GETTING MORE FROM MEASUREMENT:

Five Insights for Social Innovators

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After 25 years of working with hundreds of social impact organizations,

we've seen firsthand the reality of the maxim, "what gets measured gets done." Measuring the right things is a key step toward achieving meaningful change.

To get the most from measurement, our deep experience shows that organizations are best served when they clearly articulate and document their overall strategy, assumptions, and outcomes as a compass from which to guide decisions about *what* to measure and *how* to measure it. It is essential, too, that measurement moves to *processes* and *tools* that elicit insights that strengthen decision making and drive toward results.

We document this information in a Measurement, Learning, and Evaluation (MLE) plan, which provides a powerful process for driving efficient, lasting, and transformative progress toward impactful changes.

INTRODUCTION

This piece captures five key insights to guide organizations as they develop ongoing MLE plans to achieve greater social impact:

1. Theory of Change amplifies your impact—helping you focus on the linkages between, and assumptions underlying, your strategies and outcomes.
2. Progress toward long-term goals is observable in interim measures.
3. Setting targets along the way forecasts your trajectory and provides feedback that tells you if you're moving in the right direction.
4. Impactful measurement needs to align with the rhythm of your work and provide the right data at the right times.
5. The payoff of measurement is in the practice, and putting that practice to use greatly increases your odds of success.

Our insights about measurement are based on the experience of designing and implementing MLE efforts in a wide range of social impact endeavors, ranging across humanitarian, civil society, economic development, health, education, conservation, and legal domains. In our work with clients, we've seen that a thoughtful MLE system delivers useful, strategic data that enhances decision making and helps build quality initiatives that achieve high-impact results.

When confronted with measurement and evaluation, some turn first to the expensive and time-consuming practice of "gold standard" experimental designs requiring comparison groups to definitively prove whether an intervention delivers the expected results. While measurements of this type are reasonable in certain situations, they are often a stretch for the real world of social innovation and are limited in their timeliness, strategic value, cultural applicability, and validity for measuring the changes sought.

You can get more for less—by deploying measurement based on social science rigor and valuing adaptability and learning. In other words, **social innovation is best measured in real time and in ways that can be seamlessly woven into the rhythm of the business cycle and the daily practices of those responsible for funding, managing, and implementing social change.**

We've developed these insights by doing this work over the course of many years. Our goal is to share our learning so that social innovators everywhere can get more out of measurement and, as a result, achieve greater impact.

Three Key Benefits of Measurement, Learning and Evaluation systems:

1) Alignment

Alignment happens at all levels, internally and externally, so that activities and grants are measured against a broader framework that defines desired outcomes. Alignment is fostered at many stages: when defining outcomes and linkages in the Theory of Change, when determining measurement and evaluation priorities, in the selection of indicators and targets, and through joint reflection and learning as data comes in.

2) Accountability

MLE plans identify meaningful outcomes for accountability. Within the MLE planning process, strategies are intentionally tied to a clear end result with necessary interim changes made explicit. This approach flips the traditional strategic planning process on its head and transforms organizations into outcome-based entities rather than big, busy activity traps.

3) Learning

MLE plan implementation results in information and practices that support data-informed reflection and learning as a way of doing business. The best organizations operate in a constant state of learning. Too often, however, this learning is individualized and anecdotal. A measurement system built for learning incorporates iterative processes of capturing data, making sense of the data, and course correction, which produces continual, organized learning and, thus, greater impact.

These benefits begin to accrue whether you start from scratch with a Theory of Change leading to new strategy or you build onto the work that your organization has already been doing to amplify, accelerate, and strengthen your impact. There is rarely a wrong time to think about engaging in MLE thinking.

INSIGHTS

1

Theory of Change amplifies your impact—helping you focus on the linkages between, and assumptions underlying, your strategies and outcomes.

Theory of Change has joined other recognized processes such as strategic planning, business plans, work plans, and evaluation plans as a necessary management tool. Still, its value remains mysterious to many. Theory of Change can be defined as the conceptual model for achieving a collective vision. A Theory of Change typically outlines the set of linkages among strategies, outcomes, and goals that support a broader mission or vision, along with the underlying assumptions related to these linkages. Theories of Change can be expressed in many forms, including narratives, logic models, and visual graphics, but should ultimately explain how you get from "here" to "there" by explicitly articulating the underlying assumptions of the business proposition.[1]

Because "what gets measured gets done," having a strong base for selecting the right measures is paramount. In our experience, the best measures grow out of Theory of Change work. **We have consistently found that groups using Theory of Change—ideally as a first step in an MLE development process—create a solid foundation for outcome-oriented planning and evaluation.** Groups that skip this step often have a more arduous process defining meaningful measures overall, and, ultimately, a less impactful MLE system.

> *One way to express a Theory of Change is through an outcome map. An outcome map has an explicit focus on identifying the changes that will occur over time and how they are logically connected to different strategies and activities. This form of a Theory of Change allows you to check interim results against your intended path and course correct before seeing longer-term outcomes. In addition, by outlining logical linkages in an outcome map, you can select areas for measurement that you expect will document the successes needed to achieve impact.*

1 Organizational Research Services. (2007). A Guide to Measuring Advocacy and Policy. Prepared for the Annie E. Casey Foundation. Seattle, WA. For more information, please visit the resources section at orsimpact.com.

A Theory of Change aligns participants around a roadmap for driving to impact. Everyone has an implicit idea about how change will happen. By explicitly articulating a Theory of Change, groups reach agreement about what changes they expect from strategic activities, and their vision is captured in a document that can be reviewed and referred to over time. The narrative assumptions documented as part of the process further describe the conditions necessary for success, the external factors that may influence success, and the shared meaning that went into the thinking about this plan. By articulating a Theory of Change, social innovators become clear about their unique perch, assets, and approach to influencing change in the context of multiple simultaneous actions and forces.

Theory of Change identifies meaningful points of accountability. By adopting a Theory of Change, stakeholders and partners agree upon a path and the short-, mid-, and long-term outcomes for testing whether their financial investments, programs, and strategies are moving in the right direction. Selecting what to measure in a vacuum happens far too often and can result in a mix of measurements unlikely to provide meaningful information for adapting, refining, learning, and achieving long-term goals.

Example:

A group may be developing a Theory of Change to address violence by offering job training skills to ex-offenders.

This approach to reducing violence contains many large assumptions. First, that ex-offenders perpetuate violence. Second, that jobs will provide stability and deter violent behavior. And third, that ex-offenders can successfully participate in job training programs. These assumptions are based on untested belief systems about why violent crimes happen.

As is common with many social problems, there are numerous alternative theories about the causes of and solutions to violence. Exploring the linkages between an investment in job training and violent crime, and spelling out the intermediate steps expected to occur on the road to reducing violent behavior clearly identifies which outcomes to watch for. These include the conditions that must accompany this job training program, the partnerships that are required, and the testable hypotheses that will confirm or disprove this approach to solving a major societal problem.

Theory of Change, Strategic Plans, and Business Plans are different tools that are closely affiliated with each other. Theory of Change operationalizes a strategy by providing a deeper focus on the key outcomes that are relevant to accomplishing your mission. With origins in the evaluation world in the early 2000s, it has rapidly gained value for social impact efforts because of its focus on outcomes and its ability to clarify linkages between strategies and outcomes. Theories of Change do not replace a strategic plan or detailed business plan but can be used as a source document to ensure that all business or strategic thinking is aligned around critical outcomes.

Identifying greater "leaps of faith" help pinpoint where to invest learning resources and attention. Theories are generally built on a combination of background research, lessons learned over time, and a degree of gut instinct. Within a Theory of Change, recognizing where there are greater assumptions, "bigger bets," or critical inflection points can help organizations focus more attention or additional resources on measurement and evaluation of areas with less firm grounding that require greater gut instincts. Learning moves from the abstract to the concrete, thoroughly grounded in the real work that your organization is producing.

A Theory of Change should be reviewed and adapted from time to time as you learn what works and what doesn't.

A Theory of Change serves as a touchstone for learning and reflection over time. A Theory of Change should be built to last a few business cycles by crisply focusing on outcomes within a three- to five-year horizon. At the same time, a Theory of Change should be reviewed and adapted from time to time—as you learn what works and what doesn't, analyze the data you've measured, and when the ever-changing landscape challenges the original, fundamental assumptions made during the initial Theory of Change development. A Theory of Change also serves as a source document from which to develop other important planning tools, including strategic plans and business plans.

2

Progress toward long-term goals is observable in interim measures.

Social innovators are generally very strong at articulating where they are going (goals or vision). They are typically strong, too, at knowing what they are doing (activities) and identifying performance measures that signify whether that specific work is getting done. The gap is in the middle—the interim measures that we fondly refer to as the "muddy middle." What happens between here and there—between aspiration and action—provides the evidence that signifies whether you are heading in the right direction. We understand the importance of distilling the middle part of social impact work into measurable outcomes.

Splitting apart what kinds of change happen, and when, illustrates the path to impact. Reaching ultimate impact is often the result of a long, sustained chain of changes. While moving the needle on population-level change at scale is often the goal, there are important changes that happen in the "middle," including the cognitive, attitudinal, behavioral, and/or systems-level changes necessary to achieve that goal. Changes will happen in the short, intermediate, or long-term and may intensify or amplify over more than one of these time periods. By nature, measurement is a "splitting," not a "lumping" activity. Clearly splitting apart and articulating what kind of changes will happen and in what sequence helps groups recognize the many preconditions or outcomes needed to achieve lasting change, opening up insight into where accountability and learning opportunities lie.

Changes can occur at many levels, including for individuals, organizations, systems, and communities. Direct services influence individuals, such as providing employment skills, access to capital, family support, medical care, or consumer knowledge. Social impact activities can also focus on organizations and systems, seeking strengthened partnerships, changes in business practices, changes in policies, and changes in markets. Other efforts may be realized through community-level change, including vibrant local economies, shifts in norms that promote healthy behaviors, or greater environmental protections. Comprehensive initiatives typically drive change in more than one level.

Outcomes that seem less quantifiable can be important too. In her piece, "Dancing with Systems," Donella Meadows identified a list of 14 ways to "dance" with systems, including, "pay attention to what is important, not just quantifiable." [2] Some shy away from what can feel squishy on the pathway to impact. Some steps in this muddy middle, like changes in community norms or belief systems, can be difficult to measure with hard numbers. However, experts have found meaningful ways to create useful measures through indicators that better define fuzzier concepts or by developing proxies of things that can be seen, observed, or reported. The evaluation field continues to develop and refine new tools and measurement approaches (e.g., bellwether interviews or policymaker rating tools[3]) that provide a useful qualitative lens on what may seem immeasurable. Tackling this head on will be more informative than avoiding these important outcome areas.

2 Meadows, Donella. "Dancing with Systems." Accessed August 5, 2013, http://www.sustainer.org/pubs/Dancing.html

3 Coffman, Reed. "Unique Methods in Advocacy Evaluation." Accessed August 5, 2013, http://www.innonet.org/resources/files/Unique_Methods_Brief.pdf

Outcomes across an initiative or strategy should add up to more than the sum of their parts. Organizations seeking broad social impact rarely have a simple, discrete set of activities. Rather, initiatives and strategies are often multi-faceted, seeking to leverage the combined benefit of different approaches (e.g., advocacy, direct services, and research) toward an ultimate goal. Measurement plans can too easily become a laundry list of metrics associated with each specific activity or individual investment, resulting in so many measures that making sense of the whole becomes elusive. The most valuable plans look across the outcomes to identify a few strategic, cross-cutting measurements that can point to progress <u>across</u> a series of activities and investments. Cross-cutting measures can be any kind of outcome, but they should signify progress or the need for course correction.

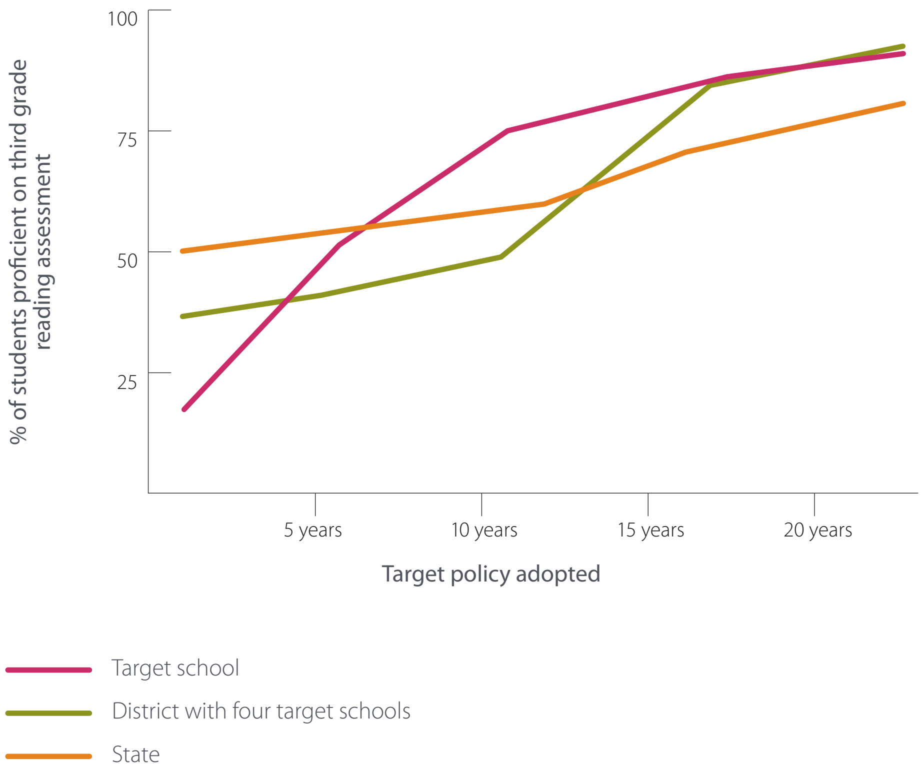
3

Setting targets along the way forecasts your trajectory and provides immediate feedback that tells you if you're moving in the right direction.

Developing a Theory of Change and clarifying the muddy middle helps organizations identify the areas most valuable for measurement, but the work of creating a meaningful measurement approach does not stop there. Anticipating how much change will happen when and for whom is crucial. This forecasting involves setting targets that will serve as guideposts for understanding whether you are on track—or off, and by how much. You will not always reach targets. You may exceed them. You may gain new information that requires a change in expected success. Still, they are markers in the sand that signal when and where actions need to be refined, realigned, dropped, or continued as you move your social impact strategy forward.

Targets are the stated amount of change expected for priority outcomes by specific points in time.

Example: A foundation wants to improve third grade reading scores in 10 states. Toward this end, it supports data and research to inform education policy and practice change within schools and classrooms. The foundation's Theory of Change proposes that increased awareness is needed to spur influentials into action with policy makers while educators simultaneously adopt and implement research-based approaches for more immediate impact. A measurement plan would include important cross-cutting outcomes that represent change in the short- and intermediate-term as well as set targets for third grade reading scores. When thinking about changes in impact (i.e., reading scores), setting targets helps you understand when to expect change at individual schools, and at district and state-wide levels.



- *"Early adopter" teachers and districts may see measurable change in a few years' time in particular schools or districts.*
- *Statewide change would be dependent on the spread of effective practice change and the timeline of expected policy change.*
- *Policy change should support a more exponential change across the state, but it will still take time for policy to move from adoption to implementation in a way that results in impact.*

In this case, target setting helps clarify who should change and to what degree in the early stages, and lays out assumptions about when these strategies will culminate in improved third grade reading scores at a district or state level. Setting additional targets for shorter-term outcomes related to individual- or system-level change will help determine whether the work is on track without having to wait for the needle to move on overall impact.

TARGETS PROVIDE MARKERS FOR UNDERSTANDING WHETHER YOU ARE ON TRACK

Targets help you "gut check" your theory and promote greater alignment. Targets give you another way to tell the story of the change and to test the theories upon which your strategies rest. Will the change happen incrementally and steadily? Will it take extra time for systems changes to take root, and will that long gestation support more exponential change at a later date? Clarifying and documenting these assumptions through target development helps individuals within an organization or across partnerships to be on the same page about whom or what will change and when. Additionally, it can help strengthen stakeholders' commitment to long-term goals that may take many years to achieve.

> *It's important not to let imperfect data be the enemy of target setting.*

Targets are tools for learning, not just accountability. People often hesitate to establish targets, and for good reason. The problems social innovators try to address are not simple. They happen within complex systems buffeted by external forces that can't always be mitigated—or predicted. Nevertheless, identifying targets need not mean you pass or fail at the end of the year or the end of a strategy. Targets do provide markers for understanding whether you are on or off track, and help organizations avoid being overwhelmed with data that is hard to make sense of. There will be learning along the way, and modifications to expected rates of progress should be made based on that learning. Organizations can ask themselves questions such as: Is a strategy achieving the necessary preconditions to garner the impact that lies further down the outcomes chain? If expected changes aren't happening according to initial hypotheses, why? Is it because of external factors beyond our control or a previously unseen flaw in our strategy?

Target setting is often more an art than a science. Sometimes there is clear research on what outcomes can be expected in what timeframe. Other times, existing data sources provide information from which to understand a baseline or change in status over time. However, more often—particularly for short-term or intermediate outcomes—data sources with relevant data for the right populations does not exist. Our experience shows that it's important not to let imperfect data be the enemy of target setting. When target setting is based more on intuition than data, it is valuable to document the assumptions behind the choices so that assumptions and hypotheses can be updated over time as more is understood.


MEASUREMENT AND EVALUATION OCCUR ALONG A CONTINUUM...

4

Impactful measurement needs to align with the rhythm of your work and provide the right data at the right times.

The most elegant, focused measurement plan can be rendered useless if it does not produce useful information at the right time. And the investment in creating a useful plan won't be realized if it doesn't account for the realities of when data can be available, when data are needed, and how that data can be applied to decisions.

Known decision points should be considered and included in the measurement plan. Some decision points arise without warning—the external context changes or lessons learned suggest a modification to the original approach—but many are known. These may be associated with the timeline to renew major grants, board meetings, or other internal review and approval processes. When developing the details of a plan, including what data will be collected by whom on what timeframe, organizations should map known timelines, working backward from when information will be needed so that data will be available on a timely basis and can be synthesized for meaningful use.

Rigor and pragmatism can be balanced using various measurement approaches. Measurement and evaluation occur along a continuum—from studies that clearly attribute results to a particular intervention on one end, to inquiries that provide "good enough" directional insight but are less definitive on the other. Typically, more rigorous designs require greater investment of resources and time, which may mean that better data is only available after decisions must be made. Organizations must make smart choices when determining which data or evaluation tools match internal timelines and provide enough quality data to support decision making that moves beyond gut and intuition. Using a portfolio approach to measurement, which employs a range of measurement and evaluative activities, is one way organizations can bridge this divide and reap the rewards by using varying approaches with different degrees of rigor.

Measurement needs often change over the life of a strategy or initiative. In our experience with various foundations and strategies, we have found that the balance of focus on accountability and learning can vary over the life of a strategy. When a strategy is first underway, organizations typically benefit from a greater focus on learning (e.g., how are things working?, what could be improved?), whereas more mature strategies typically have a greater emphasis on tracking achievement of outcomes and watching for expected progress toward impact. At all points, clearly understood and agreed-upon markers of progress are crucial. The most effective plans account for the stage of a strategy, potential tipping points, or other critical junctures within the Theory of Change, and also consider how learning and accountability needs may change over time.

5

The payoff of measurement is in the practice, and putting that practice to use greatly increases your odds of success.

Developing or refining a Theory of Change and working through a well-conceived measurement plan will strengthen alignment and create a basis for ongoing learning and accountability. To reap the benefits of the process, organizations shouldn't shortchange the implementation of their MLE approach. Our experience has found that truly implementing the plan—having it come alive as a tool to support leadership and greater impact—requires changes to internal processes and practices.

It also requires managing changes internally and externally among those from whom you may require new kinds of data, information, or participation in measurement or evaluation activities. Organizations must create and adopt processes to ensure that the data produced through measurement, learning, and evaluation activities are regularly and systematically reviewed, discussed, and applied. Institutionalizing data-supported decision making maximizes the value of data and evaluation, and helps to support progress toward your mission.

Old habits can be hard to break. Changing how organizations do business or make decisions is difficult. Leaders and other staff have ways they typically engage with partners, develop agreements, and gather information. Creating a plan and implementing it often requires new habits—ways of considering how new investments align with a Theory of Change, for example, or budgeting resources for internal or external supports related to measurement or facilitation for learning. It may be useful to consider how different change management models or models of adaptive leadership can lay the groundwork for successful adoption, implementation, and use of an MLE system.

MLE systems benefit from business tools that facilitate their use. Identifying the right data to capture is important; having ways to capture and understand the data is also crucial to gaining insights from it. This can include tools that support internal use, such as worksheets that link the alignment of new investments to a Theory of Change, and implementation plans that lay out roles, resources, and timelines needed. Additionally, tools that create digestible products for entering and consuming the resulting information from MLE activities, such as dashboards that provide a succinct snapshot of the status of key measures, transform the plan from a theoretical exercise to a useful management and learning tool. These concrete tools also support the long-term institutionalization of an MLE plan.

Successful implementation establishes feedback loops to promote the use of data, either by leveraging existing practices or creating new ones. While the tools mentioned previously help leaders implement and use MLE plans, they aren't sufficient. Organizations that want to use data and learn from measurement activities need to build in regular opportunities for review and reflection. This can take the form of a regular agenda item for an existing team or leadership group meeting. Or it may be worth a new quarterly or biannual meeting to review results and discuss their implications, with or without external facilitation support. Some organizations consider implementing a more formal "Community of Practice" as a way to institutionalize reflective practice. A Community of Practice can be defined as a process of social learning that occurs when people who have a common interest in a subject collaborate over an extended period of time, share ideas and strategies, determine solutions, and build innovations. A facilitated Community of Practice can help groups create an institutionalized forum for sharing knowledge and lessons learned from different portfolios. Bringing other stakeholder groups to the table to share their knowledge and best practices can also help broaden the perspective of the organization. Whether reflection and use takes place in new or existing venues, regular review and focused discussion keeps the MLE plan alive and heightens the likelihood of improving impact.

The benefits of a plan may take time to be fully realized. Organizations that undertake MLE planning work are rarely starting from ground zero. Existing investments have been made that align to varying degrees with the Theory of Change. Partner organizations may have certain expectations about, and resources allocated toward, supporting or participating in related measurement activities. Additionally, MLE planning may have uncovered new data needs that will take time to implement and track over time. There is often some low-hanging measurement work that can be included within a plan that currently exists or that requires only slight modifications. However, even with a focus on change management and useful tools and processes, the full benefit of a plan may not happen overnight. Understanding and clarifying what can be known in the nearer-term and when a fuller picture will emerge can help pave the way toward a more comprehensive and fully-implemented MLE plan.

MLE plans should be "living" documents. If an MLE plan is to truly support strategic thinking and decisions toward impact, an organization cannot afford to let it become an artifact. Organizations using an MLE plan will learn and refine their thinking along the way. The data and other information gleaned through the work of creating social impact should be applied at least annually to prioritized measures, targets, and measurement approaches selected so that updated thinking is captured and accounted for as learning occurs. The alternative is to risk implementing a plan that no longer provides meaningful and useful information. Or, worse yet, to fail to achieve the greatest impact possible in a world of serious problems and limited resources.

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CONCLUSION

Philanthropists and other social innovators are working to solve important and intractable problems. Smart leaders and program staff apply their best thinking toward achieving greater social impact every day.

Our experience says:

- Being purposeful, strategic, and intentional about documenting a Theory of Change and regularly using measurement and evaluation to learn about, refine, adjust, and modify work can help move organizations toward greater social impact more effectively and more efficiently than smarts and intuition alone.
- Aligning staff and partners helps everyone focus their efforts in the same direction.
- Accountability to outcomes along the way provides earlier insights on progress and challenges.
- Learning is a practice that benefits from processes and approaches that institutionalize reflection and use of data.

The use of Theory of Change and measurement amplifies, accelerates, and strengthens the work that is already being undertaken. Organizations can benefit whether you start the work of developing a Theory of Change or measurement system at the beginning of your thinking or mid-stride. You can integrate these tools smoothly into your existing business practices; alternately, the process can provide a "pause" during which you can reorganize your other systems around an outcomes-focused approach. All of these processes serve the same end—making high impact changes that last.

We are confident these insights can help organizations be better positioned to have strategic and impactful data that enhances decision making and implementation—driving results. Because, in the end, it's the achievement of outcomes and impacts that really matters, and we believe organizations should have the data and information that best support those ends.

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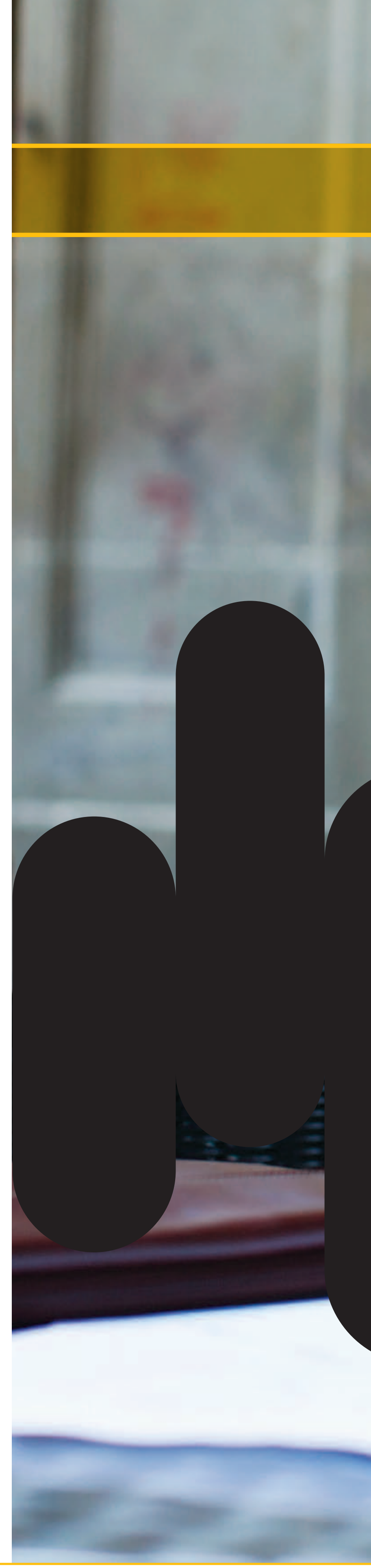

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