



## 7. We Define and Achieve Success by Clarifying, Measuring, and Evaluating the Results of our Work.

We have clarity of purpose, and we demonstrate and communicate our unique value. We define what success looks like and we align our work guided by our mission, strategic thinking and planning. We measure program impact with the tools we have, centering the voices of those served, and we seek to improve based on feedback. We disaggregate impact measures and service evaluation data by race to inform how we do our work.

### NONPROFITS

- **Regularly clarify organizational purpose and unique value**, including vision, mission, and values.
- **Create actionable strategic plans and annual operating plans**, and develop the organizational capacity to execute on the plans. Note that this will look different for each organization, with emphasis on usefulness over formality; the key is deciding on and using a process for clarifying, prioritizing, and making progress on the most important work, and taking concrete steps to build the capacity to get there.
- **Design and measure program impact**, and adjust programs based on what is learned.
- **Prioritize evaluation by people served** and disaggregate service evaluation data by race.

### FUNDERS

- **Engage in conversations about and fund actionable strategic planning** and the capacity needed to execute the plans.
- **Help nonprofits improve their services and tell their stories by funding responsive program evaluation** by people served and by funding program impact measurement.
- **Seek impact measures and program evaluation disaggregated by race.**
- **Regularly seek grantee and applicant feedback**, ideally through a third-party, anonymous, benchmarked survey, to learn from their experiences with the grantmaking process and personal interactions.

“[I] look to see if you are solving problems for today or are you solving it for tomorrow. [For example], are you pulling someone out of the river or going upstream to see why they are falling in? [I prefer] the long-term solution –are you stepping back and collaborating or are you fixing smaller problems? What [will] be different in the community in five or ten years?”—Local funder representative

“One of the challenges we have is measuring the change. How do we capture beyond number of hours and volunteers what is the impact of this service?”—Local nonprofit leader

“Doing good isn’t enough anymore. Many organizations are doing good. But [they’re] not transforming the world or making profound change. We are devaluing the good work that nonprofits do [to create a community safety net] in search of transformation.”—Local nonprofit leader

“I wish we could educate funders about what questions they should be asking us about our outcomes. I’m tired of reporting on things that we don’t really have impact on. For example –we report on high school graduate rates. But I know it isn’t because of [our programming] that the kids have graduated. What is meaningful for the organization? What impact are they really making?”—Local nonprofit leader

“We will seek input from our stakeholders, especially those who benefit from our programs and services, as we shape our strategy and do our work. Rather than prescribing solutions to challenges faced by a group or community, we will co-create change together, and our beneficiaries’ input will guide our most important decisions.”—Prosper Strategies’ *Nonprofit Impact Manifesto*

**IMPACT:** Nonprofits face real costs and practical challenges to demonstrating impact; what each organization can realistically do with its resources is going to look differently, given their missions, services, and budgets, so there is no one size fits all.

“A majority of nonprofit organizations struggle to effectively measure and demonstrate the impact of their work.... Based on a survey of more than three hundred and fifty senior nonprofit executives, the report, *Connecting Dollars to Outcomes: How to Measure Outcomes That Deliver Mission Impact in Nonprofits*, found that while 71 percent of respondents considered outcomes measurement to be important and 76 percent said it was a top priority for their organization in 2019, only 20 percent believed they were “very effective at demonstrating outcomes....” The most commonly cited obstacles to implementing outcomes measurement were a lack of staff (37 percent), lack of a tracking system to measure outcomes (30 percent), and data silos (27 percent).” Respondents also critiqued outcomes measurement as “more beneficial to large, well-resourced nonprofits (69 percent), as minimizing the complexity of social issues (60 percent), and as focused on the short term (45 percent).”—Philanthropy News Digest’s *Nonprofits Struggle to Demonstrate Impact*

**MYTH:** Transcend the myth that nonprofits are simple, unsophisticated and unaccountable “do-gooders.”

**REALITY:** “Great nonprofits are engineers of social good. They use data to inform, listen to stakeholders, skillfully leverage community assets and design bold solutions to address a community’s greatest challenges or unmet needs. They create impact with thin margins while being accountable to the communities they serve.”—Lynda Schueler of Housing Forward, in Forbes Nonprofit Council’s *10 Biggest Myths About Nonprofit Work*

## Learn More

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Do we fund organizations and programs that serve community members in the ways that community members need and want?

\_\_\_ YES    \_\_\_ NO    \_\_\_ NOT SURE    \_\_\_ N/A    PRIORITY: High Medium Low

If so, HOW? If not, WHY?

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Brainstorm: How Do We Improve? Ideas, Learning, Next Steps

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Do we fund actionable strategic planning and/or the time and expenses for strategic thinking, recognizing the process may look different for different organizations?

\_\_\_ YES    \_\_\_ NO    \_\_\_ NOT SURE    \_\_\_ N/A    PRIORITY: High Medium Low

If so, HOW? If not, WHY?

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**Do we fund program impact measurement and responsive program evaluation by people served?**

**YES**       **NO**       **NOT SURE**       **N/A**      **PRIORITY:**    **High**    **Medium**    **Low**

If so, HOW? If not, WHY?

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**Have we taken the time to understand the different types of evaluation (stories can be just as important as numbers and data; value of data disaggregated by race), and do we right-size expectations for how we determine how an organization is meeting its goals, depending on its size and resources?**

**YES**       **NO**       **NOT SURE**       **N/A**      **PRIORITY:**    **High**    **Medium**    **Low**

If so, HOW? If not, WHY?

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**Do we use our resources and influence to increase access to community data and to build community-wide data capacity in support of community change?**

**YES**       **NO**       **NOT SURE**       **N/A**      **PRIORITY:**    **High**    **Medium**    **Low**

If so, HOW? If not, WHY?

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**Do the metrics and outcomes we use give us a complete picture of the nonprofit partner's community impact, helping us to understand the complexity of cause and effect, the investment required to cultivate relationships and trust, and the time required to build on increments of change?**

**YES**       **NO**       **NOT SURE**       **N/A**      **PRIORITY:**    **High**    **Medium**    **Low**

If so, HOW? If not, WHY?

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**Do we evaluate our work by asking for and acting on feedback from nonprofits who engage with us either as applicants or as grantees?**

**YES**

**NO**

**NOT SURE**

**N/A**

**PRIORITY: High Medium Low**

If so, HOW? If not, WHY?

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