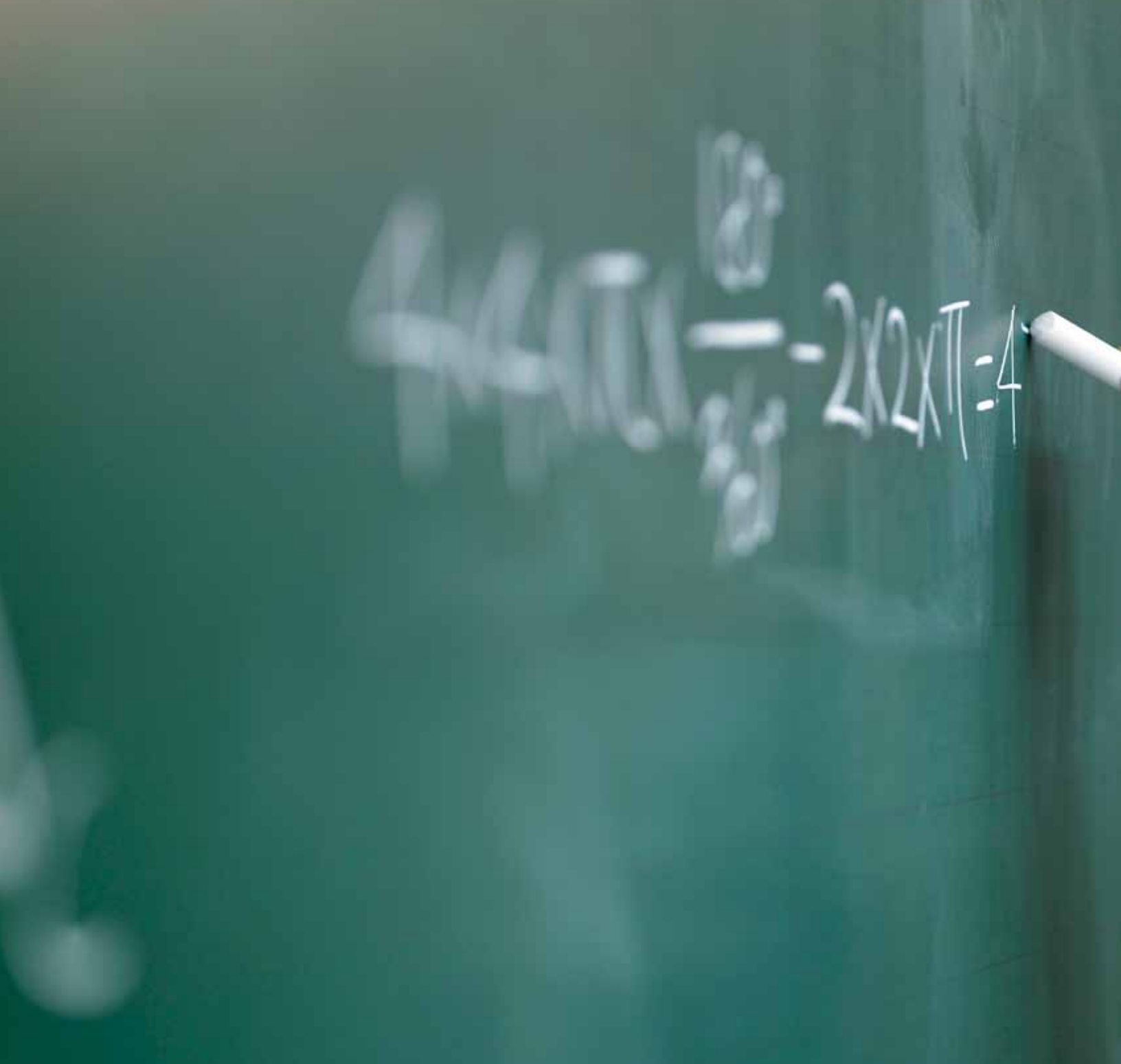


Doing the Math: *The Challenges and Opportunities of Measuring Results in Community Development*

By Naomi Cytron



Introduction

Are we making a difference? This seemingly simple question – motivated by growing interest in accountability, transparency, and data-driven decision- and policy-making – has been on the front burner for the community development industry as of late. The answer, however, is frustratingly elusive. While we are able to easily count units of housing built, or the number of small business loans closed, it is a much more complicated endeavor to determine if, how, why, and when these efforts improve quality of life and life chances for low-income communities.

Now more than ever, funders – whether public or private – are looking for ways to do more with less, seeking quantitative evidence that helps them identify the interventions that yield better outcomes at lower cost. Encouragingly, many tools and products have come on-line over the past decade to help various sectors access and analyze social and community data that might inform these questions. However, there is still a sizable gulf between the growing expectations of funders and policymakers for information about the impact of particular community development interventions, and the capacity of organizations on the ground to meet these demands. This article highlights some of the various challenges and approaches for harnessing data to measure community conditions and the changes that flow from various community development interventions, and poses questions about the possibilities to align measurement efforts going forward.

The Unique Measurement Challenges in Community Development

Despite the increasing drive to focus on results within community development, getting a firm handle on data and measurement continues to pose challenges. In part, this is because a wide range of players engage in a variety of community development activities. For some, community development hinges primarily on community organizing and capacity building; for others, affordable housing development or education and job training; still others, it's about influencing market behavior, or policy and systems change. For some entities, it's about trying to influence all of these at once. At a minimum, this variability creates complications in determining exactly what it is that the field as a whole is supposed to measure to indicate progress and success.

Moreover, community development is not like making widgets on a factory assembly line, where all the inputs and outputs are discrete and follow a prescribed order, the points of leverage for making changes in the production line are finite, the timeline of creation is known, and each widget looks the same at the end. The process of community and social change is less predictable, as it engages multiple players with varying priorities and is dependent on myriad inputs and contextual factors that shift over time. This unpredictability makes it considerably more difficult to understand exactly how, when, and where change happens. Additionally, community development can include the pursuit of change on a variety of scales – individual, neighborhood, and regional, as well as behavioral, cultural, and institutional – each of which affect the other.

The diversity of potential uses of social change data also complicates the matter. End users might be interested in evaluating the success of past initiatives (“Was this investment worth it?”), monitoring progress toward

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goals so as to allow for learning and course correction (“How could we better implement this program?”), or determining what is worth future investments (“Will this work in a new place?”). Different methodologies and approaches are often used to answer each of these kinds of questions. The tricky part is that there are considerable overlaps in the metrics that inform the answers to each of these questions, rendering it difficult to assign only certain data, tools and methodologies to each question area. For example, the potential success of a community development initiative intended to improve employment needs to be informed by the particular barriers facing the community in question, whether related to transportation, education, social networks, soft skills, or child care. In addition, any issues that might affect implementation, such as institutional capacity and politics, need to be taken into account. But the data that can help illuminate these issues – if they exist at all – are collected, housed, and analyzed in different ways and by different entities.

All this said, there are a number of entities – from national intermediaries to local collaboratives – that are chipping away at the challenge of creating systems to help turn available data into information that can inform and guide decision-making. A variety of data collection and analysis tools are discussed below. However, some data are still difficult to access and analyze, and there is considerable fragmentation among the variety of measurement efforts taking shape in various corners of the field. If the community development field is serious about focusing on results, then we'll need to find ways to close information gaps and seek areas of alignment so that each measurement approach, method, or system can better inform practice and strategy going forward.

Making Data Accessible

Access to local, frequently updated data is a fundamental requirement for understanding baseline conditions and tracking change over time. It is also critical for understanding the unique features of each community and the local context in which community change efforts take

place. Contextualizing a given investment or initiative – i.e., determining what else is happening in a given community and its surroundings that might enhance or compromise community development activities – can be important both for improving performance of a given intervention and for getting a handle on the potential to replicate that intervention in a new context.

The availability of data on a host of topics has risen exponentially in recent years. But this “Era of Big Data” generates its own set of complications. The flood of data can be overwhelming, rendering it difficult to identify which data are important and reliable. The wide range of available data from different entities, which covers multiple topics and geographies, makes aggregation and alignment particularly challenging. On the whole, the capacity to find and use data that might provide insight on conditions and trends is uneven across the wide spectrum of stakeholders engaged in community development.

Several projects have been launched to help remedy these gaps. The National Neighborhoods Indicators Partnership (NNIP), for example, stands as one of the earlier efforts to build local information infrastructure. Established in 1995, NNIP was created as a collaboration of the Urban Institute and local partners to further the development and use of neighborhood-level information systems in community-building and policymaking. Since then, it has helped develop data systems with 36 partner organizations in cities around the nation, each of which collect local data and facilitate its direct use by local entities through consulting, interactive online maps, or local area profiles. These systems are employed for a variety of community development efforts. For instance, a number of the NNIP partners have tracked local housing data to examine the effect of foreclosures in their communities and find ways to strategically target areas for reinvestment activity, or have compiled local health data to create neighborhood-level health indicators.

Another effort to help local organizations make sense of the range of data that is increasingly available is PolicyMap, an online mapping application from The Reinvestment Fund that brings together administrative data from a wide range of sources, including HUD, the Census, the IRS, the Home Mortgage Disclosure Act (HMDA), and the U.S. Postal Service. As such, the application allows users to overlay various data elements – such as school quality, subsidized housing, demographics, or jobs – on one another, allowing even novice mapmakers the ability to create maps and charts to better understand neighborhood conditions and trends. Subscribers can both download data or upload their own, and can embed map “widgets” on their own websites to help disseminate information.

The increasing availability of these kinds of tools and systems, though, doesn't completely crack the nut. Partial-

ly, this is because there is a wide swath of data that is not available through readily accessible datasets. These are data that might illuminate the intangible dimensions of community conditions and social change – for instance, social cohesion, leadership capacity or power dynamics. These factors are important because they can affect the implementation and sustainability of a community development program or initiative, and are thus directly relevant to understanding outcomes and impacts. While there is anecdotal and qualitative evidence about these factors in relation to specific communities, there is little agreement on the appropriate measures that can reliably gauge these “intangibles,” or how to more systematically gather this data without intensive and cost-prohibitive survey mechanisms.

From Tracking Change to Measuring Results

Difficulties arise not only in gathering the “right” data, but also in putting it to use in moving from tracking change to assessing results – i.e., getting at why conditions changed and how that change ultimately matters to community residents. There are a number of factors that complicate the establishment of a clear, linear relationship between community development intervention and specific results. It is tricky to determine just how much “exposure” a person or community has had to a given intervention, how susceptible they are to being affected by it, and when one should begin to look for expected effects. It’s also difficult to set expectations of change appropriately. Is the “theory of change” undergirding an investment strategy a logical, reasonable, and relevant causal pathway linking an intervention to expected results? At what scale – or “dosage” – does a project or program need to be at any of the steps of that pathway to induce results, and has that scale been achieved?

Given the complexity introduced by these factors, determining causal relationships between interventions and outcomes is hard enough. But in community development, we tend to further muddy the waters in seeking relationships between an investment in one domain (for instance, housing or community building) and results in another (education or employment). Sophisticated skills and tools are required for approaching these questions, but community-based organizations and even funding entities rarely have the capacity in-house for such analyses. As such, external evaluators are frequently brought in to test and assess the effectiveness of a given program. Some, though not all, of their analyses employ qualitative as well as quantitative techniques to take into account and control for contextual and process-related issues at hand.

These kinds of evaluations are generally conducted at the end of a funding period, and look retrospectively

at the pathways leading to outcomes. But community development practitioners and funders generally need more than just a “post-mortem” examination of the results of a given initiative or intervention. Complex community initiatives in particular stand to benefit from measurement systems that can offer signposts about performance, implementation processes, and outcomes along the way so as to enable in-time course correction and/or reallocation of resources, should interim results not be as expected. As such, foundations – particularly those that fund comprehensive community development initiatives – have begun to develop their own monitoring platforms that are embedded within their program design.

Additionally, a number of “off-the-shelf,” yet customizable, systems have been developed to help non-profits, foundations, and investors more easily get a handle on performance and interim outcome measurement. NeighborWorks’ Success Measures Data System (SMDS), for example, was launched in 2005, and offers web-based tools to allow subscribers to collect and assess a broad range of both quantitative and qualitative data on topic areas like affordable housing, economic development, and financial capability, and then measure and create reports on the performance and outcomes of their programs. The system houses over 300 data collection instruments – available in English and Spanish – including templates for surveys, interviews, observational checklists, and focus group guides, as well as tools for analyzing data from a variety of sources. By centralizing technology and software, SMDS simplifies the mechanical aspects of data collection and analysis, and allows users to more easily manage and share data and continually assess program results.

Social Solutions’ Efforts to Outcomes performance management software for the social services sector operates similarly. Their software – which offers tools for case management, program performance management, and reporting to funders and stakeholders – allows users to collect and analyze data on individual program participants to gauge the effectiveness of their service delivery. There are multiple modules that organizations can use to enable them to share data on participant demographics, needs, and uses, as well as other data about staff and services, across programs as well as community partners.

The social impact investing sector – which aims to generate financial returns while addressing social and environmental problems – and the community development financial institution (CDFI) industry have also taken on the challenge of developing systems to more uniformly assess and track not just the financial results, but also the social outcomes of their investments (see the article “CDFIs as Catalysts for Improving Social Outcomes” in this issue). For instance, the Impact Reporting & Investment Standards (IRIS) initiative launched in 2008 by the Rockefeller

Are there ways to move toward some degree of alignment among the various systems, methods, and data sources so as to more easily allow integration and interpretation of different types of data?

Foundation, Acumen Fund, and B Lab, aims to create a common framework for defining and reporting both the financial and non-financial performance of social impact capital. The resulting taxonomy includes definitions of how to measure activities in various investment areas, such as technical assistance provision, education, job creation, and health services. This kind of standardization is important for enabling comparisons between various investments and their performance, and for simplifying reporting procedures. The IRIS taxonomy has been adopted by Pulse, which is a data collection and reporting tool for organizations seeking quantification of the social and environmental impact of their projects and investments. The web-based system is pre-populated with IRIS taxonomy, though it also allows organizations to create their own metrics to assess outcomes.

IRIS is also integrated with the Global Impact Investing Ratings System (GIIRS), which offers ratings on the social and environmental impact of companies and funds as a way to enable mission-oriented investors to more easily assess their investment options. It also allows rated entities to benchmark and track their social and environmental performance over time. The ratings include an overall rating, ratings in 15 sub-categories, such as governance, worker treatment, and community practices, and comparisons to similarly situated entities. Similarly, the CDFI Assessment and Rating System (CARS) offers ratings of a CDFI's impact performance and financial strength and performance. While it does not directly measure impact, a high impact performance rating from CARS is dependent on whether a CDFI has processes and systems that track output and outcome data on an ongoing basis; uses this data to adjust strategies and activities in order to better meet its mission; and provides data showing positive changes in the communities or populations being served. Both of these efforts aim to help socially-motivated investors better evaluate their investments by boosting transparency and standardization.

Going Forward

Despite these promising developments, the field is still lacking a common understanding of what works, what doesn't, and why. The tools and systems outlined above demonstrate that the community development industry is not lacking mechanisms to collect data or assess results

of community change efforts. Seemingly, more at issue is whether we are using them most effectively to gain a complete understanding of how the many facets of community change interact. Is fragmentation the problem, and if so, are there ways to move toward some degree of alignment among the various systems, methods, and data sources so as to more easily allow integration and interpretation of different types of data? And in the interim, how can we improve data availability and build capacity for data analysis so that more stakeholders can measure and demonstrate the impacts they are making in the communities they serve? Can we agree upon some proxies that can capture hard-to-measure aspects of change?

Regardless of the precise answers to these questions, the increased interest in information about outcomes and results demands dedicated resources for data collection and analysis, incentives for quality data collection, as well as a commitment to a culture of learning where measurement is seen not as potentially punitive, but rather as a key to developing more effective and efficient approaches to our work. The more complicated task of alignment will entail long-term engagement and commitment from a variety of stakeholders, as well as convergence on definitions of success as well as on shared instruments or data platforms that are compatible across geographies and issue areas. These activities are not without barriers.

The benefits, though, of working to improve and align systems to quantify results are manifold. The belief that data should be used to inform and drive decisions and policy-making, and to improve performance of programs along the way, stems from the faith that measurement and analysis can identify effective - and ineffective - elements of a given initiative or investment strategy. But this is only the case if the data available and the analytical approaches used are well matched to the questions at hand. Community development is a complex endeavor, and not only do one-dimensional metrics and techniques fail in determining where scarce resources should be directed, they may do active harm in biasing resource allocation toward outcomes that are easy to measure at the expense of those that are less readily quantified but that might indicate more substantive change.

Enhanced measurement can also allow us to better adapt to changing circumstances. Neighborhoods are dynamic places, with constantly shifting populations and economic conditions, as well as political and leadership standings. Even the boundaries of what we think of as constituting "the neighborhood" are subject to change. The forces of change outside a given community - for instance, regional employment demand and housing market issues - are likewise not static. If we can improve the ways we gather, track and interpret data on community context and the relative needs of residents, we'll be better posi-

tioned to alter programs and approaches to match changing conditions.

Getting a better understanding of the results of our work enables not only course correction and more efficient use of existing resources, but also can help communicate the value of community development work to policymakers, funders, and community members, which in turn can attract and leverage additional resources. A compelling narrative backed by strong data about whether an initiative is making a difference for children, families, and communities can be highly influential in persuading policymakers, as well as public and private funders, to maintain or increase investment. This can also help to mobilize community residents and stakeholders to otherwise support or engage in community change efforts.

Data and measurement can also set the stage for coordinated activity among various community development stakeholders. The renewed interest in cross-sector coordination as a mechanism to create lasting community change introduces its own set of challenges, as each stakeholder likely brings a unique set of interests and approaches to a given initiative, as well as goals that are not identically defined. However, enhanced data analysis and sharing tools can help provide a neutral platform for aligning strategies across stakeholders and sectors, and for holding involved entities accountable. An emerging example of how this can take shape is the Strive Partnership, which brings together more than 300 diverse education-related organizations, including school districts, universities, private and corporate funders, civic leaders, and nonprofits, in the Cincinnati/Northern Kentucky region to work in concert to achieve better results in education. The Partnership has rallied itself around eight outcomes – kindergarten readiness, 4th grade reading proficiency, 8th grade math proficiency, high school graduation rates and ACT scores, and postsecondary enrollment, retention and completion – with each organization engaged in the same type of activity reporting on the same measures. The Partnership has a firm commitment to evidence-based decision-making, and draws data from across organizations to identify trends and pat-

terns and spark discussion about next steps to improve efforts. Though the Partnership has only been in operation since 2006, the region is already seeing meaningful improvements in many of their focus areas, including kindergarten readiness, 4th grade reading, and 8th grade math proficiency.¹ Their efforts support the argument that results can be amplified by aligning the fragmented efforts of various stakeholders and the numerous ways they deploy resources.

The utility of new models for cost savings also hinges on enhanced measurement processes. The concept underpinning “Pay for Success” models, such as Social Impact Bonds, is that providers should be paid for their services only if they are able to demonstrate that they have achieved agreed-upon results (see the article “Advancing Social Impact Measurement to Build an Asset Class” in this issue). The ability to reliably measure performance and outcomes is central to whether or not these models will work to direct investments to the most promising programs. Doing so requires tackling many of the issues raised above about context, methods for determining exposure and dosage levels, and finding dependable proxies for measuring intangible outcomes.

Conclusion

As noted by FSG Social Impact Advisors in their 2009 report on measurement systems and social impact, “Lasting progress depends on improving the alignment, coordination, and learning of the entire constellation of organizations that affect an issue. Well-structured, facilitated, and ongoing processes, supported by appropriate funding, technology, and analytics, are necessary to create the mechanisms and culture of continuous learning and improvement needed to achieve meaningful social change.”² Community development stakeholders are increasingly recognizing that sustainable change is dependent on multiple stakeholders from across domains – both in terms of organization type and issue focus. The measurement systems we are developing to capture the outcomes of all of our work need to better support and reflect this complex reality. **CI**

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