3 OUTCOMES AND IMPACTS
Measuring Our Impact

BSR’s mission is to work with business to create a just and sustainable world, and we believe we can achieve our mission only when the unique skills and resources of all sectors—business, civil society, and government—are aligned toward that goal.

Further, we believe our role is to catalyze change within business by integrating sustainability into strategies and operations, and by promoting collaborative solutions to systemic global challenges. We do this through consulting projects with individual companies, collaborative initiatives bringing together multiple companies and stakeholders, research, and events, including the annual BSR Conference.

Throughout our history, we have sought to understand our impact via member feedback, independent project evaluations, and internal discussion and debate. This year, however, we undertook enhanced efforts to understand and measure our progress in terms of real changes in the world, and this section outlines our approach, as well as our early insights about the impact we are having.

Through our efforts to evaluate more systematically how our work is contributing to the achievement of BSR’s mission, we have increased our internal focus on impact, established a stronger platform for dialogue with our member companies and other partners about impact, and delivered deeper insights that help us improve our efforts and increase our impact.

What follows is an overview of our new Outcomes and Impacts Framework, which is informing how we measure our impact and apply the lessons we learn. This section of the BSR Report is an initial effort to share our findings and our thinking.
WE ARE ANALYZING ALL OF OUR WORK TO EVALUATE OUR IMPACT.

Our Outcomes and Impacts Framework

To assess how well we are achieving our desired impact, we’ve designed a framework that analyzes each of our projects in three areas: outputs, outcomes, and impacts.

We are applying this analysis to all company projects, collaborative initiatives, and work supported by funders such as foundations or government entities.

We define the categories as follows:

- **Output**: the final product (e.g., report, framework, strategy), such as the results of a human rights impact assessment.

- **Outcome**: a new action undertaken as a result of our work, such as when a company introduces new privacy protections for customers in line with recommendations made in the human rights impact assessment.

- **Impact**: positive social or environmental changes that occur as a result of our work, such as increased respect for privacy worldwide as a result of a human rights impact assessment.

In implementing this framework, it became clear to us that while outputs are well-defined from the start of a project, outcomes and impacts often become more apparent—and are more easily measured—over longer periods of time. Because BSR conducts so many different types of projects, our intention is to use this framework as a guide and customize it when evaluating each project.

For example, the outcomes from a three-month project to engage a company’s stakeholders will be very different from the outcomes resulting from a collaborative initiative that has been running for many years with multiple partners. With this in mind, we will be adjusting the depth of our evaluation based on the size of the project and the expected evaluation timeframe.
We seek to understand project outcomes and impacts across three dimensions:

- **Significance** of the outcome, such as whether it represents a large and permanent step toward the achievement of BSR’s mission.

- **Scale** of the outcome, such as the number of people, organizations, or companies affected by the outcome.

- **Level of attribution** to BSR, such as whether our work was directly responsible for the outcome, contributed indirectly to the outcome, and/or accelerated the timing of the outcome.

Ultimately, we will integrate the lessons from this analysis into the design phases of all our work, which will help us strengthen our focus on impact from the outset of each project. We want to be more deliberate in setting aspirations for the work that we do, replicating approaches that prove successful, learning from efforts that do not deliver desired impacts, and communicating about our achievements in order to inspire action by others.

**What We Have Learned**

We piloted this approach in the last quarter of 2013 and have been implementing it fully since the start of 2014 by reviewing the outcomes and impacts of every BSR project when it ends, or at suitable milestones for grant-funded work and longer-term collaborative initiatives.

In addition to BSR’s internal review, we collect member company perspectives in project review surveys, and we discuss the outcomes and impacts of our work at our annual meetings with member companies. For our donor-funded projects, we work with partners to develop project-specific outcomes that align with the vision of success, influence strategy, and the real-world impacts we are seeking to achieve through our collaboration. This serves as a framework to measure how the project is tracking and enables us to constantly orient our work toward positive societal change and course correct as needed. We evaluate and report this progress to the funder regularly throughout the project or when the project is complete.

We are early in the process and will report more in future annual reports and through other channels. However, here is a summary of our early insights about how we can have more impact as an organization. We can have more impact when we:

- **Develop a vision of success early:** The initiatives we co-create with companies and partners are most powerful if we clearly articulate a vision of success early in the project development process. In other words, a plan for outcomes and impacts must be built into the project right from the start. To ensure that we do this, we include a statement on desired outcomes and impacts in every BSR project proposal.

- **Build on projects with the most impact:** As an organization with a strong focus on collaboration, we often have more impact when we work on the same issue with multiple companies and partners. For instance, a project might start small, with a single company on a specific topic, and over time it might grow into a comprehensive strategy or collaboration with other companies and...
Look for areas to improve: We don’t always have desired impacts. Indeed, if we did, we would probably be aiming too low. At the close of some projects, we often see opportunities for more to be done and achieved. For example, while we have undertaken a large number of materiality assessments for companies over recent years, we recognize that to achieve greater impact, we need to transition from materiality assessments (which typically stop at identifying sustainability priorities) to partnering with companies on strategy development (which can involve establishing ambitious sustainability goals and integrating sustainability into the business).

Work collaboratively: Some of BSR’s most powerful work results from multicompany and multistakeholder collaborative initiatives (such as the EICC and GNI, which are profiled on pages 28 and 26 respectively). Given the systemic nature of sustainability challenges, progress is greater when companies within an industry or across a value chain work together to address shared challenges. Because of this, BSR intends to increase the portion of work we do based on collaborative approaches.

Work with the most influential companies: When the world’s most influential companies develop new programs or strategies, their competitors, partners, and peers pay attention. In this way, BSR’s impact is magnified when we work with companies that are influencers in their industries, creating knock-on effects when their programs are replicated by others. For this reason, we recently made a strategic shift from working with “the world’s largest companies” to working with “the world’s most influential companies.”
We have big objectives at BSR. Achieving our mission means influencing highly complex systems with multiple actors who often have competing objectives. And the nature of our work means that we always work with partners who, in many cases, are the implementing parties. This means that we often see impacts on a secondhand basis. These complexities inspire us to redouble our efforts, take pride in what we have accomplished, and learn from our shortcomings.

In this Report, you can read illustrative examples our impacts in our case studies. In our next Report, we will share the results and analysis for our first full year using our Outcomes and Impacts Framework.

In the meantime, we will be calling on all BSR members and partners to help us understand the sustainability outcomes we are creating through our work to gain a deeper sense of our impact. After all, our ability to make progress depends on our collaboration with others. As we continue our work on outcomes and impacts, we invite you to join us in a discussion about how BSR can most effectively work with you to create a just and sustainable world.

Looking Ahead

OUTCOMES AND IMPACTS FRAMEWORK

OUR ABILITY TO MAKE PROGRESS DEPENDS ON OUR COLLABORATION WITH OTHERS.

UN GLOBAL COMPACT COMMUNICATION ON ENGAGEMENT

BSR is a business association signatory to the UN Global Compact, an initiative encouraging organizations around the globe to commit to and incorporate into their strategies and operations 10 universally accepted principles in the areas of human rights, labor, the environment, and anticorruption.

The majority of BSR’s work (as described in this Report) is directed at implementing these principles. More specifically, BSR has partnered with the UN Global Compact in a number of ways over the past two years:

- Joined the Women’s Empowerment Principles Leadership Group.
- Supported curriculum development for the UNGC LEAD Board Program focused on corporate sustainability leadership for boards of directors.
- Developed the “UN Global Compact Traceability Guide: A Practical Approach to Advance Sustainability in Global Supply Chains.”
- Participated in various events and discussions globally, ranging from human rights to the development of the post-2015 Sustainable Development Goals.
- Developed a “Good Practice Note on Human Rights Training.”