

# Social Return on Investment Report (SROI)

Digital, Financial and Entrepreneurship skilling of  
Rural Women Artisans

in Madhya Pradesh

*(Enabling women artisans through technology)*

Funded by



Report by



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**Assessing Social Impact using Social Return on Investment (SROI)**  
**Digital, Financial and Entrepreneurship skilling of Rural Women Artisans**  
**in Madhya Pradesh**  
**Funded by Firstsource Solutions Limited**

## **Introduction**

This SROI methodology helps in articulating and understanding the financial value of outcomes created by any social Intervention. It reveals in monetary terms the social value that is created for every rupee invested by a project/intervention.

SROI methodology goes beyond the generic economic analysis and focuses on the value of outcomes or changes experienced by the stakeholders and does not limit to focusing only on investments and outputs.

Many social outcomes, experiences by direct beneficiaries like increase in self-confidence, communication skill etc., are represented in financial terms alongside more tangible cost like salaries.

The SROI analysis combines quantitative along with qualitative and using the survey data to give a holistic account of the impacts generated. The end result of an SROI analysis is an SROI ratio that compares investment made as compared to the financial value of social outcomes generated demonstratively and reflected in monetary terms, the financial benefit of social investments made.

It is important to note that while SROI enables social initiatives to be assessed as social outcomes and expressed in financial returns, it is important to note that the social value return calculated through an SROI analysis is not equivalent to a financial return that would see the creation of spendable rupees. It is used to just better understand by valuing social outcomes through financial measures rather than any other economic indicators. By estimating this value through the use of financial proxies, and combining these valuations, we arrive at an estimate of the total social value created by an intervention.

The following is the SROI calculation for the CSR project of Firstsource Solutions Limited - Digital, Financial and Entrepreneurship skilling of Rural Women Artisans in Madhya Pradesh “Enabling women artisans through technology” - implemented by NASSCOM Foundation to 150+ Beneficiaries at Bagh, Madhya Pradesh. The total budget (input value) of the program was Rs. 38,77,000 (Rupees Thirty-Eight Lakhs and Seventy-Seven Thousand) only.



**I. Step 1. Establishing scope and identifying stakeholders**

The stakeholders considered for the SROI were

- **150 women participants** who have completed the training on digital skills, financial skills and entrepreneurship at Bagh in Madhya Pradesh.

**II. Step 2. Mapping outcomes**

The outcomes are the key changes experienced by the completed Participants / Participants undergoing the course which could be financially measured. There were multiple changes experienced by them and these have been narrowed down to the most important outcomes for inclusion in the SROI.

This program aims to upskill existing rural-based tribal women artisans on digital literacy, financial literacy and entrepreneurship skills by leveraging technology.

**i. The proposed project outcomes were**

- The women artisans will be able to use digital devices & use applications to enhance their livelihood.
- 30% of these women will be able to use e-commerce & social media platforms for buying & selling
- 50% of women trained will have knowledge & access to welfare schemes from the government
- 50% trained women to have access to market linkages for enterprise marketing

**The Impact map**

The positive outcomes experienced by the key stakeholders – the women who attended the training - are mapped in the Impact Map below.

ACTIVITY	INPUT	OUTPUT	OUTCOMES	IMPACT
Training women on Digital literacy	12 Hours of training	150 women trained on financial literacy.	100% women who have understood the concept of digital financial payment.	Increased knowledge of financial literacy aids.

	8 Sessions provided		55% of women using at least one digital platform for payment	Improved income levels due to better financial decision making
	4 Hand-holding sessions			
<b>Training women on Digital literacy</b>	11 Hours of training	150 women trained on digital literacy.	100% of the women know how to use smartphones	100% ability and knowledge to use the knowledge to move ahead in their business/entrepreneurial roles
	9 Sessions provided		96% women able to use their own smartphones.	
	4 Hand-holding sessions			
<b>Training women on Entrepreneurial skills</b>	12 Hours of training	150 women trained on entrepreneurial skills	43% of women who use Instagram	Rs 6,000 average increase in monthly income levels
			48% using Pinterest to promote their products	
	8 Sessions provided		50% women who have access to market linkages	Increase in number of customers.
	84% women have knowledge and access to welfare schemes from the Govt.			

	4 Hand-holding sessions		63% of women who were part of the WhatsApp groups	
			94% Women artisans have started using YouTube in their business	Increase in entrepreneurial mind set in 30% of the women
<b>Mentoring Participants and offering them guidance and support</b>	Training two local women artisans as part of a TOT model to handhold the other participants	2 women were trained as head trainers.	Weekly mentoring sessions conducted	Improved social cohesion and sisterhood. Creating grassroots supportive structures like an SHG
	Connecting the participants to the business community.	WhatsApp Group created.	Online support provided via WhatsApp Groups	More women empowered Increase in confidence levels.

During the stakeholder consultation, the Participants were asked whether they had experienced these outcomes before and after the training.

### III. Step 3. Evidencing outcomes and giving them a value

This step determines how stakeholders experience the listed outcomes and establishes the financial value of each mapped outcome. The following outcomes were observed during the stakeholder consultation by the SAN team.

S. No	Key Outcome	Key area of focus
1	Ability to use digital payment platform for business development	Digital /Financial literacy

2	Ability to use e-commerce, social-media platforms for marketing and selling.	"
3	Increase in number of business enquiries/leads	Entrepreneurial Skills/Business Development
4	Increase in revenue	"
5	Increase in confidence Levels	"
6	Knowledge and access to welfare schemes from the government.	"
7	Ability of women to use smartphones independently	Digital literacy/Financial literacy
8	Improvement in product valuation skills	Entrepreneurial Skills/Business Development
9	Triggering entrepreneurial mind set	"
10	Improvement in negotiation skills	"
11	Increased business aspirations	"
12	Access to market linkages	"
13	Product innovation	"

However, only the top 5 outcomes were considered for the SROI study. They are as follows.

Outcome No	Key Outcome
1	Ability to use digital payment platform for business development
2	Ability to use e-commerce, social-media platforms for marketing and selling.
3	Increase in number of business enquiries/leads
4	Increase in revenue
5	Increase in confidence Levels

#### IV. Step 4. Establishing impact

This step involves considering what other elements are part of the change experienced by Participants. They include:

- Deadweight –what would have happened anyway
- Displacement – the positive impact on one stakeholder at the cost of negative impact of another stakeholder
- Attribution – the change attributable to others
- Drop-Off- It also considers whether and how much an outcome that extends into the future (past the year of investment) will drop off over time.

These elements are applied as discounts to the value included in the SROI analysis (expressed as percentages). They help ensure that the SROI value is not over-claimed, and provide a ‘reality check’ on the actual impact of the social investment. These values have to be gathered during stakeholder consultations

##### i. Deadweight

***The % of Participants who were confident that they would have got the skills on their own volition was the value assigned for Deadweight.*** The completed Participants were asked a question- What would they have done had they not joined the course - for which the following were the responses.

- ***Outcome 1:*** As per the studies conducted by NASSCOM FOUNDATION, an average of 65% of the women already had a fair idea about how to use their smart phones. There was a **30-40% deadweight** increase in the number of women who noticed a change before and after this training.
- ***Outcome 2-*** Only a marginal number of women had even used Social Media Platforms prior to this. Hence, a minuscule **10%** was attributed as **deadweight**.
- ***Outcome 3-*** These women already had been trained under a few Govt. Schemes and entrepreneurial workshop. Hence, **20%** was attributed to **deadweight** under this header.
- ***Outcome 4 and 5-*** Negligible to marginal external influence. Hence, **10%** was the assumed rate of **deadweight** for Outcome 4 and 5.

##### ii. Displacement

Displacement is the positive impact of one stakeholder at the cost of a negative impact on the other stakeholder.

- *It was observed that in Bagh, the centre had offered skill development programs for Women but they had not offered them any courses in financial literacy or Digital literacy.*



- *Not many other entrepreneurial courses were offered. Hence **10% was assumed as rate of Displacement.***

### iii. Attribution

The Participants were asked whether they were aware of any similar skill **development** centres in the neighbourhood for which Pradhan Mantri Koshal Vikas Yojana, Ajeevika etc., were quoted. But none of these organisations were offering mentoring or handholding.

- **Outcome 1:** *Most of the women knew how to use smartphones or had a family member who would support them – Hence, the value for attribution was assigned as 20%.*
- **Outcome 2, 3,4:** *Only a negligible number of women had prior experience to a program of this sort or conducted any business activity on their own. Hence, the attribution rate was assigned to be 40%.*
- **Outcome 5:** *Negligible to marginal prior experience. Hence, 50% was the assumed rate of attribution for this outcome.*

### iv. Drop-off

The Participants were also asked about the duration they would remember or use the skills learnt. All the respondents had said that the skills learnt – both technical and entrepreneurial would be useful to them for life.

- *The duration of the skill was assumed to be for 5 years as that is the maximum that can be assumed in an SROI calculation. Based on the above findings, only a marginal 5% dip in their knowledge and skill-sets if any, is envisaged.*
- *Hence the **drop off rate** is calculated to be 5% for each of the envisaged outcomes.*

## V. Step 5. Calculating the SROI

The last step in an SROI analysis is calculating the SROI ratio. The ratio is calculated by multiplying the number of stakeholders achieving an outcome by the value of that outcome (financial proxy), and then discounting for impact. All outcomes are then added together for the total present value, which is divided by the total investment.

The financial proxy was based on the feedback received from the stakeholders during the consultation with them. All the costs detailed below are for one person.

Outcome	Financial Proxy	Reason for assigning the value
Ability to use digital devices &	Rs 10,000 (One-time)	Average cost for a training program on digital literacy



<b>use applications to enhance their livelihood</b>		
<b>Ability to use e-commerce, social-media platforms for marketing and selling.</b>	Rs 10,000 (One-time)	Average cost for a training program on social media marketing
<b>Women artisans to have access to market linkages for enterprise marketing</b>	Rs 5,000 (One-time)	Average Cost of a workshop on Govt. schemes and entrepreneurial mind set
<b>Increase in revenue</b>	Rs 6,000 (Per month)	Average income increase per month after the women were trained on the modules (From Rs 3000- 4000 to Rs 9,000-10,000)
<b>Increase in confidence Levels</b>	Rs 5,000 (One-time)	Average cost of a confidence improvement and leadership program

### SROI Formula

- SROI = Total Present Value of social value/Net Present Value of the investment
- Total PV of Social Value = Quantity of outcome \* Proxy Value \* (Attribution – Deadweight – Displacement – Drop-off for each year)
- The cost per learner\*no. of Participants/completed Participants was used to calculate NPV of Investment

### Some of the assumptions taken were as follows:

- The client consultation involved a Focused Group Discussion that involved 11 women. The answers are assumed to be representative.
- The average value of extra revenue was assumed as 6,000 per month
- The financial proxies, percentage adjustments for deadweight, displacement, attribution and drop off are assumed to be reasonable
- There is no drop off calculated as this project is still in its nascent stage

Description	Qty	Value	Total cost	Who else contributed to the change?	What activity did you displace ?	What would have happened without us?	Does the outcome drop off in future years?	Total pv (present value)
Ability to use digital devices & use applications to enhance their livelihood	150	10,000	75,00,000	65%	10%	20%	5%	17,95,500
Ability to use e-commerce, social-media platforms for marketing and selling.	44	10,000	21,75,000	10%	10%	40%	5%	10,04,198
Women artisans to have access to market linkages for enterprise marketing.	83	5,000	20,62,500	20%	10%	40%	5%	8,46,450
Increase in revenue	90	6,000	27,00,000	10%	10%	40%	5%	12,46,590
Increase in confidence Levels	140	5,000	35,00,000	10%	10%	50%	5%	13,46,625
<b>Total PV (Present Value) 62,39,363</b>								

- **Input Value (IV)**= Rs 38,77,000 (*Spent by Firstsource Solutions Limited*)
- **Total Present Value (TPV)** = Rs 62,39,363
- **Net Present Value** = TPV- IV = Rs 23,62,363 **SROI= PV/NPV= 2.64**



## **SROI Interpretation**

For every one rupee spent for the project, a social value of **2.64** was generated. This is a significant positive finding as the social value generated by the Firstsource Solutions Limited for the Digital, Financial and Entrepreneurship skilling of Rural Women Artisans in Madhya Pradesh was 2.64 times more than the money that was invested for the project.