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Tips for Mastering Data to Demonstrate Impact

By Lisa Schohl

Proving your work delivers lasting results is critical for winning over supporters — especially grant makers.

Take the Common Counsel Foundation, a grant maker and adviser to donors. It reviews scores of worthy applications for donor clients each grant cycle, and simply meeting their criteria isn't enough to make the cut. Alex Saingchin, Common Counsel's program director, says it looks "for organizations that are not only a good fit but actually can follow through on the different issues or goals that they're working on."

Nonprofits often fail to demonstrate this long-term impact in grant proposals, in part because measuring results requires skills and resources many groups lack. Plus, there isn't a one-size-fits-all way to handle data.

To help you hone your measuring skills, we spoke to experts who shared tips, tools, and examples for how to set goals and track progress. They also offered guidance on how to blend data and stories to build a strong case for support. Here's what they advise.

Don't confuse outcomes with outputs.

"Funders are getting much more sophisticated about wanting outcomes or things that approach outcomes," says Jamie Austin, senior director of impact and learning at Tipping Point Community, an antipoverty grant maker in the San Francisco Bay Area that helps nonprofits improve their ability to measure results.

Outcomes are changes in people's lives or in communities that connect to your long-term goal, experts say. Too many groups focus instead on outputs — the immediate results of activities, like the number of participants in a program. It's important to understand the difference, and to figure out a way to demonstrate lasting change.

"For example, if you're looking to solve homelessness, it's not just about getting that person a bed

for the night, which would be an output," says Kathleen Kelly Janus, author of the book *Social Startup Success,* a guide for social entrepreneurs looking to grow. An outcome, she says, would be how you're helping people get on their feet and off the street.

Outputs are easier to measure, but setting and tracking the right outcomes is well worth the effort, Austin says. Your nonprofit can become more effective — and also "excite funders" — as it analyzes the data to understand what's working, he says.

Understand your goal and how you're reaching it.

"Most nonprofits have missions that are too vague or too loaded to be useful," says Elijah Goldberg, co-founder and chief operating officer at ImpactMatters, which conducts impact audits of charities. "[They] focus on what they're doing now and not what they want to achieve." But you can't know which outcomes will show success until you know exactly what you're working toward, and how you're getting there.

Start by developing a strong theory of change, a tool for mapping the outcomes you want to see and connecting them to your activities. You can do that with input from your staff, board, and community, or find an experienced consultant to help you pro bono, Janus suggests.

This guide produced by the Annie E. Casey Foundation offers more tips on creating theories of change.

Track the metrics that matter the most.

Charities often collect too much data without knowing how it relates to goals, Janus says. Instead, she suggests, focus on three to five items that are most important to measure, based on your theory of change, then craft a way to track them.

You don't need a sophisticated database, she says. Some small nonprofits use a Google Sheet, shading metrics in green, yellow, or red to monitor how programs are advancing toward their objectives.

Don't feel obligated to share all your data in proposals. Some groups — especially large ones — may need to track more metrics than others, but it's usually sufficient to choose a few that are relevant to your work, and to the grant maker's interests, to highlight in proposals. Throw in too much data, Saingchin says, and "the funder will get lost in it."

If you're not sure what kind of data donors want to see, ask them — or talk to their grantees and your contacts at other foundations. "Listen to donors but try to make the case for the metrics you think are the most useful," says Sara Tollefson, director of impact at D-Rev, an international development organization.

For example, you could point grant makers to more data outside of your proposal. D-Rev has included in proposals screenshots of its online "impact dashboards," which help donors visualize the group's impact over time and lets them know they can always find updated statistics at D-Rev's website.

Don't let a far-off goal stop you from measuring and presenting results.

When you're working on complex issues, quick wins aren't always possible. But you can combine research from credible outside sources, like peer-reviewed journals, with your own data to pinpoint milestones and show you're making progress, Goldberg says. For instance, if your aim is to boost high-school graduation rates and your data shows that your work is improving students' grades, you could combine your results with evidence that correlates grades with graduation rates to prove you're reaching your goal.

"That's what, as a funder, I'm looking for," Saingchin says. "How do we know the issue is being advanced by the group, even if it's incrementally?" He also suggests highlighting achievements that show your nonprofit is improving its ability to reach its goal, such as strengthening its finances or building new skills.

Show what would happen if your program didn't exist.

Data that compares your participants' outcomes with a control group can be a powerful tool for demonstrating impact, experts say. A randomized controlled trial is a large-scale way to assess that, but you also can devise creative and inexpensive approaches, says Aimée Eubanks Davis, founder and chief executive officer at Braven, a nonprofit that supports low-income college students.

She speaks from experience. Before they had a data department, Eubanks and her colleagues found students who were similar to Braven's participants and offered them $10 Starbucks gift cards to take twice-yearly online surveys about their progress. Comparing that group's results with those of Braven's beneficiaries in biannual impact reports (like this one) proved an effective way to convince donors the nonprofit's work mattered, Eubanks says: "One champion, who had never given us a donation, gave us an unsolicited $250,000 when we released our last impact report."

Invest in measurement.

Measuring impact demonstrates whether your work is effective or if you need to change course. Goldberg calls this "*the* question" and says, "It's worth spending money to do it right."

Depending on your nonprofit's budget and program, options might include a formal evaluation or impact audit, or just hiring someone with experience in data or measurement and evaluation. "It's about having someone who loves data and understands how it works," Eubanks says.

Don't hide from data that reveal outcomes you don't want.

You need to tell donors the truth, Eubanks says. But at the same time, she adds, you can give them hope that you'll get on the right track, by showing how you're adapting and addressing roadblocks, or "simply saying, 'We're not certain why this is happening, and we're going to work very hard to figure it out.' "

Discussing failure or uncertainty in proposals can be uncomfortable, but it's a vital conversation to have with donors, Austin says. In fact, he says, Tipping Point looks for grantees that are "hungry" to reach good outcomes and learn from their data.

Frame your numbers in an accessible way.

Use metaphors, such as "stadiums full of people" or "a train load of children every minute," to help people understand the scale of your statistics, says Tollefson, the D-Rev official.

Reinforce data with stories.

"As much as funders say they care about data, we know they need stories," Tollefson adds. Do your homework to understand what might resonate with your audience and tailor your approach accordingly.

Quotes from participants or partners, profiles of people you're helping, and anecdotes about change in a community you serve can give donors an "emotional entry" into your work, and a taste of the type of story they could tell about themselves, too, if they support you, she says.

Focus on stories that are tied closely to your key outcomes. For instance, Braven supplements data on its top outcome — ensuring its participants get a good first job soon after graduating from college — with stories like this one of students who have completed its program, from where they started to where they ended up after graduation.

Incorporate visual elements.

Use creative ways to enliven your story and help donors relate to your impact, Saingchin says. Gather and share high-quality photos of your activities and the people you serve, or screenshots of newsletters or articles that highlight your work. If you have them, add one or two short videos, or a media clip that features your program. The fact that your results are attracting media attention conveys impact, Saingchin says.

Make your proposal easy to follow and digest.

It's not just about what you say, but how you say it, Saingchin asserts. "Use as much information as you need, and no further — if it says up to 5,000 words, you don't have to use all 5,000 words if you

think you'll be able to be punchy with far shorter." Develop a main theme, support it with a few key messages, and map it out with subheadings so it's easy to follow along, he says.

And don't forget to doublecheck spelling, especially the names of the foundation and people who work there. "Ideally the proposal should be a small sliver of the overall fundraising life cycle," Saingchin says, "But people remember the bad things more than they remember the good things."

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THE BASICS OF MEASUREMENT: START HERE, TIPS AND TOOLS FOR DEMONSTRATING IMPACT

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