Study of Human Resources Development and Strengthening of Entities' Operational Capacities through the Practice of Social Impact Measurement Abstract

This study was conducted between June 2016 and March 2017 to compose concrete best practices of social impact measurement (SIM), with the goal of the introduction and promotion of the concept and practice of impact measurement.

The study included: (1) the establishment of a study group on the practice of impact measurement, comprising intellectuals with expert knowledge and officials of the Cabinet Office; (2) the practice of impact measurement and "guide-runner style" support by three social enterprises; (3) pre-training sessions on impact measurement for the social enterprises; and (4) three public reporting sessions to contribute to the provision of know-how and issues, etc. Outcomes for the entities that undertook impact measurement included: (1) the successful use of impact measurement to visualize the desired outcomes, and (2) success in linking practice of impact measurement to learnings and improvements to program operation.

Also, as well as revealing the challenges in the practice of impact measurement at each step of the measurement process, the study organized the challenges that arise irrespective of those steps. The causes of these challenges were analyzed, and three issues were identified, namely: (1) the social enterprises' lack of knowledge and experience in social impact measurement; (2) the complexity of the measurement steps and outputs; and (3) insufficient level of knowledge and skills for implementing social impact measurement. The study proposes the following five solutions to these challenges: (1) accumulation of best practices and the utilization of peer review; (2) simplification and standardization of impact measurement; (3) development of impact measurement infrastructure; (4) leveraging of support for impact measurement ("guiderunner style" support); and (5) strengthening of human resources development and operational capacities of social enterprises.

In addition, regarding "guide-runner style support," which was a distinctive feature of this study, the study compiled the specific details and important points of the support and organized the various issues involved. Given the social enterprises' lack of practical experiences in impact measurement, "guide-runner style support" is considered an effective method of support for the completion of appropriate measurement, but it does present a number of challenges, such as the cost burden and the development of human resources to provide the support. Those challenges

were also identified in the study.

Further, when social enterprises engage themselves in impact measurement, they will face huge difficulties due to the special knowledge required, particularly in areas such as data gathering and analysis. In order to promote SIM, it is desirable that the development of SIM infrastructure and the other solutions proposed in this study be undertaken as a matter of urgency, so that the practice of impact measurement can be simplified.

As the course of the study, SIM methodologies were compiled, based on which training materials were developed. In conjunction with the release of this study, a set of tools for use in the practice of impact measurement has also been published.