

# From Insight to Action:

## New Directions in Foundation Evaluation

April 2007

**Mark Kramer**

with

Rebecca Graves

Jason Hirschhorn

Leigh Fiske

**FSG**  **SOCIAL IMPACT ADVISORS**

FUNDED BY

*The William  
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Hewlett  
Foundation*

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- **Advice:** Advising leading foundations, corporations, and nonprofits on how to increase their social impact through strategy development and evaluation
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We are also grateful to our Advisory Board members for their insight, guidance, and comments on early drafts of this paper. We greatly appreciate the assistance of the Forum of Regional Associations of Grantmakers which helped us to identify examples of effective evaluation practices throughout its membership.

Finally, our research could not have been done without the nearly 100 leaders in the fields of philanthropy and evaluation who took the time to participate in our interviews. It is only by listening carefully to their candid insights and thoughtful ideas, and reviewing the documents they so generously shared with us, that we have been able to gain insight into the challenges and opportunities they face in the practice of evaluation.

## Disclaimer

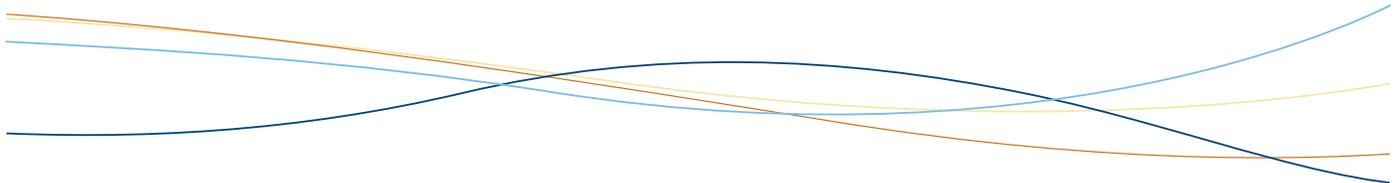
All statements and conclusions, unless specifically attributed to another source, are those of the authors and do not reflect the opinions of the interviewees, the Hewlett Foundation, or its grantees.

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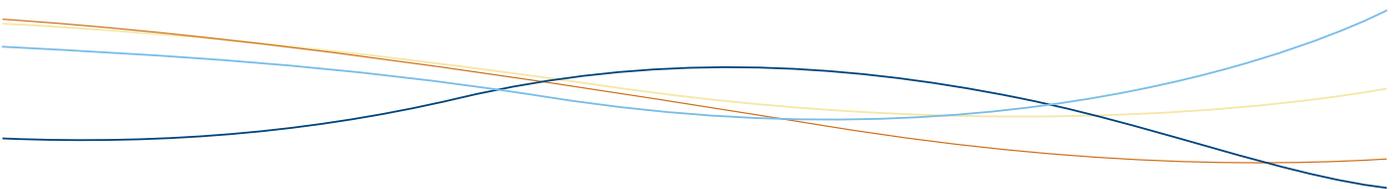
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## EXECUTIVE SUMMARY

The field of philanthropy is undergoing a fundamental transition toward more performance-centered and forward-looking evaluation approaches that provide foundations and their grantees with timely information and actionable insights.



# Executive Summary

This report highlights emerging approaches to evaluation in the field of philanthropy that increase the effectiveness of both foundations and their grantees. Our intention is to identify major trends in the field, illustrating them with real-life examples of successful evaluation efforts by more than two dozen foundations of all sizes, and to provide clear guidance to those who are still searching for useful ways to incorporate evaluation into the work of their foundations. Our research, based on nearly 100 interviews with foundation leaders and evaluators, represents the first step in FSG's multi-year action initiative to develop pragmatic evaluation approaches that enable foundations, whether small or large, to achieve greater social impact.

## Findings

- Evaluation serves foundations best when it leads to more informed decision-making and changes in behavior that increase effectiveness.
- No single approach to evaluation is best under all circumstances. Foundations need to understand the full range of choices available, the different purposes they serve, and the circumstances in which they are relevant, in order to choose the approach that best captures the information needed.
- In the past decade, the field of philanthropy has seen a profound shift in the use of evaluation, accompanied by a profusion of new approaches. Today, the term is used freely to encompass an almost limitless array of processes serving many different purposes.
- The traditional approach to evaluation in philanthropy is an impact assessment of past grants in order to provide accountability and to encourage replication. Isolating the impact of a grant, however, can be a costly and protracted undertaking.
- The traditional approach is also linked to a specific theory of change: that foundations discover new solutions to the root causes of social problems, test them on a small scale, demonstrate their efficacy, then leave it to government or other funders to replicate and expand their efforts. This theory is widely accepted but rarely plays out in practice. Increasingly, foundations are using alternative approaches to achieving social impact, such as building the capacity of grantees, creating public-private partnerships, funding social entrepreneurs, and using advocacy to shape public opinion.
- These newer ways of working require a different approach to evaluation. Accordingly, we have seen a pronounced shift away from the use of evaluation to measure the impact of past grants and toward a more timely and pragmatic process of gathering forward-looking information that will enable both grantors and grantees to

make ongoing improvements in their work. The question driving evaluation has broadened from *What was the impact of our grants?* to *What do we need to know to increase our effectiveness?*

- Foundation leaders have not, however, abandoned their desire to understand the impact directly attributable to their foundations' own interventions. The pursuit of these two different approaches – trying to isolate past effects through long-term outcome studies while at the same time seeking more flexible and timely sources of data to improve performance – has caused considerable tension in the field. No single methodology can meet both requirements and the resulting discord has undermined the credibility of both approaches.
- Despite this tension, our research identified foundations of all sizes that have developed new evaluative processes that offer useful and often inexpensive ways of gathering more performance-centered data to increase their effectiveness.

## Conclusions

- Evaluation has proved most useful when used to answer three questions addressing different stages of the grantmaking process:
  - a. How can we better plan our work?
  - b. How can we improve implementation?
  - c. How can we track progress toward our goals?
- These questions cannot be considered in isolation. They form an integrated cycle of continual performance improvement. Within each stage, however, our research disclosed a short list of activities and data sources that foundations currently use in their evaluation efforts:
  - a. How can we better plan our work?
    1. Gathering baseline data and defining realistic and measurable objectives,
    2. Extracting relevant learnings from past grantmaking efforts of the foundation or of other funders,
    3. Summarizing relevant research from public data, academic studies, and the reports of field leaders,
    4. Investigating the capabilities and priorities of potential grantees and funding partners, and
    5. Assessing the attitudes of target populations and the demand for proposed services.

- b. How can we improve implementation?
  1. Bringing grantees together to share knowledge and overcome common obstacles,
  2. Offering advice and technical assistance on improvements in program design, management, or implementation,
  3. Identifying new issues or opportunities for foundation intervention,
  4. Reporting on changes in context that alter the assumptions behind the original strategy,
  5. Providing information that can influence the behavior of others – funders, legislators, other nonprofits or the beneficiaries themselves, and
  6. Improving the foundation’s internal operations.
- c. How can we track progress toward our goals?
  1. Analyzing publicly available data,
  2. Developing or purchasing custom data,
  3. Administering surveys and collecting feedback through site visits, interviews, or focus groups, and
  4. Aggregating data from grantees.

- Many of these practices go beyond what is typically thought of as evaluation, yet all are referred to as “evaluation” within the foundation field. Each one can be used, at varying degrees of cost and complexity, to better inform a foundation’s work. In some cases, program staff can gather the information themselves; in other cases, outside assistance is required. Often, these activities require a set of skills that differ from the traditional qualifications of evaluation professionals.

- Our research also disclosed five broader principles that seem to underlie effective evaluation practices across all applications:

1. **Create the organizational culture and processes necessary to translate information into action.**
  - Foundations must develop the internal processes to convert raw data into insights, and insights into action.
  - Foundation leaders must also create a culture where learning is rewarded and staff have the time and resources to monitor current initiatives and make mid-course corrections.

2. **Directly engage key decision-makers.**
  - The more engaged participants are in the evaluation effort, the more likely they are to act on the results.
3. **Let grantees take the lead.**
  - Although grantees usually defer to funders in setting performance metrics, the most accurate and efficient metrics we found were often developed by grantees.
4. **Choose the fewest and simplest measures.**
  - A small number of key measures on the most basic indicators of success generally provides the most workable solution.
5. **Use targeted, compelling methods of communication.**
  - In this information-saturated age, the way evaluation results are communicated is as important as the methodology and findings.

- Our research also disclosed three opportunities to advance the field more broadly:

1. Foundation boards, program officers, evaluators, and grantees often bring different expectations to the evaluation process. Developing a common understanding among all participants will enable more effective practices.
2. Individual foundations often struggle to find answers to their evaluation dilemmas unaware that their peers may have already developed valuable solutions. The field of philanthropy urgently needs better tools to help funders learn from one another and to identify the evaluation approaches best suited to different circumstances.
3. We found two instances where dozens or hundreds of grantees worked together to develop standardized performance metrics for their fields. These metrics are now being used by multiple funders and grantees, at nominal cost, to track progress. Similar efforts, led by grantees and supported by funders in other major issue areas, would significantly increase the efficiency of evaluation and the overall effectiveness of the nonprofit sector.

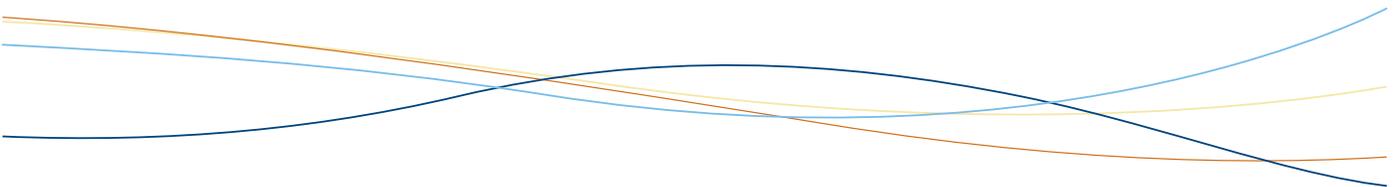
## Recommendations for Using this Report

- Every staffed foundation, regardless of size, can benefit by using some or all of the evaluation approaches described in this report for all three stages of evaluation: planning, implementation, and measuring progress.
  - Ideally, a foundation should have a well-defined evaluation process in place, in every program area, for each of these three stages.
- Foundations that pursue measurable and achievable goals through well-researched strategies will be able to use the widest array of evaluation tools to the greatest effect.
- Foundations that operate with a more responsive and opportunistic approach can also improve their effectiveness if they
  - Conduct thorough background research
  - Monitor the progress of individual grants
  - Build the evaluation capacity of their grantees
  - Improve internal foundation processes
- Foundation staff should decide which data sources and activities are most useful and how they will be deployed at each of the three stages before a new grant program is initiated.
  - Once determined, foundation staff or consultants with the appropriate skill set can be assigned responsibility for carrying out the necessary steps.
  - Grantees should take the lead in defining performance metrics.
  - To the extent feasible, all decision-makers at the foundation – from the board to the program staff – should be engaged in designing and conducting the evaluation work.
- Once a grant program is under way, incoming evaluation data will need to be digested and interpreted at regular intervals to guide mid-course corrections.
  - Questions will arise that require further investigation, creative solutions will need to be developed to overcome problems, and resources will need to be available to implement those solutions.
  - Larger foundations will require new organizational processes to create the time for regular meetings and discussions among all participants, and to translate the conclusions into action.
  - This may change the allocation of staff and board time, requiring additional staff and consultants or a narrower focus on fewer grantees.
- Board reports should focus on progress against plans in each program area, and on the actions taken or decisions required to seize opportunities or overcome obstacles.
- A communications strategy will be necessary to ensure that evaluation data is appropriately targeted and conveyed in a way that commands attention.



# 1. INTRODUCTION

Innovative approaches to evaluation have become even more important as foundations explore new ways of achieving social impact.



# I. Introduction

The foundation field is undergoing a profound transformation in its use of evaluation. Traditionally a mechanism to ensure accountability and to encourage the replication of successful projects, evaluation is increasingly being used in more varied and flexible ways that enable both funders and grantees to achieve greater social impact.

This report, based on nearly 100 interviews with foundation staff, board members, and evaluators, highlights real-life examples of successful evaluation efforts, drawn from more than two dozen foundations of all sizes, that help to increase effectiveness. Our intention is to distill the learning and experience of foundations that have used evaluation effectively in order to provide clear guidance to those that are still searching for useful practices.

What unites all of the examples in this report is their simplicity, clarity of purpose, and forward-looking nature. Each involves a pragmatic effort to gather knowledge in order to shape future behavior. None look backward only to report on the results of completed grants.

Thinking about evaluation as a forward-looking enterprise involves a fundamental paradigm shift in how foundations view the purpose of evaluation. Foundation leaders often assume that the purpose of evaluation is to ensure the accountability of grantees to foundation staff, and of staff to the foundation board, by reviewing the outcomes of past grants. This leads to an inherently retrospective approach that must be tailored to each grant or initiative. Such undertakings tend to be costly, lengthy, complex, and, as a result, rare.

In recent years, however, foundations have explored a wide range of alternative evaluation practices that serve other purposes, such as improving strategic planning, strengthening implementation, and tracking progress toward measurable goals. Often, these newer practices are simpler, less expensive, and provide timelier information than traditional impact assessments do. Recognizing the value of these alternative approaches, the question driving evaluation has broadened from *What was the impact of our grants?* to *What do we need to know to increase our effectiveness?*

These innovative approaches to evaluation have become more valuable as foundations explore new ways of achieving social impact. Moving beyond seed grants and demonstration projects, foundations are increasingly adopting new levers for change. They are building their grantees' capacity, harnessing new financial tools and social investments, creating public-private partnerships, engaging coalitions of funders, using advocacy to shape public opinion, exercising adaptive leadership, working with social entrepreneurs, and continually testing new philanthropic innovations. These far more dynamic ways of working depend on a continuous flow of forward-looking information to provide timely insights about the progress being made and the issues being addressed, enabling both grantors and grantees to make ongoing improvements in their work.

The field of philanthropy is undergoing a fundamental transition from a narrow view of evaluation limited to traditional third-party outcome studies to include more performance-centered approaches encompassing a wide range of activities that provide foundations and their grantees with current information and actionable insights.

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**The field of philanthropy is undergoing a fundamental transition to a more performance-centered approach that provides foundations and their grantees with current information and actionable insights.**

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Most foundation leaders, however, have not yet abandoned the tantalizing if elusive quest to isolate the social impact attributable to their past grants. Recent legislative hearings have further fed this desire to document the benefits for which foundations can take credit. The result is an awkward predicament in which evaluations are frequently expected to satisfy conflicting expectations. Traditional evaluations may offer evidence of attribution and impact, at substantial cost and over a long period of time, but they cannot provide the timely information needed to support the more dynamic strategies foundations increasingly employ. Performance-centered evaluations may provide timely and useful data, but they cannot prove that any impact is attributable specifically to the foundation's intervention. Caught between these irreconcilable demands, all evaluation solutions seem frustratingly inadequate.

Traditional outcome assessments continue to play an important role, but our search for examples of evaluation practices that have led to identifiable increases in impact led us inexorably to the more performance-centered approaches. Our Advisory Board confirmed that these newer approaches reflect the dominant thinking among experts in the field today, although our extensive search for illustrative examples suggests that this thinking is well ahead of typical foundation practices.

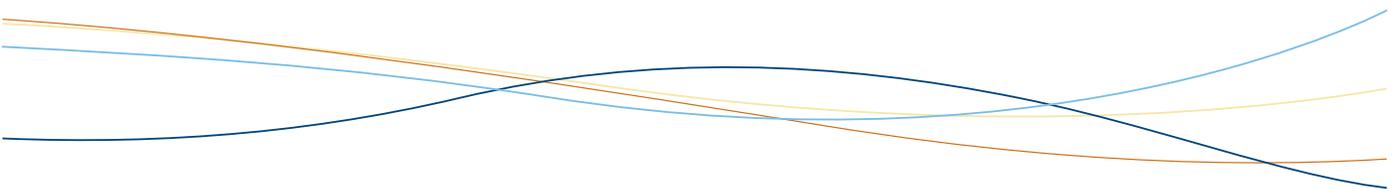
We conclude therefore that the traditional model of evaluation is only one of many evaluation approaches relevant to the varied ways that foundations work today. The persistent conviction that outcome assessments represent the only valid measure of foundation performance has unfortunately served to discredit and impede the wider adoption of many newer, less costly, and more useful ways of measuring progress and improving performance that are already well-accepted by the evaluation community.<sup>1</sup> We have described a few of these alternative evaluation practices in this report, but our research to date is far from comprehensive. We hope that this report will serve as a starting point for further discussion and deeper study.

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<sup>1</sup> See, for example, Patton, M. Q., *Utilization-focused Evaluation* (3rd ed.), (Thousand Oaks, CA: Sage Publications, 1997).

## 2. THE CHANGING EVALUATION PARADIGM

The challenge foundations face in evaluation is to understand the full range of choices available, the different purposes they serve, and the circumstances in which they are relevant, in order to choose the approach that best captures the information needed.



## 2. The Changing Evaluation Paradigm

*“People think there is a generic approach to evaluation that they are supposed to use, but that is not the case. The primary question that should guide any evaluation is ‘What do you and your foundation colleagues most need to learn?’”*

— Ed Pauly, Director of Research & Evaluation, The Wallace Foundation

Over the past decade, the field of philanthropy has seen an explosion of new approaches to evaluation. Today, “evaluation” is used freely to encompass an almost limitless array of processes serving many purposes. Without clear guidance about the suitability of different practices for specific circumstances, foundation staff and boards can find it difficult to navigate this hodgepodge of approaches. Valerie Lies, CEO of the Donors Forum of Chicago, observes: *“Most foundations are bewildered about what should be evaluated, how it should be evaluated, and how it will help inform their grantmaking in the future.”* Finding evaluation costly, confusing, and impractical, many foundations do not attempt any assessment of their grantmaking at all.

Much of the confusion surrounding evaluation seems to result from the search for a single “right answer.” Our Advisory Board agreed unanimously that no single methodology represents the optimum approach to evaluation. In the words of Les Baxter, Chief Evaluation Officer of the Pew Charitable Trusts: *“There is a growing recognition that there are lots of different approaches to evaluation; it’s not a monolithic one-size-fits-all endeavor.”* Victor Kuo, Program Officer of the Bill & Melinda Gates Foundation, adds: *“There are a variety of purposes and a variety of audiences for evaluation, which all lead to the need for different approaches and methodologies.”*

The challenge foundations face in evaluation, therefore, is to understand the full range of choices available, the different purposes they serve, and the circumstances in which they are relevant, in order to choose the approach that best captures the information needed. Valerie Lies notes: *“We need to provide a variety of models, including tools that are accessible to smaller foundations, to help people understand which models are most effective under what circumstances.”*

This marks a departure from the traditional paradigm in which foundations either invested in costly third-party evaluations or settled for unverified grantee reports. As Dara Major, Director for Planning and Strategic Initiatives at the Surdna Foundation, comments: *“There’s sometimes an all-or-nothing approach that takes root – either we’re going to do this large-scale evaluation, or we don’t have the resources, so we’re not going to do anything.”*

The majority of this report is devoted to a study of the emerging evaluation approaches that fall between the “all” and “nothing” ends of the spectrum. In order to understand why the field is pursuing this wider array of options, however, it is useful to first examine the limitations of these two historically dominant extremes.

Almost all professionally staffed foundations require that grantees report on how they have used their grant dollars, either periodically or at the end of the grant period.<sup>2</sup> In most cases, however, grantee reports are not actually used as a source of learning. *“It’s more the practice in the field to put the reports on a shelf and never look at them,”* says Ruth Brousseau, the former Director of Evaluation and Organizational Learning at the California Wellness Foundation. The sheer volume of reports makes it difficult to distill lessons from them, as the evaluation director of a major foundation acknowledges: *“Most of our grantees do quarterly reporting in narrative form but we have no way to synthesize and analyze what’s coming in. We’re swimming in files and reports, but none of the information is useable.”* Grantees face an even worse predicament: the average foundation grant represents only three to four percent of a grantee’s annual budget,<sup>3</sup> so preparing custom narrative reports for each foundation can become onerous.<sup>4</sup>

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**Our Advisory Board agreed unanimously that no single methodology represents the optimum approach to evaluation.**

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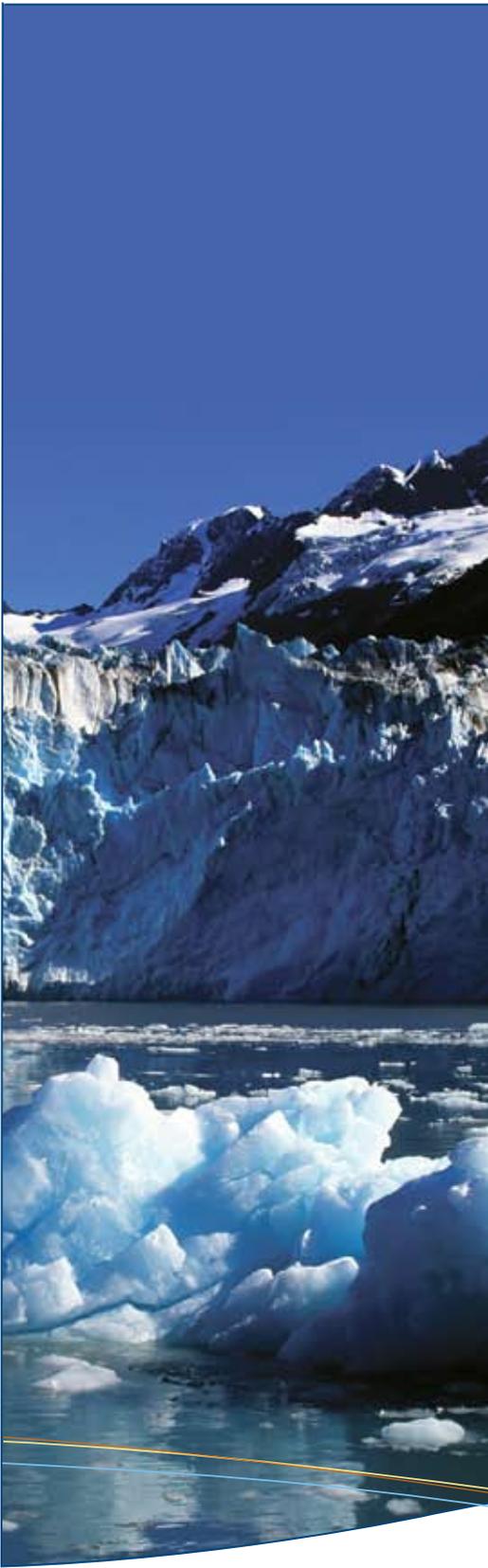
Our research disclosed a few foundations that do study, filter, and learn from grantee reports. Brousseau describes the process at the California Wellness Foundation: *“Once a program is completed, the grantee writes a report that goes to the program director, then the program director writes a two-page summary, and I write a cover page to bring out the highlights. These combined reports are then read by our board and they provide us with a wealth of information.”* Similarly, staff at the Wilburforce Foundation review all grantee reports and find them useful in planning their subsequent year’s funding. (See the sidebar “The Wilburforce Foundation.”) Foundations that do read and reply to grantee reports are so exceptional, however, that their grantees are often genuinely shocked to receive responses.

When judged by the standard for our research – whether the evaluations are actually used to achieve greater impact – grantee reports almost always fail the test. The reports may also be unreliable: the desire for additional funding creates a strong bias to cast activities in a positive light. Further, whenever information is collected that does not appear to be used, the quality of that information quickly deteriorates as those responsible learn to channel their efforts elsewhere. *“So many nonprofits, even sophisticated ones, have given up on foundations doing effective evaluation; they just look at reporting data as a game they have to play to get funding,”* says Tom Kelly, Manager of Evaluation at the Annie E. Casey Foundation.

<sup>2</sup> Although sometimes referred to as monitoring rather than evaluation, grantee reports are by far the most prevalent means of learning about the results of a grant.

<sup>3</sup> See Phil Buchanan, Ellie Buteau, and Judy Huang. *In Search of Impact*, Center for Effective Philanthropy, 2006, p. 5, at [www.effectivephilanthropy.org](http://www.effectivephilanthropy.org).

<sup>4</sup> Most nonprofit funding comes from government agencies which impose their own detailed reporting requirements. Foundations might reduce the burden on grantees by first determining if the required government reports are sufficient for their own purposes.



## The Wilburforce Foundation

The Wilburforce Foundation focuses on environmental issues in the Western U.S., Alaska, and Canada, with annual distributions of \$9 million and a staff of ten people. The Foundation has developed a multi-layered approach to evaluation, including grantee reports, formal evaluations, and assistance in building grantees' evaluation capacity.

The Foundation carefully reviews all of its grantees' progress reports. The reports are structured very similarly to the grant proposals, and staff look for variances in the grantees' activities and changes in the external context. Because of the emphasis on learning rather than just accountability, staff read these reports with a careful eye, looking for ways that the Foundation can better target the support it provides. Most grantees have long-term relationships with the Foundation, so the learnings can be applied in subsequent grantmaking. Observes Paul Beaudet, the Associate Director responsible for evaluation: *"As a result of this process, we've changed our funding recommendations, made new kinds of capacity investments in organizations, and funded new issues that emerged."*

Despite the value of this process, the Wilburforce staff find managing the annual volume of reports challenging, and are moving more toward informal conversations and site visits. *"The progress report process has been fairly labor-intensive. We find that we get more and better information from site visits than we do from a paper-based approach. So we're trying to get out of the transactional approach and more into an 'interactional' approach – 'let's talk' rather than 'write us a report.' We think it's less labor-intensive for the grantee and gets us better information."*

This transition underscores the Foundation's emphasis on learning and the value it derives from the frequent exchange of information with grantees. Beaudet sums up his advice: *"Use what you ask for, know the organizations you are working with, and recognize that a paper-based process has its limitations."*

For the full case study, please see  
<http://fsg-impact.org/app/content/actions/item/177>.

At the other end of the spectrum lies the formal third-party evaluation study. It is rooted in a longstanding assumption that there is a scientific approach to solving social problems and, through experimentation, foundations can discover lasting solutions. This perspective dates to the early decades of the last century when the first great foundations of Carnegie and Rockefeller were established. It reflects the belief that the best way for foundations to tackle huge social problems with limited resources is to test their ideas on a small scale, evaluate the efficacy of their efforts, then leave to other funders or government agencies the task of rolling the solution out on a large scale. Evaluation plays a critical role in this model by providing objective “proof” that a grant-funded intervention provided a successful solution.

The widespread acceptance of this approach has profoundly shaped the evaluation paradigm in philanthropy. As a result, the traditional objective of evaluation has been to demonstrate the effectiveness of an intervention by showing that any improvements would not have occurred “but for” the grant. This standard of proof can only be established, if ever, by a longitudinal scientific study, comparing the beneficiary group to a randomized control group. Such studies are often referred to as the “gold standard” of evaluation.<sup>5</sup>

The scientific approach to social change is, however, a severely limited model. Only a handful of foundation-developed programs have ever been taken to scale. In recent decades, government has more often undercut social programs than expanded them, and funders rarely seem to pick up other funders’ ideas. Foundation success stories from decades ago often depended on actual scientific solutions, such as the discovery of new vaccines or disease-resistant crops, but the simplified analogy of “discovering a solution” does not lend itself to solving the complex problems of poverty, education, and the environment that foundations often tackle today. Formal evaluation studies produce useful insights into the effects of various interventions under certain circumstances, but they rarely prove that a foundation initiative “worked” to solve a problem in a replicable way.

Foundations have, therefore, begun to move beyond this older model of social change, exploring new ways of achieving social impact that, in turn, require new ways of using evaluation. They demand more timely, if less scientific, techniques that support gradual improvements in performance over time. Marty Campbell describes the shift at the James Irvine Foundation: *“With the type of funding we are now doing we needed a more dynamic approach to evaluation. The new and emerging organizations or programs we are working with often aren’t stable and established enough to do*

*evaluation the traditional way.”* Adds Gale Berkowitz, Evaluation Director at the David & Lucile Packard Foundation: *“We are moving in the direction of being more real-time: what do we need to know this year in order to be where we want to be next year?”*

Abandoning the constraint that any evaluation must objectively demonstrate the impact of a specific grant has enabled the field to benefit from a wealth of new evaluation techniques. The consistent trend in the field today, as revealed by our interviews, is toward an approach that sacrifices proof of attribution for greater utility. *“I have always thought that evaluation needs to be timely. This may be ‘new thinking’ but there are a lot of evaluators who already use this approach.”* Says Rosalie Torres, President of the Torres Consulting Group and a former Board Member of the American Evaluation Association.

This newer approach has gained additional momentum from a trend among major foundations to provide grantees with general operating support and capacity building grants rather than short-term program grants that fund a specific set of activities. A recent study by the Center for Effective Philanthropy concludes that funders have frequently used program grants because they believe the results will be easier to measure.<sup>6</sup> After all, if a grant is not tied to specific activities, the evaluator cannot study its impact. In recent years, however, funders have become increasingly conscious of their grantees’ need for long-term, multi-year funding commitments to support organizational growth and sound infrastructure. General operating support and longer-term grants naturally align with the more forward-looking and performance-centered evaluations that are the focus of this report.

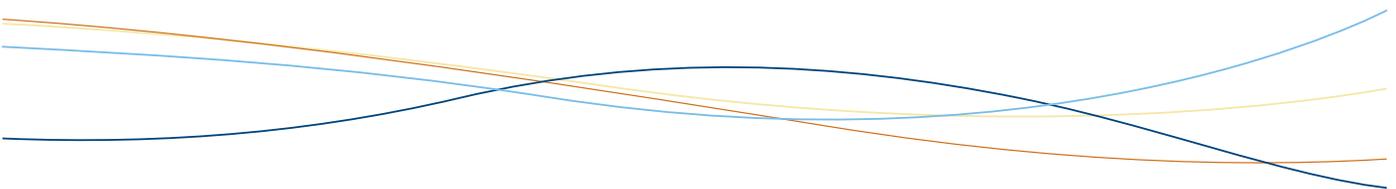


<sup>5</sup> Although beyond the scope of this study, it is worth noting that Sir Karl Popper, in his landmark work *The Logic of Scientific Discovery* (Hutchinson, London, 1959), demonstrated that science advances not by proving a theory true, but by the falsification of a prevailing theory, and the construction of a new one that fits the anomalous result. See also Thomas Kuhn, *The Structure of Scientific Revolutions* (Chicago: University of Chicago Press, 1962). Even the scientific community, therefore, no longer attempts to prove its theories in the way that foundations often attempt to prove their theories of change.

<sup>6</sup> See Phil Buchanan, Ellie Buteau, and Judy Huang. *In Search of Impact*, Center for Effective Philanthropy, 2006.

### 3. QUESTIONS EVALUATION CAN ANSWER

- A. How can we better plan our work?
- B. How can we improve implementation?
- C. How can we track progress toward our goals?



### 3. Questions Evaluation Can Answer

*“My job is to give you the tools and resources to make better decisions. If you can make better decisions, you’ll get better results.”*

— John Bare, Vice President for Strategic Planning and Evaluation, Arthur M. Blank Family Foundation

The purpose of evaluation most frequently mentioned in our interviews was not to demonstrate impact or ensure accountability, but rather to support better decision-making. In the words of Professor Hallie Preskill, President of the American Evaluation Association: *“The incentive for organizations to do evaluation is to make more effective decisions.”* Gayle Williams, CEO of the Mary Reynolds Babcock Foundation, agrees: *“Our purpose has been totally utilitarian – what do we need to know to make good decisions about investing the resources of the Foundation?”* Adds Tom Kelly: *“The purpose of evaluation is learning in real time how to do our work better – the practical, pragmatic information we need to make decisions.”*

For purposes of this report, therefore, we searched for examples in which evaluation results influenced specific decisions and actions – where we could identify changes in behavior that seemed to increase the effectiveness of the foundation or its grantees. We also looked for evaluative practices that produced an ongoing flow of information rather than a one-time report. Our assumption was that knowledgeable decision-making would be served best by regularly updated data. Finally, we looked for simple and inexpensive practices that foundations of any size could adopt without a large budget or specialized staff.

Although evaluation might be expected to influence the decision to renew or terminate a grant, we found few examples of this actually happening. Laura Leviton, Senior Program Officer in the Research and Evaluation Department at the Robert Wood Johnson Foundation, reports: *“It’s often thought that evaluation would lead to a decision to renew, expand, or terminate a program. I have never seen this to be the case in my seven years at the Foundation. For example, we conducted a randomized experiment to study the impact of our program in end-of-life care. We found no difference between the control group and the group that had been through our program, but that had no chilling effect on funding the program. It was almost as if the gauntlet had been thrown down as a challenge: Our conclusion that the program was ineffective actually led to a decision to invest more time and money to keep trying to make it work.”*<sup>7</sup>

Instead of determining whether a grant program was or was not successful, evaluation is increasingly being used to guide and gauge the foundation’s own performance. *“Evaluation can’t be just about telling us whether we’ve succeeded or failed. We need to extract the lessons learned if we really want to use evaluation to lead to better decision-making,”* observes Stuart Hudson, President of the Tremaine Foundation. As a result, the decisions affected by evaluation data are less often about a single grant and more frequently bound up in a continuous cycle of planning, execution, and measurement. As Dara Major describes: *“Instead of a static, one-time reporting event, we’ve moved to an ongoing system for planning and revising what we are doing.”*

The most instructive examples we found fell into different categories, based on the questions that the evaluation was intended to answer. Three questions, in particular, seem to have led to especially useful results:

- A. How can we better plan our work?
- B. How can we improve implementation?
- C. How can we track progress toward our goals?

This is not to suggest that studying past experience is irrelevant. It is essential to understand the results of past interventions in order to better plan or implement future efforts. But the evaluation design and the way in which the results are communicated will be very different if the primary objective is to plumb the past for insights to guide future action, rather than to isolate the impact attributable to past grants.

In the following sections, we divide our examples into the categories of planning, implementation, and the measurement of progress, as we found important differences in how foundations conduct and use evaluation in each of the three areas. Within each section we identify the key data sources and activities described as evaluative tools by the foundations in our interviews. Altogether, these lists encompass 15 discrete kinds of activity, requiring many different skills and techniques on the part of program staff and outside evaluators. The fact that such diverse activities are all commonly referred to as “evaluation” helps explain why finding the “right” approach has been so perplexing.

Which activities would prove helpful to a given foundation depends on many factors, such as the foundation’s size, goals, staffing, issue areas, and grantmaking approach. Only the largest foundations are likely to employ all or most of them. Each activity, however, can be useful on its own in helping a foundation to

<sup>7</sup> Grant programs often develop constituencies of supporters or critics within the foundation, and their views may outweigh evaluators’ findings. See also L.C. Leviton and R.F. Boruch, “Contributions of Evaluation to Education Programs and Policy,” *Evaluation Review*, 1983, 7, 563-598. Reprinted in R. Conner, (ed.), *Evaluation Studies Review Annual*, Volume 9 (Beverly Hills: Sage Publications, 1984); portion reprinted in P.H. Rossi and H.E. Freeman, *Evaluation: A Systematic Approach* (Beverly Hills: Sage, 1993).

make more knowledgeable decisions, and many of them can be conducted at little or no additional cost by staffed foundations of any size. Our best practice examples span not only the largest foundation in the world, but also small foundations with as few as two staff members.

Although we treat planning, implementation, and progress measurement separately, they are inextricably linked. Plans may define an initial set of goals, but improvements in implementation often change plans or re-adjust goals, and if no progress is being made, then some aspect of the plans, goals, or implementation must be changed. In this performance-centered approach, the process of evaluation is never completed until the foundation has achieved its goals or moved on to a different set of issues. Taken together, these three stages amount to a single integrated cycle of continually improving performance and increasing impact.

We consider each stage in more detail in the following sections.

## A. How can we better plan our work?

Many funders view their primary role as responding to grant requests as they are received, selecting and funding those that are the most promising and relevant to their priorities. Increasingly, however, foundations are working to achieve specific objectives – trying to “move the needle” on a particular social issue in a given region. These foundations need to do more than merely select

good grants: they need a plan – a way of making decisions that ties their efforts together into a coherent program that is likely to bring about the change they seek. Some refer to this plan as a strategy; others call it a theory of change, or a logic model. However named, effective planning depends on a thorough understanding of the many factors that influence the desired objectives.

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### In planning, evaluation serves to establish a baseline, define objectives, and strengthen hypotheses about effective interventions.

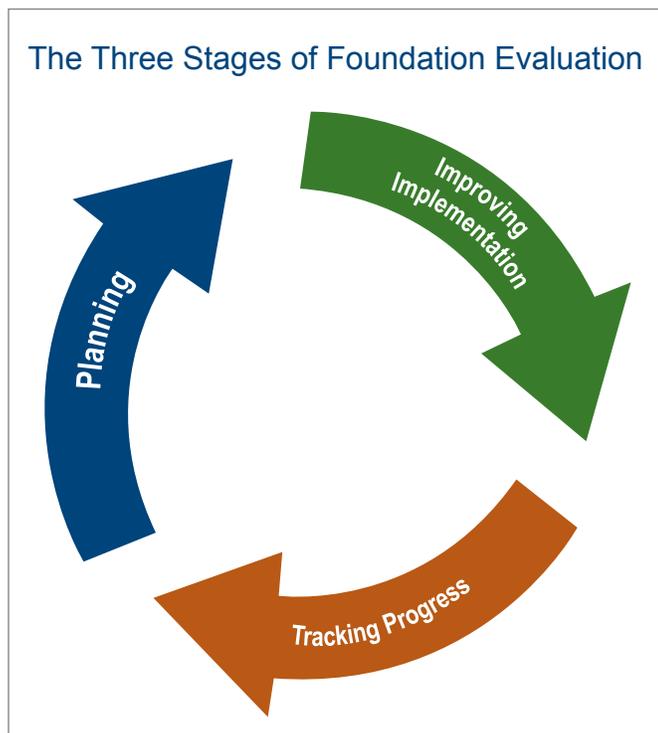
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In our interviews, we frequently heard descriptions of evaluation being used to gather information or set objectives as part of – or in place of – strategic planning. Ed Pauly observed: *“There is increasing interest in using evaluation in a more integrated way to inform an organization’s strategy by including it up front instead of as an afterthought.”* Teri Behrens, Director of Evaluation at the W. K. Kellogg Foundation, added: *“Evaluation can be a very useful management tool to make midstream corrections, but the ultimate use is to incorporate evaluation at the beginning of the process in strategic planning.”*

In planning, evaluation serves to establish a baseline, define realistic objectives, and strengthen hypotheses about effective interventions. More specifically, our research disclosed five ways that evaluation has been used to improve program planning:

- 1. Gathering baseline data and defining realistic and measurable objectives.** Foundations cannot track progress unless they define metrics and establish a baseline at the outset of their initiative, nor are they likely to be successful unless the objectives they have set are realistic. Tom Reis, Program Director at the W. K. Kellogg Foundation, emphasized the risk of failure if evaluation is not used to define achievable objectives: *“Unless evaluation is incorporated at the beginning of the process, in the strategic planning stage, the program designers can set up unrealistic objectives. No matter how good the evaluation design or data capture, the evaluation will fail because the program expectations are fuzzy or unrealistic.”* Paul Brest, CEO of the William & Flora Hewlett Foundation, similarly observed, *“Most foundations don’t know what outcomes they want in a way that is specific enough to be evaluated.”*

Establishing a baseline can itself have impact, as Teri Behrens recalled: *“In our community leadership program, students gathered data about health issues near an industrial site. We used the data to set a baseline, but the students also presented their data to the city council which then obtained EPA funding to clean up the site. Collecting baseline data became part of our advocacy campaign.”*

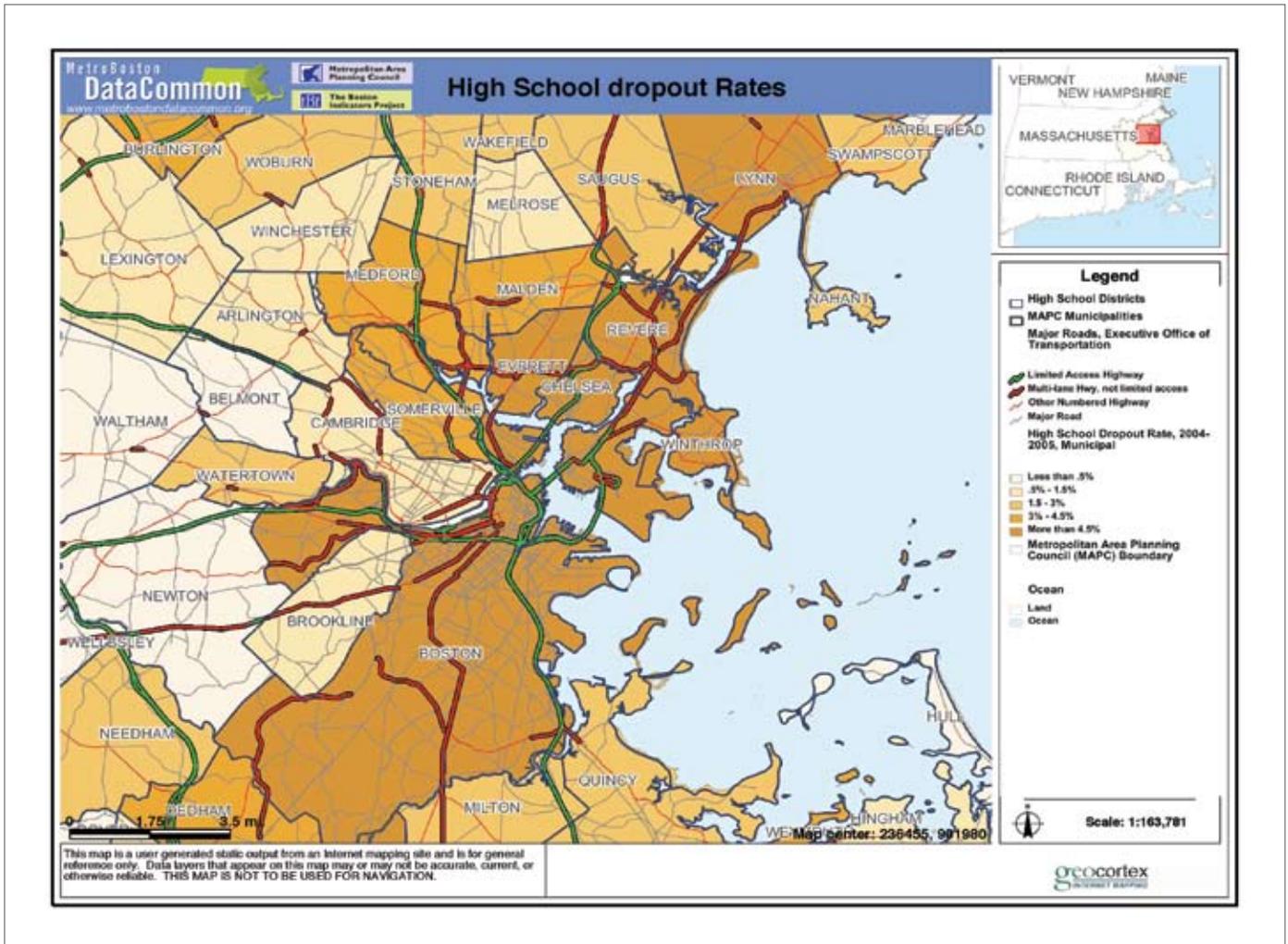


A wealth of new data sources is available online that can help foundations quickly and inexpensively set baseline measures.

A wealth of new data sources is available online that can help foundations quickly and inexpensively set baseline measures. The Boston Foundation, for example, has created an online Web site that uses Geographical Information System (GIS) mapping to display a wide range of economic, educational, environmental, medical, and cultural metrics in a free and easily accessible format.<sup>8</sup> The figure below, for example, shows high school dropout rates by community.

2. **Extracting relevant learning from past grantmaking efforts of the foundation or of other funders.** Foundations can learn a great deal by sorting through their own past efforts and those of their peers when they first begin to plan their work. The Emily Hall Tremaine Foundation reshaped the direction of two program areas after reviewing the lessons from its past grantmaking. (See the sidebar “The Emily Hall Tremaine Foundation.”)

Gerry Balbier, Senior Program Officer for Education at the Heinz Endowments, has derived valuable planning information from other funders’ evaluative work: *“We’re heavily engaged in high school reform in Pittsburgh and the information provided on Gates’ investments in high school redesign has helped us think about how to avoid some of the pitfalls. The work related to after-school programs that RAND has done has also been very helpful. We have tried to better align all the requirements of our after-school funding with the findings of the RAND report.”*



<sup>8</sup> See [www.metrobostondatacommon.org](http://www.metrobostondatacommon.org).

## The Emily Hall Tremaine Foundation

The Emily Hall Tremaine Foundation is a \$100 million family foundation based in Connecticut with a staff of four. Stewart Hudson, the Foundation's President, and its Board and staff view evaluation as forward-looking and practical. In its efforts to promote a state-level response to climate change, for example, the Tremaine Foundation had plenty of evidence that suggested its grantmaking was meeting or exceeding its goals. Over the past several years, the Foundation knew that its grantees, among others, had helped Connecticut move from being a laggard to a leader. Key efforts by grantees spurred the creation of legislation committing Connecticut to measurable progress on climate change and requiring tougher auto emission standards. The state government agreed to purchase its energy needs from renewable sources and passed an energy efficient appliances bill. Says Hudson: *"We made the decision that we didn't want to spend the lion's share of our evaluation money telling us whether we had succeeded or failed – we already had an answer to that question – so we focused more on identifying lessons we could use in the future, and the opportunity to use past results to define future directions."*

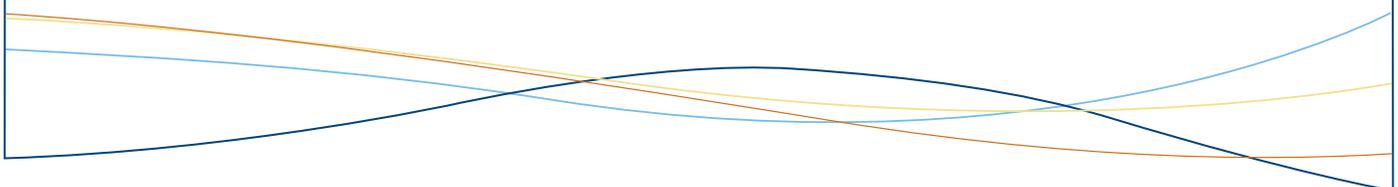
The Foundation did hire a third-party evaluator, but instead of asking him to confirm their successes, the Foundation asked him to focus on identifying lessons that would further enhance their climate change program. As a result, the Foundation broadened the geographic scope of the program and decided to share what it had learned with foundations that might mount similar campaigns in other states. *"We discovered that we were being too passive in not sharing our grantmaking portfolio, experience, and strategies with other foundations. We thought that if our grantees are doing good stuff, people would hear about it, and that's enough... But we found that we needed to be more proactive."*

In the Foundation's Learning Disabilities (LD) program area, the evaluation had a different purpose and result. For ten years, the Foundation had funded a public relations campaign to advance public awareness that students with LD do not have below-average intelligence. In recent years, a significant number of large funders and high-profile celebrities had begun working to achieve this same goal, raising the question of what additional impact the Tremaine Foundation could provide. Using studies that looked at needs and opportunities in the field, the Foundation redirected its grantmaking toward two new priorities:

1. Providing for effective teaching and assistive technology so that all classrooms can provide an environment in which LD children can learn and prosper;
2. Facilitating the integration of LD concerns into early childhood education.

In short, within the field of Learning Disabilities, the evaluation redefined the opportunities open to the Tremaine Foundation, leading to a specific and significant redirection in focus.

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.



**3. Summarizing relevant research from public data, academic studies, and the reports of field leaders.** Evaluation can play a critical role in planning by bringing existing research and hard data into the process. Janice Yost, President and CEO of the Health Foundation of Central Massachusetts, observes: *“A lot of grantmakers don’t base their interventions on firsthand experience or scientific evidence, but on what seems like a great idea to help a vulnerable population. It helps to have an evaluator as your partner who can question those decisions and research the literature. For example, we were thinking of funding a women’s center that wanted to give teenagers baby dolls that were programmed to cry in order to help prevent teenage pregnancy. The evaluator asked whether there was any data that the dolls would have an impact – there wasn’t, and we were able to come up with a different strategy that was more likely to work.”*

The Arthur M. Blank Family Foundation relied heavily on public data about income, health, and educational achievement in helping to plan its grantmaking strategy to improve conditions for young children in Atlanta. Breaking out the data by county using GIS mapping, the Foundation was able to concentrate its grantmaking in the geographic areas with the greatest need. (See the sidebar “The Arthur M. Blank Family Foundation.”)

**4. Investigating the capabilities and priorities of potential grantees and funding partners.** The impact a foundation can have on an issue largely depends on its ability to work with grantees and funding partners. Understanding the priorities, as well as the strengths and weaknesses, of potential partners is essential to effective planning. For example, in setting goals and strategies for its program areas, the Surdna Foundation includes an investigation of external environmental factors such as economic trends, funding trends, the agendas of funding partners, and other variables outside the Foundation’s control that may impact its work.

**5. Assessing the attitudes of target populations and the demand for proposed services.** Surveying and analyzing the needs, attitudes, and desires of intended beneficiaries can help ensure that a foundation’s efforts address a genuine need and align with the values and beliefs of those they serve. M.J. Mullen, Vice President, Programs, of the F.B. Heron Foundation, recounts a situation in which, *“[a] nonprofit in Detroit assumed that a community wanted more home ownership, but after the evaluator conducted a survey, they found that the community’s priorities had shifted and commercial real estate was really the priority that the foundation should work to expand.”*

It is important to note that the planning process doesn’t end when the grant program begins. Many foundations pursue an ongoing process of learning during program implementation. Laura Leviton, at the Robert Wood Johnson Foundation, described one example: *“In our Dental Pipeline Project, we wanted to encourage more enrollments of underprivileged, minority students in dental school and to get young dentists to take part in community service after they graduated. We used a series of evaluations over time to improve the quality of our planning. From the very start, we produced a lot of data and insights into what would lead young people to choose a health career in dentistry and what would excite them to consider community service. The ongoing feedback from the evaluation was extremely helpful in designing and modifying the program.”*

The Spencer Foundation, which funds education research, conducted a survey to learn what factors distinguish the research reports that are perceived as influential from those that are not. The results led them to make significant changes in their selection process and to launch several new initiatives. (See the sidebar “The Spencer Foundation.”)



## The Arthur M. Blank Family Foundation

The Arthur M. Blank Family Foundation, based in Atlanta with a staff of ten employees and an annual grantmaking budget of approximately \$16 million, is dedicated to improving the quality of life in Atlanta. The Foundation has developed innovative ways to use evaluation in planning its work and strengthening program implementation.

For example, the Foundation's Better Beginnings initiative aims to provide a healthy start for young children. Within this broad mandate, the program staff worked to define more precise goals, such as increasing the participation of disadvantaged children under the age of five in early learning experiences.

In order to better target its grantmaking, the Foundation uses GIS mapping to assess where its resources are most needed. For example, it can track the percentage of low-income children enrolled in pre-school by zip code to identify where its intervention would be most helpful.

By mapping publicly available data against the specific neighborhoods in which it invests, the Foundation is better able to assess whether it is selecting grantees that are addressing the highest need areas. *"The maps showed us gap neighborhoods in Atlanta where we need more service delivery,"* commented John Bare, Vice President for Strategic Planning and Evaluation. *"If we can find locations where certain social situations are present, we can better design interventions to correct them."* The data also established a baseline for measuring progress.

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.



## The Spencer Foundation

The Spencer Foundation, with assets of \$475 million and a staff of 20, was founded to “investigate ways in which education, broadly conceived, can be improved around the world.” Spencer has funded many education research projects, but the Foundation’s ultimate goal is to improve education. During the past several years, the Foundation has become quite interested in the topic of grant effectiveness and why some research influences policy and practice more than other research of equally high quality. It quickly realized that it was exploring a complex issue – one that had many variables contributing to the explanation of “influence.” By learning more about the underlying factors that affect “influence,” the Foundation has been better able to plan its work going forward.

During the past year, Spencer has more thoroughly investigated how research influences educational policy and practice by learning what the field of researchers, practitioners and policy-makers finds useful. Spencer set out to investigate what types of research had been most influential in educational policy and practice. The Foundation was interested in whether certain types of research had a proven “track record” of positively influencing educational practice so that it could better plan its own work and because it believed the information could be valuable to the field at large. As Mary Cahillane, its CFO points out, “Our due diligence can be better informed by understanding what factors increase the probability that our funded research will influence and improve educational policies and practices.”

Spencer asked a set of leading researchers, policy-makers and practitioners for examples of research, whether Spencer funded or not, that had made an impact on education policy or practice and for an explanation of why the research had made an impact. Several common themes emerged. Influential research was longitudinal, timely, and relevant to existing public concerns, replicable, and had specific implementation recommendations. Effective communication of research findings was also cited as critical. The survey also helped the Foundation to understand that more emphasis was needed on communicating research to a broader community, including journalists, high-level practitioners, and policy organizations. As a result, the Foundation organized the Spencer Forum in 2006 to place more focus on disseminating and interpreting research results to policy-makers, practitioners and journalists.

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.



## B. How can we improve implementation?

The grantmaking process often assumes a mechanistic model of change, in which a series of grants are expected to produce a predictable outcome that leads to a pre-determined goal. In the past, a foundation might embark on a strategy and follow it without question for several years, until a retrospective outcome evaluation pronounced it either a success or failure. In fact, if the evaluation was intended to test the effectiveness of an intervention against a control group, any attempt to change direction during the life of the project would invalidate the evaluation results.

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### Unfortunately, the messy social problems that foundations tackle rarely succumb to predictable solutions.

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Unfortunately, the messy social problems that foundations tackle rarely succumb to such predictable solutions. Foundation staff are called upon to respond to unexpected developments, approve and fund mid-course corrections, and provide ongoing counsel to grantees. The recent influence of research on high-engagement grantmaking and the momentum behind venture philanthropy have led funders to accept a greater degree of responsibility for the success of their grantees and to stay more closely involved during the life of their grants.<sup>9</sup> New approaches to foundation strategy, such as adaptive leadership, have focused foundations on stimulating and managing an open-ended process of change, rather than imposing a preordained solution. (See the sidebar “Evaluating Adaptive Leadership.”) At the same time, new comparative tools developed by the Center for Effective Philanthropy have empowered foundations to increase their effectiveness by assessing and improving their internal operating processes.

The pressures of quarterly grant dockets and sparse foundation staffing, however, mean that program officers usually have to concentrate their energy on reviewing the next wave of grant proposals rather than remaining engaged in the implementation of grants that have already been approved. Increasingly, our research

suggests that evaluators are being asked to fill this gap by taking on the role of surrogate program officer, facilitating collaborations, overseeing implementation, monitoring progress against a plan, and offering suggestions to circumvent obstacles. In some cases, evaluation has been largely transformed into grantee facilitation and technical assistance.

These activities require a set of skills very different from those needed for traditional evaluations. As Marty Campbell describes: *“This type of evaluation takes a different skill set and most traditional evaluators cannot do it. You need to have group process skills, emotional intelligence, and an understanding of the organizational context. There’s a culture clash with traditional evaluators, who often get the data, draw conclusions, then share them with the organization – rather than helping to facilitate and enabling the organization to arrive at its own conclusions.”*

In fact, the kinds of training required for the different evaluation activities described in this report – to plan a strategy, facilitate a gathering of grantees, provide advice on management and organizational development, or conduct an impact assessment study – are all quite different from each other. In some cases, less formal training is required for these activities than for gold standard studies, and many of the evaluation practices described in this report can be executed by foundation staff, or by consultants with varying levels of expense and sophistication. If the purpose of evaluation is primarily to assist the foundation’s own decision-making, we found that many kinds of information could prove useful, no matter how subjective or informally collected.

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*“There’s a culture clash with traditional evaluators, who often get the data, draw conclusions, then share them with the organization – rather than helping to facilitate and enabling the organization to arrive at its own conclusions.”*

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<sup>9</sup> Christine W. Letts, William Ryan, Allen Grossman, *Virtuous Capital: What Foundations Can Learn from Venture Capitalists*, Harvard Business Review, 1997. See also Christine W. Letts, William Ryan, Allen Grossman, *High Performing Nonprofit Organizations: Managing Upstream for Greater Impact*, John Wiley & Sons, 1999.

## Evaluating Adaptive Leadership

Many of the fundamental problems that foundations and nonprofits seek to address – from reforming public education to ending hunger and homelessness – are adaptive in nature. Adaptive problems are rarely well-defined, the answers are not known in advance, and many different stakeholders are involved, each with its own perspective. Importantly, adaptive problems require innovation and learning among the interested parties. The stakeholders themselves must create and put the solution into effect since the problem is rooted in their attitudes, priorities, and behaviors.

The complexity and ever-changing nature of adaptive challenges require an evaluation approach that seeks to support real-time learning, both on the part of the foundation and the stakeholders involved in the problem. Evaluation must serve to enable ongoing, experimental “corrections” in both foundation interventions and stakeholder actions.

The MELMAC Education Foundation, which funds educational initiatives statewide in Maine, is attempting to be an adaptive leader in mobilizing stakeholders – such as students, parents, teachers, and college administrators – to improve the state’s college matriculation and graduation rates. MELMAC’s grantee communities currently include roughly 25% of the high school students in Maine. The Foundation uses three different types of evaluation inputs to inform its efforts:

- **Performance Indicators:** MELMAC tracks indicators of progress, such as the percentage of graduating high school seniors who matriculate in college, from an initial baseline toward clearly defined quantitative goals.
- **Collaborative Inquiry:** Collaborative inquiry is a way in which participants can collectively design and agree on key questions to explore in evaluation. MELMAC ensures a process of collaborative inquiry by scheduling annual conferences of grantees and relevant stakeholders to review best practices and key findings.
- **Cultural/Behavioral Observations of the Engaged Stakeholders:** MELMAC gains special insight into the interplay among community stakeholders by engaging coaches who provide technical advice to grantee communities. These coaches meet regularly with each other and with the Foundation to share findings and explore the complicated interrelationships among the various stakeholders involved in the adaptive challenge.

These three evaluative inputs have enabled the MELMAC Education Foundation to continually adapt its efforts to mobilize stakeholders in pursuit of its goals. This has contributed to remarkably quick success, as the post-secondary student matriculation rates increased from 63.5% in 2003 to 70.1% in 2005 at the MELMAC funded schools, while the rates at other schools in Maine remained unchanged.

For additional information about the MELMAC Education Foundation’s strategy and evaluation results, please visit [MELMACFoundation.org](http://MELMACFoundation.org).



During program implementation we found evaluation practices serving six functions:

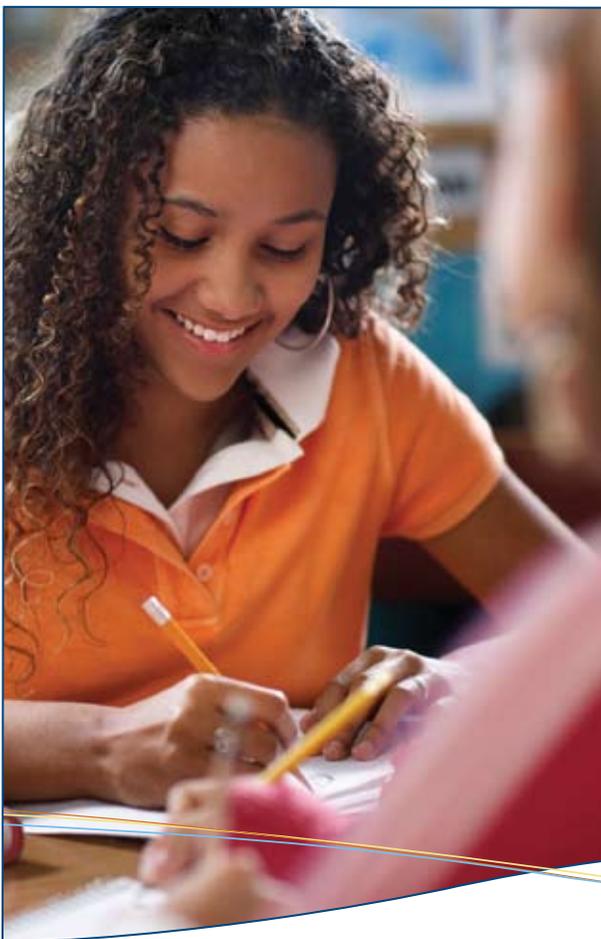
1. **Bringing grantees together to share knowledge and overcome common obstacles.** Facilitating regular meetings of grantees provides an important learning opportunity for both the grantees and the foundation. If the foundation staff manage these meetings, they will have to work hard to establish an atmosphere of open communication and trust, as grantees are often hesitant to speak candidly or acknowledge problems in front of their funders. On the other hand, facilitation can be an ideal role for an external evaluator acting as an agent of the foundation but protecting the confidentiality of its grantees.

The Blank Foundation, described earlier, established the Fitness Zone Project in partnership with the Atlanta Falcons Youth Foundation to combat youth obesity through increased physical activity. Throughout the initiative, the Foundation convened its grantees every five weeks to address common challenges and identify best practices. *“It may sound like common sense,”* John Bare says of the meetings, *“but you can never have*

*problems that are more than five weeks old because there’s always a new meeting. We don’t wait for someone to hand us an evaluation report a year later to tell us what didn’t go according to plan. This way, we can make adjustments to create better performance as soon as we realize there is an issue.”*

2. **Offering advice and technical assistance on improvements in program design, management, or implementation.**

Evaluators are often asked to monitor the success of a program strategy and suggest midcourse corrections to increase the odds of success. The James Irvine Foundation, for example, launched a major nine-year, \$60 million initiative to improve the academic achievement of elementary school students. Halfway through this high-profile initiative, the Foundation brought in new evaluators who determined that the current methodology would not enable the Foundation to reach its objectives. Even though the Foundation had already spent \$30 million, the evaluators recommended completely restructuring the program. Forced to choose between shutting down the program and shifting its focus, the Foundation took the latter course and has begun to see better results.



## The Ball Foundation

The Ball Foundation, based in Chicago with \$37 million in assets, described an important shift in the implementation of its work in underperforming mid-size high schools. In the words of Srik Gopalakrishnan, the lead evaluator of the Foundation’s education initiative: *“We started out with a ‘cascade model’ of professional development – a group of 40 lead teachers from a few schools go through professional development and then take their new skills back to their schools to train other teachers. Unfortunately, we found that this cascade model wasn’t working. The lead teachers were learning and growing, but they weren’t spreading the information once they got back to their schools. We learned from our surveys and focus groups that our model needed rethinking – the lead teachers said it was very hard, with all they were doing on a daily basis, to distribute the learning. There were issues that we hadn’t thought about at the beginning such as substitute teachers and union contracts. We redesigned the program, and in our new schools we have implemented coaching at the school level to recreate the experience that the lead teachers went through.”*

The Ball Foundation conducted the surveys and focus groups with its own staff instead of hiring outside evaluators. It also shared the results with school principals, which helped motivate the principals at underperforming schools to change their practices.

Other mid-course corrections may be less dramatic, but even very small changes can make a big difference in an initiative's results. The Health Foundation of Central Massachusetts found that the success of its innovative in-school oral health program depended on something as minor as making sure that parental permission slips got signed. The evaluator discovered that teachers were inconsistent in collecting the slips, and the Foundation is now trying a new program to reward teachers by giving gift certificates to those with the highest rates of permission slip returns. Says Janice Yost: *"This isn't something we could have discovered years after program implementation. We needed to be on top of this in order to get the best return on our efforts and dollars spent."*

- 3. Identifying new issues or opportunities for Foundation intervention.** In addition to revising the implementation process, careful monitoring of an initiative can bring to light issues that a foundation may not have been aware of in its planning but that can lead to synergistic funding opportunities. The Colorado Trust, for example, evaluated its Violence Prevention Initiative and discovered widespread concern about the link between handguns and suicide. After further research, it started a new suicide prevention initiative. Similarly, the F. B. Heron Foundation uses a scorecard at every grant review that helps it to identify emerging issues in the field. Through this process, the Foundation discovered and began to address the problem of "predatory lending" long before the issue was widely recognized as a problem.

The Bill & Melinda Gates Foundation's Sound Families Initiative was designed to address homelessness in the Northwest. The ongoing evaluation process over the past six years has generated many insights that have led to program improvements, new opportunities, and substantial public funding. The Foundation, which began the initiative with a focus on building housing units, learned, for example, that child care posed a major barrier to women returning to work, and this was one factor that led the Foundation to establish an Early Learning initiative. (See the sidebar "The Sound Families Initiative.")

- 4. Reporting on changes in context that alter the assumptions behind the original strategy.** The success of any initiative will depend, in part, on timely adjustments as circumstances change. This is yet another challenge that evaluation can help meet. When adult Medicaid oral health benefits ended in Massachusetts, the Health Foundation of Central Massachusetts, cited above, found that it needed to overhaul its plans and priorities. Comments Yost: *"If you're not there and engaged, able to look at the data, understand the environment, and make changes as you go, it's really difficult to have the kind of impact that you intend to."*

Similarly, Brooke Finn of NeighborWorks America, which manages the Success Measures project described on page 37, reports that *"The data collection was eye-opening... one group that was supporting a home ownership program found that the people who bought the homes weren't actually living there anymore. It sure wasn't what they hoped for, but it was a very important finding."*

- 5. Providing information that can influence the behavior of others – funders, legislators, other nonprofits, or the beneficiaries themselves.** The Success Measures project enabled grantees to make the case for funding themselves: *"One organization surveyed the neighborhood residents' perception of safety and security and found that people weren't comfortable having kids outside on their own. The neighborhood association approached the local government about building a community center to provide a place for the kids to play. The first thing the government official said was 'you need to survey the residents and demonstrate the need.' As a result of our evaluation data, the association was able to leap across that hurdle almost instantly."* Similarly, the Gates Foundation's Sound Families Initiative used evaluation data to influence legislative policy and gain public funding to leverage their support.

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**Even very small changes can make a big difference in an initiative's results.**

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- 6. Improving the foundation's internal processes.** Rather than focusing all their attention on the success or failure of their grantees, foundations are beginning to judge their own performance against their aspirations and against the performance of their peers. The Center for Effective Philanthropy has developed a Grantee Perception Report (GPR) that enables foundations to compare, on roughly 50 different measures, their grantees' perception of the foundation's performance compared to that of other foundations.<sup>10</sup> (See the sidebar "The Grantee Perception Report.") Factors as simple as the time it takes to process a grant, the responsiveness and clarity of communication to grantees, the burdens of the grant application process, and the helpfulness of the foundation's non-monetary support can influence a foundation's ability to successfully implement its strategy. Comparing these factors to the performance of peers enables foundations to identify opportunities for improvement.

The GPR does not demonstrate the social impact achieved but rather, like the other implementation measures described in this section, provides opportunities for foundations to increase the likelihood of success. For example, Dara Major at the Surdna Foundation, notes: *"Providing non-monetary support is a priority for us. What we learned from the GPR led to a more intentional effort to look at our work and what we can realistically deliver, as distinct from that of our grantees."*

<sup>10</sup> The Center's work draws on early publications by its co-founders Mark Kramer and Michael Porter that focused attention on overall foundation performance. See Michael E. Porter and Mark R. Kramer, "Philanthropy's New Agenda: Creating Value," Harvard Business Review, November-December 1999.

## The Sound Families Initiative

In 2000, the Bill & Melinda Gates Foundation launched a \$40 million, eight-year commitment to address family homelessness in the Puget Sound area in Washington State with the goal of creating 1,500 new housing units, provided with services that increase family stability. The Initiative was launched as a public-private partnership, with involvement from different levels of government, nonprofit groups, and regional housing authorities.

The Foundation made evaluation a priority from the beginning and contracted with a team of researchers from the University of Washington's School of Social Work. The team chose a participatory approach, rather than an experimental design with a control group. The evaluation intentionally focused efforts on identifying and measuring impact and change at three distinct outcome levels: individual families, organizations/agencies, and the larger systems that provide funding and oversight. A variety of different data collection techniques was adopted with feedback loops to share this data broadly among all participants – the Foundation, government agencies, policy-makers, grantees, and even the beneficiary families – and communications tools were designed specifically for each of the different audiences.

Early on, prior to the team of evaluators coming on board, a decision was made to not use a control group. Even if the initiative planners had been comfortable with the expense and complexity of a control group design, the evaluators note that this approach would have been inappropriate for two reasons. First, experimental design is best suited to testing a single model and in this relatively young field, no single approach was yet seen as the likely solution. Second, ethical questions emerge about denying families assistance or assigning them randomly to models that are not expected to work in order to create a control group.

On the other hand, the benefits of the more participatory, multi-level approach have been significant, largely due to engaging a broad set of stakeholders in the evaluation. The dialogue fostered by this engagement has built constructive relationships over time between the evaluator and the funders, agencies, policy-makers, and especially with the families being served.

The evaluation illustrates many of the different uses of evaluation described in this report, and enabled the Foundation to achieve many of its goals.

- **Understanding the needs of the target population**
  - *“When the evaluation was set up, a lot of the people involved had just one definition in their minds of homeless families. The evaluation has teased out different groups that we can understand: those affected by domestic violence, disability, or sometimes just real economic challenges. And the differences between rural, suburban, and urban homelessness are real and important to take into account. One major benefit is that now we all understand you can't just generically say, 'here's what you do for homeless families' because it's not that simple.”*  
– Alice Shobe, Director of the Sound Families Initiative
- **Influencing public decisions and policies**
  - *“The importance of the role of Section 8 in giving families the chance they need to succeed long-term by providing affordable housing has emerged as critical to this model. The data is saying there are rewards for collaborative behavior and is providing incentives for these partnerships to continue. Our findings underscore the benefits of interagency collaboration for families.”* – Jami Bodonyi, Evaluator with the University of Washington School of Social Work
- **Shaping initiative implementation**
  - *“The evaluation has allowed us to make mid-course corrections. One small example was that some of our earlier projects didn't have adequate child play space. We started hearing from our evaluators that kids would run around and get in trouble, stressing out their parents. And that this was affecting the parents' ability to focus on goals and was a contributing factor for some who were getting evicted. It would all escalate. Once we heard that, we decided to not fund any more projects that don't have adequate child play areas.”* – Katie Hong, Gates Foundation

- **Attracting public funding**

- *“The evaluation results were instrumental in helping to create the publicly funded Washington Families Fund. I’m convinced that we wouldn’t have succeeded in creating this new public-private fund without the evaluation data. Legislators responded to the fact that the rates of public dependency were reduced for families after having lived in supportive housing for 6-18 months. Additionally, the results for kids have been meaningful – the rates of attendance in schools improve when kids aren’t moving around a lot. This helps make the case for additional public investment. The evaluation results were a cornerstone of our advocacy strategy.” – Alice Shobe*

- **Refining the Foundation’s future strategy**

- *“One of the things we started seeing from our evaluation was that child care is a huge barrier to women going back to work – and high quality child care was identified as one of the top needs for women who had graduated from transitional housing and were moving on. This was one of the reasons we looked at and launched the Early Learning Initiative at the Foundation. Quality child care is an important adult workforce strategy – but it’s also important for successful child development.” – Katie Hong*

- **Increasing dialogue among grantees**

- *“In some cases, I think our [the evaluators] presence, and bringing people together around a table to discuss findings is making a difference: in one example, a program’s data on families, and particularly the families’ comments, have helped the property manager and service provider understand how working better together would improve the program for families.”  
– Jami Bodonyi*

- **Help grantees understand their own successes and challenges**

- *“The evaluation results have helped our grantees improve their programs. One example is a grantee who provides housing and services in a rural area. From the evaluation results, they looked at the income level of participating families and saw that they clearly wouldn’t make it. So they worked to get transportation money, and changed workforce strategies. They changed from working with the Temporary Assistance for Needy Families (TANF) case manager to find any job, to counseling families to turn down the easy jobs and look for things in nursing, trucking, and other high growth industries. Many families are now leaving their program and are able to afford apartments on their own. This was not something we expected in terms of how the evaluation would get used. We didn’t realize that grantees would be able to use the evaluation to make immediate improvements to their program.” – Katie Hong*

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.

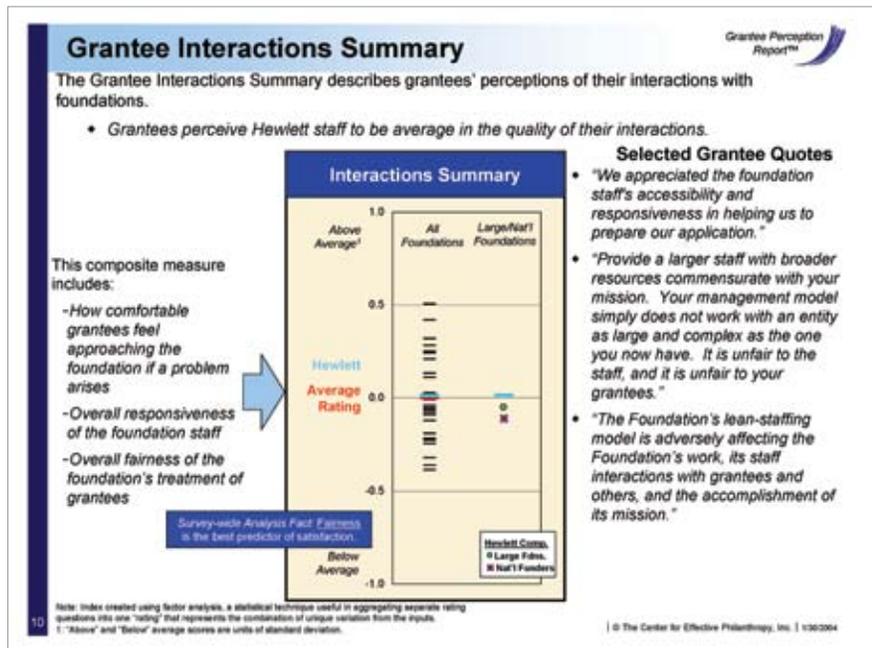


# The Grantee Perception Report

The Center for Effective Philanthropy has developed a series of comparative assessment tools for factors such as grantee perceptions, staffing patterns, and board practices. The Center's core product is the Grantee Perception Report (GPR), a survey administered to grantees that asks them to respond to specific questions about their experience with a foundation that funded them. The responses can then be compared with those from grantees of peer foundations to determine field-wide norms and relative performance.

In the five years since the GPR was developed, the Center has collected data from nearly 200 foundations and over 20,000 grantees. Foundations that have commissioned the GPR have shared the results with their boards, and 97% of them have made changes to improve their performance as a result. Actions taken range from major changes in grantmaking strategy to improvements in grantmaking processes and communication with grantees.

A number of foundations, including the William and Flora Hewlett Foundation, have chosen to make their GPRs available on their Web sites. An excerpt from the Hewlett Foundation's report appears below:



Interestingly, the Center's research has identified the three key factors that make the greatest contribution to grantee satisfaction: the quality of interactions with staff; clarity of communication of the foundation's goals and strategy; and expertise or "external orientation" in understanding the field and the community. The latter two factors are directly supported by the evaluation practices described in this report in defining goals, researching strategy, and developing ongoing feedback loops during the life of the grant.

For more information please see [www.effectivephilanthropy.org](http://www.effectivephilanthropy.org).

## C. How can we track progress toward our goals?

Most nonprofits and foundations have adopted broad and inspiring mission statements that motivate donors and staff alike to pursue the vision of a better world. The difficulty comes in trying to measure progress toward achieving such boundless ambitions. Our research suggests that both foundations and nonprofits are increasingly adopting interim goals that represent a tangible step toward their broad missions but that can also be measured and achieved in a reasonable period of time.

Paul Brest notes that *“The Hewlett Foundation sets goals for each program area and reports to the Board annually on progress against those goals. We are working toward becoming increasingly clear about our goals in each program area: one of our goals, for example, is to protect a certain number of acres of western ecosystems.”*

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**Foundations and nonprofits are increasingly adopting interim goals that represent a tangible step toward their broad missions but that can also be measured and achieved in a reasonable period of time.**

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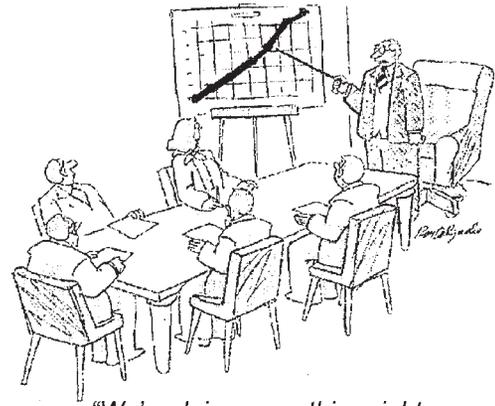
The United Way of Central Maryland learned a similar lesson when it put in place an outcome measurement system. In the words of Chris Seubert, Associate Vice President of Community Impact: *“We have found that if an agency can define a good outcome that is measurable, doable, specific, and time-bound, then they’ll be able to measure their impact.”* Conversely, foundations that have not yet developed concrete goals may find it difficult to track progress toward any measurable outcome.

When clear and measurable goals are established, however, and the burden of attribution has been removed, tremendous amounts of relatively inexpensive public data can become immediately relevant. On many issues, government or universities already collect data – and the data can often be broken out by geographical regions that match the funder’s focus. As Laura Leviton notes: *“At the Board level, we use performance indicators for some of our high-level goals – for example, tracking childhood obesity through publicly available data and some purchased data. We’re not looking for attribution; we just want to see if the needle is moving on issues that we care about.”*

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**Making better data available can itself be a powerful tool for social change.**

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*“We’re doing something right.  
Does anybody have an idea what it is?”*

In other cases, public data may not be available in a timely and consistent manner – or at all – but the desired data can be created or purchased by a foundation. An extremely important byproduct of this approach is the potential for new data to motivate others. Timely, objective, and accurate information is scarce on many social issues, leaving policymakers, funders, and the general population uninformed, and thereby muting public interest, political will, and available funding. Making better data available can itself be a powerful tool for social change.

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**When clear and measurable goals are established and the burden of attribution has been removed, tremendous amounts of relatively inexpensive public data immediately become relevant.**

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Even apparently straightforward information, such as high school attendance and graduation rates has not been available on a consistent basis across different states and school districts. The Broad Foundation and the Gates Foundation have worked with researchers and with the National Governors Association to establish a standardized national formula for calculating graduation rates, and hired Standard & Poors to develop a consistent nationwide reporting system that will be publicly available on the Internet.<sup>11</sup> The data will help these foundations measure the success of their own grantmaking, but they hope that its political impact will be even greater, as communities and schools can quickly and easily compare, for the first time, their performance.

<sup>11</sup> See [www.schoolmatters.com](http://www.schoolmatters.com).

## Setting Measurable Goals

John Sawhill, the former president and CEO of the Nature Conservancy and a Senior Lecturer at Harvard Business School, has explored how nonprofits measure their mission-related performance. Based on his decade of experience, as well as a study of 30 other major nonprofit organizations, he and his co-author David Williamson conclude:

*“For most nonprofits... it is simply too difficult and too expensive to establish a direct linkage between an organization’s annual efforts and the impact of those efforts on the organization’s mission....The nonprofit groups that reported the most success in developing performance measures had all developed specific, actionable, and most critical, measurable goals to bridge the gap between their lofty missions and their near-term operating objectives. Rather than expending inordinate effort in measuring mission, these groups have concentrated on identifying and then achieving goals that will move them in the direction of mission success – tacitly abandoning a direct measure of success in favor of a cheaper, faster, more useful surrogate of organizational performance.”<sup>13</sup>*

Sawhill and Williamson cite as an example the American Cancer Society, whose mission is to eliminate cancer as a health problem. Rather than measure this directly, the ACS set a goal of achieving a 50% reduction in cancer mortality rates and a 25% reduction in cancer incidence rates by 2015. Although ambitious, the goal is measurable and time-limited. ACS has not attempted to distinguish changes in cancer rates that result directly from its actions versus changes due to other factors. Even so, adopting the goal profoundly changed their activities, requiring a shift away from basic medical research in favor of prevention, screening, education, and advocacy – activities that are more likely to produce progress toward this goal in a shorter period of time. Such clear goals also helped to unify the organization’s efforts internally and to better frame the issue for advocacy and fundraising purposes externally.



<sup>13</sup> John C. Sawhill and David Williamson, “Mission Impossible? Measuring Success in Nonprofit Organizations,” *Nonprofit Management & Leadership*, Spring 2001, pp. 371-86 and 380-81.

During program implementation we found evaluation practices serving six functions:

1. **Analyzing publicly available data.** The Z. Smith Reynolds Foundation makes annual grants of \$15 million with a staff of 15. The Foundation focuses on, among other areas, the environment and, in particular, improving water quality in local rivers. As CEO Tom Ross describes: *“We have six grantees that are working on water quality – they established baseline data and set a goal of reducing sediment in [our] river by a certain percentage. We care about whether they have reached their goal, not whether they have reached their goal because of us. At a certain point, we have to take a leap of faith that our money is in fact helping move the needles on the dashboard. We will never be able to take credit for that movement, but we want to know if things are improving.”* (See the sidebar “Z. Smith Reynolds Foundation.”)

Many foundation leaders remain troubled by the lack of any proven link between the foundation’s funding and the “moving needle.” Exogenous factors may be responsible, they note, so one cannot tell whether the foundation’s grants were successful. Yet these concerns arise only under the traditional view that the exclusive purpose of evaluation is to determine the impact of the foundation’s funding. No one would deny that it is useful to track changing conditions in order to make better-informed grantmaking decisions in the future, and it is this change in perspective about the purpose of evaluation that underlies the shift we observed in the field.

A further component of this shift is a greater willingness to accept informal observations in place of rigorous third-party studies. In most cases, a well-informed observer would notice major exogenous changes and be able to determine, as a matter of common sense, whether there is a credible link between the work of grantees and the changes taking place. Establishing that grantees made a *contribution* is far easier – and often more realistic – than establishing *attribution*.

2. **Developing or purchasing custom data.** Foundations often seek to achieve objectives that are more targeted or specialized than those reflected in the public data that governments or universities currently collect. In those cases, they will need to gather the data for themselves, either by conducting their own research, commissioning others, or collecting data from grantees. Depending on the budget, this data can be collected informally or with great precision. The Health Foundation of Central Massachusetts, for example, uses inexpensive, informal measures to follow the progress of its lobbying work. *“It’s critically important for us to know what’s happening at the Statehouse to be effective in our advocacy work. We don’t spend a lot of money on this, but we need to have access to someone who’s walking the halls.”*

Industry data, often sold for a fee from research houses and trade associations, is another often under-utilized resource. The W. K. Kellogg Foundation, for example, launched a program to increase the amount of food produced in sustainable ways. They found that they could purchase data from a national food industry group to establish a baseline and track progress. The cost was much less than hiring an evaluator and, because the data was proprietary, there would have been no other way to obtain it.

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**In most cases, a well-informed observer would be able to determine, as a matter of common sense, whether there is a credible link between the work of grantees and the changes taking place.**

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The California Health Care Foundation, a \$1 billion foundation with a staff of 43, has among its goals the reduction of health care costs in California. Although cost data is available on different components of hospital treatments, such as the cost of an IV or the daily rate at an ICU, it is lacking on overall procedures, such as a hip replacement or a bypass surgery. The Foundation wanted to track those costs to aid in its own work, but also believed that publishing comparative cost data might push higher-cost hospitals to lower their charges. The Foundation commissioned “mystery shoppers” to investigate and price the full cost of basic procedures at a range of hospitals, publishing the data and creating an incentive for hospitals to bring their costs down.

More recently, the Foundation funded a voluntary collaborative effort, known as the California Hospital Assessment and Reporting Taskforce (CHART), to create a new online report card at [CalHospitalCompare.org](http://CalHospitalCompare.org). Consumers can search for hospitals by location, name, or medical condition and obtain ratings on 50 performance indicators, including patient satisfaction measures and mortality rates for specific conditions, such as heart disease and pneumonia.



## Z. Smith Reynolds Foundation

The Z. Smith Reynolds Foundation has developed a practical approach to evaluation that enables the measurement of progress toward specific issue-area goals. Executive Director Tom Ross explains that, when unencumbered with concerns of assigning attribution, evaluations can focus on whether or not “the needle is moving” on issues that are important to the Foundation’s work. *“What we really care about,”* Ross explains, *“is whether our presence in the field matters, but not what our money bought for us with each grant. If our grantees working on a certain issue are collectively moving the needle, that’s what we want to know.”*

The Foundation has developed goals for each of its five issue areas – community economic development, democracy and civil engagement, environment, pre-collegiate education, and social justice and equity. Says Ross: *“We obviously care about our individual grantees and want them to be successful in their work, but we could make 500 grants in 500 communities in our state, and our grants could be successful – yet would that be the most effective use of our resources? I would argue that if you think about those 500 grants in a more strategic way and look at how all together they affect an issue you are concerned about, then you’re really moving in the right direction.”*

The Foundation’s ultimate ambition for evaluation is to compile information gathered from grantees across a field of work and to use it to measure progress toward the organization’s goals in that area. This kind of evaluative process often involves the use of publicly available data. Ross specifically explains that this approach, focused on tracking progress toward measurable goals, is not overly concerned with attribution. *“We are less interested in actively targeting information that will tell us whether our money made a difference; we are mostly interested in whether progress is being made on social issues we care about.”* As such, the Z. Smith Reynolds Foundation has found the process of using amalgamated, grantee-gathered data to measure improvements to be far more rewarding than evaluation efforts it has pursued in the past: *“Hiring professional evaluators to look at the success of a particular grant can be expensive and doesn’t always help you understand whether the needle is really moving.”*

Most importantly, Ross says that the Foundation is able to use its new approach to update goals and refine its program area strategies. *“It is not a given that if the needles aren’t moving in the right direction then we move to a different area, but it means we need to take a look at our actions and the actions of others in this area and possibly rethink our strategies.”*

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.

# Wachovia Regional Foundation

The Wachovia Regional Foundation, a corporate foundation with \$5 million in annual grantmaking and a staff of five, works to revitalize low-income communities in New Jersey, Delaware, and Eastern Pennsylvania.

The Foundation focuses its evaluation efforts on measuring progress toward clear goals on an ongoing basis and refining its approach accordingly. Typically, the Foundation makes initial planning grants of up to \$100,000 over 12 to 18 months, and implementation grants of up to \$750,000 over three to five years. During the planning phase, grantees are required to develop a comprehensive, resident-driven plan for their neighborhoods, and to determine which indicators they will track over time to assess changes in the neighborhoods' health. Implementation grants include key milestones, quantifiable outputs, and anticipated impacts for the each project. The Foundation also relies on Success Measures to document outcomes across multiple grantees on a consistent set of indicators. (See sidebar "Success Measures" on page 37.)

The Foundation tracks long-term indicators in its four focus areas, gathered from a combination of public data, commissioned research, and grantee reports. The indicators include:

## Housing

- Number of residential buildings classified as vacant
- Median sale price – housing
- Number of buildings with housing violations
- Eviction rate

## Economic Development

- Percent of families living below the poverty level
- Median household income
- Percent of elementary school children participating in free/reduced-cost lunch programs
- Number of new jobs in the area

## Neighborhood Rebuilding

- Crime rates
- Community attitudes survey (cleanliness, safety, sense of belonging, etc.)

## Services to Children and Families

- Community survey on the adequacy and accessibility of necessary social support

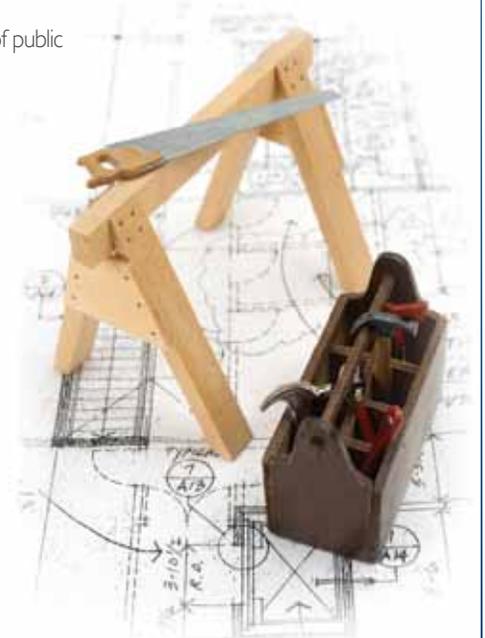
Tracking this data has enabled the Foundation to monitor improvements in its communities.

For example, since its inception the Foundation's grantees have developed 60 new businesses and created 1,149 new jobs in its funding region, placed 2,694 people in living-wage or professional positions, and helped 373 families purchase their first homes.

The Foundation also explores the nuances of its work through quality-of-life surveys conducted in each community during the planning stages and at the conclusion of the implementation grants. The Foundation recognizes that it cannot prove a causal link between positive outcomes and its grant dollars. However, by comparing the health of its grantee neighborhoods to comparable neighborhoods, the Foundation gains important insight into the progress being made.

Going beneath the numbers, the Foundation has also been able to extract important lessons to refine its strategy. For example, the Foundation recognized that its most successful projects often involved a "key person" in the community or at the nonprofit who steered the work and was critical to its success. The Foundation now includes a "key person" clause in its grants, giving it the right to exit the project if implementation is jeopardized by the key person's departure.

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.



# The Annie E. Casey Foundation

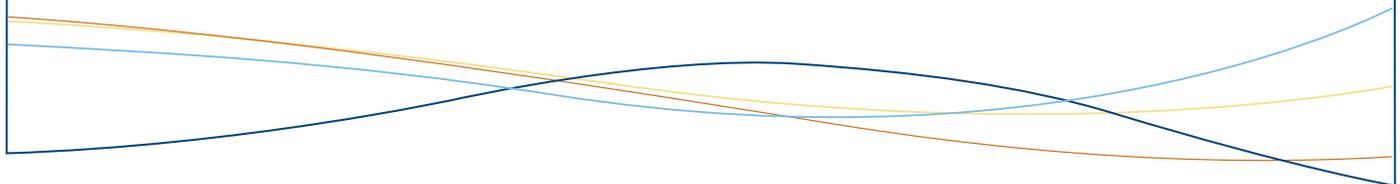
*"We have three purposes for evaluation," says Tom Kelly, Evaluation Director of the Annie E. Casey Foundation: "Learning in real time, building the capacity of our grantees and the communities we invest in, and influencing policy and practice."* Over the past 10 years, the Foundation has developed an approach to evaluation that is unique in its focus on building the capacity of the communities themselves to use data and other evaluative information strategically in order to effect change.

The Casey Foundation's Making Connections initiative is a ten-year effort to improve outcomes for families and children in tough or isolated neighborhoods in such cities as Denver, Des Moines, Hartford, Milwaukee, and Oakland. The initiative has six core result areas that the Foundation seeks to influence, each with specific and measurable goals. A selection of the indicators used to track progress toward the desired result are listed below:

- 1. Families have increased earnings and income.**
  - Number or percent of parents and young adults employed and retained in the workforce
  - Number or percent of parents employed in jobs that provide family-supporting wages/benefits and opportunities for career advancement
- 2. Families have increased levels of assets.**
  - Number or percent of families whose savings increase
  - Number or percent of families who own their own homes
- 3. Children are healthy and ready to succeed in school.**
  - Number or percent of children with early childhood education experiences
  - Number or percent of children who miss more than 20 days of school
- 4. Families, youth, and neighborhoods increase their civic participation.**
  - Number or percent of eligible adults who register and vote
  - Number or percent of residents who assume community leadership roles
- 5. Families and neighborhoods have strong informal supports and networks.**
  - Number or percent of families who are connected to informal helping networks
- 6. Families have access to quality services and supports that work for them.**
  - Number or percent of families who indicate satisfaction with the effectiveness, responsiveness, and trustworthiness of agencies and organizations

In each site, Casey has enlisted the help of Local Learning Partners (LLPs), local entities or consortiums of residents, to develop the specific outcome measures and to assist with data collection. LLPs are often unconventional alliances that bring traditional data sources and users together with front-line service workers and residents.

LLPs act as on-the-ground evaluators and data collectors for the Foundation, but they also are the community members who will spur and sustain change, holding service providers accountable after Foundation funding has ceased. As Kelly notes: *"We need to bring the consumers into the change process because they are the ones who can continue the demand for outcomes and results after the Casey funding ends."*



To help with the collection of data, Casey funded the Chapin Hall Center for Children to develop the online National Survey Indicators Database. Designed to help users find survey questions, measures, and instruments that can contribute to their own data collection activities, the online database is organized around eight domains that closely relate to the goals of Making Connections. Within each domain, users can click through to reach specific indicators and sources of data.

For example, site teams in Des Moines initially recruited and paid local residents to help collect data on their own neighborhood indicators. The teams emphasized that residents “owned” the data. This “give back” of ownership has been especially important, resulting in frequent small, neighborhood meetings to present and share information among the residents and to plan for action. They also produced a small booklet of their findings, called “Through the Eyes of Residents.”

Among other results, this community data-gathering exercise led residents to unite around the issue of predatory lending. The community mobilized and, with assistance from the Casey Foundation, was able to use community-level data to put pressure on lenders. More than 30 Des Moines families have now recovered \$2.5 million from four predatory lenders. In addition, the task force has helped pass a statewide lending disclosure law. The effective display and strategic use of this community-level data was critical to effecting these changes in Des Moines.

Tom Kelly stresses that involving and empowering the community itself are the most critical elements of the entire initiative. *“Casey’s interventions can only go so far, and the benefits we bring won’t be sustainable unless the community can hold the service providers accountable and, in order to do so, they need to be able to track outcomes for themselves.”*

For the full case study, please see <http://fsg-impact.org/app/content/actions/item/177>.



**3. Administering surveys and collecting feedback through site visits, interviews, or focus groups.** Changes in attitudes or behavior, often the objective of foundation interventions, can be tracked through surveys and polls. The Ball Foundation, noted above, used its own staff to survey and conduct focus groups of teachers involved in its school programs. Says Srik Gopalakrishnan: *“We use a survey to measure changes in culture, competencies, and conditions, such as values and beliefs about working collaboratively or using data to improve instruction. Interviews and focus groups with school principals are another great way of collecting information. After we collect this information, we analyze it and share it with the school and district leadership. It really helps us understand the individual needs of the different schools we work in. It enables us to provide coaching and take follow-up actions that we would never be able to do otherwise.”*

**4. Aggregating data from grantees.** Grantees themselves often collect relevant data. For example, College Summit is a nonprofit organization that works with schools in disadvantaged communities to increase college matriculation, based on evidence that raising college attendance rates is the most effective and least expensive way to break the cycle of poverty. College Summit collects extensive performance data on a monthly internal Balanced Scorecard. The Scorecard is used in multiple ways to:

- Track progress against milestones in their four-year strategic plan,
- Manage the organization through monthly internal management meetings,
- Report to College Summit’s Board of Directors on a quarterly basis,
- Report to major funders on a quarterly basis, and
- Compare the performance of different school systems in order to motivate school principals and superintendents to make improvements and learn from principals at higher performing schools.

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### Even greater potential lies in the prospect of grantees collectively developing standardized performance indicators and reporting systems across an entire field.

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According to J. B. Schramm, College Summit’s CEO, persuading their ten largest donors to accept these reports in place of customized evaluations has dramatically reduced the time required to secure and maintain funding relationships. It also ensures that funders see more timely and reliable data than end-of-year narrative reports. Most important, the time spent gathering this information directly advances College Summit’s mission by enabling it to operate more effectively and encouraging its school partners to improve their success rates.

While it is costly for grantees to develop such performance metrics, the cost can be significantly less than what a foundation might spend on a traditional third-party outcome evaluation, and the result is an important tool for continually improving the grantees’ organizational effectiveness.

Even greater potential lies in the prospect of grantees collectively developing standardized performance indicators and reporting systems across an entire field. Although this can be a slow and challenging process, our research disclosed two instances where such field-wide metrics were developed and tracked. Most exciting is the Success Measures project, in which a five-year effort has led to nearly 100 community development organizations tracking data on the same metrics, at a nominal annual cost, and reporting results on a consistent basis to nearly a dozen funders. (See the sidebar “Success Measures.”)



## Success Measures

In the mid-1990s, a number of leaders in the community development field who were part of the Development Leadership Network (DLN) became concerned about their own challenges in holding themselves accountable for results and the ways that some funders were dictating evaluation requirements to Community Development Corporations (CDCs). Maggie Grieve, Director of Success Measures, recalls, “These leaders were concerned that, as a field, we weren’t doing what we could to generate learning and take ownership for evaluation. The group was intensely interested in accountability – they really wanted to know whether they were meeting their missions and having a positive impact within their communities. DLN initiated a small project and approached foundations focused on community development, such as F.B. Heron, Annie E. Casey, Ford, MacArthur, and others for support. Ultimately, nine regional working groups were established that these and other funders contributed to or convened.”

The approach and indicators were developed in a collaborative way by over 300 practitioners, organizations, and researchers and were then tested with over 50 community-based organizations. Mary Jo Mullan, Vice President of Programs at the F.B. Heron Foundation, has been a long-time funder of the project. She recalls “this was foundation-funded, but practitioner-driven.” As a funder, Heron was interested in the potential for management tools that would help organizations to conduct practical, meaningful assessments of their work – aiming for continuous improvement rather than a one-time study.

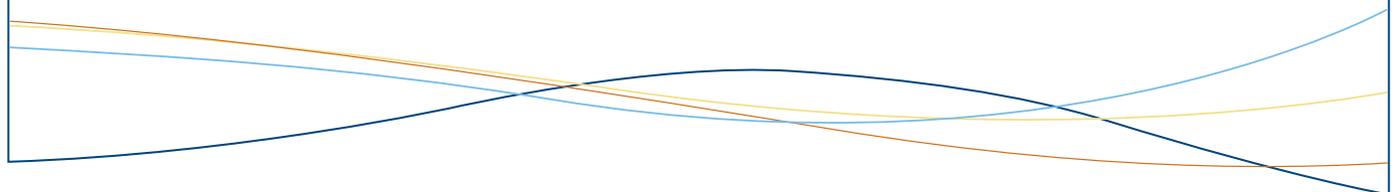
The early development took place in two phases. First, the group determined that a participatory evaluation approach that engaged the communities being served would be the best methodology to use. A second phase, engaging over 200 individuals, focused on the question: *If we’re all in the same field, what menu of indicators can we collectively draw from?* From this conversation, a set of 44 indicators was defined in the areas of affordable housing, economic development, and community building.

Development Leadership Network and the McAuley Institute partnered to test the Success Measures approach and to build out the data collection tools. A Web-based data system was created to avoid technology barriers, lower costs, and achieve scale with the potential to aggregate data. The result is Success Measures Data System (SMDS), which allows users to conduct evaluations by providing outcome indicators, over 100 tested qualitative and quantitative data collection instruments available in English and Spanish to measure the indicators, a reporting function to tabulate data, and a secure place for organizations to enter and manage their data.

Users gain access to the SMDS tools and data functions for a \$2,500 annual basic membership fee. Users may customize any tool on the system by adding additional questions or data fields. Also available are enhancements that allow funders, intermediaries, and collaboratives to share new sets of indicators and to aggregate data within or across funding portfolios or target locations. Success Measures provides six days of coaching plus onsite training during an organization’s first year for an additional fee of \$7,500. Funders often pay for their grantees to use Success Measures, helping the organizations improve their practices while also providing the foundation with better data on how its grantees are performing, at far less cost than commissioning an evaluation study.

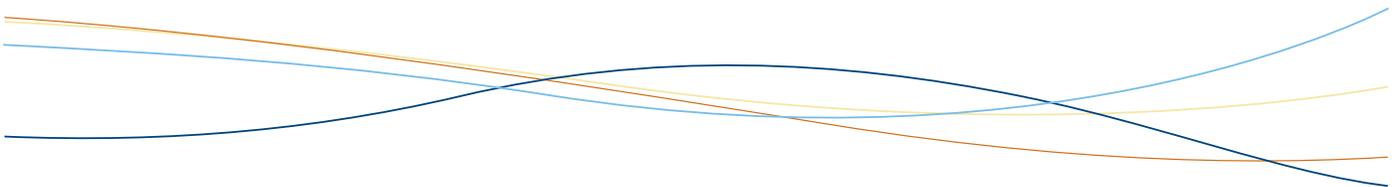
In 2004, NeighborWorks® America assumed responsibility for the SMDS. Eight different funders or intermediary partners make these tools available to their affiliates or grantees. Ninety organizations are now using the tools, with 15 more in the process of adopting them.

For more information, please see [www.successmeasures.org](http://www.successmeasures.org).



## 4. Lessons Learned

If evaluation is to produce changes in behavior, the results must be communicated in a way that commands attention and compels action.



## 4. Lessons Learned

In addition to the emerging uses of evaluation in planning, implementation, and progress measurement, our research disclosed five broader principles that seem to underlie effective evaluation practices across all applications:

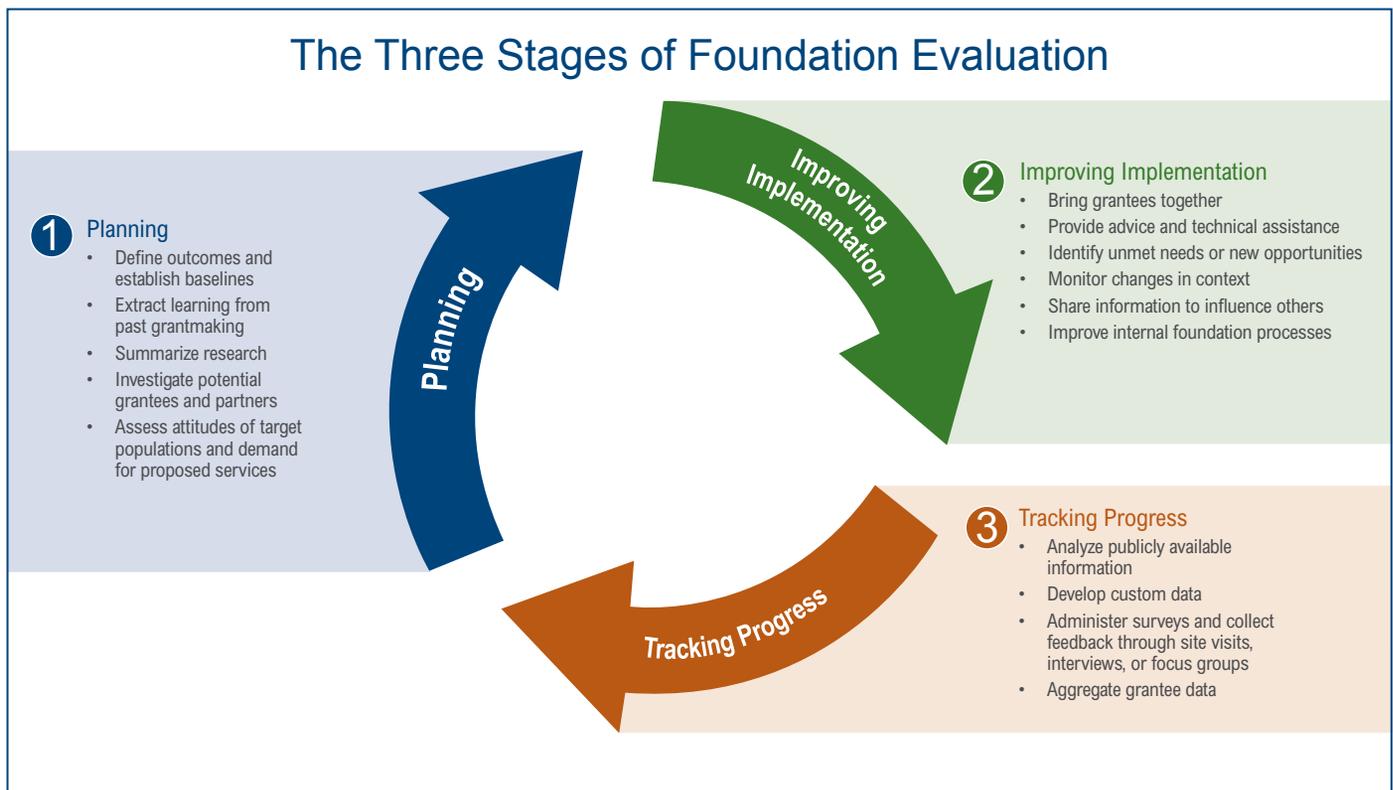
- 1. Create the organizational culture and processes necessary to translate information into action.** The examples cited throughout this report share a common thread: All were undertaken with the expectation that they would lead to changes in behavior, and were supported by internal organizational processes that enabled foundation staff to interpret and act on the results. As Tom Kern, Senior Associate of Knowledge Management at the Annie E. Casey Foundation, observes: *“Evaluation should be about learning with a purpose – what works and what doesn’t – grounded in evidence. And we need to act on what it tells us.”*

Data alone does not provide a complete answer. As Patti Patrizi, a leading evaluator, comments: *“I’ve seen a lot of really nice scorecards, but they don’t tell you enough about the underlying problems.”* Information must be analyzed to create insights, and insights must be translated into concrete actions. Creativity and further research are required to determine how a foundation should act on what it has learned. All

three steps – data gathering, interpretation, and action planning – are essential if evaluation data is to improve foundation effectiveness, and these steps will not occur reliably unless foundations build the necessary time and incentives into their operations.

Many of our examples suggest that these steps can be simply and thoroughly integrated into the day-to-day activities of a foundation. In the words of Nancy Csuti, Director of Evaluation at the Colorado Trust: *“Evaluation is something that you do all the time. It’s like when you walk to the store and you step around a pothole. You may not even realize that you are doing it, but you are evaluating problems and opportunities in the context of your environment and making decisions based on that information. Evaluation should be that simple.”*

Just as important as well-designed processes is an organizational culture that encourages learning and rewards honest feedback, even when the results are discouraging. The inspiring vision and ambitious challenges that drive many foundations make it nearly inevitable that initiatives often will not live up to expectations. Few foundation leaders and board members, however, are comfortable with candid reports that reveal a lack of success. The result is often a culture that discourages the openness required to learn.<sup>14</sup>



<sup>14</sup> For additional analysis of the cultural and organizational barriers to the effective use of evaluation by foundations, see Mark Kramer and Bill Bickel, *Foundations and Evaluation as Uneasy Partners in Learning*, in Braverman, Constantine and Slater, eds., *Foundations & Evaluation*, Jossey Bass, 2004

- 2. Directly engage key decision-makers.** The people who are expected to act on evaluation results must be involved in designing the evaluation and, to the extent possible, collecting the data. This includes not only program staff, but grantees, technical assistance providers, other funders, and even board members. Having decision-makers directly engaged in evaluation is more likely to lead them to act on the results than merely handing them a report. Having foundation program staff gather the information themselves gives them a deeper appreciation of the nuances involved as well as an opportunity to discover issues unanticipated in the research design.

Our research also suggests that the more perspectives represented in the evaluation process, the more accurate, informative, and helpful the process will be. The most effective learning often comes when all participants in a project are involved in finding, discussing, and reflecting on the results, then reaching agreement on what actions to take. (See the sidebar “The Health Foundation of Central Massachusetts.”)

- 3. Let grantees take the lead.** In many of our conversations, we encountered an odd “Catch-22.” Grantees, eager to please their funders, looked to them to define the evaluation and monitoring requirements for their grants. At the same time, the grantees themselves were often more knowledgeable about the specific and measurable goals that might be achieved and the data available. Often, different funders required the same basic information from grantees, but insisted on different formats and timing. In other cases, grantees contorted themselves to obtain a particular set of data demanded by a funder when an alternative, readily available data set would likely have sufficed.

The answer, we learned, is to let grantees take the lead in defining the data to be collected and the design of the evaluation process. The most accurate, consistent, and efficient performance metrics we came across in our research were frequently developed by grantees. As Gayle Williams puts it: *“We’ve found that grantees need to be in charge or actively in partnership with the Foundation in planning any kind of learning process.”*

This does not mean that the foundation should be uninvolved in setting the evaluation framework. There may be considerations that are important to the foundation but go beyond the interests and expertise of any single grantee. Valerie Lies notes: *“There is tremendous value in a collaborative approach between grantmakers and those that will be evaluated. The challenge is that it is much more labor-intensive – funders and evaluators can be much more efficient just telling grantees what to measure.”*

A corollary of this principle is the importance of building the evaluation capacity of grantees. Many grantees are developing their own internal performance measures that track financial and mission-related performance through a periodic dashboard or balanced scorecard of key indicators, such as the College Summit scorecard described earlier. Many foundations now fund such planning and reporting efforts as part of their capacity-building programs. Although the initial effort and expense of constructing these systems may be substantial, they have proven highly useful to supporting the management, growth, and effectiveness of grantees.

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**Having foundation program staff gather the information themselves gives them a deeper appreciation of the nuances involved as well as an opportunity to discover issues unanticipated in the research design.**

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- 4. Choose the fewest and simplest measures.** One observation we heard from grantees, foundation staff, and trustees alike was the importance of identifying a small number of simple measures. This is extremely challenging, as each foundation initiative and grantee has its own distinctive set of priorities and values. All too often, good intentions lead to overly complex performance measurement systems that prove unwieldy in practice. Some data, however minimal, are better than none. As one trustee remarked: *“There are countless ways to measure educational success, but can’t we all agree that, if nothing else, high school graduation rates are universally important? Can’t we just measure that?”*

Often, foundations or grantees will start with a large number of metrics, then whittle them down as they learn which are the most probative and accessible. Chris Seubert at United Way explains: *“We are really tightening up our outcomes goals. We are going from about 300 indicators to only one or two indicators per desired outcome. For instance, “Basic Needs” focuses on affordable housing and one indicator we use is the number of houses that have had their electricity cut off. We’ve found that to be the last step before homelessness.”*

Similarly, the Healthcare Foundation of Cincinnati asks all of its grantees to gather information on a common set of two to three indicators per interest area. *“If everyone’s using different indicators, it’s impossible to get a coherent picture.”*

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**The most accurate, consistent, and efficient performance metrics we came across in our research were frequently developed by grantees.**

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## The Health Foundation of Central Massachusetts

The Health Foundation of Central Massachusetts, a health conversion foundation with annual grants of \$2.1 million and a staff of 4.2 FTEs, uses “empowerment evaluation” as a means to provide itself and its grantees with increased opportunities for reflection and strategic thinking. CEO Janice Yost observes: *“We are a relatively small Foundation, so it’s easier for us to be more intense about getting results.”*

Empowerment evaluation has a focus on continuously informing programmatic decision makers with data and insights. The Foundation staff, evaluator, and grantee have periodic “grant management meetings” to reflect on data, the changing environment, new learnings, and to make real-time decisions about what to modify. Their role is to question and refine assumptions and to help the program plan its next steps and longer-range future. Ultimately, the expectation is that those who make programmatic decisions will take ownership of the evaluation process. Yost observes: *“Some more traditional evaluators have concerns about the potential for bias here, but this philosophy made sense to us. We see the purpose of evaluation, above all, as getting better results – making sure that we’re spending our money well and making a difference.”*

Importantly, the decisions made in these cases were made collaboratively, with all parties thinking, *“We’ve got the same amount of money, what do we need to do differently to get results?”* The intent is to make the decisions quickly, with continuing check-ins after changes are made. This process requires a shift in traditional roles. Says Yost: *“Nonprofits aren’t used to having the funder or the evaluator at the table, interacting on an ongoing basis, so we need to spend more time developing relationships to make this work.”*

For the full case study, please see  
<http://fsg-impact.org/app/content/actions/item/177>



**5. Use targeted, compelling methods of communication.**

If evaluation is to produce changes in behavior, the results must be communicated in a way that commands attention and compels action. Marty Campbell observes: *“To make it interesting, it has to be provocative; it has to pack a punch and you have to package it in exciting ways. You have to think about who you want to reach, what you want to tell them. It’s so much more than just putting the information on our Web site and hoping people download it.”* Not surprisingly, in this era of information saturation, aggressive lobbying, partisan politics, and media spin, merely publishing a report is unlikely to mobilize change.

Having the right spokesperson can make a big difference. Ed Pauly recalls: *“In the early 1990s, the Wallace Foundation made a major investment in strengthening school libraries. At the time, the education sector was not very focused on the importance of libraries, and our evaluation report didn’t get much traction. However, when Laura Bush and her colleagues at The White House picked up on our evaluation, we started to get great publicity and tremendous results.”*

The need to convey evaluation results in targeted, persuasive, and well-packaged ways applies equally to internal foundation audiences, such as program staff or board members, and to external audiences, such as grantees, other funders, and policy-makers. The Clowes Fund, for example, a \$90 million family

foundation, communicates a summary of grantee reports to its trustees in a monthly newsletter. The Spencer Foundation, cited earlier on page 21, restructured its reports *“reducing our conclusions to 2-3 pages and getting them to the right people – like the school superintendents instead of 3rd grade teachers.”* Similarly, the Healthcare Foundation of Cincinnati used multiple formats to share the results of their school-based health center evaluation so that people would want to read them. *“We used different formats for different audiences: a colorful bi-fold pamphlet with easily digestible data, a short report on a prescription pad, and a longer report for more academic use.”*

**In this era of information saturation, aggressive lobbying, partisan politics, and media spin merely publishing a report is unlikely to mobilize change.**

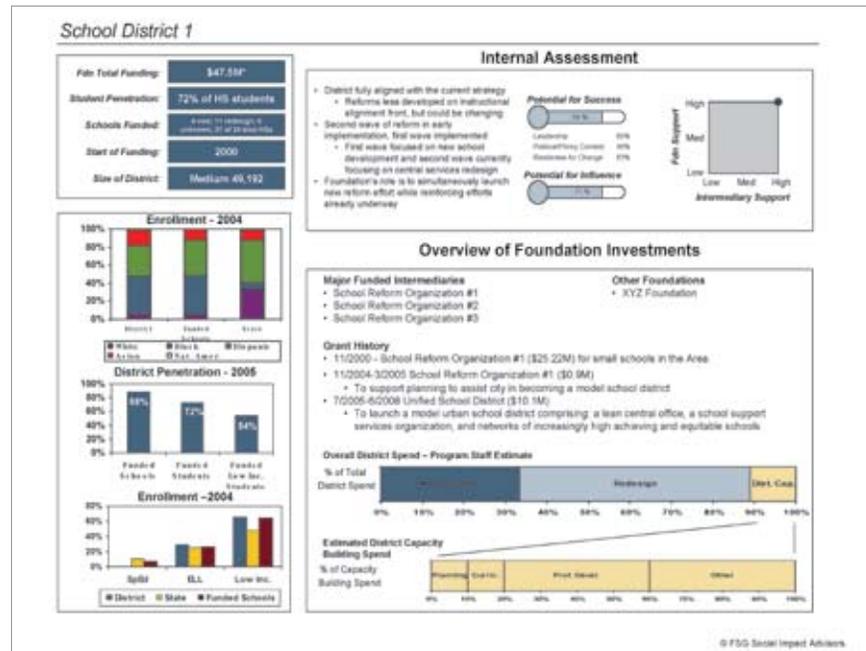
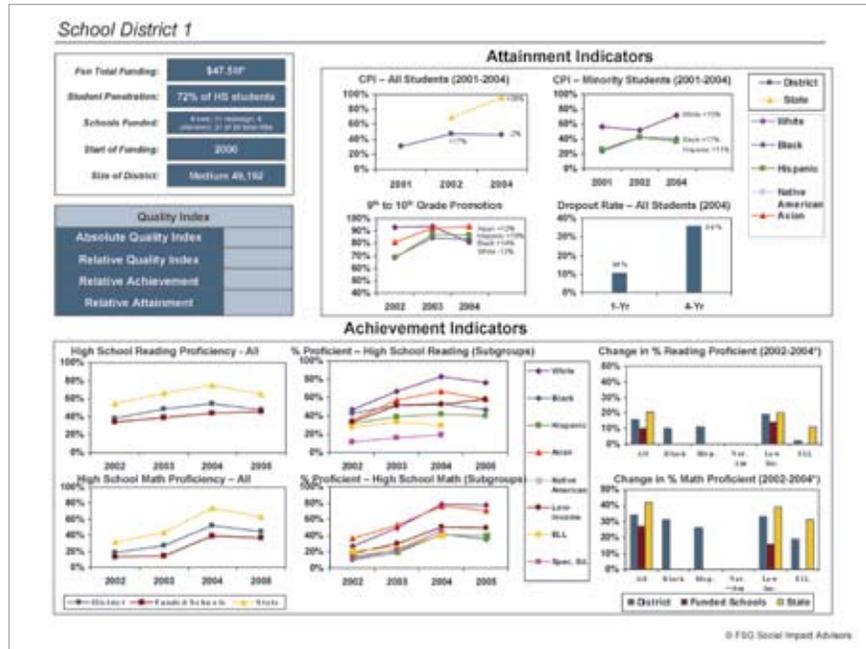
The Gates Foundation’s Sound Families Initiative, described on page 26, also adopted multiple communication formats, including a series of regular meetings and “feedback loops” with all participants, and a highly readable newsletter for the participating families (pictured below).



# Gates Foundation High School Reform Initiative

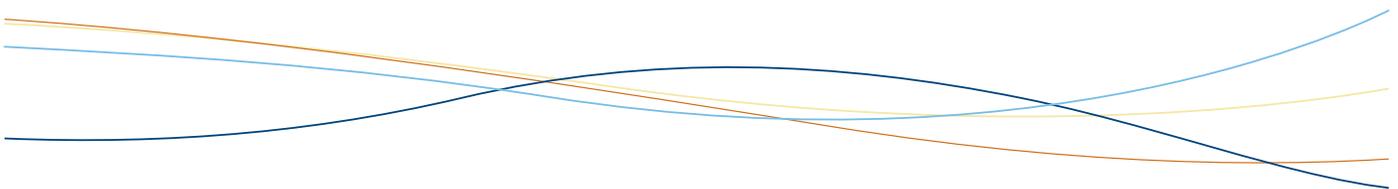
FSG conducted an evaluation of the Bill & Melinda Gates Foundation's high school reform efforts in 50 school districts across the country. The result was two-page dashboards that highlighted the changes in achievement and attainment in each district. Having this data enabled the Foundation to identify the districts in which improvements occurred, although the data alone offered little insight into the reasons why change had or had not taken place.

A second stage of research was required, sending FSG teams into the districts where change was occurring to interview teachers, principals, administrators, and community leaders, then to synthesize the findings from all nine communities in order to develop hypotheses about the factors that supported positive change and to translate the learnings into actionable recommendations for refining the Foundation's strategy.



## 5. MOVING THE FIELD FORWARD

We hope that this report will encourage continued innovation and greater sharing of timely and forward-looking evaluation techniques.



## 5. Moving the Field Forward

What is needed to move the field of foundation evaluation forward is, first, the development of better ways of organizing and sharing successful evaluation techniques, so that individual funders of all sizes can understand the range of choices and identify which approach best fits their particular circumstances. Funders also need to be able to identify evaluators with the right skill set for each activity. Our research to date has already identified 15 different activities and sources of data among the three stages of evaluation, and there surely are more that we have yet to document.

Unfortunately, outside of a small circle of professional evaluators at the very largest foundations, who meet periodically,<sup>15</sup> nearly all foundations are currently left to figure out evaluation solutions and locate evaluators on their own.<sup>16</sup>

Second, field-wide indicators, such as Success Measures, could be developed through a collaborative process among grantee organizations working in the basic issue areas that most foundations fund. Within each field, there is a limited number of key performance metrics that, given the funding and incentive, grantees could collectively develop. Such efforts would require a substantial investment of time and money, but could be extremely valuable and cost-effective. Nearly 100 grantees and a dozen different funders presently share the data that Success Measures tracks at far less cost than commissioning separate evaluations for each grant. It also builds the capacity of individual grantees to monitor and report on their own performance, which is itself a useful and cost-effective step.

Third, foundation boards and staff need to focus fewer evaluation resources on identifying the results their foundations can take credit for, and to devote far more effort to gathering and analyzing the information needed to enable better informed planning and more effective performance. Boards will need to accept realistic goals and honest assessments of progress without undue disappointment if they are to encourage a culture of true achievement.

Considerable data can be gathered informally by foundation staff at minimal cost, but foundations will also need to expand their administrative budgets and alter their internal processes to make time for staff to gather, analyze, and act on this information. They will need to devote board time to reviewing the progress of initiatives already under way, rather than moving on to the next grant docket, and they will need to reserve grant funds to cover the cost of mid-course corrections.

Sorting out this complex evaluation toolbox, adjusting board expectations, and re-aligning foundation operations will not be an easy matter. Our research suggests, however, that progress is possible, and in fact is already occurring at a wide range of foundations. We hope that this report will serve as further encouragement for continued innovation and greater sharing of timely and forward-looking evaluation techniques that can help foundations of all sizes achieve greater social impact.



<sup>15</sup> A number of evaluation and program executives from large foundations convene annually at the Evaluation Roundtable, a peer learning session organized by Patti Patrizi. Many other foundations also participate in Grantmaker for Effective Organizations, which uses conferences, publications, and online resources to facilitate information sharing and provides tools to support both grantor and grantee evaluation and effectiveness.

<sup>16</sup> The W. K. Kellogg Foundation maintains a list of self-identified evaluators as one resource for funders, but it does not match evaluator skills with the different types of evaluation activities described in this report.

# Strategies to Maximize the Use of Evaluations

Based on six years' experience evaluating the Gates Foundation's Sound Families Initiative, lead evaluator Jami Bodonyi developed a useful distillation of the lessons learned that is consistent with FSG's findings:

## Responsive evaluation

- Build in mechanisms to capture unexpected findings.
- Use flexible and adaptable methods to explore emerging issues.
- Provide timely turnaround on findings.
- Work with providers to give findings back in a format useful to them.
- Ensure that evaluation resources are put to best use—learn from the process of inquiry and share what is found.

## Inclusive participation

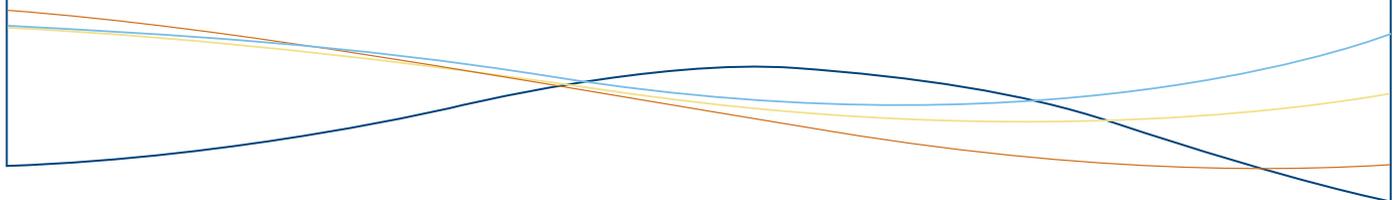
- Recognize the direct relationship between involvement in the evaluation, ownership of the findings, and use of the data.
- Conduct formative evaluations which allow ongoing adjustments.

## Meaningful and localized data

- Ensure that data is accessible and meaningful for different audiences.
  - Case managers, agency directors, funders, and policy-makers need information presented in different formats.
  - Explain what the numbers say—and what they don't.
- Identify the most compelling points.
  - Create urgency for system change.
- Localize the data.
- Provide context to the findings.
- Collect quantitative *and* qualitative data—the numbers *and* the stories behind them.

## Useful dissemination products

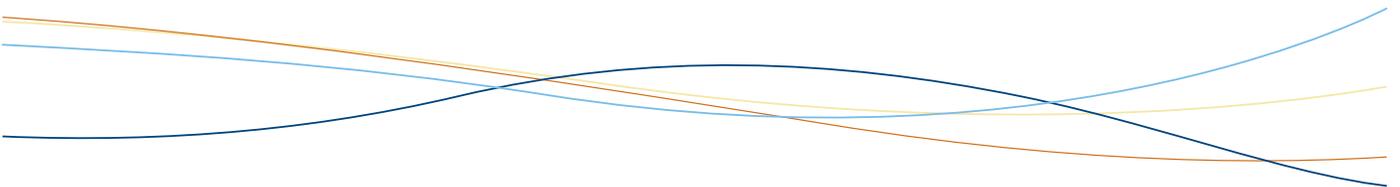
- When presenting findings, consider different audiences and their needs. This determines *what* is presented and *how*.
- Present findings within a framework for solutions.
  - What would address the identified issues, and what would it take to address them?
  - Work with participants to develop recommendations and potential next steps.
  - Convene stakeholders to discuss implications and potential strategies following the release of each major report.
- Identify what questions need to be asked in the future in order to get additional answers.





# Appendix

- a. Additional Resources
- b. List of Interviewees
- c. Bibliography



## a. Resources

### Supplementary Materials from FSG

Additional materials based on this report are available at FSG's website, including more in-depth **case studies** of the foundation examples cited throughout this paper. A **workbook/discussion guide** and **board briefing** are also in preparation and will be posted on the site. Please visit <http://fsg-impact.org/app/content/actions/item/177>.

### Other Online Resources

#### Directory of Evaluators

<http://ec.wmich.edu/evaldir/index.html>

Basic contact information from and about evaluators both nationally and internationally. Developed with support from the National Science Foundation, it is provided as a service to those seeking evaluation assistance. The directory includes both individuals and organizations and may be searched by name, area of specialty, or geographic location.

#### GrantCraft – Evaluation Techniques: A Series of Brief Guides

[www.grantcraft.org](http://www.grantcraft.org)

Perspectives to help grantmakers weigh the advantages of different evaluation approaches. Each guide explains the basics of one evaluation technique, answers common questions about its use, describes how some grantmakers are applying it and includes a list of resources for readers who want to learn more.

#### Harvard Family Research Project – The Evaluation Exchange

[www.gse.harvard.edu/hfrp/eval.html](http://www.gse.harvard.edu/hfrp/eval.html)

A quarterly publication highlighting innovative methods and approaches to evaluation, emerging trends in evaluation practice, and practical applications of evaluation theory. It goes out to its subscribers free of charge four times per year.

#### Innovation Network – Point K Learning Center

[www.innonet.org](http://www.innonet.org)

Tools and resources designed to build nonprofits' ability to plan and evaluate their own programs. Tools include an organizational assessment tool; a logic model builder; and an evaluation plan builder, which moves from goal-setting to identification of evaluation questions, indicators, and data collection strategies for evaluating program outcomes and implementation.

#### Neighborhood Funders Group – Community Giving Resource, Measuring Results

[www.communitygivingresource.org/gettingstarted](http://www.communitygivingresource.org/gettingstarted)

A resource for smaller foundations or individual donors, who may find capital-“E” Evaluation overwhelming, complicated, and expensive. Evaluation tips help demystify the evaluation process and help decide whether and how to hire an outside evaluator.

### Professional organizations

#### American Evaluation Association (AEA)

[www.eval.org](http://www.eval.org)

The AEA is an international professional association of evaluators devoted to the application and exploration of program evaluation, personnel evaluation, technology, and many other forms of evaluation. The AEA defines evaluation as a process that involves assessing the strengths and weaknesses of programs, policies, personnel, products, and organizations to improve their effectiveness.

#### Forum of Regional Associations of Grantmakers

[www.givingforum.org](http://www.givingforum.org)

The Forum is a national network of the 32 regional associations of grantmakers in the U.S. These are nonprofit membership associations of private and community foundations, corporations, individuals, and others committed to strengthening philanthropy in the geographic areas in which they operate. Regional associations help bolster the philanthropic community and improve the quality of life in their regions by networking grantmakers, providing professional development opportunities, and creating and sharing knowledge on grantmaking and trends in philanthropy.

#### Grantmakers for Effective Organizations (GEO)

[www.geofunders.org](http://www.geofunders.org)

GEO is a coalition of more than 600 grantmakers committed to building strong and effective nonprofit organizations. GEO's mission is to maximize philanthropy's impact by advancing the effectiveness of grantmakers and their grantees. The Web site contains many useful tools and articles, some of which are accessible to members only.

## b. Interviews and Consultations

In addition to interviews with the 26 Advisory Board members among the acknowledgements at the beginning of this report, FSG conducted interviews or focus groups with the following individuals:

- Lauri Ashton, *Head of Evaluation and Research*, Baptist Community Ministries
- Gerry Balbier, *Senior Education Program Officer*, Heinz Endowments
- John Bare, *Vice President for Strategic Planning and Evaluation*, Arthur M. Blank Family Foundation
- Dan Baum, *Executive Director*, Innovation Network
- Paul Beaudet, *Associate Director*, Wilburforce Foundation
- Fred Bleeke, *Chief Executive Officer*, Lutheran Foundation of St. Louis
- Catherine Brown, *Senior Director*, Communities Program, McCormick Tribune Foundation
- Florence Bruce, *Head of Child Abuse and Exploitation Program*, Oak Foundation
- Imani Burnett, *Vice President*, Southeastern Council of Foundations
- Mary Cahillane, *Chief Financial and Administrative Officer*, Spencer Foundation
- CJ Callen, *Director of Effective Philanthropy*, Northern California Grantmakers
- Yoel Camayd-Freixas, *Board Member*, Nellie Mae Education Foundation
- Elizabeth Casselman, *Executive Director*, The Clowes Fund
- Alice Cottingham, *Executive Director*, Girls Best Friend Foundation
- Nancy Csuti, *Director of Evaluation*, The Colorado Trust
- Shelley Davis, *Director of Programs*, Chicago Foundation for Women
- Tom Dewar, *Professional Lecturer in International Development*, The Johns Hopkins University School of Advanced International Studies - Bologna Center
- Jane Donahue, *Vice President*, Deaconess Foundation
- Alan Durning, *Founder and Executive Director*, Sightline Institute
- Nancy Fishman, *Executive Director*, Grand Victoria Foundation
- Elizabeth George, *Vice President*, Deaconess Foundation
- Srik Gopalakrishnan, *Lead Evaluator*, The Ball Foundation
- Maggie Grieve, *Director of Success Measures*, NeighborWorks
- Dave Hilliard, *President and Chief Executive Officer*, Wyman Center
- Katie Hong, *Pacific Northwest Director*, Bill and Melinda Gates Foundation
- Michael Howe, *President*, East Bay Community Foundation
- Stewart Hudson, *President*, Emily Hall Tremaine Foundation
- Jan Jaffe, *Senior Director*, GrantCraft
- Ann Krumboltz, *Executive Director*, Brainerd Foundation
- Lorna Lathram, *Growth and Impact Services*, Women's Funding Network
- Laura Leviton, *Senior Program Officer*, Research and Evaluation, Robert Wood Johnson Foundation
- Spence Limbocker, *Executive Director*, Neighborhood Funders Group
- Marcia Lipetz, *President and Chief Executive Officer*, Executive Service Corps
- Ann McCracken, *Director of Evaluation*, Health Foundation of Greater Cincinnati
- Jack Meyer, *Board Member*, The Boston Foundation
- Jane Moore, *Director of Research and Development*, Greater Milwaukee Foundation
- Herb Morse, *Board Member*, The Boston Foundation
- Kristina Newman Moster, *Senior Community Investment Program Officer*, Greater Cincinnati Foundation
- Mary Jo Mullen, *Vice President of Programs*, F.B. Heron Foundation
- Claire Reinelt, *Research and Evaluation Director*, Leadership Learning Community
- Mark Rigdon, *Senior Program Officer*, Chicago Community Trust
- Thomas Ross, *Executive Director*, Z. Smith Reynolds Foundation
- John Hoang Sarvey, *Board Member*, Hyams Foundation
- Cynthia Schmae, *Chief Operating Officer*, Women's Funding Network
- Anne Schwartz, *Vice President*, Grantmakers in Health
- Chris Seubert, *Associate Vice President of Community Impact*, United Way of Central Maryland
- Greg Shaw, *Director of Early Learning*, Bill and Melinda Gates Foundation
- Dianna Smiley, *Vice President*, National Center for Family Philanthropy
- Judy Spiegel, *Chief Executive Officer*, Southern California Grantmakers
- Fay Twersky, *Impact Assessment and Improvement Officer*, Bill and Melinda Gates Foundation
- Ken Weiner, *Professor of Mathematics*, Montgomery College
- Gayle Williams, *Executive Director*, Mary Reynolds Babcock Foundation
- Peter York, *Vice President & Director*, TCC Group, Philadelphia
- Janice Yost, *President and Chief Operating Officer*, The Health Foundation of Central Massachusetts

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