Measuring outcomes

An introduction for funders

October 2018

POWERED BY DATA

DATA & EVIDENCE-BASED GRANTMAKING SERIES

This brief is the third in a series of learning materials on data and evidence-based grantmaking created for Canadian funders, by Philanthropic Foundations Canada and Powered by Data.

ABOUT PFC

Established in 1999, Philanthropic Foundations Canada (PFC) is a national member association of grantmaking foundations, charitable organizations and corporate giving programs. PFC seeks to promote the growth and development of effective and responsible foundations and organized philanthropy in Canada through provision of membership services, resources and advocacy. To learn more, visit: pfc.ca

ABOUT POWERED BY DATA

Powered by Data's mission is to maximize the availability and impact of data for public good. Through an approach that blends data policy and data strategy development, Powered by Data helps establish infrastructure and governance frameworks that will enable the social sector to better share, use, and learn from data. Powered by Data works with nonprofits and civil society groups, government, funders, and global data initiatives. To learn more, visit: poweredbydata.org

Powered by Data operates on Tides Canada's shared platform, which supports on-the-ground efforts to create uncommon solutions for the common good.

What can data tell me about the impact of my grantmaking?

As part of their strategic planning, many funders want to understand the impact of their grantmaking. What kind of impact did a grantee intervention have? What are the outcomes for beneficiaries who participated in funded programs—one, five, and ten years down the line? What types of social interventions work, and why are they effective? Are the needs of beneficiaries being met?

It's clear that **data on the people we seek to help** are a key piece of impact evaluation for both funders and their grantees. Evaluating beneficiary outcomes not only helps funders plan strategically; it also contributes to sectoral learning. The Ontario NonProfit Network has highlighted the importance for funders to promote meaningful evaluation amongst grantees to create "**a stronger, more informed, and more adaptive sector**".[1] However, conducting evaluations requires research capacity that many nonprofits do not have.

How does the sector address this capacity issue? In this third brief of our Data and Evidence-Based Grantmaking series, we explore:

- The **challenges nonprofits face** in accessing data on beneficiary outcomes and collecting beneficiary feedback
- How government **administrative data** can be used to track outcomes
- How **semi-standardized survey tools** could help grantees collect feedback
- An **infrastructure approach** to evaluation, which shifts the onus of data access and analysis away from nonprofits and onto shared systems

Understanding outcomes is challenging and resource-intensive.

Measuring outcomes can be difficult—and at times, impossible—for most grantees. How many beneficiaries of a youth program graduated high school? Did a rehabilitation program reduce recidivism rates in a region of interest? Did a public health intervention have an impact on community health indices? **Tracking these outcomes over time requires statistical know-how and research infrastructure that most nonprofits do not have.** Despite this lack of nonprofit capacity, many funders continue to rely on their grantees to conduct self-assessments for evaluation.

[1] *Making Evaluation Work in the Nonprofit Sector: A Call for Systemic Change, Ontario Nonprofit Network (July 2017)* Available at: theonn.ca/wp-content/uploads/2017/07/ONN-Making-Evaluation-Work-in-the-Nonprofit-Sector.pdf

In recent years, new approaches have been explored that connect data between diverse actors in the information ecosystem. This approach reduces the need for nonprofits to develop their own research infrastructure internally.

Government administrative data can be used towards outcomes evaluation.

Government often holds the data needed by nonprofits to understand the outcomes of their beneficiaries. This is because government and social services maintain information and data for operational purposes, also sometimes referred to as **administrative data**. These include records on the people governments and nonprofits serve, which contain valuable information on social, health, and educational outcomes.

Administrative data often contain sensitive, person-level information, and so cannot be shared publicly as open data. However, data-sharing agreements can allow datasets to be linked across government ministries, or shared with academics for research purposes. In some cases, administrative data can be anonymized, analyzed, summarized, for nonprofits—offering a valuable information source for understanding beneficiary outcomes and helping nonprofits evaluate their programs.

HOW ARE ADMINISTRATIVE DATA ARE ALREADY BEING USED TO EVALUATE OUTCOMES?

In Canada, the UK, and the US, new initiatives have been developed to share administrative data between researchers, nonprofits, and government. Below are examples on how these data are being used to support outcomes research and evaluation.

In Canada, PolicyWise's Child and Youth Data Lab links data across the Government of Alberta's Health, Education, Human Services, and Justice ministries to research and improve the outcomes for Albertan children and families.[2] PolicyWise has also launched a collaborative data repository called SAGE (Secondary Analysis to Generate Evidence), that manages data on health and social well-being of Albertans.[3] SAGE aims to service the Albertan nonprofit and research community, and holds a combination of research, survey, and administrative data. The platform facilitates the depositing, sharing, and reuse of these data between researchers, nonprofits, and community organizations.

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[2] *Child and Youth Data Laboratory, PolicyWise.* Available at: https://policywise.com/initiatives/cydl/

[3] *SAGE, PolicyWise.* Available at: https://policywise.com/sage/

In the UK, New Philanthropy Capital (NPC) is developing a series of data labs that help nonprofits analyze the outcomes of their beneficiaries.[4] These data labs are intended to help nonprofits access government administrative data, analyze outcomes, and return results in an anonymized, aggregate format. For example, NPC's Justice Data Lab helps organizations working on reducing recidivism understand the reoffending rate of their program participants by accessing data from the Ministry of Justice. NPC is also proposing an Education Data Lab, which would help community organizations working with youth evaluate their education performance outcomes by accessing data from the UK's National Pupil Database. For both data labs, analyses involve comparing beneficiary outcomes against those of a statistically matched cohort.

In the US, Actionable Intelligence for Social Policy (AISP), uses administrative data to conduct research that informs evidence-based policy.[5] AISP is an initiative run by the University of Pennsylvania, and develops Integrated Data Systems (IDS) to legally link administrative data across government agencies in a secure environment. Administrative records contained in an IDS may include data on justice, homelessness, housing, employment and child welfare.

Although administrative data already contribute to social research and evidence-based policy in Canada, currently, few nonprofits are able to access government records to support their efforts in outcomes evaluation. At this time, Canada still lacks a coordinated policy agenda for increasing social impact through administrative data use.

The challenges in collecting data from those we seek to help

The Center for Effective Philanthropy has underscored the **importance for funders to understand beneficiary needs in order to build meaningful partnerships with their grantees.**[6] While administrative data can provide information on longer-term outcomes, feedback from beneficiaries can provide insight on whether more immediate needs are being met. This feedback can provide beneficiaries themselves with an opportunity to contribute data and have an impact on program design.

Just as most nonprofits lack internal capacity to track beneficiary outcomes over time, many also do not have the capacity to design and distribute rigorous surveys for capturing beneficiary

[4] *Data Labs, NPC.* Available at: https://www.thinknpc.org/our-work/projects/data-labs/

[5] *Actionable Intelligence for Social Policy.* Available at: https://www.aisp.upenn.edu/

[6] *Staying Connected: How Five Foundations Understand Those They Seek to Help.* Available at: http://research.cep.org/staying-connected-how-five-foundations-understand-those-they-seek-to-help

feedback. When nonprofits do distribute their own surveys, there are often few benchmarks to compare their feedback data with. The absence of standardized, comparative data from nonprofits doing similar work limits the utility of collected information.[7]

Standardization can provide benchmarks for comparison.

An approach that standardizes how nonprofits collect feedback from beneficiaries can help facilitate nonprofit access to comparable data. **Listen for Good is an initiative that aims to build a common, standardized practice of listening to beneficiaries among US nonprofits.**[8] Led by Fund for Shared Insight, the initiative provides participating nonprofit service providers with a semi-standardized survey instrument to collect beneficiary feedback.

Listen for Good's surveys collect both quantitative and qualitative data from beneficiaries, asking questions such as "What could [nonprofit] do better?" (qualitative) and "How likely is it that you would recommend [nonprofit] to a friend or family member?" (quantitative). The survey is hosted on Survey Monkey, offers the ability to add up to five custom questions, and collects demographic data. The survey can be distributed in a variety of formats—including digitally, orally in-person, and via paper surveys. These surveys are considered semi-standardized because they contain **questions and metrics that are shared across nonprofits**, which enable benchmarking between grantees doing similar work.

Currently, no analogous initiative exists for standardizing beneficiary feedback collection among Canadian nonprofit service providers, but the Government of Ontario has highlighted the need for greater standardization in impact measurement, more generally.[9] For both feedback collection and outcomes measurement, standardization creates a shared vocabulary between sector stakeholders and enables more meaningful comparison between nonprofit initiatives.

Data infrastructure for evaluation in Canada

This brief has highlighted two approaches for measuring beneficiary outcomes:

1. Data labs that help nonprofits access and analyze government data on beneficiaries
2. Semi-standardized surveys that enable benchmarking of beneficiary feedback between nonprofits

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[7] *Listening to Those Who Matter Most, the Beneficiaries, Stanford Social Innovation Review.* Available at: https://ssir.org/articles/entry/listening_to_those_who_matter_most_the_beneficiaries

[8] *Listen for Good, Fund for Shared Insight.* Available at: https://www.fundforsharedinsight.org/listen-for-good/

[9] *Amplifying the impact of Ontario's social enterprise community: An Action Plan towards a common approach to impact measurement, the Government of Ontario (2017)* Available at: https://carleton.ca/3ci/wp-content/uploads/IMTF_Final-Action-Plan_-April-13-2017_Accessible.pdf

Both approaches address challenges in nonprofit evaluation capacity by shifting the onus of research design, data access, and data analysis onto shared platforms. They require the development of **shared infrastructure:** rather than building solutions that are specific to a single organization, shared infrastructure approaches involve **building technologies, systems, and/or practices that can work across actors.**

Developing the data infrastructure needed for more robust outcomes evaluation in Canada would require funding, as well as collaboration and coordination between diverse stakeholders in the social sector, including foundations, government, nonprofits, and academia.[10] Done well, a shift towards greater data-driven evaluation could do more than help funders understand the impact of their giving: it could also inform evidence-based policy, and promote a greater culture of learning in Canadian philanthropy at large.

[10] *Measuring Outcomes in Practice, Mowat NFP (2017).* Available at: https://www.thinknpc.org/our-work/projects/data-labs/

FURTHER READING AND RESOURCES

Measuring Outcomes in Practice, Lisa Lalande, Joanne Cave. Mowat NFP (2017)
https://mowatcentre.ca/measuring-outcomes-in-practice/

Administrative Data Issue Brief, Powered by Data (2018)
https://poweredbydata.org/administrative-data-issue-brief

Listen for Good, Fund for Shared Insight
https://www.fundforsharedinsight.org/listen-for-good/

Listening to Those Who Matter Most, the Beneficiaries, Fay Twersky, Phil Buchanan, & Valerie Threlfall. Stanford Social Innovation Review (2013)
https://ssir.org/articles/entry/listening_to_those_who_matter_most_the_beneficiaries

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