

### Ignite Social Enterprise – Definition of Terms

Term	Definition
Mission Driven	An organisation that operates with the primary aim of achieving measurable social and environmental impact. Mission driven organisations include charities, non-profit organisations, and social enterprises (registered as e.g. Community Interest Companies, cooperatives or Industrial and Provident Societies, limited companies).
Mission Statement	The mission statement defines the organisation’s core aims, and what it hopes to change and achieve. A good mission statement demonstrates vision, clarity and relevance, as well as being tangibly in use and subject to review.
Impact	An organisation’s impact is the major changes it has brought about. To understand the actual role that the organisation played in that change or improved outcome, one needs to discount what would have happened anyway, what is happening elsewhere, and/or the role other factors played.
Outcome Area	The Outcomes Matrix is a classification tool for use by investors and social purpose organisations to map the areas in which, and beneficiaries for whom, their impacts are being achieved. It is organised by outcome areas and beneficiary types. There are nine distinct outcome areas that together express the full complement of human experience, or, put another way, the essential human and environmental infrastructure that people need to be able to live full and free lives. For further definition, please visit <a href="http://www.bigsocietycapital.com/outcomes-matrix">www.bigsocietycapital.com/outcomes-matrix</a>
Beneficiary Group	The people, communities, areas and aspects of the environment and natural world that a social purpose organisation seeks to reach through its activities, and who stand to benefit as a result.
Impact Plan	The impact plan sets out what the social purpose organisation is about, what it is doing, and what it is hoping to achieve. The central line running through it is the impact chain, connecting the organisation, via its activities, to its outputs, outcomes and impact. Running in parallel on either side are the organisation’s internal processes, and the external context in which these operations are carried out.
Theory of Change or Impact Chain	The impact change, or theory of change, represents how a social purpose organisation achieves its impact by linking the organisation to its activities, and the activities to outputs, outcomes and impact. The impact chains form the central line running through the impact plan.
Outputs	Outputs are the products or services the social purpose organisation is immediately involved in the delivery of, and which issue directly from its activities. For example, the number of individual serviced.
Outcomes	Outcomes are the changes experienced in the lives of beneficiaries or to the environment following on from the organisation’s activities and outputs.
Indicators	Indicators are the specific variables that are tracked to demonstrate the delivery of outputs and outcomes. Indicators may relate to direct quantities (e.g. number of hours of training provided) or to qualitative aspects of the change (e.g. levels of beneficiary confidence). An effective impact measurement system will incorporate a number of indicators, or an ‘indicator set’.
Measurement Systems	The system used by the social purpose organisation to measure its outputs and outcomes, and to calculate its impact. The measurement system will comprise: a set of indicators, the processes necessary for data collection, and a set of targets and objectives. These may be refined in collaboration with Ignite.