**Impact Measurement Case Study**

**DRISHTEE**

*Sector:* Agriculture; Education

*Business model:* Drishtee, a social enterprise in India, aims at empowering rural communities through multiple businesses such as supply-chain and distribution networks, skills-based training, and rural market research and development activities. The company’s Block Model is a pilot training program for farmers to impart skills in the use of modern farming techniques, with support from India’s National Skill Development Corporation.

**THE OBJECTIVE**

While piloting its Block Model initiative, Drishtee is measuring impact to better understand farmers’ needs and evaluate the sustainability of this inclusive business model before expansion. It is also using social-impact data to establish a baseline for benchmarking future impact assessment, informing field-level operations and reporting to government partners.

**HOW IT WORKS**

1. **ASSESSING READINESS**
   - The Block Model is an early-stage business initiative with a high degree of readiness for measuring impact. The company can integrate household surveys into corporate monitoring systems and use the data to improve the business’s operations.

2. **PLANNING AND DESIGN**
   - Drishtee has identified key social-impact metrics, including farmers’:
     - income levels;
     - existing knowledge of farming techniques and practices;
     - asset ownership; and willingness to participate in and pay for the training.

3. **MONITORING IMPACT**
   - For monitoring, Drishtee developed:
     - a village-level household survey to compile baseline data on farmers’ income levels, needs and practices;
     - an enrollment form to recruit farmers; and
     - a route-mapping tool to determine supply-chain paths.

4. **ANALYSING DATA AND REPORTING**

**RESULTS**

Through BCtA’s Impact Measurement Services, Drishtee is using the impact data to: (i) better understand farmers’ needs and skills level to tailor the training; (ii) assess farmers’ adherence to improved farming techniques; and (iii) monitor the implementation progress of its inclusive business initiative.

Initial data indicated that:

- **77%** of farmers’ incomes are below $2.50 per day in terms of purchasing power parity;
- **63%** of farmers own less than five acres of land; and
- **68%** of farmers were interested in the programme prior to its launch.

This publication is part of a series of case studies on BCtA Impact Measurement Services (BiMS), a Business Call to Action (BCtA) initiative that demonstrates how inclusive businesses can measure and apply social-impact data.

BiMS provides the 21 participating BCtA member companies with technical expertise and technology to design and implement survey-based data collection for assessing their operational and social performance. BiMS is implemented by BCtA with support from implementing providers Arthify and Echo Mobile.
Drishtee Sustainable Communities began in India in 2000 as a for-profit social enterprise to empower rural communities’ achievement of “shared prosperity”. The company operates multiple businesses aimed at improving rural economies by setting up supply chains and distribution networks, imparting skills related to agriculture, banking, textiles and other livelihoods, and providing community research and outreach to large corporations wishing to access rural markets.

The company piloted the Block Model inclusive business1 initiative with support from India’s National Skill Development Corporation to improve farmers’ incomes by training them and developing their skills in modern farming techniques.

The Block Model works with smallholder farmers through the entire crop cycle to ensure that the training and skills they receive are put into practice. It begins with setting up a farmer club in each village, which collectively plans farming activities and applies improved techniques. Drishtee appoints a coordinator for each farmer club, called the Drishtee Gram Mitra (DGM), who facilitates the creation of farming plans and village-level activity calendars. With support from the DGM, Drishtee’s staff train local farmers based in “blocks”, each of which includes about 40 villages.

Farmers participating in the Block Model set aside one acre of their cultivable land to implement the new farming techniques they have learned, farmers can then utilize these techniques on their remaining land.

Effective impact measurement2 begins with determining the reason for measuring impact. A wide variety of tools are available for businesses to measure, manage and report on their social impacts. Approaches range from those generating quick feedback to those requiring a longer timeframe to prove systemic impact. BCtA believes it is important for companies to choose the right approach that meets their business needs given the available resources.

Assessing the company’s readiness for impact measurement is a critical first step in determining what social impact data to collect, how to collect it and how to use it for business development and social impact performance. This preliminary assessment should be based on the business’s maturity and its capacity to engage in measurement activities.

The Block Model is an early-stage business with a high level of readiness for measuring impact – indicating that it can incorporate impact-measurement activities within its operations during the pilot phase and can utilize social indicators to design new products and services.

Drishtee already collects impact data related to its various businesses to inform field-level operations and report to investors and donors. One of its business areas is rural market research, and it has invested in building enterprise resource planning systems to manage its field-level activities. In terms of impact measurement readiness, the Block Model falls into the preparing for Impact category: it is at an early stage, but has significant capacity for impact measurement. It is able to incorporate impact-measurement activities within its strategy and operations, even during the pilot phase. It can also use social indicators to inform the design of new products and services, and establish baseline social indicators to benchmark future impact.

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1 Inclusive businesses are commercially viable business ventures that engage people living at the base of the economic pyramid (BoP) – people with less than US$8 per day in purchasing power – as consumers, producers, suppliers, distributors of goods and services and employees.

2 In this case study, ‘impact measurement’ refers broadly to the measurement of social, economic and environmental performance of inclusive business.
In assessing a company’s readiness to measure its impact, BCtA considers its maturity stage and capacity, which is determined based on the company’s clarity of purpose, data driven culture, and resources available for data monitoring and collection. The below matrix summarises how BCtA assess a company’s readiness for measuring impact.

**BCtA Impact Measurement Readiness Matrix**

<table>
<thead>
<tr>
<th>Impact Measurement Capacity</th>
<th>DRISHTEE’S STAGE</th>
<th>PROVING IMPACT: companies that are stable and growing, and have the aspirations and resources to prove their social impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>PREPARING FOR IMPACT: companies that have the commitment and resources to plan for and implement social impact measurement right from the start</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>PLANNING FOR IMPACT: companies that have the resources and capacity to start planning for their business’s social impact</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>MANAGING IMPACT: companies that have the commitment and resources to integrate social impact measurement into their regular operations to inform business decisions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SCALING IMPACT: companies that have the resources and capacity to analyse and integrate social impact measurement into their business’s expansion</td>
<td></td>
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<tr>
<td></td>
<td>EXPLORING IMPACT: companies that want to understand the potential social impact their business can achieve</td>
<td></td>
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<tr>
<td></td>
<td>REVIEWING IMPACT: companies that are still building various components of their value chain and need to review their businesses to create social impact</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ANALYSING IMPACT: companies that need a quick analysis of their existing impact to inform their expansion</td>
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</tbody>
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**Inclusive Business Maturity**

EARLY | PROGRESSIVE | SCALE UP
Step 2: Planning and design

The **planning** step involves developing a Social Value Chain\(^3\) that links business goals, strategies and operations to outcomes and impact related to the Sustainable Development Goals (SDGs)\(^4\). The Social Value Chain is the basis for developing social-impact metrics and indicators that address the needs identified in the previous step.

The **Social Value Chain** guides companies in determining what to measure and where to collect data by mapping business goals, strategies and operations against outcomes related to the SDGs. In the words of Satyan Mishra, one of Drishtee’s co-founders, social impact measurement through baseline surveys is needed “to better understand farmer families and to establish a better connection with them”.

An abridged version of the Block Model’s Social Value Chain, with a limited number of social impact metrics, is as follows:

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### Block Model’s Social Value Chain

#### Inputs & Activities
- Lack of capacity to plan, coordinate, and assess farming activities at the individual and community levels.
- Farmers have limited access to knowledge and best practices regarding modern farming techniques.
- Farmers lack access to market linkages, risk capital and insurance.
- Recruit and train farmers
  - Farmers’ demographics & income levels
  - Membership enrollment & retention rates
  - Women’s participation rates
- Demonstrate and support new farming techniques
  - Track problems & their frequency
  - Changes in productivity on demonstration plots

#### Outputs
- Number of farmers trained
  - Percent of village farmers participating in the programme
- Land area cultivated using new techniques
  - Percent of total village agricultural land cultivated using new techniques
- Number of farmer groups formed
  - Growth rates versus planned

#### Outcomes
- Application of new knowledge and tools
  - Reported effectiveness of new techniques
- Efficient and sustainable management of resources
  - Percent change in resources used over time
- Better organizational structures at the village level to plan and manage agricultural activities
  - Frequency & outputs of village-level planning activities

#### Impact
- Increased incomes and economic growth in rural communities
- Changes in income levels at the individual & community levels
- Sustainable & responsible agricultural production
  - Soil quality & resource availability over time

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**Decision-making questions:**

- **What are the ways to maximize recruitment and retention?**
- **What is the threshold of farmer members required to achieve sustainability and scale?**
- **What factors impact yields and income levels? How?**
- **Which farmers require the most help? Which are not benefiting equitably?**

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\(^3\) The Social Value Chain integrates multiple approaches such as the theory of change, results chain, logframe and business value chains.

\(^4\) Adopted in September 2015 by all United Nations member states, the SDGs are a set of 17 global goals and 169 targets related to key development issues facing society today. Countries will aim to achieve them by 2030.
To monitor social impact, BIMS recommends that companies collect data on their operations and social performance on an ongoing basis. Businesses can receive data from primary and secondary sources such as invoices, inventory, customer registrations, market-research reports, social media, surveys and polls.

Identifying sources of data is critical for developing data-collection plans using the Social Value Chain. Many companies have already collected data that can be used for social impact measurement. BIMS suggests that companies first determine if they can analyse the data they already have. Only if this is not possible should they plan to collect new data.

For the Block Model, Drishtee needed to establish a baseline that could serve as a benchmark for future assessments as well as for improving its initiative in the short term. Its team developed three different data collection tools using the BIMS mobile platform: (i) a village-level household survey to generate baseline data on farmers’ income levels, needs and practices; (ii) an enrollment form to recruit interested farmers; and (iii) a supply-chain route-mapping tool. These tools were piloted in three different states and revised as needed. The data from the household survey were entered into Drishtee’s management information system.

Based on the household data collected in the baseline survey, a questionnaire was developed to recruit farmers who showed willingness to participate in the Block Model initiative. Within each block, routes were mapped to establish supply-chain pathways for future aggregation and dissemination of farmers’ produce.

**Survey implementation**

Since the company planned to survey all households in the selected villages, no random sampling was required. However, once the field-level activities began, Drishtee’s priorities changed and the effort required to survey every household became too onerous for the field teams. As a result, data collection was restricted to one block in the state of Madhya Pradesh; the number of households surveyed was also limited to those farmers who agreed to participate. In all, field teams surveyed 760 farmers to establish the baseline.
Step 4: Analysing data and reporting

While the purpose and usability of social impact data can vary for each inclusive businesses, in general the outputs of social impact measurement are used to answer one or more of the following questions:

1. Who is being impacted?
2. How are they being impacted?
3. What are the drivers contributing to or limiting this impact?
4. How can this impact be scaled up and linked to the SDGs?

Who is being impacted?
Drishtee’s Block Model initiative specifically targets smallholder farmers, who require training and support to increase their incomes. Through the household survey, farmers’ income levels were measured using the Progress out of Poverty Index (PPI) and by asking questions related to household expenditures and incomes. The PPI data showed that 77 percent of farmers’ incomes were below US$2.5 per day.

How are they being impacted?
While the Block Model is still in its initial phase and the household survey data only provide a baseline for future impact assessment, Drishtee independently interviewed 18 participant farmers who had implemented the new farming techniques. The data showed a 37 percent increase in their farm-land productivity between 2015 and 2016. After the initiative is scaled up, these baseline data will be used to measure changes in income levels, asset ownership, living standards and farming practices.

What are the drivers contributing to or limiting this impact?
As identified in the Social Value Chain, the Block Model seeks to achieve social impact through multiple inputs and activities. These include: training and demonstration plots; village-level planning of agricultural activities; assisting farmers in accessing agricultural expertise; and developing supply and distribution channels for farmers to sell their crops.

Drishtee has just begun collecting data to identify the key drivers of the Block Model’s impact. The data are derived from report cards and cashbooks maintained by each participating farmer: at the end of every month, farmers review their personal report cards and cashbooks to assess how they have progressed each month. Drishtee can also use these report cards to determine if farmers are utilizing the Block Model’s training and new farming techniques.
How can this impact be scaled up and linked to the Sustainable Development Goals (SDGs)?

The main objective of BIMS is to support inclusive businesses in adopting impact measurement practices that help them to plan, monitor and deliver on their intended social impacts – and contribute to achieving the SDGs.

Using the Social Value Chain, the Block Model identified the following SDGs that are in line with the business’s intended impacts:

SDG 1 NO POVERTY
SDG 2 ZERO HUNGER

Drishtee aims to increase food production by promoting — and measuring — sustainable agricultural practices to achieve food security. Scaling up the Block Model using robust data on its impacts will help to reduce poverty by increasing farmers’ incomes and the value of their land assets.

SDG 4 QUALITY EDUCATION

The Block Model is essentially a training programme for farmers. Life-long learning and vocation-specific education are included in SDG 4. The Block Model supports farmers’ education through its activities.

SDG 10 REDUCED INEQUALITIES

Drishtee can use its baseline survey data to identify the most marginalized farmers, assess their participation in its programming, and track changes in their income levels. As the initiative matures and becomes more successful, Drishtee will measure changes in income distribution at the village level to understand community-level inequalities.

SDG 12 RESPONSIBLE PRODUCTION

Given that the business is only in its pilot stage, the initial focus is on increasing production. As the initiative expands, it will increasingly focus on the sustainability of the new production practices by collecting and tracking data on the use of resources such as water, fertilizer and pesticides.
Lessons learned from Drishtee’s Block Model impact measurement

Integrating impact measurement into operations provides greater insights for business decision making than external social-impact assessments.

Thus far, Drishtee has been mainly working with outside stakeholders on impact assessment: the company has engaged several research and international development organizations to assess the social impact of its ICT kiosk and supply-chain businesses. While external stakeholders have found these evaluations useful, they have not been used for corporate decision making. Through BIMS, Drishtee is integrating data on social indicators into its management information system, allowing the company to use social-impact data to drive its business decisions.

Impact measurement at an early stage of an inclusive business can be used as a baseline for long-term impact assessment.

The baseline survey data are not only helping Drishtee to understand potential participants’ socio-economic situations and farming practices. These data also provide a benchmark for assessing the effectiveness of its core business model in the long term. Indicators related to income, education, health and community linkages can be used in the future to measure the effectiveness of the Block Model’s products and services.

Social indicators can help inclusive businesses to design better products and services

The value proposition to beneficiaries of inclusive businesses is not always economic. Customer decision making, loyalty and other behaviours can be influenced by delivering value that meets beneficiaries’ social needs. As part of the baseline survey, Drishtee collected data on the reasons farmers would not be interested in enrolling in Block Model training. Nearly one third of those who reported they were not interested in the initiative reported that they were satisfied with their existing situation in terms of production and income. This indicates that it may be worthwhile for field staff to communicate other benefits of the initiative in addition to better farming practices and income gains.

Field staff will be reluctant to collect impact data if they do not receive feedback that they can use to perform their daily activities

Data collection should not be seen as an additional activity over and above daily operations. Therefore, linking impact data to daily operations is critical. In Drishtee’s case, the enrollment form was not completed by all farmers because it was extremely detailed and the data being collected was not directly relevant to their daily operations. In addition, there was no means for field staff to receive feedback and use summarized data to assist in their own daily work.

Business Call to Action (BCtA) aims to accelerate progress towards the Sustainable Development Goals (SDGs) by challenging companies to develop inclusive business models that engage people at the base of the economic pyramid – people with less than US$8 per day in purchasing power – as consumers, producers, suppliers, distributors of goods and services, and their employees.