

Measuring Success & Failure

The Right (and Most Useful) Amount of Evaluation

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Venture Philanthropy Partners: An Innovative Investor in Social Change

VPP concentrates investments of money, expertise, and personal contacts to improve the lives of children and youth of low-income families in the National Capital Region.



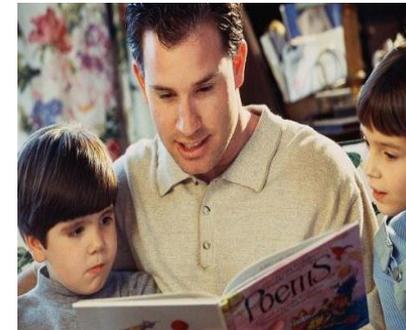
We do so by:

- Helping great leaders build strong nonprofit organizations;
- Cultivating an engaged investor community to generate funding and influence in support of these organizations and of social change; and
- Advancing the field of philanthropy by sharing our approach and what we're learning.

Child Trends

Child Trends seeks to improve outcomes for children by providing research and analysis to the people and institutions whose decisions and actions affect children:

- Programs that serve children and families
- Policy makers
- Foundations and philanthropists
- The media



 **youthCONNECT**
in the national capital region

an Initiative of Venture Philanthropy Partners

About youthCONNECT

- youthCONNECT is a five year partnership of Venture Philanthropy Partners and six high performing nonprofits in the National Capital Region created through the Social Innovation Fund.
- youthCONNECT represents a new way of doing business for the federal government through match funding that better targets public-private resources toward solving social challenges.
- youthCONNECT was designed with a five-year vision for improving the lives of disconnected youth that includes supporting youth in reaching their full potential.

Why should you care about outcomes and evaluation?

- ▶ The grantee organization / service provider.....
 - ▶ To determine if you are causing harm to the people you serve.
 - ▶ To improve the quality of services you provide.
- ▶ The funding organization.....
 - ▶ To ensure investment is leading to positive change.
 - ▶ To make more informed funding decisions.

Who would you fund example?

- ▶ You have \$1 million to provide funding to a tutoring program for “at-risk” youth.
- ▶ You need to pick one of two programs to fund – but you can only pick one!
- ▶ Assume everything else is equal aside from the information provided on the next page.
 - ▶ Same service population
 - ▶ Same areas of service
 - ▶ Same tutoring approach

Which Program Would You Fund?

Program # 1	Program # 2
Served 500 “at-risk” youth	Served 50 “at-risk” youth
Provided 2,500 total hours of tutoring	Provided 2,500 total hours of tutoring
Each youth received average of 5 hours of tutoring	Each youth received average of 50 hours of tutoring
5 % of youth showed improved math grades on report cards	90 % of youth showed improved math grades on report cards
Comparison group: 75% of youth decreased math grades without tutoring	Comparison group: 85% of youth improved math grades without tutoring

How funders should think about outcomes

- ▶ Presenting and reporting outcomes should be seen as important – but not judgmental.
- ▶ Communication should focus on ‘sharing’ – grantees should be encouraged to share both the good and the bad.
- ▶ Grantees should also be encouraged to share potential theories, solutions, or explanatory information for any outcomes that are not positive.

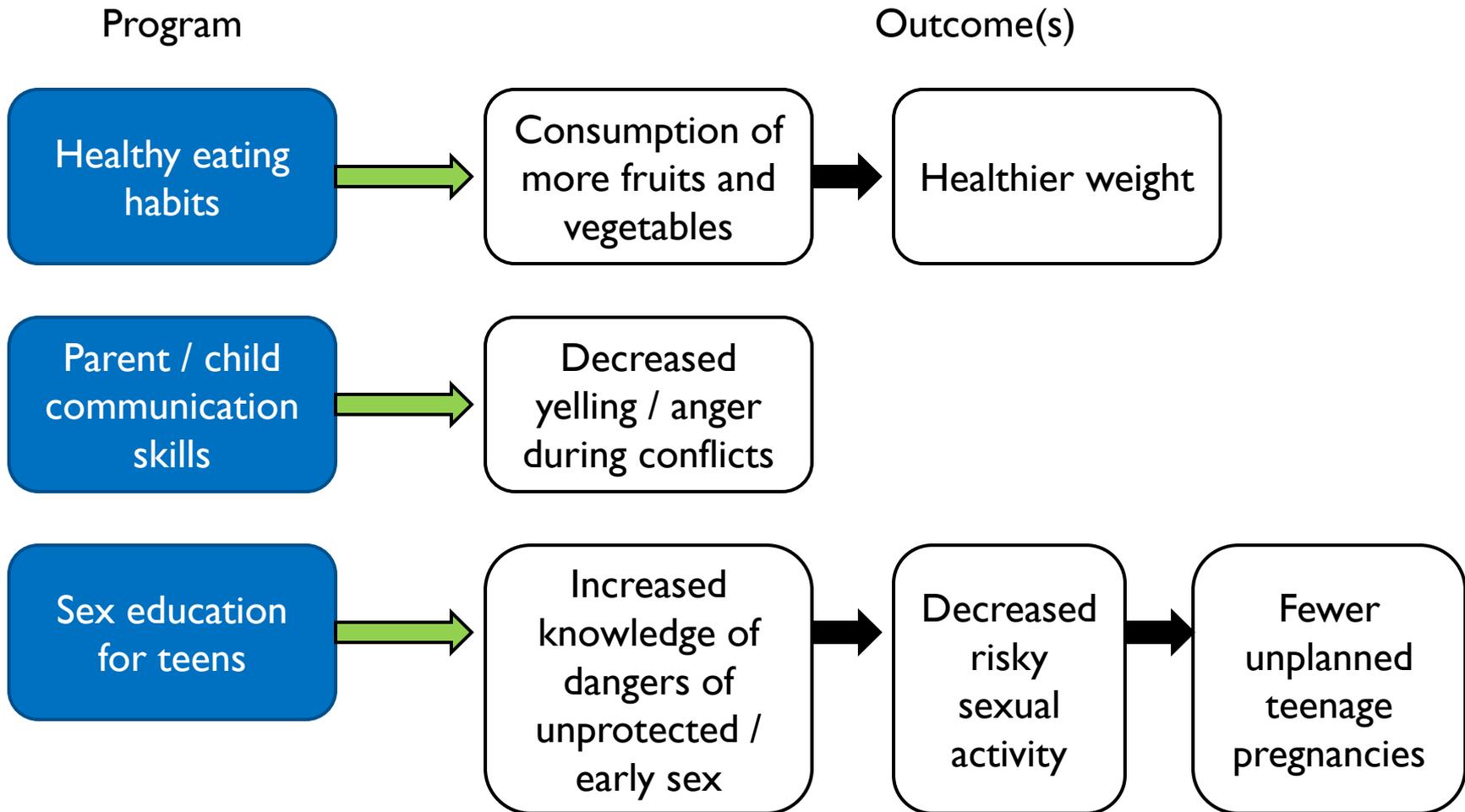
Managing expectations for outcomes

- ▶ Grantees will have limited resources to do sophisticated evaluations – if you want something rigorous, you will need to pay for it.
- ▶ Grantees will report and write what is viewed as critical to receiving / renewing funding.
 - ▶ Outcomes reporting requirements should be in place, but not be overly burdensome (unless funder is willing to offset costs).
 - ▶ Outcome areas in proposals should receive significant weight in scoring process – don't ask for prior outcomes and evaluation design if you won't weight them significantly.
 - ▶ Devote resources to have knowledgeable reviewers examine proposed evaluation plans.

The difference between impact and outcomes – starting with outcomes....

- ▶ Outcomes: The observed changes in attitudes, knowledge, or behavior among program participants that result from a program / service / initiative.
 - ▶ Outcomes can be measured by programs themselves, or by outsiders.
 - ▶ Outcomes can vary in their sophistication, timeframes, and rigor.
 - ▶ Some outcomes can lead to other outcomes – or can indicate progress over time.

Some Examples of Outcomes



The difference between impact and outcomes – the various thoughts on impact

- ▶ Impact: Linking (through study/research) the observed outcomes to a program / service / initiative.
- ▶ Impact could also mean the collective outcomes across multiple programs / services / initiatives.
- ▶ Impact could also mean the very long term changes attributable to a program / service / initiative.
- ▶ Whatever interpretation you use, measuring impact means:
 - ▶ Explaining away (through study/research) other potential explanations for the changes observed.
 - ▶ A significant resource commitment for measurement.

Outputs, Outcomes, and Impact

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As a funder, how do you balance between outcomes and impact?

- ▶ Make decisions on how large of an effect you want the investment to have.
- ▶ Consider the investment you want make in terms of evaluation expenditure.
- ▶ Measuring impact requires a more significant investment in evaluation.
- ▶ Measuring outcomes is cheaper, but the usefulness of the information will be more limited.
- ▶ Biggest question: What are you trying to determine?

What is Performance Management?

- ▶ Performance management is the collection of information by programs and organizations for the primary purpose of program / service improvement.
- ▶ Successful performance management relies on three important features:
 - ▶ The regular and accurate collection of information.
 - ▶ Information and reports that are deemed useful.
 - ▶ Information is used to change services or programs and to inform decision making.
- ▶ Performance management focuses on measuring outcomes and improving outcomes over time.

What is Evaluation?

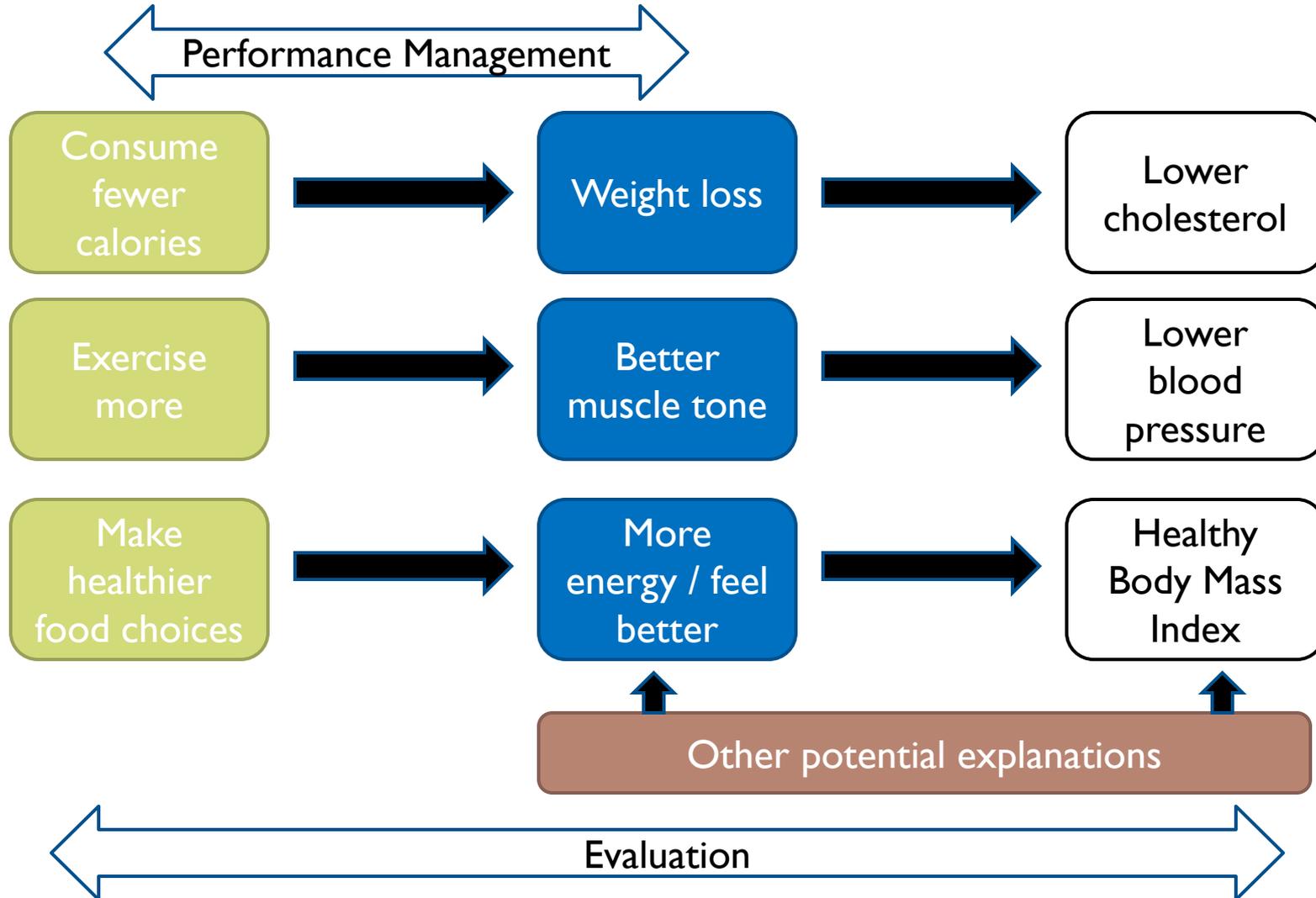
- ▶ Evaluation is the study of programs or services to determine if they lead to intended outcomes or impacts.
- ▶ The intent is to inform continued practice, or create a research base.
- ▶ Evaluation relies on several important concepts:
 - ▶ Eliminating as many competing explanations as possible.
 - ▶ Minimizing change in what is being evaluated.

How is evaluation different from performance management?

- ▶ **Questions are different:**
 - ▶ PM: how can I make my program better?
 - ▶ Eval: does a specific program approach work?
- ▶ **Timing of useful information:**
 - ▶ PM: useful information can occur in real-time – or reports can be created quickly.
 - ▶ Eval: reports and information must wait until evaluation ends – usually years later.
- ▶ **Outcomes vs. Impact:**
 - ▶ PM: always focuses on outcomes
 - ▶ Eval: could focus on either outcomes or impact. But only evaluation can answer impact questions.
- ▶ **Costs:**
 - ▶ PM: initially, can be low cost – but sophisticated performance management can require a significant resource commitment
 - ▶ Eval: usually far more expensive – especially when trying to determine impact.

Performance Management vs. Evaluation

- An example.....dieting.



As a funder – do you want performance management, or evaluation?

- ▶ What is the underlying intent of your funding / investment?
 - ▶ Are you trying to improve programs?
 - ▶ Are you trying to improve social conditions?
 - ▶ What is the desired level of investment and resource commitment?
- ▶ Must find the balance between these and other questions.

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