

## Corporate Measurement & Evaluation Community of Practice

# BHP Foundation

### CORPORATE M&E CASE STUDY

## Overview

Created over a decade ago, the BHP Foundation is a non-profit organization funded by BHP, a leading global resources company. The BHP Foundation plays a role in carrying out BHP's commitment to social value by addressing the root causes of sustainability challenges relevant to the resources industry.

BHP Foundation invests approximately \$50 million annually across two primary areas: **(1) Equity and self-determination for Indigenous peoples and local communities, and (2) Preparing youth for the future economy.**



### AT-A-GLANCE

#### GRANTMAKING

FY24 Commitment (USD)	\$55 million
# of Grantees	30-40
Geographical Focus Areas	Australia, Canada, and Chile

#### MEASUREMENT & EVALUATION (M&E)

M&E Focus	Grants and Policy/Advocacy
# M&E Staff	2 dedicated resources created the approach and transitioned this to be embedded across 3 Country Director roles
Key M&E Audiences	Country Directors and Foundation Board, Nonprofit Partner Organizations, and the Public
Learn More:	<a href="https://www.bhp-foundation.org/">https://www.bhp-foundation.org/</a>

# Measurement & Evaluation Practices

*BHP Foundation implements the following measurement and evaluation practices that have helped manage and better understand the impact of its portfolio of social investments.<sup>1</sup>*

## PRACTICES

### 1 Investment Theory of Change (ToC)

#### VALUE

Promotes systemic thinking and establishes clear evaluation parameters.

#### DESCRIPTION

BHP Foundation uses a ToC (See Appendix 1 [🔗](#)) to map out and clarify its programs' pathways to impact, scale, and sustainability. On this ToC is an "accountability line" which shows outcomes or areas for which the foundation is directly accountable. By including the "accountability line", BHP Foundation acknowledges that funded programs sit within a broader ecosystem with various intersecting influences. Second, the ToC includes **direct and indirect impacts** showing which actions are a direct result of program activities and which are more indirectly related. These changes are a practical way for corporate stakeholders to understand these complex systems and to have realistic expectations for the achievement and measurement of program outcomes. This helps increase visibility around the decisions and resources that are needed to achieve "impact" and helps guide efficient deployment of capital for both grantmaking and evaluation.

The recent **Corporate M&E Community of Practice Benchmarking Study** [🔗](#) found that 62 percent of companies surveyed regularly use a theory of change (ToC) or logic model in their social good work. ToCs have been widely used by evaluation practitioners for many years.

### 2 "Five Dimensions of Impact" for Project Development

#### VALUE

Co-creates impact indicators with grantees, supports grant decision-making, and establishes realistic measurement expectations.

#### DESCRIPTION

In 2022, BHP Foundation began applying an "Impact Framework" (see Appendix 2 [🔗](#)) to each grant. The Framework articulates a change component and 2 to 3 indicators for each of five dimensions: **what, who, how much, contributions, and risk**. During the grant proposal process, potential grantees complete their own assessment of the five dimensions. This helps the grantee to be clear and realistic and provides BHP Foundation with considerations of how to define success, understand its contribution, and manage risk.

In order to implement this tool, BHP Foundation has allocated budget within its grants to specifically support grantee evaluation capacity. **These processes empower partner organizations to manage their impact rather than responding to traditional top-down reporting requested by donors.**

The **Benchmarking Study** [🔗](#) found a significant lag in both the engagement of grantees in evaluation work and a strong value proposition for evaluation activities.

### 3 Learning Huddles

#### VALUE

Carves out deliberate time for learning and adjustment related to strategic questions.

#### DESCRIPTION

In 2023, BHP Foundation launched a learning approach featuring opportunities to pause and reflect on what BHP Foundation is learning about its investments. **"Learning Huddles" were introduced at designated times throughout the year** where BHP Foundation staff can reflect on data collected by programs as well as any external data that enables benchmarking against industry norms.<sup>2</sup> BHP Foundation contracts with consultants to do external research and organize internal thinking to jumpstart the learning for staff.

Through learning huddles staff engage in structured reflection asking and answering (1) What has been observed about what happened?; (2) What insights can be drawn from what was observed with respect to why and how?; and (3) What implications do these insights have for future work? Are there clear actions for course corrections and adaptive management?<sup>3</sup> (see Appendix 3 [🔗](#))

**This intentional pausing and reflecting enables BHP Foundation to make sense of how an investment is performing and what iterations might support greater impact.**

Many companies still struggle with engaging and getting the most out of their evaluation findings. The **Benchmarking Study** [🔗](#) found that only 38 percent of companies reported regularly engaging in deliberate learning and reflection sessions.

# Lessons Learned

1

## **Evaluation is not the end goal but should be part of a larger adaptive management cycle.**

If evaluation does not lead to action, it does not add value.

2

## **Framing measurement and evaluation to risk is helpful in making the connections between risks and impact.**

BHP Foundation has created parameters around its appetite for risks and they review this as part of the due diligence process with partner organizations. Partner organizations then incorporate key risks into their impact framework, supporting their focus on impact while understanding their funder's perspective on risk. It also enables them to monitor the status of key risks throughout the project and course correct when needed.

3

## **Having a minimum requirements approach to measurement, learning and evaluation benefits both sides of the grant partnership.**

BHP Foundation uses a minimum measurement, learning and evaluation (MLE) requirements approach to create a standard which includes: an impact framework, a theory of change, and a commitment to do evaluation at the mid-and final points. This also provides rigor and consistency for Board reviews and grant approvals.

### ***BHP Foundation's:***

#### **Evaluation Superpower**

Integrating evaluation from the very beginning, framing impact and informing program decisions.

#### **Notable Evaluation Challenge**

Finding evaluators that understand the corporate context and can effectively engage in the design phase.

<sup>1</sup> Olazabal, V. & Wyatt, A. (2025). *Designing for sustainability: A case in corporate philanthropy and evaluative thinking. Evaluation and Program Planning.*

<sup>2</sup> Ibid

<sup>3</sup> Coffman, J. (2018). *5-A-Day: Learning By Force of Habit.* Center for Evaluation Innovation.

 **Explore the complete Case Study series here [www.tccgrp.com/resource/csr-case-studies/](http://www.tccgrp.com/resource/csr-case-studies/)**

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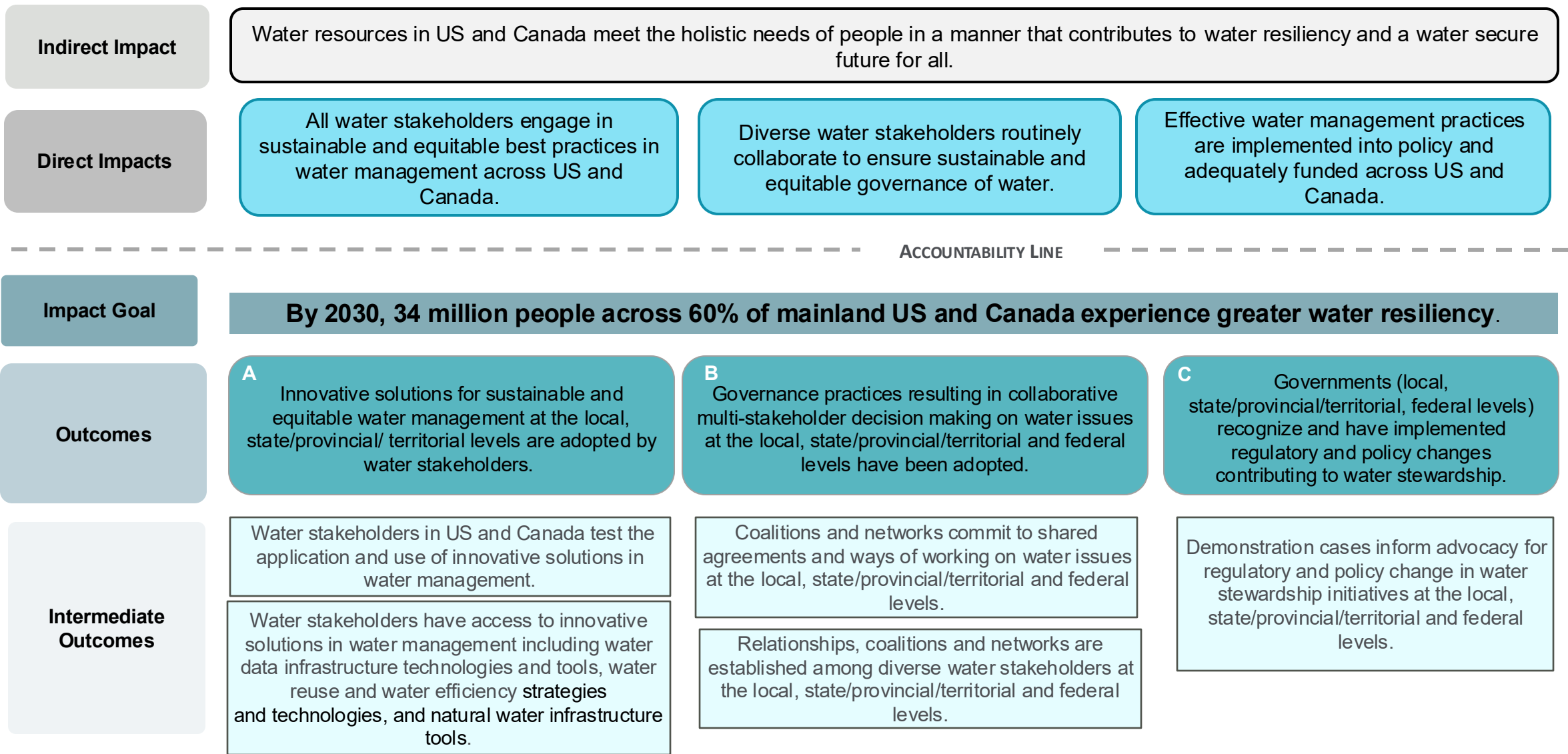
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# US & Canada Water Stewardship Program - Theory of Change



## Appendix 2- Example of an Impact Frame for a collaborative project promoting greater equity in water stewardship in Canada

Dimension	Change Component	Indicators
<b>Who?</b> Who are we trying to reach (e.g. demographics, geographic, specific communities)	<ul style="list-style-type: none"> <li>Elected leaders from Indigenous and municipal communities across Canada</li> </ul>	<ul style="list-style-type: none"> <li># of communities participating in CLI initiatives</li> <li>% of participating communities represented by an elected leader at each CLI meeting (80%)</li> </ul>
<b>What?</b> What will be achieved through the intervention(s)? What are the expected changes on people's lives and / or the environment? (e.g. changes in behavior, access to services, policy change)	<ul style="list-style-type: none"> <li>Collaboration is normalized as a feasible and constructive pathway for Indigenous and municipal leaders to address intractable water challenges facing their communities.</li> </ul>	<ul style="list-style-type: none"> <li># of successful collaborative water governance initiatives established through the CLI process</li> <li># of collaborative agreements created because of the initiatives</li> <li>% of participating leaders who intend to continue collaborating at the end of the formal CLI process</li> </ul>
<b>How much, at what rate? How much change is expected?</b> In what time frame? (increase in restoration, decrease in discrimination)	<ul style="list-style-type: none"> <li>Best practices, financial support, and enabling policy/legislation have all increased sufficiently by 2026 to reduce barriers and increase opportunities for Indigenous and municipal communities to pursue collaborative water governance.</li> </ul>	<ul style="list-style-type: none"> <li># of annual downloads of CLI resources from public platform</li> <li>\$\$ of new funding committed by the federal government to support Indigenous-municipal collaboration on water issues</li> <li># of new policy or legislative provisions that enable collaboration between Indigenous and municipal communities</li> </ul>
<b>What is donor's investment contribution?</b> What is a particular donor's contribution towards generating the change? What is the additionality? What can be done because of the investment? (e.g. scale otherwise not possible, momentum generated, direct and indirect leverage)	<ul style="list-style-type: none"> <li>An initial investment of \$5.2 million over five years that will be leveraged to secure:</li> <li>Matched funds over the life of the project.</li> <li>Long-term funding to support scaling beyond the life of the project.</li> </ul>	<ul style="list-style-type: none"> <li>\$ of matched funds leveraged by 2026</li> <li>\$ of federal funding secured beyond 2026</li> </ul>

<p><b>What risks?</b></p> <p>What are the risks to not achieving the anticipated impact? Are there unanticipated outcomes that could arise through the intervention?</p>	<ul style="list-style-type: none"> <li>• Communities do not have the capacity to participate in the CLI process.</li> <li>• The CLI model lacks the transferability needed to achieve widespread adoption.</li> </ul>	<ul style="list-style-type: none"> <li>• % of communities wishing to participate in CLI initiatives but unable to commit / proceed</li> <li>• Lack of buy in and appetite from new jurisdictions and communities interested in and adopting the CLI model</li> <li>• Site-specific evaluations indicate lack of effectiveness of the model</li> </ul>
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## BHP Foundation Case Study

### Appendix 3- Integrating evaluation thinking into sensemaking of data by pausing and reflecting

Illustrative learning questions (what are we learning?)	Anticipated learning and guidance (what implications can it have?)
<ul style="list-style-type: none"> <li>□ As a philanthropy pursuing systems change, what are the enabling conditions needed to deliver effectively towards achieving scale?</li> <li>□ What do we know about how we have scaled (examples) and how can we use this to identify and design for transformational and sustainable interventions?</li> <li>□ Are there any key levers we have used to accelerate impact, scale, and/ or sustainability?</li> <li>□ What tensions and risks have emerged that need to be considered - operationally and results-wise?</li> </ul>	<ul style="list-style-type: none"> <li>□ Insight into strategy design, funding allocation, partner identification, project design and execution</li> <li>□ Understanding of how systemic change happens, and the Foundation's opportunities to build scale into our work. Application of change mechanisms for future intervention and support to drive, and accelerate impact and scale for sustainability</li> <li>□ Operation and functional factors towards effective partnerships</li> </ul>