Management and Technical Assistance Publication Series No. 2

What Every Board Member Needs To Know About Outcomes

by Positive Outcomes™
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Introduction:

America's public policy cycles are nearly 30 years long, and as a society we are nearing the peak of discussions in this cycle about how we treat the poor. Decisions we make in the next two years will affect how our society delivers services to low-income people for the next three decades. Therefore, what you do in your role as a member of the Board of Directors of a Community Action Agency will have historical impact.

Our current national discussion about the responsibility society has to low-income people coincides with the new emphasis on Results-Oriented Accountability Systems, more familiarly known as Outcome-Based Management. This focus on results began in the early 1970's, but agencies needed new tools and new understandings to implement the emphasis. Now, 25 years of experimentation has produced models and knowledge which overcome many barriers to using the new techniques.

As a board member, you have a unique opportunity to support and preside over potentially fundamental changes in how your organization delivers services, manages staff, collects and stores information, and most importantly, uses its new information to advocate on behalf of low-income people. The real power of the results-oriented techniques emerges when you use your data to convince funding sources, lawmakers, and policy makers about improvements that can be made in the way our society uses the dollars it allocates to assist low-income people. Correct application of the techniques will empower your agency in its mission to stimulate, focus, and coordinate available resources to eliminate barriers to self-sufficiency.

Basics for Board Members: CAAs may be effective...but can we prove it?

Results-Oriented Accountability shifts an agency's focus **from** *the actual delivery of a service* **to** *what happens to the client as a result of the service*. Instead of asking questions about how fast or how often we deliver a service, we now need to know how effective the service is. And we must be able to prove that the desired result occurred. For agencies whose mission is to help low-income people get out of poverty, this shift in focus has tremendous consequences. The road out

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of poverty takes many years for most of the families we help, but our agencies depend on one-year grants to operate. How can we prove that someone gets out of poverty in just one year?

Our one-year grants also carry additional restrictions regarding income ceilings for people receiving our services. For many of our programs, the limit is 125% of the Federal Poverty Line ($1,625 per month for a family of four). How can we accomplish our mission of helping people get out of poverty if we can't even assist people until they are fully stable?

Many community action agencies provide volunteers and staff to support community organizing activities and community coalitions to foster institutional change. Community-level changes occur over many years, as a result of a variety of influences. How do we prove that our agency's strategy helped achieve the desired change?

Our staffs previously counted the units of service they provided, such as how many meals we served, how many homes we weatherized, or how many people attended our training classes. Now the staff will be required to count the results of our services. In other words: how many people were no longer hungry because of our meals; how much did a family save on their energy bills after we weatherized the house, and how many people got jobs after their education or training was completed. What burden will the additional record keeping have on our staff? How do we tell if that effort is worthwhile?

When viewed from the perspective of results cost-analysis, our services, on face, appear more expensive. Properly tracked, the costs of our results will either be defendable or will point out areas where we should establish priorities for program revisions. Staff are accustomed to counting and reporting large numbers of people served, but the number of positive outcomes achieved during a report period may be relatively low, while the unit cost for the positive outcomes will be comparatively high. It is important not to panic when we first see these numbers, but learn instead to assess and interpret this information in the way it is intended. We must calculate the savings these outcomes produce for our community and our tax base. We must look at performance rates for other providers. We must look at the relationship of our programs to other services provided in our community, and we must demonstrate the effectiveness of these connections. The transition to results-oriented accountability forces us to explore the context in which our agency delivers services.

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Changes a Board Member Should Expect:

The transition to results-based accountability will affect every aspect of the organization, and may ultimately raise questions about the agency's mission and services. The most important Community Action question of all is "How many low-income people became self-sufficient because of the activities of our agency?" A healthy agency can withstand this introspection, meet these challenges head on, and be further strengthened by the process.

The first area where you might see visible change in the agency is the way the agency delivers service. Because staff will need to measure what happens to the client as a result of the service, they will need to create an environment in which the client is motivated to keep in contact with the staff and provide necessary feedback. Staff may use different intake forms to collect baseline outcome information. They may use surveys to monitor clients' progress towards goals. They many need to shift the hours the agency is open, the locations at which services are offered, and the personnel involved with the clients. Some agencies encourage support groups, workshops, picnics, and holiday parties as ways to expand the communal feel of their partnerships.

Another thing you might notice is strong discomfort by the staff during the transition. Some staff will resist the changes in the way services are delivered. Others will believe the performance measures are a ploy to evaluate their on-the-job effectiveness. Some staff will believe the new paperwork is an unfair burden on the clients, while still others will think the new system promotes "creaming" by targeting resources on the clients most likely to succeed. Perhaps the strongest resistance will come from staff who derive their personal motivation from the focus on their own efforts to help the client by solving the client's problems for them. These enablers lose essential motivation when attention shifts to *what the client does* after the service is provided.

Finally, the kind of reports you will receive from the staff will change as the staff members undergo a major change in how they collect and report information. When we shift from counting units of service to counting outcomes, we must shift our definition of success and failure during the interpretation of our data. If staff feel pressured to produce high numbers of positive outcomes, they may choose immediate or short-term outcomes with little community impact and small returns on investments. This short-sighted approach will compromise the value of the outcome information in your advocacy efforts.

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What Board Members Can Do:

A supportive board member realizes that major changes are occurring in the organization. Change isn't easy for our clients or our community, and it certainly isn't easy for our staff. Your senior staff will need your help in providing an adequate timeframe for the transition and an appropriate training program to help staff overcome these obstacles. Depending on the number of programs your agency operates, your timeframe for transition can span several years. All members of the staff will need some orientation to the basic concepts, and your program, fiscal, and data management staff may need on-going technical assistance to help them over the rough spots. The sooner your senior management can make the transition into the new way of thinking, the sooner they'll be able to respond appropriately when funding sources put pressure on the agency. But remember, a realistic timetable is more valuable than one based solely on ambition.

You'll soon realize that agency procedures covering confidentiality and data management will need to be updated to include new processes that produce outcome information. Job descriptions will most likely change, especially as managers and supervisors are delegated new responsibilities for tracking and protecting the new data. And, with an ironic twist, you'll notice that your newly trained staff will have gained skills that make them more competitive in the marketplace of non-profits and local governments that seek people who understand and can implement results-based technology. Your agency may have to adjust its pay scale to keep your shining stars.

The burden of maintaining service while changing perspective and techniques will be immense for staff. You can provide required leadership during the difficult period ahead by staying informed on the state and national trends pushing your agency in this direction. You can reinforce the agency's strengths, and you can provide support for the staff as they form new collaborative efforts with other service providers. You can help your funding sources understand the road to transition that your agency is taking, and you can advocate in new ways with your new information. As a CAA board member, you can shape your agency's course, support and guide your staff as they adopt results-oriented accountability techniques, and provide the resources that will permit people to move out of poverty.

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