

## **Working Smarter, Not Just Harder: Using Outcome Data to Improve Performance**

This document presents a summary of “Working Smarter, Not Just Harder: Using Outcome Data to Improve Performance,” a seminar sponsored by The Pew Fund for Health and Human Services. Held on November 17, 2006, the seminar was part of The Pew Charitable Trusts’ information series called *Programs Adjusting to a Changing Environment* (PACE), created to improve nonprofits’ ability to succeed by providing them with critical information, strategies and tools.

In recent years, under growing pressure from both the public and philanthropic sectors, many nonprofit organizations have become “outcomes driven”—investing significant time and energy to identify service outcomes, collect the relevant data and report the results to their funders. But beyond fulfilling reporting requirements, data collection and analysis is a critical tool for improving the work of nonprofit organizations. It can be used by agencies to help them better understand their clients, determine whether their programs are working and decide on programmatic adjustments that will lead to greater success.

This session examined practical strategies and challenges involved in using data to strengthen performance. There were two presentations. Martha Myles, Director of Training, Inc. National Association, a network of nonprofit job training organizations, and a consultant for Public/Private Ventures’ (P/PV’s) Working Ventures Initiative, provided an overview of effective strategies. Two Philadelphia program operators—Ray Jones, Director of Ex-Offender Services for Impact Services, and Cyndee Wishkovsky, Director of Aging Services for Intercommunity Action, Inc.—shared their experiences and lessons learned as they began to use data for organizational improvement. During the session, participants also completed a self-assessment of their organization’s “culture” around data and engaged in small-group discussions on this topic. There were opportunities for questions and answers throughout the session, and information that emerged from those exchanges is incorporated throughout this document.

### **Becoming an Outcomes-Driven Organization**

Myles opened her presentation by explaining that she was going to offer “helpful learnings” from a P/PV study of organizations that were attempting to find ways to use data as a tool to improve performance. While these were all workforce development organizations, their experiences are applicable to a wide range of other nonprofits. In introducing the topic of outcomes-driven organizations, she emphasized several key points:

- **Program operators tend to have mixed responses to the concept of data.** When Myles asked participants to describe their immediate reaction to the word “data,” they responded with lists of both benefits and frustrations. Benefits included using data to see if their programs were improving and demonstrating to

fundere that their services were having an impact. But participants also pointed to a number of challenges, including tracking down program clients and getting accurate information from them, and finding the time and resources to build the capacity to use data. An additional source of frustration is the fact that different fundere have different definitions of “outcomes,” complicating agencies’ ability to collect and analyze data and report on their findings in an efficient way.

- **Data are a critical tool for “working smarter.”** Organizations constantly have to adjust what they are doing and how they are doing it in order to strengthen outcomes for their clients. In the current environment of shrinking resources, everyone has to work smarter. The key is not to use a few success stories as the basis for making decisions about how to improve services; instead, organizations need to have good data that allow them to examine what they are doing and learn from what they discover.
- **The most important component in becoming an outcomes-driven organization is helping staff understand the value of using data.** Myles noted that when organizations start thinking about collecting outcomes-related data, the first thing they typically focus on is the technology—computers and databases. But data systems should not be the major concern. What is most important, she said, is getting buy-in from front-line staff, who might see data primarily as a funder’s requirement that takes them away from their “real work” of serving clients. The goal is to create a culture among staff that helps them move from seeing a focus on data as something motivated by external powers to something motivated by internal improvement; from thinking about data as being a burden to understanding it as a useful tool; from seeing it as dealing with impersonal numbers to recognizing it as a key to better client service; from considering data as something only managers deal with to knowing it is something all staff can do; from believing that data is not related to their job to seeing how it connects their job to the entire organization’s mission and goals.
- **Being an outcomes-driven organization means having a regular cycle of data analysis, reflection and informed action.** The data provide information and raise questions that all staff should be involved in asking and answering. What is the story revealed by the data? What is working? For whom? What factors could be contributing to, or impeding, performance? What programmatic adjustments will improve performance? Organizations use the data to make decisions and implement specific actions, and then look to see what new data those actions produce over time. These new data create additional information and generate a new round of questions about outcomes and improving performance, thus continuing the cycle.

## **Five Key Strategies**

Myles emphasized that becoming a data-driven organization is a lengthy process that takes place in small steps. How does an organization begin to make the shift to using data

as a tool for ongoing learning and performance management? Drawing from the study of workforce development organizations, she described five essential strategies:

- **Focus on the data that matter to you.** Each organization should involve its entire staff in defining its goals and identifying the “dashboard indicators”—the visible signs of these large outcomes—that allow everyone in the organization to know what success looks like. For example, “dashboard indicators” might be clients’ improvement in mental health, the number of clients who can stay in their homes and out of long-term care or the number of youth who graduate from high school. In addition, staff and program managers have to identify “interim milestones”—key steps that lead to those large outcomes. These might, for example, include compliance with taking prescribed medications and the ability to identify needs and accept help. Organizations can then collect and use the data to gauge how far they have come and what they need to work on, as they track their progress toward their large goals and compare their outcomes with those from the previous year.
- **Nurture the “inquisitive mind.”** How can program managers get everyone in their organization to start talking about the data? It is one thing to have a chart that is handed out at a senior staff meeting, but the organizations that are developing a “data culture” have built in regular opportunities for all staff to discuss the data. Every staff meeting should include time for paying attention to what the data are saying. The question is not “who messed up?” but “what can we learn from the data? Why is this happening?” It is often the person on the front line who has the “gut hunch” about why an approach is or is not working successfully. Having these kinds of regular conversations also helps staff buy into using data and see how their work contributes to the organization’s goals.
- **Make staff jobs easier with data.** It is essential to ask staff how they think data could help them better serve their clients. Sometimes the simplest data can be particularly useful. One organization, for example, found that just printing a list of zip codes where clients live helped both the recruiter and the staff member working with child care target their services more effectively. In addition to printouts and reports that are useful for staff, broad accessibility of client data, as appropriate, can make everyone’s work more effective—in a job training organization, for example, it can be valuable for staff responsible for job placement to have access to case managers’ notes. At the same time, training is essential to help staff become competent in accessing and using data. Formal training can help them know how to create a report or query information in the database. But training can also be as simple as matching them with a buddy or mentor who is comfortable with technology and will help them feel more at ease with it themselves.
- **Develop approaches for ensuring quality data.** If data are going to generate useful information for an organization, they have to be complete and accurate. Myles talked about a problem that arose in her organization when the data

indicated that clients placed in jobs were earning an average of \$25.00 an hour, a figure that could not have been right and that indicated hourly wage data were not being entered accurately. Staff need to be encouraged to enter data correctly. Approaches include giving staff awards for timely data entry, and having a section on their performance evaluation that specifically addresses accurate data entry. In addition, some organizations have begun to re-write job descriptions so they are clear up-front that the job includes working with and learning from data. Beyond individual staff members' responsibility for data related to their role, there should be a quality control process in place, with someone in the organization having responsibility for reviewing the data for accuracy.

- **Invest continuously in the technology.** Organizations need an ongoing budget to maintain and upgrade their data systems. The system does not have to be elaborate—it could be nothing more than an Excel spreadsheet—but it does have to be flexible because organizations inevitably have to provide different funders with different data in a variety of forms. Organizations should also build the internal staff capacity to deal with the smaller, ongoing issues involved in maintaining and upgrading data systems, while using consultants only to help them address larger challenges and major changes to systems.

### **An Example: Using Data to Improve Outcomes in a Job Training Organization**

To make the discussion more concrete, Myles provided an example from her own organization. Training, Inc. Indianapolis provides a 14-week job skills training and internship program to low-income, unemployed people ages 18 and older, and also offers them job placement and retention follow-up services. The organization began to focus on learning from data when the Joyce Foundation, in Chicago, asked them to use data to examine their outcomes and provided resources for them to take that step. Myles' description of the organization's experiences included these points:

- **The organization quickly recognized that it had a performance gap.** Training, Inc. is a small program, with 130 people enrolled and 100 placed per year. While its six-month job retention goal was to have 80 percent of those people still in their jobs, they found that the actual number was 63 percent. A related goal was to have people show improvement in wages over time, but average wage gains after 12 months were very low.
- **They began to ask questions about who was and was not achieving success.** Who among their 100 placements had kept their job for a relatively long time—six months to a year—and who had not? Who had higher wages and who did not? Myles emphasized that this was not “scientific research,” but a “rough and dirty Sherlock Holmes activity.” As they examined their data in an Excel spreadsheet, staff began to see that there were three groups: the “advancers,” who were keeping their jobs and progressing well in their wages; the “maintainers,” who were keeping their jobs but not having any wage growth; and the “strugglers,” who were having trouble just keeping their jobs.

- **Their next step was to identify the factors that could significantly affect clients' success or failure.** Which factors most correlated with whether clients became “advancers,” “maintainers” or “strugglers”? Of those factors, which could the organization most control? The types of factors they examined included client demographics; the services they were in during their time in the program and the amount of follow-up the program provided; environmental factors, such as the client’s number of children and TANF status; and barriers such as health issues. They found no or little correlation between a client’s success or failure and such potential factors as that person’s number of barriers, including, for example, health issues, whether or not she was on TANF and the number of follow-up contacts the program made after placement. They did find correlations with whether the person had a high school diploma or GED, her number of months on TANF, her starting wage and the type of job she got, regularity of program attendance, the depth of the career plan she developed while in the program and attendance at the program’s post-employment support group activities. In addition, the organization conducted focus groups with employers, who spoke about differences in placed clients’ level of initiative and assertiveness on the job.
- **Drawing from these findings, the organization modified some of its program practices in order to improve retention outcomes.** While this was far from exhaustive research, it helped the organization identify program practices they could strengthen. For example, they adjusted the process for having clients develop career plans: instead of having it as a one-time activity, they had clients work on it over a period of time as they became clearer about what they wanted their career goals to be. They also began to look more closely at which clients were close to getting their GED and needed an “extra push” to attain it and at what partnerships they should be building with effective providers of GED education.
- **The organization also identified milestones that would give them early indications of whether they were making progress toward their goal.** These included tracking weekly attendance of people in the program (so they could quickly identify clients who were coming irregularly); GED completion; and three-month retention of people who had been placed in jobs. The organization created regular data reports focusing on these milestones, so they could measure their progress on a weekly or bi-weekly basis, and these reports also reinforced for every staff person that she or he had a particular job in working towards the retention goal. Over time, this data-driven focus helped them raise their six-month retention rate from 63 percent to 81 percent. Importantly, it also strengthened the organization’s “data culture” because staff could see that the data they were collecting helped them serve clients more successfully.

## Putting Strategy into Practice: A Local Perspective

Ray Jones, of Impact Services, and Cyndee Wishkovsky, of Intercommunity Action, Inc. (Interac), spoke about their experiences in learning to use data to improve programming. Impact Services works with hard-to-serve populations, including TANF recipients, ex-offenders and homeless veterans, with the mission of improving family self-sufficiency, while Interac provides a range of programs in the areas of behavioral health, developmental disabilities and aging. Jones talked about using data in the organization's Fathers at Work initiative, which focused on non-custodial fathers who are ex-offenders, with the goals of placing them in long-term employment, getting them caught up with their child support payments and helping them improve their relationships with their children. Wishkovsky spoke about integrating the use of data into her organization's mental health services for the elderly. Given the differences in these programs, their experiences and challenges were somewhat different, but they also shared some common lessons learned:

- **For Interac, a key challenge involved making decisions about what data would most help them learn how successful they were in accomplishing their mission.** The organization's Aging Services has a broad goal—to try to help people stay independent—and an initial challenge was to define the specific meaning of the goal and identify the milestones that should be tracked to gauge progress. Thus, they had to grapple with the question: “How do you show success with a very vulnerable population?” Do the depressed elderly clients report feeling better? Are they functioning better? Getting out of their houses more often? What milestones should staff focus on? It was clear that they had to use multiple measures in defining “success.” Ultimately, they developed a chart that included a graduated scale from “in crisis” to “thriving” in five categories: symptoms, functional status (how much clients are able to do for themselves), treatment compliance, social supports and social functioning. Therapists collected data by doing assessments on these measure with their clients every six or twelve weeks.
- **Impact Services faced initial challenges in deciding how to capture data that would help them better understand where to strengthen programming.** Impact Services was one of six sites from around the country that participated in Fathers at Work, a project of the Charles Stewart Mott Foundation, and the initiative had well-specified goals and specific data collection requirements. At the same time, the organization also wanted to be sure it captured data that would contribute to its own learning. This need became more apparent when Impact found it was struggling with the initiative's job placement component. While they knew they had to find a way to learn why they were not being successful, they faced initial challenges in identifying how to capture the data they thought would be useful. They ultimately decided to collect data directly from the participants, and to do it primarily through the parenting classes that were a component of the initiative. They did this in several ways, including through a pencil and paper survey the young fathers completed each week while at the class and through

weekly logs they kept and allowed program staff to read. Most important, perhaps, was information that came from interactions—what participants said in the class and what they said in conversations with case managers. Taken together, these data helped the program learn more about the young fathers, understand what was and was not working, and make decisions about programmatic adjustments that would strengthen outcomes.

- **Both organizations had to develop strategies for getting staff buy-in.** Jones and Wishkovsky agreed that while it might seem easier on the surface to say to staff, “this is what we are going to do,” it is much more effective to help them discover the value of collecting and using data. To have staff develop a sense of “team” working together in using data and to help them understand why their input was valuable, Jones held weekly Friday afternoon meetings where front-line staff used their case notes to make presentations about issues they had faced during the week, and everyone discussed possible changes in the program that could lead to better outcomes. Wishkovsky similarly worked to develop a sense of “team” around data so that all staff knew their information and ideas were valued. One key strategy was to involve the entire clinical staff in developing the chart used to collect data on progress with elderly clients who were being treated for depression. Wishkovsky said that developing the chart took a long time—it involved working from the ground up, helping the therapists define what would show success with their individual clients and then trying to look at those factors from the point of view of the program’s goals. But the time was well spent, both in creating a more effective assessment tool and in gaining staff buy-in.
- **They both also learned that creating an organizational “data culture” is an ongoing process.** The Fathers at Work grant included a nine-month planning period, giving Impact Services the relative luxury of having time to work up-front with staff so they could begin to see their own role with clients in the context of the initiative’s larger goals. Wishkovsky re-emphasized the necessity of taking time. Building an organizational “data culture” does not happen overnight, she said, and it proceeds through a process of small steps. It is a big stretch, particularly with clinical staff, to move from “what is going on with my client?” to “what is going on with the program?” But the data are a powerful tool in helping them see that their work with individual clients contributes to the success of the program as a whole. While it is difficult to engage the elderly in mental health treatment, their data have shown that if clients stay in treatment from zero to six months, there is some improvement; and there is much greater improvement if they stay in treatment from six to twelve months. That lets staff understand that once they are working on that relationship, clients are improving. The data tell staff, “Look what you are doing. Look what we can do from a programmatic point of view.” At the same time, she said, the data also create more questions. For example, what about other demographic groups that are in mental health treatment? How do you measure their success? The more you know, the more you can ask—and the more you want to know.

## Using Data for Continuous Improvement: The Participants' Perspective

During the second part of the session, participants completed a brief self-assessment, structured around the five key strategies described earlier, that addressed organizations' readiness to use data for learning and program improvement. (See the attached form, "What is Our Organization's 'Culture' Around Data?") They also met in small groups to share examples of how they currently use data and then came together to discuss their ideas with the whole group. Many of the key points they made during these activities focused on strategies for getting buy-in from staff. Their points included:

- **Have a positive, non-judgmental environment that helps staff feel comfortable in raising questions and addressing issues that could lead to program improvement.** Many of the participants said their organizations already had this kind of environment, but several noted that they faced challenges in having open discussions because regulations prohibit the sharing of some client data across all staff. Myles emphasized that what is most important is to create forums that allow staff discussion of data on a regular basis. She talked about one organization that has "performance analysis days" once a month, where staff meet to look at reports on different data and brainstorm about what the data mean and how they could do better. Even when data on individuals cannot be accessible to all staff, these kinds of reports and discussions can help create an open atmosphere and make the findings accessible and useful to all staff.
- **Have all staff discuss the theory of change that underlies the organization's work.** A theory of change includes the needs the organization is addressing, the services it is providing, and why those services should be creating positive change. Myles agreed that having staff discussions focus on this topic is a very productive use of time. "You have an assumption going in about what factors are contributing to success—we think if we do these things, the following will happen. The data then help you test that theory," she said. "It is like pulling layers off an onion: what is influencing the change, or the lack of change?"
- **Collect all necessary types of data.** "Data" in many people's minds means quantitative data—numbers. Sometimes these numbers can be relatively simple to collect. One participant, for example, said that much of her organization's work takes place through phone calls as people contact them to get information about Medicare and other programs. Her organization developed a simple but helpful coding system that allows them to know at the end of each month how many people called for information and on what topics. In other cases, quantitative data collection might be more complex as organizations look at groups and sub-groups of clients to identify which groups did and did not do well, and the reasons why. Myles noted the importance of also collecting qualitative data by using surveys, interviews and focus groups. "These can be as important as what you key into a spreadsheet," she said. A survey of clients can help organizations learn what motivates them to change and adjust the program to address that critical factor. She also emphasized the value of asking questions of all of the organization's

stakeholders, not just clients. For a job training and placement organization, for example, the perspective of employers is key.

- Discuss with staff the data that are pertinent to their work, so they can see the impact they are having.** Myles said that one strategy is to ask staff what data they would like to have that the organization is not currently collecting. Counselors in a substance abuse program, for example, could want to know what happens after a person leaves the program. The organization might not have that information but recognize that it is useful data to begin to collect because it could contribute to learning about the program’s effectiveness. An additional strategy is to talk about data at every monthly meeting, but with a different topic each month. For example, an employment program might focus on recruitment data one month, training the next and placement the third month. In this way, each staff member is at some point talking about data that are directly related to her or his work. Importantly, this approach also allows staff to see the connection of their work to other staff roles and how their work contributes to fulfilling the organization’s mission.

### Organizational Self-Assessment

<i>P/PV Working Ventures</i>			
<p><b>Organization Self-Assessment</b></p> <ul style="list-style-type: none"> <li><i>Using Data for Continuous Program Improvement</i></li> </ul>			
STRATEGIES	Rate Your Org./Program 1-5 5 = Strong	NOTES	Priorities For Attention
<b><i>FOCUS ON THE DATA THAT MATTERS (to You)</i></b>			
1. <i>Visible “Dashboard Indicators” that are used to define success and are shared with staff</i>			
2. <i>Meaningful Comparisons – with goals, the past, and peers</i>			
3. <i>Identified Interim Milestones &amp; Supporting Data that connect key indicators to individual roles</i>			
<b><i>NURTURE THE “INQUISITIVE MIND”</i></b>			

4. <i>Frequent Discussion of quantitative and anecdotal data - and its implications</i>			
5. <i>Continuous Improvement Processes that help staff analyze data and make program changes</i>			
6. <i>Positive, Non-Judgmental Environment that focuses on solving problems, not blaming</i>			
<b>MAKE STAFF JOBS EASIER WITH DATA</b>			
7. <i>Broad Accessibility to Client Info to promote a shared understanding of goals and progress</i>			
8. <i>Clear Benefits to Using Data, Including Useful Reports that help staff work more productively</i>			
9. <i>Training, Training, and more Training Available – both formal and informal</i>			
<b>BUILD SYSTEMS TO ENHANCE DATA QUALITY</b>			
10. <i>Data Quality Tied to Job Performance – “If it’s not there, it didn’t happen.”</i>			
11. <i>Clear Quality Control Processes involving staff in every area</i>			
<b>INVEST CONTINUOUSLY IN THE TECHNOLOGY</b>			
12. <i>Responsive System Design that supports varying uses of data</i>			
13. <i>Funding for Maintenance, Training &amp; Upgrades – to support the ongoing “ cost of ownership”</i>			
14. <i>Wise Use of Consultants –while building internal staff capacity</i>			

**Additional Resources: Working Smarter, Not Just Harder: Using Outcome Data to Improve Performance**

The following resources provide additional information.

[please add “Resource List” from your files]