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## Enhancing Social Impact Assessment Capacity in Non-Profit Organizations

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## Abstract

Non-profit organizations (NPOs) play a crucial role in tackling urgent global issues such as environment, healthcare, and education. NPOs need to constantly examine and improve their social impact assessment (SIA) capabilities if they are to effectively carry out their missions. However, there is an assumption that SIA is an essential tool primarily for the large projects such as mining, ports, dams etc. In this paper, it was investigated that SIA can be a useful tool for NPOs too in order to enhance and expand NPOs' efficiency by helping to manage their social impacts. Our study delineates the step-by-step process that NPOs can follow to conduct robust SIA. It underscores the importance of defining clear objectives and scope for assessments, actively engaging with stakeholders to incorporate diverse perspectives, and constructing a rigorous framework with well-defined indicators. It is claimed that effective communication and transparency might facilitate trust and accountability among beneficiaries, donors, and the wider community. Within the scope of this research which is supported by the Scientific Research Council of Türkiye (TÜBİTAK), data were collected from approximately 1.100 NGOs through survey and information was obtained on issues such as SIA awareness, knowledge, and the level of management of the impacts of NPOs across the country. As a result of the data obtained, a SIA application model for the NPO sector was presented and some suggestions were made. This paper might have interdisciplinary contribution to the enhancement of SIA within the NPO sector.

# 1. Introduction

Throughout the world, non-profit organizations (NPOs) are accepted as essential organizations for tackling social issues, advancing community welfare, and supporting sustainable development (Mariani et al., 2022). NPOs have a wide range of purposes, from preserving the environment to reducing poverty, and they play a vital role in the social fabric of the nations. Assuring the efficacy and responsibility of their actions, however, continues to be a difficult task (Lecy et al., 2012; Maier et al., 2016). Within this framework, the idea of Social Impact Assessment (SIA) presents itself as an essential instrument for NPOs to assess the outcomes and impacts of their initiatives on stakeholders and target populations.

According to the International Principles for Social Impact Assessment (Vanclay, 2003, p.6), SIA is defined as being "the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions". In

order to enhance decision-making, resource allocation, and program efficacy, we contend that SIA can assist NPOs in implementing a methodical approach of measuring, monitoring, and assessing the societal impacts of their activities. This will also give opportunity for NPOs to enhance transparency, accountability, and stakeholder engagement, thereby maximizing their positive impacts and minimizing their potential negative impacts on society.

Despite its potential benefits, SIA implementation in the NPO sector in Türkiye faces various barriers, including limited technical capacity, resource constraints, and a lack of standardized methodologies tailored to the local context. As a result, many NPOs struggle to conduct comprehensive SIA processes, hindering their ability to accurately assess and communicate their social impacts (British Council Türkiye, 2019).

Recognizing the urgent need to address these challenges and enhance SIA capacity within the Turkish NPO sector, this research proposes the development of an NPO-SIA Model will be tailored specifically to the Turkish context. This model aims to provide NPOs with a practical framework and toolkit for conducting effective social impact assessments, thus enabling NPOs to better understand, measure, and communicate their contributions to social change.

The proposed NPO-SIA Model draws upon international best practices in social impact assessment while taking into account the unique socio-economic, cultural, and institutional dynamics of Türkiye. It emphasizes the participatory engagement of stakeholders, including beneficiaries, local communities, government agencies, and donors, throughout the assessment process to ensure relevance, inclusivity, and ownership.

In conclusion, this research seeks to contribute to the advancement of social impact assessment practices in the Turkish NPO sector by proposing an innovative NPO-SIA Model. By empowering NPOs with the necessary tools, methodologies, and capacities to assess their social impact effectively, this model aims to promote greater transparency, accountability, and transformative change in Turkish society. Through collaborative efforts and shared learning, we can unlock the full potential of NPOs as agents of positive social change and sustainable development in Türkiye.

# 2. Literature Review

Non-profit organizations (NPOs) endeavor to tackle social, cultural, and environmental concerns that are frequently disregarded by both the public and private domains. Rather than making money for shareholders, the main goal of these organizations is to serve the public good (Anheier, 2014). Non-profits typically include a combination of paid and volunteer employees in their organizational structure, and their income comes from grants, donations, and other non-commercial sources. According to Anheier (2014), there may be problems with operational efficiency and sustainability as a result of this reliance on erratic financing sources. Furthermore, the effectiveness of non-profits is frequently assessed through their transparency, accountability, and the measurable impact of their programs on the community (Ebrahim, 2003). Such evaluations are critical as they help maintain donor confidence and support for the

organization's objectives. Despite these challenges, non-profit organizations continue to fill a vital gap in modern societies by fostering community development, promoting civic engagement, and enhancing the quality of life for underrepresented and disadvantaged groups (Salamon & Sokolowski, 2016).

Non-profit organizations, particularly those working with vulnerable and disadvantaged populations, are increasingly recognizing the importance of conducting SIA to mitigate, assess and manage potential negative social impacts of their projects (Burdge & Vanclay, 1996). SIA can serve as a crucial tool in ensuring that interventions do not inadvertently harm the communities they intend to help, highlighting the ethical imperative in non-profit project planning (Esteves et al., 2012). Vanclay (2003) asserts that a comprehensive SIA goes beyond simple compliance and due diligence; by integrating community ideas and concerns, it essentially improves project design and aligns project outcomes with community well-being.

The participatory method in SIAs is emphasized in recent research, which supports including community stakeholders in each stage of the assessment process (Franks & Vanclay, 2013). Any project's long-term sustainability depends on the organization and the community developing trust, which is fostered by this inclusion (Taylor et al., 2015). Moreover, researchers such as Slootweg et al. (2001) contend that SIA offer an evidence-based framework to direct organizational decision-making and modify interventions in response, as well as a methodical way to track and assess the social effects of projects. The increasing amount of studies highlights the need for non-profits to include strong SIAs in their project management techniques in order to protect and strengthen the communities they work with.

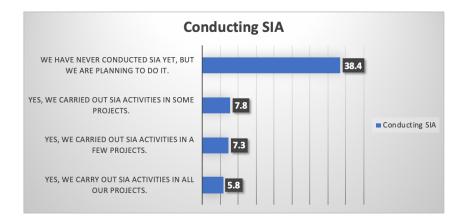
# 3. Methodology

This research was conducted by considering purposive sampling and surveys with 1015 associations and 306 foundations in Türkiye were applied. Although many different data were collected in the survey form, some data that are considered critical and important will be summarized in this extended summary.

# Figure 1. Knowledge Level of NPO Sector Representatives Regarding Social Impact Assessment



#### Figure 2. Level of Conducting SIA Activities of NPOs



# 44,1% of NPOs have never conducted SIA yet, and they are not planning to do it.



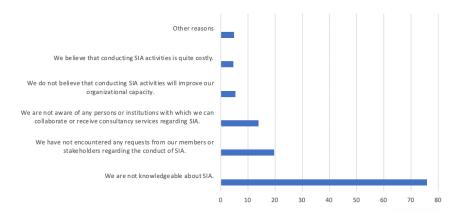
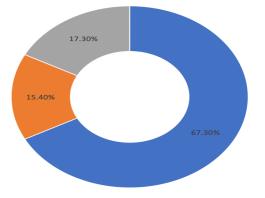


Figure 4. Impact of Conducting SIA Activities on NPOs



SIA plays an important role in increasing the effectiveness of our operations.

SIA plays a somewhat important role in improving the effectiveness of our operations.

= We could not observe SIA's role in increasing the effectiveness of our activities.

# Figure 5. Sources of Support in SIA Application

 We have not received any support yet.

 We receive consultancy services from experts.

 We receive services from civil society experts.

 We seek stakeholders and form partnerships.

 We receive support from public institutions and funders.

#### 4. Discussion

The data gathered indicates that some essential elements of the NPO-SIA Model that we will put forth include crucial parts like stakeholder mapping and contextual analysis, the creation of outcome and impact indicators, techniques for gathering and analyzing data, capacity building and training, and the sharing and dissemination of knowledge. In order to teach them about the SIA process, the socioeconomic backdrop of the NPO sector will be examined by identifying the important stakeholders and assessing their needs, interests, and goals. Also, measurable indicators of social change and impact that align with NPO missions and program objectives will be defined in a collaborative way. A mix of quantitative and qualitative data collection methods will be used by using surveys, interviews, focus groups, and case studies, to capture diverse perspectives and experiences. Some capacity building opportunities will be provided to NPO staff and stakeholders in order to strengthen their skills in SIA design, implementation, and utilization. SIA findings and lessons (especially for NPO sector) learned through various channels, including reports, workshops, conferences, and online platforms will be disseminated to enhance learning, accountability, and advocacy efforts.

#### 5. Conclusion

By adopting the NPO-SIA Model, Turkish NPOs can enhance their organizational learning, adaptive management, and evidence-based decision-making processes. Moreover, it can facilitate greater collaboration and partnership between NPOs, government agencies, academia, and the private sector, fostering a more coordinated and holistic approach to addressing complex social challenges.

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