

# TOP 10

## Ten questions every board director needs to ask about measuring outcomes

**Board members are generally excellent when it comes to monitoring and evaluating the financial performance of the organisation. But often less so when it comes to monitoring and evaluating the social impact of their organisations.**

**Not-for-profits exist to provide social benefit to the community, their status is afforded based on this premise, however often their performance in providing that good can be patchy. And it starts at the top - with the board.**

**If the board is not asking the right questions and facilitating the measurement and reporting of social outcomes - then who will?**

### 1. Is the organisation measuring outcomes?

Outcomes are changes or consequences that result from your organisation's work. They are your organisation's reason for being. Measuring outcomes means thinking hard about what change you are trying to create and then working out how to measure it. If you're not measuring and evaluating your outcomes, then it is very difficult to know whether your organisation is effective and fulfilling its mission.



## 2. What exactly are we measuring?

Some organisations measure the outcomes of specific programs, while others measure outcomes on an organisation-wide level, and still others do both. There's no right or wrong; it depends on the size and nature of your organisation. Measuring the outcomes of specific programs is often a requirement of funders, although you will almost certainly want to measure program-level outcomes regardless. More generally, if you measure the outcomes of the whole organisation, you will typically be using your strategic goals as yardsticks.

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## 3. Why did we choose those things to measure?

Another way of asking this question is to say, "What is our theory of change?" Or, what is the series of if-then statements that describes how our organisation's activities lead to change? For example, "If we run an education program for children about climate change, they will have more knowledge about small household actions; then they may start to take responsibility for turning off the lights without parental reminder in the short term. If they access the program a few more times, they may start to instigate other household behaviour changes such as reducing the aircon temperature by 0.5 degrees; in the long term, if this becomes habitual before they leave home, when they move out of home they will ensure their home behaviours are driven by care for and knowledge about climate change, and this will reduce negative Australia-wide climate impact."

Theories of change often document assumptions about change and may refer to evidence-based theories such as rational choice theory, learning theory, social modelling theory and so on. But what's most important is that your organisation has identified short-, medium- and long-term outcomes that you can measure over time.

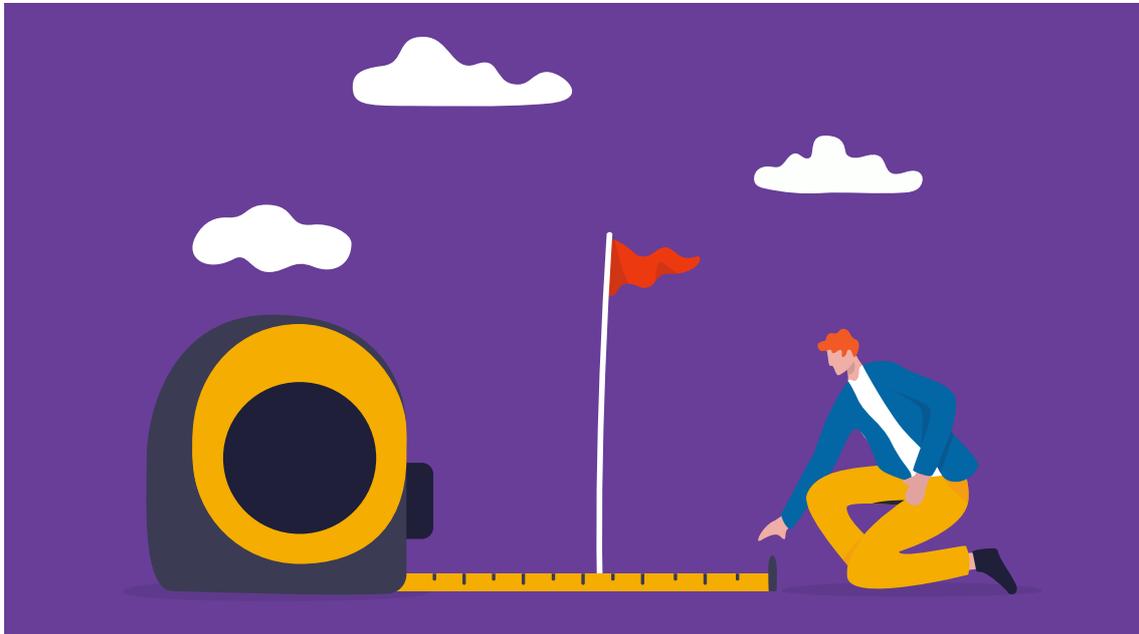


## 4. How do we measure and evaluate?

Ensuring that the organisation has the right measures in place and understanding how evaluative judgements are made (Is there a rubric? Is it done externally? Are the stakeholders involved?) will give board directors (and other stakeholders) confidence in the data and findings being produced. Best practice is never to rely on just one indicator, and ideally the organisation should triangulate data and gather both qualitative and quantitative data from a range of sources. In the example above, this might mean gathering data from end users (i.e. young people) but also from intermediaries (i.e. teachers, parents and so on).

## 5. Are we making a difference?

The organisation should be reporting outcomes to the board regularly, so the board knows whether the organisation is on track to advancing or achieving its purpose. The trick here is not to get lost in widgets or outputs and to stay focused on the changes made for beneficiaries – are their lives better off? How?



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## 6. What are we learning about the organisation's work?

Survey results and the numbers the organisation collects are useful only if the leadership and board are curious about the story they tell. If the outcomes being reported to the board aren't satisfactory, why not? What needs to be improved? Even success stories provoke interesting questions, like why was this better for girls than boys, or why is our biggest age group 40 to 50, or why does this work better in the morning than the afternoon? Investigating your data in this way can help spark creative ideas that help your organisation to thrive.

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## 7. Is the organisation's work having any unintended outcomes, positive or negative? How are these tracked?

Our work can generate unintended consequences – both positive and negative – so organisations need to put in place systems to gather information on these. For example, if you run sailing classes for children and you ask parents to help out as volunteers, you may notice that parents learn and gain from the experience as well as your intended clients, the children. Organisations also need to check they are doing no harm. For example, you may be getting great results from a financial literacy program for women from a CALD community group, but inadvertently creating household tensions about the roles of men and women.

## 8. What can be done to improve the organisation's outcomes measurement?

Continuous improvement is part of measuring success. Outcomes measurement is an ongoing process which involves a commitment to gathering data, critically analysing it, learning, and reporting it to stakeholders. What systems and processes of collecting data and then making sense of it could be improved?

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## 9. Are we complying with regulations and laws related to data? Are there any risks?

Is the organisation's Privacy Policy up to date? Is its data storage secure and compliant with best practice and standards? What risks does the collection, storage and reporting of sensitive personal data pose?



## 10. Can you explain that again in simple terms?

If the information you're getting about outcomes measurement or evaluation or data is unclear – if you don't understand it, if it seems very complicated, if it's doing your head in – ask again, and keep asking until you have the answers you need.

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## More information

[Why measuring outcomes is the board's business:](#)  
[A rethinking the community sector lecture by Jen Riley](#)