

SOCIAL IMPACT REPORT 2014



2014 was the most expansive year so far in Reach for Change's history. Closing the books, we are inclined to reflect on what Reach for Change is and what we have become since we started five years ago.

Reach for Change is the many children who are helped by our entrepreneurs. Children, who can suddenly go to school, develop, be included, be seen, be freed or wake up without fear. Children like John, Karin and Kamille, who you will meet in this report.

Reach for Change is, of course, the heroes in our programs. Smart, brave and passionate social entrepreneurs who constantly fight for a better world. Heroes such as Georgios in Sweden, Naomi in DR Congo and Innocent in Tanzania, who you will also meet in the report.

# Reach for Change is also the drive to constantly increase our impact on children's lives. The

drive that has led to an unprecedented growth in 2014 - launching in seven new countries, more than doubling the social entrepreneurs supported. This growth would not have been possible if we had not also grown our teams of smart, brave and passionate co-workers, partners and supporters around the world.

# Because ultimately Reach for Change is a global movement. It is our teams around the world, the more than one thousand partner co-workers who dedicate their time and competence to help our entrepreneurs succeed; the external experts who help us select the most powerful ideas and entrepreneurs. And many others. If you are one of them – thank you for creating a better world for children together with us!







QuipeLufu

MIA BRUNELL LIVFORS, CHAIRMAN, REACH FOR CHANGE









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# Innovating a better world for children

Reach for Change is a non profit organisation founded by Sara Damber and Kinnevik to improve children's lives across the world through social innovation.

#### Vision

Mobilizing a global movement of smart, brave and passionate change agents, building a better world for children.

#### Mission

Finding and developing exceptional social entrepreneurs who improve children's lives.

#### **Footprint**

Bulgaria, Chad, DR Congo, Denmark, Estonia, Ethiopia, Ghana, Kazakhstan, Latvia, Lithuania, Norway, Russia, Rwanda, Senegal, Sweden, Tanzania.

WE FIND AND SUPPORT Change Leaders social entrepreneurs with innovative solutions that have the potential to solve pressing issues facing children across the world. The entrepreneurs are actively helped to develop their innovations and maximize their impact on children through an incubator program that includes seed funding, access to business expertise and networking.

Launched in Sweden 2010, we have grown to 16 countries across three continents. Today we support more than 100 social entrepreneurs globally. Their innovations address a wide range of pressing issues for children, such as education, health and social inclusion.



In 2014, Reach for Change launched in seven new countries - Bulgaria, Denmark, Estonia, Ethiopia, Latvia, Lithuania and Norway.

# Snapshots from 2014



**AUGUST In partnership with** Millicom Foundation, Reach for Change launched Tigo Digital Changemakers, a challenge to find social entrepreneurs improving children's lives through digital tools. See page 9.



**MARCH The Swedish Crown** 

**Princess** and Minster of Trade paid an official visit to Reach for Change in Ghana. They also met with two of Reach for Change's Change Leaders in Ghana, Hayford Siaw and Regina Agyare.



### **SEPTEMBER Reach for Change submitted**

the registration to start operating in Ethiopia, in a joint effort with Kinnevik and H&M Conscious Foundation. See page 14.



#### International leaders

in the fight against human trafficking joined forces in Stockholm for the first ever C10 Summit. Read more at reachforchange.org/child10



#### **DECEMBER Children and**

Tele2 executives gathered to help select two new Change Leaders in Kazakhstan.

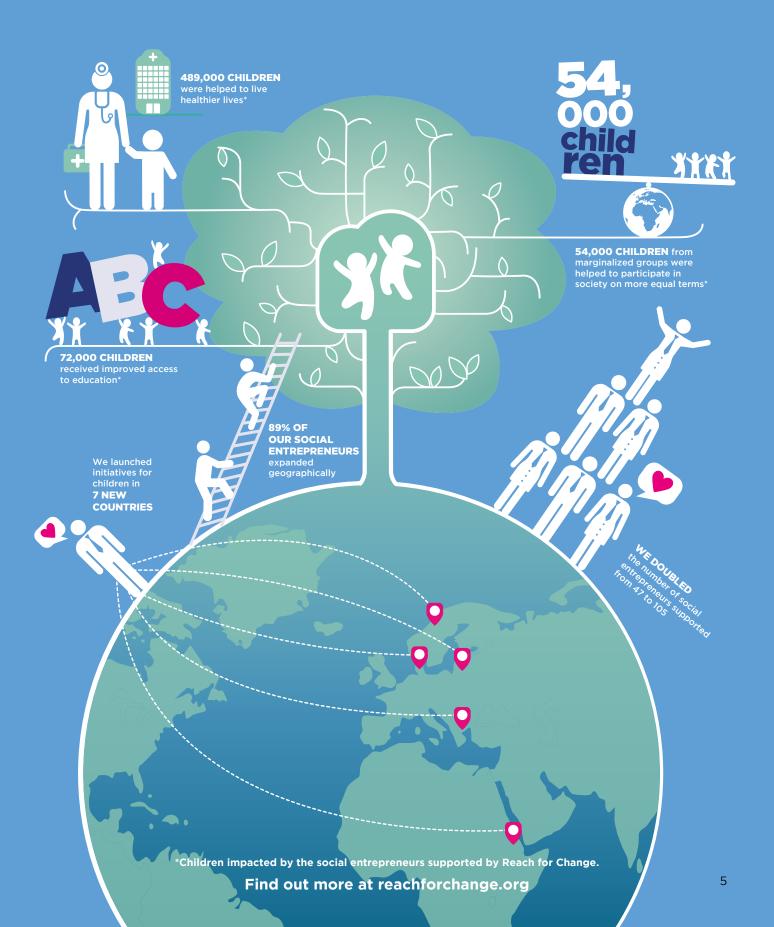


#### **DECEMBER The Game Changer of Estonia**

was selected. Game Changers is a new global initiative launched by Reach for Change and MTG. See page 15.

# Our impact in 2014

In 2014, Reach for Change continued to expand around the world. We found amazing local social entrepreneurs and helped them develop innovative solutions that improve children's lives. These are some of the things we achieved together.



# From idea to impact

Reach for Change's most direct impact is seen in the entrepreneurs that we support. Through the Reach for Change Incubator, we help *Change Leaders* develop innovative ideas into sustainable ventures that improve children's lives.

THE INCUBATOR is a multi-year (up to five years) support program designed to help social entrepreneurs grow social innovations and reach financial sustainability. The social entrepreneurs supported through the Incubator are called Change Leaders. Throughout 2014, **59 Change Leaders** across 10 countries were supported through the Reach for Change Incubator.

The Incubator entails an ambitious curriculum including a number of core modules (see box for examples) that are provided to all Change Leaders. In addition, customized support activities are developed for specific local contexts or individual entrepreneurs. Apart from non-financial support, we also provide unrestricted grants enabling our entrepreneurs to focus on developing their organizations and to explore alternative opportunities for sustainable funding.

To measure the effect of the Incubator we track the development of the Change Leaders from one year to the next. Development is measured in four dimensions: Number of Children Supported, Annual Turnover, Human Resources and Geographical Footprint.

In addition to the Change Leaders that received support throughout 2014, 36 new Change Leaders were invited at the end of the year. Including participants in the Lab program, a one-year light touch support program, a **total of 105 social entrepreneurs** were supported by Reach for Change in 2014.

A total of

social entrepreneurs
were supported by Reach for Change

# Examples of core modules in the Reach for Change Incubator:

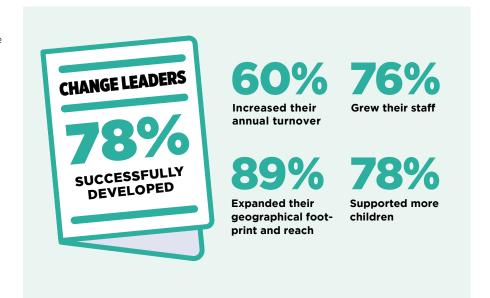
- Take Off A series of strategic workshops in the beginning of the year help the Change Leaders to set annual targets on organizational development and social impact, and to identify activities needed to achieve them. The workshops also include individual needs assessments to customize the support over the year.
- Change Leader Sessions Collaborative sessions for networking, problem solving and sharing of ideas with other Change Leaders.

Reach for Change's global network of Change Leaders provides an enormous knowledge resource.

• Advisor Sessions - Based on the needs of each entrepreneur, Reach for Change handpicks senior managers from our partner companies to become Advisors. The Advisors provide continuous support on business development and other topics that are challenging for the entrepreneur.

# Change Leaders' development in 2014

The figure below shows how the Change Leaders in Reach for Change's incubator developed from 2013 to 2014. To be considered as having successfully developed, a Change Leader needs to show progress on at least three of the four dimensions assessed. 45 of 59 Change Leaders qualified for assessment (>10 months in the Incubator) and submitted data on all key measures.



# "If it weren't for Reach for Change..."

In 2011, Susan, Michael and Mohammed joined the Reach for Change Incubator in Ghana. These are their thoughts on what the program has meant to them and their organizations.



### "I'd be a social worker, not a social entrepreneur"

Discharged juvenile offenders in Ghana have a difficult time reintegrating into society, which increases the risk of reoffending. **Susan Saaba** runs Crrecent, offering a reintegration program targeting juveniles during and after their time in correctional centers: "Without Reach for Change, I would still be doing social work. Instead I now run a sustainable social enterprise creating long-lasting change. By targeting not only the juveniles but also prison staff and policy makers, we impact the whole system of juvenile justice delivery. I could never have done this as a social worker."



# "The stamp of approval was key"

School environments in Ghana can be hazardous: unsafe playgrounds, hanging electrical wires, open culverts and poor road safety. **Michael Baabu** runs Safe-Child, advocating safety and certifying safe schools: "If it weren't for Reach for Change, we would not have gained that much influence as an expert in such a short while. Thanks to the stamp of approval, our recognition as a leading authority has soared and we are impacting many children, as more schools look up to us for their safe school membership."



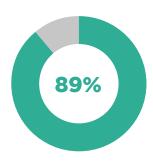
# "I could have been one of the children I am helping"

Children in deprived communities in Ghana lack organized forums for afterschool activities, exposing them to an increased risk of drug-abuse and crime. 
Mohammed Salis Tahir runs DUNK, offering basketball practice incorporated with life skills training: "If it weren't for Reach for Change I would probably be a 'café guy', which is what we call those who con people in internet cafés. The Incubator was like an informal university degree for me. Instead of committing crime I am now creating a better Ghana for children."

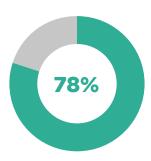
# Creating value for Change Leaders

38 of 59 Change Leaders supported by Reach for Change in 2014 responded to the Annual Change Leader Survey.

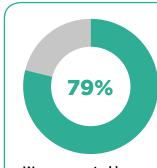
The figures below show some of the results from the survey.



Were mostly or very satisfied with the nonfinancial support provided by Reach for Change



Rated the Reach for Change incubator as more worthwhile than other comparable programs\*



Were supported by Reach for Change in finding potential funding opportunities

An important goal of the Incubator is to develop our Change Leaders' financial sustainability. A large share (43 %) of the Change Leaders who received this kind of support have also gained funding through it, and typically the funding gained makes up 30–50% of their turnover.

<sup>\*</sup>Answered only by Change Leaders with experience from other development programs.

# **How to find a Change Leader**

Reach for Change believes that the right idea in the hands of the right person can change the world. We therefore put great effort into finding people with the potential to not only create change, but to lead a movement.

IN 2014, REACH FOR CHANGE received more than 2,900 ideas from individuals applying for a place in the Incubator program, and less than two percent were selected. Selecting the ones with the highest potential is a meticulous process, that often takes several months. For those that make it all the way, the process includes pitch review, business plan examination, in-depth interviewing, due diligence and live pitching for a jury panel.

To ensure that all relevant aspects are considered, a multitude of stakeholders are consulted in the selection process. These include external sector experts, co-workers from local partners and, in many cases, children.

In addition to finding high potential people and ideas, the application and selection process is aimed at boosting the development of a wider group of aspiring social entrepreneurs.

To achieve this, we:

**Guide and challenge** applicants to identify and develop the weak spots of their approach through comprehensive online and offline questionnaires.

**Advise and feedback** through face-to-face group sessions such as pitch trainings and concept development workshops.

**Evaluate and validate** applicants through one-on-one meetings with business leaders and sector experts.

**Connect and inspire** through networking events and inspirational talks for applicants.

## **LESS THAN 2%**

were selected to the Incubator



#### A Change Leader needs to be:

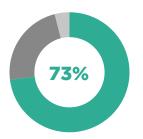
- A strong leader
- Entrepreneurial
- Passionate about improving children's lives

# A Change Leader needs to have an *idea* that:

- Addresses a pressing issue for children
- Is innovative but still feasible
- Is early stage or ready to grow
- Has potential to grow or be replicated
- Has potential to be financially sustainable
- Has potential to be system-changing

# Creating value for applicants

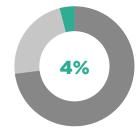
Reach for Change annually performs a survey to track the impact on applicants. In 2014, 462 applicants answered the survey. 77 percent of these said that the application process helped them develop their idea further. As the figure below shows, 73 percent also state that they have continued working with their idea after the application process, even if they were not selected.



Have continued with their idea



Planning to continue with idea in near future



Not planning to continue with idea

"THANK YOU for inviting me to interview day! It was an incredibly inspiring and educational process, which I am still processing."

 $\label{thm:continuous} \textbf{Swedish social entrepreneur and program applicant}$ 



Innocent Sulle from Tanzania applied to the Incubator program in 2013. In spite of not being selected as a Change Leader, he was so motivated by the process that he went ahead with his project. Innocent bought himself a hand-pull cart and started My Little Travelling Library for Kids; a mobile book station which he pulls from school to school to offer children the opportunity to read and study independently. In 2014, Innocent reapplied and was selected to be a Change Leader. We are immensely proud and happy to have him on board.

# Portfolio: Spotlight on digital

A large and increasing share of Reach for Change's Change Leaders are using digital technology at the core of their solutions. In 2014, we intensified our work to support and promote the use of digital technology to improve children's lives.

ACROSS THE WORLD, digital technology is enabling social innovation and creating new opportunities for social entrepreneurs to accelerate their impact. The digital innovations in Reach for Change's portfolio range from sms technology connecting children in Chad with medical services to smartphone apps training children in empathy.

To further strengthen our capabilities in identifying and developing digital social innovations, we work closely with our network of partners, many of whom offer cutting-edge expertise and technology in mobile and digital development.

In 2014, the Tigo Digital Changemakers initiative was launched in in partnership with Millicom Foundation. Across five African countries - Chad, DR Congo, Ghana, Rwanda and Tanzania - we made a public call for digital innovations improving children's lives. A total of 1,492 ideas were submitted.

We also offer specialized support to encourage Change Leaders to find ways to incorporate technology to further the impact of existing innovations. One of our major initiatives in the digital space was the Prototype Change Summit, a 48-hour hackathon gathering Change Leaders and technology experts from across the world

Read more about this on page 15.

1,492

digital ideas were submitted

# Leading change through technology

Below are some of the Change Leaders in Reach for Change's portfolio improving children's lives through technology. Meet all of the Change Leaders at reachforchange.org.



Yana Leonova - Change One Life Supports Russian orphans in finding and connecting to foster parents through an online video platform.



Didier Lalaye, Chad - Lifeline
Uses mobile devices and sms
technology to bring affordable and
convenient testing and treatment of
children infected with bilharzia.



- Shule Direct Improves Tanzanian education by giving teachers and students access to high-quality education material via an online educational repository.



Emilian Kadiiski & Teodor Kostadinov, Bulgaria Empowers children in an underdeveloped part of Bulgaria through



Rosie Linder & Jesper Engström, Sweden – Peppy Pals

Support children's development through a mobile EQ game that teaches friendship and empathy.



Gaspard Twagirayezu, Rwanda - Creation Hill

Inspires and empowers children in Rwanda to be active co-creators of technology through innovative, interactive and fun e-camps.

free ICT programs.

# Improving children's lives through social innovation

The end goal of Reach for Change's work is to improve children's lives on a big scale. The social entrepreneurs supported work to solve pressing issues facing children in a number of different areas, including health, development, education and social inclusion.

To capture the impact on children, Reach for Change has defined six investment themes encompassing the different issues that the entrepreneurs address. These are:

**Child Protection:** Protect children from physical and mental abuse and threats. **Economic Participation:** Equip youth to successfully enter the labor market. **Education:** Improve children's access to education

Expression & Participation: Help chil-

dren express themselves and participate in society through improved access to information.

**Health & Development:** Help children live healthier lives.

**Social Inclusion:** Allow children from marginalized groups to participate in society on more equal terms.

Each entrepreneur works to impact children's lives in different ways. Some reach many children, working in areas such as awareness, attitudes and knowledge. Others reach fewer children, with a more in-depth approach, focusing on areas such as skills. or behavior.

All entrepreneurs who receive support from Reach for Change track the *Number of Children Supported* through their programs. In order to capture the different ways that the entrepreneurs improve children's lives, we also follow up on their impact in relation to individual *Outcome Indicators*. See page 17 for definitions of these terms.

Number of children supported across investment themes 2014



Health & Development **488,579** 



Expression & Participation 151 302



Child Protection 148,798





54,116



Economic Participation **26,478** 

Number of children supported across geographies in 2014





### Kamille's way back

When my daughter Kamille was a baby she struggled with a dangerous infection. Eventually she overcame the infection, but it was too late, her brain was damaged. When Kamille was diagnosed with developmental disorder, our family completely lost its balance. Step by step, our despair changed into a determination to help Kamille. In Lithuania, the support system for children with special needs is poor. I decided to take matters into my own hands and founded Avevitus, a multi-functional therapy center offering low-cost treatment. After one year of intensive therapy, Kamille is now able to stand, walk and eat independently. She can attend school, and has even shown academic progress – this was 'mission impossible' only one year ago. Avevitus has changed Kamille's life – and I will forever continue changing the lives of special children.

Ineta Baukien, Change Leader, Lithuania Kamille's mother, and founder of Avevitus

#### "My chat buddy helped me survive"

A while back 15-year-old Karin was sexually abused by a close relative. Life felt dark, and the future hopeless. A counselor supported Karin during school semesters, but during holidays Karin had to cope with the difficult thoughts by herself: "Last year I didn't know how to find the strength to live through the summer vacation."

A couple of days before the holidays began, Karin's counselor encouraged her to try out www.foreningenstorasyster.se, a website where anyone who has been sexually abused or knows someone that has, is welcome to chat anonymously to receive support: "I am so happy that I tried out the chat, which connected me with my chat buddy. It is thanks to her that I made it through the summer and that I have started regaining faith in a brighter future. I honestly think that Föreningen Storasyster might have saved my life."

Sanna Bergendahl, Change Leader, Sweden Founder of Föreningen Storasyster



#### "All the pieces finally fell into place"

John lives with his mother in rural Tanzania: "For a long time my son didn't speak. Many people in the local community thought he was deaf, but I always suspected it was something else. I had approached many experts to understand how I could help my boy, but it was not until I came in contact with Gabriella Children's Rehab Center that all the pieces finally fell into place. John has autism."

The center works to ensure that children with disabilities are diagnosed early and correctly, and are trained to become accepted members of the community. After one year in the center, John is able to speak in short sentences, sit calmly through class, recite the alphabet, count numbers, paint and do his own laundry. In addition, he has developed his social skills to the extent that he teases others, smiles and initiates play. John's mother is ecstatic: "This is a true miracle."

Brenda Shuma, Change Leader, Tanzania Founder of Gabriella Children's Rehab Center

# Changing the rules of the game

Reach for Change aims at having a fundamental positive impact on the societies in which we operate. Beyond changing individual lives, we believe that social innovation has the potential to change the 'rules of the game.'

TO BE SELECTED FOR the Incubator, Change Leaders' ideas must have the potential to be system changing. By this we mean that they address the context and root causes of the problem, through altering legislation or societal values, norms and behaviour.

System change through altering values, norms and behaviour: Swedish Change Leader Georgios Karpathakis runs Underbara ADHD, an organization spreading information through social media, plays, lectures, blogging, books

and other platforms, in order to influence public knowledge and attitude towards people with ADHD.

System change through altering legislation: Congolese Change Leader Naomi Kuseyo runs ONGD Naomi Les Ècoles du Coeur, an organization that improves access to education for hospitalized children. Beyond increasing access by starting schools inside hospitals, she lobbies to strengthen the legal rights to education for this group of children.

All Change Leaders start their first Incubator year by identifying a long-term outcome. This is a scenario decades into the future where their organization has changed the system and fulfilled its purpose. Throughout the Incubator, our Change Leaders work with identifying and implementing activities required to achieve the targeted system change and long-term outcome.

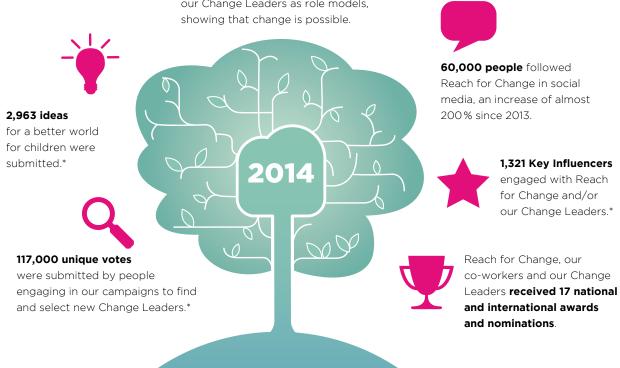
# Mobilizing a movement

To extend our impact beyond the individual change that our Change Leaders create, we work to create visibility and public engagement around social innovation for children. This is done primarily in three ways:

1. Challenging individuals to come up with innovative ideas and to engage in the selection through Challenge campaigns.

2. Inspiring change by highlighting our Change Leaders as role models, showing that change is possible.

3. Strategically engaging with Key Influencers in society, e.g. through events and conferences such as the C10 Summit.



<sup>\*</sup>These indicators are explained on page 17.

# Pushing gender and equality structures in Sweden

Swedish Change Leader Alumni Ida Östensson runs Crossing Boarders, a foundation working towards an equal and inclusive society: "Our primary approach is not to support single individuals one at a time, but rather to push system structures to take responsibility. This will in turn lead to change for many individuals."

IDA ÖSTENSSON WAS SELECTED to join the Reach for Change incubator in 2010. Being active in the male-dominated skateboard culture, Ida had first hand experience of how children are excluded and denied the right to pursue their passions because of gender or background. To address this issue, Ida developed a concrete idea for how organizations can reach and include target groups that they normally don't.

During her time in the Incubator, Ida further developed the idea into an eight-step methodology – the *Equality Effect* – and today over 10,000 people have been lectured and trained in this method. To achieve her mission, Ida identified the need to go beyond training individuals and organizations, to address the root cause of gender exclusion, e.g. the structural power imbalance between different groups in society.

Actively engaging in public debate with a solution-focused approach, Ida has become something of a national authority; she has been invited to Sweden's largest news channels on more than 20 different occasions

Ida works to transform the formal and informal power structures that maintain the power imbalance on three levels:

A change in mindset – "As part of our work with the Equality Effect, Crossing Boarders has collected and shared a number of examples showing that inclusion is possible. This has made a critical contribution to the fact that it is no longer acceptable for organizations to say 'We have tried, and it cannot be done'. Crossing Boarders has helped push the mindset towards 'We have tried...and we need to try again, in a new way'."

#### A change in view of responsibility -

"A few years back, when an organization had trouble attracting individuals of



certain demographics (gender, ethnicity etc.), a common viewpoint was that those individuals were not inspired enough to approach the organization. Now, a majority of organizations acknowledge that the issue is not that some target groups lack inspiration to approach, but rather that organizations do not know what measures to take in order to reach and include them. Today, it is the organizations that are held responsible when a target group is underrepresented – not the target group."

A change in political outlook - "At the core of the gender power imbalance are questions relating to sexuality and sexual abuse. During a period of six months Crossing Boarders, together with the Femtastic collective, initiated the campaign FATTA to encourage political parties to put the topic of consensual sex at the top of their agenda, and as a

result the current legislation was forcefully debated and is now under review. A critical success factor was the 'FATTA MAN' project (initiated in cooperation with Allmänna Arvsfonden, Femtastic and Men for Equality), which approached the issue from the men's point of view. Moreover we challenged Key Influencers intensively; on Twitter, in person, via email – everywhere. It was fascinating to see how a politician would meet with me on Monday, and on Tuesday repeat to the media exactly what I had told them."

Reach for Change follows the development and results of our Incubator Alumni to understand if, and how, they create significant impact on a societal level. During 2015, we will continue to explore how we can measure and verify progress towards systems-wide change.

# **Partnering for Change**

We believe that close collaborations between organizations and individuals from different sectors are key in creating sustainable social change.

REACH FOR CHANGE'S PROGRAMS are delivered in close collaboration with partners from the corporate, social and public sector. Our partnerships not only generate funding for programs, they also bring invaluable resources such as business expertise, network and media exposure. We therefore always strive to develop strong and trusting relationships with our partners, maximizing the impact of each collaboration.

One of the new partnerships that was initiated in 2014 is a collaboration with Kinnevik and H&M Conscious Foundation to improve the lives of women and girls in Ethiopia. Beyond expanding the geographic reach of our impact, this is an opportunity to develop a program that brings together H&M Conscious Foundation's focus on women and girls with Kinnevik's focus on empowering social entrepreneurs. The result is an innovative program, launching in 2015, to help social entrepreneurs, working



with women and youth to, develop more sustainable revenue streams.

Other examples of programs that we launched jointly with partners in 2014 are Bayport Teacher Innovation Competition, MTG Game Changers (see opposite page) and Tigo Digital Changemakers (see page 9).

**71%** 

of key partner executives surveyed were very or extremely satisfied with the collaboration with Reach for Change in 2014\*. An additional 21 percent stated being quite satisfied.

# Meet some of our partners

#### **Founding Partners**













**Senior Corporate Partners** 





Public and social sector partners:









<sup>\*</sup>Based on a survey answered by 28 executives in decision-making positions in Reach for Change's partners organizations.

# Celebrating digital innovation in Africa with Sida



ON NOVEMBER 21<sup>ST</sup>-22<sup>ND</sup>, in collaboration with Sida (the Swedish International Development Cooperation Agency) Reach for Change arranged its first ever hackathon - the Prototype Change Summit.

Part of Sida's mission is to increase knowledge in Sweden about developing countries. To challenge perceptions specifically regarding digital and social innovation in Africa, we gathered over one hundred people from Sweden and six African countries in Stockholm – Change Leaders, tech wizards and enthusiasts. For 48 hours they collaborated to celebrate and create digital innovations.

Eighty-five percent of the Swedish participants stated after the event that it had changed their perception about

Africa. The dialogue however reached far beyond the physical meeting. Thousands of people engaged in the social media conversation and more than 100,000 people visited the project website to learn more.

The meeting also resulted in something even more tangible. In only 48 hours, the Change Leaders and the tech experts jointly developed eight prototypes for digital innovations to help children. They ranged from an iPad app for Swedish children with ADHD to an sms platform to connect children with medical expertise in Ghana and Chad.

Find the prototypes and learn more at prototypechange.com.

"[The event] did show a more hopeful side to Africa than I'm used to seeing. I am SUPER EXCITED about all the possibilities that lie ahead."

Swedish participant

# Mobilizing a movement with MTG

DURING 2014, WE SET OUT together with the international entertainment group MTG to jointly boost social entrepreneurship for children across ten countries – Bulgaria, Denmark, Ghana, Estonia, Latvia, Lithuania, Norway, Russia, Sweden and Tanzania.

To leverage the unique strengths of MTG, a customized concept was designed - the Game Changers initiative. As part of the concept, Reach for Change finds high-potential social entrepreneurs dedicated to improving children's lives in each country. Using the media platforms of the local MTG companies, the social entrepreneurs and their stories are then presented to the public, who are invited to engage by voting for their favorite. Based on the voting, a winner - a Game Changer in each country was selected to receive financial support and a place in the Reach for Change Incubator.

# Some key results from the first year of the program:

- The initiative was successfully launched in 10 countries.
- More than 200 MTG co-workers were actively involved in launching the program.
- More than 300 Key Influencers including ministers and influential celebrities got involved and endorsed the initiative in different ways.
- 49,000 unique votes were submitted by people engaging in the selection process.
- From the time they started receiving support, the social entrepreneurs impacted 38,000 children through their programs.



# How we measure

Collecting impact data in a credible and cost-efficient manner is challenging in our markets, since they have remarkably different infrastructures and conditions for documentation. In addition, the issues addressed by our entrepreneurs vary greatly in character, which means there is no 'one-size-fits-all' method. These challenges are not unique to Reach for Change, but are true for many players in the social sector.

Recognizing these challenges, we use a wide variety of qualitative and quantitative data collection methods to maximize our understanding of the impact achieved:

**Qualitative methods** include interviews with entrepreneurs and children, as well as field visits to the sites where our entrepreneurs carry out their work. Moreover, we collect stories; local Reach for Change staff submits stories describing impact on entrepreneurs, and entrepreneurs submit stories describing impact on themselves and on children. We believe that the voice of the beneficiary – be it an entrepreneur or a child – greatly enriches our understanding of the impact achieved.

Quantitative methods include annual surveys which we send to both Change Leaders and applicants, in order to understand how we have impacted them as well as to allow them to evaluate our work. Additionally, we survey the senior management that acts as advisors to our Change Leaders, to capture their perception of what it is that drives impact. Apart from the annual surveys, we collect data through our online social impact reporting platform where entrepreneurs provide quarterly reports on selected indicators. This continuous monitoring and evaluation allows us to quickly identify entrepreneurs in need of supplementary support, as well as best practice examples to learn from.

Several of our data collection methods rely on self-reporting, i.e. the data source is the entrepreneurs themselves. This requires a solid procedure for ensuring data accuracy. For example, we ask our entrepreneurs to submit their annual turnover – how can we feel certain that the number submitted is correct?

One quality assurance measure that we take, is to **triple-audit** the data. First, the



local Reach for Change Program Managers - who know the entrepreneurs' operations by heart - carefully review the numbers. Second, our Regional Directors examine, question and eventually approve them. Lastly, the numbers are inspected by the central impact team. Each reviewer screens the reported data for plausibility (are the numbers realistic given the entrepreneur's operations) and consistency (e.g. do the numbers make sense over time, i.e. from one year to the next).

Another key quality assurance measure, is that all entrepreneurs must back up their reported data with **verification**, i.e. documentation supporting the numbers stated. Such documentation could be the entrepreneur's annual report, or lists with the names of the children supported. In

case the numbers reported are unrealistic, inconsistent or simply very high, we request additional verification.

One of the most important purposes of monitoring and evaluating the impact we achieve, is to identify successes and failures and use them for our learning and development. Impact analysis is performed locally by our Program Managers as well as globally by our Central Impact Management Team. Insights and learnings gained are fed into the Program Development Team (PDT) where each region is represented, which ensures that all learnings are shared throughout the organization irrespective of geographical location.

# **Definitions of Impact Indicators**

#### **IMPACT ON ENTREPRENEURS**

Change Leader Development is indicated by four indicators: Human Resources, Annual Turnover, Geographical Footprint and Children Supported. An entrepreneur that progresses on at least three of the four dimensions from one year to the next, qualifies as developed. Through these indicators we aim to capture two perspectives of our entrepreneurs' development: strengthening of organizational capacity as well as scaling of social impact.

**Annual Turnover** is an indicator of the financial sustainability of the entrepreneur's organization. It is the total amount of money raised during the year including for example sales, rents, membership fees, donations, grants and equity. Loans as well as Reach for Change funding are not included.

**Human Resources** (HR) is an indicator of the size of the entrepreneur's organization. Human Resources are either employees or volunteers. Employees are paid resources, counted according to their employment rate; a full-time employee is counted as 1, a half-time employee as 0.5, etc. Volunteers are unpaid resources. Each volunteer that supports the organization on average at least once every three months after joining the entrepreneur's organization, is counted as 1 volunteer.

**Geographical Footprint** is an indicator of the reach of the entrepreneur's organization. Each entrepreneur has selected a footprint unit that is applicable to their organization. Examples of footprint units are schools, municipalities, communities, cities, countries etc.

**Applicant Continued Idea Development** indicates to what extent the Reach for Change application process encourages and enables applicants to continue developing their ideas aimed at improving children's lives.

#### IMPACT ON CHILDREN

Children Supported is the number of children that each entrepreneur impacted during the past year. To be counted, children should as a *direct* or *indirect* result of the activities of the entrepreneur have had increased opportunities to have their rights fulfilled in accordance with the UN Convention of the Rights of the Child. Direct support is support provided face-to-face by staff in the entrepreneur's organisation. *Indirect* support, is support provided through the usage of a product (e.g. a board game) or through media channels (e.g. apps, websites, television and radio). It shall be noted that using a media channel for marketing purposes is never counted as indirect support. Another type of indirect support is support through individuals trained by the entrepreneur's organization (e.g. school teachers or parents). Each parent trained by the entrepreneur corresponds to one child supported, while each professional trained corresponds to 15 children supported.

This is a conservative estimate based on the "Pupil-Teacher Ratio" calculated by UNESCO Institute for Statistics in 2010, which is 24 pupils per teacher. Each entrepreneur must verify his/her reported number with documentation. We define children as individuals under the age of 18.

**Outcome Indicators** measure the specific change that each entrepreneur aims to achieve for their target group. The indicators signal progress, increase, maintenance or decrease in the targeted social outcome. For example, if the targeted outcome of a training is that participants quit smoking, the outcome indicator could be *percentage of children trained that quit smoking within one month after the training.* 

#### **IMPACT ON SOCIETY**

**Key Influencers** is an indicator of to what extent influencial individuals in society are engaging with Reach for Change and the Change Leaders. Key influencers are people that influence society and/or opinion, i.e. have the power to affect structures in society or what other people think, including, politicians, celebrities and experts. We report the number of Key Influencers that Reach for Change or Change Leaders have been in contact with during the year.

Ideas submitted indicates how many aspiring entrepreneurs are activated through Reach for Change's challenge campaigns. It measures the number of unique applications to Reach for Change's incubator program. For an application to be counted, the first application step (the 'pitch') has to be finalized and submitted.

**Unique votes** indicates the level of public engagement in Reach for Change's selection process. Reach for Change in some cases invites the public to engage in the selection process by voting for their favorite candidates. Votes are submitted online or via sms and a maximum of one vote per voter, candidate and selection process is counted.

#### **IMPACT ON PARTNERS**

**Key Partner Executives satisfaction** indicates the level of satisfaction with the collaboration among key decision makers in Reach for Change's partner companies. They are defined as the individuals in each organization with decision-making power over the collaboration with Reach for Change or direct influence on success of the collaboration.

Partner Co-workers Engaged are individual co-workers from Reach for Change's founding and senior partners who are actively engaged in our mission. Either through participating in Reach for Change activities, or contributing to our organization by helping us with contacts, services, expertise, screening applications, money or by spreading the word about Reach for Change.

# Financial Report

This section consolidates Reach for Change's financial performance during 2014. Figures include results from the Swedish Foundation (including the branches in Ghana and Norway), and the separate foundations in Russia and Kazakhstan. The entire Reach for Change operation is a privity with a joint Board and Management.

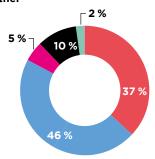
Income statement (Amounts in SEK millions)				
	2011	2012	2013	2014
Revenues	15.3	22.1	33.8	36.7*
External operating expenses	-10.2	-15.8	-25.5	-23.3
Personnel costs	-2.9	-6.0	-7.3	-13.0
Depreciation of intangible	0.0	0.0	0.0	-0.1
and tangible assets				
Operating result	2.2	0.2	0.9	0.4
Interest income	0.0	0.0	0.0	0.1
Interest expense and	0.0	0.0	0.0	0.0
other financial expense				
Result after financial	2.2	0.3	0.9	0.4
income and expenses				
Tax expense for the period	-0.3	0.0	-0.1	-0.1
Result for the period	1.9	0.3	0.8	0.3

<sup>\*</sup>Excluding 11.3m of deferred revenues.

#### Balance sheet (Amounts in SEK millions) 12/31/2011 12/31/2012 12/31/2013 12/31/2014 **Assets** Fixed assets Intangible fixed assets 0.0 0.0 0.0 0.0 Tangible fixed assets 0.1 0.0 0.3 0.10.1 0.0 0.3 Total fixed assets 0.1 Current assets Accounts receivables 0.1 2.1 0.6 1.4 2.5 Other current receivables 0.0 0.9 0.7 0.2 Prepaid expenses 1.0 0.1 1.3 Bank 4.3 5.3 11.2 12.4 Total current assets 4.6 9.3 12.6 17.6 12.7 **Total assets** 4.7 9.4 17.9 **Funds and liabilities Funds** Foundation funds 1.6 2.2 2.7 3.1 Result for the period 1.9 0.3 0.8 0.3 0.0 0.0 Cumulative currency adj. 0.0 -0.3 Total funds 3.5 2.4 3.5 3.1 Liabilities 0.3 Tax liabilities 0.4 0.48.0 Accounts payables 0.6 0.6 3.2 0.6 0.0 Other current liabilities 0.2 06 12 Accrued expenses and 0.2 5.3 5.6 12.2 deferred income 7.0 14.8 Total liabilities 12 92 **Total funds and liabilities** 4.7 9.4 12.7 17.9

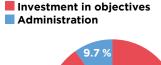
#### **Revenue sources**

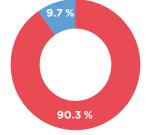
Stenbeck foundation (HSS)
Other founding partners
Other programs
Social and public collaborations
Other



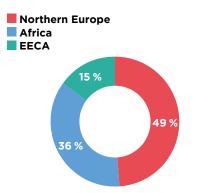
During 2014, the sources of revenues have become more diversified deriving not only from the founding partners, but also from other business partners (e.g. Bayport, Qliro Group) and social and public collaborations (e.g. SIDA, H&M Conscious Foundation and UNICEF).

## Spend on objective vs administration





#### Cost per region



49% of the funds are deployed in Northern Europe, supported primarily by HSS and MTG. 36% of the funds are allocated in Africa where the main partner is Millicom.





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