

using outcomes to promote sustainability

INTRODUCTION

SHIFT HAPPENS! Three shifts have taken place in the world in which nonprofit organizations and Community Action Associations live, work, and operate. As a result we must make appropriate adjustments or risk being left behind. These three shift include:



1. **Outcomes have overshadowed outputs** – in other words results have trumped activities.
 - People *appreciate* your work, they *invest* in your impact!
 - Focusing on the *work you do* rather than the *results you produce* often ends in people offering their appreciation rather than their financial support.
2. **Investment has replaced charity.** This is a seismic shift in the nonprofit world that not only radically alters one's thinking, it should also impact the way you talk, act, and interact. There is now a focus on:
 - Investment rather than charity
 - Funders or investors rather than donors
 - Investments rather than gifts
 - Presenting opportunities to make a difference through investments rather than asking/begging for gifts
3. **Doing good is not good enough.**
 - Old model – Donors gave because you were doing good work around a good cause (poverty, homelessness, education, child welfare, employment services, etc) and they wanted to support your good work.
 - New model – Investors want to know just how much good you are doing before investing – what is their Return on Investment (ROI).

These shifts require you to ask several questions:

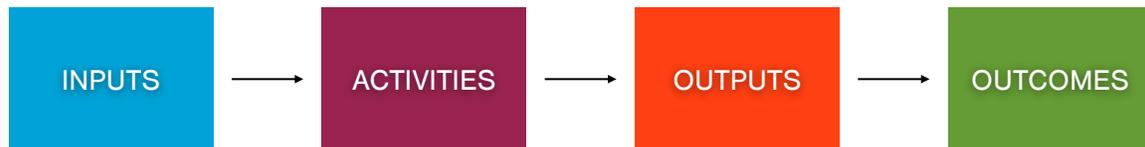
- What kinds of significant IMPACT are you making for your communities?
- How do you know what IMPACT you are making for your clients and communities?
- How are you marketing your outcomes to enhance your sustainability?

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EVALUATING IMPACT

Many organizations have spent significant amounts of time developing logic models for their programs.

Standard Logic Model



When presenting their programs to potential funders, many nonprofit organizations focus on the first three areas of the logic model: Inputs, Activities, and Outputs. In other words, *they focus on their work, not their results.*

Demonstrating real value and client and community impact requires we focus on Outcomes, not Activities or Outputs. This can be achieved by extending, following, or projecting outcomes further into the future.



People appreciate your work, they invest in your impact.

Example:

A Community Center provided the following example of how this works:

One of the goals of our Care grant is to track the educational attainment of our participants (teenage mothers). Over the past five years 90% of our girls graduated high school or completed educational goals compared to only 40% typical for our state.

In addition, when looking at education, last year alone 15 of our high school graduates entered college. Nationally only 2% of young women who become parents as an adolescent enter college by the time they are 30 years of age. After consulting publications regarding labor statistics, it was not hard to identify the impact that this had on our community in one year along. Those 15 girls have the potential to earn \$6 million more over a career as opposed to 15 girls who obtained high school degrees.

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People give you pats on the back for the work you do; they write checks for the difference you make.

HIGH IMPACT OUTCOMES

Not all outcomes are equal. That's why it is important to produce and promote those outcomes that differentiate you from other service providers. Jason Saul of Mission Measurement identified three main categories of high impact outcomes:

1. Change of Status

| | |
|-----------------|-----------------|
| Unemployed | Employed |
| School drop out | Graduate/GED |
| Homeless | Housed |
| Tenant | Homeowner |
| Dependent | Self-sufficient |

2. Return on Investment - ROI originated in the world of business, finance, and investments

- a. *ROI Defined:* a performance measure used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. To calculate ROI, the benefit (return) of an investment is divided by the cost of the investment; the result is expressed as a percentage or a ratio. (www.investopedia.com)
- b. *Example:* Every dollar invested in this program yielded \$1.50 in returns. This is a 50% ROI.

3. Systemic Change

| REDUCTIONS IN: | INCREASES IN: |
|-----------------------|---------------------------|
| Crime rate | Graduation rate |
| Unemployment | Employment |
| Employee absenteeism | Healthcare access |
| Government assistance | Tax base & # of taxpayers |

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WHAT IS DIFFERENT IN OR ABOUT YOUR COMMUNITY AS A RESULT OF YOUR PROGRAM?

Your **results** or **outcomes** are the positive changes in the world as a result of your work. These can occur at either an individual (client) or community level.

Consideration: Some organizations may be better served following a client through multiple programs to determine the true outcomes they are receiving. There may be a multiplicative effect when a client continues through more than one program.

WHAT HIGH IMPACT OUTCOMES ARE YOU PRODUCING?

- What changes are occurring in the lives of your clients?
- What behaviors, skills, or knowledge do they gain?
- What is the immediate impact of those changes? Intermediate? Long-term?
- What's the new trajectory for their future?
- How may their lives be different?
- How does that impact their personal future?
- How does that impact the community?

STEPS FOR PROMOTING SUSTAINABILITY

Once you've determined what high impact outcomes you are producing, identify new prospective funders and partners by considering who else **should** or **could be** interested in your outcomes. These are the people and organizations that are most likely to support your organization and influence your sustainability.

For starters take an issue one of your programs addresses and map out individuals or institutions that are also interested in this issue.



To be successful with this we recommend you:

Target the **right people**, with the **right message**, using the **right medium**, at the **right time**. The best way to accomplish this is by developing strategic messages.

Strategic Messaging

1. Determine what you want to accomplish
2. Identify your target audiences
3. Understand their interests and desires
4. Know how to best connect with them
5. Target your message to help them see the fit between your work and their interests
6. Present opportunities to get involved

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NEXT STEPS

What high impact outcomes do your programs produce that you could market to increase program support and investment?

What actions do you commit to taking to use your outcomes to promote sustainability?

Who else do you need to enlist in this project to succeed?

What's the first next step you plan to take? When?

Looking for Additional Help or Connection

If you need consultation or coaching contact X Factor Consulting at 800-883-7196 or impact@xfactorllc.com. You can also connect with us online at:

- ✓ LinkedIn: www.linkedin.com/in/kevinmonroe
- ✓ Facebook: www.facebook.com/xfactorconsulting
- ✓ Twitter: www.twitter.com/kevin_monroe and www.twitter.com/xfactorllc

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