The Art of Measurement:
An Impact Framework for cultural institutions

**Policy Lab Paper
July 2023**

Purpose

This Policy Lab Paper outlines a newly developed Impact Assessment Framework for use by cultural institutions in measuring the difference which they make on their communities, sectors and further afield. It was designed by Beautiful Enterprise.

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Front Cover Photo: Agata Zajac, Conductor, Mills Williams Junior Fellow 2022-23 at the Royal Northern College of Music (photo credit: Spiros Katopodis)

1 – Introduction

The purpose of this document is to outline a new impact measurement framework which could be applied to any cultural institution. It covers every aspect of institutional behaviour and includes social, cultural, economic and environmental impacts. It is designed to not only enable the measurement of impact but also to assist decision-makers by making sense of the results through a unique benchmarking approach, helping to prioritise further actions.

This paper sets out a template from which bespoke frameworks can then be developed.

2 – Conceptual framework: theory of change

The impact framework outlined in this paper is based upon a clear theory of change – our understanding of how change happens as a result of an organisation's activities. This is our foundational conceptual framework, drawing on HM Treasury's Magenta Book, the official government guidance on evaluation. The framework is illustrated overleaf in Figure 1.

A cultural institution's funding and resources **(inputs)** are turned into actions and programmes **(activities)**, delivering a range of results **(outputs)** which in turn have effects upon the world around **(outcomes)**, which are also affected by contextual and external influences. An impact assessment will take all of these into account in order to measure the nature and extent of the difference which the institution is making – it's overall 'added value'.

The diagram also completes the policy feedback loop by including two further processes (the two boxes shown in gold); the **evaluation** of impact and then the feeding of those lessons learned into a review of **vision and strategy**, which then in turn feed back into influencing the institution's resourcing and activities. This underlines that the core purpose of impact assessment is not for its own sake, nor just for reporting to funders, but to enable institutional learning and improvement in the future.

Figure 1: Conceptual Framework
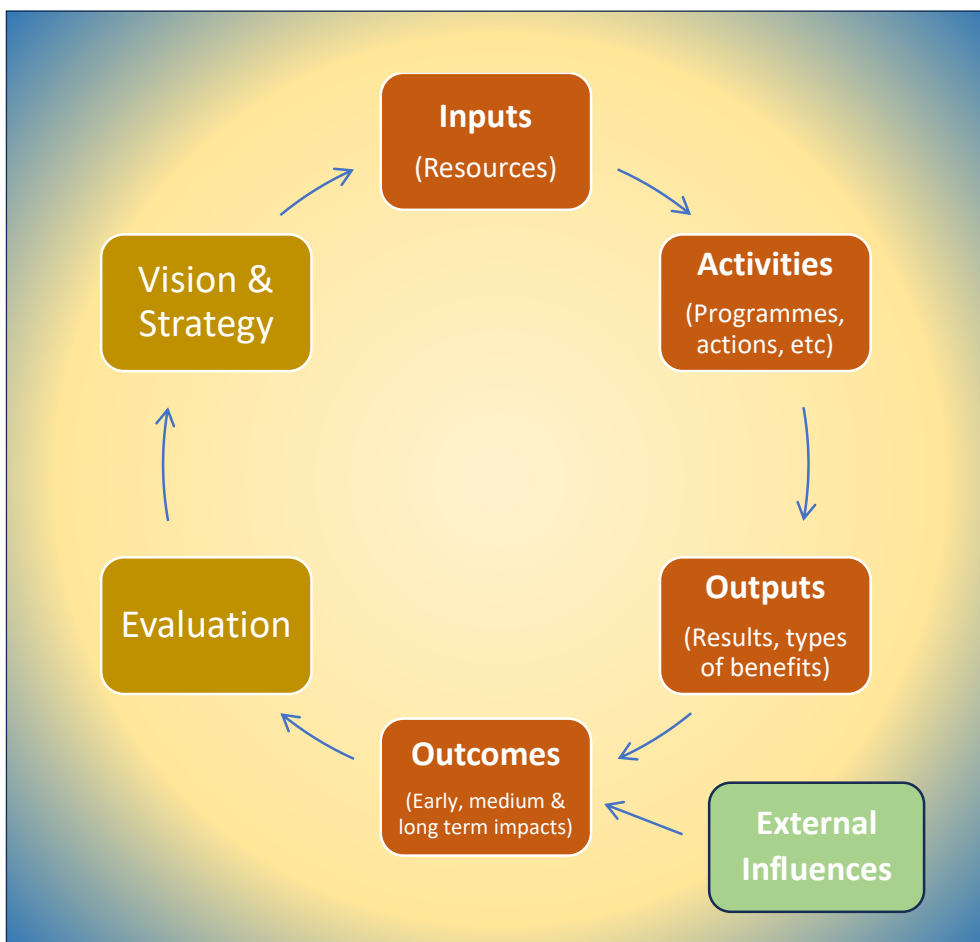
3 – Impact Assessment Framework

In order to apply this conceptual framework to cultural institutions, each aspect must be developed and defined, to enable measurement of the appropriate indicators.

Figure 2 overleaf provides an outline of an impact assessment framework developed for cultural institutions which employ performers (and support staff) to deliver performances and other related cultural activities.

Each part of the framework – inputs, activities, outputs and the resultant outcomes – are defined into categories and for each category, a series of practical measures are proposed.
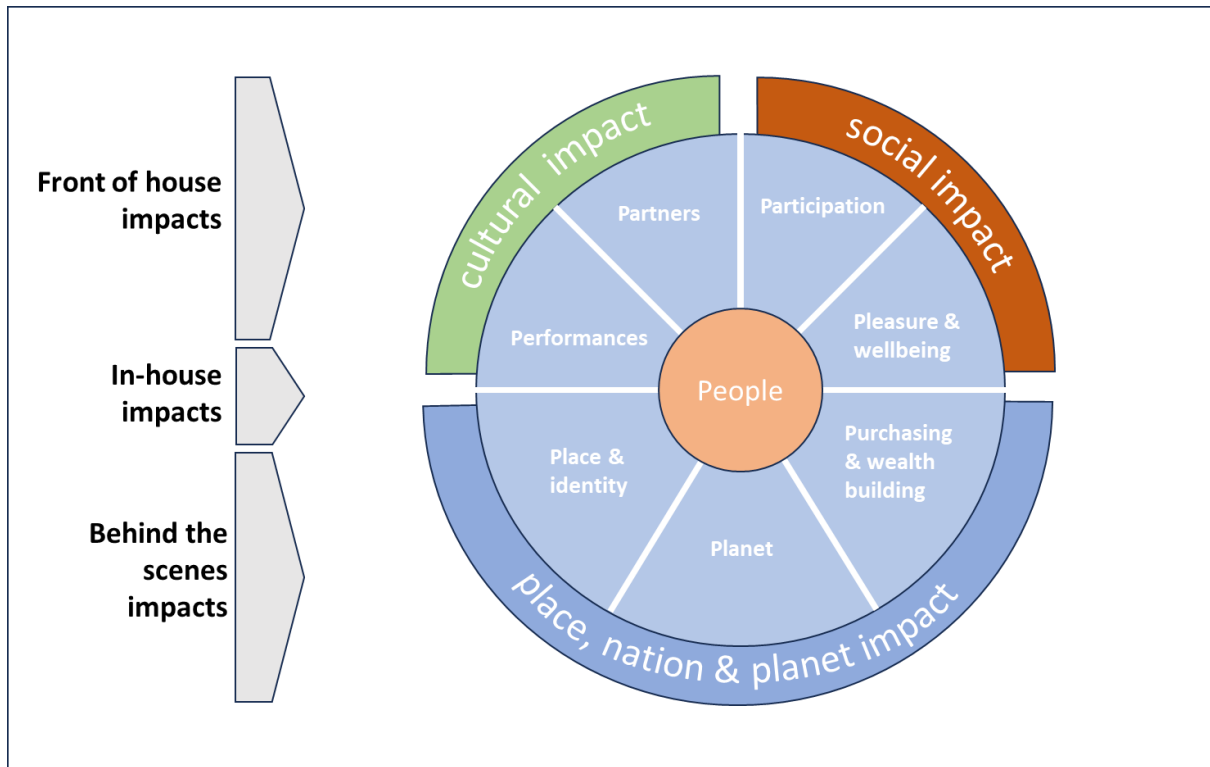
Each impact assessment is of course different and each institution is different, so this framework provides a starting point from which a bespoke tool would be developed for each assessment.

Final assessments should always take into account a wide range of evidence, both qualitative judgements and quantitative measures, to ensure rounded judgements.

Figure 2: Impact Assessment Framework

	Framework	Typical Measures
Inputs	**Annual Funding**	• Core/public sector funding • Matched funding from other sources (eg Lottery) • Income earned form trading • Donations
Activities	**Employment of staff (performers & support)**	• Number, type of employee, pay levels
	Performances	• Number, type & location
	Procurement of goods & services	• Nature, amount of expenditure
	Operating buildings	• Non-performance usage (eg hire) • Building energy consumption & CO_2 emissions • Maintenance & repair costs
	Outreach & education	• Number, scale & type of programmes
Outputs	**People**	• Employment & income of staff • Skills and career development • Pleasure and dignity of work • Inclusion reach (class, gender, disability, ethnicity, etc)
	Performances	• Audience size, geography & composition (inclusion reach) • Cultural experience & satisfaction • Expenditure & related visitor expenditure
	Partners	• Collaboration with partner organisations & contribution to capability of sectoral ecosystem
	Participation & pleasure	• Nature & extent of inclusion of all communities in all activities • Cultural & health/wellbeing benefits • Skills & social capital benefits
	Place	• Local environmental outputs • Contribution to local identity, civic participation/volunteers & national identity
	Planet	• Carbon emissions
	Purchasing	• Nature & extent of total purchasing • Local purchasing: contribution to local community wealth building (jobs, income, skills, culture, assets)
Outcomes	**Social** **Cultural** **Place** **Nation** **Planet**	• Inclusion reach, wellbeing & social bonds • Pleasure, richness & creativity • Community wealth building & identity • Economic value & national identity • Sustainability

Figure 3: Impact Assessment Framework: Outputs & Outcomes Summary

The impact assessment's core ideas on outputs and outcomes are also represented in Figure 3 in a more visual way. The diagram also highlights how the different components of the framework are driven by the specific nature of a cultural institution and its three key drivers of impact:

- **In-house** - the **people** at the heart of the cultural institution, the performers and support staff, whose skills and experiences and careers are all greatly influenced by their work within the institution

- **Front of house** – the **performances** themselves and the external **partnerships** with other institutions impact upon the culture and the sector as a whole, as well as reaching across society and benefiting those who **participate** in cultural experiences and derive **pleasure** and wellbeing from them as well as potentially developing skills and building social capital

- **Behind the scenes** – the way in which the institution operates through the design use of its buildings and it's **purchasing** of goods and services will contribute to its local areas through local **community wealth-building** and developing a sense of **place and identity**. There will also be **planetary** impacts through environmental outputs like carbon emissions.

4 – Understanding impacts: essential benchmarking

A key failing of many impact assessments is that they generate high quality data which then fails to impact upon decision-making. The purpose of an impact assessment is not to generate lots of information but to inform future policy and behaviour. It will only do so if this requirement is designed into the assessment from the beginning.

The best impact assessment frameworks will therefore focus on a limited number of the most relevant key indicators and will, wherever possible, benchmark the final impact assessments so that decision-makers are alerted to areas of good performance and also those where improvements may be required. The contextualisation of output and outcome data against expected or aspirational benchmarks is essential for making sense of them.

Thus, for each output and outcome area, we would grade them on a scale of 1-5, as follows, to enable comparison with benchmarks:

5	**very high performing**
4	**good performance**
3	**average performance**
2	**unsatisfactory performance**
1	**very low performing**

For each of the key output and outcome areas in this framework we would work with the client at the outset to assess with them, for each area, three sets of **benchmarks:**

- **Self-assessment benchmark** – this is a qualitative assessment by the cultural organisation as to how they believe their organisation is currently performing, agreed before the assessment begins
- **Aspirational benchmark** – this is the cultural organisation's own qualitative assessment of where they would like to be in 3 years time
- **Sectoral average benchmark** – this is our own assessment, using whatever sectoral data we are able to collate, on how the rest of the sector, on average, is performing

The actual impact assessment data would then be compared with the benchmarks to assist the client organisation in evaluating their current performance against where they thought they were (testing the efficacy of monitoring processes), where their partner are and where they would like to be. This is far more likely to assist in decision-making about future policy making and priorities.

5 – Conclusion

The timely, accurate and thoughtful measurement of a cultural institution's impact can be greatly beneficial in supporting its leaders in steering the organisation and making the best use of resources. It can also support funding proposals and assist in public engagement. Such exercises are important investments for the future.

About

This Paper was researched and written by Tim Thorlby, Director of Beautiful Enterprise. Tim has spent half a lifetime seeking to address the UK's poverty and national divides through research, public policy and purpose-driven business.

The Paper is published to stimulate discussion and promote positive and creative social change in the UK. Please feel free to circulate and use this document.

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