

## PEER REVIEW HISTORY

BMJ Open publishes all reviews undertaken for accepted manuscripts. Reviewers are asked to complete a checklist review form (<http://bmjopen.bmj.com/site/about/resources/checklist.pdf>) and are provided with free text boxes to elaborate on their assessment. These free text comments are reproduced below.

### ARTICLE DETAILS

<b>TITLE (PROVISIONAL)</b>	Valuing the impact of health and social care programs using social return on investment analysis: how have academics advanced the methodology? A systematic review
<b>AUTHORS</b>	Hutchinson, Claire; Berndt, Angela; Forsythe, Deborah; Gilbert-Hunt, Susan; George, Stacey; Ratcliffe, Julie

### VERSION 1 – REVIEW

<b>REVIEWER</b>	Michelle Farr NIHR CLAHRC West, University of Bristol
<b>REVIEW RETURNED</b>	23-Apr-2019

<b>GENERAL COMMENTS</b>	<p>This is an interesting paper, systematically assessing the extent to which academics have used the SROI methodology, how it has been developed and the quality of reporting SROI methods. Overall the paper is well written, considered in its approach, and well detailed. I suggest the following considerations which may improve the paper further.</p> <ol style="list-style-type: none"><li>1. I was unsure why the authors used the term "social enterprise sector" to describe health and social care, as health and social care is provided in a diversity of ways internationally. Would other health and social care organisations, beyond social enterprises also use SROI? Is the concept of social enterprise actually needed, when the authors are specifically focussing on health and social care services?</li><li>2. The paper covers some of the methodological and theoretical weaknesses of SROI. However there are more limitations to this methodology than those cited by the authors. Other weaknesses not covered include:<ul style="list-style-type: none"><li>- The monetary focus of SROI may be at odds with social enterprise values (Millar and Hall 2012). Tackling social inequalities and injustices may be difficult to monetise and put values to (Farr and Cressey 2019). The SROI ratio may be one-dimensional (Gibbon and Dey 2011).</li><li>- it is difficult to identify what causes particular social outcomes, and calculating attribution, deadweight, displacement, and drop-off are often subjective. However these figures are major contributors to a SROI ratio (Mook et al. 2015b; Moody, Littlepage, and Paydar 2015)</li><li>- SROI methods may not work for non-profit activities such as advocacy, community building, and campaigning (Maier et al. 2015).</li></ul>I wonder how much these various weaknesses account for lack of academic uptake? See point 6 below.</li><li>3. How do the authors define health and social care? Mook et al (article ref 28, not 2015b below) is described as a furniture bank for people transitioning out of homelessness. However, I wonder if a</li></ol>
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furniture bank is a welfare service as opposed to a care service? It would be helpful to have clear reference to the authors' definition of health and social care (apologies if I have missed this)

4. The line beginning "Furthermore, Pathak and Dattani [18]..." on p.6 is not clear to me. How does attracting funding relate to critical theory? Looking at ref 18, Pathak and Dattani reference this argument to Nicholls 2009, who explains how reporting data enacts control mechanisms which relates to critical theory. I think this sentence needs reworking with additional reference to Nichols (2009) and further accurate explanation of how different functions relate to these approaches.

5. Did any of the articles analysed report that they sourced values from the Global Value Exchange?  
<http://www.globalvaluexchange.org/> My understanding is that the SROI network are trying to encourage the use of shared metrics and values. This relates to the argument at the top of p.11 on the range of outcomes and attribution of values.

6. I would have liked to see some further discussion and conclusion as to whether the papers reviewed link their discussions to the weaknesses and limitations of SROI. Is one of the reasons why academics are not adopting this method more wholeheartedly related to some of its methodological and theoretical shortcomings? I wonder if SROI is preferred more by practitioners than academics, so it would be interesting to tease these issues out further if possible. Interestingly and related to this paper, WHO have also been more recently considering use of SROI  
[http://www.euro.who.int/\\_\\_data/assets/pdf\\_file/0009/347976/20170828-h0930-SROI-report-final-web.pdf?ua=1](http://www.euro.who.int/__data/assets/pdf_file/0009/347976/20170828-h0930-SROI-report-final-web.pdf?ua=1)  
 I hope these suggestions and references can help develop the paper's arguments. It's an interesting debate around this methodology. All the best with the development and publication of the paper.

**Additional References**

Farr, M & Cressey P (2019) The social impact of advice during disability welfare reform: from social return on investment to evidencing public value through realism and complexity, *Public Management Review*, 21:2, 238-263, DOI: 10.1080/14719037.2018.1473474

Gibbon, J., and C. Dey. 2011. "Developments in Social Impact Measurement in the Third Sector: Scaling up or Dumbing Down?" *Social and Environmental Accountability Journal* 31 (1): 63–72. doi:10.1080/0969160X.2011.556399.

Hamelmann C, Turatto F, Then V, Dyakova M. Social return on investment: accounting for value in the context of implementing Health 2020 and the 2030 Agenda for Sustainable Development. Copenhagen: WHO Regional Office for Europe; 2017 (Investment for Health and Development Discussion Paper).  
[http://www.euro.who.int/\\_\\_data/assets/pdf\\_file/0009/347976/20170828-h0930-SROI-report-final-web.pdf?ua=1](http://www.euro.who.int/__data/assets/pdf_file/0009/347976/20170828-h0930-SROI-report-final-web.pdf?ua=1)

Maier, F., C. Schober, R. Simsa, and R. Millner. 2015. "SROI as a Method for Evaluation Research: Understanding Merits and Limitations." *Voluntas* 26 (5): 1805–1830. doi:10.1007/s11266-014-9490-x.

Mook, L., J. Maiorano, S. Ryan, A. Armstrong, and J. Quarter. 2015b. "Turning Social Return on Investment on Its Head." *Nonprofit Management and Leadership* 26 (2): 229–246. doi:10.1002/nml.21184.

Nicholls, A. (2009), "We do good things, don't we?: blended value accounting in social entrepreneurship", *Accounting, Organisations and Society*, 34 (6/7): 755-769.

<b>REVIEWER</b>	Brendan Collins University of Liverpool, UK
<b>REVIEW RETURNED</b>	22-May-2019

<b>GENERAL COMMENTS</b>	<p>This systematic review looks at academic papers that have used social return on investment (SROI) which is a societal level accounting method which originated with the Roberts Foundation in San Francisco. There is a divide with a lot of health economists thinking SROI is not robust, or that it is basically the same as cost benefit analysis. I am probably in a minority of health economists who also think that SROI has a place. SROI claims to put a financial value on outcomes which are typically not valued, but some would argue that cost benefit analysis can do this. I think this paper is tricky because a lot of the debate and development of SROI happens outside of the academic literature – for instance I think this piece by Daniel Fujiwara is important and could possibly be cited (<a href="https://www.simetrica.co.uk/single-post/2015/08/11/The-Seven-Principle-Problems-of-SROI">https://www.simetrica.co.uk/single-post/2015/08/11/The-Seven-Principle-Problems-of-SROI</a>)</p> <p>Overall I think this study makes a useful contribution to the literature and I like the checklist that the authors have developed. There is one more paper that I think would be eligible but this unfortunately came out after the search, but this is a perennial problem with SRs: <a href="https://academic.oup.com/gerontologist/advance-article/doi/10.1093/geront/gny147/5203293">https://academic.oup.com/gerontologist/advance-article/doi/10.1093/geront/gny147/5203293</a></p> <p>Specific points</p> <p>P 4 Line 38 – I think I would call these adjustments rather than discounts</p> <p>P 5 line 44 – people typically have to pay for training and assurance, so cost may be prohibitive as well.</p> <p>P 6 line 45 spelling PRISMA</p> <p>P 13 line 14 “The lack of sensitivity analysis raises the likelihood of bias in the final reported SROI ratio as the impact of various assumptions throughout a study is unknown.” I kind of see this, but lack of sensitivity analysis doesn’t change the point estimate of the SROI ratio, although not knowing the effect of changing these parameters may make it hard to see where researchers might have ‘gamed’ the parameters to maximise SROI.</p> <p>P19 line 54 PRISMA spelling</p> <p>I would be happy to write an editorial about this paper if you publish it.</p>
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### VERSION 1 – AUTHOR RESPONSE

#### Manuscript ID bmjopen-2019-029789: Revision: Response to Reviewer’s comments

<b>Reviewer 1 Comments</b>	<b>Response</b>
1. I was unsure why the authors used the term "social enterprise sector" to describe health and social care, as health and social care is provided in a diversity of ways internationally. Would other health and social care organisations, beyond social enterprises also use SROI? Is the concept of social enterprise actually needed, when the	<p>Changed to ‘health and social care sector’</p> <p><b>Abstract</b></p> <p>Wording change to remove reference to social enterprise sector – replaced with ‘studies conducted in the health and social care sector’</p>

<p>authors are specifically focussing on health and social care services?</p>	<p><b>Page 6, last sentence of Background section.</b></p>
<p>2. The paper covers some of the methodological and theoretical weaknesses of SROI. However there are more limitations to this methodology than those cited by the authors. Other weaknesses not covered include:</p> <ul style="list-style-type: none"> <li>- The monetary focus of SROI may be at odds with social enterprise values (Millar and Hall 2012). Tackling social inequalities and injustices may be difficult to monetise and put values to (Farr and Cressey 2019). The SROI ratio may be one-dimensional (Gibbon and Dey 2011).</li> <li>- it is difficult to identify what causes particular social outcomes, and calculating attribution, deadweight, displacement, and drop-off are often subjective. However these figures are major contributors to a SROI ratio (Mook et al. 2015b; Moody, Littlepage, and Paydar 2015)</li> <li>- SROI methods may not work for non-profit activities such as advocacy, community building, and campaigning (Maier et al. 2015).</li> </ul> <p>I wonder how much these various weaknesses account for lack of academic uptake? See point 6 below.</p>	<p>Thank you for your suggestions to strengthen this section of the paper. The weaknesses have been extended to briefly summarise debates in relation to philosophical, theoretical and practical issues. We have added some of the references suggested by yourself and Reviewer 2. <b>Page 5, paragraph 1</b></p>
<p>3. How do the authors define health and social care? Mook et al (article ref 28, not 2015b below) is described as a furniture bank for people transitioning out of homelessness. However, I wonder if a furniture bank is a welfare service as opposed to a care service? It would be helpful to have clear reference to the authors' definition of health and social care (apologies if I have missed this)</p>	<p>We find that the definition of social care can be quite broad and may also be influenced by national perspectives to some degree. We have added a definition to <b>Page 7, inclusion and exclusion criteria</b> which we hope provides greater clarity.</p>
<p>4. The line beginning "Furthermore, Pathak and Dattani [18]..." on p.6 is not clear to me. How does attracting funding relate to critical theory? Looking at ref 18, Pathak and Dattani reference this argument to Nicholls 2009, who explains how reporting data enacts control mechanisms which relates to critical theory. I think this sentence needs reworking with additional reference to Nichols (2009) and further accurate explanation of how different functions relate to these approaches.</p>	<p>This sentence has now been deleted as the theoretical challenges are highlighted in the section above addressing weaknesses overall.</p>
<p>5. Did any of the articles analysed report that they sourced values from the Global Value Exchange? <a href="http://www.globalvaluexchange.org/">http://www.globalvaluexchange.org/</a></p>	<p>There was no evidence that any of the authors used Global Value Exchange, or any other social values bank (such as HACT) in</p>

<p>My understanding is that the SROI network are trying to encourage the use of shared metrics and values. This relates to the argument at the top of p.11 on the range of outcomes and attribution of values.</p>	<p>identifying suitable financial proxy values. We have added extra sentences to this effect on <b>Page 12, paragraph 2 and Page 15, Discussion, paragraph 1</b>. Thank you for raising this point.</p>
<p>6. I would have liked to see some further discussion and conclusion as to whether the papers reviewed link their discussions to the weaknesses and limitations of SROI. Is one of the reasons why academics are not adopting this method more wholeheartedly related to some of its methodological and theoretical shortcomings? I wonder if SROI is preferred more by practitioners than academics, so it would be interesting to tease these issues out further if possible. Interestingly and related to this paper, WHO have also been more recently considering use of SROI (web link provided)</p> <p>I hope these suggestions and references can help develop the paper's arguments. It's an interesting debate around this methodology. All the best with the development and publication of the paper.</p>	<p>To address this feedback we reviewed the papers again but identify little substantial critique of SROI methodology. This is perhaps understandable as the authors may not wish to undermine the validity of their studies. However, we are aware that some authors have critiqued SROI elsewhere (e.g. Arvidson et al.,2013; Mook et al., 2015)</p> <p>We could find no evidence in the included papers that authors have sought to address previous critique of SROI other by being transparent and rigorous in their research and reporting, as would be expected of papers under peer-review.</p> <p>Thank you for your suggestions and references which have assisted us in revising this paper.</p>
<p><b>Reviewer 2 Comments</b></p>	
<p>I think this paper is tricky because a lot of the debate and development of SROI happens outside of the academic literature – for instance I think this piece by Daniel Fujiwara is important and could possibly be cited (<a href="https://www.simetrica.co.uk/single-post/2015/08/11/The-Seven-Principle-Problems-of-SROI">https://www.simetrica.co.uk/single-post/2015/08/11/The-Seven-Principle-Problems-of-SROI</a>)</p>	<p>Thank you for this reference. We have added some key points from this paper into the section highlighting some of the weaknesses of the methodology. <b>Page 5, paragraphs 1 and 2 (new reference 21)</b></p>
<p>There is one more paper that I think would be eligible but this unfortunately came out after the search, but this is a perennial problem with SRs: <a href="https://academic.oup.com/gerontologist/advance-article/doi/10.1093/geront/gny147/5203293">https://academic.oup.com/gerontologist/advance-article/doi/10.1093/geront/gny147/5203293</a></p>	<p>Thanks for bringing this paper to our attention but, yes, unfortunately this was published after our cut-off date (1<sup>st</sup> October 2018).</p>
<p>P 4 Line 38 – I think I would call these adjustments rather than discounts</p>	<p>Discounts has been replaced with the word adjustments. <b>Page 4, last paragraph.</b></p>
<p>P 5 line 44 – people typically have to pay for training and assurance, so cost may be prohibitive as well.</p>	<p>We have added “and at additional cost which may be prohibitive for some organisations” <b>Page 6, first paragraph</b></p>

P 6 line 45 spelling PRISMA	Amended
P 13 line 14 “The lack of sensitivity analysis raises the likelihood of bias in the final reported SROI ratio as the impact of various assumptions throughout a study is unknown.” I kind of see this, but lack of sensitivity analysis doesn’t change the point estimate of the SROI ratio, although not knowing the effect of changing these parameters may make it hard to see where researchers might have ‘gamed’ the parameters to maximise SROI.	We accept your point and have added some additional text to that sentence. We hope this helps with clarifying the point. <b>Page 14, last sentence of paragraph 1</b>
P19 line 54 PRISMA spelling	Amended

#### VERSION 2 – REVIEW

<b>REVIEWER</b>	Michelle Farr CLAHRC West, University of Bristol, UK
<b>REVIEW RETURNED</b>	15-Jul-2019

<b>GENERAL COMMENTS</b>	The authors have made clear changes to the article in line with reviewers suggested comments, and I recommend that the article is accepted for publication. In reviewing the article I noticed the following minor issue: Typo at p.5 (p.34) line 39: Replace “Aggravating” with “Aggregating”?
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