KEEPING IT IN PROPORTION: IMPACT MEASUREMENT FOR SMALL CHARITIES

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On 9 July 2015, NPC held a seminar for small charities about how they can measure their impact. The event, chaired by **Bethia McNeil, Director of The Centre for Youth Impact**, took place as part of NPC's seminar series designed to give charities an introduction to various aspects of impact measurement.

At the event, **Anne Kazimirski, Head of Measurement and Evaluation at NPC,** outlined NPC's approach to impact measurement for small charities. Delegates then heard from **Matt Wall, National Secretary at the Community Chaplaincy Association,** and **Anood Al-Samerai, Director of TalentEd,** who showed how they have put this theory into practice within their organisations.

This report highlights the main themes discussed and summarises advice from our speakers, drawing on the experience of those in attendance. It provides practical advice about the steps that small charities can take to assess their impact in a way that fits with their size and resources.

What is impact measurement?

Charities will often focus on delivery—their outputs and their activities—but impact measurement involves understanding *the difference these activities make*. Charities can monitor the effects of their activities on the cause they are working to tackle in order to improve their work, and the lives of the beneficiaries they exist to help.

Why should small charities measure their impact?

Small charities can find it challenging to measure their impact because they have fewer resources available to them. Whereas many larger charities have staff and budgets dedicated to evaluation, this is usually not the case for small organisations where responsibility for impact measurement might be shared between staff, or feature on a chief executive's long to-do list.

Good impact measurement can help small charities focus their limited resources on activities they know work, can boost morale where work is shown to make a difference, and help attract funding. But it is important for small organisations to know where to focus their measurement effort, and how to keep it in proportion with the scale of the work they do.

Getting started: The essentials of impact measurement

NPC's *four pillar approach*[1] can be used by small charities to focus their measurement efforts. It takes charities and social enterprises on a journey through four stages of building an effective impact measurement framework:

1. Map your theory of change[2]
2. Prioritise what you measure
3. Choose your level of evidence
4. Select your sources and tools

Figure 1. NPC's four pillar approach

Step one: Map your theory of change

A theory of change sets out the causal links between your activities and your end goal. Mapping your theory of change involves working out what you want to finally achieve, and all the steps you need to take—which are known as 'intermediate outcomes'—to reach this final goal.

There are lots of different ways of representing your theory of change[3], from a simple list of activities, outcomes and final goal, to a more detailed outcomes chain which tries to track a path through your activities and outcomes.

There is no right or wrong approach, but your theory of change should provide clarity about the impact you want to make and how you intend to make it. Your theory of change should give you a coherent framework for underpinning your measurement efforts.

Step two: Prioritise what you measure

Prioritising which outcomes you measure is really important, especially if you are a small charity with limited resources. Make sure that you are measuring the outcomes that are most important to your final goal, rather than those that are most convenient to measure.

Prioritise outcomes that:

- are **directly influenced** by your work;
- are **material** to your mission;
- are **not too costly** to measure; and
- will produce **credible** data.

Keep measurement in proportion: the amount of time and energy spent on evaluation needs to reflect the amount of time spent on services themselves, and also the evidence already available. As a rough guideline, for a new or unique service, 5–10% of the investment in the service should be invested on evaluation (and less where there's evidence already available).

[1] Kazimirski, A., and Pritchard, D.(2014) *NPC's four pillar approach*. New Philanthropy Capital.

[2] Kail, A., and Lumley, T. *Theory of change: The beginning of making a difference.* New Philanthropy Capital.

[3] See NPC's practical guide for instruction on creating your theory of change: Harries, E., Noble, J., and Hodgson, L. (2014) *Creating your theory of change: NPC's practical guide.* New Philanthropy Capital.

Step three: Choose your level of evidence

The next step is choosing an appropriate level of evidence to aim for. It is important to advance beyond **case studies**, which are useful to illustrate what you do, but tend to be biased towards the most positive stories—rarely do you see a negative case study. Occasionally, small charities are able to do **Randomised Control Trials (RCTs)** but there are many hurdles around the expense, ethical issues, and complicated methodology.

Before and after surveys are a more accessible approach for many small charities. They provide a slightly more objective view of how things have changed compared to self-reported change, which is where service users give their view on the effect your work has had on their lives. Before and after surveys involve collecting the same data on service users before they start using a service, and afterwards. They are particularly suited to service delivery (though the same principle of identifying change can be applied to campaigning work[4]), but can be tricky for one-off contact. It can also be difficult to attribute changes to your work, so be aware that they might not tell you the full story.

Finally, consider whether you can find a **comparison group** to help put your results in context. For example, you could compare those who have already accessed your services with those on a waiting list for them, or with users who have received a smaller 'dose', or who have accessed a different version of a service. Think creatively, but if you can't find a comparison group, acknowledge this gap in your reporting. You can add to your evidence through asking users whether or not they think your services have made a difference in their lives.

Step four: Select your sources and tools

Once you have prioritised your outcomes and chosen your level of evidence, you can select or develop data sources and measurement tools to capture it. Ask yourself the following questions:

- **Who does the data need to be collected from?** Eg, beneficiaries, stakeholders, staff.
- **What type of data should be collected?** Eg, quantitative and/or qualitative[5].
- **When should this data be collected?** Eg, before, during and after an intervention.

Consider what tools and data sources are already available before developing your own. Collaborate with others and share measurement tools where possible to save time and resources.

Top tips for impact measurement in small charities

Start small

Impact measurement can seem intimidating when you have limited resources. The speakers urged small charities to start small, and to create time and space for thinking about impact. This can be done through having an external conversation—for example, with a consultant—but it could also be started internally by harnessing existing staff skills or by creating space for trustees to discuss it on an away day. Small organisations can benefit from training, and from free online resources (further resources listed at the end of this document).

'Start small and do what you can. Take a step back and invest time in your theory of change.'

Matt Wall, Community Chaplaincy Association

[4] See Thorne, M. and Hestbaek, C. (2016) *Measuring your campaigning impact: An introduction.* New Philanthropy Capital.

[5] See Thorne, M. and Noble, J. (2016) *Stories and numbers: Collecting the right impact data.* New Philanthropy Capital.

Don't collect arbitrary data

It is important to collect data that matters. This means prioritising those outcomes that are meaningful to your theory of change and that help you to improve your work. Measuring only a few key outcomes can improve your ability to understand and communicate your impact, and feed this back into improving the quality of your work. Prioritisation also helps to avoid 'survey fatigue' among beneficiaries and staff.

'Prioritise the question you are asking and keep focused on what you are trying to achieve. That's what you need to measure.'

Anood Al-Samerai, TalentEd

Be realistic, but also creative

It is important to be realistic about what you can measure and when. For example, some charities have really struggled to conduct before and after surveys with vulnerable groups. This is because often it is not appropriate to ask sensitive questions at the beginning of their engagement, or because clients struggled to answer questions, which can result in unreliable data. The speakers encouraged charities to be realistic about what was possible and to think about alternative ways of gathering information.

'Implement client self-reporting as soon as you feel comfortable. You can guide people through a survey by explaining the questions and scales to them.'

Matt Wall, Community Chaplaincy Association

'Rephrase questions and get an external perspective. For example, if a student finds it difficult to assess their presentation skills, then ask their teachers.'

Anood Al-Samerai, TalentEd

Case study: Anood Al-Samerai, TalentEd

What?

TalentEd brings bright students together with expert teachers in small groups to improve their grades and opportunities.

Why?

As a small charity setting up its programmes, it initially focused on delivery. When TalentEd turned to focusing on its impact measurement, it tried to measure everything it could with the intention of producing a glossy impact report for funders. As Anood recalls, *'we soon found ourselves drowning in paperwork!'* TalentEd realised it needed to shift its emphasis from quantity to quality of impact measurement.

How?

Theory of change: TalentEd developed a theory of change in the form of an outcomes chain that explained how its end goal was linked to intermediate outcomes and activities.

Prioritise what you measure: From the theory of change, TalentEd prioritised five outcomes and five outputs to focus its measuring on. This was much simpler than its previous impact measurement efforts.

Choose your level of evidence: TalentEd decided to work with one of its schools to create a comparison group of students with similar grades and background characteristics, so that it could compare outcomes for this group with outcomes for students in TalentEd programme.

Select your sources and tools: The charity signed a Data Agreement with its partner schools to share data on student GCSE results, and developed before and after surveys to measure other outcomes such as knowledge and skills.

Keep learning at the heart of the process

Impressing funders may motivate many charities to start measuring their impact, but the most effective impact measurement practice is equally focused on internal learning. Such learning helps charities to improve their services and better support their beneficiaries.

'Keep it simple and don't try to be perfect first time. Mistakes will help you to tweak your processes.'

Anood Al-Samerai, TalentEd

Negotiate with funders

A recurring theme was the difficulties small charities face when asked by funders to measure things that they as an organisation don't think are relevant. Multiple funders requesting different sets of data is also a common problem. Having a theory of change with prioritised outcomes helps small charities to agree sensible data reporting with funders. There are many small charities that have worked with funders to change the data they are required to report on.

'Try as hard as you can within the power relationship to change what a funder asks you to measure if it isn't relevant to your work.'

Anne Kazimirski, NPC

Case study: Matt Wall, Community Chaplaincy Association

What?

The Community Chaplaincy Association is a network of local community chaplaincies, which offer mentoring and holistic support to prisoners, ex-prisoners, and their families. Over the last two years, the Association has been on a journey to improve impact measurement practice across its network.

Why?

The Association realised that there was great variety in the approaches to collecting evidence across its network of community chaplaincies. In order to champion the community chaplaincy approach and promote learning across the network, it needed a shared language of impact measurement.

How?

Theory of change: The Association started by holding four different discussion groups to develop its theory of change. Matt recalled how *'there was heated debate and we thrashed out the different opinions. Working back from our end goals, we realised that the catalyst for all the changes we are working towards is having a high quality trusting relationship between our mentor and mentee.'*

Prioritise what you measure: Because their theory of change highlighted the importance of the mentor-mentee relationship, the Association realised it needed to prioritise measuring the quality of this relationship.

Choose your level of evidence: In order to make realistic and credible claims, the Association decided to develop before and after survey tools to capture the changes experienced by beneficiaries.

Select your sources and tools: The Association developed a whole new support tool to measure the quality of the mentor-mentee relationship and the 'soft outcomes' that resulted. This included some outcomes that many community chaplaincies were not currently measuring, such as hope, confidence, relationship skills, and social networks. The tool was tested with five community chaplaincies across the country and the results fed directly back into their work. Matt explained that *'the new tool enhances the mentor-mentee relationship and improves the quality of work, as well as measuring impact.'*

Small charities can also seek funding specifically for evaluation. The Community Chaplaincy Association had received a grant from the Cabinet Office's Impact Readiness Fund, while TalentEd received support from the Young Foundation to work with NPC.

Collaborate with others

Small charities can collaborate and share resources to improve their impact measurement practice. For instance, they can use existing tools to measure their outcomes rather than inventing their own.

'Your intervention may be unique but your outcomes probably aren't—look for existing tools to measure your outcomes.'

Anne Kazimirski, NPC

Charities can also use published data to evidence links in their theory of change. Take, for example, a charity with a final goal of improving child development with an intervention focused on parental counselling; if the links between parent outcomes and child outcomes have already been well researched by others then it is not necessary to collect the same data again, but instead consider citing these published studies, and focusing on monitoring the quality of the counselling.

'Don't reproduce evidence that's already available. Cite others where possible.'

Bethia McNeil, Centre for Youth Impact

Final thoughts

Impact measurement is often daunting to small charities with few resources. In some regards however, small charities have an excellent opportunity to embark on impact measurement; their teams tend to be smaller, with less bureaucracy and more flexibility. This freedom, coupled with good leadership and an effective, enthusiastic team puts any small charity in an excellent position to achieve more effective impact measurement.

More in this series

This guide is part of a series developed from NPC seminars to give an introduction to various aspects of impact measurement. Other topics in this series include:

Result! What good impact reporting looks like

Stories and numbers: Collecting the right impact data

Measuring your campaigning impact: An introduction

We will soon have new dates and topics for our measurement seminars in 2016, so check the events section of our website for the latest information.

Further resources

Kazimirski, A. and Pritchard, D. (2014) *NPC's four pillar approach.* New Philanthropy Capital.

Inspiring Impact (2013) *The Code of Good Impact Practice*

Inspiring Impact's Measuring Up! tool

Inspiring Impact's Impact Hub

The Small Charities Coalition

TRANSFORMING THE CHARITY SECTOR

NPC is a charity think tank and consultancy which 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.

Increasing the impact of charities: NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact.

Increasing the impact of funders: NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

Strengthening the partnership between charities and funders: NPC's mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.

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