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CALOUSTE GULBENKIAN

LABORATÓRIO DE
INVESTIMENTO SOCIAL

Portuguese Social Investment Taskforce

Summary of the 1st meeting of sub-group 1
“Knowledge Creation and Market Intelligence”

October, 2014



MEETING: 1st meeting of sub group 1, OCTOBER 6TH 9:00AM

ATTENDEES

Sub-group:

- Ana Paula Serra, *Porto Business School*
- Ana Vidal, *Portugal Economy Probe* (think tank)
- António Vasconcelos, *EVERIS* (consultancy firm)
- Daniel Traça, *NOVA School of Business and Economic*
- Joana Story, *NOVA School of Business and Economics*
- Miguel Athayde Marques, *Portugal Economy Probe*
- Patrícia Faro Antunes, *Accenture* (consultancy firm)
- Pedro Oliveira, *Católica Lisbon School of Business and Economics*
- Vasco Monteiro, *Portugal Economy Probe*

Calouste Gulbenkian Foundation:

- Francisco Palmares

Social Investment Lab Members:

- Filipe Santos, *INSEAD*
- Joana Cruz Ferreira

MEETING OVERVIEW

The main goal of the first meeting was to identify the priority topics that shall be study in order to construct a solid social investment market infrastructure in Portugal. Sub-group 1, composed by senior representatives of different knowledge creation institutions or information disseminators, has appointed the following topics:

- 1. Social enterprises capacity building in order to implement principles of efficiency and effectiveness in the sector;**
- 2. Promotion of an outcome and impact oriented culture within the social sector;**
- 3. Construction of an unit cost database to inform the provision of social services;**
- 4. Creation of an accreditation system that distinguishes social enterprises based on their competences, performance management processes and quality of their interventions.**

The next meeting, which shall gather all the Taskforce members, will be held on the 7th of November, 9 am, at the Calouste Gulbenkian Foundation. The sub groups will present the priority topics set.

PRIORITY TOPICS:

1. Social enterprises capacity building in order to implement principles of efficiency and effectiveness in the sector

The sub group acknowledges the following limitations of the social sector: the lack of defined processes of coordination and execution of different tasks and operations; the lack of performance management and quality control systems; and the lack of management skills among the personnel. These limitations have two main direct consequences: 1) the existence of weak and incapable of generating value projects; and 2) the bad allocation of resources within the social sector.

In this sense, it has been concluded that social enterprises urge to develop: 1) general management skills, such as operational management, organizational behaviour, financial accounting, human resources; and 2) specific skills required by the social sector, such as the competences to implement outcomes and impact measurement principles.

It has been agreed amongst the members that the remaining social investment market actors (either public or private) must also become investment ready. Last but not least, it is important to assure that the capacity building process is dedicated not only to specific projects within an organization, but also to the organization as whole.

2. Promotion of an outcome and impact oriented culture within the social sector

The sub-group considers that, apart from the promotion of an outcome and impact oriented organizational culture (which would be an internal approach), it is also important that the ecosystem develops impact measurement mechanisms (external approach). The subgroup believes that attention should be paid to the importance of promoting the development of instruments and methodologies used by all the players and that are adequate to the social sector has been acknowledged.

3. Construction of an unit cost database to inform the provision of social services

The collection, systematization and dissemination of relevant information for the sector and about the sector, at a regular basis, were deemed crucial for a well-functioning social investment market. It has been agreed that there is a need to create (or to develop if any effort has already been made in this sense) an information platform about social problems unit costs to inform their analysis, quantification, comparison and the validation of the value created by the social enterprises.¹

It might become a final recommendation of the sub group the creation of an easily accessible platform that gathers the following information: description of the unit cost computed; unit of measurement; entity bearing the cost; the amount of the cost; the date of the last update; information source; description and justification of computation methodology.

The Social Investment Lab suggests that this database shall be initially focused on the priority areas for the country and for which there is already treated data, such as health and employment. The group shall reflect on the organizational and governance model of such an initiative. The most suitable model might involve the

¹ This work will be inspired by the Unit Cost Database developed in the UK and the Productivity Commission's Report on Government Services in Australia.

creation of a consortium of entities in which an independent leader is accountable for the maximization of the potential of the information. The members think that the engagement of the National statistics body (INE) and the agency that is responsible for managing and disseminating the information (AMA) is crucial for the designing of a successful strategy in the field.

4. Creation of an accreditation system that distinguishes social enterprises based on their competences, performance management processes and quality of their interventions

The subgroup has identified the need to promote an accreditation system for the social sector organisations to incentivize the quality of the social services and, simultaneously, informs decision and investment making processes. This system shall be based on the logic model and shall assess the skills, processes and operations, outcomes measurement systems and the quality of the intervention to tackle a given social problem.

The education industry should play as a reference for the development of the accreditation system. The members have shown interest in studying accreditations developed by the social security institution. The members have highlighted the fact that this might be a resource consuming activity.

NEXT STEPS:

The agenda for the following months will be divided into sub group meetings – exclusive to the members of each sub-group, and general meetings, which shall be attended by all the members of the Taskforce. We invite the members to take note of the followings dates for the general meetings that will be held at Calouste Gulbenkian Foundation:

- **Intermediate meeting, 7th of November, 9 am**
- **Intermediate meeting, 6th of February, 9 am**
- **Intermediate meeting, 8th of May, 9 am**
- **Final meeting, 3rd of July, 9 am**

The sub-group meetings will be booked later, depending on the availability of the respective members. If relevant, individual meetings will be solicited in order to collect information and feedback on specific topics.

Until the next meeting, the Social Investment Lab will be working on the priority topics defined by the sub group, in order to answer to some questions raised in the work session and to inform the debate in the following events.