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# Ripple Effects of Process Change

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*Keywords:* Process change, international grantmaking, evaluation, grantees

## Key Points

- Decisions to change processes in one area have the potential to cause ripples throughout the entire grantmaking process, impacting both donor and grantee. Recognizing this, the National Endowment for Democracy (NED) thoroughly examines and/or tests any changes before they are integrated into the grantmaking practice. In 2009, NED launched a pioneering grantee self-evaluation process that significantly altered its grantmaking processes.
- This article describes how NED tasked a team of staff from the different sections of its grantmaking program to determine the most effective way to capture the information needed to determine whether a grant should be recommended for renewal.
- What resulted was a shift from requiring grantees to self-evaluate projects at the conclusion of each project to tasking them with evaluating the cumulative impact of NED grants on their longer-term objectives. The systems change has resulted not only in a substantive improvement in process for NED but also in incentivizing longer-term strategic thinking in grantee organizations.

## Introduction

Decisions to change processes in one area have the potential to cause ripples throughout the grantmaking process, impacting both the donor and the grantee. It is therefore essential to thoroughly examine and test any changes before they are fully integrated into the grantmaking practice.

In 2009, the National Endowment for Democracy (NED) began a change in its grantee-evaluation process that affected its grantmaking as well as the grantee's approach to assessing impact of its programs. NED approached this change by tasking a team of staff from the different sections of its grantmaking program to determine the most effective way to capture the information needed to decide whether to recommend a grant for renewal. This new process resulted in a shift from requiring grantees to assess yearlong projects individually to asking them to evaluate the cumulative results and impact of NED support on their longer-term objectives over the course of several grants.

This change to NED's grantmaking and evaluation systems resulted in not only a substantial improvement in process and a lighter workload for staff, but it also incentivized longer-term strategic thinking in grantee organizations supported by NED. The ripple effect has extended to a broader conversation about monitoring and evaluation in general.

## NED's approach to grantmaking

The NED is a private, nonprofit organization created in 1983 with a mission of strengthening democratic institutions around the world. Each year, with funding from Congress, the NED grantmaking program supports more than 1,300 projects designed by nongovernmental groups that are working to advance democratic practice and values in more than 90 countries. NED

**TABLE 1** National Endowment for Democracy's (NED) Grantmaking Program by Department

Regional Program	Grants	Compliance	Grantmaking Resource Center	Monitoring and Evaluation
<ul style="list-style-type: none"> <li>• Focus on political and programmatic content, strategy and design, monitoring, and evaluation.</li> <li>• Organized by region.</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on organizational capacity, administration, and technical aspects of the grant relationship.</li> <li>• Organized by region.</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on financial monitoring and compliance of grantees.</li> <li>• Organized by region.</li> </ul>	<ul style="list-style-type: none"> <li>• Supports other teams with process analysis, systems, documentation, and training.</li> </ul>	<ul style="list-style-type: none"> <li>• Responsible for NED's M&amp;E system.</li> <li>• Provides resources, training, and technical assistance to staff and grantees.</li> <li>• Supports all regional teams.</li> </ul>

support helps develop and fund key initiatives of nongovernmental organizations (NGOs) that foster human rights, civil-society development, independent media, and other essential democratic institutions, values, and processes. In some cases, NED provides core support to groups to help them develop and strengthen their organizational capacity.

NED's flexible approach to grantmaking provides support to nascent as well as well-established organizations; to organizations working alone or with partners; and, in many cases, to organizations working in environments that are unfriendly to NGOs pursuing democracy and human rights objectives. NED prides itself on putting the grantee first and responding to changing situations on the ground with solutions that help the grantee organizations receive and manage NED funds in pursuit of their objectives. The NED as an institution, from its board of directors to its support staff in the grantmaking program, understands the difficulties posed by hostile NGO laws and has developed ways to maintain support for organizations in closed societies while continuing to apply best practices in monitoring and evaluation.

NED utilizes a systems-thinking approach in its grantmaking; each grant is reviewed and managed by staff dedicated to various aspects of the grantmaking process. The grantmaking program is staffed by more than 100 professionals who are experts in their individual fields. Each plays a specific role in the pre- and post-award process to ensure that NED supports the best possible

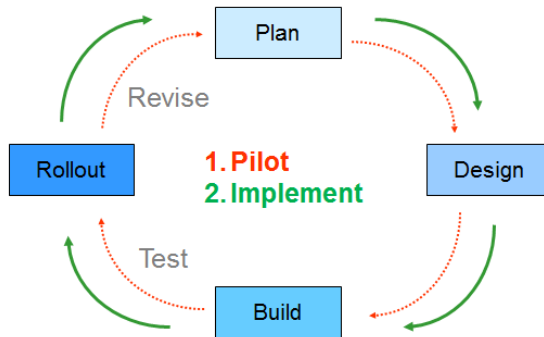
programs and grantees while at the same time conducting appropriate due diligence. (See Table 1.)

Since NED's founding, the rhythm of its grantmaking has centered on quarterly meetings of the board, which must approve each grant. All proposals are unsolicited and staff review each proposal on its merits before making a recommendation to the board. Although NED accepts proposals from grantee organizations on a rolling basis, the board considers proposals for funding only at its quarterly meetings.<sup>1</sup> Proposals are not considered without a recommendation from the grantmaking program staff.

Prior to each board meeting, staff thoroughly review the programmatic and financial capability of each potential grantee and whether the proposed program fits into the funding priorities and country strategies for the year. In the pre-approval phase, regional program staff assess the credibility of the grantee within the context of the proposed project and work directly with the grantees to further develop the content of their proposals so that the best possible program is presented to the board. They also carefully examine the programmatic capacity of the grantee in order to ensure that the project can be carried out as planned. Grants and compliance staff review the technical components of the proposals, including the use of appropriate grant mechanisms, the allowability of budgeted items, and banking arrangements,

<sup>1</sup> In special circumstances, the executive committee of the board has the authority to approve grants out of cycle.

FIGURE 1 NED's Iterative Process



as well as the organization's organizational and financial capacity to manage grant funds in compliance with the required standards.

NED normally makes one-year renewable grants to take full advantage of its own funding cycle, which is an annual appropriation from Congress.<sup>2</sup> Rather than make fewer but larger multiyear grants, NED has sought to fund each year the largest possible number of projects around the world with grant amounts appropriate to the size and capacity of the grantee organizations and their objectives. NED's philosophy is to invest in grantee organizations for the long term through successive renewals in order to provide the kind of sustained funding that allows organizations to establish themselves and grow their capacity and their presence in their local or national environment, until they are able to sustain themselves. Although approximately 80 percent of grants are renewals, renewal is not automatic. Grantees must reapply each year for renewed funding.

### NED's Approach to Process Change

As it has grown, NED has undergone several significant changes in the way that it makes grants. While the overall philosophy has remained steady, processes have not. NED has adapted a systems

approach to making changes to its processes using cross-sectional teams to design, test, and implement change. With any proposed process change, teams ask five questions:

1. What is the problem we are trying to solve?
2. What part of the grantmaking process are we trying to change?
3. How many other parts of the process will this change touch?
4. What does that mean for staff workloads and individual tasks?
5. How will this affect grantees?

This approach also includes applying an iterative process to designing and implementing the changes. NED documents each change it attempts to make, pilots it with a small group, and records feedback and results to determine next steps. These may include incorporation of feedback into a redesign and more pilot tests until the new process is deemed ready for rollout. (See Figure 1.)

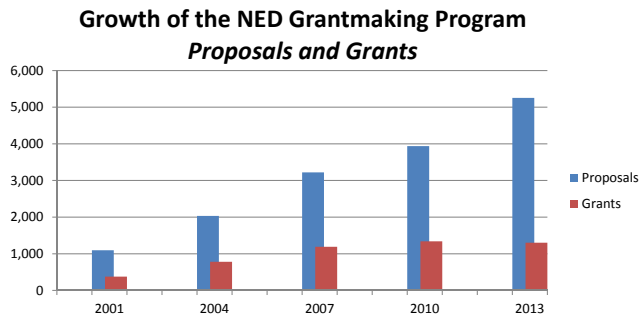
### Case Study: Process Change in Action

#### *What's the Context?*

Although its grantmaking program has evolved significantly over the past 30 years, NED's typical

<sup>2</sup> NED typically makes one-year grants because it is not certain from one year to the next what the size of its annual appropriation will be.

FIGURE 2 Growth of NED Grantmaking – Proposals and Grants



grant size has remained steady at \$30,000. As NED’s work became more widely known, the number of proposals it received increased in the early 2000s, adding to the pre-approval workload. (See Figure 2.) In addition, increases in its funding in the same period meant more grants and a heavier post-approval workload. Staffing levels could not keep up with the increase and while NED was eventually able to hire some additional staff, it was clear that more staffing would not entirely fix the problem.

By early 2008, the situation had become challenging. NED was trying to remain flexible in its grantmaking while at the same time maintaining the expected level of rigor in the pre- and post-award phases of each grant. It became clear to NED’s leadership that something needed to be done.

Preparations were underway for an organizational restructuring, which would make it easier to collaborate across teams. Around the same time, NED commissioned a consultant to examine its audit and monitoring systems. The consultant’s report found that the organization was rigorous in its due diligence pre-approval and its monitoring post-approval, but was not capturing all of the work that staff was putting into due diligence and monitoring and was applying the same level of effort to all of the grants it made, regardless of

risk to NED. The report made several recommendations that, if implemented appropriately, would help alleviate some of the stresses on staff while ensuring continued quality and rigor in grantmaking.

Among the report’s recommendations were that NED:

- Move away from a “one size fits all” model of grantmaking.
- Introduce “differential accountability” in grantmaking to maintain standards and oversight but increase flexibility.
- Expand monitoring techniques and improve documentation of existing monitoring.

NED’s leadership looked to the report as an opportunity to make some changes that would create process efficiencies to help the organization while helping staff weather the continued increase in funding and workload expected in the next few years.

#### *What’s the Problem? Too Many Reports!*

The consultant’s report pointed out that under the “one size fits all” approach to grantmaking, each grantee organization was required to submit quarterly financial reports, quarterly narrative reports, and a final evaluation report for a one-year grant. The consultant suggested that not every

**TABLE 2** Summarizing the Problem

Volume of Work	Drowning in Reports	Nature of the Mission	Limitation of the Annual Funding Cycle
Increases in funding in the early 2000s meant more grants and a heavier workload. Staffing levels could not keep up with the increased number of grants, and while NED was eventually able to hire some additional staff, it was clear that adding staff would not entirely fix the problem.	The way the grantmaking cycle evolved, staff were receiving quarterly grantee reports and annual evaluation reports. But the timing of the funding cycle meant that many of the reports, and particularly the evaluations, were not utilized at the right time to inform the decision-making process for grant renewals.	The objectives of the grantmaking program require a long-term approach to expecting impacts and results. Democratic change is sometimes a generational change, and definitely not something that can be accomplished with a one-year grant project. Viewing the assessment of a project's effectiveness in the short term lends itself to a measurement of activities, rather than a strategic evaluation of results.	Unlike the typical foundation that operates with an endowment, NED depends on an annual appropriation from Congress. Thus the grant cycle is typically that of one-year grants. In most cases, it is not possible to make funding commitments of more than one year and still maintain the quantity and level of diversity of funded programs. This one-year cycle was embedded in all processes throughout the grant life cycle, including methods of assessment.

grant needed the same amount of reporting, and that NED should consider a risk-based approach to its monitoring. (See Table 2.)

Typically, the narrative and financial reports arrived 30 days after the end of each quarter and the final evaluation report came 30 days after the end date of the grant. This rhythm of reporting had long presented a challenge for the regional program and evaluation staff: Depending on the schedule of board meetings, staff would sometimes have only two narrative reports on which to base their recommendations for renewal funding. The final self-evaluation report would arrive after the staff had received a proposal and recommended the grant for renewal, and often even after the board had made a funding decision about a new project and when the grantee was already involved in the next project. Grantees applying for renewal funding had always been required to submit a short interim assessment with their proposal, but it was not as extensive as a final self-evaluation report.

While some grantees and staff used the final self-evaluation report as an opportunity for learning and reflection, many treated it as a pro-forma requirement – a box that needed to be checked in order to remain in good standing with NED. Be-

cause staff had already made a recommendation about renewed funding and completed their own assessment of a project,<sup>3</sup> they were less inclined to pay attention to the final self-evaluation report, treating it as a requirement that needed to be reviewed before a grant could be closed instead of as a useful evaluation and learning tool. By the same token, by the time grantees were writing and submitting their final self-evaluation reports, they had already submitted a proposal for renewal where they had to provide evidence that their project was achieving its objectives, thus rendering the final self-evaluation report a pro-forma exercise for them as well.

The timing of the final self-evaluation report had long been a frustration for staff, but changes were never made because of a lack of staff to redesign, test, and implement such a significant change to the grantmaking process. Although the consultant's report did not make specific recommendations regarding reporting, it did suggest the implementation of a simplified grant agreement for less-risky programs. The NED interpreted this as an opportunity to review grants more holistically,

<sup>3</sup> NED program staff prepare an interim assessment on each grant recommended for renewed funding for the board of directors describing the activities, progress made towards achieving objectives, and why funding should be renewed.

using risk as a benchmark, and to examine the frequency and design of its reporting and evaluation systems. Thus, the 2008 consultant's report combined with leadership and staff readiness to adjust to the new environment of increased workloads set the stage for change.

#### *How Do We Fix It? Create a Cross-Sectoral Team*

A few months after the report was delivered, NED leadership assembled a cross-sectoral team from the grantmaking staff with a mandate to identify ways to implement the suggestions from the report. Members included seasoned representatives from all staff units of the grantmaking program – regional program, grants, compliance, grantmaking resource center, and evaluation.

The team met regularly over six months to identify possible solutions and process enhancements. The team sought input from all NED staff involved in the grantmaking process, holding a town hall meeting and gathering detailed feedback from particular teams on suggested processes.

The consultant's report recommended that NED consider tailoring its reporting approach in order to assign staff resources where they were most needed. The team took that request one step further, recommending that staff resources be allocated in this fashion at all steps of the grantmaking process, including when staff decide whether to recommend grants for renewal – which also includes evaluating past performance of grantees.

This is how, in addition to changes in the proposal-review process and applying a risk-based monitoring approach, the cross-sectoral team also identified a need to revise the grantee self-evaluation requirements, and handed over to a smaller working group the task of developing and piloting improvements to this process.<sup>4</sup>

#### *The Solution: A "Cumulative" Assessment*

To start, the working group conducted a needs

<sup>4</sup> The working group was a subset of the larger cross-sectoral team and included senior managers from the evaluation, grants, grantmaking resource center, and regional programs units.

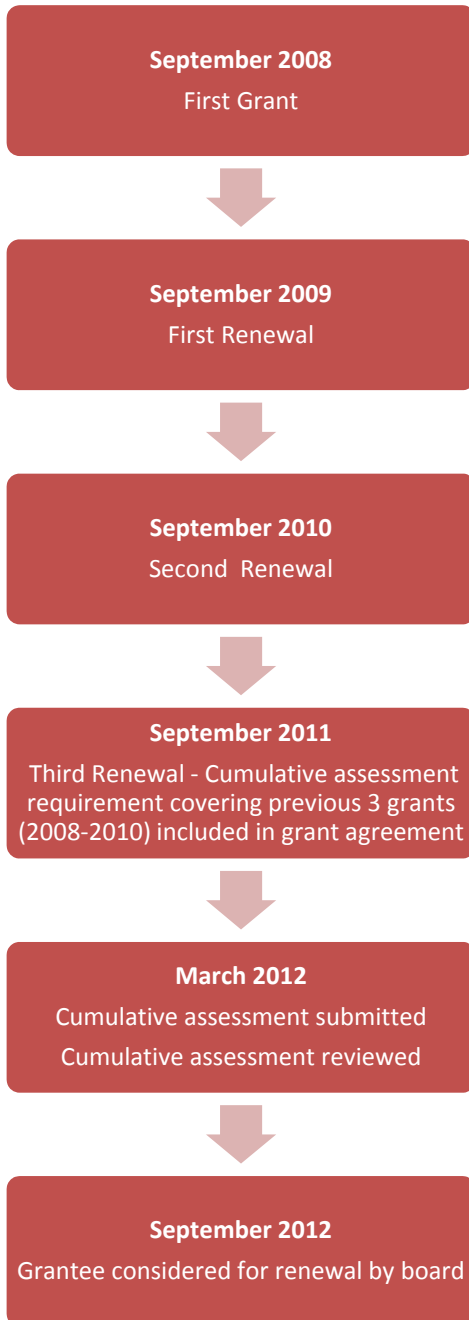
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assessment of grantee narrative reporting. This was done both to confirm the assumptions made by the working group and to ensure that the proposed solution met the needs of all grantmaking staff.

The needs assessment found:

- Staff were unanimous in their belief that the final self-evaluation report submitted by grantees was not useful and should be eliminated or replaced. They felt that in the final evaluation report, most grantees were simply regurgitating a list of activities already reported upon in the previous narrative reports and not providing substantive analysis of impact.
- Staff were united in their desire to see some sort of self-evaluation from grantees that looked at several years of work instead of only the one-year project. The nature of NED-supported projects is such that impact may take several years, and the reporting mechanisms were not capturing this appropriately.

Equipped with this knowledge, the team proposed a new kind of evaluation report: the Cumulative Assessment (CA). The CA was designed to evaluate both the progress of a particular program and

**FIGURE 3** Sample Cumulative Assessment Timeline

the development of the grantee organization. Staff would “flag” grantees during the proposal review process that would be required to submit a written CA report in the second or third quarter of their new grant, prior to submitting a proposal for renewal support. Grantees receiving at least three consecutive years of funding would be eligible to be assigned a CA and required to submit it during the year before the next grant could be made. The three- to five-year range allowed regional program staff the flexibility to assign a CA when it made sense for the grantee and its program.

Before a final decision was made, the team consulted with staff and leadership as well as with selected grantees to obtain a proof of concept. The team asked three questions: 1) Does this make sense as it has been explained? 2) Would grantees find this burdensome? 3) Is there something missing? They knew that a full-fledged pilot would be unrealistic given the difficulties associated with making such a big change to more than 1,000 diverse organizations around the world. The feedback from this process provided sufficient confirmation that the CA would be a workable mechanism. (See Figure 3.)

### Planning and Documenting the Process

Implementation of the CA involved two streams of process change. The first involved integrating the CA into NED’s grantmaking processes, which would entail multiple changes –the way review meetings were conducted, modification to the grant agreement, communicating the new requirement to grantees, and extensive staff education on how to manage and review the CA. The second stream affected the grantees by changing the grant requirements – elimination of the final self-evaluation and the addition of the CA – that had to be rolled out to NED’s vast and diverse grantee population, affecting internal grantee processes. Both streams of process change required extensive guidance and process documentation that, in the case of the grantee guidance, would have to be translated into all of NED’s target languages: Spanish, French, Russian, Arabic, Chinese, and Portuguese.



TABLE 3 Supplementary Guidance for Cumulative Assessments

Supplementary Guidance for Cumulative Assessments	
	The National Endowment for Democracy (NED) has modified its evaluation and reporting requirements. NED has eliminated the final evaluation report in favor of a cumulative assessment (CA) report which will ask you to look back and evaluate several grants at once. The purpose of this document is to assist your organization in the preparation of the CA report.
	What is the cumulative assessment report?
	A report that will cover several previous grants made to your organization by the NED. The purpose of the CA report is to provide NED with an overall look back at the NED-supported work of your organization. This is also an opportunity for you to assess the past few years of your organization's growth and development.
	Who should write the CA report?
	Only one person needs to write the actual report, but the information gathering and analysis should be a collective effort. If possible, everyone who has worked directly on the projects should provide input into the report. This might mean organizing a meeting to discuss the contents of the report or having the person who writes the report interview staff who worked on the project.
	What should be included in the CA report?
	Here are some topics that should be covered in the report:
	<p><b>Objectives and Outcomes</b></p> <p>Look back at your previous grants (specifically the ones listed in the grant agreement reporting schedule) and restate the objectives. Did you achieve your objectives? Why or why not?</p>
	<p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>• Thinking back over the grant periods, what challenges did you encounter during the projects?</li> <li>• Where did you make changes and why? What did you learn from those challenges?</li> <li>• How did your experiences change the way you worked around the challenges within your control and out of your control? Possible challenges that are out of your control might include security, cooperation of government officials, natural disasters, and technical limitations. Examples of challenges in your control might include insufficient staffing, underestimation of technical complexity, problems with a partner, or difficulties in recruiting target groups.</li> <li>• Did the challenges you faced force you to redesign your program?</li> </ul>
	<p><b>Results and Long-Term Changes</b></p> <ul style="list-style-type: none"> <li>• Your reports to NED include information on short-term results achieved by your projects, but you haven't had the opportunity to discuss long-term changes and impact. If you were to go back and do these projects over again, what would you do differently?</li> <li>• How would you change the design and implementation of your projects in order to achieve your desired results? In other words, what lessons have you learned from the projects?</li> <li>• What changes have you noticed in your target population (city, country, region, or institution) that are a result of your projects?</li> </ul>
	<p><b>Organizational Assessment</b></p> <ul style="list-style-type: none"> <li>• How has your organization changed over the course of the projects?</li> <li>• Were there changes in staff, structure, or leadership? If so, tell us about those changes.</li> <li>• Did your organization change its approach and strategy in any way over the course of the projects? Perhaps you expanded to a new city or region, or added an additional program focus?</li> <li>• What organizational lessons have you learned over the course of these projects?</li> </ul>

**TABLE 4** Getting to the Cumulative Assessment

Getting to the Cumulative Assessment
1. Conduct needs assessment of grantee reporting.
2. Propose new requirement: cumulative assessment.
3. Obtain proof of concept from staff and grantees.
4. Test process.
5. Begin phased rollout to staff and grantees.
6. Evaluate process and quality of CA reports.

Drafting grantee guidance for the CA presented a challenge for the working group. Members knew that in order for the implementation of this new requirement to be successful, the guidance would need to be agreed upon by a majority of the diverse regional program staff. While there was general agreement about the purpose of the CA and what it was intended to achieve, the varied levels of capacity of grantees around the world meant that different regional teams had different expectations for the way that the grantee guidance should be written. Template or no template? Specific requirements or general guidance?

Versions of possible guidance were circulated for comment and eventually consensus was reached on grantee guidance that explained the purpose of the CA and outlined four required sections: objectives and outcomes, challenges, results and long-term changes, and organizational assessment. For each of the sections, guiding questions were listed to assist the grantees in conducting and documenting their CAs. The entire guidance document was less than two pages including a list of FAQs. The language was kept simple, as the document would have to be accessible to nonnative English speakers and be translated into NED's six target languages. (See Table 3.)

Once there was agreement on the grantee guidance, staff guidance was prepared for the various teams explaining the requirement and their roles

and responsibilities in the pre- and post-award process. The process was documented and NED's training manuals and modules were updated to include instruction and reference to the CA.

### Phased Implementation

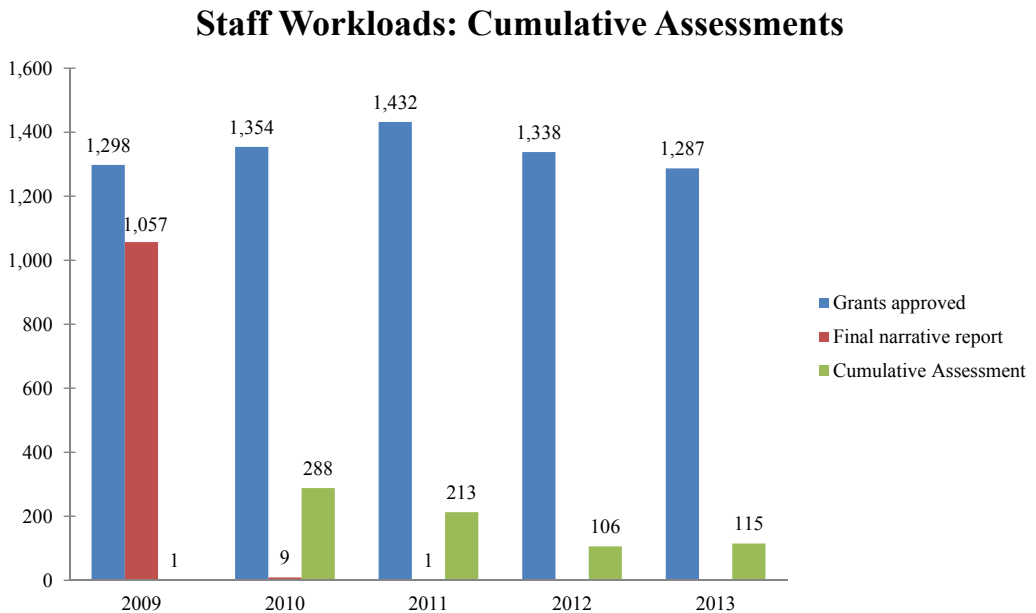
Once a decision had been made to eliminate the final evaluation reports in favor of CAs, NED wanted to roll out this change as soon as possible. The working group felt that the entire CA process needed to be tested before going to scale, but group members knew that they could not wait a year to conduct a full-fledged pilot of both the staff and grantee processes. They compromised by testing the internal process during one quarterly board cycle and rolling out the process to grantees as they became eligible for a CA.

The working group identified two regions – teams – to test the CA process. The teams were selected because their senior staff were members of the working group and were in a position to both champion the merits of the CA and provide additional guidance to their team members during the testing phase.

The test was launched in October 2009 during the proposal reviews in preparation for the January 2010 board meeting. It was largely successful in that it, once again, both provided proof of concept and clarified what was missing in the staff process. The subsequent grantee test over the next year yielded similar successful results.

Following the test, NED phased in the CAs to the rest of the regions in the next few board cycles. Regional program teams were encouraged to phase in the CA to their portfolios of grantees over the course of several board cycles so as not to burden staff with too many reports to read at the outset. To ensure that the entire grantmaking program institutionalized the change in process, a communications effort to explain the CAs to various teams was launched. The evaluation team visited staff meetings and held trainings for regional program staff on how to talk to their grantees about the CA, how they should review the CA reports, and how CAs fit into NED's overall evaluation practice. Trainings were also held

FIGURE 4 Staff Workloads: Cumulative Assessments



for the grants staff to explain their role in integrating the CAs into the grantmaking process and how to keep grantees in compliance with the new requirement. At the same time, a parallel effort was underway to reach out to grantees that had not yet been assigned a CA. (See Table 4.)

### Institutionalizing the Change

In early 2011, NED convened three “check-in” sessions with staff to gather their feedback on the new requirement. Overall, staff felt that the move to the CA was positive and that grantees liked the new report and were adapting well to the new process. There was a general consensus that this had been a positive change for NED staff and grantees and that only small improvements needed to be made to the process.

Cumulative Assessments were fully phased in by the end of 2012. They are now an established part of the pre-approval process and an integral part of NED’s evaluation system. The process has evolved slightly, based on suggestions from staff and

grantees. The overall quality of the CA reports is uneven, but this was expected given the varying evaluation capacities of NED’s grantees around the world.

The CA report is an outlet for grantees to articulate their successes and challenges over a period of time. It also provides an opportunity for grantees to articulate their strategic thinking to NED in writing.

Two years after being fully phased in, the process is fully integrated into the NED grantmaking process, though there is still some work to be done. Both staff and grantees understand the concept and are able to follow the process. The question of which grantees will be asked for a CA has become routine during the proposal review. As NED staff move on and are replaced, the CA is part of orientation for new hires on how NED makes grants. The promise of efficiency for staff and grantees has come to fruition. (See Figure 4.) There is ongoing discussion among NED staff

*In deference to the difference in capacity among its grantees, NED decided not to require the use of a template. Instead, in order to guarantee that staff would obtain the information they needed in the CAs, NED issued suggested headings and guiding questions. Regional program teams were also told they would be able to work with the evaluation team to customize some questions if they needed to do so.*

on how the CA can be used to further refine how NED reviews proposals.

A NED staff survey in early 2014 showed that while there is general consensus that the move from final evaluation reports to CAs was the right thing to do, there is still some work to be done with grantees to improve CA content. While some grantees have done an outstanding job it has become clear that as CAs were phased in, not all of the grantees clearly understood the new requirement. Some CA reports are simply previous narrative reports pasted together with no additional content or analysis.

### **Challenges to Implementation**

Like any significant process change, the transition to CAs was not without its challenges.

#### *One Process, Two Test Timelines*

When the working group broke the process into two pieces based on where the process takes place – at NED or at a grantee organization – and

decided to test those pieces in two different ways, it effectively created two separate testing timelines. At NED, the working group chose to work with a sample of the regional program staff to test the process of identifying grantees and notifying them of the new CA requirement. The first test population subgroup, the NED regional program staff sample, was onsite, easily reachable, available for feedback, and English-speaking. The timeline for testing and obtaining feedback under those conditions was short, tied to a single 12-week board cycle.

The second test population – the group of grantees who were identified as being eligible for the CA requirement – were geographically dispersed, reachable in some cases only through the regional program staff, and in many cases not English speakers. Additionally, the test requirement – a CA report – would not be due for months. It would take almost an entire year to receive the documents and find out if the requirement had been understood and how well it had been implemented.

#### *Diversity of Grantee Population*

The biggest challenge was crafting guidance that would be helpful to NED's grantees, which possess varying levels of evaluation capacity. Because of language and cultural differences, the guidance had to be adapted for each geographic region and translated into six languages. Members of different regional teams then reviewed each translation to ensure that it was accurate for the target audience.

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#### *Communicating the Change*

Informing staff of the process change was relatively easy. It required making announcements at

various meetings, providing the written documentation of the process, incorporating it into a particular review meeting, and being available to guide the process or answer questions along the way. Communicating this change to grantees was significantly more difficult, particularly since this new process also meant that NED was eliminating a requirement that long-term grantees had grown accustomed to, the final evaluation report. Logistics and lack of resources meant that grantee education on the CA was limited to electronic communication. Some program officers were able to discuss the CA with grantees during field visits, but it was impossible to do this for all of the grantees. This is an area where NED continues to do more.

### What Have We Learned?

Cumulative assessments have allowed NED to:

- Integrate evaluative thinking at more appropriate time in the grants cycle.
- Encourage grantees to think long-term.
- Eliminate an ineffective grant requirement.
- Reallocate staff resources to a more effective evaluation process.
- Provide an opportunity for an evaluation conversation that might not have otherwise happened.

Introducing any process change is always an opportunity to learn for the next time around. Lessons learned serve to inform and improve the management of future process changes:

*Some staff and grantees will resist the change.* As with all changes to processes, the change to the evaluative process that introduced the CA to the NED engendered some resistance among both staff and grantees; it was eventually defused with documentation and training and through the repeated tests. The experience shows, however, that staff will have to continue to work with grantees to obtain from them the quality of content needed as staff turns over at grantee organizations. Similarly, the evaluation team will have to continue documenting good CAs to share with staff, both to demonstrate the success of the process and to serve as training for new staff.

*The working group had not anticipated that the change in this process would open the door wider for conversations about the value of making multiyear grants instead of renewals of single-year grants.*

*Keep the pilot test simple.* When conceptualizing process changes that encompass internal and external components, it may be advisable to build in a fuller pilot of the two pieces together, rather than breaking out the tests with separate timelines. From an implementation perspective, it will take longer. But from a learning perspective, it may provide better data to help adjust the process as necessary.

*There are always unexpected ripples.* The working group had not anticipated that the change in this process would open the door wider for conversations about the value of making multiyear grants instead of renewals of single-year grants. Multiyear grants had been in the works for several years prior to the 2008 consultant's report and the momentum gained during the move to CAs helped to bring the issue to the forefront once again. Another working group was subsequently created to examine this issue. The addition of the CA has involved the monitoring and evaluation team more closely in the proposal review process, which has had the added benefit of knitting the team more seamlessly into the grantmaking program. The team is now able to work with regional program teams on other process issues based on the relationships built during the design and implementation of the CA.

*It is easy to overestimate success and underestimate difficulties.* The objective of implementing the CA process was to provide the staff with better information at the right time in the process and to encourage grantees to think about long-term out-

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comes. While the new process has changed the timing of reporting to coincide more closely with the point in the proposal review process when staff needs the information, there are uneven results with respect to the quality of the CAs. Some are very good and provide a useful picture for longer-term support. Others are simply longer final evaluation reports and point to the need for training for grantee organizations on how to prepare for and write a CA. Though grantees saw a reduced burden of the frequency of self-evaluation, the more comprehensive CA means asking them to think differently about self-evaluation. It is no longer about capturing short-term outcomes, but about thinking of outcomes and results over a longer period. This can be problematic for grantees with lower organizational capacity or that have experienced staff turnover during the period being covered by the CA, unless they have systems in place to help them capture outcome data all along.

*The process may continue to change.* After the pilot and implementation of the CA process, it became clear that this process would continue to evolve as ripple effects have continued. In terms of task assignments during the process, for instance, it has been necessary to reconsider who carries out some of the essential internal tasks associated

with making this process work. And subsequent changes introduced elsewhere in the system now ripple to this process. The cycle of iterative change continues.

*Guidance isn't enough.* Having had several years to assess the quality and content of the completed CAs, staff have come to understand that the guidance provided for grantees was focused too much on process rather than content. The written guidance included a framework for the content to be included, but it has become clear that such written guidance is not sufficient in and of itself. NED's evaluation staff has had limited but successful opportunities to train grantees in person, and NED will continue to look for cost-effective ways to continue this type of outreach to grantees. In addition, NED recognized that the need for staff training on CAs is continuous. Guidance on the process is included in written procedures, in new staff orientations and trainings, and during the process itself. As there is staff turnover, the knowledge of why this requirement is part of the grantmaking process is sometimes lost and must be retaught.

### Conclusion

Without adding an administrative burden, the introduction of the CA process has created efficiencies in NED's grantmaking program, with its large amount of renewal grants. Staff are now prompted to identify those grantees to be given more focus in the proposal review phase, based on duration of the grantee relationship. This has taught staff to look beyond the question of carrying out activities and more at what grantees have been able to achieve, in order to inform the decision-making process for approving renewal grants.

After implementation, it has become clear that the CA process will continue to evolve and to impact other aspects of NED's grantmaking program. This has been another example for NED that process change in one area, even when seemingly unrelated, can launch ripple effects throughout the organization. This is an inherent part of the systems thinking of change.

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