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T³

TRENDS, TOPICS & TIDBITS
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To Measure or Not: Do We Have A Choice?

Top executives, now more than ever, are looking for accountability from all their departments, including their community involvement department. Times are lean, profits are down for many industries, and senior management and shareholders want to know that the company is using its charitable resources effectively. More specifically, they are asking for evidence that contributions, whether financial or in-kind, and the time spent by employees volunteering on company time, are making measurable differences in their communities and also benefiting their companies and employees.

Measuring and evaluating the impact of a community involvement (CI) program presents a number of challenges, such as the time and expense involved, the staff requirements, and identifying ways to capture the often complex, collaborative nature of CI activities. However, there is no doubt that regardless of the potential barriers, the effort is well worth the result for those companies that want to demonstrate return on investment. Being able to prove a CI program's effectiveness helps satisfy those who might question its worth.

Measurement and evaluation, in a concrete way, can reinforce the validity of a CI program's overall objectives and goals and, ultimately, improve its effectiveness within the community. It can also elevate the program in the company's value chain and impact overall corporate strategy. Moreover, the outcome of evaluation and measurement shifts the focus from the costs of CI to the benefits gained.

There are three possible times when evaluation comes into play:

1. Initial grant proposal evaluation to determine whether a proposal should be funded;

2. Interim/final grant assessment to ensure that the program is meeting/met its stated goals and objectives; and

3. Overall program evaluation to determine if the company's CI program is achieving its goals and objectives.

Where To Start?

The steps to evaluate any program or grant include:

- Identifying the goal(s) of the program

- Ascertaining which data are required to assess the success of the program

- Identifying who is going to collect the data

- Determining the methodologies required to collect the data

- Deciding what will be done with the information once it is collected

In this T3, we will focus on the first step, identifying the goals and objectives of a CI program or grant.

Without identifying goals and objectives it is virtually impossible to measure success. If you don't know where you want to go, you won't know when you've gotten there. Clear goals lay out the overall direction and measurable objectives specify exactly what you are trying to achieve.

Goals are generally very broad. For example, a commonly cited goal of a CI program is to recruit new talent. But this is very hard to measure because there are no limits placed on this activity. This is where SMART objectives come in. SMART stands for specific, measurable, achievable, relevant and time bound. So to turn the goal into a SMART objective, the program may state that it will include information about the company's CI program in recruiting materials by Q2 2008. Another common goal is to enhance employee morale. The objective

would be to improve scores on the company's employee satisfaction survey by 5% in 2008.

The same discipline should be used when assessing grants. Before you fund a grant, you should make sure that there are relevant goals and measurable objectives set out in the grant proposal. Organizations are excellent at providing services that help their clients, but often have no idea how to measure the impact of their activities. It is often up to us to guide them. When reviewing a grant proposal, make sure that the nonprofit is collecting the "right" data. For example, counting how many people are being fed is not the correct data for a grant that is focusing on creating a communications strategy.

Collecting data for data's sake is not productive or an efficient use of resources. Data tell a story and we need to understand what that story is.

As each of these steps is important and can easily be a topic of a T^3, we decided to do a multi-part series over the next few months. In our next T^3, we will consider different types of data that can be collected.