

## **Communicating Impact: Evaluation is a Stewardship Tool**

Following the 2008 recession, available funds dropped, while social needs simultaneously escalated. As a result, donors became more concerned than ever to ensure their finite dollars produced the greatest possible results. Today, while charitable giving is on the rise again (see last month's newsletter), donors have become more sophisticated than ever when it comes to asking about — and measuring — impact.

For example, a 2013 research study by Root Cause, entitled “Informed Giving: Information Donors Want and How Nonprofits Can Provide It,” found that 75 percent of funders seek information about impact to guide their charitable-giving decisions. In comparison, just 63 percent seek information about the social issue addressed; 61 percent about the people and geographic area served; and 56 percent about the specific project/s for which funding is requested! Simply put, communicating with your donors about impact is one of the most effective solicitation and stewardship tools at your disposal.

The first step is to ensure that program and development staff are working closely together to identify and gather the data that best demonstrate your success. Before talking with donors about target outcomes, be sure you'll be able to measure them, of course! Evaluation might be as simple as asking clients to complete brief surveys, or as complex as a randomized trial conducted by an external evaluation team, for example.

Once you determine how best to demonstrate success, how do you share this information with you key stakeholders effectively? Simply put, when you're communicating with key stakeholders, be sure to emphasize impact. For example, include impact information in your solicitation materials. When sending acknowledgement letters, be sure to let donors know how their funds will make a difference — not just to your organization, but to your clients. Give examples of your impact via your newsletters, annual reports, social media and other media. And don't forget to supplement data with compelling stories that put your outcomes in human terms.

Being specific about how your donors are helping to change lives is one of the most important steps in thanking them — and keeping them engaged in your work. We encourage you to talk more about how they are making a difference to the people you serve!