

The Calculus of Human Services

Human services help people in need change their lives. Billions are spent each year by governments and charities funding healthcare and social service agencies that help people in need. Helping people is good, and the value of this public good can be measured.

Impact measures the value of services helping people. Impact is the measure of changes, or outcomes, achieved by people in service, resulting from the services they receive. Impact is *THE* measure that matters in human services.



RoSI, the rate of social impact, is the number of attributable outcomes achieved by clients in service, per \$1 of service funding. The rate of change in RoSI is the difference between the current and baseline measures of RoSI, generated by a service provider in a period. A positive difference in a period shows that a service provider is adding value to community.

VoS, the value of service added by a provider, is the measure of the increase in RoSI, over baseline, in the current period. The value added is the monetary value of additional, attributable outcomes achieved by clients that funder(s) did not have to pay for, which represents offset savings for the funder(s).

RoS, the return on service funding, is created by a service provider by reducing the cost of attributable outcomes achieved by clients in service. The rate of return on service funding is the key measure of a provider's service performance. RoS expresses the value of a provider's services to the community. Different providers delivering the same program of services with the same level of funding can perform quite differently. A provider with a RoS of 30¢ per \$1 of funding adds 20¢ per \$1 more value than a provider with a RoS of 10¢ per \$1, adding \$200,000 more per \$1 million in funding in attributable outcomes achieved by clients in service.

Impact is the value to community of human services.

ABC Services Inc. is a non-profit service provider funded by government to help people in need, free of charge.



Doubling Outcomes

ABC provided services to clients, first helping them achieve 100 outcomes with \$1 million in service funding, then 200 with \$2 million in funding. ABC doubled the number of outcomes achieved by clients in service, but the rate of social impact (RoSI) remained 100 outcomes per \$1 million in funding.

RoSI

In another period, ABC increased the impact of services from 100 to 150 per \$1 million in funding. By increasing the rate of social impact by 50%, ABC enabled clients to achieve an additional 50 outcomes per \$1 million in service funding, that funders did not have to pay for.

RoS

By reducing the cost of outcomes from \$10,000 to \$6,667, ABC added \$500K in value to service per \$1 million in service funding, producing a return on service of 50¢ per \$1 in service funding.

Use of Funding

Impact is not about the level, but the use of service funding. Impact increases when a service provider:

- converts existing funding into more available service time (***AST***)
- applies more AST to client service time (***CST***), helping clients achieve the outcomes they seek
- effects more outcomes with every hour of CST, enabling more clients to achieve more of the changes in client condition (***CICCs***) that they seek, with available funding.

Impact is the key measure of service performance of every service provider, in every period of service.

Impact measures the value to community of a provider's services, helping people in need.

