Ewing Marion KAUFFMAN Foundation

Kauffman Foundation Evaluation Guide

In March 2015, the Ewing Marion Kauffman Foundation (EMKF) created a new department tasked with evaluating the Foundation's impact—through both its grant-making and the programs it operates directly. The purpose of this document is to describe and explain the Foundation's policies for measurement and evaluation, which have been drawn from the best practices of others in this field and tailored to the needs of EMKF.

Our goal is to clearly describe—for associates, grantees, and the community—the purpose, values, and tools used in evaluation at EMKF.

Introduction

Mr. Kauffman believed strongly in the importance of using measurement and evaluation to understand performance and to inform improvement. In an interview, he described how important it is "that you evaluate all of your programs with a good analysis as to how well they've succeeded. To be very frank about that that didn't succeed and to be willing to tell other foundations about the failures that you've had because they can learn from that."

In fact, well before the Foundation was created and well before author Michael Lewis made Billy Beane famous for his "Moneyball" approach with the Oakland A's, Mr. Kauffman was using data to improve his baseball team, the Kansas City Royals. According to his biography, Mr. Kauffman required that every game be charted and analyzed with the goal of optimizing the team's odds of winning. This investment in measurement and learning paid off, with the Royals winning their division seven times over a ten-year period, culminating in being crowned the 1985 World Series Champions.

And, just as Mr. Kauffman's values continue to drive the work of the Foundation, they also form the basis of how we approach evaluation.

Vision Statement

The mission of EMKF is "to help individuals attain economic independence by advancing educational achievement and entrepreneurial success." As part of this commitment, the Foundation engages in evaluation activities driven by three goals:

1. to track and understand the progress of the Foundation and its grantees in achieving strategic objectives;
2. to create and share lessons that have been learned along the way; and
3. to use evaluation results to increase the impact of our investments.

Core Principles

Our evaluation work is guided by six key values:

1. **Meaningful**—we focus on collecting and analyzing data that directly informs our strategies and goals. Evaluations should include useful and actionable results that assist board, staff, and grantees in decision-making.

2. **Credible**—evaluations are designed to meet the highest evidentiary standard possible, while recognizing that different approaches are necessary depending on the context. In addition, evaluation materials seek to be as rigorous and accurate as possible, while also noting important limitations and assumptions.

3. **Timely**—we design and conduct evaluations with the goal of providing results quickly enough to be relevant for informing strategic decisions.

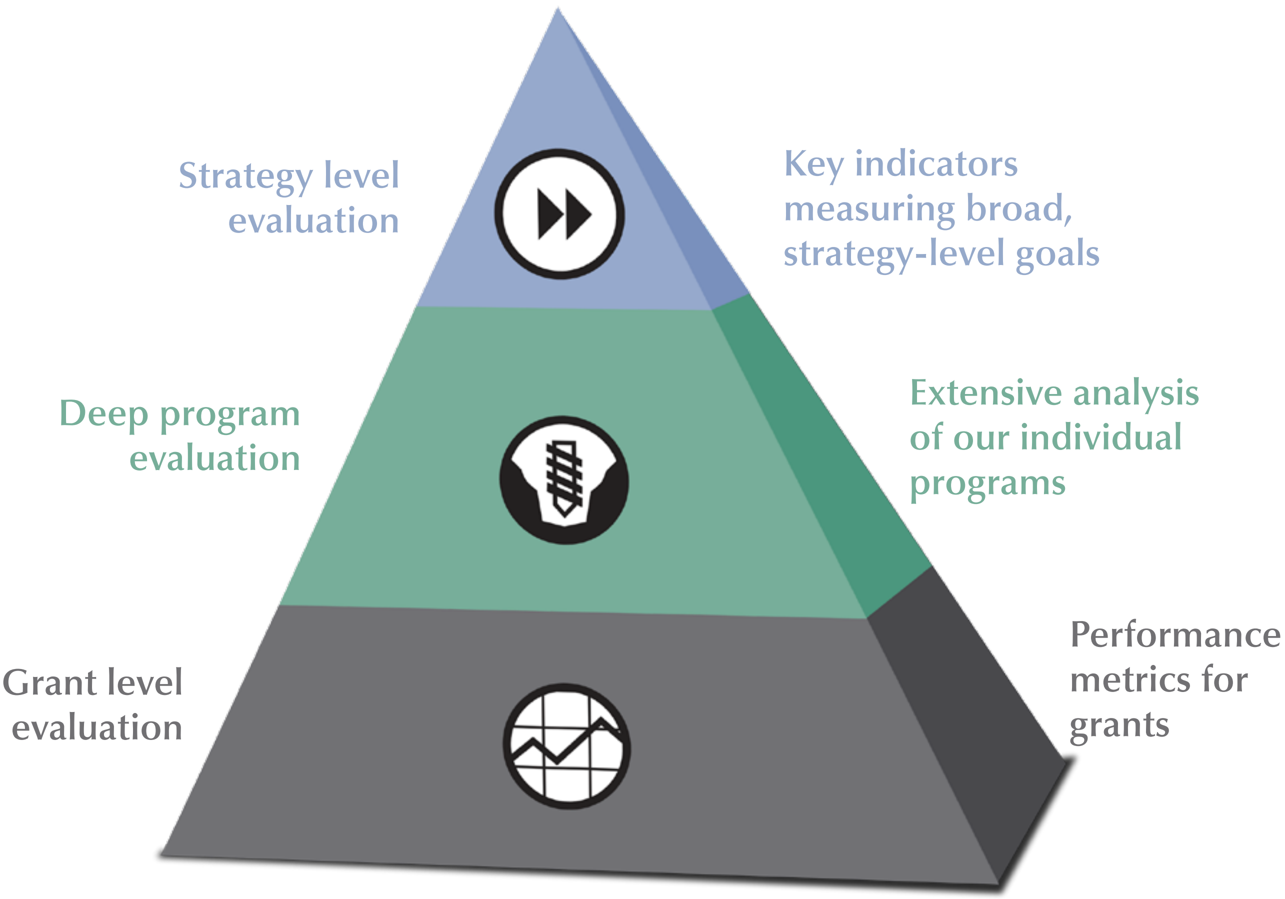
4. **Collaborative**—all evaluations should be designed with input from multiple stakeholders, including the board, senior leadership, program staff, grantees, and external advisors as appropriate for a particular project.

5. **Flexible**—the Foundation and its grantees work in areas that are complex and highly fluid, requiring evaluation approaches that are customized to meet the needs and context of each area. In addition, evaluation approaches should be designed to allow for modifications resulting from mid-course corrections or other changes that arise over time.

6. **Transparent**—we strive to share the results and lessons learned from our grant-making with the broader community (other funders, non-profit organizations, policymakers, influencers, and the public) so that they may gain from our experiences.

The Evaluation Pyramid

At EMKF, evaluation occurs at all three levels of the organization: grants, internally operated programs, and program area strategies.



Each level requires different approaches, with measurement and reporting strategies tailored to the needs of program officers and grantees, program operators, and Foundation leadership, respectively.

Grant Level Evaluation

As a private foundation, EMKF is primarily a grant-making organization. As such, it has been our top priority to establish an evaluation framework at the level of individual grants. To accomplish this task, we have implemented a performance measurement approach where the due diligence process for all new grants includes the specification of a series of specific, measurable, and meaningful output and outcome metrics. Further, each metric must contain what we consider to be the five key components of measurability by defining: who, will do what, by when, how much, and how we will know. More information about our approach to performance measurement is available in our online guide.

Done properly, a succinct set of metrics provides insights into a project's or organization's theory of change and communicates the expected return on the Foundation's investment. It also helps to focus interim and final reports and ground conversations in data and evidence. This eases the reporting burden on grantees, who now only need to provide a small set of key data points instead of lengthy narratives, and the monitoring burden faced by program staff.

When grants close, the evaluation department completes a summary grant evaluation. This evaluation has three key components: 1) an assessment of the extent to which individual output and outcome metrics were met; 2) additional narrative regarding contextual factors, unanticipated benefits or consequences, or other relevant information about performance; and 3) a brief discussion of lessons or other key takeaways that should inform future grant-making.

Program Level Evaluation

In addition to its grant-making, EMKF directly operates a small number of programs, such as the Ewing Marion Kauffman Charter School, Kauffman Scholars, 1 Million Cups, and Kauffman Founders School. The Foundation also has incubated programs that have later spun off as independent organizations. For the purposes of our framework, we include both types of programs in this level.

Our goal is to pair every program with a rigorous evaluation plan tailored to its needs—in most cases developed and then conducted by an independent, third-party evaluator. Every evaluation includes a summative component that uses the most rigorous methodology feasible to estimate impact relative to a counterfactual. Early-stage programs generally also will include a formative evaluation component that focuses on providing early-stage feedback on implementation.

Evaluators chosen for these projects are expected to provide reports to the Foundation with the most up-to-date information and results available. In addition, these reports are to be written and formatted in ways that make them accessible to program staff and Foundation leadership (i.e., not lengthy white papers). We also expect these reports to be published and presented by the evaluators as they see appropriate.

Strategy Level Evaluation

The broadest level of our work is strategy-level evaluation: the combination of grants, programs, and non-financial resources utilized to achieve goals. To build these evaluation frameworks, we started by going back to first principles—clarifying and making explicit the theories of change that lie behind each strategy.

The evaluation department facilitated workshops with each program area to create diagrams of the overall theory of change driving their work—including defining the problem(s) being addressed, the combination of strategies being pursued, outcome goals tied to each strategy, and an impact statement of how the world would be different in twenty years if everything were successful. These documents allowed us to create a common understanding of what the program areas hoped to accomplish and how they intended to get there.

Next, we undertook a second set of workshops to turn the theory of change diagrams into detailed logic models. While they are admittedly a simplistic and linear representation of our strategies, logic models are useful in identifying a small number of key indicators of performance in the short-, medium-, and long-term. In addition, these models also surfaced critical assumptions in the cause and effect hypotheses that undergird each of the strategies. These would later lay the groundwork for our organizational learning work (described below).

Using the key outcomes identified in the logic models, we set about operationalizing those indicators, identifying data sources, collecting data, and setting targets for each one for the next five to ten years. To house all of this information, we created dashboards that can be updated each year when new data become available. In the future, our hope is to move these online to increase accessibility, but, for now, they are reported in spreadsheets.

Getting to dashboards that present longitudinal data on a methodically chosen set of key indicators was a significant achievement. However, spreadsheets are not the most accessible interface for turning data into actionable insights. So, we helped develop a series of one-page summaries for each strategy that include: 1) an infographic of the most important indicator in the dashboard; 2) a description of three to four additional noteworthy results; and 3) a brief explanation of lessons that have been drawn from the data and how those learnings will be applied to the strategy moving forward.

Building a Robust Culture of Learning

In our view, evaluation that doesn’t inform or lead to action is just an empty intellectual exercise. That’s why we are supporting a parallel line of work around strengthening the Foundation’s culture of learning and continuous improvement. While there has been great enthusiasm for building out the Foundation’s strategic learning systems, we have found implementation challenging for a number of reasons. In particular, associates often don’t have anything tangible upon which to structure their reflections. As a solution, we have worked with the program areas to create what we term “learning questions.” These are concrete questions derived from the assumptions baked into the strategy’s logic model. These learning questions provide structure and focus that help to move from the ambiguous and difficult question of “what have you learned about your strategy?” to “what have you learned about this specific hypothesis that we are testing in our strategy?”

Moving forward, we will work with each program area to utilize data from a number of sources, including our evaluation work, to generate insights into their learning questions and then revise strategies as needed.

Our Evidentiary Standard

Across (and within) the three levels of the pyramid described above, there is significant variation in the types of evidence being collected. In some cases, we are able to generate rigorous estimates of impact. In others, we only have descriptive data about trends in macro-level indicators. As a result, we have a range of evidence that spans from causal attribution to correlational contribution. In seeking out the best evidence available to inform the Foundation’s performance, we want to be careful not to suggest that all data are created equal. Rather, it is critically important that the quality of the methods behind any piece of evidence is reported transparently and appropriate caution is used in interpretation.

Moving Forward

The evaluation department is still relatively new and will continue to be built, refined, and improved over the coming months and years. In the immediate future, the department will focus on several priorities. These include:

- Continuing to build out systems for organizational learning and continuous improvement;
- Establishing an advisory committee to provide additional expertise in the design and management of evaluation projects; and
- Exploring new approaches to the measurement of more challenging strategic goals, like policy influence, entrepreneurial ecosystems, and building trust within communities.

Conclusion

We see this guide as a starting point for a larger conversation about the use of evidence to inform and improve both the impact of our grantees and the Foundation. The evaluation function will continue to evolve, and we welcome feedback to help shape that process.

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Foundation

Fostering
economic independence
by advancing
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