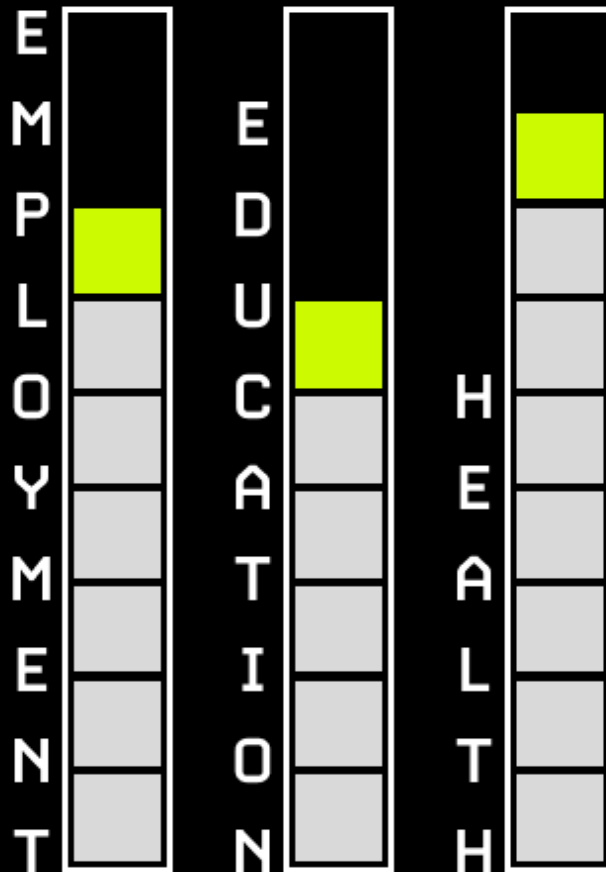
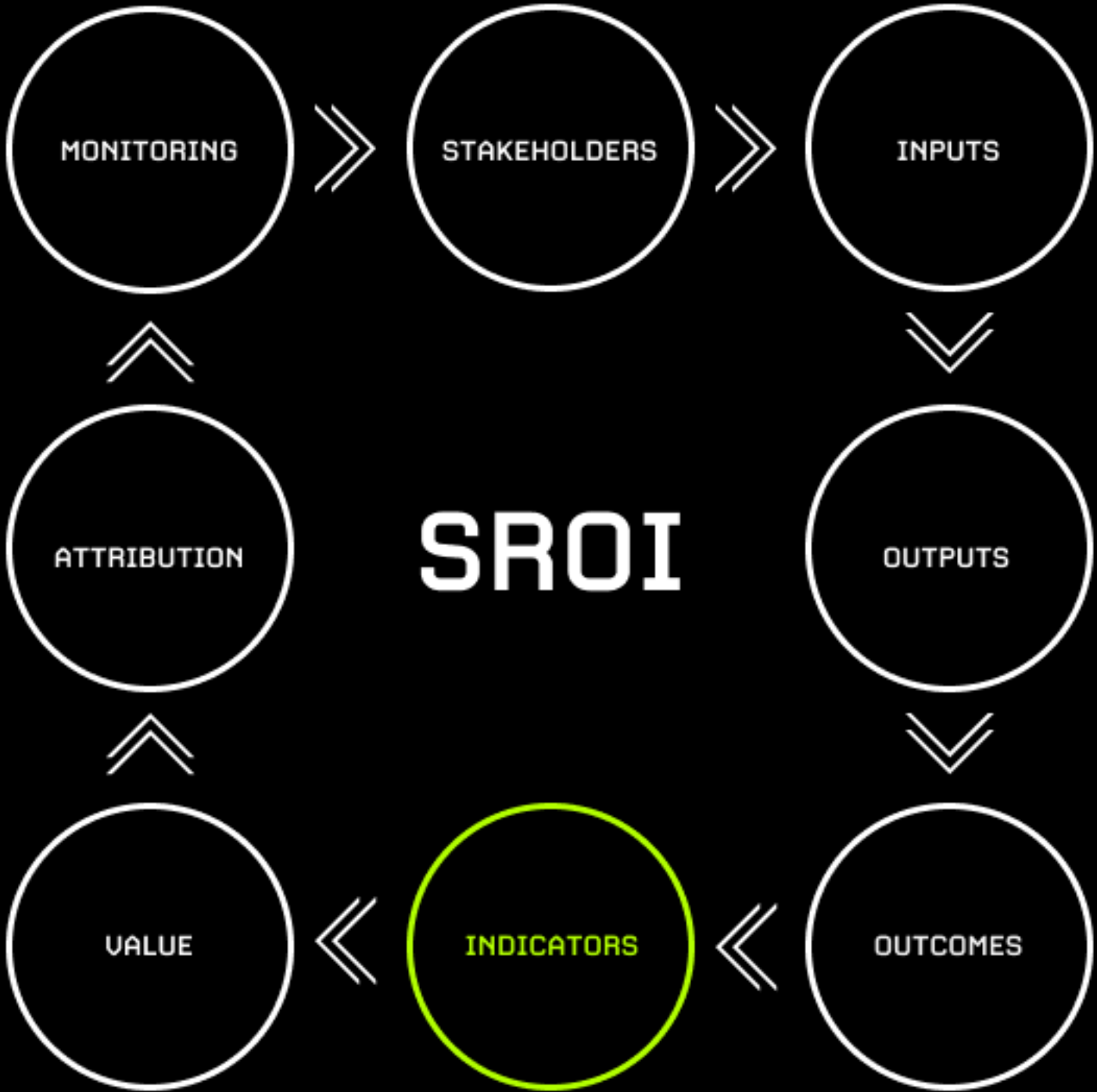


# Indicators

Defining How You Measure Success





# 1. Introduction

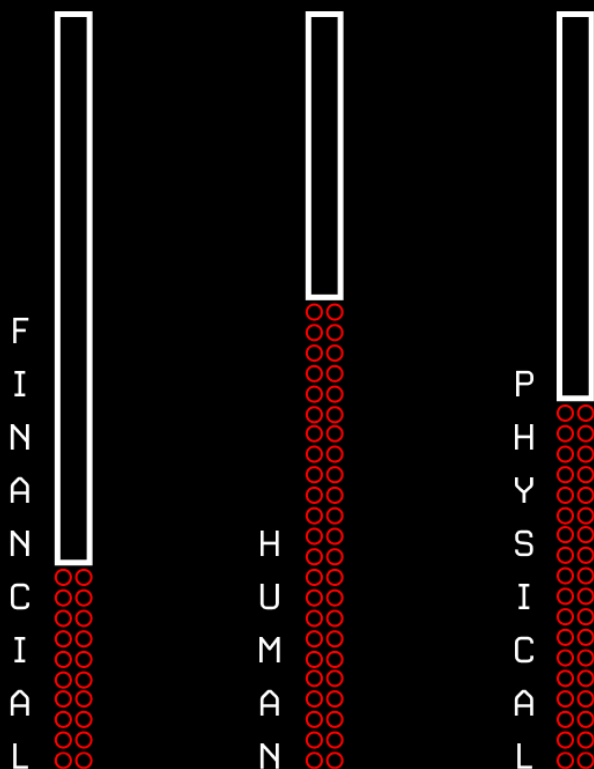
## What are Indicators?

Indicators are the measurable signs that show whether your social impact program is achieving its intended outcomes.

Think of them as signposts that help you track progress and prove the change you're creating. They bridge the gap between your program's activities and the real-world impact you want to claim, ensuring you can demonstrate results to funders, stakeholders, and your community.

Indicators are critical because they provide evidence that your work is making a difference. Without them, you're left with assumptions or anecdotes, which may not convince funders or partners of your program's value.

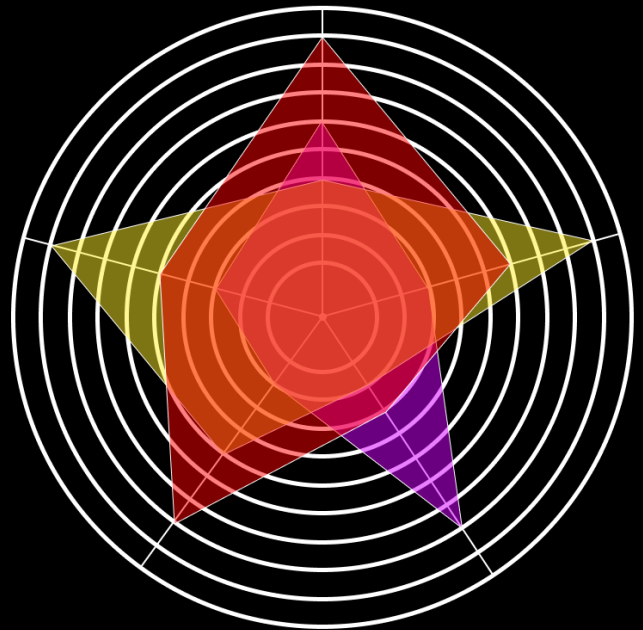
This section explores briefly what indicators are, why they matter, and how to choose and use them effectively in your social impact analysis.



- **Provide Evidence:** Indicators provide concrete data to show the change your program creates, such as increased employment or improved health outcomes.
- **Track Progress:** Indicators help you consistently monitor whether your activities are leading to the desired outcomes, allowing you to adjust as needed.
- **Build Trust:** Transparent, measurable indicators reassure funders that your impact claims are credible and data-driven.
- **Guide Improvement:** By highlighting what works (or doesn't) indicators help you refine your program to maximise its effectiveness.
- **Support Attribution:** Indicators allow you to measure outcomes accurately, helping you determine who and how much change is directly due to your program versus external factors.



## 2. Why Indicators Matter



### 3. Types of Indicators



#### **Quantitative Indicators:**

Numerical measures that provide clear, objective data, such as:

- Number of participants employed after a job-training program.
- Percentage reduction in hospital admissions following a health initiative.
- Tons of carbon emissions reduced by an environmental project.

**Qualitative Indicators:** Non-numerical measures that capture subjective changes, often through stories or feedback, such as:

- Participants' reported improvements in mental wellbeing.
- Community members' sense of pride in a revitalised local space.
- Stakeholder testimonials about stronger partnerships.

### 3.1 Example: Community Sport Initiative

**Scenario:** A local NGO organisation runs a sport initiative for whānau. It provides a variety of group activities that aim to boost health and wellbeing.

<b>Outcome</b>	<b>Associated Indicators</b>
Improved Physical Health	Number of GP visits reduced over 6 months
Increased Social Connectedness	Frequency of contact with family, friends, or whānau
Improved Life Satisfaction	Increased life satisfaction score (0.1-0.2 increase on a 0-10 scale).

### 3.2 Example: Youth Mentoring Programme

**Scenario:** A community organisation runs a mentoring programme for rangatahi (young people) to build confidence, support school engagement, and strengthen life skills. Trained mentors meet regularly with participants, offering guidance, goal-setting support, and emotional encouragement.

<b>Outcome</b>	<b>Associated Indicators</b>
Improved Confidence and Self-Esteem	Self-reported confidence and self-esteem
Improved School Engagement	Frequency of school attendance or punctuality rates

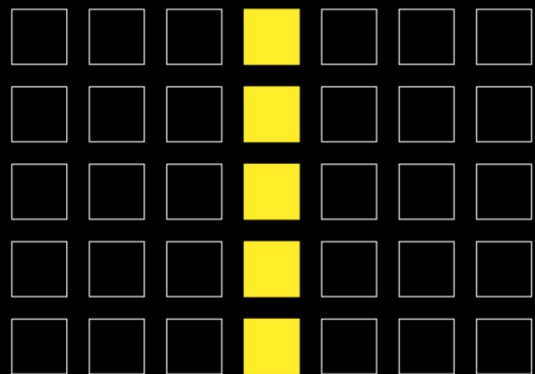


A good indicator follows the SMART framework. Here's how it applies in practise:

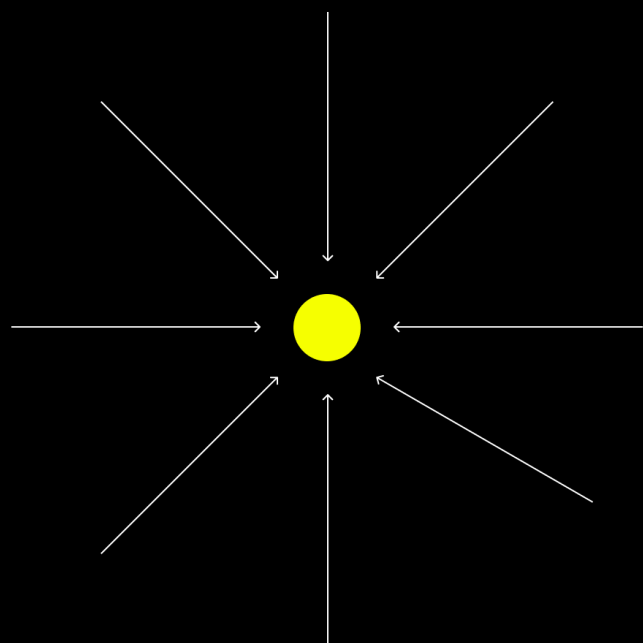
- **Specific:** The indicator clearly ties to the outcome you're measuring. For example, for an outcome like "improved employability" and an indicator could be "number of participants securing jobs within six months."
- **Measurable:** You can collect data on it through surveys, records, or external sources. For instance, "participant confidence" might be measured via a survey rating scale.
- **Achievable:** The data is practical to collect given your resources. Avoid indicators that require costly or complex methods if you lack the capacity.
- **Relevant:** The indicator aligns with your program's goals and the priorities of your stakeholders.
- **Time-bound:** It specifies when the outcome will be measured, such as "within one year of program completion."



## 4. What Makes a Good Indicator?



## 5. Developing Indicators



Developing effective indicators requires balancing ambition with practicality. Follow these steps to ensure you stay on the right track:

- **Start with Outcomes:** Be clear about what change you're trying to measure.
- **Co-Design with Stakeholders:** Involve those affected to ensure your indicators are meaningful and grounded.
- **Align with Programme Logic:** Choose indicators that logically connect activities to outcomes.
- **Keep It Clear and Simple:** Avoid jargon and overcomplication and use indicators that are understandable to non-experts.
- **Check What's Measurable:** Make sure data is realistically collectable from surveys, service data, or public sources.

## 6. Proxy Indicators

Sometimes the best way to measure change is to look at something closely related. A proxy indicator is an indirect measure that reflects an outcome you care about but can't measure directly. Proxies are useful when the outcome is too hard, sensitive, or costly to observe on its own.

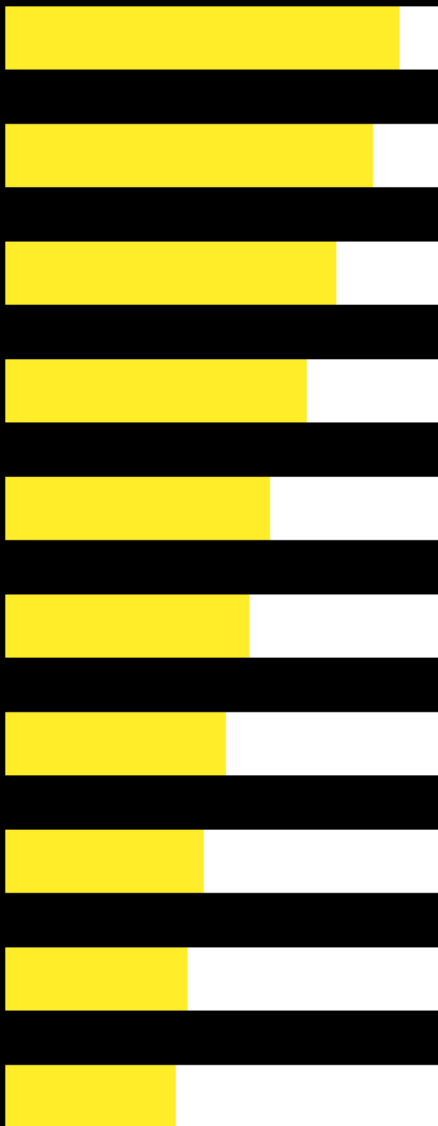
If choosing a proxy indicator make sure:

- **Choose logically linked proxies:** Make sure the proxy makes intuitive sense and aligns with the outcome.
- **Be transparent:** Clearly explain why you chose the proxy and how it reflects the outcome.
- **Combine with other data:** Where possible, use proxies alongside direct or qualitative evidence to build a fuller picture.

**Example:** For the outcome of stronger cultural identity a suitable proxy indicator might be attendance in kapa haka or marae-based events



## 7. Using Indicators Well



- **Be Transparent:** Clearly explain how you selected your indicators and how you'll measure them. Share your reasoning to build trust with funders.
- **Leverage Existing Data:** Tap into government statistics, sector benchmarks, or partner data to reduce the cost and effort of data collection.
- **Test and Refine:** Pilot your indicators to ensure they're practical and effective. Adjust them if they're too difficult to measure or don't capture the outcome well.
- **Account for Uncertainty:** Use ranges or sensitivity testing to show how results vary under different assumptions.
- **Keep It Simple:** Focus on a small set of strong, relevant indicators rather than tracking too many, which can overwhelm your team.



- **Context is key:** A drop in GP visits might reflect better health or new barriers to care. Always include brief notes to explain what your indicator likely reflects, and what it might miss.
- **Draw on different types of indicators:** Mix numbers (e.g. attendance) with stories or self-ratings. Using both objective and subjective indicators gives a more complete, credible picture of change.
- **Track change over time:** A single data point means little without a starting point. Even a basic “before and after” question can reveal meaningful shifts.
- **Keep it clear and useful:** The best indicators are easy to collect, explain, and apply. If they confuse staff or funders, they won’t drive decisions or improvement.
- **Where your data comes from matters.** Self-reports are often the most direct way to capture outcomes like wellbeing but pairing them with other sources (e.g. staff notes or admin data) adds weight.

## 8. Final Reflections



## 9. Conclusion

Indicators are essential to understanding whether your outcomes are actually being achieved. They turn broad goals into measurable change, allowing you to track progress, demonstrate impact, and communicate value clearly.

Good indicators are relevant, practical, and grounded in real-life experiences. They balance objectivity with personal insight and reflect the voices of those most affected.

When chosen carefully, indicators strengthen your social value analysis by providing credible evidence that outcomes have occurred and by making the results more useful for funders, service providers, and communities alike.

Matatihi has delivered dozens of social impact assessments across diverse sectors, from valuing the impact on Māori of 5G spectrum ownership to assessing the benefits of mentoring and many other meaningful projects along the way.

Our approach combines rigorous methods aligned with New Zealand Treasury standards, government expectations, and specific funding criteria, ensuring that your outcomes are clearly understood and valued appropriately.

Feel free to reach out anytime – we'd love to kōrero about your aspirations and explore how Matatihi can support your goals.

Dr. Jay Whitehead

Economist and Founder at Matatihi

Ōraka Aparima | Ngāi Tahu | Kāti Māmoe

