OUTCOMES ASSESSMENT AND THE PARADOX OF NONPROFIT ACCOUNTABILITY[1]

By

David Campbell
Department of Human and Community Development
University of California, Davis

Journal of Nonprofit Management and Leadership
Vol 12, No 3, Spring 2002
[Page numbers are not the same as in the original!]

ABSTRACT

Leaders of nonprofit organizations face a particular bind in responding to the demands for results-based accountability. If they focus only on the project level outcomes over which they have the most control or for which indicators are readily available, they risk default on the larger question of accountability to publicly valued goals. On the other hand, if they try to demonstrate the impact of their particular projects on community-wide outcomes, they risk taking credit inappropriately or shouldering the blame for indicators beyond their control. In this paper I present findings from a research project—conducted in collaboration with economic development organizations on the north coast of California—that explored the practical demands and dynamics associated with this paradox. The key challenges are more civic and political than technical.

[1] An earlier version of this paper was presented on a panel at the November 16-19, 2000 meeting of ARNOVA in New Orleans, Louisiana. In addition to the author, members of the research team for this project included Joan Wright, an evaluation specialist; Deborah Giraud, County Director with Humboldt County Cooperative Extension with expertise in plant sciences and community development; and Dan Ihara, a nonprofit director with expertise in environmental economic development. The authors wish to thank Kim Rodrigues for her help in getting the project started, and Sommer Mateu who served as a research assistant. Special thanks go to the members of the local steering committee, who spent many hours with us sharing their project ideas, trying out different assessment approaches, and providing honest feedback on what worked and what didn't. These include: Georgiana Matthews, Kathy Moxon, Barbara O'Neal, Patty Visser, and Jude Wait.

There is an undeniable common sense appeal of paying attention not just to what organizations do, but to what they achieve that is of value. As a result, outcomes assessment is now being seen as a key element in a variety of reform initiatives with contrasting purposes. These purposes include strengthening fiscal accountability in public budgeting (Gore, 1993; LaPlante and Dickstein, 1998); disciplining the decision-making of integrated services collaboratives (Friedman, 2000; Schorr, 1997; Gardner, 1996; Maude, 1999); and catalyzing citizen action on a range of sustainability issues (Redefining Progress, 1997; Hart, 1999; Wholey and Hatry, 1992).

Empirical studies, however, raise serious questions about the practical utility of outcomes assessment, and the degree to which it is taken seriously in the decisions of funders and program developers (Carter and Greer, 1993; Clark, 1998; Coulton, 1995; Fine, Thayer, and Coghlan, 1998; Fischer, 1994; Koshel, 1997; Mosher, 1980; Moe, 1987; Newcomer, 1997; Saidel, 1991; Scotch, 1999). Promoted as a way to create objective standards for evaluating programs, the actual work of specifying outcomes by measurable indicators often raises as many questions as it answers due to data limitations, methodological disputes, or value conflicts (Sawicki and Flynn, 1996; Cobb and Rixford, 1998; Hart, 1999). As Harmon (1995, p. 3) notes, "what appears to be rational from the reformer's lofty perch is frequently irrational from the worm's eye perspective of those charged with implementing the reforms."

Other analysts focus their concerns on the political context within which outcomes assessment is inevitably lodged. Some fear that outcomes assessment will primarily become a punitive, budget-cutting tool, or be based on unrealistic standards because of a failure to consult nonprofit leaders (Bass and Lemon, 1998). Others worry that it will be used in a rigid "command and control" fashion that recreates within the nonprofit sector the same bureaucratic strictures that have made "contracting out" a popular option in the public sector (Carter and Greer, 1993; Dicke and Ott, 1999; Romzek and Dubnick, 1994). More fundamentally, there is the question of whether even the most successful and objective assessments will have much impact given "how utterly incidental and unimportant the program evaluation ideal really has been in national social policy over the last thirty years" (Lohmann, 1999, p. 101).

Veteran observers of public and nonprofit administration caution that we are a long way from being able to apply outcomes assessment tools seriously and productively (Fredrickson, 2000b; Gardner, 1996). These tools tend to focus on either program performance indicators (United Way of America, 1996) or on measures of community progress (Redefining Progress, 1997), with comparatively little attention on how to build the linkages between these levels. This begs the key accountability question: To what degree are particular projects contributing to community-wide goals? A few pioneering efforts attempt to take the link between project-level and community-level outcomes seriously (Friedman, 2000; North Central Regional Center for Rural Development, 1997), but they presume that the community has an agreed-upon process for overseeing the range of local development projects and charting future directions, a condition lacking in most locales (Bradshaw, King, and Wahlstrom, 1999; Gaubatz, 1998; Smith, 1994; Shively, 1997).

In this context, nonprofit organizations face a fundamental paradox of political accountability. Few nonprofit projects have sufficient scope to be held accountable for changing community-wide indicators (e.g. the unemployment rate). On the other hand, the project-level outcomes for which they can be held accountable are typically so narrow that the public has no compelling accountability interest (e.g. training a dozen women in home business skills, or restoring an old ship in hopes of attracting tourists). Thus, leaders of nonprofit organizations face a particular bind in responding to the demands for results-based accountability. If they focus only on the project level outcomes over which they have the most control or for which indicators are readily available, they risk default on the larger question of accountability to publicly valued goals. On the other hand, if they try to demonstrate the impact of their particular projects on community-wide outcomes, they risk taking credit inappropriately or shouldering the blame for indicators beyond their control.

In this paper we present findings from a research project that explored the practical demands and dynamics associated with this paradox. We sought to learn whether local actors perceived any advantage in linking nonprofit project outcomes to community-wide indicators, and what difficulties stand in the way of doing so. The two-year project was conducted in collaboration with selected nonprofit organizations in the north coast region of California, an area moving from timber dependency to more diversified economic development. The purpose was to identify "best practices" for outcomes assessment, focusing on the types of community economic development projects with which local Cooperative Extension offices and their community partners are currently engaged.

Our original intention—to create a list of valued outcomes each paired with appropriate indicators that project developers, community leaders, funders, and community economic development experts rated as having broad utility—proved to be illusory. As we struggled to make sense of this result, we came to understand the wisdom of Gardner's (1996, p. 8) reminder that "results-based accountability is not fundamentally a technical process, but an intensely political one." There are, of course, difficult technical hurdles to surmount in developing useful indicators, such as devising valid measures of the impact of an entrepreneurial training program. But the fundamental need we discovered was for accountability strategies and processes that connect project developers and community leaders in ways that promote joint responsibility, incremental achievements, ongoing learning, and clarity about future choices. These strategies can and should draw on rigorously specified indicators of outcomes, but their primary challenge is to improve the exercise of public judgment within complex organizational networks and an arena marked by competing political values.

Approach and Methods

The sample of nonprofit project developers and community leaders with whom we worked did not reject the claims of outcomes assessment outright, but their persistent litany of “yes, but” qualifications and objections clarify the limits of current outcomes assessment approaches, and how those limits might be transcended. Our research, conducted during 1998-2000, was funded by a competitive grant from the University of California Division of Agriculture and Natural Resources. It was conducted jointly by the California Communities Program at UC Davis, the Humboldt County UC Cooperative Extension office, and the Center for Environmental Economic Development in Arcata.

The project was unique in at least three respects. First, it attempted to apply outcomes assessment tools developed in the context of social services work to the projects of economic development organizations. Second, the primary organizations involved with the project—including the county Cooperative Extension office, a local economic development corporation, and a nonprofit institute promoting sustainable forestry—had a history of working together, and the luxury of two years in which to build a common vocabulary, pursue diverse methods of inquiry, and adjust to what we learned along the way. Finally, the project deliberately focused on the links between project and community outcomes, in contrast to the standard practice of considering one or the other of these, rather than both in balance (Gardner, 1996, p. 2).

The empirical work proceeded in three phases and produced both qualitative and quantitative data. First, we worked closely with a diverse set of project developers as they prepared project descriptions based on the United Way program logic model for specifying outcomes and indicators (United Way of America, 1996). We wanted to learn what outcomes they thought their projects were trying to achieve, what kinds of indicators they believed would let them know how they were doing, and what links they perceived with community goals. During this process, members of the research team provided continuing feedback and encouragement, in effect creating a form of ongoing technical assistance. Field notes from individual and group technical assistance sessions became an important source of data for this analysis. The more immediate and practical result was to create a set of succinct project summaries and program logic models (including both outcomes and measurable indicators; see example in Table 1) for eight local economic development projects.

The eight projects shared a concern for fostering environment-enhancing forms of economic development, but were funded from diverse sources (including the federal government, private foundations, and the University of California). They included distinct programmatic thrusts such as 1) expanding the growth of hardwood products manufacturing; 2) building regional capacity to develop a sustainable ecosystem management approach to forestry; 3) training owners and managers to support hardwood products businesses; 4) building a business network based on ecologically sound forest practices; 5) constructing a historical boat as part of an eco-tourism strategy; 6) creating a farm

Table 1. **Example of Program Logic Model from Humboldt Projects**

FARM INCUBATOR PROJECT

Desired Outcomes & Related Indicators: (Chain of Program Logic)

Immediate: (first year of project)	Intermediate: (first one to three years of project)	Longer range: (three or more years)
Create a place where farmers can test their interest and ideas on small parcels with low capital investment • Memorandum of Understanding between U.S. Forest Service and UCCE for use of land written and implemented • Number of participants that sign up for parcels	Program participants increase knowledge and experience • Participants expand some crops and drop others, based on their experience in the project • Participants increase business skills • Participants decide to drop or continue farming • Participants share resources as a result of increased networking opportunities Improved public-private collaboration • Number of non-negative local news reports regarding the collaboration between U.S. Forest Service and local community • Memorandum of Understanding used as template for other projects Increased sponsor understanding of what enterprises are feasible for small farmers • Project staff records successes and failures for future advising with other small farmers	Participants become stable and independent beyond the life of the project • Number of participants who continue to farm • Participants purchase land or sign long-term leases for parcels available on the open market • Participants are able to attract business financing Increased employment opportunities in the agricultural sector • Increase in the number of hourly wage jobs in these farm enterprises Increased volume of local agriculture-related business • Increased purchases by participants at local suppliers—e.g., leasing or purchase of equipment, supplies, materials Advisors increase knowledge and skill in aiding small farmers • Number of small farmers receiving assistance from advisors increases • Participating farmers assess advisors' help positively

incubator to help small farmers; 7) training local women in commercial textile production; and 8) reviving Native American basket weaving practices.

In the second phase of our work, we searched the community indicators literature and related web sites and developed a list of 51 community economic development indicators currently in use. The list included indicators of business health, resident income, employment, workforce quality, resource sustainability, and civic vitality. We deliberately included indicators from a range of sources. These included traditional measures used by community economic development professionals, those currently in use in state or local level outcomes processes (such as the Oregon Progress Board and Sustainable Seattle), and measures specifically designed to emphasize sustainability (Hart, 1999).

We constructed a survey instrument designed to rate these indicators against important criteria. A pretest of the instrument had respondents rate each indicator as high, medium, or low on four criteria: *importance*, *clarity*, *achievability*, and *data feasibility*. Given difficulties the pilot group had in rating the last two of these criteria, the final rating process was simplified. We asked the respondents to rate all 51 indicators as high, medium, or low on two criteria: 1) *importance* ("Does it provide information that is important in understanding the region's quality of life?"); and 2) *understandability* ("Does it measure an aspect of quality of life in a way most citizens can easily understand?"). The survey was mailed to a group of north coast funders and decision-makers identified by local project developers and the county Cooperative Extension office as key stakeholders. These included local government officials, representatives of state and federal agencies, funders, members of the financial community, business people, members of environmental organizations, and other civic leaders. Of 42 surveys mailed, 18 were completed. Given the small N, these results must be interpreted cautiously. On the other hand, the respondents were spread fairly evenly among the sampling categories, and represent a sizable percentage of the key economic development players in the local area. Table 2 summarizes the ratings.

TABLE 2 NEAR HERE

In order to explore further what we had discovered during the first two phases of the work, we conducted a focus group with a set of community decision makers, funders, and project developers. Twenty individuals attended, split evenly between those who had been survey respondents and those who were not. We sought their feedback on different modes of presenting project summaries and program logic models in written form, their explanations for the way indicators on the survey were rated, and their reflections on the link between project-level indicators and community-wide indicators.

Table 2. **Average Rating of 51 Community Economic Development Indicators on *Importance* and *Understandability* (by order of importance)**

Indicator	Importance	Understandability
Decrease in percentage of children living in poverty	2.80	2.66
Increase in high school graduation rate	2.73	2.73
Increase in percent of jobs that pay health benefits	2.73	2.53
Increase in adult literacy rate	2.73	2.60
Decrease in overall poverty rate	2.66	2.80
Decrease in unemployment rate	2.60	2.86
Increase in percent of residents of working age who are employed	2.60	2.46
Increase in export of local goods and services	2.53	2.60
Increase in local government revenues	2.50	2.71
Increase in housing affordability (price to income ratio)	2.46	2.53
Increase in percentage of population that is college educated	2.46	2.46
Increase in transient occupancy tax (TOT) revenues from tourism	2.42	2.42
Increase in percentage of citizens who volunteer	2.42	2.42
Increase in native fish populations	2.40	2.33
Decrease in disparity in income between top and bottom 20%	2.40	2.26
Success rate of bond measures for local schools and government	2.35	2.21
Increase in wages per job in key business clusters	2.33	2.46
Increase in sustainability of new business starts	2.33	2.26
Increase in percentage of residents with income exceeding 150% of poverty level	2.33	2.40
Decrease in real unemployment (i.e., includes discouraged workers)	2.33	2.20
Decrease in number of working poor	2.33	2.13
Increase in recreational opportunities for citizens	2.28	2.35
Decrease in percentage of professional services imported	2.26	2.06
Increase in percentage of workers receiving skill training	2.26	2.06
Net increase in number of business establishments	2.20	2.87
Increase in per capita income (adjusted for local cost of living) as percentage of state average	2.20	2.26
Decrease in number of days that air quality is "unhealthy" (federal air quality standards)	2.13	2.33
Increase in percentage of voting age population who vote in local elections	2.13	2.33
Increase in wildlife populations	2.13	2.13
Increase in base industry employment as percentage of total employment	2.13	2.00
Increase in government expenditures	2.07	2.50
Decrease in food stamp usage rate	2.06	2.46
Improvement in conditions of roads and highways	2.06	2.26

Increase in per capita savings level	2.06	2.26
Increase in percent of consumer goods for purchase locally	2.06	1.80
Increase in total number of employed residents	2.00	2.60
Increase in percentage of lower-paid workers in sponsored training programs	2.00	1.86
Decrease in energy cost as percent of business expense	1.93	2.13
Increase in percentage of residents using alternatives to cars in their daily commute	1.86	2.20
Increase in total income from employment	1.86	2.00
Increase in number of theatrical companies and singing groups	1.85	2.20
Decrease in hours of work at the region's average wage required to support basic needs	1.80	1.53
Increase in mentions of region in state and national publications	1.77	1.99
Increase in newspaper space devoted to public affairs	1.71	1.63
Increase in the number of non-profits	1.64	1.85
Decrease in rate of agricultural land rezoned for urban purposes	1.60	1.80
Decrease in rate of loss of forest land	1.53	1.73
Increase in percentage of families who own car	1.40	2.13
Decrease in jobs per household ratio	1.35	1.57
Increase in percentage of government offices, non-profits, and businesses on-line	1.28	1.85

Note: N=18. Scale of ratings: 1 (low), 2 (medium), 3 (high).

Findings

We identified three key obstacles to applying outcomes assessment methods in a way that meaningfully relates project-level performance to valued community goals. These obstacles include: 1) the inherent difficulty of articulating, with feasible evidence, an explicit logic linking project-level results to community-wide outcomes; 2) lack of agreement on priority outcomes at the community level; and 3) few regular occasions for project developers and community leaders to reflect on outcomes and indicators in order to better assess what projects to pursue with their limited resources.

Inherent difficulties of outcomes assessment for project developers

Two preliminary observations are important. First, all of the nonprofit project developers who were contacted were eager to collaborate with the research team. They indicated that the trend toward outcomes assessment was something they were dealing with increasingly in their projects, and were eager for helpful ideas and assistance. Many of them are involved with the local economic development forum, which is working to develop a common set of community economic development indicators for the region. Second, these nonprofit leaders had been with their organizations for many years and were experienced grant writers. All had a high level of commitment to the aims of our project, and a solid motivation for learning more in order to improve their grant and report writing.

Despite this, the first phase of our work—creating the project summaries and program logic models—took more than six months to complete. In part this reflected the competing demands on the time of the local project developers and the research team. It was primarily due, however, to the difficulty of articulating the desired outcomes of their projects and identifying indicators that seemed to measure what was important about the outcomes. Since they intended to use the resulting assessment schemes (in other words this was not just an academic exercise), the nonprofit leaders also were constrained by their expectations of the feasibility of obtaining evidence for the various indicators. As we pressed the project developers to think about the long-term implications of their projects, we found that they were not accustomed to thinking about how short-term project outcomes relate to broader community goals.

The good news is that both project developers and focus group participants found the use of the United Way program logic model helpful. The bad news is that the models are taxing to produce, and simply having a helpful template does not ensure a good result. We discovered what is no doubt familiar to anyone who has tried to develop outcome-indicators pairs—the work is difficult, except in the most straightforward of projects. It calls for a degree of clarity about purposes that is rare, raises questions of data availability and quality, and forces persistent tradeoffs between what would be ideal and what is feasible. Given the complex nature of this sample of community economic development projects, which often had multiple, nested goals and numerous organizational collaborators, creating valid and feasible assessment strategies proved no small feat.

Even with our technical assistance and the luxury of a long time to work together, the results were not completely satisfying to the project developers or the community leaders who were asked to comment on their products. A nonprofit project developer working on watershed issues noted, “There are huge technical questions to answer. I always find myself needing more information about technical feasibility.” A funder read one summary and responded, “I’m glazing over…there are way too many buzzwords here.”

It seems to us that this lack of satisfaction is not primarily due to deficiencies in the skills of the project developers or our abilities to assist them. Indicators for project outcomes could be developed, but the challenge was to find indicators that 1) captured the complexity and uniqueness of the projects, 2) wouldn’t impose self-defeating costs to collect, and 3) made sense given multiple funders with multiple goals and multiple accountability emphases.

These project developers are acutely aware that most of their funding doesn’t pay enough to support proper evaluation or data development. They also know that developing trusting personal relationships with funders may be a more valuable investment of time and energy than time spent on outcomes assessment. The funders told us that when deciding to fund a project they put more stock in the clarity of a proposal and the track record of the person or group behind the proposal than they did in the plan for evaluation. It appeared that by "track record," they referred primarily to elements such as the ability of an organization to sustain itself, pass fiscal audits, and stay out of trouble rather than to its programmatic outcomes. One project developer stated, "It's the people connected to the project that are its best assets, and the success of the project is tied to their personal energy. Indicators are fine, but there shouldn't be a direct link between them and funding."

Whether nonprofit project developers have the skills, resources, and support to make outcomes assessment practical and feasible depends in large part on how rigidly funding agencies define demands for accountability. Given sufficient time and assistance, local project developers could envision outcomes assessment schemes that they deemed useful for their own decision-making processes. A key element in making that possible was enlarging their sense of the types of evidence that might serve as valid indicators of desired outcomes. For example, if the outcome was "increased awareness and information about business opportunities," it was feasible and practical to use participant self-reports as an indicator, rather than a more sophisticated pre- and post-test survey.

Of course, it is this very flexibility that can call into question the validity of the indicators, either as guides to future project choices or as data to report to project funders. We found that the grip of the culture of "scientism" is strong. It shows up both in the ways that project developers "self-limit" by holding themselves to unreasonably high data standards, and in the opposite reaction of denouncing all outcomes assessment strategies as getting in the way of the "heart and soul" of what they are doing. The pull of these extremes is always in danger of crowding out consideration of more helpful middle-range approaches to creating useful evidence of achievement.

Inevitably, the drive for greater specificity, objectivity, and firm data on which to base funding choices leads back to the tradeoffs between accessibility and quality of data, cost (largely in terms of staff time) of developing reliable indicators, and importance of the outcomes being tracked. For example, a project promoting sustainable forestry practices may want to improve water quality in local streams, but typically lacks the means to either measure that outcome in ways that are scientifically accepted or to specify the particular contributions of their own work to measured improvements.

Sources of difficulty in identifying measurable community goals

By their very nature, community goals are subject to multiple interpretations and ongoing negotiation. This has been especially true in the volatile setting of timber-related communities as they deal with perceived conflicts between the environment and jobs, and as they look for alternative forms of economic development. When we asked nonprofit project developers whether they would feel comfortable linking their projects to community-wide goals, the immediate response was often, "Who gets to set the goals? Who gets to say what is important?" They were wary of any attempt to force projects to conform to an "official" list of priorities, believing it would risk eliminating important projects that just don't happen to fit the current or dominant agenda.

On the other hand, the north coast region has a fairly organized economic development community (compared to most rural California counties), and a process seeking to identify economic development benchmarks was taking place concurrently with our research. Despite this, our data revealed a rather limited and fragile consensus on what constitutes a set of important indicators of community economic development. Of the 51 indicators on the survey, the nine that received high ratings for both *importance* and *understandability* (see Appendix) were traditional and widely used measures. Comments on the ratings survey forms and the focus group discussion revealed that the respondents were wary of putting too much stock even in these familiar indicators. Respondents frequently appended qualifications to their ratings, expressed acute awareness of the limits on data availability and quality, suggested nuances that make determining the meaning of any given indicator difficult, or offered local exceptions and circumstances that color seemingly unambiguous figures. They seemed to share the judgment of public administration experts that just because indicators are presented quantitatively, they remain interpretations of reality in the same way that words are narrative interpretations of reality (Barrett and Greene, 2000; Cobb and Rixford, 1998, p. 14; Fredrickson, 2000b, p. 8; Murphey, 1999).

The local leaders were painfully aware that there is simply not an adequate or feasible indicator for every important goal, and that the process of determining how much energy and effort to put into data collection involves unavoidable tradeoffs between the need to measure outcomes and having sufficient resources to create the outcomes. The awareness of data limits combines with a reluctance to focus on a narrow list of high priorities, creating an impasse in efforts to target outcomes collaboratively. If the leaders trust the numbers, they may question the goals; if they agree upon the goals, they may question the numbers. Given the costs of generating better data or developing a political consensus, solutions to this impasse are not easily found. On the other hand, where a discrete goal can be targeted and a strategic investment made in developing data that are deemed essential for measuring progress, a clear accountability trail can be established.

Perspectives on linking project-level and community-wide outcomes and indicators

Focus group participants gave many reasons why great care must be taken in any attempt to link individual project outcomes to community-wide goals. They noted that it is hard to demonstrate a "measurable" impact on a particular goal as the result of any single project, and that a community indicator might decline even if a particular project is succeeding. For example, water quality in a local stream may decline if upriver pollution increases offset the success of local programs to decrease toxic runoff. At best, community-wide results take a long time to appear, suggesting that accountability processes need to be based in much longer time frames than are common in most grant making. Funders insisted that in judging project proposals they want to be able to assess why *this* project *now*, given the history of the local community and the nature of its current problems. For this reason, they found that program logic models alone are insufficient to determine the expected value of a particular project.

A number of participants worried that focusing outcome assessments on pre-selected indicators can restrict flexibility and create blinders that mask unintended consequences. Others noted that outcomes assessment requirements put a disproportionate burden on smaller nonprofits with limited capacity. Still others were troubled that focusing assessments on individual projects can work against the spirit of collaboration by placing too much attention on which organization gets credit for a given result.

On the other hand, we heard from both funders and project developers that it was a good idea for any project, even a short-term one, to show where the ripples will go. They were often stumped, however, as to how to do this in practice. For example, our sample of eight community economic development projects identified results such as "increases in low-cost test sites for potential farmers," "increased financial resources for small woodworking related activities," "increase in out-of-town visitors," and "increase in garment industry income." These goals are project specific, and even the most wildly successful of these projects could not by itself claim to have reduced child poverty or made much of a dent in the local unemployment rate.

The comments we heard implied, usually without stating so directly, the need to link accountability processes to collaborative community mechanisms. If a small nonprofit becomes part of a larger collaborative effort, it can receive credit for having done one piece of the needed work to achieve a given result. If improvements in one indicator are making one organization look good but creating unintended effects that plague other organizations—such as when a school achieves higher educational test scores by shunting large numbers of low-achieving students into alternative programs—a good collaborative can bring the issue to the table and negotiate change. If the community has been affected by structural changes that make short-term improvements unlikely—such as the closure of a timber mill—funders and community leaders can keep results expectations reasonable across the board.

Discussion

In theory, outcomes assessment can be a helpful tool for realizing publicly valued ends such as fiscal accountability, program integration, and citizen empowerment. However, our findings suggest that achieving these ends in practice will be rare rather than routine. The gap between the promise and practice of outcomes assessment is not simply a matter of inadequate training, slow learning curves, or deliberate evasion (Carter and Greer, 1993; Scotch, 1999), although all these factors play a role. The deeper reason is the presence of tradeoffs that constrain even the best-trained and most willing of practitioners (Dicke and Ott, 1999; Fredrickson, 2000a; Romzek and Dubnick, 1994), and the dependence of any results-based accountability system on working governance mechanisms and effective leadership. It is not simply that the ideas have not been sufficiently tried (Brudny, Hebert, and Wright, 1999), but that they are being tried and found wanting (Downs and Larkey, 1986; Harmon, 1995).

Local stakeholders are attracted to the ideas of results-based accountability in the abstract, but often resist or abandon them in practice. The persistent response, "yes, but," of these local stakeholders is a helpful corrective to the often seductive rhetoric implying that outcomes assessment is straightforward or a panacea. Nonprofit project developers often view outcomes assessment not as a helpful compass to keep their efforts on target, but as an external demand with potentially punitive consequences. Funders raise concerns about lack of scientific rigor in collecting indicator evidence on the one hand, and about the excessive expense of data collection on the other. While one funder stated, "It's simple, any project worth its salt can do it," the large majority of our local informants had a much more complex and reflective view of what it would take to make outcomes assessment work as promised.

With respect to the paradox of nonprofit accountability, our limited research suggests that the linkage between project-level results and community-level outcomes will be difficult to build. Based on the experiences and perspectives of our sample of informants, we hypothesize that the following three conditions are necessary to transcend the paradox. These are: 1) nonprofit project developers who can articulate, with appropriate evidence, a chain of logic demonstrating how their various projects contribute to community-wide outcomes; 2) collaboration among funders to identify and prioritize measurable goals and to create incentives for project developers to direct their activities toward these goals; and 3) community leadership that creates and sustains serious processes for targeting outcomes, developing data, reflecting on results, and disciplining collaborative partners.

One can imagine at least two scenarios in which outcomes and indicators might play a more constructive role in community planning. One would be if funders of projects in a particular community coordinated their efforts to focus on a discrete set of outcomes, provided grantees with the assistance needed to develop valid and useful indicators, and then actually used the results to determine future funding decisions (Gardner, 1996). The second scenario would be if local project collaborators have argued their way to a consensus on selected goals, figured out which organizations and projects can contribute in which particular ways to reaching the goals, and have undertaken the necessary data development to ensure that outcomes assessments are meaningful. Neither scenario is achievable without serious focus and effort supported by effective leadership.

Our work with project developers deepens our conviction that the utility of outcomes assessment can best be realized if it is used flexibly and strategically, as a set of practical tools that help project developers stay on course, rather than a rigid control mandate that imposes unnecessary time burdens and restricts local creativity (Patton, 1997). This conclusion implies a retreat from the view that the primary benefit to be gained from outcomes assessment is in establishing objective standards, outside the bounds of bias or prejudice, against which to measure performance. While some government and private funders may want these standards to establish the credibility of their programs, from the local perspective it is clear that the standards themselves are the products of inherently subjective, fragile, and highly political processes. Furthermore, the people involved in the accountability relationships that would purportedly make use of the standards tell us that *relationship* is what matters most to them—personal and organizational credibility based on track record, comfort, and familiarity. The need, as we see it, is for collaborative community processes in which these relationships are negotiated collectively and publicly, rather than as a series of one-on-one deals between particular project developers and funders.

Imposing outcomes assessment strategies on nonprofits will not automatically aid the public interest, unless there are also efforts to organize a unified community that can define and refine its sense of what its interests are over time. A workable results-based accountability process involves creating two types of community occasions. The first is an occasion for project developers to articulate a compelling logic that links their project activities to community-wide goals. The second is a reflective occasion that asks, given the best available evidence and judgment, whether project results (individually or collectively) are actually contributing to the desired outcomes. Developing and institutionalizing these community occasions should be the primary concern of those who wish to see outcomes assessment realize its considerable promise.

If it is feasible at all, the solution to the paradox of nonprofit accountability comes when local leadership emerges to catalyze a sense of joint responsibility for "turning the curve" on a particular indicator of a community problem (Friedman, 2000). These leaders may use quantitative and qualitative indicators as aids to decision making, but must avoid substituting *indicators* for *judgment*, that is, for careful reflection that is ultimately grounded in community values (Yankelovich, 1991). What we need is a more imaginative rather than literal understanding of responsibility and accountability (Kearns, 1996), one that takes into account the particularities of the situation at hand rather than conformity to prescribed ends; contribution to the joint cause rather than organizational self-justification. Otherwise, outcomes assessment will default on its considerable promise as an aid to organizational effectiveness and more reflective public judgment.

References

Barrett, K. and Greene, R. "Truth in Measurement." Governing, 2000, 11 (10), p. 86.

Bass, G. and Lemmon, P. Measuring the Measurers: A Nonprofit Assessment of the Government Performance and Results Act (GPRA). Nonprofit Sector Research Fund. 1998.

Bradshaw, T., King, J., and Wahlstrom, S. "Catching on to Clusters." Planning, 1999, 65 (6), 18-22.

Brudney, J. L.; Hebert, F. T.; Wright, D. S. "Reinventing Government in the American States: Measuring and Explaining Administrative Reform." Public Administration Review, 1999, 59 (1), 19-30.

Carter, N. and Greer, P. "Evaluating Agencies: Next Steps and Performance Indicators." Public Administration, 1993, 71, 407-416.

Clark, D. "Health Cities: A Model for Community Improvement." Public Management, November 1998, 18 (11), 4-8.

Cobb, C. W. and Rixford, C. "Lessons Learned from the History of Social Indicators." San Francisco, California : Redefining Progress, 1998.

Coulton, C. J. "Using Community-Level Indicators of Children's Well-Being in Comprehensive Community Initiatives." In New Approaches to Evaluating Community Initiatives. Washington, D.C.: Aspen Institute, 1995.

Dicke, L. A. and Ott, J. S. "Public Agency Accountability in Human Services Contracting." Public Productivity and Management Review, 1999, 22 (4), 502-516.

Downs, G. W. and Larkey, P. O. The Search for Government Efficiency: From Hubris to Helplessness. New York: Random House, 1986.

Fine, A., Thayer, C., and Coghlan, A. Program Evaluation in the Nonprofit Sector. Aspen Institute: Nonprofit Sector Research Fund, 1998.

Fischer, R. J. 1994. "An Overview of Performance Measurement." Public Management, 1994, 76 (9), S2-S8.

Fredrickson, H. G. "Lessons from Government Reform." PA Times, 2000a, 23 (7), p. 8.

Fredrickson, H. G. "Measuring Performance in Theory and Practice." PA Times, 2000b, 23 (8) , p. 8.

Friedman, M. Results and Performance Accountability, Decision-making and Budgeting. Workshop materials prepared by the Fiscal Policy Studies Institute, Baltimore, Maryland, February 15, 2000.

Gardner, S. Moving Toward Outcomes: An Overview of the State of the Art and Key Lessons for Agencies. Center for Collaboration for Children: California State University, Fullerton, October 1996.

Gaubatz C. M. Growing the Economy: Solutions for Rural California, A Report by the Assembly Select Committee on Rural Economic Development. Sacramento: California State Assembly, July 1998.

Gore, Al. From Red Tape to Results: Creating a Government That Works Better and Costs Less: Report of the National Performance Review. Washington, D.C.: U.S. Government Printing Office, 1993.

Harmon, M. M. 1995. Responsibility as Paradox: A Critique of Rational Discourse on Government. Sage Publications: Thousand Oaks, California , 1995.

Hart, M. Guide to Sustainable Community Indicators, 2nd Edition. North Andover, Massachusetts: Hart Environmental Data, 1999.

Kearns, K. P. Managing for Accountability: Preserving Public Trust in Public and Nonprofit Organizations. Jossey-Bass Publishers: San Francisco, California, 1996.

Koshel, J. Indicators as Tools for Managing and Evaluating Programs at the National, State, and Local Levels of Government-Practical and Theoretical Issues. Madison: Institute for Research on Poverty, Special Report no. 73, University of Wisconsin, Sept. 1997.

LaPlante, J. M. and Dickstein, C. B. "Documenting Success: Identifying and Measuring the Effects of Investments in Non-Metropolitan Economic Development." Paper presented at the 1998 annual meeting of the Community Development Society, Kansas City, Missouri, July 1998.

Lohmann, Roger A. "Has the Time Come to Reevaluate Evaluation? or, Who Will be Accountable for Accountability?" (book review). Nonprofit Management and Leadership, 2000, 10 (Fall): 93-101.

Maude, M. "On Accountability." Fund Raising Management, 1999, 30 (4), 36-37.

Moe, R. C. "Exploring the Limits of Privitization." Public Administration Review, 1987, 47, 454-460.

Mosher, F. C. "The Changing Responsibilities and Tactics of the Federal Government." Public Administration Review, 1980, 40, 541-548.

Murphey, D. A. "Presenting Community-Level Data in an 'Outcomes and Indicators' Framework: Lessons from Vermont's Experience." Public Administration Review, 1999, 59 (1), 76-82.

Newcomer, K. 1997. "Using Performance Measurement to Improve Programs." In Kathryn Newcomer, (ed.), Using Performance Measurement to Improve Public and Nonprofit Programs. Jossey-Bass Inc., 1997.

North Central Regional Center for Rural Development. Working Toward Community Goals: Helping Communities Succeed. Workbook for Community Action Teams collaborating with the Rural Community Assistance Program of the U.S.D.A. Forest Service, 1997.

Patton, M. Q. Utilization-Focused Evaluation. 3rd edition. Sage Publications: Beverly Hills, California, 1997.

Redefining Progress. The Community Indicators Handbook: Measuring Progress Toward Healthy and Sustainable Communities. San Francisco, California : Redefining Progress, 1997.

Romzek, B. S. and Dubnick, M. J. "Issues of Accountability in Flexible Personnel Systems." In Patricia W. Ingraham, and Barbara S. Romzek, and associates (eds.).

New Paradigms for Government: Issues for the Changing Public Service. Jossey-Bass Publishers: San Francisco, 1994.

Saidel, J. R. "Resource Interdependence: The Relationship Between State Agencies and Nonprofit Organizations." Public Administration Review, 1991, 51 (6), 543-553.

Sawicki, D. S. and Flynn, P. "Neighborhood Indicators: A Review of the Literature and an Assessment of Conceptual and Methodological Issues. Journal of the American Planning Association, 1996, 62 (2), 165-183.

Schorr, L. Common Purpose. Doubleday: New York, 1997.

Scotch, R. K. "Public/Private Collaboration and Program Evaluation in Local Service Systems." Paper presented at the meeting of the Independent Sector Spring Research Forum, Alexandria, Virginia, March, 1999.

Shively, R. W. "Small Town Economic Development: Principles of Organization." Economic Development Review, 1997, 15 (3), 43-46.

Smith, E. A. Building from the Bottom Up: Local Economic Development in California's Northwest Economic Adjustment Initiative Counties. Institute of Urban and Regional Development, University of California, Berkeley, 1994.

United Way of America. Measuring Program Outcomes: A Practical Approach. Alexandria, Virginia: United Way of America, 1996.

Wholey, J. S. and Hatry. "The Case for Performance Monitoring." Public Administration Review, Nov/Dec. 1992, 52 (6), 604-610.

Yankelovich, D. Coming to Public Judgment: Making Democracy Work in a Complex World. Syracuse University Press: Syracuse, New York, 1991.

David Campbell is a political scientist who serves as a Cooperative Extension Specialist and Director of the California Communities Program (CCP) in the Human and Community Development Department at the University of California at Davis. His research examines the intersection between public policy and community development processes at the local level, focusing on governance, civic engagement, citizen leadership, and economic development.