

THE MIDOT SEAL OF EFFECTIVENESS



Midot is a non-profit organization (NPO) working to promote effectiveness among social investors and NPOs in Israel.

We believe that in order to achieve greater impact, social investors and NPOs must constantly seek to achieve their desired outcomes and approach their daily work in a very professional and methodological way.

We aim to ensure that measuring tools in general, and the tools developed by Midot (the Hebrew word for both 'measurement' and 'virtue') in particular, will serve as fundamental components in the functioning of NPOs, and that effectiveness and impact will serve as a central criteria in the considerations of social investors (donors).

IN ORDER TO ACHIEVE THIS GOAL WE:

- ❖ Promote and facilitate **public discourse and professional workshops** on effectiveness, outcomes and impact measurement (over 300 NPOs have participated in our various workshops in 2015)
- ❖ Provide social investors and NPO management with **ratings** relating to the level of effectiveness of each NPO (as further elaborated below).
- ❖ Publish **sector reports** to assist social investors in understanding the full context of a social issue so that they can invest their resources in a way that maximizes their impact (10 mapping projects and sector reports to date)
- ❖ **Develop tools** to assist social investors and NPOs in getting a clearer understanding of their effectiveness **and provide services** to assist them in achieving greater impact. Midot's list of clients consists of, among others, philanthropic funds, business corporations such as Google Israel and other companies, the Israeli Ministry of Finance as well as other clients.

OUR RATING PROCESS



Midot's evaluation process evaluates the likelihood of a given NPO to **BECOME EFFECTIVE**, namely, its ability to create social value and improve the lives of their beneficiaries. The rating process of NPOs is based on a methodology which was developed after examining various strategies practiced around the world for organizational evaluation, and while engaging in an ongoing discourse with different organizations, donors, and critics.

Up to date, Midot has conducted about **300 RATING PROCESSES**, reflecting a turnover scope of more than 3 billion NIS (out of which about two-thirds managed to successfully complete the process). As of today, some 150 NPOs are valid holders of Midot Seal of Effectiveness (this seal is granted for a period of two-three years).

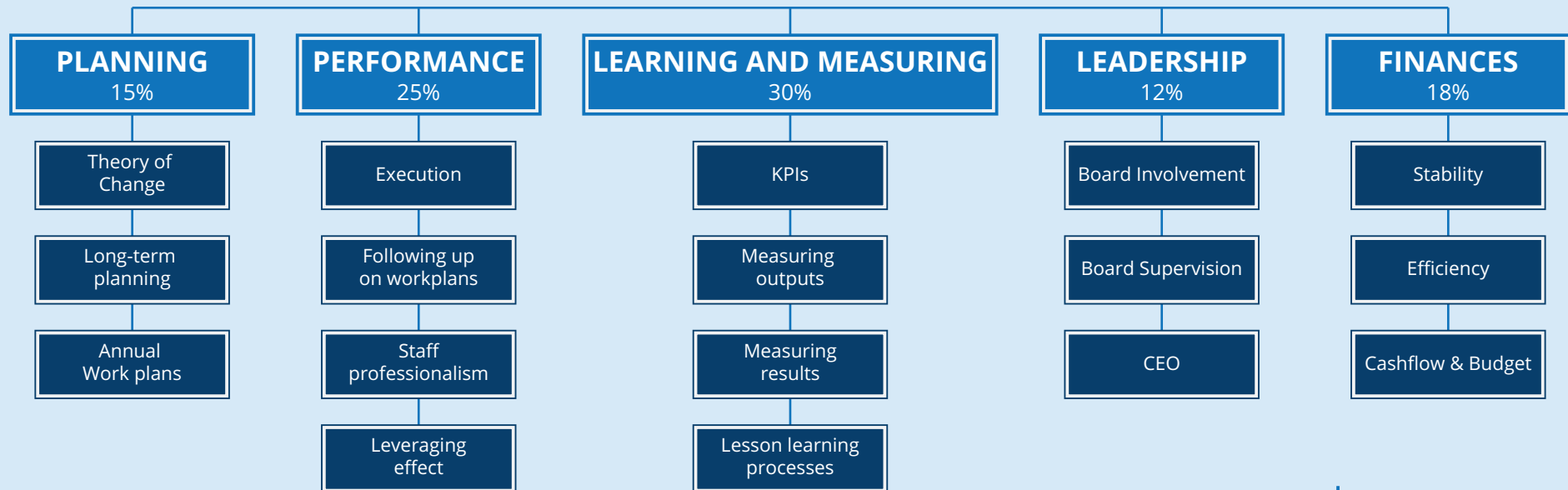
The process is based on a **SELF-ASSESSMENT PROCESS** of the NPO, which is then submitted to Midot for validation based on supplemental documentation, questioners and interviews.

The process is carried out with a **FULL COOPERATION OF THE EXAMINED NPO**.

As part of this process, the examined organization commits to an effort of self-improvement which can later benefit from it in various aspects. Such organization may employ the examination process as an instrument for future improvement, while relying on an external and objective expert opinion (which is based on generic principles).

In addition, the Midot Seal of Effectiveness, which is awarded to NPOs who have successfully completed the process, serves a sign of **PUBLIC RECOGNITION** of the effectiveness of the activities performed by such NPO.

WHAT WE EXAMINE



The social analyst gathers and compiles the information from various sources (the information may derive from the NPO itself or from external databases), in a generic and methodical manner, based on a pre-determined methodology. The social analyst then processes the information into a detailed overview of the NPO, for the purpose of reaching a conclusion regarding the potential of the effectiveness and influence of that NPO. This enables a rational decision making process to take place – both on part of decision makers within the NPO and by external stakeholders.

In addition, other factors are examined throughout the process albeit not being weighed in the final score, such as the creation of social value, ethics, transparency and the work of the auditing entity.

THE ANALYSIS PROCESS



SELF-EVALUATION BY THE NPO: According to the Midot self-assessment tool.

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ADDITIONAL DOCUMENTATION: Theory of change, strategic planning and annual work plan; data regarding the NPOs performance, evaluations of outputs and outcomes; Financial documents such as the NPO's budget for the current year, a budget utilization report for the previous year, cash-flow management file; Minutes of the BOD and auditing committee, etc.

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QUESTIONNAIRES: Designed by Midot to complete necessary data regarding the NPO, profile, ethics, financial aspects and main processes.

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INTERVIEWS: with the CEO, Chairman of the BOD, professional staff etc.

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ONLINE SURVEYS: Midot sends online anonymous questionnaires to the NPO's employees and/or volunteers and to the members of the board of director.

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INFORMATION PROCESSING AND VALIDATION: The social analyst examines, assesses and processes all the information gathered from various sources and integrates it into a single score for each examined topic .A different analyst validates the score given based on the data that was gathered. When the validation process is concluded, Midot reaches its internal decision on whether or not to award the Midot Seal of Effectiveness.

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PROCESS SUMMARY: The NPO receives a summary letter, which specifies the main issues identified during the examination process and offers suggestions for improvement. The NPO is then invited to a summary meeting with the social analyst and Midot CEO.