UK Evaluation Roundtable: Framing Paper

INTRODUCTION

The UK Evaluation Roundtable is having its inaugural meeting on 25-26 March 2014. The establishment of the UK Roundtable was informed by the development and experiences of the US Evaluation Roundtable (www.evaluationroundtable.org), a network of US and Canadian foundation leaders that seeks to improve how foundations learn about the results of their grantmaking so that they can enhance the difference they make. The UK Roundtable is a joint initiative of the Institute for Voluntary Action Research (IVAR) and the Center for Evaluation Innovation (CEI), the organisation that leads the US Roundtable.

IVAR's partnership with CEI, and our respective work and studies across multiple foundations in the UK and US, give us a distinctive perspective on patterns and trends facing the sector. By raising these issues at the Roundtable meeting – in a dedicated, safe, and facilitated setting that encourages peer-to-peer interaction – we aim to stimulate dialogue and ideas that over time can help to strengthen the field.

The March Roundtable will focus on how to maximise the use of evaluation by trusts and foundations for strategic reflection and learning. We will explore this theme against a broader backdrop of current evaluation practices among UK funders.

This paper outlines findings from our background research on evaluation practices in the 22 UK trusts and foundations participating in the Roundtable (see box). We conducted in-depth interviews with each funder – mostly senior staff with direct responsibility for commissioning and managing evaluations, along with a small number of senior evaluation staff.[1] Unattributed quotations from our interviews are presented throughout the text in italics.

Participating Foundations
1. Barrow Cadbury Trust
2. BBC Children in Need
3. City Bridge Trust
4. Comic Relief
5. Cripplegate Foundation
6. Esmée Fairbairn Foundation
7. The Henry Smith Charity
8. John Ellerman Foundation
9. Joseph Rowntree Charitable Trust
10. Joseph Rowntree Foundation
11. LankellyChase Foundation
12. The Legal Education Foundation
13. Local Trust
14. Nominet Trust
15. Northern Rock Foundation
16. Oak Foundation
17. Paul Hamlyn Foundation
18. Porticus UK
19. The Queen Elizabeth Diamond Jubilee Trust
20. The Rank Foundation
21. Trust for London
22. The Tudor Trust

Findings here on evaluation trends, tensions, and opportunities are to inform our Roundtable discussions. They are based on an aggregate analysis of interview data across the foundations. We encourage you to compare your own individual experiences with these trends, and to come to the Roundtable with your reactions to the directions in which the sector appears to be heading. Specific questions you might consider as you prepare are at the end of this paper.

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[1] Responsibility for evaluation and learning within UK foundations generally resides with programme/grants staff.

Finally, please note that we are using the term *evaluation* here broadly. We understand it as:

> *"The systematic collection of information about the activities, characteristics, and results of programs* [or projects and initiatives] *to make judgments about the program, improve or further develop program effectiveness, inform decisions about future programming, and/or increase understanding."* [2]

FINDINGS ON FUNDER EVALUATION PRACTICE

1.   Funders overall appear to be increasing their evaluation investments and commissions

We found an increased recognition of evaluation's potential value in supporting funder and grantee decision making: '*Evaluation is seen as more valuable now'*. Within individual foundations, this change typically has been gradual and part of an ongoing journey: '*It feels like a work in progress'*. As a result of this shift, many funders are developing clearer systems and processes to support evaluation and learning and to appoint staff with a specific remit for such areas.

This trend is not universal, however. We also heard some lingering scepticism about the value of evaluation, with concerns raised about proportionality, diversion of resources from the frontline, and the suitability of existing systems to support evaluation use and learning.

2.   More funders are interested in using evaluation to examine their impact and/or to support their strategic learning

Evaluation generally has at least one of three intended uses. It can be used to (a) promote accountability, (b) examine impact, or (c) support strategic learning (see the box on the next page).

The use of evaluation for accountability purposes is most prevalent among Roundtable participants. The aim here is to monitor how money has been used and how plans have been implemented. For the most part this evaluation function is handled internally, with direct interaction between grantees and funder staff. For all Roundtable participants, it is standard procedure to ask grantees for some kind of regular monitoring reports. Some funders also provide additional support to help grantees monitor their own work, and occasionally evaluation is commissioned when there are concerns that a project is not working as expected.

Interest in using evaluation for the other two purposes – assessing impact and supporting strategic learning – appear to be driving the perceived increase in evaluation attention and investment cited above. In part, this in turn has been driven by a move towards (or expressed interest in) the increased adoption by funders of strategic philanthropy[3] and more programmatic funding.

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[2] Patton, M. (2008, p.39) *Utilization-focused evaluation*, California: Sage Publications
[3] Strategic philanthropy means that funders seek to achieve their own clearly defined goals, pursue those goals in collaboration with grantees, and then track their success in achieving them. (Brest, P. (2012) A decade of outcome-oriented philanthropy, *Stanford Social Innovation Review, 10*(2), 42-47)

Three Main Types of Evaluation Uses

Accountability	Demonstrating impact	Strategic Learning
Monitoring whether efforts are doing what they said they would do and that resources are being managed well.	Determining whether a plausible and defensible case can be made that an effort contributed to observed results.	Using evaluation to help organisations or groups learn in real-time and adapt their strategies to the changing circumstances around them.
Used to: • Track whether plans are being implemented in accordance with grant agreements. • Track actual against planned expenditure.	**Used to:** • Understand impact as individual funder. • Demonstrate to other stakeholders how funding has made a difference. *Appears to be most important to funders engaged in strategic philanthropy, programmatic funding or with public stakeholders/living donors.*	**Used to:** • Develop greater expertise or knowledge in particular areas, e.g. where involvement will be effective or to find an appropriate niche. • Test out a theory of change. • Inform future strategy and build on what has gone before. • Improve grantmaking decisions based on understanding what does and does not work (e.g. when funding new ideas/pilots). • Enable a relaxed approach to risk/failure: *'If we don't have some failures, we're not doing our job properly'.*

Many Roundtable participants reported adopting a more *strategic* approach to their grantmaking, with the aim of achieving social change in specific areas. For some, this was the result of an ongoing process of development over many years; for others it involved a complete strategy revision.

Alongside this, many are grappling with how best to understand or judge their effectiveness and have acknowledged that monitoring for accountability purposes alone is inadequate: *'Monitoring is accountability only. Evaluation is testing the model, not checking up'.* Some were exploring tools like theories of change or cluster evaluations as a way to support their learning or to assess their impact. Others, particularly generalist funders for whom impact measurement is a lesser preoccupation, talked of a deliberate move to use evaluation as part of being more conscious about their grantmaking purpose and practice.

Evaluations to assess impact or support strategic learning generally are conducted through external evaluations – whether funder- or grantee-commissioned. Ideally, the evaluation is funded at the outset of a project or programme. These evaluations are common when funding:

- A flagship programme or project
- A novel/pilot programme or project
- Involvement of other funders and co-funding
- A large programme budget/large grant.

Funders occasionally will commission evaluations partway through a programme or near the end of a funding cycle when thinking about whether to maintain, continue, or renew funding. While this is more closely aligned with the desire for strategic learning, it doesn't produce evaluation findings in 'real time'.

3.   Tensions exist between using evaluation for assessing impact versus strategic learning

In spite of an increased interest in using evaluation to support strategic learning, respondents reflected some concern that evaluation is becoming too focused on assessing impact, often at the expense of supporting learning: '*Evaluation is becoming too much about bean counting*'; '[Evaluation is often] *too codified, too classified and overly prescriptive on outcomes, and may actually close down other sources of learning*'.

Others were clear, however, that one type of use is not better than the other, but the more important point is to be clear about whom the evaluation is for and how it will be used. Intended use should be considered *before* designing an organisational approach to evaluation or individual evaluations: '*What success looks like depends on what you are trying to achieve*'.

While funders understood the importance of being clear up front about evaluation's intended use and users, many reflected that it did not always happen. As a result, evaluations sometimes failed to meet expectations or were not as useful as they could be, even when the quality of the evaluation was high.

Approaches to evaluation varied greatly and seemed, for the most part, to be linked to an organisation's evaluation culture rather than any clear policy or direction about how to think about evaluation or how it should be used. For example, just two funders referred to an explicit evaluation policy. For the majority, deciding whether or how to evaluate appeared to be a complex mix of experience and judgement: '*From the start, it felt like an evaluation would be needed*'.

The difficulty of developing a coherent approach was amplified by the competing priorities most funders manage. To some extent, accountability, impact, and strategic learning are important to all funders, and it can be hard to manage them simultaneously. For example, trying to separate learning from performance management for accountability is a challenge: '*It requires skill on the part of the project director to engage with learning and sharing at the same time as pushing organisations to deliver. It's a tricky balance'.* On top of this was the desire to ensure that evaluation remains useful and proportionate, to both funder and grantee – a delicate balance to achieve with funders concerned about overburdening grantees.

Despite this need for a coherent and thought through approach to evaluation, there were also calls not to abandon more dynamic, informal processes that are, in many cases, as much an expression of organisational values as they are planned strategy.

4.   Most funders struggle with how to maximise evaluation use – both internally and externally

Even funders that were relatively satisfied with their overall approach to evaluation expressed some disappointment with how well evaluation was being used. It is worth remembering that many positioned themselves as at the beginning of, or on, an evaluation journey. As such, implementation and utilisation processes may be in their infancy or require time to catch up.

Several challenges concerning utilisation were raised:

- <u>Creating internal systems that enable data to be collected and used</u> for both assessing impact and furthering learning (internal and external): '*Creating a bank of knowledge in a more systematic way'.* This includes understanding how to pull data across an organisation – particularly for generalist or responsive funders – and a sense of responsibility that: *'if we collect data we should use it'.*

- <u>Managing doubts as to what really can be achieved or learned from evaluation</u>. Specifically we heard about the need to set realistic expectations: '*There is a risk that we have not set realistic targets of ourselves'.* And, again, more pertinent for generalist funders was a need to understand how (and if) useful findings can be generated horizontally across a funding portfolio: '*How can we crunch all this data and turn it into something useful?'*

- <u>Improving data quality and analysis capacity</u>. This is about understanding (and being clear about) the kind of data required, particularly its reliability when collected externally: '*We need to be careful not to draw strong conclusions based on data gathered from grantees where there are limitations'.* At the same time, funders felt they needed to be respectful of grantees' time: '*It was all very wooly and vague, but as a funder we try to be mindful of the time that grantees have to spend on these things and trying to find a balance between that and getting good data is hard'.*

  This links back to the point raised earlier about the need for form (the evaluation's design) to follow function (its intended use). Many participants spend inordinate amounts of time sourcing and mining data. The capacity of both staff and grantees is critical here in understanding what is required or sufficient and how to design a process to achieve that.

- <u>Being open to sharing both successes and failures</u>. '*People like* [evaluation] *if it proves what we want to see, but what will happen if data comes back saying that it's not working?'*

- <u>Being better about disseminating results</u>. We found an interesting dynamic between the desire to share learning with others, while at the same time perceiving the need to show impact. This tension extended to the actual process of dissemination. Some felt their organisation needed to relax here to enable a range of types and levels of dissemination which might allow some learning to be pushed out in a fast and fluid way.

5. Funders are seeing payoffs with attempts to use evaluation to support strategic learning

While all participants spoke of room for improvement, many felt that they were finding ways to use evaluation and data to support their strategic learning. Common was the use of data in grantmaking processes. For example, in one organisation, monitoring and evaluation reports were recorded in a database with grants staff reviewing historical reports when assessing future applications. For themed or programmatic funders, evaluation data often was used to contextualise assessment of applications and prompt developments to proposals or the programme as a whole.

Less formally, foundations talked about the day-to-day use of data, described by one as *'passive learning'.* We heard of the ways in which staff use evaluation and learning in a dynamic and unconscious way. One person explained that staff *'carry learning'.* This was thought to be the key to successfully

adopting a strategic learning approach – when evaluation is *'brought alive'* and used in the everyday work of grants staff: *'Evaluation needs to be used and talked about'.*

6.   At the same time, supporting strategic learning requires meeting practical and organisational challenges

We heard many recommendations about what was required to ensure successful strategic learning, along with some of the ways in which funders have found implementing those recommendations to be a challenge.

- Think about learning as dynamic and not just 'point in time'. Some felt constrained by the way data and learning were perceived in their organisation as both linear and static: '*It's important that all learning isn't just rolled up into one report at the end of a programme'*. Here it was emphasised that there is a need to use learning in real time and remain flexible about how data is drawn on and used to support a more dynamic process.

- Support time for reflection. We heard a lot about the need for time to engage with data and learning. This included '*head space*' and was felt to be the case for both grants staff and grantees. Specifically, interviewees felt that if learning was to be a priority then other areas of work may need to be reduced accordingly: '*We need to create the space for staff to reflect more. They often get bogged down in admin'.* This constraint understandably was emphasised in small foundations where capacity was even more stretched.

- Establish learning systems and processes. Interviewees highlighted the desire to use information in more systematic ways, feeling that current approaches were often too ad hoc and occurred by chance rather than planning. Establishing frameworks and systems for learning was thought to be necessary but challenging: '*It's been hard to develop a structure for using data as there are so many competing priorities – particularly between our monitoring team and the research team. We need to get data from organisations that meet all our needs …'.* Again, this concern extended to grantees, with some foundations engaged in helping grantholders to become more systematic in their approaches to evaluation and learning: '*We're thinking about giving support to some, for example a disability charity that is gathering lots of data but doesn't do anything with it'.*

- Find evaluators with the right skills*.* Where evaluation is not undertaken in-house by grantees or funders, finding 'good' evaluators was thought to be a key to success. Respondents said this was challenging, often preferring to stick with a small pool of 'tried and tested' providers/consultants rather than risk engaging with large organisations that are: *'often more interested in developing and promoting their own tools that suit their own business interests'.* The fit between evaluator and commissioner was considered crucial, requiring both parties to engage in an honest relationship with expectations clear from the start: '*Appointing the right evaluator is an issue of skills, style, and personalities'.*

- Develop trusting funder-grantee relationships that are focused on supporting learning rather than strict accountability. We heard some concerns about the blurred boundaries that can exist when a funder works with grantees as partners in learning while at the same time holding an accountable funding relationship. The primary concern here was that grantees may not feel safe sharing things that have failed or not worked so well, information that has tremendous learning

value: *'There is a risk that all the difficult and interesting stuff gets filtered out'.*

7.   Trustees are proving hard to engage on evaluation, particularly for strategic learning

Trustees are guardians of an organisation's strategy and direction, and therefore would appear to be major potential users of evaluation. However, interviewees highlighted concerns about trustee engagement with evaluation. Three points emerged related to evaluation that supports strategic learning:

- <u>Staff are more interested in strategic learning than trustees</u>. In the majority of foundations, a new or renewed move towards focusing on learning was driven by staff and not trustees. Some found it relatively easy to bring trustees along with them and persuade them of the value of this approach. However, others talked of struggling to engage trustees in a meaningful and useful way: *'Trustees are interested in hearing the headlines'*; '*Unless the evaluation highlights something especially alarming or praiseworthy, it probably doesn't gain any attention'.*

- <u>Governance systems often are at odds with a learning approach</u>. The processes and mechanisms through which trustees were involved in data and evaluation was often felt to hamper their ability to effectively engage with it: *'I think that to improve the use of evaluation during strategy and implementation it's entirely in our control in the sense that we need to design a governance process where there is time for that and it is valued'.*

  Primarily, this was because trustee meetings are structured in a way that prevents deep or reflective engagement with data and learning: '*Trustees receive a lot of paperwork and it's not clear that trustees read, digest, understand and make sense of all this information'*; *'They'll get something like 200 pages of paperwork for their meeting and they receive that 10 times a year. They rattle through them in the meetings'.*

- <u>Trustee capacity and interest can be an issue</u>. The ability of trustees to use evaluation strategically was questioned by some, with a view that trustees vary widely in terms of both interests and skills: '*There are definitely trustees for whom you have a very procedural approach'*; *'Some are quite intuitive in their approach; others need evidence'.*

Questions to Think About As You Prepare

During the Roundtable, we will grapple with many of the findings and challenges above. We will facilitate dialogue and encourage you to share your thoughts, experiences, and solutions with each other. In preparation for the discussion, we ask you to think about how you might respond to these questions:

1. How do you develop a culture of learning – i.e. how do you put learning at the heart of an organisation's decision making?

2. What principles should you use to determine whether an evaluation is proportional?

3. How do you build the capacity of your staff and trustees in this area?

4. How do you excite grantees about learning?

5. How do you 'evaluate the evaluation'?