Resource Centre for Voluntary Organizations

Connections

YOUR INFORMATION DESTINATION

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Declining profit margin: when volunteers cost more than they contribute

by Linda Graff

This is a reprint of an article which originally appeared in the electronic NonProfit Times. Reprinted here with permission of the author.

Introduction

Volunteer involvement begs to be viewed as a valuable resource of the human service delivery system. The central concept of the workshop is that many voluntary organizations will find it useful to carefully review their current volunteer positions to determine whether they are returning good value. In all likelihood, many organizations could identify more productive and/or less costly volunteer positions which could generate more satisfying involvement for volunteers, and greater returns for the organizations and the people they serve.

Volunteers as a Means

Most volunteering is organized to generate benefits beyond the persons engaged in it. That is, most organizations do not exist to give volunteers a place to volunteer. Rather, volunteers are invited to participate, alongside paid staff, in the delivery of services that further the organizational mission. The underlying assumption is that volunteers return value to individuals and communities as well as to the organizations through which they serve. That volunteers themselves also receive benefits from their volunteer work is undeniable, but outside the scope of this article.

Haphazard Engagement

The voluntary sector has approached the engagement of volunteer resources in a largely haphazard manner. Volunteers and their enormous potential are rarely considered early in the service planning cycle. Volunteers are much more likely to be "add ons" after plans have been finalized. This is not intentional. It's just that the full potential of volunteers is rarely understood by senior executive and administrators. Volunteers are most likely to be seen as part-time workers suited mostly to routine, low

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How far that little candle throws out its beams! So shines a good deed in a naughty world.

William Shakespeare

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level work. It is the rare organization that fully appreciates the potential of volunteers to be solvers of organizational problems. And volunteers are generally taken for granted. When we have needed them they've been there, working away in roles largely invisible to senior administrators, planners, boards and funders. It is widely acknowledged that organization leaders consistently fail to fully understand, appreciate, and accurately assess the value of volunteer involvement.

Volunteer Positions Fail to Maximize Volunteer Potential

Because the volunteer resource is not considered throughout the service planning cycle, volunteer involvement tends to be "tacked on" later in what often develops into a patchwork of volunteer roles added from time to time to shore up deficits and shortfalls, or to undertake work that paid employees either do not want to do or are willing to share with their unpaid counterparts.

Many volunteer positions have existed, unchanged for years, and sometimes decades. It is not uncommon to find volunteers still doing the same work in the same way as volunteers did two or three or four decades ago, and in some cases, it's still the same volunteers filling the same positions. No one bothers to ask if the work is still useful or if the way in which the work is being organized is the best way to produce desired outcomes. Despite the fact that everything else in the nonprofit sector and service delivery system has changed many times over in the last two decades, that volunteers have always done a particular function seems to be reason enough for them to continue to do exactly that same thing into the foreseeable future. There are exceptions, of course, but they are among a small minority of organizations that are open to creatively involve volunteers in high level, non-traditional positions that fully engage volunteers' capacity.

The Costs of Volunteer Involvement Escalate

Over the last decade or so, the costs associated with engaging volunteers have increased substantially. Because of changes in the wider society, the legal system, increasing accountability demanded of the nonprofit sector, and the alarmingly prevalent revelation of abuse of vulnerable people, the sector has responded with more effective administrative and risk management systems. Targeted recruitment, more intensive screening, more thorough training, and enhanced supervision and oversight have begun to characterize volunteer management practices. And these require more staff time and increased hard costs. Where the work of volunteers is more complex, sophisticated, risky, or direct-service in nature, the costs associated with its coordination are usually higher.

At the same time that the standards of volunteer program management have risen, volunteer tenure has decreased. The prevailing trend towards episodic volunteering - the propensity of volunteers to volunteer in short, well-defined positions measured in hours or days rather than in months, or years - means that the output of volunteers, at least as measured in units of time, is declining. It is important to note, however, that some volunteers may return enormous value in a short period, so tenure is not always an accurate measure.

In this confluence of increasing program management costs, sector tardiness to involve volunteers in new positions that could engage their full talents and influence, and shorter volunteer retention periods, the cost effectiveness of volunteer involvement cannot be assumed.

It is very likely that at least some volunteer positions are returning less, or little more, than they cost to sustain. More importantly, the sector continues to ignore a plethora of new opportunities through which volunteers could be engaged as equal partners in mission attainment. As the general population is increasingly educated and skilled, and in particular, as baby boomers seek increasingly meaningful positions through which they can apply their experience and connections, volunteerism almost surely represents the biggest repository of nearly unlimited growth in the nonprofit sector. Inconceivably, it continues to be virtually ignored.

The Concept of Profit Margin

Profit margin is a measure of the net gain (or loss) of revenue minus expenses. The concept of profit margin is suggested as a way of beginning to conceptualize the relative costs and returns of volunteer positions. While it may not apply in the strictest sense because volunteering takes place outside of the formal money economy, it effectively communicates the notion of return on investment in volunteer involvement.

As input costs (the operating expenses of the volunteer department, for example) rise, and/or as the amount of work done by volunteers or the intrinsic value of that work declines, the profit margin narrows. Consider these examples:

- If position requirements no longer match the interests and

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limitations of the contemporary volunteer labour force, does it not make more sense to alter or retire the position than to spend ever greater resources trying to talk volunteers into doing that work, and then replacing those who agree to volunteer but fail to stay because the position does not meet their needs?

- If the application of new technology can produce results more effectively and/or efficiently than traditional methods which engage significant numbers of volunteers, does it not make more sense to invest in the technology and turn volunteer resources to more "profitable" involvement?

- If volunteers could be recruited to help solve high level organizational problems, e.g., assist managers with senior level strategic planning, conduct market research or needs assessments, or accomplish any number of the dozens of other things of which skilled volunteers are now capable, does it not make more sense to invest limited resources in development of those kinds of volunteer positions?

Cost-Benefit Review

Organizations are urged to undertake a systematic review of where they engage volunteers, not because volunteers might not be worth investing in, but precisely the reverse. Because volunteers can accomplish so very much if invited to do so, not taking a close look at costs and benefits of volunteer involvement simply perpetuates and confines volunteers to a second class workforce.

If administrators, planners, and funders could get beyond their outdated stereotypes about volunteers as envelope stuffers and baby bootie knitters, and recognize the enormous human resource asset latent in that workforce, volunteers could become valued partners rather than doers of little jobs. Such recognition is all that stands in the way of the sector benefiting from the truly transformational capacity of twenty-first century volunteers. ⊡

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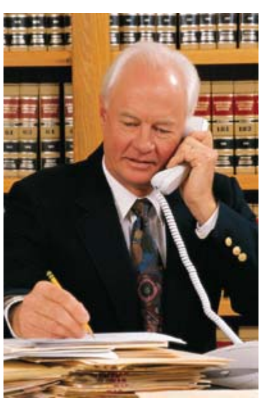
Privacy law and volunteer organizations - *how to make sense of it all*

by Jason W. Woycheshyn



Privacy law is often ignored or misunderstood by lawyers and laypersons alike. There are many reasons for this. First, privacy law and in particular, privacy legislation, is still in its infancy. Second, due to its broad application privacy legislation is drafted in very general terms, often making it difficult to determine how the law applies to a particular situation. Nonetheless, it is clear that privacy law is here to stay. As such, it is vital for corporations (profit and non-profit) to be aware of their privacy law obligations. The old motto "this is the way we've always done things" simply does not cut it anymore.

Why Should a Non-Profit Organization Care About Privacy Law?

Here are just a few reasons why non-profit organizations need to be conversant with their privacy law obligations:

- Failure to comply could result in complaints, investigations and inquiries before the Information and Privacy Commissioner of Alberta;

- If the matter proceeds to the inquiry stage, a decision will be released to the public. The organization's name will be on the decision. This can significantly hamper attempts to recruit volunteers;

- If found to be in breach of legislation businesses can receive fines up to a maximum of $100,000. Individuals can be fined up to $10,000. Moreover, a person who feels their privacy rights have been breached can sue the organization or an individual within an organization for loss or injury suffered. "Loss or

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injury" includes psychological pain, embarrassment or humiliation.

Although there is a multitude of privacy law statutes, if there is a common thread between them it is this: Any time an entity *collects, uses or discloses* personal information, there are potential privacy law implications.

In order to understand the scope of the common thread, it is first necessary to know what "personal information" is. Personal information has been defined thusly:

- Information about an *identifiable individual*;
- Includes both information that can identify an individual such as: name, home address, home phone number, Social Insurance Number, Alberta Health Care number, business contact information, etc;
- Also includes less obvious types of information such as physical description, educational qualifications and blood type.

The jurisprudence in this area of the law also provides us with guidance as to what does not constitute personal information. This includes:

- Information about corporations
- Likely information about sole proprietorships and partnerships. However, personal information that identifies a person within the sole proprietorship or partnership does constitute personal information.

For most non-profit organizations in Alberta, there are two applicable privacy law statutes:

- *Personal Information Protection Act (Alberta)* – "PIPA"
- *Personal Information Protection and Electronic Documents Act (Canada)* – "PIPEDA"

To determine which statute applies to your circumstances, you must determine whether any portion of your organization's collection, use or disclosure of personal information happens outside of Alberta. This includes any electronic collection of information (e.g. e-mails) that may extend outside provincial boundaries. If this is the case, then the Federal statute PIPEDA applies.

PIPEDA does not deal specifically with non-profit organizations.

Rather, it provides that any organization that collects, uses or discloses personal information *in the course of commercial activities* must comply with the Act.

If your organization collects, uses, or discloses personal information solely within the province of Alberta, the applicable statute is PIPA. Unlike PIPEDA, PIPA provides a definition for non-profit organizations. Section 56 defines a "Non-profit organization" as an organization that: is incorporated under the *Societies Act* or the *Agricultural Societies Act* or registered under Part 9 of the *Companies Act*. However, similar to PIPEDA if an organization is engaged in a "commercial activity" then the collection, use, and disclosure of that information must be done in compliance with the Act.

Commercial Activity

Obviously, determining whether your organization is engaged in a "commercial activity" is essential to understand your organization's privacy law obligations. "Commercial activity" is a rather

nebulous concept, but has been defined as follows:

- Any particular transaction, act or conduct or any regular course of conduct that is of a commercial character, including: the selling, bartering or leasing of donor, membership or other fundraising lists;
- The operation of a private school or an early childhood services program as defined in the *School Act*; and
- The operation of a private college as defined in the *Post-Secondary Learning Act.*

Some examples of "commercial activity" include:

- Sale of merchandise within the province by catalogue or internet, where billing information is collected (i.e. name, address, credit card information); and
- Selling a membership or donor list to another organization.

Again, the authorities in this area have indicated what is not commercial activity. Commercial activity does not include:

- Donations made to a non-profit organization where no product or service is exchanged;

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- An individual signing up for a free newsletter;
- An individual using the free service of the non-profit organization;
- Payment of a membership fee to a community league;
- Collecting membership fees;
- Mailing out newsletter; and
- Compiling a list of members' names.

Here is a list of questions that may further assist one in determining whether a non-profit organization is engaging in a commercial activity.

1. Is the activity conducted for the purpose of fundraising activity for charitable purposes (rather than to raise funds for regular operations or non-charitable purposes)?

2. Is the activity financially supported by the activities of the organization or operated on a cost recovery basis (rather than intended to make a profit to be used to support other activities)?

3. Is the activity one that tends to be provided only by the government or non-profit sector (rather than by private sector businesses)?

4. Is the primary purpose of the activity to provide a public benefit (rather than benefit individual participants or clients)?

5. Does the activity involve consideration by one party (rather than consideration by both parties)?

If the answer to all of these questions is "yes", then it is likely that your organization is not engaged in a "commercial activity". Accordingly, you do not need to comply with PIPEDA or PIPA.

It is quite evident that despite the numerous examples provided, determining what constitutes a commercial activity may still prove difficult. It is anticipated that the Alberta legislature will be making amendments to PIPA to provide further guidance for non-profit organizations in this regard. Until these amendments are made, all non-profit organizations will need to comply with either PIPA or PIPEDA when they are engaged in commercial activities.

In order to avoid the arduous task of delineating which of your organization's activities are commercial, and correspondingly trigger privacy law obligations, and which are non-commercial, a simple solution may be to institute a policy of compliance with the applicable privacy law statute for all of your organization's activities.

As a general rule, if an organization obtains consent from the identifiable person any time there is a collection, use or disclosure of their personal information, it will meet its obligations under either PIPA or PIPEDA. However, there are numerous exceptions where consent is not required. For example, PIPA defines "employee" to include volunteers and participants. Further, PIPA provides that if an organization is collecting, using, or disclosing personal information of employees that is related to the work relationship, it does not need to obtain consent from their employees. Rather, it is sufficient under PIPA to provide the employee with notice of the collection, use or disclosure of their information. Such notice can be provided when an employee or volunteer signs up with an organization. For example, the following notice could be included on an application form for employees/volunteers:

> **NOTICE TO VOLUNTEER**
>
> From time to time it may be necessary for the [name of non-profit organization] to collect, use and disclose your personal information that is related to the volunteer work relationship between you and the [name of non-profit organization]

How Can We Comply?

The following are some simple steps that a non-profit organization can take to ensure compliance with their privacy law obligations:

1. Appoint a privacy officer within your organization. This simply involves asking one individual within your organization to familiarize him or herself with the applicable privacy legislation.

2. Evaluate the personal information the organization currently has and determine all instances where the organization collects, uses, or discloses personal information.

3. Prepare privacy policies regarding when consent or notice is necessary.

4. Ensure current personal information that is in your

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VSMP & RCVO Update

Happy Anniversary

Voluntary Sector Management Program celebrated 25 years and the Resource Centre for Voluntary Organizations continues to grow after 20 years

Canada is home to more than 161,000 not-for-profit and charity groups, 19,000 of which are in Alberta. What better place for the Voluntary Sector Management Program (VSMP) and the Resource Centre for Voluntary Organizations (RCVO)?

The RCVO began in 1986 as a result of a joint initiative between the Junior League of Edmonton, Grant MacEwan College and the Canadian Centre for Philanthropy. The organization, known first as the Fundraising Resource Centre, started small and has grown to become one of Canada's largest information resource base for the voluntary sector. Today, the RCVO offers more than 6,000 books and articles (visit our "Library" on our website) and staff to help you find answers to your questions.

Each year, RCVO serves close to 5,000 people on-site, on the road and online. The centre's largest resource, its website www.rcvo.org, receives 5,000 to 7,000 visits per month from across Canada. On the Road, one of RCVO's most dynamic and innovative programs, serves a large number and range of communities throughout Alberta by physically bringing resources and expertise to interested community groups.

Planning for VSMP began in the late 1970s. The program was developed in part with non-profit organizations in the community that felt there was a need for education for managing non-profit organizations. The program was officially launched in 1982 and was one of the first college programs to have a distance delivery option.

VSMP is currently developing additional programming to better serve its students and the community. This June, current VSMP courses and credentials will make way for new learning and admission requirements for Fall 2007.

The VSMP and RCVO celebrated their anniversaries with an open house mixer and alumni reunion on May 2 at the City Centre Campus with approximately 150 guests. Our thanks for the kind wishes received at that time and support through the years.

Adapted and reprinted from May 8, 2006 edition of MacEwan Today.

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organization's possession is securely stored. This applies equally to information stored electronically.

5. Provide basic training to all persons within your organization so that they are cognizant of privacy concerns and are aware of the organization's privacy policies.

6. Review your organization's privacy law compliance annually.

Conclusion

Although intimidating at first glance, the most difficult part of privacy law for non-profit organizations is simply being aware of it. As with any change, a period of adjustment may be necessary for your organization to determine how the organization collects, uses, and discloses personal information and moreover, how it can do so in compliance with privacy law legislation. However, the growing pains are minor when compared to the potential exposure your organization has if it fails to comply with its privacy law obligations.

For further information on privacy law, the following websites are useful:

Privacy Commissioner of Canada – www.privcom.gc.ca

Office of the Information and Privacy Commissioner (Alberta) – www.oipc.ab.ca

Information Management Access & Privacy Branch (Alberta) – www.psp.gov.ab.ca ▣

The foregoing is provided for informational purposes only. The information is not intended to provide legal advice and should not be relied upon in that respect. Readers should consult with a lawyer to determine how privacy law affects their particular circumstances.

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RCVO Fall and Winter Workshops and Presentations (2006-2007)

Dates, times and locations for the listed events will be available in August on our website at www.rcvo.ca. For more information, e-mail us at rcvo@macewan.ca or call us at 780-497-5617 or 1-877-897-5616 (toll free in Alberta).

Fundraising Success: Where to Start and How to Build It

Are you raising funds in a small organization; starting a new fund development program; or just learning the basics? Then this workshop is for you.

"So What? Linking Research & Practice in the Voluntary Sector" 2006/2007 Series

In recent years there has been a massive increase in the quality and volume of applied research relating to the Voluntary Sector. This series of information sessions and discussions is aimed at increasing knowledge about recent applied research.

Strengthening Volunteer Boards

If you are a new board member wanting to learn more about your role and responsibilities, or an experienced board member wishing to enhance your skills and work effectively as a team member, this will be a valuable workshop.

Insurance Toolkit Workshop

The RCVO will host an Insurance Toolkit workshop on November 4, 2006. Please see the article on this page for more information regarding this session.

"Will Power" Charities Section

This presentation is organized by the Edmonton Community Foundation and always promises a lively viewpoint on the impact of "gifts in wills" for your organization.

RCVO On the Road schedule

RCVO's On the Road is an innovative and dynamic program that carries our resources and expertise to voluntary sector events throughout Alberta.

Insurance Toolkit

As mentioned in the Winter 2006 issue, the Insurance Toolkit is now available for not-for-profit organizations in Alberta. The **Alberta Voluntary Sector Insurance Council (AVSIC)** was proud to unveil the Insurance Toolkit in April 2006. The council, through the generous funding of the Insurance Bureau of Canada, The Wild Rose Foundation, and Volunteer Alberta, created an insurance toolkit designed by the Calgary Chamber of Voluntary Organizations specifically for the voluntary sector.

The unique aspect of the Voluntary Sector Insurance Toolkit project is that it comes complete with a seminar leader—an insurance professional—to work directly with organizations. Seminars are focused on increasing your organization's knowledge of the insurance industry, its products, and answers to your questions about adequate coverage. Volunteer Alberta is coordinating the seminars in communities for organizations across Alberta. Led by an insurance professional who understands the needs of the voluntary sector, seminars offer a hands-on learning experience that reading a workbook or publication simply cannot offer. Topics discussed in detail include how to purchase the most comprehensive insurance, what kind of insurance is adequate for your organization and most importantly, it will be delivered in 'decoded' insurance language that everyone can understand.

The Insurance Toolkit is yet another one of the many successes of the Alberta Voluntary Sector Insurance Council. The council is always finding new solutions to the problems affecting not-for-profit organizations in Alberta. Listen for more announcements this summer!

Free workshops are offered April 2006 until December 2006. Organizations are encouraged to contact Volunteer Alberta now to arrange a seminar date within your community or find out when the Voluntary Sector Insurance Toolkit is being delivered in your region of the province. Where possible, the seminar will be customized.

For more information, e-mail insurance@volunteeralberta.ab.ca or phone 780-482-3300 or Volunteer Alberta's toll free number at 1-877-915-6336.

Exploring trends in program evaluation

by Wendy Doughty

Evaluation theories, methods and standards have continued to change over time. The expectations of those providing funding for programs and services delivered by the nonprofit sector have continued to increase, reflective of an overall trend to increased accountability.

This article highlights the "top ten" trends in program evaluation. It is intended to encourage nonprofit leaders to reflect upon how these trends will impact their practice.

Trend #1 – Increased Demand for Relevant, Useful Program Evaluations

While decision makers and funders continue to be key audiences for program evaluation results, there is growing recognition of the utility of program evaluation results for those involved in program delivery.

The greater the involvement of primary users of the evaluation findings in all phases of program evaluation; the greater the likelihood that evaluation recommendations will be implemented. Ongoing communication with key stakeholders about the purpose, design, status and results of a program evaluation can help dispel rumours, fears and a general sense of distrust of the process and the evaluators. Key questions for nonprofit leaders include:

- Who will be the primary users of your program evaluation study?
- How will you engage primary users in all phases of the evaluation study?

Trend #2 – Client or Consumer Involvement in Program Evaluation

Involving an agency's clients or consumers in a program evaluation is essential to gather a true perspective of whether the program is meeting the needs of those it is intended to serve. Clients or consumers, in addition to being a data source, can support the process of data collection. In some cases, where age, culture, language, socioeconomic status or lived experience may be a barrier to clients openly sharing their opinions and/or experiences, a "peer" may be trained as a focus group facilitator or interviewer. This requires a commitment to appropriate training and quality control however, often results in data that is better quality and more accurately reflects the culture and values of the stakeholders. Key questions for nonprofit leaders include:

- How might you use internal resources to support evaluation of your organization's programs/ services?
- What actions would be critical to successfully utilize these internal resources?

Trend #3 – Linkage Between Strategic Planning and Program Evaluation

A current strategic plan can support alignment of programs with the organization's mission. Evaluability assessments can assist organizations in becoming more strategic by:

- Determining whether the program's goals and objectives reflect the organization's vision/ mission;
- Analyzing the underlying program assumptions;
- Focusing on program rationale and program interventions/ strategies; and
- Integrating program logic models, program descriptions, and program goals, objectives, activities and resources.

An important question for the nonprofit leader is to determine:

- How might program evaluation data be used to inform your organization's strategic planning process?

Trend #4 – Increased Accountability Requirements

Increased requirements for accountability on the part of those in receipt of public funds has arisen because of:

- Declining resources and increased competition;
- Publicized incidents of mismanagement of public resources;
- Increased public demand to access information on results of publicly funded programs; and
- Increased requirement for government to report on performance (role of the Auditor General or equivalent).

The role of the Office of the Auditor General (or equivalent) in program evaluation has increased in Canadian federal and provincial government departments as well as American government departments. The impact of this movement is now starting to be evidenced in nonprofits receiving

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funds from some of these entities. Within the public sector across North America there is evidence of:

- A movement toward evaluability assessment;
- A movement to overarching evaluation frameworks developed for programs; and
- Ongoing requirements to use client or program data collection systems developed by government.

Nonprofit leaders are advised to consider:

- What is the impact, if any, of increasing accountability requirements upon your organization?
- What action(s) will you take to address this impact?

Trend #5 – Increased Focus on Performance Measurement

Performance measurement is a key focus for government programs. It is also becoming a common requirement of those for programs/ services delivered by nonprofits with support from government funds.

Performance measurement is the systematic monitoring of certain key variables and is intended to focus activity to achieve long-term impact. A well-developed logic model is essential to the development of quality performance measures. It is also important to not lose sight of the benefactors or users of the program/ service and to ensure that program outcomes reflect their needs. To this end, nonprofit leaders are encouraged to consider:

- Who should be involved in the development of program logic models?
- What resources are required to implement and monitor performance measures?

Trend #6 – Sharing Data with the Public

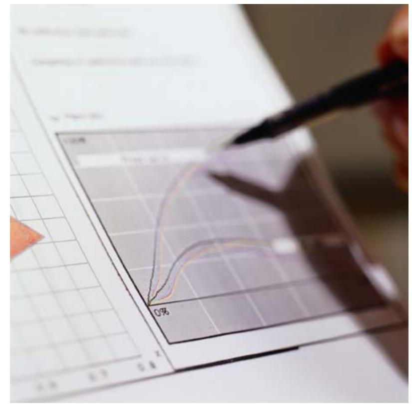
There is an increased interest by the public and the media in evaluation information. We are in the age of "report card syndrome" where the public wants to know how we are doing relative to other jurisdictions in terms of education, health, employment, etc. Consumers/clients are more engaged in choosing their programs/services (and in some cases the providers of such) and are seeking data that will inform their decisions.

There is a trend on the part of those providing funds for programs to be able to share program results and success stories. For the nonprofit sector, this emphasis on sharing data raises questions about confidentiality of client data. Furthermore, it requires that evaluation data be presented in a manner that accurately represents the program. Nonprofit leaders will benefit from reflecting upon:

- What concerns would you have about sharing client data and other evaluation results with others?
- Are you willing to share evaluation results that are not positive?

Trend #7 – Focusing on System-Level Change

There is a growing expectation on the part of those providing resources to programs that evaluations demonstrate an impact beyond clients participating in the program. Also, there is an increasing expectation that multi-partner initiatives affect changes at the community or system level. These two expectations result in the need to conduct impact



evaluations that can accurately measure such outcomes.

Impact evaluation examines the eventual results of program outputs and explores causality to determine whether the program is truly making a difference. True impact evaluation studies require longitudinal data, statistical analysis and modeling.

Nonprofit leaders need to:

- Clearly understand the requirements of impact analysis; and
- Ensure that impact evaluations respect the complexity or, in some cases, the intangibility of intended program outcomes.

Trend #8 – Increased Emphasis on Communication

Evaluators need to be highly skilled in developing trusting working relationships with stakeholders and disseminating findings and recommendations. The previously described increased emphasis on the sharing of data has also resulted in an expectation that evaluation findings and recommendations be presented to a variety of audiences, often using diverse mediums. Of equal, or in some cases, greater importance is regular communication within the organization about evaluation activities. Nonprofit leaders need to consider:

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- How will you update Board, staff members and volunteers about evaluation activities and results?
- Who will you share evaluation findings with? In what format (s)?

Trend #9 – Democratization of Evaluation

Driven by the academic perspective, there is continued work in developing evaluation approaches based on principles of democracy. Three approaches that reflect this philosophy are: stakeholder-based evaluation, empowerment evaluation and self-evaluation. These approaches provide opportunities to utilize internal resources to conduct program evaluations and are starting to attract the interest of program funders.

Stakeholder-based evaluation relies on an external evaluator as the expert on methods while recognizing that stakeholders (staff, clients, etc.) are the experts on the program. The objective of the evaluation is to provide valid data to support program improvement. Involving stakeholders in the evaluation process can result in development of stakeholders' skills and an increased respect for diversity among stakeholders.

Empowerment evaluation requires the external evaluator to act as a facilitator and assist and coach the program stakeholders. The objectives are to facilitate learning and change. This evaluation approach requires significant effort and time and is not suitable for every context.

A self-assessment approach to evaluation requires that the external evaluator provide validated assessment instruments that are then administered by program stakeholders. The results of the evaluation are dependent upon the quality of the data collection instruments, the stakeholders' understanding of these instruments and appropriate application of the instruments. Training of stakeholders and monitoring of results by an external evaluator however can further strengthen this approach.

These democratic approaches to program evaluation have great potential to build internal capacity and engagement. Nonprofit leaders are encouraged to explore these approaches and discuss their potential application with those parties requesting program evaluations.

Trend #10 – Interest in Varied Types of Evaluation

There appears to be a growing interest on the part of some funders to explore different types of evaluation for programs/services. These can include needs assessment, evaluability assessment, process evaluation and outcome evaluation.

Nonprofit leaders are well advised to be conversant in the appropriate application of these types of evaluation in order to discuss possible evaluation options with those providing program funds. ⊡

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The Alberta Chapter of the Canadian Evaluation Society offers an Essential Skills Series of workshops. Also, guest speakers on evaluation-related topics are offered throughout the year. For more information about these opportunities, visit the website at http://ab.evaluationcanada.ca.

Program evaluation: suggested reading and resources

The following books on program evaluation are available in MacEwan's Learning Resources Centre (http://www.lrc.macewan.ca/):

Handbook of practical program evaluation
H97 .H358 2004

The manager's guide to program evaluation: planning, contracting, and managing for useful results
HD69 .P75 M378 2003

Measuring performance in public and nonprofit organizations
HD58.9 .P65 2003

Evaluation: an integrated framework for understanding, guiding, and improving public and nonprofit policies and programs
H97 .M373 2000

You may borrow these books by:

- using your TAL (The Alberta Library) card at your local public library or,
- setting up special borrowing privileges, as a nonprofit staff or board member, with the LRC's interlibrary loan department. For more information on interlibrary loans, contact Michelle Bezenar at 780-497-5857 or e-mail bezenarm@macewan.ca

For additional resources on program evaluation, be sure to check out RCVO's online library catalogue (http://www.rcvo.org/libraryrcvo/library.html). You may begin with a Quick Subject Search under the "Agency Management" heading and look for "Evaluation" subheadings, or, perform a search using your own criteria. Items requested from the RCVO information files will be faxed to you free-of-charge.

Character in fundraising - principle number three: confidence

by Roger Breault

This article is the third in a series on the subject of developing seven character traits to become an effective, productive and authentic fundraiser. It is written with the intent to fill a sizable gap in the formation and education of those who want to be true fundraising professionals.

Everyday the fundraiser must test his/her confidence. The mere setting of fundraising objectives is an act of confidence. In fundraising, it boils down to:

1) an expression of confidence that your goals are both realizable and realistic;
2) that the volunteers will be there to carry out the required duties;
3) that the campaigns are supported by your selected target markets;
4) that the technologies will work; and
5) that your Board of Directors and CEO confidently encourage your efforts to make it all happen.

Have you ever had to put your job on the line over the achievement of fundraising objectives? It's frightening to know that your performance will be measured by how much money you will raise at the end of the day, at the end of an event, at the end of an appeal or at the end of the fiscal year. For some, this challenge can turn into sleepless nights and extraordinary commitments of worktime just to keep the job.

It doesn't have to be that way. At birth we fear nothing. As we get older, we live up to our parents' expectations to play it safe. Eventually we venture out on our own and experience disappointment. Then, we may succumb to heeding the advice of some of our peers who belittle our abilities and always want us to "take care" instead of "take charge".

We may become accustomed to accepting the more comfortable and deceivingly easier way to perform. That's when we begin to believe that being gutless, procrastination and the avoidance of risk-taking are the norm. There is no room for this kind of thinking in the fundraising business.

Intelligent analysis of risk taking must become second nature to us. Fortunately, you can develop this character trait through eager observation, studying and impartial detachment. Risk taking need not be a source of fear and immobilization; on the contrary, it can become a stimulant and a means to acquire more and more courage daily. How? It's a matter of learning how to marshal stress into a positive and productive force that propels and motivates you to achieve a higher level. These skills and abilities can be mastered. They have the desired outcome of increasing our effectiveness and capacity. Combined with the continual commitment to learn and authentic living, they make the fundraiser a formidable and unstoppable agent for the good of the community.

Overcoming the fear to change takes practice and diligent thinking. Effective fundraisers exude confidence in everything they do. They do not fear to make mistakes, to accept ambitious challenges, to undertake remarkable plans; they do get those major gifts. They succeed beyond everyone's expectation. Why? They have confidence in themselves—confidence gained through the active and systematic development of the acquisition of courage. They understand Susan Jeffers' maxim from her book Feel the Fear, Do It Anyway: "Ships are safe in harbor, but that's not what ships are built for".

Roger Breault, MCS, CFRE is a private fundraising consultant and manager of Fund Raising Consultants of Alberta. He can be reached at 1-866-420-3338, toll free or 780-455-3338.

Philanthropy Day—recognizing your donors and volunteers!

International Philanthropy Day is a special day set aside each year to recognize the contributions of outstanding individuals, corporations, and foundations; the "heart and soul" of communities everywhere.

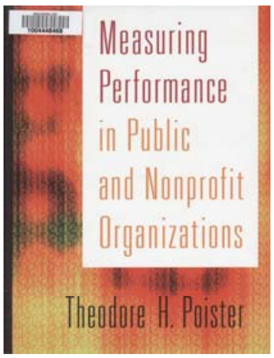
It was started 20 years ago under the leadership of the Association of Fundraising Professionals—AFP (formerly NSFRE). In 1997, the first Philanthropy Day event was held in Edmonton followed by the introduction of the annual award recognition program in 1999.

The Philanthropy Heart and Soul Awards are given in recognition to those individuals and organizations in our community whose lifetime or long-term achievements have had a significant impact. Nomination categories are for outstanding:

- Philanthropist
- Volunteer Fundraiser
- Youth or Youth Group
- Foundation
- Corporation
- Small Business
- Service Club

Consider who of your supporters should be recognized at this special event. Details of the nomination selection process and criteria may be found at www.afpedmonton.ca. Nominations are due by June 30, 2006.

BOOK REVIEW



Measuring Performance in Public and Nonprofit Organizations

by Theodore H. Poister
HD 58.9.P65 2003

A Review by Wendy Doughty

This comprehensive primer on performance measurement adopts a holistic approach within the managerial and organizational context. Underpinning this holistic view is the inter-relation of effective performance measurement with strategic planning and resource allocation.

The book is presented in four parts:

Part One is an introduction to performance measures and the evolution of the application of performance measurement.

Part Two offers relevant examples to help the reader develop performance measurement systems. Tips on reporting performance data in meaningful and engaging ways are provided.

Part Three focuses on the development of performance measurement systems to support particular management and decision-making processes—strategic planning and management, budgeting, performance management, process improvement, and comparative benchmarking.

Part Four identifies common challenges encountered in designing and implementing performance measurement systems.

Poister truly convinces the reader of the value of performance measurement and asserts the importance of stakeholders' active engagement in the process (not leaving it to external consultants and/or auditors). He demonstrates how performance measures can enable an agency to measure the effectiveness and impact of their work from the perspective of both internal and external audiences.

He also provides us with an enriched understanding of how tools such as logic models can support the achievement of goals and objectives at the broader organizational level.

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