

Do good, better.



**CAP
Money**

christians
against
poverty

CAP

Christians Against Poverty CAP Money

Impact Lab GoodMeasure Report
September 2020

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GoodMeasure Report**

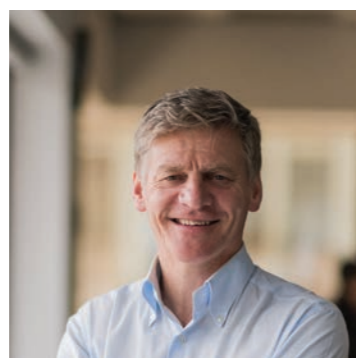
Wellington, New Zealand

Prepared for:
Christians Against Poverty
September, 2020

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We would like to thank Aimee Mai, Vilette Kolose, and the Christians Against Poverty team who contributed to the preparation of this report by sharing their values, processes, evidence and experiences.

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Simplifying social impact measurement

I had the privilege in public life to work with people who understood the need for positive change in the lives of those around them and worked hard to achieve it.

Our social services do a tremendous job of bringing positive change to our most deserving individuals and communities. These organisations are built by volunteers and community workers who dedicate their lives to helping others.

Social service workers can see the positive impact of their work. Children thriving, families united, jobseekers in new employment and people empowered to change their life course.

With more tools they could do more good. I want to help them by finding ways to make sure that effort is recognised, results are measurable and they can make decisions about how to do more good.

Impact Lab grew from a desire to make available to community organisations tools that use the power of public information and the latest technology, so these organisations can change more lives.

By measuring social change and positive outcomes, Impact Lab enables charities and social service providers to speak the language of funders, investors and governments.

It has been a pleasure to work with Christians Against Poverty to learn how this organisation changes lives throughout New Zealand.

Calculating social value helps inform decision making and investment and enables you to do good, better.

Thank you for joining us on this journey.

Sir Bill English
Impact Lab Chairman

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Who we are

The team at Impact Lab share the goal of helping all organisations do good, better.

Our story

Our team at Impact Lab has seen the power of understanding social change. Our founders came together working in the public sector, where we led the development of new processes to link social value measurement with decision making. We believe that all organisations should be able to understand and improve their social impact. Our mission is to help impact creators and investors make decisions that change more lives.

Our team

To make better decisions, it's crucial to consider both the hard facts and the human stories that substantiate them. Our family of researchers, data scientists and statisticians are committed to combining powerful analytics with what you know works for your community.

Alongside expertise in data-driven decision making, our team brings a wealth of real-world experience. We are parents, teachers, volunteers and customers of social services.

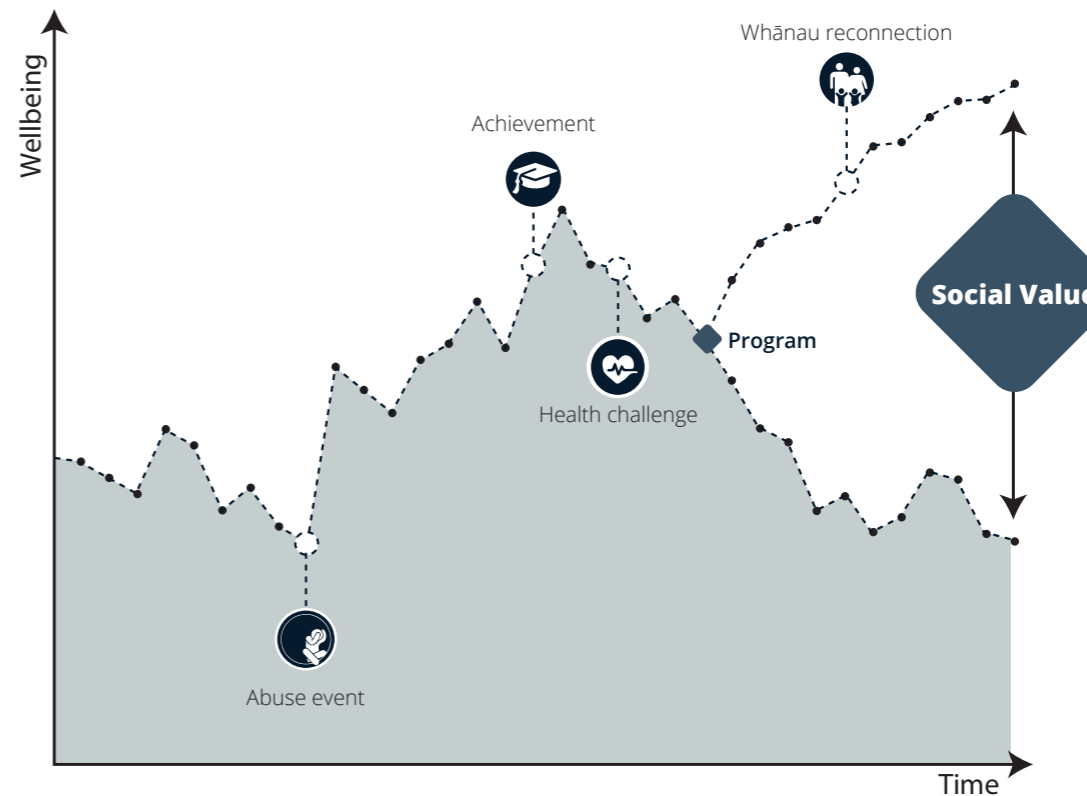
Our partners

Impact Lab is proud to be partnering with trust company Perpetual Guardian. Together we are using GoodMeasure to improve strategic grantmaking and support collaboration with grantees by applying a consistent measurement framework.



"The strength of Impact Lab is a real depth of experience in a public policy context. They understand what evidence would be helpful to enable us to make decisions for the future"

- Debbie Sorenson, CEO, Pasifika Futures



Understanding social value

Social value is the social impact in dollar terms that a program achieves for participants over their lifetime.

Throughout our lives, different events occur which impact our overall wellbeing trajectory. Impact Lab measures the impact on an individual's wellbeing across multiple domains when they're supported by a program to make positive changes in their life.

We measure this impact in terms of both positive benefits (such as increased income) and avoided costs to government

To calculate social value, we combine these impact values with

- ◆ Evidence from global literature about how effective a program can be
- ◆ The size of the opportunity for the people an organisation serves to achieve more positive outcomes,
- ◆ The number of people supported.

By combining these inputs, the social value calculation helps us understand how a program or intervention helps change lives for the better. We combine the social value with cost information to calculate a program's social return on investment.

How we measure social value

Our consistent approach to measurement enables comparisons across wellbeing domains and over time.

Map program dimensions

Impact Lab engages with providers to understand their people, their service and the outcomes they seek to achieve.

Clean and analyse data

Impact Lab uses the best of data about people's lives to understand what works, for whom, at what cost. We combine publicly available insights from the NZ Treasury, NZ Statistics and other sources. Impact values produced using Statistics NZ's Integrated Data Infrastructure are a particularly valuable resource. The IDI is a dataset containing information on every New Zealander about many areas of their lives – education, health, social welfare, employment and others. It's anonymised, so we can't identify anyone. This adds up to over 166 billion facts, for nine million New Zealanders (some have left the country, and some have passed on), for more than a generation of us.

Collect and synthesize literature

Impact Lab draws on the best academic impact literature from around the world. We access globally screened evidence from top universities and governments to estimate how impactful a program can be. We also identify service delivery model features associated with the most effective programs.

Calculate impact

Our algorithm combines New Zealanders' life experiences, with the wisdom about what works from the brightest minds across the world, with what we know about need in communities.

This combination of system level insights and grassroots know-how means we can consistently calculate the expected impact of a program, and the social return on investment.

Map social value to frameworks

Because we start with individuals' experience, we can organise our insights into the relevant government and international frameworks. The Living Standards Framework is the New Zealand Treasury's way of systematising wellbeing. It has four 'capitals' – social capital, financial and physical capital, human capital and natural capital. Impact Lab's GoodMeasure tool links the social value and return on investment created to domains within human capital.

We can also map social value and return on investment to the relevant OECD Sustainable Development Goals.



Year in scope
Jan 2019 – Dec 2019

Christians Against Poverty's People

CAP Money helps New Zealanders at different life-stages to learn financial skills alongside other members of their community.

CAP Money is a curated finance education course that helps New Zealanders at different life-stages to learn financial skills alongside other members of their community. Delivered primarily through a network of churches, the course includes Christian themes but is open to people of all religions.

CAP Money participants (delegates) are New Zealanders of all financial circumstances who want to improve their finances, achieve financial goals, or escape poverty.

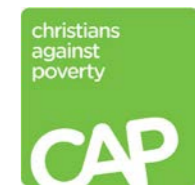
The course has specialist optional modules called: Biblical, Couples, Family, Retirement and Self-Employed. CAP Money also has a youth course, delivering to young people the same lessons and structure in youth-appropriate format.

People who attend CAP Money courses tend to be facing some financial challenges. They might be on a low or fixed income, have experienced a change in circumstances which has affected their finances, or have financial goals they need extra help to achieve. Often delegates have issues with debt, find it difficult to save, and are not using any kind of systematic approach to their finances. People who attend CAP Money often find the course through agencies that provide social assistance or through referral by their churches and peers.

CAP Money is often the first financial course delegates have voluntarily participated in. Delivered by trained peers in groups within local communities, the course offers people a chance to increase their financial skills and confidence and set and achieve financial goals.

Range
Participants 1571 Adults (18+) 634 Youth (14-18)
Number of courses 306
Average course size (excluding CAP Youth) 4.6 delegates

Location:
CAP Money is delivered at **145** active church venues throughout New Zealand.



The change journey

CAP Money is a three-session curated budgeting course which teaches delegates to create and maintain their own budget and set and achieve financial goals.

Set-Up and Insight

CAP Money coach receives workbook with a course plan and instructions.

Coaches are community volunteers who have completed the course themselves, and are approved by CAP.

Curricula is set but flexible.

In 1-3 sessions coaches teach from a menu of:

- Nine core sections (and flexible subsections).
- Four optional sections (For couples, self-employed, retirement, families).

Coaches advertise courses and find delegates in their community.

Coaches choose venue, tailor curricula, and set the number of sessions.

Coaches access and distribute online and offline content.

Section 1: In the first session, coaches help delegates profile their:

- personality (saver or spender).
- feelings of control about their finances.
- goals and what they want to achieve.

Budgeting

Section 2: delegates are taught to use their CAP Money budget worksheet.

Section 3: delegates learn to balance a budget, set priorities, increase income, and cut their costs.

Delegates itemise spending and income based on CAP-provided lists.

The group share ideas on how to reduce spending, increase income, and set and achieve goals.

Section 4: delegates learn the 'CAP Money System', how to:

- run 3 bank accounts – for regular payments, cash, and savings.
- average irregular income over time.

Section 5: covers use of cash, not cards, for spending.

Section 6: On saving, delegates learn about short, medium, long-term savings, and how to set and track savings goals. Sections can end with prayer and are supported with Christian quotes and ideas.

Sections can end with prayer and are supported with Christian quotations and ideas.

Maintenance and New Generations

Section 7: covers cash flow problems, forecasting income, expense planning.

Section 8: covers debt management and using CAP debt repayment calculator, and risks of consolidating debt.

Final section: a learning review and recap.

Graduates can also access:

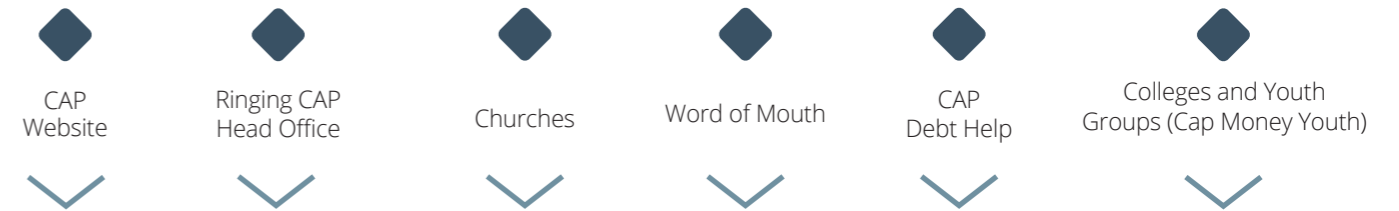
- CAP Money Plus, a free phone and email debt counselling service for people with debt.
- CAP Debt Help, for graduates with unmanageable debt.
- CAP Money Online, a free tool that enables delegates to build and track their budget.

CAP Money graduates can become coaches. Some teach CAP Money Youth, a single 45-minute lesson for young people that teaches CAP Money principles in a story format.

Outcomes Map

The outcomes that CAP Money aims to achieve and how these are reflected in the GoodMeasure calculation.

Referral channels



Client description

People who want an accessible resource to learn how to manage their finances and set and achieve financial goals.

Intervention structure

Set-Up and Insight

Budgeting

Maintenance and New Generations

GoodMeasure Outcomes

These outcomes directly contribute to this year's social value calculations.

- Improve mental health
- Reduce emergency benefits

Additional Outcomes

These outcomes do not directly contribute to this year's social value calculations.

- Improve physical health
- Improve personal relationships



GoodMeasure results summary

Every year, Christians Against Poverty delivers \$973,157 of measurable good to New Zealand society.

CAP Money's real-world value is even greater than this, as some outcomes such as increased social connectivity, employment outcomes and increased individual household savings cannot yet be directly quantified with available data.

When we consider the operating costs of CAP Money, we can calculate the social return on investment that is generated for every dollar that is invested in the program.

Social value generated for each participant:	\$490
Measurable benefits as proportion of program cost:	430%
Cost of the program per participant:	\$104

The Living Standards Framework is a practical application of national and international research around measuring wellbeing.

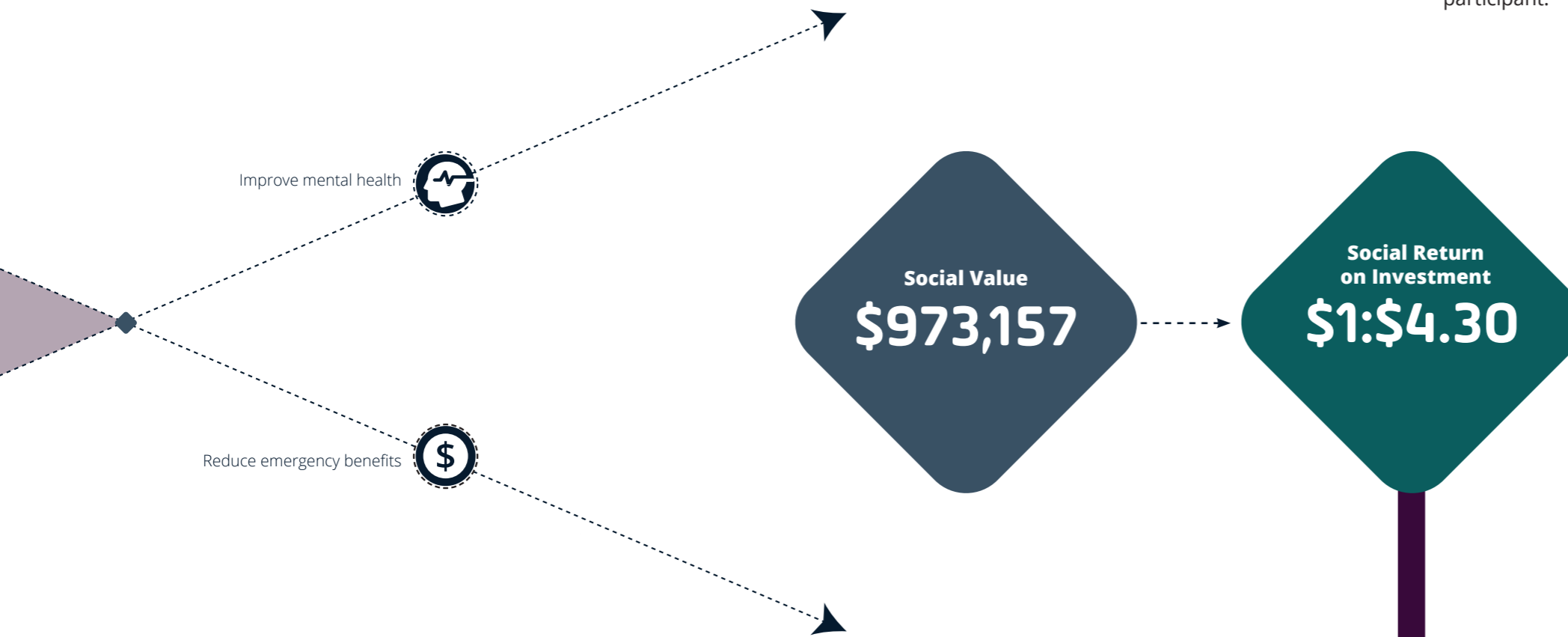
It was designed drawing from the Organisation for Economic Co-operation and Development's (OECD) internationally recognised approach, in consultation with domestic and international experts, and the NZ public.

Definitions

Health: People's mental and physical health

Jobs and Earnings: Freedom from unemployment

Income and Consumption: People's disposable income

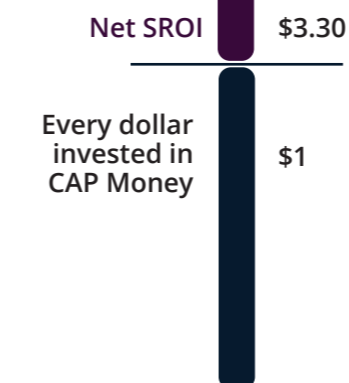
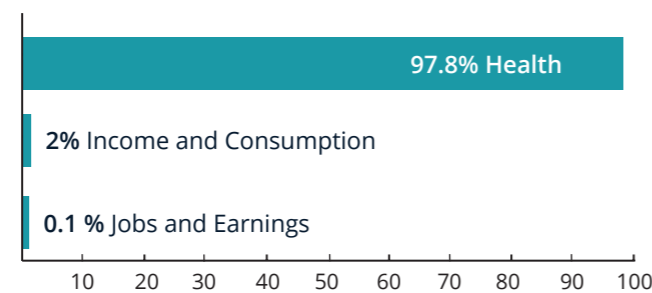


Social value breakdown

CAP Money creates social value across different aspects of people's lives.

This chart shows the breakdown of social value created according to the NZ Treasury Living Standards Framework. Each domain highlights a different aspect of wellbeing.

Social value by domain (%)



This means that every dollar invested in CAP Money delivers **\$4.30** of measurable good to New Zealand.

(Jan-Dec 2019)

GoodFeatures

GoodFeatures is a tool that allows service providers to compare the features of their unique service offerings to the features of effective practice in comparable programs identified in international academic literature.

-
- ◆ **Habits**
 - The program helps people to identify financial habits they want to improve and gives them pre-commitment tools to rely on (e.g., automatic payments) to overcome bad habits.
 - The program includes clients practising with financial tools they must use every day, for example to understand bank balances, spread out due dates on bills, set up a bank account, find cheaper utilities etc.
 - The program helps people set goals which are realistic for their circumstances, and follows up on people's progress in achieving them.
-
- ◆ **Timing**
 - The program uses a 'just-in-time' approach, ensuring clients use financial information that they learn as soon as possible after learning it.
-
- ◆ **Nomination**
 - Coaches are confident in engaging and persuading people to join the financial program.
-
- ◆ **Cultural Relevance**
 - The program is appropriate for low-income people and is delivered in a way that uses language and concepts that are relevant, relatable and culturally aligned.
-
- ◆ **Self-perception**
 - The program teaches people to distinguish between financial and non-financial causes of their stress and anxiety.
-
- ◆ **Family**
 - Coaches where possible involve entire families, and help families understand and use the financial potential of their collective resources.
-
- ◆ **Coaching Development**
 - The program provides frontline staff with training to increase their own financial self-efficacy (information on the fringe economy, credit, budgeting, goal setting, networking).
 - The program encourages coaches to identify clients' financial values and self-perceptions, present options, and link clients' goals to their values and self-described personalities.
 - The program gives coaches ongoing planned peer consultations and networking, as it can improve confidence and consistency.

References and further reading

In compiling our reading lists we consider a wide variety of topics, focussing on specific aspects of service delivery or outcome attainment. Here are a selection of readings that may be of interest.

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Dew, J., Dean, L., Duncan, S., & Britt-Lutter, S. "A Review of Effectiveness Evidence in the Financial-Helping Fields." *Family Relations Interdisciplinary Journal of Applied Family Science*, vol. 69, iss. 3, 2020, pp 615-627.

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Mangan, B. "Advanced Financial Coaching for Low-Income Populations: Midstream Lessons from EARN". EARN White Paper, 2010.



Whether you're funding change-making organisations or delivering the services that make a difference, GoodMeasure simplifies impact measurement so you can learn what works and make a bigger impact.

We take great pride in providing a research process that our customers can trust. GoodMeasure's power comes from calculations using multiple reputable data sources, including the Treasury Living Standards Framework for Wellbeing. GoodMeasure also uses the best of the worldwide evidence about what works. This includes published literature and evidence databases from world renowned academics and impact organisations.

Contact us

www.impactlab.co.nz

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Understanding social value

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Helping you do good, better.

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Understanding CAP Money's impact

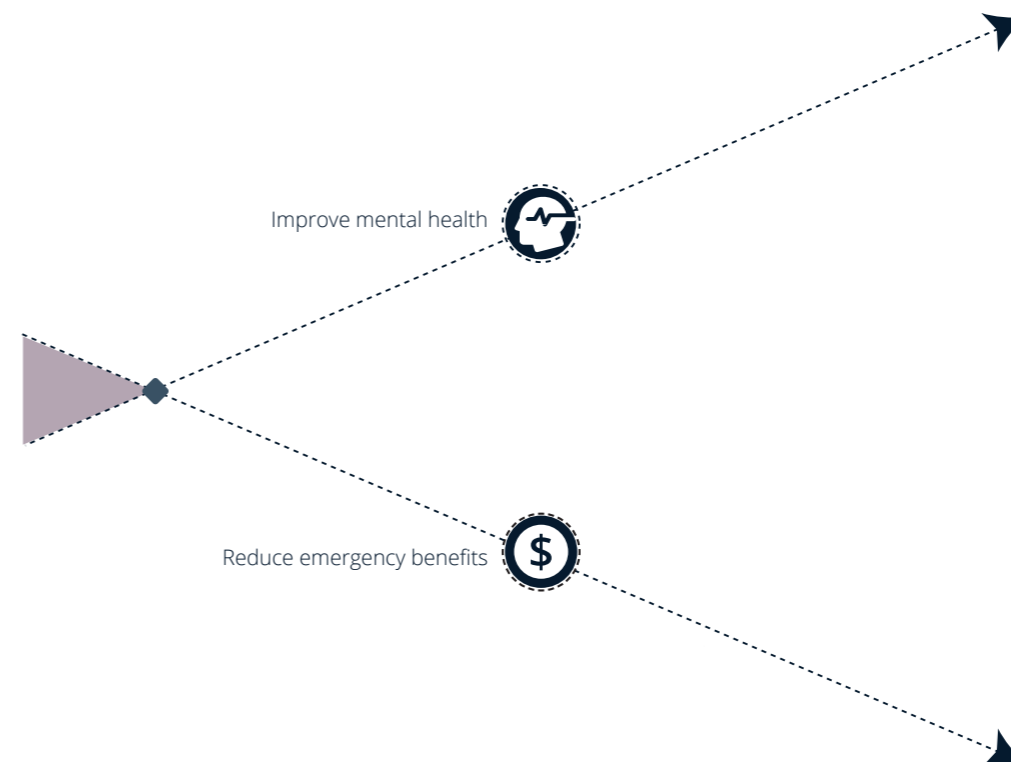
CAP Money is a financial skills course and set of tools which helps people organise their finances. The course is delivered in group settings in churches and other local venues, by members of the community who are CAP Money coaches. By providing a flexible course centred on setting and balancing budgets, interspersed with Christian principles, CAP Money helps people take control of their finances and escape debt.

What does CAP Money do?

CAP Money gives people a set of useable tools, curated lessons and coaching to improve their financial management and achieve financial goals.

Whom does CAP Money serve?

CAP Money is a curated finance course for New Zealanders which provides tools, skills, and knowledge to help people escape poverty and build wealth. CAP Money delegates are New Zealanders of all financial circumstances who want to improve their finances and achieve financial goals.



GoodMeasure outcomes

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Additional outcomes

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- Improve personal relationships

Understanding CAP Money's impact



Social value definition

Social value generated for each participant	\$490
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When we take into account the operating costs of CAP Money we can calculate the social return on investment that is generated for every dollar in the program.



Appendix

Below is a list of definitions of key terms contained in this report

Amount invested

The dollar amount that has been invested in a specific program, in New Zealand dollars.

Cost per person

The dollar amount invested in the program divided by the number of people supported by the program (include those who did not successfully complete it).

Domain

A domain is a way of dividing or filtering the subject and outcome material in your Impact Lab results. Impact Lab refer to domains as per the New Zealand Treasury's living standards framework domains.

Population

The group of people supported by the program, in terms of age, gender, and ethnicity.

Programs

The services delivered by the provider for the amount invested

Social ROI

This is the Social Return on Investment. It is calculated by comparing the social value generated by the program to the amount invested in it

Social Value

The social impact in dollar terms that the amount invested achieves for participants over their lifetime. The social value is calculated by combining impact values with a service delivery quality score, with the size of the opportunity to support a population, and the number of people supported.

Attribution

Some data and information used in the Social ROI calculations is licensed under a Creative Commons Attribution 4.0 International (CC BY 4.0) license. It is attributed to the NZ Treasury.

Disclaimer

This disclaimer sets out important information about the scope of our (Impact Lab Limited) services. It should be read in conjunction with the contract that we have entered into with you (or your company/organisation) for our services, including the applicable terms and conditions.

We have endeavoured to ensure that all material and information on GoodMeasure (including all ROI calculations and impact numbers) (together, the Information) is accurate and reliable. However, the Information is based on various sources, including information that you have provided to us, which we do not independently verify. Accordingly, we do not provide any representations or warranties in relation to any information, including any representations or warranties relating to the accuracy, adequacy, availability or completeness of the information or that it is suitable for your intended use. We do not provide advice or make any recommendations in relation to decisions, financial or otherwise, that you may make.

