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MEASURING THE IMPACT OF SOCIAL PROCUREMENT: A NEW APPROACH

Framing the value question in commissioning and social procurement

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SOCIAL TRADERS

Contents

Introduction	p.4
What is Social Value?	p.5
Why the interest in social value?	p. 6
The problem with conflating social value with the measurement of outcomes	p. 7
A Strategic Approach to Demonstrating Social Value: The Social Value Handprint	p.8
Function: What is the function of the outcomes we are seeking to achieve?	p.10
Focus: Whose social value are we aiming to improve? From whose perspective are we demonstrating value?	p.11
Form: What measure of value has priority?	p.12
Fidelity:What methods fit the social value demonstration best?	p.12
Funding: How will the social value demonstration be resourced?	p.14
Implementing the Social Value Handprint	p.15
The First Step: Articulating a Theory of Change	p.16
Developing appropriate measures and indicators to demonstrate social value	p.17
Conclusion	p.20
Section Two: Case Studies	p.20
References	p.21

Introduction

Social procurement has grown and developed significantly in Australia over the past decade. The growth in interest and practice is causing a finer grain to develop in how we think about the social value that is generated through social procurement. In particular, there is interest in determining whether social value can be incorporated into or sit alongside broader assessments of 'value of money', and if so how this can be done in ways that support integrity in how social outcomes are achieved and that are cost-effective for all parties involved.

However, to date, discussions of social value in the context of procurement have been somewhat polemic. Some conflate social value with social outcome measurement, and argue that only extensive and often expensive measurement methods are appropriate for assessing social value. Others suggest that social value is inherently nebulous and we therefore should not attempt to confine it. Whilst others argue that social value is implicitly achieved through engaging certain types of suppliers.

Through this project we have taken a very pragmatic approach to improving understanding of social value in the context of procurement. This approach has been purposefully chosen to help open up opportunities around social procurement policies and strategies. It recognises that many of the assumptions about demonstrating social value are limiting the development of breadth and depth in the market for social procurement approaches to delivering on socio-economic objectives.

The first section of this report examines what social value is and what elements are central to a pragmatic approach to demonstrating social value. We present a reference frame for thinking through what a 'right fit' - and therefore strategic - approach to social value considerations can look like. This is presented as a 'social value handprint'.

The framework is then applied to two social procurement case studies, providing two different articulations of social value. These articulations of social value did not require significant investment of resources, and were undertaken using existing data from the suppliers, the contracting bodies, and from publicly available sources. Whilst neither offers complete 'proof' of social value, each illustrates that social value can be transparently and appropriately demonstrated without significant investment into specialist research or measurement methodologies.

We suggest that this pragmatic approach could foster more strategic and mainstream development of social procurement strategies.

What is Social Value?

The term 'social value' is increasingly used as a way to extend strategic purchasing decisions beyond lowest -cost determinations of 'value for money'. Despite its increasingly frequent usage, there are no standard definitions of what 'social value' actually means, and so it is often used interchangeably with other terms, such as 'social benefit', or is conflated with practices, such as 'outcomes measurement' (see for example, Westall, 2012). While it incorporates both these practices, it is not merely a synonym for either.

A simple definition of social value useful for procurement contexts is:

> ***the inclusion in purchasing decisions of any additional social, environmental and/or economic benefits that can be accrued to communities above and beyond the delivery of goods, services or works being purchased***

This definition of social value points to two connected dimensions of the concept:

-understanding what additional benefits are to be achieved in the process;

-determining to what extent these benefits are regarded as important or worthwhile, and will therefore be prioritised by the purchaser.

So, determining social value involves not just an assessment of what outcomes can or could be achieved (and therefore what the benefits of the process are), but also suggests that more subjective decisions need to be made about what is valued. This includes considering to what extent one benefit is valued in relation to other potential benefits (see for example Westall, 2012; Burkett, 2010; Barraket et al, 2015) (see Figure One).

When social value discussions centre around approaches that are overly complex, time consuming, and/or costly in relation to the specific purpose at hand (i.e. not 'right fit') they fail to match the strategic process of procurement. These non-strategic approaches are constraining social procurement to a niche, showcase activity and inhibiting its incorporation into normal and standard ways of doing business.

Ideally, to take a truly strategic approach, questions around social value should be considered as part of the commissioning phase as this is when the outcomes, strategies and priorities for the procurement activity as a whole are developed. Social value objectives can then be integrated into the objectives for strategic planning and purchasing decisions, and appropriate indicators for demonstrating the value generated can be designed-in from the outset.

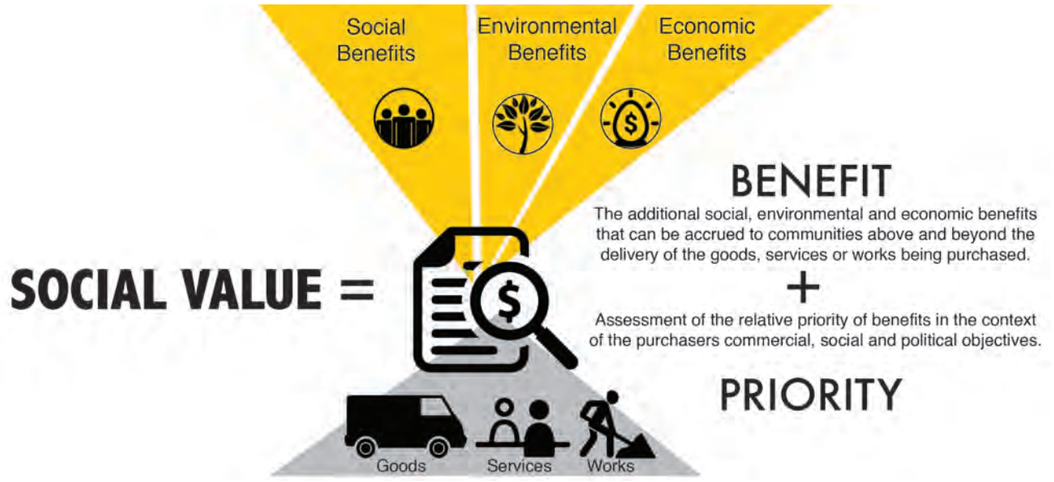


Figure 1: Defining Social Value
Sources: Westall, 2012; Burkett, 2010; Barraket et al, 2015

Why the interest in social value?

The growth of interest in social value in relation to procurement has developed alongside the development of a more strategic positioning of procurement functions within the operational frameworks of organisations. This includes the rise of commissioning frameworks, which position the identification of needs and objectives early in the procurement process.

Procurement as a strategic function in the public sector

As the procurement function has developed over the past two decades, the focus on how value can be generated through the procurement cycle has evolved— beginning with a more focused understanding of cost and economic value, and then moving to incorporate both environmental and social value over time. Social value now sits alongside economic and environmental value in the consideration of the shared value that can be generated in and through organisations (Newman and Burkett, 2013).

Commissioning frameworks

Originating in the UK public sector, commissioning is gaining favour in Australia as the broader process used by public bodies to understand and assess needs of people (either in a particular locality or as a cohort) and then to research, design and select appropriate responses and resourcing mechanisms to achieve outcomes that meet the needs. Strategic procurement incorporates elements of commissioning. When considering how social value may be generated, taking a strategic approach to procurement, including starting the process of identifying needs and objectives during the commissioning phase (as shown in Figure 2).

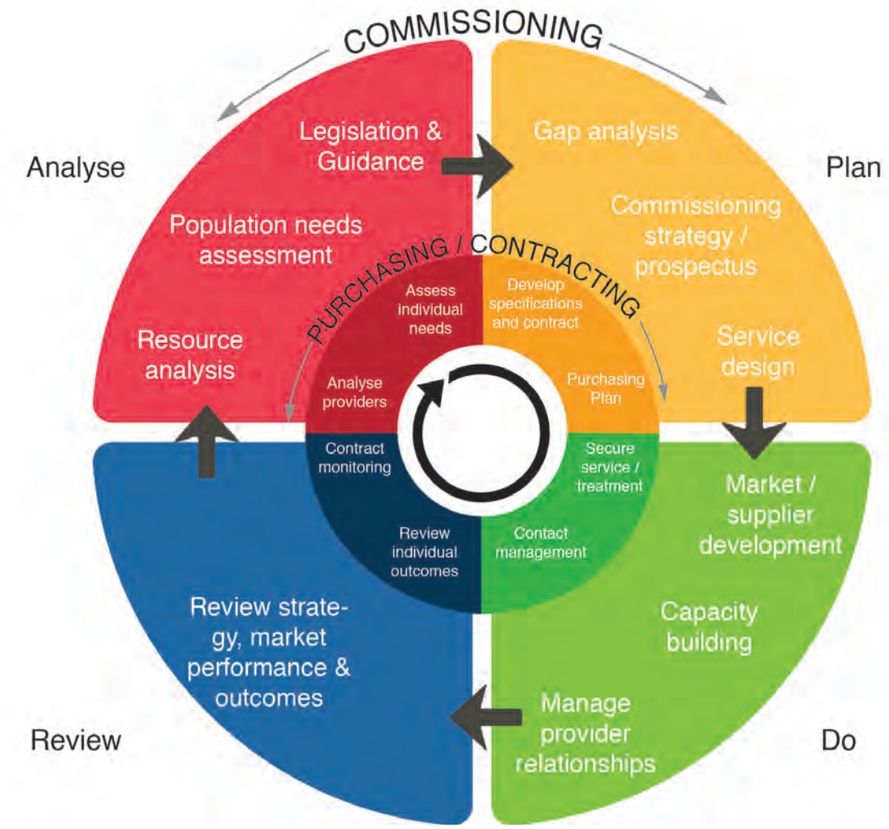


Figure 2: Commissioning and Procurement Cycles
Source: Institute of Public Care, UK

The Problem with Conflating Social Value with the Measurement of Outcomes

"…Popular discussion about measuring social value is characterised by a variety of inflections leading to fragmentation and diverse framing of the nature and purpose of social value. Differing normative agendas are thus at work in present conceptions of social value, the reasons it should be measured and the mechanisms by which this may be achieved." (Barraket et al, 2015; p.108)

In much of the research and literature about social value the focus is on articulating frameworks for measuring social outcomes. While at a basic level this seems reasonable, as suggested above social value is a subjective concept and therefore how it is conceived and how measurement is approached will differ according to who is in the discussion.

In particular, the nature of many of the social issues we seek to address through social procurement means that the outcomes we look to are:

(a) hard to measure, as they often involve a complex intertwining of tangible and intangible changes over time; and
(b) hard to attribute to one form of intervention, let alone to one contract or one aspect of a single contract.

So, when designing a process to demonstrate social value for a specific procurement activity it is common practice to: reduce the focus to the most simple measures - such as countable outputs like the number of jobs generated; or to revert back to those notions of value that are well established and understood broadly - such as price or costs.

For those seeking to go beyond these simplistic considerations of value and to capture and reflect the complexity involved, a common approach is to engage researchers or consultants to undertake extensive and expensive outcomes-based research. Here the focus is usually on demonstrating to what extent the outputs generate actual outcomes in relation to the issues we are trying to address.

Procurement is a strategic process that is based on making decisions about how best to spend limited resources to generate the most value for citizens. Therefore, from a commissioning and procurement perspective, to enable the uptake of social procurement a similarly strategic approach to identifying and demonstrating social value is needed.

In practice, a strategic approach means determining the 'right fit' to considering and demonstrating social value. A 'right fit' is the approach that will ensure enough data about actual and potential social outcomes is incorporated into the decision-making process so that this data can sit alongside both economic and environmental value considerations and ensure that procurement decisions are transparent, understandable and credible.

A Strategic Approach to Demonstrating Social Value: The Social Value Handprint

Our research and experience in the social procurement field show that proponents and those with responsibility for implementing strategies experience challenges around demonstrating social value. It is also clear that many contracts are negotiated around social value objectives that are based on determinations agreed amongst those involved, rather than on high fidelity research.

The case studies presented in part two of this report provide an example of this, in that none of the parties were concerned about measurement that sought to unequivocally 'prove' that a specific instance of social value had been generated and that it could be attributed directly to the activity at hand. What concerned them more was that the information they could present for public scrutiny was credible, understandable and that it justified their purchasing decisions. That is, it was a 'right fit' for their purposes.

We propose the development of a 'social value handprint' tool that can be used to ask questions about what approach would be most strategic for determining social value in a given circumstance. Through the 'social value handprint' tool, we seek to outline a 'fit for purpose' approach to demonstrating social value that starts by asking five key questions:

1. Function: What is the function of the social outcomes sought and why are they a priority for this procurement activity?

2. Focus: Whose social value are we aiming to improve? From whose perspective are we demonstrating value?

3. Form: What measure of value has priority?

4. Fidelity: What will the social value demonstration be used for?

5. Funding: How will the social value demonstration be resourced?

Figure 3 provides a diagrammatic representation that integrates all these dimensions. Each is discussed separately and in more detail in the following sections.

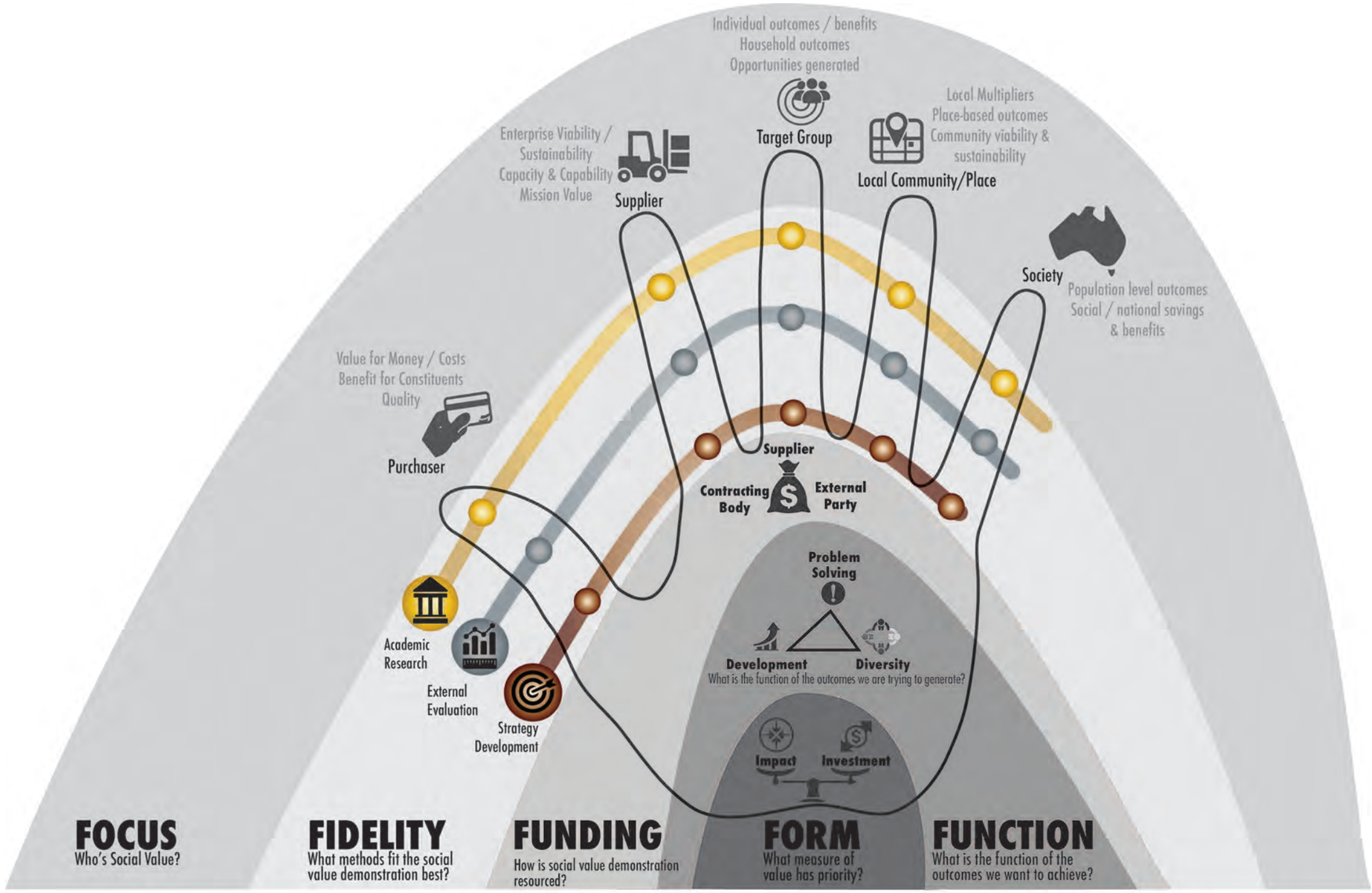


Figure 3: The Social Value Handprint - a strategic approach to demonstrating social value

1. FUNCTION: What is the function of the outcomes we are seeking to achieve?

The function of the outcomes we are seeking to generate is part of the theory of change for the activity. The theory of change is a description and illustration of how and why a desired change is expected to happen in a particular context. In the case of social procurement, the theory of change should include an articulation of the argument about why we are seeking to use procurement as a mechanism for this change. Getting clear about the function of the outcomes shows how this activity has contributed to a broader issue or problem. This is central to identifying what data will need to be tracked, and to making an argument for prioritising this value in the context of commissioning and procurement.

For example - the function may be to shift high unemployment rates amongst Aboriginal youth in a region. The benefits we would be seeking in this case would be an increased number of Aboriginal young people employed in the region, and perhaps also increases in the length of time in employment and better pathways for career development. Understanding the function of the outcomes enables us to prioritise the value of these benefits.

In this case, where we are looking at the regional level of impact, we would seek to articulate the effects on the region of a high rate of unemployment for Aboriginal young people. One example is productivity losses - proxies for costs related to productivity issues that could be useful in this context may include: increased costs to health systems; welfare support; or crime rate data. These data underpin the arguments that make clear the connections between the procurement objectives and the wider strategic priorities of the purchaser and support the rationale for social procurement. This is part of the theory of change for the activity. We have identified three FUNCTION activity domains that are relevant to social procurement strategies – as shown in the handprint below.

2. FOCUS: Whose social value are we aiming to improve? From whose perspective are we demonstrating value?

Social value is a subjective concept and therefore it is critical that the perspective from which it will be determined is transparent. This clarity is also the key element in identifying a strategic approach to prioritising, tracking and demonstrating social value.
For example - are we concerned with the value created for the person at the centre of the outcomes (e.g. the person who has experienced long-term unemployment)? Or are we focused on the value generated for the procuring entity? Or society more broadly? Or all of these? Depending on this focus, different kinds of data for tracking and demonstrating benefits will be needed, and we will need to make different kinds of arguments for the priority this focus should receive in terms of value added.

We have identified five different 'improvement' perspectives as particularly relevant for commissioning and procurement considerations of social value are:

•Purchaser:
-Addressing a market failure that has consequences for constituents;

•Supplier:
-Building supplier diversity and local economic development by growing the capacity of locally owned or minority suppliers;

•Target Groups:
-Addressing long- term unemployment amongst particular groups;

•Local Community:
-Regional community economic development;

•Society:
-Improving social well-being outcomes for particular demographic groups or in particular geographical areas.

3. FORM: What measure of value has priority?

Establishing the 'currency' through which the social value will be communicated can help to build clarity about the nature of methods and approaches that could be used. If the measure of value is about money (price, cost, comparative returns) then the methods may need to include at least one element of monetary 'currency'. This is often expressed as some form of 'return on investment'. These measurements primarily tell us about the investment needed (dollars required) in order to deliver certain levels of outcome. They do not tell us about the quality or meaning of the outcomes themselves. They are therefore said to take an 'investment' or 'investment-first' form.

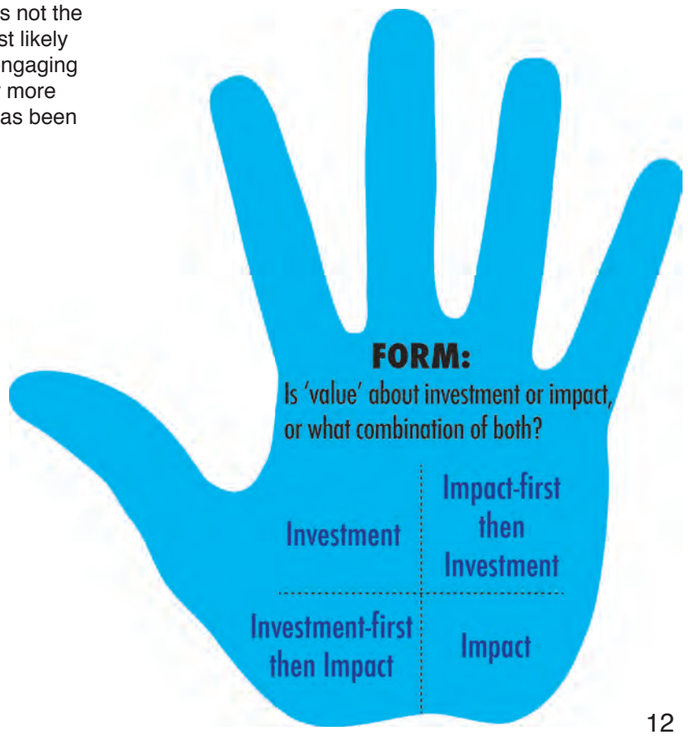
If, on the other hand, the measure is focused on long-term outcomes or impacts for individuals or communities, the value may be described in more qualitative terms such as changes that have improved people's quality of life. These measures provide a picture of the nature of the changes, their implications and their qualities. They do not tell us about the monetary value this generates. They are therefore said to take an 'impact' or 'impact-first' form.

In procurement the nature of value has historically been associated with primarily monetary gains, so 'investment -first' forms of valuing often automatically take precedence in the discussion of measuring 'social' value. Ultimately, any investment into changing social outcomes should deliver real outcomes to the people who are experiencing the issues under question. If this is not the case, then a social procurement strategy is most likely not best suited to your purpose. Tracking and engaging with qualitative measures can ultimately deliver more substantive information about whether 'value' has been attained.

4. FIDELITY: What methods fit the social value demonstration best?

It is this step that determines what methods will be appropriate and relevant in relation to the purpose for which the social value demonstration will be used. For example, are we interested in establishing with absolute rigour and confidence what the outcomes of certain programs are over and above other programs (ie. comparing ways to deliver outcomes, and therefore suggesting some kind of randomised control trial may be needed)? Are we interested in evaluating and publicly verifying the outcomes in relation to the return on investment of our decisions and reporting on this? Or are we primarily concerned with making strategic decisions about value in a way that can be demonstrated and defended transparently?

Fidelity is about ascertaining which methods we should or could use to demonstrate the outcomes we are seeking, and those we would use to prioritise questions of value. At the heart of FIDELITY is understanding which methods have the ability to produce a desired or intended result in relation to achieving social value.

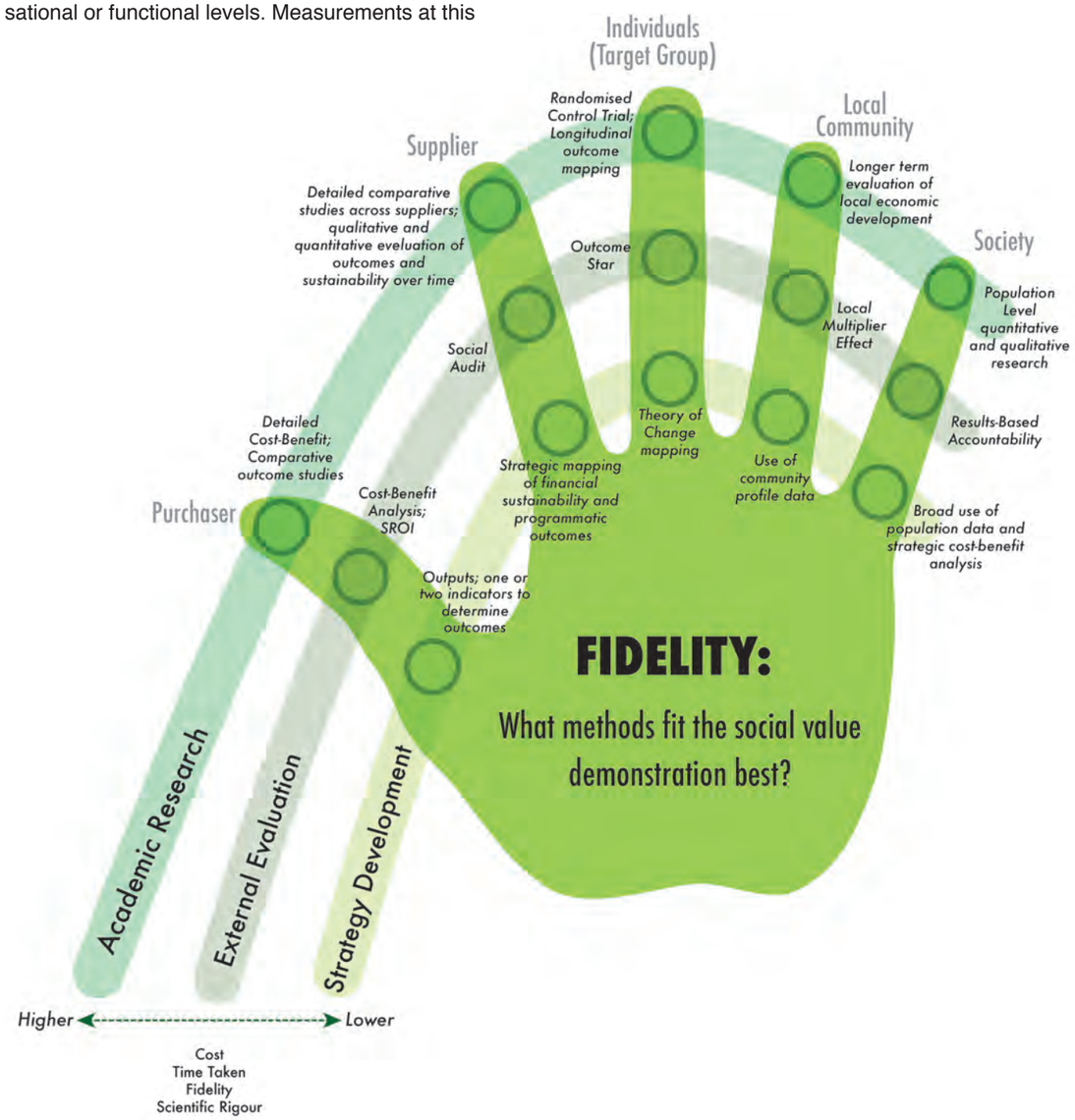


For example:
•Academic research on social value and social outcomes measurement is usually structured either as bespoke analysis developed around the context (e.g. looking at outcomes measurement for individuals employed in an intermediate labour market social enterprise) or at the population level. It can also include significant comparative studies such as randomised control trials.

•Evaluative measurements focus on how well the intended outcomes and benefits have been achieved, and whether anything more could have been done to improve the process.

•Strategy-level social value measurement seeks to support sound and transparent decision-making at organisational or functional levels. Measurements at this level are more indicative than definitive. A 'strategy development' demonstration often starts with articulating the key social outcomes sought, and outlining a theory of change for how these could be achieved. In the case of social procurement, a useful approach is looking at the theory of change of the supplier and how it matches the purchaser's social value objectives for this procurement activity.

We suggest, that in the context of social procurement a 'strategic development' level of fidelity is ample in most circumstances. Should greater levels of fidelity be required then there should be a clear articulation of why this is needed, and early consideration should be given to how the activity will be resourced.



5. FUNDING: How will the social value demonstration be resourced?

Demonstrating social value will require the allocation of resources of some description. Considering this question at the start of the process (ideally as part of the commissioning phase) will help to ensure 'right fit' is identified early and carried through to the procurement phase. In particular, if expensive methods such as randomized control trials or Social Return on Investment (SROI) evaluations are being considered and the skills to perform these are outside the capacity of those making decisions, then alternative resources will need to be identified.

Some proponents suggest that these intensive methods are the 'best' way to demonstrate outcomes. However, it is worth considering who is making these suggestions and revisiting the FOCUS question - whose social value, and from whose perspective do we need to understand it?

In social procurement it is also important to consider what costs are being passed on to the supplier, why and what the effect of this may be - particularly if the purchaser is cultivating a capacity building approach to supplier development. If an expensive assessment is included as a requirement and no resourcing allowance is made for this in the contract price, small and early stage suppliers can effectively be prohibited from participating in the procurement opportunity.

If seeking to stimulate innovation is one of the objectives of the procurement activity, closely specifying the outcomes sought and asking the tenderers to propose their own approach to how outcomes will be demonstrated (rather than prescribing how this should be done) can be a useful approach. Again, consideration should be given to how the approach to demonstrating social value will be resourced – if it is overly complex for the purpose, you may be paying more for something you don't need. And if the purchaser is willing to contribute to the costs, this should be communicated clearly in procurement documentation.

A pragmatic solution may be to come to an agreement about sharing aspects of the resourcing - particularly in cases where part of the objective is to develop a particular supplier or supplier pool. After all, it is in everyone's interests that the information be available, robust and fit for purpose. The 'balance' of sharing could also be varied over time, to reflect increasing maturity in the supplier and/or relationship.

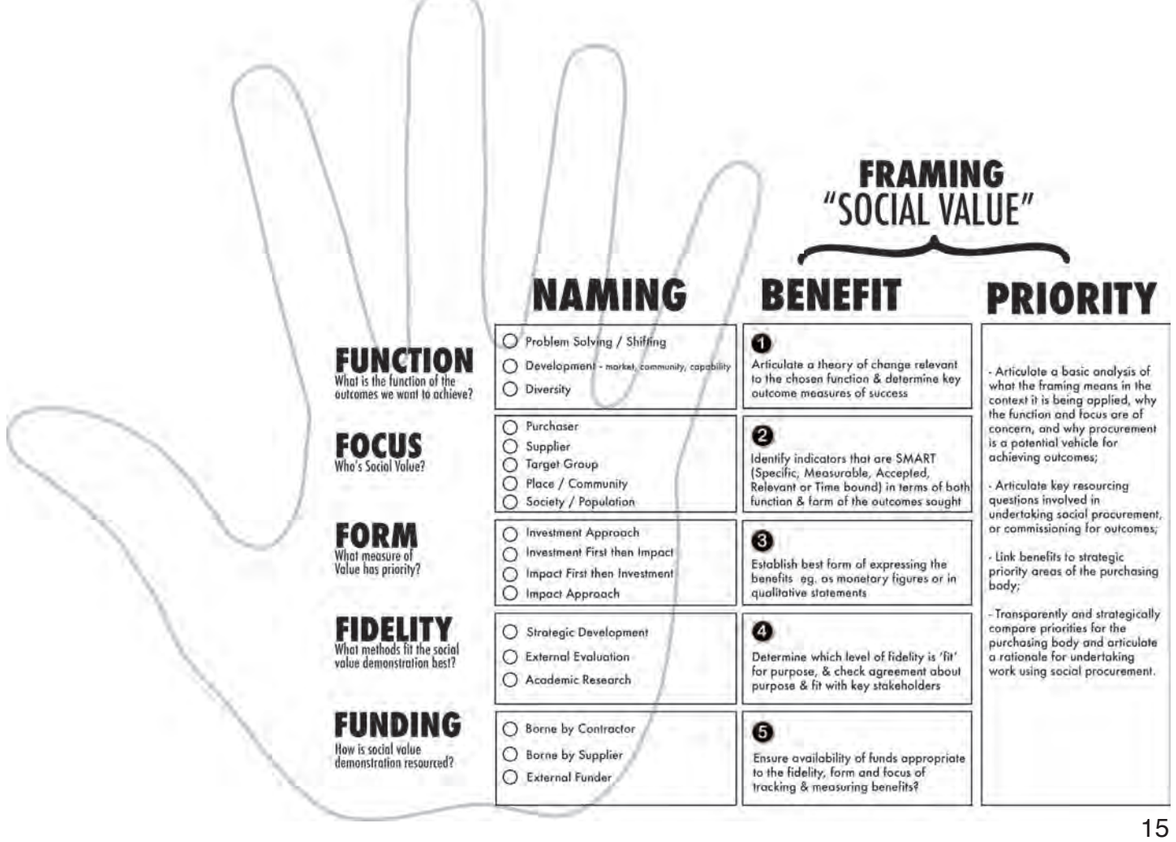
The funding question is closely related to the FIDELITY question as what the social value demonstration will be used for is the central issue in determining the appropriate level and type of resourcing required.

Implementing The Social Value Handprint

The five 'Social Value Handprint' questions raise matters that should all be considered as early as possible in the process (and ideally during the commissioning phase).

Once each has been discussed and deliberated, then it is time to start working through how to incorporate the decisions made into the actual procurement process. Requiring procurement staff to jump straight to this part of the process without providing them with the information that the previous steps elicit is one of the most common mistakes made in implementing social procurement strategies.

Of course, involving the staff who will have responsibility for procurement and ongoing contract management in the process is extremely valuable, and will also build their capacity around designing and managing social procurement strategies over time. The responses to the five questions generate a framework that helps determine how to consider and demonstrate social value for a particular commissioning and procurement process. Figure 4 outlines the steps and flow of how the elements of the Social Value Handprint can be used to frame a demonstration of social value



The First Step: Articulating a Theory of Change

In order to frame the social value in a given procurement context, the first step is to articulate a theory of change that outlines the changes or outcomes that are sought as a result of the activity.

A theory of change is a logical narrative about what it is that you propose is going to occur as a result of an intervention. The elements of the narrative are provided in Figure 5.

A simple theory of change can help to identify some key outcomes that can be demonstrated (measured and tracked) and that will provide an indication of the success or otherwise of the strategy. This in turn can help with reviewing the effectiveness of a strategy, and ultimately, can help determine whether or not the strategy led to or contributed to the outcomes sought by the supplier and/or the purchaser.

The theory of change is focused around the FUNCTION element of the Social Value Handprint. Often the assumption is that the theory of change must focus on the outcomes proposed for the 'beneficiaries' or the target group associated with the activity. However, in a social procurement context, the outcomes should align with the FUNCTION and the FOCUS of the specific activity.

We have identified three activity domains relevant to social procurement, with the change sought articulated through:

1) 'problem solving' - the nature of the outcomes required for the social problem or challenge to be 'solved' or shifted, and the process of how this would occur; and/or

2) 'development' - the nature of the capacity that could be built and the outcomes that would be produced in the process; and/or

3) diversity - the outcomes that would be delivered if diversity of suppliers were to be achieved.

The theory of change is most effective if it is specific and articulates changes that are as close to the nature of the activity as possible. In the case of social procurement, this will relate to the particular commissioning process or contract under consideration. Keeping a tight rein on this is the key to avoiding problems of attribution. It also ensures that you are not attempting to demonstrate changes that are outside the scope possible as a result of this activity. For example, no contract could attribute all outcomes achieved by a supplier to one contract, or even a number of contracts.

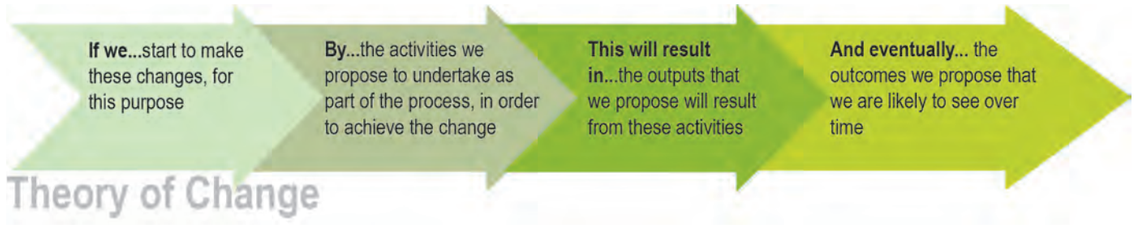


Figure Five: The Elements of a Theory of Change

Developing appropriate measures and indicators to demonstrate social value

Indicators are what the word implies – an indication that you are achieving your goal. They are not the goal itself but only an approximation or 'proxy' (Westall, 2012; p12).

A framework for understanding social value can be created through drawing together data that matches the level of assessment appropriate to the specific commissioning or procurement activity. In determining outcomes at a strategic level of fidelity, building a transparent and reasonable set of indicators should not be an expensive or onerous task.

In the tables below a series of sample measurements and indicators are outlined for each of the five Social Value Handprint 'improvement' perspectives. The actual value assessments and indicators relevant to any given contract will need to be determined by the context and the ways in which value is framed in relation to each element of the Social Value Handprint.

These examples are merely indicative of the range and nature of indicators (or proxies) that could be used when demonstrating or prioritising social value. Below each table particular ways in which these indicators could be used for establishing social value in procurement or commissioning contexts are outlined.

Whose social value?	Sample Value Demonstrations (Social & Economic)	Potential Indicators
Contracting Body (Purchaser)	Cost of contract compared to alternative contractor costs Any variable costs in administering, implementing or monitoring contract over & above other contracts Any savings involved if tendering process was closed or limited (eg. staff, administration, advertising etc) Any additional risk costs incurred above and beyond other contracts Financial benefits included in the relationship / contract	Tender value Increased administration costs Extra staff for monitoring Extra implementation costs Cost savings in staff, administration or advertising when going to open tender Non-completion risk costs Reduced quality risk costs Profit sharing Savings in levies Savings in / over lifecycle of assets

Table One: Sample Value Indicators relevant to Purchasers

When it comes to the purchaser's perspective on benefits and value, very often this is still determined on the basis of costs versus benefits. For this reason, having an understanding of the basic financial realities of any proposed instances of social procurement provides a necessary foundation for demonstrating value.

Whose social value?	Sample Value Demonstrations (Social & Economic)	Potential Indicators
Individuals / Families (outcomes for Target Group)	Increased Employment	Number of jobseekers entering into quality jobs Number of people sustaining work Number of people satisfied with their employment Number of people progressing / advancing in responsibility, wage structure
	Increased Skills, Education and Training	Improved vocational skills Increased work experience Increased functional work skills - attitude, behaviours, interpersonal skills
	Improved Personal and Household Wellbeing	Improved health (or specific areas of health) Decreased use of addictive substances Attainment and maintenance of stable housing Changes in personal confidence levels Changes in range and number of social connections Changes in family reports of well-being Changes in community and civic engagement
	Improved Financial Position - Increased Income, Assets, Decreased Debt	Changes in income levels Changes in assets (eg. home ownership) Changes in personal and household debt level

Table Two: Sample Value Indicators relevant for particular target groups

The demonstration of value associated with outcomes for a particular target group will be very much dependent on the nature of the changes sought. Most of these outcome indicators are centred on economic status - other than the 'well-being' indicators which are potentially the most qualitative in nature. In tracking these changes it is particularly important to seek the active participation of the 'beneficiaries' of the outcomes, as otherwise the measurement can be quite intrusive.

Whose social value?	Sample Value Demonstrations (Social & Economic)	Potential Indicators
Supplier	Viability and Sustainability of the Business	Improved profit Stabilised cash flow Improved equity
	Attributable outcomes focussed on target social issue or target group	Increased and sustained employment Increased household income Increased employment stability
	Jobs created	Number of quality jobs created and filled by jobseekers previously unemployed Number of jobs sustained by employees over a set period of time
	Value of volunteer hours	Cash value of volunteer hours (based on base wage level)

Table Three: Sample Value Indicators relevant to Suppliers

There are instances of commissioning and social procurement where the stability and sustainability of a supplier or group of suppliers is a central outcome - for example, in catalysing the growth of the social economy in a region. In these cases, demonstrating value through tracking the commercial returns and other impact each of the suppliers is able to generate as a result of the strategy may be a useful approach.

Whose social value?	Sample Value Demonstrations (Social & Economic)	Potential Indicators
Community (local economy)	Direct local jobs created Indirect local jobs created	Number of jobs created and filled locally Number of indirect jobs (multiplier effect) in the relevant industries
	Wages into local economy per annum	Gross total figure of wages added to local economy
	Local spend on suppliers and sub-contractors	Percent of overall spend that is spent locally

Table Four: Sample Value Indicators relevant to local economies or communities

Particularly in regional areas the outcomes sought from social procurement and commissioning are often centred on local economic development. In these cases, the indicators reflect a focus on regional level changes, including local multiplier effects and spends with local suppliers and other benefits flowing to the local economy.

Whose social value?	Sample Value Demonstrations (Social & Economic)	Potential Indicators
Society (broader outcomes)	Reduced welfare costs	Savings in unemployment costs per annum
	Reduced support costs	Proxy savings in support costs
	Reduced or improved health care costs	Proxy savings in health costs
	Reduced public housing costs	Proxy savings in public housing costs

Table Five: Sample Value Indicators relevant to broader social goals

Although social level outcomes are often quoted in relation to social procurement, they are often the most difficult to attribute to contracts or singular interventions. So, while the indicators can be used to provide an indicative sense of value, in the context of a particular commissioning or procurement activity they are very often too broad and imprecise.

Conclusion

The Social Value Handprint framework outlined here recognises the two connected aspects of the concept of social value:

-understanding what additional benefits are to be achieved in the process;

-determining to what extent these benefits are valued, and will therefore be prioritised by the purchasing organisation.

It facilitates a strategic approach to social value considerations and assists in thinking through what a 'fit for purpose' articulation of benefits and priorities can look like for specific instances of commissioning and procurement.

To date, discussions have often conflated the demonstration of social value with methodologies used for evaluating or researching social outcomes. However, it is not the case that expensive and time consuming social outcome measurement is the only option for demonstrating social value. Of course, we need to be rigorous and transparent, but the fidelity of data and analysis we need in relation to effective and strategic decision making about public funds is different to the fidelity used in evaluative or academic research.

The Social Value Handprint provides examples of how strategic levels of assessment – that are a 'right fit' for the specific context – can be achieved. In many cases, these ways will be cost effective and relatively straightforward to undertake, and will deliver data and a narrative that is more suited to procurement contexts.

Ultimately, for social procurement to continue to grow and develop we need to engage in much more debate and discussion about what represents a 'right fit' for assessing social value. This report and the case studies that accompany it seek to make a contribution to this discussion.

Section 2: Case Studies

The two case studies that follow apply the framework outlined in this section to two different instances of social procurement. Each is at a different stage of development, and involves a different scale of contracting. Together they show that demonstrating social value is most often a bespoke exercise, that requires careful consideration of the five social value questions from within the specific context of that commissioning or contracting opportunity.

Neither of the case studies were collecting the granularity of data needed for evaluative or academic fidelity research, and they also did not perceive any particular benefits relevant to their respective contexts that undertaking this type of assessment would deliver.

Nonetheless, in each case we were able to demonstrate the social value being generated through the social procurement activity. Using the Social Value Handprint a transparent, cost effective framework that is appropriate for making strategic decisions relevant to the context that each operates within has been developed.

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Measuring the Impact of Social Procurement: A New Approach is an initiative of Social Traders to explore alternative approaches to tracking social value delivered through social procurement. This research has been conducted by Ingrid Burkett & Joanne McNeill.

This project set out to undertake a cost-benefit analysis of social procurement across three distinct examples to demonstrate the added financial value that social procurement creates.

Unfortunately, no social enterprise or buyer that was approached had enough of the right data to undertake a meaningful cost-benefit analysis. The required data was not being collected.

Based on this experience, a pragmatic approach was adopted to improve understanding of social value in the context of procurement, which focussed on helping buyers to understand the right data to collect.

The 'social value handprint' tool used in these case studies identifies a 'fit for purpose' approach to demonstrating social value in different social procurement contexts.

CONNECT.

Social Traders' Connect links certified social enterprises with procurement opportunities.

Through Social Traders' extensive social enterprise network, buyers have the opportunity to generate social impact within their supply chains, creating greater value to the community.

Opening New Markets

Since 2010 Social Traders has facilitated more than $50 million in procurement contracts for social enterprise in Australia.

Goal

By 2025, Social Traders' goal is to have 150 buyer members spending $150 million per annum with 500 certified social enterprises.

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