

Counterfactuality Assessment Methodology

Rationale

Counterfactuality is the central question distinguishing philanthropic advisory from mere grant facilitation: not whether funds reached effective charities, but whether they *would have anyway*. An advisory organisation that guides capital toward effective giving has high counterfactual impact when its donors would otherwise have given to less effective organisations, given nothing at all, or given in a fragmented, unstructured way without applying an evidence or cost-effectiveness lens. Conversely, if a donor was already deeply embedded in the effective giving ecosystem before engaging with an advisor, the advisor's counterfactual contribution to *where* the money landed may be modest, even if the process was valuable.

Raising Impact operates in a context where counterfactual impact is likely to be high. Our donors are predominantly first-generation, high-net-worth philanthropists in India who are entering structured giving for the first time. They typically arrive with a values orientation, i.e. care about livelihoods, or education, or health, but without a theory of change, an evidence framework, or method of assessing cost-effectiveness. In the absence of advisory support, their default giving path would typically be relationship-based (funding organisations they have heard of through social networks), instinct-driven (supporting causes that feel compelling rather than impactful), or deferred entirely due to uncertainty about where to begin. None of these default paths systematically directs capital to effective organisations as defined by the kind of evidence and cost-effectiveness standards Coefficient Giving applies.

We acknowledge that our methodology is prospective. With only one funder engagement completed to date, we do not yet have a systematically collected counterfactual estimate. What we present here is the framework we will implement from onboarding onwards, alongside a plan to apply it retrospectively to our first engagement through a structured follow-up interview with the donor.

Objective

The specific metric we are committing to produce is: **the percentage of funds directed to effective organisations through Raising Impact's advisory process that would not have reached those charities without our involvement**, accompanied by a dollar-equivalent figure. This percentage will be self-reported by donors through structured survey instruments and conservatively adjusted to account for the tendency of satisfied donors to overattribute impact to their advisor.

We distinguish this from attribution, which asks how much credit Raising Impact deserves for a decision on philanthropic giving, because the counterfactual question is narrower and more useful. A donor may credit Raising Impact highly for the quality of its research while still having been on a path toward effective giving independently. Our metric captures only the counterfactual gap, not the quality of the advisory experience.

Donor Classification & Prior Estimation

Before administering surveys, Raising Impact will classify each incoming donor along two dimensions that establish a reasonable prior for their counterfactual contribution: their prior giving history and their pre-existing familiarity with evidence-based or effective giving.

- **Classification A - First-generation philanthropist, no prior structured giving:** The donor is deploying philanthropic capital for the first time, or has previously given in small, ad hoc ways without a structured process. This class carries the highest prior counterfactual (estimated 75-95%), because the funds in question were highly unlikely to reach rigorously selected effective charities without advisory support.
- **Classification B - Active philanthropist, prior giving to mainstream or unvetted organisations:** The donor has an established giving practice but has not previously applied evidence or cost-effectiveness criteria. Counterfactual remains high (estimated 60-80%), as the funds would likely have continued flowing to less effective organisations.
- **Classification C - Active philanthropist, prior engagement with effective giving:** The donor has an existing relationship with effective giving organisations, reads evidence reviews, or engages with peer networks in the Effective Altruism space. Counterfactual is lower (estimated 10-40%), as there is a meaningful probability the donor would have directed capital to effective charities independently.

This classification is not a substitute for survey data but provides a transparent basis for preliminary estimates and a cross-check against self-reported figures.

Data Collection Protocol

Data will be collected at two points in every engagement:

1. **At onboarding**, Raising Impact will administer a structured intake survey covering the donor's prior giving history (total amounts, types of organisations, causes), the decision-making process they used before engaging with us, what other advisory relationships or information sources they were consulting, and a direct question on whether they had identified any effective charities or evidence-based organisations they were considering independently. Where possible, we will ask the donor to estimate the total philanthropic capital they intended to deploy in the relevant period and to describe what they believed their most likely giving path would have been in the absence of advisory support.
2. **At the point of grant commitment**, we will administer a short counterfactual attribution survey asking the donor to allocate their committed funds across three scenarios:
 - a. *Bucket A:* Funds that would have gone to organisations of similarly high cost-effectiveness even without Raising Impact's involvement (counterfactual contribution = 0%).

- b. *Bucket B*: Funds that would have gone to other charitable organisations, but ones without comparable evidence standards or cost-effectiveness (counterfactual contribution = 100%).
- c. *Bucket C*: Funds that would have remained undeployed or been retained for a future period (counterfactual contribution = 100%, since they would not have reached effective charities).

The donor will also identify any other advisors, peer networks, or platforms that influenced the giving decision.

Counterfactual Score Calculation

Each donor's counterfactual score is calculated in three steps.

Step 1: Bucket allocation. The donor allocates 100% of funds deployed across three scenarios in Q3. Each bucket carries a fixed counterfactual weight reflecting whether those funds would have reached effective charities without Raising Impact's involvement. Bucket A carries a weight of zero, since funds allocated here would have reached equally effective organisations independently. Buckets B and C each carry a weight of one, since funds allocated here would not have reached effective charities - either flowing to organisations without a rigorous evidence or cost-effectiveness screen, or remaining undeployed entirely. The raw counterfactual is therefore:

$$\text{Raw counterfactual \%} = (A \times 0) + (B \times 1) + (C \times 1)$$

Step 2: Confidence deflation. The donor indicates their overall confidence in the Q3 allocation through Q6, selecting from five levels each carrying a corresponding weight: Very uncertain (20%), Uncertain (40%), Fairly confident (60%), Confident (80%), Very confident (100%). This confidence weight is applied as a deflator to the raw counterfactual figure:

$$\text{Deflated counterfactual \%} = \text{Raw counterfactual \%} \times \text{Confidence weight}$$

Step 3: Apply to the fund amount. The deflated counterfactual percentage is applied to total funds deployed to produce the counterfactual-adjusted fund figure..

To illustrate with a hypothetical: a donor allocates 0% to Bucket A, 70% to Bucket B, and 30% to Bucket C, giving a raw counterfactual of 100%. She rates her overall confidence as Fairly confident (60%). The deflated counterfactual is $100\% \times 60\% = 60\%$, and the counterfactual-adjusted funds are 60% of ₹10 crore = ₹6 crore (~USD 0.72M).

Presentation Format

We will present the counterfactual metric in the following standard format:

Donor Name	Donor Classification	Funds Deployed to Effective NGOs	Bucket A (Weight 0)	Bucket B (Weight 1)	Bucket C (Weight 1)	Counterfactual %	Counterfactual Adjusted Funds
ABC	Class A	₹10 crores (~USD 1.2M)					