nonprofit IMPACT MEASUREMENT

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What does it mean to lead with impact?

64% of nonprofit leaders reported an increased demand for transparency from their donors



77% of nonprofits are reporting an increased need for their programs and services, but only 51% are seeing an increase in the number of donations

Change is coming. There is a shift that has been brewing in the nonprofit sector as the demand for greater transparency and accountability has grown. With fierce competition for funding, nonprofits are facing ever-increasing pressure to quantify and demonstrate effectiveness and impact. The ability to measure how well your nonprofit is delivering on your mission is critical to improving your outcomes and reporting on your success.

With these new demands comes a real opportunity to drive our sector to new standards. By uncovering opportunities to improve mission performance, we increase the value our organizations can deliver. As we grow our knowledge about what works and what doesn't, we can share those learnings with other organizations in similar cause areas, potentially improving efficiency and outcomes across common problem segments. And finally, being able to clearly demonstrate impact results strengthens ties to funders, donors and constituents who can see a direct link to the resources they provide. To understand this shift, we interviewed three thought leaders to discover how–and why–the nonprofit sector is becoming more impact-first.

But what do we mean by impact-first?

To be impact-first means that you lead with the change your organization is creating in the world. Your impact goals inform the decision-making, resource allocation and structure of your nonprofit operations. What is the true value you intend to add to the world at large? What is the change you are driving in a community or population? And we don't mean how much money you spent on overhead rather than on your programs. Your organization fulfills an important need, so how are you moving the needle on progress?

It may feel a little daunting, but it doesn't have to be. You're already doing the work, driving the change, and making the difference. Becoming impact-first is about using your data to tell the story of your organization's impact–and using your data to make the necessary changes to course correct or invest in the interventions that are most effective.

To be equipped to join the impact-first revolution, consider:

- Do you have the systems or technology in place to capture and analyze the appropriate data to tell your organization's impact story?
- Does the culture of your organization encourage and support the types of changes you may need to undergo?

So how do you get started? To get us thinking about how to approach this shift, we sat down with three people who are leading the charge in this thinking and have identified solutions on how you can get going on this work day to day at your nonprofit. We hope the following interviews will inspire you to approach data in a different way, have the important conversations at your organization, and help you think about how you can lead the charge in driving the sector forward.



Let's meet our leaders:





Dr. Shena Ashley

Dr. Shena Ashley is the CEO of the Center on Nonprofits and Philanthropy and a vice president at the Urban Institute in Washington, DC. Her research focuses on grantmaking effectiveness and nonprofit management and has expanded the Center on Nonprofit and Philanthropy's policy research and programmatic initiatives through visionary leadership. Before joining the Urban Institute, Dr. Ashley was an an assistant professor in the department of public administration and international affairs at Syracuse University.



Andrew Means

Andrew Means is the head of Uptake.org, the philanthropic and civic innovation arm of Uptake, a predictive analytics SaaS platform that increases productivity, reliability, security, and safety. He came to Uptake as Co-Founder of BrightHive, startup focused on data sharing technology for the social sector. He has previously held leadership positions at The University of Chicago's Center for Data Science & Public Policy, Groupon, and the YMCA of Metropolitan Chicago. He holds a Master in Public Policy from the Harris School at the University of Chicago. Andrew is a member of the Board of Directors at Ingenuity Inc. and Chairman of the Board at 10k Windows.



George Selim

George Selim is Senior Vice President of Programs at the Anti-Defamation League (ADL). In this role, he leads ADL's education, law enforcement and community security programs and oversees the work of ADL's Center on Extremism. Prior to his appointment at ADL, Mr. Selim served in the administrations of Presidents Bush, Obama and Trump. He most recently served as the Department of Homeland Security's Director of the Office for Community Partnerships, where he was the first to assume this role. ADL uses Salesforce for data collection, research and reporting.



"Although the pressure is high for greater accountability for impact, it's important to remember that, as important and essential as this is, it can't completely crowd out the sector's focus on its other roles that are often more difficult to measure and integrate into impact reports."



• Why is the drive to managing to outcomes and an impact or outcomes-first sector important for the philanthropic sector?

A The nonprofit and philanthropic sectors have responded to an almost overwhelming combination of challenges and opportunities with extraordinary resilience and adaptability. Through this process, the sector has both gained more public visibility and has attracted more public skepticism about their distinctiveness and legitimacy. As a result, the sector is continuing to face greater competition and a more intense accountability environment that demands measurable results that demonstrate that nonprofits are capable of moving the needle on social issues. These factors together create policy and operating environments that necessitate an impact orientation if nonprofits and philanthropy want to be able to justify their role as legitimate social change actors worthy of public subsidy.

What are three steps any organization can take to start managing to outcomes and pivoting to become an impact-first organization?

A Don't get caught up in the task of trying to perfect the language of accountability; words are just labels for ideas, and the same idea can have many different labels. What is important is to be able to make a clear differentiation between population and performance accountability. Population accountability refers to the well-being of the broader community or populations that you are trying to have an impact on regardless of whether they are receiving services or participating in an initiative or not. Having accountability measures at this level helps you to understand if your work is making a dent in the big picture. This is impact. Performance accountability is about the outcomes of your programs or services. The main distinction is who is responsible. With program accountability your organization is accountable. Population accountability recognizes that your organization can't be fully responsible for community conditions and that it takes collective responsibility for progress.

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Measure what matters to you. Yes, you have multiple funders requiring different reports with different metrics and you have to report on those. But, don't let that drive your overall metrics system. Ask your program staff and your board what metrics they want to see to help them know if they are performing satisfactorily in ways that resonate with them and make them proud.

Don't reinvent the wheel. Yes, your organization is totally unique in what you do and how you do it, but you are not the first to develop indicators for your outcome areas. Look at what your peer organizations are measuring or the other organizations in your community working to address similar community challenges are measuring and let that guide your metrics. There are also great resources like GuideStar's **Common Results Catalog** that can help you identify measurable outcomes in your particular impact area.

• What is the appropriate role that technology can or should play in empowering organizations to become impact-first?

A Technological change has opened up many new and great opportunities for the nonprofit sector. It has reduced the costs of mobilizing constituents, allowed organizations to realize greater efficiencies in program delivery, and has opened new pathways for connecting to donors and simplifying the donation process. There are still many more benefits we can realize in the impact space through technology. One, technology has the potential to streamline impact reporting and open the process up to all staff generating those impacts rather than solely being the purview of those with expertise in evaluation and performance management. Two, technology can be a useful tool for simplifying the design of impact reports and making it easier to tell an impact story by drawing in baselines, linking to bigger picture data, and developing useful visualizations. Finally, technology can help organizations align and knit their performance outcomes with other nonprofits, corporations, and government entities working in the same impact space to get to a place where we can do more collective impact reporting.

• Where can individuals interested in learning more access helpful resources?

- A The Performance Imperative
 - Results-based Accountability
 - Results for America
 - National Council on Nonprofits

• In the drive to becoming an impact-first sector, what must we remember at all times?

A Although the pressure is high for greater accountability for impact, it's important to remember that it can't completely crowd out the sector's focus on its other roles that are often more difficult to measure and integrate into impact reports. These roles include our advocacy roles, our contribution to the social and cultural vitality of community life, our community building and social capital creation role, and our role as guardians of crucial civic values through which we demonstrate that individuals have responsibility for our fellow community members and can take the initiative to advance the well-being of others. "Our organizations exist to create change. In an era of big data and technology at our fingertips, the way we provide services and measure our impact is changing."

• What is the True North of the philanthropic sector?

A What is the True North? Why do our organizations exist? What are we all working towards? What unites philanthropists, nonprofits, and social enterprises? I believe it is the vision that there is something about the world as it exists today we want to see different for tomorrow. We want to make a difference. The product we sell is change.

Our success then should be measured by how efficiently and effectively our organizations are at making a difference. Yet when asked to talk about successful social sector organizations we talk about budget size, self-selected anecdotes, and other poor measures of impact.

There is good reason for this. It is hard to actually measure impact. We have relied on expensive randomized control trials, long-term impact studies, and other resource intensive efforts to try and estimate the impact of our programs.



• How is the sector changing?

A Data science and technology are beginning to change the rules of the game. It is no longer extraordinarily expensive to collect and store data. Charity: water has developed low-cost sensors that help them monitor the performance of their wells. The Amazon Conservation Association is using satellite imagery from Planet to monitor the status of forests around the world. Many organizations of all sizes are now collecting more data about program participants and their participation through surveys, digital exhaust, and more.

This kind of data collection means that we have more data on more individuals than ever before. Sometimes we might even have data on everyone, not just the people we are serving. This changes the game. We might no longer need to sample, as we have data on the entire population. That opens up new methodological possibilities for impact measurement.

• Where does big data come into this?

A Hal Varian, the Chief Economist at Google, Professor Emeritus at University of California, Berkeley, and author of everyone's introduction to microeconomics textbook, has written about the implications of big data on evaluation. The World Bank has been employing big data to help estimate the impact of financial interventions. The United Nations has also been exploring how big data is changing the monitoring and evaluation of development programmes.

While it might seem that only large, well-funded organizations are able to utilize big data, organizations of all sizes are actually able to get involved. **Crisis Text Line is using AI to save lives** and **Benefits Data Trust** has made significant investments in data science to improve their programs and operations.

Q How do I get started?

A If your organization is looking to get started using data to identify and improve your impact there are some easy initial steps you can take.

First, become really clear about what success looks like.

Often times our objectives are abstract and happen so far after someone has left our program that we can't really take credit for it happening or not. Get concrete about the change you are working to create.

Second, collect data that measures that success.

Once you get concrete, you will be able to identify metrics that capture that change. Maybe it is something clear like high school graduation, housing status, or recidivism. Sometimes though, it might be something less tangible. In that case I find it helpful to ask one more time, how do you know the change is taking place? You will likely find yourself slowly moving from the intangible to the tangible. For example, you might start by saying you are trying to increase character in youth but when you ask yourself how you know that is happening, find yourself talking about school attendance, grades, and disciplinary records.

Third, create a culture that cares about evidence.

You can invest in all the right people, technology, and data, but if your organization has a culture that doesn't care about evidence, it will all be moot. Work to create a culture that values evidence, listens to the data, and applies rigor to its work. If your organization is the kind of place where you do it like you did last year or because the board says so, you're not ready to use data.



Where can individuals interested in learning more access helpful resources?

A Once you have laid the foundation, you can begin to think about the right investments in people and technology to help your organization grow in maturity. The Center for Data Science & Public Policy at University of Chicago has a great data maturity framework you can reference to identify where your organization sits and what investments might make sense to increase your maturity.

If you are looking for support to help your organization identify ways to use data and technology to drive your mission forward, check out **Good Tech Fest**, **Data Analysts for Social Good**, and the **Uptake.org Data Fellows Program**.

In the drive to an impact-first sector, what must we remember at all times?

A Our organizations exist to create change. In an era of big data and technology at our fingertips, the way we provide services and measure our impact is changing. The leading nonprofits, philanthropies, and social enterprises of the future will have data and technology embedded throughout their organizations and their work.

"Data isn't only about proving our value to funders or supporters of the organization. It allows us to show a narrative, to tell a story about what is happening in this country of over 320 million people and being able to inform policies and programs and advocate on behalf of change."



Q What is the Anti-Defamation League (ADL)?

A The Anti-Defamation League (ADL) is fundamentally a civil rights organization with the mission to stop the defamation of the Jewish people, and to secure justice and fair treatment to all. We have been around for 100 years with offices in New York City, Washington, DC and 26 other offices across the United States.

Why is the ADL a data-driven, impact-first organization? In other words, why is capturing data so critical to your mission?

A Unfortunately, anti-Semitism and other types of hate incidents take place across cities in the United States – and they are on the rise nationwide. We have 26 offices providing regional coverage across the U.S. and we needed a way to collect, research, and report out on the data we were capturing on hate incidents, particularly for our annual Audit of Anti-Semitism.

For us, data isn't only about proving our value to funders or supporters of the organization. It allows us to show a narrative, to tell a story about what is happening in this country of over 320 million people and being able to inform policies and programs and advocate on behalf of change.

Q Where does technology play a role in this?

A The ADL uses Salesforce for data collection, research and reporting. When an individual is a victim of an anti-Semitic incident, or any other kind of discrimination, they have the ability to **report it to the ADL** using a form on our website. On this form is information like when the incident occurred, where it occurred–whether online, at a school, on the street, in the park, and they can share any evidence (photo, video, file) they have from it. The online intake form automatically generates a case file within Salesforce that the system assigns to an ADL regional office based on location, that the regional staff can then follow-up on and provide assistance for the victim and work with our Center on Extremism who aggregates the data to see the scope at which these incidents are occurring.

• What insights have you gained from this data?

▲ The data allows us to identify nation-wide trends. In 2017 reported anti-Semitic incidents increased by 57% over the previous year. But most alarmingly was the massive increase of anti-Semitic incidents taking place in K-12 classrooms, which saw a 94% increase. And these incidents were mainly acts of harassment like bullying. Insights like these are key to informing our work and policymakers about the status of hate in America. Using Salesforce to get down to the granular details of incidents, like breaking down the numbers by state, city, or sometimes even county, and then looking at other locations like public areas, business establishments, residential neighborhoods etc. allow us to calibrate our programming approach.

A How has data helped you drive changes in your programs?

A By being able to drill into reports of incidents across the U.S. at the state and local level, we can identify hot spots and trends at the local level.

We've also created a platform for civic engagement on the local level using the data we get on these incidents. If the Boston field office is having a spike in anti-Semitic incidents, that allows program staff to decide if they want to deepen their engagement there by speaking to the mayor or local law enforcement. We recently partnered with the U.S. Conference of Mayors to create a Mayors' Compact for municipal officials committed to creating change to prevent hate in extremism in their areas. Now on a regular basis, ADL feeds them quarterly data into a number of stakeholders across the country, enabling them to see how their regions compare to others, and compare to their own data year-on-year.

Additionally, many concerned parents and educators contact ADL using the online form for help and guidance if they're seeing a rash of incidents taking place in their school. If we see that there is a school district that is experiencing ongoing acts of anti-Semitism – whether it be swastikas drawn in bathrooms multiple times in a week, or students being verbally harassed by their peers because they're Jewish – we can take our educational programs like **No Place for Hate** to those schools to help students, teachers, and parents deal with the issues.



• Do you ever have to course correct?

A We look at our data at least once a quarter so we are constantly looking at what information are we missing. We always circle back to our mission and what we're trying to achieve. Our mission is to stop the defamation of the Jewish people, and to secure justice and fair treatment to all. So we ask ourselves what data is going to help inform us of whether or not we are achieving our goal.

"We always circle back to our mission and what we're trying to achieve."

• Your organization is 100 years old; how has the culture shifted?

Our organization and our mission have been around for over 100 years, but we work hard to ensure our approach is modern. This new era of digital transformation has absolutely been a culture shift, and we are working to make it a part of our DNA across the organization. In order to best serve our constituents and stakeholders we've had to modernize our approach by utilizing cutting-edge technology so we can protect the lives and liberties of our fellow Americans.

• What advice would you give to other nonprofits that are on this journey or will soon start?

A The first step is to get started. That sounds unhelpful, but I find that delaying efforts to modernize your approach can lead to more delays and making your organization obsolete. Change is hard, no matter what field you're in, but ADL recognized that in order to best serve our communities we had to embrace change and recognize that having the best technology will help how we function internally and externally. I recommend consistently keeping in mind how reform efforts will help you better serve your stakeholders, and begin the transformation process to get them more support.

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We hope these interviews have left you inspired and ready to lead change at your organization to becoming more impact driven.

> If you're ready to get started, keep reading here for more program management resources: salesforce.org/nonprofit/serve/

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