

Analysis of Social Return on Investment (SROI) of AFTERKLASS Project

The AFTERKLASS Project is an online platform to promote financial literacy among young people with respect to saving, expense planning, investment and business startup, as well as other life skills, for example, learning, living and technology-related areas. Such knowledge can be found at the website, www.AFTERKLASS.com, which consists of three classes, namely (1) Biz Master – providing knowledge in business, commerce, saving, financial management and investment, plus techniques of income generation even for full-time students; (2) Smart Society – offering skills development related to learning; and (3) Play Yard – for those interested and passionate in taking part in activities, with content related to careers and necessary social skills in the future. The website also features financial and banking systems for simulation of saving and investment via funds and stocks in a simple manner. Furthermore, there are mini-games and quizzes that incorporate financial knowledge.

The objectives of the project include (1) to enhance financial skills and knowledge among youths; (2) to offer opportunities to achieve success in young people's lives in alignment with KBank's business strategies to 'Empower Every Customers' Life and Business'; and (3) to promote the Sustainable Development Goals 1, 4, 8 and 10. The project has acquired 32,734 members in its online system, 1,430 youths who participated in online workshops and 559,588 beneficiaries.

KBank recognizes that analysis of the Social Return on Investment (SROI) is a process to evaluate KBank's social projects in an efficient manner and to measure the projects' positive impacts to the society, while identifying areas for development and improvement of such project implementation in order to achieve the established objectives and to succeed in producing concrete solutions and improvements of social issues. Therefore, KBank has undertaken an SROI analysis of the AFTERKLASS Project in order to reveal the SROI that it has generated.

The SROI analysis is a method to analyze social returns so that KBank can understand and measure the values in social, environmental and economic aspects set by KBank to obtain social outcomes. By means of SROI analysis, social outcomes are represented with financial values. As concerns implementation of the AFTERKLASS Project, social outcomes that have been generated may not be viewed in real financial values, and the SROI analysis will bring

about the financial proxies to assess the financial values of the actual outcomes. The use of definitive financial values in calculation of social returns will be effective in exhibiting the amounts of positive impacts of the project to the stakeholders. The SROI analysis of the AFTERKLASS Project includes the following processes:

1. Identification of Scope and Stakeholders

Prior to conducting an SROI analysis, explanation is required for evaluation of returns and related processes, as well as necessity of such evaluation. The first process incorporates three sub-processes: (1) establishing scope; (2) identifying stakeholders; and (3) deciding how to involve stakeholders.

Sub-process 1: Establishing scope of SROI analysis is to set up the definitive scope of the analysis and reasons for such scope set-up, data sources for analysis and priority of evaluation. The scope of SROI analysis of the AFTERKLASS Project has been established for the project implementation during 2022, when there were 2,263 active youths or students on the project's platform. The analysis will be retroactively made for the period of one year of project implementation and not for projection.

Sub-process 2: Identifying stakeholders is an important basis for SROI evaluation. The project must identify its stakeholders to analyze those who gain or lose benefits from such project implementation, and then to seek a proper pattern to work with the stakeholders, leading to the guidelines for maximum benefit and least negative impact. The stakeholders refer to persons or organizations that have encountered changes or have been affected, whether positively or negatively, by activities under the project. Identification of stakeholders of the AFTERKLASS Project is clarified in Table 1 below:

Table 1: Identification of Stakeholders of the AFTERKLASS Project

Key Stakeholders	Reason for Inclusion
Youths or students	As the AFTERKLASS Project is focused on promoting knowledge of quality financial management among youths or students; young people are those who earn the maximum benefit of being the end users of social outcomes generated by the project.

Excluded Stakeholders	Reason for Exclusion
Parents	As the target groups under the project include youths or students, and teachers, project implementation has been focused on those groups only. The limited implementation period was another reason for the project's non-inclusion of other stakeholders that may be affected by its implementation.
Teachers	

Source: Team of project evaluators (2023)

Sub-process 3: Deciding how to involve stakeholders is a crucial process of SROI evaluation, because key stakeholders are the only group that can provide useful data and experiences related to project implementation. As those stakeholders are directly affected by the project, both positively and negatively, they can point out both the activities that are beneficial and those that need further improvement and development. Participation of stakeholders can be encouraged in varied forms, including inquiries via phone calls, joint activities, questionnaires, focus group discussions and in-depth interviews. However, in-depth interviews and focus group discussions conducted by those without direct connection with the project implementation could serve as an introductory process wherein the stakeholders can provide the most straightforward data on the impacts of the project.

Inclusion of key stakeholders of the AFTERKLASS Project was undertaken via questionnaires answered by 258 participating students or youths. Data collection started in January 2023.

2. Outcome Mapping

Outcome mapping is to describe the methods employed by a project with certain types of resources or inputs for project implementation that produce outcomes to the project's stakeholders. Outcome mapping is the center of SROI analysis. In some cases, relations between the inputs, outputs and outcomes are called the Theory of Change or Logic Model, which explains the difference created by the project implementation to its stakeholders.

Outcome mapping should start with identifying the project’s intended impacts, which is the largest scope of the project. The start of outcome mapping can be clarified with the Theory of Change. With regard to the AFTERKLASS Project, the Theory of Change can be identified as “If the AFTERKLASS Project is implemented, youths will have more efficient financial management”. Outcome mapping may be displayed in Table 2 below:

Table 2: Outcome Mapping of AFTERKLASS Project

Inputs	Activities	Outputs	Outcomes	Impacts
- Budget of the project - Wages - Fees for locations - Others	- Detailed explanation of operations; explanations that are relevant to the budget will be useful for evaluation, e.g., division between MOOC and camp.	- Youths get access to knowledge related to financial management via the project’s platform. - A youth network has been created for the benefit of financial management.	- Youths have made behavioral changes in their own financial management. - Youths apply knowledge gained for generating income or running a business.	- Youths will have more efficient financial management.

Source: Team of project evaluators (2023)

3. Evidences of Outcomes and Financial Values

In searching the evidences of outcomes and determining the financial values, the indicators will be identified and directions will be explained for data collection. Meanwhile, the values of outcomes generated by outcome mapping will also be specified. The project’s outputs, outcomes and impacts have been found in five changes. Therefore, the indicators of

SROI and Non-SROI to evaluate the project's outcomes must be determined in accordance with those five changes, based on the outcome mapping.

This process is undertaken by the team of project evaluators, with focus on data collection per the indicators as shown in Table 3, which may be explained by the following questions:

1) Non-SROI indicators

- (1) What is the number of youths who have participated in the project's platform and camps?
- (2) What is the number of youths who have participated in the project's platform and camps, and have changed their financial behaviors?
- (3) What is the number of youths who have viewed the contents or attended training with content similar to that of the project?
- (4) What is the number of groups for data exchange or joint activities?
- (5) What is the number of youths who have made behavioral changes, such as saving more, spending less, borrowing less or restructuring their debts?
- (6) What is the number of youths who have applied financial knowledge in generating income or running a business?
- (7) What is the number of youths who have achieved their established financial targets?

2) SROI indicators

- (1) What is the value of knowledge gained from training under the project?
- (2) Has reduced spending or increased income caused by behavioral changes occurred among participating youths, and how has it occurred?
- (3) What is the value of the youths' businesses?
- (4) How much is the income earned from the youths' businesses?
- (5) Have businesses survived thanks to knowledge gained from the project, and how have they survived?

Table 3: Determination of Indicators, Data Collection and Data Analysis in accordance with Changes to Evaluate SROI of the AFTERKLASS Project

Changes	Non-SROI Indicators	Data Collection	SROI Indicators	Data Analysis
Youths get access to knowledge related to financial management via the platform.	Number of youths who have participated in platforms and camps	Number of viewers classified by age and avoidance of double counting	Value of knowledge	- Comparison with MOOCs with similar content; or - Asking youths about their willingness to pay via questionnaire
	Number of youths who have participated in platforms and camps, and who have experienced changes in financial behavior	Questionnaires sent to users		
	Number of youths who had viewed content or attended training with similar content (Project names must be specified; attribution may occur.)	Questionnaires sent to users		

Changes	Non-SROI Indicators	Data Collection	SROI Indicators	Data Analysis
Youth networking for the benefit of financial management	Number of networking events for data exchange or joint activities	Questionnaires sent to users		
Youths' behavioral changes related to their financial management	Number of youths with behavioral changes in - More saving - Less spending - Less borrowing - Debt restructuring	Questionnaires sent to users	Less spending or more income following behavioral changes	- Questionnaires sent to users; or - Focus group discussions
Youths apply financial knowledge gained in generating income or running businesses	Number of youths who have applied financial knowledge gained in generating income or running businesses	Questionnaires sent to users	- Value of business - Income generated by business - Business survival thanks to knowledge gained	- Questionnaires sent to users; or - Focus group discussions
Youths will have more efficient financial management	Number of youths who have achieved their established financial targets	- Questionnaires sent to users; or - Focus group discussions		

Source: Team of project evaluators (2023)

4. Analysis and Determination of Base Case Scenario

The base case scenario is an important tool to evaluate SROI. As there are the public sector, civil society and other private businesses that are working in the project area to create similar changes, an important principle of SROI analysis is to not overstate the outcomes. The evaluators must make a survey and collect data with consideration that some outcomes may not have been generated by the project, but by other external factors. Therefore, recognition and outcome investigation are not involved with the activities of the project.

For impact analysis, estimation must be made for outcomes and deadweight, displacement, attribution and drop-off rate to determine a base case, i.e., incorporation of only the social values that the organization has taken part in creating. In evaluating outcomes and impacts that the project has created and that have brought about economic, social and environmental development, it must be understood that there may be other factors affecting those changes as well. Each impact has the following details: (1) deadweight: an outcome that will occur even without any organization or project in that issue; (2) displacement: a positive outcome for a certain group of stakeholders which is offset by a negative outcome for other groups of stakeholders; (3) attribution: an outcome generated by operations of any other organization or project; and (4) drop-off rate: actually, any social outcomes in the first years of activities or project implementation are greater than those of the final years. Determination of the base case scenario of the AFTERKLASS Project should take into account the following factors:

- 1) In case of attribution: Other projects have been found to generate similar social outcomes.
- 2) In case of drop-off rate: Some youths or students have not applied knowledge gained from the AFTERKLASS Project.

5. Calculation of SROI

The first step of calculation of SROI is similar to the cost-benefit analysis, with a focus on translating the costs and social return on investment into the “financial value”. Therefore, four important tools of financial analysis are employed, as follows:

- 1) Net Present Value (NPV)

NPV is employed to analyze the efficiency of a project via the difference of Present Value (PV) of total net cash outflow and cash inflow. If the PV of net cash

inflow is greater than that of net cash outflow, the NPV will be greater than zero. Otherwise, the NPV will be negative. Theoretically, investors should invest in projects with the highest positive NPV among all options. However, the NPV calculation actually depends on the accurate estimation of variables, which is rather difficult.

2) Calculating the ratio

The ratio of project costs and SROI that has been gained should be greater than zero, which signifies the worthiness of the investment. In this report, this will be referred to as the “social return value per investment amount”.

3) Sensitivity Analysis

The analysis is conducted to find uncertainties in investment, which are incurred from uncontrollable factors such as changes in net cashflows of the project due to changes in wages, raw material prices, transport fees, etc.

4) Payback Period (Optional)

The payback period is used to identify the efficiency of the investment, i.e., the time by which the desired return is reached.

SROI can be analyzed by means of collection of data related to costs of project implementation for calculation with social returns that have been actually incurred. The social returns incurred will be calculated from financial values obtained by the team of evaluators from in-depth interviews.

5.1 Estimating Costs

KBank’s implementation of the AFTERKLASS Project, compiled by the project implementers, is presented in Table 4 below:

Table 4: Costs of AFTERKLASS Project

Detail of Costs	Amount
Total implementation cost of AFTERKLASS Project in 2022	Baht 12,000,000.00

Source: Team of project evaluators (2023)

5.2 Estimating Benefits

Social returns incurred under the project are analyzed with the stakeholder group of youths or students, who constitute an important target group of the project. Each item of return has been obtained from in-depth interviews conducted by the team of project evaluators with 258 youths or students. These benefits in financial values, which will be used in SROI analysis, are detailed in the following Table 5.

Table 5: Returns of AFTERKLASS Project

Returns	Calculation Methods	Values (THB)	Remarks
Knowledge gained from the project	Value of knowledge can be calculated from youths or students' willingness to pay for activities under the project, including: (1) workshops; (2) Business Kamps; and (3) articles and others. The evaluators collected data from 258 youths with details as below.	-	Data in all Remarks columns will be used by the evaluators in the calculation of social returns in Item 5.3 (Sensitivity Analysis).
	There were 164 youths who provided the values of workshops at Baht 100 – Baht 15,000. The average of such values stood at Baht 1,196.73, which was multiplied by the number of active youths on the project platform, i.e., Baht $1,196.73 \times 2,263 =$ Baht 2,708,207.53.	2,708,207.53	In this calculation, the evaluators used the average value to be multiplied by the number of data providers. However, if the evaluators had calculated from the aggregate sum of values of activities provided by the

Returns	Calculation Methods	Values (THB)	Remarks
			participating youths, the total amount would have been Baht 197,463.00.
	There were 118 youths who provided the values of Business Kamps at Baht 100 – Baht 6,000. The average of such values stood at Baht 1,239.34, which was multiplied by the number of active youths on the project platform, i.e., Baht $1,239.34 \times 2,263 =$ Baht 2,804,624.12.	2,804,624.12	In this calculation, the evaluators used the average value to be multiplied by the number of data providers. However, if the evaluators had calculated from the aggregate sum of values of activities provided by the participating youths, the total amount would have been Baht 146,293.00.
	There were 145 youths who provided the values of articles at Baht 100 – Baht 7,500. The average of such values stood at Baht 627.77, which was multiplied by the number of active youths on the project platform, i.e., Baht $627.77 \times 2,263 =$ Baht 1,420,648.97.	1,420,648.97	In this calculation, the evaluators used the average value to be multiplied by the number of data providers. However, if the evaluators had calculated from the aggregate sum of values of activities provided by the

Returns	Calculation Methods	Values (THB)	Remarks
			participating youths, the total amount would have been Baht 92,246.00.
	There were 115 youths who provided the values of workshops at Baht 100 – Baht 8,000. The average of such values stood at Baht 1,066.51, which was multiplied by the number of active youths on the project platform, i.e., Baht $1,066.51 \times 2,263 =$ Baht 2,413,519.02.	2,413,519.02	In this calculation, the evaluators used the average value to be multiplied by the number of data providers. However, if the evaluators had calculated from the aggregate sum of values of activities provided by the participating youths, the total amount would have been Baht 122,649.00.
Reduction of expenses or increase in income following behavioral changes	Reduction of expenses or increase in income following behavioral changes can be calculated from (1) increased saving per month after participation in the project; (2) reduction of unnecessary expenses per month after participation in the project; and (3)	-	-

Returns	Calculation Methods	Values (THB)	Remarks
	reduction and restructuring of unnecessary debts after participation in the project. The evaluators collected data from 258 youths with details as below.		
	There were 208 youths who could increase their monthly saving by Baht 72 – Baht 480,000 per year, which totals Baht 2,750,724.00 per year.	2,750,724.00 per year	This behavior of monthly saving increase has already excluded the attribution of youths' knowledge gained from other projects.
	There were 142 youths who could reduce their unnecessary monthly expenses by Baht 240 – Baht 240,000 per year, which totals Baht 1,232,664.00 per year.	1,232,664.00 per year	This behavior of monthly expense reduction has already excluded the attribution of youths' knowledge gained from other projects.
	There were 17 youths who could reduce and restructure their unnecessary monthly debts by Baht 240 – Baht 7,200 per year, which totals Baht 46,560.00 per year.	46,560.00 per year	This behavior of monthly debt reduction and restructuring has already excluded the attribution of youths' knowledge gained from other projects.

Returns	Calculation Methods	Values (THB)	Remarks
Value of business and income generated from businesses created by youths via application of knowledge gained from the project	Value of business and income generated from businesses created by youths can be calculated from data obtained from the questionnaires, which revealed that there were 63 youths who could generate income of Baht 600 – Baht 480,000 per year, totaling Baht 2,334,210.00 per year.	2,334,210.00 per year	Value of business and income generated from business created by youths have already excluded the attribution of youths' knowledge gained from other projects.
Total		15,711,157.64	

Source: Team of project evaluators (2023)

After data collection and analysis of impacts on the key stakeholders, or the participating youths or students, as well as determination of ratio under the base case scenario from the in-depth interviews with the teachers, the team of evaluators conducted calculation of the values of social returns, which can be summarized as shown in Table 6.

The achievement of outcomes has been found to decline each year after the project termination, and the measurement of such achievement will be conducted on a yearly basis. However, as the AFTERKLASS Project implementation terminated in 2022, the drop-off rate has not yet been found. Therefore, the Net Present Value stood at Baht -4,607,762.59.

From calculation of SROI via comparison of total NPV of Baht 3,711,157.64 and the investment value of Baht 12,000,000, it has been found that each Baht 1 of investment in the AFTERKLASS Project could generate social returns of Baht 1.31, with a discount rate of 5.8 percent, based on Thailand's inflation rate in 2022.

Table 6: Summary of SROI Analysis of AFTERKLASS Project

Discount rate of 5.8%			
Costs (THB)	Benefits (THB)	Net Present Value (NPV) (THB)	Social Return Value per Amount Invested
12,000,000	15,711,157.64	3,711,157.64	1.31

Source: Team of project evaluators (2023)

5.3 Sensitivity Analysis

Social returns of the AFTERKLASS Project must be analyzed to find the volatilities and sensitivity of the project investment caused by uncontrollable factors. Such analysis will measure the project's flexibility and resilience to changes, while the social returns incurred remain worthwhile for the investment. As concerns the uncontrollable factors, they are related to the project costs and social returns incurred by the project.

1) Increases in project costs

The costs incurred are crucial to project implementation and are the factor that can change consistently. Any increases in the costs will minimize the worthiness of project investment. An analysis of volatility revealed that the AFTERKLASS Project is able to withstand such cost increases at the maximum of 30.92 percent of total present costs, while the social returns incurred remain worthwhile for the investment.

2) Decreases in social returns

Social returns of the AFTERKLASS Project are another factor that can induce changes. Due to multiple methods of calculation, any decreases in the social returns will minimize the worthiness of project investment. An analysis of volatility revealed that the AFTERKLASS Project is able to withstand such decreases at the maximum of 23.62 percent of social returns, with the present discount rate, while the social returns incurred remain worthwhile for the investment. In addition, given calculation of social returns from the aggregate sum of activity values, including Baht 197,463.00 for workshops plus Baht 146,293 for Business Kamps, Baht 92,246.00 for articles and Baht 122,649.00 for activities, totaling Baht 558,651.00, the project returns will stand at Baht

6,922,809.00 and the NPV at -5,077,191.00. Meanwhile, every Baht 1 invested in the project incurs a social benefit value of Baht 0.58.

6. Report of Social Outcomes of AFTERKLASS Project

Report on social outcomes is made in addition to SROI analysis by the evaluators per Table 3, using the Non-SROI indicators with the following details:

There are 2,263 active youths in the AFTERKLASS platform. From data collection via questionnaires from 258 participants, it was found that 208 youths could change their behaviors, including (1) 208 youths with increased saving (80.62 percent); (2) 142 youths with less unnecessary expenses (55.04 percent); (3) 17 youths with reduced debts or debt restructuring (6.59 percent); and (4) 101 youths with investment in different channels to earn returns from such funds (39.15 percent). However, an analysis of questionnaires also revealed that 67 youths had viewed content from data sources or attended training under projects with content similar to the AFTERKLASS Project (25.97 percent), and 191 youths had never viewed content from data sources or attended training under projects with contents similar to the AFTERKLASS Project (74.03 percent).

In addition, there were 96 youths or students grouping for data exchange or joint activities (37.20 percent), including (1) 36 youths grouping via social media, e.g., Line or Facebook to share information and knowledge (37.50 percent); (2) 7 youths grouping for participating in contests or competitions to win awards (7.29 percent); (3) 6 youths grouping for jointly running businesses (6.25 percent); and (4) 47 youths grouping for other purposes (48.96 percent).

As for business operations, 70 youths applied knowledge gained from the AFTERKLASS Project to generate income or run businesses (27.24 percent); income generated by such business is shown in 5.2 Estimating Benefits.

Finally, the analysis of questionnaires pointed out that 201 participating youths had their own financial targets (78.21 percent), 175 of whom stated that the AFTERKLASS Project had helped them achieve their financial targets (67.82 percent).