



Uni Mail, 21 November 2017

#### **WELCOME**

**Prof. Henry Peter**, Head, Geneva Centre for Philanthropy

**John Pepin**, Chief Executive, Philanthropy Impact

#### **PANEL**

**Prof. Stefan Sperlich**, Geneva School of Economics and Management, UNIGE

**Eric Berseth**, Executive Director, Philanthropy Advisors

**Prof. Zenda Ofir**, Independent International Evaluator

**Nicole Adler**, Associate, Elea Foundation

Moderated by **Dr Maximilian Martin**, Global Head of Philanthropy, Lombard Odier

#### **CONCLUSION**

**Prof. Henry Peter**, Head, Geneva Centre for Philanthropy

**Julie Wynne**, Chair of the Geneva branch, Philanthropy Impact

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Henry Peter, Head of the Geneva Centre for Philanthropy (the “Centre”) introduced the session by providing a brief overview of the Centre ([www.unige.ch/philanthropie](http://www.unige.ch/philanthropie)). Launched in September 2017, the Centre aims to encourage academic teaching and research in the field of philanthropy, and disseminate knowledge in the broader community. Although “impact” is a well-known concept, there is still much room to address this concept from an academic perspective, which is what the Centre aims to accomplish.

Prof. Peter then introduced Mr. John Pepin, Executive Director of Philanthropy Impact (<http://www.philanthropy-impact.org/>), partner of the event.

Mr. Pepin talked about why philanthropy advisory is so important today. Specifically recalling recent surveys and studies, he noted that there is a growing desire from high net worth individuals to bring change through philanthropy, and to get the advice they need to most effectively contribute. In fact, studies show that individuals with high net worth, if they have encouragement of their advisor, give an average of 17 times more for impact causes than those who do not have such encouragement (19k/year vs. 335k/year).

Dr. Maximilian Martin, Global Head of Philanthropy at Lombard Odier moderated the panel. The panel speakers, coming from both academia and on the field activities, each addressed topics related to impact measurement. The key ideas, provided in the keynote presentations as well as through later Q&A are summarized below.

The first speaker was Dr. Stefan Sperlich, Professor at the Institute of Economics and Econometrics at the Geneva School of Economics and Management at the University of Geneva. Dr. Sperlich provided his view of what impact evaluation means. “impact evaluation” is a very broad term, and there are many ways to conduct such an evaluation (e.g., through a needs assessment, and impact evaluation, comparing outputs to outcomes, or the “treatment effect”).



He further highlighted that the issue with most modern approaches boils down to a difficulty in defining and measuring the key parameters (e.g., it is often difficult to define parameters, observe changes for the same individual, and measure “output” objectively). Although these challenges can be partly alleviated by taking average-based or distributional approaches, reliable and consistent measurement continues to be a challenge.

Then, Prof. Zenda Ofir, Independent International Evaluator based near Geneva and Honorary Professor at the School of Public Leadership at Stellenbosch University in South Africa, focused on the current impact measurement landscape. It has multiple characters which include:

- Impact measurement has high stakes and is a serious responsibility. In addition to “what” has changed, we need to understand the “why”, “where”, “for whom, under what conditions, etc.
- Determining impact is fashionable, and for good reason. The result has been a proliferation over the past decade of impact studies as well as methodological innovations and guidance, especially in the fields of aid and development.
- Impact is defined in many ways using many approaches, creating confusion. The differences relate to the period, the scale, “attribution” or “contribution”, and the definition and use of a counterfactual. Inappropriate definitions lead to weaknesses: unanticipated impacts are not tracked; averages hide differences per group; change trajectories are not accounted for, and the sustainability of impacts are not taken into account.
- Impact evaluations should use the multiple methodologies and approaches that are available. There is no superior design; the methodology depends on the situation. For example, it is estimated that RCTs can be used in only 5% of development interventions.
- Impact evaluation is only one of many types of evaluation. It should for example always be informed by an implementation evaluation to rule out implementation failure if impact is weak or absent.

During the Q&A session, Zenda Ofir emphasized that impact evaluation should always actively search for unintended negative consequences, and for signs that the impact is likely to sustain. Also, many metrics we measure today are not useful; it is very important to determine only the important metrics, which can be qualitative and/or quantitative. Working with quantitative data alone are not enough, as it does not enable understanding of the situation, or of reasons for success or failure. Rubrics can be used to integrate and give more precision to qualitative and quantitative metrics.

Dr. Martin then introduced Mr. Eric Berseth, Executive Director at Philanthropy Advisors (<http://www.philanthropy/advisors.org>). Providing a more practical viewpoint, Mr. Berseth talked about the importance of advisors with a strong understanding and access to the field and how they serve to assist major donors (individuals, companies, foundations) with some of the key challenges of effective “impact”. This importance comes from multiple perspectives: those implementing the projects (NGOs, International Organisations, etc.) who typically focus at first on improving their response to the beneficiaries as well as to respond to donors' requirements, and those of financing the implementing partners (institutions, individuals, foundations, corporations) all of whom have different reasons and methods for measuring impact, but with a strong will to have a better visibility on their engagement.



After defining such logical frameworks, one must focus on measuring outcomes, not just outputs. These outcomes need to be monitored and measured with “SMART” indicators, that allow to gather coherent data to inform on the impact of the project. The real challenge in all this process is to set a coherent, comprehensive and effective logical framework, with relatively easy data to gather. This is indeed the only way to measure impact.

The final panel speaker was Ms. Nicole Adler, Associate at the elea Foundation for Ethics in Globalization ([www.elea-foundation.org](http://www.elea-foundation.org)) She focused her discussion on examining the dilemma associated with what makes a foundation successful. Does a successful foundation make a large impact for few individuals, or affect a large group, but with a smaller individual impact for each individual? Most approaches today are inherently flawed, focusing on financial inputs, or number of people affected. As a philanthropic impact investor focused on fighting poverty with entrepreneurial means, elea has developed a new methodology, the elea Impact Measurement Methodology (eIMM), and introduced a new “currency”, elea Impact Points. As a pragmatic strategic tool which can be applied to all the foundation’s projects, it guides investment decisions, helps compare relative social impact, set goals and operational metrics, identify and act upon challenges, and communicate impact to relevant stakeholders.

After the panel, two additional speakers expressed their thoughts: Ms. Julie Wynne of the Geneva Chapter of Philanthropy Impact, and Ms. Riswana Soundardjee, a Senior Programme Manager at GAVI. Ms. Wynne noted that there is still a dichotomy between individual donors, corporate, and grant-making foundations; each have different perceptions on impact, but now that impact is becoming professionalized the role of the advisor is increasingly important.

Ms. Soundardjee shared some of her professional experiences. She talked about metrics today, and the challenges associated with metric monitoring and enforcement. Two particular points were made, the first being that if metrics are short-sighted or overly prescriptive, they can lead to misaligned incentives and potentially misleading reporting. Secondly, that although more investment is being made at the beneficiary level in systems to track and store data, it is becoming increasingly important to incentivize stakeholders to collect the appropriate information and use it to make concrete decisions.

The Philanthropy Lunch was concluded by both Prof. Peter and Ms. Wynne. In his closing remarks, Prof. Peter looked back at the Centre’s vision, and noted again that impact should be understood from both an academic perspective – models, approaches, systems, concept, etc. – but also practically, as an “applied science”. Ms. Wynne stated that the goal of Philanthropy Impact is to bridge this academic world with the practical world to maximize impact of philanthropy investment (e.g. outreach, triple bottom line, etc.)