

Patrick F. Fagan, Ph.D., Claudia Horn, Calvin W. Edwards, Karen M. Woods, and Collette Caprara



The Richard and Helen DeVos Center for Religion and Civil Society

The Heritage Foundation | 214 Massachusetts Avenue, N.E. | Washington, DC 20002 | heritage.org

Patrick F. Fagan, Ph.D., Claudia Horn, Calvin W. Edwards, Karen M. Woods, and Collette Caprara

© 2007 by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

This paper, in its entirety, can be found at: www.heritage.org/research/family/sr13.cfm

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

#### Introduction

With new developments in the art and science of organizational management, faith-based organizations (FBOs) face the challenge of demonstrating their stewardship, primarily to their donors, but to their broader constituencies as well. Increasingly, FBOs are being required to demonstrate that they are as good at helping the needy as they claim to be. Their success in documenting their effectiveness could eventually have significant consequences for the infrastructure of the welfare system and other human service arenas.

Outcome-based evaluation (OBE) is a tool for responding to this stewardship challenge. This form of evaluation permits faith-based organizations to define specifically what success means for their programs and then measure the degree to which they achieve those goals. This discipline not only documents effectiveness, but also helps the organizations to refine the work they do and thereby begins a cycle of continuing improvement and greater success. A number of the best-run FBOs have started to apply this tool, speak highly of it, and, based on their experience in using it, are doing an even better job of serving the needy.

Outcome-based evaluation has the potential to engender a revolution of increased effectiveness in the faith community and to debunk skeptics' claim that faith-based programs are only about "feel good" results rather than producing solid and measurable impacts. When administered properly, OBE can help both to clarify and to fulfill an organization's founding mission and goals, as well as to ensure that the needy are served effectively and that funds are used responsibly.

As it helps organizations to do a better job of articulating the distinctive qualities of their outreach, outcome-based evaluation provides faith-based ministries with a means of substantiating their success. In addition, because OBE offers a means for measuring progress and improving effectiveness, it helps faith-based organizations to be more accountable both to those they serve and to those who fund them.

#### **Elements of Outcome-Based Evaluation**

Outcome-based evaluation, or results-focused evaluation, is tailored to an organization's specific programs and organizational goals. It measures the changes and improvements in the knowledge, skills, attitudes, or behaviors of people who receive services and assesses the aggregate of these outcomes in relation to the program's stated purpose and the organization's mission.

This means of evaluation offers an effective alternative to process-based evaluation. While rigorous studies identifying causal relationships between process and results are important, these evaluations are not practical on a day-to-day basis for most organizations. They are expensive and generally require consultants, many of whom are academics. Additionally, they require a control group, which often is not available, and withholding services from some individuals to create a control group may create ethical problems. Outcome-based evaluation, however, is a convenient and practical management tool that is capable of developing sufficient information about the effects of a program on the people it serves.

The fundamental purpose of an outcome-based evaluation is to identify the desired outcome of outreach: the changes that services are intended to engender in the lives of clients. Thus, outcome-based evaluation ultimately measures an organization not by what it does but by what its clients accomplish.

The staff of an organization that uses OBE must understand what the intended results of their service are, and they should become practiced in measuring and recording the steps taken to achieve those goals. The data gathered in this process become a reality check on what was done, what works, and what does not work. The systematic collection and analysis of this information often yields new insights for improving services.

Outcome-based evaluation promotes the unique and distinctive mission of each organization in many ways:

• It is a versatile evaluation method. Far from being "one size fits all," it guides each organization to develop an evaluation plan based on its particular mission, programs, and culture. It recognizes that the

background, temperament, resources, and experience of each organization will shape the way it works and what it is capable of achieving.

- It is a "person-centric" form of evaluation, with an emphasis solely on the evaluation of the results experienced by the client.
- It reflects the highly personalized nature of human services, recognizing that individual client needs determine the way in which programs are constructed and the services that are delivered within each program.
- It helps directors and staff members to make sense of what were once loosely organized bits of information, making that information organized, meaningful, and capable of facilitating good decision-making.

By providing a means through which leadership and staff can clearly articulate their mission, OBE can help to ensure that programs stay on-track with their organization's founding purpose. <sup>1</sup>

## **Substantiating Success**

Faith-based organizations in particular can benefit from using outcome-based evaluation to substantiate their success. Many of the innovative outreach programs of churches and faith groups are comparatively small when compared to the scale of conventional secular service projects. Yet, with the personal heartfelt commitment that is typical of faith-inspired service providers as well as their responsiveness to the individual needs and potential of recipients, faith-based initiatives often soar beyond conventional services in their impact on recipients' lives. In fact, their very missions are often worded in qualitative terms of life transformation.

In street-smart language, Bob Cote, founder of Step 13—a Denver-based program that works with the largest and most complicated segment of the homeless: addicted street people—says the goal of his program is to "fix people, not just warehouse them." "Our mission is to help these folks become responsible, productive community assets," he explains. "We don't want to just fill their stomachs. We want to fill their needs for employment, self-sufficiency, and self esteem."

Step 13 has gone far in accomplishing its mission. Its effectiveness is evidenced in the lives of its participants. In the words of one man who turned his life around:

At Step 13 you don't get a lot of pity, you get a good dose of reality. If you want to stay there, you have to stay sober, get a job, and pay your own way. It was just what I needed, and it paid off. That's why I'm so amazed now. Being sober and working and having my own home has allowed me to rebuild my relationship with my two boys. They're four and ten, and they're as glad to have me back as I am to have them back.<sup>2</sup>

Such a life transformation may not register in conventional process-oriented or activity-based analyses of homeless shelters, which Cote dubs counts of "heads in beds." However, an outcome-based analysis can reveal the impressive impact of initiatives such as Step 13.

Similarly, San Antonio-based Victory Fellowship, a faith-based program launched by Pastor Freddie Garcia and his wife Ninfa in 1972, has established an exemplary record in reaching and transforming the lives of hard-core addicts. The Garcias explain their outreach as follows:

Many addicts commit multiple acts of crime on a daily basis to support their drug habits. So all-consuming is this lifestyle that addicts will abandon and betray their family and friends, isolating themselves from healthy relationships. We have a demonstrated track record of transforming hard-core criminals and substance abusers into responsible family members, contributing to their communities.... Some of these addicts become leaders in our program, prepared to return to crime-and drug-infested neighborhoods as agents of transformation.<sup>3</sup>

<sup>1.</sup> For a list of recommended readings related to outcome-based evaluation, see Appendix B.

<sup>2.</sup> See the account on the Step 13 Web site, "From Down and Out to Up and Out," at www.step13.org/why/stories (August 11, 2006).

<sup>3.</sup> Victory Fellowship Ministries Web site, "Our Story," at www.victoryfellowhip.com (August 11, 2006).

Victory Fellowship had humble beginnings 35 years ago, when the Garcias moved the furniture out of their one-bedroom house to a makeshift awning outdoors to create room for 11 addicts who slept on their living room floor. Since that time, their outreach has touched the lives of more than 13,000 addicts and has grown to include safe houses for youths in public housing developments, a program for youths in the juvenile justice system, a gang-intervention program, and programs for drug addicts in 65 satellite centers in California, Texas, New Mexico, Peru, Puerto Rico, Mexico, Colombia, and Venezuela. According to Victory Fellowship's records, nearly 70 percent of its residents successfully break their addictions.

Bob Woodson, founder and president of the Center for Neighborhood Enterprise, the hub of a nationwide network of grassroots community-revitalization organizations, terms the leaders of such faith-based outreach as "Josephs," recalling the Biblical figure who counseled the Pharaoh. Describing their effectiveness, Woodson says:

The work of today's Josephs may not be buttressed with bound volumes of data and file drawers of client profiles, but, more importantly, it is supported by the undeniable transformations that have taken place in the lives of the people they served. Grassroots Josephs may not have degrees and certifications on their walls, but they do have this—the powerful, uncontestable testimonies of people whose lives have been salvaged through their work.<sup>4</sup>

To capture the essence of complex programs such as these, more than activity metrics is needed. Process-based evaluation that records numbers of clients served or amounts of goods delivered has its place in program management, but "counts and amounts" do not convey the effects of life transformation.

In contrast, outcome-based evaluation tracks changes in the population served and improvements in knowledge, skills, attitudes, and behaviors—leading to life transformations. OBE is the key to knowing and reporting the unique contributions made by programs of faith in helping the needy. The combined outcomes for all persons served will show progress toward goals defined by an organization's mission statement.

Through program-by-program analysis of impact, OBE measures the contribution of different elements of an organization's services and helps its leaders to decide whether to strengthen or eliminate its least effective programs. For instance, if an organization finds that it has better results working with women than with men, it could implement changes that would improve its services to male clients, or, alternatively, it might decide to focus on its services to women and redirect male clients to organizations that are better equipped to meet their needs. OBE helps an organization to identify and analyze such issues.

## **Facilitating Strong Management**

Outcome-based evaluation provides skills and disciplines that improve program management. Used systematically and consistently, it empowers organizations to move steadily toward more effectively accomplishing their goals by:

- Helping directors and managers ensure that an organization's programs are closely aligned with its founding purpose. OBE serves as a safeguard against "mission creep," whereby initiatives are launched that are beyond an organization's approved purpose.
- Identifying "indicators"—observable and measurable conditions that signal where progress has been made toward accomplishing program goals and objectives. When each program is showing tangible progress in achieving collective outcomes for its participants, the organization's mission is being met.
- Providing a template for staff and leadership to set clear goals and keep track of activities undertaken to reach these goals. These data not only document progress, but also are useful to management in determining costs and staffing needs.
- Clarifying criteria for cases in which clients should be referred to other organizations that are a better fit to meet their needs.

<sup>4.</sup> Robert L. Woodson, Sr., *The Triumphs of Joseph: How Today's Community Healers Are Reviving Our Streets and Neighborhoods* (New York: Free Press, 1998), p. 76.

- Aiding leadership in allocating resources by identifying which programs are working well and which
  are not.
- Sharpening the budgeting and strategic planning processes by making a cost-benefit analysis possible.
- Providing evidence to the community about how the organization has met its needs.

#### Mission-Focused

It should be noted that, although financial returns are a typical measure of performance in the business arena, they are not as useful for service organizations as are other indicators of "human" success. For both secular and faith-based service programs, performance must be assessed with regard to an organization's founding mission. The key question in evaluating services to the needy is: "How effectively are we pursuing our mission and, relative to our resources, are we making our intended impact on the lives of those we serve?" <sup>5</sup>

For example, after the staff of the Atlanta Union Mission—an outreach project for the homeless and addicted—began to apply outcome-based evaluation principles, the organization's leaders reported that it transformed their way of thinking and fostered a desire for greater clarity in describing their mission and remaining connected with the people they serve. After studying the evaluation data, they also noticed patterns of their successes and failures. For example, they found that pressures to leave the program were different for men than for women because women, in particular, strongly desired to be with their children.<sup>6</sup>

The Atlanta Union Mission went on to join a consortium of 22 gospel rescue missions in an effort to resolve ambiguity in their descriptions and definitions. The consortium worked with an evaluation researcher to ensure that the indicators they chose could yield data that could be analyzed. In this process, one of their previous indicators—"How satisfied are you with your present lifestyle?"—was deemed to be too subjective and was not included in the subsequent evaluation. This indicator was replaced with two others that were less vague: "Have you been drug-use free for the past six months?" and "Do you have a stable housing situation?" Such a drive for clarity is now helping this group of rescue missions to move toward a model that will make their outreach even more effective.

Similarly, the Union Gospel Mission of Twin Cities Minnesota (UGMTC) reported that outcome-based evaluation gave program directors a new and deeper understanding of their particular projects as well as a greater appreciation of the connections between their programs. In addition, the ongoing process has allowed staff the opportunity to continually assess whether what they are doing on a daily basis promotes the department's objectives as well as UGMTC goals.<sup>7</sup>

The organization's director, Ken Cooper, was pleased by the collaboration and unity that the team-level evaluation produced. He reported that staff who participated in the evaluation achieved "bifocal vision," gaining a clearer understanding of the desired outcomes and details of their various program activities as well as a broader picture of the mission of the organization as a whole. Moreover, clarity in program goals provided hope and vision for program participants. For example, mothers of children in the mission's child development center came "alive with hope" as they learned what the organization intended to do for their children within a six-month period.<sup>8</sup>

## A Tool to Improve Organizations

In addition to highlighting an organization's successes, outcome-based evaluation will benefit an organization even where it reveals failures. Once a deficiency is identified, steps can be taken to correct it.

In the case of some organizations, OBE was helpful in refining their vision statements. For example, several small, church-based, fatherhood programs in Virginia initially stated that their programs were intended to "help fathers turn their hearts to their children." While this was a noble sentiment, it did little to indicate the actual results that were intended. When prompted to be more specific, the programs' leaders clarified their mission to read, "To

<sup>5.</sup> Jim Collins, Good to Great and the Social Sectors: Why Business Thinking Is Not the Answer (Boulder, Col.: Jim Collins, 2005), p. 5.

<sup>6.</sup> David M. Coleman, Executive Director, Atlanta Union Mission, in personal interview with Patrick Fagan and Karen Woods, 2006.

<sup>7.</sup> Becky Roe-Smith, Director, Work Net Operations, UGMTC, in personal correspondence with Karen Woods, January 2007.

<sup>8.</sup> Ken Cooper, retired executive director of UGMTC, in personal interview with Karen Woods, 2006.

help fathers become involved in their children's lives; to help fathers become the spiritual leaders of their families; and to encourage fathers to become financially more responsible for their children." These statements were much more concrete and could be translated into clear outcomes that the organization could measure.

Outcome-based evaluation, properly applied, engenders a cycle of continuing improvement. Even the best organizations may fail at some things occasionally, and identifying shortcomings is an important step in strengthening services. As Peter Frumkin, an expert on philanthropy and community service, has noted:

It is necessary to distinguish two fundamental forms of failure: one constructive and the other unconstructive. The difference between the two kinds of failure comes down to knowledge creation. While all failed grants start with ineffective programs, constructive failures create value by helping us understand what went wrong. By contrast, unconstructive failures produce no new knowledge to inform future practice.

For a vibrant organization, a failure may prove to be the route to success—if it has the data on its own short-comings. This is as true for people of faith helping the needy as it is for General Electric monitoring its newest business division. 9

## **Greater Accountability and Better Stewardship**

Educated donors, particularly large funders, want to know that the programs they support are effective. Today, only a handful of donors *require* a systematic measurement of program effectiveness. However, there is movement toward expecting a "return on investment," a trend led by major foundations that support social-service initiatives. In the language of the faith community, this is the practical application of a core principle: wise stewardship.

An article published in the quarterly journal of the McKinsey international management consulting firm, entitled "Measuring What Matters in Nonprofits," states: "Every nonprofit organization should measure its progress in fulfilling its mission, its success in mobilizing its resources, and its staff's effectiveness on the job." The *Journal of Accountancy* published a similar article, "Performance Measures for NPOs," stating: "Accountability is extremely important. CPAs can use outcome measures to help...[nonprofit] organizations achieve their goal-driven strategic plans." 11

Recently, some foundations have begun to require outcome-based evaluation as part of their grant application process. Some foundations have even paid for these evaluations because they consider them to be essential for good management. The Skillman Foundation in Detroit, for example, mandates and pays for program evaluations. In the words of the foundation's program officer, Robert Thornton, "When we see the necessity of a project element, we fund it." Many foundations encourage grant applicants to include costs for these evaluations in their proposals. (The average cost of an evaluation for a privately funded project is typically between 7 percent and 12 percent of the project's total budget but may be less after the first year.)<sup>12</sup>

Donors want to know that their money is used wisely and that the organizations they fund achieve their intended results. According to the McKinsey Quarterly:

Concrete measures of success are an important...tool for attracting donors and building public support. Many foundations now demand to see the results of their investments in nonprofit organizations and will finance only those that can give them detailed answers.... Funders are not satisfied with answers that amount to little more than laundry lists of activities.... Focused performance measures communicate a businesslike attitude and a high degree of competence. <sup>13</sup>

<sup>9.</sup> Peter Frumkin, "Failure in Philanthropy: Toward a New Appreciation," Philanthropy Roundtable, July 1, 1998, at www.philanthropyroundtable.org/printarticle.asp?article=1332 (October 25, 2006).

<sup>10.</sup> John Sawhill and David Williamson, "Measuring What Matters in Nonprofits," The McKinsey Quarterly, No. 2 (2001), pp. 98–107.

<sup>11.</sup> Dale A. Henderson, Bruce W. Chase, and Benjamin M. Woodson, "Performance Measures for NPOs," *Journal of Accountancy*, January 2002, pp. 63–68.

<sup>12.</sup> Interviews by Karen Woods with a number of foundation program officers, June 2006.

<sup>13.</sup> Sawhill and Williamson, "Measuring What Matters in Nonprofits," p. 103.

Greater accountability, often linked in the business world with greater trustworthiness and potential for success, could enhance faith-based organizations' stewardship. Outcome-based evaluation has proven to be very helpful to small and young ministries. Faith-based organizations want to be able to assure donors that they have a track record of effectiveness as well as the information they need to make improvements where necessary. Outcome-based evaluation permits donors and the organizations they support to speak the same language regarding impact and to be realistic about what is promised, what is possible, and what can be expected.

Given the benefits of OBE, the Maclellan Foundation, one of the largest faith-based donor organizations in the United States, advises grant applicants to include outcome-based evaluation in planning their programs, as the following guidance on its Web site demonstrates:

Priority is given to those groups who have a clear vision of the results their programs are intended to realize and demonstrate the ability to measure the tangible outcomes of their efforts. Therefore, we seek organizations whose vision statements describe a *targeted change over time*. Grant requests should define how activities will be measured by their ongoing contribution to a set of mission-driven outcomes in a well-defined target population.... It is our hope that organizations will not view this outcomes-mindset as merely a funding hurdle. Rather, by incorporating these disciplines the organization will find they have ability to:

- Increase program effectiveness through measurable means of evaluation
- Communicate to funders the value of their programs through clearly demonstrable outcomes
- Find a logical path from *outcomes* back to *program development*, and thus be able to drive internal change or course corrections along the way. <sup>14</sup>

This requirement from a major faith-based donor is an indication that outcome-based evaluation, rather than other process-based evaluation methods, should be recommended for executives of all faith-based social service organizations. <sup>15</sup>

## **Broader OBE Application**

In addition to its benefits for faith-based organizations, outcome-based evaluation would also be a valuable management tool for secular and government-funded services to ensure cost-efficiency and identify failing programs.

A decade ago, the General Accounting Office (GAO) embraced legislation passed in 1993 demanding greater responsibility for effectiveness in the use of taxpayers' money. Every federal agency was expected to report on results in terms of the benefits these agencies provide to people in order to "improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction." After taking office, President George W. Bush continued this momentum by requesting results-focused reports on the effectiveness of government programs. 17

Although this was a good first step, the results from initial outcome-based evaluations indicate that much more is needed to make the programs of the enormous federal bureaucracy more cost-efficient. While the majority of agencies' programs were rated as "adequate" or "moderately effective," more than 225 programs funded annually with millions of taxpayers' dollars were rated as "not performing," with results that were labeled as "not demonstrated" or "ineffective." Ideally, such results should force a reevaluation of these federal programs' missions, methods and purposes.

<sup>14.</sup> Maclellan Family Foundations, "Outcome Guidelines," at www.maclellan.net/grantees/ministries/outcomes.asp (October 25, 2006). Emphasis in original.

<sup>15.</sup> For a list of trainers in OBE that are available to help faith-based organizations master this discipline, see Appendix C.

<sup>16.</sup> Government Performance Results Act of 1993, at www.whitehouse.gov/omb/mgmt-gpra/gplaw2m.html (February 13, 2007).

<sup>17.</sup> For the text of these reports, see www.expectmore.gov.

<sup>18.</sup> For discussion of the pitfalls and abuse of evaluation research by government and foundations, see transcript of "Measurement Malaise" conference hosted by the Hudson Institute's Bradley Center for Philanthropy and Civic Renewal, at <a href="https://www.hudson.org/files/publications/Bradley\_Transcript\_10\_06\_05.pdf">www.hudson.org/files/publications/Bradley\_Transcript\_10\_06\_05.pdf</a> (October 25, 2006). This paper focuses on the value of outcome-based evaluation for internal use by faith-based organizations to assess and enhance their service to individuals in need.

Clearly, the periodic application of additional, more finely tuned evaluations of results, with consequences for programs that fail to perform, could go far toward ensuring that the funds entrusted to government agencies are used wisely and cost-efficiently to achieve programs' anticipated results. The progress that has been made thus far, both in documenting the effectiveness of faith-based outreach and in dealing with ineffective programs, could serve as a model for the entire public and private social service sector as well.

#### **Conclusion**

Outcome-based evaluation is a way to measure organizational effectiveness that has special value for faith-based service organizations. Unlike the process-oriented reports of "counts and amounts" that are typically generated by many traditional service providers, OBE provides a qualitative element: a description of the impact that services have had on the lives of their recipients. Such effects will often be literal life transformations, demonstrated by changes and improvements in knowledge, skills, attitudes, behaviors, life condition, or life status.

Conventional calculations of the number of clients served or volume of services provided cannot capture the magnitude of the impact of these transformations. In contrast, outcome-based evaluation can give a fuller understanding of what has been achieved.

Internally, OBE serves as a management tool. As the leaders of service organizations work to identify the outcomes that resources invested in their various programs produce, they can see a portrait of the comparative effectiveness of their programs. They can then address the problems of programs that are not realizing anticipated goals. They may choose to terminate a failing program, spin it off to another organization that is better suited to providing those services, or augment or change the program to improve its effectiveness.

In addition, OBE serves an external purpose: ensuring volunteers, donors, and prospective funders that their investments bring the "returns," or results, that they anticipated. Such a clear, periodic documentation of impact goes far beyond the fuzzy and anecdotal sentiments associated with the notion of being a helping hand and eliminates the justification for resources that is based simply on need or intent.

Nor are the benefits of outcome-based evaluation reserved for faith-based organizations alone. If all service providers—faith-based, secular, and governmental—would begin to use OBE, they would find that accountability at all levels promotes the most significant improvements, the longest lasting transformations, and the most responsible stewardship of funding.

—Patrick F. Fagan, Ph.D., is William H. G. FitzGerald Senior Research Fellow in Family and Cultural Issues in the Richard and Helen DeVos Center for Religion and Civil Society at The Heritage Foundation; Claudia Horn is President of Performance Results, Inc.; Calvin W. Edwards is founder and CEO of Calvin Edwards & Company; Karen M. Woods, former Director of Effective Compassion at the Acton Institute, is Executive Director of the Empowerment Resource Network; and Collette Caprara is a Research Editor at The Heritage Foundation.

## Appendix A Elements of Outcome-Based Evaluation

An outcome-based evaluation (OBE) begins with an organization's mission statement: its founding purpose. The organization's mission is then translated into clear, measurable goals. These major goals are then broken down into smaller goals or "objectives."

Once mission-oriented goals and objectives have been established, observable "indicators" that show progress toward those goals should be developed. For example, in a case where the goal is "helping fathers become involved in their children's lives," progress could be indicated by "fathers spending at least 15 minutes alone with the child each day." From the goals identified by that organization, four to eight such indicators might be developed, three to five of which could be near-term objectives with the remainder being longer-term intermediate goals. The indicators might register such things as changes or improvements in skills, knowledge, behavior, or socioeconomic status.

In conducting an outcome-based evaluation, an organization would evaluate each of its programs by articulating:

- Assumptions about the needs of the people they serve,
- Solutions that will help to meet those needs, and
- Goals that are the program's desired results and outcomes.

A simple way to identify goals is to answer the question: "How will we know when we have successfully helped the needy person as intended?"

## **A Structured Approach**

The template for an outcome-based evaluation generally includes the following information, often called a "logic model":

- **Intended Outcome**: the program's overall goal or the effect that the program is intended to have on clients served.
- **Impact Targets:** the amount of change or progress toward a goal that is deemed a success within a given time period (e.g., a 30-minute increase per week in fathers' time with children or a 15 percent decrease in the number of teens who were sexually active during a school year).
- Indicators: observable and measurable changes in behavior or conditions. Note that any of several different indicators and impact targets may be identified for a particular goal. For example, a school-based program that is designed to reduce teen sexual activity may have target goals for the percentage of students who refrain from sexual activity throughout a four-month period (e.g., 60 percent) and the percentage who sign an abstinence pledge (e.g., 40 percent).
- Data Sources: readily available sources of information about the conditions that are being measured (e.g., children's reports, parents' reports, school grades, school truancy records, survey responses, or signed pledge cards).
- Who Is Measured: the population that is being measured (e.g., all program participants, participants who live in mother-only households, or 9th graders at a specific school).
- Measurement Intervals: the period of time during which changes will be documented (e.g., reports for a three-week period or reports at the beginning and the completion of program activities). Note that time periods might vary for different facets of a program. For example, a Boys' Ranch may keep a daily record of the hours that boys worked but do a monthly overall evaluation of the change in the youths' behavior.
- Measured Outcomes: actual changes in behavior or conditions within the monitored time period.

Upon completion of a given measurement period, the degree to which each program accomplished its "impact target" will indicate the effectiveness, or success, of the program.

## Setting Up an OBE Program

This overview of the process of outcome-based evaluation and the elements involved is taught in OBE workshops that personalize the setup of a template for participants and walk them through each step, showing how elements can be modified to meet the unique needs of various organizations. For many groups, attending such a workshop will be key to conducting an outcome-based evaluation successfully.<sup>19</sup>

Workshop instructors typically lead participants through a trial run of data sources and recording instruments, testing them to ensure that they accurately measure the indicator as desired, and then examining the process as applied to each program to ensure that the steps flow naturally and helpfully from one to the next. Refinements and corrections can then be made.

Staff involved in the implementation of a program should be included in all aspects of the OBE's design. The objective is to get a true picture of what is being achieved so that volunteers, directors, donors, and communities can have accurate information on a program's performance. As new sources of data and different types of data become available, the OBE process can be continually refined.

## **Reporting Results**

It is important for staff and officers to tailor outcome-based evaluations to meet the needs of diverse stakeholders. For example, some organizations may have to produce several different reports to meet the needs of management, the board, donors, members, and the general public. Reports will typically include a basic summary of the findings, the percentage of the intended outcomes that were realized, an assessment of the most and least successful parts of a program, a comparison of the before-and-after status of the clients, and a description of the clientele that was served. Emphasis, format, and level of detail may vary for different audiences.

<sup>19.</sup> For a partial listing of resources for outcome-based evaluation training and guidance, see Appendix C.

## Appendix B Readings in OBE and Related Issues

- Jim Collins, *Good to Great* (New York: Harper Collins, 2001).
- ———, Good to Great and the Social Sectors: Why Business Thinking Is Not the Answer (Boulder, Colo.: Jim Collins, 2005).
- Carl S. Dudley, "Transforming Charity: Toward a Results-Oriented Social Sector," *Christian Century*, November 14, 2001.
- Barbara Elliot, Street Saints: Renewing America's Cities (West Conshohocken, Pa.: Templeton Foundation Press, 2004).
- ———, Equipping the Saints (West Conshohocken, Pa.: Templeton Foundation Press, 2005).
- Peter Frumkin, "Failure in Philanthropy: Toward a New Appreciation," *Philanthropy Roundtable*, July 1998, at www.philanthropyroundtable.org/printarticle.asp?article=1332 (October 25, 2006).
- Claudia Horn, Outcome-Based Evaluation: A Training Toolkit for Programs of Faith, at www.fastennetwork.org/Uploads/2F3325EC-7630-425B-8EDF-847AAA69BE76.pdf (October 25, 2006).
- Carter McNamara, "Basic Guide to Outcomes-Based Evaluation for Nonprofit Organizations with Very Limited Resources," at www.managementhelp.org/evaluatn/outcomes.htm (October 25, 2006).
- Pete Pande and Larry Holpp, What Is Six Sigma? (New York: McGraw Hill, 2001).
- Connie C. Schmitz, "Everything You Wanted to Know About Logic Models But Were Afraid to Ask," at www.insites.org/documents/logmod.htm (October 25, 2006).
- Amy Sherman, Restorers of Hope: Reaching the Poor in Your Community with Ministries That Work (Wheaton, Ill.: Crossways Books, 1997).
- ——, "Scaling Up FBOs: Intermediaries Improve Efficiency and Range of Community Healers," *Philanthropy*, July/ August 2002, at www.hudsonfaithincommunities.org/v2/programs/articles/Scaling\_up\_FBOs.pdf (October 25, 2006)
- Ryan Streeter, Transforming Charity: Toward a Results-Oriented Social Sector (Washington, D.C.: Hudson Institute, 2001).
- Ellen Taylor-Powell, Logic Models, A Framework for Program Planning and Evaluation, at www.uwex.edu/ces/pdande/evaluation/pdf/nutritionconf05.pdf (October 15, 2006).
- Robert L. Woodson, Sr., The Triumphs of Joseph: How Today's Community Healers Are Reviving Our Streets and Neighborhoods (New York: Free Press, 1998).

## Appendix C Resources for Outcome-Based Evaluation Training

#### Performance Results, Inc.

P.O. Box 5267

Laytonsville, MD 20882 Phone: (301) 963-5953 Fax: (301) 368-3577

Web site: www.performance-results.net

Contact: Claudia Horn

## Peter F. Drucker Foundation for Nonprofit Management

Leader to Leader Institute 320 Park Avenue, 3rd Floor New York, NY 10022 Phone: (212) 224-1174

Fax: (212) 224-2508 Web site: www.pfdf.org

Web site: www.leadertoleader.org

Contact: www.leadertoleader.org/contact/contact.html

## Faith and Service Technical Education Network (FASTEN)

Web site: www.fastennetwork.org E-mail: support@fastennetwork.org

#### Center for Renewal

9525 Katy Freeway, Suite 303

Houston, TX 77024

Phone: (713) 984-1343, ex. 107 (Barbara Elliot, Founder)

Phone: (713) 984-1343, ex. 106 (Cathy Lawdanski, Program Director)

Fax: (713) 984-0409

E-mail: belliott@centerforrenewal.org

E-mail: cathy.lawdanski@centerforrenewal.org