# THE SHIFT

## REDEFINING EXCELLENCE IN IMPACT MEASUREMENT

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# CONTENTS

# THE SHIFT

Redefining Excellence in Impact Measurement.


The Setup (3)

Excellence in Impact Measurement (4-5)

- Well-Organized Operations (6)
  - Operations Inventory: Impact Measurement (7)
    - Governance (8-10)
    - Tools for Data Collection and Database (11)
    - Analytics and Visualization (12)
    - The Human Side of Operations (13)
    - Year-End Final Numbers (15)
- Meaningful Content (16)
  - 3 Rs: Reach, Results, Reference (17-18)
  - Business Impact (19-22)
- Frequent Use (23)
  - Communicating Numbers (24)
  - The Utility Exercise (25-29)
  - Shared Definitions (30-34)

In Conclusion (35)


**Why Shift Measurement?**

**To strengthen the waves of positive change.**

AI disclosure: Carmen Perez wrote this paper. She hired a human designer and copy editor. She used Claude AI for some tasks, such as editing clunky sentences.

# The Setup

I have bad news. Measurement is boring.

On top of that, we've put a lot of pressure on numbers to serve as the be-all and end-all to show a social impact effort is worth doing. The intensity built up over decades, and numbers' ability to deliver isn't there. It's time to call it. Impact numbers need a new job.

Point # 1: Considering I have called myself a measurement person (among other things), it might sound odd to hear me call the work boring. Let me explain. Day-to-day measurement work doesn't typically light the average person up: extract data from a database. Tag individual records in a spreadsheet. Use AI to categorize text responses, then double-check for accuracy. Re-write surveys. Schedule cross-departmental meetings that people wonder why they've been added to, and it's your job to explain. Make charts. Make slides. Build dashboards. Update definitions and procedures in the guidance manual. Prepare source documentation for audit. Are you still with me? Even simply reading this list would put many people to sleep.

I understand why people working in community investment, social impact, corporate social responsibility (CSR), or variations thereof want measurement to be all about impact. Our field is full of purpose-driven professionals striving for change. Nonprofit leaders are similarly motivated.

Point #2: To relieve the pressure, it's time to give impact measurement numbers a new task. Rather than proving outcomes, they should track strategy. The first reason is, although it's hard to admit, current measurement assumptions slow down societal change. They misallocate funding. We need to dial-down prioritizing outcomes measurement and dial-up priortizing measurement that has numbers at their best and most useful purposes. Impact numbers have to step out of frameworks and step on to the field.

In turn, this creates more time to spend on strategy and planning. The numbers become one tool among many to see how the implementation of a strategy is going. The less time we spend on "solving" outcomes measurement, the more we focus on changing our actions.

Enough philosophizing. Let's get to work. I've developed the concepts in this paper for a decade+. They are informed by extensive feedback (cough cough… complaints) about impact measurement from corporate people, impact investors, nonprofit people, and those serving them (software, primarily). Use this paper as a team meeting pre-read, add it to the onboarding package for roles that touch measurement, or do one of the exercises herein with your team. The most popular items are the 3 Rs and the Utility Exercise, if you want to jump ahead.

Sincerely Yours,
Carmen

# Five Best Practices for Impact Measurement

These five best practices evolve how we define excellence in impact measurement for nonprofit, corporate, and public sectors.

**Excellence in Impact Measurement**

## Well-organized Operations

## Meaningful Content

## Frequent Use

## Strategy Achievement Supported

## Continuous Improvement

Impact measurement refers to the use of data to learn from, communicate about, and manage impact-focused efforts for community stakeholders.

People often ask some version of the question: *are we doing this measurement thing right?*

These five best practices help teams gauge how they're doing and decide what to focus on next.

We are evolving away from outcomes as excellence (as defined by a logic model*) and evolving towards these five best practices for excellence in impact measurement. If you seek better impact measurement, pick the best practice you're currently the worst at and work on it. Do not assume pursuing outcomes measurement is the only way to improve, although outcomes data could be part of "meaningful content."



* Inputs → Activities → Outputs → Outcomes → Impact

# Pursuing Excellence in Impact Measurement

These five best practices evolve how we define excellence in impact measurement for nonprofit, corporate, and public sectors.

## Impact Measurement Excellence

| Best Practice | Measurement efforts' effectiveness falls on a spectrum. Poor → Excellent | Take Action |
|---|---|---|
| **Well-organized Operations** | Incomplete, difficult to adjust — Complete, easy to adjust | **Operations Inventory (6-15)** |
| **Meaningful Content** | Lacks meaning — Highly meaningful | **3 Rs and Business Impact (16-22)** |
| **Frequent Use** | One user, once a year — Multiple users, continually | **Utility Exercise (25-29)** |
| **Strategy Achievement Supported** | Zero ties to strategy — Fully tied to strategy | **Strategic Planning*** |
| **Continuous Improvement** | No changes year over year — Multiple changes each year | **Project Management*** |

● Picture where you would move the blue dot on the spectrum for your company's current measurement practice.

*Project management & strategic planning are important best practices, but taking action on these is not covered in this paper. People can lever existing project management tools and strategic planning processes.



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# Well-Organized Operations

Operations are infrastructure. Many people avoid operational updates because they can feel technical or tedious, even though the majority of measurement time is spent on operational tasks. Use this section to take inventory of your team's measurement operations. Operations produce meaningful content and facilitate improvements. This section has a visual (at right) and a table (pg 7) that could serve as a checklist for your inventory, and some initial guidance to kick off the team's work on operations. Always remember how important the human management of measurement operations is, whether they are using AI tools or not.

## Components of Measurement Operations




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# INVENTORY

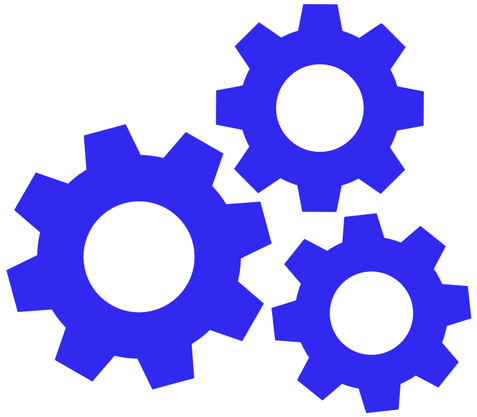
| OPERATIONS INVENTORY ITEM | DESCRIPTION | SKILL / RESPONSIBILITIES |
|---|---|---|
| ***GOVERNANCE (PAGES 8-10)*** | | |
| **Basis of reporting document** | Defines parameters of audited metrics in annual responsibility report | Writer, Environmental Social Governance (ESG) reporting subject matter expertise |
| **Guidance manual document** | Documents all procedures and defines all metrics currently in use | Writer, software administration experience |
| ***DATA COLLECTION AND DATABASE (PAGE 11)*** | | |
| **Software platform(s)** | Grants management, volunteering, matching gifts | Software administrator, Database manager or engineer |
| **Additional surveys** | Volunteers, nonprofit partner leadership | Survey writer |
| **(optional) Central database** | Bring multiple collection sources' data together | Database engineer |
| ***ANALYTICS AND VISUALIZATION (PAGES 12-15)*** | | |
| **Tool to make charts** | Spreadsheet software (Excel, Google Sheets), visualization built into other software platform, and/or dedicated visualization software | Software administrator, project management, data visualization |
| **Vital few metrics, year-end** | Short list of top priority metrics; spreadsheet or scorecard. Finals for the year. | Strategy, Analyst able to uncover insights, or in some cases, data scientist for additional rigor |
| **All metrics, year-end** | Long list of all used metrics; spreadsheet. Finals for the year. | Analyst able to uncover insights, or in some cases, data scientist for additional rigor |

# Governance

Governance documentation is a critical piece of impact measurement infrastructure. High-quality governance documentation initially takes time but will save time in the long run. There is less need to repeat debates about what's included or excluded or explain to multiple people what the metric or target intends.

Typically, two documents are needed:

1. *Basis of Reporting*
2. *Guidance Manual*



***Basis of reporting*** documentation is useful for audit and/or assurance[1], especially for high-visibility ESG targets. Alternate terms for this document are: basis of preparation, reporting criteria, or methodology statement. These documents include the details and definitions behind the community impact numbers that will face the most scrutiny. Basis of Reporting documents include definitions, scope, boundaries, and other page-turning topics. Some companies have one version of this document that is holistic to all Impact and Sustainability functions' targets. The whole team will be fighting to write this document, so keep the assignment on the down-low.

1. *https://viewpoint.pwc.com/dt/gx/en/pwc/auditing_in_briefs/ext/external-users/iaasb-approved-standard.html*

# GUIDANCE

***The guidance manual is more all-encompassing than the Basis of Reporting. It is internal and not intended for widespread consumption.***

The guidance manuals can include:

- Processes and procedures
  - Steps to log in to each system
  - Steps to export source documentation
  - Outreach plan to gather numbers from cross-departmental colleagues
    - Include specific colleagues' names
- Locations and sources of information
- Definitions about what to include and exclude in metrics
  - Ensure all metrics in any slide, memo, or website are listed
  - Terminology should be clarified
- Term or timeframe details
  - Define the fiscal year start and end date
  - Clarify any variations for alternate reporting years or programmatic years (e.g., school year)
- Accessing the year-end final numbers
  - File paths or specific location
  - Some detail on who should access which file
- References to past practices no longer in use to avoid accidentally bringing them back

The reasoning behind various methods, once documented, avoids duplicative conversations to rehash the same issues. These details are important to document because community efforts have different data standards than other sectors. The guidance manual can help clarify the differences for colleagues with other specialties.

For example:

- Defining the range for how much reporting is required depending on grant size
  - $25,000 in grant funding asks three questions in a final progress report, $300,000 in grant funding asks 10 questions in a final progress report
- Ensuring a practice of calculating an appropriate portion of a nonprofit's results, sometimes called attribution
  - An organization serves 5,700 people recovering from addiction; the funding provided was 3% of the total budget; include 170 in the final report
- Exactitude expectations are lower than required in other contexts (e.g., science experiments or finance)

# GUIDANCE

At this point, I know you're so excited you can't wait to stop reading this paper and start writing some definitions! Make sure it is assigned to the person on the core team most well-suited for the task, while noting that creating a guidance manual can draw from multiple people. There could be an individual in another department who could offer their governance expertise. If there are high-risk data security concerns, the project may require collaboration with IT policy colleagues. Once complete, the manual will be an invaluable resource for consistency and efficiency.

*What about AI?*

This is an operations section, and the inventory (pg 7) lists human skills rather than how to leverage the latest technology. Each team's tech stack is different. Each person's decision to use AI tools to complete tasks will vary. Many software build AI-driven functionality as a default into how they function. This paper doesn't specify AI tasks because there are many resources, experts, and companies out there providing that already. Make your team's choices of when to use an AI tool judiciously and with discernment.

# TOOLS FOR DATA COLLECTION AND DATABASE

Each company's community impact team employs software and survey platforms to gather data. The main software products execute program management of grants, volunteering, and matching gifts. Realized Worth publishes a technology review[2] of companies that provide these services in what is an ever-increasingly competitive industry. It's not universal, but some of these platforms have survey tools so corporate community impact leaders can field additional questions to volunteers. The most recent Technology Review shows that while the majority of volunteer platforms include post-event surveys, eight of 23 volunteer software options couldn't receive a full "advanced functionality available" rating.

That rarity leads to data collection outside the main software platforms companies are using. The need for additional information motivates corporate leaders to go rogue, using whatever tool is easily accessible in the corporate IT stack. Before anyone knows it, there's one survey in SurveyMonkey, three in a Google form, one fielded by an outside partner, and so on. The positive here is lots of feedback and learning. The negative is messy storage of data and an inability to crosswalk datasets leading to a high risk of duplicating the same data collection in the future. Stay organized and document the sources and processes in the guidance manual (pg 9).

I love the sound of the term data lake.[3] Who wouldn't want to take a swim! The term calls up a helpful visual to communicate fluidity and different streams coming together. There may be impact data use cases that would be best fulfilled by bringing siloed datasets together, in a lake perhaps. Always center the use case before a technical task of any kind. You can decide if the cost of the technical project is worth the benefit based on the potential use case. The task of combining datasets so they can talk to each other could require the expertise of a database engineer. It will depend on how many complicated systems are involved and the capabilities of software administrators. Moving beyond just community efforts, there are ESG software solutions that promise a grand coming together of all data. A note of caution: vet these carefully to ensure high utility. Or, did the team just buy their numbers a new dress? By that I mean the data is packaged differently, without gaining efficiency, new insights,  or improved quality.



*2. https://www.rw.institute/technology-review*
*3. https://ssir.org/articles/entry/data_lakes*

# ANALYTICS AND VISUALIZATION

Analytics and visualization are what measurement people often refer to as the “fun part.” Many software products include visualization tools as part of their report writer environment. The Technology Review[2] shows that dashboards are basically standard in the most frequently purchased impact software products. Some teams may use an internally owned visualization software or purchase a separate one. Dashboards are particularly useful for volunteering or matching gift efforts that have more standardized datasets and more frequent activity.

The other main resource needed for the analytics is people with the right expertise. Conducting analysis that uncovers insights is fundamental to increasing use of impact measurement. It is rare that after data collection an export of descriptive statistics (i.e., every question’s response converted into a chart) is all a team needs to track strategy. The analyst or data scientist[4] has the expertise needed to bring the numbers to life. In most cases, the person’s subject matter expertise is even more important than their analytic abilities. As we pursue increasing utility of impact measurement, someone who can explore well-informed questions in the data may be more helpful than a statistical analysis superstar with zero interest in the issue the data represents. There’s another page on visualization in the Frequent Use section, page 24.

*4. https://www.bls.gov/ooh/math/data-scientists.htm*

# THE HUMAN SIDE OF MEASUREMENT OPERATIONS

The most articulate documentation, most expensive software, and efficient application of AI tools will not lead to any measurement improvement without the people who bring the results to life. The Operations Inventory table at the beginning of this section highlights a few of the varied skills and responsibilities needed for excellent measurement. It is rare to find one person (even someone saavy about using AI tools) who has the whole range of skills; the pursuit of excellence in measurement is a team affair.

The table (pg 7) doesn't mention management directly because managers' responsibility touches operations overall. The manager is responsible for making and communicating decisions that remove ambiguity. Strategic clarity allows the team to complete other tasks efficiently. The manager is also responsible for the budget to make sure adequate resources support the operational maintenance and/or improvements. While someone may be assigned project management, the manager is a partner in assuring everyone is held accountable for their tasks and deadlines. Even if really useful, boring tasks are often pushed, and before anyone knows it… look at the time! COB has arrived.

Ethics are a shared responsibility of all involved in measurement operations. The Equitable Evaluation Initiative[5] offers guidance to evaluators, and their stated values are an excellent reference point. Operations codify systems and once built, can be difficult to change. Consider how the survey writer can play a role in undoing or perpetuating societal inequities when deciding what questions to ask. Or, the analyst who makes choices about what hypotheses to test in their analysis, which may reinforce something unjust. The team manager should strive for inclusive processes to make sure one team member's biases don't have too much influence.



*5. https://www.equitableeval.org/*

# YEAR-END FINAL NUMBERS, ALL AND VITAL FEW

The operations have produced a whole set of numeric insights. Kudos! Ideally, the suite of metrics exhibit the best practices — meaningful content, tied to the strategy, and numbers multiple people use most frequently. The analyst has produced all the year-end numbers and they are ready to be packaged and used throughout the year. Vital Few Metrics represent the top priorities of the strategy. The final year-end numbers become a ongoing reference point, sometimes called “the single source of truth.”

Vital Few Metrics are a sub-set of the data that represent the core numbers tracking progress on the strategy. Similar to an executive summary, they focus people’s attention before looking at additional details.

Deciding Upon Vital Few Metrics:

- Top priorities of the strategy
  - Any external targets are included
- Consistently reported year over year
- Widespread access for lots of colleagues and partners



# YEAR-END FINALS

***The "Single Source of Truth." The year-end final numbers might be in a simple spreadsheet. Going one step further, the team may prefer a dashboard or scorecard.***

- Dashboards imply real-time updates, which are not as commonly needed for social impact leaders.
- Scorecards imply all Vital Few Metrics are scoreable, often as bright green, green, yellow, or red (exceeding, on track, behind, or missed).

There are advantages to calling the year-end finals a dashboard or scorecard even if they do not meet all the technical definitions. For example, there may be a table in a slide that is referred to as the dashboard or scorecard because it increases the gravitas of the information the user is reviewing.

Don't quit two steps from the finish line. The last step is making the vital few and full year-end finals accessible and easy to find, each for their own group of users. You have probably seen tempers flare when a Type-A colleague wants to reorganize the team's shared drive. Villain! The mundane topic of choosing where files are stored is not written about often. If neglected though, it can become a stumbling block to frequent use. Pick a digital home for your finals. Viewing access to vital few year-end numbers should be widespread to increase use throughout the year. Providing edit access can get spicy; make sure those who have edit access won't go rogue and cause version control issues. The core team's folder will house original source documents, spreadsheets with calculations, and capture the ideas for data-driven decision-making that may not yet have come to life. Whatever structure your team determines for storage, document it in the guidance manual (pg 9).

# MEANINGFUL CONTENT

***Diagnose Using These Vital Signs***

Measurement that reflects meaningful content is the most blurry of the best practices. Assessing content requires subject matter expertise and an inclusive process. I'm confident your team has what it needs to do this assessment. Trust yourselves!

We're moving away from the days when "meaningful" meant measuring outcomes. Consider a more holistic way of assessing meaning in the numbers.

| SIGN OF MEANING | WHERE TO LOOK | SIGNALS HIGHLY MEANINGFUL CONTENT |
|---|---|---|
| **Tied to strategy** | Strategic Plan | Metrics and targets aren't generic nor random, they track progress on the strategy. |
| **Comprehensive** | Strategic Plan | No programmatic function is excluded; the set of metrics feels holistic of the work. |
| **Community centered** | Year-end final metrics | Includes social results you would be proud to discuss with a nonprofit partner. |
| **Aligned to business** | Year-end finals metrics | Business value is specific and persuades executives. |
| **Learning leads to updates** | Team meeting agenda(s) | Inclusive team exercises, at least annually, uncover learning that inspires at least one meaningful change to activity. |

# IMPROVING MEANING: THE 3 RS

We can help people interpret impact numbers when we think about their context. Use the 3 Rs,[6] at least one number for each, to communicate community impact data in a way that is meaningful and sticky. The 3 Rs combination works for corporates and nonprofits, which is part of its magic.

3Rs Metric Types
Have at least one of each to maximize meaning

Reach: quantity of work
Results: description of the reach
Reference: point of comparison

**Reach** numbers are the most common.[7] We love reach numbers because the directly represent the efforts of our sector. The volume of work done, units produced, people engaged, length of time served are all examples of reach data. The number of farmers, students, mentors, entrepreneurs. The volume of plants, museum visitors, books, meals, soccer games. A workshop series broken down by sessions and attendees. These are examples of core and fundamental data.

**Results** are the type of numbers that help express a nonprofits' mission, a particular strategic goal, or a feedback loop with the nonprofit's clients. Results can show achievement in the moment, effectiveness, growth, retention, completion, and more. Outcomes data would fall under results, but results are no longer limited to outcomes. It's time to take off that tight, high-waisted pair of pants and put on a pair that's comfortable. Ahhh, now doesn't that feel better? Why didn't we change our pants hours ago? We've learned an outcomes-focus works for certain societal issues (e.g., workforce development) and less for others (e.g., food security). Flexibility in results data is part of trusting the tracking nonprofit leaders design for their own internal purposes.

I've gotten so much positive feedback on adding **Reference** numbers to the metric mix. Selecting and sharing a point of comparison makes the reach and result information stick in a way it wouldn't otherwise. The other two numbers become more meaningful because they are now understood in context rather than in isolation. Choosing the point of reference metric is strategic. The concept of a reference number will sink in better after you take a look at the examples on page 18.

The 3 Rs help simplify how numbers are used in storytelling while still enhancing the meaningfulness of the content. Corporate community impact practitioner's environment is corporate offices, teams meetings, and flooded calendars. This environment makes attention spans short. The most ***effective*** practice is using numbers that are quickly understood and memorable by the highest number of colleagues possible.

It's smart to simplify. It's intentional to reduce complicated concepts. The 3 Rs increases understanding of our sector's work, a rising tide that lifts all ships.

*6. First published in Trendsetters 2026, Better Next, released February 2026*
*7. Common doesn't make them bad or less useful. On the contrary! Access can help use.*



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# MEANINGFUL CONTENT: 3Rs Metrics Examples

| EXAMPLE | REACH METRIC | RESULTS METRIC | REFERENCE METRIC |
|---|---|---|---|
| **Shelter** | 9,111 indoor sleeps for unhoused people | 83% capacity. 30 bed shelter, open 365 days per year, 10,950 available. | 3,500 unhoused people in Memphis, 2025 census. 807 individuals stayed with us this past year. |
| **Resume workshop** | 110 women completed workshops | 91% passed final assessment | Career developer typically has 175 job openings in their pipeline available to those who pass. |
| **Soup kitchen** | 735 seniors fed | Seniors stay an average of 90 minutes, frequently to talk to other diners. | 45% of seniors in Albany are food insecure, estimated at 10,500 individuals. |
| **Volunteer company-wide events** | 21% volunteer participation | 56% of volunteers learned something new about an issue they don't personally experience. | Industry average participation is 29%. |
| **Matching gift program** | $2,430,000 in funds distributed last year | $15,000 average received by each individual nonprofit | Last year, the average per individual nonprofit was $11,500. |
| **Year-round volunteering** | 10,000 volunteer hours | 15% of hours dedicated to litter clean-ups | Total is the equivalent of five FTEs (average FTE 2,000 hours/year);<br>Litter clean-up hours are the equivalent of ~190 work days. |

# IMPROVING MEANING:
## *BUSINESS IMPACT*

Making the case including business impact may be done generally or specifically. To activate your measurement practice, it must be specific. There are a range of options that can be customized for each company's use case.

As background, the department heads in corporate community impact have aligned their strategy to the business for decades. This is one way to build buy-in and make the case for growth of the function over time. Business alignment leads to resource investment, value is produced, and the cycle continues. Analyzing business value wasn't always the norm, looking back to the decades when a halo effect "license to operate" was sufficient. Around the 2010s, widespread adoption of more specifically assessing business value became a frequent topic of discussion. The common value types were revenue (customer acquisition or loyalty), employee retention, brand, talent recruitment, and risk reduction. Our field's next evolution should be building specificity and nuance to what business value your team tracks and uses internally — and as always, ***the specifics begin in the strategy*** (not the measurement).

### General Business Impact

Not every company or team identifies a *specific* type of business value they intend their efforts to produce. They can use a slide to summarize the general ROI with citations to provide back-up for their claim.  Corporate leaders frequently include how impact efforts contribute to:

- General revenue generation
- General attraction of new talent
- General positive public perception
- General risk mitigation

Generally, our point is that you can use external studies to make generalized statements about producing these values for the business. The value is real and true, as long as the team's efforts are authentic and high quality.

Common sources to use as citations for community efforts' business value:

- ACCP, Making the Case,[8] published annually
- Project ROI, 2025
- PR houses: Nielsen, Accenture, etc.
- Software: Benevity, Blackbaud, YourCause, etc.
- Others: RepTrak, Gallup, Qualtrics, Workday
- Search SSRN, an open access research platform

*8.https://accp.org/making-the-case-toolkit/*

# IMPROVING MEANING:
## *BUSINESS IMPACT*

### Specific Business Impact

Measuring specific business impact has a prerequisite. The specific value or goal must be articulated in the strategy and action taken to produce it.[9] Then, the team has the opportunity to track how well it's working. There is still value to citing an external study (pg 19), but it would be as a reference to launch into the internal data and show the specific value their company produced.

### Approach #1: Internal Collaboration

Measuring business impact specifically is not for the faint of heart. It takes persistence. Buckle up for a potential multi-year process of follow-ups and repeating yourself. The best-case scenario for tracking business impact of community efforts is a cross-departmental collaboration. As you cross departmental lines, you may be asking a colleague to stretch beyond what they believe is their responsibility or remit. With your charming personality, they will no doubt jump on board.

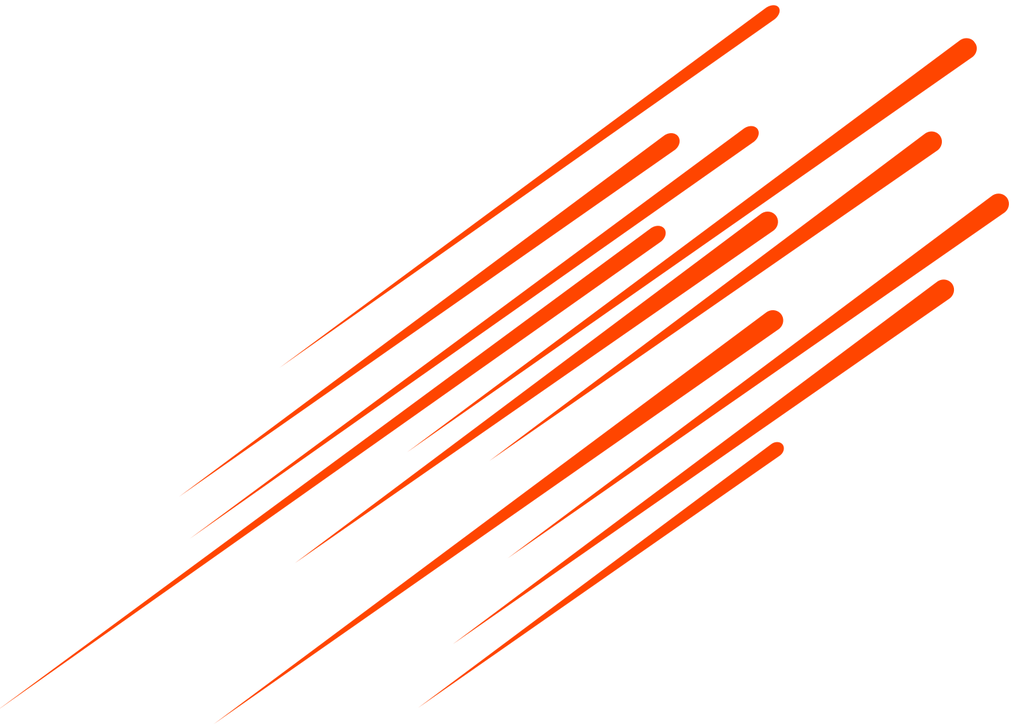
Use the following flow to plan for the internal process ahead. This is done through a combination of meetings/emails/Slack conversations. That must be great news! We know everyone is looking for more of those. These oversimplified steps will help you envision how you would design your own process:

- Learn about existing tools/measurement already in use at your company. Examples:
  - HR outsources the annual employee survey, formerly known as engagement
  - Communications hires a vendor to test perception through digital sentiment or surveying population groups
- Prioritize which one is ideal for collaboration based on strategy and bandwidth
- Collaborate with the method's owner to decide how to adjust/add/leverage the existing method to analyze the contribution of community efforts
  - Acknowledge frequently and repeatedly:
    - Community efforts are one of many contributors, and
    - No one thinks the relationship is causal.[10] We're talking correlation people!
- Execute the plan
  - Project management skills come into play if extensive work is needed
  - Communicate frequently to ensure continued momentum
- Analyze the results, seeking an insight connecting social impact efforts to the business goal, expressed as clearly as possible
  - Return to the collaboration step if the resulting insight was not as useful as expected, or
  - Uncover a strong, compelling insight indicating business value!
- Repeat for one to three years
- If used for three years, refresh by getting more specific or shifting to a higher-priority goal. This ensures ongoing utility, rather than a routine exercise that becomes ignored.



*9. https://online.hbs.edu/blog/post/evaluating-strategic-plans*
*10. Causal implies that social impact is the reason something happened. Correlation implies there is a relationship that could be used as an indicator.*

# IMPROVING MEANING:
## *BUSINESS IMPACT*



Despite the potential challenges, internal collaboration predicts that colleagues and executives will believe and use the result. The company is already paying for the measurement method, which is a good sign that it has the attention of executives. It takes advantage of the existing buy-in for the tool and its results. It saves time explaining because the existing tool/measurement platform is familiar.

Approach #2: Internal Dedicated Study

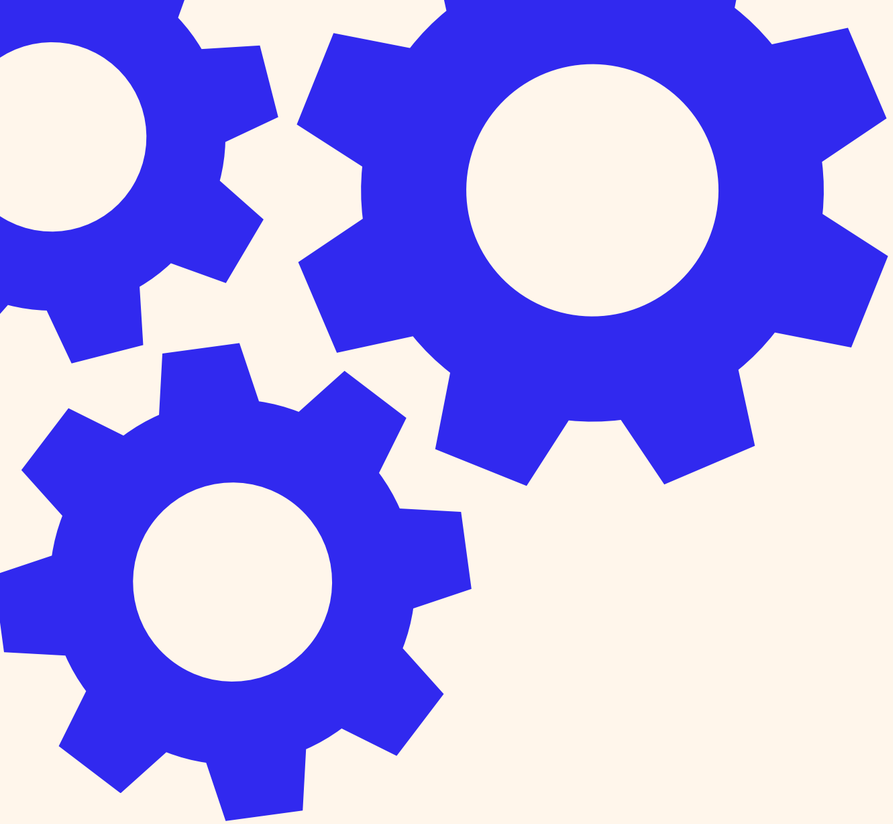
There is an alternative to collaborating to leverage an existing measurement platform. A team may undertake a method to assess a specific business value individually. The method may use existing data but hire a data scientist to conduct a deeper analysis. The method may be a dedicated survey to produce new data and draw new insights. The survey may be fielded to specific groups of employees, customers, investors, or another priority stakeholder. These methods require a budget and more staff time to manage. They also present the risk of investing resources without assurance of what you will find out.

Prerequisites to do an internal dedicated study:

- Strategy is designed to target one or more specific business values.
- Team has assigned a measurement person or project manager to ensure follow through.

# BUSINESS IMPACT:
## *EXAMPLES TO CONSIDER BASED ON DATA ACCESSIBILITY*

| NO NEW DATA COLLECTION | | NEW DATA COLLECTION | |
|---|---|---|---|
| **Method** | **Example** | **Method** | **Example** |
| Compare results from two existing sources | Assess business unit performance: Volunteer % participation by unit; eNPS by unit | Add one question to the annual employee engagement survey | New question responses will group employees into categories; Filter results by these categories for each important question and score |
| Join ID #s among databases; test if there are correlations | Analyze attrition rate variations based on community activities: Employee ID # from engagement software crosswalked to HR software | Custom survey | Hire a vendor to survey key audiences (e.g., general population, tech savvy) about awareness of and favorability toward community efforts |



# FREQUENT USE

## *COMMUNICATING NUMBERS*

## *THE UTILITY EXERCISE*

## *SHARED DEFINITIONS*

Excellence includes how frequently impact data is used. These are three recommendations to help increase how often impact data is used and the number of people using it.

# FREQUENT USE *COMMUNICATING NUMBERS*

The communications method or vehicle is critical to increase impact measurement's utility.

Considering the audience and the use can help teams make smart decisions about how community numbers are presented. It's the last and arguably most important lap around the track in the measurement process. There are two layers to the choices: the document (e.g., reports, slide deck) and the presentation (e.g., charts)

Teams have less choice when it comes to the document type because it is largely determined by a company's norms of internal communication. One universal document is the Responsibility or Sustainability Report. Another common one is a year-end slide deck for an Executive Committee or Board of Directors. Within these and all other documents, the choice is how to show the numbers, sometimes made in partnership with a writer or designer.



*Teams have more choice when it comes to how each specific insight is presented.*[11] *Choose wisely! Common options*:

- Table
- Chart
- Infographic
- Case example (numbers within text)
- Visualized target tracking

***Table:*** Well-suited for data-inclined readers, auditors, and investors. Useful for ensuring compliance expectations are clearly met.
*Risk*: feels disconnected from the mission and spirit of community impact work; forces year-over-year tracking to maintain consistency.

***Chart:*** Express a comparison visually for people to rapidly process a takeaway
*Risk*: context could be lost in the text or footnotes.

***Infographic:*** Large numbers and small text expresses celebration of the specific result, paired with pictograms for topical references. Frequently used with volunteering initiatives.
Risk: oversimplifies the complexity of certain initiatives and results.

***Case examples:*** The information is more complex or individualized; text encourages people to slow down and read. Well-suited to feature a specific nonprofit partner's numeric results and description.
*Risk*: limited engagement with people who scan rather than read.

***Visualized target tracking:*** Strategic planning is highly focused and achievement of a numeric goal is underway.
*Risk*: action on certain issues shouldn't be incentivized by target achievement because it hurts quality.

*11. https://www.tableau.com/visualization/data-visualization-best-practices*

Frequent Use

# THE UTILITY *EXERCISE*

The Utility Exercise is a team meeting or retreat agenda item that tests the measurement practice for completeness and use. It helps clarify what to do next so impact data is used more often by more people.

The process of team discussion has great value to build consensus and gain focus. There will be lightbulb moments along the way, so BYOL (Bring Your Own Lampshade).

The concept behind the Utility Exercise is borrowed from software development.[12] The person proposing something to be built must write a use case before anyone dives into the work. This ensures new code isn't written because someone has a cool idea, rather, a new feature is built with a person or group in mind. Increasing frequent use also builds on the shift represented by adding the "L" to MEL - Measurement, Evaluation, and Learning. Articulating that the function must include learning signaled that we are moving further away from "measurement for measurement's sake." The Utility Exercise keeps that momentum going.

The exercise's objective is redirecting the team's attention to priority uses of impact measurement results. The description of how to do the exercise is written prescriptively, but every team should adjust to fit their work culture. Variations can include how much:

- preparation is done before the meeting versus starting from a blank page, and/or
- time is invested in the exercise itself, and/or
- time is spent re-working the exercise's output to ensure completeness.

*12.https://en.wikipedia.org/wiki/Use_case*

# The Utility Exercise: Listing Uses

Example Uses of Corporate impact measurement:

- Set or inform strategy
- Improve results
- Achieve regulatory compliance
- Establish or increase ratings
- Strengthen brand
- Recruit employees or volunteers
- Increase employees' pride
- Build trust in partnerships
- Manage programs or initiatives
- Coordinate events
- Project or plan for the future

Example Uses of Nonprofit Impact Numbers:

- Manage an initiative
- Manage staff
- Optimize inventory or resources
- Engage funders
- Advocate for change

A word on management-related uses. Some in the social sector may view the relationship of impact data with management negatively; they feel numeric targets create a mechanical culture rather than a mission-driven culture. Numbers can never manage everything, so it's smart to appropriately limit metrics' management uses. Managers often try to influence intangibles, such as motivation and productivity. Consider the incentive created and the effect on the individual as well as corporate/organizational culture. There shouldn't be zero KPIs and there shouldn't be 1,000 KPIs. Find the balance.

## Summarizing the How-To of Running a Utility Exercise

More details for each phase on page 27-29.

### *BEFORE*

- Gather strategy documents.
- Pull list of current metrics.
- Notate Better Next´s starter list of uses.
- Decide who will be in the meeting/ collaboration

### *DURING*

- Individual work (list uses and users)
- Compilation.
- Discussion.
- Pressure test.
- Final consensus

### *AFTER*

- Document all notes.
- One-page Data Utility summary.
- Share.
- Review and last chance edits.
- Save and circulate link.

Not allowed on the list of uses:

- Learning
- Storytelling
- Communicating
- Reporting

The four terms above are too general to be listed as a use. It is tempting; I still have the urge to write "Reporting" during these exercises and I've been doing this for years! When they come up, simply ask: *for what?* For example, the team might be learning in order to write a thought leadership piece that supports our partners' missions. The responsibility report's (also frequently called the sustainability report) purpose is attracting investors, achieving compliance, etc. Deep listening and feedback loops are practices that may be data-driven and should also be able to answer *for what?* to ensure the feedback is used.



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## The Utility Exercise How-To

# BEFORE

Meeting preparation and follow-through make any discussion higher quality and more worthwhile. One of my best professors in college used to say “the meeting happens outside the meeting.” We were studying negotiation and diplomacy, but the principle applies in business as well.

One team member can gather the prep items which are: strategy, metrics, and starter list of uses. They may be attached to the appointment or emailed around.
Strategy is usually in a PDF or slides. The list of metrics should start with current metrics, not the exact numbers. For example, the list will say “% volunteer participation” rather than “24.5% volunteer participation.” If the team doesn’t have metrics organized in a source spreadsheet, the team can use multiple documents, such as the responsibility report or the Board year in review slide deck.

Some teams struggle with a blank page, blank slide, or blank board. Save the struggle for the consensus building! Prepare a starting point for the team. The final will undoubtedly have more, but a starting point could include:

- 3 uses
- 15 metrics
- 5 users (individual or groups)

The meeting invite should include the core team. Then, be intentional about inclusivity. Add people to the meeting to make sure the exercise will not be completed with a one-sided perspective.

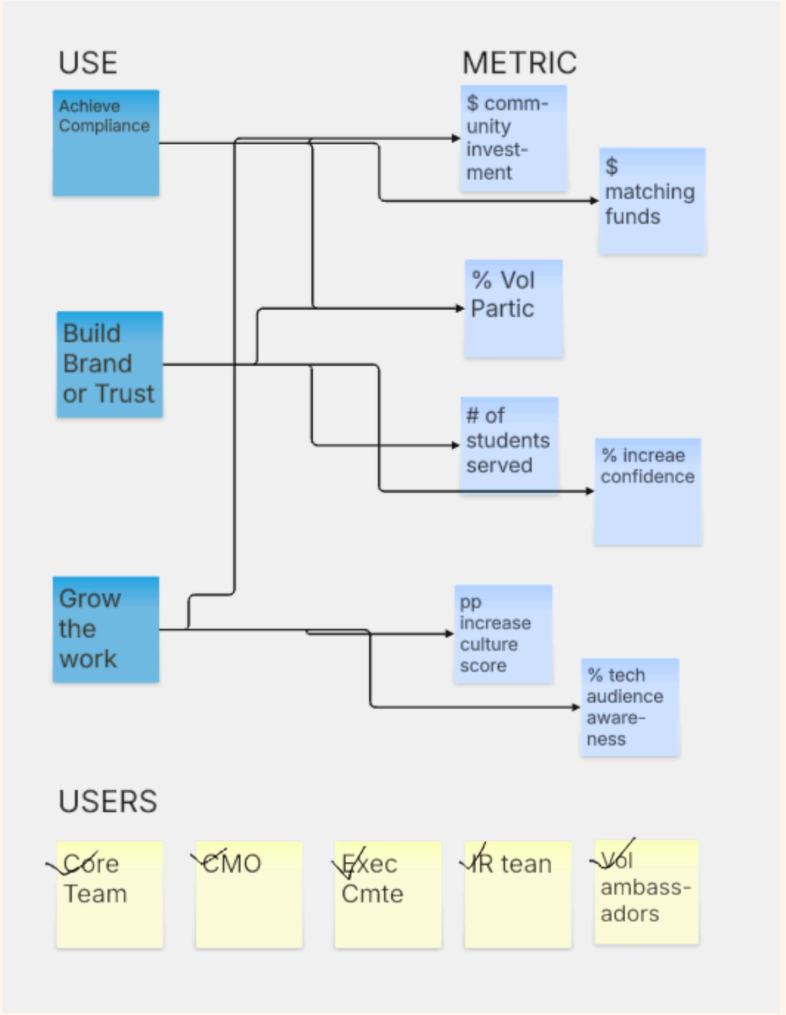



Illustration. Not a complete example.

## The Utility Exercise How-To

# DURING

Remember that the discussion happening during the exercise is valuable all by itself. Shifts in thinking and ways of working will happen just because the team has taken the time to work through some challenging questions. We know you can write your own agenda, but seeing one written out may be helpful to get going.

Utility Exercise Agenda

Objective: test individual metrics for usefulness, test the whole list of metrics for completeness

- Introduce the exercise
- Each person writes their initial thoughts individually. They should think about the current and their desired future:
  - Uses,
  - Users, and
  - Metrics
- Compilation: gather and compare what everyone wrote
  - Uses on the left
  - Metrics on the right
  - Users in a rectangle on the bottom
- Discussion: consider how well our metrics fulfill our desired uses
  - Acknowledge obvious consensus
    - Uses, metrics, and users
  - Identify lack of consensus→ discussion items
    - Narrow in on the top priority uses
    - Agree upon which metrics don't have a clear use (may sunset)
- Pressure Test discussion prompts:
  - Review users, are they each well-served by the uses/metrics listed?
  - Propose a new metric. Does it fulfill a use better than an existing metric?
  - How would a nonprofit leader view this list? If we center the nonprofit voice, what changes might be needed?
  - How would a C-Suite executive view this list? Prep to make the case.
- Final discussion and closing

The team may zip through because the strategy is clear and operations are functioning smoothly. Teams that have less strategic clarity are more likely to struggle to agree, in particular on top priority uses. Don't worry. I believe in you. Stay focused on the bigger picture! This is a time when someone may need to say "don't let perfection be the enemy of progress."



## The Utility Exercise How-To

# AFTER

Assign someone to document everything that was said or shared. The final one-pager has three categories: Uses, Users, and Metrics. The goal isn't precision. The goal is a reference point that guides the team to keep any data collection, analysis, and communication tied to the metrics' agreed-upon uses. Make sure the final is saved and shared with all people involved.

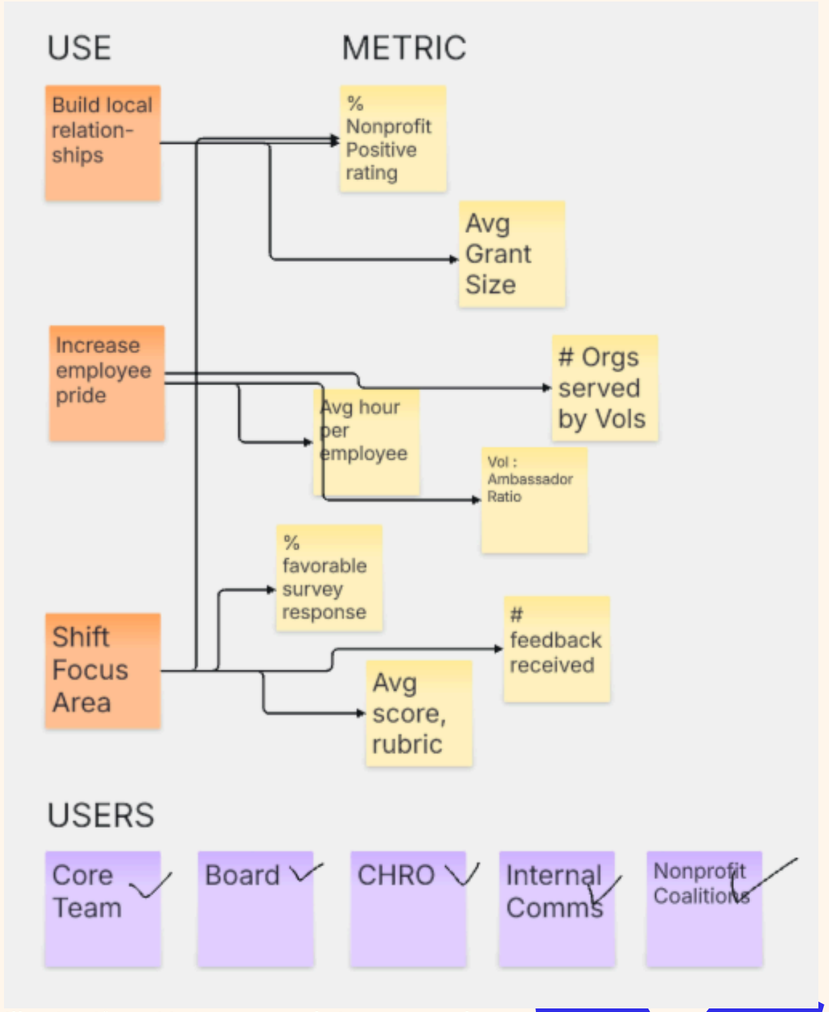



Illustration. Not a complete example.

## Frequent Use

# SHARED *DEFINITIONS*

In the world of social sector measurement, certain terms are repeated frequently. Casual use of related terms is common, but this section digs deeper into the details so we can be more specific. It's part of how we improve continuously. They are:

- Measurement and Evaluation
- Quantitative and Qualitative
- Metric and Target

*Quibbling about terminology? EYE ROLL. We all know these terms have deeper definitions, Carmen, be cool! This is just a casual conversation or informal panel discussion.*

Sure. Inconsistent use of common words, whether casual or otherwise, is a small thing. We also know that small things add up to big things. This section should not be an entrée to become the word police. This section is an invitation to reflect and evolve.

## Distinguishing

# MEASUREMENT
# *AND EVALUATION*

People often refer to data-driven practices mushed together using the acronym MEL (Monitoring, Evaluation, and Learning). They certainly have a lot in common. The differences between them become important when a team is deciding on their specific action plan. Measurement leans in the direction of performance management, frequently taught in business curriculum. Evaluation is a professional function unto itself, as shown by the growth of the American Evaluation Association[13] whose evaluators are frequently hired by philanthropists and nonprofit leaders.
Compare what's on this list of key words below to illustrate what's shared and what's distinct:

**MEASUREMENT**

- Dashboard
- Responsibility/Sustainability Report
- Data exports
- KPIs
- Targets
- Ongoing

**BOTH**

- Numeric data
- Surveys
- Learning
- Ideally collaborative and trust-based
- Used for management
- Used for communication

**EVALUATION**

- Study
- Research design
- Unanswered questions
- Key findings
- Kick-off and conclusion (beginning and end)



*13. https://www.eval.org/About/About-AEA*

## Distinguishing

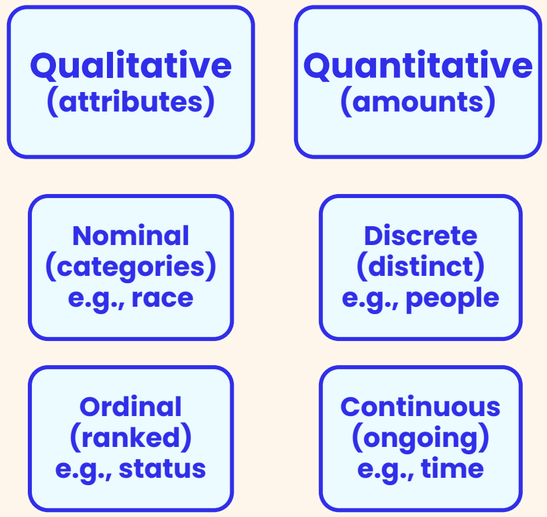
# QUANTITATIVE *AND QUALITATIVE*

The distinction of quantitative and qualitative information is very commonly called out in the social sector as a way to categorize types of data. If you can make it through a measurement-focused panel discussion without someone saying “quantitative and qualitative,” I will pay you $100!

The OECD put out a dictionary of statistical terms,[14] which includes qualitative and quantitative data. In brief: **Qualitative** data describes attributes; an example of an attribute is satisfaction. **Quantitative** data expresses amounts; an example is money. Both can be expressed using numbers.

A statistics class would go one step further in the breakdown with additional sub-categories for each (visual at right). A quantitative sub-category is continuous data; it has examples like time or length. You can do any type of math you want with continuous data, so go crazy! A qualitative sub-category is nominal data; categorizing gender is an example. Frequency is the only math allowed for nominal data, such as 90% of cool people identify as women. Sorry he’s and they’s, you’ll have to duke it out for the remaining 10%.

All too often, quantitative/qualitative lists are a mix of data types and methods. For example, if you are listing out examples of qualitative data, it shouldn’t include “focus group.” A focus group is one qualitative *method* of doing research; the information gathered from the group is the data.






14. https://www.oecd.org/en/publications/oecd-glossary-of-statistical-terms_9789264055087-en.html

# DISTINGUISHING
*QUANTITATIVE AND QUALITATIVE*

The most straightforward solution to ambiguous word choice is to reduce generic overuse of “quantitative and qualitative.” Describe the underlying meaning using different words. Being specific and clear saves everyone time and increases inclusivity.

| INSTEAD OF | TRY |
| --- | --- |
| Please provide qualitative data in your report. | Please provide case examples or client feedback in your report. |
| Make sure your answer includes quantitative data. | Share the numbers that aggregate the reach of your programs. |
| The results must be shown quantitatively and qualitatively. | Reporting on results must include numbers and text description of the people served. |

A quick word on methods. It is a smart idea to ask questions about data collection and analysis methods to learn about an organization’s measurement practice. Descriptive detail about the operations of gathering information and analyzing what’s tracked is an important window into the excellence of their practice.

## Distinguishing

# METRIC
# *AND TARGET*

“I hate volunteer participation rate as a metric” is a direct quote I heard from someone who spent the majority of their career focused on corporate volunteering. Because we are old pals, I felt comfortable pausing the main point of our call to stop and talk about this. What we realized is the metric isn’t the problem, it’s aggressively and endlessly pushing for growth in participation that could be problematic. Making participation the only target can create the wrong incentive. All targets are metrics but not all metrics are targets.

**Metric** is the more generalized term for all the numbers the community impact team uses. There are multiple ways to assess metrics, and some may be useful just for one specific stakeholder group.

**Targets** are a specific numeric goal. Targets are assessed for a achievement. The numbers connected to it have heightened requirements for rigor and because they represent a goal, it is highly likely more people are paying attention to the target(s). Targets shared externally will have taken years of internal tracking to establish baseline data.

Here are a couple examples:

Metric: $ community investment
Target: 75% of community investment focused on reducing harm caused by human trafficking

Metric: # volunteers
Target: 15% of volunteers are new employees

# In Conclusion

Community efforts can do more good for more people when we change our actions and strategy, keeping metrics in a supporting role. We are re-assigning numbers to the jobs they are best at, which isn't always proving outcomes.

The two most popular recommendations in this paper are:

- The 3 Rs (pg 17)
- Utility Exercise (pg 26)

That's for the TLDR crowd who might have scanned all the way through here to the conclusion and want to zoom in on something specific.

There's a song in the musical Rent called "Seasons of Love" which asks: "How do you measure a year in the life? In daylights, in sunsets, in midnights, in cups of coffee. In inches, in miles, in laughter in strife. How about love?"

That song is a fitting tribute for the last word in this paper. Do they literally mean measure love? No. The lyrics poetically blend what's important with what we can count. To keep the momentum of societal change growing, even our most deeply held assumptions about what's important, what to count, and how they are interwoven must be challenged. I started tongue-in-cheek saying that measurement is boring. I end seriously, saying that the only thing that's beyond boring, and is actually quite troubling, is to never shift into the next gear.

# THE SHIFT

BETTER NEXT

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