

# Social Impact Obligaties

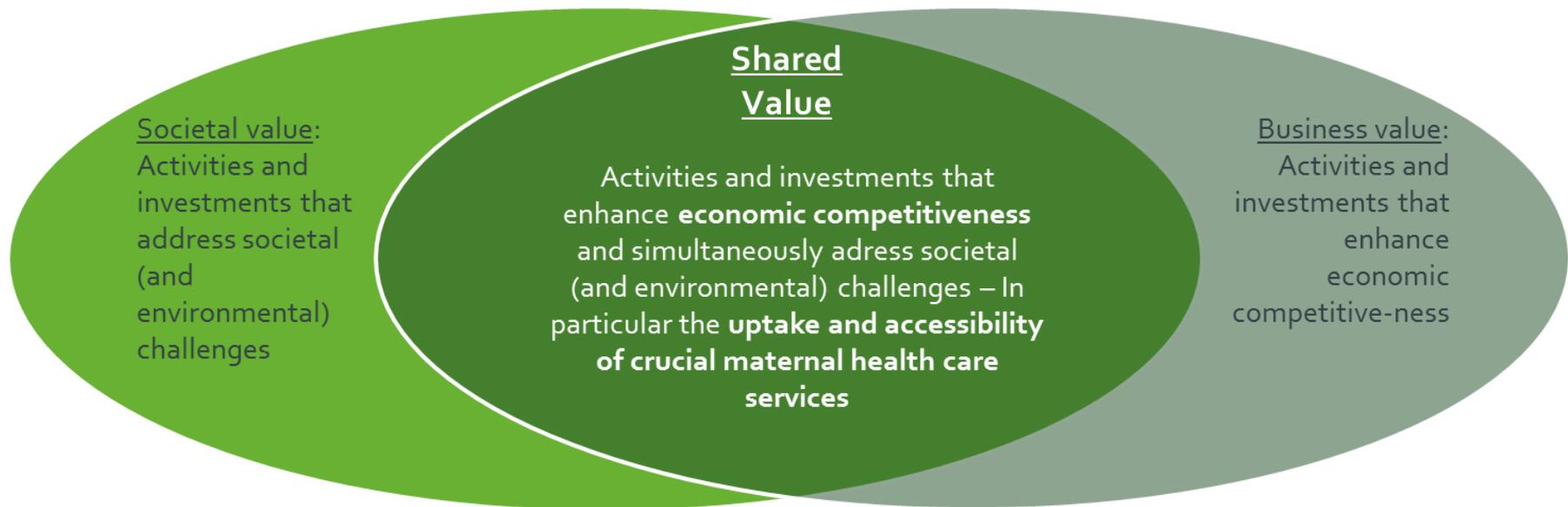
Marieke Huysentruyt

12/07/2016

# 1. Intro

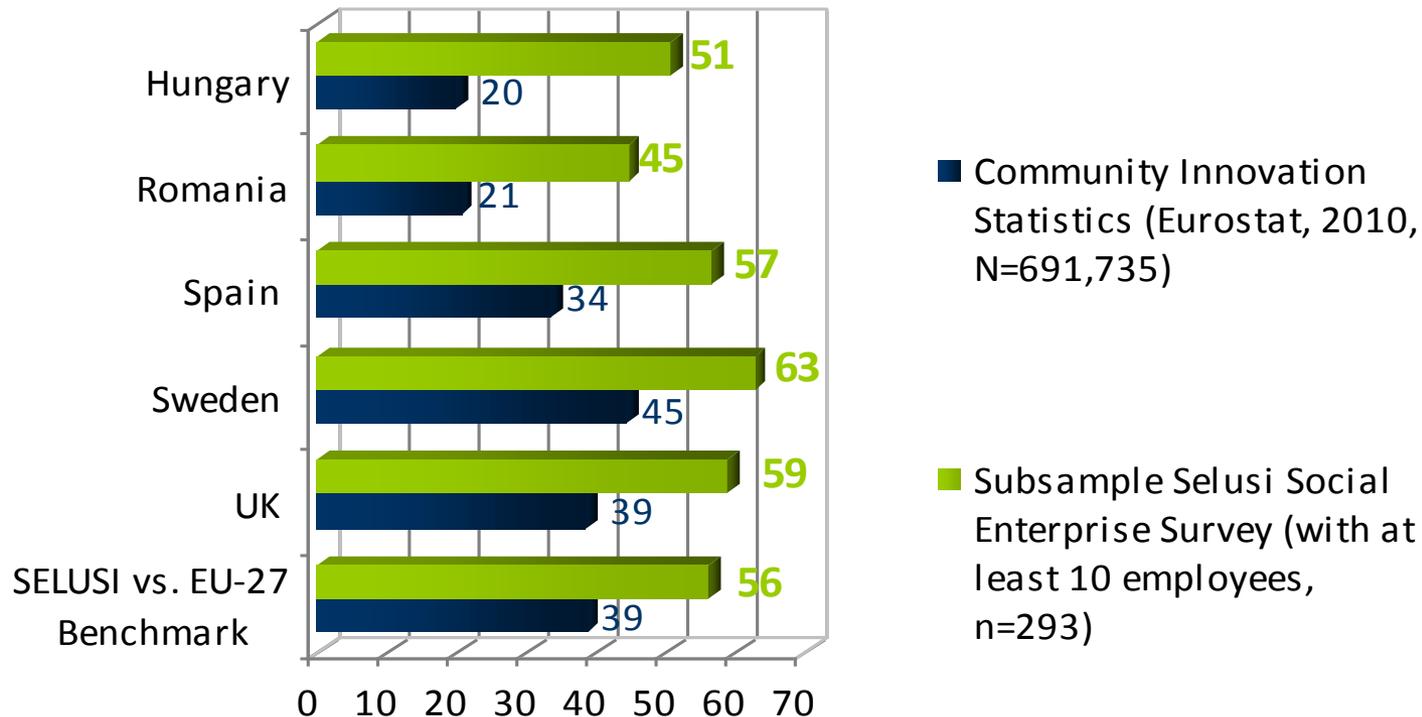
# Oksigen ecosystem: Our vision

Businesses have a crucial role to play in tackling big societal challenges. Those who engage take a competitive leap forward.



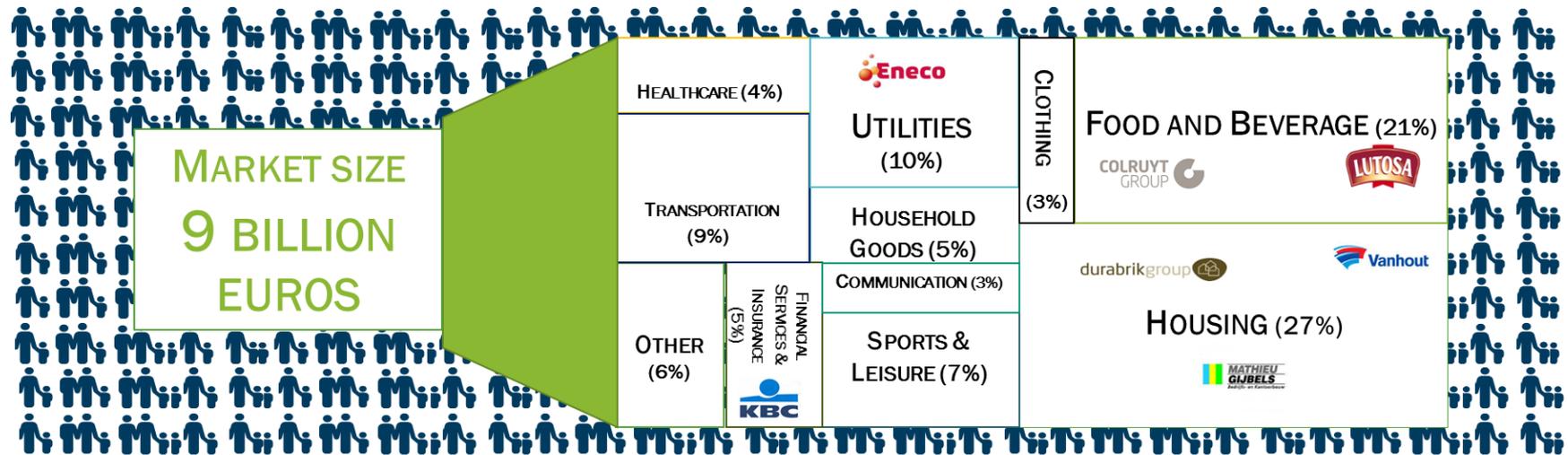
# Oksigen ecosystem: Our vision (cont.)

Social enterprises introduce radical social innovations at far higher rates than mainstream business (or public sector bodies) do. They are at the leading edge of innovations that speak to societal needs in an entrepreneurial, market-oriented way.



# Oksigen ecosystem: Our vision (cont.)

Complex societal challenges require collective impact platforms: coordinated but differentiated approaches that cut across sectoral divides



Breakdown of Market Opportunity by sector and potential platform partners

\*% Estimates from First Quintile, Household Budget Survey 2010, belstat.be

# Oksigen eco-system: Achievements

- Shared value strategy and innovations: 75 corporate clients
- Crowd-sourcing methodology: Crowd-sourcing of ideas from social entrepreneurs for 30 clients; Network of social entrepreneurs to crowd-source with of 2000 social enterprises
- Know-how: 5 M EURO collaborative research in the area of social entrepreneurship and innovation. Launch of largest panel dataset on social enterprises in Europe (plus China and Russia) – LSE, Harvard Business School, HEC Paris, Stockholm School of Economics, KULeuven, Hertie School of Governance, Luiss Business School, Princeton, etc.
- Capacity support to 200 social entrepreneurial initiatives: Impact measurement strategy and dashboards, start-up and scaling support, financial mix
- Social Finance: Launch of social impact investment fund, crowd-funding platform and risk sharing scheme for social enterprises.



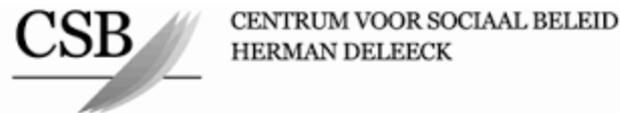
- Public Finance: Opened up more than 25M public sector fund to support social enterprises in Belgium.
- Transformation: Weekly pro bono efforts to participate in debates; Launch of business and poverty in Belgium, and partnerships in Germany and the Netherlands to copy platform; Capacity support of incubators in China, France, Tunisia, and Palestine.

# Marieke Huysentruyt: Bio

**Marieke Huysentruyt** is an Assistant Professor at the Stockholm School of Economics (SITE) and Faculty Fellow at HEC Paris (Social Business Chair). She holds a M.Sc. in Bio-engineering from Catholic University of Leuven, a M.Sc. in Applied Economics and Management from Cornell, and a Ph.D. in Economics from London School of Economics (LSE). Prior to joining the Stockholm School of Economics, she was a Lecturer at LSE, teaching on the Master of Public Administration Program.

Fields of research: **Behavioral economics, public policy, impact evaluations, field experiments, poverty, social entrepreneurship**

Affiliate faculty member of:

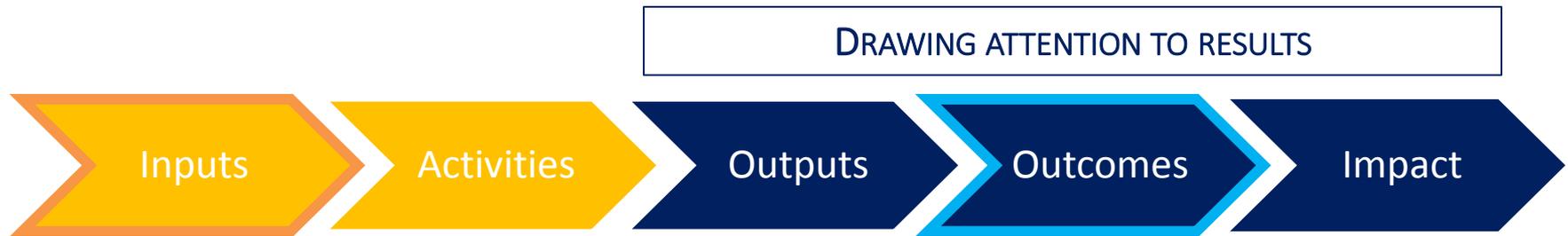


# SIB: Academic insights is running behind practice



## 2. Context

# A needed paradigm shift



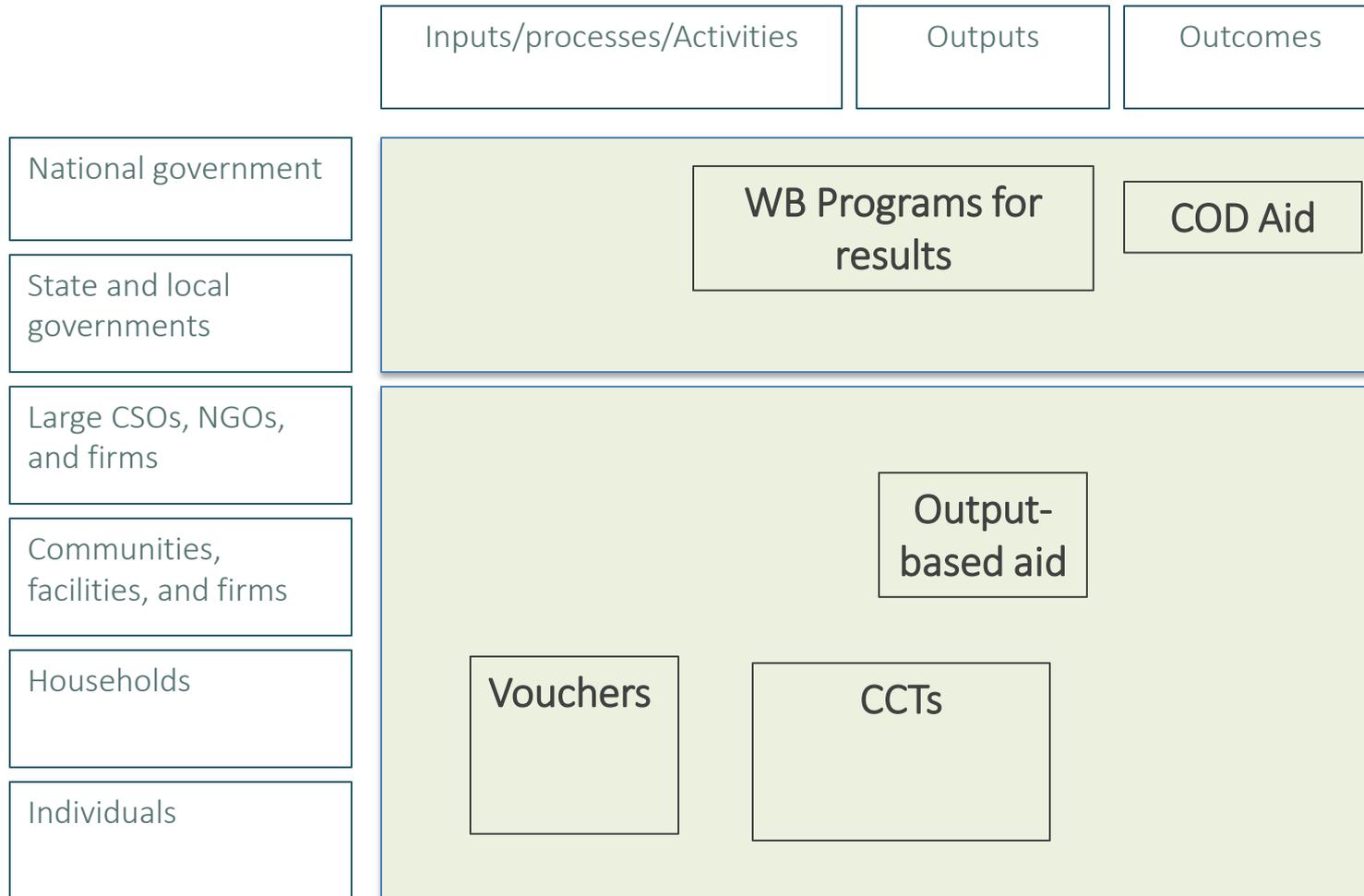
## -Accounting paradigm

- Accountability through expenditure and receipts tracking
- Line-item budget and provision of supplies and equipment
- Focus on inputs to the development process and a primary concern with the actions and processes that these would feed into
- Success measured in terms of critical inputs

## -Performance and monitoring paradigm

- Promotes accountability of governments to constituents (its citizens, its people)
  - Promotes transparency
- Shift from inputs and processes to outputs and outcomes further along the results chain
- Success measured in terms of quantity and quality of actual services

# Very advanced in developing aid context



# Homegrown, worldwide top expertise



**PORTAIL FBR**  
MINISTÈRE DE LA SANTÉ DU BÉNIN

EN

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## BÉNIN: RÉSULTATS FBR PAR RÉGION

### DONNÉES CLÉS

 **2.377.559**  
Population couverte

**71.327**      **110.557**  
Estimation accouchement  
eutocique      Nombre de naissances  
attendues

**82.026**  
Population 0-11  
mois

### RÉSULTATS EN TEMPS RÉEL

 Accouchement  
eutocique assisté **62 %**

 Nouvelle  
Consultation  
Curative **498.716**

 Enfants  
completement  
vaccines **77 %**

Nombre de cas  
TBC traites et  
gueris **326**

### SCORE DE QUALITÉ

Centre de Santé  
Communal **50%**

Centre de Santé  
d'arrondissement **53%**

Dispensaire Isolé **41%**

Hôpital de zone **66%**

Maternité isolée **35%**

### PAIEMENTS REÇUS

 **3.361.325.912**  
FCFA  
7.026.036,06 USD

 **2,96 \$** Per Capita  
1.413,77 FCFA

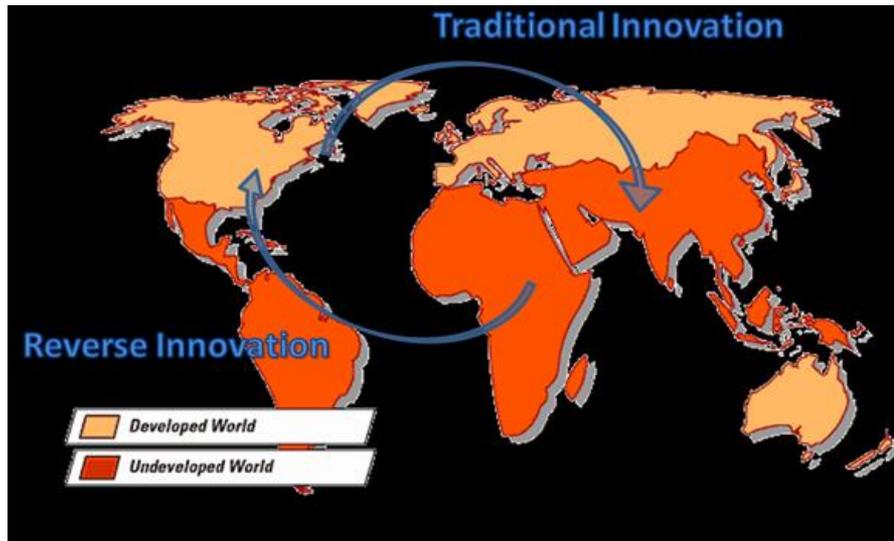


### TOP SCORE DE LA QUALITÉ

1. CSA SAVI (CSA)



# New innovation paths, exciting galaxy



# 3. Reflections

# Status quo is not an option



Let's try to follow-through this drive for results across all policy instruments and domains (Example: KMO portefeuille)

1

# SIB by design encourages a strong focus on standalone approaches



# Complex problems require collective impact

## Isolated Impact vs. Collective Impact

### Isolated Impact

- ◆ Funders select individual grantees that offer the most promising solutions.
- ◆ Nonprofits work separately and compete to produce the greatest independent impact.
- ◆ Evaluation attempts to isolate a particular organization's impact.
- ◆ Large scale change is assumed to depend on scaling a single organization.
- ◆ Corporate and government sectors are often disconnected from the efforts of foundations and nonprofits.

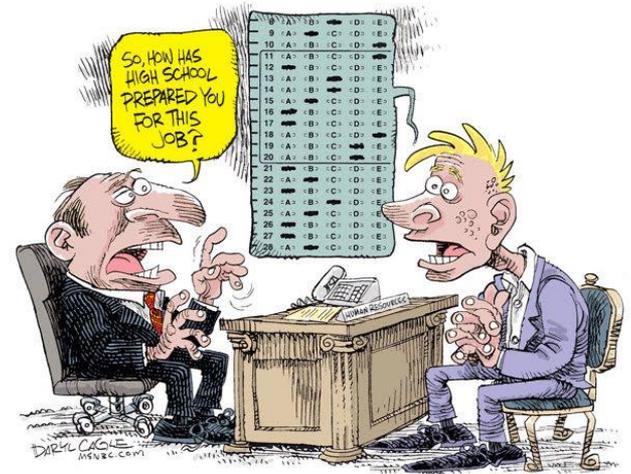
### Collective Impact

- ◆ Funders and implementers understand that social problems, and their solutions, arise from the interaction of many organizations within a larger system.
- ◆ Progress depends on working toward the same goal and measuring the same things.
- ◆ Large scale impact depends on increasing cross-sector alignment and learning among many organizations.
- ◆ Corporate and government sectors are essential partners.
- ◆ Organizations actively coordinate their action and share lessons learned.

Example in education: Strive

We need a smart strategy and compelling vision

- Selection of data points is hugely consequential  
[Multi-tasking problem]



- Do we care about results or also about how they were achieved? Good results by an organization with a crippling organizational culture  
[Process-related parameters]

2b

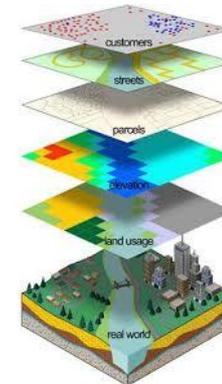
# SIB: prioritize areas where reliable data is available or original data can be captured

## We need pragmatism and creativity

- Priority areas are areas where reliable high-quality data already exists: health, education, agriculture, employment, ..



Kruispuntbank van de Sociale Zekerheid



- Invites creative means to capture data: beneficiary perspective, ...

### Opschalen: minimum 100 observaties essentieel

- Heeft de interventie gemiddeld gezien een impact?
- Heeft de interventie verschillende impact op verschillende type mensen?

We moeten erover waken dat we **voldoende leren** uit de eerste SBI pilot.s

Om onze kansen tot reële impact te vergroten, moeten we van dag 1 ook erover waken dat we voldoende inzichten uit **'behavioral economics'** hebben geïntegreerd.

## Realism and transparency

- 3%, 5%, 10%, 15%, 20%???  
[impact investment funds]

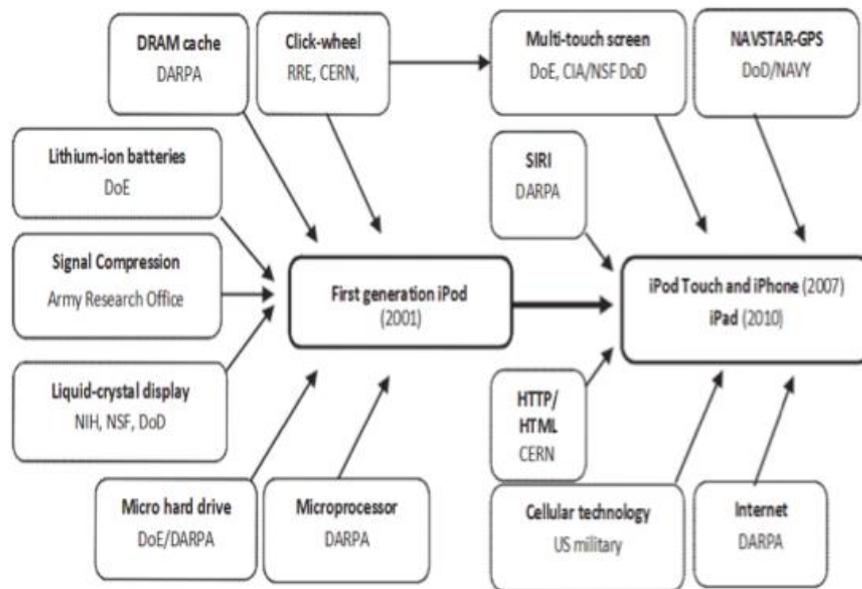
## Intelligent design

- Lower costs through collaborations with academics:  
Methodological support

5

# Government is hugely instrumental in the funding of mainstream innovation

## What makes the iPhone so 'smart'?



©MarianaMazzucato [The Entrepreneurial State: debunking private vs. public sector myths](#), p. 109, Fig. 13

5b

# We need more tools that incentivize innovation

- In many important societal domains, we need **drastically more** ambitious, results-oriented experimentation. Over the past 25 years, we have accumulated a **social innovation deficit**



Shotgun strategy

Vs.



Sniper strategy

# 4. Questions