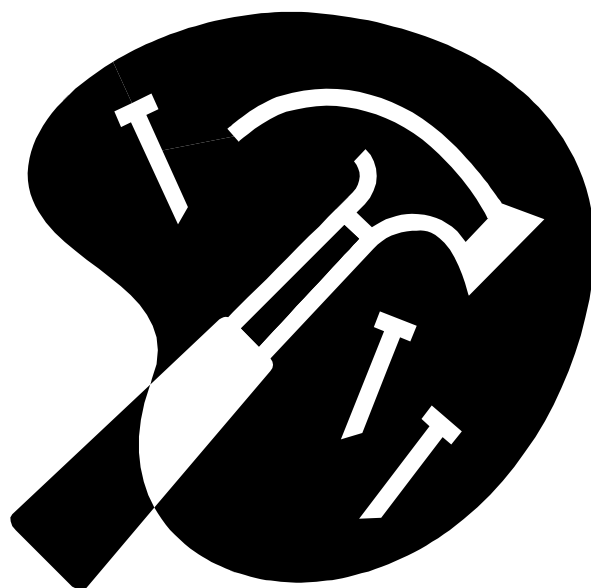


Evaluation Capacity Development Group

Toolkit



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Introduction

There are basically three approaches to evaluation capacity development: national, individual, and organizational. Evaluation capacity development at the national level involves strengthening the institutions of governance. The World Bank frequently uses that approach. Evaluation capacity development at the individual level involves conducting seminars and workshops for the staff of an organization to learn evaluation techniques and methods. However, before training individuals, decisions must be made as to who should be trained and what they should learn. Those decisions evolve from a closer examination of evaluation's place within the infrastructure of the organization. That is why Evaluation Capacity Development Group (ECDG) focuses on developing evaluation capacity at the organizational level.

When we speak of *capacity*, we are referring to the capacity that is unique to each individual organization's size, budget, professional skill set and experience, sophistication, and political environment. The evaluation capacity of a neighborhood literacy group will look quite different from that of a U.N. agency.

At the heart of ECDG's philosophy of evaluation capacity is the idea that organizations must create an environment that is *evaluative* in nature. When steps are taken to develop this environment, individuals in the organization will naturally think in an evaluative way about how their jobs are performed, how services are delivered, and how well the organization is run. ECDG proposes to help organizations become more evaluative by providing information, conducting training, and facilitating organizational change. ECDG has created a toolkit to support these efforts. It consists of distinct tools that flow one into another:

1. Determine the need for internal evaluation capacity
2. Define the purpose and use for evaluation
3. Create an shared vision and appropriate organizational design for evaluation
4. Develop a culture for evaluation
5. Establish policies for evaluation
6. Create a budget for evaluation
7. Select organizational processes to be improved with evaluation
8. Provide evaluation training
9. Benchmark organizational changes
10. Consider standards for evaluation

The toolkit is designed to facilitate the process of developing evaluation capacity. An early step in the process will be to determine the purpose and uses envisioned for evaluation. These will then be refined into a shared vision for evaluation. The organizational design will enable the organization to achieve its shared vision.

Organizational design and culture are supported by the policies that are implemented; and policies are operationalized through budgets.

At this point, the organization can begin to use its evaluation capacity. Internal and external organizational processes can be identified that will benefit from evaluation. Evaluation mechanisms will be put in place that can help the organization increase the efficiency and effectiveness of these processes. Training in appropriate evaluation methods and techniques is provided to designated organizational members to support these efforts. Incorporating benchmarking into the decision-making process promotes continuous improvement and innovation. Lastly, the organization will determine how well it is using its new found capacity by applying self-evaluation standards.

Please note, organizations might consider using expert facilitation, such as a “critical friend”, to guide them through the tools that are deemed academically or politically challenging. Arthur Costa and Bena Kallick defined a critical friend as "a trusted person who asks provocative questions, provides data to be examined through another lens, and offers critique of a person's work as a friend. A critical friend takes the time to fully understand the context of the work presented and the outcomes that the person or group is working toward. The friend is the advocate for the success of that work." This person can be viewed as an important bridge between the organization's desire to develop evaluation capacity and the appropriate skills training to make it happen. This person could be an evaluation consultant whom the organization has used in the past. Or it could be someone with evaluation experience, perhaps from another nonprofit organization, with whom the organization has an established partnership.

Tool #1 To Rent or to Own

The first tool addresses the question of whether an organization should hire an external evaluator or develop internal evaluation capacity. We use the analogy of renting or buying a home. When moving to a new area, if a person plans to stay for a short time, it makes sense to rent. If one is going to be in the area for a number of years, that individual might consider purchasing a home and build some equity. The same is true for evaluation. Let's examine the choices more carefully.

The Rental Option

Sometimes, individuals take jobs or pursue educational opportunities in another city that are short-term by design. These situations lend themselves to the rental scenario. In the same way, organizations may have funding for a specific activity that is not part of their regular mission. They may present a conference, host a fair, or do some other one-time event. They must be accountable to their funder for the use of grant monies. In these situations, it is more cost-effective to consider the rental option. In addition, an organization may occasionally wish to conduct a periodic in-depth study of a particular program that requires technical expertise beyond their ability. An external evaluator would be helpful in this instance.

Perceived expertise or impartiality may be cause for funders to require an external evaluation. Where to find one? There are very good local evaluators in almost every part of the world. They can be found through affiliations ranging from the Michigan Association of Evaluation to the Kenyan Evaluation Association. In the last decade, the number of regional and national evaluation organizations around the world has grown dramatically. These organizations provide professional development opportunities to their members. If one is going to hire external evaluation capacity, using local evaluators is a good place to start, wherever you may be.

However, hiring external evaluation capacity has its drawbacks. Consultants can be expensive relative to a small organization's budget. And, once the evaluation is completed, the consultants take the organization's evaluation capacity with them when they walk out the door. It's like losing the evaluation equity of your home to the external evaluator.

Owning Your Own

What about activities to be evaluated which are not one-time events but part of an organization's mission, an integral part of who it is? This is where investing in itself makes very good sense. The ability of an organization to examine what it has done in the past, is currently doing, and should do in the future will pay off in the dividends of increasing its effectiveness and improving its efficiency. Included in the concept of evaluation capacity is the systemic approach of stepping back with a view of the entire organization and how the various departments, programs, and people all relate to each other. It shifts individuals' perceptions of specific events to considering patterns of events and then to the underlying structure and interconnectedness of an organization. As mentioned in the introduction, this process can be enhanced through the help of expert facilitation otherwise known as a *critical friend*.

An investment in evaluation capacity provides an opportunity for all organizational stakeholders (staff, volunteers, management, board, clients, and partners) to feel a sense of being part of its important work and taking ownership of the vision. When the evaluation process is collaborative and participatory, both the organization and the individuals benefit.

An advantage of internal evaluation is having more intimate knowledge of the environment in which the evaluation takes place. Being familiar with the programs to be evaluated, and the underlying policies and cultural factors that affect them, reduces the time it takes to acclimate the evaluator to the contextual setting compared to external evaluation. When you live in a place long enough, you know its ins and outs.

What about the costs involved? Quality housing isn't cheap whether you rent or own. It is the same for evaluation. Hiring an external evaluator places the costs at the end. Developing internal evaluation capacity requires making a financial commitment up front. It's like taking out a mortgage. With a sizable initial down payment, monthly mortgage expenses will be more manageable. Owning a home is an investment. It contributes (adds value) to the owner's net worth. If an individual purchases wisely and takes care of this investment, in time, its value will appreciate as the owner builds equity. An organization investing in evaluation capacity will, likewise, benefit from its investment in growing its evaluation equity. By investing in itself, an organization will have something on which to draw in the future.

Following is a list of factors that influence the decision of internal vs. external evaluation with a brief discussion of each. Where does your organization currently stand on these issues?

ISSUE	DISCUSSION	RATING			
		Low			High
Commitment to Evaluation	Developing internal evaluation capacity requires a greater commitment from Board and management especially with regard to creating a culture of evaluation. To what extent do Board and management currently have a commitment to developing internal evaluation?	1	2	3	4
Budgeting	Management must be willing to commit to the up-front costs necessary for developing internal evaluation capacity. Otherwise, they should consider hiring external evaluators (and pay at the end of the project). To what extent is management willing to commit to up-front evaluation costs?	1	2	3	4
Staff Skills/ Evaluation Expertise	It is easier to build on existing strengths than to start from scratch. To what extent is there evaluation experience and expertise among current staff members?	1	2	3	4
Objectivity	Both internal and external evaluators may be subject to bias. However, the external evaluator is often <i>perceived</i> as being more objective whether or not this is in fact the case. To what extent is there objectivity of those who currently perform evaluation within your organization?	1	2	3	4
Ethical Issues	The internal evaluator may not want to criticize coworkers. The external evaluator may not want to jeopardize future contracts. To what extent is this an issue for the personnel conducting evaluation in your organization.	1	2	3	4
Reporting	A prophet is not revered in his/her own land. For this reason, sometimes leaders need to hear something from an external source before they believe it. To what extent do external sources appear more credible for management than internal sources?	1	2	3	4
Availability	Staff workloads, office space, and the division of labor may contribute to the decision to develop internal or hire external. To what extent are there labor and material resources available for evaluation purposes?	1	2	3	4
Organizational Setting	Internal evaluators understand organizational dynamics, have easy entrée, know data sources, and thus can come up to speed more quickly than an external evaluator. To what extent is the current organizational setting conducive to developing an internal evaluation system?	1	2	3	4
Utilization	When the report is turned in and the external evaluator walks out the door, there is no one to follow up to ensure that evaluation recommendations are used. To what extent does management readily accept and implement the recommendations of its staff?	1	2	3	4
Demand	Sometimes, for large grants, funders require that an external evaluator be used. If internal evaluation is being developed, a <i>critical friend</i> may serve this purpose. To what extent has your organization contracted with an evaluation consultant with whom you feel comfortable working and could hire as a <i>critical friend</i> to help build your evaluation capacity?	1	2	3	4

RESOURCES:

Conley-Tyler, M. (2005). A fundamental choice: Internal or external evaluation?
Evaluation Journal of Australasia, New Series 4(1&2), 3-11.



Tool #2 Purpose and Use

Once an organization decides its evaluation needs will best be met by developing its internal evaluation capacity, ECDG's approach is to assist in determining the specific purpose(s) of evaluation. The dictionary defines *purpose* as the object toward which one strives or for which something exists; goal; aim. Three commonly accepted purposes for evaluation are:

1. to provide feedback for program improvement;
2. to demonstrate accountability to funders and the public; and
3. to promote organizational learning.

These purposes are distinct from each other but are not mutually exclusive. Evaluation can and should be performed for multiple purposes to enhance the potential benefits to the organization. By taking control of the evaluation process, the organization can better articulate its successes and manage its challenges. By-products of evaluation can be more confident decision-making, better internal and external communication, and enhanced credibility as an organization.

RESOURCES:

Broholm, R. (1990). The power and purpose of vision. Indianapolis, IN: The Robert K. Greenleaf Center.

Preskill, H. and Torres, R. (1999). Evaluative inquiry for learning in organizations. Thousand Oak, CA: SAGE Publications.

Schwartz, P. (1996). The art of the long view. New York: Currency Doubleday.

Domains for the application of evaluation

Governance

- Vision and mission
- Policies and procedures
- Board performance
- Chief Executive performance
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Administrative management systems

- For planning purposes
- To organize people; time management
- Staff or volunteer training
- To monitor program performance

Fiscal management

- Fund raising
- Budgeting

Human resources management

- Policies and procedures
- Employee performance appraisal
- Recruitment of staff and/or volunteers
- Retention of staff and/or volunteers

External relationships

- Community needs assessment
- Marketing of services
- Public relations

Service Delivery

- Efficiency
- Effectiveness

Education Sector

- Testing and measurement
- Assessment



Tool #3 Visioning and Organizational Design

Creating a Shared Vision for Evaluation

The evaluation purposes serve as the jumping off point for creating a shared vision for evaluation - one that imagines the potential, the desired future, for the role of evaluation. As Todd Outcalt states, “Without vision there is no direction. And without direction, there is no journey, but merely a haphazard wandering through life.” He adds, “We become what we imagine... The clearer our vision of what *could be*, the greater the possibility that it *will be*.”

Below is a list of visioning do’s and don’ts.

Do	Don’t
Vision is about creating what you want. Stay positive.	Don’t focus on what you don’t want or on previous negative experiences with evaluation.
Separate what you want from what you think is feasible.	Don’t set limits on how the vision can be accomplished.
Involve the entire organization in creating a shared vision.	Don’t rely on top management to hand down a vision to the organization.
Check for alignment between the shared vision for evaluation and the organization’s vision for itself.	Don’t rely on funders to tell you what your vision should be. Listen to them, but don’t depend on them.

Organizations may want to expand their evaluation vision to include collaboration with other organizations. This could comprise such things as combining resources for community needs assessments or co-evaluating program outcomes from joint ventures.

The visioning process itself has important value. It is while working through this process that a group develops a sense of commitment when personal visions join with others to become integrated into an organizational vision. Visioning is the mechanism driving organizational change. It becomes operationalized through an organizational design. The organizational design is the next step.

The Visioning Process

ECDG advocates two distinct methods for visioning an evaluation system. The first method is doodling which integrates an inductive reasoning exercise. Inductive reasoning works from the more general to the more specific. It is more open-ended and exploratory. The second method utilizes scenario planning as displayed through a matrix. Its focus is

more narrow, moving from specific possibilities or scenarios to a broader more complete picture of what the organization would look like.

Method One - Doodling:

Some theorize that our unconscious needs and desires do not manifest themselves through verbal representation but through imagery. Visualizing picture images may help with the visioning process. ECDG feels the application of appreciative inquiry is appropriate for use in the visioning process. Group members engaged in visioning should consider the positive attributes of evaluation within the organization. From this starting point, they advance their thinking about how to build on existing strengths. Here are the steps to follow for the visioning process:

1. A broad cross-section of the organization is assembled to engage in the visioning process. Group members discuss what they like or appreciate about how the organization currently uses evaluation. Clarification questions may be asked so that the data are as concrete as possible.
2. During the discussion, group members listen for key image words that are associated with the current evaluation situation. Group members are invited to doodle on their notepads until they have produced an image on paper that they feel captures the key image words.
3. Doodles are redrawn on flipchart paper attached to a wall. One by one these are presented to the group for interpretation. The values and assumptions implicit in the images are discussed and noted. The image that best represents the current evaluation situation is selected.
4. The group is then invited to consider the evaluation situation that they would see as ideal. Feasibility and limitations of time, money or human resources are not considered at this point. Group members listen for key image words that are associated with the ideal evaluation situation. Group members are then invited to doodle on notepads until they have produced an image on paper that they feel captures the key image words.
5. Doodles are once again redrawn on flipchart paper attached to a wall. One by one they are presented to the group for interpretation. The differences in values and assumptions implicit in the images are discussed and noted. The image that presents the most compelling vision of the evaluation future is selected.
6. This image can be used as the basis for subsequent evaluation capacity development. Comparison of the current evaluation situation images with those of the evaluation future may provide insights into strategies that should be adopted to make the future become reality.

Method Two – Evaluation Scenario Planning:

Scenario planning is a technique developed at Royal Dutch/Shell for ordering one's alternative images about alternative future realities. The technique may be adapted for use in creating a shared vision for evaluation. The steps involve determining the decision to be made; identifying factors associated with the decision; exploring the forces that drive those factors; and using the most important and variable drivers to construct alternative visions.

1. Determine the question to be answered or the issue to be addressed—in this case ECDG recommends that the question at hand might be something like, “What kind of evaluation system should our organization put into place?”
2. Identify the areas that the organization wants to evaluate. The ideas on the following page might be a good place to start (see Table A).
3. Explore the forces that will drive how the evaluation of the areas identified above will be carried out. Forces might include organizational issues, social dynamics, economic imperatives, budget, political considerations, and advances in technology.
4. Determine the importance and variability of each of the driving forces. The objective is to identify the two driving forces that are most important AND highly variable.
5. Combine these two driving forces to form a 2x2 matrix (see template). Do this by placing one set of conditions for the first driving force in Box A and the opposite set of conditions in Box B. (For example, if budget is identified as a driving force, high budget for evaluation might be placed in Box A and low budget for evaluation in Box B.) Do the same for the second driving force using Boxes C and D.
6. Envision what kind of evaluation system the organization would have if the set of conditions found in Boxes A and C were to exist. Write a brief description in Box 1. Do the same for Boxes C, B, and 2; A, D, and 3; B, D, and 4. This will allow the organization to define four very different, but plausible, visions for evaluation. A completed example is provided as a guide.
7. Discuss the implications of each of the alternative visions for evaluation with a broad cross-section of the organization. Consensus should be achieved on which is the most appropriate vision for the organization.

Completed Example of 2x2 Visioning Matrix for Evaluation Scenario Planning

	<p>Box C.</p> <p>Organizational Issues: Separate Evaluation Unit</p>		
<p>Box A.</p> <p>High Budget for Evaluation</p>	<p>Box 1.</p> <p>Separate Evaluation Unit staffed with one Ph.D. level evaluator assigned to each program area</p>	<p>Box 2.</p> <p>Separate Evaluation Unit staffed with one Master's level evaluator assigned to several program areas</p>	<p>Box B.</p> <p>Low Budget for Evaluation</p>
	<p>Box 3.</p> <p>All Program Officers receive extensive training on evaluation approaches/methods</p>	<p>Box 4.</p> <p>Employ Train-the-Trainer model; Senior Program Officer receives training and, in-turn, trains other Program Officers</p>	
	<p>Box D.</p> <p>Organizational Issues: Evaluation Integrated into Program Areas</p>		

Template 1: 2x2 Visioning Matrix for Evaluation Scenario Planning

	Box C.		
Box A.	Box 1.	Box 2.	Box B.
	Box 3.	Box 4.	
	Box D.		

Organizational Design

An organizational design will enable the organization to achieve its shared vision. It is comprised of four elements. Each element can be thought of as falling along a continuum of possible choices. The mix of choices made will lead to a unique design. Each unique configuration will cause evaluation to be implemented in a way that is different from all other organizations. Furthermore, the choices that are made will be reflected in the organization's policies and budgetary commitments.

Division of labor—this concerns the extent to which roles are specialized. The organization's leaders must decide between hiring one or more evaluators with Ph.D.s, taking more of a TQM approach and training everyone in the fundamental principles of evaluation, or something in between. The size of the organization will affect the division of labor and how evaluation is used. For example, a two-person office is not conducive to formal performance appraisals. But purposeful, recurrent feedback of role expectations can enhance communication and the working environment and lead to improved job efficiency and effectiveness.

Authority—this refers to the evaluator's potential to exert influence on the organization. Where the organizational structure contains program officers and evaluators, management must decide between giving evaluators more authority over program officers, giving program officers more authority over evaluators, making them co-equal, or some other configuration. Where evaluation is not assigned to a specialized evaluator, the degree of decision-making authority must be determined for those who will perform those tasks.

Departmentalization—the rationale of grouping jobs rests on the necessity for coordinating them. The management must decide if responsibility for evaluation should reside in a separate unit, if responsibility for evaluation should be integrated into the programs areas, or some other configuration.

Span of control—If an organization determines a separate evaluation unit is to be established, this issue deals with the number of people a director will oversee and, perhaps more important, the reporting relationships for the unit. Organizational leadership must decide the appropriate number of evaluation staff for the organization. Also, they must decide to whom the evaluation unit reports. There may be a single, direct-line of reporting or multiple, cross-lines of reporting.

If everyone in the organization will be trained in evaluation and considered co-evaluators, this becomes an issue of communication, specifically how information flows within the organization and the optimum communication patterns.

See the next page for a matrix to aid in determining the most appropriate organizational design.

Note that the four organizational design elements are not independent. If an organization has a separate evaluation unit, it would probably want to staff it with Ph.D.s. Also, if program officers and evaluators are co-equal, it probably wouldn't work very well to have one report to the other. ECDG recommends using a variation of the T-Chart (see below) to make decisions regarding these dimensions.

Template 2: Organizational Design

	Few Specialized Staff	Train All Staff in Basics
Division of Labor		
	Evaluators Have Relatively More Authority	Evaluators Have Relatively Less Authority
Authority		
	Separate Evaluation Unit	Integrated into Programs
Departmentalization		
	Report Directly to President	Report Indirectly to President
Span of Control		

RESOURCES:

Broholm, R. (1990). The power and purpose of vision. Indianapolis, IN: The Robert K. Greenleaf Center.

Ivancevich, J. & Matteson, M (1993). Organizational Behavior and Management. Homewood, IL: Irwin.

Preskill, H. and Torres, R. (1999). Evaluative inquiry for learning in organizations. Thousand Oak, CA: SAGE Publications.

Schwartz, P. (1996). The art of the long view. New York: Currency Doubleday.



Tool #4 Organizational Culture

Organizational culture has been thought of as the collective personality of the organization. Its influence is greater than the individual cultural contribution of its members. Individuals may come and go yet the general culture of the organization remains. A goal of ECDG is to help organizations incorporate evaluation into their organizational culture. This can be done by encouraging stakeholders to ask questions about what is happening in the organization, to seek answers, and to use those answers to improve the organization's efficiency and effectiveness in an environment that is open to questioning and accepting of constructive feedback.

Essentially what ECDG hopes to promote is the development of a culture of evaluation. A culture of evaluation can be viewed from three dimensions: (a) observable artifacts, (b) norms and values, and (c) basic underlying assumptions. The way individuals feel and think, their inward compass, are manifested in what they say and do, their outward behavior. Let's look at these three dimensions.

Artifacts are the easiest dimension of organizational culture to directly observe or perceive. They include organizational records, products, statements of philosophies, annual reports, organizational symbols, stories, and myths. The physical layout can give an indication of evaluation's place in the culture. Are the evaluation offices in the far corner of the basement or near the Executive Director's office? What priority is placed on evaluation in the annual budget, agendas and minutes of board meetings, or in long-range planning documents?

Values are beliefs about what is desirable or undesirable and underlie artifacts. They are formed over time and provide a means by which to measure worth. Judgments are based on values. The word "evaluation" implies a judgment about the worth of something. Evaluation is itself a value-laden term. Organizations determine the value of evaluation through previous experiences they have had either conducting evaluation themselves or through an external evaluator.

Assumptions are beliefs about evaluation that underlie values. They may seem so obviously correct that they are taken for granted and go unquestioned or examined. We just suppose them to be true without using facts to back them up.

Values and assumptions about evaluation are derived from personal experiences, hearing of others' experiences, or reading about it in either a positive or negative light. Evaluation is a good thing or a bad thing. It is helpful. It is expensive. It is time-consuming. It causes friction. It is insightful. It saves money. It increases efficiency. With so many

preconceived notions about evaluation within organizations, it is critical that there be a conscientious effort emanating from the leadership to develop a positive evaluation culture. Positive experiences with evaluation lead to a positive evaluation culture.

In order to elicit change in an organization's evaluation culture, the first step is to acknowledge that a culture exists. Changing the organizational culture does not happen overnight. It is an organic process. Change can be viewed as evolutionary and dynamic. As Peter Senge said, "Leaders must approach change as if they were growing something rather than changing something." Words and actions must be consistent and performed by leadership with integrity. Values reflect deep-seated ideas and experiences. They are changed through time invested in new individual ideas and experiences. Ideally, with a culture of evaluation, individuals can move beyond thinking of evaluation as a specific act performed by or to the organization toward having evaluation integrated into the way that individuals look at their organization in a more analytical and systematic way.

Policies are an important barometer by which to measure an organization's evaluation culture. They can reflect and sustain the current culture of evaluation. Reciprocally, they can also be a driving force to change it. Policies will be the next tool we will examine.

RESOURCES:

Marais, L. (1998). *The Relationship Between Organizational Culture and the Practice of Program Evaluation in Human Service Organizations*. Unpublished Doctoral Dissertation. Western Michigan University; Kalamazoo, MI.

Schein, E. (1990). Organizational Culture. *American Psychologist*, 45(2), 109-119.

Senge, P. (1990). *The Fifth Dimension*. Double Day/Currency, N.Y.

Rate the level of your organization's current evaluation culture to establish which areas should be further developed and strengthened.

Culture of Evaluation Rating Scale				
Mechanism for Developing a Culture of Evaluation	Weak		Strong	
Budget for evaluation (See tool #6)	1	2	3	4
Encourage informal communication among stakeholders to promote an environment of continuous organizational learning	1	2	3	4
Encourage formal, structural communication channels which increase the reliability and traceability of information	1	2	3	4
Communicate evaluation results to internal and external stakeholders	1	2	3	4
Model the use of evaluation for managing day-to-day decisions as well as for the inevitable crises	1	2	3	4
Coach subordinates in the development, implementation, and use of evaluation	1	2	3	4
Train staff and volunteers in the various facets of the evaluation process	1	2	3	4
Utilize technologies such as appropriate computer software that promote the gathering and analysis of useful data	1	2	3	4
Include evaluation competencies among operational criteria for the allocation of rewards and status	1	2	3	4
Include evaluation competencies among the operational criteria for recruitment, selection, and promotion	1	2	3	4
Develop policies that reflect the importance of evaluation	1	2	3	4

Tool #5 Evaluation Policies

Once the organization has determined the purpose of evaluation and developed a shared vision for evaluation, the next step is to create a design and culture that will enable the organization to carry out the shared vision. A primary way that organizational design and culture are created is through the implementation of policies.

The Oxford English Dictionary defines policy as “a course or principle of action adopted or proposed by a government, party, business or individual.” Policymaking is usually reserved as a prerogative of the Board of Directors. The broad definition of policy offered above, however, would also include practices and procedures. These forms of policy are sometimes established by the organization’s Executive Director.

The evaluation policies that the Board and Executive Director implement can determine the design of the organization (i.e., division of labor, power, departmentalization, and span of control). Likewise, they may influence the organizational culture (i.e., rewards, incentives, promotions, recruitment, and staff development). After a policy has been implemented, it should be analyzed to ensure that it is having the desired result.

Conducting Policy Analysis

In order to determine if an existing or proposed policy will have the desired result, ECDG recommends that organizations conduct informal policy analysis using the following steps:

- 1.** Develop a statement of the desired result of evaluation policy (refer back to the Shared Vision)
- 2.** Collect information and brainstorm evaluation policy alternatives. ECDG recommends the brainstorming technique described below for this step:
 - All ideas are OK. Don’t censor your ideas.
 - Aim for quantity, not quality.
 - Unorthodox ideas are OK. They may generate usable approaches.
 - Do not discuss or critique ideas at this time.
 - It’s OK to build on others’ ideas.
 - Say pass when you run out of ideas.
- 3.** Select the criteria for deciding on an evaluation policy. Sample criteria are listed below:

- Equals available resources
 - Is consistent with current policy
 - Is within the organization's existing capacity
 - Is acceptable to senior management
 - Allows for broad participation
 - Is consistent with organizational values
 - Has potential for system-wide impact
 - Promotes collaboration with other organizations
4. Determine which evaluation policy alternative best meets the criteria. ECDG recommends Multi-Voting described below for this step (see Template 1).
- Post all policy alternatives so they can be seen and read by all.
 - Discuss suitability of the policy alternatives.
 - Give each person sticky dots equal to one-third of the number of policies.
 - Ask participants to use the sticky dots to vote for their preferred alternatives.
 - If someone wishes to use all their dots on one alternative, that is allowed.
 - Tally the dots and discuss top-ranked alternatives.
 - Repeat as necessary.
5. Identify drivers and barriers to policy implementation. ECDG recommends Force-Field Analysis described below for this step (see Template 2).
- Brainstorm the drivers and barriers in relation to the selected policy alternative.
 - Develop a strategy for a solution by determining which of the driving forces to strengthen and which of the restraining forces to weaken.
 - Check the strategy to make sure it will move the organization toward its goal.
6. Develop an action plan. ECDG recommends the action planning process described below for this step (see Template 3).
- Analyze the selected policy alternative and break the implementation down into steps.
 - Consider the hardware and numbers of people involved in each step.
 - Brainstorm, if necessary, for other items of possible significance.
 - Add to the list until the team feels the list is complete.

RESOURCES:

Bardach, E. (2000). A practical guide for policy analysis: The eightfold path to more effective problem solving. (2nd ed.) New York: Chatham House.

Tool #6 Budgets

The organization begins its journey to evaluation capacity by determining the purpose of evaluation and creating a shared vision for evaluation. The next step is to create a design and culture that will enable the organization to achieve that shared vision. The primary way that organizational design and culture are formed is through the implementation of policies. Policies are operationalized through budgets.

Sometimes during the evaluation budgeting process, tension arises between the evaluators and the program officers over the cost of evaluation. This is because some program officers think that every dollar spent on evaluation is a dollar less that is available to be spent on programming. What these program officers should realize is that the increased service capability and reduced expenses that are derived from an effective evaluation system should more than pay for itself. In addition, having a functional evaluation system in place is an important advantage when considering future fundraising and the requirements of grant makers.

In order to determine the correct amount to budget for evaluation, organizations should review labor, equipment, and material costs for activities that were evaluative in nature over the past year. This would include all costs associated with evaluation design, data collection and analysis, and reporting that were carried out in connection with studies of governance, administrative management, human resources, fiscal management, external relationships, and service delivery. A Critical Friend with experience in budgeting can be very useful for making these determinations.

Some rules of thumb

- An evaluation budget will range from five to ten percent of the total programming budget.
- Typically the higher the total programming budget, the lower the percentage devoted to evaluation.
- The most significant cost for evaluation is that of staff time allocated to evaluation.
- Data collection and analysis typically takes up about one-half of the evaluation budget; the other half goes to evaluation design and reporting.
- Be sure to consider the trade-offs between evaluation quality and budget; a larger budget USUALLY allows for higher quality work.
- Highly visible or political evaluations are more expensive as they will be more heavily scrutinized for comprehensiveness and accuracy. More routine evaluations may use existing data and are thus less expensive.

- Evaluation expenses are reduced when there are collaborative efforts with other organizations performing similar activities or joint programs.

If the organization plans to create a separate evaluation unit (see Tool #4 on Organizational Design), then the organization's standard overhead rate should be added to the cost of labor, equipment, and materials. The standard overhead rate covers the cost of such things as maintenance, supplies, specialized books and materials, copying, postage and mailing, or long-distance charges. If the organization plans to integrate its evaluation staff into the programs, then the overhead can be assigned to those program areas.

All of the cost documentation should be submitted to the organization's budget committee, usually consisting of the Executive Director, Program Directors, and the Controller, prior to the commencement of planning for the next budget cycle. The budget committee will then incorporate the evaluation budget into the organizational budget. The organizational budget is ultimately submitted to the board of directors for approval. Most organizations prepare the budget for the coming year during the last four or five months of the current year.

Reducing Costs

Small organizations should consider leveraging their resources for conducting evaluation by collaborating with other organizations to conduct evaluation work involving the same issues or initiatives. Group numerous external and internal data collection and analysis exercises as much as possible to avoid redundancy and achieve economies of scale in data collection. Also, search for extra funding from government agencies for special issues or groups such as issues relating to women, youth, minorities, or the environment.

Involving assistants is a good way to reduce costs, speed up the flow of work, and train younger administrators, staff, and volunteers working in the organization. Graduate students from local universities can be energetic; good typists; who are familiar with statistical, graphic, and other practical software; plus they are usually genuinely interested in learning about the work of the organization. Use of in-kind services such as conference rooms and long-distance phone service can help keep costs down. Board members can be a good source for everything from evaluation skills and experience they may possess to being able to provide a venue or refreshments for a focus group or access to a high-end copier to print and collate survey materials. Thinking creatively, there may be untapped resources right in front of you.

Keys to Effective Budgeting

- Know the organization's evaluation vision
- Know the program areas to be evaluated
- Establish a timeframe and specific deadlines to keep the process moving smoothly
- Identify responsibilities for each task

- Consider the material costs associated with each activity as well as the time required of staff
- Keep the process simple and the budget realistic
- The evaluation budget must be consistent with the organization's long-term objectives
- Confer with those who have or will participate in the evaluation process
- Create a draft budget
- Seek review and comment from appropriate shareholders
- Revise as many times as needed before submitting budget for approval
- Schedule periodic reviews of evaluation expenditures during the year to ensure budget is a true reflection of current conditions and needs
- That means be flexible and amend the budget if necessary

Budget categories for consideration:

OPERATIONAL

Staff salaries

Benefits

PROGRAMMATIC

Consultants

Travel (to sites, professional conferences, or workshops)

Communication (postage, phone, fax)

Printing/Copying (preparation of data collection instruments, reports)

Printed Materials (purchase of data collection instruments, books)

Supplies/Equipment (computers, scanners and software)

RESOURCES:

Callahan, S. (2004). *Singing our Praises: Case studies in the art of evaluation*. Washington, D.C.: Association of Performing Arts Presenters.

Horn, J. (2001). [A checklist for developing and evaluating evaluation budgets](http://www.wmich.edu/evalctr/checklists/evaluationbudgets.htm).
www.wmich.edu/evalctr/checklists/evaluationbudgets.htm

W. K. Kellogg Foundation (1998). [Evaluation Handbook](#). Battle Creek, MI: W. K. Kellogg Foundation.

Template 7: Annual Evaluation Budget

CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Staff salaries and benefits	\$	\$	\$	\$	\$
Consultants	\$	\$	\$	\$	\$
Travel (site visits, conferences or workshops)	\$	\$	\$	\$	\$
Communication (postage, phone, fax)	\$	\$	\$	\$	\$
Printing/Copying (preparation of data collection instruments, reports)	\$	\$	\$	\$	\$
Printed Materials (purchase of data collection instruments, books)	\$	\$	\$	\$	\$
Supplies/Equipment (computers, scanners and software)	\$	\$	\$	\$	\$
Other	\$	\$	\$	\$	\$
Other	\$	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$	\$

Adapted from W. K. Kellogg Foundation (1998). Evaluation Handbook. Battle Creek, MI: W. K. Kellogg Foundation.

Tool #7 Processes

We want to give you a word of warning: Tool #7 is very different from the first six tools. In the first six, you learned how to develop evaluation capacity by putting in place structures such as organizational design and culture, policies, and budgets. In this tool, you will learn how to actually start using this newly developed evaluation capacity to improve the processes that go on within the organization.

In natural systems, there are two fundamental types of processes: integrative and adaptive. Integrative processes keep the various internal parts of the system in harmony. Adaptive processes help the system to adjust to changes in the external environment. ECDG believes that organizations are systems, too. As such, organizations naturally carry out these two types of processes.

Integrative Processes

Systems that occur in nature must be able to integrate their internal parts in order to function properly. For example, a human body's organs must all be in synch with each other or it can result in illness or even death. The same is also true for organizations. Integrative processes might include decision-making, communication patterns and styles, technology rollout, managing interface relations, superior-subordinate relations, conflict management, goal setting, and project planning and implementation.

Adaptive Processes

Like natural systems, organizations must adapt to changes in their external environment in order to survive. What kinds of changes? New funding priorities or shifts in the demographic characteristics of the client base may lead to changes in the market. Laws and regulations, as well as other political influences, will affect the organization. New trends in service delivery will emerge. Competition and collaboration of service delivery will expand or contract. Key relationships with individuals, organizations, and governmental entities will evolve over time.

Process Mechanisms

Whether the process is integrative or adaptive, the mechanism involved is essentially the same. Natural systems (and organizations) take inputs from the environment in the form of energy, money, people, raw materials, or information. Next, these inputs are changed through processes that add value. The finished product is exported back to the environment in the form of outputs. Use Template 3 to help determine your organization's inputs, processes, and outputs.

Feedback

Evaluation can be used to improve an organization's integrative and adaptive processes. ECDG recommends taking an incremental approach to this task. Begin by selecting one of the processes that you listed in the Organizational Process Chart. You are going to map this process and look for places where evaluation can provide the feedback needed for improvement.

Feedback is an important part of any systemic process; in fact, it is one of the things that make a system a system. Feedback can tell the system whether its outputs are aligned with environmental needs. In other words, "Are we doing the right things?" It can also tell the system whether or not the inputs and processes are leading to the desired outputs. In other words, "Are we doing things right?"

Process Mapping for Evaluation

Process mapping, like flowcharting, seeks to illustrate the sequential activities of a process. However, it abandons some flowchart conventions to better serve the goal of simplicity and directness. The steps to process mapping are given below.

1. **Select a Process**—choose a process from the Organizational Process Chart. Initially, you might select a simple process. In our example of a process map, we selected the process of delivering the mail.
2. **Brainstorm**—on a flip chart, brainstorm a list of tasks and activities that are involved with this process. Remember the brainstorming rules from Tool 5. Transfer each activity from the flipchart to a 3x5 stick-on-note.
3. **Select an Appropriate Format**—process maps can run either horizontally or vertically. Place flip chart paper on a wall according to the desired format. You'll probably need more paper than you might think you'll need.
4. **Determine the Boundaries**—at the top of the flip chart paper, draw and label an oval to represent the first activity of the process (boundary). Draw and label another oval at the bottom of the paper to represent the last activity.
5. **Map the Remainder of the Activities**—in between the boundaries, place the remaining activities in the process, written on the 3x5 stick-on-notes, on the flip chart paper in sequential order. Be sure to allow plenty of space in-between each note.

6. Add Decision Diamonds—sometimes processes have alternate paths depending on different sets of conditions. For example, your organization may provide different program services for men and women, or for adults and youth, or you may only provide services to the poor. You can indicate the point at which the alternate paths diverge by using a decision diamond. A square stick-on note, turned on its side, is perfect for this purpose. Now you can draw lined-arrows in pencil showing the direction of the workflows along the various paths.
7. Add Evaluation Points—an evaluation point is a special category of decision diamond that typically leads to a “pass/fail” answer. ECDG recommends basing the “pass/fail” decisions on a set of objective, measurable criteria. Work that fails to meet the criteria reverses the flow back toward the beginning of the process. One or more corrective actions are required before it rejoins the process above the evaluation point. That means that the work will be subjected to evaluation as many times as necessary until it finally meets the criteria for passing.

Here is a point that cannot be made too strongly. The manner in which an organization applies the criteria (i.e., who does what, where, when, and how) at each evaluation point is determined by the structures (read organizational design and culture, policies, and budgets) that have been put into place to support internal evaluation. Please read the previous sentence again.

Example

Figure x contains an example of a process map for a simple process—in this case delivering the mail. Would delivering the mail be an integrative or an adaptive process? Integrative, right? Very good. In our example, the beginning boundary is receiving the mail from the post office. The ending boundary is completing delivery. There are two activities in the example: sorting the mail and delivering the mail.

There are also two evaluation points. The first evaluation point comes after the mail is sorted. The criteria for sorting the mail correctly are if it was properly divided by department and office number. Who applies the criteria, when, where, and how all depend of the organizational structures that have been put in place to support internal evaluation.

Thus, if one person is in charge of doing all the evaluation, then he or she will be responsible for determining how the processes are working. However, if the responsibility for evaluation is distributed throughout the organization, then quality processes are everyone’s job. The same is true for culture. If there is a culture of evaluation within the organization, then everyone will be looking for ways to improve processes.

The second evaluation point comes after the mail is delivered. The criterion for delivering the mail correctly is if the mail went to the correct person in a timely fashion. If yes, then the delivery is complete. If no, then the delivery person must continue in a feedback loop until his or her deliveries are completed correctly. One method to verify that this has taken place, an evaluation point, could be a mail log that indicates the date and time when mail is received and delivered.

This, of course, is a trivial example; nobody would impose this level of rigor on mail delivery (unless there were some major problems). This example was selected for illustrative purposes. This level of scrutiny would probably be reserved for high leverage processes that offer the prospect of some big payoffs in terms of organizational efficiency and effectiveness.

RESOURCES:

Galloway, D. (1994). Mapping Work Processes. Milwaukee, WI: ASQ Quality Press.

Completed Example of an Organizational Process Chart

In order to better understand process mechanisms, ECDG recommends using this Organizational Process Chart.

Below is an example of a process chart for mail delivery.

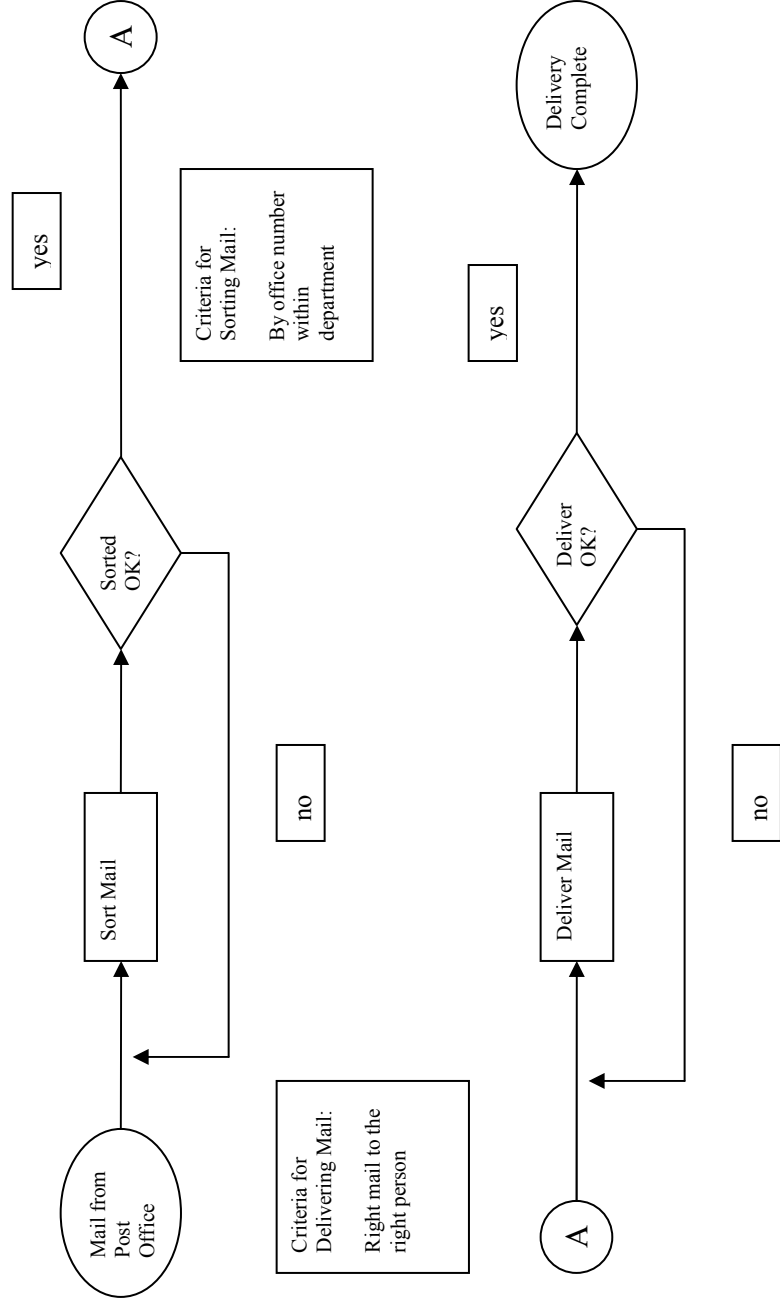
Inputs	Process Mechanisms	Outputs
<p>List the inputs.</p> <p>Consider energy, money, people, raw materials, or information.</p>	<p>What throughput, conversion, or transformation processes are involved?</p>	<p>Finished product resulting from the throughput, conversion or transformation of inputs.</p>
<p>Budget for mail person(s) salary</p> <p>Mail from the post office</p> <p>Person to sort the mail</p> <p>Person to deliver the mail</p> <p>Boxes for sorting the mail</p> <p>Mail cart for delivering the mail</p> <p>Personnel mailboxes</p>	<p>Mail delivery</p>	<p>Mail sitting in the correct person's mailbox in a timely fashion</p>

Template 8: Organizational Process Chart

In order to better understand process mechanisms, ECDG recommends using this Organizational Process Chart.

Inputs	Process Mechanisms	Outputs
List the inputs. Consider energy, money, people, raw materials, or information.	What throughput, conversion, or transformation processes are involved?	Finished product resulting from the throughput, conversion or transformation of inputs.

Figure x: Process Map for Mail Delivery.





Tool #8 Approaches to Training

The organization began the process of developing evaluation capacity by defining the purpose(s) and vision for the role of evaluation. The organizational design was determined and a conscious culture that promotes evaluation is in progress. Policies and budgets were created to support evaluation. Integrative and adaptive processes have been examined to understand where evaluation can add value. The next step is to provide specific evaluation training to those designated to conduct evaluation for the organization. Use of an evaluator critical friend may help to reduce training costs.

Evaluation is generally acknowledged as an emerging profession with an expanding body of knowledge and skills that require special training; over twenty evaluation approaches have been identified as relevant to evaluating programs (see end of tool). Even though the duration and level of formality can vary considerably, the goal of training activities and the basic principles for achieving the goal are virtually identical.

Assessing the Need

Who should receive evaluation training?

The needs of staff, identified as core competencies for individuals and the organization, will become apparent as the organization proceeds through the ECDG toolkit. Reflection should return to the purpose and vision for evaluation. Needs are determined by considering:

- What skills and abilities should be in place and what information should be known and understood by whom at what point in time
- The current situation in terms of skills and abilities, and what information is available and understood by whom
- The gap between the identified evaluation needs and current realities

Here are some areas to examine for clues to those needs: interviews and observations; surveys of staff, clients, the board, and other stakeholders; and document reviews. More specifically, document reviews may include organizational policies, the minutes of meetings, and statistics regarding such things as service delivery, financial statements, and reports.

Training fills the gap between identified evaluation needs and current realities. Training is also critical in preparation to meet future evaluation demands on the organization. (Remember that evaluation vision.) The gap between current knowledge, skills, and information gathering and future/anticipated needs should be included in training.

Setting Goals, Objective & Priorities

Organization leaders should consider the urgency of various training needs, who in the organization will be involved with evaluation, and the level of understanding and application that is expected for the subject matter. Goals and objectives should be a natural extension of the organization's vision. Training develops and expands the capacity of more people to appreciate the information that is flowing around them every day. To understand what is going on and why it is going on are critical to keeping the organization moving forward toward its vision. It encourages both effective service delivery and efficient utilization of resources. To determine if the changes put in place following training are doing what was intended, action research is called into play. This will be addressed in our next tool, #9.

Choosing Appropriate Instructional Methods

Methods chosen must match the training goals and objectives and be appropriate for the knowledge, skills, or concepts to be learned. The lowest level of learning is listening to information which is followed by understanding. Higher levels of learning necessitate converting knowledge to practice and applying lessons learned to real organizational situations. Hearing about evaluation and actually being able to do it require different types of instruction.

- | |
|---|
| <p>Instruction may take the form of:</p> <ul style="list-style-type: none">• lectures• problem-solving exercises• case studies• small group discussions• role-playing |
|---|

Instructional methods should be based on sound principles of how individuals learn best. Let's look at some of those principles of learning. Research has identified a number of factors that facilitate learning in individuals. For evaluation training to be effective, these should be considered:

1. *Motivation*: Since learning is an individual experience, participants to be trained must want to learn and must see the relevance of what they learn to their personal interest. If participants are more connected into the process and take an active role in its design and conception, they will be more highly motivated to learn from it.
2. *Participation in the Learning Process*: Participants should know from the start what the learning objectives are and be given the opportunity to test the lesson content against these objectives.

3. *Visual Learning*: Participants tend to learn best when they can see as well as hear what is being taught. This means that lectures should include accompanying visual material such as PowerPoint presentations.
4. *Relationship to Practical Experience*: Learning is facilitated when the training materials can easily be related to practical experiences. They must be applicable to real situations. If evaluation is viewed as being too academic, eyes may glaze over. Examples used should be familiar and relevant to the participants.
5. *Feedback*: Participants need feedback, particularly positive reinforcement, on how well they are doing. This goes for evaluation as well as any other type of training.
6. *Try Out Ideas*: The opportunity to try out and develop ideas is part of the individual process of internalizing new information and its application. This can be achieved through small peer group discussions. It is also reinforced through breaks in training that allow for actual implementation with real issues followed by additional training and feedback in how it worked.
7. *Physical Environment*: The training facility and equipment should be conducive to learning, allowing participants to see visual materials and to work effectively in small groups. If computer software is used for illustration or instruction, it should be the same as what attendees will be using for their respective jobs.

Training Implementation

Careful consideration should be given to the selection of trainers, the scheduling of training, and pilot testing. In choosing trainers, two equally important abilities must be sought: knowledge of evaluation and ability to teach evaluation. Not everyone who knows evaluation has the requisite teaching abilities.

Schedules should be at a convenient time for learners and when interruptions can be minimized. It can be packaged into self-contained modules and spread out over time. This allows time between sessions for learners to try out lessons learned, causes less interference with work responsibilities, and allows for selective attendance for topics that are more relevant than others.

Training programs should be pilot tested before their initial use. This allows the program to be tested against training objectives. Testing should involve not only the trainer but a representative sample of prospective learners as well. During the pilot test, assess the relevance of the evaluation subject matter being taught with a sample of those who will be applying the knowledge and skills learned. How frequently will this be performed in the organization? Will it be daily, weekly, monthly, occasionally, or seldom? What is the relative importance of the material? Activities that are performed regularly may not represent critical skills whereas infrequent activities may be more significant. Also, keep in mind the degree of difficulty in performing the activity in relation to the time allocation and teaching approach taken.

Follow-up to Training: Assessing how well it went

As evaluation training begins with evaluation through a needs assessment to determine content, it should also conclude with evaluation to determine if it met its training goals. Learning objectives should be specific and clearly identified during the design stage as this guides the training evaluation. Questions can be asked to determine if participants perceived the training to be of value. Was it interesting, useful, or understandable? Learning objectives can be determined through testing (for knowledge) or observation on the job (for practical skills). Applied knowledge takes time for results to be demonstrated in changed knowledge, skills, and attitudes otherwise known as competencies.

No matter how successful training is in meeting the objectives, its effect will decline with time if reinforcement is not provided in the workplace on a regular and consistent basis. Training is more effective with ongoing “reflective practice”. This consists of putting lessons learned into practice and then reflecting on the results. Management should monitor individual performance. It should encourage informal and formal learning opportunities from gatherings to meetings and updated training sessions.

It is commonly believed that training can be made more effective through ongoing “reflective practice”. Evaluators should take what they learn in training and put it into practice. Then, they should follow-up on their practice and reflect on the results. This reflection should be the basis for improving the evaluators’ future work. This process could be done vicariously by reflecting upon the practice of other evaluators.

Daniel Stufflebeam identified twenty evaluation approaches that had legitimate value for evaluating programs. These approaches are divided into three categories: questions/methods-oriented approaches, improvement/accountability approaches, and social agenda/advocacy approaches. The approaches are listed by category below, along with the briefest of descriptions and a reference for further information. They may be of help in guiding training content.

Questions/Methods-Oriented Evaluation Approaches

- Objectives-Based Studies—seeks to determine if a program’s objectives have been achieved (Madaus & Stufflebeam, 1988)
- Accountability (particularly payment by results studies)—used to ascertain responsibility for good and bad outcomes (Lessinger, 1970)
- Objective Testing Programs—assesses student achievement as compared to norms and/or standards (Lindquist, 1951)
- Outcome Monitoring/Value-Added Assessment—recurrent objective testing in order to assess trends and partial out effects (Sanders & Horn, 1994)
- Performance Testing—effort of off-set limitations of objective testing using authentic assessment of performance (Baker, O’Neil, and Linn, 1993)
- Experimental Studies—compares subjects randomly assigned into groups that receive different interventions to establish causality (Campbell & Stanley, 1966)
- Management Information Systems—supplies managers with information to guide programs (Deming, 1986)
- Benefit-Cost Analysis Approach—factors program costs discounted over time with accrued benefits (Tsang, 1997)
- Clarification Hearing—uses a judicial model to put a program on trial (Wolf, 1975)
- Case Study Evaluations—a focused, in-depth description and inductive analysis of a program (Stake, 1995)
- Criticism and Connoisseurship—expert appraisal akin to art criticism and wine connoisseurship (Eisner, 1983)
- Program Theory-Based Evaluation—uses a program’s theory as basis of evaluation. Operationalized through logic-modeling (Chen, 1990)
- Mixed Methods Studies—eclectic mix of approaches (National Science Foundation, 1997)

Improvement/Accountability-Oriented Evaluation Approaches

- Decision/Accountability-Oriented Studies—provides managers information for making decisions that promote cost-effective services (Stufflebeam, 1967)
- Consumer-Oriented Studies—uses evaluation to determine worth and merit of products and services offered to consumers (Scriven, 1967)
- Accreditation/Certification Approach—institutions are studied for approval to perform specified functions

Social Agenda-Directed (Advocacy) Approaches

- Client-Centered Studies (or Responsive Evaluation)—evaluators interact continuously to respond to clients' evaluation needs (Stake, 1983)
- Constructivist Evaluation—the evaluator weaves together the stakeholders' various constructions of reality (Guba and Lincoln, 1989)
- Deliberative Democratic Evaluation—applies the principles of democracy to evaluation (House and Howe, 1998)
- Utilization-Focused Evaluation—users of evaluation are identified and a variety of methods employed to ensure that evaluation meets their needs (Patton, 1997)

RESOURCES:

Stufflebeam, D. (1999). Foundational Models of 21st Century Program Evaluation. Occasional Papers Series. Kalamazoo, MI: The Evaluation Center, Western Michigan University.

Tool #9 Benchmarking

If an organization has followed the advice contained in the ECDG toolkit, it may have made substantive changes in the areas of organizational design, administrative management, human resources, fiscal management, external relationships, and/or service delivery. But how does the organization know if the planned changes are working? ECDG suggests implementing benchmarking activities. Benchmarking compares outcomes to determine if you have the desired change. It is about measurement and comparison using common metrics that gauge relative performance. (p. 2 Saul) It is a continuous process and not a one-time activity.

Note that we are talking about benchmarking at the organizational level rather than the programmatic level where it is commonly associated with standards by which to measure a program or project's performance. In terms of enhancing organizational learning, benchmarking can be seen as an important process whereby organizations identify and learn from the experiences (best practices) of others either inside their own organization or externally.

By incorporating benchmarking into the decision-making process, continuous improvement and innovation is promoted. "Benchmarking can help an organization stimulate innovation, increase impact, decrease costs, inspire staff, impress funders, engage boards, and focus the mission."
(p. vii Saul)

Internal benchmarking uses the comparison of what has happened in the past with the current situation as a means of checking progress following an ECD initiative and provides a place mark by which to know if the organization is moving in the right direction and at the desired rate. Are evaluation policies functioning as planned? Is the budget adequately supporting evaluation activities?

Internal benchmarking:

- examines past performance and projects future goals;
- considers last year's results and how much better you want them to be;
- might include searches for best practices among affiliate offices as well as between departments at headquarters.

External benchmarking allows the organization to examine what works for others, taking the "best" or "better" practices available, and applying new knowledge to your own practice.

External benchmarking is not restricted to what other similar organizations are doing. The process encourages looking to innovators wherever these leaders may be - whether in the private sector, NGOs, or through government sector initiatives.

External benchmarking:

- considers how other organizations meet similar outcomes, use process better, faster or cheaper;
- looks at top performers anywhere;
- imports and translates lessons learned to fit the organization's needs;
- establishes a proactive rather than reactive agenda for the future and helps hone the organization's focus;
- encourages thinking outside the box and adopting as well as adapting ideas rather than 'reinventing the wheel'.

Some of the benefits associated with benchmarking:

- Proactively set goals higher, forward thinking
- Accelerated change and facilitated change management
- Sharpen your mission and create better understanding of what you do (processes) and what you really accomplish (outcomes) in order to effectively compare the organization's performance to that of other organizations
- Proof of organization's value to constituents – a more compelling rationale for funders to support your work
- Better and more expeditious management decision-making
- More efficient and effective marketing
- Identify strengths and weaknesses in the context of how others are doing
- Build creativity into problem solving as the best practice approach allows organizations to consider alternative ways to achieve their mission
- Improve utilization of resources
- Improve levels of management support
- Improve professional relationships
- It adds a new dimension to annual reports

Besides enhancing evaluation policies, benchmarking is useful for improving a variety of other organizational policies in areas such as:

1. Strategic planning – Better align mission and performance management.
2. Human resources – Improve staff development policies and practices, the performance review process, and staff morale
3. Governance – Increase governing body engagement
4. Fundraising – Performance reporting for competitive positioning
5. Knowledge management – Share best practices and use that knowledge as a strategic resource
6. Program performance – through impact analysis and better programs.
7. Community engagement – Enhance information sharing, consultation and participation in terms of involvement, collaboration and empowerment
8. Financial management – Improve resource allocation as well as budgeting policies and practices

HOW TO BENCHMARK

1. Identify what to benchmark
2. Ensure management support and involve all stakeholders
3. Select the benchmarking team
4. Analysis of internal processes
5. Identify organizations or internal departments to benchmark
6. Decide on method(s) of data collection
7. Collect public domain information
8. Analyze collected information to establish what other information needs to be collected
9. Establish contacts with benchmark partners from identified organizations or departments
10. Plan the actual visits
11. Conduct the benchmarking visits
12. Establish whether a performance gap exists
13. Predict future performance levels
14. Communicate benchmark findings
15. Establish targets and action plans
16. Gain support and ownership for the plans and goals
17. Implement the action plans, measure performance and communicate progress
18. Re-calibrate benchmarks
19. Adopt benchmarking on an organization-wide scale

Pitfalls and Problems

Non-Standard Data Collection Methods - Methods for collecting data are not consistent or standardized, therefore the comparisons made may not be as valid as they may appear to be. Also the boundaries around the processes being benchmarked must be clearly defined.

Changing Environment - Continuous measurement and comparison does not easily reflect changes such as new competition, new technology and inflation rates, etc., unless these are incorporated into the data collection processes when they become apparent.

Reliance - There is a danger of becoming reliant on benchmarking rather than seeking inventive or innovative process improvements. When over-used, it can perpetuate a culture of "sameness" and stifle creative thought that is needed for the development of new ways of doing things.

Resources - Benchmarking requires a significant commitment of resources such as time, people, money, etc., without any guarantee that there will be a cost benefit. The costs may outweigh the tangible benefits, as many of the benefits achieved through benchmarking are intangible.

The People Factor - Often the adaptation of a process is not successful, as its success was dependent on the skills and expertise of those using it in the initiating environment. It is important to recognize and understand where processes are successful due to the synergies of the group or team using them as against where quality is inherent in the process itself.

Inappropriate Adaptation - Benchmarking the processes that you have ascertained as being strategically important to your organization is important. Beware, however, of benchmarking processes that are not strategically important just because you think that someone else may be doing them better than you.

Innovative and Efficient Processes - Benchmarking is less useful to those who have established innovative and efficient processes that have been developed for their unique environment. It can, however, be very useful for those who are struggling with inefficient and uneconomical processes and who are looking for better ways of doing things.

Best Practice - Best practice is not always appropriate. Best practice can be unique to an environment or situation and will not adapt successfully to a different environment. Take into account the people using the process and the relationship between that process and others before making a decision to change.

A key to effective benchmarking is measuring only what is relevant to the success of the organizational mission – stay focused on what matters to you, not to others.

RESOURCES:

Saul, J. (2004). *Benchmarking for Nonprofits: How to Measure, Manage, and Improve Performance*. Nashville, TN: Fieldstone Alliance.

Lankford, W.M. (2002). Benchmarking: Understanding The Basics. The Coastal Business Journal, 1(1), 57-62.

Tool #10 Standards for Internal Evaluation

In order to help organizations determine how well they are using their newly found evaluation capacity, ECDG recommends the application of the United Kingdom Evaluation Society's *Guidelines for Self-Evaluation*. What the U.K. calls self-evaluation, ECDG refers to as internal evaluation (see Tool #1 which considers internal vs. external evaluation). Hopefully, all organizations that conduct self-evaluation will be able to answer affirmatively to the following guidelines.

http://www.evaluation.org.uk/Pub_library/Good_Practice.htm#self:

- Make the aims, objectives, and purposes of the evaluation clear to all members of the institution.
- Ensure that the process is built into the structure and function of the institution.
- Have a clear set of procedures for the sharing of data within and beyond the institution.
- Take steps to ensure that all members of the institution believe the evaluation is worth doing.
- Acknowledge that the sharing of knowledge and experience within the institution may be more threatening than to those outside and take steps to lessen this threat.
- Treat all colleagues equally in the process of the evaluation and dissemination of findings.
- Ensure that all involved in the evaluation (whether as data givers, collectors, or users) are engaged at some level from the start so they know what is happening and why.
- Adopt methodologies that are economical and feasible to use in the time-scales and operations of the institution.
- Have the backing and support of the head of the institution, including financial support, where appropriate for meetings, networking, dissemination, and publication.
- Assure members of the institution that the findings from the evaluation are fed back into development as well as providing a measure of accountability.
- Indicate that the process is methodologically sound from which valid implications can be drawn for the precise purpose agreed.
- Ensure the agreement and understanding of all members of the institution before starting the evaluation.
- Demonstrate consistency and predictability of behavior in the conduct and negotiation of the evaluation.
- Recognize and agree when it is important to make data public and when, for the development of the institution, it is prudent to retain some data in confidence.
- Communicate openly and honestly with colleagues, consistent with maintaining fair and equitable ethical procedures.

- Seek advice and /or consider adopting a critical friend to conduct a process audit of the methodological rigor and fairness with which the evaluation is conducted.
- Communicate to colleagues in accessible language and engage them in discussion on the utility of the evidence and findings.

Some large international organizations are taking the bold step of creating programming and evaluation standards unique to their organization. See for example,

Rugh, J. (2005). The CARE International Evaluation Standards. In C. Russon & G. Russon (Eds.), International Perspectives on Evaluation Standards. [New Directions in Evaluation](#), 104, 79-88.

RESOURCES:

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About the Authors

Karen Russon

Karen came to ECDG having served in various leadership roles of community and civic organizations. Her training background ranges from the Peace Corps, where she managed rural cooperative development in Chile and Honduras, to training university personnel on computer software applications. As an International Agriculture Development Specialist at the University of Illinois, Karen was involved with an institutional development project with the NWFP Agricultural University in Peshawar, Pakistan. She holds a Masters degree in Public Administration with a concentration in international development administration.

Karen has professional interests in the area of international community development. She views her role in ECDG as a facilitator of change for evaluation capacity development in nonprofit organizations.

Craig Russon

Craig has been involved in program evaluation for over 30 years. His early evaluation experience was as a Peace Corps volunteer in Chile and Honduras (where he met Karen). He holds a Masters degree in educational psychology, an MBA, and a Ph.D. in agricultural education. He is currently a Senior Evaluation Officer with the International Labour Organization in Geneva, Switzerland. Craig previously worked as an Evaluation Manager with the W. K. Kellogg Foundation and Senior Principal Research Associate at the Western Michigan University Evaluation Center. He co-edited with Karen: *The Annotated Bibliography of International Programme Evaluation* published by Kluwer Academic Publishers.

Craig was involved in the effort to develop a global coalition of regional and national evaluation organizations that led to the creation of the IOCE. He has also pursued his interest in the use of evaluation standards in international settings.