Impact is the personal, household, community and societal effects of our work. It is about the value we create for stakeholders, including the families we serve and our investors.

Why is measuring impact important?

Measuring impact provides stakeholders with evidence of our impact. Investors can use this as part of their holistic financial analysis on the potential for a startup or scale-up to be profitable over the long term, and to show how they are contributing to global initiatives such as the Sustainable Development Goals. It also gives a voice to customers, improves understanding of their lives, and ensures that organizations sustainably contribute to positive social change.

Examples of impact

Impact includes the personal/household, community and societal effects of our work.

We manage what we measure

Measuring impact allows us to share evidence with stakeholders and investors, but it also creates an opportunity to learn and adapt a startup or scale-up over time to be more effective, profitable and sustainable. It also provides a comparison with peer organizations. While each measurement strategy will be different, key measurements or indicators include:

- Empowerment of women or better educational outcomes
- Improved water, sanitation and hygiene, or WASH
- Increased number of jobs and/or higher-quality jobs
- More responsive housing market for low-income families
- Capital raised
- Products/services sold (% to low-income households)
- Revenue
- Staff
- Innovations

Impact measurement must-haves

Understand your impact. Does your solution help alleviate poverty, contribute to gender equality, or lower greenhouse-gas emissions?

Know which investors to target. You might want to look at topic or SDG-specific investors, based on the impacts from your products or services.

Have a measurement plan. Ask the right questions! How can you get customer feedback on your service? How much material or CO2 emissions are saved by your product? Do you foster a diverse workplace?

Don’t forget the basics. Be ready to measure and report on revenues, profits, runway, employees and more.

Remember, measuring impact helps startups attract investments and ensure they are creating value for customers, thus contributing to long-term success.

Useful resources

- Global Accelerator Learning Initiative (GALI)
- The Global Impact Investing Network’s IRIS+ System
- Sustainable Development Goals & Indicators

Masterclass delivered by Amanda Wormer

Global MEAL Director, Terwilliger Center for Innovation in Shelter, Habitat for Humanity (January 2021)

About

ShelterTech is the world’s leading platform for affordable housing innovation. Find out more and join our ecosystem at shelter-tech.org.