Focusing on Program Outcomes:
A Guide for United Ways

United Way Worldwide

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Foreword

In June of 1995, the United Way of America Board of Governors adopted the *Strategic Direction for United Way: Charting a Path for Building Better Communities*. This plan, based upon a great deal of discussion and analysis about the current and future United Way environment, calls upon United Ways to allocate funds according to their impact on targeted causes and to measure the outcomes of health and human services and allocate funds accordingly.

Because of the critical importance of this area for United Ways, United Way of America implemented an Early Action Initiative to measure the impact of United Ways even prior to the final adoption of this plan by the board. That effort already has resulted in several major accomplishments, beginning with the recruitment of an advisory Task Force on Impact that includes experts from academia, government, foundations, corporations, human service organizations, and United Ways.

This Task Force has studied and reported on the current approaches of United Ways in this area and now has developed this guide, which provides the best knowledge currently available about how United Ways can move successfully to a focus on program outcomes. Such a focus will allow us to motivate our staff and volunteers through understanding the benefits of our efforts; will provide agencies with information to improve their services, thereby helping even more members of our communities; and will provide us with tangible evidence of our impact in communities, which we can share with donors to strengthen their commitment to United Way. It is a necessary step for our future success - and to contributing even greater value to our communities.

James Bell, Co-chair
UWA Task Force on Impact

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UW A Task Force on Impact

Karen Davie, Acting Interim President
United Way of America

July 1996

Foreword 2009

This document is a reprinting, rather than a revision, of *Focusing on Program Outcomes: A Guide for United Ways*. The guidance in this resource remains remarkably on target 13 years after its initial release in 1996—a tribute to the leading-edge United Ways whose insights it presents. This Foreword explains why one term from the original publication has been changed and adds content to three of its topics.

Changing "stages" to "challenges." The 1996 Guide described six stages for United Ways implementing a focus on program outcomes. "Stage" implies that a United Way spends time on one task, completes it, and moves on to the next. The reality is that, once a United Way starts a task, it continues to address it even after tackling the next one. The six tasks now are called "challenges" —the only content change that has been made in this new printing.

Challenge 1: Building Commitment and Clarifying Expectations begins with getting the United Way ready internally. This includes assuring leadership commitment; setting aside adequate staff and volunteer time; clarifying the purpose and expectations for program outcome measurement and being sure they are realistic; providing staff (all staff) and volunteer orientation and training; and establishing timetables, policies, and systems for supporting and monitoring each phase of development.

Findings from United Ways about preparing for this and other challenges is provided in *Indicators that a United Way is Prepared to Plan for, Implement, Sustain, Use and Benefit from Program Outcome Measurement.*

Challenge 2: Building Agency Capacity requires providing agencies with both training and technical assistance. The expertise of most United Way staff does not include the program evaluation experience needed to provide the range of technical assistance that agencies require. It is important for United Ways to be clear about what help they can and cannot provide and to work with agencies in locating the assistance they need.

Some insights into meeting this challenge are offered in *Who Provides Technical Assistance to Agencies on Various Program Outcome Measurement Topics?* and *Ways to Assist Agencies with Program Outcome Measurement.*

Challenge 5: Using Outcome Information is about more than making funding decisions. Guidance on mining program outcome learning to inform community-change efforts, for example, is offered in *Connecting Program Outcome Measurement to Community Impact.*

With regard to funding decisions, the United Way needs to ensure that agencies have sound measurement systems in place before considering their outcome data in decision making. This generally takes two to four years. However, progress on outcome measurement can and should be considered from the beginning. Steps to take include:

- Define what indications of progress will be considered at what points in the implementation process. As an example, making serious efforts to get training and develop measurement systems might be considered the first year; the quality of proposed outcomes, indicators, and data collection systems might be considered the second year; proposed improvements to measurement and service delivery methods that are based on early outcome data might be considered the third year; and improvement in outcome performance plus proposed measurement and program improvements might be considered the fourth year.

- Decide what criteria will be used to evaluate progress. The criteria reveal what qualities the United Way wants to encourage or reward regarding outcome measurement and will change over time as implementation is phased in.
- Determine what specific information (the least possible) agencies need to submit to enable volunteers to assess a program's status on the criteria.
- Create a manageable, understandable, constructive review process, including tools (e.g., checklists, rating scales), discussions with programs, and helpful feedback procedures.
- Identify and weight other criteria considered in funding decisions (population served, number of people receiving service, issue being addressed, etc.) against the various outcome-related criteria.
- Communicate all of this clearly and consistently to agencies.
- Prepare volunteers and staff for their respective roles.

I. Introduction and Scope

Toward the end of the 1980s, United Way of America's research showed a marked increase in donor demand for information about the charitable programs they support. Since that time, United Ways have changed their campaign and communications program accordingly—to communicate why their dollars are needed and what agencies and programs they help fund. But, in today's world of shrinking resources, growing competition and multiplying needs, donors want to know more than the path their contributions travel and why their dollars are critical in building community. *They want evidence that their gifts are improving the lives of the people United Ways touch. They want information about program outcomes.*

In 1995, United Way of America initiated a program to support member United Way efforts to measure their outcomes and those of funded programs and, ultimately, to assess United Ways' role in community change. Much work already has been accomplished, including a review of existing outcome measurement materials, publication of *Current United Way Approaches to Measuring Program Outcomes and Community Change* and the December 1995 Forum on Outcomes.

This guide is one of several United Way of America products on outcome measurement for United Ways and their partner service delivery agencies. It describes the process of developing and implementing a focus on outcomes among funded programs and within the United Way itself. The full package also contains a manual on outcome measurement for agencies, *Measuring Program Outcomes: A Practical Approach,* a corresponding training kit, and a course for United Ways through the National Academy for Voluntarism.

Who Should Use This Guide?

This guide is intended primarily for staff and volunteers of United Ways who are in the planning or early implementation phases of focusing on program outcomes. United Ways with considerable experience in outcome measurement may find useful ideas and resources as well. Most of the issues and suggestions in this guide apply equally to small and large United Ways, although each United Way will need to develop specific implementation strategies appropriate to its environment and resources and those of the agencies it funds.

The agency manual, *Measuring Program Outcomes: A Practical Approach,* describes a step-by-step process for identifying and measuring program outcomes. While this guide reflects the principles and procedures advocated in the manual, it does not repeat the manual's technical information and its content is equally relevant to United Ways who choose to pursue an alternative outcome measurement approach.

In United Ways adopting the process described in the agency manual, staff members and key volunteers should become familiar with its general approach. Those who participate in agency reviews that include outcome issues should become quite familiar with the content of the manual so they understand the specific concepts, procedures, and challenges it defines for agencies.

What is Outcome Measurement?

Outcome measurement is the process and set of procedures for assessing, on a regular basis, the results of an agency's programs for its participants. Traditionally, United Ways have requested information from agencies on inputs, activities, and outputs.

- **Inputs** include resources dedicated to or consumed by the program. Examples are money, staff and staff time, volunteers and volunteer time, facilities, equipment, and supplies. For instance, inputs for a parent education class include the hours of staff time spent designing and delivering the program. Inputs also include constraints on the program, such as laws, regulations and requirements for receipt of funding. •

- **Activities** are what the program does with the inputs to fulfill its mission. Activities include the strategies, techniques, and types of treatment that comprise the program's service methodology. For instance, sheltering and feeding homeless families are program activities, as are training and counseling homeless adults to help them prepare for and find jobs.

- **Outputs** are the direct products of program operation and usually are measured in terms of the volume of work accomplished—for example, the numbers of classes taught, counseling sessions conducted, educational materials distributed and participants served. Outputs have little inherent value in themselves. They are important because they are intended to lead to a desired benefit for participants or target populations.

- **Outcomes** are benefits or changes for individuals or populations during or after participating in program activities. They are influenced by a program's outputs. Outcomes may relate to knowledge, attitudes, values, skills, behavior, condition or other attributes. They are what participants know, think or can do; or how they behave; or what their condition is, that is different following the program.

For example, in a program to counsel families on financial management, outputs—what the service produces—include the number of financial planning sessions conducted and the number of families seen. The desired outcomes—the changes sought in participants' behavior or status—can include their developing and living within a budget, making monthly additions to a savings account, and having increased financial stability.

In another example, outputs of a neighborhood clean-up campaign can be the number of organizing meetings held and the number of weekends dedicated to the clean-up effort. Outcomes—benefits to the target population—might include reduced exposure to safety hazards and increased feelings of neighborhood pride. Exhibit A depicts the relationship between inputs, activities, outputs and outcomes.

- **Initial outcomes** are the first benefits or changes participants experience, and are the ones most closely related to and influenced by the program's outputs. Often, initial outcomes are changes in participants' knowledge, attitudes or skills. They are not ends in themselves, and may not be especially meaningful in terms of the quality of participants' lives. However, they are necessary steps toward the desired ends, and therefore are important as indicators of participants' progress toward those ends.

- **Intermediate outcomes** link a program's initial outcomes to the longer-term outcomes it desires for participants. They often are changes in behavior that result from participants' new knowledge, attitudes or skills.

- **Longer-term outcomes** are the ultimate outcomes a program desires to achieve for its participants. They represent meaningful changes for participants, often in their condition or status. Although the program may hope that participants go even farther in their growth and development and that similar changes will occur throughout the larger community, the program's longer-term outcomes are the most removed benefits that it can reasonably expect to influence.

Outcomes sometimes are confused with outcome ***indicators,*** which are the specific items of data that are tracked to measure how well a program is achieving an outcome, and with outcome ***targets,*** which are objectives for a program's level of achievement.

For example, in a youth development program that creates internship opportunities for high school youth, an ***outcome*** might be that participants develop expanded views of their career options. An ***indicator*** of how well the program is succeeding on this outcome could be the number and percent of participants who list more careers of interest to them at the end of the program than they did at the beginning of the program. A ***target*** might be that *40 percent of participants* list *at least two more careers* after completing the program than they did when they started it.

Exhibit A

Summary of Program Outcome Model

INPUTS → **ACTIVITIES** → **OUTPUTS** → **OUTCOMES**

INPUTS

Resources dedicated to or consumed by the program
e.g.

- ✓ money
- ✓ staff & staff time
- ✓ volunteers & volunteer time
- ✓ facilities
- ✓ equipment & supplies

Constraints on the program
e.g.

- ✓ laws
- ✓ regulations
- ✓ funders' requirements

ACTIVITIES

What the program does with inputs to fulfill its mission
e.g.

- ✓ feed and shelter homeless families
- ✓ provide job training
- ✓ educate the public about signs of child abuse
- ✓ counsel pregnant women
- ✓ create mentoring relation-ships for youth

OUTPUTS

The direct products of program activities
e.g.

- ✓ number of classes taught
- ✓ number of counseling sessions conducted
- ✓ number of educational materials distributed
- ✓ hours of service delivered
- ✓ number of participants served

OUTCOMES

Benefits for participants during or after program activities
e.g.

- ✓ new knowledge
- ✓ increased skills
- ✓ changed attitudes or values
- ✓ modified behavior
- ✓ improved condition
- ✓ altered status

Why Measure Outcomes?

This guide assumes that the overall purpose of United Ways is to help people improve their lives. However, in today's world, donors want proof that United Ways do more than just raise money and distribute it to agencies. United Way has the implied responsibility to show that the programs it supports make a difference in people's quality of life. Staff members and volunteers for human service activities need feedback on how successful their activities have been in helping their customers—just as a sports team needs the score to know whether it is winning or losing.

A focus on program outcomes has many uses and benefits to United Ways. Here are some:

- Builds public confidence and support by enhancing United Way and agency accountability and improving communications about results.
- Encourages improvement of agency services. United Way clearly has an interest in encouraging agencies to improve their results; successfully helping people in the community is the purpose of United Way funding.
- Increases United Way and agency staff and volunteer morale.
- Helps in distributing funds. United Way is responsible for using donated funds wisely, and agencies are responsible for providing as much benefit to participants groups as those funds will support. United Way must be fair and careful in using outcome information in allocation decisions. But continued outcome shortfalls or continued high performance by an agency program should be a major factor in allocation discussions and decisions.
- Helps in fund raising. Many donors want to know that their gifts have helped lead to successful outcomes.

Outcome Measurement Does Have Limitations

An outcome measurement system has some important limitations. These include:

- Measuring program outcomes does not, in itself, lead to community-level change of major problems. United Way-funded programs are a small part of the overall factors influencing any community issue. Affecting community problems involves not only funding effective programs but also focusing United Way resources and influencing other community forces.
- While an outcome measurement system can provide reasonably reliable information on the benefit of a particular program for its participants, it does not, in general, indicate that the program alone *caused the outcomes*. In order to attribute cause directly and solely to a program, an experimental research design, involving a control group, must be conducted. This guide does not discuss such in-depth program evaluation methods which closely examine what happened and why. Such evaluations typically require considerable technical resources and, as a practical matter, can generally be done only rarely for any particular program.
- Some program outcomes can be quite difficult to measure. at least on a regular basis. For example, it can be extremely difficult to measure the extent to which advocacy or prevention programs have been successful. However, short-term or proxy measures generally can be monitored. This is discussed in the agency manual, *Measuring Program Outcomes: A Practical Approach*.
- An outcome measurement system requires added resources. United Ways will need to support training and technical assistance, data analysis and new communications materials.

What This Guide Does Not Cover

This guide does not discuss the technical procedures involved in program outcome measurement, such as how to choose outcomes, indicators and data collection procedures. The agency manual will be helpful in gaining a perspective on what agencies need to do to implement an outcome measurement process successfully.

This guide also does not address the assessment of agency efficiency or how well agencies handle their finances.

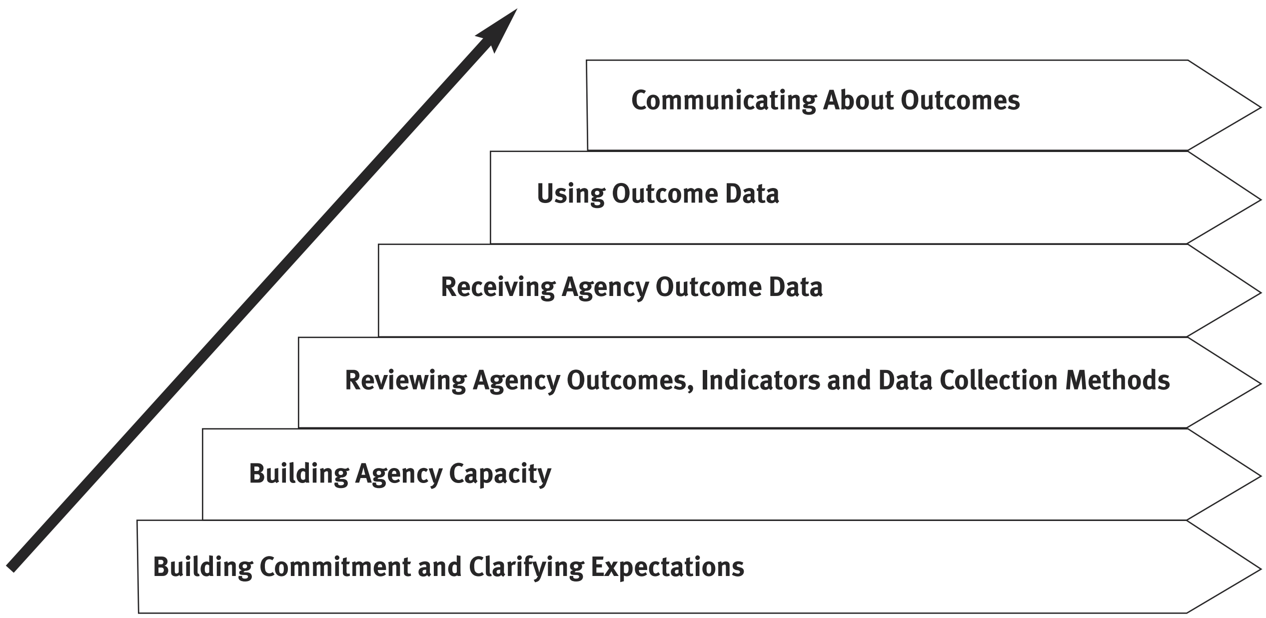
Finally, this guide does not address strategies for relating program outcomes to community outcomes or for measuring community change. A brief discussion of three approaches to this issue is included in Challenge 5.

II. Challenges of Implementation

This guide covers six challenges in implementing a focus on program outcomes, shown in Exhibit B. These challenges were identified during a study of United Ways that already have implemented an outcome measurement system. The challenges originally were presented in the October 1995 report, *Current United Way Approaches to Measuring Program Outcomes and Community Change*. Since that time the labels of the challenges have been modified slightly to reflect more clearly the distinct types of activities United Ways need to undertake to focus on program outcomes.

Exhibit B

Focusing on Program Outcomes
Challenges of Implementation



Challenge 1: Building Commitment and Clarifying Expectations

An outcome measurement system substantially affects United Way staff, board members and other volunteers, funded agency staff and board members, and potentially other funders and policymakers. The development of the outcome measurement process needs to consider the interests of, and involve, each of these groups. United Ways that have adopted a focus on outcomes have found this to be the most critical implementation challenge. If the major players are not committed to the process, or if their expectations are at odds, the process cannot move forward successfully.

A key purpose of this challenge is to clarify the basic principles that will guide implementation through each of the next challenges and build commitment to the process among major constituents. Following are some of the most basic tenets that should be communicated clearly at this challenge, even though they involve activities that actually occur later in the implementation process. These principles are elaborated further in later sections of this guide.

Basic Principles

- Agency executive directors and board presidents must see outcome measurement as useful and beneficial for their agency.

- Agencies should identify and measure their own outcomes so that the outcomes are relevant to the program design and useful to program managers.

- Most agencies will need assistance to develop methods to measure outcomes. Do not assume that agencies have the capacity to perform the process; instead, work in partnership with them to build capacity. This includes offering financial resources and/or incentives.

- A focus on program outcomes has many purposes. Viewing the process as an allocations strategy only—one that will make allocations decisions easier and will happen within one or two years—is too narrow. Measuring outcomes allows program managers to use outcome results to make their programs more effective, thus benefiting more people. The process also gives United Way more compelling information to report to donors. United Way of America research shows that individual contributors are more willing to give when provided infom1ation on the outcomes of specific programs in their communities.

- Getting to the point of using outcome data as a measure of effectiveness in allocations decisions takes three to five years. The first year is spent primarily in building commitment to the process, defining an action plan and securing resources. The second year is spent building agency capacity through training, technical assistance and facilitation. The third year, agencies can begin to report outcome data, but it is not yet useable as an allocations factor for two major reasons: because this is the first attempt to measure what may be an elusive concept, the first year of data often reveals what is wrong with the measurement system more than what is happening with the program. Also, in the absence of true benchmarks (data from other similar programs that are considered exemplary), there is no clear picture of what should be ranked as good or bad results. Agencies should be allowed at least one more year to learn from their outcome results and make adjustments to improve the measurement systems and/or the programs themselves.

- To be committed to an outcome measurement system, agencies must feel that all issues are understood and will be addressed fairly throughout the process.

Steps To Take

1. Secure support and resources within your United Way.

✔ **Obtain support for the process from the board and other key United Way leaders**. This is a key initial step. This manual can be helpful in briefing these United Way participants on an outcome measurement system.

✔ **Establish a volunteer committee, task force or other advisory structure** to guide United Way's focus on program outcomes. Include key United Way staff members and volunteers, community members with expertise in outcome measurement, and representatives from agencies to increase the quality and feasibility of the process and to increase agency buy-in.

✔ **Designate someone to be responsible for day-to-day management of the outcome measurement system activities, convening meetings and working out problems.** The manager should keep the chief professional officer up to date on progress and involve him or her in major meetings and decisions. The chief professional officer and manager should, of course, keep the board up to date on progress, and involve board members in key meetings and decisions. Their support is vital for successful implementation. These responsibilities may require added staff members, volunteers and/or consultants. One way to reduce this personnel cost is to seek funding assistance from private foundations.

United Ways in Minneapolis, Minnesota and Milwaukee, Wisconsin obtained start-up funds from local foundations to support personnel resources. United Way in Rochester, New York hired a dedicated staff person for this purpose during its start-up phase. Other United Ways have re-allocated part of existing staff's time to this process.

✔ **Develop an action plan and schedule for implementation.** The plan and schedule should provide for an orientation phase, for initial and ongoing training and technical assistance, for phasing in of agencies that are expected to participate and for the initial and ongoing reporting by agencies and United Way. The schedule should consider the timing for various types of agencies in terms of category of program, size and technical capacity.

✔ **Develop a multi-year budget for United Way's efforts.** An outcome measurement system requires time and other resources, especially during the program's development and initial implementation phases. Ongoing implementation also requires time and other resources, but probably to a significantly lesser extent.

United Way should estimate the likely resource requirements for developing and maintaining the outcome measurement process. It will need to budget for out-of-pocket costs and to estimate the special resources likely to be needed. Out-of-pocket costs can vary a great deal depending on United Way's ability to use volunteers and other free resources. Special resources can include personnel, volunteers or consultants with particular skills.

Cost elements include:

- Training and technical assistance for United Way staff and volunteers. To the extent that volunteer trainers and consultants are available, this will reduce out-of-pocket costs considerably.

- Training and technical assistance for United Way-funded agencies. This can be one of the largest start-up costs because the volume of help needed may be large and because United Way may need to employ outside help.

- Added computer hardware and software to help handle the agency data. United Way, which is a recipient of agency data, should not minimize the need for hardware, software and training, as well as clerical assistance to handle the information. If United Way reduces other agency data requirements in return for the added outcome accountability, the net increase may be small, if any.

- Marketing activities to promote the outcome measurement process.

2. Convene agency and United Way representatives to build commitment and clarify expectations.

✔ **Provide an orientation to outcome measurement for United Way and agency representatives.** The same concepts and definitions for outcome measurement are not shared by everyone. Very early in the process, the lead United Way staff and committee members need to agree on a basic framework—whether it is the exact terms used in this guide, or some variation—and provide an orientation for all those that need to participate in the process. This should be clearly distinguished from training. It is not providing skills or tools, but presenting definitions and concepts for moving forward, such as those shared in the Introduction to this guide.

> **United Way in Grand Rapids, Michigan held a one-day conference for human service organizations with a session on outcome measurement.**
>
> **United Way in Fort Worth, Texas held a series of two-hour meetings with their agencies and volunteers and a presenter for United Way of America.**
>
> **United Way in Hagerstown, Maryland held a similar session using a national consulting group.**
>
> **Some United Ways, such as Kansas City, Missouri, have started with a smaller, influential group of agencies and volunteers to get key leaders invested first.**

✔ **Provide opportunities for agency boards and executive directors to discuss the outcome measurement process and the proposed schedule with United Way volunteers, and share concerns**. Without agency cooperation, outcome measurement will not be successful. Emphasize to agencies that outcome measurement can be of direct assistance in managing service programs and making improvements. (The agency manual devotes a chapter to the uses of outcome findings and has quotes and vignettes throughout which reflect the benefits of this process.)

> **United Way in Pontiac, Michigan has worked through the North Oakland United Way Executives Group, a voluntary association of the chief professional officers of partner agencies in the United Way Oakland County network, to help disseminate information on the new United Way outcome measurement elements.**

Nonetheless, some agencies will feel threatened and overwhelmed by such new requirements. Face-to-face discussions will be essential to obtaining their meaningful participation. Seek input from agencies in all phases of implementing an outcome measurement system. Using agency ideas and addressing their concerns will strengthen the process and relieve apprehensions agencies might have about United Way outcome measurement requirements.

Agencies' concerns will likely center around three issues: (l) belief that they do not have personnel and funds to spare for added data collection; (2) concern that applying resources to added data collection will take resources away from helping service recipients; and (3) fear of data misuse.

✔ **Position United Way as a resource in helping agencies address this emerging demand.** A focus on program outcomes is not unique to United Ways. Other funders, both public and private, are moving to this focus as well. By working collaboratively with agencies and providing support to build capacity, United Way can position itself as an asset to agencies.

✔ **Identify trade-offs that United Way can offer agencies to encourage a quality outcome measurement system.** Agencies should be asked for their input on trade-off preferences and concerns. Some trade-offs will make outcome measurement attractive initially and can generate agency support. For example:

- Reduce requirements for other information in exchange for reporting on outcomes. Avoid overloading agencies. United Way should periodically review data requirements with agencies and other funders and delete items that are no longer sufficiently useful. While basic review of the agency's financial accountabil

> **United Way in Milwaukee, Wisconsin assured funded agencies that their outcome findings would not be considered in allocations decisions *for three years* in order to allow adequate time for outcome measurement to be implemented properly in their agencies and for managers to respond to results.**

will continue to be appropriate, with an outcome-oriented review process, many of the questions United Way previously posed to an agency on how it does business and on its accountability may no longer be necessary.

- Extend the period covered by each funding allocation from one to two or more years as part of the outcome measurement process.

- Accept other reporting standards for assessment, such as those of other funders, national associations, or accrediting bodies, if they include outcome measures. (The appendix to this guide summarizes activities related to outcome measurement of some of the national organizations whose local affiliates receive United Way funding.)

3. Coordinate efforts with other funders.

✔ **Coordinate the outcome measurement system activities with other major funders and community-based organizations,** such as foundations, local and state governments, major private-sector funders and other area United Ways. Collaborate with them when appropriate to develop and promote outcome measurement. Find out what these organizations are doing relative to outcome measurement. Then, fully brief them on your plans and seek their input into the process. This is important because these other organizations may be willing to add their moral and financial support to the work. It also is mutually beneficial in making the best use of everyone's time, money, ideas and energy.

United Way can work with these additional funders to develop training programs for the agencies.

Another major purpose in collaborating with other funders is to work out common, or at least compatible, fund application and subsequent reporting requirements so that the burden on agencies is eased as much as possible. For example, an agency is not helped if United Way eases its reporting requirements because of its focus on outcome information but other funders do not, or if each funder applies different definitions and different outcome identification, measurement and reporting requirements. If requirements for agencies can be coordinated, non-compatible demands for information can be avoided.

United Way in Jacksonville, Florida and the other major funders in the community worked through the local community planning council, which designed a manual for agencies and conducted training.

United Way in Tacoma, Washington used a similar approach, with all community funders pooling resources to hire a consultant to design and deliver training.

United Way in Milwaukee, Wisconsin developed a Milwaukee Area Funders Common Application Form to simplify the grant-seeking process for the Donors Forum of Wisconsin. Twenty-seven funders agreed to accept the Form, reserving the right to require additional information. Seven of these funders require use of the Form, including the United Way.

United Way in Rochester, New York, with the support of the Rochester Grant Makers Forum, worked out common forms for applicants to submit to Forum member foundations.

4. Prepare to measure United Way outcomes.

✔ **Identify measurement of United Way's own outcomes.** If United Ways expect funded agencies to measure and report their outcomes, United Ways must regularly assess the outcomes of their own work. Measuring United Way's own performance preferably should cover two overall aspects:

- The effectiveness of United Way's own activities, such as its fund raising, agency and community capacity development, collaborations with other community organizations and its allocation process—from the perspective of its funded agencies, donors, volunteers and the community at large.

- The end results of United Way's funding allocations and its other major community activities. This measurement assesses the collective efforts of all funded agencies and community building efforts on issues of concern.

This is an undeveloped area for United Ways. There are several efforts underway, but no definitive approaches have emerged. The addendum to this manual overviews some approaches that are being explored.

Challenge 2:
Building Agency Capacity

Before the program can begin, United Way *and* agency volunteers and staff members need to be knowledgeable about and trained in outcome measurement.

Making the transition to an outcome-focused organization will take several years. Keeping United Way current in outcome measurement will be ongoing because of staff turnover and volunteer rotation on and off of the board and committees. The same is true for agencies. Therefore, United Way leaders must encourage and provide continuing support and capability for the outcome measurement process.

Experience shows that organizations often are not totally successful on their first attempt to identify outcome indicators and associated data collection procedures. United Ways can provide a great service to agencies by helping them identify what information should be collected and how it can be used. Offering help to agencies up front will alleviate frustration they may encounter and will help avoid the common mistake of measuring an agency process rather than a program's outcome.

Basic Principles

- Building capacity is much more than showing someone how to complete forms. It involves both experiential training and ongoing technical assistance.
- Some agencies will have experience in outcome measurement already; use their expertise and credibility in establishing this process and preparing other agencies.
- Train both United Way staff and volunteers at appropriate levels of detail for each.
- Training for agencies and volunteers must be ongoing because of turnover and changing needs at different stages in the process.
- If external consultants or volunteers are used to provide training and/or technical assistance, they must have applied experience in local human service settings and be supportive of nonexperimental, outcome monitoring approaches such as that described in the agency manual.

Steps To Take

✔ **Determine which programs will undergo the process first.** Decide which agencies and which of their programs initially will be asked for outcome information. Using a pilot effort is helpful as an initial step. A number of United Ways have chosen to pilot an outcome measurement system in a small number of agencies before requiring outcome reporting from other agencies.

The pilot approach permits United Way to concentrate assistance on a small number of agencies and to get its feet wet before plunging into the waves. It provides the opportunity to iron out bugs and develop a more refined process before full implementation. It also yields an initial group of experienced agencies who can discuss their experiences with other agencies, allay concerns and demonstrate benefits.

Consider the following factors in selecting pilot programs:

- The amount and proportion of funds provided by United Way.

- The capacity of the agency to undertake outcome measurement.

- The interest and willingness of the agency to participate in outcome measurement.

- The diversity or similarity in program types. Selecting diverse programs has an advantage in that the approach can be demonstrated in a variety of settings. Selecting similar program types allows common issues within program types to emerge and be addressed more quickly and enables like programs to share experiences.

The pilot approach has the disadvantage that it is likely to delay full implementation by at least a year or more. If a United Way's region contains many agencies that already are experienced in outcome measurement or evaluation, a pilot effort may not be necessary.

United Way in Milwaukee, Wisconsin, engaged 75 of its more than 200 programs in a pilot outcome project from 1992-1994. Some of the programs not in the pilot also received training and technical assistance nom United Way during that period.

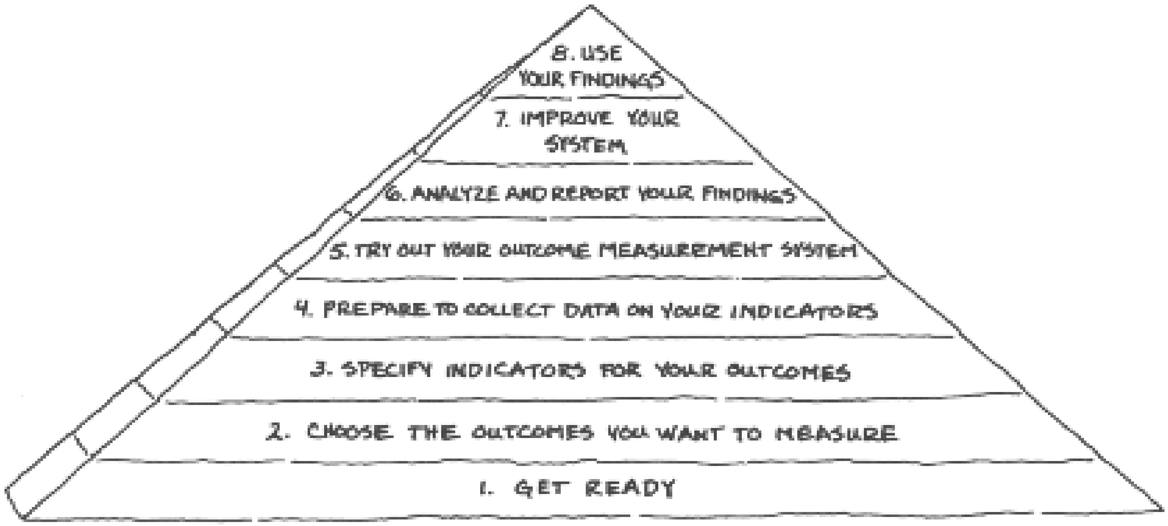
United Way in Rochester, New York, included 30 providers and 65 programs in its pilot, which revealed that the original timetable had not allowed enough time for developing new skills and that some organizational changes were needed. The timeline also did not allow for revisions of the initial agency submissions to United Way.

United Way in Schenectady, New York undertook a pilot with five agencies nom November 1993 through April 1994. While United Way provided technical assistance, each agency team examined one program in the agency.

United Way in Grand Rapids, Michigan, supported demonstrations in three agencies during 1994. For 1996 program proposals, applicants were asked to identify outcomes and outcome indicators.

United Way in Dayton, Ohio requires agencies receiving in excess of $100,000 annually from the United Way to undertake evaluations that focus on client outcomes every two years and to provide this information as part of their applications.

✔ **Identify training materials.** United Way of America's *Measuring Program Outcomes: A Practical Approach* is a step-by-step process for agencies based on tried-and-true practices from the nonprofit sector. This suggested approach has been pre-tested in several communities. The following diagram from that manual shows eight steps to measuring program outcomes within agencies.



A United Way may plan to use the general approach presented in the agency manual but differ with some specific point or procedure. In this case, it is important to provide agencies with written clarification of the differences so there is no confusion about mixed messages.

✔ **Decide who will provide training.** The most common trainers are United Way staff members trained in this approach or external consultants trained in and supportive of practical outcome measurement such as that described in United Way of America's manual for agencies. United Ways have used consultants from local colleges and universities as well as local and national consulting firms and research organizations. Existing outcome measurement experience among agencies is another source of assistance.

✔ **Identify resources for ongoing technical assistance.**

- Seek local volunteers who have experience in procedures relating to outcome measurement to act as technical personnel. Such volunteers can be found in the business community or in local universities and colleges.
- Secure one or more consultants to provide ongoing technical assistance to agencies.
- Use student interns. Even through they are available only on a temporary basis, they can be helpful in developing and implementing computer-assisted data processing, tabulation and analysis of outcome data.
- Develop a library of outcome measurement materials. Include tools identified by local and national agencies.

United Way in Mesa, Arizona recruited and oriented a pool of volunteers with a background in quality, survey design and other measurement and analysis techniques to be available to agencies.

United Way in Grand Rapids, Michigan contracted with an external consultant to provide ongoing support as agencies worked through this process.

United Way in Milwaukee, Wisconsin established a contract with the local Planning Council staff to provide technical assistance and support to agencies. That United Way also compiled and published Internship Yellow Pages. The pamphlet lists local colleges and universities where interns may be available, the type of assistance they might provide and whom to contact at each school.

United Way in Minneapolis, Minnesota maintains a library and reference network.

✔ **Facilitate agencies working together.** Encourage agencies to collaborate on the development of their outcome measurement systems. Identify similar programs, sponsor joint meetings and consider offering trade-offs for collaboration, such as special funds for joint training and technical assistance.

Agencies may be able to lower the ongoing costs of data collection to each agency by collaboration on activities such as surveys and data processing.

Through a process facilitated by the United Way in Milwaukee, Wisconsin, a group of youth development agencies developed a common observation tool for positive youth behaviors, and a diverse group of parenting education programs worked with a consultant to develop the Parent Learning Profile for all of them to use in measuring outcomes.

United Way in Milwaukee and United Way in Green Oaks, Illinois helped create mentoring relationships between Milwaukee agencies experienced in outcome measurement and Green Oaks agencies that were new to the process.

✔ **Help agencies obtain outcome data from other public and private agencies.** As discussed in the agency manual, key outcome data sometimes will be available in other agencies, such as state and local public assistance, employment, health, school and criminal justice agencies. United Way may be able to help individual agency programs secure the cooperation of these other agencies and help work out any confidentiality requirements in accessing the data.

✔ **Recognize agency expenses related to outcome measurement.** Agencies that have implemented outcome measurement successfully report that it ultimately becomes integrated with their ongoing management activities and year-round budget. However, in the start-up phase, two areas that often require additional resources are the development or purchase of measurement tools and data processing equipment and assistance. At a minimum, United Ways should accept these initial administrative expenses. In addition to providing the types of technical assistance discussed above to offset these costs, some United Ways have made funds available.

✔ **Allow for variations for those programs that face greater outcome measurement challenges.** These programs may require special assistance, different policies or more time for outcome measurement. As discussed in the agency manual, programs that have difficult-to-measure outcomes include:

- Those with anonymous participants, such as hotline and information and referral programs.
- Those that provide only short-term assistance, such as emergency shelter, food and utility cutoff programs.
- Those from which outcomes cannot be expected for many years so that tracking and client follow-up is not feasible.
- Those that target the whole community rather than a limited set of participants, such as advocacy and public information programs.
- Those that provide support services to other agencies, such as capacity-building programs and those providing accounting and purchasing assistance.

United Way of Oakland County has allocated two percent of the total allocable pool to agency evaluation needs. Individual agencies bid for these funds, which have been used for instrument design, focus groups, printing, mailing, staff training, staff resources, hardware, software, data collection and entry, technical assistance, report preparation and evaluation contractors. The fund distribution panel process is used to allocate the funds, which have been spread over a number of requesting agencies: 26 of 36 eligible agencies in the FY95-97 cycle.

✔ **Convene agencies periodically to share barriers, effective outcome measurement approaches and benefits they have experienced.** Annual conferences, workshops or special sessions to bring together agencies working on outcome measurement can have tremendous benefits for both the program managers implementing the process and for United Way. These meetings allow agencies to share frustration and address each others' concerns and gain encouragement by seeing others who are successful. They allow United Way to learn what is working and not working and to make corrections or provide additional support where needed.

United Way in Milwaukee, Wisconsin has held annual "Lessons Learned" conferences, featuring outside speakers of interest to agencies, highlighting agencies with effective outcome measurement approaches and facilitating feedback about the process.

United Way in New Orleans, Louisiana held a one-day "Best Practices Workshop" featuring several agencies presenting their approach to outcome measurement and its benefits.

Challenge 3:
Reviewing Agency Outcomes, Indicators and Data Collection Methods

Once agencies have the capacity to implement program outcome measurement, they should create and submit a plan to United Way describing their outcomes, indicators and data collection methods. The purpose of this step is to ensure that the proposed plan truly focuses on outcomes that are appropriate measures of the program's benefits for its participants (the agency manual provides guidance in this area) and that the indicators and data collection methods are valid and reliable.

Basic Principles

➔ Agency managers, not United Way staff or volunteers, are responsible for developing their own outcome measurement process, including selection of outcome indicators and procedures for collecting data on each indicator.

➔ Initially, agency reviews will focus not on data, but on the plan to measure outcomes. When agencies report data for the first time, review probably should still focus on the measurement process and how it can be improved.

➔ United Way has a role in assuring that the outcome measurement process developed for funded programs is appropriate, comprehensive and accurate. Thus, United Way staff or volunteers should review the reasonableness of each agency's outcome indicators and data collection procedures. United Way should indicate in a timely way any concerns and problems evident in the agencies' choices and allow time for adjustments to be made.

➔ United Way representatives responsible for reviewing agency progress must be trained in and embrace the outcome measurement approach that is communicated to the agencies.

➔ Accept outcomes, indicators and data collection methods established by national organizations, associations or accrediting bodies (see the appendix for more information), even if some of the terminology and reporting formats are different. The important concept in this process is measuring outcomes, not the approach that is used. It is a waste of effort and energy for agencies to maintain multiple outcome measurement and reporting systems.

➔ Recognize agencies that show commitment and dedication to the outcome measurement process.

Steps To Take

✔ **Develop a process for reviewing agency progress with outcome measurement.** For example, for its next funding cycle, United Way could require that each agency identify in its funding application a plan to measure outcomes, including a list of the proposed outcome indicators and data sources.

Those reviewing agency plans should address such outcome measurement *process* questions as those shown in Exhibit C. These questions have been adapted in part from United Ways in Pontiac, Michigan; Rochester, New York; San Antonio, Texas; and Schenectady, New York. This set of questions is of principal use during the early stages of outcome measurement implementation and is intended to address the agency's progress.

This review could be done by United Way staff if they have the proper background or training. It also can be done by individual or teams of volunteers. It mayor may not be appropriate for the volunteers on allocations panel to be the reviewers. This needs to be a constructive process, allowing for dialogue, positive feedback and suggestions for improvement. The reviewers must have significant experience or training in outcome measurement in order to make valid judgments and give useful suggestions.

✔ **Encourage peer review and collaboration.** Bring agencies together to review each other's work and provide feedback and suggestions. This can lead to identification and replication of effective approaches to measuring outcomes among agencies.

United Way in Milwaukee, Wisconsin created agency review teams to critique and provide suggestions for each other's outcome measurement plans. They found that it was more effective to have different types of agencies meet together, rather than agencies in the same service area. When like agencies critiqued each others' plans, they were less likely to challenge assumptions, counter resistance and consider innovative solutions to problems.

Exhibit C

Review Team Questions Regarding An Agency's Outcome Measurement Process

1. Have the client groups to be served by the program been sufficiently identified? If identified, are they appropriate (e.g., most in need)?
2. Is the program clear as to what it aims to achieve for program participants knowledge enhancement, skill development, attitudinal change, behavioral change, situational change? Is the program measuring the right things?
3. Are the outcomes and associated outcome indicators client or community focused?
4. Are they really outcomes, not counts of program activity or physical outputs, such as units of service?
5. Has the program identified unintended, negative outcomes it might have and made plans to track them? (Examples include encouraging teen pregnancy through an in school child case program or escalating crime in a neighborhood that borders one engaged in a successful citizen anti-crime effort.)
6. Is the set of outcome indicators reasonably comprehensive in covering all major outcomes for the program?
7. Are the outcome indicators and data collection procedures sound/valid? Are tracking procedures in place for programs that seek to measure long-term results?
8. Are the outcome indicators and data collection procedures sufficiently sensitive to cultural differences in the client population?
9. Do data collection procedures, including any questionnaires, provide the needed data for each outcome indicator?
10. What participant or program characteristics will need to be examined to understand differences in outcome achievement? Will data be collected in a way that will allow this analysis?
11. Over what time periods will the data be collected and analyzed?

Challenge 4: Receiving Agency Outcome Data

Collecting outcome information from funded agencies is not widespread among United Ways at this point. However, United Ways that are at this stage in their outcome measurement systems have found it difficult to manage the diverse information they are receiving. How can United Ways handle this information so it is useful?

Basic Principles

➔ Agency information reporting requirements need to be reconsidered in light of the new focus on outcomes. Some of the requirements can and should be dropped. United Ways must change their collection and review processes if agencies are to believe in the new focus. Collecting process information, such as quarterly cash flow statements, detailed line-item budgets and salary information for specific positions, does not reflect an outcome orientation. Further, if volunteers continue to receive process information, they will continue to focus on it in their reviews. Understand that change is difficult, especially when the new way is evolving and is not yet providing definitive information.

➔ Collecting outcome information more than once a year rarely makes sense because of the time it takes to review and discuss the data with agencies. In addition, a period of less than a year often does not allow enough time for participants to be considered or reasonable conclusions drawn. For agencies working with long-term issues, such as self-sufficiency or youth development, one year may not be enough to measure outcomes. For these programs, less frequent reporting periods, such as every two years, may be necessary.

➔ Agencies should have the primary responsibility for the quality of the data provided to United Way. The data quality issue is pivotal in developing trust between United Way and agencies. United Way should accept data as accurate, complete and presented in good faith. However, United Way may test for internal consistency to make sure numbers add up and are consistent with previously reported results. United Way should not audit agency files or require extensive backup materials. A review of the process and procedures that the agency designs and implements should be adequate.

➔ Systems, either manual or computerized, will be needed to record outcome data and track it over time.

Steps To Take

✔ **Define the program outcome information that agencies should provide and develop a reporting format.** United Way will need the following basic information from agencies on each program covered by the outcome measurement process:

- *Results on outcome indicators.* Generally, this is the number and percent of all program participants that achieved the specified outcomes.

- *Annual targets for each outcome indicator.* After at least one year of collecting outcome data, agencies should provide yearly targets as part of their United Way funding requests.

- *Data on key outcome indicators broken out by categories of client difficulty or other important characteristics* that are likely to have considerable effects on outcomes and their interpretation. This breakout is necessary so that comparisons with previous reporting periods, or with other programs that have similar objectives, will provide a fairer perspective on current performance. United Way should encourage an agency to establish different breakouts for each program, relevant to the program's client population.

- *Explanatory information* that provides the context for outcome findings and describes, when appropriate, improvements the agency plans to make to the outcome measurement system or the program itself. Such information is especially important for outcome indicators whose results for the reporting period are significantly less than expected. This element is likely to reduce the fear that the outcome information will be misinterpreted and misused. It also should encourage agencies to look beyond the data to identify the causes for above-average or below-average performance. Agencies also should report on any unintended negative consequences they have discovered and how they plan to prevent them in the future.

✔ **Prepare a reporting schedule.** The annual outcome reports that United Way requests from each agency receiving United Way funding should be filed in time for the information to be useful. for example, in allocations and in publicizing past achievements for campaigns.

✔ **Develop a filing system** so United Way has a history of outcomes on each program. If the filing system is automated, this information should be in a database.

✔ **Monitor the outcome measurement process.** After an agency's measurement approach has been agreed upon, United Way should review its implementation periodically and discuss any changes that have been made to the process. The aim of a tactful, constructive quality assurance activity is to help the agency improve the quality of its information so it can make better program decisions. It is rare that anyone would intentionally play games with outcome data. However, to the extent that a United Way uses outcome information to determine funding allocations, this possibility increases.

If the review indicates substantial data-quality problems with the agency's outcome reports, ask the agency to correct the problems, revise the outcome information and resubmit it, if possible. Alternatively, ask the agency to develop a new plan for its outcome measurement approach and submit it to United Way for discussion.

Challenge 5: Using Outcome Information

The information gained from measuring outcomes can be useful to United Ways, agencies and the community in multiple ways. The Introduction identified a number of purposes for an outcome measurement system. The following presents a more detailed discussion of some of those purposes.

Basic Principles

➔ Do not position program outcome measurement solely as a fund distribution strategy. Eventually using the information to redistribute dollars is just one of the many valuable reasons for United Ways to measure agency outcomes. Other reasons tend to fall into these broad categories:

- **Improving program performance, thereby making a greater difference in people's lives.** This should be the first use of the information. As agency managers discover their level of success, they must have an opportunity to learn from and improve their outcome results. Even unsuccessful activities are valuable learning experiences.

- **Communicating outcomes to staff, volunteers, contributors and the public.** United Way of America research shows that program-level outcome information is persuasive, especially local information on tangible benefits of specific programs for specific numbers of people. Because of the importance and variety of audiences for communicating outcomes, the next implementation stage discusses communication in more detail.

- **Identifying effective program strategies.** Once several years of outcome data are available, an understanding of effective service models to address specific outcomes should emerge. This can then be used to set funding criteria, replicate programs or train agencies.

- **Developing approaches to affect community issues.** To affect community issues, United Way must have a theory about the outcomes that are required to achieve improvement (the alignment factor) and information on programs showing which ones are achieving those outcomes (the effectiveness factor).

  Some United Ways focus on alignment first by stating which outcomes they want to buy and seeking funding proposals from programs that say they arc accomplishing those outcomes. Sometimes, such funding requests are open to the entire community of nonprofit providers, not just to currently or formerly funded agencies.

  Other United Ways focus on effectiveness first, examining outcome results provided by their current partner agencies and then determining what community issue to leverage those outcomes against. This approach does not require as radical a shift in programs considered for funding and maintains traditional relationships with agencies.

  A hybrid approach is to form theories about the outcomes that are most likely to affect priority issues, and simultaneously measure the outcomes of currently funded programs, with the intent of aligning the two over time.

  In any case, United Ways must keep in mind that they rarely will have enough "share" of the funds driving any-one issue to have an effect on community-level statistics. Therefore, in addition to funding, they should undertake other strategies to address issues of concern, such as influencing public policy, leveraging other funders' money, mobilizing citizens, collaborating with other organizations and addressing community economic issues.

➔ Use caution in relating outcome data to funding decisions. In the beginning stages agencies' effort toward *measuring* outcomes can be rewarded in the allocations process. There are two additional ways that an outcome measurement system can appropriately affect funding decisions. They are:

- **Alignment of program outcomes with United Way priorities.** Regardless of effectiveness, United Way may find that once clarified, the outcomes that programs are designed to achieve do not meet funding priorities. An agency may be good at providing something United Way does not want to buy. Alignment issues can emerge early in the outcome measurement process if United Way already is fairly focused in its funding. Alignment issues also can arise after several years of outcome data have been collected. It is extremely important not to confuse these alignment decisions with decisions based on outcome results, which deal with effectiveness.

  It is also important not to inadvertently penalize programs with harder-to-measure outcomes or outcomes that are preventive or developmental in nature because on the surface they do not appear to be closely linked to a problem United Way wants to address. For example, if the priority is to prevent teen pregnancy, the alignment of a program for teen mothers to prevent them from having a repeat pregnancy is much more readily apparent than the alignment of a program that seeks to engage 12-to-15-year-olds in after-school programs where they develop competencies and assertiveness skills. Yet, over time, the second program may do more to address the priority. Be careful not to define "alignment" only as remediation, but instead to consider the entire spectrum of services needed to address a particular problem.

- **Effectiveness of programs.** Contrary to what some think, judging effectiveness is a subjective process. Outcome information will not necessarily make allocation decisions easier, although it should eventually make them better. Again, keep in mind that outcome results will be useful in making allocations decisions only three to five years after the process has been initiated. The following guidelines can help in using outcome data to distribute funds in relation to program effectiveness:

  - Do not expect agency managers to set outcome targets until they have at least a year of baseline outcome data. Knowing what represents a good level of outcome performance is difficult because, for many of the programs under consideration, comparable outcome data do not exist.

  - Do not make decisions based on outcome performance alone. Other factors should be taken into account, such as program cost, the population served and the number of people the program reaches. A program may produce high levels of outcomes but be too expensive, reach only a few people or serve people that are likely to attain the outcomes anyway. Be especially careful to guard against creating incentives to select participants that are easier to serve in order to improve rates of achievement on outcomes.

  - Avoid comparing programs to each other - even seemingly similar programs. No two programs are exactly alike; otherwise, United Way probably would not fund them both. Data from other programs can be used to ask questions, to probe about why outcomes might be different. But do not set up systems to compare levels of outcome achievement across programs in order to reward those with the highest number without regard to the other factors discussed previously.

  - Reward the program's ability to respond to its outcome results and improve over time. Adjust allocations only when learning does not occur and programs cannot improve to a level of outcomes that United Way wants to support given the cost, scope and target population. Be careful not to deter innovation and risk-taking among funded agencies. If failure automatically means a reduction in funds, no one will try anything new or different. The purpose of measuring outcomes is learning, not penalizing failure.

Steps To Take

- ✔ **Use outcome data in agency reviews.** Begin reviewing an agency's outcome data as reports arrive. United Ways that require agencies to provide outcome information should clearly indicate a continual interest in and use of the outcome information. Use the results of your data review to raise questions and hold constructive discussions with agencies. However, do not jump to conclusions as to whether the agency has performed poorly - or particularly well. First, explore with the agency the reasons for performance. The following questions can be helpful in asking agencies about outcomes that fall short of, or exceed, expectations:

  - Has the client mix changed so that the program served more difficult-to-help (or easy-to-help) participants than it expected or had served in previous years?

  - Have any unusual external conditions occurred that affected the program's ability to achieve successful outcomes, such as an unexpected economic slump that affected the outcomes of job training and employment programs?

  - Has the program made any significant changes to any of its policies or procedures that would help explain the outcomes?

  Exhibit D is a checklist of elements that United Way volunteers and staff should examine in the outcome reports. Exhibit E is a review form from the United Way in New Orleans, Louisiana that is used to rate outcome as well as other performance data.

- ✔ **Feed back the results of the review to the agency,** focusing on the highlights, but including the outcomes that were not so successful.

- ✔ **Use the outcome measurement system to help and encourage agencies to improve.** This is the major long-term benefit of regular outcome measurement, which leads to improved outcomes for participants. If an agency is taking outcome measurement seriously, its focus on outcomes will encourage it to continue outcome improvement.

  Help agencies that have major trouble spots in their outcome reports. Such assistance can be in the form of, for example, offering outside help, such as technical assistance and training; locating resources; providing lists of organizations and persons that might help; arranging consultations; or providing funds. United Ways also can organize effective-practice round tables at which agencies share their experiences, strengths, problems and solutions, or develop a council of participating agencies to share information regularly.

- ✔ **Request and review a corrective action plan** identifying possible causes of problems and steps to address them. United Way and the agency should agree to the plan, which should include revised performance objectives.

- ✔ **Reward progress.**

  - Recognize agencies that make changes as a result of using outcome data, show high levels of outcomes in relation to their outcome targets or show substantial improvement in outcomes.

  - After several years, give reduced reporting or review requirements to agencies whose performance has been consistently high, but continue to collect data on key outcome indicators annually for communications purposes.

United Way in Rochester, New York is awarding recognition certificates for performance progress.

United Way in Milwaukee, Wisconsin identified agencies that were using outcome data to improve their programs and featured them in the annual report and communications materials.

Exhibit D

United Way Checklist To Examine Outcome Data

1. Are data on each outcome indicator provided? Do the data appear reasonable?

2. Look for outcome indicators with unusually high or low levels. Ask why.

3. Compare the data to the same outcomes for previous reporting periods. Where differences appear substantial, ask why. Request documentation of historical or environmental factors.

4. Once agencies begin to set targets, compare the data on individual outcome indicators to targets that the agency set for the indicators. Examine this not only for the most recent data but also for the program's past history in setting targets. Some agencies tend to be highly optimistic about their ability to achieve outcomes; others may make their targets overly conservative. United Way should take this into account as it interprets target achievement. Ideally, targets should encourage high, but achievable, performance.

   When an agency has little or no experience with a new outcome indicator, United Way should not expect targets to be identified.

5. Compare the latest data to that of any similar programs for which United Way has similar data. If the differences appear substantial, ask what differences in the programs explain the outcome variations.

6. Examine the outcomes for different demographic categories and client level of difficulty, as relevant for each particular program. Are the outcomes for some categories substantially different than others? If so, examine why.

7. Review the explanatory information agencies provide with their outcome reports, especially for those outcome indicators whose values for the reporting period fall significantly below expectations. Do this before coming to any conclusions about the agency's performance.

8. Discuss any changes the agency plans to make to the program, particularly in response to its outcome findings.

Exhibit E

UNITED WAY PROGRAM SITE VISIT REPORT FORM

(New Orleans, LA)

PROGRAM:______________________ AGENCY:______________________ DATE OF VISIT:__________

Program Review Team:______________________ Goal Area:______________________

Members Present:______________________ ______________________ ______________________

______________________ ______________________ ______________________

______________________ ______________________ Staff:______________________

FACTORS	NOT COVERED	POOR	FAIR	GOOD	EXCELLENT	COMMENTS
Preparation by program staff and organization of presentation; response to questions						
Facility appearance including attractiveness to clients						
Familiarity of program staff with client effectiveness data						
Usefulness of materials distributed at site visit to understanding the program						
Clarity of program goal(s)						
Identification of target population; fit of client demographic data with target population						
Description of how service is provided (promotion, referral, client evaluation, etc.)						
Explanation of increases/decreases in service levels (unduplicated number of people served, units of service) see *Program Profile – Service Objectives*						
Administrative processes for tracking clients and services provided						

Exhibit E UNITED WAY PROGRAM SITE VISIT REPORT FORM (continued)

FACTORS	NOT COVERED	POOR	FAIR	GOOD	EXCELLENT	COMMENTS
Outcome objectives (focus on the difference(s) made in client lives; measurable)						
System for measuring outcome attainment (tests, surveys, frequency of measurement)						
Staff knowledge of existing and emerging needs, changes in target population, and other environmental factors (other service providers, changes in funding, etc.)						
Involvement and exchange of information with other human service entities in the community (affiliations, participation in coalitions, and collaborative efforts)						
Qualifications, skills, and training of staff						
Use of service effectiveness data: • program planning • program improvement • changing services						

MORE ABOUT CLIENT OUTCOMES:

How did attainment compare to objectives:

Efforts toward outcome improvement (i.e., better focused on the difference(s) made in client lives and more easily measured):

Challenge 6:
Communicating About Outcomes

Outcome information can be a powerful communication tool for United Ways because it can take United Ways beyond their traditional message of raising money and spending it to fund services. An outcome measurement system helps United Ways define the value their funded programs are adding to the community. It is not necessary to wait until you have outcome data on all programs before communicating. There are many audiences and many contexts for communicating about outcomes.

Basic Principles

➔ Use communication as a recognition factor for agencies. Highlighting agencies that do well in the outcome measurement process, and that ultimately show positive results, in communications to other agencies, United Way volunteers and staff and donors provides a powerful incentive.

➔ Providing outcome results on individual United Way-funded programs is very compelling to donors. However, if not communicated in the overall context of the value of United Way, it can encourage direct designations to the agencies highlighted, rather than contributions to the United Way community fund.

➔ For the general public and individual, average-level donors, knowing that United Way is undertaking this process with funded agencies is not very compelling (as opposed to having actual outcome data to share). However, for leadership givers and those in executive positions, such as chief executive officers and senior management of corporations, this message is appealing. It also is useful to talk to them in business language, drawing parallels to concepts such as total quality management and continuous improvement.

➔ Target your communications to specific constituents. In general, the more involved someone is in the process, the more he or she will want to know.

Steps To Take

Following are specific constituent groups with whom you should communicate about outcomes, and some suggestions for communicating with each.

✔ **Communicate to agency staff and boards.** As indicated in Challenge I, agency boards and staff will need consistent and thorough information about the intended outcome measurement process and United Way's expectations. However, as the process progresses, regular communication should be provided about agencies that are successfully implementing the process and its benefits for them. In the pilot phase particularly, the experiences of the pilot agencies should be shared with the others on a timely and consistent basis.

✔ **Communicate to the United Way board.** The board should receive regular updates on the progress of the outcome measurement effort. As discussed in Challenge I, they should be involved early on in developing realistic expectations about the process. After this point, they probably will be more interested in the results of the effort than in the process itself. Reports on the outcomes identified by programs, the number of agencies reporting outcome data and ultimately the outcome results themselves should be given to the board.

Problems can, and should, be framed in a constructive way. United Way should provide its plans and those of the agencies for improving outcomes in areas where results have not met expectations.

✔ **Communicate to United Way staff.** Providing information on this process to staff in the fund distribution or allocations process may seem like a given, but they should not be the only staff in your organization with information about the outcome measurement process.

Your chief professional officer should be constantly aware of the status of your outcome measurement process, and when data become available, should be provided with at least a sample of the outcome results for a variety of programs.

Staff in the communications and resource development departments should be provided with information on the process United Way is undertaking to support outcome measurement, its policies and timeframes for doing so and the outcome results that agencies ultimately report.

When outcome results are reported consistently, inform all staff in your organization of the information through brown-bag lunches, posters, flyers, etc. Knowing their work is making a tangible difference for people is a powerful morale booster — regardless of the staff member's function in the organization.

✔ **Communicate to community leaders.** Community leaders beyond your board, particularly those such as corporate chief executive officers and labor leaders who represent major donor groups, will have an interest in knowing the United Way is measuring and rewarding outcomes. Information on the process in its early stages should be brief. Use business terms to describe the effort. Eventually, actual outcome results can be shared in campaign cases, annual reports and videos targeted to this audience. Campaign staff and volunteers who call upon community leaders should be knowledgeable about the outcome measurement process and be able to describe some of the most successful programs.

✔ **Communicate to current and potential individual donors.** Traditionally, United Ways have demonstrated results through data on the number of people who participate in programs funded by the United Way. While such data are still appropriate to provide, they are strengthened greatly by adding data on how successful and how beneficial that assistance has been.

Thus, United Way can use outcome data in various fund-raising capacities both during the campaign and at other times. Year-round use of outcome information familiarizes United Way audiences with United Way, agencies and the results of their invested contributions.

United Way in Milwaukee, Wisconsin included a description of its focus on outcomes and results from several programs in the center of the annual report.

United Way in New Orleans, Louisiana developed a video for community leaders describing its outcome measurement focus and featuring agencies that were measuring outcomes.

United Way in Minneapolis, Minnesota developed a report of program outcomes results within each of its community focus areas.

United Way in Pontiac, Michigan used a 1993 newspaper insert to first inform the public about its new fund distribution system, which included "expected outcomes" (but no numerical outcome targets) for each of 18 problem areas.

Campaign literature from United Way in Dayton, Ohio gives examples of results, including increases in the prosecution rate for perpetrators of domestic violence, improvements in the percent of homeless women provided permanent housing and a high "school-readiness" rate of eligible children. These data were repeated in a variety of publications, including an ad in the *Dayton Daily News*.

United Way should consider a variety of vehicles for communicating outcome information. Possible formats include campaign brochures and posters, payroll stuffers, newspaper and television advertisements, newsletters, media releases and other public relations efforts, personalized letters to donors reporting on what their contributions have helped achieve, and speeches.

Campaign literature from United Way in New Orleans, Louisiana includes a section called "New Directions! The Bottom Line Is Results" that presents a small sample of outcomes from funded programs, such as employment success rate, percent of participants substantially improving reading skills and recidivism rates for an ex-offender program. Another handout, reporting on the previous campaign's allocations, includes statemen1s for a small sample of funded programs about the number or percent of people who would receive specific, improved outcomes, such as increased high school completion, reduced use of illegal substances, relief from hunger and reduced need for long-term residential care.

Conclusion

We are at the beginning of a major shift in the human services field, from a focus on activities to a focus on results. Human service agencies are getting this message from many directions—state and local governments, private foundations, corporate offices of philanthropy, individual donors, and their own national associations. The United Way system stresses a focus on results in its own strategic planning and is positioned to play a leadership role in this national movement, both by helping agencies meet this challenge and by demonstrating the effective use of outcome information in resource-allocation and community-building decisions.

The potential benefits of the shift to a focus on outcomes are broad. United Ways will have evidence of their effective stewardship of donor dollars to make a difference for people and communities. Agencies will have invaluable feedback for improving the quality of their programs. Program participants will receive services that are shown to produce positive change.

Planning and implementing the new focus requires—and deserves—care and time. There are few models for this effort and many pitfalls in the path. A deliberate approach, in partnership with human service agencies, will help assure that the decisions made are sound, truly serving the aim of building stronger, healthier, more sustainable communities.

Addendum
Approaches to Measuring United Way Outcomes

A focus on outcomes—on the benefits programs are intended to have for their customers—is a valuable management strategy not only for human service providers, but for organizations in general, including United Ways. An outcome orientation challenges organizations to look beyond what they *do* to wrestle with *what difference they make.* As United Ways set this challenge before human service agencies, they can benefit from accepting the challenge for their own organizations as well.

Many United Ways have recognized the importance of measuring their outcomes, both as a management activity and to maintain credibility with agencies. As a system, United Way is in the very early stages of exploring approaches to the task. The key issues for United Ways, as for agencies, are first identifying the appropriate outcomes and then crafting methods for measuring them.

The agency manual, *Measuring Program Outcomes: A Practical Approach,* makes several recommendations regarding the identification of outcomes. For example:

➔ It suggests that a program gather ideas about its outcomes from a variety of sources, including mission statements and other program documents, volunteers, customers, and other service providers, as well as from organization staff.

➔ It recommends developing a logic model diagram as a way of organizing the ideas gained from these sources. Constructing a logic model helps organizations think through how their programs work to achieve benefits for participants, clients, or customers. It describes the changes in customers' knowledge, skills, attitudes, behavior, or condition that the program intends to set in motion through its inputs, activities, and outputs.

➔ It encourages programs to think about possible unintended negative consequences their programs may have, and to track those as well as the desired outcomes.

United Way of Michigan is using logic models to help design its outcome measurement approach. Starting from a general outcome of "increased capacity" for its customers, Michigan's local United Ways, the state organization is defining desired outcomes related to United Ways' specific areas of business and specifying indicators of success related to the outcomes.

These suggestions seem useful for United Ways as well as agencies. They can be applied in the context of many outcome measurement approaches, including the following three being explored by various United Ways.

Measurement of Outcomes for Specific Projects

To gain experience in outcome measurement on a limited scale before applying it to the entire organization, an organization may choose to start by focusing on one or two of its activities or initiatives. Measuring Program Outcomes: A Practical Approach suggests that programs should be considered for the initial outcome measurement effort if: they have a recognizable and reasonable defined mission and clientele; they represent a substantial portion of the organization's activity; funders or others have been asking about the program's results; and project supervisors and staff are likely to be supportive of the outcome measurement effort.

United Way in Milwaukee, Wisconsin chose to start the use of outcome measurement in its organization with its annual Day of Caring. It identified and is tracking outcomes for corporations, agencies, volunteers and the United Way.

United Way in Minneapolis, Minnesota is measuring outcomes for three community collaborations: the Success By 6® early childhood initiative; The Redesign, a school-human services partnership; and HomeStability™, an affordable housing collaboration.

Measurement of Outcomes Suggested by the Strategic Plan

An organization's strategic plan is one potential starting point for identifying program outcomes. In this approach, the organization identifies the outcomes suggested by the goals or objectives of its strategic plan, then develops, measurable indicators of its success in achieving those outcomes. As with other approaches, the challenge is moving beyond the measurement of increased inputs, targeted activities and measured outputs to describe and measure the benefits or changes that accrue to customers if the goals and objectives are met.

United Ways in Mesa, Arizona, New Orleans, Louisiana, and St. Louis, Missouri are using their strategic plans as the starting point for identifying and measuring their organizations' outcomes.

Balanced Scorecard

The Balanced Scorecard is a system for establishing and measuring the critical indicators of performance in four key areas:

- How customers see the organization
- The organization's internal business processes
- The organization's ability to innovate, improve and learn
- The organization's financial picture

In contrast to performance monitoring systems that focus solely on financial measures, the Balanced Scorecard gives managers feedback on multiple measures of success. Until recently, the Balanced Scorecard, which was first introduced through the Harvard School of Business, had been applied only in the for-profit sector. However, the Institute for Social Enterprise is working with United Way to explore the Scorecard's applicability to nonprofit organizations. With its attention to inputs, activities and outputs, as well as outcomes, the Balanced Scorecard may provide a management tool for tracking relationships among various components of an organization and identifying changes needed to improve performance on outcomes.

United Way in Providence, Rhode Island and United Way of America are working with two facilitators from the Harvard School of Business to translate each organization's strategic plan into a set of key objectives and corresponding performance measures.

United Way in Hendersonville, North Carolina also is using the Balanced Scorecard concept to establish and track indicators of effective organizational performance.

Sample United Way Outcomes

One major area of activity for United Ways shifting to a focus on outcomes will be building agency capacity to plan and implement program outcome measurement. In this instance, agencies are the customers for whom United Way intends to create benefit.

Initial outcomes for this United Way activity might be:

— Key agency staff and volunteers understand the benefits and uses of outcome measurement for their organizations.

— Key agency staff and volunteers are committed to measuring outcomes of their United Way-funded programs.

— Key agency staff are able to identify appropriate outcomes and specify observable, measurable indicators for those outcomes.

Intermediate outcomes might be:

— Agencies develop acceptable plans for outcome measurement including outcomes, outcome indicators and data collection methods.

— Agencies implement outcome measurement of United Way-funded programs successfully.

A longer-term outcome could be:

— Agencies use outcome findings to improve the effectiveness of their services.

Acknowledgments

Focusing on Program Outcomes: A Guide for United Ways reflects the experiences of local United Way organizations that have implemented outcome measurement by funded programs. These United Ways have shared generously of their knowledge and materials and the benefits of hindsight to assist others who are pursuing this objective.

Initial groundwork for the guide was laid by a 1995 report, *Current United Way Approaches to Measuring Program Outcomes and Community Change.* Input for that report was provided by more than 200 United Ways that responded to a 1994 United Way of America (UW A) survey, by 28 local United Way staff who participated in follow-up telephone interviews, by 20 United Ways that provided orientation and training materials, and by 15 local United Way participants in a 1995 Measuring Outcomes Symposium held in New Orleans.

Focusing on Program Outcomes: A Guide for United Ways goes beyond that report to offer specific guidance about approaches and activities proven effective by United Ways that are "down the road" in the process of focusing on outcomes. Development of the guide was overseen by United Way of America's Task Force on Impact, whose membership is on the following page.

To aid in preparing the guide, 12 individuals participated in a one-day session with UW A consultants and staff to share their organizations' insights into outcome measurement. Their frank discussions and extensive written materials helped assure that the guide is rooted in the reality of United Ways' experiences. These contributors were:

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Program Outcome Measurement Resources from United Way of America

Video Introductions to Program Outcome Measurement

- Introducing Outcomes: Basic Definitions and Concepts in Program Outcome Measurement (UWS)
- Outcome Measurement: Are You Making a Difference? (UWS)

United Way Implementation of Program Outcome Measurement

- Connecting Program Outcome Measurement to Community Impact (UWO, UWS, OMRN)
- Focusing on Program Outcomes: A Guide for United Ways (UWO, UWS)
- Focusing on Program Outcomes: Summary Guide (UWO, UWS)
- How Program Outcome Measurement Contributes to Community Impact (UWO, OMRN)
- Indicators that a United Way is Prepared for Program Outcome Measurement (UWO, UWS)
- Job Descriptions & Related Resources for UW Program Outcome Measurement Staff (UWO)
- Managing Agency and Community-change Initiative Data: Guidelines for Software Selection (UWO, OMRN)
- Managing Agency and Community-change Initiative Data: Software Summaries (UWO, OMRN)
- National Learning Project on Using Program Outcome Data to Create Measurable Change: Evaluation Report (UWO)
- Program Outcome Measurement Helps Communicate Community Impact (UWO)
- Program Outcomes and Community Outcomes: What Are the Differences? (UWO)
- Program Outcome Measurement LISTSERV (join through UWO)

Building Agency Capacity for Program Outcome Measurement

- Agency Experiences with Outcome Measurement: Survey Results (UWO, UWS, OMRN)
- Measuring Program Outcomes: A Practical Approach (UWS)
- Measuring Program Outcomes Training Kit (UWS)
- Outcome Measurement Data Management Systems for Agencies (UWO, OMRN)
- Outcome Measurement in National Health & Human Service and Accrediting Organizations (UWO, UWS, OMRN)
- United Way Collaborations with Other Funders to Build Outcome Measurement Capacity (UWO)
- Ways to Assist Agencies with Program Outcome Measurement (UWO)
- Who Provides TA to Agencies on Various Program Outcome Measurement Topics? (UWO)

Sources

UWO = Program Outcome Measurement Resources page of United Way Online, https://online.unitedway.org/site/outcomemeasurement

UWS = United Way Store, http://www.unitedwaystore.com/prod_detail_list/program_film

OMRN = UWA's Outcome Measurement Resource Network, www.liveunited.org/outcomes

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