Social Return on Investment

Step 1: Quantify cost savings to society (e.g., increased income) for your beneficiaries

Step 2: Calculate your operating expenses for the intervention

Step 3: Calculate the value of your social purpose cash flow in today’s dollars

Cost Saving + Increased Income - Operating Expenses = Social Purpose Cash Flow

Minimum Goal: Cost-Benefit Ratio > 1

Goal: Total Social Purpose Value > 0

Net Present Value + Social Purpose Cash Flow = Total Social Purpose Value

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