

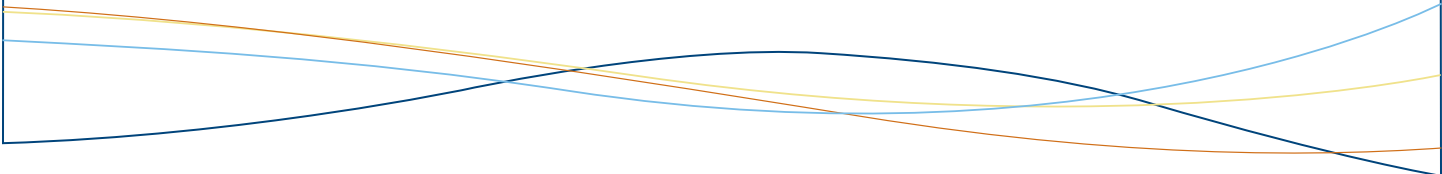
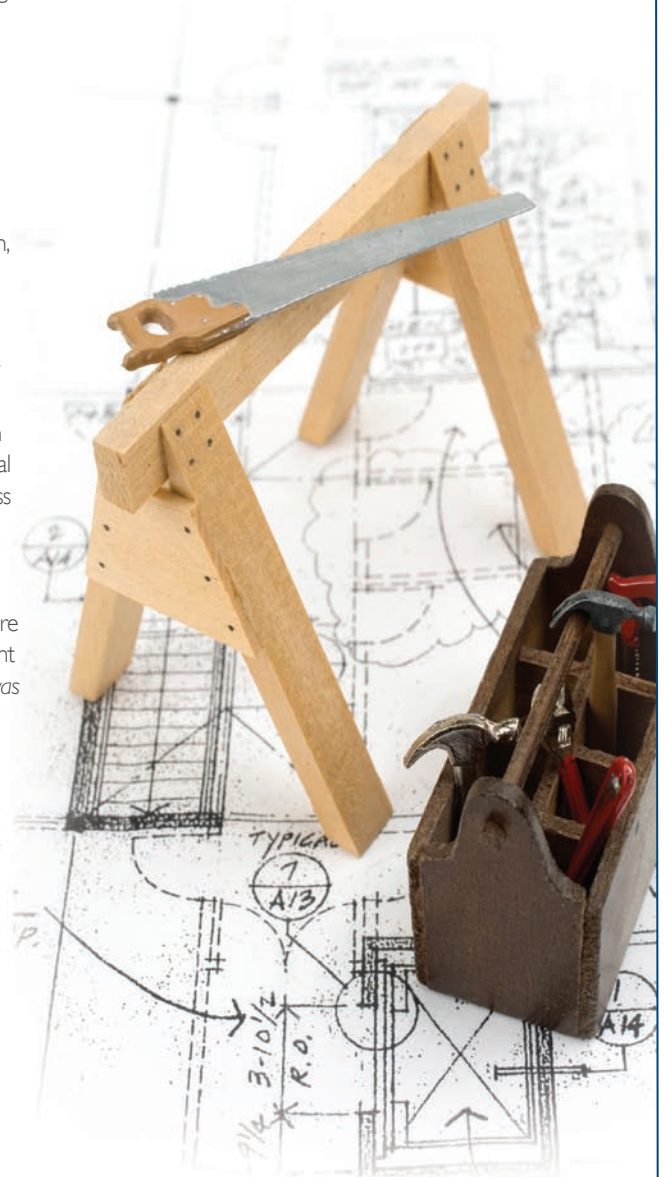
Wachovia Regional Foundation Case Study: Assessing Progress Towards Goals

Overview

The Wachovia Regional Foundation has taken an approach to evaluation that is focused on measuring progress toward clear goals on an ongoing basis and refining its approach accordingly. For the Wachovia Regional Foundation, being able to assess how grantees are progressing toward quantifiable goals as well as how the Foundation is progressing toward its own long-term goals allows the Foundation to have a deeper understanding of how it can improve its work and ultimately determine whether lives are improving in the communities in which it works.

While the Foundation has developed significant internal capacity around evaluation, in 2006 it added Success Measures, a program offered by NeighborWorks® America that allows community-based organizations to document outcomes, measure impact, and inform change. Success Measures has been used extensively by the Foundation with many of its newest grantees to build the grantees' capacity to evaluate newly implemented community development programs as well as to document the changes in resident perceptions about the places where they live. In addition, since 2005 the Foundation has engaged The Reinvestment Fund, a regional Community Development Financial Institution, to provide grantees with easy access to secondary data available for each neighborhood, map grantee activities relative to such data, and to provide technical assistance in using the data for heightened strategy development. This assistance includes an independent analysis by TWRF's staff of experienced community development practitioners. The Foundation's culture of evaluation and learning starts with the Board, as Lois Greco, Senior Vice President and Evaluation Officer states, *"Our Board really believes in evaluation, which is why I was hired. We have a culture in our Board to really want to support this type of learning. We have that buy-in from the onset."*

The Wachovia Regional Foundation was established in 1998 by the Wachovia Corporation as an independent grantmaking body with the goal of supporting the revitalization of low-income communities in New Jersey, Delaware, and Eastern Pennsylvania. Today, the Foundation emphasizes neighborhood-based community development projects in 62 specific counties in these three states. Typically, the Foundation makes initial planning grants to nonprofits to comprehensively assess needs in the communities that it serves in affordable housing, economic development, neighborhood building, and child and family services. Planning grants are made up to \$100,000 and span 12-18 months. The Foundation also supports the implementation of neighborhood plans. Implementation grants of up to \$750,000 are made for three to five years, and provide program funds to implement projects identified in neighborhood plans. Several evaluation activities have been incorporated into the Foundation's work.



Development of Key Performance Indicators

Most of the Foundation's evaluation activities are designed to carefully measure short-term progress toward short-term goals and longer-term progress toward the Foundation's larger goals of strengthening low-income neighborhoods and improving the quality of life of the residents that live within them. During the planning phase, grantees are required to develop a comprehensive, resident-driven plan for the neighborhood, and as a part of this process, they determine which indicators they will track over time to assess changes in the neighborhood's health. Implementation grants include key milestones, quantifiable outputs, and anticipated impacts for the specific projects initiated. For both programs, the Foundation receives quarterly reports on how each grantee is progressing towards its goals and based on such progress, the grant's overall performance is assigned to one of the following categories:

- Far exceeds target
- On target
- On target, but vulnerable
- Off-target
- Unsatisfactory, but hold
- Unsatisfactory, potential exit

In addition, the Foundation assesses the performance trend of each grant as stable, improving, or declining. The progress, or lack of progress, toward overall goals by grantees is then rolled up to allow the Foundation to assess the overall performance of its planning and implementation grant portfolios. This has allowed the Foundation to track programs across three states, and to identify trends and best practices that can then be shared with other grantees. While these efforts serve some accountability purposes, the real purpose of the evaluation work is to take a data-driven approach to improving grantee and Foundation performance. As Greco states, "We allow grantees to define the indicators for themselves. We really want our grantees to pay attention to what they want to be doing and either do it, and know they are doing it, or recognize that they are not performing to expected levels, and assess why not. Even if a grantee is on target, it's helpful to track trends and performance."

At the program level, the Foundation has established long-term indicators that it tracks in its four focus areas of affordable housing, economic development, neighborhood building, and services to children and families. The Foundation tracks these indicators in each of the communities in which it invests to measure whether the "needle" is moving on key issues that relate to the Foundation's goals of creating sustainable community improvement and improving the lives of children and families. Examples of some of the indicators are listed below:

Housing

- Number and percentage of residential buildings classified as vacant
- Number and percentage of buildings with housing violations
- Median sale price – housing
- Average number of days a house stays on the market
- Eviction rate

Economic Development

- Percentage of families living below the poverty level (census)
- Percentage of elementary school children participating in free/reduced lunch programs
- Median household income
- Number of new jobs in the area
- Number of new "positive" businesses in area
- Number of "nuisance" businesses closed
- Increase in municipality's income tax base

Neighborhood Building

- Crime rates (violent and other)
- Community attitudes survey (cleanliness, safety, sense of belonging, etc.)

Services to Children and Families

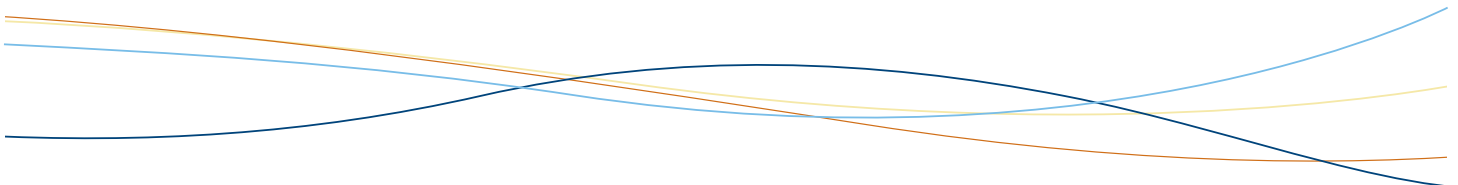
- Community survey (adequacy and accessibility of necessary social support)

Investment

- Public
- Private

Wachovia Regional Foundation

- \$100 million assets in 2006
- Established in 1998 by Wachovia Corporation as a private regional grantmaker
- Aims to improve the quality of life for children and families living in low-income neighborhoods in New Jersey, Delaware, and Eastern Pennsylvania
- Awards both shorter neighborhood planning grants to create a comprehensive set of revitalization strategies for a low-income neighborhood, and longer neighborhood implementation grants to implement revitalization strategies identified in neighborhood plans
- \$42 million in grants awarded since 1998
- Number of staff: 5
- Evaluation Staff: Yes



To aid a grantee's tracking of outputs and outcomes, the Foundation requires applicants to document their program output and outcome goals, and then to report on them quarterly using the following format:

Project Component	Output Goal	Target Dates	Outcome Goal	Target Completion Date	Quarterly Progress-Actual	Project Progress to Date- Actual
Economic Development – Job Training	<p>1. Train 50 people per year for a total of 150 people</p> <p>2. Place 80% of graduates in a job with an average wage of \$8.50 per hour within 90 days of graduation</p>	<i>Between 1/2006 and 12/2008</i>	<p>Short Term</p> <p>1. 80% of placements retain same or better job after 90 days; 65% retain same or better job after 180 days</p> <p>Long-Term</p> <p>1. 2% reduction in unemployment rate</p> <p>2. 4% increase in median household income for target neighborhood</p>	<p><i>Between 1/2006 and 12/2008</i></p> <p><i>By 12/2008</i></p>	15 people enrolled, of which 10 graduated and 7 were placed.	75 people trained to date; 75% of graduates placed within 90 days; on target to meet project training and placement goals. Retention rates are lighter than anticipated due to challenges in early classes, which have subsequently been addressed by the addition of post-placement follow-up services.

Clearly, the Foundation values quantifiable goals and ongoing data collection and measurement. Additionally, the Foundation is able to explore some of the nuances around its work through quality of life surveys that are conducted in each community during the planning stages and at the conclusion of implementation grants. "Our mission is to improve the lives of families and children in low-income communities, so it is very important to us to assess whether their perceptions and circumstances have changed."

As a result of this goal-setting and data tracking, the Foundation hopes to comment on the long-term impact its funding and technical assistance have made in the communities in which it focuses. In the nearer term, it relies on tracking quantifiable outputs as an indicator of positive progress toward its long-term goal. For example, since its inception, Foundation-funded programs have developed 109 new businesses and created 1,149 new jobs in its funding region, placed 3,315 people in living-wage or professional positions, and helped 445 families purchase their first homes. The Foundation recognizes that it cannot prove a causal link between positive outcomes and the Foundation's grant dollars. However, by contrasting the health of the portfolio of grantee neighborhoods with untouched places that have a similar initial profile, over time the Foundation looks to assess if neighborhoods it has funded in have stronger sets of indicators.

What has the Foundation learned from all of this work? The ongoing evaluation, data collection and analysis has enabled the Foundation to more easily identify projects where progress is being made and where progress is lagging. By getting beneath the numbers, the Foundation has then been able to extract some important lessons which it has used to refine its strategy. For example, the Foundation found that planning work often required significantly more than 12 months to successfully build trust and to support the organizing activities needed to engage residents. As a result, the Foundation extended the maximum duration of its planning grants from 12 to 18 months. The Foundation recognized that implementation projects that were especially successful often involved a "key person" in the community or at the nonprofit who steered the work and was critical to the program's success. In these instances, the Foundation now often includes a "key person" clause in the grant to provide the Foundation with the right to exit if the project's implementation is jeopardized as a result of a key person's departure. The Foundation also found that its earliest grantees struggled with conducting independent surveys, and this in part fueled its earliest work with Success Measures.

Success Measures

Success Measures provides an integrated set of outcome evaluation services including training, technical assistance, and subscriptions to the Success Measures Data System (SMDS). SMDS allows users to conduct evaluations by providing outcome indicators, tested data collection instruments, a reporting function to tabulate data, and a secure place for organizations to enter and manage their data. Users gain access to the Web-based system's tools for a \$2,500 annual subscription fee. The associated training and technical assistance package offered for first-time users is a one-time cost of \$7,500 per organization. This service ensures that organizations have the support they need to integrate outcome evaluation into their programs and organizational cycles. Success Measures was initiated by the Development Leadership Network in 1997, developed in concert with McAuley Institute, and is now operated by Neighborworks America. The indicators and techniques were designed by over 300 community development practitioners and the tools were tested with over 50 community-based organizations. The database has 44 indicators that users can choose from across a range of content areas (e.g., affordable housing, community-building, economic development).

The Wachovia Regional Foundation pays for its more recent grantees to use Success Measures, helping the organizations to improve their practice while also providing the Foundation with better data on the results of the Foundation's investments. Success Measures has been used extensively with Wachovia Regional Foundation grantees, and the Foundation plans to further expand its use among grantees due to a high degree of satisfaction. Greco notes that grantees find the tools valuable, but can struggle with how to best integrate them into the daily work of the organization. "Every grantee I have asked has said it's a valuable tool. They believe in it, but what they are struggling with is taking the time to really integrate it. Because it is so comprehensive, it can be overwhelming." To help address this, Success Measures does provide on-site coaching to

members, as well as initial training workshops, which the Wachovia Regional Foundation has found valuable. "A site visit from a coach for each project is vital. The opportunity to have a one-on-one conversation on outcomes measurement with the broader staff is valuable. It allows a grantee's program staff to customize the evaluation plan accordingly, and to really start to understand why this is needed and what it's for," Greco states.

As Greco points out, the most valuable aspect of the tool is its ability to provide common outcomes indicators. "Across similar organizations in different geographies, we're able to develop a consistent key so that we can make some comparisons, which helps us make better decisions."

The Reinvestment Fund

The Reinvestment Fund (TRF) is a national leader in the financing of neighborhood revitalization. What began in 1985 as a small community development organization working in Greater Philadelphia, has evolved into a progressive, results-oriented, socially responsible community investment group that today works across the Mid-Atlantic region. Since its inception, TRF has invested more than \$544 million in loans and investments in community development projects, producing 14,851 housing units, 5 million square feet of retail space, 9,362 childcare slots, 16,671 charter school slots, and 8,299 jobs.

TRF has a long history of using data and market experience to guide its investment decisions. Using state-of-the-art geographical information systems (GIS) and data analysis tools, TRF has developed new ways to understand how regional and local market places work and to determine what type of strategic interventions can stimulate change. In addition, their reinvestment plans have helped clients such as foundations, community groups, colleges, and universities to identify development opportunities that maximize community impact.

Since 2005, the Wachovia Regional Foundation has engaged TRF to assist Foundation grantees and staff with using and interpreting GIS and other secondary forms of data such as census and market data. Specifically, TRF assists staff by completing a live GIS analysis of the target market areas proposed by applicants; providing data support for planning and implementation grantees; and providing a data analysis workshop for grantees, assisting them with creating and refining strategies based upon market data. The Foundation hopes that the work will enable grantees to leverage market momentum, and thus heighten sustainable impact.

Feedback from grantee participants continues to be overwhelmingly favorable, with 100 percent of participants stating that they valued the information, and would recommend that Foundation resources continue to be used in this manner. Additionally, staff have acknowledged a significant boost in their understanding of each target neighborhood as a result of this knowledge and assistance. Over time, the Foundation hopes to assess the progressive health of each of its target neighborhoods relative to strategies implemented, potentially yielding important lessons in the analysis.

