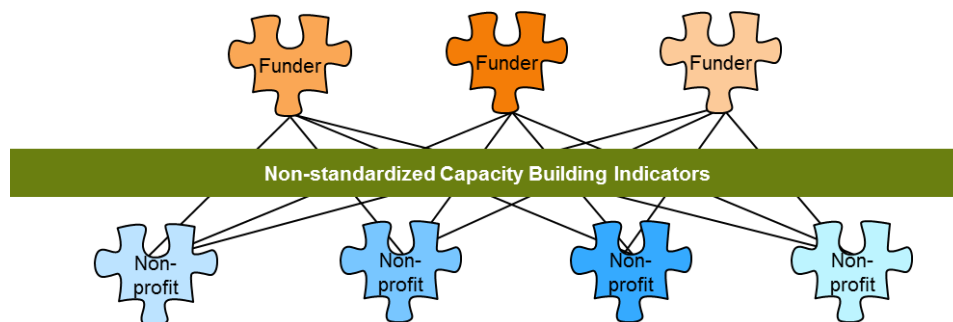


## Current Approach

Most evaluation of capacity building efforts takes place on an individual, organization-by-organization basis. As a result, these efforts often result in:

- **Isolated Impact:** Lack of coordination across reporting requirements results in nonprofits reporting on different capacity building indicators in different formats, to multiple funders, costing valuable time and resources
- **Limited Learning & Collaboration:** Nonprofits cannot compare performance and learn from best practices of peer organizations who are measuring similar efforts
- **Inadequate Assessment of Impact:** There is limited field-wide data that enables nonprofits and funders to understand, document, and differentiate their impact on capacity building outcomes

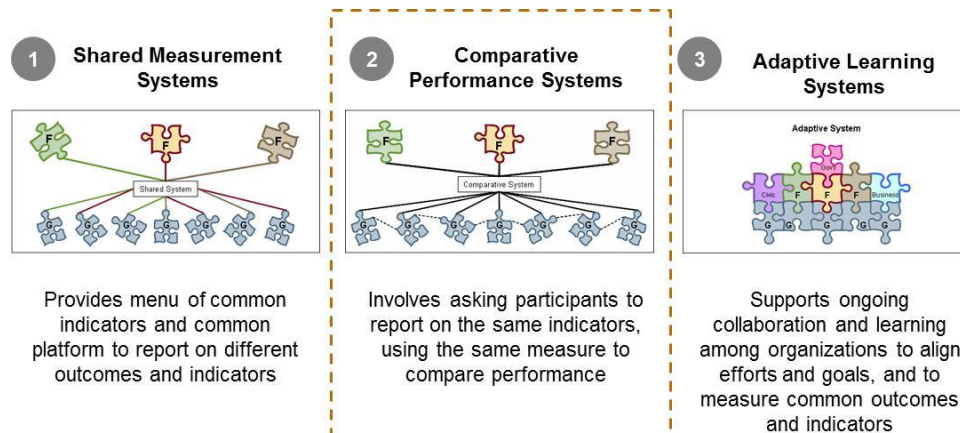
### Current Evaluation Landscape



## Shared Measurement Systems

While there are multiple options for types of shared measurement systems, as illustrated in the diagram below, comparative performance systems offer an appropriate balance between usefulness and resource requirements. Comparative performance systems require all participants within a field (or community) to report on the same measures, using identical definitions and methodologies. As a result, users can compare the performance of different organizations and collect reliable field-wide data. Organizations can learn from each other's performance, funders can make more informed choices, and the field as a whole, can more accurately document its influence and impact.

### Shared Measurement Systems



The primary benefit of a comparative performance system is increased knowledge; other benefits may include cost savings, increased evaluation capacity, improved data quality, and greater credibility, as described further in the diagram below.

**Anticipated Benefits of a Comparative Performance System**

- Increased Knowledge

  - Participants can learn best practices of peers, as well as internally, which programs and approaches have the greatest impact
  - Focusing on outcomes vs. just activities and outputs, can create greater insights
- Cost Savings

  - Common measurement system may allow funders to align reporting requirements, reducing redundancies and nonprofit evaluation resource needs
  - System reduces development and maintenance costs for individual organizations
- Improved Eval Capacity

  - Clear, standardized instructions for data gathering and centralized field-wide analysis increases staff's ability to collect useful information in efficient ways
- Improved Data Quality

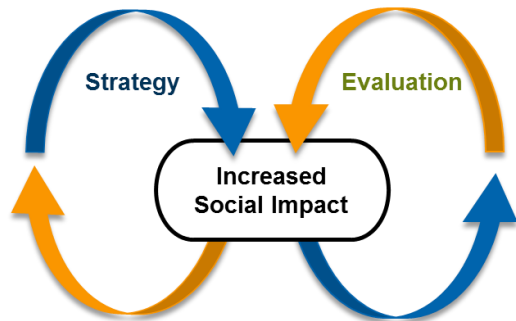
  - Common definitions that are clearly articulated enable comparability across data sets and improve validity of analysis at a field-wide level
- Greater Credibility

  - Greater transparency into measurement process and comparability increases credibility of individual organizations, as well as the field

**About FSG**

FSG is a nonprofit consulting firm specializing in strategy, evaluation and research, founded in 2000 as Foundation Strategy Group and celebrating a decade of global social impact. Our vision is to foster new knowledge, tools, and relationships that create a more powerful and effective philanthropic sector.

Our approach to strategy and evaluation is underpinned by a belief that these two activities are inextricably linked. Through the evaluation process, organizational and programmatic strategies are developed, improved, and refined. Through clarity of strategic vision and purpose (and a culture of learning), evaluation can provide meaningful insights for both internal and external stakeholders.



We are dedicated to building the evaluation capacity of individuals, organizations, and the field in pursuit of a social sector that uses knowledge and learning to inform and improve practice. Below are some of our partners and intellectual capital focused on evaluation:



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