THE COMMON FOUNDATIONS



Definitions of Impact, Impact Measurement, Outputs, and Outcomes used by the Common Approach

The **Impact Management Project glossary**, created by **Social Value US** and **Social Value Canada**, rightly calls out that, "When it comes to managing impact, many terms mean different things to different people, or different words are often used to mean the same thing." Their glossary is a great source for the various definitions of terms frequently used in reference to impact measurement.

This document outlines the few terms for which Common Approach has a specific definition.

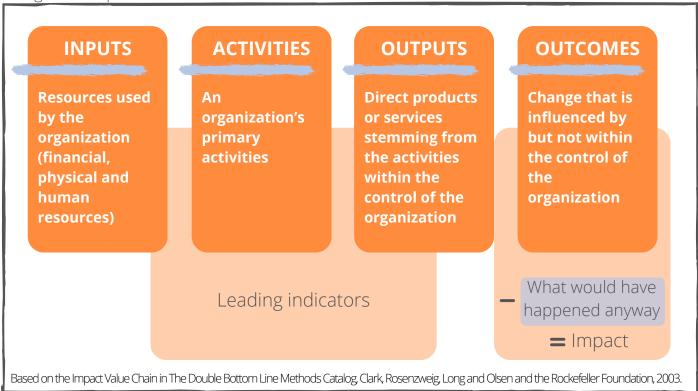
Impact is "the intended and unintended (positive or otherwise) changes (outputs, outcomes) that occur across the organization (within and/or across its programs) and with its stakeholders (including users, clients, partners, etc.) over a period of time (short term, long term) as a result of the organization's activities." (Source: **Innoweave**)

There is a school of thought that sees **impact** as longer-lasting or more transformational than outcomes. According to that school of thought, **impact** comes after outputs and outcomes. At the Common Approach, however, we see it differently.

We belong to the school of thought that holds that **impact** is the outputs and outcomes, as illustrated by the Impact Value Chain (Figure 1 below). Specifically, **impact** is the portion of changes in outputs and outcomes that is the result of the organization's activities. This view is consistent with global consensus builders, like the **Impact Management Project** and leading Canadian initiatives like **Innoweave** and the **Territoires innovants en économie sociale et solidaire (TIESS)**, as well as work from the **Rockefeller Foundation**.







Impact measurement is the qualitative or quantitative assessment of impact based on measured observations (using survey data or other instruments) with a control group or theory-informed estimation.

Our definition of **impact measurement** is informed by academic work on theory-driven evaluation. There is a school of thought that believes random control trials (RCTs) are the only true way to measure impact. Theory-driven evaluation, by contrast, views outputs and outcomes as early or visible indications of long-term outcomes.

At Common Approach, we hold that well-selected indicators with a good theory of change can be used to reasonably estimate impact. The essential practices outlined in the **Common Foundations of Impact Measurement** guide define a minimum standard. The Common Foundations standard can be met by running a random control trial, and also by the measurement of outputs and outcomes with a theory of change. We adopt this expanded view because it is not feasible nor reasonable for all organizations to be running RCTs for all programs.



Outputs are "direct products or services stemming from the activities of an organization, policy, program or initiative, and usually within the control of the organization itself. e.g., pamphlet, research study, water treatment plant and training session." (Source: **Treasury Board of Canada**)

Outcomes are "an external consequence attributed, in part, to an organization, policy, program or initiative. Outcomes are not within the control of a single organization, policy, program or initiative; instead, they are within the area of the organization's influence. Outcomes are usually further qualified as immediate, intermediate, or ultimate (final), expected, direct, etc." (Source: **Treasury Board of Canada**)

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