

Barriers to social impact assessment and foundations

Elisa Ricciuti – Bocconi University | Francesca Calò – Glasgow Caledonian University

Foundations are key players in the philanthropic sector in Italy. However, it is unclear how they are engaged in Social Impact Assessment (SIA) in terms of motivations, methods and approach.

The authors explore foundations' understanding of impact, their methods in undertaking the process and the barriers they face.

Concepts, methods and barriers are three crucial components that influence the willingness of foundations to conduct social impact assessments, and an analysis of the Italian context within philanthropic foundations is necessary. This study (conducted in 2018) shows that at that time, only a limited number of Italian foundations involved in the study had an active commitment to SIA. Also, understanding and applied methodology varied significantly among foundations. On the other hand, barriers to impact evaluation are similar and are related to the human resources available.

[#Impact](#) [#Foundations](#) [#Evaluation](#) [#Italy](#) [#Philanthropy](#)

Background

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Context



- **Philanthropic foundations are relevant institutions in many countries:** they are part of the third sector and have progressively received encouragement from the public sector to deliver public services.
- **Social Impact Assessment (SIA) or impact evaluation has gained tremendous popularity** in recent years because, in many fields, it has become important to demonstrate the **actual effects of projects, programs and policies**.
- There is a **natural intersection between the activity of foundations and impact evaluation** because foundations need or want to investigate the effects of the projects they support for many reasons.
- There is a **lack of studies that exploring the actual commitment of foundations in impact evaluation**, investigating their idea of “social impact”, the methods used and the barriers that prevent them from performing evaluations.
- **Italy is an excellent starting point to increase the knowledge about Social Impact Assessment** as it harbours a great (and growing) number of foundations and saw the adoption of a law for the third sector that gave relevant importance to the measurement of impact. Finally, the presence of the foundations of banking origin makes that foundations have a prominent role in society.

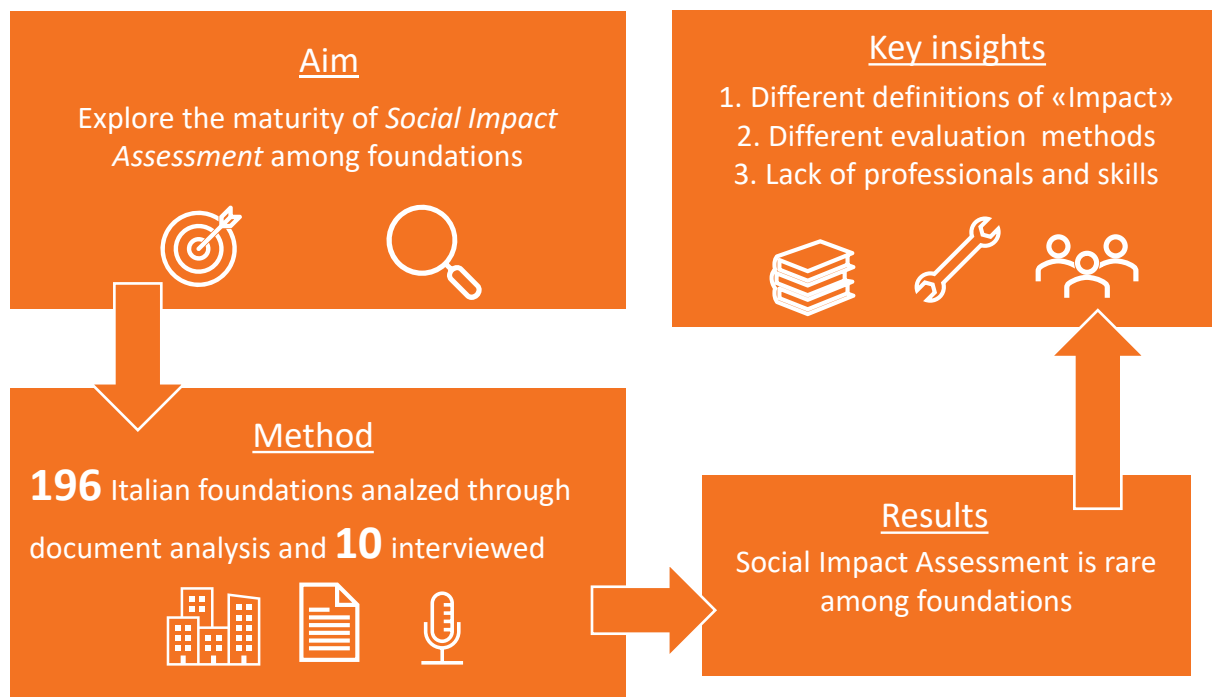
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Take aways & Learnings



- 196 Italian foundations were mapped through the analysis of their institutional documents: only 71 foundations mentioned in the documents the terms “evaluation”, “impact” or “needs” while just 15 declared the actual use of impact evaluation methods for assessing their activities.
- Ten foundations were additionally involved in in-depth interviews. **Considering the concept of impact, there is a great variety in understanding impact.** However, two frequently named definitions are ‘the effects on the institutions that receive the grants’ and ‘the achievement of objectives by the foundation’.
- The **methods** used to perform impact evaluation are **quantitative, qualitative, or both**, with a prevalence of follow-up questionnaires.
- The **barriers** are similar among foundations: **lack of staff or skills** of the foundation’s staff involved in impact evaluation.
- Despite its popularity, Social Impact Assessment (SIA), is still rare within foundations. Moreover, **several ideas behind impact and different methods exist.** The need for skilled professionals that manage impact evaluation activities is evident. There is still a long way to go to make impact evaluation mature in Italian philanthropic foundations.



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