



Chapter 5

Contributed by Project Evident

Harnessing the Power of Data and Evidence

Philanthropists and the leaders they support share a common goal: to achieve meaningful impact for the communities they serve. However, understanding if you're making a difference in the social and education sectors is a complex task. Many philanthropic efforts are focused on tackling some of society's biggest challenges, influenced by a web of interwoven factors and with root causes that are not always clear. How can impact-driven donors and practitioners (leaders and program staff at nonprofits and social impact organizations) understand and improve their progress?



Listening to grantee partners and communities, and adopting a streamlined approach can all be helpful tools in measuring impact.

The Importance of Data and Evidence

That's where data and evidence come in. Data and evidence are remarkably powerful tools, helping us understand what's working and what isn't, for whom, and why. They guide critical decision making and enable continuous learning, innovation, and improvement. And they deepen a shared understanding between funders, nonprofits, and community members.

- Data: quantitative and qualitative information
- Evidence: data plus analysis that enables it to answer questions and inform actions

Before going further, we must also acknowledge that there can be a flip side to data and evidence. While they have the potential to drive more equitable outcomes, the dominant approach to evidence and evaluation in the social sector remains inequitable. Funders and policymakers too often demand data from nonprofits with narrow ideas of what constitutes effectiveness. One common example of this is the emphasis often placed on a nonprofit's overhead costs, where organizations with the lowest overhead are deemed efficient and those with higher overhead are suspected of being wasteful, or worse—of intentionally misusing funds. In reality, a nonprofit's overhead costs vary greatly depending on the type of activities the organization pursues, and "indirect" and "administrative" costs are often critical to an organization achieving its mission. Furthermore, tensions between the power of evidence and its dangers persist, especially in communities that have been historically exploited. For instance, predictive policing programs that are predicated on biased data only serve to exacerbate criminal justice inequities that exist for Black communities.

That's why we must take a new approach to how we think about building and using evidence for impact—one that acknowledges power dynamics, builds on past learnings and failures, and is inclusive of a wider range of data points and viewpoints.

At Project Evident, we call this the Next Generation of Evidence, and define it as having the following principles:

Centering on practitioners and the communities they serve: Practitioners—those at nonprofit organizations and public agencies who deliver programs and services—must be empowered to drive their own evidence agendas.

Connecting equity with data and evidence: We believe that evidence is a promising and powerful driver of equity, that equitable evidence practices will result in stronger outcomes, and that equity must be considered both in the way that evidence and data are built and used and in the types of outcomes we seek to address.

Elevating community voice: Communities must have the power to shape and participate in the evidence-building process to ensure that data being shared and services provided are of value to both participants and program improvement.

Embracing a continuous R&D-like approach: Research and development (R&D)—a disciplined process for learning, testing, and improving—must become standard practice in the social and education sectors to enable timely and relevant continuous evidence building.

Reimagining evidence to broaden its definition and use: To build evidence that is more meaningful to practitioners and communities, we must broaden our definitions of what counts as evidence and who gets to participate in the process.

In the face of compounding inequities across education, health, housing, employment, and economic security—we need data and evidence now more than ever. Donors also have the opportunity to rethink how they approach measuring the impact of their grants. Rather than viewing evaluation primarily as a tool for accountability, we urge you to think of it as an opportunity for continuous learning and improvement alongside grantee partners in service of your shared vision for a better future.



Understanding the Uses of Data and Evidence

For donors assessing their own portfolios as well as for the grantee organizations they support, data and evidence helps strengthen your work in a variety of ways, including:

Guiding decision making: Data and evidence can help both you and your grantees make smarter decisions. For donors exploring a new grantmaking program, this could look like conducting a landscape scan of organizations working on an issue or in a community you care about, and using that to inform your giving strategy. For a nonprofit, it might mean using student test scores or program participant surveys to make informed choices about how to improve programs. Using evidence also ensures more equitable decision making by enabling us to base choices on transparent and credible information rather than our own assumptions (although keep in mind that data and evidence are not immune from bias!). Particularly in times of economic or political uncertainty, data and evidence are critical tools that can help leaders make resource allocation, scenario planning, and other difficult decisions.

Optimizing programs and practices: There are many ways organizations can use data and evidence to improve their programs. Approaches such as Continuous Quality Improvement (CQI), Plan-Do-Study-Act (PDSA), and other small tests of change allow for leaders to develop and improve programs in low-risk, cost-effective ways. With advances in artificial intelligence (AI) and machine learning, organizations are increasingly leveraging technology to analyze data and generate real-time recommendations.

Increasing alignment among stakeholders: Data and evidence help ensure that funders, grantees, and community members have a shared understanding of the current state of affairs, and are aligned on where they're trying to go and how they will measure progress. One important way organizations can do this is through developing and sharing a theory of change, which lays out an organization or program's activities and anticipated outcomes. Data and evidence are also important components of communications, storytelling, and advocacy efforts.

Building capacity for learning, innovation, and R&D: Research and development (R&D) is a critical and often underdeveloped function in many social sector organizations. Allowing for continuous experimentation, failure, and adjustment will ultimately drive better impact, but requires time, resources—and data and evidence.

Generating stronger and more equitable outcomes: The goal of building and using evidence isn't just to assess your impact—it's to also improve it. By strategically and continuously building and using evidence, organizations can drive stronger, more meaningful, and more equitable outcomes for the communities they serve.

Case Study

Generating On-Demand Evidence for Practitioners

First Place for Youth helps youth who have aged out of the child welfare system build the skills they need to make a successful transition to self-sufficiency and responsible adulthood.¹⁴ Gemma Services is a social service agency that operates a long-term residential psychiatric care program for youth.¹⁵ A few years ago, both organizations realized that their administrative data systems, while extensive, generated little information that could be used by practitioners as they worked directly with youth and families.

To address this limitation, First Place and Gemma partnered with BCT Partners, an evaluation and data science firm, to institute “precision analytics,” which trains machine learning algorithms to build predictive, prescriptive, and evaluation models that can generate actionable evidence in real time. Using programmatic and administrative data, this process learns from differences in outcomes among similar youth who experienced different treatment patterns, analyzes what has worked for specific participant populations in the past, and translates those findings into recommendations for front-line staff so that they can connect each youth with the services and supports that are most likely to lead to success.

¹⁴ <https://firstplaceforyouth.org>

¹⁵ <https://www.gemmaservices.org>



Empowering Your Grantees With Data and Evidence

Despite the increased interest in impact measurement across the social sector, the dominant approach to evaluation remains slow, expensive, and insufficient. Many funders, while well-intentioned, ask grantees for evidence without understanding the resources required for the organization to be able to provide it, and without thinking about if the evidence serves to strengthen the work of the organization or is simply a compliance exercise.

By investing in your grantees' capacity to strategically build and use evidence, funders can help make sure that data and evidence work in the best interest of everyone involved—most importantly, the communities we are all trying to serve. Here are several ways donors might consider approaching impact measurement in partnership with grantees:

Invite and Support Grantees to Lead

Nonprofit leaders are usually the ones closest to the problem you're hoping to solve, so it makes sense they should lead their own evidence agendas. But in the current ecosystem, evidence building is usually conducted to either answer questions researchers are interested in, or to prove to funders that programs are "effective." Nonprofits are too often the caboose of the evidence-building train when they should be the engine. Funders can change this dynamic by supporting nonprofits in leading the evaluation process, based on the learning agenda and priorities of the grantee. Evidence building should allow nonprofit leaders to guide their programs toward better performance and outcomes for those they serve.

Tailor Methods to Context and Learning Questions

Conversations around assessment often focus too much and too early on evaluation methods. Funders sometimes get hung up on the specific type of evaluation (such as a randomized controlled trial) because they believe it to be the "best" method. But for evaluation to be meaningful for practitioners, the decision that needs to be made takes priority over the method being used. For instance, if a nonprofit leader wants to understand attendance patterns among their enrollees, an assessment might include measuring attendance, sampling enrollees, and tracking enrollees' participation over time. In contrast, if the nonprofit leader wants to test different strategies for enrolling and retaining clients, an assessment might involve an experimental study isolating the causal effect of those different strategies.

Support Continuous Evidence Gathering

No single study will make a program perfect. Rather, evidence provides information that (ideally) allows for incremental improvements. A continuous process for evidence generation and analysis that is connected to learning and strategic goals will drive stronger outcomes. Funders may consider staged funding to allow for learning and adjustment over time.



Broaden Your Definitions of Evidence

Funders too often rely on narrow frameworks and definitions that constrain innovation and result in evidence that isn't viable for communities. To build evidence that is more actionable, relevant, timely, and cost-effective, we must broaden our definitions of evidence to include not only statistical but also practical significance and to allow for input from a broader range of stakeholders. Evidence should be responsive to the operational context of practitioners, attend to systemic and structural conditions, and prioritize practitioner decision-making and learning.

Navigate by Trust

In certain scenarios, evidence can replace the work of trust-building, where funders gatekeep resources while looking for proof on their terms. Grantees may fear reporting disappointing results will result in losing funding. However, when evidence building shifts to being a process done in trusting partnership, funders and practitioners both benefit, and communities do too. In this scenario, both positive and negative evaluation results are opportunities for learning, reflection, and open dialogue in service of shared impact goals.

Case Study

Mobilizing Rural Churches to Improve Early Childhood Literacy in North Carolina

More than half a million students in North Carolina — about 40 percent of all students in the state — attend rural schools, and one in five school-aged rural children is living in poverty.¹⁶ Rural students, particularly those from low-income families, lose substantial ground in literacy during the summer due to diminished access to academic support and enrichment opportunities, which contributes to long-term disparities in educational outcomes.

The Duke Endowment's Rural Church Summer Literacy Initiative is designed to help United Methodist congregations improve early childhood literacy in North Carolina's rural communities.¹⁷

Continuous generation and use of evidence has been at the core of the initiative's evolution, from a pilot program in one community in 2013 to a multi-community initiative today. The Rural Church program area has taken a measured approach to expanding the initiative across North Carolina, supporting programs at only three churches until 2018 while building evidence of implementation feasibility and student outcomes. The endowment used this evidence to expand the programs to more than a dozen churches in 2019 and 2020. Today, the Rural Church team is continuing its efforts to support churches and program staff in delivering high-quality services to their students and families during an unprecedented time of disruption and uncertainty in education, with data and evidence remaining at the core of the initiative's strategy and decision-making.¹⁸

¹⁶ https://cdn-files.nsbba.org/s3fs-public/10901-5071_CPE_Rural_School_Report_Web_FINAL.pdf

¹⁷ <https://www.dukeendowment.org/project-details/summer-literacy-initiative>

¹⁸ <https://www.resourceumc.org/en/content/ten-congregations-partner-with-duke-endowment-to-improve-child-literacy>

Connecting Equity to Data and Evidence

Evidence can shine a light on those who have been overlooked and help us understand what works (and what doesn't), for whom, and under what conditions. For nonprofits—who are responsible for delivering a sizable chunk of social services in this country—harnessing the power of evidence can help reduce persistent disparities in education, employment, health, and other outcomes of well-being that are too often based on income, race, and geography.

In order to achieve more equitable outcomes, principles of equity must inform how funders and nonprofits generate evidence and evaluate outcomes.

This includes:

- Considering systems, policies, cultural norms, existing biases, and community conditions that drive inequity, especially those related to poverty and racism.
- Empowering program participants and community members to shape and participate in the process of building evidence and interpreting results.
- Developing data collection tools and processes that are respectful and responsive to the needs of different groups.
- Building capacity for continuous dialogue, reflection, and other learning activities among relevant stakeholders.
- Intentionally using data to determine differential impacts on populations served and identify areas of improvement toward meaningful and equitable outcomes.

Final Thoughts

For many donors, considering and then understanding their impact can feel overwhelming. But the good news is there are small steps you can take to get started.

Consider opening a dialogue with your grantees by asking these simple questions:

- "What would you like to learn?"
- "How do you measure success?"
- "How can I support you?"

By working together to harness the power of data and evidence in service of your shared impact goals, you can deepen your partnership with grantees and ultimately achieve stronger and more equitable outcomes for the communities you care about.

More Information

To learn more, check out these organizations working to advance more equitable and impactful evidence and evaluation practices:

- Project Evident¹⁹
- Equitable Evaluation Initiative²⁰
- We All Count²¹
- Engage R+D²²

¹⁹ <https://www.projectevident.org>

²⁰ <https://www.equitableeval.org>

²¹ <https://www.weallcount.com>

²² <https://www.engagerd.com>