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Shelley Scherer
The Pittsburgh Promise

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Developing a Framework for Grant Evaluation: Integrating Accountability and Learning

Shelley C. Scherer, Ph.D., *The Pittsburgh Promise*

Keywords: Evaluation, accountability, learning

Key Points

- Despite broad consensus among foundations on the value of capturing grant outcomes, there is no consensus on what to evaluate and how to define success, which makes it difficult for staff and grantees to navigate and apply multiple interpretations of evaluation “best practices.”
- This article presents three questions designed to help foundations develop a framework for grant evaluation that reflects their beliefs about accountability and learning, balances evaluation costs and benefits, acknowledges the diversity of grants within the foundation’s portfolio, and allows their grantees to understand the foundation’s expectations for evaluation reporting.
- A key takeaway from this article, drawn from insights shared by CEOs and program officers representing 17 foundations in Pennsylvania’s Allegheny County, is that foundation boards should not feel constrained to adopt uniform evaluation practices for all grants. This serves as a discussion guide, providing a starting point for conversations about the purpose of evaluation for each type of grant, along with a range of possible evaluation processes and criteria.

Introduction

Existing research provides a compelling case for grant evaluation, often citing its benefits in terms of accountability and learning (Braverman, Constantine, & Slater, 2004; Brest & Harvey, 2008; Isaacs & Colby, 2010). However, survey data and practitioner insights indicate that funders inconsistently assess grant awards (Damon & Verducci, 2006; Fleishman, 2007;

Kramer & Bickel, 2004; McCray, 2011; Ostrower, 2004) and struggle to redefine evaluation as learning (Hoole & Patterson, 2008) while maintaining their own commitment to accountability (Mosher-Williams & Woodwell, 2015). As a result, many foundation professionals have developed alternative evaluation strategies (Coffman, Beer, Patrizi, & Thompson, 2013). However, interviews conducted for this article reveal that foundation chief executives and program officers continue to have concerns about the burden evaluation places on foundation staff and grantees. In response, they have taken a somewhat different path, embracing “lean data” concepts emerging from the social enterprise sector (Dichter, Adams, & Ebrahim, 2016) and moving away from traditional practices, including logic models.

Drawing from insights shared by 27 CEOs and program officers representing 17 foundations in one metropolitan area, this article presents three questions designed to help other foundations develop their own framework for grant evaluation that reflects their beliefs about accountability and learning, balances evaluation costs and benefits, acknowledges the diversity of grants within the foundation’s portfolio, and allows their grantees to understand the foundation’s expectations for evaluation reporting.

Literature Review

The literature on grant evaluation extols its virtues (Buteau & Huang, 2006; Global Leaders Tomorrow Task Force on Philanthropy, 2003; Grantmakers for Effective Organizations, 2006; Center for Effective Philanthropy, 2002), including fiduciary accountability (to ensure that the

grant was spent as intended), organizational learning (though the distinction between foundation and grantee learning is not always clear), and knowledge sharing with the field. However, the literature also makes clear that deciding what to evaluate and how to define success is difficult, given the nonprofit reality of multiple bottom lines (Behn, 2003; Carnochan, Samples, Myers, & Austin, 2013; Elkington, 1997; Salamon, Galler, & Mengel, 2010), multiple stakeholders (Benjamin, 2013), and the subjective nature of performance assessment (Quinn & Rohrbaugh, 1983; Simon, 1997).

While there is broad consensus on the value of capturing grant outcomes, there is no consensus on what to evaluate and how to define success, which makes it difficult for foundation staff and grantees to navigate and apply multiple interpretations of evaluation “best practices.”

In addition, foundations cannot always use the same evaluation process for all grants, given that fundamental differences between place-based (Grantmakers for Effective Organizations, 2014), advocacy (Beer & Reed, 2009; Teles & Schmitt, 2011), capacity-building (Graves & Culbreath, 2003; Paul G. Allen Family Foundation, 2010), and operating grants (Brest, 2003; Buteau & Huang, 2006) require varied approaches. Finally, thorough analyses of evaluation practices focus on only the very largest foundations, most of which have dedicated evaluation staff (Coffman, et al., 2013), which is not representative of independent foundations (Boris, Renz, Barve, Hager, & Hobor, 2006).

Collectively, these factors leave most foundation staff unsure of how to navigate multiple interpretations of evaluation “best practices” (Amirkhanyan, Kim, & Lambright, 2013; Boris & Kopczynski Winkler, 2013; Carter, 2004; Coffman, et al., 2013; Ebrahim & Rangan, 2010; Hall, 2012). This tension is revealed in foundations’ ongoing internal struggles about the purpose and value of evaluation (Greenwald, 2013; McNelis & Bickel, 1996). These dynamics take a heavy toll on grantees (Brock, Buteau, & Gopal, 2013; Brock, Buteau, & Herring, 2012),

generating frustration (Salamon, et al., 2010), gaming (Benjamin, 2008a, 2008b), and confusion (Carman, 2009; Ebrahim, 2002).

Research Methodology

Twenty-seven foundation staff (CEOs and program officers) from 17 private foundations in the Pittsburgh, Pennsylvania, area were interviewed for this study.

This article focuses on staffed, financially independent, private foundations in Pennsylvania’s Allegheny County with diverse grant awards of at least \$500,000 annually over the last three years or with assets of at least \$30 million. Community foundations, funding intermediaries, corporate foundations, and federated funding groups (such as the United Way) were excluded to minimize the influence of resource dependency on grantmaking practices (Gronbjerg, 2006; Howe, 2004). Data sources identified 21 foundations that met these criteria (Economic Research Institute, 2014; Foundation Center, 2014). Forty individuals from these foundations were contacted for interviews. Twenty-seven (66 percent) individuals (16 chief executives and 11 program officers), representing 17 (81 percent) foundations, agreed to participate. Participating foundations reflect the composition of the local foundation community, ranging from small, family-run foundations to large, regional grantmakers. None had dedicated evaluation staff. The CEO and at least one program officer from seven foundations and multiple program officers from two foundations were interviewed.

Defining “Grant Evaluation”

Grant evaluation encompasses four dimensions: scope, method, metric, and intensity.

Interviews with foundation CEOs and program officers make it clear that foundation boards and staff must explicitly define what they believe to be the purpose and value of evaluation in order to identify a meaningful evaluation framework. Interviews reflected a variety of interpretations, ranging from monitoring to ensure that the grant is spent consistent with the grant

agreement to capturing the outcomes of the initiative supported by the grant award. Interviews also indicate that evaluation is multi-dimensional. Though existing research suggests three dimensions (Tassie, Murray, Cutt, & Bragg, 1996), foundation staff interviewed for this study extended this to four dimensions – scope, method, metrics, and intensity:

- *Scope elements:* Program, organization, and community, depending on grant type.
- *Method elements:* Quantitative (numeric), qualitative (secondhand narratives), and experiential (firsthand experiences, meaning a personal experience with the effort funded by the grant). Contrary to standard research terminology, foundation staff differentiated between personal experiences and second-hand stories.
- *Metric elements:*
 1. Inputs – providing evidence of “best practice” processes, e.g., “doing the right things”;
 2. Outputs – reporting tangible items or specific numbers;
 3. Outcomes – reporting an outcome or proxy impact indicator;
 4. Engagement – providing evidence of collaboration with other organizations, funders, or community members; and
 5. Learning – demonstrating and/or sharing lessons learned.
- *Intensity elements:* Intensity of the evaluation process varied depending on the relative difficulty of:
 1. Defining success, e.g., How difficult is it to “define a win”?
 2. Predicting the results, e.g., To what extent is the theory of change behind the proposal experimental or evidence based?
 3. Assessing the grant, e.g., How much time and effort is required to adequately conduct an evaluation?

... boards should not feel constrained to adopt a uniform evaluation approach for all grants in the portfolio. With this in mind, the first question to consider is the type of grant the board is interested in evaluating.

To identify the evaluation elements and practices that meet a foundation’s objectives, the next section poses three questions that foundation boards can discuss to ensure that their evaluation framework is consistent with their own beliefs about accountability and learning, acknowledges the diversity of grants in their portfolio, and enables clear communication with grantees.

What Type of Grant Is the Board Interested in Evaluating?

Foundations award an array of grant types, commonly including project, strategic-initiative, capacity-building, capital, advocacy, general operating, and annual awards, each of which may require different evaluation practices.

In the words of one CEO, “All grants are not created equal.” Foundations award many types of grants, and foundation staff reported that the specific elements incorporated in their evaluation practices depends on the type of grant being assessed. The implication is that boards should not feel constrained to adopt a uniform evaluation approach for all grants in the portfolio. With this in mind, the first question to consider is the type of grant the board is interested in evaluating. Those interviewed for this article carried between two and nine distinct grants in their portfolio, with a median of five. The most common were:

- Project/program grants, which fund defined project or program expenses, usually for one year.
- Strategic initiative grants, which are similar to project grants but fund the foundation's own strategic initiatives and may be multi-year awards. These are perceived as riskier because they are based on untested theories of change that the foundation hopes will generate either new information or improved outcomes.
- Capacity-building grants, which fund professional development, strategic planning, or equipment. Most allow capacity-building grant awards to fund new staff positions needed to support and improve a grantee's internal operations. For purposes of evaluation, some staff differentiate between capacity-building grants for equipment and those for professional development, but others do not.
- Capital grants, which fund the construction of new facilities or significant renovations.
- Advocacy grants, which fund efforts to educate policymakers or raise public awareness about specific social or community development issues.
- General operating grants, which are unrestricted and support the organization as a whole rather than specific programs.
- Annual awards, which are grants made annually to organizations that either have special ties to the deceased founder or active family members; a long history with the current foundation staff or board based on close mission ties; or consistent, highly successful past grant performance.

Once the board determines the types of grants it would like to evaluate, the next step is to articulate the primary reasons for evaluating each of the identified grant types to ensure a balanced investment in evaluation costs and information.

Why Is the Board Interested in Evaluating Grants?

Both accountability and learning motivate foundations to evaluate grants. However, foundations have multiple-accountability stakeholders and learning audiences, which carries implications for the type of information desired from the evaluation process.

Foundation staff expressed a variety of reasons for evaluating grants, which fell into two categories: accountability and learning. Evaluation practices varied depending on who foundation staff felt accountable to as well as who they hoped would learn something from the evaluation process. This suggests boards identify evaluation practices that will meet their expectations by discussing the relative importance of accountability and learning to and for different stakeholder audiences.

Those interviewed for this study described perceived accountability to some combination of four stakeholder groups: board members as fiduciaries, board members as stewards, grantees, and community members/beneficiaries. Most interviewees mentioned just one or two stakeholders; none mentioned all four. In almost every case, the board as a fiduciary was one of these stakeholders. Grantees were mentioned by approximately half of the interviewees, with only a few making reference to the other stakeholders.

Similarly, interviewees described four learning audiences: the foundation, grantees, the field (e.g., the collection of other professionals involved in the relevant subject-matter areas), and community members/beneficiaries of the grant. Most interviewees mentioned just one or two learning audiences; none mentioned all four. In almost every case, the foundation was one of these learning audiences. Grantees or the field were mentioned by roughly half, with only a few others making reference to either community members or grant beneficiaries. Interviewees' beliefs about the purpose of evaluation depended on their perceptions about primary stakeholder accountabilities and learning audiences. (See Table 1.)

TABLE 1 Identifying Key Stakeholders and Information Needs

If a primary reason for evaluation is then key stakeholders involved in formulating the evaluation process are and the audience will be most interested in information that provides ...
Accountability ...		
As a fiduciary	Board members	Verification that grant awards were spent as the board intended
As a steward	The board and program officer	Evidence that the result of the grant aligned with the foundation's mission and strategy
To the grantee	The program officer and the grantee	Evidence that the grant award furthered the grantee's mission and strategy
To the community/beneficiaries	The program officer and community/beneficiary representatives	Evidence that the grant was spent on meeting at least one perceived need of the community/beneficiaries
Learning for the ...		
Foundation	The board and program officer(s)	Reflections on and lessons from the selection/award process as well as the results of the grant
Grantee	The program officer and grantee	Reflections on and lessons from the implementation and results of the effort funded by the grant award
Field	The program officer and selected other subject-matter experts in the field	Evidence that the results of the grant contribute to field knowledge and can be replicated or brought to scale
Community/beneficiaries	The program officer and community/beneficiaries representatives	Evidence that the results of the grant met perceived needs/goals and provided information that the community/beneficiaries can use to identify next steps or make choices/decisions

While these accountability and learning motivations are not mutually exclusive, developing evaluation strategies to capture all of them increases costs for both the foundation and the grantee. Therefore, prioritizing stakeholder accountabilities and learning audiences performs three critical functions. First, it provides the board with an opportunity to discuss the fundamental purpose of evaluation for each type of grant. Second, it determines which stakeholders should provide input into formulating the evaluation process and criteria. Third, it determines the type of information the evaluation should be designed to generate. Articulating these priorities will ensure that the evaluation strategy reflects stakeholders' interests and provides the intended learning audiences with the information they need.

How Does the Board Envision Using the Evaluation Findings?

Evaluation is more often viewed as a fiduciary accountability of grantees than as a tool to inform the foundation's decision-making. Formal, third-party evaluation to support decision-making is typically reserved for strategic initiatives in which the foundation is either investing or hoping to invest significant resources.

Staff members interviewed for this article revealed that evaluation data are used in a variety of ways, depending on primary accountability and learning objectives. For example, grantees who did not provide evaluation reports that fulfilled the foundation's fiduciary

In general, interviewees did not express favorable views of formal evaluation, describing it as too resource-intensive, methodologically vulnerable, and generally outside their scope or role.

accountability needs rarely received future grants. In only a select few cases did interviewees indicate evaluation played a role in strategic decision-making. These examples involved grants for a specific initiative in which the foundation was either investing or hoping to invest significant resources around education, community well-being, or economic development. Foundation staff explained that these grants were often the foundation's most important and uncertain projects. Therefore, they were most interested in, and willing to pay for, an outside, objective view to determine effectiveness. As one CEO said, "At the strategy level, you will see more rigorous commissioned research." The implication is that if the evaluation results inform strategic direction (for the grantee, community, or foundation), then the grant evaluation itself may warrant more substantial investments of time and money than if the evaluation primarily serves a monitoring/fiduciary function.

Without exception, foundation staff indicated that the vast majority of evaluations were conducted in-house and by program officers. Formal evaluations were clearly not the norm. In general, interviewees did not express favorable views of formal evaluation, describing it as too resource-intensive, methodologically vulnerable, and generally outside their scope or role:

Even with the largesse of foundations, really good research costs a lot of money ... and there's an opportunity cost to that.

The trustees have already agreed [that] as far as evaluation ... we don't think we're big enough to afford or don't choose to afford the money and staff time to evaluate, in any kind of formal way, every grant that we do. ... And even if we target those things where we do have metrics, and we do, where we have them we do definitely have our grantees agree on a set of metrics. The problem is that you can't define causality or isolate causality sufficiently to know in some cases.

We commissioned research from [a third-party evaluator] to assess ... a single grantee ... doing a very complicated thing. ... Nobody knows the answer to that question. So you ... find someone who at least pretends to know.

Proving [success/results] within individual programs is extremely expensive because it requires control groups and the whole nine yards. ... If you help a first-grader to read, you know I don't need somebody to do a longitudinal study with a control group for 20 years to tell me that is going to be effective. So that is part of the reason why I am somewhat skeptical on evaluation.

Putting It All Together: Developing an Evaluation Framework

Grant type plays a significant role in determining evaluation practices across all four dimensions of evaluation.

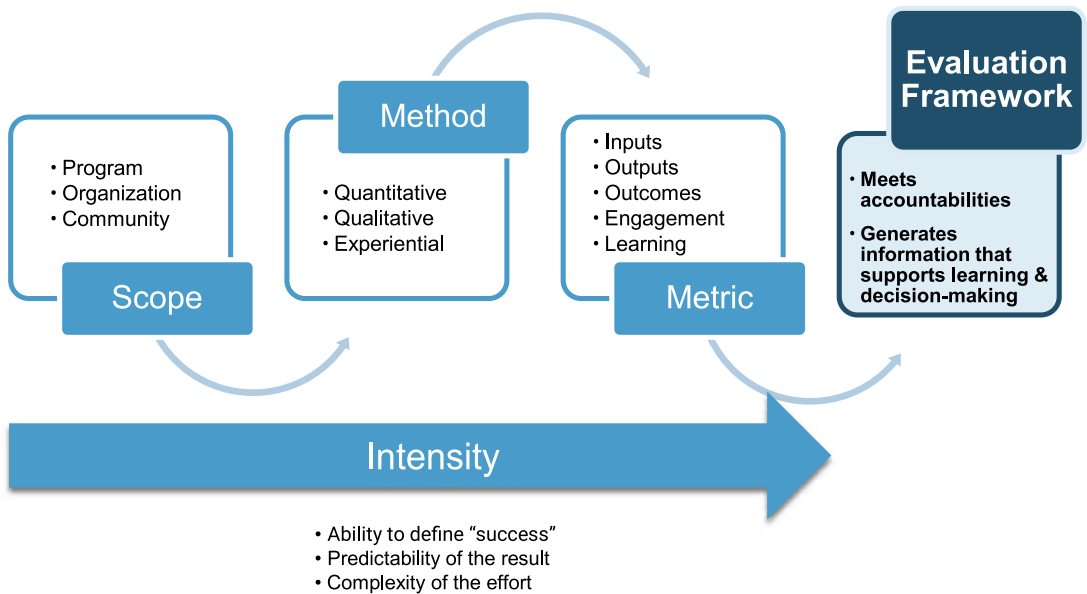
Though the actual process and criteria elements that staff used varied with the foundation's accountability and learning priorities, staff consistently described their evaluation practices in terms of the four dimensions of evaluation: scope, method, focus, and intensity. (See Figure 1.)

This analysis also revealed that most foundations use similar elements within these dimensions for similar types of grants. These commonalities provide a starting point for board and staff conversations about evaluation approaches for each of the grant types in the foundation's portfolio. (See Table 2.)

Project Grants

For project-grant evaluations, the scope was typically programmatic. Most participants

FIGURE 1 Developing an Evaluation Framework



TOOLS

TABLE 2 A Grant-Based Evaluation Framework

Grant Type	Dimensions and Elements of Evaluation			
	Scope	Method	Metric (with examples)	Intensity
Project/program	Program	Quantitative	Outputs (numbers served)	Low
Strategic initiatives	Program/ community	Qualitative/ experiential	Outcomes (percentage improvement in key indicator(s))	High
Capacity building (strategic planning, professional development)	Organization	Qualitative/ experiential	Learning (demonstrated shift in organizational behavior)	Low
Capacity building (infrastructure, systems)	Organization	Qualitative/ experiential	Outputs (system implemented) Outcomes (demonstrated improvement in organizational mission achievement)	Low
Capital	Varies widely; organization or community	Varies widely; quantitative or experiential	Varies widely; outputs (building completed)/outcomes (impact on community)	Varies widely, from low to high
Advocacy	Community	Qualitative/ experiential	Varies widely; inputs (doing the right things)/outputs (providing education) Outcomes (policy change)	Medium
General operating support	Organization	Experiential	Inputs, Outcomes	Varies, from low to high

... sometimes they do not have purely objective indicators for assessing the grant retrospectively. Instead, they often rely on the “wisdom of the crowd” – that is, the extent to which the strategic-initiative project attracts other funding: “For some of those larger initiatives, your evaluation is based on whether other funders buy in”; “as those startups hopefully grow and hire more people, have future investors that like them and fund them in future funding rounds.”

considered these grants relatively easy to assess and the most amenable to quantitative methods. For example, these grants were often used for tangible items or had an output metric that related directly to the program or project:

When it comes to the actual programming of something, we are looking at how many people were they able to meet the needs of, was the programming run on time, was it run in the area that it was supposed to run in, did they have an increase in ... the number of participants.

Grantmakers were also more likely to see project/program grants as transactional: “It is very contractual, so you give the money, and they go and do it.”

Since these grants are usually for one year, grantmakers openly acknowledged that efforts to quantify impact or outcomes lean heavily on

output numbers or proxy indicators: “Indicators are more output numbers, measurable percent change on an indicator, always looking at impact on a specific population. Never, hardly ever, [do we care] about organizational impact.” For many project grants, informants didn’t see the value in asking for more than output metrics, as in this grant to a food bank: “How much food did you give; number of folks that were served. We think for those that to require more would be costly and of questionable value.”

Strategic Initiatives

For strategic initiatives, the assessment process is much more intensive than for typical project grants. While the scope is primarily programmatic, the foundation also tracks specific communitywide metrics to mark progress over time for these initiatives:

The grant I was describing to you represents a strategy we have for a particular grant, but it doesn’t tell you on the meta level – is the foundation making an impact. So for that, we have to begin to aggregate data from individual grants and maybe look at larger community-wide indicators.

Field and foundation learning were consistent motivations for assessing strategic initiatives. In addition, the foundation is often learning as it goes. Thus, the outcomes of the grant are much less certain:

In a new initiative, you’re much more tolerant of ambiguity.

I’ll get a report back that says, “well we thought we would do this; we tried this and we thought we’d have this outcome, but we got that outcome.” You know, you are ready for that. You want that here. ... Your expectations are not as high; it is more exploratory. It is much more trying to learn and understand.

Each engagement has its own specific set of benchmarks, and in some cases, we are still learning from those ... and we’re using the first couple of years of experience to build the indicators.

This uncertainty also means that funders are less able to articulate grant-evaluation criteria up front. In fact, sometimes they do not have purely objective indicators for assessing the grant retrospectively. Instead, they often rely on the “wisdom of the crowd” – that is, the extent to which the strategic-initiative project attracts other funding: “For some of those larger initiatives, your evaluation is based on whether other funders buy in”; “as those startups hopefully grow and hire more people, have future investors that like them and fund them in future funding rounds.”

Capacity-Building Grants

For capacity-building grants, evaluation scope included completion of the “task” of the grant, (i.e., training program) but emphasized organizational impact. As a result, the metrics were a mix of outputs and outcomes. Without exception, informants found capacity-building grants for skill building and staff positions less amenable to quantitative methods and, in terms of process, assessed these grants over a longer time horizon.

A lot of things can go wrong: they can fund the position, the person can get hired, the person could leave the position, and they may not find that person in the time period of the grant. Also, the sustainability of the position is questionable.

Skill building is more nebulous: ... You don't know how effective is it for a number of years. ... Then we went to see the director next time; they were working ... somewhere else. So part of the challenge with skill building is that we may develop skills, but they now are in Atlanta, ... really taking advantage of the skill we helped them to develop.

You look at them differently because you don't always see a direct impact right away. ... You'll come up with your short-term metrics, short-term indicators, but then the real impact often doesn't come until five or 10 years later.

If you are really going to build capacity under multiple definitions, you are not going to do that in 12 months.

For capacity-building grants that fund new infrastructure, informants mentioned that the assessment criteria often focus on relatively short-term, organizational efficiency metrics: “We now have the infrastructure. ... We have electronic health records, our billings are now up to 95 percent, whereas before we were collecting 80 [percent]”; “with internal capacity building, it is all inside their four walls, so they should be able to relatively easily figure out whether that happened or not.”

As these comments indicate, informants find assessing capacity-building grants that support professional development or staff positions to be different from and more difficult than assessing project grants. For the most part, informants rely on professional judgment to assess staff-oriented capacity building: “It may be hard to evaluate, but it is, you know, the instinct that your mother told you.” They also track short-term indicators – did the staff attend training, did the grantee develop a new strategic plan, has the position been filled – even though they believe these indicators to be inadequate:

Did enough people complete the training? Yes, great. Home run. Well, maybe not. The feedback is, they weren't paying attention, they were there but they were on the phone, and now they have gotten back to the organization and they haven't implemented anything.”

Capital Grants

In this study, evaluation practices for capital grants varied widely and across all dimensions of evaluation. For some, the scope is project oriented:

The assessment of a building is: Well, did you build it, and are you operating programs?

Capital grants are easy. Someone presents you with a request, ... you go look at the site, ... you give the grant, and about two years later maybe the building is done and you say, great, the building is done. And then you check the box for it.

In contrast, others hold the grant open for five or 10 years, using organizational and community scope elements:

The bricks and mortar: ... Is the organization performing better because the facilities are better?

What is this new center going to bring to the community? Thinking the bigger picture: ... since this center opened in the community, was there a decrease in violence or was there a decrease in [Children and Youth Services] calls in the community?

I think the difficulty with bricks and mortar, sometimes I feel like we are often better able to evaluate a project grant rather than a bricks-and-mortar grant. I think we can evaluate whether the need is valid. ... But the end result – did it really add value to the community?

Still others struggle somewhere in the middle, acknowledging that capturing long-term metrics is difficult but maintaining it is simply insufficient to measure capital projects based solely on a completion metric:

This is something I'm struggling with. ... Say we make a grant to [a university building]. How long do we want to leave that grant open? I am sure that in the next 10 years, we're going to see higher SAT scores on the students [the university] is accepting, ... but are we really going to keep that grant open for 10 years to watch that? Probably not.

Advocacy Grants

Foundation staff expressed a consensus view that advocacy grants are particularly difficult to assess. Several had made concerted efforts to research how other funders were assessing these grants, but were not convinced that anyone really had a handle on how to do it:

Advocacy is not tangible. So that's how that is totally different, and I know that I've struggled in talking with our advocacy organizations ... about how we better measure advocacy. ... There are reports out there that I've read, ... professional people coming out and saying this is how you do it, but I'm like, how much do I trust this? It sounds good, but I don't see it. ... It is just really hard to measure advocacy.

Others mentioned the challenge of defining the desired outcome in the first place:

With advocacy, you rarely see real outcomes, and you know it's hard to define what a win is, ... so you are just sort of assessing whether ... the activities were good activities. ... You do it because you believe it is the right thing to do, but you don't necessarily see real wins all the time because of it.

As a default position, most rely on secondhand qualitative feedback more than outcome indicators or even their own experiences. Typically, the scope was organizational and the metric was an input, i.e., the grantee "doing the right things":

With the advocacy one, you can't see it. All you can rely on is the data that's provided.

Advocacy is tricky, because how do you prove a bill passed because [grantee] rallied a thousand parents to call their legislators? Though anecdotally we've heard legislators say, "I didn't really care about this issue, but I got a hundred calls." So that's the sort of anecdotal feedback.

Others incorporated metrics that captured actual public attitude, policy, or funding changes, which requires a long time horizon:

We try to change public opinion, to change culture and normative behavior.

If we were pushing for increased funding in a particular sector, did that happen or not? If you want people to adopt a specific position on an issue, did that happen? So that's ... the way I think about outcomes for that type of work.

General Operating Grants

Although the selection process was outside the scope of this study, informants found it difficult to separate selection from evaluation for general operating grants:

You just want to look at the quality of the agency, and how they are delivering on what they think is important. ... We love the strategy. You decide how, rather than micromanaging. So we love what you are doing; show us your results; here's the money.

In terms of evaluation processes, general operating grants are also distinct in that there is no

specific endpoint or deliverable to assess: “With general operating, it’s more an update, it’s a progress report, because you’re never going to be completely done.” To evaluate these grants, foundations look less at programs than at organizational or community-level outcomes through either quantitative or experiential methods for evidence of organizational health and continued mission achievement: “Health of the organization, evidence of past results, prospects for achieving future success, that is what it boils down to.” The process varies from a modest summary of the organization’s overall work to more involved analysis of the organization’s operations:

Look at the work and the mission, but it has more of a programmatic focus, but it is not looking at a specific project. ... It’s looking at the overall work of the organization. ... It’s more tied to their overall mission of community engagement.

So there’s a different process for them that really focuses on operations, over the previous cycle: ... what had you planned to do; what actually happened; what changes did you have to make along the way, if any; and what changes are you contemplating in the next cycle. ... So there is sort of a continuity approach. ... It is a special relationship.

Annual Awards/Long-Term Grantees

Foundation staff indicated that annual awards are provided to a select few organizations via an abbreviated application and/or reporting process and may be awarded as either general operating support or earmarked for specific programs. For example, several informants stated that long-term grantees typically provide one annual summary of activities that serves as both its final report for the prior year’s grant and its application for an upcoming award. Evaluation processes for long-term grantees varied widely in terms of intensity and metrics. The scope consistently centered on the organization, but methods varied from quantitative to experiential. For some, long-term grantees’ awards were basically on autopilot: “I can’t tell you the last time that we cut off a significant long-term grantee.” For others, long-term grantees were subject to annual assessments, but the process differed for them:

In terms of evaluation processes, general operating grants are also distinct in that there is no specific endpoint or deliverable to assess: “With general operating, it’s more an update, it’s a progress report, because you’re never going to be completely done.”

For the institutional and long-term grant ones, we folded [the final report] into their proposal. So the first question in the proposal is, What did you accomplish last year? That’s the exact phrasing; it’s like a mini-report. So it makes it easier on them.

Others had more intensive reporting relationships: “For our annual grantees ... we have a tendency to look at more things. The old cliché about to whom much is given much is expected.”

Conclusion and Next Steps

For most foundations, the best approach to evaluation is not one uniform set of practices, but rather a reasoned process that fulfills the foundation’s accountability and learning objectives for each type of grant in its portfolio.

This article serves as a discussion guide and framework for foundation boards and staff who are interested in developing or refining their evaluation strategy but who are also concerned about the cost-benefit tradeoffs of evaluation itself. These discussion questions provide a starting point for conversations about the purpose of evaluation for each type of grant in a foundation’s portfolio, along with a range of possible evaluation processes and criteria.

A key takeaway from this study is that foundation boards should not feel constrained to adopt

uniform evaluation practices for all grants. Accountability and learning objectives for grants that are more transactional may be very different from those that fund strategic priorities. These differences will require different evaluation approaches. As the board engages in these conversations, the most important outcome is that the board articulates the fundamental purpose of evaluation so that the investment in evaluation, on the part of the foundation staff and grantee, integrates accountability and learning expectations and generates meaningful information at a reasonable cost.

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Shelley C. Scherer, Ph.D., is associate executive director of *The Pittsburgh Promise*. Correspondence concerning this article should be addressed to Dr. Shelley C. Scherer, *The Pittsburgh Promise*, 1901 Centre Avenue # 204, Pittsburgh, PA 15219 (email: shelley@pittsburghpromise.org).