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Dashboards That Guide Good

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Dashboards That Guide Good

How funders can help grantees track their progress more effectively **BY ANNE MARIE BURGOYNE**

MANY NONPROFIT DIRECTORS keep a close eye on their dashboards, those colorful arrays of output, outcome, and impact measures that represent an organization's goals and guide its decisions. The dashboard's brightly colored bubbles quickly signal the health of an organization's different activities. Green dots mean, "This is going really well—no need to put more energy here." Red dots warn, "Focus an hour of your meeting here—deep well of trouble brewing." And yellow dots relay, "Proceed with caution."

Despite their usefulness, dashboards can create problems all their own. In a noisy and complex world, many organizations struggle to decide which indicators to include and which to leave out. Cash-strapped times and a spike in the need for nonprofit services have only muddled matters because measuring outputs, outcomes, and impacts can be expensive and time-consuming. Indeed, as the size and complexity of dashboards grow, and more and more staff members have to help with measurement, dashboards can take on a life of their own. When faced with too much information, managers may either pay attention to the wrong data or stop making data-based decisions altogether.

Just as staring at an odometer while driving on a winding road in a rainstorm is not such a great idea, neither is devoting too much attention to dashboards while trying to meet beneficiary needs and program goals. At the same time, just as ignoring a fuel gauge on a desert road trip is bad practice, so is failing to attend to the data at hand.

Developing and maintaining dashboards need not be a hazardous distraction. As the portfolio director of the Draper Richards Foundation, a San Francisco-based funder, I have helped several dozen grantees think through their measurement and evaluation practices. Along the way, my coworkers, our grantees, and I have learned to pay close attention to three sets of questions: 1) How many is too many indicators, and how many is just enough? 2) Who is the audience of the dashboard, and what do they care about? and 3) For each question, what is the best kind of data—a number, a set of numbers, or a narrative? We find that grantees that carefully consider these questions when constructing their dashboards ultimately have stronger outcomes, more funding opportunities, and greater credibility in their fields of endeavor.

BE LEAN, BUT MIGHTY

The Draper Richards Foundation selects, funds, and supports early-stage nonprofits with multiyear general operating grants, as well as a range of other resources. We are agnostic about the topics and ge-



ographies we fund. As a result, our nonprofit grantees range from Montclair, N.J.-based Little Kids Rock (a music education program) to Washington, D.C.-based Genocide Intervention Network.

Rather than focusing on solving particular problems in specific places, Draper Richards concentrates on cultivating visionary entrepreneurial leaders whose distinctive models promise impact. During our selection process, we seek out organizations that understand the importance of measurement, that are committed to gathering and analyzing outcome and impact data, and that are prepared to adapt their measurement systems over time.

ANNE MARIE BURGOYNE is the portfolio director of the Draper Richards Foundation. As part of this work, she sits on the boards of One Acre Fund, Agora Partnerships, and Mapendo International.

Among our grantees, One Acre Fund has an exceptionally functional dashboard—one that is detailed enough to tell a story, yet skinny enough to hold in your head. Founded in 2006, the Chicago- and Bungoma, Kenya-based nonprofit helps East African

farmers increase their farm yields and thereby rise out of poverty. Its programs empower local farmers with planting materials and fertilizer, agriculture education, and market connections.

One Acre Fund's goal is to reach as many people as possible, with as much impact as possible, as cost-effectively as possible. Reflecting these goals, the organization's dashboard is a simple three-by-two matrix: Three columns capture data about scale, impact, and sustainability, and two rows represent program and finances. Each of the six cells in the resulting table contains only a few metrics. The cell for program scale, for instance, includes the number of active farmers in the program and the number of districts served. Meanwhile, the cell for program impact includes average percentage increase in farm income and reduction in child deaths. Over in the financial row, the financial sustainability cell includes cash reserves and cost per farmer. Each metric has a target outcome and green, yellow, and red bubbles indicate if the goals are being exceeded, met, or missed.

Although simple and uncluttered, One Acre Fund's dashboard shows donors like us what we need to know. But the dashboard isn't just for funders: Board members discuss it at every meeting, program staff routinely consult it, and beneficiaries receive it. One Acre Fund also posts its program dashboard on its Web site.

KNOW YOUR AUDIENCE

The measures on a dashboard aren't just theoretically interesting numbers generated for the sake of mathematical acuity. Rather, they are tools with which organizations tell their stories. As any good advertiser, politician, or journalist will testify, to tell a story well one must know one's audience—what it cares about, what it needs to know, and what it can understand.

Agora Partnerships is one social enterprise that has figured out not only what its donors, board of directors, government supporters, and partners want to know, but also how to communicate those data to them. And like most nonprofits' audiences, Agora's stakeholders want a handful of bellwether outputs, not a complicated spreadsheet.

Established in 2005, Agora, based in Washington, D.C., and Managua, Nicaragua, offers socially responsible entrepreneurs in Central America strategic guidance, planning templates, consulting, seminars, and access to networks and financing. For example, Agora worked with Roberto Mejía and his business, Clínica del Pie, by lending him \$35,000 from the Agora Venture Fund and giving him consulting support that helped him raise prices, build infrastructure, and take on new management techniques. Several years later, sales have tripled, staff size has doubled, and Mejía is considering expanding into Panama and Costa Rica.

After talking to investors and clients, Agora recognized that these audiences wanted to know how many jobs Agora-supported businesses create. Job creation brings more people into the formal economy and helps them make long-term commitments to building assets, getting educated, and serving their communities.

To find out how many jobs it's helping create, Agora asks its beneficiaries to report how many employees they have now versus in the past. Other indicators that Agora tracks include money

that flows into both the Managua and D.C. sites, which reflects the importance of these organizations to their markets. Agora also follows how much capital its supported businesses are raising and earning.

Mapendo International has likewise learned what its funders, board members, and partner organizations care about. Founded in 2004, the Boston- and Nairobi-based nonprofit protects and resettles African refugees, particularly widows, orphans, rape victims, torture survivors, targets of genocide, people living with HIV/AIDS, and others at risk for further violence and discrimination. Mapendo's stakeholders include the United Nations High Commissioner for Refugees (UNHCR) and the U.S. Department of State, both of which want to know how many refugees Mapendo has resettled in safer locales. The organization also reports a small number of measures that reflect its medical care and social service delivery.

Single bellwether outputs can be very useful, especially when they reflect the values of the people being served. This is good news because it means that a handful of targeted metrics can guide operations and convey success to funders, while not costing an arm and a leg to gather. Even in resource-constrained environments, there is no excuse not to measure, and there are great opportunities to measure incisively and strategically.

CAPTURE SYSTEM CHANGE

Not all data are hard-and-fast numbers. Indeed, data that reveal system change—which is what many stakeholders care about most—tend not to be straightforward, traditional, or, in some cases, even numerical. Yet dashboards can and should capture these signals.

For instance, Agora aims to change cultural perceptions of entrepreneurship in Latin America, as formal small businesses are not common. Directly measuring cultural perceptions, however, is quite difficult, and so Agora relies on proximate indicators. These measures include the number of regional university course offerings on small-business topics, the amount and tone of press coverage of entrepreneurship in Latin America, and changes in banking policy that support small enterprise.

Mapendo International similarly tracks nontraditional metrics on its dashboard. One of the organization's goals is to change how the international community handles refugees, so Mapendo includes onetime events and narratives that reflect progress towards this goal. A recent dashboard update, for example, included news that the UNHCR awarded Rose Mapendo its 2009 Humanitarian of the Year award. It also recorded that she spoke at the White House.

To convey its impact more clearly, One Acre Fund even includes anecdotes alongside its dashboards. These stories vividly portray just how much the nonprofit's programs affect the lives of individual farmers and their families. Stakeholders can then connect the dots between these moving stories and the statistics, understanding that many of the other 12,000 families that the nonprofit serves are experiencing similar successes.

Although each of these organizations' dashboards is unique, all focus on a few meaningful and powerful metrics. With a glance at them, organizations can quickly glean useful information that keeps their drivers on course. In the case of nonprofits, this aids not only the drivers, but also their passengers—including backseat drivers. ■