



ASSESSING OVERALL FOUNDATION PERFORMANCE



*Jim Canales, President and CEO, The James Irvine Foundation
David C. Colby, Vice President, Research and Evaluation,
Robert Wood Johnson Foundation
Moderator: Crystal Hayling, President & CEO, Blue Shield of
California Foundation*

Measuring progress against ambitious goals is an ongoing challenge for foundations. The deceptively simple question, “How are we doing?” is often the first one board members ask, but answers can prove elusive.

When assessing overall foundation performance, there are two key questions, said session moderator Crystal Hayling, president and CEO of Blue Shield of California Foundation. “What’s the information you need to know when you are on the board? And then how do you know what to do with that information once you’ve got it? It’s not enough to have a scorecard, for example. You have to take that information and think differently,” she said.

Joining Hayling were Jim Canales, president and CEO of The James Irvine Foundation, and David Colby, vice president, research and evaluation at the Robert Wood Johnson Foundation, who provided insight into these questions as they shared ways their foundations assess performance and put that information into action.

JAMES IRVINE FOUNDATION’S PERFORMANCE ASSESSMENT FRAMEWORK

Characterizing his foundation’s performance assessment framework as “a work in progress,” Canales

said that it was developed after an 18-month planning process in which Foundation leaders had identified three new program areas.

The framework was created for four main reasons, Canales said:

- 1) to clarify the Foundation’s approach to measuring progress;
- 2) to create shared understanding between the Board and staff regarding performance assessment;
- 3) to demonstrate accountability and assist Irvine’s Board in fulfilling its oversight responsibilities; and
- 4) to inform future programmatic decisions and strategic choices.

“Our philosophy is that evaluation only serves us well if it is something that we use for performance improvement and the ongoing refinement of our work,” he said, adding, “It’s not about auditing, but it is certainly about accountability.”

The framework was developed over a six month period by an ad-hoc board-staff task force. “I wanted to be sure we had the Board’s buy-in into the process,” said Canales. The resulting framework was based on some key assumptions: the understanding that the Foundation couldn’t measure everything and therefore would be selective about what it would measure; that it would share what it learned with the field; and that it would learn from others. “As we’ve shared this work,” said Canales, “we’ve benefitted from input from others.”

The resulting six-part framework was broken into two main categories – program impact and institutional effectiveness. The program impact portion of the framework examines grantmaking, outcomes and results, learning, and refinement. The Foundation

uses a variety of data to report to the Board in each of those areas.

Under “outcomes,” the Foundation uses program evaluations to determine whether it is achieving what it set out to achieve. For example, an evaluation of its initiative to increase electoral participation among infrequent voters – particularly those in low-income, ethnic communities – revealed a number of best practices for mobilizing these voters. Face-to-face canvassing by well-prepared canvassers from the local community, for example, was found to be the most effective technique.

The “results, learning, and refinement” section of the report is based on qualitative data and gets at “how lessons from our program work inform and improve our strategies,” said Canales. It is reviewed on an ongoing basis and shared with the Board once a year.

The “institutional effectiveness” portion of Irvine’s framework examines how the Foundation is exercising leadership, constituent feedback, and finance and organizational information. “Institutional leadership is not about measuring how many times we are mentioned in the media,” said Canales. “This is about understanding how Irvine is helping to frame and deepen understanding of issues that we care about. How are we helping to point to solutions that address these issues?”

The Foundation also reports on constituent feedback garnered from assessment tools such as CEP’s Grantee Perception Report® (GPR) and other surveys. This year, the Foundation presented the results of a survey providing feedback on the effectiveness of its Web site as a communications tool. Irvine is responding to that feedback by considering ways to make the site’s written content more accessible and less verbose. It is also exploring enhancements to the site’s navigation, fonts, and colors to make it easier to use and read.

A yearly report based on the framework is created for the Board. To help them synthesize the information, Canales writes a memo summarizing the findings. “The Annual Performance Report is a useful tool to track progress and stimulate dialogue with the Board,” he said. And because Irvine is committed to public dissemination of what it has learned, the report is available to the public on its Web site.

“We want to put out something that is useful to the field and to stimulate conversation about foundation performance assessment, which is an underdeveloped part of philanthropy,” Canales said.

He also cautions that the staff time and resources required for the effort are not insignificant – especially given Irvine’s commitment to share information publicly.

Canales noted that putting a new strategy in place along with the performance framework was a culture change for the Foundation. It took some time before the staff felt comfortable having a candid dialogue with the Board. “It took a lot of work to get staff to do that,” said Canales. “We are trying to create a culture where the Board is an engaged strategic partner that is adding value to the Foundation.”

Irvine’s annual performance report is available at <http://www.irvine.org/evaluation/foundation-wide-assessment>.

ROBERT WOOD JOHNSON FOUNDATION’S BALANCED SCORECARD

Like Irvine, the Robert Wood Johnson Foundation (RWJF) also makes its performance information public. Early trustees who came from the pharmaceutical industry asked, “Are we being effective?” said Colby, explaining that as a result, “having outside evaluations has always been part of our DNA. Honesty about the impact of our own work has helped our brand.”

From the beginning, RWJF has shared program evaluations that assess strategies, processes, and outcomes, and help capture the factors that account for program – and Foundation – successes and failures. In addition to sharing these evaluations with its Board, RWJF also shares them with policy-makers, researchers, advocates, RWJF program grantees, and other program stakeholders. Many of the findings from its funded evaluations are available in peer-reviewed journals, and RWJF posts them on its Web site.

More recently, it has also been sharing an enterprise-wide view of its performance in the form of a yearly “Assessment Report,” which is available at <http://www.rwjf.org/about/assessingscorecard.jsp>. Data for the Report is based on the Foundation’s Balanced Scorecard – a tool it uses to measure and track performance. Based on data

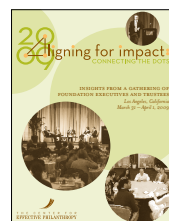
that comes from periodic surveys of grantees, staff, health policy experts, the American public, and other stakeholders, the Balanced Scorecard delves into four key areas:

- Program Development – Is RWJF developing programs in areas that are important?
- Program Impact – Are the programs meeting their goals and having the intended impact?
- Customer Service – How well is the Foundation serving grantees and other “customers” that go to the Foundation for information?
- Human and Financial Capital – What is the health of our human and financial assets?

Such ongoing assessment helps RWJF keep its strategy on track. For example, the Foundation used CEP’s

GPR for the first time in 2004 and has since repeated it regularly. “The survey results looked pretty good on an absolute scale, but less good on a comparative scale,” said Colby. “We didn’t do as well on the things we cared about so we embarked on a year-long quality improvement project to change the way we do our grantmaking. This was the first time we used the scorecard to drive major change,” he said.

Hayling observed, “When I first came into the field of philanthropy, program officers often acted as instigators of change trying to overthrow the decisions of the Board. But honestly assessing institutional performance requires a really different culture that is open to the data and the conversation and that wants to engage with the Board.” She said, “It requires trust. You have to have some level of trust in the Board to have these conversations. And the more that you have these conversations, the more trust you build.”



DOWNLOAD THE FULL REPORT AT:
WWW.EFFECTIVEPHILANTHROPY.ORG
> PUBLICATIONS