

# 8.6

## PLANNING AND PERFORMANCE; SOCIAL ACCOUNTS

- Why People Plan
- Monitoring A Project's Performance
- Social Accounting
- Social Accounts Template
- Environmental Audit Of Your Office - REAP's Green Office Checklist

# WHY PEOPLE PLAN

## Reasons Why People And Organisations Plan

People and organisations make plans for a variety of reasons. Understanding why plans are being made is vital to assessing the viability of the plan and appraising its chances to succeed. The main reasons for making plans are:

### Routine/Habit

Planning has become part of a regular, reflex process. In such a situation the organisation is likely to be immune to new ideas or ways of working and will have limited, 'maintenance' objectives.

### Response To External Change

The organisation senses a threat to its survival or attack on its objectives, or perceives an opportunity. Planning will have a clear aim but this aim may not be universally accepted since the level of threat or extent of opportunity and the boundaries being set by planners may not be perceived in the same way.

### Something Wrong Inside

Organisations (and the people working in them) often need to feel secure in their beliefs and their relationship to the organisation. How and why they participate sometimes needs to be clarified. And the aims of the organisation must be re-stated.

## A Planning Culture

Some organisations, often new ones, plan incessantly and are driven by the need to plan or the belief that planning is useful in itself. Care is needed appraising the plans of these organisations since successful outcomes may be secondary to the planning process.

## Why Do 'Planners' Seek Approval?

Having drawn up a plan, why is it necessary to take it to some outside body for appraisal or approval?

### Seeking A Benefit Or Advantage Controlled Externally

A business plan rarely states that the aim of the Plan is to, for instance, secure funding. But if this is the case then the Plan has been drawn up with one aim in mind: to bring about a situation (for instance, a bank loan) that would not otherwise come about. It's aim is to persuade, change perceptions, bring about actions.

### Uncertainty/Insecurity

The people who have drawn up the plan or the organisation as a whole are uncertain about either its current situation, its future prospects or both. A key sign of this is gaps in the presentation or missing information. The planners want someone to 'put it right' so they will have more confidence in it.

### The Politics Of Power (External)

Often those who plan or authorise planning are in a position of power in relation to others. They use the plan and the approval of outside organisations and experts as a way of maintaining their power. A typical example is a Board of Directors presenting a bank-approved plan to shareholders.

### The Politics Of Power (Internal)

An external expert or arbitrator may be called in to settle an argument between rival groups or to enable one side to build its case vis-a-vis 'the enemy' (to consolidate its authority for instance). In such a situation the whole planning process may be viewed with suspicion by minority or powerless groups, it may simply be used to score points or plans made may be impossible to implement because of apathy or resistance.

## Plans Made Without Hierarchies

Groups without hierarchies cannot depend on their authority or superior power-relationship with others to get a plan accepted and implemented. Also, where the Plan depends on others to make decisions or act in ways they would not normally and who cannot be compelled to change, for instance local councillors, a whole range of problems may arise.

### Clear Objectives And Aims

For plans to succeed their must be a **shared vision** and the plan must include ways to obtain or keep the imagination, energy, commitment and support of members. Any appraisal must assess the understanding and enthusiasm of the people proposing the plan and others.

### Getting The Balance Right

An appraisal must test the balance between social, commercial, human and organisational objectives, especially at the start of a project. If a plan is being 'driven' by only one objective, for instance profit, it may not succeed or will only succeed after a lot of trouble.

### Using Group Dynamics

Within a group, or as soon as one is formed, differences in experiences, skills, aspirations, needs, create a **dynamic process** that must be understood, related to and used to power or enable the planning process.

# MONITORING A PROJECT'S PERFORMANCE

## Aims And Objectives

All organisations will have a set of aims and objectives set out in a business or organisational plan. Assessing the relevance of these aims to continuing activities must be periodically reviewed.

- When were the aims of the organisation last reviewed?
- Are these aims understood and accepted by members, staff, officers, supporters?
- How clear are these aims? Could a new member easily understand and identify with them?
- Do resources and methods used by the organisation match its aims?
- What arrangements ensure that new members, users or supporters understand their role and relationship with the organisation?

## Organising Work, Managing Resources

A business plan sets out how the human resources of an organisation will be used to achieve its aims and objectives. Monitoring performance will need to look at how roles and responsibilities are divided.

- Are the different roles of members, staff and officers understood?
- Do roles and responsibilities mix well? Do they conflict?
- Does the way in which resources are deployed match the short- and medium-term aims of the organisation?
- When roles or the people undertaking them change, is there a procedure for monitoring performance and correcting problems?

## Responsibility For Action

A business plan will also set out a series of actions or program by which the organisation will achieve its aims and objectives.

- Has responsibility for action and monitoring outcomes been assigned ?
- What action will be taken if the organisation fails to achieve its aims? Who will report this to who?
- When action is taken should anybody be consulted or informed? Have procedures been followed?

## Reviewing Performance

A business plan will often set out concrete measures of performance, for instance turnover or sales. These targets should be compared to actual performance; where there is major difference action may be needed.

- Have records been kept which allow analysis of performance?
- Are there up-to-date figures which customers, users, funders or supporters may find useful?
- How often does the organisation review its activities in relationship to other organisations acting in the same or related areas?

# SOCIAL ACCOUNTING

Social accounting is a process that enables an organisation to assess, report, and improve on its social, economic, community and environmental strengths and limitations rather than its financial ones. The aim being to gather each stakeholder group's views and perspectives on what they consider to be the significant indicators as to how well, or not, the organisation is achieving its aims and objectives.

## Social accounting is:

- Done from the inside, with and by the people involved, increasing a sense of ownership of the process, outcomes, and resultant targets and recommendations.
- Approached from 'the bottom up' as opposed to the usual 'top down' method.
- Part of an ongoing process rather than being done after the event.
- A positive process.

Preparing a set of social accounts is done by assessing and monitoring the views of all the organisation's stakeholders. This includes employees, clients, service users, funders, volunteers, and service deliverers. In fact any person or organisation that has an interest or investment in the organisation. Although social accounts are generated by the organisation themselves, a fully independent external facilitator or

panel is usually used to verify the accuracy and objectivity of the accounts by way of a social audit.

The audit results in a systematic, documented measurement of the social performance of the organisation, which allows targets to be set to improve this performance and ensures that progress is consistent with the expectations of the stakeholders and the aims of the organisation.

The social accounting process is usually co-ordinated by a key person within the organisation. Using the aims and objectives of the organisation as the starting point and through liaison with other stakeholders in the organisation, this co-ordinator designs, analyses and documents all the information collected during the accounting process. Allowing all stakeholders to have a say in the process ensures inclusivity, however not all organisations can or wish to include all stakeholders every time a set of social accounts is produced. If the undertaking is too large for example, it is perfectly acceptable to defer a group of stakeholders until the next time the process is carried out, as long as this is explained in the accounts and details provided of when the stakeholders will be included. Information can be collected through a variety of methods including surveys, questionnaires, workshops, focus groups, and case studies.

It is important to recognise that social accounting and audit is not a one-off process. It is often done in 12-month cycles resulting in the establishment of social book-keeping and annual social audit reports providing valid information on the organisation's performance against its social objectives.

These reports can then be used in the organisation's strategic planning process to enhance performance and improve social impact. In addition, making the results of the accounting and audit publicly available, including both successes and limitations, requires a commitment to openness and accountability, thereby increasing the accountability of the organisation to all its stakeholders. Social accounts are also a valuable starting point when applying for quality marks and an effective tool for marketing and promotion.

Each organisation can tailor the social accounts to fit their own needs. This ensures that baseline information and eventual results are specific and relevant.

Other benefits of social accounting include:

- Providing a powerful argument for the inclusion and involvement of an organisation in the formulation and delivery of regeneration policies. This is especially valid in the case of the voluntary and service delivery sectors.
- Direct stakeholder participation allowing for policies, which are representative and effectively reflect the aims and values of the organisation.
- Enhancing the democratic process by
  - a) allowing all stakeholders to have their views heard and taken into account.
  - b) Allowing greater involvement of all stakeholders who are affected by the activities of the organisation.
  - c) Embracing openness and accountability.
- Provides a means of identifying and addressing issues that are often regarded as 'unmeasurable', or as 'soft outcomes'.
- Provides a way of measuring value for money, additionality, cost effectiveness, social impact, and social benefit of projects and activities. All of these are becoming of increasing importance to potential funders.
- The Department of Environment Sustainability Indicator uses the phrase 'empowerment and participation'. This is almost impossible to measure as it can mean many different things to many different people. A social audit provides a way of reporting on these outcomes.
- Allows feedback to link in with what is currently happening within the organisation, thereby not focusing on past events.
- Aids identification of target themes and priorities.
- Helps to identify social objectives.
- Aids short, medium, and long term planning.
- Increases staff motivation by encouraging involvement in the development of company policy and target setting.
- By ensuring confidentiality is maintained, creates a culture that encourages honest feedback.
- Generates new ideas and methods.
- Ensures the organisation is kept in touch with needs and expectations of stakeholders.

- Helps to identify and co-ordinate roles within the organisation.
- Identifying capacity building needs.  
There are three stages of learning:  
Unconsciously incompetent - merrily working away, being totally wrong and being totally unaware you are wrong.  
Consciously incompetent - knowing that what you are doing is not quite right and recognising that you need to do something to rectify the situation.  
Consciously competent - knowing that what you are doing is the right way.  
Or, having recognised that you are consciously incompetent, you have undertaken training.
- Increases external awareness of the social and community aims and achievements of the organisation.

To summarise; social accounting and audit is a framework to help clarify an organisation's values and objectives, report on performance against their objectives, and demonstrate social, environmental and economic outcomes/impacts, emphasising stakeholder engagement. More information about how to prepare a set of social accounts and conduct a social audit can be obtained from the Social Audit Network [www.san.org](http://www.san.org)

As well as social accounting and audit there are other methods and tools available that allow organisations to measure their impact and prove value, some of these are listed below:

**AA1000 Assurance Standard** - A standard for assessing an organisation's social, environmental and economic reporting process, that aims to facilitate accountability processes and overall organisational performance via effective stakeholder engagement.

**Co-operatives UK Key Social And Co-operative Performance Indicators** - Ten indicators that capture social and environmental performance to help co-operatives and other organisations determine how they measure up to co-operative values.

**Development Trusts Association Healthcheck** - A guide to good practice for development trusts and other community and social enterprises allowing them to assess their progress against development trusts' values.

**Investors in People Standard** - A business improvement tool designed to advance an organisation's performance through improving the management and development of its employees.

**LM3** - A DIY method for showing the effect of an organisation's spending on its local economy, highlighting where it can improve its local economic impact.

**PQASSO** - A holistic quality management system designed specifically for small voluntary organisations, helping organisations to take a systematic overview of their activities and decide where improvements are needed.

**Prove It!** - A participative method for measuring the effect of community projects (or other projects) on local people, on the relationships between them and on their quality of life.

**Social Firm Performance Dashboard** - An internal management tool for business improvement geared towards social firms.

**Social Return on Investment (SROI)** - A method for comparing the monetised value of social benefit created by an organisation or initiative with the investment needed to create that value.

Details of these and other tools can be found on the new economics foundation prove and improve website [www.proveandimprove.org](http://www.proveandimprove.org)

# SOCIAL ACCOUNTS TEMPLATE

## Sample Cover

<p><b>Social Accounts</b></p> <p>Name Of Organisation          Draft Social Accounts          1st April 200? - 31st March 200?          Organisation Address/Contact Details</p>
<p><b>Acknowledgements</b></p>
<p><b>Contents</b></p> <p><b>1 : Introduction</b></p> <p><b>2 : History And Background</b></p> <p>2.1 History Of The Organisation          2.2 Background To The Social Audit</p> <p><b>3 : Mission, Values, Objectives And Activities</b></p> <p><b>4 : Stakeholders</b></p> <p>4.1 The Stakeholder Map          4.2 Key Stakeholders</p> <p><b>5 : Scope Of The Social Audit</b></p> <p>5.1 Methodology And Social Book Keeping          5.2 Stakeholder Consultations          5.3 Omissions</p> <p><b>6 : Analysis Of The Social Accounts</b></p> <p>6.1 Values          6.2 Objectives and Activities</p>

7 : Other Views Of Stakeholders

8 : Environmental Impact

9 : Compliance

10 : Financial Information

11 : Main Issues, Conclusions And Recommendations

12 : Problems And Weaknesses With The Social Audit Process

13 : Future Plans

13.1 Dissemination And Dialogue

13.2 Follow-up Action

13.3 The Next Social Audit Cycle

**Appendices (For Example)**

The Social Accounting Plan

Examples Of Social Book Keeping Systems

Copies Of Questionnaires Used

Copies Of Interview Structures/Focus Groups Used

Summary Reports Of Surveys, Focus Groups etc.

Copy Of Previous Year's Social Audit Panel Notes

## 1 : Introduction

Explain briefly how, when and why your organisation became involved in social accounting and audit.

## 2 : History and Background

### 2.1 History of the Organisation

Briefly describe your organisation and the area in which it works. Explain when it was set up and its legal structure, the management structure, how it is funded, how many people work for it. Include a brief summary of the current work and its scale (e.g. numbers of clients) and any other any useful background information which you feel will help readers understand the background to the social accounts.

### 2.2 Background To The Social Audit

Explain the period of the social audit year, who did the work and how the social accounting process was managed within the organisation.

## 3 : Mission, Values, Aims And Objectives

Explain when, how and by whom these were agreed and include them in their entirety.

## 4 : Stakeholders

### 4.1 The Stakeholder Map

Give the full list of stakeholders identified for the project and then the list of those who were considered to be the key stakeholders and to be consulted as part of the social audit.

### 4.2 Key Stakeholders

Explain who decided the key stakeholders and when and how that was done. Explain if any key stakeholders have been omitted and why.

## 5 : Scope Of The Social Audit

### 5.1 Methodology And Social Book Keeping

Describe the social book-keeping methods you have used and identify any new systems of record-keeping forms you developed for the social accounts > put copies in the appendices.

### 5.2 Stakeholder Consultations

Describe how you decided to consult stakeholders; explain the response rates to the various questionnaires, explain how the surveys were analysed and by whom. If focus groups or other forms of consultation have been used explain how they were carried out and by whom. Also explain any of the 'glitches' which occurred and if there were any parts of your social accounting plan which were never completed.

### 5.3 Omissions

Identify which key stakeholders were not consulted and explain why not or if it is intended to consult them in a future social audit cycle.

## 6 : Analysis Of The Social Accounts

### 6.1 Values

Report the results of consulting stakeholders about how far your organisation lives up to its values. If possible, show comparisons between the views of different stakeholder groups.

### 6.2 Objectives And Activities

In this section you will report on all of the activities of each of the stated objectives. Start first with some descriptive sentences which explain what is done and gives the relevant facts and figures about the scale of the activity. (Descriptive and quantitative).

Sometimes you may have to simply state that a particular activity has not been done, or that you have no facts and figures to back up the description. Then report what the different stakeholders thought about the work done (qualitative > what the stakeholders think). Finally, add any comments of your own, highlighting the important points and/or interpreting /explaining the findings (commentary). Remember that you should write something for each activity of each objective.

### **7 : Other Views Of Stakeholders**

In this section you will report any views of stakeholders which have not found their way into the previous section. This is likely to cover: their views on the priority and relevance of the objectives and suggestions for new objectives or activities; the responses from different stakeholder groups on questions put specifically to them (for example to partners about what it is like working in partnership with your organisation; or to funders about value for money etc); any other suggestions or overall comments from stakeholders.

### **8 : Environmental Impact**

In this section you will report on any environmental policies and practices which your organisation has adopted and your impact on the environment. It may be that these matters have already been covered in your detailed report on objectives and activities. (See the REAP Green Office Checklist at the end of this section)

### **9 : Compliance**

Here you should explain which statutory standards you keep to (for example: explaining that you have and implement an equal opportunities policy, health and safety requirements etc.) and if you also meet any additional voluntary standards (for example: Investors in People).

### **10 : Financial Information**

This section should include the financial information about your organisation. Try to use the most up-to-date and might just be the abbreviated finance information you include in you Annual Report. It should include where you get your income and how much it is; and how the money has been spent. Ideally it should be the financial information on the period of the social audit.

### **11 : Main Issues, Conclusions And Recommendations**

These are your summary of the main issues which arise from the social accounts. If you have identified them in the commentary sections of the analysis of the social accounts then you can simply repeat them here and draw the conclusions and recommendations you think appropriate. There may be conflicting views from different stakeholder groups which can be highlighted here.

### **12 : Problems And Weaknesses Of The Social Audit Process**

In this section you reflect on the experience of preparing the social accounts and note the problems > and also the good bits!

## 13 : Future Plans

### 13.1 Dissemination And Dialogue

Explain how you intend to report back the findings to the various stakeholders and how you intend to enter into discussion with them about any important issues which have arisen.

### 13.2 Follow-up Action

Explain how the organisation intends to follow-up the issues and recommendations raised by the social accounts.

### 13.3 The Next Social Audit Cycle

Include your proposals for continuing with social accounting and audit or, if you have decided not to continue, explain why this is.

## Appendices (For Example)

The Social Accounting Plan And Book Keeping System

Record Keeping Forms Which Have Been Devised For The Social Audit

Copies Of Any Questionnaires Used

Copies Of Interview Structures/Focus Groups Used

Summary Reports Of Surveys, Focus Groups etc.

Copy Of Previous Year's Social Audit Panel Notes



	Yes/No	N/A
<p><b>Is email used whenever possible?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		
<p><b>Are copy documents kept on disk rather than paper?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		
<p><b>Does the office use recycled paper?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		
<p><b>Does the office refuse or return junk mail?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		

**2 : Energy**

	Yes/No	N/A
<p><b>Does your office source any energy from renewable sources?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		
<p><b>Are hot water pipes and tanks properly insulated?</b></p> <p>Action Notes :</p> <p>Time Scale :                          Cost :</p>		



	Yes/No	N/A
<b>Are boilers regularly serviced?</b> Action Notes :  Time Scale :                                      Cost :		
<b>Are heating thermostats used?</b> Action Notes :  Time Scale :                                      Cost :		

### 3 : Office Supplies

	Yes/No	N/A
<b>Are long life products chosen over short life ones?</b> Action Notes :  Time Scale :                                      Cost :		
<b>Are materials bought in large packs to avoid excessive packaging?</b> Action Notes :  Time Scale :                                      Cost :		
<b>Do you purchase eco-efficient or 'green' products? - recycled, refillable, water based ink etc.</b> Action Notes :  Time Scale :                                      Cost :		
<b>Do you use paperclips rather than staples?</b> Action Notes :  Time Scale :                                      Cost :		



	Yes/No	N/A
<p><b>Do you use environmentally friendly cleaning materials?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		
<p><b>Do you use washable cups rather than disposable ones?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		
<p><b>Do you purchase fairtrade or organic tea and coffee?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		
<p><b>Do you purchase supplies from local shops?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		
<p><b>Is your fridge door seals clean and seal shut?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		
<p><b>Are any outside areas around the office managed for the benefit of wildlife?</b></p> <p>Action Notes :</p> <p>Time Scale :                      Cost :</p>		



	Yes/No	N/A
<p><b>Are you utilising recycling opportunities by co-operating with nearby businesses?</b></p> <p>Action Notes :</p> <p>Time Scale : <span style="float: right;">Cost :</span></p>		

## 6 : Transport

	Yes/No	N/A
<p><b>Do employees have access to dry, secure cycle storage?</b></p> <p>Action Notes :</p> <p>Time Scale : <span style="float: right;">Cost :</span></p>		
<p><b>If you have pool or company cars do they run on unleaded petrol or diesel?</b></p> <p>Action Notes :</p> <p>Time Scale : <span style="float: right;">Cost :</span></p>		
<p><b>Do you have information available on prices and timetables of public transport?</b></p> <p>Action Notes :</p> <p>Time Scale : <span style="float: right;">Cost :</span></p>		
<p><b>Are meeting times organised around public transport timetables?</b></p> <p>Action Notes :</p> <p>Time Scale : <span style="float: right;">Cost :</span></p>		

	Yes/No	N/A
<p><b>Are office working hours flexible enough to allow people to use public transport?</b></p> <p>Action Notes :</p> <p>Time Scale :                              Cost :</p>		
<p><b>Do cyclists receive preferential mileage allowance?</b></p> <p>Action Notes :</p> <p>Time Scale :                              Cost :</p>		
<p><b>Are employees taught and encouraged to drive in an environmentally friendly manner?</b></p> <p>Action Notes :</p> <p>Time Scale :                              Cost :</p>		
<p><b>Is it policy to use buses for business purposes whenever possible?</b></p> <p>Action Notes :</p> <p>Time Scale :                              Cost :</p>		



**8 : Implementation**

	Yes/No	N/A
<p>Is there a green office noticeboard in a prominent position?</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		
<p>Does the office have a suggestion box for environmental ideas?</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		
<p>Does the office hold events with a green theme? e.g. a stationery amnesty</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		
<p>Does the office have an environmental policy?</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		
<p>Is there an opportunity to raise environmental issues at staff meetings?</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		
<p>Is resource use monitored and are environmental effects audited?</p> <p>Action Notes :</p> <p>Time Scale : <span style="margin-left: 300px;">Cost :</span></p>		