A JOURNEY TO GREATER IMPACT

Six charities that learned to measure better

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November 2011

EXECUTIVE SUMMARY

At New Philanthropy Capital (NPC), we have spent the last decade promoting impact measurement and supporting charities and funders to measure their impact better. Until recently, many charities have remained unconvinced, but that is changing. The economic crisis is creating huge pressure for charities to demonstrate their impact, and is pushing the government and private funders to target their funding to achieve maximum impact.

The benefits of impact measurement

Measurement remains a real challenge for many charities, with pressure from commissioners and funders and resistance from frontline staff. But if done well, impact measurement can be a benefit rather than a burden.

We have identified six organisations at the forefront of charity impact measurement in the UK and the US. These 'bright spots' are committed to high quality impact measurement and have reaped the rewards of putting it into practice. They show that it can help to:

- **Motivate and inspire frontline staff**—as the Latin American Youth Center has found.
- **Save staff time**—the homelessness charity Edinburgh Cyrenians says its new measurement system is *'really helpful, and there is less paperwork'*.
- **Improve services for beneficiaries**—the chief executive of WRVS says, *'Before the evaluation, our hospital cafés were seen as revenue raisers. Now they are seen as fundamental to the service we deliver—an opportunity to engage with millions of older people at a time of difficulty and stress.'*
- **Influence the debate on 'what works'**—after the Brandon Centre piloted a new therapeutic approach to working with troubled teenagers, the government is now running the biggest ever trial of the therapy.
- **Raise their profile**—as The Diana, Princess of Wales Memorial Fund has found as a result of sharing its findings.
- **Secure funding**—Pathway, a homeless healthcare charity, has secured nearly £1m of funding in 2010/2011, which they say is *'clear evidence of the benefits of evaluation'*.

We use our six bright spots to give other charities examples to emulate. Rather than promoting 'ideal best practice' as defined by academics or researchers, we are promoting 'real good practice', looking at the experience of charities and funders, including small, front-line organisations. We show that impact measurement really is accessible for most organisations, and that it can be done in a way that is proportionate to their size.

Delivering impact in nine steps

Our bright spots show that with the right people, support and systems, any charity, big or small, can do impact measurement well. We have identified nine steps to good impact measurement, from getting backing and developing a system, to using and reviewing your data. These steps will end up looking very different for different organisations—charities and funders should take control of their own impact measurement approach and make it work for them.

Practical steps like these can help charities to improve the way they think about what they are achieving. But it is not enough for charities to work on this alone—they need to work in an encouraging environment with the support of funders, the government, academics and umbrella bodies.

In all this, it is crucial to bear in mind what impact measurement is all about: better support for the people charities help. Charities exist to change lives, and measuring their impact is the only way of demonstrating the difference they are making and improving their impact in the future.

Acknowledgements

We would like to express our gratitude to all the people we interviewed for this report:

- Dr Geoffrey Baruch from the Brandon Centre;
- Ashleigh Grant and Des Ryan from Edinburgh Cyrenians;
- Isaac Castillo from the Latin American Youth Center;
- Dr Nigel Hewett and Alex Bax from Pathway;
- Lynne Berry, Karl Demian and Margaret Paterson from WRVS; and
- Andrew Cooper from The Diana, Princess of Wales Memorial Fund.

We would also like to thank our consultative readers for their invaluable comments on this report: Seb Elsworth from ACEVO, Andy Gregg from Charities Evaluation Services, and Malin Arvidson from the Third Sector Research Centre.

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INTRODUCTION

Over the past decade, more and more charities and funders have realised the importance of good impact measurement.[1] Impact measurement is key to helping charities demonstrate what they are achieving and learn how to improve. Evidence from charities then helps funders to identify their own impact, and direct money to where it will make the biggest difference.

Most charities measure their impact in some way, but many see it as a fringe activity—part of fundraising or responding to funders' reporting requirements. But impact measurement has the potential to improve the way that charities work and help them change even more lives. More charities should make impact measurement integral to their work and embed a focus on impact into their whole organisation.

About this report

At NPC, we have worked hard over the years to promote good impact measurement to charities and funders. A large number are convinced, but many are still struggling to develop their own impact measurement systems.

This report draws on six 'bright spots'—charities that are at the forefront of impact measurement in the UK—to show that impact measurement is both worthwhile and possible. These case studies and our findings will be useful for three groups of people:

- **For those who are trying to make the case for measuring impact**, perhaps to convince colleagues or funders that measurement is worth doing well, we demonstrate the benefits of impact measurement in Chapter 1.
- **For those who want to set up or improve a measurement system**, we provide practical guidance in Chapter 2 and suggest ways to overcome barriers in Chapter 3.
- **For those who want to help charities measure their impact well**, including funders, commissioners, think tanks and umbrella bodies, we make recommendations for support in Chapter 4.

The impact measurement bright spots

We have identified six organisations at the forefront of charity impact measurement in the UK and the US. These 'bright spots' (see Box 1) are not the six best charities when it comes to impact measurement, but they are six of the best among dozens of others that we could have chosen. They are committed to high quality impact measurement and have reaped huge benefits from putting it into practice.

We use these six case studies to give other charities examples to emulate and show how to follow in the bright spots' footsteps. Rather than promoting 'ideal best practice' as defined by academics or researchers, we are promoting 'real good practice', looking at the experience of charities and funders, including small, front-line organisations. We show that impact measurement really is accessible for most organisations, and that it can be done in a way that is proportionate to their size.

For each case study, we interviewed one or two senior staff members about how they developed impact measurement, the barriers they faced, the solutions they came up with, and the benefits they have seen. The six bright spots are:

- **The Brandon Centre**, which delivers sexual health and mental health services to young people in north London. It has used findings from evaluations to promote a new approach to working with young people with conduct disorder problems, and the government has since scaled this up, benefiting hundreds of challenging young people.
- **Edinburgh Cyrenians**, which tackles poverty and homelessness in Scotland. It has used findings from routine outcomes monitoring to raise funds to improve the conditions of its housing.
- **Latin American Youth Center (LAYC)**, which is a network of youth centres and public charter schools in Washington DC. It has used results to improve services, secure funding and inspire staff.
- **Pathway**, which improves healthcare for homeless people admitted to hospital. It has used impact measurement to secure nearly £1m of new funding and expand its services to two new hospitals.
- **WRVS**, which uses volunteers to provide practical help to older people. Since 2007, a new chief executive has set about transforming the charity, guided by the findings of impact evaluations. WRVS is now integrating its services so that older people receive more holistic support that addresses a range of needs.
- **The Diana, Princess of Wales Memorial Fund**, which was set up in 1997 following the death of Princess Diana. The fund's strategic plan shows how funders can lead on impact measurement and use their findings to help identify what works.

Box 1: How to change things when change is hard

In 2010, Chip and Dan Heath published *Switch: How to change things when change is hard. Switch* looks at why caution, fear and scepticism can undermine our desire to improve our lives, and set out practical steps we can take to overcome our inbuilt resistance to change.

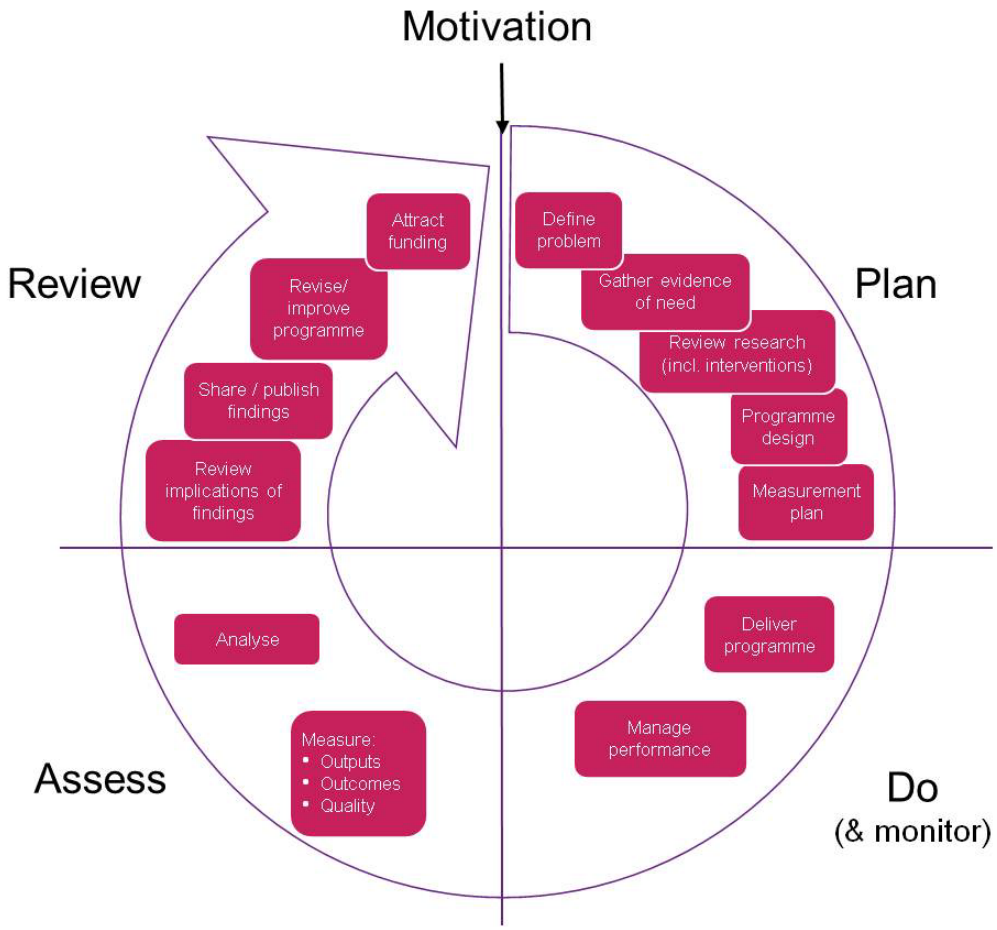
One theme that Chip and Dan address is how individuals can create change by influencing others. They argue that people have an emotional side ('the Elephant') and a rational side ('the Rider'). In order to influence people to do what you want them to, you have to motivate the elephant, by making them feel that change needs to happen and is possible, and direct the rider, by showing them how it can be done.

A key way of directing the rider is to *'investigate what's working and clone it'*. Chip and Dan give several examples from business, government and charities where, instead of focusing on a big problem, someone found a small example of good practice and got others to copy it. This is the concept of 'bright spots'.

What is impact measurement?

The terms 'impact measurement', 'monitoring' and 'evaluation' are often used interchangeably. Unfortunately, monitoring and evaluation are often regarded as peripheral activities—the role of fundraisers or external consultants. They are too often seen as another hoop to jump through for funders, rather than a core part of how the organisation works and improves. At NPC, we prefer to use the term 'impact measurement', referring to impact activities that are embedded across an organisation, from service planning to delivery to communication (see Figure 1). In our definition, monitoring and evaluation are important components of a broader impact measurement process.

Figure 1: Charity impact measurement cycle



Good impact measurement is not easy. Many charities and funders do not know what or how to measure, and many struggle to find the resources to measure their impact. Some charity staff resist impact measurement, and some funders and commissioners can make it harder for charities by imposing burdensome reporting requirements and not being flexible to different approaches. The bright spots in this report show that charities and funders can overcome these barriers. Impact measurement has the potential to improve the way that charities and funders work, and help them change even more lives.

Should my charity develop its own approach?

The voluntary sector is made up of thousands of charities of all shapes and sizes, with a vast range of activities and missions. Impact measurement varies widely across these charities, and rightly so: a tiny, volunteer-led charity cannot be expected to develop its own rigorous measurement system, whereas many larger charities understandably feel responsible for developing good measurement systems. Our bright spots show that charities can develop systems that are appropriate to their activities and aims and proportionate to their size.

Most of the charities profiled in this report have tailored their impact measurement to their own organisation. However, in most cases, they have done this using existing methods and indicators, rather than developing their own from scratch. At NPC, we believe there should be more ‘off the shelf’ measurement tools to make the process of developing a measurement system easier and cheaper. That is why we have pioneered the ‘shared measurement’ agenda and developed our Well-being Measure.[2 3]

Bright Spot 1: The Brandon Centre

'Evaluation has given us national prominence.'

The Brandon Centre is a small charity based in Kentish Town, north London, which offers help and advice to young people on matters of mental or sexual health. Since it set up a new impact measurement system in 1993, it has reaped the rewards, gaining new funding, improving its services and increasing its profile. It has also used evaluation to promote new approaches to working with challenging young people—approaches that have since been scaled up by the government.

Context and drivers

Competition for funding and a new director

In the early 1990s, the Brandon Centre was facing growing competition for funding. The charity had a new director, Dr Geoffrey Baruch, who saw that *'there were counselling agencies for young people springing up. The question was, how were funders to know that we were any more effective than these other organisations?'* Demonstrating its impact was one way of setting the centre apart.

Geoffrey says, *'I was curious to know the centre's impact. In my previous job providing mental health services for young people, they would often leave therapy before the end of treatment, and we didn't know whether the work had helped.'* With his background in research (a PhD in medical sociology), Geoffrey was particularly interested to understand how much young people with mental health problems benefit from interventions. He could also see the importance of providing funders with outcomes data.

Development of measurement

Embedding impact measurement

In 1993, Geoffrey developed an outcome measurement framework for the centre's psychotherapy service, with the help of colleagues from University College London (UCL). Geoffrey explains: *'The Achenbach System of Empirically Based Assessment was adopted. It is a survey that uses validated and reliable measures of emotional and behaviour problems completed by the young person, a significant other and their therapist. It is completed at intake and then three, six and twelve months into treatment.'*

With limited resources, Geoffrey needed the buy-in of front-line staff to collect data. This proved to be quite straightforward, because *'staff strongly identified with the challenges faced by the centre*'. Today, data collection *'is embedded in all the centre's services'* and *'outcome data are used clinically on a case by case basis, providing a picture of the overall impact of the service'.*

Links with academia

Since the late 1990s, the Brandon Centre has built good ties with the Research Department of Clinical, Educational and Health Psychology at UCL. Several PhD students have helped the centre to collect and analyse outcomes data, and Geoffrey has co-authored over a dozen articles with academic students from the department. Geoffrey believes that the relationship *'has been mutually beneficial'*, raising the charity's profile and enabling academics to conduct and publish research.

Measurement today

Evaluation is embedded in the Brandon Centre's work, and the charity routinely monitors outcomes and publishes its findings. This includes presenting analyses and feedback from service users in its annual report (see Figure 2).

Benefits of measurement

Learning to improve

The Achenbach survey has been a useful caseworking tool for therapists at the Brandon Centre. Geoffrey says that findings from the questionnaire that is completed before treatment begins to help therapists *'understand the severity of the young person's presentation and provide information that the young person may find easier to communicate via a form than in person'.* The follow-up questionnaires *'give therapists information about how well the treatment is going'*.

Evaluation has also helped the charity to review and improve its services more generally. *'From the results of outcome monitoring, we could see that young people with conduct disorders were dropping out of treatment, or not improving as much as young people with emotional problems like depression. Because of this, we piloted an intervention for conduct disorder, using social problem solving skills and anger management.'*

Geoffrey identified Multisystemic therapy (MST), *'an intensive home and family based intervention that targets persistent youth antisocial behaviour',* which was getting very good results in the US. In 2003, the Brandon Centre *'obtained substantial funding from two far-sighted charitable trusts to set up, in partnership with Camden and Haringey Youth Offending Services, the first UK randomised controlled trial of MST.'*

Funding and profile

'There is no doubt that funders are impressed with the data we have collected over the years,' says Geoffrey. *'I'm sure it has meant we've been able to achieve consistent funding from grant-making trusts.'* The Brandon Centre has also used evidence of impact to secure funding from primary care trusts and local government for its psychotherapy services, and it was one of the first organisations to obtain local commissioning for MST.

Evaluation has raised the Brandon Centre's profile. *'The MST trial in particular has given us a national prominence—we're highlighted in the government's mental health strategy as an example of good practice.'* This in turn has helped attract funding. For example, in 2008, the Department of Health funded the charity to complete the randomised controlled trial of MST. More recently, the Department of Health, Department for Education and the Youth Justice Board have funded two adaptations of MST, one for persistent youth substance misuse and one for young people with serious problematic sexual behaviour.

Wider impact

The Brandon Centre's evaluation findings have had a national impact. They have been used by officials in the Department of Health, the Department for Education and the Youth Justice Board in promoting MST, and the three departments are now running a £17.5m national MST trial in nine areas—*'the biggest trial of MST ever'*.

Looking forward

Geoffrey thinks it is important to focus on outcomes, but has his concerns. *'It's difficult to know how much commissioners really understand it. I would like to see movement from a tick-box exercise to understanding what the findings mean.'*

Read more

To read the Brandon Centre's latest annual report, visit the Charity Commission's website, www.charity-commission.gov.uk. To read the Brandon Centre's publications, visit www.brandon-centre.org.uk/about/publications.

Figure 2: Extract from the Brandon Centre's 2009/2010 annual report

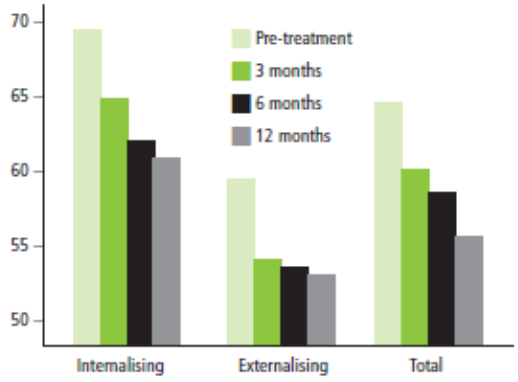
Annual Report 2009/2010

Psychotherapy outcomes

Using data from a one-year follow-up collected from young people who completed a YSR or a YASR outcomes were as follows:

CHANGE IN MEAN SCORES

Mean change YSR/YASR internalising, externalising and total problem scores at pre-treatment, 3 months, 6 months and 12 months for 120 young people that completed forms at all four time points. There is a statistically significant improvement for all three problem areas:



CHANGE FROM THE CLINICAL TO THE NON-CLINICAL RANGE AND VICE VERSA

Change from clinical to non-clinical range and non-clinical to clinical range for 151 young people who completed a form at pre treatment and at 12 months. There is a statistically significant improvement for all three problem areas:

	Frequencies		
	Internalising	Externalising	Total
Clinical to non-clinical	48 (31.79%)	32 (21.19%)	57 (37.74%)
Non-clinical to clinical	3	11	3
Remained in clinical range	80	26	62
Remained in non-clin range	20	83	29

RELIABLE CHANGE

Reliable change in YSR/YASR internalising, externalising and total problems between intake and 12 months for 151 young people who completed a form at pre treatment and at 12 months:

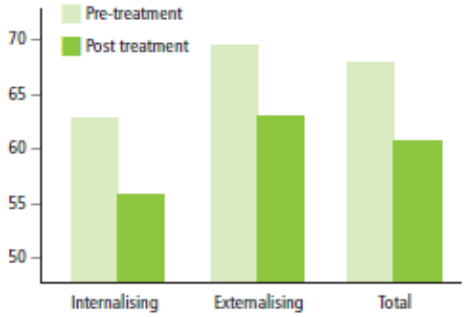
	No change	Improvement	Deterioration
Internalising	77 (51%)	70 (46.4)	4 (2.6%)
Externalising	77 (51%)	56 (37.1%)	18 (11.9%)
Total problems	66 (43.7%)	79 (52.3%)	6 (4.0%)

Parenting programme outcomes

Using data collected from parents who have attended the parenting programme and who completed a CBCL at intake, and at either three months or six months following the conclusion of the intervention, the outcomes in their child's behaviour and problems are as follows:

CHANGE IN MEAN SCORES

There is a significant change for CBCL internalising, externalising and total problem scores at pre-treatment to post-treatment for 126 young people rated by parents that completed forms at both time points:



CHANGE FROM THE CLINICAL TO THE NON-CLINICAL RANGE AND VICE VERSA

Change from clinical to non-clinical range and non-clinical to clinical range pre and post treatment for 126 young people rated by parents that completed forms. There is a statistically significant improvement for all three problem areas:

	Frequencies		
	Internalising	Externalising	Total
Clinical to non-clinical	42 (34.1%)	26 (21.1%)	33 (26.8%)
Non-clinical to clinical	6	3	1
Remained in clinical range	41	83	73
Remained in non-clinical range	34	11	16

RELIABLE CHANGE

Reliable change in CBCL internalising, externalising and total problems pre and post treatment for 126 young people rated by parents that completed forms:

	No change	Improvement	Deterioration
Internalising	41(33.3%)	67 (54.5%)	15(12.2%)
Externalising	45 (36.7%)	68 (55.3%)	10 (8.1%)
Total problems	49 (39.8%)	67 (54.5%)	7 (5.7%)

WHY MEASURE YOUR IMPACT?

The six bright spots in this report show that good impact measurement can deliver significant benefits in six key areas:

- finding out progress against mission;
- learning how to improve;
- securing funding;
- inspiring staff and improving their work;
- raising profile; and
- contributing to knowledge of 'what works'.

Finding out progress against mission

Most charities exist to change a certain group of people's lives for the better. By measuring their impact, charities can find out how they are progressing against their mission and find out if they are really improving people's lives. At the simplest level, this means looking at what has changed in someone's situation since they have received support. Once the charity has understood the change it is creating, it can look at whether (and to what extent) it is achieving its mission.

'Before, we had no idea whether what we did was effective'

'There were some really positive results that emerged [from our impact evaluations]. 70% of the older people we surveyed said our services had improved their lives a lot, and our services were really valued and trusted. But impact evaluation also helped us think about what we were doing that doesn't achieve our mission.'

Lynne Berry, Chief Executive, WRVS

Learning how to improve

Impact measurement is not just about proving a charity's impact—it is also about improving it. The first step towards improving a service is to identify its limitations. By measuring their impact, all of the bright spots in this report have identified either issues (such as mental health) or groups (such as young offenders) that they could make more progress with.

'We're making sense of the data and responding'

'This year we were looking at evidence and saying, "Hang on, we've not made much progress in mental health or money issues." So now we're exploring further and finding out why. We're making sense of the data and responding.'

Des Ryan, Chief Executive, Edinburgh Cyrenians

Once a charity has identified a service's weaknesses or areas for improvement, it then needs to work out how to improve. Several of our case studies have conducted in-depth analysis to help them work out precisely how to make their services achieve better results. Pathway, for instance, analysed hospital readmissions for the homeless people it works with, and found that staff could be supporting them better after they are released from hospital. As a result, Pathway is now fundraising for a new healthcare facility for homeless people, called The Sanctuary.

'The second evaluation showed we hadn't impacted on readmissions'

'This is evidence that The Sanctuary is necessary. £3,400 is the average cost of an unscheduled hospital admission, so why not try this service to see if it can make a difference?'

Nigel Hewett, Clinical Lead, Pathway

Changing services in this way is not easy. It requires strong leaders who are brave enough to admit that their charity could be doing better.

Securing funding and scaling up services

A growing number of funders are focused on results, and much local authority and government funding is being shifted from grants to outcome-based contracts.[4] [5] This trend has perhaps been accelerated by the coalition government, with the Comprehensive Spending Review saying, 'the Government will pay and tender for more services by results'.[6]

More and more private donors and grant-making trusts only fund charities that can demonstrate their impact. In 2008, more than 70% of charities said that funders required evaluation reports, and 60% said they had placed a greater emphasis on outcomes in the past five years.[7]

Good evidence of impact can therefore be used by charities to secure funding, as all our case studies show. Two charities saw an influx of funding after publishing their first impact reports. For instance, in a difficult funding environment, Pathway has used its evaluation reports to secure nearly £1m of funding between summer 2010 and summer 2011, including £250,000 to extend its support for homeless people to two new hospitals.

'We needed it to get the funding'

'The National Institute for Health Research is funding us to do a project with the Royal London Hospital and Brighton & Sussex Hospital. It's £250,000 over 18 months to pay for the GPs, nurses and research. The research will be a Randomised Controlled Trial to prove the impact of the service. This is clear evidence of the benefits of evaluation—we needed it to get the NIHR funding.'

Nigel Hewett, Clinical Lead, Pathway

With tough competition for funding, impact measurement does not guarantee an increase in funding, but it can help maintain funding, as the Latin American Youth Center illustrates.

'We've maintained our funding where others might have lost it'

'In the beginning, the $750,000 or so that had been put into evaluation resulted in new funding worth $1.5m. Now, with the economy, it's more of a struggle, but we've maintained our funding and a steady level of growth, whereas others might have lost it.'

Isaac Castillo, Learning & Evaluation Manager, Latin American Youth Center

Inspiring staff and improving their work

A good impact measurement system can help staff to deliver better services, inspire them in their work, and even reduce the time they spend reporting to funders.

Most of our bright spots told us that their frontline staff find data collection tools (such as questionnaires) useful in their day-to-day work. These tools can reveal helpful information about the needs of beneficiaries and real-time results of how effective their support is. For example, therapists at the Brandon Centre find that the results of the Achenbach Survey help them to shape the treatments they offer to young people with mental health problems.

Impact measurement can also inspire and motivate staff, by demonstrating the results of their efforts.

'The results also inspire staff'

'A young offender we had worked with was going up before a probation judge and asked us if he could use the stats. from our results measurement to make his case that he was trying to improve. When staff see results being used in that way they are really motivated.'

Isaac Castillo, Learning & Evaluation Manager, Latin American Youth Center

In three of our case studies, new measurement systems actually reduced the amount of time staff spent collecting and analysing data, because they replaced inefficient systems that collected different data for different funders. For example, Edinburgh Cyrenians' new impact measurement system allowed staff to input data on a weekly basis, rather than producing more time-consuming quarterly monitoring reports. The development worker at the charity says, 'The staff see it as really helpful because there is less paperwork.'

Charities often talk about the burden that impact measurement places on frontline staff, so why is it that the staff in our case studies have benefited so much, while many other charities find collecting data so onerous? This may be because our bright spots have developed their own measurement systems. Because these systems are tailored, they are less likely to get in the way and more likely to be useful—although bear in mind that tailoring measurement does not have to be onerous or expensive, as we explain in Chapter 2.

Raising profile

All of our case studies said that measuring their impact had raised their profile. For example, three charities said that their evaluations had made them better known to government, and two said that they were better known by academics. Profile not only helps charities to get the attention of funders and commissioners, but also gives organisations the opportunity to influence other charities and funders.

'Our approach has been beneficial for the organisation's profile'

'Because of the approach we've taken to sharing our findings, we've been a strong voice calling for other funders to be more open.'

Andrew Cooper, Research Manager, The Diana, Princess of Wales Memorial Fund

Contributing to knowledge of 'what works'

Charity evaluations do not just benefit the charity in question—if published, they also have the potential to influence other organisations, contribute to the knowledge base of their sector and even influence government policy. For example, the Brandon Centre's evaluation of Multisystemic Therapy (MST)—an intervention for families of young people in serious trouble with the law—helped convince government to fund a £17.5m national trial.

'The findings from our trial were very useful in promoting MST'

'The findings from our MST trial have been very useful for officials in the Department of Health, Department for Education and Youth Justice Board in promoting MST. They're running the biggest trial of MST ever, in nine areas.'

Geoffrey Baruch, Director, the Brandon Centre

As the Brandon Centre shows, contributing to knowledge of what works is not just about fundraising; it is also about making sure that effective interventions are adopted more widely by government or other charities, so that more people benefit from effective support.

Having said that, it is often too difficult to compare the results of different charities, even when they are delivering very similar services. Because of this, NPC has been promoting a 'shared measurement' approach in different sectors.[8] Shared measurement is about agreeing the best methods and indicators to measure impact in a specific field (such as mental health) or with a particular intervention (such as counselling). If charities adopt these approaches, it is possible compare their data and, in turn, find particularly effective charities or interventions. This is very helpful for charities, funders, commissioners and others who want to identify what works.

More work is needed to identify which interventions are most effective, building on positive developments like the new UK Alliance for Useful Evidence[9] and the Overseas Development Institute's Research and Policy Development programme.[10]

Bright Spot 2: Edinburgh Cyrenians

'We used evidence to get funding to improve housing conditions.'

Edinburgh Cyrenians tackles poverty and homelessness in Edinburgh and the nearby regions of West Lothian, East Lothian and Falkirk. It helps people with a variety of issues, including housing, health, employment and drugs and alcohol. Cyrenians has designed its own measurement framework to show how it influences the lives of the people who use its services. It has used evidence of its results to raise funds from local public sector commissioners.

Context and drivers

A new chief executive

In the late 1980s, Des Ryan was appointed chief executive of Edinburgh Cyrenians, and he soon started to introduce impact measurement to the charity. Cyrenians' development worker, Ashleigh Grant, says that this was 'partly because of the environment in the sector—we moved from grants to contracts very early on'.

A motivated board of trustees

This new focus on measurement was also driven by a progressive board of trustees. Des, who is still Cyrenians' chief executive, says: 'In the late eighties, we had been going along for 20 years and they knew they needed to change. The very fact that my post was created shows that the committee were interested in change. There was a growing voice wanting to know that we were doing what we said we were doing.'

Development of measurement

Cyrenians started actively measuring its impact when Standard Life seconded an accountant to the charity. The accountant developed tailored systems to collect outcomes data for different services. 'That secondment helped immeasurably,' Des told us. 'It gave us a fresh pair of eyes, and solved our internal dilemma of not having the time or capacity to think about this stuff.'

Cyrenians developed a single measurement framework for the whole organisation when an evaluation manager joined the charity in 2003. As Des says, 'We knew this was the way forward so we employed someone to develop monitoring and evaluation—someone to put in place the systems and get the information we needed to fuel continuous improvement.'

Culture change

Des found it quite a challenge to get staff on board with measurement and evaluation. 'People were vehemently of the belief that it was wrong to measure things like progress. We had to convince staff with that view of the importance of evidencing our difference. We emphasised that we would not be losing our values, and that the system would not be looking at individual service users' success or failure but the overall effectiveness of our services.'

Measurement today

Cyrenians' standardised measurement framework gives staff a picture of the difference their services are making on 12 aspects of people's lives, including employment, health and relationships. The charity recently started a project to measure the effectiveness and economic impact of its Homelessness Prevention Service, and is hoping to do more research in the future and start sharing this more widely.

Benefits of measurement

Staff benefits

Cyrenians' impact measurement system has actually freed up staff time, because they now do a small amount of data collection every week rather than spending several days producing quarterly reports. According to the charity's development worker, Ashleigh Grant, 'Staff see it as really helpful because there is less paperwork.' Staff are also motivated by seeing the results of their work. As Des says, 'Staff see that there is sense in doing it when they see the results. They are satisfied because they know that what they are doing is making a difference.'

Improving services

Cyrenians uses evidence of its results to try to improve its impact. As Des explains: 'This year, we were looking at evidence and saying, "Hang on, we've not made much progress in mental health or money issues." So now we're exploring further and finding out why. We're making sense of the data and responding.'

Funding

Cyrenians also uses evidence of its impact to make the case for funding. Many service users reported that the conditions in some of the charity's housing facilities were a problem, so Cyrenians used that evidence to get funding to improve its housing conditions.

The charity has also used results evidence to make the case to commissioners to scale up an effective service. 'We have this community garden in one of the local hospitals and have evidence of the massive positive benefits it has for the people using it. Because of that, NHS Lothian is interested in doing feasibility studies to start similar gardens in other hospitals.'

Des believes that 'the most important thing is that evaluation builds relationships with funders. Philanthropists are very positive about our results. They tell us they like us because they can see the difference we are making.'

Looking forward

Although Cyrenians works with some very progressive funders that fund it on the basis of its outcomes, Des finds it quite frustrating that this does not happen more often. He believes it is one of the major challenges Cyrenians needs to tackle in the future.

Read more

To read a description of Edinburgh Cyrenians' measurement system, visit http://www.cyrenians.org.uk/wmslib/PDFs/Cyrenians_Key_Worker_Practice_Model_external_exec_summary.pdf

To read Cyrenians' 2010 impact report, visit http://www.cyrenians.org.uk/wmslib/PDFs/Cyrenian_Impact_Report_2010.pdf

To read Cyrenians' other research and evaluation reports, visit http://www.cyrenians.org.uk/media/research_reports.aspx

Figure 3: Extract from Cyrenians' Impact Report 2010

CYRENIANS PROVIDES EFFECTIVE HELP FOR PEOPLE IN NEED AND DEVELOPS ENTERPRISES AND COMMUNITY INITIATIVES FOR A GREENER, HEALTHIER AND MORE INCLUSIVE SOCIETY IN WHICH FUTURE NEED IS REDUCED.

2010 IMPACTREPORT Cyrenians

EFFECTIVE HELP FOR PEOPLE IN NEED

Cyrenians provided effective case-work help with measured outcomes for 1,328 people, a 10% increase on the previous year.

In addition, one-off help – such as advice, information and emergency help – reached an additional 2,360 people: an increase of 15% on the previous year. The total number of beneficiaries was 3,688.

The new Homelessness Prevention Service, in partnership with City of Edinburgh Council – the first of its kind in Scotland - demonstrated how misery and money can be saved by helping people from losing their homes with a success rate of around 90%

Our housing services enabled 440 people to establish a good quality home with responsible private landlords, with 98% of tenants reporting substantial improvements to their lives.

Cyrenians employability services were redeveloped in preparation for providing more help, greater effectiveness and more real job prospects.

A tenant moving into their new home.

PREVENTION

EFFECTIVE INTERVENTIONS TO PREVENT ESCALATION OF PROBLEMS INTO SPIRALLING CRISES

PEOPLE & CHANGE

ENABLING PEOPLE TO OVERCOME DEEP SEATED PROBLEMS AND MOVE FORWARD IN THEIR LIVES

SOCIAL ENTERPRISE

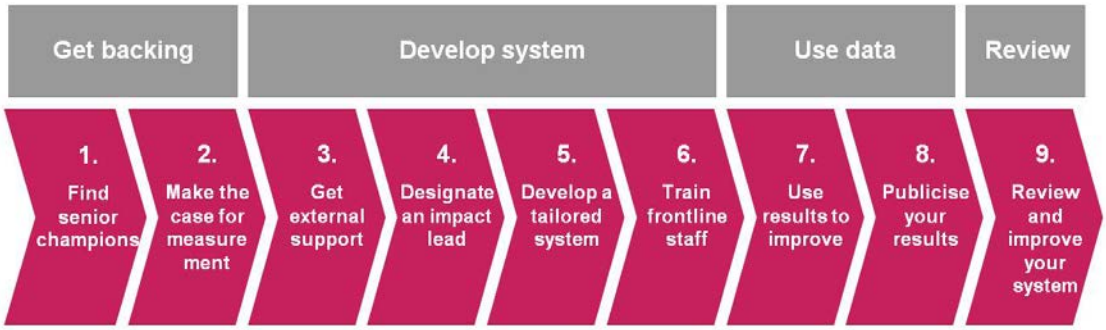
OPPORTUNITIES FOR PEOPLE TO ACTIVELY MOVE FORWARD IN THEIR LIVES

PREVENTION SERVICES	
People who were homeless or at risk now with a settled home in a private rented tenancy	440
People helped to avoid losing their home and to be more resilient to future crises	245
Young people who were at risk of homelessness through family breakdown now more secure and with better family communication	130
PEOPLE & CHANGE SERVICES	
People making progress in developing a life away from drug and alcohol addictions	99
Severely disadvantaged young people with improved confidence, skills and outlooks and making progress to a better future	93
SOCIAL ENTERPRISE SERVICES	
People progressing in placements and traineeships in social enterprise workplaces towards a settled working life	71
People with improved health, well-being, skills and confidence around food	250

NINE STEPS TO IMPACT MEASUREMENT

Our bright spots show that with the right people, support and systems, any charity, big or small, can do impact measurement well. As Figure 4 shows, we have identified four stages of impact measurement, with nine steps.

Figure 4: Developing impact measurement



There is plenty of flexibility in this model, and impact measurement will end up looking very different for different organisations. Charities and funders should take control of their own impact measurement approach and make it work for them. Those developing a new measurement system could use this section as a step-by-step guide. Those that already have a measurement system will find useful tips on how to improve.

Our bright spots have used different methods, different amounts of money, and different staffing to do impact measurement well. All these factors need to be proportionate to the size of the organisation and tailored to what the data and findings are needed for.

Get backing

1. Find senior champions

All our bright spots have a chief executive who is committed to impact measurement, and several also have one or two key trustees on board. This commitment from charity leaders unlocks the money, time and organisational capacity needed to develop a measurement system. It also ensures that any findings play a key part in decision making and future plans.

It is not always easy to convince senior staff of this importance of measurement, and sometimes an external perspective may help. For two of our bright spots, it was external consultants who convinced senior staff and trustees that they needed to improve their impact measurement.

'One recommendation was evidencing the difference LAYC was making'

'One of the main recommendations that came out of the consultant's strategic review was that LAYC needed to get a lot more sophisticated at evidencing the difference it was making.'

Isaac Costillo, Learning & Evaluation Manager, Latin American Youth Center

'We had to convince people of the importance of evidencing our difference'

'*People were vehemently of the belief that it was wrong to measure things like progress. We emphasised that we would not be losing our values, and that the system would not be looking at the success or failure of individuals, but at the overall effectiveness of our services.'*

Des Ryan, Chief Executive, Edinburgh Cyrenians

2. Make the case for measurement

When charity leaders value and champion impact measurement, frontline staff are more likely to be motivated to collect and analyse data, and the board of trustees is more likely to make the most of the data and use it strategically. Measurement champions therefore need to build a case for measurement to make sure their staff and trustees are on board. In our bright spots, key staff members not only recognise the importance of measuring their impact, but also have a convincing case for investing time and resources in it. For instance, the director of the Brandon Centre, Geoffrey Baruch, convinced staff that impact measurement would set the charity apart in a competitive funding environment.

'How were funders to know we were any more effective?'

'By the time I became director, counselling agencies for young people were springing up. The question was: how were funders to know we were more effective?'

Geoffrey Baruch, Director, the Brandon Centre

When making the case for measurement, charity staff have to answer the question: is impact measurement affordable, and is it worth the cost? The costs of good quality impact measurement systems vary widely, but all our bright spots told us that the benefits far outweighed the costs. There are ways to reduce the costs of developing impact measurement, including finding pro bono support (as Cyrenians did), finding a funder to pay for an external evaluator (as LAYC and the Brandon Centre did), or doing measurement work in-house (as Pathway did). Measurement systems should be proportionate to the size of the charity, so smaller charities should be able to find lower cost options.

Table 1 illustrates the sort of costs and benefits that charities can expect, using the Latin American Youth Center (LAYC) as an example. LAYC has an annual income of $11m, so the costs are likely to be smaller for smaller charities and larger for large charities.

Table 1: The costs and benefits of the Latin American Youth Center's impact measurement

Costs	Benefits
Budget	
There was an upfront investment of $0.5m in monitoring and evaluation (out of budget of $11m). Today, LAYC spends 2.8% ($281,477 in 2010/2011) of its annual budget on monitoring and evaluation.	The initial investment in monitoring and evaluation resulted in $1.5m of new donations. LAYC attributed this by working out who had donated on the basis of results and outcomes. In the current economic climate, LAYC's approach to measurement has helped it maintain its funding and a steady level of growth whereas a lot of other organisations have seen funding shrink.
Staff	
Staff spend one to two hours a week on monitoring and evaluation. Staff have received training in monitoring and computer literacy.	Measurement has enabled staff to do their work to a higher standard. Seeing the results of their work motivates and inspires staff.
Expertise	
LAYC employs an experienced evaluation manager. It has also invested in software (its Efforts to Outcomes database).	LAYC has used results systematically to make services more effective. Measurement has improved LAYC's external profile—it is seen as a leader in its field and has been featured in the media, both in the US and abroad, for its measurement approach.

Develop a good system

3. Get external support

All of our bright spots do their routine data collection and impact measurement in-house, and all but one have also used external evaluators.

For some charities, external evaluators can help to embed measurement systems, mainly by designing measurement tools (such as questionnaires) and training staff.

'We wanted to embed the Social Return on Investment concept'

'We didn't just want the SROI report—we wanted to embed the skills and concept in the organisation. We trained someone up, and then worked with Frontier Economics on the whole process. Frontier also left us the SROI tool.'

Karl Demian, Consultant working for WRVS

For other charities, external evaluators can help by carrying out full evaluations. This may be because it is the charity's first ever evaluation, or it may be because the charity needs specialist academic expertise to carry out more complicated work, such as longitudinal studies or Randomised Controlled Trials. These approaches are particularly appropriate when charities want to assess whether a new and unproven intervention is effective.

'We have a good relationship with PhD students'

'Several PhD students have worked with us to produce the analysis and we've published our findings on our audit and outcomes work fairly frequently. I've co-authored a lot of the papers. It's been a very good partnership.'

Geoffrey Baruch, Director, the Brandon Centre

Charities can find external support very useful for their impact measurement. However, they should not rely solely on external support. Not only is this expensive, but it can also mean that measurement becomes a peripheral activity that is not embedded in the charity's work. Moreover, most small charities struggle to pay for consultants, so they can turn to free guidance or low-cost training. Where they want higher end services, they can also access pro bono support from organisations like Pro Bono Economics.[11]

4. Designate an impact lead

If possible, charities should designate one member of staff or trustee to take the lead on impact measurement, developing an approach and embedding it in the organisation. This person should have some specialist skills, including knowledge of methods and data analysis. However, this does not necessarily mean having a dedicated evaluation manager. Our two smallest bright spots (the Brandon Centre and Pathway) both have a staff member who does measurement as part of a wider role.

5. Develop your own system

Measurement systems help charities to work out what to measure and how to measure, as Box 2 explains. The charity is much more likely to benefit if this system is appropriate to its needs. Tailoring what a charity measures ensures that results are meaningful and reflect its mission. Tailoring how a charity measures ensures that it collects good data without getting too much in the way of staff's work.

Box 2: How to develop a tailored system

What to measure: Know what you are trying to achieve and how your services are contributing towards a goal. It might help to develop a 'theory of change', which is a model linking your activities to your outcomes. This can provide a framework for understanding what to measure and developing indicators to use.

How to measure: Once you have chosen which outcomes to measure, find an appropriate way to collect data. Set up systems to store data and make sure staff have the skills to collect information and analyse findings. Your measurement system will include a combination of appropriate tools, good processes and capable staff.

NPC has helped dozens of charities decide what or how to measure their impact (see http://www.philanthropycapital.org/how_we_help/charities/communicating_impact.aspx).

Developing a system that is tailored to your needs does not necessarily mean starting from scratch. In many cases, the best way of measuring your charity's impact will involve using an existing tool, such as the Outcomes Star in the homelessness sector or NPC's Well-being Measure.[12] [13]

It is important to keep the measurement system simple. It may be tempting to try to set up a sophisticated system from scratch, but this could take years to develop or be impossible to implement. Instead, take a more incremental approach, starting with a simple system, and improving it over time. The Latin American Youth Center, for example, started by standardising the basic demographic data it collected (such as beneficiaries' ethnicity). The learning and evaluation manager then piloted outcomes monitoring for two programmes and used

the results of these pilots to convince other programmes to follow suit. Six years on, outcomes monitoring is now embedded in all the charity's programmes.

6. Train frontline staff

As it is usually frontline staff who collect measurement information, it is important that they know what they are doing. They need simple tools (such as questionnaires) and the skills to use them. Once the tools and skills are in place, staff have to be motivated to collect data regularly. The Latin American Youth Center gives an 'Efforts to Outcomes' prize to the best data collector every month. The learning and evaluation manager describes this as *'a really good motivator.'*

Use data

7. Use results to improve

Results information shows charities how they have done. In some cases, their results will be impressive and should be shared with other charities, funders and government so that the approach can be adopted more widely. However, results information often highlights some room for improvement. Our bright spots responded positively to findings of this sort, and took three steps to move from disappointing findings to better services:

- Identify areas for improvement: All of our bright spots have identified groups (such as young offenders) or issues (such as mental health) that they are not making sufficient progress on.
- Identify how to improve: Most of our bright spots have analysed their outcomes data to identify how they could improve their work. For instance, by combining survey findings with service users' comments, WRVS found that its services could work better together.
- Identify what works: Published research about which interventions work for your target group or issue can be particularly useful. For example, when the Brandon Centre's chief executive realised that the charity's therapy was not very effective with young people who had conduct problems, he looked at research into effective interventions for this group. This led the Brandon Centre to adopt Multisystemic Therapy.

8. Publicise your results

By publicly demonstrating your impact, you can engage funders, help other charities, influence policy-makers, and contribute to the knowledge base in your field. A decent impact report is a valuable tool in publicising your results, and it helps if it is regular. Five of our bright spots publish findings every year, and the sixth is working towards this. Box 3 explains how you might structure your impact report.

Our bright spots use evidence of their impact to make their case to commissioners or funders, and in almost every case, this has helped them to secure funding. They also use their findings to engage with a wider audience through reports, articles, books and conferences. In some cases, this has stimulated academic interest or even influenced what policy-makers think about addressing certain social problems.

Box 3: How to talk about results

At NPC, we have identified five key questions that all charities should answer in their communications around impact:

- What is the problem we are trying to address?
- What do we do to address it?
- What are we achieving?
- How do we know what we are achieving?
- What are we learning, and how can we improve?

See Hedley, S. et al (2010) *Talking about results.* New Philanthropy Capital.

Review system

9. Review and improve your system

Once a measurement system has been established, it needs to be regularly reviewed in order to identify problems and areas for improvement. This is best done in consultation with staff and beneficiaries. Here are a few questions to ask:

- Are we measuring the right outcomes?
- Are we using the right tools?
- Are we collecting data at the right time?
- Are the data accurate and useful?

As well as doing an internal review, its worth looking at best practice in your field of work. It may be that there are now new tools available that could help you measure your impact better.[14]

Bright Spot 3: Latin American Youth Center

'The results inspire staff.'

The Latin American Youth Center (LAYC) is a network of youth centres and schools in Washington DC that help young people as they move into adulthood. Since 2005, LAYC has managed to embed outcome measurement in all its activities at a relatively low cost. The results have helped it to improve services, secure funding and inspire staff. LAYC illustrates that rise of impact measurement is an international trend.

Context and drivers

Strategic review

The impetus to develop measurement at LAYC came largely from a progressive funder, who wanted to strengthen the organisation. The funder prompted a strategic review in 2004, conducted by consultants. According to Isaac Castillo, LAYC's learning and evaluation manager, '*one of the main recommendations that came out of the review was that LAYC needed to get a lot more sophisticated at evidencing the difference it was making'*. The support of the charity's board was crucial in taking the recommendations forward. *'The board were supportive and willing to implement the recommendations from the beginning, and they made funds available for it to happen.'*

Development of measurement

Following the strategic review, LAYC hired Isaac to implement a new measurement system. Isaac is now responsible for coordinating data collection, publishing results and learning from findings to improve LAYC's services.

When Isaac arrived, *'every programme was measuring in an ad hoc, different way'.* He began by standardising the collection of simple data, such as demographics, across the organisation. He then implemented more advanced impact measurement for two programmes. He used the results from these to demonstrate the feasibility of impact measurement, then began to roll out measurement across all programmes.

Culture change

Isaac had to convince staff and project managers that it would be worthwhile investing time and energy in a new approach to monitoring. '*We really had to convince people that spending 30 minutes on this every week was more efficient than the days that they used to spend doing quarterly reports. Once they saw that the new way freed up more time to help the kids, the staff were on board.'*

Measurement is now part of the culture of LAYC, forming part of staff training, induction and responsibilities. A new database system, 'Efforts to Outcomes', has been crucial, and staff received training on how to use it. Isaac gives monthly and annual cash prizes to staff for input into the database system, 'Efforts to Outcomes', which he describes as a really good motivator. *'Now everyone needs to do evaluation, it's part of our orientation. We do good work, so now we have to prove it.'*

Measurement today

LAYC now has outcome measures in place for all its activities. The measures are simple for light touch activities and more complex for intensive interventions. The system allows staff to see how well they are achieving their objectives, such as improving mental health, educational attainment or progress into employment. Staff also use academic literature on youth development to look at how to make further improvements.

Benefits of measurement

Staff calibre and inspiration

Isaac believes that the staff's growing knowledge of academic and research literature is crucial: *'I think we now really know about the field. So now when we are doing anything new, we look at the research that's out there. It's definitely calibre raising.'*

Isaac has also seen that *'the results inspire staff. For example, a young offender we had worked with was going up before a probation judge and asked us if he could use the stats from our results measurement to make his case that he was trying to improve. When staff see results being used in that way, they are really motivated.'*

Funding

LAYC's new approach to measurement helped the charity to attract new funds and maintain its income in the downturn. *'In the beginning, the $750,000 or so that had been put into evaluation had resulted in new funding worth $1.5m. Now, with the economy, it's more of a struggle, but we've maintained our funding, where others might have lost it.'*

Service change

LAYC has a cycle of reviewing results and improving services. *'Differences in results do make us stop and question and that can lead to us changing some elements of the programme to make it more effective.'*

For example, a few years ago, one of LAYC's parenting courses decided to add some lessons on domestic violence to improve attitudes. After the course, results showed that attitudes had actually worsened. LAYC staff were understandably concerned. They consulted academic literature on the subject and found that domestic violence courses given to mixed gender classes can often make participants more tolerant of domestic violence. So LAYC began delivering the lessons to men and women separately, and subsequent results showed attitudes changing in the right direction.

Looking forward

Although LAYC has attracted some progressive funders, Isaac believes that there are still not enough funders who donate based on results. *'We do try and attract sophisticated funders, but it is still difficult.'*

Read more

To find out more about learning and evaluation at LAYC, visit http://www.layc-dc.org/index.php/results.html

To read LAYC's most recent annual report (including impact information), visit http://www.layc-dc.org/images/stories/publications/LAYC.AR.FY09.pdf

Figure 5: Extract from LAYC's Outcomes and Indicators Framework

Latin American Youth Center
Outcomes and Indicators Framework

Outcomes	Indicators
Increased Academic Success *For youth between the ages of 11 and 18.*	**For in-school youth:** • Students will attend school at least 90 percent of the time (achieve or maintain a 90 percent attendance rate at school); and • Students will be promoted to the next grade level in school; and • Students will graduate from high school or gain a high school credential; and • Students will enroll in and complete at least two years of post-secondary education. **For out-of-school/alternative school/ charter school youth:** • Youth will successfully transition back to school; or • Youth will receive a GED; or • Youth will complete alternative school.

Successfully Transition to Work or Complete Vocational/Technical School	• Youth will demonstrate improvements in employment readiness skills in the following areas:
	  ○ Career Planning
	  ○ Job Application Skills
	  ○ Math and Reading Remediation
	  ○ Financial Literacy
	• Youth will obtain a job (at least a part-time job – 20 hours per week); and
	• Youth will retain a job for at least 12 months ('retention' specifics to be defined later); or
	• Youth will complete vocational or technical school.

HOW DO I OVERCOME BARRIERS?

Table 2 summarises the main barriers that charities face when trying to measure their impact. It suggests ways to overcome these barriers, and highlights the bright spots and resources that might help to put these solutions into practice.

Table 2: Barriers to impact measurement and suggested solutions

Barrier	Solution	Example	Resources
We do not have the money or time.	Do evaluation internally at low cost.	Pathway	Charities Evaluation Services (2011) *Monitoring and evaluation on a shoestring*.
	Demonstrate that evaluation saves staff time.	Cyrenians	
We do not have internal pressure to measure.	Convince your chief executive and trustees to become measurement champions.	WRVS	Charities Evaluation Services (2009) *The case for an outcomes focus*.
We do not have staff who believe in measurement.	Link measurement to the charity's values, and show how it fits with helping beneficiaries.	Cyrenians	Charities Evaluation Services (2011) *Making Connections: Using a Theory of Change to Develop Planning and Evaluation*. Various consultants, including NPC and Charities Evaluation Services, deliver theory of change workshops and consulting projects.
	Convince staff of the need to measure.	LAYC	Charities Evaluation Services (2009) *The case for an outcomes focus*.
We do not have measurement expertise.	Hire an external evaluator.	Brandon Centre	Charities Evaluation Services (2005) *Quality and evaluation in voluntary and community organisations: Guidance paper 1—How to cost an evaluation*. Key evaluation consultancies include NPC, Charities Evaluation Services, Frontier Economics and the New Economics Foundation. NCVO's consultancy directory has the most comprehensive list of evaluation consultants.
	Train staff in measurement.	WRVS	Training courses on evaluation methods are available from Charity Evaluations Service (all levels) and CASS (more advanced).
	Hire staff who have measurement skills.	Diana Memorial Fund	
We do not know what to measure.	Hire an external evaluator.	Brandon Centre	Charities Evaluation Services (2005) *Quality and evaluation in voluntary and community organisations: Guidance paper 1—How to cost an evaluation*. Key evaluation consultancies include NPC, Charities Evaluation Services, Frontier Economics and the New Economics Foundation. NCVO's consultancy directory has the most comprehensive list of evaluation consultants.
	Train staff in measurement.	WRVS	Training courses on evaluation methods are available from Charity Evaluations Service (all levels) and CASS (more advanced).
	Hire staff who have measurement skills.	Diana Memorial Fund	

We do not know how to measure.	Use proven measurement tools.	Brandon Centre	www.wilderdom.com provides a useful list of measurement tools. Charities Evaluation Services (2010) *Assessing Change: Developing and using outcomes monitoring tools.* New Economics Foundation (2009) *Tools for you.* The Outcomes Star (www.outcomesstar.org.uk) measures the progress of vulnerable people. NPC's shared measurement work.
	Start with data that is simple and quick to collect.	LAYC	Camilla Nevill's blog post *Keeping it simple* (18 October 2010) at newphilanthropycapital.wordpress.com. Charities Evaluation Services (2002) *First steps in monitoring and evaluation.*
We do not have the right data.	Tailor data collection to your needs.	Pathway	Charities Evaluation Services, *Keeping on track: A guide to setting and using indicators.* Charities Evaluation Services (2011) *Outcomes indicators and banks.*
	Make data collection part of your work.	Cyrenians	
We do not know how to analyse the data.	Use experts to analyse and interpret data.	Brandon Centre	Key evaluation consultancies include NPC, Charities Evaluation Services, Frontier Economics and the New Economics Foundation. NCVO's consultancy directory has the most comprehensive list of evaluation consultants.
	Review literature to identify ways to improve the service.	LAYC	Make contact with a local university. The Voluntary Sector Studies Network is one way to find academic researchers.
We do not know how to communicate our findings.	Focus on analysis relevant to your audience.	Pathway	New Philanthropy Capital (2010) *Talking about results* and Matilda Macduff's blog post *How to write an impact report* (13 June 2011) at newphilanthropycapital.wordpress.com.
	Avoid technical language.	Diana Memorial Fund	Charities Evaluation Services, *Jargonbuster.*
Our funders are not interested in impact.	Find funders who support grantees to evaluate.	Diana Memorial Fund	New Philanthropy Capital (March 2011) *Helping grantees focus on impact.* Charities Evaluation Services (2——010) *Does your money make a difference.*
	Convince funders to pay for complex evaluations.	LAYC	Charities Evaluation Services, *What to include in an evaluation brief.* Charities Evaluation Services, *How to cost an evaluation.*

Bright Spot 4: Pathway

'We used the evaluation to get funding.'

Pathway improves healthcare for homeless people who are admitted to hospital. It has monitored its outcomes since it was founded in 2009, and it has used evidence of impact to secure funding and understand how to improve. Impact measurement has been critical to Pathway's rapid growth, and is the cornerstone of its ambitious plans for the future.

Context and drivers

In 2008, a homeless man collapsed in front of University College London Hospital (UCLH) and died soon after. He had been discharged from the hospital just hours earlier. Professor Aidan Halligan, Director of Education at UCLH, was asked to investigate the death. Aidan's investigation uncovered no wrongdoing on the part of the hospital staff, but he found that the hospital could do more to tailor care to homeless people's needs.

During his investigation, Aidan came across Dr Nigel Hewett, a GP with 20 years' experience of working in homeless healthcare. In 2009, the UCLH Charity funded Nigel and a nurse named Trudy Boyce to develop a project to improve healthcare for homeless patients at the hospital. This was the start of the London Pathway (since renamed 'Pathway').

Development of measurement

Data from day one

Nigel and Trudy developed a new approach to working with homeless people in medical settings. They started a new hospital ward round to coordinate care for homeless people while in hospital, and worked with patients and other agencies to plan for life after hospital.

While developing the service, Nigel set up a system to log the details of each homeless patient into a single database. He captured data such as age, condition and length of stay, as well as indicators of success, such as whether the patient left hospital with a care plan. The database helped to demonstrate homeless patients' needs, which was crucial to convince hospitals to invest in the charity. The data was also used to evaluate the impact that Pathway's services had on patients.

Skilled staff and clear aims

Nigel and Trudy had clear evidence about the problem—that homeless people have poor health outcomes. They could also see what they would need to do to address the problem, including improving coordination between different agencies. This clarity helped them choose which outcomes to focus on when measuring their impact.

Pathway benefited greatly from Nigel's evaluation skills. 'Having set up a service in Leicester, I had experience of producing reports to show outputs and outcomes.' Nigel analysed Pathway's data after six months, and again after a year.

Measurement today

Pathway continues to monitor and publish data on healthcare outcomes for the people it supports. It intends to collect and publish more data on the quality of the service and health improvements.

Benefits of measurement

Demonstrating savings

In Pathway's six month evaluation, Nigel estimated that the charity could reduce the number of bed days used by homeless patients by 800 per year. The standard daily cost of acute admission is £500 per day, so there are potential savings to be made of £400,000 each year. Staff costs for a Pathway service in a hospital are around £100,000 each year, so Nigel estimated a net saving to health services of £300,000 each year. This evidence has helped Pathway to convince UCLH to fund an extra nurse.

Growth

Between summer 2010 and summer 2011, Pathway secured nearly £1m of funding. Nigel believes that this success is partly due to the arrival of a new chief executive, Alex Bax, in October 2010, but it is also 'clear evidence of the benefits of evaluation'.

Pathway's funding includes £250,000 from the National Health Institute for Health Research to pilot the Pathway model in hospitals in London and Sussex. These pilots are being evaluated by Randomised Controlled Trials, the gold standard in impact measurement. If the pilots get good results, it will show that the service can be successfully scaled up.

The 12 month evaluation found that Pathway had not reduced readmissions, suggesting that homeless patients need more care after they are discharged from hospital. Nigel identified a small group who were readmitted to hospital several times. In-depth analysis found that each of these 'frequent attendees' cost health services £7,623 each year, and 'nearly all would have benefited from better community support'. The charity is now embarking (funding permitting) on two new residential support services: support workers (or 'care navigators'), and a healthcare facility called The Sanctuary.

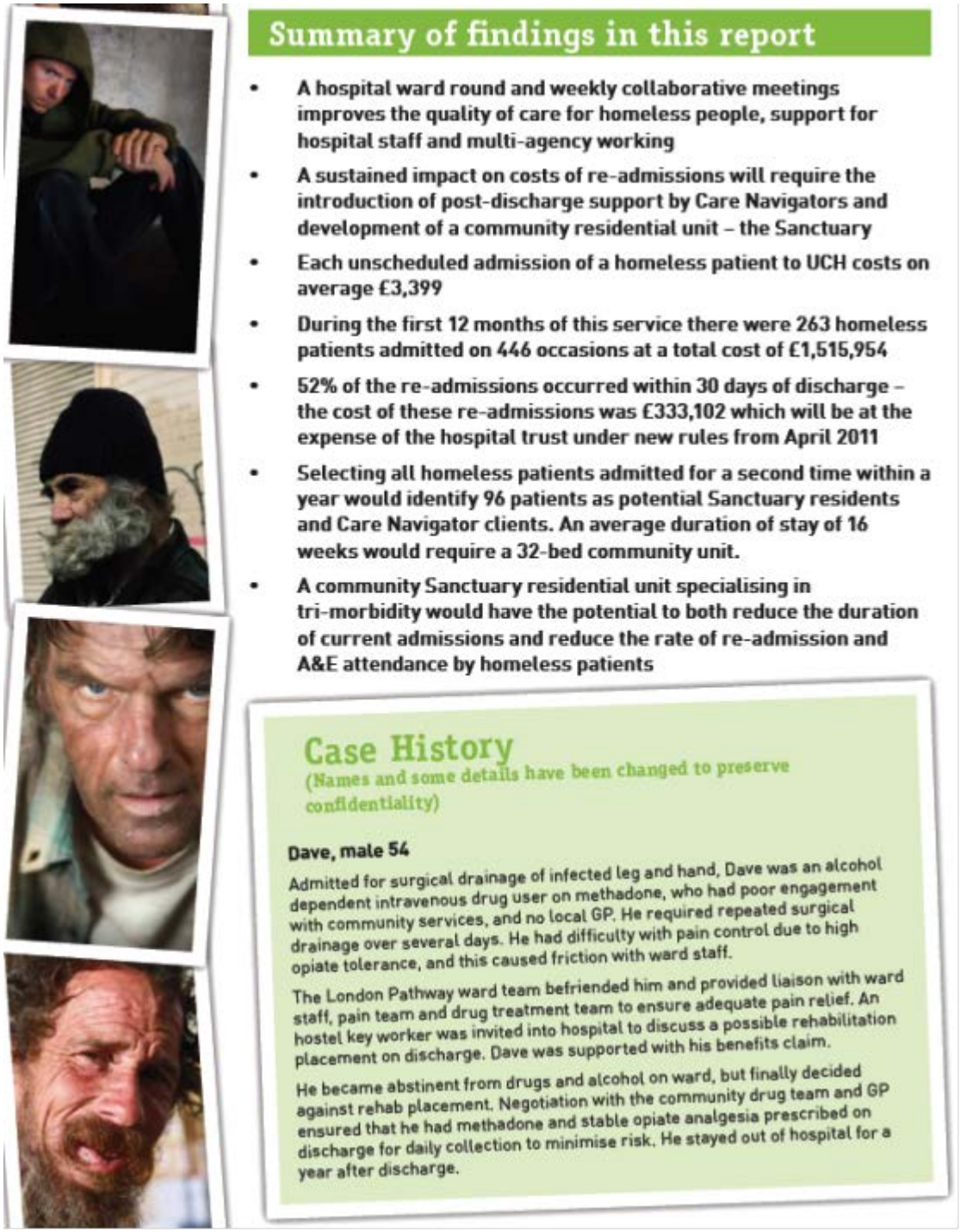
Looking forward

Pathway is committed to evaluation and has put evidence-based practice at the heart of its five-year plan. As Alex Bax puts it: 'We will see if what we do works, and look at evidence from elsewhere to find out what we could do better.'

Read more

To read Pathway's publications, visit http://www.londonpathway.org.uk/index.php/facts/.

Figure 6: Extract from Pathway's 12 Month Monitoring Report



Summary of findings in this report

- A hospital ward round and weekly collaborative meetings improves the quality of care for homeless people, support for hospital staff and multi-agency working
- A sustained impact on costs of re-admissions will require the introduction of post-discharge support by Care Navigators and development of a community residential unit – the Sanctuary
- Each unscheduled admission of a homeless patient to UCH costs on average £3,399
- During the first 12 months of this service there were 263 homeless patients admitted on 446 occasions at a total cost of £1,515,954
- 52% of the re-admissions occurred within 30 days of discharge – the cost of these re-admissions was £333,102 which will be at the expense of the hospital trust under new rules from April 2011
- Selecting all homeless patients admitted for a second time within a year would identify 96 patients as potential Sanctuary residents and Care Navigator clients. An average duration of stay of 16 weeks would require a 32-bed community unit.
- A community Sanctuary residential unit specialising in tri-morbidity would have the potential to both reduce the duration of current admissions and reduce the rate of re-admission and A&E attendance by homeless patients

Case History

(Names and some details have been changed to preserve confidentiality)

Dave, male 54

Admitted for surgical drainage of infected leg and hand, Dave was an alcohol dependent intravenous drug user on methadone, who had poor engagement with community services, and no local GP. He required repeated surgical drainage over several days. He had difficulty with pain control due to high opiate tolerance, and this caused friction with ward staff.

The London Pathway ward team befriended him and provided liaison with ward staff, pain team and drug treatment team to ensure adequate pain relief. An hostel key worker was invited into hospital to discuss a possible rehabilitation placement on discharge. Dave was supported with his benefits claim.

He became abstinent from drugs and alcohol on ward, but finally decided against rehab placement. Negotiation with the community drug team and GP ensured that he had methadone and stable opiate analgesia prescribed on discharge for daily collection to minimise risk. He stayed out of hospital for a year after discharge.

Bright Spot 5: WRVS

'Evaluation will give you powerful material to make changes.'

WRVS uses volunteers to provide practical help to older people, through a wide variety of services all over the UK. In 2007, a new chief executive started transforming the charity, guided by the findings of impact evaluations. WRVS is now integrating its services so that older people receive more holistic support that addresses a range of needs.

Context and drivers

In 2007, WRVS recruited a new chief executive, Lynne Berry. At the time, WRVS was struggling to work out whether it was making a difference in people's lives and achieving its mission. The charity was also, as Lynne puts it, 'losing money hand over fist'. It was clear that something needed to change.

The trustees knew that to bring in new funding, they needed to demonstrate value for money. Trustees and staff had already done some work looking at WRVS's mission, so Lynne started to take this work a step further. 'To understand whether you're achieving your mission, you need to know your impact.'

Supported by executive director Robert Longley-Cook, who 'brought his understanding of impact from a previous job at BP', Lynne was a key champion for measurement at WRVS. Lynne and Robert managed to convince trustees and senior staff to invest in impact measurement by making it an investment rather than a cost: they decided to spend a set amount on evaluation upfront, and used this initial amount 'to embed evaluation into the organisation'.

Development of measurement

External support

WRVS's staff did not have the expertise to carry out a high quality impact evaluation themselves, and Lynne and Robert believed that an evaluation would be more credible if it were carried out by someone external to WRVS. This led to them hiring consultants to look at a variety of WRVS's services.

WRVS wanted to be able to compare the impact of different services, so Lynne asked the consultants to evaluate three types of impact that are relevant to all its services: benefits to well-being, tangible benefits (such as living independently), and perceptions of services. They also used one question that would help to assess the charity's overall success: Is your life better as a result of WRVS?

'Some really positive results emerged,' said Lynne. 'About 70% of respondents said our services had improved their lives a lot, and another 20% said it had improved their lives somewhat. Also, our services were really valued and trusted.'

Embedding evaluation

WRVS's evaluators helped to embed evaluation in the organisation. 'The consultants not only did three evaluations, but also taught us how to evaluate,' says Lynne. When WRVS brought in other consultants to do a Social Return on Investment (SROI) calculation of WRVS's services in late 2010, they applied the same principle, training a WRVS staff member and giving them the SROI tool.

Measurement today

WRVS has three published evaluations of its work, including an SROI report, which calculates the economic value to stakeholders of the charity's impact. The charity is now embedding routine monitoring of outcomes.

Benefits of measurement

Funding

'The evaluations have been very useful in conversations with funders,' says Margaret Paterson, head of WRVS Scotland. Lynne agrees: 'Funders take us, and our impact, more seriously. However, it's still a very tough environment—we've kept some funding we would have lost, but we've lost other funding.' Impact evaluation has not generated huge amounts of funding overnight for WRVS, but it has certainly strengthened the charity's case for funding.

Service improvements

Impact evaluation has helped to guide WRVS to improve its services. 'Impact evaluation helped us think about what we were doing that doesn't achieve our mission,' says Lynne. 'As a result, we have reduced the types of services we deliver from about 25 to about 16.'

The evaluations also identified shortcomings in the way services are delivered, as Lynne explains: 'Each service was delivered individually, so the older people we helped actually didn't know about the other services we delivered. What we thought was a professional service was actually a service without flexibility and choice.' WRVS is now planning to roll out a 'hub' model to link services together in local areas. This new model will replace the structure of several individual services under different managers with a single integrated local WRVS team. This means that older people will be offered a more integrated package of support.

As well as identifying areas for improvement, evaluation identified some unexpected benefits of WRVS's services. 'Before the evaluation, our hospital cafés were seen as revenue raisers,' Lynne told us. 'Now the cafés are seen as fundamental to the service we deliver, providing an opportunity to engage with millions of older people at a time of difficulty and stress.' WRVS is in the process of linking cafés into other WRVS services.

Overall, evaluation has shaped WRVS's strategy. As Margaret emphasised, 'Nationally, it's given the organisation the direction it wants to take.'

Looking forward

WRVS has made steps towards monitoring its impact on an ongoing basis, but as Lynne admits, 'we've not cracked collecting routine data'. There is still work to be done to roll out a full measurement system.

Read more

To read WRVS's reports and reviews, visit http://www.wrvs.org.uk/our-impact/reports-and-reviews/2011.

Figure 7: Extract from WRVS Social Impact Report 2008

WRVS delivers practical support through the power of volunteering, so older people get more out of life.

In 2008 WRVS commissioned Public Aspect – independent consultants – to answer the question:

Has WRVS made your life better?

Key findings

Our first social impact report shows that WRVS is achieving its goal: to help older people get more out of life by providing practical support through the power of volunteering.

The people who use our services

WRVS has made life a lot better for 70 per cent of the 520 people interviewed who used our services. This figure rises to 90 per cent if we include those who say their life is slightly better as a result of WRVS.

Our impact on people's lives is driven by emotional/well-being benefits in the form of reduced isolation, increased confidence, greater independence and in some cases feeling healthier.

73% of the people we support feel less isolated

63% feel more confident

57% feel more independent and

46% feel healthier thanks to the services we provide.

Underlying these emotional benefits are tangible/practical benefits. 86 per cent of the people we support said they get a practical benefit from our services.

71 per cent of the people we support said that our volunteers treated them with great dignity and respect.

CONCLUSION

Our bright spots show that with the right people, support and systems, any charity or funder can do impact measurement well. If done properly, it can produce huge benefits.

By developing their own impact measurement systems, charities can make sure they generate tailored, meaningful results that both demonstrate their impact and help them improve their services. They can also adapt their tools to the way they work, and make sure measurement does not get in the way of frontline staff's work.

But many charities find it too difficult or too expensive to measure their impact, and they do not receive the encouragement that would allow them to put an impact measurement system in place. The environment in which they work needs to be more supportive:

- **Funders** should fund charities based on their impact, and support charities to improve their impact measurement.
- **Government** should set clear principles for what good impact measurement looks like.
- **Think tanks, academics and consultancies** should provide affordable, shared measurement tools accessible to even the smallest charity.
- **Umbrella bodies** should encourage charities to come together to measure their impact and promote impact measurement.

To build this supportive environment we need more collaboration between funders, charities, government, think tanks, academics, consultants and umbrella bodies.[15] Also, it is crucial to bear in mind what impact measurement is all about: better support for the people whom charities help. Charities exist to change lives, and measuring their impact is the only way of demonstrating the difference they are making and improving their impact in the future.

Rather than focusing on the costs of evaluation, charities should ask themselves, what is the cost of not measuring impact? The answer is that beneficiaries may not be getting the support they need. As Lynne Berry from WRVS puts it: 'to know whether you are achieving your mission, you need to know your impact'.

What next for funders?

Funders play a key role in promoting impact measurement in the voluntary sector, and there are several ways they could help. For example, they could:

- **Pilot an 'impact grant programme' to fund charities that have strong evidence of impact.** For guidance, NPC has published a library of reports in dozens of areas of UK human welfare, such as young people, literacy and domestic violence.[16]
- **Introduce or improve measurement support for grantees.** For guidance, read Helping grantees focus on impact from NPC and Does your money make a difference from Charities Evaluation Services.[17]
- **Set up an impact fund to pay for complex evaluations by external evaluators.** There is basic guidance on commissioning evaluation in two reports from Charities Evaluation Services: What to include in an evaluation brief and How to cost an evaluation. For more tailored advice, contact a relevant academic department or evaluation consultancy.

- **Contribute to a knowledge sharing network.** There are various forums for funders to share their findings, including conferences, networks (such as London Funders) and websites (such as www.fundernetwork.org.uk).

Bright Spot 6: The Diana, Princess of Wales Memorial Fund

'We are now sharing a lot more of our results and communicating a lot more.'

The Diana, Princess of Wales Memorial Fund was set up in 1997 following the death of the Princess. The fund plans to spend its £100m endowment by 2012. It funds mainly in the areas of palliative care in Sub-Saharan Africa, refugees and asylum seekers in the UK, vulnerable people in the criminal justice system, and campaigning to end the use of cluster munitions. Its measurement journey illustrates how a funder can take a leading role in measurement and evaluation, and use findings to help grantees improve.

Context and drivers

The fund's senior staff and trustees always wanted to know they were making the biggest difference possible, but it was a strategic review in 2006 that provided the stimulus to develop their measurement work. Andrew Cooper, the fund's research manager, explains that the review led to a strategic plan, which 'outlined a lot of changes to the evaluation approach. There was a lot of evaluation, but the quality varied and much of the learning was not shared externally.' The new evaluation approach was focused a lot more on real-time learning and engaging with grantees.

The fund's board members supported the changes and were willing to do what was needed to implement them—this included hiring Andrew as evaluation manager. As Andrew says, 'Board members need to be committed to some form of impact measurement. That is really important.'

Development of measurement

'Back in 2007, there were different levels of understanding and beliefs among staff about what our evaluation should look like,' Andrew explains. 'Now there is a lot more synchronisation on that, which happened because we spent a lot of time discussing evaluation internally. We had groups talking about evaluation and away days.' Not wishing to impose a single way of evaluation on diverse programmes with different aims, the fund devolved responsibility for evaluation to staff. 'I think it works quite well now getting staff to make decisions about what is important to measure.'

Rather than adopting a rigid approach to measurement, staff tried and tested different ways of evaluating before deciding what worked best for them. 'There was really quite a lot of experimentation,' Andrew admits. 'It was very formative—starting to communicate externally, getting feedback, finding out what stuff works and what doesn't.'

Separating compliance from learning

The fund's increased involvement in evaluating grantees made the grantee-funder relationship more difficult at first, as 'a lot of grantees can see it as meddling'.

Now the fund deliberately separates compliance from learning. Compliance answers the question, 'Did you do what you said you would?' Learning focuses on asking, 'What broader lessons can be draw from this project?' The fund communicates this philosophy to grantees.

Simple measurement

The fund tries not to overcomplicate evaluation. For instance, it largely ignores the issue of attribution. Instead, it focuses on using evaluation to learn about what is working, and using the results to make changes or communicate externally. ‘A lot of the time, it’s about realising that actually you need something simple and quick where you can incorporate and use the results.’

Measurement today

Today, evaluation is part of the everyday activity of the fund. It has commissioned and engaged in many evaluations of its funded projects and has added to our knowledge of what works in campaigning and policy change. The fund has commissioned a major evaluation of its own approach.

Benefits of measurement

Knowledge and profile

Today, the board and staff are more informed about what works and what does not. ‘Measurement gives us useful information and evidence on how social change happens.’ The evaluation has also helped grantees learn more about their effectiveness and has led to some changes in their approaches—for example, using new forms of evaluation to assess policy change and advocacy work.

The fund has become known amongst grant-makers for its open approach to evaluation and sharing findings. Andrew believes ‘our approach to evaluation has been beneficial to the organisation’s profile, primarily because of the approach we’ve taken to sharing our findings’.

Staff time

‘Before, there used to be endless reports and endless standard evaluations with a lot of detailed questions,’ says Andrew. ‘The new approach has enabled staff to spend more time focused on improving the impact of projects, rather than simply on compliance monitoring.’

Looking forward

Andrew believes that more funders should take an active approach to measurement, and do more to share and learn from the results of their funding. ‘We’ve been a strong voice calling for other funders to be more open. That needs to happen more widely.’

He also thinks grantees should be more active in deciding what they measure and report on. ‘Grantees can be quite passive about this stuff actually. They don’t challenge enough why we ask for certain information over something else.’

Read more

To read the studies and evaluations carried out by the fund, visit http://www.theworkcontinues.org/document.asp?id=7.

To read the fund’s latest annual report, visit http://www.theworkcontinues.org/document.asp?id=1654&pageno=.

Figure 8: Extract from Ban Advocates Initiative Independent Evaluation

2. Achievement of goals

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Soraj Ghulam Habib, Ban Advocate, congratulates the Norwegian Foreign Minister, Oslo, 3 December 2008.

The findings from the evaluation suggest that the two main goals of Phase 1 of the Ban Advocates Initiative have been largely achieved, which were to:

- Support international efforts to rid the world of cluster munitions, and
- Raise awareness in the negotiations (known as the Oslo Process) for an international ban on cluster munitions (CMs) of the human impact of cluster munitions

However, as one BA noted, 'the process is not finished: it is just beginning. Without implementation it is just a piece of paper and fine words'.

3. Achievement of policy change objectives: the BAs' contribution

The Ban Advocate Initiative did not have written policy change objectives or priority target audiences against which to measure achievements. These were decided in coordination with the Cluster Munition Coalition (CMC) on a conference by conference basis and during country tours.

However, the findings from the evaluation show that the Ban Advocates (BAs) were a vital factor contributing to the success of the Oslo Process. Their particular contribution, as part of the wider civil society campaign, was to help:

- Increase the legitimacy of the Oslo Process (along with affected countries)
- Strengthen the power of the humanitarian argument in favour of a ban
- Influence diplomats understanding and views of the issue, and in some cases contribute to a change in government policy
- Strengthen the text of the convention, particularly on victim assistance
- Secure high profile media coverage for the Oslo Process
- Motivate campaigners and diplomats

As one respondent said 'The involvement of the BAs was a massive morale boost for the whole campaign – it was incredibly motivating'.

CMC campaigners, Oslo, 4 December 2008.

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EXTERNAL EVALUATION BAN ADVOCATES

GLOSSARY

Attribution: An assessment of how much of a particular outcome was caused by the contribution of certain organisations or people.

Data analysis: The techniques used to interpret information about an intervention. The main techniques used in evaluation are statistical analysis, models, non-statistical analysis and judgement techniques (such as cost-benefit analysis), cost-effectiveness analysis and multi-criteria analysis.

Data collection: The techniques used to gather information about an intervention. The main techniques used in evaluation are surveys, case studies, natural observations, expert opinion, reviews of programme documents and literature reviews.

Effectiveness: An assessment of the extent to which the intervention's impacts have contributed to achieving its specific and general objectives.

Evaluation: An in-depth study that takes place at a particular point in time, and in which recognised research procedures are used in a systematic and analytically defensible fashion to form a judgement about the value of an intervention.

External evaluation: An evaluation that is performed by people outside the organisation responsible for the intervention itself.

Impact: The difference the intervention has made to the participants' lives, taking into account what would have happened anyway, the contribution of others, and the length of time the outcomes last.

Impact measurement: The process of trying to find out whether an organisation is doing something that provides a real benefit to other people or the environment. This process includes everything from gathering data to analysing data to demonstrating findings.

Indicator: A characteristic or attribute that can be measured to assess an intervention in terms of its outputs or impacts. Output indicators are normally straightforward. Impact indicators may be more difficult to derive, and it is often appropriate to rely on indirect indicators as proxies. Indicators can be either quantitative or qualitative.

Monitoring: The continuous process of examining the delivery of programme outputs to intended beneficiaries, which is carried out during the execution of a programme with the intention of immediately correcting any deviation from operational objectives. Though monitoring is different to evaluation, it often generates data that can be used in evaluations.

Outcome: The changes resulting from an activity. Changes can be intended, unintended, positive or negative.

Result: The initial impact of an intervention (for example, an improvement in the employability of the long-term unemployed through a rise in their skill level).

Randomised Controlled Trials (RCTs): A method of monitoring the outcomes of an intervention group and a control group. Both groups have the same characteristics, but the control group does not receive the intervention. This helps to ensure that any change in the intervention group is due to the intervention rather than other factors. RCTs typically take several years and are very costly.

Theory of change: A method of showing a charity's path from needs to outputs to outcomes to impact. It describes what a charity wants to achieve and how it plans to get there.

REFERENCES

[1] Charities Evaluation Services (2008) *Accountability and learning: developing monitoring and evaluation in the third sector*. Many of the messages in this report will be useful and interesting to commissioners as well as to charities and funders. Commissioners may want to read this report alongside one of the many guides to outcome-based commissioning, available from the Local Government Improvement and Development website.

[2] http://www.philanthropycapital.org/publications/improving_the_sector/Measuring_together.aspx

[3] http://www.well-beingmeasure.com/

[4] Charities Evaluation Service (2008) *Accountability and learning: developing monitoring and evaluation in the third sector.*

[5] IDeA & LGA (August 2009) *Outcomes based accountability survey.*

[6] HM Government (October 2010) *Spending Review 2010.*

[7] Charities Evaluation Service (2008) *Accountability and learning: developing monitoring and evaluation in the third sector.*

[8] http://www.philanthropycapital.org/publications/improving_the_sector/Measuring_together.aspx

[9] http://www.nesta.org.uk/events/assets/events/building_the_uk_alliance_for_useful_evidence

[10] http://www.odi.org.uk/work/programmes/rapid/default.asp

[11] http://www.probonoeconomics.com/

[12] http://www.homelessoutcomes.org.uk/

[13] http://www.well-beingmeasure.com/

[14] Wilderdom.com provides a useful list of measurement tools.

[15] NPC, NESTA and Views held an Impact Summit on 23 September 2011, bringing together charities, funders, policymakers, think tanks, consultants and umbrella bodies. Participants proposed a range of actions we could take to encourage and support charities to improve the way they measure their impact. These actions will be published at the end of 2011.

[16] http://www.thinknpc.org/publications/

[17] Hedley, S. et al (2011) *Helping grantees focus on impact.* New Philanthropy Capital. Charities Evaluation Services(2010) *Does your money make a difference?*

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TRANSFORMING THE CHARITY SECTOR

NPC occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

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