

Success Metrics

Because of their dual interests, Social Ventures measure the success of their companies with both financial and impact metrics.

To have the greatest insight, these metrics should be further divided into outputs and outcomes. Outputs is the quantification of the product or services, while Outcomes are the result of these outputs.

Sample Question prompts (customize for each company)

Financial	
Outputs	Outcomes
<ul style="list-style-type: none"> • How many products were sold? • How much revenue was made? • What profit margin was achieved? 	<ul style="list-style-type: none"> • Is the company sustainable? • Where the investors happy? • Does it enable you to grow the company?

Impact	
Outputs	Outcomes
<ul style="list-style-type: none"> • How many of your beneficiaries were helped? • How often did you help them? • At what average cost where they helped? 	<ul style="list-style-type: none"> • How much did this help your intended beneficiaries?

GoodNature Life

See mission statement for "GoodNature Life" example on next slide

Example

Financial	
Outputs	Outcomes
<ul style="list-style-type: none"> • # of items sold per market segment • \$ revenues per market segment • % profit per market segment 	<ul style="list-style-type: none"> • # of prospective investors • \$ valuation • Current investor and employee survey results • \$ cash available for growth

Impact	
Outputs	Outcomes
<ul style="list-style-type: none"> • # of beneficiaries reached • Ave. \$ spent on products/services per person • Ave. # of visits/transactions per person? • Cost of education/purchaser 	<ul style="list-style-type: none"> • Reduction of food diet health risk factors (self-reported) • Reduction of food diet health risk factors (community care providers reported) • Results of health food knowledge survey

Mission Statement

A mission statement provides stakeholders with clarity on the direction of the company.

An effective mission statement is one that conveys all the necessary information, can be easily understood and easy to recall. Mission statements can evolve, but generally endure for an extended strategic planning cycle.

Mission statements should include four key elements:

WHY: Why are you doing it? (derived from Stakeholder Problem Statement)

WHO: Who are the priority stakeholder(s) you are serving? (derived from Stakeholders)

WHAT: What is your intended outcome? (derived from Theory of Change)

HOW: How will the company achieve their intended outcome. (derived from Value Proposition)

GoodNature Life

Example

WHY: Reduced access to organic foods contributes to poor health outcomes

WHO: Economically challenged low income to lower middle class families in the United States.

WHAT: Greater understanding and consumption of organic foods will improve target customers overall health

HOW: Manufacturing and marketing of affordable organic consumer product goods

We provide affordable food products & services [HOW] that improve the health [WHAT] of families in the United States whose economic challenges [WHO] have limited their consumption of organic foods [WHY] .