

Z. Smith Reynolds Foundation Evaluation Focused on “Moving the Needle”

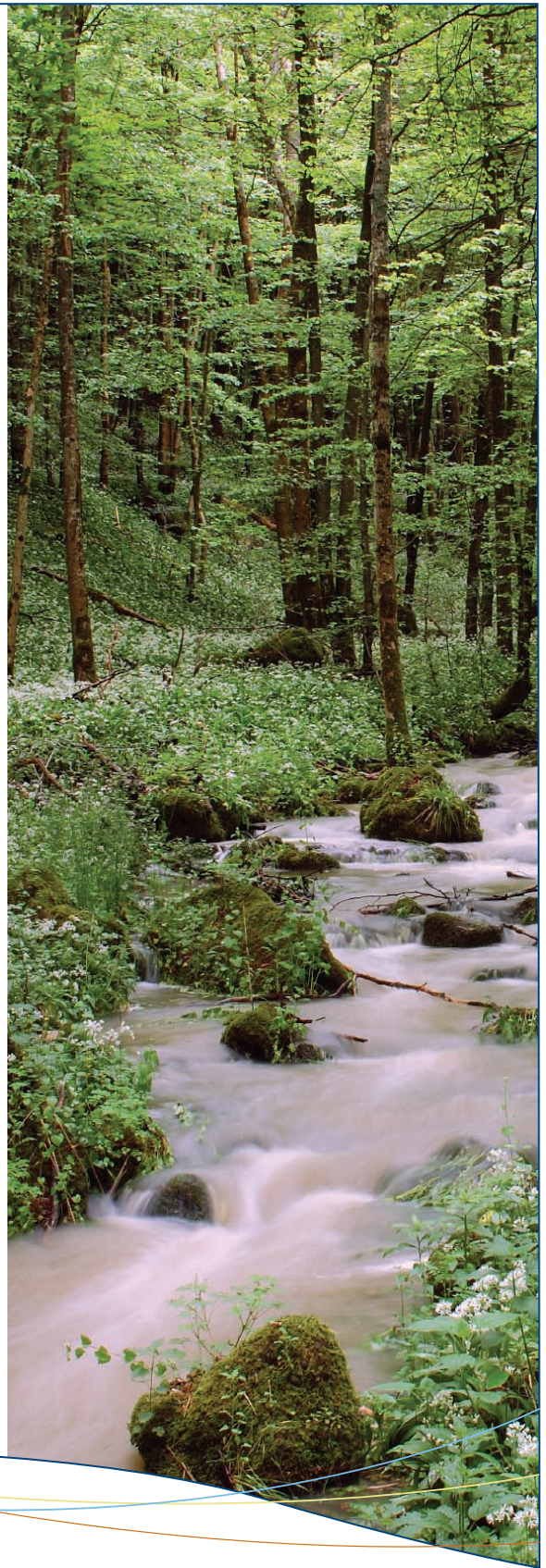
The Z. Smith Reynolds Foundation has developed a practical approach to evaluation that enables the measurement of progress toward specific issue-area goals. Executive Director Tom Ross explains that, when unencumbered with concerns of assigning attribution, evaluation results can focus on whether or not “the needle is moving” on issues that are important to the Foundation’s work. *“What we really care about,”* Ross explains, *“is whether our presence in the field matters, not what our money bought for us with each grant. If our grantees working on a certain issue are collectively moving the needle, that’s what we want to know.”*

When Tom Ross joined the Z. Smith Reynolds Foundation six years ago, he seized the opportunity to take the organization in a more strategic direction, incorporating evaluation activities into each stage of the strategic planning and refinement process. As Ross explains, *“the Foundation had been approaching its work in a fairly sleepy way – we asked grantees to tell us what they were going to do and had them fill out a report at the end of the grant. There was almost no occasion on which evaluation was done and there was no internal feedback loop.”*

Ross found that before a new evaluation strategy could be developed, the Foundation, founded in 1936 with the broad mandate of supporting charitable activities to benefit the people of North Carolina, was in need of an internal review process to clarify its purpose and goals. *“We didn’t have enough clarity about what we were trying to accomplish,”* Ross explains, *“and we now have a better sense of that. We went through a year-long effort with our Board to determine what it was we wanted to be accomplishing and we’ve now redefined our areas of focus and we are publishing funding guidelines and goals for the first time in our history.”*

The Foundation identified five areas of focus – community economic development, democracy and civic engagement, environment, pre-collegiate education, and social justice and equity – and developed goals for each of the issue areas. Once these objectives were set, Ross and his team turned to creating an evaluation system that would allow the Foundation to track its progress toward them. *“We obviously care about our individual grantees and want them to be successful in their work, but we could make 500 grants in 500 communities in our state, and our grants could be successful, and that would be helpful to the state of North Carolina and we would be fulfilling our mission – but is that the most effective use of our resources? I would argue that if you think about those 500 grants in a more strategic way and you look at how all together they affect an issue you are concerned about, then you’re really moving in the right direction. We want to look at grants as a field of work.”*

In order to effectively gather real-time information from grantees and aggregate it into relevant learnings at the focus-area level, Ross recognized the need for an



efficient reporting system, for which the creation process is still in progress. *“We are working to change our progress reporting system – generating online reporting forms that can be tied to benchmarks and sent out periodically during a grant.”* Grantees will be able to use the online system to report progress made and lessons learned in real-time, as opposed to after the grant work has been completed.

The important next step, however, is to move beyond assessing individual grants to *“using the information that we get from our grantees to measure our progress toward higher-level goals.”* The Foundation’s ultimate ambition for evaluation is to compile information gathered from grantees across a field of work and use it to measure progress toward the organization’s stated goals in that area. Said Ross: *“if we have six grantees working on water quality, we would encourage them to establish baseline data and set for themselves a goal of reducing the sediment into a river by a certain percentage. If in two years they have reached their goal, we can’t claim credit for that – what we care about is whether they have reached their goal, not whether they have reached their goal because of us.”*

Ross specifically explains that this approach, focused on tracking progress toward measurable goals, is not overly concerned with attribution. *“We are less interested in actively targeting information that will tell us whether our money made a difference; we are just interested in whether the needle is moving on social issues we care about.”* As such, the Z. Smith Reynolds Foundation believes the process of using amalgamated, grantee-gathered data to measure improvement in areas of focus can be far more rewarding than evaluation efforts it has pursued in the past: *“Hiring professional evaluators to look at the success of a particular grant can be expensive and doesn’t always help you understand whether the needle is really moving.”*

Most importantly, Ross says that the Foundation is finding itself able to use its new approach to update goals and refine its program area strategies. *“It is not a given that if the needles aren’t moving in the right direction then we move to a different area, but it means that we need to take a look at our actions and the actions of others in this area and possibly rethink our strategies.”*

The ongoing process of developing the Foundation’s new approach to evaluation has not been without challenges. For instance, Ross explains that *“Grantees were justifiably nervous about this heightened focus on results and outcomes. They thought there would be this black and white line and either we’ll be successful or not and if we’re not, that will be the end of our funding.”* In order to overcome this hurdle, the Foundation offered information sessions for grantees focused on demonstrating to them how a results-oriented framework can benefit their organizations.

Ultimately, Ross feels that the new strategic approach to evaluation has enabled the Foundation to effectively measure progress toward issue-area goals without becoming overly concerned with issues of attribution. *“What we want to know is whether the needle is moving in the areas that we care about. We will never be able to take credit for that movement, but we want to know if things are improving. At a certain point, you just have to take a leap of faith and believe that your involvement is doing some good, but you can’t be overly concerned with tracking exactly what you contributed. All you need to know is that the needle is moving.”*

Z. Smith Reynolds Foundation

- \$15 million in grantmaking in 2005
- Founded in 1936 as a trust for charitable works within the state of North Carolina
- Located in Winston-Salem, NC
- Grantmaking currently focused on five areas: community economic development, democracy and civil engagement, environment, pre-collegiate education, social justice and equity
- Number of staff: 15
- Evaluation Staff: No

