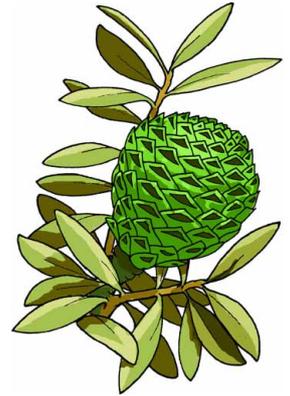


MEASURING THE MAYBE



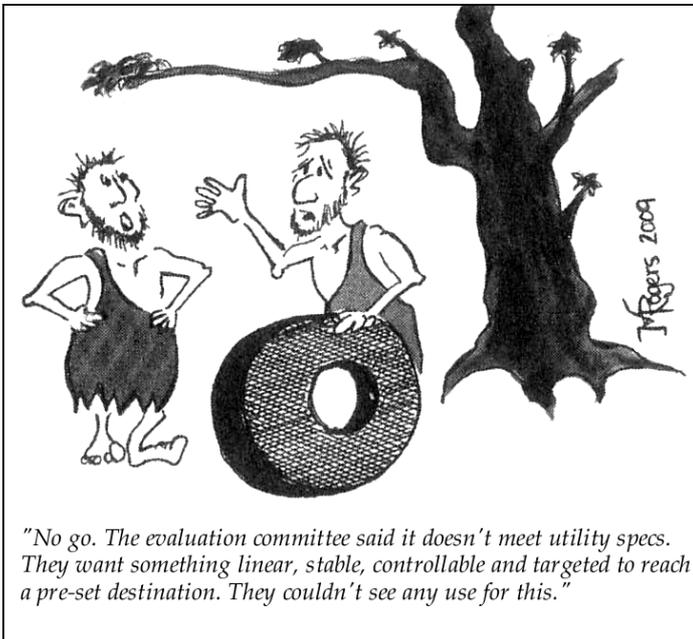
*“ If you are an optimist
... then you are probably not looking at the data.
If you are a pessimist
... then you are probably only looking at the data.”
— Paul Hawken, author of “Blessed Unrest”*

As social innovators and entrepreneurs look for the resources to launch their new ideas, they inevitably find their way to investors, grant-makers, government departments, corporate sponsors, foundations or philanthropic individuals ... who will be asking much the same questions:

*How will we know we are getting value for our money?
How do you plan to determine the value of what's being done?
How will you measure the impact of your ideas and projects?*

There are many foundations and organisations who say they want to support innovation, and trust boards and government departments who have allocated a significant proportion of their budgets to do so. With the significant global emergence of social entrepreneurship, these grant-makers have been challenged to look anew at their own grant-making procedures, and ask how they can better understand and foster the process of social innovation. But these same groups have little consensus on what is the best way to measure and evaluate what they want to support.

- In the first year of the Social Entrepreneur retreats, the fellowship held a workshop on “evaluation that fosters innovation”. In this workshop, there was general agreement that evaluation was a necessary thing — it gets you to think about what you have achieved in an organised way, and helps you tell your stories and justify the funding you have received from



*from
Developmental
Evaluation
(Michael Quinn Patton)*

outside agencies. But there wasn't any clear agreement in the workshop on the best way that evaluation should be done ... particularly when dealing with a genuine innovation.

And it wasn't long before the fellowship members started sharing all sorts of horror stories about evaluations they have endured. They talked about the inappropriate evaluation methods used, and how the rush to "judgment" too early on in the lifecycle of a project was toxic to the innovation process. There were stories about the inappropriate use of business paradigms in a complex social context, and the anxious drive to reduce results into simplistic commercial terminology in order to gain support from funders.

There were frustrations shared about dealing with funders who want to be seen to be in partnership with an innovator, but also want the social entrepreneur to take all the risk and responsibility involved in trying things out. And there were angry stories told about professional evaluators being used by funding authorities as part of a pre-determined exit strategy for their support.

Not one of the fellowship members argued that you shouldn't have to justify the funding you are receiving, or be able to spell out what you mean by "success", or be clear and accountable for the results you have created along the way. But the details of how all this applies to social innovation is complex and contestable, and usually reflects the world-view of whoever has the power to determine the methods being used and how they will be interpreted.

It is often difficult to be frank about this — because an evaluation process can be both a friend, and a foe, to the social innovator.

Anyone who is involved in social change knows there are plenty of fine proposals that already exist on how to tackle our toughest problems. We are not stuck because of a *lack* of good ideas, or a *lack* of ingenuity or creativity. The biggest reason our problems are stuck and do not change is because there is a lot of energy currently invested in keeping things exactly the way they are right now.

There's a very real power struggle going on between the social innovations and the status quo. Amidst the context of this power struggle, evaluations are not an impartial assessment of the usefulness and viability of new ideas for change.

- Martin Fisher is one of the world's most successful social entrepreneurs and co-founder of KickStart International which develops and markets inexpensive tools to enable poor entrepreneurs to create a profitable business. The African farmers who use KickStart's manual irrigation pumps, for example, can see an average ten-fold increase in their annual farm income. This extra income helps bring these families out of poverty and leads to positive and systemic changes as they invest in better housing and in education for their children.

Martin Fisher visited New Zealand in 2008, and gave a lecture in Wellington about social entrepreneurship and how best to measure what it actually achieves. He believes that social entrepreneurs and their philanthropic sponsors need to raise their game on how they assess the impact of their work for social change:

“Every day, we are presented with innovative non-profits and social enterprises, claiming to do good. But not every effort — no matter how well-intentioned — will generate equal results. It is all too easy to support those that sound the best, use the coolest technology, have the best PR or give a warm and fuzzy feeling. But with the world's increasing problems, and limited resources, this is no longer an acceptable option ...”

Fisher outlines a simple guide to “high-impact” philanthropy which he calls “*Real Good, Not Feel Good*”. He lists four critical questions that a social enterprise needs to answer before it has the potential to create real, large-scale and lasting change:

- Does the project have measurable and proven impacts?*
- Are the impacts cost-effective?*
- Will the impacts be sustained?*
- Can the model be scaled and replicated?*

Fisher argues that only if a social entrepreneur can answer “yes” to all four of the questions, can the investment in the project have any chance in creating truly systemic and lasting change. He calls for the philanthropic sector to become more robust about asking these questions and, in doing so, the sector will become wiser about allocating scarce resources, as well as fostering innovation at the same time.

But there is a warning here: many social entrepreneurs are pointing out that we cannot just default to the same measurement and assessment tools as used in the corporate world. As Bill Drayton, the founder of the Ashoka network, has written:

“The notion is held by many scholars, foundation executives, and others that social entrepreneurs should behave like and be measured by the same yardsticks as business. But social entrepreneurs are trying to change the world, not capture a market, therefore the standard measures of organizational size and growth are inappropriate.”

The debate about how to measure the progress and impact of social entrepreneurship is a good conversation to be having right now. Measuring the “maybe” can seem counter-creative to a passionate social innovator ... but we have to become much more pragmatic about how we assess the differences we are hoping to achieve.



Martin Fisher
of Kickstart
International

- One of the main areas where there is a significant difference between business and social entrepreneurship, is in how they view the “scaling up” of a new innovation. A traditional business adviser usually views “scaling up” as a process of getting the right recipe sorted for the new venture, and then franchising that recipe out in as many new locations as possible.

This may work well on many examples of innovation — for example, in the retail world of selling products and services. But innovations cannot always be reduced to standard recipes, especially when trying to address complex challenges in diverse communities.

John Stansfield, of the Social Entrepreneur Fellowship, argues that “scaling up” is viewed in completely different terms in the community sector. He says “scaling up” in the community is about “... having everybody do your work”. This means raising the profile of an issue so everyone knows about it, cares about it, and is prepared to be brave about making a difference in their lives about it.

Stansfield: “Scaling up in the social sector is based on telling the stories — relentlessly telling the stories about how changes happen and how people get involved — so that others then decide, Well, we’re going to give that a go too.”

Stansfield gives an illustration of this approach from his time at the Problem Gambling Foundation. Instead of trying to have a dedicated Gambling Action Group in every town, the foundation realised they might achieve a much greater impact if they simply concentrated on telling the stories. The end result is that existing groups started to change their ideas and build these fresh perspectives into what they were already doing on the issue.

“This is a genuine scaling strategy. You can also see this is effective when dealing with the issue of waste management. In order to make waste valuable to your community, you need to have a huge degree of public engagement, and get as much of the work as possible done voluntarily at the level of the household.

“This is about addressing social issues in a distributed way, It’s not a *consumer* process that you can organise centrally, and then just “scale up” and spread across the country. It is a *citizen engagement* process which is a whole different dynamic — which is why the usual business models do not transfer exactly to the social sphere. ”

Marion Blake, Maree Maddock and Lyndsay Fortune, part of the organising team for the 2008 “Innovation and Evaluation” Workshop



- While running the workshop on “evaluation that fosters innovation” at the Social Entrepreneur retreat, I started to become very curious about the fact that very few of the members of fellowship could wholeheartedly recommend any of the evaluators they had been working with. The fellowship members really struggled to come up with great examples of how social innovations were currently being evaluated.

For all the good work that was going on — and the significant levels of investment now going into this field — this seemed like a pretty sad situation. It got me thinking:

How can we do things differently?

What is the conversation is going on within evaluation professionals about these issues?

Who are the thought leaders who are working for change in this field?

I got in touch with Marion Blake, a community activist and CEO of *Platform*, the national network of community organisations that provide mental health and addiction services. She had been asking much the same questions, and she decided to bring together a wide network of community development workers and evaluators who were interested in exploring these issues. This led to a two-day workshop on “innovation and evaluation” in Wellington in 2008.

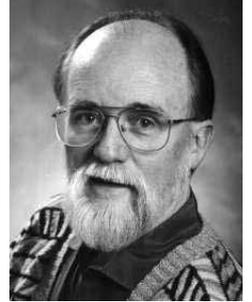
One of the fresh ideas discussed at this workshop was the concept of *developmental evaluation*, a term coined by Michael Quinn Patton (who was one of the co-authors of the book *Getting to Maybe*). Patton was already the author of five major books on programme evaluation practices ... yet he recognised that the existing professional approaches to evaluation had serious shortcomings when it came to assessing social innovations. In many cases, he realised that the traditional evaluations ended up doing more harm than good.

The problem is that traditional evaluation methods are usually based on measuring pre-determined outcomes achieved through a linear cause-and-effect intervention. But the innovation process doesn't always work like that ... it's a much more emergent, unfolding and complex journey that needs to be looked at through a different lens.

Patton's concept of *developmental evaluation* tries to apply the insights of complexity theories to the evaluation process. In doing so, he has helped to shape an important innovation in the field of evaluation itself. He has shown how an evaluator can enhance social innovation, and get in alongside the innovators to help build their capacity to keep learning and improving their work.

In a traditional evaluation, the evaluator is positioned outside the project in order to assure independence and objectivity, and their reports are written to render definitive judgments on the success or failure of the activity. Accountability is focused on and directed to the pre-determined needs of external authorities and funders — and “success” is usually measured against these established goals.

In developmental evaluation, the evaluator is seen as part of the project team. They are there to support feedback, generate learning, and may either support the direction the project is going in, or confirm changes to that direction. The accountability is centred on



Michael Quinn Patton



Nuku Rapana, Malcolm Cameron and Kate Frykberg (Manager of the Todd Foundation) at Long Bay, Auckland.

the innovation team and their own fundamental sense of values and commitment. “Success” here is a moving target, and the evaluator works to capture these movements, and may help create new measures and monitoring mechanisms as the project goals emerge and evolve.

Patton’s concept of developmental evaluation is best used at the generative stage when a social entrepreneur is starting to shape the prototype of a new project. It is only once this generative stage has been completed that it is appropriate to use the more conventional methods of evaluation. *Formative evaluations* are best used in the growth stages where the social entrepreneur is focusing on ways of improving the projects so that their innovations can be better shared and distributed. *Summative evaluations* are used in the mature stage of a project when there is a need to judge the overall effectiveness, merit, worth and significance of a particular programme.

- A great many innovators simply cannot afford the luxury of an external and professional evaluator at the time when new ideas and programmes are being developed. So the social entrepreneurs need to build up their own inner capacity to measure the “maybe” as it unfolds. To do this, they need to establish their own *reflective practices* which will enable them to examine the lessons and knowledge emerging from their work.

In the early days of establishing an innovation, it is these personal reflective practices that may yield more real value — compared to an external evaluation on the possibilities of a new enterprise. As Michael Quinn Patton has pointed out:

Helping people to think evaluatively can make a more enduring impact from an evaluation than the use of specific findings generated from that same evaluation. Findings have a very short ‘half life’ — to use a physical science metaphor. They deteriorate very quickly as the world changes rapidly. In contrast, learning to think and act evaluatively can have an ongoing impact.

It is this learning to “think evaluatively” that is one of the major purposes of the social entrepreneur retreats. The dialogues and workshops are a way in which a learning community builds its own *reflective practice*, and weaves “evaluation” into their workstyles.

As we do this, our projects for change start to live and breathe within a much wider context of measurement and reflection and story-telling. The “evaluation” process is not just about getting a report tabled at the trust board of your funders. It is also about the thinking and conversations taking place as you are walking down a long beach with other social entrepreneurs.

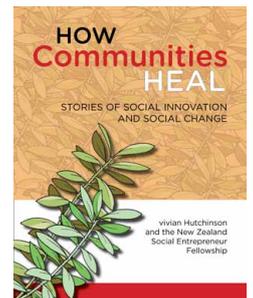
Notes and Links

- This article by vivian Hutchinson is part of the [HOW COMMUNITIES HEAL project](#) — stories of social innovation and social change featuring members of the New Zealand Social Entrepreneur Fellowship. It is available online at tinyurl.com/hchevaluation

- *Paul Hawken comment on optimism and pessimism ...* is from his speech on “*The New Great Transformation*” hosted by the Long Now Foundation, San Francisco, California on June 8th 2007, available online at tinyurl.com/yhdmltr.

Paul Hawken in *Ode Magazine*, May 2007: “*If you look at the data about the environment and social conditions in the world and are optimistic, then you don’t understand the data. However, if you meet the people who are addressing these issues and aren’t optimistic, then you may want to make sure your heart is beating. Both are happening at the same time, a worsening of conditions and a response that is quite extraordinary.*”

- *Martin Fisher ...* is a member of the Schwab Social Entrepreneur Fellowship that has been meeting annually at the World Economic Forum in Davos, Switzerland. Fisher was visiting New Zealand in 2008 because of the support his work had been receiving from the Jasmine Trust, the charitable trust set up by Trade Me founder Sam Morgan. For more on Kickstart see www.kickstart.org. For his views on “high-impact” philanthropy, see www.realgoodnotfeelgood.org
- *Bill Drayton ...* see “*Tipping the world — the Power of Collaborative Entrepreneurship*” by Bill Drayton 8 April 2010, published on *What Matters* (McKinsey & Company) at tinyurl.com/ygowfq5
- *John Stansfield comment ...* from interview with vivian Hutchinson for *How Communities Heal* project 5 March 2010
- “*Innovation and Evaluation*” workshop was co-sponsored by the Social Innovation Investment group, and was held at the Platform offices in Wellington 3-4 November 2008. The workshop organising team included Andrew Morrison, Carmen Payne, Jenny Blagdon, Jo Hodge, Lyndsay Fortune, Maree Maddock, Mary-Jane Rivers, Ruth Jones, Vicki Wilde and Virginia MacEwan.
- *Michael Quinn Patton and developmental evaluation ...* Patton wrote a brief version of what he meant by developmental evaluation in the 2006 book *Getting to Maybe*, but most of his explanation was relegated to the footnotes. This became one of the most photocopied set of footnotes ever seen passed around New Zealand evaluation colleagues!
- “*Developmental Evaluation - Applying Complexity Concepts to Enhance Innovation and Use.*” by Michael Quinn Patton (published 2010 The Guilford Press) and available at <http://astore.amazon.com/nzsef-20/detail/1606238728>



As Patton says in the preface to this book: *“Many people worldwide have dedicated themselves to social innovation and making the world a better place. Those who evaluate also serve.”*

- *“Evaluation for the Way We Work”* by Michael Quinn Patton, *The Non-Profit Quarterly* Spring 2006, available on the NZSEF pdf archive at tinyurl.com/mqpatton2006.
- *developmental evaluation as an alternative to formative evaluation ...* see Michael Quinn Patton speaking to *Inspiring Communities* group in 2009 www.youtube.com/watch?v=Wg3IL-XjmuM
- *inventing the wheel cartoon ...* by Mark M Rogers, is from *“Developmental Evaluation”* book (see above) by Michael Quinn Patton.
- *“A Developmental Evaluation Primer”* by Jamie Gamble (2006) J.W.McConnell Family Foundation available at <http://tinyurl.com/gamble2006>
- *“What Do We Measure and Why? Questions About the Uses of Measurement”* by Margaret Wheatley and Myron KellnerRogers at www.margaretwheatley.com/articles/whymeasure.html
- *“Measuring Innovation: Evaluation in the field of Social Entrepreneurship”* by Mark R Kramer (report to the Skoll Foundation (Skoll FSC Report 2005) available at tinyurl.com/kramer2005
- *“Measuring Real Value – a DIY Guide to Social Return on Investment”* by the New Economics Foundation (2007), available at www.neweconomics.org
- More articles in this series, and further information on the HOW COMMUNITIES HEAL project can be found at www.nzsef.org.nz/howcommunitiesheal
- If you want to be notified of future releases of articles in this series, you can sign-up for our mailing list at tinyurl.com/HCHsign-up
- Comments and conversations on this project are encouraged on our Facebook page at www.facebook.com/howcommunitiesheal
- This project is on Twitter at [@HowCommHeal](https://twitter.com/HowCommHeal) using the tags [#HowCH](https://twitter.com/hashtag/HowCH) and [#socent](https://twitter.com/hashtag/socent)
- The online publication of the HOW COMMUNITIES HEAL project has been made possible by the Bishop’s Action Foundation.
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