



Worksheet #10 A Simple Guide to Social Return on Investment (SROI)

SROI is one way to measure the broader impact of your mahi.

It compares what goes in—such as investment from a funder—with what comes out, like social, environmental, and economic value. It does this by assigning a dollar value to those benefits.

In practice, SROI often focuses on outcomes that can be **given a dollar value**, often leaving out more complex or relational impacts—like cultural identity, trust, or long-term community connection.

✓ What is SROI?

SROI is a tool that:

- Measures the difference your work is making
- Puts a value on social, environmental, and economic outcomes
- Helps you show funders and others why your mahi matters

It's useful when you want to demonstrate the wider value of your work—especially things like improved wellbeing, stronger relationships, reduced harm, or increased confidence.

Example:

If a youth programme costs \$50,000 but leads to \$75,000 worth of outcomes (e.g. reduced justice costs, improved education), the SROI is \$1.50 for every \$1 spent.

🔍 When should you use it?

SROI is helpful when you want to:

- Build a strong case for funding
- Explain your impact in ways decision-makers understand
- Track value across complex or long-term work
- Support strategic decision-making (e.g. which programmes are most effective?)

It's not always needed for small or early-stage projects. If you don't have good data or it feels too heavy, start small or focus on storytelling first.

How Does It Work?

There are six key steps—think of them as tools in your kete:

1. **Identify stakeholders**

Who is affected by your mahi? (e.g. rangatahi, whānau, funders, staff)

2. **Map outcomes**

What's changing? (e.g. more confidence, safer homes, reduced harm)

3. **Assign value**

What is each outcome worth? Use estimates or existing research to guide you.

4. **Establish impact**

What part of that change is because of *your* mahi? (Adjust for what might have happened anyway.)

5. **Calculate the ratio**

Divide the total value of the benefits by the cost of investment.

6. **Report, use, and improve**

Share what you've learned—with honesty and care—and use it to strengthen your mahi.

You can start light. Even trying a few steps can help you tell a clearer impact story.

Quick Questions to Ask Before Using SROI

| Question | Why it matters |
|---|--|
| Do we want to show the value of outcomes over time? | SROI tracks long-term change |
| Do our funders or board want numbers and stories? | SROI combines both |
| Do we have some data or can we gather it? | You'll need at least basic information |
| Are we resourced for this right now? | SROI takes time and support |

SROI and Other Tools

SROI works well alongside kaupapa-based tools like:

- Storytelling and pūrākau
- Outcome mapping
- Tohu of change

It's not a replacement—it's one part of a full impact picture.

Final Tip

Start small. Use SROI to track one part of your mahi and build confidence over time. Keep it proportionate, and use it to learn, improve, and advocate for what really matters.