A SHORT GUIDE TO NON-FINANCIAL SUPPORT
Building Organisational Capacity for Greater Impact

**NON-FINANCIAL SUPPORT (NFS):**
Support services Venture Philanthropy Organisation or Social Investor (VPO/SI) offer to Social Purpose Organisations (SPOs) to strengthen their three cores areas of development:

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<th>Step 1 Social Impact</th>
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<td>Step 2 Financial Sustainability</td>
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**MAP VPO/SI’S ASSETS**
• Map NFS and determine core NFS to offer depending on the investment strategy of the VPO/SI
• Map assets – i.e. internal & external human resources needed/available to deliver NFS
• Assess and monetise cost of delivering NFS

**Tools:** EVPA NFS mapping, EVPA Asset mapping, EVPA NFS monetisation tool

**ASSESS NEEDS OF THE SPO**
• Both VPO/SI and SPO map the needs of the SPO in the three cores areas of development
• Perform SPO’s “light” needs’ assessment to assess if investment opportunity fits with VPO/SI’s NFS offer
• If there is an initial match, then the VPO/SI and SPO perform an in-depth needs’ assessment together

**Tools:** EVPA needs’ assessment tools (a “light” version + in-depth/full version)

**ASSESS THE VALUE & IMPACT OF NFS**
• Assess how the SPO perceives the value of NFS to evaluate efficiency and effectiveness (this is ideally done by an external, independent third party)
• Measure improvement of SPO in areas of development

**Tool:** EVPA NFS impact assessment

**DEVELOP THE NFS PLAN**
• Prioritise and match areas of development of the SPO with NFS offer of the VPO/SI
• VPO/SI and SPO work together to develop an NFS plan, which should be formalised and included in a charter of engagement between both parties

**Tool:** EVPA NFS plan

**DELIVER NFS**
• Deliver NFS in different ways depending on SPO’s needs: trainings, access to network, etc.
• Goal achievement and delivery monitored using the NFS plan as a dashboard
• Corrective action are implemented, if needed
• The NFS plan highlights when the collaboration between the VPO/SI and the SPO should end

**Tool:** EVPA NFS plan

**MANAGING NFS**

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3. **Organisational Resilience**
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**MANAGING NFS**
THE NON-FINANCIAL SUPPORT JOURNEY

1. MAPPING NFS

Generic NFS: Strategic and operational – e.g. legal support, marketing and sales.

Specific NFS for each of the three areas of development of the SPO:

a) Social Impact
   • Theory of Change & Impact strategy
   • Impact Measurement (IM) system

Impetus-PEF provides SPOs that enter its programme with hands-on support to develop their Theory of Change through the “Driving Impact Workshop.”

b) Financial Sustainability
   • Fundraising & Revenue Strategy
   • Financial Management

NESsT helped an SPO find follow-on financing in the form of a loan, and provided a guarantee for it.

c) Organisational Resilience
   • Governance support
   • Human Capital Support

Investir+ offers the SPO support in recruiting key team members, with punctual advice on theMissing expertise.

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2. MAPPING ASSETS: WHO PROVIDES NFS?

• Internal support (VPO/SI’s paid employees or board members)
  → provide core support
• External support (pro-bono or low-bono contributors or paid consultants)
  → provide specific and technical support –e.g. legal- or non-core support

3. HOW MUCH DOES NFS COST AND HOW TO MONETISE IT?

• For the internal resources:
  Salary
  # days spent on delivering NFS

• For pro-bono / low-bono resources:
  Expenditure = “cash value”
  → See EVPA’s guidelines for monetisation

UnLtd looks at the rates that corporates and consultants would charge normally and multiplies it by the number of hours/days of work they put in.

4. LIGHT NEEDS’ ASSESSMENT

• What are the general needs of the SPO?
• Are these needs addressed by the VPO/SI’s core NFS strategy?

If this first analysis is positive

IN-DEPTH NEEDS’ ASSESSMENT

Yunus Social Business (YSB) starts by performing a light screening, explaining to the SPO which tools and methodologies YSB needs the SPO to apply. YSB then goes through a more detailed process of interviews and field visits to understand the support the SPO needs and whether YSB can provide sufficient support through its network and programme.

The VPO/SI might want to check that the SPO’s objectives are realistic and the claimed impact is achieved.

THE NEEDS’ ASSESSMENT TOOL

The Needs’ Assessment Tool provides a visual representation of the SPO’s needs and helps match them with VPO/SI’s resources.

It is filled in by both VPO/SI and SPO

Decisions should be taken together.

Prioritisation: the VPO/SI assesses what types of NFS are core to offer

WHAT ARE THE DIFFERENT DELIVERY MODELS THE VPO/SI CAN OPT FOR?

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Taking a seat on the SPO’s board
Offering trainings, coaching or mentoring

Investir+ has one person sitting on the SPO’s board to give strategic advice, and one as coach of the SPO’s management.

WHAT ARE THE DIFFERENT DELIVERY MODELS THE VPO/SI CAN OPT FOR?

Taking SPO to external events, offering access to networks

OMidyar Network and Investir+ organise investee meetings at global portfolio & regional levels. Entrepreneurs appreciate learning from peers.

HOW DO INVESTEE VALUE NFS?

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Value for money of NFS

Data taken from the monetisation tool

Questionnaire to assess the value perceived by the SPO

Objective measures of the improvement of the SPO on the three dimensions

HOW DO VPO/SIS MEASURE THE VALUE OF NFS?

Satisfaction surveys, independent study (by third party), perception reports

Reach for Change asks the SPOs in its portfolio to anonymously answer a survey at the end of each incubator year. The VPO/SI can then evaluate the impact of the NFS and assess whether the SPOs correctly appreciate the value of the services offered.

HOW TO MEASURE THE IMPACT AND EFFECTIVENESS OF NFS?

Best practice is a combination of:
• Third-party perception surveys
• Objective measures of organisational evolution against the milestones
• Assessment of the cost of NFS
• Questionnaire structure to assess impact of NFS.

How can the delivery of NFS be monitored?

Big Society Capital and Yunus Social Business have a monitoring/evaluation committee reporting data used for the annual portfolio review and as feedback to improve the work with each SPO.

The results of the monitoring constitute the learning on what works and what does not.

How can the delivery of NFS be monitored?

STEPS 1: Set Objectives

STEPS 2: Analyse Stakeholders

STEPS 3: Measure Results

STEPS 4: Verify & Value Impact

STEPS 5: Monitor & Report

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Start-ups often need legal support and business modelling support as first step!

Prioritisation: the VPO/SI assesses what types of NFS are core to offer given its overall investment strategy.

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MANAGING NFS IN THE INVESTMENT PROCESS

RECOMMENDATIONS TO MANAGE NFS

FOR MORE INFORMATION

Disclaimer
The case studies presented in this report feature organisations that are continuously working on their non-financial support strategies. As a result, all cases are evolving organisations and thus their non-financial support solutions are continuously improving.