on its content.

About the Series Director

Matteo Tonello is managing director of corporate leadership at The Conference Board in New York. In his role, Tonello advises members of The Conference Board on issues of corporate governance, shareholder activism, corporate sustainability and philanthropy. He regularly participates as a speaker and moderator in educational programs on governance best practices and conducts analyses and research in collaboration with leading corporations, institutional investors, and professional firms. He is the author of several publications, including *Corporate Governance Handbook: Legal Standards and Board Practices*, *Sustainability in the Boardroom*, and the annual *U.S. Directors' Compensation and Board Practices* and *Institutional Investment reports*. Recently, he served as the co-chair of The Conference Board Expert Committee on Shareholder Activism and of the Technical Advisory Board to The Conference Board Task Force on Executive Compensation. He is a member of the Network for Sustainable Financial Markets and the Advisory Council to the Sustainability Accounting Standards Board (SASB). Prior to joining The Conference Board, he practiced corporate law at Davis Polk & Wardwell. Tonello is a graduate of Harvard Law School and the University of Bologna.

About the Executive Editor

Alex Parkinson is a Research Associate in the Corporate Leadership division of The Conference Board. He specializes in corporate philanthropy and sustainability. Before joining The Conference Board in September 2013, Parkinson worked as a Senior Consultant in London and New York for corporate social responsibility (CSR) consultancy Context. He has advised some of the world's leading multinationals on CSR communications and strategy development. His clients included Bloomberg, Brown-Forman, BSKyB, Burt's Bees, Cisco, HP, International Paper, PepsiCo, Roche, Standard Chartered, Syngenta, Teva Pharmaceuticals, and Vodafone. Parkinson spent two years as a reporter and sub-editor for UK-based financial media companies VRL KnowledgeBank and Vitesse Media. He holds a BSc in Economics and International Development from the University of Bath, United Kingdom.

About The Conference Board

The Conference Board is a global, independent business membership and research association working in the public interest. Our mission is unique: to provide the world's leading organizations with the practical knowledge they need to improve their performance *and* better serve society. The Conference Board is a nonadvocacy, not-for-profit entity, holding 501(c)(3) tax-exempt status in the USA.

For more information on this report, please contact:

Alex Parkinson, research associate, corporate leadership at 212 339 0382 or alex.parkinson@conferenceboard.org

THE CONFERENCE BOARD, INC. | WWW.CONFERENCEBOARD.ORG

AMERICAS | +1 212 759 0900 | CUSTOMER.SERVICE@CONFERENCEBOARD.ORG

ASIA | +65 6325 3121 | SERVICE.AP@CONFERENCEBOARD.ORG

EUROPE, MIDDLE EAST, AFRICA | +32 2 675 54 05 | BRUSSELS@CONFERENCEBOARD.ORG

THE CONFERENCE BOARD OF CANADA | +1 613 526 3280 | WWW.CONFERENCEBOARD.CA

To learn more about The Conference Board corporate membership, please email us at membership@conferenceboard.org