Perfect

How measuring success is not trying to fit a square peg into a round hole

By Mary Ellen Collins

"We had a *very* successful year!" This is an often-heard refrain, but what does it really mean? Could it refer to record-breaking fundraising, the completion of a new building or unprecedented, glowing media coverage? Or perhaps your organization doubled its program offerings or received a prestigious grant. Although success does not fit any one definition, many agree that it can be characterized and measured by considering three different metrics:

- **Inputs:** anything that enables an organization to do its work, such as financial resources, volunteer time and equipment
- **Outputs:** the quantifiable services an organization provides, such as the number of meals served to the homeless, the number of subscribers to the theater or the number of children enrolled in summer camp programs
- **Outcomes or impact:** how an organization's programs and services have actually made a positive difference in the lives of its target audiences and in society in general

Outcomes have become increasingly important to donors, particularly to those who make gifts designated for social causes. Consequently, finding ways to talk about and measure intangibles, such as the development of positive relationships or increased happiness and satisfaction, has led to an ongoing and important discussion across the sector.

The true picture of an organization's success includes both quantitative and qualitative measures, and many leaders are taking a more holistic approach when measuring their accomplishments. By broadening their focus and going beyond the data, they are better able to present a compelling picture of not only their work but also the all-important outcomes.

Infrastructure: Doing the Work

It seems logical to measure success by demonstrating how well you have achieved your mission, and according to Simone P. Joyaux, ACFRE, Adv Dip, of Joyaux Associates (**www.simonejoyaux.com**) in Foster, R.I., that effort should include taking a very close look at the strength of your infrastructure. "People talk a lot about 'It's our *mission* that matters. We have to talk about the mission,'" she says. "But what about the stuff that helps you achieve your mission? How successful is your infrastructure? Your fundraising, governance and marketing and communications? People don't link them."

Joyaux feels strongly that leaders have an obligation to use the tools and resources available to measure how well each part of their organizational infrastructure is performing. "We have many volunteers on boards who

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are caring, wonderful people, but my observation is that they think they know stuff they don't know," she says. "Fundraising and governance aren't a means to an end. They each have a whole body of knowledge. Do you have a board member who attends only one meeting a year? That's a problem. What about their service on committees? There are governance self-assessments. Read one, answer the questions and see how well your board's doing."

With regard to fundraising, Joyaux emphasizes the importance of thinking beyond the easily quantified data. "We do financial or fundraising reports, but we don't create a narrative. There's no context, no talk of trends or implications. We tend to measure fundraising success by dollars raised. We need to commit and care enough to measure the qualitative things, too. Many people don't mention loyalty rates, and loyalty is the holy grail of fundraising. Seven out of 10 first-time donors don't give a second gift! If we get 100 new donors and only 30 of them give a second gift, we are not doing well with loyalty. What we are quantitatively not doing is building relationships."

In addition, nonprofits should survey donors the same way that businesses conduct customer satisfaction research. "The donor is a consumer, and it is possible to measure donor satisfaction," Joyaux says. "The tools are there. Care enough to find out how satisfied they are with their donor experience."

Educate and Illustrate

Anne Ard, executive director of the Centre County Women's Resource Center (**www.ccwrc.org**), measures the organization's effort to eliminate domestic and sexual violence by looking at results in three areas:

- the consistency of financial support from the community;
- the level of collaboration the Centre is able to maintain with the police department and other local human services providers; and
- the strength of the media relationships that help the organization maintain a high profile in the community.

These are factors that reflect on successful fundraising, marketing, communications and outreach efforts and represent a great example of Joyaux's emphasis on infrastructure.

The anecdotal impact of the work with victims of rape and domestic abuse is obvious but much harder to quantify. "Sometimes, it comes from feedback from the people we've worked with or people who know someone who was helped by the organization 30 years ago," Ard says. "I hear that from people all the time. We also added the question, 'Why do you give?' to our direct-mail piece, and we also see our impact in those answers."

Changes in the ways in which the community understands and deals with sexual and domestic violence also reflect the success of the Centre's efforts. "In our community, people didn't understand why the woman in an abusive situation didn't just leave," Ard explains. "Now that we've communicated the dynamics of abuse, people understand. We see our impact in the way people unrelated to our organization publish things about domestic violence that look as though we could have written them. And we see it in the way the police and the courts respond to victims. This is a national trend, but locally, we know our work has contributed to that."

One of the challenges for nonprofits, including the Centre County Women's Resource Center, involves explaining impact to funders who may have narrow or preconceived notions of what the impact should be. "A funder may say, 'We want you to quantify your success based on how many women have left abusive relationships,' but we know that leaving is not always the safest option," Ard says. "We try to frame those questions in a way that realistically shows our impact. For example, we do exit interviews with people for whom we've provided emergency shelter for 30 days, such as 'Are you able to access resources that you weren't able to access before you came here?'"

Ard feels that funders are open to being educated, and she takes seriously her responsibility to do so. As the chief development officer of her organization, she adds, "Part of my job is to write grants, which involves educating the funders about why the work is important and how it gets done."

It is not easy to easily and clearly describe your organization's impact. It is not the same thing as fulfilling your mission. The subject is much more nuanced and requires some deep thinking before you answer. "Funders focus on data and statistics because it's easy," Joyaux explains. "Any organization that's trying to change something knows that change takes a long time. We could say about nonprofits that have been working for decades on marriage equality that there's now marriage equality, so they're successful. But what is the *lived experience* of being gay and married? Is it more socially acceptable? The law passed, but the lived experience is still not fixed."

Joyaux also cites the example of how to assess outcomes of a counseling center based on responses from people who used its services. "If you ask if people were 'happy,' they may actually say they are angry because counseling was a traumatic experience for them. Happiness and satisfaction are soft, qualitative things, but there's research out there on how to measure them. Your job is to look at that research so you can educate donors and funders. What kinds of conversations are staff and the board having in an effort to measure impact? You should be having *deep* conversations with cage-rattling questions."

New Approach, New Tools

Gabrielle Kurlander, president and CEO of All Stars Project, Inc. (**www.allstars.org**), is determined to develop accurate ways to measure the impact of her afterschool development programs, which are open to all youth and not just those who are deemed to have significant academic potential. "I am less concerned about how we *measure success* than how we *successfully measure*," she says. "Current measurement tools represent values that are outdated. Many funders of afterschool programs want to measure test scores and dropout rates, and some even want to track whether youth commit crimes before and after their program involvement, sending the message that anyone who comes into the program is treated like a potential criminal."

Her focus is on the relationships and feelings of self-worth that youth develop in various All Stars programs. "We have major corporate leaders spending time with kids from poor communities and developing relationships with them, and this establishes a new kind of social fabric," Kurlander explains. "These relational experiences are more socially valuable than a metric."

She also tells the story of Tyrone, who is not in school, not employed and has no money. "He is struggling. But he got involved with the Castillo Theatre group of volunteers called Whatever It Takes, because they do whatever it takes to get the show up," Kurlander says. "By traditional measures, he is a failure, but he's involved on this team, working with different kinds of people, and his participation is improving his life. Tyrone's happier, even though he isn't successful in the ways funders want him to be. If you talk about happiness as an important outcome, you get laughed out of the room. Middle-class and affluent people go into therapy to become happier, but in the disadvantaged community, happiness is not considered legitimate."

Kurlander and her team are currently involved in a multiyear project with Southern Methodist University's (SMU) Center of Research and Evaluation (CORE) at the Annette Caldwell Simmons School of Education and Human Development (**www.smu.edu/Simmons/Research/CORE**) in Dallas to develop a methodology and a set of evaluative tools to explore the impact of afterschool development.

"Some of the largest foundations are lagging behind in the evaluation tools they're using, but there are a number of forward-thinking leaders who are aware of and talking about these issues," she says. "Our CORE partners are well-versed in the limitations of traditional measurement tools, and they're looking at how we can measure the success of things like relational capability."

The project's field-testing phase has begun, and once pilot projects are completed in 2018, Kurlander and her colleagues will begin publishing the results of their work and making the tools available to other nonprofits.

"If these new tools are successful, they'll help us demonstrate how to document the impact of the All Stars, a program that is theoretically sound," says David Chard, Ph.D., president of Wheelock College and former dean of the SMU Simmons School. "It will advance our understanding of the developmental theories that are the foundation of All Stars, and it will provide evidence to the nonprofit sector that measuring the impact of nontraditional programs is possible and that we shouldn't shy away from doing so."

Metrics and Expectations

Clear expectations are an important component of fundraising success, and the development professionals at the University of California (UC), Davis have made an intentional effort to develop a set of consistent goals and guidelines for frontline fundraisers across the entire campus, plus the medical, veterinary and other professional schools.

"We formed a metrics task force about five years ago when a new head of the development shop came in," says

Karen Charney, senior director of development at the UC Davis School of Law (**https://law.ucdavis.edu**). "We all knew we needed a better method of measuring what we did and a better method for arriving at expectations of what we should be doing. Everyone was doing things a little differently, and we needed to make sure everyone had the same expectations."

Show and Tell

If a picture is worth a thousand words, what is a dashboard worth? To your stakeholders, it could be a great deal.

The following are tools, resources, templates and more to help you create, use and share with your stakeholders.

Dashboards for Nonprofits
www.councilofnonprofits.org/tools-resources/dashboards-nonprofits

Dashboard Reporting, BoardSource, 2013
http://leadingwithintent.org/wp-content/uploads/2015/01/DashboardReporting.pdf

"How Hands On Atlanta Uses a Dashboard to Track Progress and Reach Its Goals," The Bridgespan Group
www.bridgespan.org/Publications-and-Tools/Performance-Measurement/How-Hands-On-Atlanta-Uses-Dashboards.aspx#.V54lOPkrKmU

"Show Me Your Nonprofit Dashboard"
www.bethkanter.org/nonprofit-dashboard

The Nonprofit Dashboard: A Tool for Tracking Progress by Lawrence M. Butler (BoardSource, 2007), paperback, 53 pages

The Nonprofit Dashboard: Using Metrics to Drive Mission Success, Second Edition, by Lawrence M. Butler (BoardSource, 2012), paperback and PDF, 75 pages
Available at **www.boardsource.org** or by calling 202-349-2500

"Warning Lights: New Dashboard Reports Help Institutions Gauge Their Performance" by Lawrence M. Butler
www.nebhe.org/info/journal/articles/2007-Spring_Butler.pdf

Members of the task force began by talking with representatives from schools across the country to see how they measured fundraising success. "We found that people agreed it was important to measure the number of visits and the number of asks made. Some measured dollars raised, and some didn't. That gave us a baseline of what made sense for us."

They created four metrics by which development officers would be assessed and attached annual expectations to each one:

- 150 face-to-face visits;
- 10 to 50 percent of face-to-face visits should be for the purpose of prospect qualification;
- 15 to 24 asks and proposals; and
- the number of dollars raised, with a goal within ranges based on the level of the position.

"There was a huge human resources reclassification going on at the same time, and our goal was to align the metrics with the level of development position," Charney says.

In addition, there was some flexibility within numbers in each category, depending on what percentage of the development officer's time was devoted to fundraising and the maturity of the prospect portfolio. "The numbers weren't meant to be punitive. The goals were meant to be realistic if you worked really hard," Charney explains. "Everyone now understands what everyone else is doing, and it's a fairly simple process to explain to new staff. Having it on paper and knowing how you're going to be evaluated was helpful and led to much better conversations, lent itself to establishing really good goals and helped us figure out where a program was having specific issues. Metrics are just one component of measuring success. They lay a good foundation."

Last year, the task force made a few tweaks to the expectations, which included ensuring that a subset of asks would be comprehensive asks that included a major or endowment gift, current use and a planned gift. They also retooled the qualification piece. "Instead of us looking for promising prospects to visit and qualify," Charney adds, "research is now giving us quarterly targeted lists of people we need to try to reach in the next 120 days."

Know Thyself for Success

Having clear goals and expectations sets development officers up for success, but if they lack certain qualities and skill sets required for successful donor relations, they are less likely to meet those goals.

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Bill Crouch, CEO and founder of Crouch and Associates (**www.crouchandassociates.com**) in Raleigh, N.C., believes that one reason the average tenure for a development officer is only 18 months or so is because organizations are hiring people who do not have the emotional intelligence to handle the stress of the job. “Emotional intelligence is how you respond when things go bad, and relational intelligence is all about making social connections,” he says. “What we call ‘vertical intelligence’ is the combination of the two.”

His focus on the importance of social connections underlies his feeling that the profession spends too little time training fundraisers to ask donors the right kinds of questions. “We teach them to ask the person how many children they have and where they went to school,” Crouch explains. “But we should be teaching them to ask, ‘In the last three years, what has been the very best experience you’ve had?’ That’s trying to understand the ‘why’ of the donor. Development people need to be taught the science of how people make funding decisions. We think we can cut the cultivation time in half by asking the right questions at the beginning of the process.”

Knowing how to measure a person’s emotional strengths can help nonprofit leaders when they are hiring fundraisers, and it can help existing staff understand the areas in which they can improve. Crouch has done research on the qualities of top performers in a number of professions and has developed an assessment tool designed specifically for fundraisers. He has found that the most successful fundraisers are independent, have the ability to be accommodating and score high on the ability to make decisions based on intuition.

Surprisingly, scoring too high on sociability is not necessarily a good thing. “You don’t want someone who can walk into a room and talk to everyone,” Crouch says. “You want someone who can go in and focus on the 10 people they need to focus on.”

He points to all of the science that supports the fact that a person can rewire the brain and create new habits, and he says that people who are willing to do the work can improve their vertical intelligence. “We can strengthen them as individuals,” Crouch says, “not just as development officers.”

Keith Oakley, assistant dean for college advancement in the College of Agriculture and Life Sciences at North Carolina State University (**www.ncsu.edu**) in Raleigh, can attest to the success of Crouch’s approach. “As an example of working with Bill’s team, our senior staff has been able to determine their ‘why’ in life, allowing us to understand what is at the core of our motivation and purpose,” he says. “This better understanding of ourselves is critical in our better serving our organization and team.”

The picture of success, indeed.

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Resources

“Afterschool to Funders: Let’s Develop New Methods of Seeing What Works,” by Gabrielle L. Kurlander and Bonny L. Gildin, Ph. D.
https://allstars.org/wp-content/uploads/2016/08/AfterschooltoFunders.pdf

“How Can Non Profits Measure Success And Impact?”
www.armstrongmcguire.com/blog/how-can-non-profits-measure-success-and-impact

“How to Measure Social Impact: New Research and Insights”
www.forbes.com/sites/rahimkanani/2014/03/15/how-to-measure-social-impact-new-research-and-insights/#65c023dc74be

Measuring Outcomes
http://strengtheningnonprofits.org/resources/guidebooks/MeasuringOutcomes.pdf