Working Hard & Working WELL

How to Get Started: Four Days of Intense Introspection

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How to Get Started:
Four Days of Intense Introspection

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It is never easy to manage organizational performance at high levels of quality and effectiveness over the long haul. It requires a clear vision of what one is trying to accomplish, the right organizational capacities, the resources to do what is necessary, and the tenacity to keep on course even when the going is rough. In other words, an organization that holds itself accountable for producing results must have a strategy for doing so and the commitment to stick with it.

With its origins in military thinking, a strategy requires an organization to have:

- **A clear mission** that articulates the domains within which it will work and the results it wants to achieve (and why)[24]

- **A long-range plan for succeeding,** with well-developed goals and measurable objectives

In the absence of a strategy, it is unlikely that an organization will know how to focus on what it is working to achieve, or have a collective commitment to getting key results. By definition, however, strategy is a "big picture" concept, much like the view one has while flying across the United States and looking down on major

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24. This is often referred to as an organization's "value proposition" by social entrepreneurs and funders who use what has broadly been termed a "venture philanthropy" approach.

topographical features. *To get to strategic success, one also needs a framework for making it operational—doable and successful down on the ground where the "small picture" is immediate, must be dealt with as it changes, and requires constant focus, concentration, and intentionality of effort* (e.g., rotating crops, managing irrigation). Such a framework is provided by what is often called a "theory of change"—a conceptual structure that provides a bridge from strategy to operations and keeps operations dedicated to and aligned with strategic priorities and criteria for determining whether success has been achieved.

What Is a Theory of Change?

A theory of change is best thought of as an organization's blueprint for success. It is the guide whereby the organization structures its daily activities to achieve its strategic goals and objectives. It also provides the framework within which an organization can examine what works and what does not work within its own programming, and manage performance for continuous improvement (Hunter 2006a: 183).

To develop its theory of change, an agency must answer the sets of questions shown below within the governing limits provided by its mission, goals, and objectives.

IN FOCUS

An Exercise in Thinking About Basic "If-Then" Assumptions in a Real Program

If you are a direct-service provider, answer the following questions about one of your core programs.

If you are a funder, answer the following questions using what you know about a core program of one of your grantees.

If you are a consultant or a technical-assistance provider, answer the following questions using what you know about a core program of one of your client organizations.

1. What is the intended target population (as specified by demographic and baseline characteristics)?

2. What is the program model? (List specific elements including: What services should be delivered? What activities should be provided? What staff (or volunteer) competencies are needed to engage in this work with a high level of quality and effectiveness? What dosage of services and activities should program participants get? How often? For how long?)

3. How many people can the program serve at any given time (in ways that can be expected to produce intended outcomes)?

4. How is enrollment managed to ensure that program participants meet the intended profile(s)?

5. What is the program completion rate?

6. What are the reasons why participants are dismissed before they achieve targeted outcomes or why they leave prematurely?

7. What are the services and other activities performed or delivered by program staff (or volunteers)?

8. What are short-term outcomes that are tracked to show that clients are benefiting incrementally and in a timely way?

9. What are the outcomes that clients are expected to achieve before they leave the program? What number and percent do so?

10. What are the external constraints that might interfere with clients benefiting from the program as intended?

11. What external information is available to think about how to improve the program (e.g., new research on the target population, new evaluations of similar programs)?

12. What plans are there for making adjustments to address constraints or to build on new information?

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Let's elaborate a bit on some of these questions.

Target Population(s)

Whom is the organization in business to serve so that it can measurably improve some aspect of their lives? (And the corollary: Whom should it not serve, or serve minimally with no accountability for results?)[25] Two major elements are used to define a target population:

a. **Demographic Characteristics.** These are the constant or very-slow-to-change qualities that define a group. They include: (a) date of birth; (b) ethnic/racial identity; (c) primary language; (d) gender; (e) place of residence; (f) family composition; and (g) socio-economic status (including use of public subsidies).

b. **Risk Indicators.** These are the more changeable qualities that are often the reason why a program elects to work with a population, and therefore are also the issues that the program tries to meliorate. They are often age-related and include such things as: (a) frailness and/or poor health or being at imminent risk for poor health (including mental health and related issues); (b) having demographic characteristics that themselves pose high risks to the viability of current living or life prospects—such as poverty, being a teenage parent (or the child of one), living in foster care, being a high school dropout, transitioning out of institutionalization, being homeless, lacking access to health care, having below-age-appropriate educational attainment (or dropout status); (c) being involved with a public system such as mental health and/or substance abuse services, juvenile or criminal justice, foster care or child welfare; and (d) lacking in basic life skills and competencies that support adaptive functioning.

It is essential that organizations understand both the demographic and risk factors of the people they are trying to help. No organization

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25. Not all agencies—and not all programs within agencies—are in business to create outcomes (i.e., change people's lives or prospects for the better). Some are satisfied to deliver high-quality services without any concern for outcomes. Typically this is true of community resource centers, soup kitchens, and arts-type services. Nevertheless, effective management of such "output services" also requires an organizational theory of change to provide a framework for delivering them at high levels of quality and in a sustainable manner. The focus of this book, however, is on outcomes-producing programs.

can help all the people who need help, and therefore selecting the target population on which it will focus is absolutely essential—not only because the scope of needs is so large and far beyond what any organization could reasonably tackle, but also because different demographic and risk factors require particular prevention and intervention strategies and services for which specific organizational expertise and staff competencies are needed. Every organization must understand its "sweet spot" and focus its efforts on those matters for which it is best equipped to make a difference. This involves being selective about program enrollment—recruiting people with issues the organization can address, and excluding others.

Organizations often find that the challenge of specifying the target populations for enrollment into their core (outcome-producing) programs is gut-wrenching. Saying no to anyone cuts against the value system of many nonprofits. But it is essential that they realize that saying yes to everyone will ultimately mean that they will be less successful in helping anyone. They need to say no in order to say yes well.

One key issue is the matter of the severity of risk an organization can address successfully. Choosing to work with people at "very high risk"—people whose problems are overwhelming—is a noble endeavor, but doing it well requires very high levels of organizational capacity and staff competencies. When nonprofits take up this work (all too often, usually at the urging of funders) without the necessary capacities and competencies, they are not able to be of much help and indeed can inadvertently do harm. In contrast, serving people who are in pretty good shape takes much less work and can result in the appearance that the organization is producing terrific outcomes. This is called "skimming" or "creaming" and is also a frequent practice. The irony, of course, is that once one investigates whether these outstanding outcomes are actually the result of the organization's work or are simply changes that most likely would have come about anyway, the organization may seem to be of little value. Every social service organization has to find the right path in the space defined by these extremes and then exercise strategic and operational discipline in holding to it.

Outcomes

There is a lot of confusion regarding the concepts of outcomes and outputs in the social sector. Let's clarify. "Outputs" refers to the number and kinds of people served, activities performed, and items produced by an organization. Printing and distributing materials for HIV/AIDS prevention, serving food in a soup kitchen, coaching people who are seeking work—these are examples of outputs. "Outcomes," in contrast, refers to the desired changes that programs produce for target population members who are enrolled and participating in their services. Outcomes must:

a. **Be a measurable change in some aspect of the life of an individual, family, or group.** Generally speaking, social service organizations are seeking to produce changes in attitudes, knowledge, skills, behavior, social position attained (e.g., graduating from high school), or risk factors. If one cannot or does not measure these changes, one cannot be sure that they have occurred, and one cannot manage operations to produce them reliably. For the purpose of managing performance, **an unmeasured outcome is not an outcome!**

b. **Be relevant to the needs of the target population.** One does not select program outcomes in a vacuum; they have to make sense for the target population one is serving. To select good program outcomes one needs to have (or have access to) considerable knowledge about the target population and its needs. Looking to reduce violence committed by frail elderly people living alone, for example, is not likely to be a worthwhile endeavor. But not all such disconnections between target population and program outcomes are so obvious, and I have found that many organizations need considerable help bringing them into good alignment.

c. **Be sustained.** If an outcome is truly significant for a given target population, it must be sustained to make a worthwhile difference. A bit later I will distinguish among short-term, intermediate, and long-term (ultimate) outcomes. All three

must be sustained to be important. If, for example, a high school student is at risk for dropping out, it makes sense to reduce his or her truancy rate, but the reduction is meaningless if school attendance is improved for only a week. It can be extremely useful to teach work-readiness skills to unemployed people looking for work—but only if they retain them. The same is true in the case of parenting skills for new parents, safe-sex practices for teens, self-care for people with chronic illness, pro-social attitudes for criminally involved youths and adults, and so on. Getting outcomes to "stick" is not easy. And when they don't, more than a few organizations blame the intended beneficiaries, ascribing to them such things as "a lack of motivation." Such attitudes can be a major impediment to high organizational performance, and must be challenged by any effective leader—or consultant.

d. **Be linked to program efforts.** At the very least, there should be a *commonsense association* between program activities and the outcomes they are meant to produce among intended beneficiaries. There will be a lot more to say about this below in the discussion of program codification. But for now I'll simply note that a lack of alignment between activities and outcomes is surprisingly widespread. There are tutoring programs intended to improve the academic performance of middle school students where the curriculum is written by high school students who themselves are barely literate; pregnancy-prevention programming using "abstinence-only" approaches that have been proven ineffective, and indeed can cause harm because they don't teach safe-sex practices and thus leave participants more vulnerable to acquiring sexually transmitted diseases; case management services provided by staff who have not been trained in appropriate interview methods or without documented knowledge of referral resources; workforce development programs that harangue participants to improve their attitudes without concurrently teaching them specific skills; and on and on.

While an organization may not be in a position to test the presumed linkage between its programming and its intended outcomes using sophisticated evaluation methods (about which there will be more below), at the very least it should make the assumptions about such linkages clear and track service provision by staff, as well as service utilization and incremental progress toward outcome achievement by clients.

e. **Be the basis for accountability.** It makes no sense to measure outcomes, or to monitor their achievement, if this information is not used to review what the organization is doing and how effective it is, and then to consider what it needs to improve. The performance of front-line staff should be judged on how successful they are in helping the people they are serving achieve key outcomes, and the performance of managers on how successful they are in improving the success of staff. Very few nonprofits have implemented results-based accountability. Rather, they focus on whether activities are delivered as intended. While evaluators are only too happy to assess outcomes whether or not they are the basis of organizational accountability, from a performance-management perspective this is a disaster. Absent accountability, little of worth gets done reliably.

It is essential that a theory of change ask and answer this question: What is the sequence of incremental changes that program participants should pass through as they progress toward achieving the intermediate and ultimate set of outcomes for which the organization or program holds itself accountable?

Programs/Services

All programs and services are outputs and should be designed to produce specific outcomes for target population members. A theory of change should answer all of the following: What should the agency's staff (or volunteers) be doing for or with those enrolled in its services (intended beneficiaries)? How much per day or week is sufficient, and how long should the program or service go on? Where should the programming or services be delivered (e.g., home-based, center-based), and what are the necessary competencies of those who deliver the programming or services, so that an organization can be confident that members of the target population will progress through the outcome sequence as intended?

In other words, an organization's theory of change provides the framework within which it will work, learn from its efforts, and make the necessary (timely) organizational and programmatic adjustments it needs to succeed in terms of its mission, goals, and objectives. A theory of change is thus broader than a program logic model, although the terms are often used interchangeably. "Program logic model" refers narrowly to cause-and-effect statements that specify a particular program's inputs (resources expended), outputs (activities performed and products produced), requisite staff competencies, and intended beneficiary outcomes.

Without a theory of change for making its strategy operational, an organization is unlikely to have effective plans for achieving results, may not have amassed the right resources to support its plans, and will not be able to organize and manage its efforts to achieve results—reliably, sustainably, effectively, efficiently, and at high levels of quality. Thus both a strategy and an aligned theory of change (blueprint for success) are necessary preconditions for driving to results (managing to outcomes). Without them, it is unlikely that an organization will generate much of anything in the way of meaningful social value.

Characteristics of a Robust Theory of Change

At a minimum, a theory of change should be:

- **meaningful** to its stakeholders
- **plausible** (conforming to common sense and the opinions of experts)
- **doable** within resource constraints
- **measurable and monitorable** (specifying the metrics that will be used to manage it)
- **operational** (providing a useful framework for managing organizational performance reliably, sustainably, and at high levels of quality and effectiveness)

Theory-of-Change Workshops

This section presents a workshop approach grounded in my three decades of leading and managing social service agencies, as well as helping other organizations develop practical theories of change. In my experience, these workshops require four days of highly focused work. They require deep, cellphones-off participation by a "vertically integrated" team representing all levels of the organization: the board of directors, executive director, COO and/or director of programs and other leaders, mid-level managers and program directors, and a representative sample of front-line staff and supervisors from all programs. Generally such a group will have a maximum of twenty-five participants—a large but still workable number.

For large organizations, it may be necessary to conduct this work in two stages—the first with a strategic focus for board members and the executive leadership team, the second for mid-level management and front-line staff organized around divisions or programs. If the sequence is broken into these two stages, the second must be built upon framework constraints developed in the first workshop, where, among other things, the organization's mission and goals, as well as long-term and intermediate outcomes, are established.

The facilitator should communicate to workshop participants that these workshops have three objectives:

1. To help the agency develop a **top-to-bottom consensus** on what each department, program, and person contributes to the value of what the organization produces

2. To create a **blueprint for the (re)design of the agency and its programs** to make it robust and sustainable and its work measurably effective

3. To **design the performance-management system** that the agency will use to keep its work at the highest levels of quality, effectiveness, and efficiency

The workshops should provide a venue within which it is safe for participants to have hard, searching conversations and to forge a consensus around key strategic and operational matters. Those who work at the upper levels of the organization are likely to hear things about work on the front lines that will surprise and perhaps worry them. For example, they might hear that staff enroll people into programs without observing central protocols; that enrollment records may not accurately reflect who receives services; that in the absence of rigorous supervision or systems of accountability, staff follow their inclinations in what they do and what they don't do for or with clients; that the performance data collected by staff are of no use to them whatsoever in doing their work; or that staff do not feel much of an obligation to record data accurately, completely, or in a timely manner. In turn, front-line staff may learn about management's concerns regarding service quality; threats to the organization's future; real (as opposed to imagined) contractual constraints on the work; or how the organization's growth plans depend on narrowing enrollment practices.

These conversations should be forward-looking. They should challenge the status quo and emphasize what the organization needs in order to be a high performer that delivers good social value to those it seeks to benefit and the stakeholders who support it. This is far from easy. It requires a facilitator to be creative in helping people step outside their comfort zones and the usual frameworks

within which they work (such as their "home" programs) and consider the agency as a whole. It is important that the facilitator help the group gain a deep understanding of the various perspectives and experiences people bring to their work and to promote discussions in which the participants can develop a consensus on key questions such as:

1. **Why should the organization be in business?** This calls for an examination of mission, goals, and objectives.

2. **Who should constitute our target population?** And an associated question: Which are our core (outcomes-producing) programs, and which are supportive, recreational, or expressive services (producing outputs but not outcomes)?

3. **Whom should the agency engage as "service population"?**[26] And what should be the indicators used to make sure that we maintain high-quality programming for them?

4. **Who should "own" a case?** Who is responsible for the success of a case? Every case needs a point person who coordinates services, monitors progress, initiates service adjustments as warranted, and so on.

   - In the organization's programming, what constitutes a treatment or service team? Usually a case needs the work of several people, sometimes across multiple programs.

   - How are cross-program and external referrals managed?

5. **What basic assessments should be made?**

   - How is program enrollment managed? What information is used to establish enrollment eligibility? Does an enrollment assessment need to be developed, or does the one in current use need to be modified (and if so, how) to ensure that only appropriate participants are enrolled?

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26. In this framework, target population members are why an agency is in business. Service population members are part of how it does business. Organizations generally find it almost impossible to serve target population members only. There are numerous reasons, including the presence of legacy programs; funder requirements; the need to maintain credibility and promote ease of access in local neighborhoods; and the desirability of having a broad base of support when engaging in advocacy. Whatever the reasons, however, organizations should try to keep the bulk of their resources focused on core operations intended to produce outcomes for target population members.

- Once clients are enrolled, should there be a universal *baseline assessment* to guide service planning? What data sets should it include?

6. **What is the process for converting a baseline assessment into a service plan?** Who should participate in such meetings? What data should be used?

7. **Which services should the agency offer to help clients achieve the targeted outcomes?** And which such services should be outsourced?

   - What is the specific nature of the activities, and what is the necessary dosage (frequency and duration)?
   - Who has been assigned the task of delivering each activity, and what is the professional competency profile of the person who does so?
   - Are the organization's programs designed well and resourced adequately to drive intended beneficiaries toward the achievement of intended outcomes?

8. **What are the short-term client outcomes?** These are the short-term results of staff members' immediate efforts that are necessary contributors to clients' success. How will the organization measure and monitor them? How will staff and managers use these data to adjust the organization's efforts on behalf of clients?

9. **What are the intermediate outcomes** that create the conditions for service recipients to achieve the **long-term outcomes** targeted by the organization?

10. **To what degree does the agency plan to track people after discharging them?** If it is making a long-term promise to clients, it must track them.

11. **What do we need to do to manage our performance?** What are the supervision and management structures and systems? What is the accountability system? What competencies are needed for each position in the organization? Does the agency in fact have people with the right competencies in each position—and where it doesn't, what is the plan to

correct this? Does the budget support such organizational improvements, or does it need to be adjusted?

12. **What should the organizational structure be?** That is, what structure would best support performance management?

One should expect moments of significant disagreement and even conflict in these discussions. This is hardly surprising, since tacit issues and disagreements that have simmered below the surface will bubble up once the norms of workplace conversation are even partly suspended by the facilitator's efforts to promote transparency. The facilitator must use such moments as opportunities to help the group work through the conflict and emerge on the other side with a newfound sense of its competence, coherence, and mutual respect—as well as a more widely shared line of sight to the organization's mission-critical goals and objectives.

Where the group cannot achieve consensus, the facilitator must ask the executive director to make a dispositive decision and give the reasons for doing so (acknowledging the contributions made by all participants to the discussion). If this is not feasible in the moment, the executive director should designate a workgroup to produce added necessary information (e.g., about benchmark data) and specify a process through which he or she will then reach a final decision—with a commitment to communicate the ultimate decision and the reasons for it to the entire organization. The facilitator should use all opportunities to promote such transparency of thinking and decision making in order to drive the organization's evolution to a higher level of development and performance.

The Sequence of Activities

There is an underlying logic to the sequence at a theory-of-change workshop. The idea is to start at the relatively high level of abstraction represented by an organization's mission statement. Using that as an initial way to focus and constrain the discussion, the facilitator

then drives downward, level by level, through the increasingly concrete and increasingly constrained elements: goals, objectives, target population, outcomes, and activities. In this way, decisions at any given level create the framework for getting consensus on decisions at the next level down. The dynamic of this funneling process is hard to believe if one has not worked with it—but it creates possibilities for reaching hard decisions faster, and with greater buy-in from diverse participants, than anyone can imagine at the beginning of the four-day course of events.

I have outlined the workshop sequence below. My outline suggests that the workshop is a fully linear process, but in practice that is never the case. In the course of each day, the facilitator should recognize when the conversation is taking the group outside the constraints of earlier decisions. He or she should address this explicitly by asking whether the group wants to revisit the prior decision (and, if so, give them space to do so) or whether the participants simply need to be reminded that they had agreed to stay within a framework whose boundaries they are now crossing. Thus, while it is fine for the group to "circle back" to prior decisions when the discussion has helped them appreciate some of the implications of those decisions more completely, such circling back should not be allowed to stall the process. The loops should look more like a three-dimensional spiral than a flat circle.

There is one exception to the practice of allowing the occasional circling back: the facilitator must protect the decision that workshop participants reached in settling on the agency's mission statement. Efforts to revisit that first decision should be highly discouraged, with the facilitator emphasizing that this dynamic—the wish to circle back to the mission statement—reflects significant organizational disagreement and suggests pretty serious confusion about why the organization is in business and what it offers to the world. If the facilitator can't help the organization to quickly reaffirm its newly adopted mission statement, he or she must raise the question of whether the agency is ready to undertake the organizational changes

necessary to become high performing—and if not, whether the workshop should be terminated. This will provoke a crisis, but frequently the crisis will lead to a very constructive group dynamic in which the organization's leadership grows, its management functions sharpen, and staff members deepen their understanding and commitment to the organization.

While the typical workshop entails four days of work, it is a good idea to break the days up, perhaps doing one day a week for three weeks or holding meetings on two contiguous days separated from the next set by a number of days or even a week or two. The pauses allow the organization to review internal documents, reanalyze performance data, or research specific items such as the literature on evidence-based programs. And for very large organizations the workshop may take more than four days.

Preparation for the Workshop

It is very important to get a baseline description of an organization's programs before the theory-of-change workshop begins. This has two purposes.

The first is to provide the organization an opportunity to engage in some focused reflection on its service approach, and to discover on its own where it can do better. Such reflection might be about, for example, ensuring that service recipients receive appropriate levels of service at appropriate intervals and for a long enough time, that activities are performed by staff or volunteers with the right competencies, or that intended beneficiaries are being helped to achieve the best outcomes appropriate to their life circumstances. All high-performing organizations engage in such stock-taking routinely. But agencies that are not yet there can benefit greatly from being offered the opportunity to engage in this kind of reflective exercise, stimulated rather than guided by the consultant, and thereby develop a new capacity or nurture a fledgling one. This is an important precursor to adopting, implementing, and institutionalizing strategic and tactical performance management.

The second purpose is to help the facilitator understand how well the organization has thought through its services and understands their strengths and weaknesses—and also to take note of possible "blind spots" where the organization is engaging in activities that are more or less simply carrying on what it has done for a long time without systematic reflection. This information will inform how the facilitator addresses the agency's practices. For example, the facilitator might determine that it's best to take an incremental approach that identifies ways the organization can improve on its programming; or, in contrast, he or she might see an opening to take a more radical approach in which fundamental programming assumptions can be challenged—an approach that will require helping the organization work through the cognitive dissonance that such a challenge will inevitably stimulate.

For these reasons, it is a good idea to ask program directors—well in advance of the workshop—to fill out some version of the worksheet in Appendix II, and to disseminate the completed worksheets to workshop participants and the consultant a week or two before the meetings begin.

Day One: Mission, Goals, Objectives, Populations

It is essential for the organization's leader (executive director, CEO) to open the workshop by welcoming participants and reminding them why the organization is going through this process, what it hopes to gain, and what the participants will need to do to ensure that the objectives are met. One especially important point to make is that the cost in salaried time for these meetings is high, and can only be justified if all participants are active and honest. This requires courage: a participant may have to express views that conflict with what someone at a higher level in the organization has put forward. But it is impossible to reach robust decisions unless information and opinions (even when they may be oppositional) are brought forward, considered thoughtfully, and acted on appropriately.

Since most workshop participants will not know all the others, it is important to hold a brief round of self-introductions, with participants noting what they, personally, hope will come out of the workshop. The facilitator should go last, mention relevant information about his or her background and experience, take note of the hopes that participants have expressed, indicate which seem likely to be met and which might not, and briefly outline the four-day sequence and what will be covered on each of the days. It is a good idea to signal that the work will most likely be draining, and that it will get progressively harder from Day One through Day Three, with Day Four generally less taxing.

Then, after the usual logistics—break times, meals, and so on—are settled, the work can commence.

During these workshops the facilitator should not assume that participants mean the same thing when they use the same words. This is especially true on this first day, when they are considering large issues such as strategic focus, mission, goals, and objectives. He or she should be alert for moments when what participants say need clarification.

The first day's work should proceed through the following sequence:

- **Step 1: Review and clarify strategic decisions** that the organization has made (e.g., to emphasize program improvement or to scale up operations), and improve its strategic focus where indicated. This should serve as the limiting framework for all subsequent discussion.

- **Step 2: Clarify the agency's value proposition**—that is, its mission, goal(s), and objective(s). This day's discussion must start with the organization's statement of mission. It is fair to say that the mission statements of most nonprofit organizations are overblown fluff, meant to appeal to sentiment rather than convey a serious purpose. Often they are delusionally optimistic, promising change on a scale utterly out of proportion to the agency's resources or intervention efforts (e.g.,

proposing to create a "safe community" by providing after-school services). Here it is very useful for the facilitator to adopt a kind of "village idiot" stance ("I apologize in advance for my ignorance, but I'm going to ask a lot of questions to make sure I understand what you're saying"). The facilitator should constantly reflect back what she or he "hears" in order to help the group become clearer, more specific, and more realistic in its thinking.[27]

- **Step 3: Define and codify the organization's target populations**—that is, the people whom it enrolls in its core services and to whom it holds itself accountable. These are the people mentioned in the organization's mission, who are thus the reason it is in business.

IN FOCUS

An Exercise in Mission Clarification

First, consider the following mission statements,[28] which are typical of many social-sector organizations:

Boys & Girls Clubs of America. Mission: "To enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens."

COMMENT: Yes, but who are the individuals who need BGCA most? And is it realistic, even for an organization as large as BGCA, to enable all young people to reach their full potential? And can BGCA really claim that all of its local affiliates (independent, freestanding nonprofit agencies) work equally well to achieve this mission? In a nutshell: Can BGCA deliver on its mission? Seriously?

Healthy Families America. Mission: "Healthy Families America, a program of PCA America, strives to provide all expectant and new parents with the opportunity to receive the education and support they need at the time their baby is born."

COMMENT: "Strives"? That's it? Really? No problem if it fails to deliver? And by the way, providing an "opportunity to receive . . . education" is a far cry from actually educating people. And if participants are actually educated, to what end? Is there any meat in this sandwich?

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27. Because of this imperative, I don't engage in "visioning" exercises with client organizations. In my view, there is far too much sentimental visioning going on among direct-service providers and funders—much to the detriment of the social sector and the people it is intended to help.
28. These are quoted from the organizations' websites.

Second, write down the mission of an organization you lead, manage, fund, or consult to:

Third, respond to the following questions by circling the appropriate answer:

1. Does the mission statement contain any terms that are vague, impressionistic, visionary, or wishful rather than specific and concrete?
   Yes   No   I'm not sure

2. Does the statement include terms that make sense to people who are part of the organization's milieu but perhaps don't carry much meaning for "outsiders"?
   Yes   No   I'm not sure

3. Does the mission reflect a "vision" or hope rather than a realistic set of assumptions and intentions?
   Yes   No   I'm not sure

4. Does the mission make clear why the organization exists, the domains within which it works, and what it seeks to accomplish? In other words, is the mission statement an articulation of the organization's *value proposition*?
   Yes   No   I'm not sure

5. Does the mission go beyond what the organization *does* and indicate what it wants to *accomplish*?
   Yes   No   I'm not sure

For questions 1–3, if your answer was "Yes" or "I'm not sure," try to provide alternative language that would lead to an unambiguous, affirmative version of the mission statement. Do the same for questions 4 and 5 if your answer was "No" or "I'm not sure."

Let's consider an example in a bit more depth.

Mission, Goals, and Objectives

The Children's Aid Society of New York City (CAS)[29] has a history—one that extends back more than one hundred years—of wanting to serve New York's children and their families in every conceivable way. To do so it has been running dozens of citywide and neighborhood-based programs in areas as diverse as health clinics, foster-care services, preschool programs, after-school programming, tutoring, mentoring, a summer camp, employment services, and more, earning appreciation from city government, neighborhood groups, and the families and individuals it serves.

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29. The CAS material presented here was generated by a series of theory-of-change workshops that I facilitated; I have the permission of Richard Buery to share them.

When I began my work with CAS, its mission statement read:

> *The Children's Aid Society provides comprehensive sup-*
> *port for children in need, from birth to young adult-*
> *hood, and for their families, to fill the gaps between*
> *what children have and what they need to thrive.*

Here are some questions I had for the organization:

- But what are the gaps, and what does filling them entail?
- Can any one agency fill all gaps?
- Does CAS really propose to serve all the children in the city?
- Is CAS responsible not only for the children's outcomes but also for those of their families?

Recently, under its new president and CEO, the agency had come to recognize that it was not living up to its potential. As its new president and CEO Richard R. Buery Jr. observed on the first day of an extended series of theory-of-change workshops, the agency lacked focus—and specifically, it was not addressing what he believes is the most dominant fact of life confronting the children that CAS should be serving: poverty. As Mr. Buery put it:

> *Despite the good CAS does for tens of thousands of fami-*
> *lies, including the lives CAS has literally saved, we cannot*
> *say with certainty that the children who enter CAS pro-*
> *grams will—as a result of our work—consistently become*
> *adults with the skills and education necessary to escape*
> *the poverty into which they were born (Buery 2011).*[30]

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30. The remainder of the CAS case description relies on the same document.

After considerable discussion, debate, and introspection in the workshops, the group achieved consensus regarding a key strategic matter. In their words:

> *First, although the breadth and depth of CAS's services are inspiring, many of the services that we provide are short-term or limited to a specific aspect of a child's life. This is the result of structuring ourselves to meet the needs of public funders focused on short-term interventions, instead of organizing ourselves around the long-term, complex needs of our clients.*
>
> *Second, although staff will go to extraordinary lengths to assure the safety, health, and happiness of our children, not all of our programs have defined their intended outcomes or can track whether they are achieving them.*
>
> *Third, our organization operates in silos. The benefit of being a comprehensive multi-service agency is the opportunity to meet all of our clients' complex needs. Yet because our services are not fully integrated, it is not always easy for our clients to know what services we provide or how to access them. In addition, a teen who walks into one CAS center might receive a completely different service than he would receive at another site simply because the programs—which might operate in different divisions and with different priorities—do not share a common standard of success.*
>
> *As an organization, CAS recognizes that if we want to be more certain of the impact we are having in moving children out of poverty, we need to be more disciplined; client-centered rather than organized around funder mandates; and committed to articulating, measuring, and tracking the outcomes that will help children escape poverty and achieve life-long success. Our children deserve no less.*

These are courageous and crucial strategic insights. And they led CAS to ask **four key strategic questions**:

- **Which children are we here to serve?** (How do we define our target population? Where do they live? What are their demographic characteristics? What are the key risk factors that we look for?)

- **What outcomes do we want to achieve for the children we serve?** (What measurable and meaningful changes do we want to occur in children's lives as a direct result of our efforts?)

- **What services will we provide in order to achieve these outcomes?**

- **How must we change as an organization in order to achieve those outcomes?** (How will we create the programmatic and organizational structures required to drive consistent program quality and client outcomes?)

After considering these questions in depth, the group reached the following **four strategic decisions**:

1. The group adopted a revised, much tighter mission statement:

   The Children's Aid Society helps children in poverty to succeed and thrive.

   To which CAS added a clarification of the service approach it developed in these workshops:

   We do this by providing comprehensive supports to children and their families in targeted high-needs New York City neighborhoods.

2. Thus CAS drew back from providing citywide services, deciding instead to work with children living or going to school in specifically targeted, low-income, high-risk neighborhoods in New York City.

3. CAS adopted educational attainment as the mechanism to leverage these children out of poverty. Therefore, CAS created "outcome maps" (short-term, intermediate, and long-term outcomes) using educational process, performance, achievement, and attainment metrics to understand ongoing success and guide constant reassessment and "real time" (tactical) adjustments as indicated—at the level of each case, program, and division, and at the organizational level as well (although here decisions will of necessity be more strategic in nature).

4. Finally, CAS decided to implement uniform performance-management practices and data utilization across the entire agency.

The group understood that this required the agency to narrow its focus on poor children, declaring, "We are a poverty-fighting organization." Further, it led to the recognition that CAS would need to engage over long periods with every child it serves in order to help each one break out of poverty. And finally, CAS acknowledged its limitations and drastically narrowed its focus by deciding to work with fewer children (in just a few neighborhoods) in order to be able to work with them longer and more intensively—and thereby more effectively. That is, it adopted the strategic principle **"Children's Aid Society would rather transform the lives of a few than simply serve many."**

This is the kind of mission clarity, with consequent strategic specificity and focus, that is necessary for an organization to become high performing.

A clear and well-articulated mission provides the context within which the organization can specify its strategic goals. While the term "goals" has many definitions, from a performance-management perspective it is useful to define it simply:

> *Goals are statements of the criteria that an organization will use to judge whether it has been successful in achieving its mission at a specific point in the future.*

Practically speaking, it is wise to keep in mind that organizations proliferate goals as they lose strategic focus (often driven in this direction by their multiple funders). A good rule of thumb is to try to keep the organization committed to no more than five goals at any given time.

The term "objectives" also has many definitions, but in this context it is a relatively straightforward matter:

> *Objectives are the series of measurable milestones*
> *that an organization will use to monitor progress*
> *along the way to achieving each of its goals.*

Let's return to the example of CAS. Here are the four goals and the associated objectives that the leadership group adopted on its first workshop day.

Goal 1: CAS will build the organizational capacity and structure CAS needs to manage programs at high levels of quality and effectiveness.

Objectives:

a. Organize the board to hold CAS accountable and raise needed resources.

b. Design the organizational structure in alignment with desired outcomes—including both program services and infrastructure.

c. Build a performance-management system that allows CAS to measure and report on outcomes and hold ourselves accountable for getting children to outcomes at each developmental level. This includes strategic planning capacity to drive changes required to improve outcomes; quality assurance and compliance; IT and data collection processes; and program evaluation.

d. Increase the capacity of the back office—data systems, business functions, IT, communications.

e. Build human capital, including recruitment, retention, hiring, orientation, training, supervision, competency-based job descriptions, evaluation, and firing.

Goal 2: CAS will implement a neighborhood-based strategy.

Objectives:

a. Identify neighborhoods and conduct community needs assessments.[31]

b. Identify ideal array of services.

c. Identify effective interventions—consider approach, how to integrate, how to engage the community.

d. Conduct internal assessment of what we can/should do.

e. Identify community partners to complement what we can do.

f. Identify/get space in neighborhoods.

Goal 3: CAS will undertake advocacy to (1) change the policy framework in which children's services are delivered in NYC; (2) improve the environment under which CAS works; and (3) disseminate program models that improve the lives of poor children.

Objectives:

a. Create both proactive and reactive policy agendas based on mission and strategy. This includes creating policy targets, making this process an inclusive and strategic one, and seeking advisement from our clients.

b. Develop the internal capacity (trustees, staff, and clients) to be effective advocates.

c. Identify effective replication and dissemination strategies (conferences, discrete grants, testimony, etc.).

d. Identify and collaborate with prospective partners and coalitions. Identify gaps in coalitions where we should

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31. This was done as part of the strategic planning process.

take the lead, including collaboration with politicians and policymakers.

e. Develop an effective communications strategy on our agenda and proven practices; become the "go to" professionals on issues affecting our target population. This includes active dissemination of practices for programs we know are effective.

f. Assess impact on broader policy and practice. (Identify our intentions and assess if they were achieved.) Integrate policy work throughout the work of the agency.

Goal 4: The Board of Trustees and management will work together to obtain the funding we need to support excellence, promote innovation, and to sustain core programs despite fluctuations in funding.

Objectives:

a. Develop a coherent fundraising message.

b. Review all assets including endowment and intellectual property and assess strategies for monetizing those assets (e.g., how much should we charge for technical assistance from the Stern Training Center?).

c. Substantially increase giving from individuals (double from $6 million)—needed for sustainability of core programs during droughts in restricted funding, to fund innovation, advocacy, and our performance-management system.

d. Trustees will raise private funding equal to 10 percent of public contracts.

e. Emphasize different kinds of fundraising beyond traditional direct mail; branding, PR; focus on younger generation, use Associates Council, social media, etc.

f. Maximize public funding opportunities through advocacy and strategic partnerships, and build the agency's capacity to transfer public funding responsibility from program staff to development staff.

Once the work on goals and objectives has been taken as far as possible within the context of Day One, the process should move on to the next step. (The work on objectives can be completed outside the workshop by a group designated by the organization's leader.)

Target and Service Populations

As noted above, to specify target populations one needs to identify both demographic and baseline indicators and make clear how these will be used to manage the enrollment of service recipients in core programming. Here we restate the definitions for emphasis, and we go a bit deeper.

Demographic indicators are qualities that are fixed, such as date of birth, ethnic/racial identity, primary language, gender; or that inherently tend to be slow to change, such as place of residence, family composition, and socioeconomic status. Demographic indicators generally define the context within which people live and function.

Risk-related indicators consist of aspects of people's lives that generally are malleable (though some may be slow to shift) and that the organization identifies as important to know about in order to serve its target population effectively. Risk-related indicators generally identify variables that pose likely impediments to adaptive functioning.

Two categories of risk-related indicators are generally very relevant:

- **Status factors.** These are similar to demographic indicators in that they tend not to change very quickly, but unlike demographic indicators they have well-established risk factors associated with them. Examples include:
  - Poverty
  - Unemployment or underemployment
  - Homelessness

- Chronic illness
- Family composition (e.g., a family with a teenage mother and no resident father, headed by a grandmother)
- Social isolation
- Living in unsafe conditions (either the housing or the neighborhood)
- Having an antisocial peer group
- Incarceration
- Being in—or aging out of—foster care
- Falling one or more grades behind in school
- Being a school dropout
- Being a "disconnected youth" (out of school and out of work)
- Being a teenage parent (or the child of a teenage parent)
- Being a frail elderly person

○ **Risk factors.** These are malleable conditions that point to a significant probability that the individuals, families, or groups who exhibit them will face major challenges to their present well-being and future prospects. Examples include:

- Chronic or acute illness
- Having a poor record of school attendance
- Being on course to fail in school or drop out
- Engaging in behaviors that can lead to teenage pregnancy
- Engaging in behaviors that can lead to incarceration
- Engaging in behaviors that can lead to social isolation
- Showing signs of clinical conditions that interfere with functioning
- Lacking adequate social or adaptive skills
- Lacking self-efficacy with regard to school, work, parenting, or participating in community affairs
- Engaging in behaviors that can lead to homelessness

Once an organization has codified its target population using both demographic and baseline indicators, it has to make its target population operational in a two-step process:

*Step 1: **Enrollment assessment*** consists of efforts to assess potential enrollees to ensure that they fit the profile of people whom the agency serves in order to meet its mission. This can be done either as part of a centralized enrollment process or as part of decentralized outreach efforts. What is essential is that all screeners use the same indicators and methods to assess them.

*Step 2: **Baseline assessment*** uses the risk-related indicators to identify crucial information about each client's situation and to specify the areas that the agency will address through its programming. But it may not elect to aim its services at ameliorating all such risk factors. Indeed, few agencies could do so. Rather, an organization will most often focus on a few risk indicators that it considers key, and about which it has the competencies and capacity to do something. The other risk factors it has identified will be used to develop a rich understanding of each client's situation so that services can be delivered more effectively.

> *The baseline assessment will generally be pulled together into a service plan that, among other things, specifies the short-term and intermediate outcomes that the organization has adopted and that staff (and/or volunteers) will be helping the client achieve.*

An agency might decide, for example, to enroll criminal gang members living in certain neighborhoods. But even though there are countless issues the organization could address in working with them, it might decide to focus only on unemployment as a risk indicator. Hence employment-related items such as work-readiness skills and work-related self-efficacy must be assessed at baseline after enrollment, and it will be for these indicators that the agency selects outcomes and engages in activities to promote them.

Rarely will an organization enroll only members of the target population in its programs. So it is also important for the organization to identify the wider range of people to whom it offers limited supports and opportunities such as access to computers and the Internet, information, free meeting space, or entertainment. As discussed earlier, the people in this larger group can be thought of as the agency's "service population," and the agency will not expect to produce outcomes for them. (The distinction between "target" and "service" populations will become critical in the discussion of "core" versus "supportive" programming discussed below under Day Three.)

Returning again to our extended example of the Children's Aid Society, the agency adopted the following four indicators to identify its target population:

Demographic profile

1. *Socioeconomic status:* children whose families are living in poverty
2. *Age range:* children starting at birth[32]
3. *Geographical area:* children must live or go to school in one of the neighborhoods CAS has targeted for its work

Risk profile

4. Beyond poverty, children exhibit *key risk factors* for poor life outcomes[33]

An Exercise in Thinking About Target and Service Populations

IN FOCUS

If you are a direct-service provider, fill in the blanks below for one of your core programs.

If you are a funder, fill in the blanks using what you know about a core program of one of your grantees.

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32. The group referred for further study the question of the upper age limit, although this would certainly be in the high teens or low twenties.
33. The group referred for further study the selection of those risk factors on which CAS would focus.

If you are a consultant or a technical-assistance provider, fill in the blanks using what you know about a core program of one of your client organizations.

Name and kind of program (e.g., home services for the elderly, outreach services for homeless people, after-school programming for middle school children):

Target Population (individuals, families, or groups who are enrolled because the program is intended to improve their lives or prospects measurably):

- Demographic Indicators:

- Risk Indicators:

Service Population (people to whom the agency or program provides services without expecting to produce outcomes—perhaps, for example, in a drop-in center, through community-based informative workshops, or at a soup kitchen):

- Demographic Indicators:

- Risk Indicators:

Sometimes the meeting will flow more easily if the sequence moves directly from clarifying or reformulating the mission to discussing the target population that the organization exists to serve (or will elect to serve going forward). In any event, the foregoing discussion should make it plain how the process moves from the rather abstract statement of its mission downward through goals and objectives, finally reaching very concrete, operationally focused decisions about its target and service populations. Each level progressively constrains the options of the levels below it in a funneling process that leads to the creation of very clear parameters within which staff and management will be expected to work. At the end of this day, it is helpful to point out how the process has worked, where the challenges have been, and how these were addressed—and to thank participants for their hard work.

Summary of Day One

The facilitator guides the team of workshop participants through a sequence of discussions in which the group reaches binding decisions (or the executive director outlines a process for reaching those decisions that can't be settled during the day) in the following order:

- **Mission**—a succinct statement of the organization's value proposition that requires clarity and specificity about why the organization is doing its work, where it is doing its work, and how it is doing its work

- **Key strategic goals**—brief statements about what the organization must accomplish to succeed in its mission (usually over a five-year period); the fewer the better!

- **Objectives**—a list of the measurable milestones the organization will use to monitor progress toward the achievement of its goals

- **Target and service populations**—for the target populations, an unambiguous statement of the population the organization is committed to helping achieve specific outcomes through participation in its programming, with both demographic and risk indicators used in identifying the population; for service populations, a statement of the broadest aggregate of people who may access services that are meant to be supportive, but not to drive the achievement of outcomes

At the end of the day, the facilitator asks the note-taker to read these decisions and announces that the next day's work will start with an opportunity for the group to revisit any of them except the mission.

It is important to acknowledge the difficulty of this work and the specific challenges the group encountered and overcame.

Finally, it is helpful to remind participants that the work of the next day will be on client outcomes for target population members enrolled in core programs.

Day Two: Intended Outcomes

The second day should begin with a review of the prior day's work. Participants may well have been thinking about things overnight, and most likely they will need to revisit some decisions that were reached. Once these decisions are reaffirmed or amended, the work of the second day begins.

This is the day for the organization to select and codify the outcomes it will use to define the social value of its work measurably and meaningfully. Here it is useful to help the agency understand the difference between outputs and outcomes, and also between outcomes and impacts. As a reminder of what was said above:

> **Outputs** *consist of the number and kinds of people served, activities performed, and items produced by an organization during a given period (generally a year).*

One output that social service agencies tend to keep track of is the number of people they serve each year. Sometimes called a "turnstile" number, it tells us nothing about how service recipients benefited, what percentage achieved these benefits, or how many people received services at an intense enough level or participated long enough for them to benefit. Yet most government contracts and grant requirements settle for reports on turnstile counts as sufficient to indicate that a nonprofit organization is doing its work well, as long as the number is high enough. *Turnstile numbers are a pervasively used indicator for social impact in the nonprofit sector—an indicator that, in reality, tells us nothing at all about how or to what degree there has been any societal benefit produced!* As seductive as a gross turnstile count might be, it is not a meaningful measure to calculate the social good generated by a program (Hunter and Koopmans 2006).

The same can be said for any counting of outputs—whether they are in products produced (such as HIV- or smoking-prevention pamphlets printed) or activities undertaken (pamphlets distributed, meals served). By themselves these products and activities have little

sustainable social value; no meaningful changes arise from their production and/or distribution alone. This poses a problem for funders and practitioners alike, because grants and contracts pay for the purchase of outputs (products and activities) and in fact cannot ever be used to purchase outcomes. No amount of money will ever buy healthier families, better-educated children, safer neighborhoods, fewer teenage parents, employment for the chronically unemployed, psychological stability for people with severe psychiatric disorders, or any other outcome.

> *Money buys outputs. Smart, intentional, and relentless management of outputs generates outcomes!*

So from the perspective of producing social impact and understanding the costs and benefits of doing so, linking revenues to outputs simply will not do the job. Even though it will inevitably be indirect, the funding of outputs must always must be linked to their use in achieving outcomes.

> **Outcomes.** *These are the expected, measurable changes undergone or achieved by service recipients participating in an agency's core programming—generally comprising changes in attitudes, knowledge, skills, behavior, status, and social or personal condition. These changes should be measured and monitored as part of an organization's work; they should link directly to the efforts of its staff (or volunteers) and serve as the basis for accountability.*[34] It is convenient to think about outcomes in terms of time, and to designate them as short-term (or immediate), intermediate, and long-term (or ultimate).

Long-term outcomes are those changes in service recipients that constitute the ultimate expression of the social value created

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34. This definition of outcomes is framed from the point of view of performance management. Evaluators would not care whether they are measured and monitored by a given organization or program itself as part of its operations, nor whether they are used as the basis of an accountability system. Rather, the only questions evaluators would ask concern the degree to which these changes occur (the number and percentage of service recipients who manifest them) and to what extent they are attributable to a specific program or service.

by an organization. Usually they are assessed at some period after program participants are no longer receiving services. Hence long-term outcomes are not under an organization's direct control; rather, there is an expectation that they will be achieved, because the program has sufficiently prepared or equipped participants for achieving them (much as a vaccination equips people to resist disease). Long-term outcomes provide the definitive basis for examining what an organization does, how it does it, and with whom it does it. As the old saying goes, "If you don't know where you are going, all roads will get you there!"

Long-Term Outcomes Used by Youth Villages

IN FOCUS

Youth Villages—headquartered in Memphis, TN, and currently serving high-risk[35] children and teens and their families in a dozen states (counting the District of Columbia) through residential and community-based services—tracks long-term outcomes for its program participants six, twelve, and twenty-four months after discharge. At twenty-four months after discharge, 85 percent of service recipients are in high school, have graduated from high school, or are in GED classes; of those in school, 88 percent have mostly passing grades, 88 percent have not been suspended or expelled, and 91 percent are not truant; 82 percent have not been in trouble with the law; and 81 percent are living at home with family or independently, while only 18 percent of youth under age eighteen are in state custody[36] (Youth Villages 2011).

And with regard to our extended example, the Children's Aid Society has decided that it will measure its long-term outcomes using one of two indicators as appropriate to the individual young person: at age twenty-six the service recipient will have graduated from, or will be enrolled in and on track to complete, post-secondary education, or he or she will be employed full-time and living above poverty.

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35. These risk factors include mental illness, domestic violence, substance abuse, criminal behavior and other legal issues, and having experienced abuse.
36. These outcomes are only for program participants who received at least sixty days of service.

Since long-term outcomes are measured some period of time after the organization has discharged its clients, the outcomes can be achieved only indirectly. Program participants must reach a level of preparation, adaptation, and resilience by the time they leave the program that makes it very likely that they can and will achieve the long-term outcomes as intended. This level of client readiness to achieve long-term outcomes constitutes what is often the end of a series of outcomes. Returning to the example of the psychiatric hospital I led, adopting a score of 65 on the Global Assessment of Functioning scale as the single intermediate outcome was of central importance in helping us treat our patients better and discharge them sooner.

Intermediate outcomes are the changes in service recipients that one expects to see at specific points or intervals while they are participating in a program. Intermediate outcomes are convenient milestones for knowing that participants are benefiting as intended from services and making progress (in what the agency has specified as a timely manner) toward readiness for discharge from the program. Achievement of such outcomes strongly predicts the likelihood that the discharged participants will go on to achieve the organization's targeted long-term outcomes.

Intermediate Outcomes Used by CAS

IN FOCUS

Here are the intermediate outcomes that CAS will focus on for the adolescents and young adults it serves in its core programming:[37]

- The child/youth is fluent in English.
- The youth gets into what CAS regards as a "good" high school.
- The high school student passes the Regents Examinations.
- The high school student passes Advanced Placement courses.
- The high school student achieves good enough PSAT/SAT scores to qualify for college matriculation.

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37. Note the educational focus. This is because CAS understands that, in the United States, high educational attainment is the most reliable ladder that children of low-income parents can use to escape from poverty.

- The high school student graduates with a HS diploma.
- The high school dropout earns a GED.
- The young adult enters post-secondary education (final intermediate outcome).

These intermediate outcomes constitute a logical sequence of necessary milestones to track the progress of teens toward the ultimate outcomes that CAS has targeted.

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Finally, we arrive at short-term outcomes.

Short-term outcomes are immediate, incremental changes that service recipients achieve in direct and easily understood relation to the services they receive or program activities in which they participate. High-performing service providers track such data weekly or even daily in order to be sure they are optimizing their influence on the intended beneficiaries, and making immediate ("real time") adjustments in what they are doing, how they are doing it, or how much they are doing if clients are not making progress at targeted rates (a key performance standard).

Short-Term Outcomes Used by WINGS for kids

IN FOCUS

WINGS for kids, an after-school program headquartered in Charleston, SC, works with elementary school children from low-income families to help them develop social and emotional skills (widely regarded as essential building blocks for subsequent academic and social success). WINGS has codified a sequence of very short-term outcomes that it measures daily and tracks weekly for every participant:

Outcome 1. The kids[38] know about SEL[39]

- Kids can recite 1 element of the WINGS creed[40]
- Kids can recite 2 elements of the WINGS creed

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38. This is the term WINGS for kids uses to designate program participants.
39. "SEL" stands for "Social and Emotional Learning."
40. The WINGS creed is a series of statements developed by participating kids and professional staff; these statements articulate the importance of self-respect, mutual respect, constructive conflict resolution, academic and related kinds of self-efficacy, and setting high goals. Kids and staff recite it daily. The ability to recite the WINGS creed shows that participants have learned specific ideas about healthy ways to be and act in the world. Outcome 2 shows the ability to apply the knowledge conceptually; and Outcome 3 shows changes in behavior that express the values and ideas of the creed.

- Kids can recite 3 elements of the WINGS creed
- Kids can recite 4 elements of the WINGS creed
- Kids can recite 5 elements of the WINGS creed

Outcome 2. The kids understand SEL

- Kids can give a meaningful example of 1 creed element from their lives
- Kids can give a meaningful example of 2 creed elements from their lives
- Kids can give a meaningful example of 3 creed elements from their lives
- Kids can give a meaningful example of 4 creed elements from their lives
- Kids can give a meaningful example of 5 creed elements from their lives

Outcome 3. The kids pass frequent tests demonstrating their mastery of:

- Self-awareness
- Social awareness
- Responsible decision making
- Relationship skills
- Self-management

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Consider the Center for Employment Opportunities (CEO), which works with prisoners leaving incarceration in three states (seven jurisdictions) by placing them on transitional work crews in order to help them become job-ready and avoid recidivism. This is how the agency discusses "tracking participant outcomes" on its website:

> *Once participants have begun transitional employment on CEO work crews, their daily attendance* [i.e., a program performance standard] *as well as their progress in developing appropriate on-the-job behaviors and basic skills* [i.e., short-term outcomes] *is noted daily in their Passport to Success booklets. Collected Passport data is then entered into the Salesforce.com database and analyzed*

to determine when participants have achieved baseline preparation for full-time employment [i.e., intermediate outcome] *in the competitive workforce. Once this milestone is achieved, participants are considered "job start ready" and begin interviewing for full-time positions identified by Job Developers in CEO's vocational services teams.*[41]

CEO's long-term outcomes and impacts are shown below.

Long-Term Outcomes and Impacts Used by CEO

IN FOCUS

In 2004, CEO, the Center for Employment Opportunities, was selected to be part of a national, multi-site study of programs serving populations that are "hard to employ," which certainly describes the prisoners reentering society whom CEO serves. The research was conducted by MDRC, a highly regarded evaluation organization. CEO was required, as part of this evaluation, to participate in a randomized control trial (RCT) in which potential program participants were selected randomly from eligible individuals (New York State prisoners being released) and then compared with those who had not been selected—a method that eliminates most non-program factors as explanations for why outcomes are achieved.

Two years after discharge from the program, CEO's graduates (the intervention group) showed a significant reduction in criminal convictions and incarceration for a new crime—better (at a statistically significant level of confidence) than the outcomes for the control group, the study participants who were not part of the CEO program. These long-term outcomes are thus legitimately recognized as the impact of CEO's programming—and indeed are very important and unusual. (By the way, these impacts were notably stronger for reentering prisoners who were engaged quickly upon their release, rather than three months later.) It is worth noting that even though CEO focuses on and monitors employment readiness and fully expected employment to be a long-term impact, the MDRC study showed that unsubsidized employment is in fact less of a robust long-term program impact of CEO programming than the reduction in criminal convictions (Redcross, Millensky, and Rudd 2012). Hence policy analysts should consider whether even brief or subsidized employment—not in themselves

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41. My own clarifying notes are added in brackets.

very significant outcomes—might nonetheless have a powerful impact on long-term criminal recidivism, especially if reentering prisoners are engaged in work-related programming very quickly upon their release.

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Impacts are outcomes that can, using experimental research methods, be attributed (with a great deal of confidence)[42] **to the effects on participants of a program or service**.[43] Whereas measuring outcomes requires only the tracking of program participants, understanding impact requires that the outcomes achieved by service recipients and the percentage of program participants who have achieved them be compared with those of similar—or, if possible, identical—groups who have not received these services. Making a comparison with a control group is the only way one can eliminate alternative explanations—for instance, that sometimes people make progress on their own—for why individuals or groups achieved the changes that are being tracked. Going back to a previous example, until WINGS for kids compares how much SEL its program participants have mastered with how much SEL similar children exhibit who are not in its programs, it is impossible to know whether the SEL outcomes that the organization tracks for participating kids are due to the programs or whether they have simply come about as a result of normal family, neighborhood, and school experiences.[44]

Or consider the fact that a majority of the job placements (impacts) claimed by some famous government programs to help unemployed individuals get and keep employment were shown, by evaluations, to be due to general, normal job-seeking behavior and therefore were not in any way affected by program participation (Gueron 2005).[45]

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42. Generally, with a degree of confidence of 95 percent.

43. This is the definition of impacts that most evaluators would use. However, it is worth noting that in popular usage the term often is used to mean something else entirely—namely, the long-term consequences attributable to some degree (if even loosely) to a program or service or other kind of intervention (see, e.g., Penna 2011: 19-20). In the framework of this chapter, that definition would apply to the concept of "long-term outcome" or "ultimate outcome"—but not to "impact."

44. Aware of this issue, WINGS for kids is currently planning a series of external evaluations that will ultimately show whether its SEL outcomes are due to its program.

45. The U.S. Job Training Partnership Act and the New York State Employment and Training Choices programs. (Yes, the results of the evaluations mean that it is fair to suggest that these programs were a waste of money . . . lots of money!)

Once the long-term outcomes are specified in measurable terms, and the period for which they will be tracked has been established, then the conversation can flow logically to the conditions that service recipients will have to achieve in order to make it very likely that they will attain the long-term outcomes. As noted above, these conditions constitute the last of a sequence of intermediate outcomes. And as with the long-term outcomes themselves, the indicators and measures that will be used to monitor them (and the intervals at which they will be measured) must be specified.

Finally, once it is clear what intermediate outcomes must be achieved, it will be relatively easy to establish the short-term outcome "staircases" of incremental change that will carry service recipients to intermediate outcomes (like those shown in the examples above). If the sequence is reversed—that is, if short-term outcomes are selected before intermediate outcomes—it will be almost impossible to help the group fight its way out of the thicket of the myriad possible short-term outcomes it might track.

IN FOCUS

Tips for Selecting, Codifying, and Measuring Outcomes

Measuring outcomes is a lot less difficult than most people think. The hard part is settling on the optimal outcome sequence for members of a (well-delineated and deeply understood) target population. Once this conceptual work is done—and it is essential for any agency claiming to help people improve their lives or prospects to do that work—then the means to measure short-term and intermediate outcomes become quite obvious. There are really only three ways to measure outcomes:

Yes/no assessments. These involve determining whether something has happened or not. Generally this is pretty easy: A student graduates from high school with a diploma or doesn't. A woman is pregnant or isn't. A released prisoner re-offends or doesn't, is re-incarcerated or isn't. A patient dies or doesn't, a citizen votes or doesn't, a job seeker gets employment (however defined) or doesn't.

Outcomes measured in a yes/no way have the virtue of being very clear and easy to understand. They are useful for

understanding how individuals have benefited from a program, and also for calculating aggregated program effectiveness. Yes/no assessments are thus helpful in measuring long-term and even intermediate progress, both of which take significant time to manifest themselves. Their "all or nothing" quality makes them quite useless, however, for tracking program participants' incremental progress (or noting their lack of progress) toward short-term outcomes. That progress must be monitored so that staff and managers of social service programs can make adjustments quickly if clients are not benefiting as expected.

Clients' incremental progress toward short-term outcomes can best be measured in the following ways:

- **Numerical assessments.** These involve counting things. How many days per week does a child attend school? How many days per week does a frail elderly person leave his or her home? Out of a required repertoire of hard (vocation-based) skills, how many has a prospective employee mastered? On a depression checklist, how many items does a patient exhibit?

  Numerical assessments also have the virtue of clarity, and their quantifiable nature makes them easy to use for tracking progress by individual clients and also for understanding clients' aggregated progress toward short-term outcomes for the entire program. (And similarly they are useful for measuring intermediate and long-term outcomes.)

  However, not all socially meaningful short-term outcomes are things that can be measured meaningfully by counting. Fortunately, there is another way to measure incremental progress on short-term outcomes—one that allows the monitoring of what are usually considered qualitative effects and therefore often lie close to the hearts of social service practitioners. These are:

- **Scale-based assessments.** Outcome scales consist of "ladders" or "staircases" with measurable steps that program participants can move up on their way to achieving intermediate outcomes. Does a youth have antisocial attitudes? Does a first grader have academic self-efficacy? How well is a psychiatric patient functioning? How constructively does an employee participate as a team member? How optimistic is a frail elderly person that life can offer worthwhile rewards?

  All such questions can be answered using scales that start at the lowest level and move incrementally toward a desirable level. Some scales are based on statements that the client responds to along a continuum from "strong disagreement" to "strong agreement."

Others, such as the Global Assessment of Functioning scale that I used when I managed the psychiatric hospital, have a standardized set of steps with a definition for each step, against which program participants can be matched to the level that most accurately captures their condition or how they are doing. But for this kind of scale, only one variable can change from one step to the next. If two or more variables change, then assigning a new level on the scale to a client could mean either that he or she has made progress in relation to one variable but not the other, or that he or she has made progress in relation to both variables—and it is impossible to know which is the case without access to accompanying notes. (All too frequently one sees agencies using scales in which more than one variable changes from one level to the next—evaluators call them "double-barreled scales." In theory-of-change workshops, double-barreled outcome scales must be identified and fixed.)

When scales are designed well, they can be used to assess almost any qualitative matter, and therefore put to rest fears that performance measurement necessarily reduces social services to simplistic, reductionist, or almost meaningless measurements. It is best if an organization uses scales that have been tested and validated for the populations they serve. But sometimes this isn't practical, either because such scales have not been produced with regard to the phenomenon that is the focus of the agency's work, or because the scale is too complex or costly to use (in time, effort, or money to pay for copyrighted materials). In such cases it is perfectly legitimate for the organization to develop its own scales (or pay someone to do so) and to use them to measure and monitor client progress. Doing so systematically will reveal whether they need to be modified—if, for instance, clients who do not end up achieving the agency's intermediate outcomes have shown misleading incremental progress on the scales. At some point, of course, such "homegrown" scales should have their validity assessed by a formative evaluation, as discussed above.

The neat thing about scales, though, is that they allow one to treat very nuanced, complex, and qualitative matters quantitatively by assigning a numeric value to each step on a scale. This allows for aggregated data analysis, which is essential for driving organizational learning and quality improvement.

Some of this thinking is inspired by the seminal work of Alvan R. Feinstein (1977). Practitioners looking for a wealth of information about outcome indicators and measures to use should visit www.Childtrends.org and www.PerformWell.org, to name but a few examples.

While it is essential for the workshop group as a whole to identify the organization's long-term outcomes, it is not feasible for the large group to work on intermediate and short-term outcomes. Therefore, once the long-term outcomes have been established, generally it is a good idea to use breakout sessions for the members of individual programs, or other groupings of participants that the leader identifies, to codify the intermediate and short-term outcomes that they find meaningful, then report to the group as a whole for discussion and final decisions about which outcomes to adopt and what indicators to use.[46] The selection of specific measures (including the design of scales) should be left for later—that is, as part of the organization's work to implement the decisions reached in the workshop.

Summary of Day Two

After giving the group a chance to review its work on Day One and raise any concerns or address requests for reconsideration of any items (except the mission statement), the facilitator leads the workshop participants through a discussion of the outcomes the organization will utilize to manage and evaluate its performance.

- First, outcomes are defined as the expected, measurable changes undergone or achieved by service recipients participating in an agency's core programming—generally comprising changes in attitudes, knowledge, skills, behavior, status, and social or personal condition. These changes should be monitored as part of an organization's work, link directly to the efforts of its staff (or volunteers), and serve as the basis for accountability.

- Next, the facilitator explains the nature of long-term, intermediate, and short-term outcomes, and notes that performance management focuses on the third one while evaluation focuses on the other two. (See Appendix I, which discusses the differences between performance management and evaluation.)

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46. It is best if the same short-term outcome measures are used across all or most programs in an agency.

- If the organization has more than one outcome-producing program, the facilitator asks the group to consider the overarching or agency-wide long-term and intermediate outcomes for which the organization holds itself accountable as the measurable expression of its value proposition.

- For each long-term and intermediate outcome, the group should select the indicators it will measure to assess whether the outcome has been achieved. This amounts to producing an operational definition of each outcome.

- Next, it is useful to have breakout groups, and ask each of them to develop a list of the short-term outcomes their program produces that drive to one or more of the intermediate outcomes identified at the corporate level. In essence, program-level final outcomes must be identical to the indicators for overarching or agency-wide outcomes.

- Bringing the group back into plenary session, the facilitator requests reports from the breakout sessions. The entire group then considers the outcomes claimed by each program, "stress-tests" them for credibility in relation to what the program actually does, identifies gaps in short-term outcomes that the group deems essential to help enrolled target population members achieve the corporate outcomes, decides whether these gaps are "mission-critical," and considers the programmatic implications of these discussions. This final topic will become the focus of Day Three.

Day Three: Programs and Services

On Days One and Two the organization established the conditions for designing its programs and services: first by clarifying whom they are meant to help (the target population) and then by establishing the progression of outcomes that service recipients should achieve

through a sequence of short-term and intermediate outcomes on the way to ultimate (long-term) outcomes.[47]

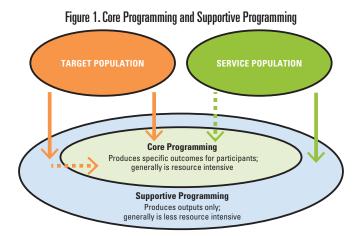Day Three is devoted to the codification of programs and services.

Step 1: Review of Current Program Models/Designs

Here it is helpful to introduce the distinction between core programming (the "egg yolk" in Figure 1, below), which is intended to produce outcomes for target population participants, and supportive programming (the "egg white"), which is meant to be engaging and even helpful but without the expectation that it will produce outcomes.

Supportive programming typically consists of such things as recreational activities, creative/expressive opportunities, one-session workshops, outreach, drop-in and resource centers, soup kitchens, and shelters. Although these programs (or program elements) are not designed to produce outcomes, their outputs can be of great value and meet significant needs. The challenge of managing such services is to maintain high quality: meals served should be nutritious, shelter beds should be clean and the environment safe, creative/expressive activities should be led by highly qualified staff or volunteers, and workshops should be meaningful and well taught.

Core programming requires managing effectiveness in addition to managing quality. This is the subject of Day Four: performance management. On this day, current program elements and services should be reviewed for evidence that they are likely to be effective in moving the specified target population members through the outcome sequences developed during Day Three. Often this will involve referring to repositories of evidence-based program information—either by research or through engaging participants' expert knowledge.

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47. It is essential that the workshop follow this sequence, even though it is counterintuitive for many social service practitioners who are used to focusing on what they do—their programmatic activities and services—but not to thinking deeply about why or to what effect they are engaging in their work. Unless the facilitator is alert to this tendency and takes an active role in directing the conversation, discussions of outcomes will quickly morph into discussions of "what we do."

Figure 1. Core Programming and Supportive Programming

Step 2: Selection of Program and Service Elements

The staff should be urged to decide whether to keep programming as is, make specific adjustments, add new services to improve the overall effectiveness of their work, and/or eliminate aspects of their work that they have come to see as ineffective or as a distraction from the agency's mission. In this context, it is important for the facilitator to know at least as much as (or, preferably, more than) the workshop participants about evidence-based practices in the domains under consideration. In this way the facilitator has sufficient gravitas to drive what will often be very challenging discussions in which providers will be asked to give up pet practices and habitual methods in order to serve people better.

Step 3: Program and Service Codification

Once the array of program elements and services has been selected as the basis for the agency's work (going forward) with its target population, these must be codified. This means establishing *implementation standards*, which essentially answer the questions of what, who, where, how much, how often, how long, and how well:

What—the menu of activities that staff (and/or volunteers) will provide (e.g., mentoring, tutoring, case management, experiential learning, supported employment)

Who—the competencies needed to provide these activities (e.g., language and cultural competencies, ability to conduct motivational interviews)

Where—the location and modality through which the activities will be provided (e.g., home-based, center-based, in-person group or individual, via telephone)

How much—the dosage per occasion that a service recipient should receive (generally measured in time)

How often—the frequency with which service recipients should participate in each activity (e.g., daily, several times per week, weekly)

How long—the time period for which program participation should last in order for clients to benefit as intended (e.g., a couple of hours, as with a one-time workshop; three to four months, as with Multisystemic Therapy; two and a quarter years, as with the Nurse-Family Partnership)

How well—the indicators that the organization will track to be sure that services are of a high level of quality (e.g., high participation rates, participant satisfaction)

In addition, for each core program or service it is essential to list the outcomes that it is intended to produce.

Table 3, for example, shows how HarborCOV, an agency that works with domestic violence victims and survivors in the Greater Boston area, made sure that all of its programs contributed to the overarching outcomes—that is, the agency-wide outcomes, those for which the agency holds itself accountable—for the people to whom it is committed.[48] On Day Two, the agency identified the overarching, long-term outcomes shown in Table 3.[49]

48. This information is presented with the permission of Lynn Peters and Kourou Pich, HarborCOV's co-directors.

49. This was an enormous step forward. The agency had never identified such outcomes before, and indeed had trouble identifying outcomes even at the program level. Certainly it had never before held any staff members responsible for managing to outcomes. In fact, its "trauma-informed" approach to service delivery had made it very difficult for the staff to even think about outcomes at any level other than those goals personally selected by each survivor. The immensity of the cultural shift required of staff members to implement a results-driven approach to performance management was marked by their deciding to change the designation of front-line staff from "advocates" to "case managers," with the associated responsibility of promoting and tracking outcomes specified by the agency, not just those selected by the people served.

Table 3. HarborCOV's Long-Term Outcomes,[50] Indicators, and Measures[51]

LONG-TERM OUTCOMES	INDICATORS	MEASURES
1. Living violence-free	No instances of domestic abuse for at least a year	Client self-reports collected every six months after discharge
2. Have stable housing	Housing is safe, and individual (or family) is under no immediate pressure to leave	Client self-reports collected every six months after discharge
3. Have a sustainable income[52]	To be developed[53]	Client self-reports collected every six months after discharge
4. Have completed two years of post-secondary education[54]	Credits or degrees earned	Review of transcripts or certificates
5. Legal U.S. resident status achieved (for undocumented individuals only)	U.S. federal documentation	Review of federal documentation

After clarifying its long-term outcomes, HarborCOV identified the core programs that it would hold accountable for contributing to its ability to deliver these outcomes to all intended beneficiaries. In essence, this meant that the specific program outcomes should be the

50. These outcomes are for clients who left the program at least a year earlier.
51. "Indicators" are the categories of data that are assessed to identify whether an outcome has been achieved; "measures" are the means used to make these assessments.
52. HarborCOV will create a formula for assessing this based on federal guidelines for the Greater Boston area.
53. It is often not possible for all codification decisions to be made within the context of a theory-of-change workshop. However, it is essential to identify and document each such decision to be made, and for the agency's leaders to design processes for making the decisions soon after the workshop has ended.
54. Possibilities include two years of a four-year college, a completed associate's degree, or completion of a professional certification program.

indicators that HarborCOV would use to measure its corporate outcomes. The three core programs it identified were Case Management, Housing, and Specialized Services.

Here we shall look only at the agency's codification of its Case Management program.

The HarborCOV Case Management Program

Case Management is the point of entry into all HarborCOV core programs.[55]

Overseen by the director of programs and services, the program is staffed by case managers and provides the following services:

- Hotline emergency response
- Initial (telephone-based) pre-assessment[56]
- External referrals for individuals who are not part of the target population
- Internal referral for Initial Intake Assessment (enrollment) and the High-Risk and Intimate Partner Screening Tools for members of the target population
- Initial Intake Assessment to assure appropriateness of enrollment
- A General (second) Assessment process for enrolled clients[57]
- Development of an Individualized Service Plan (ISP) and an Individualized Goal Plan (IGP)[58]
- Internal referrals for HarborCOV's Housing Program and Specialized Services as indicated

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55. To be clear: no clients can be entered into any core programming without first being enrolled in Case Management. The sequence of client assessments described below will be built into the HarborCOV performance-management data system. Some of the assessment items will come directly from assessments that are required by contracts or state law, regulations, or procedures.

56. This will result in the identification of people who do not meet HarborCOV's definition of its target population and who should be referred externally or to peripheral HarborCOV programming such as Domestic Violence Education groups, and also the identification of target population members who should be admitted to Case Management for a deeper assessment. This is the first of a sequence of three progressively more comprehensive assessments that Case Management provides—leading to a baseline for service planning and the tracking of subsequent client progress toward achieving targeted outcomes.

57. Baseline assessment should include all short-term and intermediate outcome assessment items used in the three core programs.

58. While some goals on these plans may be unique to individual clients, the core of the ISPs and IGPs should focus on HarborCOV's program-based short-term outcomes and rely on the use of a standardized list of services and referrals.

- External referrals to vetted[59] service provides as indicated

- Weekly client contact, including at least two one-hour face-to-face solution-focused meetings per month, that help clients achieve targeted outcomes by reviewing their ISP and IGP

- Tracking of incremental client progress toward outcomes

- Periodic case reviews to optimize services so clients will benefit as quickly and completely as possible

- Forward-looking exit planning, with encouragement of the client to focus on the five HarborCOV long-term outcomes: (a) living violence-free, (b) acquiring stable housing, (c) gaining a sustainable income, (d) completing two years of post-secondary education, and (e) gaining legal U.S. resident status (for undocumented individuals only)

These services are provided by case managers with caseloads of twenty clients each—eight clients in HarborCOV housing and twelve who are community-based.

Case Management staff must meet the following background expectations and competencies:

Director of Programs and Services

Background Expectations

- No less than five years of highly relevant experience required, and/or master's degree in social work, public health, or related field; licensure preferred

- Computer literacy

- Bilingual (Spanish)/bicultural preferred

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59. HarborCOV will need to undertake due diligence to determine the quality and effectiveness of the service providers to which it refers its Case Management clients.

Competency Requirements

- Clear understanding of the multiple issues that intersect in the lives of survivors

- Good written and oral communication skills

- Strong problem-solving skills

- Exceptional assessment, decision-making, and supervisory skills

- Ability to assess and deal constructively with emergencies or crises (especially where violence is involved)

- Ability to provide supportive supervision to front-line staff with regard to all service modalities, with a focus on results-based accountability

- Ability to use the HarborCOV performance-management data system in conformity with all policies and procedures (e.g., daily data entry, review of client progress to prepare for meetings)

- Ability to take initiative, desire to be held accountable

- Ability to work as part of a team

- Ability to work with discipline and demonstrate a high degree of professionalism

Case Manager[60]

Background Expectations

- No less than three years of highly relevant experience required

- Computer literacy

- Bilingual (Spanish)/bicultural preferred

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60. HarborCOV plans to add a case manager position, bringing the total to four.

Competency Requirements

- Strong listening, communication, and solution-focused problem-solving skills

- Ability to communicate fluently in English and/or Spanish

- Knowledge of community-based resources, especially in low-income communities

- Ability to assess and deal constructively with emergencies or crises (especially where violence is involved)

- Ability to develop ISPs and IGPs using assessment data

- Ability to do a depression and suicide assessment

- Ability to make appropriate referrals (internal and external)

- Knowledge of solutions-focused interviewing, and ability to provide solutions-focused services

- Ability to run groups—with mastery of group processes and contents

- Ability to use the HarborCOV performance-management data system in conformity with all policies and procedures (e.g., daily data entry, review of client progress to prepare for meetings)

- Ability to staff the crisis hotline and make appropriate referrals

- Strong critical-thinking skills

- Ability to take initiative, desire to be held accountable

- Ability to work both independently and as part of a team

- Demonstrated understanding of culturally appropriate, strength-based strategies within an anti-racism, and economic and social justice, framework

In their day-to-day work, case managers focus on helping clients achieve the short-term and intermediate outcomes shown in Table 4.

Table 4. HarborCOV Case Management Program Outcomes, Indicators, and Measures

SHORT-TERM OUTCOMES	INDICATORS	MEASURES
1. Violence-free living	No incident of domestic violence since last report	Weekly client self-reports
2. Academic self-efficacy	Score on an academics-related self-efficacy scale	Scale (to be developed) administered no less than monthly
3. Work-related self-efficacy	Score on a work-related self-efficacy scale	Scale (to be developed) administered no less than monthly
4. Conversational English literacy	Ability to communicate effectively in English	Assessment to be developed
INTERMEDIATE OUTCOMES	INDICATORS	MEASURES
1–4. Same as short-term outcomes	Status of each outcome is sufficiently good that participants can be discharged from the program	Same

In order to ensure that clients receive the best services possible, HarborCOV will use the indicators shown in Table 5 to track the quality of the Case Management program.

Table 5. HarborCOV Case Management Program Quality Indicators

INDICATOR	MEASURES
1. Appropriate use of referrals	Referrals and their use by clients tracked as indicated in relationship to ISP and IGP by the case manager
2. Client utilization levels	Client participation in all scheduled activities tracked weekly by the case manager
3. Robust ISPs and IGPs with a focus on achieving a strong social support group in addition to the targeted intermediate outcomes	Monthly review of IGPs by the director of programs and services and the director of clinical services against a quality checklist (to be developed)
4. Client–case manager relationship	Weekly assessment of the case manager (scale to be developed) in terms of the degree to which the client is relying on the relationship to help solve problems, make plans, and take action

As the example of HarborCOV illustrates, Day Three requires going into detail. Again, breakout groups are essential—generally organized in terms of the professional groupings of staff, with managers attached to the groups for which they are responsible. It tends to be an exhausting day but sets the foundation for Day Four, where the topic is performance management.

Summary of Day Three

The facilitator asks the group to review the day's work and raise for discussion any items that are of concern, are unclear, or appear to require deeper exploration. Once this task has been completed, the facilitator guides the group through the following discussion sequence.

Step 1: Review of current program models/designs.

Step 2: Selection of program and service elements.

Step 3: Program and service codification. This consists of answering the following questions for each program or service:

1. **What**—the menu of activities that the staff (and/or volunteers) will provide

2. **Who**—the competencies needed to provide these activities

3. **Where**—the location and modality through which the activities will be provided

4. **How much**—the dosage that a service recipient should receive on each occasion

5. **How often**—the frequency with which service recipients should participate in each activity

6. **How long**—the period during which program participation should last in order for clients to benefit as intended

7. **How well**—the indicators that the organization will track in order to be sure that services are of a high level of quality

Day Four: Performance Management

The pillars and elements of performance management were discussed in Chapter 3. All the elements, tailored to each organization's current capacities, should be addressed on Day Four of the workshop. Typically, the areas that require the most focus and discussion are:

1. Leading and Managing

There is an anti-authoritarian sentiment that is widespread in the nonprofit sector. Relatedly, the Kantian imperative to treat people with respect has been conflated with the idea that everyone's opinions should carry equal weight. I have watched many an executive director struggle with the notion that she or he should set performance standards and hold people accountable for achieving them, and I have observed managers agonize over the need to give specific directions to front-line staff. But being an effective facilitator of this work requires that when such a hyper-egalitarian bias is encountered, it must be challenged. No organization can be relied on to deliver the goods when its leaders and managers won't take on the burdens of leading and managing. As I said in Chapter 3, leaders have to set and maintain an organization's strategic direction, and managers have to direct and support front-line staff in performing their work in ways that realize the organization's goals.

To me, this is a deal-killing area. If I cannot help an organization past these conflicts, I will have failed in my obligation to help it develop a blueprint for managing to outcomes and ultimately for achieving success. On rare occasions, upon reaching such a point of paralysis at a workshop, I have suggested that an organization stop the process and that we all pack our bags and go home. Also, on such occasions I suggested that I should not be paid. This has proved to be an extremely powerful intervention, and in the end, with only one exception (so far), all of my clients have found a way to internalize the need to lead and to manage.

2. Accountability

In a related vein, the concept of accountability tends to be alien to nonprofit organizations; it is often seen as an unwelcome, dehumanizing import from the corporate sector. But as Chapter 3 made clear, performance will be unreliable—fluctuating between good and bad, effective and ineffective—in the absence of a system of accountability. The comments I made with regard to the need to challenge organizational conflict having to do with leading and managing apply equally to the need to challenge ambivalence regarding the need to hold managers and staff members accountable. A facilitator who fails to do so is, in the end, legitimizing an obstacle to high performance.

3. Results-Focused Budgeting

Anyone familiar with the social sector recognizes that nonprofits operate in a funding environment that is capricious, fragmented, and categorical. Funders often refuse to support overhead costs adequately, thereby making it almost impossible for organizations to build the capacities and competencies to manage to outcomes. Add to this the fact that funders like to see their revenues spent in dedicated programs and services where expenditures can be tied very directly to specified activities, which undercuts one of money's most powerful characteristics: it is fungible (that is, it can be spent on whatever is needed). In *Billions of Drops in Millions of Buckets*, Steven Goldberg (2009) documents how these constraints reduce executive directors to the status of eternal panhandlers, preoccupying and exhausting them, and keeping them from focusing on how well their organization is performing.

In the course of the four-day workshop, discussions are often derailed by comments like:

> "Our funders don't pay us to do that."

> "Our funders won't pay more than 8 percent for overhead."

"We can't focus on a target population because our funders want us to serve everybody."

"We have more than enough money to run Program A well, but we can't shift any of it to build up Program B because these are categorical revenues."

"We can't lower caseloads because our funders insist that we keep our unit-of-service costs low."

"We can't spend our funders' money to improve program effectiveness because they want us to spend it on replicating."

The examples are endless, and endlessly destructive. There is truth to the complaints, but the workshop facilitator cannot buy in to the helplessness that the organization's leaders and staff members are expressing. Rather, I think it is essential to challenge the organization to manage differently.

First, it is worth observing that an organization that outsources its strategic and tactical management decisions to funders will ultimately undercut any claims that it deserves to be funded. An organization has to develop a clear value proposition and then find funders who will invest in it. That is the thrust of Day One of these workshops.

Second, it is essential to challenge the organization's board with regard to its fiduciary responsibilities. In these workshops I often comment along these lines: "As a board, you should recognize that every time your executive director lands another big grant or contract paying 10 percent overhead or less, it's actually weakening your organization. Why? Because the overhead required for managing a high-performing organization well will probably never be less than 25 percent. So rather than congratulating the executive director for another big 'get,' you should take a collective deep breath and figure out how you are going to raise the missing 15 percent of the grant's face value."

Third, the chief financial officer, together with the executive director, must be made aware that other organizations are in similar straits but have learned how to make their revenues more fungible, shifting them as needed across program boundaries to build capacity for managing to outcomes wherever necessary. Often it is very helpful to facilitate their contact with other organizations that have come up with creative ways to do this, and further, to make them aware of practical technical assistance services such as those provided by the Nonprofit Finance Fund.

Finally, it is worth pointing out that unless and until an organization has robust performance data, it has virtually no leg to stand on when approaching a funder to renegotiate terms of grants or contracts. Specifically, it is essential to know, in aggregated numbers, (a) who is getting services, (b) exactly what the services comprise, (c) what the evidentiary basis is for the design of these services, (d) how clients are utilizing services, (e) how well clients are succeeding in achieving targeted outcomes, and (f) what infrastructure and other overhead costs are associated with effective service delivery. When funders are pressing for the expansion or replication of services, it is critical that an organization understand that adequate funding will not only require a commensurate multiple of the service delivery costs per added unit of service, but also will require up-front growth capital to pay for expanded infrastructure, extended management capacity, and various startup costs in new locations.

An organization that does not have an adequate performance-management data system will be unable to meet these challenges. Most likely it will forever limp along—working extremely hard but not very well.

That is why, on the final day of the workshop, the last key task is:

4. Performance Measurement and Monitoring

A high-performing organization needs a single performance-management data system for the organization as a whole—and for each program, service, and/or local site. This entails clearly articulating what

data to track, how to interpret and use these data, and how staff will be held accountable for managing to outcomes and for maintaining high quality (or just the latter in the case of supportive—rather than core—programs like drop-in centers).

Generally, the tasks that need to be covered on this day are:

- **Specifying the criteria that the organization will use to select or improve its performance-management data system.** At a minimum, such a system should:

  - Be web-based
  - Allow for distributed data entry and retrieval for all front-line staff
  - Permit the tracking of client enrollment data (demographic and baseline)
  - Monitor program-utilization data (dosages received, frequency of attendance, duration of participation)
  - Be able to identify characteristics of those who don't participate at the expected levels or who fail to complete the program as intended
  - Track incremental achievement of short-term outcomes by all core program participants in "real time"
  - Document the attainment of intermediate and long-term outcomes
  - Monitor service quality indicators
  - Allow for easy ways in which to analyze and learn about correlations among staff efforts, program utilization by service recipients, the achievement of outcomes by service recipients, and the impact on program participation and the achievement of outcomes by variations in level of program or service quality

- **Clarifying the data sets that supervisors will review with front-line staff to help them improve the effectiveness of their work.** At a minimum, staff members should be required to enter information about clients' utilization of services and progress in achieving short-term and intermediate outcomes. Both supervisors and staff should know exactly

what the metrics are, how they are expected to shift over time, and how to use patterns to identify where things are going well and where adjustments need to be made. Far too often, supervision is treated merely as a matter of supporting staff members and validating their frustrations. Supervision should of course include this, but it is ultimately unhelpful if the supervisor doesn't move on to target areas of performance that need improvement and then provide the help that will result in better performance. In some agencies, staff members and supervisors also monitor indicators of service quality, such as the number of scheduled meetings that clients have missed, and look for ways to improve on them—for example, by changing appointment times to better meet clients' logistical challenges.

- **Specifying the data that will, in each case and in aggregate, be used to assess the performance of the staff, of the program, and of the organization.** Organizations collect all kinds of data. Some are entirely due to funder interest and don't help the organization learn from its work and make adjustments to improve performance. Other data are essential to measure because without monitoring such information an organization will be limited in its efforts to learn from and improve its work. It is essential to clarify, for all levels of the organization, which data are serving which functions, and especially which data matter the most in assessing individual performance, program performance, and organization-wide performance—and, of course, how such data will be used in annual reviews and other mechanisms for holding people accountable.

- **Clarifying or designing the accountability system that will be used to manage the organization's performance.** The first step in designing and implementing an accountability system is to create competency-based job descriptions for all staff and management positions. I have yet to

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encounter an organization that has such job descriptions in place when I first engage with them. Yet, without knowing that managers and staff have the requisite competencies to do their work well, it makes no sense to hold them accountable for working effectively. Just developing such job descriptions can take over a year to complete, and then they have to be implemented—that is, they have to be used when hiring new employees and in reviewing the performance of current employees. Implementation involves adopting ways to assess each competency, understanding what is required to help employees acquire new competencies or improve those in which they aren't proficient, and using individualized professional development plans designed for each employee's competency profile.

Once all this is in place, the foundation is laid to introduce accountability systems. Here the point is not to play "gotcha" with the staff, but rather to use accountability supportively to help staff members develop their competencies and improve their effectiveness. Among other things, it is very useful to establish which data will be shared transparently throughout the agency to highlight high performance and identify areas needing improvement. Further, the organization should make it clear how it will invest in targeted professional development to improve staff competencies and incentivize (symbolically and perhaps financially) high performance. As a final consideration, the organization must consider how long it will tolerate significant underperformance (in spite of sustained efforts to improve it) before staff members, managers, and leaders are reassigned or dismissed.

Here we have arrived in territory that, for many nonprofits, amounts to being a "stranger in a strange land." It is the facilitator's job to help workshop participants assimilate this way of thinking and, in the end, embrace it. In my experience, the best way to do so is to focus on the fact that, when all is said and done, we are collectively working on behalf of the

organization's clients. They *need* the organization to develop in the ways I have been discussing because otherwise they won't be able to count on the organization to be a reliable partner in improving their lives and life prospects.

The final task of Day Four is to spend at least a half-hour helping the group process what it has experienced over the course of the workshop. Normally, participants are pretty exhausted by then. But I have found that often they are also exhilarated, because for the first time they have taken part in a sustained process through which they have been collectively creating a clear and achievable mission for the organization, meaningful goals and objectives, a well-defined picture of their target population, specific outcome "ladders" they will be helping clients to climb, codified programs and services with detailed operational expectations, and a newfound sense of cohesiveness and excitement: **"We're all in this together, and we're in it for our clients!"** They have become more aligned with one another, they understand what they and others are contributing to the organization's success, and they feel energized at the prospect of implementing, over the coming years, all the decisions they have reached.

More often than not, at the end I am told that although I may be abrasive (and perhaps excessively vulgar when attempting to drive home certain points), and the process has been at times painful and most assuredly exhausting, the experience is profoundly transformational—on both the personal and the organizational level.

Summary of Day Four

Once again, the facilitator asks the group to review the day's work and raise any issues that need to be discussed or clarified. Then the facilitator takes the group through the following steps:

1. **Specifying the criteria that the organization will use to select or improve its performance-management data system.**

2. **Clarifying the data sets that supervisors will review with front-line staff to help them improve the effectiveness of their work.**

3. **Specifying the data that will, in each case and in aggregate, be used to assess staff, program, and organizational performance.**

4. **Clarifying or designing the accountability system that will be used to manage the organization's performance.**

5. **Wrap-up.** This entails a review of the major decisions reached, and also of any decisions that will need to be made (and how they will be made). The facilitator then reminds the group of the need for the agency to develop a plan to implement the blueprint that the facilitator will produce. It is essential that the facilitator ask the executive director to lead this discussion so that the members of the organization experience the leader's commitment to the goal of moving the organization ahead.

6. **Stock-taking.** The facilitator should invite participants to reflect on the process and what it has meant to them. It is important to encourage the participants to acknowledge how challenging these discussions have been. The facilitator should join in this discussion, indicating where he or she feels it might have been possible to guide the discussion better, and thanking the participants for candid feedback as well as for trusting the facilitator to lead them through the process.

7. **Next steps.** The executive director should make clear what the next steps will be for developing an implementation plan, including who will be involved. It will be important to remind the group that such a plan will inevitably require three to five years to reach completion.