

# **SOCIAL VALUE**

---

## **INTERNATIONAL**

Standard for  
applying the  
Principle

Involving  
Stakeholders

**DRAFT**

# Table of Contents

Introduction.....	1
Identifying stakeholders.....	4
Stakeholder involvement.....	5
Deciding how many stakeholders to involve.....	7
Planning.....	14
Useful resources.....	17
Appendix A – example questions for qualitative data collection.....	18

# Introduction

Social Value International (SVI) supports a principle based framework. More information on these Principles is available on our [website](#). The Principles provide the basis for collecting data that will support decisions to increase the value being created for stakeholders and hold the organisations to account for their impact.

This is SVI’s Standard for the application of the Principle: ‘Involve your stakeholders’ to meet the requirements of the Principle to ‘Verify the result’ as set out in the Assurance Standard. The [Assurance Standard](#) is designed to test understanding of the Principles.

- ### The Social Value Principles
1. Involve Stakeholders
  2. Understand what changes
  3. Value the things that matter
  4. Only include what is material
  5. Do not overclaim
  6. Be transparent
  7. Verify the result

## Principle #1 Involve Stakeholders

*Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders.*

Stakeholders are those people or organisations that experience change as a result of the activity and they will be best placed to describe the change. This Principle means that stakeholders need to be identified and then involved in consultation throughout the analysis. This means that the value and the way that it is measured, is informed by those effected by, or who affect, the activity.

Stakeholder involvement will be needed in applying the other Principles of Social Value:

- Understand what changes;
- Value what matters;
- Only include what is material;
- Do not over claim.

This Standard should be read in conjunction with existing Standards relating to these Principles. Stakeholder involvement in Social Value analyses would also be required in SROI, and for people using this guidance as part of SROI, there are references to SVI’s [Guide to SROI](#). This guidance does not cover detailed descriptions of different methods of involvement, although links to some sources are provided at the end of this document.

## Definitions

Stakeholders are defined as: people who affect the activity under analysis and those that are affected by it. They can be individuals or groups of individuals. Involvement is the process by which a group of people are able to influence decisions.

## Risk of Bias

Stakeholders must be involved in the process of accounting for value, but this doesn't mean that those affected are the only source of relevant information. Other people, often the staff within the organisation, will have knowledge and experience. Third party research may also be available. However, the determination should start with stakeholders' perceptions of outcomes and make any judgements transparent. If other information results in a decision to exclude or refine outcomes expressed by stakeholders this should be stated.

Some risks of relying on information from stakeholders are:

- some stakeholders may not be well informed;
- they may have short term priorities, which restrict their ability to consider longer term outcomes;
- within any group, some members may be able to have their views heard more effectively than others.

Some risks of relying on information from those responsible for the activity are:

- they do not know all the outcomes that stakeholders experience;
- they use language that is more general and does not reflect the specific stakeholder's experience, and this can affect subsequent decisions during quantitative data collection;
- they tend to exclude or explain away any negative outcomes that are experienced (no causality, not relevant, activity not understood etc.).

Some risks of relying on third party research are:

- the research does not relate to a similar group of people, in a similar context, involved in a similar activity;
- the research itself was not based on a process of involvement that identified all the outcomes.

The judgement on how to use the information that arises from stakeholder involvement remains with those undertaking the analysis.

At relevant places in this Standard, some short examples of the issues raised are included in italics. The example used in the Guide to SROI (Wheels to Meals) and the [Supplementary Guidance on Using SROI](#) is also used in this guidance to demonstrate some of the points. However, this will not be appropriate in all circumstances, and so other examples have also been included. Each situation should be considered on its own merits and you need to remember that the approach in any of the examples may not be appropriate in your situation.

The main things to remember are:

- Stakeholders should be involved in the process of determining the most important outcomes
- Information from stakeholders should be balanced with other research and evidence
- There will be a trade-off between the resources you have available and the level of involvement that is possible. Any trade-off should be acknowledged in the reporting of social value, highlighting the risk that material outcomes have not been identified
- The number of interactions and the time required should be kept to the minimum necessary

The remainder of this supplement covers:

- Identifying stakeholders
- Stakeholder involvement - how should stakeholders be involved in applying the Social Value Principles?
- Deciding how many stakeholders should be involved
- Planning - making sure data collected from stakeholders is good enough to support decisions

## Identifying Stakeholders

Before you can identify relevant stakeholders, you need to be clear on what the activity is that is being investigated. The stakeholders relating to that activity then need to be identified before they can be involved. Whoever is responsible for collecting data from stakeholders will need to start by drawing up a list of those groups of people or organisations that they consider:

- have affected the activity (or will affect the activity)
- have been affected by the activity (or will be affected by the activity)

There is always a risk that this list is incomplete, insufficiently detailed or includes stakeholders that are not relevant. You may need to revise your list of stakeholders as you progress with your analysis, and the application of the Principles is designed to help identify:

- other stakeholder that should be included;
- segments (or sub groups) within your stakeholder group, where shared characteristics may relate to shared outcomes or shared perceptions of the relative importance of those outcomes;
- groups that do not experience material outcomes and can be excluded.

## Stakeholder Involvement

### Is it possible to involve your stakeholders?

The first question to ask is whether a particular stakeholder group will be able to provide data or whether there are any limitations. Some groups may not be able to answer questions or there may be sensitivities, for example:

- a) people with certain mental health issues;
- b) very young children;
- c) people who dropped out of your activity and are harder to contact;
- d) people whose experience wasn't positive;
- e) the environment.

In these situations, you may need to:

- take this into account in deciding on the methods of involvement you will use;
- or
- identify other people who are not responsible for the activity but can talk on behalf of that stakeholder group.

### Involving stakeholders in data collection

In applying the seven Principles you will need to collect a range of qualitative and quantitative data. The table below provides a summary of how stakeholders should, or could be involved in accounting for social value. The table also references relevant sections of the Guide to SROI. Each row in the table sets out what stakeholders will be contributing to the analysis.

**Should be involved** – Involvement is required to meet the SVI Assurance Standard or reasonable justification is necessary for not involving them combined with a reasonable alternative source of data (which would not include reliance on those responsible for the activity).

**Could be involved** – Involvement would provide additional data in support of your decisions to increase value but is not required by the SVI Assurance Standard.

There are usually two phases of stakeholder involvement; a qualitative phase in which a sample of stakeholders are involved in collecting most of the qualitative data (specifically defining the outcomes and identifying any additional stakeholders) and then; a quantitative phase in which a larger sample of the stakeholder group are involved in establishing the quantities for each outcome and the impact. However, this two phase approach is not prescriptive and for some stakeholder groups not appropriate, for example when there is a small stakeholder group (approximately 10-20 individuals) it may be appropriate to do one phase of engagement where questions about what changes and how much changes are asked at the same time.

Principle	Section of The Guide to SROI	Details of stakeholder involvement	Type of data	Essential or could be involved to meet SVI assurance criteria?
n/a	1.1 Establishing the scope	To test the logic of the initial scope of the analysis i.e. which activities is the analysis based upon.	Feedback on process	Could be involved but not essential
Involve stakeholders	1.2 Identifying stakeholders	In consultation with the initial list of stakeholders, your stakeholders should be asked if they think others are experiencing change as a result of the activity.	Qualitative	Should be involved
	1.3 Deciding how to involve stakeholders	To test that the proposed methods for involvement are: - appropriate to the stakeholder group/s - match the resources available (yours and the stakeholders') - will generate the quantity of involvement 'necessary'	Feedback on process	Could be involved but not essential
n/a	2.2 Identifying inputs	To understand the range of inputs made by stakeholders to the organisation or program.	Qualitative	Could be involved but not essential
		To establish the quantities of inputs (e.g. how much time was required).	Quantitative	Could be involved but not essential
	2.3 Valuing inputs	In valuing inputs both monetary and non-monetary.	Quantitative	Could be involved but not essential
Understand what changes	3.1 Defining outcomes	A sample of stakeholders must be involved in determining the outcomes they have experienced (or are likely to experience).	Qualitative	Should be involved
		Determining the outcome in the chain of events (well defined outcome) that will be tested for materiality and be the basis for subsequent decision making (see Supplementary Guidance on Creating a well-defined outcome).	Qualitative	Should be involved

Principle	Section of The Guide to SROI	Details of stakeholder involvement	Type of data	Essential or could be involved to meet SVI assurance criteria?
Understand what changes	3.1 Defining outcomes	In developing outcomes for other stakeholders, for example families of young children may help understand outcomes for young children.	Qualitative	Could be involved but not essential
	3.2 Defining indicators	In the absence of relevant and available indicators for the outcomes, stakeholders could be involved in developing bespoke indicators that can measure the amount of each outcome.	Qualitative	Could be involved but not essential
		In assessing the data collection processes.	Feedback on process	Could be involved but not essential
	3.2 Collecting Outcomes Data	Understanding if each stakeholder has experienced either a positive change, a negative change or no change for each outcome.	Quantitative	Should be involved
		Understanding the amount of change for each outcome (positive or negative - usually movement on a scale).	Quantitative	Should be involved
	Value what matters	3.4 Understanding the relative importance of different outcomes	In informing the assessment of the relative importance of different outcomes they experience.	Quantitative
Verifying the appropriateness of financial proxies used in reflecting the relative importance of the outcomes they experience.			Quantitative	Should be involved
Do not overclaim	4.1 Deadweight	Questions to understand what might have happened anyway (without your activities).	Qualitative	Should be involved
		Estimating the amount of deadweight for each outcome.	Quantitative	Could be involved but not essential

Principle	Section of The Guide to SROI	Details of stakeholder involvement	Type of data	Essential or could be involved to meet SVI assurance criteria?
Do not overclaim	4.1 Displacement	Questions to understand the availability (and usefulness) of comparable services.	Qualitative	Should be involved
		Estimating the amount of displacement for each outcome.	Quantitative	Could be involved but not essential
	4.2 Attribution	Questions to understand who else has contributed to the change (outcomes).	Qualitative	Should be involved
		Estimating the amount of attribution to others.	Quantitative	Should be involved
	4.3 Drop-off	Stakeholders could be involved in assessing approaches to reporting drop-off data.	Feedback on process	Could be involved but not essential
3.3 Establishing the duration of outcomes	In considering how long we should continue to measure the outcomes.	Feedback on process	Could be involved but not essential	
Verify the result	6.1 and 6.3 Verification	In reviewing: - The theory of change - The value and range of outcomes.	Qualitative	Should be involved
		In assessing the appropriateness and usefulness of the form of reporting back to stakeholders.	Feedback on process	Could be involved but not essential
		In reviewing and providing feedback on proposed changes to the activity that have arisen based upon impact data.	Feedback on process	Could be involved but not essential
Be transparent	6.2 Using the results	Within the determined scope and audience, stakeholders should be informed of changes in performance over time.	Quantitative	Should be involved

## Deciding how many stakeholders to include

### Issues

The Standard does not state the numbers of stakeholders that should be involved as this will vary based on the context and scope of analysis. This judgement is left to whoever is collecting data from stakeholders, and they must consider what will be sufficient for accountability, as required for the audience and purpose of data collection, and allowing for accessibility and resources.

Social Value UK's website includes examples of social value reports that can be used as guidance in conjunction with this Standard.

There are several potential issues to consider when deciding how many stakeholders to involve. The points made below refer to an approach that will meet the Assurance Standard. In some situations, this may not be good enough. In others, it may be more than is necessary.

Lack of time or resources may also mean that it is not possible to engage with as many stakeholders as you wish to. Where you have to reduce the amount of involvement, it is important to be transparent and to be aware of the resulting limitation of your data which include:

- relative size and importance of different outcomes' impacts may not be correct;
- decisions on what outcomes are material may be incorrect.

### Qualitative Data Collection

As mentioned earlier, there is a mixture of qualitative and quantitative data to collect. It is best practice to do two phases of data collection. The aim of qualitative data collection is to provide the basis to understand which outcomes your stakeholders are experiencing, and provide some initial information on the other aspects of those outcomes (such as duration, deadweight, attribution etc.) as a basis for subsequent quantitative data collection.

The main methods and their advantages and disadvantages are set out in the table on the next page.

Stakeholder group	Methods	Advantages	Disadvantages
Individuals (often end users of the products or services)	Focus group	Time to explore issues with others in a conversation	Individual voices can dominate Several focus groups may still be required
	One to one interviews / conversations	Time to make sure individuals' experiences are explored and ensure understanding on both sides	Can require more resources (time and finances etc.) Loses the chance for discussion to develop understanding
	Phone survey	Compromise on cost and involvement between focus group and one to one approaches	May not be able to explore issues in detail May be hard to arrange appropriate times for calls Can miss non-verbal cues
Organisations	Phone surveys One to one meetings	As above	As above
	Review policy documents	Easy and documented	May not represent specific objectives and expectations of an activity

## Mixed Methods

You may decide to use different approaches. For example, a focus group for people who had experienced mainly positive outcomes, and face to face informal interviews with people who had experienced negative outcomes, perhaps had dropped out early, or didn't achieve the activity's stated goals.

## Selecting some stakeholders from each stakeholder group

Unless you are working with small numbers of people and can involve everyone you will need to make a selection. This won't be perfect, but you can reduce the risk of bias. Remember it is important not just to involve those stakeholders with positive experiences, as this can present us with skewed results. Including open questions in subsequent

quantitative data collection, and having a regular (often annual) process of data collection will improve the understanding and continue to reduce risks. Start with your assessment of the characteristics of people in the group and select a sample that is representative. The characteristics could relate to many factors,

## Frequency of Update

In future years, you may decide to reduce the frequency and the extent of involvement of stakeholders in updating your understanding of outcomes. Quantitative data collec-

## Questions and Discussion

Your discussions will cover:

- people's outcomes, the relative importance of those outcomes, the involvement of other people or organisations in causing those outcomes and the desired duration of the outcomes;
- people's background, further exploration of the background behind their experiences, which could inform your understanding of different user segments within a stakeholder group.

It has been highlighted that there is no rule as to how many people you will need to engage with qualitatively. The accepted approach is that we need to involve enough people until you reach the point that you are no longer hearing anything differently- you have become saturated (further information is available here). This will form the basis of your understanding of change. More information is available in the supplement on well- defined outcomes.

At this point you may notice that the different things you have heard relate to different characteristics or segments within a stakeholder group. Your analysis of the characteristics and outcomes will determine potential segments and extend your understanding of who your stakeholders are. Although you drew your initial sample to be representative based on your knowledge, for example on variations in age or gender, this may prove to be less accurate when we have some data. You may have heard things that make you think that people experience different outcomes based on other characteristics. Alternatively, you may decide that estimates of deadweight reflect different groups. For example, in an employment program, those who gain employment may have a supportive family background, and so what would have happened anyway depends on the extent of family support. Whilst you will be looking for groups that experience different outcomes, the focus should still be on similarities. Otherwise there would be a tendency to collect data on each individual customer's experience, which is unlikely to be feasible or help us to make decisions.

You may also need to expand your sample taking new characteristics into account so that you are able to check whether you have reached saturation, allowing for adequate representation from your emerging segments.

## Quantative Data Collection

The main methods and their advantages and disadvantages are set out in the table below.

	Advantages	Disadvantages
<b>Informal Approaches</b>		
Ad hoc meetings, discussions, observations	Low-cost	Not representative – limited value in counting instances of actions/ behaviours
<b>Formal Approaches</b>		
Face-to-face survey	Time to ensure questions are understood and to explore answers Low rate of non-response	Time consuming / resource intensive Risk that person filling in the form leads the answers
Phone survey	Time to ensure questions understood and to explore answers	Difficult to find appropriate time Difficult to obtain contact numbers Risk of error in data entry
Email / online survey	Relatively inexpensive / free	Risk that answers are not complete Some people may not have online access High rate of non-response
Postal survey	Less time-intensive	Difficult to obtain addresses Expensive, requires self-addressed envelope Loss of control as to who completes

In deciding whether stakeholders can be involved, where it won't be appropriate to collect data directly from a stakeholder group, someone will have to ask the questions and complete the answers. For example, if you are working with young children, or people with visual impairments.

## Selecting Stakeholders - Sample size

Stakeholders are involved in providing quantitative data on outcomes i.e. how many experience the outcome and how much change. If you are working with a small number of people it may be possible to involve them all, otherwise you will need to select a sample. In quantitative research, you want to use the analysis of the data you collect as the basis for the experience of the whole group.

Deciding on a sample size can quickly become a complex statistical question requiring information that includes population size, the level of confidence you require, the variability and distribution within the population. This means there is no one answer, even for a known population size. Once you have determined your required sample you would then need to select people randomly from the population. It is difficult to make random selections, and if you have any people who once selected do not respond or provide the data, your sample is no longer random and you will have sampling error.

The pragmatic solution is to consider the different segments you may have, use an online sample size calculator to get a minimum, and then survey to achieve a response rate that gives you a minimum of that sample for each segment. Further information on calculating a relevant sample size is available [here](#) and for selecting random samples a good website is <https://sealedenvelope.com>.

## Supporting Data Collection

You may have decided to collect data from stakeholders and from other people who know the stakeholders to increase the confidence that the outcome has occurred. You may decide you need a different approach and/or sample size for this.

## Questions to ask during quantitative data collection

Your questions will cover:

- Whether an individual has experienced each outcome (this should be captured as either a positive change, a negative change or no change);
- the amount of change (usually on a scale) for each outcome;
- the length of time that each outcome lasts for (or is expected to last);
- the relative importance/value of each outcome;
- the likelihood that the outcome would have happened anyway;
- an estimation of how much of the outcome should be attributed to your activities.

## Planning

Involving stakeholders at the earliest possible opportunity should make subsequent data collection far more efficient, reducing the time and resource requirements as well as providing a useful communication and tracking tool. A systematic approach to stakeholder involvement should encourage reflection, and thus opportunities to modify or extend the way you are engaging with your stakeholders. Over time this engagement should significantly improve your organisation's social impact performance, and ability to innovate to meet stakeholder needs.

The decisions made can now be summarized in a stakeholder involvement plan. This will set out:

- Who will be involved?
- When they will be involved?
- How they will be involved?
- What resources are required to involve them?
- How will this be monitored?

### Who will be involved?

Determined above but recorded in the stakeholder involvement plan.

### When will they be involved?

As well as minimizing the amount of involvement, this should be planned to ensure that those selected can be accessed, and are provided with appropriate support where necessary. The reason that any stakeholders are subsequently not involved may relate to their experience of the activity

### How will they be involved?

Determined above but the approach, for example, one to one interviews, together with the justification for the approach, should be included in the stakeholder involvement plan. The framing of the discussion in qualitative data collection, and the questions to be used in quantitative data collection will depend on context. The examples in Appendix A are intended to give an idea of the type of questions that would be included. However, it is important that the language used is appropriate to the situation, as this can have significant effects on the quality of the engagement.

One of the distinguishing characteristics of quality stakeholder involvement is it allows the organisation to empower its stakeholders, particularly if they include groups that have been, or are marginalised in any way. A consideration of capacity building sends important signals to your stakeholders (internal and external) that the organisation considers them to be a valuable resource, and is willing to invest in the relationship. This investment can deliver benefits to your stakeholders, through increased confidence and ability to express themselves, and over time should build a strong foundation for the organisation's future social impact analyses.

## What data will be collected?

Your plan will have discussion guides and survey forms attached. Refer to other Social Value Standards and the Guide to SROI for guidance on developing these.

## What resources are required?

The scope will be one of the main drivers of the amount and type of stakeholder involvement and therefore the resources required. For a new activity (or a new organisation) you will need to involve people from the group that you want to become your stakeholders. For a forecast, relating to an existing activity you will be involving people that have been stakeholders. These differences will inform scale and methods of involvement. Organisations will often have existing processes for involving stakeholders which can be built on.

Stakeholder involvement can be one of the most resource intensive aspects of data collection. These will include the financial, human, and technological resources required for those carrying out the activities, as well as for the stakeholders invited to participate. Stakeholders may wish, or need to be compensated for their time as well as for any expenses incurred, and any financial support should be designed in such a way that it does not represent a potential conflict of interest, or generate issues where stakeholders are in receipt of state benefits.

## Who is responsible?

Ensure someone is responsible for involving stakeholders and that any conflicts of interest are considered.

## Monitoring and Feedback

To establish trust, transparency, and accountability, it is also critical that the outputs of the involvement program are communicated and acted on. An action plan that articulates how the organisation will respond to the results generated through the involvement program is useful here. It is important that the plan is communicated consistently and equitably so that all participants receive feedback on results of their involvement.

Quality stakeholder involvement requires that activities are monitored and that processes are continually improved. The ongoing success of stakeholder involvement, and people's willingness to participate in future engagement activities, depends in large part on the organisation achieving the commitments it makes in the action plan. It is also good practice to report these publicly so that the broader community can identify the organisation's knowledge and understanding of stakeholder concerns, and how it is responding to these. As a brief example, the table below highlights the engagement conducted for the Wheels to Meals case study.

## Wheels to Meals Stakeholder Engagement Plan

Stakeholder	Number	How involved and when	Number Involved	Resources required	Responsible	Reporting and feedback
Older residents	30	Focus group held during lunch	10	Necessary finances. Suitable room, note-taking facilities, and refreshments for participants	Wheels to Meals staff	At start of first day after data collection and analysis
Health Service	1	Review of policy documents. Phone call with area manager	1	Access to IT equipment Phone and time to make the call	Advisor	Account of overall impact shared
Local authority	1	Review of policy documents and contract. Meeting with contract manager and policy officer	1	Access to IT equipment Meeting room and note-taking facilities	Advisor	Account of overall impact shared
Volunteers	5	Focus group held at end of normal working day	6	Necessary finances Suitable room, note-taking facilities, and refreshments for participants	Wheels to Meals staff and advisor	Feedback meetings arranged

## Useful Resources

Some sources of additional useful information include:

- Free online application to create a visual chain of events (outcomes) myGVE, Social Value UK, available [here](#).
- SVUK links on stakeholder segmentation, developing user personas and journeys, [here](#).
- AA1000SES, Stakeholder Engagement Manual, [here](#).
- Acorn, Acorn User Guide, The Consumer Classification, [here](#).
- Involve, peopleandparticipation.net [here](#).
- Cabinet Office Guide to Segmentation, [here](#).
- Catalogue of segmentation and clustering software, [here](#).
- Robert Wood Johnson Foundation, A Practical Guide to Engaging Stakeholders in Determining Evaluation Questions, [here](#).
- Segmentation Portal, [here](#).
- The New Economics Foundation, Participation Works! [here](#).

## Appendix A - example questions for qualitative data collection

These are general examples and would need to be developed to be appropriate for the stakeholder group that you are working with.

Identifying	Question
Inputs	How are you involved in the activity we are analysing? What did you contribute to the activity (and how much)?
Outcomes	What changes did you experience, (or do you think you will)? What do you do differently as a result? Were all the changes positive? If not, what were the negative changes? Were all the changes expected or was there anything that you didn't expect that changed?  - be ready to probe for a range of answers "So what happened next...?"
Other stakeholders	Do you think anyone else has experienced any changes as a result?
Indicators	How would someone else know that this had happened and what would we show them? What would it look like?  Could you measure it?
Deadweight	What would have happened to you if you hadn't taken part? Would you have found something else later?
Attribution	Who else provides something like this?  Did anyone else contribute to the experience/change?
Displacement	Did you have to give up anything to take part in the activity? Were you getting similar support from somewhere else?
Duration	How long did the change last for (or do you think the change will last)?
Valuation	How important was this change? Can you compare it to something else just as important to you? Can you put these changes in a priority order of how important they are to you? Which are worth most/least to you? Which of these changes will make the biggest difference to you?
General Feedback	Which other ways might you/your organisation achieve the same changes?  How might we improve our services?

# **SOCIAL VALUE**

---

## **INTERNATIONAL**