MEASURING THE PERFORMANCE, OUTCOME, AND IMPACT OF NATIVE CDFIs

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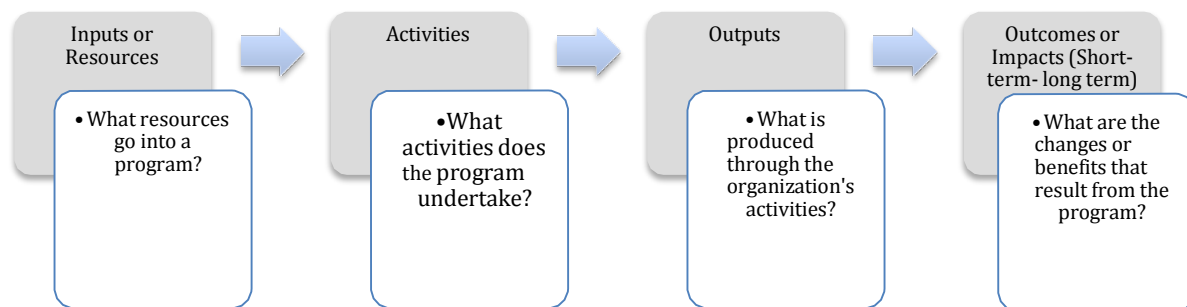
Laying the Foundation

Measuring the performance of Native CDFIs is an integral part of growing the Native CDFI industry and strengthening the impact we make in our communities.   Native CDFIs lead the way when it comes to wealth building and poverty elimination in Indian Country, and measuring impact is key to these efforts. How do you convey the impact you are making in your communities? How do you convey the changes you are making in people's lives? Today, we will focus on aligning your mission with the impacts you are working to achieve, and developing and refining systems to track these impacts.

Using an impact tracking tool, we will begin by looking at your CDFI's definition of success.   We will use the impact tracking tool throughout the morning, as we discuss different elements of tracking your work.   In the afternoon, we will build on these elements, looking at your data collection flow, focusing on where and how you are collecting baseline and impact data.

What does success look like for your Native CDFI?

How will you know when you have been successful?

As we begin to focus on measuring the impact of our Native CDFIs, it is important to define key terms. In defining key terms, it is helpful to look at a "logic model" as a framework. A logic model is a graphic representation of a program showing the intended relationships between investments and results. Essentially, it expresses your organization's "theory of change." Rather than looking at each term in isolation, we will look at them in the context of their place and role in the logic model. We will delve deeper into the logic model later today, but let's begin with a fairly basic model.

Inputs or Resources	Activities	Outputs	Outcomes or Impacts (Short-term- long term)
• What resources go into a program?	• What activities does the program undertake?	• What is produced through the organization's activities?	• What are the changes or benefits that result from the program?

Logic models are often called "evaluation frameworks" and are useful guides when planning evaluation activities and measuring and tracking outcomes. Many types of logic models exist and range from the simple to the very complex, but they all have an underlying purpose. The underlying purpose of constructing a logic model is to make the case for causality, or an "if-then" relationship between the elements of the program. Essentially, a logic model assumes if certain resources are available for a program, then the activities can be implemented; and if the activities are implemented effectively, then certain outputs and outcomes can be expected. In order to fully understand the logic model and be able to use it effectively, it is helpful to define the terms and be able to identify examples of the terms in action.

As we start to define key terms and concepts, it is also helpful to refer to the diagram below, which provides more context for terms we will be working with:[1]

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[1] United Way of America, "Measuring Program Outcomes: A Practical Approach," 1996.

Glossary of Key Terms[2]

Activities

Activities are the tasks that an organization carries out, or the services they provide to fulfill their mission. Examples include teaching financial education classes, implementing Individual Development Account (IDA) programs, offering credit coaching, and providing loans.

Inputs

Inputs are the resources that a program uses to achieve program objectives. Examples are participants, clients, staff, volunteers, facilities, equipment, materials, and money. A program uses inputs or resources in order to conduct its program activities.

Outputs

Outputs are the products of a program's activities, such as the number of participants attending classes, the number of workshops conducted, or the number of coaching hours provided. An organization performs program outputs in order to produce desired outcomes for the program participants and clients.

Outcomes

Outcomes are the results or changes that occur from participation in a program. Outcomes can be things like changes in knowledge, awareness, skills, attitudes, opinions, aspirations, motivation, behavior, practice, decision-making, policies, social action, condition, or status. Outcomes may be intended and/or unintended. They can be positive and negative.

Outcomes fall along a continuum from immediate (initial or short-term) to intermediate (medium-term) to final outcomes (long-term), which are often synonymous with impact. The United Way offers a helpful guide to understand the continuum of outcomes. Short-term outcomes can often be learning that takes place. Medium outcomes are actions that occur. Long-term impacts change a condition.

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[2] Glossary adapted from the University of Wisconsin-Extension's Program and Evaluation Unit, http://www.uwex.edu/ces/pdande/ and from work by Marian Doub.

Baseline

A baseline is the information or data about the situation or condition of a program prior to an intervention or program services.   A baseline helps mark change that may take place.

Benchmarks

Benchmarks are performance data that are used for comparative purposes. Organizations can use them to demonstrate reaching certain milestones or to show how program performance and outcomes compare to peers or industry standards.

Data

Data are discrete or specific pieces of information used in combination to create information. Using information we create knowledge. Data can be qualitative, which is information in narrative or text form. It can also be quantitative which is in a numerical format.

Indicators

Indicators describe observable, measurable characteristics or changes that represent achievement of activities, outputs, and outcomes.   Indicators are the specific items of information that track a program's success on achieving outcomes. The number and percent of program participants/clients who demonstrate the desired change is an indicator of how well the program is performing in respect to the outcomes.

Metrics

Metrics are used to assign or determine a standard or benchmark measure or goal (count or rate) to an indicator. They are used to describe or assess the program, performance, and outcomes—usually compared to past performance or industry results.

Input, Activity, Output, or Outcome?

Now, let's practice using some of the terms we've discussed. Please indicate whether the following examples are an input, activity, output, or outcome (short-term, medium-term or long-term):

Three agencies partnered to deliver an IDA program	
Participants learned the elements of a successful business plan	
Program hired a new IDA coordinator	
Twenty tribal members attended entrepreneurship classes	
Five IDA participants saved for a downpayment	
The average income of borrowers increased by 15%	
Fifteen graduates of the entrepreneurship class successfully applied for loans	
Borrowers hired a total of 25 new employees over a one year period	
The program raised $50,000 in match funds	
Youth increase their understanding of credit and debt	
Twelve borrowers purchased new homes	

The organization offers free financial education classes, which cover budgeting, understanding credit, and the dangers of predatory lending	
Youth reduce unnecessary spending	
70% of participants in the IDA program continued saving after completing the program	
Youth establish sound financial habits	
Two partners provide in-kind staff support	
Program conducted monthly educational workshops .	

What does it mean to do this work in Native communities?

The process of tracking impact may seem like a very linear, Western idea that is incompatible with Native communities and their ways of knowing. The American Indian Higher Education Consortium (AIHEC) has been discussing the concept of evaluation in Native communities and its place in community work with Native elders, community leaders, and scholars. Through their listening session process, they found that though evaluation "may not translate literally into specific Native words, conceptually there are terms, processes, or metaphors that relate to the sense of knowledge creation and/or problem solving within an Indigenous community."[3] Native people have always worked toward solving problems, addressing challenges, and planning for the future of their communities. Evaluation and tracking impact is one aspect of that tradition.

As we track impact and collect data in Native communities, we can explore ways to make data collection a better fit for our Native clients. For example, one of the ways to work toward a good fit with Native clients can be through qualitative methods such as focus groups and interviews which allow for more opportunities for traditional data gathering methods like storytelling when soliciting client feedback.

Are our program performance and outcome tracking efforts impacted by the fact that we are working in Native communities? Are there unique challenges?

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[3] LaFrance & Nichols (2010). Reframing Evaluation: Defining an Indigenous Evaluation Framework. Canadian Evaluation Society, 23(2), 13-31.

Are there ways we can make impact tracking more reflective of Native, rather than Western, data gathering approaches?

Broader evaluation work in Native communities –

important considerations

Beyond looking at tracking the impact of our individual programs in a Native context, there are a number of points that are important to consider when thinking about broader evaluation work in Native communities.

First, it is important to note that evaluating data and measuring impact are important in Native communities because the data that exists is often limited or non-existent. The National Congress of American Indians Policy Research Center discusses the lack of data in Native communities and states, "There is a critical need for accurate, meaningful, and timely data collection in American Indian/Alaska Native (AI/AN) communities."[4] For example, federal statistics on unemployment and poverty are difficult to pinpoint for AI/AN communities. The Bureau of Labor Statistics (BLS) does not collect data on reservation unemployment rates, and so the unemployment rates for states with large reservations are likely to be understated.

Because large data sets and research often exclude Native communities due to their small size, Native communities may have a heavier burden for collecting and analyzing their own data. There have been recent efforts to increase data collection in Indian County by the federal government because there is recognition that inaccurate data often impedes access to needed

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[4] National Congress of American Indians Policy Research Center (2012). Federal Data Collection in American Indian/Alaska Native Communities found at http://www.fws.gov/nativeamerican/graphics/FederalDataCollectioninAmericanIndian-AlaskaNativeCommunities.pdf

resources. Data is needed not only to assess the challenges faced by Native communities, but also to assess and highlight Native communities' strengths and opportunities.

Is there data you wish you had access to in order to make your case or demonstrate your impact? What do you want to say? Is the data something you can collect yourself (even on a smaller scale)?

Second, some Native scholars and leaders frame tracking impact and evaluation as an issue much larger than at the individual organizational level. Evaluation work is important for Native communities and can also be viewed as part of a community's nation-building agenda. Information is power. The following quote comes from scholars at the Center for Indigenous Law, Governance, and Citizenship and the Native Nations Institute regarding evaluation as a Native nation-building strategy:

> *Good … projects in Indian Country are explicitly part of a nation-building agenda—that is, local people have themselves planned the project and placed it within a larger vision of what they hope their nation will be. Project evaluation can contribute to these nation-building efforts by providing needed feedback to local implementers and activists about what the problems that plague their nations are, how the problems might be solved, and how well the solutions are working.[5]*

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[5] Robertson, P., Jorgensen, M. & Garrow, C. (2004). Indigenizing Evaluation Research: How Lakota Methodologies are Helping "Raise the Tipi" in the Oglala Sioux Nation. *American Indian Quarterly, 28,* p. 519.

How could your evaluation data contribute to your community's nation-building efforts?

Starting at the end: What outcomes do you hope to achieve?

Now that we've looked at the definition of some key terms and discussed some important concepts, we will turn to your specific organizations and efforts. We will start by looking at your key outcomes. As we've discussed, outcomes are *the results or changes that occur from participation in a program.* Outcomes can be things like changes in knowledge, awareness, skills, attitudes, opinions, aspirations, motivation, behavior, practice, decision-making, policies, social action, condition, or status. Outcomes may be intended and/or unintended.   According to the United Way's publication, "Measuring Program Outcomes: A Practical Approach:"[6]

> *To increase its internal efficiency, a program needs to track its inputs and outputs. To assess compliance with service delivery standards, a program needs to monitor activities and outputs.* **But to improve its effectiveness in helping participants, to assure participants and funders that its programs produce results, and to show the general public that it produces benefits that merit support, an agency needs to measure its outcomes.**

Determining what you want to achieve is a critical first step in your evaluation and tracking efforts. We will start by examining the outcomes you are striving for and measuring. In order to identify outcomes, it may be helpful to ask:[7]

- What is/will be different as a result of our initiative/program? For whom?

- What will be changed/improved?

- What do/will beneficiaries say is the value of the program?

- What do/will they say about why they come?

- Why do we carry out our major activities?

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[6] United Way of America, "Measuring Program Outcomes: A Practical Approach," 1996.

[7] *University of Wisconsin – Extension's logic model course "Enhancing Program Performance with Logic Models":* http://www.uwex.edu/ces/lmcourse/

What are key outcomes for your organization?

Outcomes	Short Term	Medium Term	Long Term

As we have discussed, outcomes are typically categorized as short-term (learning), medium-term (action), or long term (behavior change).

Looking at external factors affecting outcomes

While we try to identify outcomes and indicators that are a direct result of work with clients, sometimes there are external factors that can affect results. For example, an identified outcome for your program may be *increasing savings*, but do all clients have access to a financial institution to support this habit? Or perhaps a desired income is *increasing the number of small businesses* in your community – what factors outside of your control may affect this outcome?

What are some external variables that can affect outcomes?

Take a few moments and look at the identified outcomes for your CDFI. *What external variable can affect these outcomes?* **Can you rephrase any of your desired outcomes so that they are more directly linked to measuring your CDFI's work with a client and less impacted by external factors?**

Revised outcomes

What indicators and metrics are you using to track outcomes?

Now we will turn to outcome indicators and metrics. While these two terms are often used interchangeably, they actually have different meanings, and the distinction is important.

As we've discussed, an **indicator** is the evidence that indicates what you wish to know.[8] Indicators should be:

- Directly related to the outcome you are measuring
- Specific
- Useful
- Practical
- Culturally appropriate
- Adequate

The **indicator** tells us *what* will be measured. The **metric** takes the indicator to the next level of usefulness and puts a number on the indicator. We create metrics by making the indicators SMART.

A SMART **metric** is**:**

- **S**trategic (Specific)**:**   relates to the mission, strategic goals or objectives

- **M**easurable: indicates numbers of events, people, locations, etc

- **A**ction-Oriented: includes action verbs for how these happen

- **R**ealistic: what is achievable in the time frame, what the goal looks like in real life according to your clients

- **T**ime-bound: monthly, quarterly, annual

An **indicator** by itself tells us 'what' but really does not tell the whole story. The **metrics** tell us how much, when, *and* what.

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[8] *University of Wisconsin – Extension's logic model course "Enhancing Program Performance with Logic Models":* http://www.uwex.edu/ces/lmcourse/

Here's an example: 'start-up businesses' is an indicator. 'Number or percent of start-up businesses assisted in a year is a metric.   One is a goal, the other shows track record.

Indicator or metric?

Now, we will take a look at some examples and determine if they are indicators or metrics. What led us to the decisions we made?

Outcomes, indictors and metrics

In the table below, select one of the outcomes that you noted above. Please list one indicator and one metric for this outcome.

Outcome	Indicator	Metric

Returning to the logic model

Earlier today, we looked at the logic model to help define different key terms. Now, we will come back to the logic model, to map out the work of our own organizations.   So what exactly is a logic model, and why do we use them? A logic model is a simplified picture of a program, initiative, or intervention that is a response to a given situation. A logic model shows the series of connections that are expected to lead to desired results over time.[9]

Yogi Berra is cited as having once said, — "If you don't know where you are going, you might wind up someplace else." Logic models help keep us on track. They also help us focus on what is most relevant and important to our mission and program. Michael Patton, a renowned participatory evaluation expert, cautions groups to remember YCKE! YCKE! YCKE! – "You Can't Know Everything."

As we discussed earlier today, basic components of a logic model are inputs, activities, outputs, and outcomes.   These categories are directly linked to one another through an "if-then" connection. For example, **if** we invest certain resources (inputs), **then** we can carry out certain activities. **If** we carry out these activities, **then** we will achieve certain outputs, and **if** we achieve these outputs, **then** we'll achieve these outcomes.   Logic models are useful for developing new programs, as well as strengthening existing programs.

Why are logic models helpful?

Logic models are a helpful tool for a number of reasons:

- Logic models help in program planning to identify the steps needed to achieve an outcome.

- Logic models can show the need for program modifications. You may have a strong output, for example, such as lots of people taking a class you offer - but the outcomes may be very thin – no one passes the test or changes their behavior. This may show high demand for the services but also a need to improve the quality of the services because they are not delivering results.

- Logic models can help illustrate your impact and success.

Sample logic model

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[9] *University of Wisconsin – Extension's logic model course "Enhancing Program Performance with Logic Models":* http://www.uwex.edu/ces/lmcourse/

Inputs	Activities	Outputs	Short-Term Outcomes	Medium-Term Outcome	Long-Term Outcome
IDA match funds IDA coordinator	Provide financial education Provide asset specific training	25 savers completed financial ed 22 savers completed asset-specific classes	20 participants learned about the importance of saving	10 savers started a small business	15 participants continued to save using a savings account five years after the program

Designing and Refining your Data Tracking System

Building on what we have learned from the concepts shared earlier, we will turn to tracking your own impacts and outcomes. In looking at your data tracking system, we'd like you to consider the following questions:

- What data do you need to collect to document the indicators you have chosen?

- Do you need to differentiate between the types of clients served by your CDFI and collect different data depending on the services received?

- What are your **client contact points**?
  - Where do you already have contact with clients?
  - Do you need to add new client contact points?

- Looking at your client contact points, where does it make the most sense to collect data?
  - Where should you collect **baseline data**?
  - Where should you collect **impact data**?

- How should you collect data at the different points? What **format** should you use? Some options include:
  - Intake sheet
  - Application
  - Questionnaires
  - Surveys
  - Interviews
  - Other

- How can you **streamline your evaluation process** and **remove duplicity**?
  - Can you incorporate your impact tracking efforts into existing documentation and client contact points?
  - If your forms repetitively ask for the same information, is there a way to remove duplicity?
  - Are there data collection points you can eliminate?
  - Do you need addition data collection points in your process?
  - Would other data collections formats be more effective?

Mapping your information flow and data collection process

Now, you will have the opportunity to map the flow of information you collect from clients. Complete the following steps to visually explore your process and consider where to incorporate the collection of baseline and impact data.

1. **Using the template provided (or an alternative sheet), map out the flow of your client contact points – this should reflect every point where you have contact with a client, from intake to receiving loan payments.   Where do you have contact with clients? Points may include:**

   - Outreach
   - Intake
   - Training
   - Coaching
   - Other programming (such as IDA programming)

   - Loan application
   - Loan closing
   - Loan denial outreach
   - Collecting loan payments
   - Client follow-up (of any kind)

2. **Looking at your client contact points, indicate where you are currently collecting data:**
   a. Put a blue sticker marked with the letter 'B' on those points where you are collecting baseline data.
   b. Put a blue sticker marked with the letter 'I' on those points that you are collecting impact data.

3. **Next, focusing on the outcomes and indicators that you've identified today, think about where it makes the most sense to collect baseline and impact data, and indicate these points on your sheet:**
   a. Put a green sticker marked with the letter 'B' where you could/should be collecting baseline data that correlates with the desired outcomes you wish to measure.
   b. Put a green sticker marked with the letter 'I' where you could/should be collecting impact data that correlates with the desired outcomes you wish to measure.

4. **Now, consider how you will collect the data – what formats will you use? (intake form, application, questionnaire, survey, interview, or other)**
   a. For each data collection point, indicate what format you will use to collect the data.
   b. For each data collection tool that you anticipate using, indicate whether you envision using an existing tool (E), or developing a new tool (N).

5. **Finally, analyze your process, and see how you can make it more effective:**

     a. Do you see any duplicity? Is there any way to remove it?
     b. Is there any way to streamline your information gathering?
     c. Are there ways to improve the client experience?

Encouraging on-going client participation in evaluation

As we know, one of the primary challenges associated with long-term evaluation work is maintaining client engagement. If our goal is to track long-term impacts, how can we effectively follow-up with clients, to ensure that they are providing the information that we need for our tracking efforts?

Based on your experience in the field, let's examine the following questions:

- How can you encourage clients to stay engaged in your evaluation process during and after their work with your CDFI?

- What strategies do you find successful in carrying out follow-up efforts (surveys, interviews?)

- What kind of incentives would you recommend to encourage clients to participate in your follow-up efforts?

A look at MIS systems: which system are you using?

Now that you have mapped your data collection process, identifying what data you plan to collect, and when and how to collect it, we will turn to formalized tools and systems to support your data collection efforts. Most organizations use at least one tool to support their evaluation/tracking efforts. These tools range from excel spreadsheets to more complex, costly Management Information Systems that can include different types of databases for different purposes. Let's review the different tools we are using. As we discuss these tools, note if there is a tool that you would like to learn more about or consider using. You will find more detailed information on different data management tools behind Tab 7 in Appendix A.

Excel Spreadsheets	
Brief description	Typically, an organization will design its own spreadsheet to capture its data and metrics.
What is good about this source?	It is straightforward and low-cost.
What is tricky about this source?	Evaluation efforts are limited by the design of the system. As CDFIs mature and grow, they may need more complex systems that capture more data and show the relationships between the records over time (historical data).
Cohort example: notes	

TEA (The Exceptional Assistant)	
Brief description	TEA is used by many CDFIs.
What is good about this source?	TEA is commercial software designed specifically for loan funds and loan tracking.
What is tricky about this source?	System can be very costly to establish and maintain. It does not track historical data or produce basic reports about program performance and outcomes.
Cohort example: notes	

icredit
Brief description	
What is good about this source?	
What is tricky about this source?	
Cohort example: notes	

Additional Resources

Tamra Thetford "Data that Works*,"* The Aspen Institute/FIELD, Washington, DC, May 2011.

United Way of America, "Measuring Program Outcomes: A Practical Approach," 1996.

The Urban Institute, "Key Steps in Outcome Management," 2003.

The Urban Institute and The Center for What Works, "Building a Common Outcome Framework to Measure Nonprofit Performance," December 2006.

FSG Social Impact Advisors, "Breakthroughs in Shared Measurement and Social Impact, by Kramer, Mark, Marcie Parkhurst, and Lalitha Vaidyanathan, Boston, Judy 2009. (www.fsg-impact.org/ideas/item/breakthroughs_in_measurement.html)

University of Wisconsin – Extension's logic model course "Enhancing Program Performance with Logic Models": http://www.uwex.edu/ces/lmcourse/interface/coop_M1_Overview.htm

American Indian Higher Education Consortium, "*Indigenous Evaluation in Our Communities*." http://portal3.aihec.org/sites/Indigeval/Pages/Default.aspx