Breakthroughs in Shared Measurement and Social Impact

Appendix

Mark Kramer, Marcie Parkhurst, Lalitha Vaidyanathan

FSG SOCIAL IMPACT ADVISORS

About FSG Social Impact Advisors

FSG Social Impact Advisors is an international nonprofit consulting and research organization dedicated to accelerating social progress by advancing the practice of corporate social responsibility and philanthropy. Founded in 1999, FSG achieves its mission in three ways:

- **Advice –** Advising leading foundations, corporations, and nonprofits on how to increase social impact through strategy development and evaluation

- **Ideas –** Developing and sharing original research and innovative approaches

- **Action –** Identifying long-term initiatives that address critical challenges and opportunities in the field

FSG's staff of international consultants combines the highest standards of strategy consulting with a deep understanding of philanthropy and the nonprofit sector. Our ideas are regularly featured in such publications as *Stanford Social Innovation Review, Harvard Business Review,* the *Chronicle of Philanthropy,* and many others.

FSG's *Strategic Learning and Evaluation Center* designs and conducts evaluations that inform strategy and support organizational learning, helping foundations and nonprofits make more effective decisions about the uses of philanthropic capital.

For more information, see *www.fsg-impact.org.*

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VII. Appendix

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Case Study: Success Measures Data System

Success Measures Data System (SMDS)

The Success Measures Data System (SMDS) is a comprehensive, web-based evaluation module that includes:
- A pool of field-specific indicators
- A set of data collection tools
- A robust reporting function
- Web-based data storage
- SMDS also offers technical assistance

More than 200 organizations currently use SMDS, including:
- NeighborWorks® America
- Wachovia Regional Foundation
- F.B. Heron Foundation
- Habitat for Humanity International

Details regarding the development of SMDS:
- Developed over a five-year period (1999 – 2004)
- Total development cost of about $1M
- Basic annual subscription is $2500; one-time coaching and training packages start at $7500

For more information on SMDS, visit www.successmeasures.org

Overview

Developed over a five-year period and launched in 2005, Success Measures is a comprehensive, web-based outcome measurement module with more than 200 active subscribers and eighteen intermediary sponsors. In its first few years of operation, the system has already proven effective at increasing evaluation capacity at the nonprofit level, improving programmatic outcomes, supporting strategic decision making, and increasing community engagement. Furthermore, at a basic cost of $2,500 per year per user, the system is highly cost-effective.

History

Members of the Development Leadership Network (DLN), a professional development and peer support network in the community development field, originally conceived of Success Measures in 1997. Maggie Grieve, Director of Success Measures, recalls, *"These leaders were concerned that, as a field, we weren't doing what we could to generate learning and take ownership for evaluation."* The leaders decided to develop their own outcome measurement system that would enable them to meet funders' requirements while providing valuable information for their own internal planning and management.

Development of the System
DLN's first step in developing Success Measures was to secure funding from some of the leading foundations that fund community development, such as the F.B. Heron Foundation, Annie E. Casey Foundation, Ford Foundation, and MacArthur Foundation. Together with smaller local and regional funders, these foundations supported the two-year process of engaging more than 300 practitioners, researchers, organizations, and other experts in answering the question: *If we're all in the same field, what menu of indicators can we collectively draw from?* Ultimately, these experts selected about fifty indicators in the fields of affordable housing, economic development, and community building.

DLN partnered with the McAuley Institute to field-test these indicators with approximately fifty community development organizations over three years. Although users responded positively to the indicators themselves, they *"wanted to find a way to collect and use the data and needed additional help in building the tools,"* according to Grieve. In response to this feedback, the McAuley Institute took the lead in developing more than 150 data collection tools that correspond to the fifty indicators, along with a web-based platform to support the system and overcome technology barriers.

The result of this multi-year, collaboratively funded, community-supported effort is the Success Measures Data System (SMDS), which enables users to measure the impact of their work by providing outcome indicators, a broad range of tested qualitative and quantitative data collection instruments to measure the indicators (available in English and Spanish), a reporting function to tabulate data, and a secure place for organizations to enter and manage their data. Since 2005, SMDS has been housed at NeighborWorks® America (NWA),[1] an early adopter of the system. NWA's sizable network and the diversity of its member organizations made it a logical home for Success Measures.

The System in Use
Brooke Finn is Deputy Director of National Initiatives & Applied Research at NWA and has overseen the implementation of Success Measures among participating affiliate organizations.[2] She notes that the system's flexibility, combined with its credibility as an outcomes measurement tool, has made it an ideal solution to many organizations' evaluation needs. *"[Before SMDS], we had robust performance metrics in place, but not outcome measurement. Success Measures is perfect: It acknowledges the variation in the communities people are working in and allows them to customize evaluation at the local level. At the same time, it provides rigorous measurement tools."*

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[1] NWA is a nonprofit organization created by Congress to provide financial support, technical assistance, and training for community-based revitalization efforts. NWA is the nucleus of the NeighborWorks® system, which includes a national network of more than 240 community-based organizations in fifty states.

[2] Participation by affiliate organizations in Success Measures is voluntary.

SMDS also allows users to run reports on program outcomes against specific indicators. These reports, which are easily exportable to Excel, are critical to users' ability to make use of their data once it has been captured in the SMDS database. (See Exhibit A.)

Exhibit A: Report on Indicator C9 — Resident Satisfaction with Neighborhood

View Summary of Form Responses:

This page shows the criteria you selected on the Tabulate Data page, followed by the basic tabulations of your data by question.

For more detail on tabulation of data, click **Help** on the tool bar.

This page shows the results based on the criteria you selected:

- Resident Satisfaction
- Resident Services
- Resident Satisfaction
- Resident Satisfaction II
- Resident Satisfaction
- Resident Satisfaction

Data Summary | Export Responses by Form | Export Responses by Data Collection Tool

(There are a total of 70 entries for this query.)

Considerations and Acknowledgements.doc

Considerations and Acknowledgements.pdf

Resident Satisfaction with Neighborhood

Please identify your neighborhood by name and either define its boundaries or name the street intersection nearest your house or apartment. (0 of 70 entries responded)
(no responses)

How long have you lived in or near the location noted above? (68 of 70 entries responded)

Less than 1 year	1.47% (1/68)
1 – 5 years	41.18% (28/68)
6 – 10 years	38.24% (26/68)
11 – 20 years	16.18% (11/68)
21 – 30 years	2.94% (2/68)
More than 30 years	0% (0/68)

Instructions: Using a scale of 1 to 5, where 5 = Strongly agree, 4 = Agree, 3 = Neither agree/disagree, 2 = Disagree and 1 = Strongly disagree, please select the response that best describes your feeling about each of the following statements.

The condition of houses and apartments in the area is satisfactory or better. (70 of 70 entries responded)

5 (Strongly agree)	22.86% (16/70)
4 (Agree)	44.29% (31/70)
3 (Neither agree/disagree)	17.14% (12/70)
2 (Disagree)	15.71% (11/70)

The cost of using the tool varies, based on the amount of training and technical assistance an organization requires. Basic subscription packages start at $2,500 per year, but a comprehensive training package with on-site coaching and training is also available, starting at $7,500. Grieve believes that SMDS offers an excellent return on investment: *"For funders to whom outcome evaluation is the right fit and doing it in a participatory way that builds grantee capacity is important, the cost seems low. Compared to hiring someone to do evaluation for you — that's hard to do for $7,500 to $10,000. Success Measures also builds the capacity at the ground to do this over and over again."* Grieve notes that funders often pay the up-front costs of participating in SMDS (e.g., coaching and training), while the nonprofits are often responsible for the ongoing annual cost of using the system.

Over the next year, Success Measures plans to add several additional features, including fifteen new outcome indicators and new tools to measure the impact of various programs along the asset continuum (e.g., financial education, asset building, etc.) and the value of services provided by intermediaries (e.g., training, technical assistance, etc.).

SMDS offers a number of important benefits:

Minimal need for expertise: A key benefit of Success Measures is its ability to provide nonprofits that may be inexperienced in evaluation with the tools they need to conduct rigorous and effective outcome measurement. Finn explains, *"There is a vacuum in the industry about how to measure…. [With SMDS], you're not starting with a blank slate. It allows people to hit the ground faster in doing evaluation — it simplifies and accelerates the process."*

Improved evaluation capacity: By facilitating the process of identifying key indicators that matter to individual organizations and helping organizations learn how to measure progress against those indicators, Success Measures is playing an important role in improving overall evaluation capacity at each participating organization. In particular, the system's focus on measuring outcomes — as opposed to monitoring activities and outputs — has changed the way that many organizations think about evaluation.

Improved data quality: The Success Measures system offers a balance of rigor, flexibility, and standardization that allows grantees to collect and report relevant, meaningful outcome data to funders. Mary Jo Mullan, Vice President of Programs at the F.B. Heron Foundation and an early supporter of Success Measures, says, *"To survive and even thrive in today's funding environment, evaluation is essential. Success Measures…with its peer designed and tested system, [provides] an evaluation process that is both meaningful and practical."*[3]

Despite these clear benefits, the potential for Success Measures to provide program-level evaluation to funders themselves has not yet been fully realized. As Grieve put it, *"Funders are happy to see the change in organizational ability to use the data and direct programs differently, but they themselves are not always mining the common data."* Finn confirms that her organization, for one, plans to make better use of her affiliates' aggregate data in the future: *"We are working towards having clusters of groups using Success Measures in the same way. That is where we'll get the collective learning — around particular areas of work where people are voluntarily using the same set of indicators and the same tools."* Some funders, like the Wachovia Regional Foundation, are already taking advantage of this feature.

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[3] Quote taken from Success Measures website: www.successmeasures.org/SMDS/Voices.aspx.

The Wachovia Regional Foundation sponsors its grantees' use of Success Measures to help them improve their own operations while also providing the Foundation with better data on how its grantees perform. Among the many indicators that grantees use, Lois Greco, Evaluation Officer at the Foundation, has found one indicator to be especially significant: Resident Satisfaction Surveys. Greco now requires all of her grantees to conduct these surveys periodically. Each organization is allowed to make minor edits to the survey; however, her goal is to achieve a basic level of consistency across groups. Many of her grantees were initially hesitant about the survey, but, Greco says, *"In retrospect, it's been the best thing for the projects. It's helped not just with evaluation, but had many other benefits: The participatory nature of the instrument has engaged residents. It's been extremely valuable in creating community plans. And now, because they have data behind them, grantees can speak with authority to policy makers and other funders."*

Collecting consistent data across grantees has also helped Greco make better funding decisions. For example, after bringing twenty-two organizations together in November 2008 to look at the results of their recent Resident Satisfaction Surveys, Greco and her grantees learned that across the region, in numerous low-income, high-crime neighborhoods, survey responses showed some interesting commonalities: *"We saw that the number one thing people liked about their neighborhoods was the friendliness of their neighbors, and that there was a positive correlation between sense of friendliness and feelings of safety."* This convinced Greco that support for community-building programs — so-called "soft funding" that many funders are reluctant to provide — was in fact very important.

In addition, the convening groups saw value in the opportunity to interact with one another. Says Greco, *"The groups are kind of lonely — they like to get together with their peers (they aren't competitors, because they work in different locations), and say, how did you approach this, what tools are you using, etc.?"* While her grantees are quick to point out the contextual differences among the different organizations, to Greco, the differences are slight: *"From my perspective, looking at the portfolio, I can say, why is it that grantees in New Jersey can get additional resources that groups in Pennsylvania can't get? It could have to do with specific policies in place in those states, or tax credits, etc. Regardless, it's given me a level of commonality to inform my grant making."*

Sources:
- FSG interview with Maggie Grieve, Director of Success Measures
- FSG interview with Brooke Finn, Deputy Director of National Initiatives & Applied Research at NeighborWorks® America
- FSG interview with Lois Greco, Evaluation Officer at the Wachovia Regional Foundation
- Success Measures website: www.successmeasures.org
- NeighborWorks® Success Measures website: www.nw.org/network/ps/successmeasures/default.asp

Case Study: Cultural Data Project

Cultural Data Project

The Cultural Data Project is a comprehensive, web-based data management system that includes:
- A standardized set of defined indicators
- A robust reporting function
- Web-based data storage
- The Data Project also offers an online help desk

More than 50 funders and 2,400 nonprofits in several states participate in the Data Project:
- States currently participating: CA, PA, MD
- States coming online in 2009: IL, MA, NY, and OH

Details regarding the development of the Data Project:
- Developed over a four-year period (2001 – 2004)
- Total development cost of about $2.3M
- Average annual cost of about $400/group is paid by participating funders

For more information on the Data Project, visit www.culturaldata.org

Overview

The Cultural Data Project is a comprehensive, web-based data management and reporting system aimed at streamlining and standardizing the way cultural groups record, report on, and analyze performance data. Originally launched in Pennsylvania in 2004, the Cultural Data Project has proven tremendously useful to cultural groups and funders alike. The Project has since been replicated in Maryland and California, and will launch this year in Illinois, Massachusetts, Ohio, and New York.

History

The idea for the Cultural Data Project grew out of a concern shared by key arts funders in Pennsylvania that they lacked reliable longitudinal data on the cultural sector. Each funder, of course, collected certain data on its own grantees' performance and effectiveness, using individualized grant application and reporting processes. The data they collected, however, were not consistent over time and were usually limited in their availability and relevance to the funders that requested them. As Barbara Lippman, former Director of the Data Project, explains, *"Funders recognized that they were in large part responsible for the challenge. They were perpetuating five different sets of numbers, thereby making it difficult to evaluate trends and share knowledge."*

The prevailing system also proved challenging to grantees, who were responsible for providing slightly different data to multiple funders at different times during the year. The solution to this common challenge, the funders felt, was to develop a set of performance indicators that other funders and the entire field could agree to, in both concept and in definition, and against which nonprofit performance could be tracked longitudinally. Such a system would help streamline grant application processes and generate significant time savings for funders and grantees. It would also improve the field's ability to recognize trends, identify best practices, and make the case for increased investment in the cultural sector.
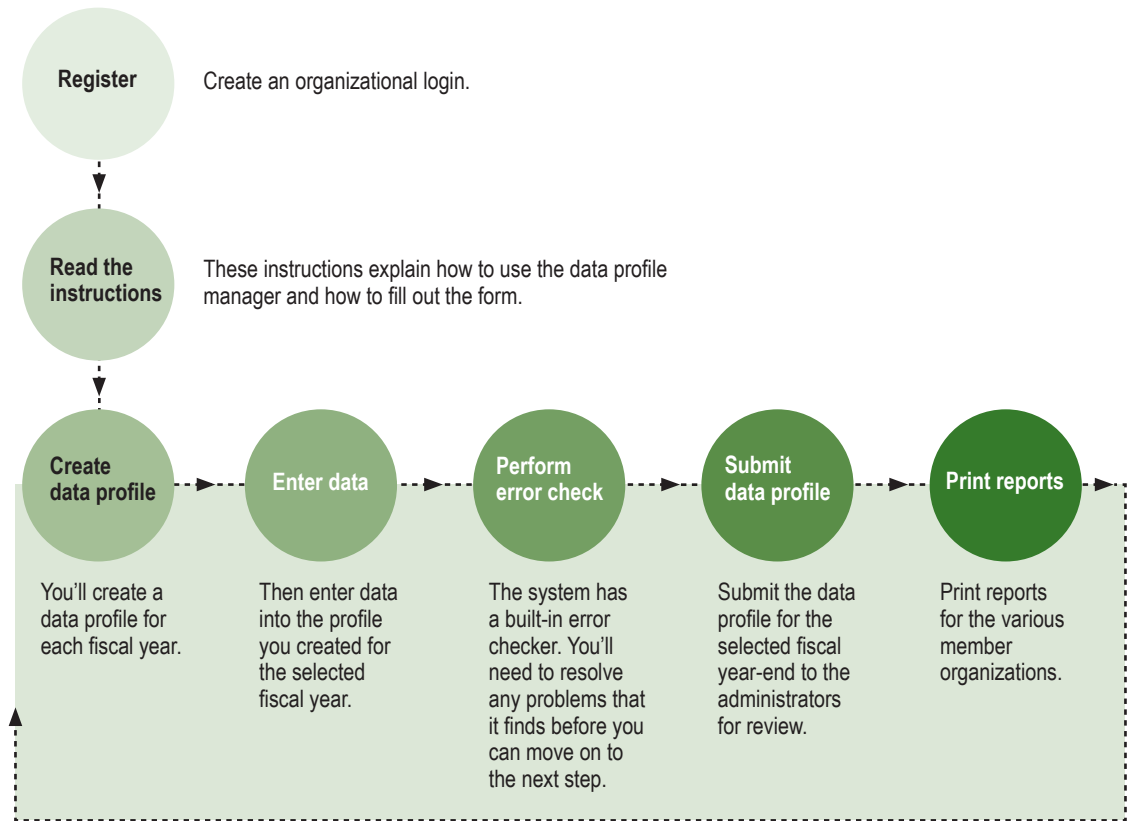
Development of the System
In order to achieve these benefits, the system would require buy-in from additional funders as well as local cultural groups. Developing the Data Profile became, therefore, a collaborative, iterative, and time-intensive process. Ultimately, seven funders — The Pew Charitable Trusts, Greater Philadelphia Cultural Alliance, Greater Pittsburgh Arts Council, The Heinz Endowments, Pennsylvania Council on the Arts, The Pittsburgh Foundation, and William Penn Foundation — stepped forward to finance and help lead the effort. These funders scanned existing grant application forms to identify a core set of common questions or data points that were relevant across different kinds of cultural groups. This initial set was then vetted by dozens of local nonprofit leaders (including executive directors and staff in development, finance, and marketing) who participated in a series of focus groups. The draft Data Profile that was developed through this process was then field-tested by roughly twenty cultural organizations and further revised to create the final form.

In reality, the process of "agreeing to agree" on the data to be collected in the Profile was a contentious one. Many funders were reluctant to institute the large-scale changes in their application or evaluation processes that participation in the Data Project would require. On the grantee side, nonprofits were concerned about the time and effort that would be required to complete the Profile each year, especially considering the limited staff size and financial expertise of the many smaller organizations. The leaders behind the Data Project realized that, to address these challenges, they would have to make the case that the benefits of the new system far outweighed its costs and inconveniences. For example, funders that switched to the new system could be confident that the financial data they received on cultural groups' grant applications would be accurate, complete, and independently reviewed. Grantees, on the other hand, would save a lot of time by completing the Data Profile once each year and using the Profile instead of preparing individual, grant-specific budgets for each of their different funders.

The System in Use
The online Data Profile is the cornerstone of the Cultural Data Project. Comprising eleven sections and more than 300 questions, it collects information about everything from basic organizational identification to detailed financial data and performance attendance statistics. Every organization that participates in the Data Project completes the form annually (though data in some sections may remain the same from year to year). Once users complete the form, the web-based system automatically checks the data for common errors (e.g., failure to correctly enter balance sheet items) and allows users to make corrections. After users submit their profile, Data Project staff review the data to ensure its accuracy and integrity. (See Exhibit A for an overview of how the process works.)

Exhibit A: Overview of the Cultural Data Project Process

Register — Create an organizational login.

Read the instructions — These instructions explain how to use the data profile manager and how to fill out the form.

Create data profile — You'll create a data profile for each fiscal year.

Enter data — Then enter data into the profile you created for the selected fiscal year.

Perform error check — The system has a built-in error checker. You'll need to resolve any problems that it finds before you can move on to the next step.

Submit data profile — Submit the data profile for the selected fiscal year-end to the administrators for review.

Print reports — Print reports for the various member organizations.

Source: Cultural Data Project website, www.culturaldata.org.

The completed Data Profile is stored in a web-based platform developed specifically for the Data Project that allows users to generate annual, trend, and comparison reports. Seventy-seven different reports are currently available. At any time, users who require assistance to input or analyze their data can access "context-specific" online training materials or contact the Data Project Help Desk.[4]

Developing the Data Profile cost $2.3 million over three years. Describing the funding for the project as *"a philanthropic investment in the community,"* Lippman believes the Data Project's benefits have far outweighed the costs of development: *"It is a top-notch tool; the money was very well spent."* On an ongoing basis, the costs of the system vary by state and depend on the mix and investment level of different funders. On average, though, Lippman estimates the operating costs for the Data Project at about $400 per organization. This covers the costs of the nineteen full-time staff members that manage the Project along with the Help Desk and the operation of the web-based platform, as well as all governance and other operational expenses.[5]

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[4] The Help Desk is open 9 – 5, Monday through Friday, and is staffed by professionals with experience in the cultural sector.

[5] Based in Philadelphia at The Pew Charitable Trusts, which administers the project, the Data Project is part of Pew's Culture program and is overseen by Neville Vakharia, Project Director and Marian Godfrey, Senior Director, Culture Initiatives.

The Data Project has achieved impressive participation results to date: Currently, more than fifty funders and 2,400 nonprofits in three states use the system. With the addition of four more states this year, the number of participating organizations is expected to double by 2010. The swift pace of the project's geographic expansion is largely due to the significant benefits the project generates for funders, nonprofits, and cultural advocates.

For funders, the Data Project improves grantmaking efficiency and enables greater understanding of the cultural sector and specific organizations within it. For cultural groups, even those that were initially reluctant to complete the daunting Data Profile, the Data Project has proven tremendously useful — so much so, in fact, that Lippman has noticed that some groups voluntarily populate Data Profiles for earlier years for which data was not even required. Other beneffits include:

Increased efficiency in grant applications and reports — especially for smaller organizations: Funders who participate in the Data Project agree to accept Data Profile information for the financial and budgeting components of their grant application forms. This has not only greatly decreased the overall time and resources that cultural groups dedicate to completing grant application forms, but also enabled smaller organizations to access additional funding. As Lippman notes, *"Small cultural groups are vocal about how the Data Project allows them to better compete [for funding] with organizations that have many more staff."* For funders, the Data Profile greatly reduces the time they spend seeking and verifying routine financial and operational data, while providing useful information about program outputs.

Improved understanding: The Data Project provides participating funders with verified information from the Data Profiles of each of their grant applicants as well as aggregate data on the sector as a whole. Funders can thus develop a more robust and nuanced understanding of the successes, challenges, and trends in the field. Further, they can conduct more informed discussions with cultural groups regarding their specific experiences in relation to the sector.

Increased opportunity for learning: While the Data Profiles that cultural groups submit remain confidential, groups are able to run customized reports that compare their performance with specific peer groups (e.g., by organization type, budget size, geography, etc.). The ability to benchmark performance against similar organizations provides a valuable learning opportunity for nonprofit managers.

Equal footing: Finally, because the Data Profile standardizes the information that organizations must collect and provide to funders, it contributes to improved relationships and more productive discussion between funders and grantees. As Lippman says, *"I'm looking at the same set of numbers as my grantees — it's a much more equitable conversation that's more about the performance, not about how you got the data."*

In addition to generating benefits for individual funders and cultural groups, the Data Project has also been used as an effective advocacy tool for the regional arts and culture sector. For example, in 2006 and again in 2008, the Philadelphia Cultural Alliance produced a report, *Portfolio*, that drew on data from the Data Project to provide an in-depth look at the region's 281 cultural organizations. City Council members quoted this report as they advocated for increased funding for the arts, and local news editorials cited it as they noted the important contributions cultural groups made to Philadelphia's economy.[6] These efforts resulted in a $2 million increase in funding for the arts. Lippman expects that the data collected through the Project will continue to be useful for advocacy purposes: *"It's especially important in this economic climate to make the case for the impact of the cultural sector on a region, and why the arts need to be supported. The Data Project allows us to do that."*

Sources:
• FSG interview with Barbara Lippman, Former Director of the Cultural Data Project
• Cultural Data Project website: www.culturaldata.org
• *Putting Facts and Figures to American Cultural Life.* Hewlett Foundation press release, 2008
• Foundation Center interview with Barbara Lippman and John McGuirk (Irvine Fdtn). Conducted in March, 2008. Available online at: foundationcenter.org/events/archive/phil_chat2008_03_12.html
• 2008 Portfolio. Philadelphia Cultural Alliance. Available online at: www.philaculture.org/category/research-reports/portfolio
• John Anastasi, *Cultural Groups Hurt By Economy,* The Intelligenser, October 24, 2008
• Joann Loviglio, *Philly mayor supports arts groups even amid cuts,* Associated Press, March 8, 2009
• Brian McCullough, *Arts Community Makes Case for Continued Support,* The Daily News, October 26, 2008
• Darlene Siska, *Grant Makers Spur Creation of Statewide Nonprofit Database,* Chronicle of Philanthropy, 2009

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[6] See, for example, Brian McCullough, "Arts Community Makes Case for Continued Support," *The Daily News,* October 26, 2008; John Anastasi, "Cultural Groups Hurt By Economy," *The Intelligenser,* October 24, 2008; and Joann Loviglio, "Philly mayor supports arts groups even amid cuts," *Associated Press,* March 8, 2009.

Pulse and IRIS

Pulse is a web-based data management system that enables portfolio managers to:
- Choose from a pool of universal and field-specific indicators or create new indicators
- Track financial, social, operational, and environmental metrics
- Run longitudinal and comparative reports

Details regarding the development of Pulse:
- Developed over a four-year period (2005 – 2009)
- Total development cost of about $1.5M
- Pulse will soon be available on the Salesforce.com AppExchange (first 10 licenses free for NGOs)

The following organizations are currently beta-testing Pulse:
- Acumen Fund (original developer)
- Root Capital
- Skoll Foundation
- W.K. Kellogg Foundation

IRIS is an emerging open-source reporting framework that will allow users to:
- Define, track, and report the performance of impact investing capital
- Compare, aggregate, and benchmark performance metrics at the portfolio and sector levels

Details regarding the development of IRIS:
- Developed over a two-year period (2007 – 2009)
- Total development cost of $500k – $1M
- There is no cost to adopt IRIS standards or share data with other IRIS users

The following organizations are leading the effort to develop IRIS:
- Rockefeller Foundation (Impact Investing Initiative)
- B Lab
- Acumen Fund

  For more information on IRIS, visit www.iris-standards.org.

Overview

This case examines two separate but related shared measurement systems designed for funders that invest in social enterprises, whether for-profit or nonprofit.

Pulse (previously known as PDMS) is a Shared Measurement Platform that tracks financial and operational performance as well as social and environmental activities, outputs, and outcomes that can serve as proxies for social and environmental impact. Pulse was co-developed by Acumen Fund, Google.org, the Salesforce.com Foundation, the Skoll Foundation, and the Lodestar Foundation.

The Impact Reporting and Investment Standards (IRIS) project is a separate but related effort to develop a universal taxonomy of social and environmental performance metrics. In the same way that the SEC aggregates financial data from various public companies using many different data collection systems, IRIS hopes to aggregate social and environmental performance data from a variety of companies and organizations active in different fields, such as microfinance, community development finance, clean technology, etc. IRIS is currently under development through a collaborative partnership of the Rockefeller Foundation, B Lab, Acumen Fund, Deloitte, and PricewaterhouseCoopers. An initial version of the taxonomy is currently available online.[7] Eventually, the IRIS taxonomy is expected to be incorporated into the Pulse platform.

We consider each of these systems in more detail next.

Pulse: History and Development

Pulse was originally developed in 2005 and 2006 to address Acumen Fund's need for an internal social performance data management system.[8] Acumen is a nonprofit venture philanthropy organization that raises funds to invest, through debt or equity, in a portfolio of social enterprises in Africa and India that address needs in health, housing, energy, water, and agriculture. With twenty-six portfolio companies, Acumen sought to track not only the financial performance, but also the social and environmental impacts and the costs per outcome of all its investees in a single database.

When the system launched in early 2007, Brian Trelstad, Chief Investment Officer at Acumen, quickly realized the value it could bring to other social investors. Furthermore, if those investors were interested in measuring the same things, Pulse could enable them to benchmark their portfolios against each other.

Trelstad soon began working with Google.org, which had been searching for an appropriate social performance data management system. Together, they approached the Aspen Network of Development Entrepreneurs (ANDE) to request its participation in the development process.[9] ANDE's members include more than thirty leading intermediaries, funders, and experts in the field of social enterprise, and their feedback was critical to Pulse's evolution from an Acumen-centered tool to a field-wide performance data management system. In addition to helping identify key metrics along financial, operational, social, and environmental dimensions, ANDE members also volunteered to pilot-test the system.[10]

Acumen expects that the system will be finalized and available to the public on the Salesforce.com AppExchange by the end of 2009.

Pulse: The System in Use[11]

The key component of the Pulse system is the investment profile, which stores data about the amount and structure of an investment, as well as its performance metrics. For each new investment, a portfolio manager can choose from a list of existing metrics or create new metrics.[12] Portfolio managers can also run reports to track the performance of individual investments or enterprises over time, or compare their performance to that of a peer group. (See Exhibit A.) Although designed for investments, the system can be adapted to track grant performance as well.

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[7] See www.iris-standards.org to review the taxonomy.

[8] Although Pulse was an internal Acumen project, its development was supported in part by a Google grant and the volunteer time of four Google.com engineers (using their Google "20% time").

[9] ANDE is a member-driven organization housed at the Aspen Institute whose goal is to "dramatically increase the amount and effectiveness of capital and technical/business assistance for entrepreneurs in developing countries." For more information, see www.aspeninstitute.org/policy-work/aspen-network-development-entrepreneurs/.

[10] At the time of this writing, Pulse is in a final round of field-testing by funders such as Root Capital, the Skoll Foundation, and W.K. Kellogg Foundation.

[11] While the Pulse system has not yet launched on the Salesforce.com website, the administrators granted temporary access to the authors of this report to view the beta testing site.

[12] At this time, enterprises do not input their data directly; Acumen ensures data integrity by requiring portfolio managers to review enterprises' data before it is entered into the system.

Developing the Pulse system has required close to $1 million in investment by Acumen Fund, in addition to volunteer time from Google engineers (equal to about one FTE for one year) and support from other funders. When the project is made available through Salesforce.com, however, the first ten licenses for each nonprofit will be free, and each additional license will be offered at a discount.

Pulse's versatility and low cost have already attracted the attention of many funders that are interested in measuring and tracking organizational performance in a structured and cost-effective manner, including those that make traditional grants rather than social investments. Trelstad views this attention as an indication of the tremendous need for services like Pulse: *"As an informed investor, you want to be able to dig a little deeper. Right now, you have to do your own due diligence, but Pulse would give anyone who's doing this professionally a tool with a shared set of metrics so you can measure your own portfolio and you can, if you want to, benchmark against others."*

Exhibit A: Sample Pulse Investment Profile

Pulse provides a number of benefits to users:

Improved data quality and analytics. At its core, Pulse enables users to store, manage, and analyze a comprehensive array of performance data for all of their investments. The system also allows users to aggregate performance data in a way that was previously unavailable. Trelstad emphasizes the importance of this feature: *"We want to be able to demonstrate our impact, but that only works if we're able to roll up data from the enterprises. What we've tried to do is build Pulse around that idea so that it helps solve the problem of impact assessment."*

Comparative analysis. A key factor driving Acumen's effort to build the Pulse system was its belief that the lack of comparative performance data available in the social sector limited its effectiveness and potential for growth. Pulse helps address that challenge by providing portfolio managers with the ability to compare the performance of individual investments within a given field: *"Let the world figure out what works from looking at the data. If you're looking at a healthcare clinic, what about the delivery model and mechanics works? Is there anything we can learn from this clinic? Maybe the marketing cost is too high, or maybe the clinics that have trained health workers versus doctors are not competitive. Being able to make those comparisons helps you learn about how to improve performance."* Unlike comparative performance systems, however, Pulse does not presently require that different users collect the same data, which has led to the collaboration with IRIS.

IRIS: History and Development

In 2007, the Rockefeller Foundation began an initiative to promote social investing — investments intended to have a financial return, but also to achieve social objectives — which it termed "impact investing." Rockefeller partnered with B Lab, Acumen Fund, PriceWaterhouseCoopers, and Deloitte to develop a common framework for defining, tracking, and reporting the social and financial performance of impact investments. This framework, called IRIS, is a Comparative Performance System, with a list of standardized indicators across a wide range of social enterprises, enabling investors to compare investments and to contribute their data to the IRIS repository.

Rockefeller and B Lab's vision for IRIS was very much in line with what Trelstad envisioned as the next step for Pulse. As Brad Presner, Metrics Manager at Acumen puts it, *"[Rockefeller's] need for a taxonomy was exactly the same as ours, so we merged efforts in late 2008."* While Pulse and IRIS share a commitment to accountability and a belief in the power of data, they operate differently. Pulse develops metrics and reports exclusively for its own users, while IRIS operates in an open-source format (XBRL) that will support other systems and technologies.[13] IRIS will also be accompanied by a data aggregation feature that will cull performance data from a variety of sources and allow comparative performance measurement across many different investors.

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[13] XBRL stands for eXtensible Business Reporting Language. It is an "XML" language that is used to share information among businesses and on the internet. XBRL automatically processes and standardizes information across users, eliminating the need for manual data entry and analysis. It is becoming the standard for business reporting around the world. For more information, visit www.xbrl.org.

Development of the IRIS Taxonomy

The development phase of the IRIS project has been characterized by extensive stakeholder engagement. As Presner notes, *"There is no SEC to mandate that everyone use IRIS, so we need to be community-driven."* The effort began in 2008, when IRIS leaders convened a diverse group of representatives from leading microfinance institutions, small and growing businesses (SGBs), community development finance institutions, and private equity groups with a social or environmental focus. These stakeholders helped draft a framework for the taxonomy (see Exhibit B) and provided input on an initial set of indicators and definitions that would be meaningful across different sectors. The IRIS team also reviewed existing impact investing reports and taxonomies to identify commonly used metrics and incorporate them into IRIS. Many financial and operational measures, such as jobs created or carbon emissions, apply to all organizations; others are sector-specific, such as indicators in health, agriculture, or microfinance.

In April 2009, an initial version of the IRIS taxonomy was posted online and a series of webinars was held to introduce the draft taxonomy to key stakeholders in the field and invite their feedback. The IRIS team expects to release the first functional version of the taxonomy for public use in the summer of 2009.[14] Thereafter, ongoing feedback from users will be captured on the IRIS website and incorporated into updated and expanded versions of the taxonomy.

Anticipated users of the IRIS taxonomy include a wide range of stakeholder groups, including social enterprises, investment intermediaries, rating agencies, funders, and academics. The key benefit of the IRIS standards is their ability to monitor and track the same set of social and environmental outcomes at the individual and aggregate levels, allowing users to compare and learn from differences in organizational or investment performance. Its promoters hope that the ability to compare social impact alongside financial returns will enable impact investors to better evaluate social investments and thereby encourage more investment. As Presner notes, *"In the end, the goal is to learn to improve and to demonstrate impact; that's what will unlock more social investment capital."*

Sources:
• FSG interviews with Brian Trelstad, Chief Investment Officer at Acumen and Brad Presner, Metrics Manager at Acumen
• FSG interview with Margot Brandenburg, Associate Director, Rockefeller Foundation
• FSG participation in IRIS webinar, April 2009
• IRIS website: www.iris-standards.org
• Pulse beta website: http://beta.pdms.acumenfund.org/login.php
• Claire Cain Miller, *A New Tool for Venture Philanthropists,* New York Times, Sept 25, 2008. Available online at:
  http://bits.blogs.nytimes.com/2008/09/25/a-new-tool-for-venture-philanthropists/

[14] At this time, IRIS will be transferred to the Global Impact Investing Network (GIIN), which will be IRIS' institutional home. For more information on GIIN, see www.GlobalImpactInvestingNetwork.org.

Exhibit B: IRIS Reporting Categories

IRIS Framework

		Reporting Categories					
II - Descriptors	**Description**	Basic Company Overview - Mission, Target Population, etc.					
	Meta-layers	Services Provided - Community Development, Agricultural Services, Education, etc.					
		Operational Model - Manufacturing, Retail, Service - Financial/Non-Financial					
		Organization Size - FTE or Revenue					
		Customer Model (B2B, B2C, B2G)					
III - Financial	**Key Financial Indicators**	• Revenues • COGS • OPEX • Net Income • Return on Equity • Return on Invested Capital • Return on Assets					

IV - Operations Indicators

Governance	Community	Jobs	Environment
• Oversight • Policies	• Local Suppliers • Employee Training	• Jobs Created • Wages Paid	• Energy Use • GHG Emissions

Indicators / Outputs

	V - Community Development Finance	V - Agriculture and Artisanal	V - Education	V - Healthcare	V - Energy, Water and Environment	V - Microfinance
Descriptors	• Product/ Service	• Product/ Service	• Product/ Service	• Product/ Service	• Product/ Service	• Product/ Service
Common to Sector	• Individual Loans • Community Loans	• Acres farmed • % Organically farmed	• New students given access • Teachers trained	• Patient visits • Referrals	• Units produced/sold/ installed	• Clients • Delivery methodology
Organization Specific	• Individual Loans • Community Loans	• Price premium for fair trade • Certifications	• Graduation rate • Drop-out rate • Facilities	• Units/Facilities under mgmt. • Caregivers employed	• Energy generated • Water produced or sold	• Client protection policy • Business training

Source: IRIS website, www.iris-standards.org.

Case Study: Strive

Overview

A powerful example of Adaptive Learning, the Strive initiative in Cincinnati is an innovative cross-sector collaborative that helps urban youth succeed academically from early childhood through college and enter a meaningful career. More than 300 organizations and institutions in the greater Cincinnati area participate in Strive, including school districts, universities, private and corporate funders, civic leaders, and nonprofits. The individual education-related efforts of these various participants are aligned and coordinated through fifteen action networks, each of which focuses on a specific goal within the overall Strive framework.

Although Strive has only been in operation for two years, its 2009 Report to the Community provides evidence of improvements in a majority of key outcome areas throughout the cradle-to-career continuum. These early signs of success have begun to attract national attention. For example, Living Cities, a collaborative of twenty-one of the world's largest foundations and financial institutions, recently committed nearly $1 million to launch efforts similar to Strive in four cities across the U.S.[15]

History

The original idea for the initiative came from Dr. Nancy Zimpher, the former President of the University of Cincinnati, who believes that universities will remain unable to increase their graduation rates unless student achievement in K-12 is improved. She also recognizes the role that universities must play in supporting local communities and educating quality teachers. Envisioning the possibility of a powerful partnership to transform local education, Dr. Zimpher reached out to the administration of Cincinnati Public Schools, as well as to leaders at two other local universities and the Cincinnati-based KnowledgeWorks® Foundation. Together, these stakeholders agreed on a common agenda to improve educational outcomes in Cincinnati and formed the foundation for what was to become the Strive initiative.

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[15] The four cities are Hayward, CA; Indianapolis, IN; Houston, TX; and Richmond, VA. Feoshia Henderson, "Strive Education model makes a giant leap into national spotlight," *Cincinnati Soapbox,* May 12, 2009. Available online at http://soapboxmedia.com/features/0505strive.aspx.

Development of the System

The founding members of the Strive partnership recognized that isolated interventions and other stop-gap approaches lacked the power to transform public education in Greater Cincinnati. A systemic approach was the only viable option to address all the different, interrelated challenges that undermine student achievement in urban settings.

Through a vigorous research process, Dr. Zimpher and her colleagues developed the Student Roadmap to Success, a holistic, evidence-based framework that structures the ongoing efforts of the Strive partnership. The Roadmap identifies five critical transition years — starting kindergarten, starting middle school, entering high school, graduating from high school, and freshman and sophomore years of college — where interventions are most needed, as well as "critical benchmarks" both in-school (e.g., "participates in high quality pre-school") and out-of-school (e.g., "has a strong relationship with a highly involved parent or caregiver"). The Roadmap's emphasis on student and family support alongside academic achievement exemplifies Strive's commitment to a holistic approach to education reform. The collaborative's five ultimate goals aligned to the Roadmap are shown in Exhibit A below.

Exhibit A: Strive Community-Level Progress Indicators

Goal 1: Every child is prepared for school

Indicator 1: % of children assessed to be ready for school

Goal 2: Every child is supported in and out of school

Indicator 2: % of students with more than twenty developmental assets

Goal 3: Every student succeeds academically

Indicator 3: % of students at or above proficiency in Reading and Math
Indicator 4: % of students that graduate from high school

Goal 4: Every student enrolls in college or career training

Indicator 5: Average score on ACT
Indicator 6: % of graduates that enroll in college

Goal 5: Every child graduates and enters a career

Indicator 7: % of college students prepared for college level coursework
Indicator 8: % of students retained in college
Indicator 9: % of students graduating from college
Indicator 10: # of college degrees conferred

Strive's founders identified the interventions that were necessary to achieve these goals through an extensive research process. Called "Priority Strategies," these interventions form the basis of Strive's action networks, referred to as "Student Success Networks" (SSNs). Each network includes ten to thirty local stakeholders who have been working on a given Priority Strategy. For example, the Tutoring SSN's membership includes school districts, local tutoring organizations, and the Cincinnati Metropolitan Housing Authority, among others.

Exhibit B: Priority Strategies

Goal 1: Prepared
- Home visitation
- Quality early childhood education

Goal 2: Supported
- Family engagement
- Mentoring
- School-based resource coordination
- Drop-out recovery
- Afterschool programs
- Health and wellness
- Youth employment
- Arts education

Goal 3: Succeeds
- Cincinnati and Newport school district strategic plan implementation support
- Tutoring
- Teacher training
- STEM school (Science, Technology, Engineering, and Math)

Goal 4: Enrolls
- College access advising
- Scholarships

Goal 5: Graduates and Enters Career
- College student retention
- Cooperative education/internships

In the two years since Strive was officially launched in late 2006, the hundreds of organizations involved in the SSNs have met approximately every two weeks. Pat Brown, the Director for Systems Innovation at Strive, sums up the motivation behind this extraordinary commitment of time, energy, and resources: *"Participants first came because they felt if they didn't, they would not get money. As we used the process, they opened up, defined the problem, and talked about how you really impact those solutions. They shared best practices, shared metrics, and saw that by working together, they can make change. By themselves they could not accomplish it because the needs were so much greater than any one organization can take on."*

Each SSN has an evidence-based strategy and is responsible for achieving specific goals within the Roadmap. At the partnership level, Strive monitors progress toward its five key goals using ten community-level progress indicators. (See Exhibit C.) Strive's annual report to the community, *Striving Together: Student Progress on the Roadmap to Success*, documents the current status of each indicator and serves as a catalyst for discussion in the community.

Exhibit C: Excerpts from Strive's Second Annual Progress Report

Goal 1: Every child will be PREPARED for school

	Current percentage	Current benchmark	Change since recent year	Change since baseline year
Cincinnati	48%	59%	3 pts.	4 pts.
Covington	71%	75%	6 pts.	n/a
Newport	62%	85%	8 pts.	2 pts.

Goals 2, 3, and 4: Every student will be SUPPORTED, SUCCEED academically, and ENROLL in college

Cincinnati Public Schools

	Current average	Current benchmark	Change since recent year	Change since baseline year
Develop. assets	46%		No trend data available	
4th grade reading	60%	75%	3 pts.	5 pts.
8th grade reading	65%	79%	3 pts.	1 pt.
4th grade math	55%	74%	2 pts.	12 pts.
8th grade math	54%	58%	3 pts.	17 pts.
Graduation	80%	95%	3 pts.	8 pts.
ACT composite	19.0		0.5 pt.	0.7 pt.
College enrollment	64%	70%	2 pts.	3 pts.

Covington Independent Schools

	Current average	Current benchmark	Change since recent year	Change since baseline year
Develop. assets	33%		No trend data available	
4th grade reading	54%	61%	2 pts.	4 pts.
8th grade reading	43%	59%	14 pts.	8 pts.
4th grade math	51%	42%	6 pts.	17 pts.
8th grade math	27%	37%	11 pts.	17 pts.
Graduation	90%		1 pts.	5 pts.
ACT composite	17.8		0.2 pt.	0.4 pt.
College enrollment	45%		2 pts.	7 pts.

Source: 2009 Striving Together Report Card, www.strivetogether.org/documentsReportCard/2009StriveReportCard.pdf.

The System in Use

A key element of the SSNs' success has been the Collective Learning Process that guides their work. Working with General Electric Corporation, Strive adapted the Six Sigma[16] continuous improvement process to improve participants' capacity to define, measure, learn from, and continuously improve their efforts. There are three core elements to the Strive Six Sigma process:

1. **An evidence-based organizing framework and an agreed set of goals.** Each SSN's goals must be based on relevant, recent research and must clearly connect to the Priority Strategies and Student Success Indicators on the Roadmap.

2. **A highly structured (but flexible) process that is data driven.** The Strive Six Sigma process has five phases:

    • **Define** – identify the team members, define the problem, determine the programmatic and geographic scope of the solution, and set short-, medium-, and long-term goals

    • **Measure** – develop a data plan including detailed short-, medium-, and long-term indicators, source of data, frequency of measurement, and baseline results

    • **Analyze** – analyze data and establish local evidence of effectiveness

    • **Design** – develop a plan, including time line, budget, resources, stakeholders, and risks

    • **Continuous Improvement** – develop a continuous improvement plan including what will be monitored, by whom, and how it will be used to refine efforts

To acknowledge the SSN's work and provide guidance and support, Strive developed an endorsement process through which each SSN is encouraged to progress:

    • **Stage 1:** Develop a team and identify common goals and measures. Establish a baseline for performance, or develop a data plan for establishing the baseline going forward.

    • **Stage 2:** Establish local evidence of effectiveness of strategies and develop an action plan building upon what works.

The SSNs that have achieved Stage 2 endorsement have done so over a period of nine to fifteen months. Although one incentive of the endorsement process was to attract funding, the actual impact on funding has been minimal to date. Instead, the endorsement process has developed into a powerful tool to build the capacity of participating organizations to define, measure, and continuously improve their efforts in a highly systematic fashion.

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[16] Six Sigma was originally developed by Motorola as a business management strategy to identify and remove errors in manufacturing and business processes. GE has since modified the approach, which forms the basis for Strive's work.

3. **Infrastructure and functional support.** The Six Sigma process is a critical component of Strive's success to date and was made possible by significant infrastructure and functional support in the community. Strive's primary decision-making body, the Executive Committee, is composed of twenty-three CEOs and EDs who are well respected in the region and remain highly involved with the collaborative. This body was responsible for developing the Roadmap, identifying the key transition points and priority strategies, selecting the community-level indicators, adapting the Six Sigma process, and conceiving of and publishing the annual report card. Setting high expectations for participation and attendance is also important. Dr. Zimpher sums up the critical need for the Executive Committee to play an active role in the collaborative: *"I run a university and yet I'll show up at these meetings. I'm known as having one of the busiest calendars known to man. If I show up, others are afraid not to come!"*

On the ground, each SSN is assigned a Strive staff member to coach it through the endorsement process. Each network also has a facilitator to lead the bi-weekly meetings and keep the network focused on its goals. It is important that the facilitator is a member of the network and not an outsider, so that he or she can gain the network's confidence and ensure a functional environment. As Julie Steimle, the facilitator for the Tutoring SSN, explains, *"My job is to keep the group moving along the process and to help the different organizations get the information they need. The Coach is there to ensure that the group stays on track and that I stay on track."* Coaches and facilitators receive special Strive Six Sigma training, co-delivered by Strive staff and GE volunteers. These volunteers also support the SSNs by providing guidance on tools and data analysis.

Finally, Strive's eight full-time staff members provide critical functional support to the SSNs, in addition to assisting the Executive and Operating Committees. Specifically, Strive staff provide:

- **Data and analysis.** Strive staff help SSNs conduct research to develop evidence-based action plans that will pass the endorsement process. Once SSNs reach the implementation phase, Strive helps them analyze outcome data and facilitates conversations around what can be learned from the data and how SSNs should use learning to refine and improve efforts.

- **Technology.** Strive provides technical assistance and training to help networks gather, share, and analyze data. For example, Strive used Google Apps to create an online collaboration site where members of an SSN can post meeting minutes and announcements and share resources. Strive also helped build a technology solution to help networks gain access to student data from the school district.

- **PR and Communications.** Once an SSN achieves Stage 2 Endorsement, Strive communicates its goals and action plan to potential funders in the greater Cincinnati community.

- **Technical Assistance on Strive Six Sigma.** Strive staff have developed toolkits and training materials and deliver training sessions for Strive participants.

Strive's annual budget is approximately $2 million, while the combined annual budgets of all 300 participating Strive organizations is nearly $7 billion. This 3500:1 ratio affords a striking example of the way that a relatively small investment in an Adaptive Learning System can increase the effectiveness of a vastly larger system of nonprofit organizations.

While Strive is still in the early stages, several profound changes are already appearing among participating organizations:

- **Commitment to a collaborative, cross-sector approach to problem solving**. Strive now includes all three local urban school districts, one diocesan district, eight universities and community colleges, four of the key private and corporate funders in the area, and all the major education nonprofits in the region. While this level of participation is a significant achievement in its own right, it is the growing commitment of these many stakeholders to the collaborative change process that truly inspires confidence in Strive's potential to transform education in greater Cincinnati.

- **Commitment to evidence-based decision making**. In order to complete the endorsement process, SSNs must demonstrate that their selected interventions are cost-effective, evidence-based approaches to improving student outcomes in Greater Cincinnati.

- **Commitment to transparency of data**. Strive's annual report card serves as a baseline against which future progress can be assessed. Strive plans to set benchmarks for each of the ten Student Success indicators that the collaborative will work toward achieving over the coming decade.

- **Commitment to ongoing collective learning and improvement**. Participants' attendance at bi-weekly SSN meetings has enabled the groups to make significant progress in defining measurable outcomes, developing evidence-based action plans, and measuring and learning from results.

Strive provides evidence that a new way forward is possible, and it renews hope that our fragmented nonprofit sector has the ability to meet the many urgent challenges our society faces. We hope that this case study and our accompanying report inspire others to form Adaptive Learning Systems to strengthen their ability to create impact in their own communities.

Sources:
- FSG interviews with Strive partnership participants:
  – Dr. Nancy Zimpher, Former President, University of Cincinnati
  – Rob Reifsnyder, CEO, United Way of Greater Cincinnati
  – Kathryn Merchant, CEO, Greater Cincinnati Foundation
  – Strive staff members
- FSG observation of Tutoring Student Success Network
- Strive website: www.strivetogether.org
- 2009 Striving Together Report Card. Available online at www.strivetogether.org/documents/ReportCard/2009StriveReportCard.pdf
- Feoshia Henderson, "Strive education model makes a giant leap into national spotlight," Cincinnati Soapbox, May 12, 2009. Available online at http://soapboxmedia.com/features/0505strive.aspx

Shared Measurement Platforms

Name and Description	Current Users	Details
Success Measures Data System: A comprehensive, web-based evaluation module that includes a pool of field-specific indicators, a set of data collection tools, a reporting function, and web-based data storage. Also offers technical assistance.	• More than 200 active subscribers, including: - NeighborWorks® America - Wachovia Regional Foundation - F.B. Heron Foundation - Habitat for Humanity International	• **Time in Development:** 5 years (1999 – 2004) • **Cost to Develop:** ~$1M • **Annual Cost to Users:** $2500 for web-based services; $7500 – $9500 for one-time coaching and training
Center for What Works/Urban Institute Indicators Project: Offers 14 sets of field-specific outcomes and data collection strategies and sources (downloadable as PDFs). Also provides a taxonomy of nonprofit outcomes.	• Relevant to approximately 85% of the social sector • Website logs more than 1000 visits per month to online reports	• **Time in Development:** 2 years (2004 – 2006) • **Cost to Develop:** $350K • **Annual Cost to Users:** Free (available online)
Monitoring & Evaluation Reporting & Integration Tool (MERIT) from NPOKI: A web-based performance monitoring system that enables nonprofits, governments, and funders in the field of global health to record and analyze data using a common set of indicators and outcome reporting formats. Also offers a reporting function.	• International AIDS Vaccine Initiative (IAVI) • Management Sciences for Health (MSH) • David and Lucile Packard Foundation (partial funders)	• **Annual Cost to Users:** $3475 to participate in beta testing
Great Nonprofits: A consumer review website that allows people to write, post, and search reviews of nonprofits. (Reviewers must complete a standard-ized form.)	• Anyone can list and/or review any registered nonprofit in the United States	• **Annual Cost to Users:** Free
Making Connections Initiative at Annie E. Casey Foundation (AECF): Requires grantees to track progress against a specific set of indicators, but allows flexibility in use of data collection tools. AECF has made these tools available to the field through the **National Survey Indicators Database.**	• Making Connections grantees • Others are also invited to use the survey tools	• **Annual Cost to Users:** Free to view online survey indicators database
Outcomes Lab: An effort to develop a flexible online "social impact database" for the nonprofit sector. Would allow users to contribute data using any metric, methodology, or approach.	• Currently in development by New Philanthropy Capital, Urban Institute, and Social Solutions	• **Time in Development:** Currently in early stages, focusing on three pilot areas – carbon reduction, repeat offenders, and education reform/improvement

Comparative Performance Systems

Name and Description	Current Users	Details
Cultural Data Project: A comprehensive, web-based data management system that includes standardized indicators and definitions, a reporting function, and web-based data storage. Also offers an online help desk.	• More than 50 funders and 2400 nonprofits in 5 states (active in PA, MD, CA, IL, MA; coming online soon in NY and OH)	• **Time in Development:** 4 years (2001 – 2004) • **Cost to Develop:** $2.3M • **Annual Cost to Users:** Free (average cost of ~$400/group is paid by funders)

Pulse: A web-based data management system that enables portfolio managers and funders to track financial, operational, social, and environmental metrics. Data may be compared at the funder level (e.g., by Acumen on its investment portfolio) and Pulse can be used with IRIS (see below).	• Has been beta-tested by more than 150 users to date
	  - Acumen Fund (principle investor)
	  - Rockefeller Foundation (Impact Investing program)
	  - B Lab (principle investor)
	  - Skoll Foundation
	  - Root Capital
	  - W.K. Kellogg Foundation
		• **Time in Development:** About 3 years; anticipated to launch in 2009
		• **Cost to Develop:** $1.5M
		• **Annual Cost to Users:** Pulse will soon be available on the salesforce.com AppExchange (first 10 licenses free for NGOs)

Impact Reporting and Investment Standards (IRIS): An effort to create a common framework for defining, tracking, and reporting the performance of impact investing capital, with the goal of being able to compare, aggregate, and benchmark performance metrics at the portfolio and sector levels.		• **Time in Development:** 2007 – 2009 • **Cost to Develop:** $500k-$1M in initial costs • **Annual Cost to Users:** There is no cost to adopt IRIS standards or share data with other IRIS users
Public/Private Ventures (P/PV) Benchmarking Project: An effort to identify meaningful outcome benchmarks for the workforce development field and enable similar organizations to compare their job placement and retention outcomes. Also supports a national learning community, using data and participant experiences to identify effective program strategies.	• Participation open to workforce development service providers serving individuals age 18+ in cohorts of 25 or more over a one-year period	• **Time in Development:** About 3 years (in beta testing now) • **Cost to Develop:** $600K • **Annual Cost to Users:** Free
Nonprofit Finance Fund "Sustainable Enhancement Grant" (SEGUE) Program: Helps nonprofits raise funds through private placement document that specifies metrics to be tracked going forward; all donors agree to accept the same data on progress in financial and social outcomes.	• Eligible nonprofits design capital campaigns of at least $5M • YearUp and VolunteerMatch are examples	• Each organization develops its own metrics in collaboration with NFF

Comparative Performance Systems (continued)

Name and Description	Current Users	Details
DonorEdge: A community leadership process that results in an online nonprofit database of local nonprofits that provides donors with access to standardized financial, organizational, and programmatic performance data to determine effective nonprofits.	• Greater Kansas City Community Foundation, Community Foundation of Middle Tennessee, The Columbus Foundation, Community Foundation of Central Florida, The Pittsburgh Foundation, The San Diego Foundation	• **Time in Development:** ~3 years (refinements ongoing by current users) • **Cost to Develop:** $1M – $3M • **Annual Cost to Users:** Guidestar provides technology; Access is free to donors; each CF has subscription agreement
Robin Hood Foundation: Developed formulas to calculate: (1) increased future earnings of poor families served by grantees (from baseline); and (2) the cost/ benefit ratio for each funded program (step 1 divided by grant amount).	• Robin Hood Foundation	• **Time in Development:** 5 years • **Cost to Develop:** N/A – used existing staff resources over time • **Annual Cost to Users:** N/A – internal use only
Cal-PASS: A K-16 data-sharing platform that allows users (school districts, colleges, and others) to run queries and reports on student performance data using a secure website. Also provides technical assistance and supports Professional Learning Councils for instructors in various disciplines.	• More than 7200 elementary schools, high schools, community colleges, colleges and universities, from all California counties	• **Time in Development:** ~2 years (continues to evolve) • **Cost to Develop:** ~$2M • **Annual Cost to Users:** Free (Cal-PASS is funded by the state and private funders)
Community Foundation Insights: A centralized, web-based data resource for community foundations. Provides members with up-to-date, comparative benchmarking data on peer foundations' finances and operating models. Offers more than 55 reports.	• More than 50 active member community foundations	• **Time in Development:** ~2 years • **Cost to Develop:** ~$1M • **Annual Cost to Users:** $200 – $8750 based on asset size
Assessment Tools from the Center for Effective Philanthropy: Provides foundations with comparable performance data on key dimensions, relative to peer foundations. Assessment tools include the Grantee Perception Report (GPR), Operational Benchmarking Report, and others.	• More than 150 foundations have completed GPRs to date, including: - William and Flora Hewlett Foundation - Barr Foundation - The Kresge Foundation	• **Time in Development:** ~3 years • **Cost to Develop:** ~$1M • **Cost per GPR:** $10 – 25k

Adaptive Learning Systems

Name and Description	Current Users	Details
Strive: Large-scale partnership initiative in Greater Cincinnati with aligned goals and strategies to address education from cradle through to career. Engaged in structured process that builds capacity.	• More than 300 education-related organizations, including: - school districts - universities - nonprofits - funders	• **Time in Development:** 2 years • **Cost to Develop:** $750K • **Annual Cost to Users:** Free, but requires time commitment; Strive's annual budget is ~$2M
E3 Alliance: Regional collaborative in Central Texas dedicated to developing a comprehensive, data-driven view of the education landscape. Goal is to better align educational systems and practices to drive higher outcomes for students and ensure a more efficient allocation of resources.	• ~50 local leaders help implement the strategy • All 7 local universities, 8 school districts, dozens of nonprofits, and hundreds of community volunteers	• **Time in Development:** currently in development (2006 – present) • **Annual Cost to Users:** Free, but requires time commitment
San Diego County Childhood Obesity Initiative: Public/private partnership to eliminate obesity through implementation of a county-wide, cross-sector action plan. Includes quarterly knowledge-sharing meetings.	• Representatives from 7 domains: - government - healthcare agencies - schools - childcare providers - nonprofits - media - businesses	• **Time in Development:** ~2 years • **Annual Cost to Users:** Free, but requires time commitment
Marine Fisheries sub-program from the David and Lucile Packard Foundation: Collaborative process to create a common organizing framework (or theory of change) within which continuous learning and reflection can occur among 17 grantees. Also includes common data collection and structured learning exchanges to help understand overall cohort progress.	• 17 organizations funded as part of the Marine Fisheries cohort	• **Time in Development:** 1 year (2008 – 2009) • **Cost to Develop:** $800K • **Annual Cost to Users:** Funded by the Packard Foundation

Websites for Organizations Using Breakthroughs in Shared Measurement and Social Impact

Shared Measurement Platforms

Success Measures Data System
www.successmeasures.org

Center for What Works/Urban Institute Indicators Project
www.urban.org/center/cnp/projects/outcomeindicators.cfm
and http://portal.whatworks.org/welcome.aspx

MERIT from NPOKI
www.npoki.org

Great Nonprofits
www.greatnonprofits.org

Making Connections Initiative
www.aecf.org/MajorInitiatives/MakingConnections

National Survey Indicators Database
www.tarc.aecf.org/initiatives/mc/mcid/

Outcomes Lab
www.philanthropycapital.org

Websites for Organizations Using Breakthroughs in Shared Measurement and Social Impact *(continued)*

Comparative Performance Systems

Cultural Data Project
www.culturaldata.org

Pulse
Will be available on salesforce.com

IRIS
www.iris-standards.org

P/PV Benchmarking Project
www.ppv.org/ppv/initiative.asp?section_id=26&initiative_ id=36

Nonprofit Finance Fund SEGUE
www.nonprofitfinancefund.org/details.php?autoID=120

DonorEdge
www2.guidestar.org/rxg/about-us/donoredge-for-community-foundations.aspx

Robin Hood Foundation
www.robinhood.org/approach/get-results/metrics.aspx

Cal-PASS
www.cal-pass.org

Community Foundation Insights
www.cfinsights.org

CEP Assessment Tools
www.effectivephilanthropy.org/assessment/assessment_overview.html

Websites for Organizations Using Breakthroughs in Shared Measurement and Social Impact *(continued)*

Adaptive Learning Systems

Strive
www.strivetogether.org

E3 Alliance
www.e3alliance.org

San Diego County Childhood Obesity Initiative
www.OurCommunityOurKids.org

Packard Marine Fisheries Program
www.packard.org/categoryDetailsaspx?RootCatID=3&CategoryID=66

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