Evaluation and Measurement of Outcomes

How do you know if your nonprofit is making a difference?

Impact is the difference your nonprofit makes: There's the work you do, and the results that flow from it. More and more nonprofits, grantmakers, and government partners, are focusing on **outcomes**, rather than "outputs."

The National Council of Nonprofits and its state association network encourage nonprofits to embrace a culture that supports evaluating the difference your nonprofit is making. This requires first identifying "what does success look like?" Then making a plan that will get you there, and collecting information along the way to evaluate whether your nonprofit's progress is actually getting you closer to success. Finally, it's important also to communicate what you are discovering, and use those lessons to continuously improve performance. All of this is referred to variously as, "outcomes measurement," or "performance management," or simply, "evaluation."

If you are just becoming familiar with this topic we recommend a powerful and easy-to-read book, Leap of Reason, [1] that explains how nonprofits and grantmakers (and governments) have a responsibility to the individuals and communities we all serve to be as *effective as possible*. The authors go on to stress that in an environment of increasingly limited resources, those nonprofits that can demonstrate that they are truly making an impact will be the ones most likely to attract resources and talent, and therefore be most sustainable.

As *Leap of Reason* points out – measuring outcomes is not just about attracting resources to your nonprofit; it's about the mission. Your nonprofit will only know that it is indeed helping individuals, solving problems in communities, and protecting the environment etc., if it is evaluating its performance. Identifying and communicating impact are also important activities for any charitable nonprofit since donors understandably want to know that their donations/grants are making a positive difference.

Evaluating Performance, Measuring Outcomes

Whether your nonprofit engages in formal "evaluation," monitors progress towards specific goals, or uses feedback loops to learn what's working and what's not, each of these activities is a type of "performance measurement." What makes the most sense for your nonprofit?

Here are some resources to help your organization along an intentional path that we hope will lead to the most effective delivery of your nonprofit's programs and services, and advancement of its mission.

Tools

- [Data Playbook](#) [2] (Shusterman Foundation)
- [Tip sheets and other free evaluation resources](#) [3] (Point K Learning Center - Innovation Network)
- [Logic Model Development Guide](#)[4](W.K. Kellogg Foundation)
- [PerformWell](#) [5] offers tools, such as sample surveys and assessments, for human service organizations to use to evaluate outcomes.
- [Measuring Outcomes](#) [6] (US Dept. of Health and Human Services, Compassion Capital Fund)
- [Charting Impact resources](#) [7] for GuideStar profiles

Evaluation capacity resources

- [State of Evaluation: Evaluation Capacity and Practice in the Nonprofit Sector](#) [8] (Innovation Network)
- [The State of Evaluation in Colorado's Nonprofit Sector](#) [9] (The Colorado Trust, CO Nonprofits, Community Resource Center)
- [How do we build the capacity of nonprofits to evaluate, learn, and improve?](#) [10] (GEO)

Resources

- Download the [free eBooks](#) [11] *Leap of Reason* and *Working Hard and Working Well* and keep up with the latest thinking in outcomes evaluation, performance management, and evaluation via the [Leap of Reason website](#) [12].
- Just for small nonprofits: [Small But Mighty](#) [13] (Leap of Reason's Performance Imperative for small nonprofits)
- [Outcomes matter](#) [14] (Nonprofit Finance Fund and Federal Reserve Bank of San Francisco)
- [Getting started with data driven decision making](#)[15](workbook from NTEN)
- [Key things grantmakers should know about organizational assessments](#) [16] (GEO)
- [Evaluating advocacy](#) [17] (National Council of Nonprofits)
- Read about [organizational self-assessments](#) [18] and the [self-assessment process for a nonprofit board](#) [19]. (National Council of Nonprofits)

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