Durable Outcomes

A Retrospective On Creating Sustainable Organizations That Deliver Results

Jointly Developed by The Clark Foundation and The Rensselaerville Institute

The Clark Foundation

THE
**RENSSELAERVILLE
INSTITUTE**

" *Several years ago, a little part of me was annoyed. We were doing great work and knew it. We weren't spending time measuring it. My attitude was: 'We know our work is good and meaningful. Why the heck do we have to count it?' I've moved from that position. We need to wrestle with whether we are being efficient and effective. Not just for funding purposes, but because this helps us serve our customers better. This outcomes approach is a constant improvement. It helps us in a thousand ways. Staff now have success and understand clearly the meaning of what they're doing.*"

– Matthew Lenaghan,
Advocates for Children

EXECUTIVE SUMMARY

Since 2001, **The Clark Foundation (TCF)** and **The Rensselaerville Institute (TRI)** have partnered to provide nonprofit grantees with help in developing and implementing a practical framework to manage for results and achieve improved outcomes in reducing poverty in New York City. Over 60 organizations have participated in the partnership.

After fifteen years in the partnership we felt strong about the accomplishments, but we wanted to understand what we had learned. This report provides a retrospective summary of TRI's work with TCF grantees from 2001 to 2016. TRI performed a series of interviews with grantees to determine what impacts have occurred within their respective organizations, focusing on the following questions:

- How deeply ingrained is our "Results Framework" in these organizations?

- What factors increase the likelihood that a commitment to outcomes will become integrated into an organization's operating culture?

- What impact was achieved when an outcomes approach was successfully adopted and implemented?

- What challenges were faced, and how might they be mitigated in the future?

TCF grantees reported that use of the Results Framework increased outcomes in these key areas:

1. Clients and Activities

- Focusing on data instead of anecdotal information to drive decision-making led to improved program results.

- Establishing an early-warning system that alerts staff to divergent trends strengthened quality and consistency of services.

2. Funding and Resources

- Redefining relationships with investors through honest, insightful conversations based on data led to renewed commitments.

- Sharing specific outcomes data with all stakeholders cultivated new partners and increased support.

3. Capacity and Efficiency

- Using data to focus on client achievement helped staff make more balanced decisions

- Developing results-driven leaders contributed to a more seamless integration of data use into every part of an organization.

TCF grantees identified staff time and capacity, appropriate data use and reporting systems, and financial resources as the principle challenges to developing, implementing, maintaining, and ensuring fidelity to a Results Framework. Moreover, inadequate internal communication arose as a common barrier to success. In addition, several organizations mentioned that other funder requirements around data and administration often distracted or interfered in the creation of an organization's outcomes approach.

TRI uses a granular, high-touch, partnership methodology that benefits non-profits looking to get stronger clearer results. The approach combines tools, energy, confidence, and discipline with nonprofit leadership to achieve mission-related results focusing on the people who are served. The following points summarize the positive feedback shared by various grantee leaders about the engagement strategy:

- TRI meets organizations where they are and moves them forward from there;

- The customized approach allowed for utilization of existing work product, as well as the ability to stage the roll-out and implementation of new strategies;

- TRI helped shift the staff focus from service activity to outcomes; and

- TRI's Results Framework is practical and granular versus theoretical.

After engaging with TRI, most TCF grantees can now articulate their outcomes and use this information to improve programs for their clients, leading to increased impact in alleviating the effects of poverty in New York City.

Partnership Overview

The Clark Foundation and The Rensselaerville Institute partnership provides a mechanism to build the capacity of selected nonprofit grantees of the Foundation to achieve better results for the people they serve. TCF provides long-term, general operating support to nonprofit organizations in New York City that deliver education, employment, and social services which help New York City families and individuals create a path out of poverty. TCF also has made a commitment to increasing community gain in and around Cooperstown, New York. Moreover, to help attain these goals, TCF offers a range of management training assistance to its grantees. As part of this strategy, TCF makes TRI's services available to help increase grantee capacity to achieve durable and stronger results.

By the end of 2018 over 60 TCF grantee organizations had developed, practiced, refined, and embedded outcome thinking and application in their organizations with the customized guidance of TRI. The approach TRI takes has been to offer core elements of a Results Framework. This personalized work is tailored with an emphasis on honoring an organization's personnel, culture, and practice and meeting it at its respective stage of development in order to increase outcomes for those they serve. The average cost of TRI's engagement is $18,000 per year, funded entirely by TCF. Most projects span one to two years.

The intended outcomes of these capacity-building efforts for TCF grantees are grounded in increased effectiveness and efficiency in achieving results. Organizations answer the essential questions: "How will your organization be different and what will this enable you and/or your clients to do better? How will increased capacity improve effectiveness or efficiency while improving results for the people you serve?"

We look for results in two areas:

1. Participant Gains

- Increased results for those served – an improvement may prompt better results in two distinct areas: more people achieve the intended results and/or additional results are achieved by existing clients.

- Decreased time to get to results – reducing the time it takes for participants to achieve results is a benefit to those being served and may even increase the number of people they reach or reduce costs to the organization.

2. Organizational Gains

- Reduced costs – improvements in efficiency from the new capacity, whether in internal operations (e.g., reduced overhead) or program services (e.g., time saved and re-allocated), that will make the organization more sustainable.

- Increased revenue – through diversified sources of income generation or other steps, the organization builds income from new capacity, including revenue gains in terms of volunteers and donated resources for which the organization would otherwise pay.

TRI helps TCF grantees develop an outcomes framework by using four key questions:

1. How do you define success: in results from your services or management?

2. How do you know when success has been achieved?

3. Throughout your program, how do you determine if there is enough time and money left to achieve success?

4. How will you sustain or improve results?

Core elements of TRI's Results Framework used in this work include:

- Framing Organizational Results

- Setting Annual Performance Targets and Milestones

- Tracking to Success

- Learning and Course Correcting

- Telling Organizational Results Stories

Please see Appendix A for more detailed information on TRI's approach.

A Joint Commitment to Learning and Reflection

TCF and TRI agreed to engage to better understand the results of our work together, and what worked best in achieving them. This retrospective project was designed to collect short- and long-term evidence of the changes or benefits to participating organizations.

We started by assessing these questions:

- How deeply ingrained was the "Results Framework" in these organizations?

- What has been the payoff where the approach has grown and become integrated within the organization?

- What challenges have been faced in adopting a results framework?

- What factors increased the likelihood that a commitment to outcomes would become integrated into an organization's operating culture?

For answers, TRI looked to past TCF grantees with whom we have worked as well as other TCF grantees with high-functioning management systems with whom TRI had not worked because they were already performing well. We used a combination of site visits, interviews with key staff, and artifact analysis to assess an organizations' application of our Results Framework, including outcome thinking and management. For more information on project methodology, see Appendix B.

Key Outcomes

After speaking with TCF grantees about their experiences with results-based approaches and reviewing the data, three outcomes emerged:

1. Grantees improved results for the people they serve;

2. Grantees increased funding and resources; and

3. Grantees enhanced their own efficiency and capacity.

The most common changes in organizational behavior that leaders observed were in defining desired client results, an increased understanding and use of data,

and the ability to clearly communicate outcomes achieved. They reported a shift from counting inputs and outputs (number of people served, volunteer hours counted, trainings held) to measuring impact on target populations (number of people who got jobs, students who increased reading levels, families who received and kept housing). For many, this involved an agency-wide reflection that posed difficult questions about which efforts are critical to achieving mission, and then figuring out how to best track to those outcomes. TRI's Results Trail helps map and track progress toward these outcomes.

CAPACITY BUILDING RESULT TRAIL

RESULTS FOR

Clark Grantee Organizations Seeking to Build Their Capacity to Track and Use Results

MILESTONE
Have leaders who are **engaged and committed** to results

MILESTONE
Clearly **define** organizational and programmatic results to be achieved

MILESTONE
Develop and or refine **tracking capacity**

1
2
3
4

MILESTONE
Track and review milestones regularly

MILESTONE
Identify where organization is off track in achieving milestones and implement **course corrections** to get back on track

5

MILESTONE
Improve organizational **efficiency** and/or **effectiveness**

6

MILESTONE
Include results achievement in **communications**

7

TARGET
Sustain **increased efficiency** and/or **increased effectiveness**

Outcome 1: Improved Results

Nonprofit leaders fully understood that using an outcomes framework leads to better results for clients. Once desired results had been defined, all work could then be intentional to achieving them. In part, this required organizational alignment – ensuring that structure, process, and discretionary use of time all connect to the best way to achieve outcomes with resources available. This typically took place in with three critical behavior changes at the organization.

RESULTS-DRIVEN BEHAVIORS

FOCUS ON THE CLIENT + **DATA-DRIVEN DECISION MAKING** + **EARLY WARNING SYSTEM** = **HUMAN GAIN**

Focus on the Client

Common questions leaders sought to address included:

- How do we know if we are having impact on improving the lives of the people we serve?

- How many people are we helping, and what is the cost of that help?

- How can we get even better results for our clients in a time of scarce resources?

Clearly articulating the definition of "success" helped staff to focus on the changes in client behavior and/or condition, rather than only focusing on the activities that staff performed. Several leaders reported that this approach helped them see beyond the services they are providing to the "deep change" and interim changes along the way, and "transformation" of their participants and organizations. This client-centered approach often helped improve culture in subtle but notable ways by giving staff a renewed or clearer sense of mission.

Data-Informed Decision-Making

All organizations surveyed had at least one example of how they changed their behavior based on data they were collecting to improve client results. Overall the

effect was not simply more data, but better data. Better was defined in ways such as data that was specific to the results being sought versus sheer quantity collected or analyzed. It was also defined as data that helped staff learn in much more incisive ways what was working and why, which helped in making decisions about future initiatives. One example of this is an organization that launched an innovative new program after reviewing results data and realizing how clients moved through its systems, instead of relying on past assumptions.

Early Warning System

Collecting data about client outcomes helps organizations to put in place and utilize an early warning system, so staff can easily identify issues and make course corrections as needed. Milestones are a big part of this because they help track not simply progress but the trajectory of performance and give insight into what can be done when there are shortfalls. Making course corrections is a key indicator of an organization's focus on success versus being bogged down in process and plans. The micro and macro adjustments that happen all increase the likelihood of success instead of waiting to see as organizations reported doing in past efforts. Adopting the TRI outcome framework leads organizations to improve their results on an ongoing basis.

SET ANNUAL TARGETS AND QUARTERLY MILESTONES

CHECK PROGRESS noting where agency is on or off track

IMPLEMENT COURSE CORRECTION as needed

CHECK COURSE CORRECTION and adjust as needed

Outcome 2: Increased Funding and Resources

Almost every grantee reported that a key benefit was obtaining new revenue through new private foundation and individual funding streams and new public contracts. Reports and proposals to donors are stronger, with a focus on results and an ability to tell the story with both anecdotes and data. Sharing outcomes data helps organizations make fundraising appeals stronger and tell a more robust story of their results.

Redefining Relationships with Stakeholders

Benefits to using data include the ability to have more direct and honest conversations with investors, potential funders, and other stakeholders. Openly sharing data helps leaders to cultivate a more meaningful and collaborative relationship with investors. Even if the data showed areas that needed improvement, it was considered a path towards a more robust and honest relationship with funders. Contrary to traditional funder-grantee relationship thinking, this honesty strengthened the relationship. Organizations found themselves more assured that the investment in them and their results was not fleeting. Leaders expressed that this allowed them to take more personal responsibility and that they felt compelled to take ownership for any shortcomings and to do better.

Bringing in New Partnerships and Help

The ability to share data enabled organizations to develop partnerships with research institutions and, even at the early stages of their implementation of the Results Framework, gain volunteer support. Additionally, the data collected on results versus activities was helpful in advocacy efforts, supporting organizations' efforts to be thought leaders in their fields.

Outcome 3: Increased Efficiency and Capacity

Organizations reported that having access to results data helped to increase efficiency by aligning resources to better utilize staff time and make success more likely. By using data to decide where and how to

provide needed services, and by getting clearer on what outcomes they wanted their clients to achieve, organizations honed in on the data to which they needed to pay attention.

Higher Energy

Energy is often one of the single greatest determinants of an organization's capacity to change the behaviors that lead to results. Organizations increased their ability to share the results they were achieving with staff, noting the powerful positive energy generated by this action, as well as the ability to know when to celebrate progress. In some cases, it was the precursor to sharing best practices and working together to come up with solutions to new challenges. In others, it was a motivator to do perform better, a form of healthy competition. In many it led to increased staff morale and energy – a strong indicator of engagement and commitment to the organization, both of which are critical at nonprofits, where high staff turnover can have a negative impact on outcomes.

Staff Growth and Performance

The leaders whom we interviewed shared that outcome thinking led to an increase in staff capacity and responsibility. Sharing data was a helpful vehicle for staff at different locations to share best practices. We heard from multiple leaders that it was important for staff recruitment, hiring and screening, training and growth, and retention.

At several organizations, results are now tied directly to performance reviews: one organization uses "Result Descriptions" instead of job descriptions and several systematically include annual targets in performance reviews. Another holds quarterly meetings where junior staff present performance data and plans for improvement to the senior team. We heard from many organizations that openness to data is part of employee hiring and performance review. Staff are not expected to come in as data experts, as training is offered, but they are expected to use data to manage their work.

"We know very quickly if someone is performing or not; without data, it is just "feel". It has helped us to shift the culture from only a relationship driven culture to relationships AND performance driven culture. In the short term, may have seen higher turnover but in the long run, a higher performing workforce which will make us better for the future."

— **Andres Satizabel,** *Former Chief Strategy Officer,* Harlem RBI / DREAM

Staging for Success

It is important to mention context as well as the intervention provided by TRI. The story of the Results Framework is significantly different in a multi-service organization like CAMBA, with 1,500 employees and 80+ programs versus a single focus organization one program model in several different geographic locations. It also differs in the extent of government funding and the requirements of those government funders. The Fortune Society receives more than 90% of its funding from over 80 different government agency funders and must manage all accompanying data and compliance requirements, whereas NY Cares is supported primarily by non-governmental, private revenue.

LEADERSHIP
A strong leader, a "sparkplug" who puts results first

A strong "second" on the front lines who applies outcome thinking

RESULTS

INVESTMENT IN CAPACITY
Focus on investing in results

Provides grantees with significant, multi-year funding to build ingrastructure and capacity

ORGANIZATION
Results are at the organization's core

Despite these differences, several factors were needed for success and "stickiness" of the Results approach, including strong leaders who took advantage of an opportunity with a dedicated "wingman" results implementer, a culture change to promote institutionalization, and appropriate and sustainable systems to support the change.

Results-Driven Leaders

During interviews, leadership emerged as the most essential element for success: a strong leader who put improving results for clients served above all else, while embracing the difficulties of changing how the organization functions. Whether the design and implementation are rolled-out from the top down or from the bottom up, the commitment, expectations, and leadership of the Executive Director or CEO are critical to success.

In addition, "sparkplug" leaders were more successful when they had a strong second – whether in the form of a formal leader such as a program director or someone on the front lines who took outcome thinking and implemented it. Some organizations noted that this was a manager who had the ability to implement the vision, or someone who had the time to focus on the details of analyzing data for the organization. Therefore, while a leader was aware and invested, all responsibility did not rest on the leader's shoulders. The second would be more likely to have the time and focus to get through the initial hurdles into sustained use. It also increased the odds that this approach could outlast a change in leadership.

One example of this in practice is Sanctuary for Families, which engaged with TRI a number of years ago under a prior Executive Director, and again recently under a new Executive Director. Sanctuary has a full-time Director of Program Evaluation & Client Data Systems, responsible for data collection throughout the agency and is the point person for TRI in developing and implementing the Results Framework. With knowledge of past and current data collection efforts and the authority and leadership from the Executive Director to make decisions, she is effectively directing the project. She is a key asset in implementation, including framing big picture and program-specific results, following up with staff as needed, and integrating systems and other data requirements.

"Before we started collecting outcome data, we spent time and resources to try to convert each and every volunteer who worked on a project to become a committed volunteer team leader. After we understood that a small group of committed leaders (20%) do most (80%) of the work and are truly levers for larger engagement and change, we focused resources on these leaders, developing a new staffing structure to support this, and modifying how we thank, reward and incentivize volunteers by adding additional leadership opportunities, celebrations, workshops, and letters of thanks."

– **Gary Bagley,** *Executive Director,* New York Cares

Role of the Investor

The investor can play an important role in nonprofit behavior change by being clear on the results in which they would like to invest their resources. TCF has accomplished this with its grantee capacity-building effort, in collaboration with TRI, through its clear expectations that the work TRI does with grantees should lead to increased effectiveness and/or efficiency for the organizations. In grantee organizations where this approach has seen the greatest benefits, the leader was hungry for improved outcomes and took advantage of an offer of assistance from TCF (the investor) in getting there.

It's also critical to note that leaders received this help on their own terms and negotiated directly with TRI rather than have this be a packaged training attached to the grant (or worse, a contingency, as other funders have made capacity-building). The investment by TCF was never tied to or embedded within the grants to organizations. In many ways this made it much easier for the help to be accepted. In addition, the grantees directly managed the relationship with TRI and all project priorities. TCF's intervention is intended to help grantees to achieve better outcomes. This in turn helps assure TCF's investments are leading to the best possible results.

Results at the Organizational Core

Another trend that contributed to success was when organizations could integrate Results Thinking and Data Use into every part of the organization and its culture. We heard from many leaders how it is part of the organizational outcome ethos. The integration into organizational culture is seen in a number of important organizational functions and systems:

- How leadership and management approach new initiatives, meetings, decision-making, and staff development;

- Human Resources functions such as hiring, training, staff performance evaluations;

- Data use, driven by a leader who knows what he/she wants to do with the data and/or learned as part of the TRI consulting;

- Board relationships: both keeping them updated and engaged in key findings and committed to forward momentum;

- Interactions with clients: in some organizations, the focus on outcomes changed how staff work with clients (for example, at Fortune Society, staff now collaboratively develop treatment plans with clients); and

- Systems: while an outcome tracking system is not necessarily required at the start, it helps with institutionalization. In some cases, we heard that the system helped shift the culture, and in others the culture change drove the development of the system.
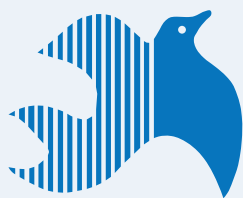
"Our work with Results with TRI, through The Clark Foundation's investment in us, has leveraged new resources: a new system resource and an additional staff resource (a project coordinator to support this work) from another foundation."

– **Ken Jockers,** *Executive Director,* Hudson Guild

CASE STUDY

The Fortune Society
BUILDING PEOPLE, NOT PRISONS

The Fortune Society's mission is to support successful reentry from incarceration and promote alternatives to incarceration, thus strengthening the fabric of communities through:

- **BELIEVING** in the power of individuals to change;

- **BUILDING LIVES** through service programs shaped by the needs and experience of our participants; and

- **CHANGING MINDS** through education and advocacy to promote the creation of a fair, humane, and truly rehabilitative correctional system.

Founded in 1967, The Fortune Society's vision is to foster a world where all who are currently or formerly incarcerated will thrive as positive, contributing members of society. Fortune Society's continuum of care, informed and implemented by professionals with cultural backgrounds and life experiences similar to participants, helps ensure success. Fortune serves over 7,000 individuals annually via three New York City locations. Their program models are recognized both nationally and internationally for their quality and innovation.

TRI and Fortune began a partnership together that resulted in two phases, both of which were committed to increasing, and better understanding outcomes. Fortune's path to adopting and implementing a new framework illustrates the commitment necessary for an organization to adapt its internal culture and approach to defining and delivering services.

As is typical in this process, leadership first needed to move away from how organizations tend to

measure things they can measure. Instead, Fortune wanted to understand two things. First, what are the meaningful outcomes that participants need to achieve to be healthier, independent, stable and an asset to other people and their communities? Second, how does one measure incremental change in clients toward this outcome, so staff and participants could see progress?

In the initial phase of partnership, Fortune worked with TRI to articulate a theory of change aligned to the agency's mission to create opportunities for all people to stabilize and transform their lives. To this end, leadership, staff, and clients first defined Fortune's values, participant principles, and philosophy of practice.

"There's a tendency in nonprofit organizations to measure only huge outcomes. Our question was how do you measure incremental change so staff sees progress? They never had a way of measuring progress before. It went unmeasured and uncelebrated. They now measure where clients are when they come in, and then when they make progress. Now we know when to celebrate. We're now measuring incremental change with validity and clarity, allowing us to focus on mission central work."

– **JoAnne Page,** *President and CEO,*
The Fortune Society

The process of articulating a theory of change was extremely helpful as it moved Fortune away from simply reporting the monthly or annual completion of activities or numbers of individuals served as end goals for success. The agency shifted its thinking to consider how deep change should be defined for its participants and reset its goals. As a result, Fortune now can do the following:

- Guide program decisions and course corrections;

- Make a case to stakeholders;

- Provide a focus and a vision for work with clients;
- Define the outcomes of program interventions; and
- Capture and measure incremental levels of participant success.

The agency then embarked upon an intensive re-engineering of its human and technology processes to create a deep change framework using the Outcomes Star, a unique validated tool to identify and link individual, department, and agency goals into a holistic results plan. The Outcome Star System offers an approach to measuring client progress in ten life domains that synchronized with Fortune's programs and clients. However, leadership needed assistance to implement it across the agency.

At this point, TRI was brought in to help Fortune zero in on what it wanted to measure and how to use the Outcomes Star to codify results. Staff then used the Outcomes Star to measure the incremental change or growth of a participant. In this manner, participants and staff were incorporated into the assessment and treatment planning process.

TRI helped Fortune staff as they defined a set of outcomes and created a change framework for each program area. They mapped the way every program works and identified the individual and mission outcomes that participants should strive to achieve. While lengthy, this process was critical to ensuring that staff was clear on client and agency priorities and where to focus their time and effort. Now, incremental changes can be measured with validity and clarity, allowing staff to focus on mission-central work rather than counting non-critical service inputs and outputs.

Ms. Page commented that, "TRI got staff to shift their thinking from outputs to outcomes." Fortune now documents where clients are when they come into the agency to begin receiving services, tracks their achievements at critical progress points, and celebrate those successes. In fact, Fortune now starts all staff meetings with mission stories: the

sharing of the positive success attained by clients.

The work Fortune Society did with TRI has not only endured but has been expanded more deeply within the fabric of the agency's operations by staff and leaders. Leadership believed it was important to promote the mission further despite compliance challenges in the context of a predominantly government-funded financial model. To this end, Fortune is actively integrating an outcomes-approach throughout the organization.

While the budget and the number of participants served have grown each year since engaging TRI, Fortune hesitates to declare TRI as the causal factor, as no relational evidence exists that the work with TRI directly relates to those two occurrences. However, leadership does claim that its partnership with TRI allowed Fortune to accomplish two important things: 1) define organizational outcomes and; 2) implement a tool to measure them. Fortune continues gathering data and assessing its impact; and has incorporated these processes into the agency's ongoing operations. Fortune has also had an impact on government and private funders who have adopted their definition of outcomes.

"What was different about TRI was that they really helped us wrap our minds around the difference between process and outcomes. When we started, we were so accustomed to working on the widgets and the contracts, it was challenging to get us to think outside of that and how to measure things. TRI helped us with that mind-set shift."

– **JoAnne Page,** *President and CEO,* The Fortune Society

What Differentiates The Rensselaerville Institute

For more than 50 years The Rensselaerville Institute has helped people improve their own lives by focusing relentlessly on the results that matter to them. TRI's approach applies outcome thinking and practice to such diverse challenges as bringing fresh water to distressed rural communities, turning around low-performing schools in struggling urban neighborhoods, and partnering with nonprofits to get better results for those they serve. TRI has launched and led a variety of programs over the years, all focused on achieving outcomes for human gain.

TRI PARTNERSHIPS

TRI helps others achieve results. Our partnerships are designed to go beyond the traditional client-vendor relationships. While there is a lot of current talk about the word "partner," most uses don't get at the real value proposition: stronger results through interdependence and shared outcomes. TRI's partners appreciate that when things get challenging or messy we aren't going to leave town. We've been known to dig in alongside our partners to get at the outcomes we agreed to. It's why The Wall Street Journal dubbed TRI "the think tank with muddy boots."

Our partnerships are based on three premises:

1. **Localism:** Change has to be owned locally which means it's important that solutions not be created by outsiders. Local partnerships result in locally-owned capacity and success, which is what leads to durability.

2. **Collaboration:** Thinking through solutions together instead of creating a set of deliverables assures we stay at the strategic level. This approach results in collaboration where the outcomes are stronger based on the dual input.

3. **Learning:** We are interested in our learning. We stay focused on the definition of learning as "an enduring change in behavior."

Our strongest partnerships enable organizations to:

- See a higher financial return;
- See a higher social gain return; and
- Build and apply new capacities through learning

We achieve these results by bringing the following:

1. We create a shared understanding of success and then use key words to describe this success with clear, disciplined, and consistent meaning.

2. We offer tools, templates, and resources to shift existing practices to achieve stronger results.

3. We bring and generate energy and a positive pursuit of higher achievement.

4. We are at our best with groups that are already interested in applying an outcome framework. It is much easier for us to help pick up the pace than to convince our partners (if they are not persuaded) that a strong focus on results is important.

5. Our partnership goes deeper than giving advice. This is not a "we tell; you do" but rather, one of collaborative, fast-paced effort with clear milestones. We pitch in to help develop and create what is needed and model effective behaviors in critical situations. We lead by example and then enable those with whom we work to do the same.

TCF grantees spoke to a number of these differentiating factors and noted some of the following critical differences with TRI in the work supported by TCF.

Customized Approach

It is not a one-size-fits-all intervention. TRI meets clients where they are currently. For example, TRI worked with CAMBA on results frameworks for 80 separate programs, with JobsFirstNYC, on a results-focused strategic plan, and with Fortune Society on adapting an outcome tool designed to manage multiple dimensions of progress among individuals served.

Shift in Focus

TRI was enormously helpful in shifting the focus from activities to results, from being a provider of services to a results achiever, and from what staff does to what clients' experience. This paradigm shift is the first stage in moving organizations from providers to achievers.

Keep it Simple

TRI brought the clarity that can come with outside perspective and from asking questions to help make it relevant, manageable, and usable. TRI works to keep the work as simple as possible, incorporating other metrics organizations are already tracking and reporting on and tools they're using.

Practical and Granular

TRI helps to make it work in practice, making the connection between theory and reality by embedding a results framework in the organization. This is often where the real work takes place. It is often messy here, and most organizations avoid this terrain whereas TRI heads straight for it. This makes them adaptive which is critical when looking for opportunities, which are infinitely more volatile and mercurial than problems which are typically entrenched and stable.

Option to Stage Implementation

Six out of thirteen of the organizations included in this report (and approximately 30% overall) opt for a second engagement with TRI. While we initially looked at this as a potential shortcoming, upon further investigation this was an asset to groups. They were able to implement the Results Framework in stages that made sense given the limited resources, particularly time and human in nature. These stages also meant that at each level the organization's capacity and commitment to results deepend.

Clark Grantee Challenges and Shortfalls

All organizations have their challenges but in some they tend to have a far more negative effect than in others. Factors include problem duration (episodic issues are more readily handled than perpetual ones) and whether leaders and staff feel they can solve the problem or must remain victims of outside forces. None of the organizations reported they are free from the typical challenges or problems that nonprofits face (e.g., resource scarcity, managing multiple stakeholders, the barriers faced by their target populations). Clark grantees using the Results Framework report an

"TRI was helpful in keeping us focused on outcomes for clients and culture change/ embedding into all of our work. We needed a broader context to support this work. That could have taken two forms. One would be to have some points of comparison. We were formulating what we believed may be meaningful outcome targets, but we needed expertise that would come from findings in the field that would ground our work. The commitment to outcome tracking needed to be aligned with best practices in the field in order to be relevant to ourselves and stakeholders such as funders and professionals in the field."

– **Jonah Gensler,** *Associate Executive Director,* Sunnyside Community Services

increased ability to confront what came their way with a more positive and enabled mindset.

There were two overall types of challenges identified by the interviewees, initial development of a Results Framework and ongoing implementation. In both cases, the key barrier was resources: staff (time and capacity), systems, and finances.

Initial Development of Framework

In developing their Results Framework, leaders saw a challenge in finding the time and energy required to discuss, agree on, refine, and communicate it. Leaders were sensitive to adding another burden to their staff. In order to be successful, they had to prioritize and invest in this work to allow staff to take time out of service delivery, and "resolving crises," or responding to other pressing issues.

In fact, some organizations experienced resistance when first introducing the new framework and associated activities (data entry and tracking and data analysis). Because they may feel so overwhelmed, staff (and leadership) at times do not see the value in taking time out to systematically articulate and track the results of their work. It was occasionally seen as another task that is too hard to do given the resources that they have. With city funding and contracting requirements

being labor-intensive, it's difficult for them to carve out the time for this work. Some staff have a bias against trying to quantify the experiences of people – they just want to do the work. Some leaders had to make tough decisions about whether to part ways with these individuals, or to support and train them.

Not surprisingly, we found that having a system to capture and analyze data was a challenge for many of these organizations. Frequently, organizations were already entering data into government agency-mandated databases that do not allow access to data and do not integrate with other systems. Leaders are forced to prioritize and staff in many cases are required to do at least some amount of double data entry. This is not likely to change soon and nonprofits and TRI need to be aware of this fact when designing and implementing new systems.

There was variation in how organizations structured the staffing around this work, whether there is a dedicated staff member(s) or whether it is part of a senior manager's time, but we heard from many that more staff capacity would be helpful.

One organization expressed a desire for a broader context for the work they did around outcomes, particularly some points of comparison of best- and evidence-based practices, "where meaningful outcomes would have already been recognized."

Finally, leaders shared with us the challenge of funder regulations, both government agencies' requirements for using their data systems (leading to double data entry, as described above) and the regulations from both government and philanthropy around administrative rates and caps on overhead. Funders frequently only invest in program work, and resources for improved management are hard to come by.

Sticking with It

We did find some organizations where the intervention did not persist. This always correlated to TRI's ability to identify and engage with the leader and/or team beyond the initial engagement. Absent that it was difficult to get more than a cursory implementation of the results framework.

When the leader is not fully invested, the project has little chance of succeeding. That's because durable change depends on people and their behaviors, and that kind of change requires a different kind of intervention. This was the case with one nonprofit where TRI had two separate engagements, both under the same Executive Director (but with different points of contact). The work was difficult and slow and not much of it endured. There was little direction from the leader that this was important so the "stickiness" of the approach and tools at the time of our work together was dependent upon the program manager's commitment and interest.

One further reason for falling short resulted from the all or nothing view. Some groups feel that they need to do an expensive and time-consuming formal evaluation to get useful information. Thus, they miss the opportunity to start small and build their own internal ability to capture data about their clients and their work.

"We now have an organization-wide outcome framework, which is a big accomplishment. We really didn't have the ability to roll up outcomes at an organizational level. We prioritized our results trails and started implementing the tracking of our clients through the trails. TRI helped us simplify so we could get started rather than over-thinking and over-complicating it, which we tried to do. We already have a strategic plan that focuses on our ability to demonstrate results. Now we want to be able to communicate our results and set some goals internally."

– **Diana Urquhart Tarling,** *Director of Program Evaluation & Client Data Systems,* Sanctuary for Families

Recommendations

Recommendations for Investors

The findings are clear that an offer of support by an investor can be the determining factor for an organization's shift to implementing a results framework. TCF can increase the strategic intention in how it offers TRI's assistance. Some key lessons learned by TCF and TRI:

- Be clear about your role as investors in results and learning and your commitment to them – this not only sends a message to the grantees about what matters to you, but also gives them the freedom from the often-unintended bureaucracy of process. Even an investment in general operating support doesn't preclude a strong interest in results.

- Focus on organizations where the leadership sees an urgent need for change in his or her organization. This means the Executive Director must assure this is an organizational priority from the beginning – allotting time, space and resources for staff to do this work, and checking in and sustaining organizational energy and focus as it is rolled out and institutionalized.

- In addition to the leader's commitment, it is helpful to identify and engage a point person or two who has/have the authority to make decisions and changes, and can be the main day-to-day implementer of the work.

- Consider asking organizations to contribute a small portion of the cost of the project, so that organizations will have some financial investment and skin in the game in the consulting engagement with TRI.

- Expect that there will be a need for multiple engagements, or simply ones that are longer or more intensive. These follow-up efforts should be to extend and deepen, rather than to start over, and this ongoing support can be offered to grantees by investor, in addition to the initial projects. This means that the shift to results thinking is often a multi-year engagement. The good news is that the ROI is still stronger than other alternatives out there.

Recommendations for Nonprofits

Before engaging with a nonprofit, there is some advice from other nonprofits worth sharing:

- Be prepared for organizational change and clear about what is involved up front.

- To increase the likeliness that an intervention will stick, capacity-building for results needs to occur with multiple leaders.

- Start with something that is manageable, and building staff energy and expertise from there. Often this means implementing a results framework with one project or section of the organization – as a prototype – and then expanding (perhaps in a continuing or second engagement with TRI). For example:
  - "Just start; it doesn't have to be perfect."
  - "Start small, be deliberate. Start in a few areas and get it right, then roll out across the organization."
  - "Start small and simple – don't need to start with an 'Escalade.'"
  - "You have to get to the moon before you go to Mars. While you may know where you need to go eventually, start with what is doable. Pick a manageable number of things; and spend time thinking about what those things should be."
  - "Perfect is enemy of the good – just get started."

- Figure out the data system. This doesn't need to be complicated (in fact an Excel spreadsheet may be what gets used) but be clear that data will be used, and used differently than it has been in the past. Over time it may mean the transition to a more complex system, but the point is that data will always be used to drive ever-improving results.

"Staff reported that they feel they are working at a well-run organization, where they know what is expected of them. Having this structure where we agree on goals allows more innovation and creativity."

– **Gary Bagley,** *Executive Director,* New York Cares

Conclusion

Given the shared commitment of TRI and TCF to help alleviate the effects of poverty for people living in New York City, we hope this report will be useful for other investors and nonprofit service providers as they seek to increase their impact.

Through the research conducted for this report, we have verified the results of our interventions and confirmed the logic behind our own work: that a focus on outcomes, in the hands of a capable and committed sparkplug leader, can lead to increased participant outcomes, resources, and organizational effectiveness and efficiency.

Having documented both the challenges and opportunities associated with this work, TRI and TCF will take the lessons learned and adapt our practice moving forward to improve our work with TCF grantees to increase their capacity to achieve stronger outcomes for their clients. Specifically, we will continue to meet

client organizations where they are, support sparkplug leaders who will prioritize and drive the implementation of performance management practices (including the collection and regular use of data throughout the organization), cultivate the conditions for durable change and help grantees communicate their results.

TCF plays an important role in helping their grantee partners achieve increased effectiveness and efficiency. Through the partnership between TCF and TRI the following results have been achieved by TCF grantees:

1. Improved outcomes for the people they serve;

2. Increased funding and resources; and

3. Enhanced their own efficiency and capacity.

TRI remains committed to learning and improving results for nonprofits, and looks forward to participation in this conversation as well as the work on the ground in support of Clark Foundation grantees, their mission, and the success of the people they serve.

SANTUARY FOR FAMILIES

APPENDIX A:

DURABLE OUTCOMES PROJECT METHODOLOGY

Phase 1. TRI worked with Clark Foundation staff, to identify grantees that would be appropriate for this study. Together, we selected 28 organizations for initial interviews, being careful to include a diverse group of organizations in terms of whether and how long ago they had worked with TRI and the subject matter on which they focus their work (Social Services/ Settlement Houses, Management Training, Workforce Development, and Education). *See grid below.* The leaders of these organizations were contacted to schedule a phone interview – 25 phone interviews were successfully scheduled and conducted by TRI staff.

List of organizations included in initial phone interviews

	SOCIAL SERVICES/ SETTLEMENT HOUSES	MANAGEMENT TRAINING	WORKFORCE DEVELOPMENT	EDUCATION
Started effort 5+ years ago	• CAMBA*	• NY Cares		• Madison Square Boys and Girls Club
Worked with TRI 3-5 years ago	• Fortune Society • Sheltering Arms • Stanley Isaacs • Neighborhood House		• Jobs First NYC	• East Side Settlement House
Worked with TRI recently (within the past 3 years) or currently working with TRI	• Sunnyside Community Services *(recent)* • Hudson Guild *(current)* • Sanctuary for Families *(current)* • LIFT *(current)* • Youth Represent *(recent, very brief engagement)* • Lenox Hill Neighborhood House *(recent, very brief engagement)*	• Lawyers Alliance *(current)* • WPTI *(recent and also 5+ years ago)*		• Advocates for Children *(recent)*
Did not work with TRI	• Good Shepherd Services • Bowery Residents Committee	• Support Center for Nonprofit Management	• Per Scholas Paraprofessional Health Institute (PHI) • CEO (Center for Employment Opportunities) • Opportunities for a Better Tomorrow (OBT)**	• Harlem RBI • Uncommon Schools • New Visions for Public Schools • Turnaround for Children

* TRI's work with CAMBA partially funded by The Clark Foundation.

** Although OBT worked with TRI in the past (5+ years ago), because the past CEO has no knowledge of this work, this organization was not asked questions about working with TRI.

The leaders and their staff were asked the following questions:

1. How do you define success for your organization and/or its programs? Who knows about your definition for success (and how do they know about it)?

2. How do you know whether you're on track for achieving that success?

3. Do you have any examples of instances where you changed the way you were doing something based on the data you collected about your results?

4. Do you communicate the results of how well you are doing against that definition of success? To whom? Could you show me an example?

5. For those that worked with TRI in the past: it was X years ago that you worked with TRI. What was different about working with TRI than working with other resources that you were provided to improve as an organization?

6. For those that did not work with us: Have you had any outside resources/training/consultants that have been useful to you? Who or what was that, and what made it useful?

7. How has your work with Results helped you to gain additional support internally and externally?

Phase 2. Once the answers to these questions were captured and analyzed, nine organizations were chosen for a deeper-dive including a site visit (when possible) and a more in-depth interview. The grid below specifies the organizations included in this phase:

	SOCIAL SERVICES/ SETTLEMENT HOUSES	MANAGEMENT TRAINING	WORKFORCE DEVELOPMENT	EDUCATION
Worked with TRI 5+ years ago	• CAMBA*	• NY Cares		• Madison Square Boys and Girls Club
Worked with TRI 3-5 years ago	• Fortune Society		• Jobs First NYC	• East Side Settlement House
Worked with TRI recently (within the past 3 years) or currently working with TRI		• Lawyers Alliance		
Did not work with TRI	• Bowery Residents Committee		• CEO (Center for Employment Opportunities)	

* TRI's work with CAMBA partially funded by The Clark Foundation.

For the organizations who did work with TRI, every effort was made to speak with both the current leader and at least one person who was present in the organization for the consultation. In this round, interviewees were asked to share evidence of the following:

1. What have been the benefits of outcome thinking in achieving or increasing the HUMAN GAIN from your work? (gains for your clients)

2. What are the benefits of outcome thinking in increasing the ORGANIZATIONAL GAINS your organization has achieved? (Organizational gains can include increased revenue, cost reductions, and/or risk reduction)

3. What have been the benefits of outcome thinking in increasing the ORGANIZATIONAL VIABILITY of your organization? (Organizational viability, includes what the organization needs for long-term survival, stronger capacity, partnerships, role in the field, how you tell your story, internal structures, etc.)

4. What was the trigger or catalyst for making this move to outcomes? What made you say *now is the time?*

5. How has the culture of the organization changed as you've engaged in this work, including:
   - Your behavior as a leader
   - Interactions with the board
   - Work with clients
   - Involvement of operational staff (e.g. HR, I/T, Finance, etc.)
   - Staff supervision

6. What opportunities/benefits have you experienced and/or anticipate experiencing related to how you:
   - DEFINE success?
   - TRACK targets and milestones?
   - ASSESS progress?
   - IMPROVE and learn from data?
   - COMMUNICATE results internally and externally

7. What challenges have you faced/anticipate facing as you worked to:
   - DEFINE success?
   - TRACK targets and milestones?
   - ASSESS progress?
   - IMPROVE and learn from data?
   - COMMUNICATE results internally and externally

8. What advice would you give to organizations and their leadership who are just starting out on this journey?

During the final phase of the project, the interview data as well as the artifacts and examples that were provided by the organizations were reviewed and analyzed to write the Durable Outcomes report.