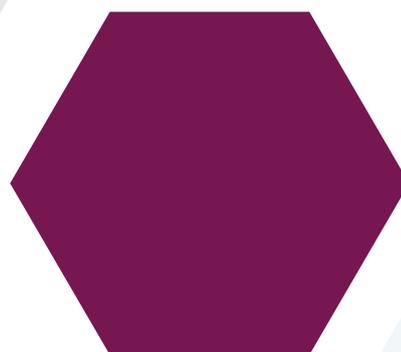
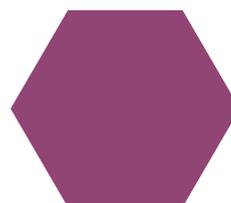
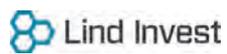


SOCIAL RETURN ON INVESTMENT 2017

WHERE RAINBOWS MEET





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Where Rainbows Meet
www.whereraainbowsmeet.org

Founded: 2008
Place of residence: Vrygrond, Cape Town, South Africa
Management: Mymoena Scholtz

SOCIAL RETURN ON INVESTMENT REPORT FOR WHERE RAINBOWS MEET 2017

The report is compiled by Lind Invest with data used from Where Rainbows Meet in the year of 1 April 2016 to 31 March 2017.

The analysis itself is completed 15 November 2017.

Responsible and layout: Matvei Andersen and Gitte Thordahl Jespersen, Lind Invest.



SOCIAL RETURN ON INVESTMENT 2017

Where Rainbows Meet is a non-governmental organisation (NGO) in South Africa located in one of Cape Town's slum areas, Vrygrond, the so-called townships. The organisation was founded in 2008 with the purpose of helping the individuals living in the community to change their lives and develop the community. The organisation runs different programmes for children, youngsters and adults all focusing on alleviating the many social problems.

The SROI report describes and analyses the programmes of Where Rainbows Meet to show how the organisation helps the participants. Not all programmes are included in this analysis. The programmes that are included are Computer Training, Sewing and Beading Project, Business Training, Garden Project and Early Child Development. The other programmes are included in the section "Other value creation", where the value created in the programmes is discussed.

The outcome

The method used in this analysis is the Social Return on Investment (SROI), which frames a monetary valuation of social effects and voluntary work by comparing the investments made in the social efforts, defined as input, with the value created for the involved stakeholders, defined as outcome. The analysis is composed on data from the organisation in the financial year 2016/2017 and survey data on the participants in the period 2015/2016 and 2016/2017. At Where Rainbows Meet the investment is constituted by contributions from private contributors and volunteers' time-investment. The created effects are constituted by increased income for the participants in the programmes, improved life quality from getting employed, well-being effects of having a place to get advice locally and improved life quality for the volunteers.

The analysis finds that Where Rainbows Meet has a SROI ratio of 5.30 over a two-year period. This means that for every 1 South African rand invested in Where Rainbows Meet, 5.30 rand are created in value for its stakeholders and society.

The SROI ratio consists of both social and financial value. Almost all persons credit the full outcome due to the programmes at Where Rainbows Meet. Also, the analysis finds that it is difficult for the participants to experience outcomes without help from Where Rainbows Meet. Therefore, the programmes are very important for the value creation.

» Where Rainbows Meet creates 5.30 Rand in value for every 1 Rand that is invested in the organisation «

However, family, friends and other organisations do influence the participants' improvements and they are attributed for some of the value creation in the analysis.

The SROI analysis is conducted with a conservative approach, but there are some uncertainties in the calculations. This is analysed in sensitivity analyses of different parameters that are influenced by uncertainties due to assumptions or statistical uncertainty. In a worst-case scenario where all effects are reduced to 50 % of the original value, the SROI ratio would be reduced to 2.65. Thus, the SROI ratio will still be high and positive, which indicates that the value creation of Where Rainbows Meet is relatively strong to uncertainties.

Additional value creation

A large part of the intervention of Where Rainbows Meet cannot be valued monetarily. Participants in the analysed programmes, who did not graduate, are not included in the analysis, but they do still experience effects from the programmes. Children and youngsters are not included in the analysis, but they do also experience positive effects from the activities. The families of the participants and the community experience positive change, but this has not been possible to measure. A notice is that the SROI analysis cannot stand alone and that calculations do not necessarily reveal the full extent of the value creation of Where Rainbows Meet.

The full analysis of Where Rainbows Meet is composed by Lind Invest in the second half of 2017 and is documented in a SROI report, which is available online at: www.lind-invest.dk.

The report shows that Where Rainbows Meet is a large organisation with many activities that helps vulnerable people to develop skills, get employment, increase life quality to improve their lives and the community. Thus, Where Rainbows Meet create significant value for its stakeholders and society, and the organisation plays an important role for the citizens in the community.



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» Where Rainbows Meet creates a positive return on investment. For every ZAR 1 invested, ZAR 5.30 is created in value for the stakeholders and society «



ABSTRACT

This report comprises an analysis showing the social impact created by the activities at Where Rainbows Meet in South Africa in terms of value for its participants, volunteers and society. The aim is to show how much value is created by the organisation and how the value is created in the analysed programmes. The analysis is made on the basis of the method of Social Return on Investment (SROI), which focuses on the monetary valuation of social projects. The valuation is made by comparing the investments made in the organisation with the value created for the stakeholders involved. This report is a forecast of the impact that is expected to happen in the future.

Where Rainbows Meet is a training and development organisation located in Vrygrond with many different programmes and activities. Living standards are extremely low in the community with high rates of unemployment, poverty and social problems. Many children do not go to school and youngsters are attracted to commit crime. Therefore, Where Rainbows Meet plays an important role to help the citizens of Vrygrond to change their living conditions through their programmes, which changes their living circumstances and give them better opportunities.

The basis of the analysis is the theory of change. This explains how change happens, what the expected consequences are and which implications this will have on the involved stakeholders. The stakeholders are defined and their outcomes from the activities are found through survey data. The input consists of the operating

expenses and volunteer input from both local volunteers and international volunteers. The outcome consists of income increases due to employment, increased revenue for businesses and creation of new businesses, grown vegetables to meals within the programmes, well-being effects from employment, well-being from having help in the local area and well-being from voluntary work. The analysis contains an analysis of the value creation of each programme and of the volunteers in the organisation.

The SROI ratio is calculated to be 5.30 over a two-year period. This means that for every 1 South African Rand (ZAR) invested in Where Rainbows Meet, 5.30 South African Rand is created in value for the stakeholders and society. This shows that the activities at Where Rainbows Meet create significant measurable value. This SROI ratio has been challenged in a sensitivity analysis, which shows that it is strong and positive even in a worst-case scenario. Furthermore, the outcome of the different programmes and activities at Where Rainbows Meet have been identified and this shows that the analysed outcome is only a share of the total value created in the organisation. Considering this other value creation, the SROI ratio should be higher than calculated in the analysis.

Overall, the analysis shows that Where Rainbows Meet has an important and much-needed role in the community for its stakeholders and for society.

PURPOSE

The purpose of the analysis is to evaluate the value creation of Where Rainbows Meet in 2016. Furthermore, the purpose is to show the reader the social impact that is generated for the participants of the program and for the local community.

The by-product is also an exposition that unveils how the organisation works, who the stakeholders are, and how value is created. The analysis can be used both internally and externally. For internal use, the analysis makes it clear where value is created – and what affects the value creation. For the management of the organisation, it can be used as inspiration for further development and improvement of current programmes and future programmes to increase the impact. For external use, it can be used to document the value creation to current and future contributors and to support fundraising of the organisation.

The analysis is based on the input of the organisation in the financial year 2016/2017 and the outcome occurring within two years after. Thus, some long-term effects within two years are included in the analysis, and other long-term effects are commented on in the section “Other value creation”.

It is a central part of Lind Invest’s approach to social responsibility to determine and analyse outcomes created in the projects that we support. The reason for this is to ensure that there is a positive and desirable relationship between input and output in the projects and that the impact created is targeted on the stakeholders and society in the best and most efficient possible way.

» It is a central part of Lind Invest’s approach to social responsibility, to measure and evaluate if there is a reasonable relationship between input and output of the projects in order to benefit the target group as well as society in general «

INTRODUCTION

Where Rainbows Meet is a non-governmental organisation (NGO) in South Africa located in one of Cape Town's slum areas, Vrygrond, the so-called townships. The organisation was founded in 2008 by Mymoena Scholtz, the Director of Where Rainbows Meet, with the purpose of helping the individuals living in the community to change their lives.

Vrygrond is an old informal settlement of Western Cape, which has become community to nearly 40,000 people living in extreme poverty, hunger and housing problems. Several of these persons live unregistered and therefore the actual number of citizens is probably higher, which also increase the actual unemployment rate in the area to a higher level than the official numbers of between 20.5-23.6 % in Western Cape¹.

Where Rainbows Meet has reported that most of the citizens they have met through the years have been unemployed and thus they would estimate the unemployment to higher than 50 %.

Furthermore, the people of Vrygrond are victims of crime, violence and sexual abuse as well as alcohol and drug abuse. Children are also suffering from this as the opportunities for schooling is practically non-existent and the longterm outlook for a better future does not look bright. All these problems have become everyday life for the citizens of Vrygrond and therefore the people have lost all hope. They do not believe in better times and instead they just adapt to the situation, as it is.

Therefore, Where Rainbows Meet has an important and much needed role in the local community. The organisation has taken the responsibility to help the citizens. The way that they do it is through a range of activities and programmes that encourage and empower people in different ways.

They run activities for parents, youngsters and children. Some activities focus on personal development, well-being and nutrition for the individual. Other activities focus on social relations, education and information such as awareness events and visits to schools. Some programmes have the purpose of educating adults with different skills to get a job and thus a sustainable income increase and a life improvement from this. Where Rainbows Meet also has a general information and counselling centre called Advice Office, where citizens can come if they experience any kind of problems, they need help to solve. Overall, citizens can get help to many kinds of problems and improve many kinds of skills at Where Rainbows Meet.

The organisation is operated by employees and volunteers. The volunteers consist of both local volunteers and international volunteers from all around the world. Both

employees and volunteers make it possible to have all these programmes and therefore they are very important for the impact created in the organisation. In the financial year 2016, 18 employees and approximately 71 local volunteers as well as 37 international volunteers were associated with Where Rainbows Meet.

The programmes that Where Rainbows Meet runs are listed in the overview on the following page (p8).

Overall, Where Rainbows Meet runs many programmes for many needs and all of them are believed to create a positive outcome for the individuals involved in them. This is the first analysis of Where Rainbows Meet. Most of the programmes are included in the following analysis, however some are left out simply because it has not been possible to collect data from these. The programmes that are left out of the analysis are included in the section "Other value creation", where outcomes of the programmes is discussed. In the future, the ambition is to include all programmes in the analysis to show the total social value that is created by Where Rainbows Meet for its stakeholders and society in general.

Theory of change

Every social project or organisation has a theory of change. This is a theory of how change happens within the organisation, how the stakeholders experience it and which consequences the change has for the stakeholders. The theory of change is also used as a guidance for the analysis. The theory is that activities at Where Rainbows Meet helps citizens in Vrygrond, who have problems, to change their lives in a better way. People at Where Rainbows Meet have issues of unemployment, poverty, hunger etc. The typical issues are listed in table 1.

They receive training and develop useful skills, they are offered help to find employment, they are provided nutrient food as well as children are taken care of and prepared for school. These activities create positive outcomes for the persons involved. Especially the participants, who find jobs and hereby gain an income increase.

All participants at Where Rainbows Meet experience improved life quality, better health, they become happier about life and they get to socialise with other people living in Vrygrond. All this contribute to improvement of life conditions for citizens in Vrygrond, better prospects for children and development of the local community. To conclude, the existence of Where Rainbows Meet and its activities lead to social and economic improvements in Vrygrond.

This is illustrated in a model in figure 1 (p8).

TABLE 1: WHERE RAINBOWS MEET'S THEORY OF CHANGE

Typical issues that people come to Where Rainbows Meet with
<ul style="list-style-type: none"> - Unemployment - Poverty - Hunger - Health issues - Diseases - No school graduation - Lack of basic skills - No hope for the future - Not able to take care of ones children - No friends - No hobbies

FIGURE 1: WHERE RAINBOWS MEET'S THEORY OF CHANGE



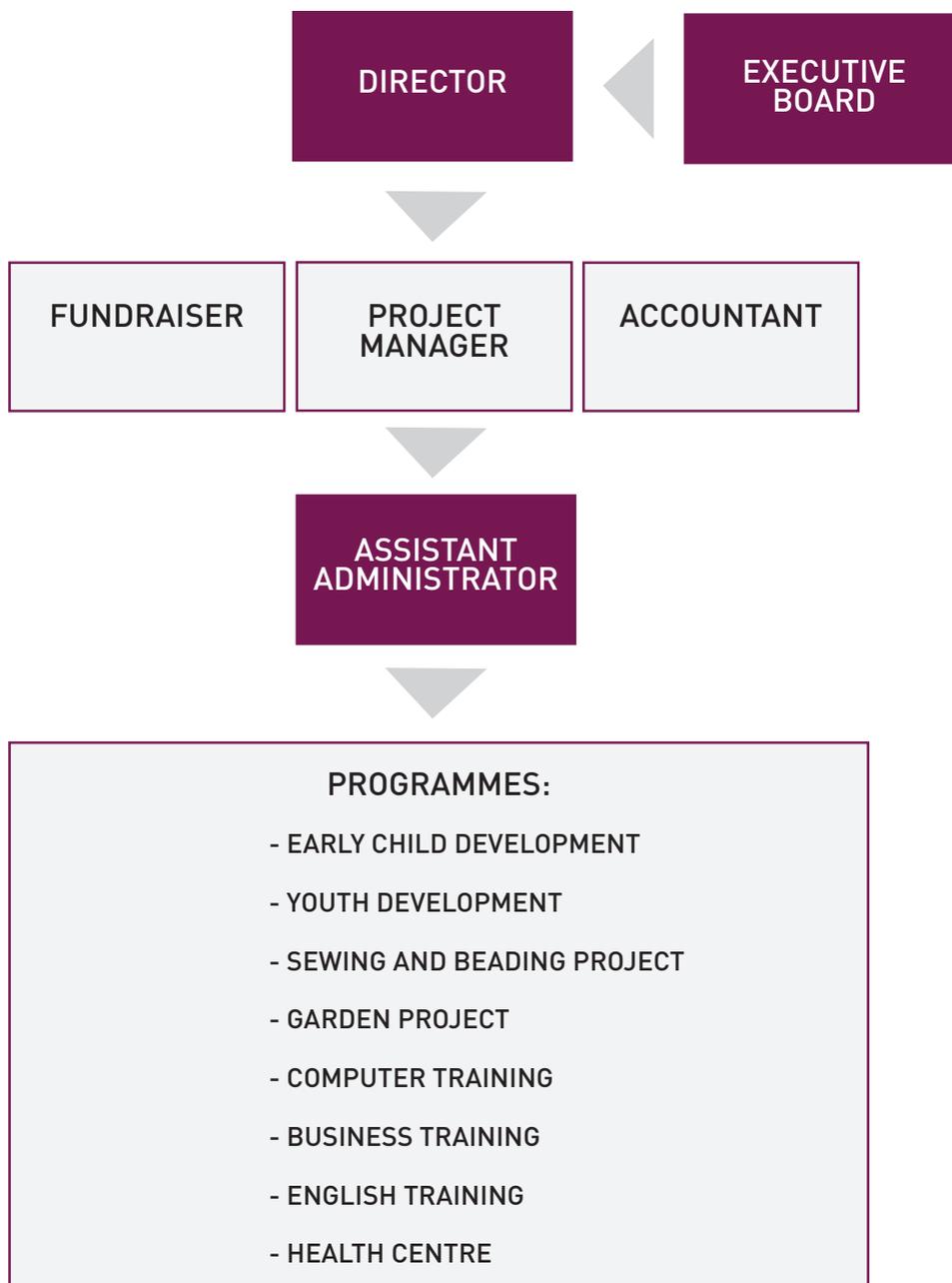
TABLE 2: OVERVIEW OF THE PROGRAMMES AT WHERE RAINBOWS MEET

PROGRAMMES AT WHERE RAINBOWS MEET	
SELWYN EARLY CHILD DEVELOPMENT LEARNING PROGRAMME (E.C.D)	
Focusing on in the age of 1-6 years old and the parents.	
CHILDREN	For the children, there is a Day & Aftercare Centre, in where the children are in good care all day and are prepared for formal schooling. Programmes included here are Daycare and Aftercare.
PARENT ACTIVITIES	Activities for the parents; parental courses, where they meet in groups with other parents and talk about challenges they face and experiences they have had. Moreover, the possibility of education and basic skills in parenthood. Another activity is spiritual dance, where they learn to express themselves and become more confident.
YOUTH DEVELOPMENT	
Focusing on keeping young people away from the streets and crime, instead they are encouraged to get a hobby, begin in school or to find a job. Also, focusing on personal development and self-enhancement for the youngsters to find their potential.	
SCHOOL PROGRAMMES	The programmes focus on informing youngsters about different subjects in school and out of school. Some events inform youngsters about the demands of higher education, about jobs and employment as well as about HIV/AIDS. Another activity informs the youngsters about the consequences of dropping out of school.
AFTER SCHOOL ACTIVITIES	The activities aim to develop youngsters personally and artistically. They also make sure youngsters stay away from the streets and crime. Included activities are; Life skills and Generation for change. Also, the Rainbow Chiefs soccer teams is an activity with five teams ranging from U10 to seniors.
YOUTH EMPOWERMENT PROGRAMME	A programme for youngsters, who have dropped out of school. The mission is to help them with skills and vocational training so they can find employment. In the Youth Center, they can join activities together with other youngsters. There is also an off-site vocational training programme, where persons can join a one-year training programme to get better equipped for full-time employment.
WOMEN'S INCOME GENERATING PROGRAMMES	
Focusing on the female participants helping them to get an income and become independent.	
SEWING AND BEADING	In this program women learn to sew and bead so they can produce products on their own. This helps them to become independent and teaches them how to work in an organization together with other people. After they finish the course, they can work in the organisation and in return they get a stipend and meals.
GARDENING PROJECT	Here participants learn about gardening and farming. The participants are taught how to maintain and grow a garden. Some of the vegetables from the garden are sold at the local market and others are used in the kitchen to prepare meals for the workers and volunteers at Where Rainbows Meet.
TRAINING AND DEVELOPMENT PROGRAMMES	
Focusing on developing the participants' skills through training and education to upskill their job opportunities.	
COMPUTER TRAINING	The programme focuses on teaching adults in using computers and various programmes for office use. The course is completed with an exam and the graduates get a certificate that proves their qualifications in the search for a job.
BUSINESS TRAINING	Business training helps small business owners and entrepreneurs to be more productive, improve their management skills and create growth in their businesses. They also make business meetings, where entrepreneurs can meet companies and banks.
ENGLISH TRAINING	Courses to improve the English language skills. The participants are taught how to speak, write and read English to get involved in the local community and to join other programmes, where they can improve their skills for a future job.
LIFE SKILLS	In the Life Skills programme, unemployed adults are taught general skills to prepare them for employment – examples of this is interview training, motivational training, communication, conflict management, time management and personal development training.
HEALTH CENTRE	
The Health Centre helps the citizens in Vrygrond with medical help, counselling on rape and drug issues and counselling on health care issues. Persons with personal and medical problems and unable to get professional help, visit the Health Centre to get help. Included here are also nutritional programmes, where citizens can get free meals and learn about nutrition and health.	

Organisational overview

The organisation has a director with the overall management of the organisation. The director works together with a project manager, who has the operational responsibility of the programmes, who is assisted by an assistant administrator together with all the employees. Beyond these is a person with responsibility of fundraising and an accountant. The activities are divided into six programme categories. Figure 2 illustrates the organisation.

FIGURE 2: ORGANISATIONAL OUTLINE



METHOD

With inspiration from traditional economic approaches such as Return on Investment and Cost-Benefit-analysis, a modern method has been developed to quantify and value effects on target groups and society created by social projects and organisations. The method is called Social Return on Investment.

This analysis of Social Return on Investment is based on the method developed by former Office of the Third Sector (OTS) in the Cabinet Office of the UK Government². The method is not fully perfect, it has strengths and weaknesses and is still under development, however, it is fully usable in practice. Also, there exists other methods to measure social impact³. The method has been used by various research institutes and funds for studies of social projects and organisations. The analysis is based on this method because it is comprehensive and covers many stages of organisations' social impact.

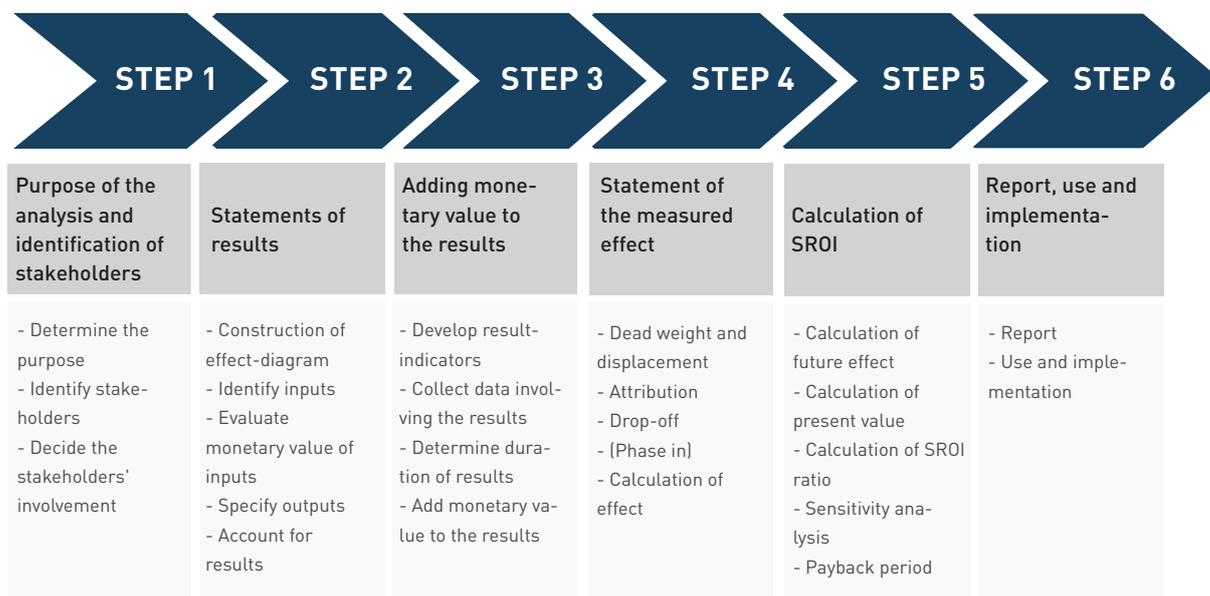
The method is a process of understanding the social impact being created in an organisation and how to measure this impact. The process starts with an identification of the individuals who are affected by the social project and experience an effect from the project. These are referred to as stakeholders. The stakeholders are categorised in groups as all experience different effects. Subsequently the effects are assessed and evaluated. These effects are

given a monetary value based on economic principles, and then the total value is calculated. This value is then used as a measure of the impact created by the social project.

It is important to notice that the SROI analysis is not just a financial measure of the social impact, the process of the analysis is as well an essential result. The process illustrates which stakeholders are affected and how they are affected. This helps the organisation to understand how they help the stakeholders and where they create most value. For management, it must be considered an important tool for further development of the organisation to benefit the individuals and society even more. The analysis can also be used to communicate effects created to external stakeholders.

The SROI method is based on six steps, which will be the setup for this analysis as well. First the purpose of the analysis is defined and the stakeholders are uncovered. Next is an identification of inputs and results that are valued. The SROI ratio is calculated along with a sensitivity analysis of the results. Finally, a conclusion of the analysis can be made. The different steps are illustrated in figure 3.

FIGURE 3: THE SIX STEPS IN THE SROI ANALYSIS



Different statistical methods exist to increase the validity of the results in an analysis⁴. Table 3 shows the levels of analysis and the statistical methods used at each level. Higher levels of analysis result in a stronger cause-effect relationship and more valid results, however lower levels of analysis are still valid – the cause-effect relationship is not strong, though. This analysis of Where Rainbows Meet is at level 1 where data is analysed on the participants studied before and after they have been a part of Where Rainbows Meet’s programmes. It can be possible to make an analysis on a higher level in the future when more data can be collected and randomised experiments could be executed.

The design is based on the development and improvement of participants in the programmes and how this will affect their lives. The analysis is a forecast of the total outcome the participants achieve in the future due to their participation in programmes at Where Rainbows Meet. This is based on some assumptions about life improvement, effects of education and employment. These assumptions are discussed in Appendix 2. The design is largely dependent on survey data on the participants in the programmes and thus it is very certain that they have achieved the described outcomes.

TABLE 3: LEVELS OF ANALYSIS AND THE STATISTICAL METHODS⁵

LEVEL	DESIGN	STATISTICAL METHOD
5	Randomised trials	Evaluations of well-arranged random assignment of treatment to subjects in treatment and control groups.
4	Quasi-Experiments	Evaluations that use a naturally occurring event (which makes the treatment assignment as good as random).
3	Matching techniques: Regression analysis	Non-experimental evaluations where treatment and comparison groups are matched on observable characteristics.
2	Simple comparisons	Studies of two groups: a treatment group and comparison group. In this method differences among the groups are not controlled for.
1	Pre- and post analysis	Studies of outcomes measured pre- and post-treatment. No comparison group is used.

DATA

In general, it can be difficult for social projects and organisations to collect data on participants and therefore difficult to measure the impact created. First, it requires the organisations to stay in contact with the participants after they leave to evaluate on the participants' progress. This is not always possible since people move and change contact information. Organisations are also limited on resources and competencies regarding evaluation. The primary focus is on helping the target group and use all resources to do this. Where Rainbows Meet has done a great effort to collect data on its participants given its limited resources. Data used in this analysis is based on the participants of the financial year 2016/2017 from April 1 2016 – March 31 2017.

Both quantitative data and qualitative data on the participants of the programmes has been used. The input consists of data on operating expenses for Where Rainbows Meet and the volunteers' working time. Non-financial gifts are usually also included in the input, but there has been none in Where Rainbows Meet in the financial year 2016/2017. The output consists of the participants in the various programmes, the social and financial improvements for participants uncovered in the surveys, the number of children that are taken care of, the number of parents that are helped, the production of vegetables in the garden at Where Rainbows Meet and the number of local and international volunteers. All data is collected by Where Rainbows Meet during the second half year of 2017.

Online surveys are used to evaluate participants' development and assess the outcomes achieved. The surveys have been designed by Lind Invest for the following programmes: Computer Training, Sewing and Beading Project, Business Training and Early Child Development. Where Rainbows Meet has contacted participants from the financial year 2016/2017 randomly and asked them to

answer the surveys. The surveys have been answered in the period of June 2017 to September 2017 by 24 persons from Computer Training, 17 persons from Sewing and Beading Project, 11 persons from Business Training and 19 parents of children in E.C.D. Furthermore, to analyse second-year effects of the programmes some participants, who finished in the financial year 2015/2016, have been surveyed. Here, 19 persons from Computer Training, and 19 persons from Sewing and Beading Project, who have answered the surveys. The number of survey respondents is low, which makes the data results more statistically uncertain. However, it is considered that these surveys are representative for the graduates at Where Rainbows Meet and that the results are valid. To account for the uncertainty a sensitivity analysis has been made to test the strength of the results.

Extern data has been used in the analysis. Data on employment/unemployment and minimum wage in South Africa has been used in the report. Also, data from 2016 on Gross Domestic Product (GDP) per capita and minimum wage in the home countries of the international volunteers is incorporated in the analysis. Data on well-being effects are used from the Social Value Bank from 2014⁶. This is a database developed on 20 years of research in social value measurement for citizens in United Kingdom. This is considered the most reliable financial proxies for social values on well-being effects. The social values have been converted from values for UK citizens to values for South African citizens by using GDP per capita in 2016 (current USD 2010). In this way, the social values become lower for South African citizens, because the living conditions and wealth are not as high as in United Kingdom. There might be uncertainties in using these values and the conversion. This is discussed in "Appendix 2: Assumptions and Uncertainties". All values in the SROI analysis are calculated in South African Rand (ZAR)⁷.

STAKEHOLDERS

In this section stakeholders of Where Rainbows Meet are described and accounted for. A stakeholder is defined as individuals or groups, who experience changes or affect the activity, thus it is the persons who might affect or is affected by Where Rainbows Meet's programmes. Not all stakeholders are included in the analysis because data has not been able to compile.

Contributors

Contributors are stakeholders through their financial contributions to Where Rainbows Meet. This group consists of businesses, charity foundations and wealthy individuals, who donate to the organisation. This group has the primary aim of securing the existence of Where Rainbows Meet and thus make sure that people in Vrygrond are helped. They do not experience a direct effect of the activities even though it is reasonable to believe that they must experience well-being when they know that people in need are helped, due to their contributions. However, this is not included.

Contributors are included as an input as their financial contributions are used as operating expenses in the organisation.

Adult participants in the programmes

This group covers all the adult participants in programmes at Where Rainbows Meet, they are categorised as stakeholders due to the help they receive from Where Rainbows Meet. Many of the adult participants have lived in poverty and long-term unemployment. They have lost hope of getting in a better position. For them the primary goal is to get a job and an income. At Where Rainbows Meet they achieve skills that improves their job qualifications and prepare them for employment. Other effects that participants achieve from the activities at Where Rainbows Meet are help with health issues, training of basic skills, education and information and well-being in general.

The adult participants in the programmes are believed to experience a positive effect of Where Rainbows Meet's existence and are included in the analysis as a part of the outcome.

Children and youngsters in the programmes

This group consists of all the children and young people that attend activities at Where Rainbows Meet. Many children in South Africa are born in to poverty, social problems and lack of food. Their health and prospects are at risk. At Where Rainbows Meet they get food and are taken care of. Young people experience the risk of dropout, criminal activity and drugs. Joining Where Rainbows Meet they stay away from problems and improve their life conditions. They are also encouraged to finish education and/or get training to get a job. The effort of Where Rainbows Meet improves children's and young persons' lives

significantly both short-term and long-term.

The children and young people in the programmes are included in the analysis as a part of the outcome.

Parents to the children in the programmes

This group is all the parents to the children and young people in the programmes at Where Rainbows Meet. Some of the parents have been participants in programmes at Where Rainbows Meet and are thus included in the stakeholder group of adult participants above. Therefore, this group only covers the parents, who are not themselves involved in activities at Where Rainbows Meet.

To some parents it is difficult to take care of their children on their own. Some parents do not have a job, and therefore not enough money to feed the children and maintain a good living situation at home. Even if the parents wanted to get a job it is difficult, because they would have to send the children in day care and this is costly. Where Rainbows Meet help the parents so they can get a job and maintain it without worrying about the caretaking of their children.

The parents to the children in the programs are included in the analysis as a part of the outcome.

Families to the participants

This group consists of all the nearest family members of the participants, who experience that the participants are involved in activities at Where Rainbows Meet. The families are expected to experience positive side effects as the participants get a positive outcome from being at Where Rainbows Meet. These side effects can be increased wealth as the participants get employed and share their income increase with the families. As the participants have learned new skills they can help their families to solve problems and be encouraged to go to school or get a job.

The families to the participants are not included in the analysis, because it has not been possible to gather information on them.

The volunteers

This group consists of all the persons from South Africa and other countries, who have worked voluntarily in Where Rainbows Meet, and who have contributed to the impact created at Where Rainbows Meet.

They are considered stakeholders through their engagement in the organisation. The volunteers support the organisation with their time and competencies. They help the participants in the programmes to achieve positive results. They also experience well-being effects from helping others and they get practical working experience. The volunteers are included in the analysis both in the input and in the outcome.

The employees and management

This group consists of all the persons, who were employed and paid a set wage in Where Rainbows Meet in the financial year 2016/2017, and thus contributed to the operation of the organisation. The management has the overall responsibility and decision-making to create useful programmes that are needed for the citizens, and the employees make sure that the programmes are functioning properly. They contribute with time to work in the organisation, but do not experience a direct effect from the activities. Though, it is reasonable to assume that they experience well-being from helping other persons, but this is not included in the analysis. The employees and management are included in the input only.

Local community

This stakeholder group consists of all the citizens in Vrygrond. The citizens, who participate in activities at

Where Rainbows Meet, experience positive outcomes and this affects the community positively as well. The participants' improvements have multiplication effects on the local community. The participants will help their neighbours and friends with their problems, and they might be recommended to go to Where Rainbows Meet and get help. Therefore, it is assumed that more citizens will join Where Rainbows Meet and get help, skills and training and experience a positive outcome. The impact will thus be larger.

The local community is not included in the analysis as it has not been possible to collect data on this stakeholder group yet.

The stakeholders that are included in the SROI analysis are the contributors, the adult participants, the parents to the children in E.C.D. and the volunteers.



TABLE 4: OVERVIEW OF THE STAKEHOLDERS AT WHERE RAINBOWS MEET

GROUP	EFFECT	INCLUDED IN ANALYSIS?
Contributors	The group secures the existence of Where Rainbows Meet by financial contributions. Without the contributions, it would be difficult to run the organisation and fewer persons would be helped.	Yes. The group is included as its contributions is part of the input in the analysis.
Adult participants	The adult participants are a part of Where Rainbows Meet's target group. They experience both social and financial improvements through different activities.	Yes. The adult participants in some of the programmes are included. Their income increases and well-being improvements are parts of the outcome of the analysis.
Children and youngsters	Children and young people in the programmes experience positive effects from the activities. This will benefit them later in life and ensure that they have good prospects.	No. The children and youth are not included in the analysis.
Parents to the children	The parents experience positive effects from having children at Where Rainbows Meet. They get more time to focus on their issues and they are happy knowing that their children are in good care.	Yes. The parents to the children of E.C.D. are included in the analysis as a part of the outcome.
Families to the participants /family members	The families to the participants at Where Rainbows Meet experience effects as well. The family members can get help and be encouraged by the participant to change their life situation.	No. The group is not included in the analysis, instead it is included in "Other value creation".
Volunteers	The volunteers create an effect for the participants at Where Rainbows Meet and they experience effects from this. They ensure that activities happen and in return they experience personal well-being and they get work experience.	Yes. The group is included in the analysis – both as part of the input and as a part of the outcome.
Employees and management	The employees and management are important for the operation of Where Rainbows Meet and thus important for the participants' improvements.	No. The group is included indirectly in the analysis as their working time is included in operating expenses and thus in the input.
Local community	The local community experience a positive effect from Where Rainbows Meet. The citizens have a place to go to if they have problems and want to get training and education.	No. The local community is not included in the analysis. However, it is included in "Other value creation".

As mentioned, Where Rainbows Meet runs many programmes with the purpose of alleviating the social problems within the community. Most of them are analysed, but a few is left out in the lack of compiling data from the programmes.

The programmes that are included in the SROI analysis are: Early Child Development, Computer Training, Sewing and Beading, Business Training and Garden Project.

TABLE 5: DESCRIPTION OF THE STAKEHOLDERS

PROGRAMME	INCLUDED IN THE ANALYSIS?
Early Child Development	Yes. Daycare, Aftercare and Parental courses are included. Life skills and Spiritual dance are not included.
Youth Development	No. School programmes, after school activities and Youth Empowerment Programme are not included.
Sewing and Beading Project	Yes. Sewing and Beading Project is included.
Garden Project	Yes. The Garden Project is included.
Computer Training	Yes. Computer Training is included.
Business Training	Yes. Business Training is included.
Life Skills	No. Life skills is not included.
English Courses	No. English courses are not included.
Health Center	No. The Health Centre is not included.



CALCULATION INPUT

In this section, the impact created by the activities of Where Rainbows Meet in their financial year 2016/2017 is analysed and the SROI ratio is calculated for the organisation. In the following analysis input will be described and calculated. Afterwards output and outcome is described and valued. Adjustments such as deadweight and attribution are accounted for and used in the calculation of the total net input and total net outcome. The calculations are based on some assumptions and uncertainties – these are discussed in the section “Appendix 2: Assumptions and uncertainties”. Finally, the total net input and total net outcome is used to calculate the SROI ratio. In the end, the sensitivity of different parameters is analysed.

As mentioned previously, this is the first SROI analysis of Where Rainbows Meet and not all programmes are included in the calculation. Therefore, input and outcome does not reflect the total impact of the organisation. In the future, the ambition is to include all programmes in the analysis.

In the analysis a two-year perspective is depicted to include some of the long-term effects and to identify whether the programmes have a long-lasting impact. A full view of inputs, outputs and outcomes as well as financial indicators and adjustments such as deadweight and attribution can be found in “Appendix 1: Impact Map”.

Input

Input is defined as all resources used to operate the organisations and its programmes. These inputs consider financial contributions, time invested by volunteers and employees etc.

The user's time can also be considered as an input. In this case, users are children, youngsters and adults at Where Rainbows Meet. Where Rainbows Meet would not create an impact if people did not come to the organisation to receive help. Instead they could have spent their time at another organisation and thus Where Rainbows Meet could not have helped them change their circumstances. Thus, their time in the organisation is important for the outcome to happen.

In the guidelines from Office of the Third Sector (OTS) it is agreed not to include the user's time in a SROI analysis⁸. Therefore, the user's time is not included in this SROI analysis of Where Rainbows Meet.

Operating expenses

The financial statement of the organisation shows that the operating expenses aggregated to 1,828,501 South African Rand (ZAR) in the financial year of 2016/2017. This is the total costs related to all the activities in the

organisation. Since the SROI analysis only takes some programmes in account the operating expenses are split up in two shares, where only the share related to the analysed programmes is included. Based on the management's estimated staff time allocation in all activities in Where Rainbows Meet, it is estimated that 85 % of the total operating expenses are related to the analysed programmes. It is a conservative estimate that covers direct costs of the analysed programmes as well as other costs that might be related indirectly with the programmes. This estimate is used to calculate the analysed programmes' share of different costs in the organisation, overheads in the organisation, salaries for the employees, food and refreshments and administration costs. The share of overheads in the organisation is ZAR 484,667.45, the share of salaries for the employees is ZAR 712,877.15, the share of food and refreshments to participants, employees and volunteers is ZAR 161,120.05, the share of administration costs is ZAR 113,456.30 and the share of costs to awareness events is ZAR 82,105.75.

The operating expenses for the analysed programmes in the financial year 2016/2017 is ZAR 1,554,226.70.

This is the calculated input for the first year, and output and outcome will be described below. The important note is, when looking at a two-year perspective there is also an input in the second year, which influences some of the outcome in the second year. This is only regarding the outcome created in the programmes Sewing and Beading Project and Garden Project. A part of the outcome created by Where Rainbows Meet is income increases for participants, who got employed in the organisation as stipend workers in Sewing and Beading Project and stipend workers in the garden. As employees in these jobs they get stipends and meals financed by Where Rainbows Meet. They continue to work in the organisation, therefore they continue to receive stipends and meals from Where Rainbows Meet in the following financial year. Where Rainbows Meet also have costs to materials, further training and development of the workers, and overheads related to the jobs they created in 2016/2017. Thus, Where Rainbows Meet also has operating expenses in the second year that is included in the total input for the SROI analysis.

The operating expenses in the second year, the financial year of 2017/2018, is based on the budgets for Sewing and Beading and Garden Project. The budget for Sewing and Beading is ZAR 504,038.14 and the budget for Garden Project is ZAR 36,020. The salaries are included in the budget for Sewing and Beading, but for the Garden Project the salaries are not included in the budget. Therefore, the salaries for Garden Project are ZAR 50,320.68

based on the management's estimates of staff time allocation. In the Garden Project, the total costs are thus ZAR 86,340.68. The input from operating expenses in second year is calculated to ZAR 590,378.82.

Since this is the costs to stipend workers in both programmes as well as new participants in the programmes, not all the input should be included. Only 50 % of the input is estimated to be related to the stipend workers in the programmes. This is a conservative estimate, which includes all the direct and indirect costs related to the stipend workers in the programmes.

The operating expenses for the analysed programmes in the second year is therefore ZAR 295,189.41.

Non-financial gifts

The organisation has not received any valuable non-financial gifts and therefore there is no input included from this.

Volunteer input

The volunteer input consists of the invested time in activities at Where Rainbows Meet contributed by both local and international volunteers. The time is given voluntarily by the volunteers, but it still has a value for the organisation and the volunteers themselves. The volunteers' time is important for the operation of the programmes in the organisation. To value volunteer time is quite difficult and it can be valued very differently depending on the method. The method used here is to look at how much it would cost for a paid employee to do the same type of work. This is commonly used method in SROI analysis to value volunteer input⁹.

The volunteer input for one hour is calculated by assuming that the organisation replaces a volunteer with an employed person. It is also assumed that the skill set and competencies of the volunteer and worker should be the same for them to do the same type of work. By doing this the organisation must pay a salary to this employed person for each hour of work – this is the estimated value of one hour of volunteer time.

The type of work is therefore important for the value of volunteer time and the value differs depending on the difficulty. If the work is specialised and only can be done by a specialised person, the value must be larger than work that is not specialised.

The type of work for volunteers at Where Rainbows Meet differs due to the different programmes, but in general it is defined as non-specialised. It can be done by all kind of adult persons without special skills and educational backgrounds.

From this assumption, the salary can be determined. Since the work does not require special skills and educational backgrounds it is reasonable to use the minimum wage. Since Where Rainbows Meet has had both local and international volunteers in 2016 the minimum wage from the volunteer's home country in 2016 is used. This is also to make sure that the assumption about same skills and competencies is kept – a volunteer from United States has the same skills as an employed person from United States, who gets the minimum wage as in United States. From this, it is implicitly assumed that the only variation on volunteer input is the difference between countries' minimum wages, which differs due to income level. The volunteer input depends on the nationality of each volunteer. Therefore, the minimum wages for each nationality on the volunteer list has been used to calculate volunteer input. Next, the volunteer input is divided into a local volunteer input and an international volunteer input.

Local volunteer input

The weekly working hours for local volunteers at Where Rainbows Meet are 32.5 hours. Where Rainbows Meet registered a total of 71 local volunteers, who worked for 1125 weeks in the financial year 2016/2017. The local volunteers work in all programmes and fluctuate a lot in between the programmes. It is not possible to calculate the hours that they have worked specifically in the analysed programmes only and all volunteer working hours are therefore included. The total number of volunteers working hours is calculated to 36,562.50 hours. The minimum hourly wage has been determined to be ZAR 12.42¹⁰.

The total local volunteer input is calculated to ZAR 454,106.25. Furthermore, many volunteers do in general enjoy working voluntarily and would have worked voluntarily in any organisation, because of the benefits of volunteering¹¹. They have no alternative cost of working voluntarily since they do not mind working for free when they can help persons, who need it. Thus, the value of their volunteer input is valued to be zero. This is a deadweight to the input that should be accounted for in the analysis. From studies of volunteering in social organisations we know that it is quite a lot of volunteers, who would work voluntarily anyways because they are motivated of helping other persons¹². On this background, we assume that 50 % of the volunteer input is deadweight and this should be subtracted the total volunteer input.

The net local volunteer input in the financial year 2016/2017 is ZAR 227,053.13.

For the volunteers, there is also a second-year input to be added, which relates to the stipend workers in Sewing

and Beading Project and Garden Project. In the second year, volunteers also work in the two programmes and do training and development of the stipend workers as well as new participants in the programmes. Since the volunteers help with other activities and also new participants in Sewing and Beading Project and Garden Project in the second year, not all their input should be added. Instead it is estimated that half of their input relates to the outcome in the first year – the other half is for the new participants and other activities in the second year of the analysed outcome.

The net local volunteer input in the second year 2017/2018 is ZAR 113,526.56.

International volunteer input

The international volunteers working hours are 27 hours a week. From the International Volunteer list, there have been 37 international volunteers from 14 different countries and they worked for 194 weeks in total in the financial year of 2016/2017. The management has estimated the international volunteers' working hours allocation between all the activities at Where Rainbows Meet and from this it is estimated that 90 % of their time is related to the analysed programmes. Therefore 10 % of the international volunteers' working hours are subtracted from the input.

The total international volunteer input is ZAR 652,479.32. As with the local volunteers, a deadweight of 50 % is factored in for this group as well, because the international volunteers would work voluntarily no matter what.

The net international volunteer input in the financial year 2016/2017 is ZAR 326,239.66.

The second-year input is also only half, because this is the part of the international volunteer hours that is assumed to be related to the outcome created in 2016/2017.

The net international volunteer input in the second year 2017/2018 is ZAR 163,119.83.

The individual inputs and a total input in Where Rainbows Meet are summed in table 7 (p22).

TABLE 6: THE CALCULATION OF THE INTERNATIONAL VOLUNTEER INPUT WITH RESPECT TO EACH NATIONALITY

NATIONALITY	WORKING HOURS IN THE ANALYSED PROGRAMMES	MINIMUM HOURLY WAGE (ZAR)	VOLUNTEER INPUT (ZAR)
Morocco	48.60	31.01	632.25
Denmark	340.20	250	85,050.00
United States	1725.30	106.62	183,947.43
United Kingdom	704.70	141.18	99,487.06
Norway	121.50	310.3	37,701.05
Lichtenstein	194.40	280.57	54,542.26
Singapore	97.20	77.19	7,502.69
Venezuela	97.20	12.42	1,207.22
France	291.60	155.97	45,480.19
Switzerland	48.60	298.51	14,507.46
Japan	486	110.99	53,941.74
South Korea	97.20	76.18	7,404.66
Italy	218.70	126.94	27,760.79
Germany	243	137.10	33,314.52
TOTAL			652,479.32

Note: A full description of the sources used for the minimum wages are found in Appendix 3: "Minimum wages 2016".

TABLE 7: OVERVIEW OF INPUT IN WHERE RAINBOWS MEET

INPUT	
OPERATING EXPENSES	
	ZAR
First year	1,554,226.70
Second year	295,189.41
Total	1,849,416.11
LOCAL VOLUNTEER NET INPUT	
First year	227,053.13
Second year	113,526.56
Total	340,579.69
INTERNATIONAL VOLUNTEER INPUT	
First year	326,239.66
Second year	163,119.83
Total	489,359.49
TOTAL NET INPUT	2,679,355.29

Value creation

Value creation occurs when the output is transformed to outcome. The output is the product of Where Rainbows Meet during 2016/2017 and outcomes are the effects that stakeholders have experienced due to the programmes. The value creation process is divided into two steps: A value creation for the programmes and a value creation for the volunteers. This process gives an overview of where the value is created for the stakeholders and how it is created in the activities. Firstly, the output is described, and secondly, the outcome is accounted for, which is transformed to a value by using a financial indicator. All values are adjusted by considering different parameters that affect the outcome of the activities next the net value of the outcome is calculated. When all programmes have been analysed the total net effect is calculated and the SROI ratio is calculated.

An achieved outcome depends in various circumstances. For some activities, all participants are believed to experience a measurable outcome. Within other activities, it

is assumed that only the participants, who finish the activity, experience the full effect and therefore achieve an outcome. This is related to the causal relation between activity and outcome. Being strict about this relation ensures that the activity is credited fully for causing the effect to happen for the participants that afterwards leads to a certain outcome to them. Due to this argument, the total output in each programme is corrected so only the output that causes an effect is included.

For each programme, a table summarises the value creation of all activities and the total net effect of each programme.

CALCULATION

COMPUTER TRAINING

COMPUTER TRAINING

Output

The output describes the number of participants and activities in the programme. For Computer Training the output in the financial year 2016/2017 was:

- 208 participants in total
- 95 graduated the course

Outcome

The outcome is accounted for in this section. Firstly, the output is corrected.

Correction

For Computer Training it is believed that only the participants, who graduate, experience the full effect of the programme and afterwards achieve the expected outcome. The reason for this is, that this is the only method that ensures that the outcome is due to the programme and no other circumstances. Even though the remaining participants have achieved improvements we cannot for sure say that it has been due to their participation in Computer Training. The outcome could be caused by other effects. Therefore, the 95 graduates of Computer Training are included because they experience the outcome from the activity.

Outcomes of the Computer Training for the graduates are:

- Increased income due to employment
- Well-being effect of change in status from unemployment to full-time employment
- Well-being effect of having a place to get help locally

The outcomes created in Computer Training are determined from the survey data results from the effects that the participants experience in the period. The surveys collected on the graduates in Computer Training found:

Effects in the first year after graduation are:

- 38 graduates are employed first year after graduation (40 %).
- They are employed for 91.67 % time of the year.
- 87.5 % feel that Where Rainbows Meet is the place locally, where they can get help when having a problem.
- 20.83 % know other places to get help.
- 12.5 % believe that they could have found a job if Where Rainbows Meet did not exist.

Effects in the second year are:

- 85 graduates are employed in total the second year after the graduation (90 %) – 47 new employed graduates in the second year together with 38 graduates from the first year.
- In the second year the graduates have been employed for 86.4 % of the time.

Financial indicators

Income increase that the employed graduates achieve is indicated by the difference between their income before joining the programme and their income after graduation. From the survey data, the graduates had a monthly income before of ZAR 415.33 and achieved a monthly salary of ZAR 2,188.33 afterwards. Even though most of the graduates were unemployed, they registered an income, which comes from receiving grants from the government, day-to-day jobs, donations etc. Due to the survey results, the monthly net income increase for the graduates employed in the first year is found to be ZAR 1,768.

The graduates, who get employed in the second year, have no income before joining the programme, and when employed they achieve a monthly salary of ZAR 1,877.75. The monthly net income increase is therefore found to be ZAR 1,877.75.

The well-being effects are uncovered by using financial indicators from the Social Value Bank¹³. These social values estimate the well-being effects. It is assumed that the effects are experienced the same way by any person assuming that the preferences are the same, therefore, the social values can be used on any person. The only variation is the income level of the persons. This means that the values should be adjusted to the income level of citizens in South Africa.

All the graduates were unemployed when they joined Computer Training. Therefore, they experience a well-being effect when they get a full-time employment after being unemployed¹⁴. It is valuable to leave this situation, where your income is uncertain and you cannot maintain a normal life. Also, there is a lot of psychological issues when being unemployed for a long time. It is reasonable to assume that all graduates, who are employed, experience this effect. The social value of getting full-time employment after being unemployed is ZAR 51,047.21.

Where Rainbows Meet is considered a help centre in the community of Vrygrond. Citizens can go there and get help to any problem. Without this help centre the citizens should find other places to get help, however the same help is not guaranteed elsewhere. To have this opportunity is a positive effect for the graduates in the Computer Training programme. The social value of getting advice locally is found to be ZAR 8,690.01.

Adjustments

The outcome is adjusted in this section to get the net value of the outcome of Computer Training. The adjustments can be categorised in four parameters: dead-weight, displacement, attribution and drop-off. They are used to adjust the effect of Where Rainbows Meet that

might have occurred on its own or due to other factors outside the programmes.

Deadweight

This is a classic element of cost-benefit analysis that indicates how much of the impact that would have happened if the activities had not existed. In this case, the deadweight is the effect of Computer Training that would have occurred even though the stakeholders were not able to join the programme.

For Computer Training the following deadweight is estimated:

- For income increases and employment effect in the first year deadweight is determined to be 8.33 %. The survey results on how many believed that they could get a job if Where Rainbows Meet had not existed and the conditions to get a job in South Africa is considered to estimate the deadweight. 16.67 % of the graduates, who got a job in the first year, believe that they could get a job without help and this is reduced by 50 %, because it is difficult to get a job, which the high unemployment rate in the community supports.
- For income increases and employment effect in the second year deadweight is determined to be 16.67 %. It is estimated by the same method from above. 33.33 % of the graduates, who were employed in the second year, believe that they could get a job without help from Where Rainbows Meet. This number is also reduced by 50 % on the same ground as above.
- For the advice effect, deadweight is determined to be 8.33 %. This is the number of graduates, who know about other organisations and would have searched for help elsewhere, if Where Rainbows Meet did not exist. It is believed that they would have found help and therefore achieved the same outcome anyways.

Displacement

This parameter considers whether the activity has displaced a positive effect or created an unintended effect. There have not been found any displacements in

the analysis of Where Rainbows Meet, since it is believed that no positive effects have been displaced due to the activities of Where Rainbows Meet, which are much needed in the community. Therefore, this parameter is not included in the analysis.

Attribution

The parameter accounts for other factors that should be attributed some of the effect created in the activity. In this case, the graduates could have been helped from their friends, family, other organisations or other persons.

For Computer Training the following attribution is estimated:

- Income increases and employment effect in the first year is determined to be attributed by 5 %. The survey results on who the graduates got help from and how they can help the graduates is considered to estimate the attribution. Especially, how others such as family and friends can help has a big influence on the attribution. It is believed that friends and family are not able to help the graduates much, since many of them might be in the same situation. Family and friends are able to support the participants to motivate them to complete the programme, but it is assumed that they cannot help them to get a job or get help with other problems.
- The effects of the second year have 10 % attribution. This is estimated by same method as above.
- There is no attribution for the advice effect, because it is believed that no other persons could have helped the graduates if Where Rainbows Meet had not existed.

Drop-off

The drop-off accounts for how much of the effect that is dropped off over time. This is implicitly covered in the analysis, for instance by the employment time, and therefore, it is not analysed any further and the drop-off parameter is not included in the analysis.

TABLE 8: OVERVIEW OF THE VALUE CREATION IN THE COMPUTER TRAINING PROGRAMME	NET EFFECT (ZAR)
Increased income for employed graduates in the first year (38 graduates)	643,566.27
Increased income for employed graduates in the second year (38 graduates)	518,795.17
Increased income for employed graduates in the second year (47 graduates)	728,097.03
Total income increase	1,890,458.47
Social value of full-time employment in the first year	1,548,354.74
Social value of full-time employment in the second year	1,521,232.50
Total employment effect	3,069,587.24
Social value of getting advice locally	662,161.03
TOTAL NET EFFECT OF COMPUTER TRAINING	5,622,206.73

CALCULATION

SEWING AND BEADING PROJECT

SEWING AND BEADING PROJECT

Output

The output describes the number of participants and activities in the programme. For Sewing and Beading Project, the output in the financial year 2016/2017 was:

- 69 participants in total
- 54 graduated the course

Outcome

The outcome is accounted for in this section. Firstly, the output is corrected.

Correction

It is believed that only the graduated participants in Sewing and Beading Project, who experience the full effect of the programme, achieve outcomes of the programme. This ensures that the effect can be credited fully to Where Rainbows Meet. Therefore, the 54 graduates are determined to be the ones, who experience the outcome of the activities.

Outcomes of the Sewing and Beading Project for the graduates are:

- Increased income due to employment.
- Well-being effect of change in status from unemployment to part-time employment and full-time employment.
- Well-being effect of having a place to get help locally.

The outcomes created in Sewing and Beading are determined from the survey data results from the effects that the participants experience in the period. The survey collected on the graduates in Sewing and Beading Project found:

Effects in the first year after graduation are:

- 33 graduates are employed within a year after graduation (62.5 %).
- 30 graduates get a part-time job as stipend workers in Where Rainbows Meet (56.25 %) – 3 graduates get a full-time job outside of Where Rainbows Meet (6.25 %).
- The stipend workers are employed for 91.6 % time of the first year after graduation – the graduates employed outside of Where Rainbows Meet are employed for 87.7 % time of the first year.
- 94.1 % feel that Where Rainbows Meet can help them when having a problem.
- 5.88 % know about other places to get help.
- 0 % would have searched for help at other places.
- 11.76 % believe they could have found a job anyways if Where Rainbows Meet did not exist.

Effects in the second year are:

- 51 of all the graduates are employed two years after graduation (94.4 %).
- 18 graduates, who were not employed in the first year, get employed in the second year (31.9 %) – 16 graduates are employed as stipend workers in Where Rainbows Meet and 2 graduates are employed outside of Where Rainbows Meet.
- After two years, the stipend workers have been employed for 85.1 % of the time – for the graduates employed outside of Where Rainbows Meet it is 71.2 % of the time.

Financial indicators

The increased income that the employed graduates achieve is indicated by the difference between their income before joining the programme and their income after the graduating from the programme. The survey data show that the graduates had no income before joining the programme. The graduates, who got employed in a part-time job within the Sewing and Beading received a monthly stipend of ZAR 500 and meals each day to the value of ZAR 311.37 per month. This value for meals is estimated of 20 % of the minimum amount of expenses for food a day in South Africa¹⁵. For each of the 30 graduates employed as stipend workers, the monthly net increase is therefore ZAR 811.37.

The three graduates, who got employed outside of Where Rainbows Meet, each received a monthly salary of ZAR 1,387. This results in a monthly net increase of ZAR 1,387 per graduate.

The graduates, who are first employed in the second year, registered a monthly income of ZAR 112 before joining the programme. Again, the income is based on grants and/or donations. Therefore, their monthly increased net income is ZAR 699.37 for the stipend workers and ZAR 1,275 for the graduates employed outside of Where Rainbows Meet.

The graduates, who were employed in the first year, experience a growth in salary in the second year. The stipend workers can advance in their position over time, for instance, by becoming full-time employed or a teacher for new participants in the Sewing and Beading. Survey data show that the stipend workers have a monthly stipend of ZAR 1,911.76 and meals to the value of ZAR 311.37. This is a monthly increased net income of ZAR 2,223.13. For the graduates employed outside of Where Rainbows Meet their monthly salary is ZAR 1,700, which gives them a monthly increased net income of ZAR 1,700.

As determined in the analysis of the value creation of the Computer Training, the social values for full-time employment and for the advice effect are used. The financial indicator for full-time employment is ZAR 51,047.21. The financial indicator for the advice effect is ZAR 8,690.01.

Employment as stipend worker is part-time employment. The social value of getting part-time employed after being unemployed is modified to a South African income level, which results in a financial indicator of ZAR 4,346.78.

Adjustments

As mentioned in the analysis of the value creation within Computer Training, there are adjustments to the outcomes. The outcome is adjusted to get the net value of the outcome of Sewing and Beading by using the parameters deadweight and attribution.

Deadweight

For Sewing and Beading Project, the following deadweight is estimated:

- For the income increases and employment effect in first year the deadweight is determined to be 10 %. The same method is applied as for Computer Training. 20 % of the graduates believe that they could get a job if Where Rainbows Meet did not exist, and this is reduced by 50 % due to the high unemployment rate in the community.
- For the income increase and employment effect in second year, the deadweight is determined to be 20.59 %. Based on survey data, 41.18 % of the graduates believe that they could have found a job

anyways if Where Rainbows Meet did not exist and this is reduced by 50 %.

- No deadweight is determined for the advice effect, because none of the graduates know about other places to get help, and therefore it is believed that none would have achieved the same outcome if Where Rainbows Meet had not existed.

Attribution

Some of the effect is attributed to others such as family, friends and other organisations. For Sewing and Beading Project, the following attribution is estimated:

- For the income increases and employment effect in the first year the attribution is determined to be 5 %. This is estimated by the same method as for Computer Training. Survey results on who the graduates got help from and how they can help the graduates is considered to estimate the attribution. The estimate of 5 % is based on the other persons' support to motivate the participants to complete the programme.
- For the income increases and employment effect in the second year the attribution is determined to be 10 %. This is estimated by the same method as mentioned above, but for the second year the period is longer and therefore the attribution estimate is doubled.
- There is no attribution for the advice effect, because it is believed that no others could have helped the graduates with the same outcome as Where Rainbows Meet if the organisation had not existed.

TABLE 9: OVERVIEW OF THE VALUE CREATION IN THE SEWING AND BEADING PROJECT

	NET EFFECT (ZAR)
Increased income for employed graduates in the first year (33 graduates)	268,699.80
Increased income for employed graduates in the second year (33 graduates)	477,000.39
Increased income for employed graduates in the second year (18 graduates)	108,048.87
Total income increase	853,748.45
Social value of employment in the first year	218,075.13
Social value of employment in the second year	232,532.30
Total employment effect	450,607.43
Social value of getting advice locally	441,574.42
TOTAL NET EFFECT OF SEWING AND BEADING PROJECT	1,745,930.30

CALCULATION

BUSINESS TRAINING

BUSINESS TRAINING

Output

The output describes the number of participants and activities in the programme. For Business Training the output in the financial year 2016/2017 was:

- 11 participants in total
- 11 graduated from Business Training
- 4 new businesses were established

Outcome

All participants of Business Training experience the outcome, since all have graduated the course. No correction is made.

Outcomes of the Business Training for the graduates are:

- Increased revenue due to business improvements.
- Increased income due to employment.
- Well-being effect of change in status from unemployment to self-employed or full-time employment.
- Well-being effect of having a place to get help locally.

Outcomes created in Business Training are determined from the survey data results on the effects that the participants experience in the period. The survey collected on the graduates in Business Training found:

Effects in the first year after graduation are:

- 3 graduates owned a business before they started in Business Training (25 %), after graduation 7 graduates had a business – a growth of 4 businesses (38 %).
- On average, each firm created 2.8 jobs – this is in total 14 jobs for the 5 businesses.
- All graduates with businesses experienced business improvement and all of them credit Where Rainbows Meet for this improvement (100 %).
- 3 graduates are employed after graduation in a full-time job (33.33 %).
- The employed graduates were employed for 60 % time of the year.
- 100 % of the graduates feel that Where Rainbows Meet can help them when having a problem.
- 37.5 % know other places to get help in the local area.
- None believe that they could have found a job if Where Rainbows Meet had not existed.

Effects in the second year are:

- In the second year, the graduates do not experience further outcomes, but maintain the same as for the first year.
- All 7 businesses are still operating and experiencing the outcome of business improvements.
- After two years, the graduates employed in full-time jobs have been employed for 36 % of the time.

Financial indicators

The financial indicator for the business improvements is based on the average monthly revenue before the Business Training course and the average monthly revenue after graduating the course. This is based on the results from the conducted survey, where the graduates registered their business' revenue before and after. The survey data shows that the average monthly revenue for a business before is ZAR 4,280 and the average monthly revenue after the programme is ZAR 8,840. This is a monthly increase of net revenue of ZAR 4,560. This is assumed to be the net increase for the second year as well. All increased revenue is not only business improvement – a part of this is also due to the costs of goods or services that are used for sale or production in the business. The business improvement is thus only the extra value that is added to the sold or produced goods and services. It is estimated that 50 % of the increased revenue is due to the extra costs. Thus, the business improvement each month is ZAR 2,280.

The financial indicators for the social values of full-time employment and advice effect from the Social Value Bank modified for South Africa have been described earlier in the analysis of Computer Training. The financial indicator for full-time employment is found to be ZAR 51,047.21. The financial indicator for the advice effect is found to be ZAR 8,690.01.

For the graduates, who have created a business after the programme, they have become self-employed after being unemployed. This is a positive improvement for the graduates. They are motivated to maintain and develop a professional business. This has a value to the graduates. The social value is modified to a South African income level and the value is found to be ZAR 40,984.90.

Adjustments

As well as within the analysis of the Computer Training, there are adjustments to be added to the Business Training. The outcome is adjusted to get the net value of the outcome of Business Training by using the parameters deadweight and attribution.

Deadweight

For Business Training, the following deadweight is estimated:

- For the business improvement effect, the deadweight is determined to be 10 %. This is concluded by considering the economic situation in South Africa, technological development, development in consumption and other factors that might affect the increased revenue.
- For the income increases and employment effect in the first year the deadweight is determined to be

9.167 %. This is estimated on the background of the average of the concluded deadweight in Computer Training and Sewing and Beading in the first year.

- For the income increases and employment effect in the second year the deadweight is determined to be 18.63 %. It is estimated as the average of the deadweight in Computer Training and Sewing and Beading in the second year.
- For the advice effect, the deadweight is determined to be 37.5 %. This is the share of graduates, who know other organisations and would have searched for help there if Where Rainbows Meet did not exist. It is believed that they would have found help and therefore achieved the outcome anyways.

Attribution

Some of the effect is attributed to others such as family, friends and other organisations. For Business Training the following attribution is estimated:

- For the business improvement, income increase and employment effect in the first year the attribution is determined to be 5 %. This is estimated by the same method as for Computer Training. Survey results on

who the graduates got help from and how they can help the graduates is considered to estimate the attribution. The estimation of 5 % is based on the other persons' support to motivate the participants to complete the course.

- For the effects in the second year the attribution is determined to be 10 %. This is estimated by the same method as mentioned above, but for the second year the period is longer and therefore the attribution is doubled.
- There is no attribution for the advice effect, because it is believed that no other persons could have helped the graduates with the same outcome as Where Rainbows Meet if the organisation had not existed.

TABLE 10: OVERVIEW OF THE VALUE CREATION IN THE BUSINESS TRAINING

	NET EFFECT (ZAR)
Business improvement in the first year (7 graduates)	163,749.60
Business improvement in the second year (7 graduates)	137,894.40
Total business improvement effect	301,644.00
Increased income for employed graduates in the first year (3 graduates)	19,128.20
Increased income for employed graduates in the second year (3 graduates)	9,740.44
Total income increase	28,868.64
Social value of employment in the first year	220,754.47
Social value of employment in the second year	- 26,916.89*
Total employment effect	193,837.57
Social value of getting advice locally	59,743.85
TOTAL NET EFFECT OF BUSINESS TRAINING	584,094.07

*The employment effect in the second year is negative, because some of the employed graduates in the first year are predicted to become unemployed in the second year.

CALCULATION

GARDEN PROJECT

GARDEN PROJECT

Output

The output describes the number of participants and activities in the programme. For Garden Project, the output in the financial year 2016/2017 was:

- 8 participants in total
- 8 graduated the course

Outcome

The effects are experienced for all the participants in Garden Project since all graduated the course.

Outcomes of the Garden Project for the graduates are:

- Increase income due to employment.
- Well-being effect of change in status from unemployment to part-time employment.
- Well-being effect of having a place to get help locally.

The outcomes created in the Garden Project are determined from data on the graduates. The data on Garden Project shows¹⁶:

Effects in the first year after graduation are:

- 4 graduates were employed in part-time jobs at Where Rainbows Meet as stipend workers in the garden.
- The employed persons have been employed right after graduation and are employed for 100 % time of the first year.
- All persons have been happy about the help from Where Rainbows Meet and are thus assumed to feel that Where Rainbows Meet can help them with a problem when having a problem.

Effects in the second year are:

- In the second year the stipend workers are employed for 100 % time of the period.

Financial indicators

Income increases that the employed graduates achieve is indicated by the difference between their income before joining the programme and their income after the graduation. All graduates were unemployed before entering the programme and no income were registered. After graduation and employment as stipend workers, they receive a stipend of ZAR 500 and meals each day to the value of ZAR 311.37. It results in a monthly net increase of ZAR 811.37. This net increase is both for the first year and the second year.

Also, the social values for part-time employment and the advice effect from the Social Value Bank are included. The financial indicator for part-time employment is found to be ZAR 4,346.78. The financial indicator for the advice effect is found to be ZAR 8,690.01. The graduates. The social value is modified to a South

African income level and the value is found to be ZAR 40,984.90.

Furthermore, the vegetables grown in the Garden Project are used in the kitchen at Where Rainbows Meet. This is an outcome to the persons at Where Rainbows Meet as they get meals each day, but is just a share of the total use of vegetables in the kitchen. Therefore, the value of the vegetables from the garden used in the kitchen each year is found to be ZAR 7.500.

Adjustments

As well as within the analysis of Computer Training, there are adjustments to be added to the Garden Project as well. The outcome is adjusted to get the net value of the outcome of Garden Project by using the parameters deadweight and attribution.

Deadweight

For Garden Project, the following deadweight is estimated:

- The income increases and employment effect in the first year the deadweight is determined to have 9.167 %. This is estimated as the average of the deadweight in Computer Training and Sewing and Beading in the first year.
- The income increases and employment effect in the second year the deadweight is determined to be 18.63 %. It is estimated as the average of the deadweight in Computer Training and Sewing and Beading in the second year.
- For the advice effect, there is no deadweight. This is because none of the graduates would have achieved the outcome if Where Rainbows Meet had not existed.

Attribution

For Garden Project the following attribution is estimated:

- For the income increases and employment effect in the first year the attribution is determined to be 5%. This is estimated by the same method as for attribution in Computer Training. The persons who have influenced the participants during the programme, for instance family, friends and other organisations, and how they can help them is considered to estimate the attribution.
- For the income increases and employment effect of the second year the attribution is determined to be 10%. This is estimated by same method as above.
- There is no attribution for the advice effect, because it is believed that no other persons could have helped the graduates with the same outcome as Where Rainbows Meet if the organisation had not existed.

¹⁶ There were no surveys for the Garden Project conducted, so data results are based on the organisation's data on the activities.

TABLE 11: OVERVIEW OF THE VALUE CREATION IN THE GARDEN PROJECT

	NET EFFECT (ZAR)
Increased income for the employed graduates in the first year (4 graduates)	33,607.57
Increased income for the employed graduates in the second year (4 graduates)	28,522.05
Total income increase	62,129.63
Social value of part-time employment in the first year	15,003.90
Social value of part-time employment in the second year	0
Total employment effect	15,003.90
Vegetables for Where Rainbows Meet’s kitchen first year	7,500
Vegetables for Where Rainbows Meet’s kitchen second year	7,500
Total value of produced vegetables	15,000
Social value of getting advice locally	69,520.12
TOTAL NET EFFECT OF GARDEN PROJECT	161,653.64



CALCULATION

EARLY CHILD DEVELOPMENT

EARLY CHILD DEVELOPMENT

Output

The output describes the number of participants and activities in the programme. For the E.C.D. the output in the financial year 2016/2017 was:

- 188 children in total have been in care
- 55 new children joined during the period
- 188 parents are helped in total

Outcome

The outcome is accounted for in this section. For Early Child Development, there is an effect on both children and parents. However, it is only the outcome for the parents that is included in the analysis. This is due to uncertainty of the effects on children and the outcome they receive of the activity. This can be affected by many factors during life. For this reason, their outcome is not included in the analysis, but it is commented on the section "Other value creation".

Outcomes of the E.C.D. for the parents are:

- Income increase due to employment.
- Well-being effect going from unemployment to full-time employment.
- Well-being effect of having a place to get help locally.

The survey data collected on the parents in the Early Child Development found:

Effects in the first year are:

- 86 parents, who have children in care at Where Rainbows Meet, have found employment in the first year (46,15 %)
- Of these 86 parents about a half of the parents have attended other programmes, and therefore, 43 parents become employed and have experienced an effect, which can be credited to E.C.D.
- The 43 employed parents are employed for 85.71 % time of the year.
- 78.9 % of all the parents feel that Where Rainbows Meet can help them.
- 10.5 % know other places that can help people in their local area.
- 36.84 % would have searched for help at other places.

Effects in the second year are:

- In the second year, the employed parents are employed for 85.71 % time of the year.

Financial indicators

The income increase that the employed parents achieve is indicated by the difference between their income before their children started in care at the Early Child Development programme and their income after they were employed. Before, the parents had a monthly income

of ZAR 302.30, and afterwards, they achieved a monthly salary of ZAR 2,633.30. This results in a monthly net increase of ZAR 2,331 and it is included in the analysis both for the first year and the second year.

The social values for the well-being effects have been used above. The financial indicator for full-time employment for one person is ZAR 51,047.21. The financial indicator for the advice effect for one person is ZAR 8,690.01.

Adjustments

As well as within the analysis of Computer Training, there are adjustments to be added to the Early Child Development as well. The outcome is adjusted to get the net value of the outcome of Early Child Development by using the deadweight and attribution.

Deadweight

For Early Child Development, the following deadweight is estimated:

- For the income increases and employment effect in the first year the deadweight is determined to be 15.38 %. This share of the effect is believed to have happened if Where Rainbows Meet did not exist. The survey results on how many believed they could have found a job if Where Rainbows Meet had not existed and the conditions to get a job in South Africa are considered to estimate the deadweight. From the survey data, 30.77 % of the graduates, who got a job in the first year, believe that they could get a job anyways if Where Rainbows Meet had not existed. This number is then reduced by 50 % due to the high unemployment rate in the community.
- For the income increases and employment effect in the second year the deadweight is determined to be 30.77 %. It is estimated by doubling the deadweight for the first year. The deadweight increases, because the parents' chances for employment increases as the period gets longer.
- For the advice effect the deadweight is determined to be 36.84 %. This is the share of parents, who know other organisations and would have searched for help elsewhere, if Where Rainbows Meet did not exist. It is believed that they would have found help and achieved the same outcome anyways.

Attribution

For Early Child Development, the following attribution is estimated:

- The income increases and employment effect in the first year attribution is determined to be 5 %. The survey results on other persons and organisations, who helped the parents, and how they can help, is considered to determinate the attribution. Other persons and organisations help the parents with is-

sues and support, but it is believed that they cannot help them to get a job and the outcomes from the job. Therefore 5 % is attributed.

- The effect of the second year attribution is determined to be 10 %. This is estimated by same method as above and due to the longer period, the estimate is doubled.
- There is no attribution for the advice effect, because it is believed that no other persons could have helped the parents to achieve the same outcome if Where Rainbows Meet had not existed.

TABLE 12: OVERVIEW OF THE VALUE CREATION IN THE EARLY CHILD DEVELOPMENT

	NET EFFECT (ZAR)
Increased income for the employed parents the first year (43 parents)	828,706.05
Increased income for the employed graduates the second year (43 parents)	550,555.02
Total income increase	1,379,261.07
Social value of full-time employment in the first year	1,512,324.07
Social value of full-time employment in the second year	- 167,511.96*
Total employment effect	1,344,812.11
Social value of getting advice locally	814,109.86
TOTAL NET EFFECT OF EARLY CHILD DEVELOPMENT	3,538,183.04

*The employment effect in the second year is negative, because some of the parents employed in the first year are predicted to become unemployed in the second year.

CALCULATION VOLUNTEERS

VOLUNTEERS

Output

The output is the product of voluntary work in the organisation. The output for volunteers in the financial year 2016/2017 was:

- 71 local volunteers at Where Rainbows Meet
- 37 international volunteers at Where Rainbows Meet from 14 different countries
- In total 41,276.70 hours of voluntary work

Outcome

The volunteers experience an outcome from working voluntarily at Where Rainbows Meet and helping people, who needs it. This is defined as a well-being effect. However, it is not all volunteers that achieve an outcome of the activities.

Correction

When considering well-being effects, it is assumed that it demands a certain period of time of voluntarily work before the person experiences an effect of being a volunteer. It is also reasonable to assume that not all volunteers experience a well-being effect and that this well-being effect depends on the person's experience from the voluntary work. However, the general assumption is, that the well-being effect from volunteering is equal for all persons and only varies in relation to the income level of the person's home country.

In this analysis, it is assumed that a volunteer must have worked voluntarily in the organisation for at least one month for him/her to achieve an effect. The reason for choosing this period is, that it is believed that it takes time for a volunteer to bond with the participants. The

effect is first experienced, when the volunteer sees the results of his/her efforts, which only reveals after some time.

On the background of this correction the volunteers, who experience a well-being effect as an outcome, is reduced to 66 local volunteers and 36 international volunteers in total. They have all volunteered at Where Rainbows Meet for more than a month and therefore, they are assumed to experience an outcome from their work.

The outcome for the volunteers:

- 66 local volunteers experience an outcome in the first year
- 36 international volunteers experience an outcome in the first year
- In the second year, it is assumed that only half of the volunteers are influenced by the outcome created in the first year and therefore the outcome for the local volunteers is divided by two and the outcome for the international volunteers is divided by two.

Financial indicators

The financial indicator for this outcome is a social value from the Social Value Bank. It is determined for each volunteers' home country, since the value is reflected through the income level. The social values for volunteering are determined for the income level of citizens in United Kingdom. To get the social value for other income levels, the GDP per capita of each nationality is divided with the GDP per capita of United Kingdom to get the relation between income levels. This is multiplied by the social value and the modified social values are calculated and converted to the same currency.

TABLE 13: THE FINANCIAL INDICATORS OF ONE VOLUNTEER PER YEAR

NATIONALITY	PER VOLUNTEER/PER YEAR (ZAR)
South Africa	11,491.19
Morocco	4,893.97
Denmark	92,287.55
United States	79,925.06
United Kingdom	63,705.88
Norway	137,537.05
Lichtenstein	214,628.75
Singapore	80,546.30
Venezuela	14,177.12
France	64,334.17
Japan	72,900.77
South Korea	38,984.73
Italy	52,497.98
Germany	69,752.15

Note: GDP per capita 2016 (constant 2010 US\$) for all nationalities are listed in References¹⁷ and in Appendix 3, the formula for the calculation of the financial indicator is together with an example of the calculation for a volunteer from the United States.

Adjustments

As mentioned in the analysis of the value creation in Computer Training, there are adjustments to be added to the outcome of the volunteers as well. The outcome is adjusted to get the net value of the outcome of the volunteers by using the parameters deadweight and attribution.

Deadweight

For the effects for volunteers, the following deadweight has been estimated:

For the first year and the second year, the deadweight is determined to be 50 % for both local volunteers and international volunteers. This is for the same reason as the volunteer input had a deadweight of 50 %. Half of the volunteers are expected to have worked voluntarily

anyways at another organisation, if Where Rainbows Meet had not existed, therefore they would have achieved the same effect assuming the preferences for all kind of volunteer work are equal.

Attribution

For the effects for volunteers, the following attribution has been estimated:

There is no attribution for the effects for volunteers, because the effect can only be credited the voluntary work at Where Rainbows Meet. The effect can be affected by certain persons in the organisation, for instance, employees or other volunteers, but it is believed that they do not affect the effect experienced by the volunteers themselves.

TABLE 14: OVERVIEW OF THE VALUE CREATION FOR THE VOLUNTEERS

	NET EFFECT (ZAR)
Well-being effect for the local volunteers in the first year	379,209.33
Well-being effect for the local volunteers in the second year	189,604.66
Total well-being effect for the local volunteers	568,813.99
Well-being effect for the international volunteers in the first year	1,321,797.16
Well-being effect for the international volunteers in the second year	660,898.58
Total well-being effect for the international volunteers	1,982,695.74
TOTAL NET EFFECT FOR THE VOLUNTEERS	2,551,509.73

To summarise the value creation of all the included programmes in Where Rainbows Meet, the net effects of each analysed programme is listed in table 15.

TABLE 15: OVERVIEW OF THE EFFECT IN ALL PROGRAMMES

	NET EFFECT (ZAR)
Computer Training	5,622,206.73
Sewing and Beading	1,745,930.30
Business Training	584,094.07
Garden Project	161,653.64
Early Child Development	3,538,183.04
Volunteers	2,551,509.73
TOTAL NET EFFECT	14,203,577.52

CALCULATION

SROI RATIO

SROI RATIO

In this section, the SROI ratio is calculated. The net input and net effect has been calculated in the previous sections and are included here. A complete overview of the effects can be seen in the "Appendix 1: Impact Map".

SROI ratio is calculated by the calculation of: the net effect of the programmes divided with the net input invested in the programmes. The net input has been calculated to ZAR 2,679,355.29 and the net effect has been calculated to ZAR 14,203,577.52.

The SROI ratio for the analysed programmes in Where Rainbows Meet in 2016/2017 is:
 $14,203,577.52 / 2,679,355.29 = 5.30$

This means that for every 1 Rand invested in Where Rainbows Meet, 5.30 Rand is created in social value for the stakeholders and society. This accounts for both financial and social value. The annual social return on investment is 165 % on a two-year investment.

Type of value

The values that the SROI ratio consists and what each kind accounts for is illustrated in figure 4. Social value

covers outcomes of well-being effects that are not valued directly monetary. This is the total value of the well-being effect of part-time employment, well-being effect of full-time employment, well-being effect of self-employment and advice effect. Financial value covers outcome with value that is measured directly monetary. This is the total value of income increases for the stakeholders, effects of business improvements and grown vegetables. Therefore, for every 1 Rand invested in Where Rainbows Meet, 3.61 Rand of social value is created in return and 1.69 Rand of financial value is created in return.

The share of value creation in each programme

The value creation of each programme analysed in Where Rainbows Meet is illustrated in figure 5. 39.58 % of the total value is created in Computer Training, 12.29 % is created in Sewing and Beading, 4.11 % is created in Business Training, 1.14 % is created in Garden Project, 24.91 % is created in Early Child Development (ECD) and 17.96 % of the total value is created for the volunteers.

FIGURE 4: THE SROI RATIO CATEGORISED IN SOCIAL VALUE AND FINANCIAL VALUE

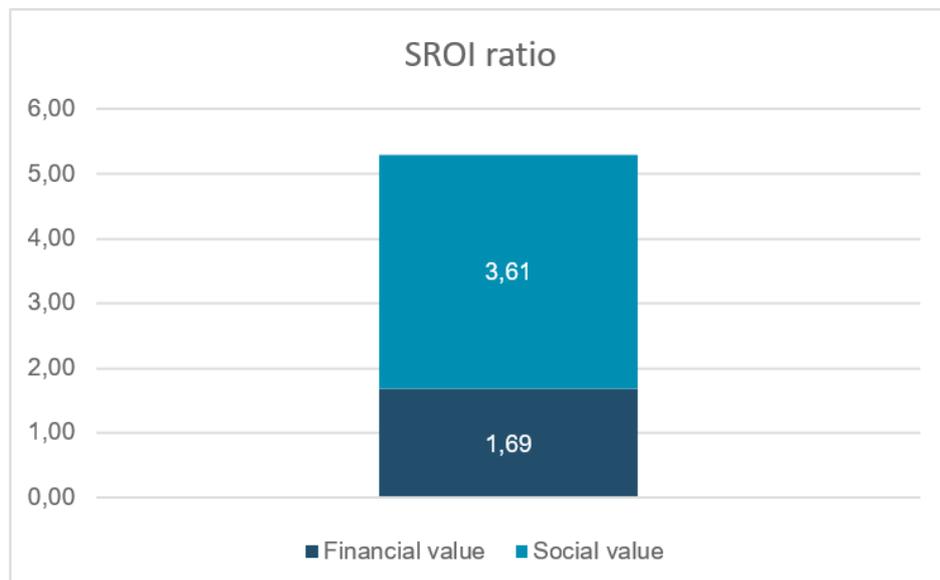
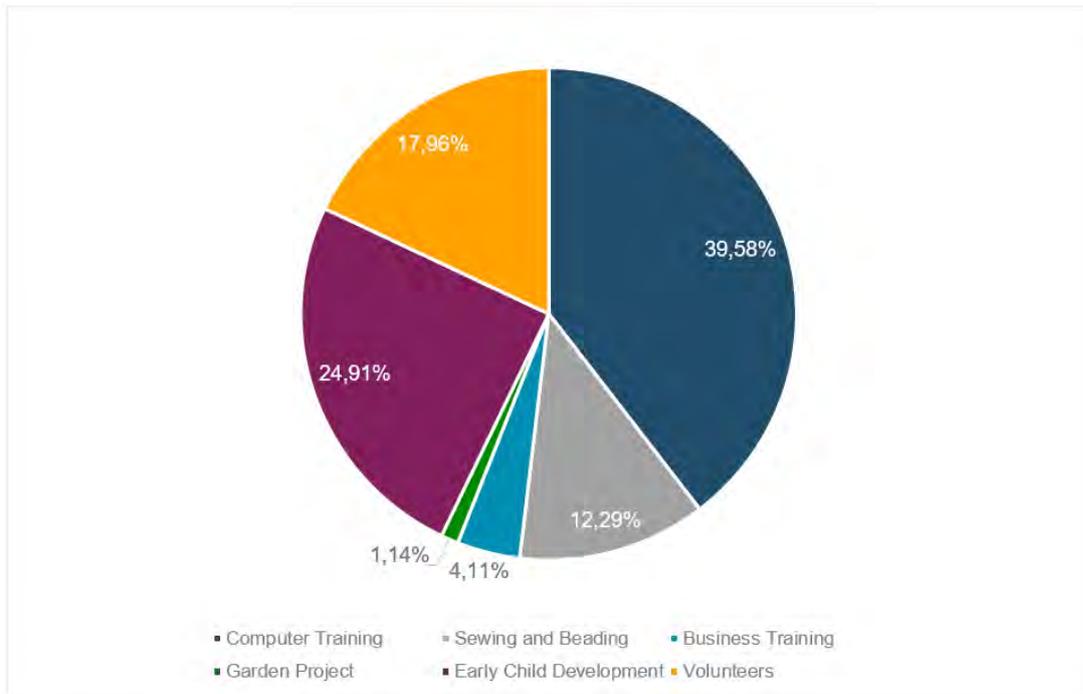
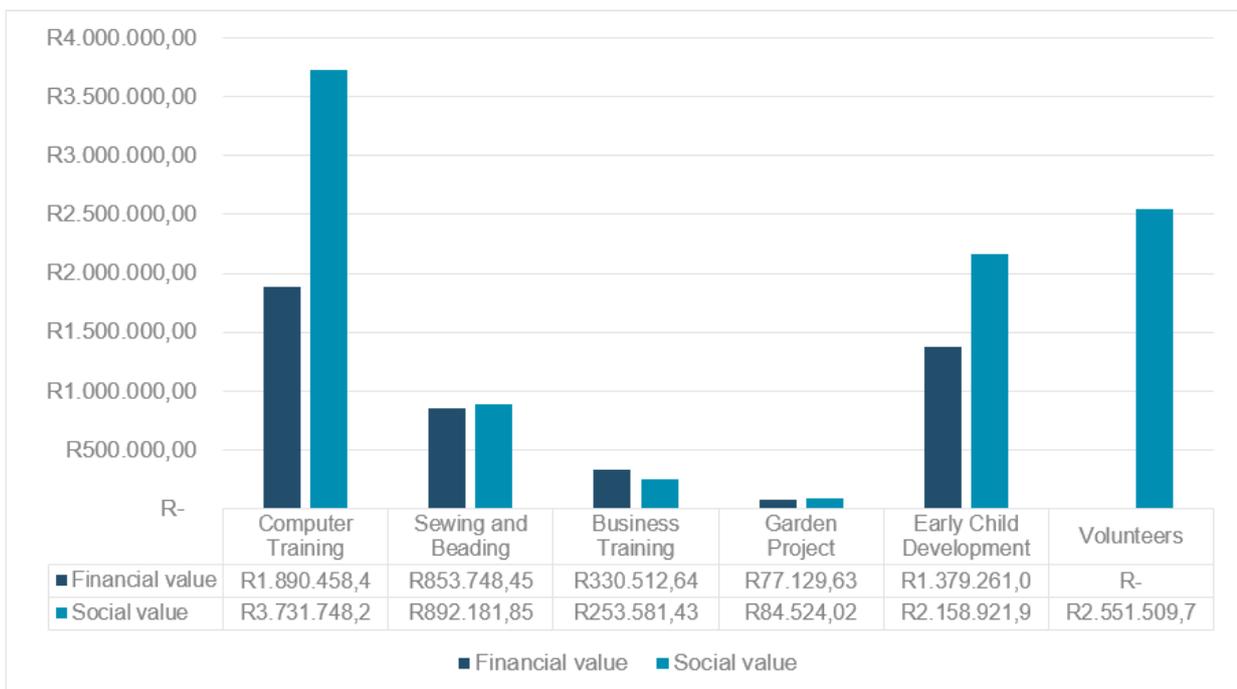


FIGURE 5: THE SHARE OF OUTCOME IN EACH PROGRAMME



The financial and social value created in each analysed programme is shown in figure 6.

FIGURE 6: FINANCIAL AND SOCIAL VALUE IN EACH PROGRAMME



CALCULATION

SENSITIVITY ANALYSES

SENSITIVITY ANALYSES

Several parameters are used in the analysis to calculate the SROI ratio of Where Rainbows Meet. The most important parameters are deadweight, attribution, income increases and social values. The parameters are based on data, which might be affected by statistical uncertainty and therefore, some uncertainties might occur. Also, some of the parameters are modified based on assumptions and may be over- or underestimated. A sensitivity analysis has been made on the parameters to show how the SROI ratio is affected by uncertainty in each parameter and in total. Each model, shows how the SROI ratio is affected when the parameters are reduced by 50 % or increased by 50 %.

Deadweight and attribution

Deadweight and attribution are used to adjust the outcome to get the net value of the programme. Table 16

than input, but the difference is small.

If deadweight and attribution for both input and outcome are overestimated by 50 % the SROI ratio increases to 5.49. If they both are underestimated by 50 %, this will reduce the SROI ratio to 5.07. This shows that an uncertainty of 50 % in the deadweight and attribution does not affect the SROI ratio significantly.

Income increases

Income increases consist of both salaries for the individuals and profit for the businesses. This is a parameter based on data registered by the participants of the programmes, which means that there is some statistical uncertainty. Table 17 illustrates how the uncertainty of income increases affects the value creation in each programme and in total for all programmes. Income increases affect Computer Training the most since a reduction of 50 % in income increases lead to a SROI ratio

TABLE 16: SENSITIVITY ANALYSIS OF DEADWEIGHT AND ATTRIBUTION

	50%	75%	90%	100%	110%	125%	150%
Input	4,59	4,92	5,14	5,30	5,47	5,75	6,27
Outcome	6,34	5,82	5,51	5,30	5,10	4,79	4,28
Total	5,49	5,40	5,34	5,30	5,26	5,19	5,07

illustrates how the SROI ratio is affected by changes in deadweight and attribution. If both parameters used for input have been overestimated and as a consequence is reduced by 50 %, this will likewise reduce the SROI ratio to 4.59. Otherwise, if the parameters are underestimated by 50 % the SROI ratio should be 6.27. If both parameters used for outcome have been overestimated by 50 %, then the SROI ratio increases to 6.34. On the other hand, if the parameters of outcome are underestimated by 50 % the SROI ratio reduces to 4.28. Overall, it is seen that outcome is affected more by deadweight and attribution

of 4.95, and an increase of 50 % in income increases lead to a SROI ratio of 5.65.

For the programmes, a reduction in income increases to 50 % will reduce the SROI ratio to 4.67. If income increases are increased to 150 %, this results in a SROI ratio of 5.94.

TABLE 17: SENSITIVITY ANALYSIS OF INCOME INCREASE

	50%	75%	90%	100%	110%	125%	150%
Computer Training	4,95	5,12	5,23	5,30	5,37	5,48	5,65
Sewing and Beading	5,14	5,22	5,27	5,30	5,33	5,38	5,46
Business Training	5,28	5,29	5,30	5,30	5,31	5,31	5,33
Garden Project	5,30	5,30	5,30	5,30	5,30	5,30	5,31
Early Child Development	5,21	5,25	5,28	5,30	5,32	5,35	5,40
Total	4,67	4,98	5,17	5,30	5,43	5,62	5,94

Social values

For the social values, there are uncertainties in the modification of social values for citizens in United Kingdom to social values for South African citizens. The modification is based on the income level, where it is assumed that individuals in general experience the well-being effects the same way and thus, that the social values are the same for all. The only variation is the national income level between individuals, which expresses how the value is expressed in monetary terms. This assumption might be wrong and individuals might have different preferences for well-being effects. Therefore, the social values have

Income increases and social values

In this sensitivity analysis both income increases and social values are changed and the effect is seen on each programme and on all the programmes in total. From table 19 a worst-case scenario is illustrated. When income increases and social values are reduced to 50 % of the original value it results in a SROI ratio of 2.65. In a best-case scenario, the SROI ratio will be 7.95, if the income increases and social values are underestimated and increases to 150 % of the original value.

As a conclusion to the sensitivity analysis, the SROI ratio

TABLE 18: SENSITIVITY ANALYSIS OF SOCIAL VALUES

	50%	75%	90%	100%	110%	125%	150%
Computer Training	4,60	4,95	5,16	5,30	5,44	5,65	6,00
Sewing and Beading	5,13	5,22	5,27	5,30	5,33	5,38	5,47
Business Training	5,25	5,28	5,29	5,30	5,31	5,32	5,35
Garden Project	5,29	5,29	5,30	5,30	5,30	5,31	5,32
Early Child Development	4,90	5,10	5,22	5,30	5,38	5,50	5,70
Volunteers	4,82	5,06	5,21	5,30	5,40	5,54	5,78
Total	3,50	4,40	4,94	5,30	5,66	6,20	7,11

some uncertainties and how this affects the programme is illustrated in table 18.

The social values affect Computer Training the most, which is seen in the SROI ratio of 4.60 when social values for Computer Training are reduced to 50 %. For all the programmes in total, a reduction of social values to 50 % of the original value reduces the SROI ratio to 3.50. If the social values are increased to 150 % of the original value, the SROI ratio increases to 7.11. This shows that the social values affect the SROI ratio more than the changes in the income increases do, as seen in table 17 (p37).

for Where Rainbows Meet is affected by uncertainties in the parameters. Some parameters affect the programmes and the total SROI ratio more than others do, primarily due to their absolute size. All the tables illustrate, that the SROI ratio is not affected much from these uncertainties. Even in a worst-case scenario, where parameters are reduced to 50 % of the original values, the SROI ratio drops to 2.65, but is still positive and is considered a satisfactory ratio. It is not believed in the SROI analysis, that the parameters are underestimated this much, but it is still important to test how strong the analysis is to uncertainties. From these results, it is found that the SROI ratio of Where Rainbows Meet of 5.30 is found strong to uncertainties in the parameters.

TABLE 19: SENSITIVITY ANALYSIS OF INCOME INCREASES AND SOCIAL VALUES

	50%	75%	90%	100%	110%	125%	150%
Computer Training	4,25	4,78	5,09	5,30	5,51	5,83	6,35
Sewing and Beading	4,98	5,14	5,24	5,30	5,37	5,46	5,63
Business Training	5,19	5,25	5,28	5,30	5,32	5,36	5,41
Garden Project	5,27	5,29	5,30	5,30	5,31	5,32	5,33
Early Child Development	4,64	4,97	5,17	5,30	5,43	5,63	5,96
Volunteers	4,82	5,06	5,21	5,30	5,40	5,54	5,78
Total	2,65	3,98	4,77	5,30	5,83	6,63	7,95

OTHER VALUE CREATION

Analysed programmes

Throughout the analysis process it is illustrated that value and effects are created in five of the analysed programmes within Where Rainbows Meet as well as for the volunteers. However, it is also clear that Where Rainbows Meet create more value than measured in the programmes and activities, which are not included in the analysis. This is defined as other value creation.

In the analysis only graduates have been accounted for as the persons, who achieve outcomes from the activities. Therefore, they are the ones, who are included in the analysis. However, there are also participants, who do not graduate the courses. This does not mean that they have not achieved any outcomes of the activities. It is reasonable to assume that they achieve some outcomes of the activities since they get connected with Where Rainbows Meet, and they get to know about other programmes as well. They might also finish some of the course, which gives them experience and skills that they can use further on to get employed or to attend another course. Some even drop out of the course because they found a job in the meantime. Thus, other persons than the graduates experience outcomes of the activities.

The children at Early Child Development do also experience many positive effects, which are not included in the analysis. Most children come from underprivileged families with social problems. The children are not sent to school/other day cares and the parents are unemployed. This situation affects them negatively and they will most likely grow up to continue the negative social heritage. Due to Where Rainbows Meet the children experience a safe environment with the possibility to develop in a positive way. This will hopefully have a positive impact on their learning in school, education and later in life with employment. These long-term effects are very difficult to measure and includes many uncertainties, therefore, it has not been possible to account for the effects on children.

The outcomes created at Where Rainbows Meet also affects the local community and the families. This is known as a multiplication effect. Firstly, when more people are helped at Where Rainbows Meet they will tell other people about it thus more will join the activities to get life improvements. Therefore, on a longer term more persons are helped in the community. Also, the participants will become strong and take part in the community as well and thereby take care of others in the need of it. Families to the participants do also experience positive effects as the participants get income increases and develop new skills. The family can get

help to problems directly from the participants, and the family situation improves as more wealth enters in to the family. However, it is difficult to measure this effect on the local community and families and assess the value of the outcomes created.

Non-analysed programmes and activities

The non-analysed programmes and activities at Where Rainbows Meet do also create effects for its participants, which affects them positively, but these values are not included in the analysis.

In the non-analysed activities within Early Child Development, Life skills and Spiritual dance, the parents learn about good parenthood and as well as they are personally developed. This strengthens them to become independent and take good care of their children and themselves. They are encouraged to send their children to school and this will hopefully create positive improvements in the long-term as children have better prospects for higher education and better opportunities for employment. Due to the personal development parents also get better confidence, which is valuable to them.

In the Youth Development, the in-school programmes inform youngsters about future opportunities in higher education and employment as well. Thus, the programme is expected to motivate some of the youngsters to join higher education and get employment in the future. The after-school activities strengthen the youngsters' social competencies and reduces crime. The Youth Empowerment Program helps youngsters to stay out of unemployment and thus they experience income increases and well-being from this activity.

Most of the programmes in Training and Development are included. However, Life skills and English courses are not, but they still create positive effects for the participants. In Life skills, the participants strengthen their professional skills so they get a better chance to stay employed for a longer time. Also, they are taught basic life skills that are important in social contexts with family and friends. In the English courses, foreign participants learn to speak English, so they can get settled in South Africa and uplift their job opportunities, which is certainly of large value to them.

The Health Centre does also generate positive effects. The centre functions as a social office, where the citizens of the community can get counselling and advices on social problems. People get medical care and receive knowledge about their diseases. Also, the Health Centre contribute to many prevention activities by educating and

informing the citizens in different subjects regarding health and nutrition. This reduces sickness and improves health and life conditions as well as well-being.

To summarise, there are many outcomes created in the programmes and activities at Where Rainbows Meet, which are not included in the analysis. These non-analysed programmes and activities create significant value and should also be considered as part of the value creation. The activities contribute to more life improvements for the citizens in Vrygrond and the development of the community. This indicates, that the SROI ratio has a potential to be higher than calculated in the analysis.

- SAFE ENVIRONMENT

- UPLIFTING THE LOCAL COMMUNITY

- IMPROVED QUALITY OF LIFE FOR THE PARTICIPANTS AND THEIR FAMILIES

- SKILLS FOR LIFE TRAINING

- IMPROVED HEALTH FOR THE PARTICIPANTS AND THEIR FAMILY MEMBERS

CONCLUSION

The analysis of Where Rainbows Meet has shown that significant value is created through outcomes for the participants in the programmes and for the volunteers in the organisation. This is seen from the value creation in each program, which benefits many participants and helps them to get improvements in their lives. The outcomes created are both of financial and social value. Financial value covers outcomes where value is measured directly monetary. This covers the total value of income increases for the participants, business improvement effects and grown vegetables for the organisation. Social value covers the outcomes where value is not measured directly monetary. This covers the total value of the part-time employment, full-time employment, self-employment and the outcome of being able to get advice locally.

The SROI ratio is calculated to be 5.30 over a two-year period. This means that for every 1 Rand invested in Where Rainbows Meet, 5.30 Rand are created in value for the stakeholders and society.

Throughout the analysis process it has been clear that Where Rainbows Meet creates more outcomes for its stakeholders than assessed in the analysis. This additional value creation is improved life conditions

for participants in non-analysed programmes, social improvements for the families, better prospects for the children and the youth as well as social counselling and advice for persons, who need it urgently. In the future, the ambition is to analyse more of this value creation and include it in the analysis.

In the calculations, assumptions have been made to analyse the value creation of some of the activities at Where Rainbows Meet. Furthermore, some parameters are influenced by uncertainties. These assumptions and uncertainties have been challenged in the sensitivity analysis and are also accounted for in Appendix 2: "Assumptions and uncertainties". After having assessed these, the conclusion is sustained and the SROI ratio of 5.30 is found strong and satisfactory. This underlines the positive impact that Where Rainbows Meet creates for its participants and society in general.

» For every 1 Rand invested in Where Rainbows Meet, 5.30 Rand are created in value for the stakeholders and society «



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APPENDIX 1: IMPACT MAP

	STEP 1	STEP 2			
STAKEHOLDERS	CHANGE	INPUTS	VALUE (ZAR)	OUTPUTS	OUTCOME
Participants in Computer Training	Qualifications for job opportunities: Education and skills development due to job search and for use in employment.	Time	0	208 participants 95 graduates	<ul style="list-style-type: none"> Income increases due to employment Well-being effect of going from unemployment to full-time employment Well-being effect of having a place to get help locally
Participants in Sewing and Beading Project	Improvement of job opportunities: Skills development. Improved quality of life.	Time	0	69 participants 54 graduates	<ul style="list-style-type: none"> Income increase due to employment Well-being effect of going from unemployment to part-time/full-time employment Well-being effect of having a place to get help locally
Participants in Business Training	Skills development: To start or grow own business or get a job.	Time	0	11 participants 11 graduates 4 new firms established	<ul style="list-style-type: none"> Increased revenue due to business improvements Income increase due to employment Well-being effect of going from unemployment to self-employment and full-time employment Well-being effect of having a place to get help locally
Participants in Garden Project	Improvement of job opportunities: Skills development.	Time	0	8 participants 8 graduates	<ul style="list-style-type: none"> Income increase due to employment Well-being effect of going from unemployment to part-time employment Well-being effect of having a place to get help locally
Parents to children in Early Child Development	Improvement of job opportunities: Skills development. Also, improvement of quality of life for both parents and their children, and caretaking of the children.	Time	0	188 children in care 55 new children during the year 188 parents are helped	<ul style="list-style-type: none"> Income increase due to employment Well-being effect of going from unemployment to full-time employment Well-being effect of having a place to get help locally
Volunteers	Get professional experience and competences. Well-being of helping others.	Working hours on monetary terms.	1.106.585,57	71 local volunteers 37 international volunteers	<ul style="list-style-type: none"> Well-being from voluntary work
Contributers	Contribute with financial input to the operation of Where Rainbows Meet and the activities.	Financial contributions	1,554,226.70		
TOTAL		Input the first year	2,660,812.27		

APPENDIX 1: IMPACT MAP

STEP 3							
STAKEHOLDERS	INDICATOR	QUANTITY	UNCERTAINTY	FINANCIAL PROXY	VALUE PER UNIT (ZAR)	SOURCE	TOTAL VALUE (ZAR)
Participants in Computer Training	First year: Employed graduates	38	The indicators and "value per unit" are affected by uncertainties such as: - Statistical uncertainty in survey data - Over- or underestimation of parameters - Social values A thorough description is found in Appendix 2. A sensitivity analysis (p37-38) is made to show some of the uncertain parameters.	Annual net income increases first year	19,447.99	Data and surveys from Where Rainbows Meet on 2016/2017 group and 2015/2016 group (6) The social values have been adjusted for unemployment period for this group of participants	739,023.46
	Second year: Employed graduates	47		Annual net income increases first year (second year graduates)	20,655.23		970,796.04
	Graduates employed for two years	38		Annual net income second year	18,203.34		691,726.89
	Well-being effect of employment first year	38		Adjusted social value: Full-time employment	46,789.87		1,778,015.01
	Well-being effect of employment second year	47		Adjusted social value: Full-time employment	43,155.53		2,028,310
	Well-being from being able to get advice locally	83		Adjusted social value: Able to obtain advice locally	8,690.01		722,357.49
Participants in Sewing and Beading Project	First year: Graduates employed as stipend workers	30		Annual net income increases first year for stipend workers	9,015.95	Data and surveys from Where Rainbows Meet on 2016/2017 group and 2015/2016 group (6) The social values have been adjusted for unemployment period for this group of participants	270,478.40
	First year: Employed graduates	3		Annual net income increases first year	14,596.79		43,790.36
	Second year: Graduates employed as stipend workers	16		Annual net income increases first year (second-year graduates)	7,771.40		124,342.44
	Second year: Employed graduates	2		Annual net income increases first year (second-year graduates)	13,418.10		26,836.20
	Graduates employed for two years as stipend workers	23		Annual net income second year for stipend workers	22,702.61		522,159.95
	Graduates employed for two years	10		Annual net income second year	14,524.80		145,248
	Well-being effect of part-time employment	33		Adjusted social value: Part-time employment	3,699.11		144,265.14
	Well-being effect of full-time employment	18		Adjusted social value: Full-time employment	36,345.61		436,147.33
	Well-being from being able to get advice locally	51		Adjusted social value: Able to obtain advice locally	8,690.01		441,574.42

Step 3 continues on the following page (p44)...

APPENDIX 1: IMPACT MAP

STEP 3 (continued...)								
STAKEHOLDERS	INDICATOR	QUANTITY	UNCERTAINTY	FINANCIAL PROXY	VALUE PER UNIT (ZAR)	SOURCE	TOTAL VALUE (ZAR)	
Participants in Business Training	First year: Firms with increased revenue	7	The indicators and "value per unit" are affected by uncertainties such as: - Statistical uncertainty in survey data - Over- or underestimation of parameters - Social values A thorough description is found in Appendix 2. A sensitivity analysis (p37-38) is made to show some of the uncertain parameters.	Average annual net profit increase first year	27,360	Data and surveys from Where Rainbows Meet on 2016/2017 group	191,520	
	Firms with increased revenue for two years	7		Average annual net profit increase second year	27,360		191,520	
	First year: Employed graduates	3		Annual net income increases first year	7,389		22,167	
	Employed graduates for two years	3		Annual net income increases second year	4,433.40		13,300.20	
	Well-being effect of self-employment	4		Adjusted social value: Self-employment	40,984.90		(6) The social values have been adjusted for unemployment period for this group of participants	163,939.59
	Well-being effect of full-time employment	3		Adjusted social value: Full-time employment	18,376.99		55,130.98	
	Well-being from being able to get advice locally	11		Adjusted social value: Able to obtain advice locally	8,690.01		95,590.16	
Participants in Garden Project	First year: Graduates employed as stipend workers	4		Annual net income increases first year	9,736.44	Based on the stipends and estimated value of meals	38,945.77	
	Graduates employed as stipend workers for two years	4		Annual net income increases second year	9,736.44		38,945.77	
	Well-being effect of part-time employment	4		Adjusted social value: Part-time employment	4,346.78	(6) The social values have been adjusted for unemployment period for this group of participants	17,387.10	
	Well-being from being able to get advice locally	8		Adjusted social value: Able to obtain advice locally	8,690.01	69,520.12		
	Grown vegetables used in the kitchen for two years	60%		Estimated value of the total production of vegetables	25,000	Estimate from management	15,000	

Step 3 continues on the following page (p46)...

APPENDIX 1: IMPACT MAP

		STEP 4					STEP 5
	EFFECT	BRUTTO VALUE	DEAD-WEIGHT	DISPLACEMENT	ATTRIBUTION	DROP-OFF	NET EFFECT (IMPACT)
Input	Operating expenses for the analysed programmes in the first year	1,554,226.70					1,554,226.70
	Operating expenses in the second year	295,189.41					295,189.41
	Local volunteer input first year	454,106.25	50 %				227,053.13
	International volunteer input first year	652,479.32	50 %				326,239.66
	Local volunteer input second year	227,053.13	50 %				113,526.56
	International volunteer input second year	326,239.66	50 %				163,119.83
Participants in Computer Training	Income increase first year	739,023.46	8.33 %		5 %		643,566.27
	Income increase second year	1,662,522.93	16.67 %		10 %		1,246,892.20
	Employment effect first year	1,778,015.01	8.33%		5 %		1,548,354.74
	Employment effect second year	2,028,310	16.67 %		10 %		1,521,232.50
	Local advice effect	722,357.49	8.33%				662,161.03
Participants in Sewing and Beading	Income increase first year	314,268.77	10 %		5 %		268,699.80
	Income increase second year	818,586.60	20,59 %		10 %		585,048.66
	Employment effect first year	255,058.63	10 %		5 %		218,075.13
	Employment effect second year	325,353.84	20,59 %		10 %		232,532.30
	Local advice effect	441,574.42					441,574.42
Participants in Business Training	Increased profit first year	191,520	10 %		5 %		163,749.60
	Increased profit second year	191,520	20 %		10 %		137,894.40
	Income increase first year	22,167	9,17 %		5 %		19,128.20
	Income increase second year	13,300.20	18,63 %		10 %		9,740.44
	Employment effect first year	255,824.56	9,17 %		5 %		220,754.47
	Employment effect second year	- 36,753.99	18,63 %		10 %		- 26,916.89
	Local advice effect	95,590.16	37,50 %				59,743.85

Step 4 continues on the following page (p48)...

APPENDIX 1: IMPACT MAP

	STEP 4						STEP 5
	EFFECT	BRUTTO VALUE	DEAD-WEIGHT	DISPLACEMENT	ATTRIBUTION	DROP-OFF	NET EFFECT (IMPACT)
Participants in Garden Project	Income increase first year	739,023.46	8.33 %		5 %		643,566.27
	Income increase second year	1,662,522.93	16.67 %		10 %		1,246,892.20
	Employment effect first year	1,778,015.01	8.33%		5 %		1,548,354.74
	Employment effect second year	2,028,310	16.67 %		10 %		1,521,232.50
	Local advice effect	722,357.49	8.33%				662,161.03
Parents to the children in E.C.D.	Income increase first year	1,030,926.18	15,38 %		5 %		828,706.05
	Income increase second year	883,606.83	30,77 %		10 %		550,555.02
	Employment effect first year	1,881,360.08	15,38 %		5 %		1,512,324.07
	Employment effect second year	- 268,846.36	30,77%		10 %		- 167,511.96
	Local advice effect	1,289,007.28	36,84 %				814,109.86
Volunteers	Well-being effect for local volunteers second year	758,417.66	50 %				379,209.33
	Well-being effect for international volunteers first year	2,643,594.32	50 %				1,321,797.16
	Well-being effect for local volunteers second year	379,209.33	50 %				189,604.66
	Well-being effect for international volunteers second year	1,321,797.16	50 %				660,898.58
TOTAL		19,917,111.33					14,203,577.52

APPENDIX 2: ASSUMPTIONS AND UNCERTAINTY

The analysis of Where Rainbows Meet is made on some assumptions, which affects the results. There are also uncertainties in the parameters due to the assumptions and statistical uncertainty. The sensitivity analysis illustrates how the SROI ratio is affected by the uncertainties in the parameters. Below is the assumptions and uncertainties accounted for and how they can affect the results of the analysis.

FACTORS THAT CAN AFFECT THE SROI RATIO

▼ NEGATIVE EFFECTS	▲ POSITIVE EFFECTS
<p>Well-being effects In the analysis, some effects are indicated with values based on social values from the Social Value Bank. These social values are valid evidence-based estimates based on 20 years of research on British citizens¹⁸. In the analysis, it is assumed that persons experience well-being effects the same way, therefore these social values can be used on any person. The only variation in the values is the income level for volunteers depending on the home country of the person. Thus, the social values have been modified to South African citizens based on their income level and modified to the income level of each volunteer based on their home country. If this modification is wrong and it overestimates the value of well-being effects, then the outcome will decrease and the SROI ratio will be affected negatively.</p>	<p>Well-being effects The analysis relies on social values from the Social Value Bank. If the social values are underestimating the well-being effects, then the outcome will increase and the SROI ratio will be affected positively.</p>
<p>Adjustments Deadweight and attribution can also be underestimated, which means that more of the outcomes would have happened without the impact of Where Rainbows Meet and/or due to other individuals and organisations. If this is the case, the net effect will decrease and the SROI ratio will be affected negatively.</p>	<p>Adjustments Deadweight and attribution adjust the input and outcome of the activities to get the net effect. For deadweight, it is assumed that some of the effect would have happened even if the activities had not existed. For attribution, the assumption is that other individuals contribute to the effect. Both parameters are estimated based on survey data for each programme and the uncertainties of these are shown in the sensitivity analysis. If the parameters are overestimated then more of the outcomes can be credited to Where Rainbows Meet and the SROI ratio increases.</p>
<p>Survey data Survey data is affected by statistical uncertainty and this affects the results in terms of the outcomes experienced by the graduates. If the results are overestimated then less graduates have experienced the outcomes and the SROI ratio is affected negatively.</p>	<p>Survey data The analysis is largely depending on survey data results on participants to account for the outcomes experienced in the activities. The data is based on a representative sample of graduates in the programmes. Statistical uncertainty can affect the data results. It is believed that the data results are valid for the participants at Where Rainbows Meet. However, if the data results are underestimated more graduates have experienced outcomes and then the SROI ratio is affected positively.</p>
<p>Employment status before It is assumed on the background of the survey data, that all persons, who are participating in programmes at Where Rainbows Meet, have been unemployed before they started in the programs. This is also reported by the management. However, some of the graduates might have jobs and thus they do not experience a change in employment or income due to the activity at Where Rainbows Meet. This will affect the SROI ratio negatively.</p>	<p>Other programmes and participants As mentioned in the section "Other value creation" the other activities and programmes create outcomes for the participants as well. The participants in the analysed programmes, who did not graduate, are also believed to have experienced outcomes. If all this was included in the analysis, then the SROI ratio would be affected positively.</p>
<p>Double counting The output has been listed for each programme from the organisation database. Participants can join all programmes at Where Rainbows Meet, therefore they can be listed as graduates in more than one programme. This is checked for before analysing, but there is still a possibility that some double counting might occur in the databases from the organisation, which could be transferred to the analysis. This would mean that outcome is overestimated and that the SROI ratio is higher than calculated. Therefore, double counting affects the SROI ratio negatively</p>	<p>Value of meals The stipend workers in Sewing and Beading Project and Garden Project receive stipends and meals. The meals have no direct value, but have been estimated 20 % of the daily recommended minimum amount of expenses to food in South Africa¹⁹. This estimate covers the most basic needs for food. However, if the value of meals is in fact larger than estimated, then the income increase for the stipend workers will increase and the SROI ratio will increase.</p>

APPENDIX 3: MINIMUM WAGES 2016

COUNTRY	SOURCE	NOTE
Morocco	https://www.minimum-wage.org/international/morocco	Wage for an agricultural worker if they work for 8 hours a day
Denmark	https://ka.dk/vaerd-at-vide/informationsmoeder/mindsteloen/	Average of minimum wages in 11 industries
United States	https://paywizard.org/main/salary/minimum-wage	Federal minimum wage
United Kingdom	https://www.eurofound.europa.eu/observatories/eur-work/articles/working-conditions-industrialrelations/statutory-minimum-wages-in-the-eu-2016	
Norway	http://www.arbeidstilsynet.no/fakta.html?tid=240096/	Based on 2017
Lichtenstein	Source on work time: http://www.encyclopedia.com/places/germany-scandinavia-and-central-europe/austria-political-geography/liechtenstein Source on minimum wage: https://www.liechtenstein-business.li/en/living-in-liechtenstein/life-in-the-principality/living-costs/	Based on 43 hours of work a week
Singapore	Source on work time: http://www.mom.gov.sg/employment-practices/hours-of-work-overtime-and-rest-days Source on wage: http://www.straitstimes.com/singapore/manpower/low-wage-workers-may-get-pay-rise-this-year	Minimum wage of \$1000/month and based on 44 hours of work a week
Venezuela	Source for wage and inflation: http://www.reuters.com/article/us-venezuela-economy-idUSKBN14S0X5	Because the economy is affected by very high inflation, and prices/wages do not reflect the real values, it has been decided to use the minimum wage of South Africa assuming the countries are similar
France	https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000031638526&fastPos=1&fastReqId=1186422886&categorieLien=id&oldAction=rechTexte	
Japan	https://mainichi.jp/english/articles/20160824/p2a/00m/0na/021000c	
South Korea	http://www.minimumwage.go.kr/eng/sub04.html	
Italy	http://mondo-prestiti.it/lavori-e-concorsi/stipendio-minimo-italia/	
Germany	https://www.destatis.de/EN/FactsFigures/NationalEconomyEnvironment/EarningsLabourCosts/MinimumWages/MinimumWages.html	

EXAMPLE OF THE CALCULATION OF THE FINANCIAL INDICATORS OF VOLUNTEERING

The general formula for calculation of the financial indicators of volunteering for any country and an example of the calculation for the financial indicator for volunteers from United States:

$$(\text{GDP per capita country X}) / (\text{GDP per capita UK}) \times \text{Social value of volunteering} \times \text{currency (ZAR/GBP)} = \text{financial indicator for X}$$

$$52,194.9 / 41,603 \times 3,249 \times 19.608 = \text{ZAR } 79,925.06$$



