



HONESTY

REPORT

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# HONESTY REPORT

## ABOUT THE AUTHORS

This report has been written with the support of Inês Moreira and Margarida Ferreira da Silva, under the supervision of Clara de Bienassis and Sophie Robin, who are Stone Soup partners. The team have analysed Stone Soup Consulting's data from consultants and clients taken from many sources, **over the time period of 2016 to 2018.**

The two other partners of Stone Soup, Claudia Pedra and Rosa Matos, have also contributed to the information and writing of the report, as did Administrative and Financial Assistant, Sofia Marques. Finally, Rowena Hennigan, Stone Soup Consulting's Communication Officer at the time, edited this report.



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## ACKNOWLEDGEMENT

Stone Soup Consulting is grateful to all consultants and clients who have kindly supported the production of this report by sharing relevant information, their views and recommendations for our continuous improvement. Moreover, we would like to thank Maria Inês Lapa for her work and support during the project.

## WHY AN HONESTY REPORT?

Since 2008, Stone Soup Consulting has been working on impact assessment projects for our clients so we know how important it is to manage an organisation's social impact and continually strive for improvement. We also consider it is crucial to share those results, in a clear report. In line with [Social Value International's good practices](#) on reporting and true to our values on accountability and transparency, Stone Soup has produced this second edition of a social impact evaluation report (which we call Honesty Report), which not only states the positive results and impacts, but also any of the errors we have made over this three year reporting period and improvements we can make in the future. We do this to reflect, assess our performance, ask for feedback, and acknowledge our achievements and downfalls. The aim is for us to continue to improve and learn from our mistakes. This is our Honesty Report.

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# HONESTY REPORT

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# FOREWORD

## THE PATH TO HONESTY

The path to honesty in life has many challenges, dilemmas, hardship, discussions, conflicts and debate. It needs strength of character and decisiveness. It needs to be anchored in strong values and ethics. That means it is not always the easiest of paths.

*“Caminante no hay camino, se hace camino al andar”* [Traveller there is no path, you make the path as you go]. I always liked this poem by Antonio Machado. Maybe because despite all the planning, life often throws you some curve balls. Dilemmas are a good example. They are hard, they leave you wondering and pondering, they challenge your ethical boundaries.

In the last ten years, Stone Soup Consulting has faced several dilemmas. People asking us to bend the rules and the law... just a bit. Transparent processes could then start to turn shady and unclear. Some conflicts of interest arose. Grounded in our values, we faced each challenge one by one, trying to keep the company as ethical as we envisioned, carving our route through these distractions and temptations. Ten years later we are proud to be a B Corp<sup>1</sup>, to have published an [ethical code](#), and taking this journey in our own honest way. This report celebrates that journey. And true to the honesty we speak of, once again (this is its second edition), alongside our achievements, results and impacts, we include our shortcomings and mistakes. We are truly ready to learn from them using this process.

As Stone Soup Consulting grows in size, it faces new challenges. It can be a struggle to maintain a close relationship with clients, to manage a thriving community of consultants spread all over the world, and to make sure that all projects are of a high quality. It makes us review and challenge our governance models, reconsider our internal organisation, try to find a delicate balance between being an efficient and effective company, and continue to grow and expand without compromising values. In the last ten years, Stone Soup worked with 149 clients in 20 countries, in Africa, America and Europe, carrying out over 200 projects and trainings. We have had the privilege to work with many different types of clients, not only in size but beneficiaries and area of work, from social to cultural and environmental NGOs, foundations, companies, universities, municipalities and public institutions. In the last two years, in particular, Stone Soup grew over 80% in sales. This growth created new opportunities and conditions to strengthen our ability to generate more social impact and realise our own Theory of Change. We thank all our clients for their continued trust and support along the way.

A special note of appreciation to our consultants (49 in 12 different countries, in 2019) that are the arms, legs and brains of a company that values capacity building, flexibility, knowledge sharing, ethics, dignity and human rights. They embody our principles and put the client's needs at the centre of their work, balancing high technical skills with key human values. Amazing to see that no matter how diverse their backgrounds, age, gender, cultures, etc. they still encapsulate the ethos we strive to maintain.

Our path to Honesty would not be complete without sharing it with all of you and being transparent. We hope you can continue to walk along with us on this path, side by side, sharing with us the diversity of stories that make our path of life such a rich story to tell. It has been a fun and enticing journey! Please enjoy reading about it.

Cláudia Pedra  
Managing Partner, Stone Soup Consulting



*Cláudia Pedra is the Managing Partner and Stone Soup Consulting co-founder. She has a degree in international relations and a masters in Strategy. Cláudia has been working in the Third Sector for over twenty years in the human rights field and worked in international organisations such as the United Nations High Commissioner for Refugees and International Organisation for Migrations as a consultant and researcher.*

*For six years she was the CEO of Amnesty International Portugal. She has over fifteen years experience in Third Sector management and created a Post-Graduate course on Strategic Management for Third Sector Organisations. She was also Coordinator of the Technical Team of Bolsa de Valores Sociais in Portugal. Today, she is the Director of the Network for Strategic and International Studies, a human rights think tank. In Stone Soup, Cláudia has coordinated projects on fundraising, strategic planning, scaling up strategies and social impact assessments.*

1 - See section 5 → [Stone Soup Achievements since 2016](#).

# STONE SOUP FACTS AND FIGURES (2016-2018)

## OPERATIONAL PERFORMANCE 2016-2018

42 NEW CLIENTS  
39 REPEAT CLIENTS

81 CLIENTS in 14 COUNTRIES

202 CONSULTANCY PROJECTS AND TRAININGS

100% of training participants INCREASED KNOWLEDGE

GREW OVER 80% IN SALES

49 CONSULTANTS in 12 COUNTRIES

Certified Best For The World 2018 Customers Honoree  
Best for World 2018

CODE OF ETHICS ADOPTED by the Stone Soup Community in 2018

STONE SOUP ACADEMY founded in 2017

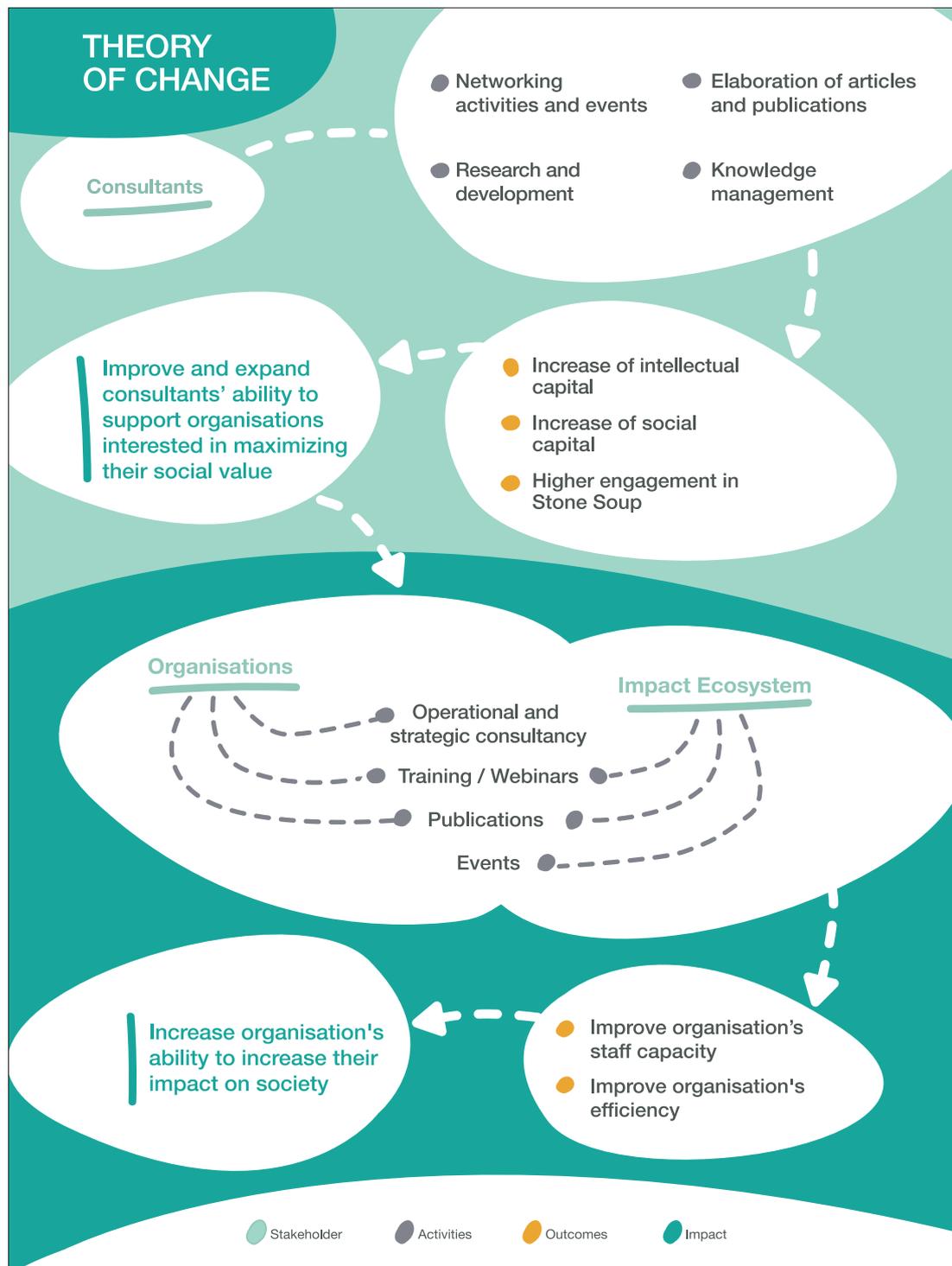


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OUR MISSION  
AND THEORY  
OF CHANGE

Since its foundation in 2008, Stone Soup Consulting is a socially-driven international company whose mission is to help optimise organisations and initiatives through collective processes of strategy creation and implementation, so that they achieve their greatest possible impact. Stone Soup Consulting is aware that it can only deliver its value proposition through its consultants, who work with this same agreed values and social commitment.

Our Theory of Change is to increase entrepreneurs' and organisations' positive impacts through strategic consultancy processes that improve their efficiency and effectiveness, thus generating improved services and more impact in the communities they serve (please find the graphic representation of our Theory of Change below).



## HOW WE WORK WITH OUR CLIENTS

To maximise clients' social impact, Stone Soup Consulting acts as a partner rather than a pure advisor, engaging with clients in the development of all stages during project implementation. This strategic way of working allows us to understand the human factors behind the organisations: individuals, relationships and culture. By sharing processes in strategy creation and implementation, Stone Soup Consulting and its clients identify possible paths together for the organisation's development and growth. This co-creation process not only helps to improve the organisation's efficiency, but it also provides an empowering knowledge experience for its employees. This explains why our services the majority of the time include a training component, either on-the-job or through specific capacity-building activities, such as webinars or workshops. Ultimately, this process allows the organisation to improve its ability to positively impact its target groups.

## HOW WE WORK THROUGH OUR CONSULTANTS

At Stone Soup Consulting we know that we will only reach the maximum satisfaction of our clients and truly help them maximise their impact if we adequately select, prepare and retain the best consultants. These are people that hold both strong human and technical skills, and who are also convinced that both the for-profit and social sectors can learn from each other. During each consultancy, consultants act as facilitators, favouring positive and sustainable outcomes in the organization. This flexible and engaging way of working increases this consultants' intellectual and social capital as well as their engagement with the rest of the Stone Soup community. By doing so, consultants improve and expand their ability to support organisations to enlarge their social impact.

## B CORP CERTIFICATION

As a socially oriented business (certified as a B Corp<sup>2</sup>), we are committed to achieve a positive social impact through our activities. Since the last Honesty Report (2016), we have kept the same assumptions and the same theory of change and we have maintained the same research approach. As such, in this report we show how we have been achieving this mission, in the most honest and transparent way possible.



2 - See section 5 → [Stone Soup Achievements since 2016](#).



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OUR IMPACT  
SINCE 2016

# IMPACT RESULTS 2016-2018



## Areas most impacted by Stone Soup services



## A. OUR IMPACT EVALUATION METHODOLOGY

As in the case of the Honesty Report 2016, Stone Soup adhered to Social Value International's principles<sup>3</sup> during the design and compilation of this report, having as a main focus, its **two main stakeholders** – clients and consultants in the analysis.

### CLIENTS

To evaluate the main outcomes and impacts achieved by their collaboration with Stone Soup in the period 2016 to 2018, a specific methodology has been followed, incorporating quantitative and qualitative tools. The combination of the following methods strengthens the evaluation process, as the qualitative data integrate and deepen the main findings of the quantitative data:

	METHOD	→ OBJECTIVE
CLIENTS	<b>Online-based questionnaire</b> , distributed among new clients/projects since 2016 and older clients who have not participated previously in the last Honesty Report publication	Collect evidence (quantitative data) of short-term outcomes, as well as medium and long-term impacts, as a result of Stone Soup Consulting's collaboration
	<b>Semi-structured interviews</b> with a representative sample of clients invited to fill in the online questionnaire	Collect evidence (qualitative data) of the clients' perceptions about the overall experience with Stone Soup Consulting

To ensure results comparability, the online-based questionnaire and the semi-structured interview guidelines used in Honesty Report 2016 were applied. These questions provided general information about clients' collaboration with Stone Soup, as well as their perception of its usefulness, effectiveness and impact.

The online questionnaire was sent to 67 organisations, which includes new clients since 2016, repeated clients with new projects since 2016, and repeated clients who had not been interviewed for the previous Honesty Report. The questionnaire was anonymous, and the obtained response rate was 36%, having 24 clients completed it from the initial sample of 67. Additionally, a further sample of 15 organisations was individually interviewed to further explore their experience with Stone Soup. This sample was representative of the 67 chosen organisations, in terms of geographical range, client typology and type of provided service.

### CONSULTANTS

	METHOD	→ OBJECTIVE
CONSULTANTS	<b>Revision and analysis of monthly surveys</b> , distributed to all consultants' community to fill information and insights of the previous month	Collect evidence (quantitative data) of short-term engagement and involvement with Stone Soup Consulting
	<b>In-depth interviews</b> with a sample of consultants, <b>revision</b> of inputs of strategic team meetings	Collect evidence (qualitative data) of the consultants' perceptions about the overall experience with Stone Soup Consulting

3 - <http://socialvalueint.org/our-work/principles-of-social-value/>

The use of the monthly surveys enabled the collection and analysis of real-time data, making it possible to understand how consultants were experiencing the Stone Soup community. The in-depth interviews focused on consultants' expectations when joining Stone Soup Consulting, whether they were met, and the impact they feel since they joined the community. Finally, the revision of secondary data collected in team meetings enabled the incorporation of suggestions, improvements and feedback that consultants had shared ad hoc in these sessions.

The surveys for consultants are sent monthly, with responses gathered from July 2017 to July 2018. These surveys are sent to the active pool of consultants, which were, by July 2018, constituted of 45 consultants (32 women and 13 men), 4 partners and 1 assistant, based in 8 countries (Portugal, Spain, Colombia, UK, USA, Tunisia, Chile and France). The average response rate of the monthly surveys during the mentioned period was 26,5%. Moreover, in-depth interviews were conducted with three Portuguese consultants, with distinct profiles, in terms of years of experience working with Stone Soup and as independent consultants.

To promote an honest environment and to avoid bias, the 2018 Honesty Report team (Inês Moreira and Margarida Silva) were not part of Stone Soup community beforehand, and therefore they had no previous connection with the interviewees.

#### OUR STUDY'S LIMITATIONS:

We are aware that, despite our efforts to broaden the number and scope of answers, the study may be biased to the consultants who responded to the survey, who are active in engaging with the community and to the clients that have a closer relationship with us. Also, drawing comparisons with the last Honesty Report's results were not possible to its fullest extent desired. This stems from changes in our own system of collecting and reporting data, which was improved in the last two years. We aim to improve this system to enable better collecting and reporting data methods in the future.

## B. OUR IMPACT ON CLIENTS

The way we interact and work on projects with clients has not changed since 2016, as we follow the same Theory of Change<sup>4</sup> and expected outcomes. Our assumption is that, by supporting our clients in the areas where they want to improve their efficiency or effectiveness, we will **help them achieve their mission** and thus maximise their social value.

To understand our current performance with clients, in our in-depth interviews we have asked interviewees to detail a concrete change in their organisations as a result of their collaboration with Stone Soup. All the most referred changes were aligned with our current outcomes, proving that the Theory of Change, stated above, was still applicable:

- Improve the organisation's efficiency through resource optimisation, ensuring their mission and vision are better defined
- Improve staff performance and capacity related to a specific area.

Through the evaluation process we asked whether they could confirm if some or all of these outcomes and impacts had happened as a consequence of Stone Soup Consulting's intervention.

STAKEHOLDER	ACTIVITIES	OUTCOMES	IMPACTS
Client organisation	<ul style="list-style-type: none"> <li>• Support to different areas, according to the client's needs (mostly: strategy, financial sustainability and impact)</li> <li>• Training activities (on-the-job or specific workshops or trainings)</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the organisation's efficiency (B2, see below for detail)</li> <li>• Improve staff capacity related to a specific area B3, (see below for details).</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the organisation's ability to positively impact its target groups</li> </ul>

4 - See graphic on page 7 → [Theory of change](#)

## DESCRIPTION OF THE STAKEHOLDER GROUP

Our clients' needs have been following some of the main trends of the sector<sup>5</sup>. On average, from 2016 to 2018, the areas of strategy planning consultancy (30%<sup>6</sup>) and impact evaluation consultancy (32%<sup>6</sup>) were the most requested. Moreover, our client portfolio has been diversified in terms of geography: Portugal (62%<sup>7</sup>) and Spain (29%<sup>7</sup>) still represent the majority of the projects, but there were also projects in different countries, including Belgium, Cape Verde, Colombia, France, Germany, Kenya, Luxembourg, Malta, Netherlands, United Kingdom and Switzerland. In terms of client typology, NGO/international organisations (43%<sup>7</sup>), foundations (22%<sup>7</sup>) and businesses (19%<sup>7</sup>) have represented the majority of clients. Local governments and academia have asked less for Stone Soup services (10% and 4%, respectively).

### B.1 INTRODUCTION: ALIGNMENT OF PRACTICE WITH STONE SOUP CONSULTING'S VALUES

We have built our survey and interview guide to understand why clients were using Stone Soup Consulting services. When asked about the motivations for engagement with a consultancy, our interviewees have pinpointed the following as the top motivations:

- a) the need to hire an organisation with full knowledge on the country's social sector;
- b) the support to develop a strategic plan;
- 3) to conduct an impact evaluation.

In the survey, our clients stated they have chosen Stone Soup Consulting for a first-time contract based on its **reputation** in the required services (50%) and because of the **technical quality** of the team of consultants who were assigned to implement the service (42%). Moreover, 60% of the interviewed clients stated they already knew one of the partners before commissioning a project, which highlights the importance of maintaining and engaging a strong network base.

During 2017 and 2018, 125 projects (excluding trainings) were delivered. 70 of these were new clients. This confirms that many clients are coming back for more services.

**"The Stone Soup Consulting team is composed by people who truly want to see positive change in the world."**

*Interviewed Client*

As such, we have asked in our survey the reasons **for repeating contracts with Stone Soup Consulting and the technical quality of the delivered products and the human quality of the consultants were the most pointed out reasons**. Additionally, we have also asked **the reasons for not repeating contracts, and the lack of financial resources and the lack of need of services** were mostly mentioned.

We have also asked our clients what they thought were Stone Soup Consulting's main strengths and weaknesses. On the one hand, the consultant team was referred to as the key strength, having the expertise level, the availability and flexibility for the client; they were open-minded. On the other hand, the most referred weaknesses were the different levels of consultants' and insufficient time to implement projects.

Additionally, we wanted to understand what our clients thought about our offerings in terms of value for money: 20% consider it excellent, 55% good and the remaining ones, fair. In summary, our services offerings are considered good value for money by our client base, but as always in these matters, there is scope for improvement.

### B.2 OUTCOME 1: IMPROVE THE ORGANISATION'S EFFICIENCY

One of our desired outcomes is to improve our organisation's efficiency. We believe this efficiency is achieved by our clients' satisfaction with our services and by our outputs' applicability and impact on relevant organizational areas.

When asked about the usefulness of Stone Soup's contribution(s) to the organisation, the results show that 74% of our clients considered them to be very useful, while the remaining ones found them quite useful. This level of satisfaction also impacts our clients' confidence on our services, **with 90% of them stating they would recommend Stone Soup Consulting to other organizations**.

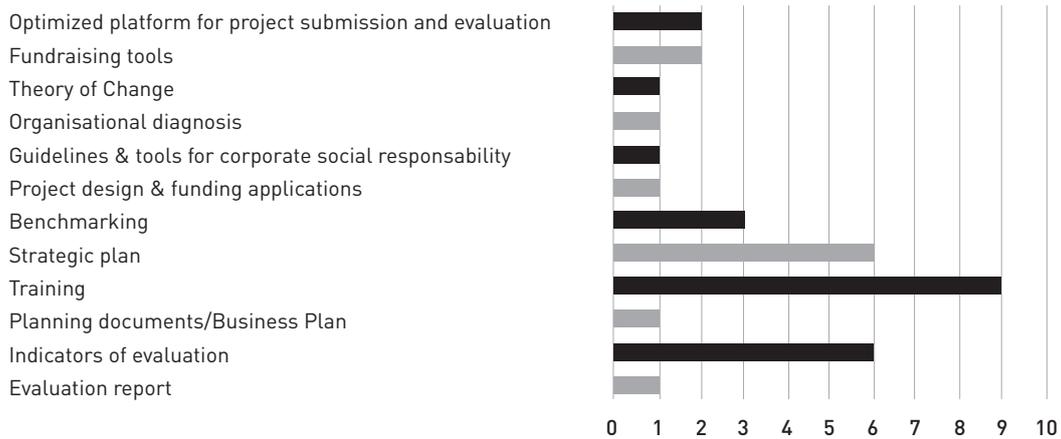
Regarding outputs; the most useful reported were: training, strategic plans and indicators of evaluation. More details in the graph below → [Next page](#)

5 - More information at (<https://www2.deloitte.com/us/en/pages/monitor-institute/articles/re-imagining-measurement-philanthropy-trends.html>).

6 - % of the total number of projects of new clients since 2016, repeated clients with new projects since 2016, and repeated clients who have not been interviewed for the last Honesty Report.

7 - % of the total number of new clients since 2016, repeated clients with new projects since 2016, and repeated clients who have not been interviewed for the last Honesty Report.

**PROJECTS' OUTPUTS**



Client respondents report that their organisational areas most impacted by our services are:

- impact measurement processes (30%),
- strategy development (fundraising, communication and marketing, organisational strategy, etc.) (26%),
- training activities (22%),
- social business model/plan elaboration/review (13%)
- operational processes (9%).

When asked if they had used **all** deliverables, many organisations (44%) said this was the case. Out of the 24 surveyed clients, one stated they have not applied used/adopted the deliverables, due to financial constraints to operationalise it. Regarding the usefulness of our collaborations, we found through the interviews that we keep on impacting areas within the organisation, rather than on changing the whole organisational way of work. Our interviewed clients reported changes like internal adjustments, strategy changes and also different perceptions of their own organisation.

In an attempt to understand the attribution effect of these changes, we have also asked if there were other factors contributing to these outcomes. Our interviewed clients have reported that those projects are integrated within their wider change processes (33%) or within a constant search for improvement and innovation (26%).

**“The greatest impact (from working with Stone Soup) is that we learn very clearly how to define the right strategies; what works and what doesn’t; what is best suited for our kind of organisation.”**

*Interviewed Client*



### B.3 OUTCOME 2: IMPROVE STAFF CAPACITIES

Two of the most important drivers to successfully implement recommendations are to ensure that our clients' team understand what is proposed and adopt the proposed changes. The way we involve and empower them to implement our recommendations is through their own capacity-building. By doing this, and as a result of the Stone Soup's project with them, our assumption is that the organisation as a whole will be able to learn and improve in a sustainable way.

Yet, only 40% of organisations that answered our survey stated there was some kind of capacity-building component for their team. On the other hand, training was indeed mentioned by 10 of the 15 interviewed organisations as a component of Stone Soup's work with them. Apart from the sample differentiation, this may mean that some clients are receiving capacity-building (on the job training and clarification of concepts; support to implementation) but are considering it formal training.

Among survey respondents, 60% stated they have applied the tools and lessons learnt from the training they had received, especially on the topics of impact measurement/management, strategic planning and communication.

If we add to the training and capacity-building, the on-the-job training components, then **80% of our clients stated that Stone Soup helped them improve the skills of some or all of the organisation's team.** The respondents have mentioned they have acquired skills in such diverse topics as impact measurement, monitoring, strategy, fundraising, facilitation and training.

**“The service provided by Stone Soup was a «Training of Trainers» and the objective was to train the team to be able to deliver a training - this was fully accomplished and currently the team is able to do the required training/workshops”**

*Survey comment*

Based on the information collected through the interviews, we have verified that clients:

- Have mostly learnt about strengthening their vision (strategic approach) and participative methodologies;
- Mostly apply their knowledge on evaluation methodologies, strategic plan definition and vision exercises (defining new perspectives and understanding the potential for impact);
- Consider tools and long-term strategies for impact and fundraising the most sustainable benefits of the collaboration.

**“We used to be too focused only on internal issues. Nowadays we are more open to engage in external events, our team is more confident and autonomous to accept invitations to promote our work. This brings a breath of fresh air to our organisation.”**

*Interviewed Client*



Photo by Rogério Silva  
at Impact Hub Lisbon

#### B4. IMPACT 2: IMPROVE THE ORGANISATION'S ABILITY TO POSITIVELY IMPACT ITS TARGET GROUPS

As stated at the beginning of this section our main assumption is that, by supporting our clients in the areas where they want to improve their efficiency or effectiveness, we will **help them achieve their mission and thus maximise their social value.**

**70% of our clients stated that the collaboration with Stone Soup had helped them increase their social impact.**

In fact, 52% of surveyed organisations said that Stone Soup's contribution had an impact on their beneficiaries, while 26% of them are unsure about this impact. These beneficiaries, or target groups, include NGOs, social entrepreneurs, companies and community.

In an attempt to quantify this impact, we have asked how many beneficiaries were impacted. Most of our respondents (both to the survey and the interviews) were unable to quantify them but were aware of the indirect impact Stone Soup had on them. Beneficiaries were sometimes people, but many times, other organisations that our clients supported within their network.

**“We focus on the impact of the work of the organisations we support. We want to help them understand how they can measure and report it. When the same entity applies to our funding two, three years in a row, we are able to see that progress - that knowledge has been internalised.”**

*Interviewed Client*

### C. OUR IMPACT ON CONSULTANTS

As stated before, our consultants are the key to successfully deliver Stone Soup Consulting's value proposition and mission. They are not only instrumental for a successful impact on our clients, but they themselves are being impacted and developed by their involvement with Stone Soup. By participating in our activities, they will improve and expand their individual ability to help our clients achieve their own impact, enabling a triple-win situation (for themselves, for organisations and for Stone Soup's mission achievement).

STAKEHOLDER	ACTIVITIES	OUTCOMES	IMPACTS
Consultants	<ul style="list-style-type: none"> <li>• Training</li> <li>• Participation in consultancy projects</li> <li>• Preparation of proposals for potential clients</li> <li>• networking activities (mostly online)</li> <li>• Participation in public events co-representing Stone Soup Consulting</li> <li>• Writing articles</li> </ul>	<ul style="list-style-type: none"> <li>• Increase of intellectual capital (C1 see below for details)</li> <li>• Increase of social capital (C2 see below for details)</li> <li>• Increase the consultants' engagement with Stone Soup Consulting (C3 see below for details)</li> </ul>	<ul style="list-style-type: none"> <li>• Improved and expanded consultants' ability to support organisations working in the social sector</li> </ul>

From the evidence collected, we were able to validate the three outcomes, with consultants confirming their increased intellectual capital, social capital and engagement with Stone Soup's Consulting. Moreover, we have also learnt that consultants value the work life balance Stone Soup Consulting allows, despite the virtual working model.

#### DESCRIPTION OF THE STAKEHOLDER GROUP

Over 40 dedicated professionals from different geographical and professional backgrounds compose our group of consultants. They have experience in many diverse areas such as communication, social impact measurement, international development cooperation and strategic business planning. Each brings something unique to our team, thus increasing the value of our contribution to our clients as well as creating interesting partnership opportunities for our consultants.

### Main reasons to join Stone Soup Consulting

When asked about their main motivations to join Stone Soup Consulting, consultants mentioned the eagerness for a new challenge, the will to join a community committed to supporting the social sector in a structured way, the opportunity to learn by doing, the chance to work with peers in specific projects and be able to work flexible hours.

**“The quality of company’s management makes me feel inspired. As a result of the teamwork I have a higher sense of integration and learn from others”**

*Consultants’ inputs*

### C.1 OUTCOME 1: INCREASE INTELLECTUAL CAPITAL

At Stone Soup, knowledge building for consultants is encouraged through participation in community activities such as webinars, trainings as well as writing publications. This enables the sharing of skills and know-how between community members. According to the consultants monthly survey, in the period between 2016 and 2018, around 14% of our consultants have written professional articles with Stone Soup. Of these, the vast majority has been written in English, with the two main subjects being related to B Corp certification and Impact/Social Investment.

Almost half of the hours consultants dedicated to Stone Soup activities were spent in consultancy projects, the rest being: business development and participation in Stone Soup meetings.

When asked what they had learned during these last two years of involvement with the Stone Soup Community, consultants value most the acquirement or development of specific skills, tools and methodologies, such as:

- impact measurement tools,
- budget management strategies,
- conducting fieldwork and interviews and
- organizational analysis

**“Stone Soup has a great pool of consultants from different backgrounds willing to work together and help each other whenever is necessary. That is something that even in social organisations is not so common to see. That is the thing that I like the most about Stone Soup.”**

*Consultants’ inputs*

The interviewed consultants have pointed out “learning by doing” with team members in each project as a major contributor to the increase of knowledge, not only on technical tools and how to apply them but also about the social sector as a whole. Being able to adapt to each client and to assist them in achieving the best result possible and develop international projects in intercultural set-ups have also been emphasized. All this contributes to the increase of consultants’ confidence when tackling new projects.

### C.2 OUTCOME 2: INCREASE IN SOCIAL CAPITAL

**“Being a consultant is 80% facilitation/mediation skills and 20% specific knowledge of the project you are working at the moment. I joined Stone Soup one year ago and I already feel a major improvement in my facilitation skills.”**

*Interviewed consultant*

As our network of consultants grows and diversifies, with members collaborating mainly at a distance, we invest in organising offline gatherings, both formal and informal, aiming to provide moments for consultants to get to know each other better, socialise and exchange experiences, strategies and perspectives.

Over the last two years, nearly half of our Consultants have attended Stone Soup events, mostly meetings focused on knowledge sharing.

Stone Soup events are highly valued by our Consultants and have almost fully reached their expectations, according to surveyed members (on a scale from 1 to 5, the average rating of these events is 4.2). They consider these face-to-face moments to be extremely enriching and crucial for improving the quality of the work done by the Stone Soup Community as a whole while providing great opportunities for socializing. The efficiency and effectiveness of these processes are also regarded as a very positive feature. Moreover, having the opportunity to meet and have access to other members’ knowledge is key to managing expectations regarding the development of new projects, as stated by the interviewed consultants.

There are some challenges to Stone Soup events however, which have been identified by survey respondents, mainly regarding little diversity of attendees. Similarly, to the previous Honesty Report's assessment, better and more frequent engagement between Community members through face to face meetings, is recommended by consultants.

According to the survey, 50% of respondents have also participated in external events through Stone Soup (44% of external events with involvement by the Stone Soup Community were attended by consultants). Almost 100% of the participating consultants have emphasised the opportunity to share knowledge and engage in productive debates as key features of these initiatives.

**“We have the possibility to get involved with people and projects from different areas and businesses, which is great for people that are curious by nature. We learn, although not exhaustively, a lot about different perspectives, management styles, strategies, relationships”**

*Consultants' inputs*

These results enable us to confirm that Stone Soup has contributed to the **increase of social capital of its members over the last two years**, and that while there is still room for improvement, there is also great potential to keep boosting consultants' social sharpness and reach.

### **C.3 OUTCOME 3: INCREASE THE CONSULTANTS' ENGAGEMENT**

Almost half of the hours consultants dedicated to Stone Soup activities were spent in consultancy projects, the rest being: business development, participation in Stone Soup meetings, etc.



We aim to improve and diversify the ways in which consultants engage with the Stone Soup Community and become a part of its core, helping to shape and improve it while growing professionally with it. To assess the extent to which this outcome has been achieved, we have looked at the activities carried out in the past two years, which we believe contribute to this community engagement.

According to our survey;

- in 2016, 45% of our pool of consultants were actively involved in projects. That number rose to 61% in 2017 and reached 51% in 2018 (when more new consultants were integrated)
- Consultants have been responsible for bringing in approximately half of the 64 new leads, in 2016-2018, on projects for Stone Soup, which illustrates a high level of commitment to expanding the Stone Soup business
- about 39% of Consultants' work hours have been mostly dedicated to networking, business development and pursuing consultancy opportunities (including developing proposals and negotiating with potential clients).
- Survey results also indicate that 29% of our consultants have implemented more than half of Stone Soup's expertise training.

**Human and professional engagement dynamics** with the Stone Soup Community **has been the most important highlight for consultants**, according to surveyed members. Examples of this are an alignment with Stone Soup values and collaborative work with other consultants and with partners.

In order to improve our work and strengthen Stone Soup as a whole we believe it is key to actively listen and discuss different perspectives on developing the Community in a sustainable way, address challenges and collaboratively build ways to overcome them. Suggestions for improvement related to Stone Soup engagement compose about 22% of all recommendations listed by our surveyed consultants. These include better management tools for collaborative projects and also improving tools for internal assessment. With this in mind over the last two years we have promoted on-site strategic meetings with consultants to present the latest achievements, discuss strategies to improve external and internal communication, diversify our services and capitalize more effectively the professional knowledge of the network as a whole while boosting their potential and creating more interesting opportunities for each member.

In line with the evaluation carried out in 2016, Stone Soup's unique structure dictates the consultants' perception of the company. Interviewed consultants have commended the flexibility this model allows (regarding hours, working remotely and professional autonomy) while also pointing out some difficulties not only of remote collaboration but also of managing work distribution.

Survey results show that over the last two years the level of satisfaction of consultants with Stone Soup has been quite high. This gives us immense gratification and confidence to keep working toward overcoming challenges and promoting our members' growth in a balanced and cohesive network.

**“Stone Soup looks at all organisations as business-based, which can generate value (distinct from charity and previous notions of social organisations)”**

*Interviewed consultant*

#### **C.4 IMPACT: IMPROVE AND EXPAND THE CONSULTANTS' ABILITY TO SUPPORT THOSE ORGANISATIONS WORKING IN THE SOCIAL SECTOR**

An important dimension of Stone Soup Consulting's theory of change is that, by improving consultants' intellectual and social capital, they become more able to support organisations working in the social sector.

Albeit a strong correlation is yet to be demonstrated, we have been able to obtain a few insights on this impact through the interviews. Participants have emphasized that working with Stone Soup Consulting has improved their capacity to impact people and organisations towards better management, being more available to consider new challenges and being better equipped to understand how to add value to their work and structure.

Consultants have witnessed an evolution of the type of collaborations developed with clients (from consultancy on specific areas to strategic partnerships, for example). Another positive aspect highlighted is the clients' ability to apply of the learned tools and methods after the collaboration with Stone Soup. This is a practice not yet adopted by every organisation, which potentially reduces the impact of the consultancy and is a differentiating factor of our company.

**“The client does not need to be always with us; Stone Soup does not promote a continuous relationship (...); clients come to us with specific needs, once they are solved, the organisations incorporate the knowledge and focus on their daily activities”**

*Interviewed consultant*

We will continue developing better tools for monitoring and assessing this particular impact in order to accurately understand how our client organisations are gaining from the expansion of our consultants' professional capital.

## D. OUR IMPACT ON THE SOCIAL ECOSYSTEM

### a. Through communications

Stone Soup Consulting's mission is to strengthen all organisations that aim to boost their social value. Therefore, efforts have been made to ensure that all the knowledge and capacity-building follow a collective approach. As such, writing articles, publishing webinars, giving trainings and participating in conferences have also been part of our activity, allowing organisations and individuals to empower themselves with knowledge on the social sector.

Additionally, our social networks are key to impact the sector, not only because they allow to expand the notoriety of Stone Soup's expertise, but also because they are a vehicle to spread our sector's good practices and innovations worldwide. By liking, commenting and sharing our publications, our followers also help on this knowledge expansion, which increases the responsibility of being an unbiased, transparent and trustworthy source of information.

It is our ambition that, with the work put into these publications, conferences, webinars, trainings and social media, our contribution towards collective knowledge in the social sector becomes relevant. However, we are aware that our inputs have still not achieved their potential in terms of global spreading. Moreover, we have not been tracking down the specific impact of these activities, by establishing links between them and the increased knowledge around a specific topic. Up until now, we have collected satisfaction surveys of our training sessions and webinars (more information on "Stone Soup Academy" subchapter) and some impact surveys. As it is possible to consult in the following table the only outputs we have been collecting are the estimated numbers of people potentially impacted.

#### SUMMARY OF ACTIVITIES:

ACTIVITY	NUMBER	TOPICS COVERED	ESTIMATED #PEOPLE POTENTIALLY IMPACTED
<b>Consultants</b> <sup>8</sup>	29	Social entrepreneurship, B Corporations, capacity building, organisational development, human resources, corporate social responsibility, social impact management and measurement, human rights, climate change, financial sustainability Say where were the articles published	<b>We have no estimation</b>
<b>Webinars</b> <sup>9</sup>	9	Fundraising, finance for social ventures, social impact measurement, microfinance, canvas business model, sustainability	<b>492 attendees</b>
<b>Training sessions</b> <sup>10</sup>	91	Social impact evaluation, fundraising, canvas business model, management of people in the third sector	<b>1448 attendees</b>
<b>Social Networks</b> <sup>11</sup>	Facebook	Social entrepreneurship, B Corporations, capacity building, organisational development, human resources, corporate social responsibility, social impact management and measurement, human rights, climate change, financial sustainability	<b>1314 likes</b>
	Twitter		<b>1272 followers</b>
	LinkedIn		<b>1194 followers</b>
	Vimeo		<b>We have no estimation</b>

For the complete list of Stone Soup's publications (including newsletters, video, press releases, articles, blog posts and other publications), please [follow this link](#).

### b. Through events: 3S Conference: Manage for Impact

The Stone Soup Series (3S) «Recipes for Impact» aim at enabling shared knowledge spaces around topics that are strategic in the social field. Organised in different formats such as events, workshops and conferences, "Recipes for Impact" are addressed to all those organisations/ entrepreneurs that want to maximize their positive social impact.

8 - Articles from Jan 2016 – Dec 2018

9 - Webinars from Jan 2016 – Dec 2018

10 - Training sessions from Jan 2016 – Dec 2018, including trainings inside and outside clients' projects that include capacity building

11 - Data retrieved on 28th December 2018

“Manage for Impact”, the first event of the series, took place in September 2018, at ESADE Business School in Barcelona, and was co-organized with [TIIME](#). More than 150 participants from 18 countries representing foundations, social purpose organisations, impact investors, social entrepreneurs, academia and service providers were present, making it the first event of its kind in Europe to unite best practice and collaborative learning.

“Intense training, switching groups in the afternoon. Great way for people to meet other, be exposed to different perspectives whilst also maintaining a unique lesson plan”

*Evaluation from a participant*

This event contributed towards the increase of intellectual and social capital of the participants, which is one of the pillars of our theory of change. The event was also a decision made to increase our systemic impact, something that was in our desire, but we had not achieved yet because we had not worked on publications, events or other things that could “make a difference”. Therefore, we were happy to confirm from our survey that **90% of participants said the event contributed to expand their horizon regarding impact measurement and management** (survey answered by 55 people, i.e. roughly a third of the event participants for both days).

For more information and feedback from participants, please check [its online report](#).



### c. Through training : Stone Soup Academy

Training is one of the most important activities carried out by Stone Soup, as it provides the clients and consultants more knowledge and capability to continue to deliver. To support this service offering, in January 2017, Stone Soup created the Stone Soup Academy.

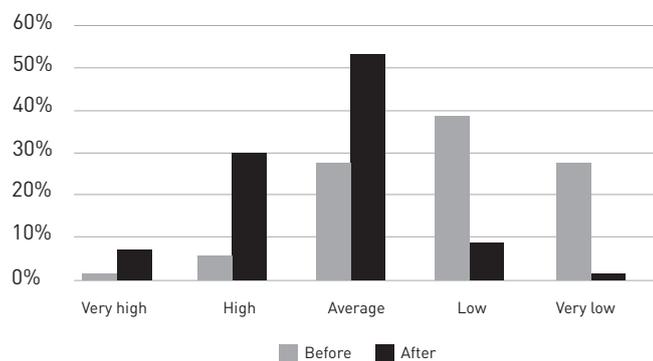
This service offers high quality training sessions aimed at leaders and managers of third sector organisations, companies, social entrepreneurs and funders. These training sessions combine academic knowledge, experience in capacity building, practical experience and case study analysis.

Stone Soup Academy has delivered **80 trainings<sup>12</sup> to 1274 people**, both virtual and physical sessions to attendees based in Colombia, Mexico, Portugal and Spain. The key training sessions delivered covered: social impact measurement/ evaluation, fundraising, business models/ plans, partnership management and strategic planning. We also delivered trainings on human resources development. These training sessions were either created and promoted by Stone Soup or they have been requested by clients, to fulfil a need, additionally to their initial project.



318 people have answered satisfaction and impact surveys on the training. Of these 318, 112 have responded to a comparable survey that allowed us to aggregate information for impact analysis purposes (which is equivalent to a 8.85% margin of error). Based on these data, we can report that 100% trainees were satisfied with our training, of which nearly 75% are very satisfied. For 99% of our trainees, the training reached their expectations. They rated particularly high the trainers (97% rated them as good or very good – with nearly 80% considered they were very good), and the content (68% very good, 28% good). The method of teaching and dynamics were rated as good, but could be further improved (54% considered them very good and 40% good, the remaining 6% considered it average). And the same goes for the tools and resources, that were rated either good (44%) or very good (44%) but nearly 10% of respondents considered it was only average. 70% respondents considered the length of the training sessions adequate, but as many as 28% considered it could be improved (most of them considered it wasn't long enough).

#### LEVEL OF KNOWLEDGE BEFORE/AFTER TRAINING



Another benefit of the Academy is that it is another method of engagement with consultants, as they are invited to deliver these training sessions. In fact, the involvement level of consultants has increased, with the number of consultants leading a training substantially increasing from 5 (in 2016) to 25 consultants (in 2018).

12 - These trainings (Jan 2016 – Dec 2018) do not include the ones delivered to clients in the scope of their projects.

#### d. Through grants : Stone Soup Award



Stone Soup Consulting also impacts the sector through the Stone Soup Award on Research in Social Innovation, which is channelled through a social responsibility fund. This fund is constituted by 1% of Stone Soup Consulting's projects value, and aims at supporting research projects linked to social innovation. This Award has already been attributed twice, when the fund has reached a minimum level for the award to be deemed significant enough by potential applicants. Up until now, it was attributed in:

2012 – [Ricardo Zózimo](#): Entrepreneurial Learning  
2015 – [Katherine Ruff](#): Materiality in Charity Reporting

In 2018, conditions were met to attribute the Stone Soup Award on Research in Social Innovation for the third time. Due to the lack of candidates, the award dedicated to research on new ways of integrating diversity in organisations (the chosen topic) was not attributed. The Stone Soup Award will therefore be re-launched in 2019 with a new research topic linking impact and educational models.

#### e. Through pro bono work & supporting the social ecosystem

As part of its business, Stone Soup Consulting does some pro bono activities that are undertaken by its partners voluntarily and without payment, i.e. using specific skills to provide services to those who are unable to afford them. In this type of work, it is worth to pinpoint our partners' involvement on:

- Supporting the growth of the social enterprise [Giraffe](#), through a 6-month programme supported by Barcelona Activa;
- Discussing GEOfundos' business model and supporting the social franchise development;
- Operationalising strategic issues of former clients, such as reviewing applications for funding, counselling on technical issues (e.g. creation of strategic goals) and supporting business development. This ties into the impact of clients on their beneficiaries;
- Advising social entrepreneurs and start-ups that are trying to create new projects or organisations or that are in the process of scaling their businesses up or scaling deep.

Apart from this pro bono work, Stone Soup Consulting has also done some work to support the social ecosystem, without financial compensation. For example:

- Leading the process of creating a membership association dedicated to promote the use of impact measurement and management in Spain, for the last two years. [ESImpact](#) has currently more than 25 members, individuals and entities, interested and actively supporting the use of impact measurement and management systems and tools;
- Participation in networking moments: Carta da Diversidade, General Assembly member of Associação Portuguesa de Promoção da Diversidade; Comunidade sem Fios and Oeiras Solidária;
- Participation in events as speaker/ trainer (e.g. in Portugal: Coca Cola; Mini Co; Negócios Sociais);
- Participation in the [Portugal Impact Group](#). During 2017 and 2018, Stone Soup participated actively in the Portugal Impact Group, bringing together key stakeholders from all sectors to support the development of the social impact agenda in Portugal. During this last period, our contribution focused on the consolidation of the Group's vision, mission and long-term strategy, the construction of the Group's guiding definition of social impact, our participation and support to the Group's steering committee and taskforces, and dynamization of spaces for the exchange of experiences and learning. In the last quarter of 2018, members finally agreed to close the Group and open-up the space for new collaboration initiatives to take shape.



4

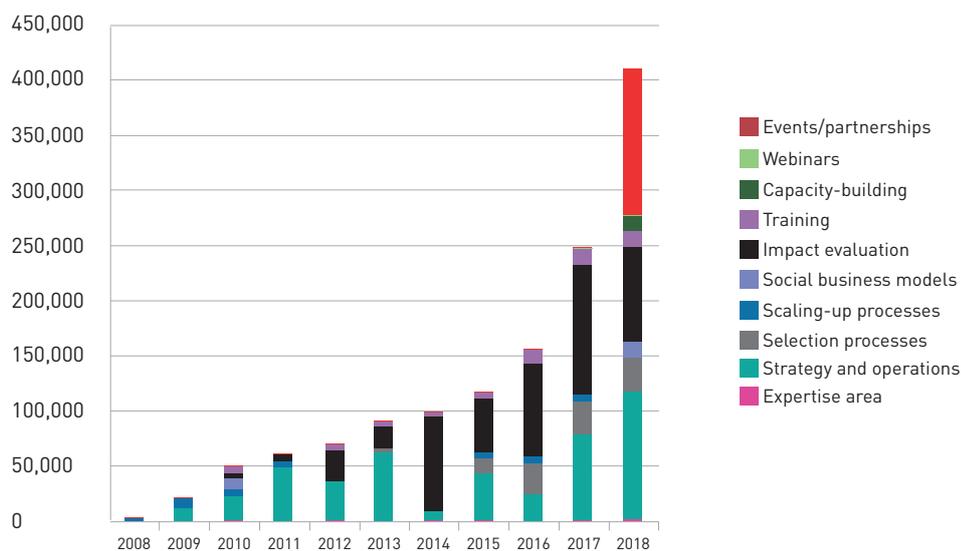
G R O W T H  
F I G U R E S  
S I N C E 2 0 1 6

The way Stone Soup Consulting does business has not changed since 2016: 1) the social mission is at its core; 2) the financial income is reinvested; 3) there is a social fund.

But it is obvious, our impact goes as far as our reach in terms of organisations supported, topics and countries covered.

As it can be seen in the graphic below, our sales have raised every year, accounting for 421 5134 € at the end of 2018. In 2018, if we put aside the 3S Conference: Manage for Impact (see section 5. e.) the areas that have generated higher revenues were strategy and operations and impact measurement. The average project value in 2018 was 122% higher than 2016.

**IMPLEMENTED PROJECTS VALUE AND EXPERTISE AREAS (IN €)**



These sales' values reflect the expertise areas our clients have demanded in each year. Their evolution has depended on the social market needs and on the strategic decisions Stone Soup has decided to follow.

Since 2016, impact measurement services had to be re-balanced because they were taking a larger share of our project portfolio, and Stone Soup did not want to be seen solely as an impact measurement expert company, since we have many more activities that we excel at. Therefore, diversification of services and consolidation of new consulting areas were needed. As such, strategy and operations, events/partnerships, social business models and capacity-building have gained priority in our business development and communication.

In these years, Stone Soup has gained significant experience in helping philanthropic organisations select projects within the framework of their social programs. For example, we have helped the European Investment Bank Institute pre-select the finalists for the [Social Innovation Tournament](#) (Luxembourg), LIDL in its Christmas campaign selection process (Por-tugal) and [Fundación EDP](#) for its EDP Solidaria Programme (Spain), amongst others.





5

STONE SOUP  
ACHIEVEMENTS  
SINCE 2016

In 2016, many stakeholders still saw us as a for-profit business only. It was not common to see a consultancy firm as a social business. Because our impact is at the core of our activities, it was essential for us to change that perception. This is the reason decided to certify as a B-Corp, improve our governance through working on an ethical code and improving our diversity management, and systematise better our environmental impact.

## A. ORGANISATIONAL STRUCTURE IMPROVEMENTS

### ETHICS

Since 2018, Stone Soup has been working on its code of ethics, which sets the values and purposes of the company and provides a frame of reference in which to develop ethical and values-based practice. This collaborative work with partners and consultants of the community has led recently to a Code of Ethics that will apply to everyone working as part of Stone Soup.

The Stone Soup Code of Ethics serves four main purposes:

1. The Code sets forth the ethical commitments of Stone Soup community members - partners, consultants, employees, visiting professionals and interns.
2. It clarifies the nature of ethical commitments that Stone Soup community members hold. It also sets standards for the professional practice of social consultancy at Stone Soup Consulting.
3. It serves as an ethical guide to our behaviours and decision-making process and establishes guidelines of conduct.
4. Its principles and standards serve as the basis for eventual inquiries and ethical debates and reflections concerning our community members' professional practice.

The Stone Soup Code of Ethics addresses the following areas: consultancy business, consultancy relationship, confidentiality, corporate responsibility, professional responsibility, resolving ethical issues.

In January 2017, Stone Soup formalised a supplier code of conduct for all suppliers that produce goods or services for Stone Soup Consulting. Stone Soup only partner with suppliers that support our Mission, Vision and Values. To ensure compliance with these priorities, suppliers are screened in joint collaboration with members from the Stone Soup Community and with the support of organisations where Stone Soup participates, such as SVI - Social Value International and EVPA - European Venture Philanthropy Association. Stone Soup also screens the ethical behaviour of the companies it may partner with, through the database available at Ethical Consumers [Corporate Critic]. If data is not available on the company, Stone Soup may request a specific ethical screening process or conduct one itself, including ethical audits.

### DIVERSITY

As a signatory organisation of the Portuguese Diversity Charter<sup>1</sup>, Stone Soup Consulting is committed to favour work teams based on its principles and values, appreciating the distinctive characteristics and potential of each individual.

[The Portuguese Diversity Charter](#) is composed by multiple signing organisations and has diversity as its principle, understood as the acknowledgement, respect and appreciation of the difference(s) between people, including particularly the differences related to gender identity, sexual orientation, ethnicity, religion, faith and beliefs, country of origin, culture, language, nationality, birthplace, ancestry, age, political, ideological or social orientation, marital status, family structure, economic situation, health, disability, personal style and training.

Stone Soup has improved its policies and practices in this regard since 2016. For instance we have updated our [application form](#) and we have reinforced our KPIs.

By the end of 2018 we had 10 different nationalities from 4 continents represented in our Community. We also had people in different age groups, from the 20s to the 50s. This wide diversity is not yet achieved however in terms of gender, as women compose the vast majority of our members (78% female representation).

We aim to contribute to a healthy work/life balance among our members. As mentioned before, the flexibility in terms of hours and ability to work remotely are highly appealing to our Community. We also define with all consultants on projects teams the best times for meetings and special requirements related to work-life balance, especially when there is a need to travel.

## B. CERTIFIED B CORPORATION

B Corporations form a community of leaders and drive a global movement of people using business as a force for good, thus accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy<sup>13</sup>. Social impact has been probably the most important ingredient for Stone Soup, and that is why we understand that being a B Corp would not be a mere certification, but a process of continuous improvement at all levels of the company.

With this concern, in June 2016, Stone Soup Consulting has started a reflection around its social and environmental impact and on how to further improve its impact indicators and governance processes, ensuring coherence between its core values and the value chain. By realising its "systematic impact", Stone Soup Consulting has put effort to improve concrete policies/guidelines (creating supplier code and consultant & employee handbook) and internal processes (defining social and environmental key performance indicators and targets). Defining these dimensions, we have laid the foundation for building a more coherent and robust performance management system, which we have been developing further.



And so, in November 2016, Stone Soup Consulting has proudly joined this community, having been **certified as a B Corporation** (with an overall B-impact score of 108.3, out of 200), which has reinforced our engagement to meet social and environmental performance standards.

In 2018, following an independent and comprehensive assessment of our impact on workers, community, customers and the environment, the non-profit B Lab has considered Stone Soup one of **the Best B Corps for the World in the Customers category**.

In 2019, Stone Soup will have to recertify as a B Corp.

## C. ENVIRONMENTAL IMPACT

Stone Soup Consulting was always aware of the importance of environmental consideration in its value chain. We have always been aware that we do have an environmental impact but, because we are organised as a network of independent consultants working from different locations, our first reaction was to think that it wasn't possible to track, monitor and improve our environmental impact.

This changed thanks to the process we undertook to become a certified B-Corp a couple of years ago. The B-Corp assessment tool includes many questions around environmental impact that motivated us to think again about the best way we could, as a network, tackle the issue.

As a result of these discussions, we decided to:

- Include in our Monthly Consultant Survey (MCS) some self-reporting questions on environmental behaviour in the context of their work with Stone Soup. These questions have to do with: kilometres travelled, means of transportation, use of energy and recycled materials, amongst other things.
- Include pro-environmental topics in our internal communication to our community of consultants such as weekly newsletters and webinars, with the aim of increasing awareness and foster the exchange of best-practices amongst consultants within the community, an on-line participative meeting with consultants with information on our environmental KPIs and some practical tips for their workplace, home, etc. on waste, transportation, energy.
- We also have included in our client proposal information on the systems we have put in place to decrease our environmental footprint, which includes

Regarding the latter, in 2017, we sent emails in which we shared different articles and videos related to reusable materials, plastic contamination or green travelling tips. Some consultants also shared their best practices in the matter. In the same line, in June 2017 we secured a subscription to a videoconferencing system, GotoMeeting.



Furthermore, the Manage for Impact Conference we organised in 2018 also included many environmental concerns: we partnered with [eCODES](#) to pay a carbon tax to compensate for the CO<sub>2</sub> emissions of more than 100 participants coming to our event, and made sure as many products as possible were environmentally friendly (the notebook was made of recycled paper and with a seed-paper cover).

13 - <https://bcorporation.net/about-b-corps>

The graphics below show the behavioural trends our community of consultants regarding their environmental practice, registered in the MCS from July 2017 to July 2018. It is based on a total of 226 replies from 39 consultants.

In general, consultants rate their recycling practice very high. On average, a 4.43 points out of 5 points, where 5 is the best possible pro-environmental practice.

As is shown in the graphics below, the estimated number of printed pages remains relatively small: our consultants are mostly working directly on their screen and avoid as much as possible printing documents if it is not absolutely necessary. According to the available figures, roughly a third of consultants would have printed pages for Stone Soup related work. In total, a conservative estimate of printed pages for the whole of Stone Soup community for the analysed period (12 months between July 2017 and July 2018) would be 3020, i.e. 251 pages per month, for a total of 39 consultants, which would mean a 6.45 pages on average per consultant per month<sup>14</sup>.

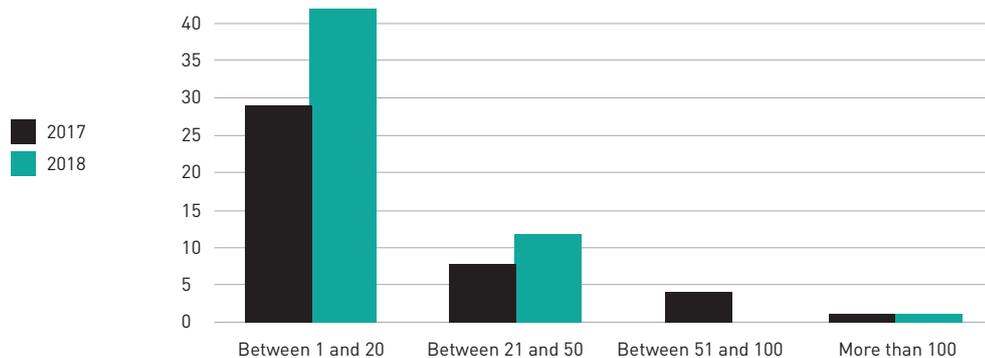
**“I save most reusable materials at home and try to incorporate them whenever possible. Regarding my notebook, I have been using an infinity book (although the pen is non reusable) and sometimes use old notebooks I still have at home (from previous years). In the future, if I need to use a paper notebook I shall prefer second hand and/or recycled”**

*Interviewed consultant*

**“All supporting paper materials were printed on chlorine-free paper and on both sides to reduce paper use”.**

*Interviewed consultant*

#### ESTIMATE NUMBER OF PRINTED PAGES



**“I changed from EDP to Coopérnico so that all the energy starts coming from renewable resources”.**

*Interviewed consultant*

**“I always try to save energy, although it is not always possible due to the use of equipment such as personal computers or mobile phones. However, I try to use only LED lamps, for example”**

*Interviewed consultant*

**“I often leave the computer on when I’m not using it because it’s more practical. However, I know that it is bad practice and I intend to make a greater effort in saving energy”.**

*Interviewed consultant*

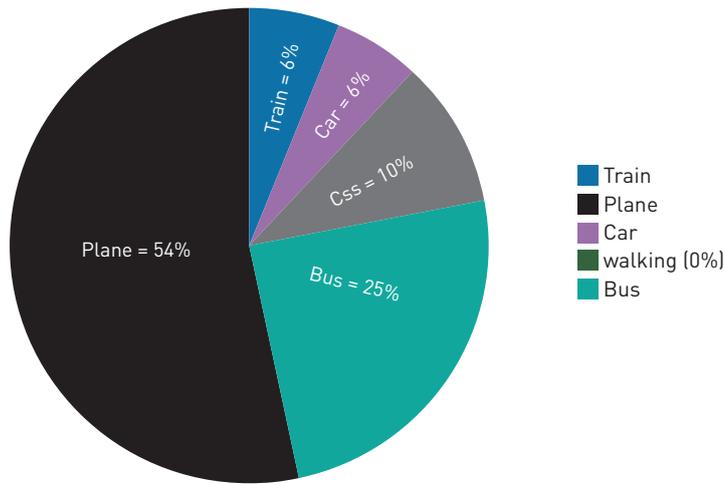
Beside paper, consultants responded 29 times over the survey to have generated between 1 and 20 kilos of waste while working for Stone Soup Consulting. This would give us a maximum of 290kg of waste generated by the community for the period, but would probably be far less since most of it seems to be paper.

Moreover, consultants rate their energy saving practice very high as well: on average, a 4.24 points out of 5 for the period, where 5 is the best possible pro-environmental practice. The main difficulty reported in the qualitative comments is the need to work at night, thus increasing the use of artificial lights, even though most consultants report using LED lamps.

Regarding travelling, between 2017 and 2018, 31% of monthly surveys reported consultants travelling outside their immediate surroundings because of Stone Soup related work. Most of them have used air travel. In total, the estimated distance travelled is 135.741km [See the graphic below]. Important to note that **for all of the plane tickets purchased directly by Stone Soup, we have included the payment of the carbon credit tax.**

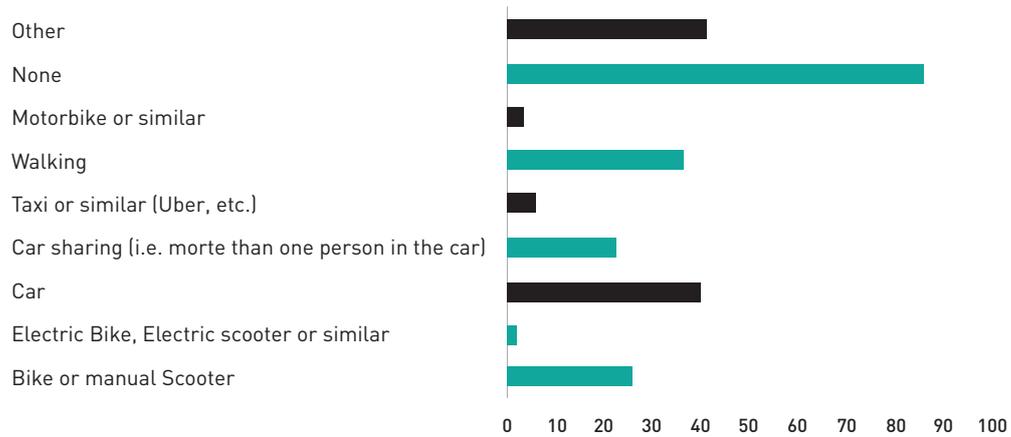
<sup>14</sup> - The number is based on 97 responses from the monthly survey, taking a conservative estimate for each range (using the upper number of the ranges)

DISTANCE TRAVELLED BY CATEGORY OF TRANSPORTS



Consultants work remotely and in their local areas, consultants use mostly environmental-friendly transports (64% of all transports means reported – indicated in green in the bar graph below). As work is predominantly done on-line, a large majority of respondents do not need to travel at all.

USE OF TRANSPORTS BY CONSULTANTS



6

FINANCIAL  
REPORT  
HIGHLIGHTS

Although Stone Soup has already shared its growth figures, we will now analyse the last three years from a financial perspective.

Regarding sales, Stone Soup has increased 83% from 2016 to 2017 and 87% from 2017 to 2018. The number and value of projects has increased, from an average of 15 projects in 2016 to 40 projects in 2018. The average project value in 2018 was 122% higher than 2016. Thus, Stone Soup sales have been consistently increasing in the last three years and the pipeline of projects is good so we can expect our sales to continue growing in the following months.

As we have more consultants and more projects, our providers and external services have grown: they have more than tripled between 2016 and 2018, following the trend of our sales.

Due to the growth of our activity we have decided to strengthen our employees' team (especially for administrative tasks) so our employee costs are much higher than in 2016. Stone Soup has been increasing its net profit in the last three years, exponentially. From 2016 to 2017 it increased ten times and from 2017 to 2018, about three times more (see table below).

<b>Financial statements Stone Soup Consulting Lda (in €)</b>			
<b>Profits and Losses</b>	<b>Date</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Sales	481 173,97	256 671,33	140 443,83
Providers and external services	-378 798,59	-199 501,72	-107 598,82
Employee costs	-63 879,31	-39 146,52	-26 171,50
Impairments of non depreciable/amortizable (losses/reversions)	-675,00	-225,00	0,00
Other income and earnings	6 351,48	1 223,15	1,82
Other expenses and losses	-3 498,53	-4 931,29	-4 857,67
<b>EBITDA</b>	<b>40 674,02</b>	<b>14 089,95</b>	<b>1 817,66</b>
<b>Operating profit</b>	<b>40 674,02</b>	<b>14 089,95</b>	<b>1 817,66</b>
Interests paid	0,00	-29,71	0,00
<b>Profit before taxation</b>	<b>40 674,02</b>	<b>14 060,24</b>	<b>1 817,66</b>
Taxation on profit	-9 188,59	-3 064,21	-719,69
<b>Net profit</b>	<b>31 485,43</b>	<b>10 996,03</b>	<b>1 097,97</b>

This was due to our increase in sales from 2016 to 2017, explained by a wider variety of clients in different locations and sizes, joined by the 2018 3S Manage for Impact Conference, which led to a large increase in sales by the year-end. So, despite increased taxation Stone Soup's net profit at the end of 2018 was 31,485.43 euros. All the profits have been reinvested in the company's social mission.

## Stone Soup - Consulting, Lda

Items	Date		
	2018	2017	2016
<b>Assets</b>			
<b>Non current assets</b>			
Financial participation - other methods	83,25	38,85	16,65
	<b>83,25</b>	<b>38,85</b>	<b>16,65</b>
<b>Current Assets</b>			
Clients	57 099,90	102 728,34	27 999,82
Advance to suppliers	180,74	0,00	0,00
State and other public entities	2 693,30	0,00	2 319,86
Differed costs	598,56	56,79	0,00
Accounts receivable	33 346,27	989,16	14 376,40
Cash and cash equivalents	53 468,42	11 681,17	1 087,36
	<b>147 387,19</b>	<b>115 455,46</b>	<b>45 783,44</b>
<b>Total assets</b>	<b>147 470,44</b>	<b>115 494,31</b>	<b>45 800,09</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	5 000,00	5 000,00	5 000,00
Legal reserves	1 000,00	1 093,83	1 093,83
Other Reserves	93,83	0,00	0,00
Retained earnings	16 448,03	5 451,96	19 804,36
Net earnings	31 485,43	10 996,03	1 097,97
<b>Total Equity</b>	<b>54 027,29</b>	<b>22 541,82</b>	<b>26 996,16</b>
<b>Liabilities</b>			
<b>Short term liabilities</b>			
Accounts payable to providers	2 211,67	4 227,32	4 505,45
Advances from customers	4 765,50	0,00	0,00
State and other public administrations	20 368,40	11 570,08	9 189,89
Loans	0,00	59,24	91,59
Other payable accounts	54 031,74	16 766,85	5 017,00
Accruals and deferrals	12 065,84	60 329,00	0,00
	<b>93 443,15</b>	<b>92 952,49</b>	<b>18 803,93</b>
<b>Total Liabilities</b>	<b>93 443,15</b>	<b>92 952,49</b>	<b>18 803,93</b>
<b>Total Assets and liabilities</b>	<b>147 470,44</b>	<b>115 494,31</b>	<b>45 800,09</b>

Looking at the assets and liabilities of Stone Soup there is a 152% increase in 2017 and a 28% increase in 2018. Equity was at 54,027.29 euros in 2018, up from 26.996,16 in 2016.

In the presence of this Net Profit, we proposed that 1.000 € (one thousand euros) were transferred to Legal Reserves, and 30.485,43 € (thirty thousand, four hundred and eighty five euros and forty three cents), transferred to Other Reserves.

Stone Soup 2018 accounts were audited in 2019.

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H O N E S T L Y,  
W E C O U L D  
A L W A Y S  
I M P R O V E!

After speaking to all our stakeholders, we are proud of our achievements but ready to improve, with the added knowledge this process has brought us.

**Regarding our achievements, it was clear that our clients appreciate:**

- The reputation of the company, regarding several services provided;
- The technical expertise of our consultants;
- The balance between technical and human skills of our teams; so much so that clients work more than once with us;
- The quality of our outputs/ deliverables;
- The skill acquisition within the clients' teams.

**Our consultants valued:**

- The increase in their social and intellectual capital;
- The fact that they are part of an ethical company, a valued-based community of like-minded people with whom they can share knowledge and experience;
- The diversity of the projects, the importance of the organisations/ entrepreneurs' missions and the role they undertake in their change.

**Stone Soup has also improved in some key issues, regarding values and processes, which translated into:**

- B Corp Certification since 2016;
- The Best in the World for Customers award in 2018 (for certified B Corps);
- A new Code of Ethics, co-developed with all our community members;
- Greater coherence between social and environmental impact of our projects;
- Creation of an Academy, to consolidate training processes and give opportunity for a wider community to benefit from consultants' knowledge;
- Organisation of an Event "3SConference" to increase networking and good practice sharing amongst diversified stakeholders, from different continents;
- Diversification of countries and types of organisations/ entrepreneurs as clients, allowing for adjustment of consultancy processes to different contexts and cultures.

**Nonetheless, this process has led us to conclude that we need to improve:**

- Our community engagement and governance: make sure that all our consultants are active members of the community; participate in decision-making, share knowledge and good practices;
- Our diversity: strive to achieve a better gender balance and diversity amongst our consultants;
- Our knowledge management: that all the information built and provided during projects is available for internal and external (when possible) dissemination in a structured way;
- Our coherence in processes: that all Stone Soup consultancy and training projects showcase Stone Soup's organisational values, with a good balance between technical skills and human qualities, regardless of the team;
- Our mission for societal change: including the connection between social and environmental impacts, ensuring that all projects have a systemic outlook at society;
- Our capacity building: assuring that all the clients' teams that interact with Stone Soup, feel that they have developed skills in the technical dimension of the project, and have learned how to apply them in a collaborative and participative way;
- Our use of technology: to better take advantage of the new technological tools, to enhance effectiveness and efficiency of initiatives;
- Our processes: the need to design lighter and more adjusted processes for smaller organisations with less financial capacity;
- Our long-lasting change: the ability for the clients to change and improve their organisations after the project with Stone Soup has ended, assuring that know how is consolidated and processes have been put in place to support internal changes.

## 2019 ONWARDS...

Our goal for 2019 and onwards is to continue to grow each year, diversifying the type of organisations we work with, our geographical reach and types of consultancy projects we work on. Only this way will we achieve to deepen our impact.

**We will invest** in the creation of networks and identification of opportunities in Latin America, Northern Europe and Northern and Western Africa, where we have worked on several projects and where we see opportunity regarding direct work with organisations/ entrepreneurs and also through projects funded by major donors/ investors, interested in the capacity building of organisations.

**We will take** the lessons learned to heart and create an operational plan with specific targets, together with our community that will allow us to improve our shortcomings. We will also strive to maintain a high level of quality of process, deliverables and human relations that are at the core of Stone Soup, being faithful to our values and organisational culture.

**Clients will continue** at the heart of Stone Soup, with customised solutions and active listening, with flexibility and openness, in order to deliver the best consultancy/ training we can.

**We will reflect** on what our stakeholders have told us, improve our processes and manage our impact.

**WE HOPE THAT THIS REPORT,  
THAT WE HAVE BUILT UP  
AS HONESTLY AS POSSIBLE,  
WILL HELP OTHER SOCIAL CONSULTANCIES  
TO REFLECT BACK ON THEIR OWN IMPACT  
AND ON THE WAY THEY HAVE CHOSEN  
TO ACHIEVE IT – SO THAT OUR  
COLLECTIVE WORK WILL BRING MORE SOCIAL  
VALUE TO THE ORGANISATIONS  
WE WORK WITH.**

# HONESTY REPORT

## GLOSSARY (1/2)

### **THEORY OF CHANGE**

Theory of Change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. It is focused in particular on mapping out or “filling in” what has been described as the “missing middle” between what a program or change initiative does (its activities or interventions) and how these lead to desired goals being achieved. It does this by first identifying the desired long-term goals and then works back from these to identify all the conditions (outcomes) that must be in place (and how these are related to one another causally) for the goals to occur. These are all mapped out in an outcomes Framework.

[www.theoryofchange.org/what-is-theory-of-change/](http://www.theoryofchange.org/what-is-theory-of-change/)

### **SOCIAL IMPACT**

Social impact can be defined as the net effect of an activity on a community and the well-being of individuals and families. – Centre for Social Impact

<https://www.csi.edu.au/>

### **ON THE JOB TRAINING**

On-the-job training, also known as OJT, is a hands-on method of teaching the skills, knowledge, and competencies needed for employees to perform a specific job within the workplace. Employees learn in the environment where they will need to practice the knowledge and skills obtained during training.

[www.thebalancecareers.com/how-on-the-job-training-brings-you-value-1917941](http://www.thebalancecareers.com/how-on-the-job-training-brings-you-value-1917941)

### **SOCIAL CAPITAL**

The commonalities of most definitions of social capital are that they focus on social relations that have productive benefits. The variety of definitions identified in the literature stem from the highly context specific nature of social capital and the complexity of its conceptualization and operationalization.

[www.socialcapitalresearch.com/literature/definition/](http://www.socialcapitalresearch.com/literature/definition/)

### **INTELLECTUAL CAPITAL**

Collective knowledge (whether or not documented) of the individuals in an organization or society. This knowledge can be used to produce wealth, multiply output of physical assets, gain competitive advantage, and/or to enhance value of other types of capital.

[www.businessdictionary.com/definition/intellectual-capital.html](http://www.businessdictionary.com/definition/intellectual-capital.html)

### **PROFESSIONAL CAPITAL**

Professional capital is a function of the interaction of three components: human capital, social capital, and decisional capital.

<https://learningforward.org/docs/default-source/jsd-february-2016/amplify-change-with-professional-capital-feb16.pdf>

# HONESTY REPORT

## GLOSSARY (2/2)

### CONSULTANT

Stone Soup Consulting is a hybrid organisation, at an intersection between a network of consultants, and a consultancy firm. Our consultants remain autonomous, they are not employees of the organisation, but Stone Soup Consulting provides more than a network; consultants are selected following an intensive selection process, tested in specific project(s) and then integrated in a community, where they receive training, meet regularly and contribute to the organisation's business and strategic development.

### STONE SOUP PARTNERS

Stone Soup Consulting is a limited company owned and operated by 4 partners: Cláudia Pedra, Rosa Matos, Sophie Robin and Clara de Bienassis. Partners own the company but do not receive any dividends from the profits made by Stone Soup. In projects, partners work on equal foot and conditions with other consultants.

### ETHICAL CODE

Ethical codes are adopted by organizations to assist members in understanding the difference between [right](#) and [wrong](#) and in applying that understanding to their decisions. An ethical code generally implies documents at three levels: codes of [business ethics](#), [codes of conduct](#) for employees, and codes of professional practice.

[https://en.wikipedia.org/wiki/Ethical\\_code](https://en.wikipedia.org/wiki/Ethical_code)

<https://stone-soup.net/index.php/en/who-are-we/mission-vision-and-values>

### REPEATED CLIENTS

The clients who have contracted Stone Soup Consulting for services more than once.



## C O N T A C T S

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