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Understanding Your Organization’s Impact

Introduction

This resource from Jobs for the Future (JFF) provides practical guidance and examples for organizations looking to develop a deeper understanding of their impact and demonstrate it more effectively. Understanding organizational impact is essential to funder reporting and engagement, and it serves as the foundation for communicating your impact story across a wide range of stakeholders. A compelling impact story can also support your organization’s influence in the field, create a learning culture, and increase accountability for organizational goals.

Defining Your Organization’s Impact

Stepping back, what does “impact” mean? For the purposes of this resource, organizational impact is how your organization’s work affects individuals, communities, systems, places, and other stakeholders. To define your organization’s intended impact or mission, organizations must think beyond activities and outputs. Sheff Crowder of the Nonprofit Leadership Center outlines key questions for organizations to reflect on:

- How is what we’re doing changing lives?
- How is our work contributing to positive changes in the overall community?
- If we were to put ourselves out of business because we accomplished our mission, what does success look like?
- What are the milestones we can measure and control to get there?[1]

Data Tracking and Measurement

Once your leadership has aligned on responses to the questions above, the next step is to develop a data measurement framework. This framework needs to include specific ways of measuring how your organization’s work changes the lives of the people and communities you serve.

Developing Objectives

The first step in developing a data measurement framework is to establish clear and measurable objectives for your organization's work. While most organizations have objectives, often, these can be improved by making them more specific so they can be readily measured, especially if they are focused on systems change. Below are examples to illustrate how to make objectives more specific:

Initial Objective	Questions to Ask to Ensure the Objective Is Specific Enough	Revised Objective
Change the processes used by employers to hire entry-level workers.	• Which processes? (e.g., How do they advertise for openings? How do they review resumes? How do they conduct interviews?) • By which employers? • For which specific entry-level occupations? • During which time period?	Increase the number of employer partners that use skill-based hiring for at least one of their entry-level programming positions in 2025 by 50%.
Change the narrative around people with records of arrest, conviction, or incarceration.	• What specific narrative should be changed? In traditional media? In what locales? On social media? On which platforms? • In what way should the narrative be changed? Are there specific words or terms we do not want to see? Are there specific messages we want to share? • Over what timeframe do we want to see this change?	Increase the number of LinkedIn users who follow, like, or repost our success stories about people with records of arrest, conviction, or incarceration on LinkedIn by 20%.

Developing Metrics or Indicators to Measure Your Objectives

After developing a set of specific objectives, the next step is to determine how to calculate results for those objectives to determine whether you have achieved them. You do so by turning them into metrics or what are sometimes called key performance indicators (KPIs). Typically, these metrics are simple counts or mathematical formulas, such as the following example of a metric for one of the examples of outcome objectives above.

- *Number of employer partners that use skills-based hiring for entry-level programmer positions in 2025* divided by *the number of employer partners in 2025. (employer partners using skill-based hiring for entry-level programmer positions/total employer partners = percentage of employer partners using skills-based hiring for entry-level programmer positions)*

As part developing of these metrics, you must also determine where the data for measuring them will come from. In the case of the employer metric above, you need to ensure that you will be capturing both the number of employer partners you have during 2025 and the number of those partners that use skills-based hiring when hiring entry-level programmers. To do that, you will need to have definitions for an "employer partner," "skill-based hiring," and "entry-level programmer" so that in your data collection, described below, you know what you need to capture to determine which employers to include in your metric's numerator and denominator. Some key considerations regarding these definitions include:

1. Definitions should be as simple as possible and make intuitive sense to staff and partners/funders to capture reliably and accurately what you are trying to measure.
2. Definitions should be based on data that is relatively easy to collect.
3. Definitions should not be too broad to make the outcome objective impossible to achieve (e.g., you should probably not define every employer that hires one of your participants as a partner as your staff is unlikely to have any influence on what they do, including whether they use skill-based hiring); and it should not be so narrow that almost no employers will be considered partners (and so be included in your metric's denominator).

Data Collection

Once you have developed your metrics and definitions, you then need to be able to collect the relevant data. While most organizations already capture a lot of data for required reporting to funders, you may need to develop additional data collection activities and procedures to capture what you need. Whatever data you collect, it is always best to ensure that you are capturing it ***consistently*** so that the data collected each time is reliable and readily comparable with what you capture at other times. In other words, have a data collection schedule for the various programmatic activities, such as collecting participant information or program outcomes. For example, if you are tracking participant engagement, you may want to schedule data collection on a per-engagement basis. Below are some common data collection activities for gathering various types of data, including the data needed for the two example objectives above.

Data Collection Method	When It Can Be Useful	Examples of Tools to Support	Best Practices
Administrative/ operational data	Tracking participant information Tracking employer and staff engagement (e.g., topics discussed, frequency)	Customer relationship management (CRM) system Microsoft Excel Google Sheets	Create standardized procedures for capturing data and ensure those procedures are documented and understood by staff
Surveys	Collection information from multiple participants, partners, and other stakeholders (e.g., participant feedback on a program)	Google Forms Microsoft Forms Survey Monkey	Test your survey before deploying, both internally and externally, to ensure that it works, to make sure it is not too long, and to make sure respondents understand your questions Have a plan for incentivizing your respondents to respond (e.g., a persuasive, personalized invitation letter or incentives such as e-gift cards)
Interviews or focus groups	Collecting more detailed information and responses that require a deeper understanding—uncovering the "why" with a subset of participants or stakeholders	Video conference with recording abilities (e.g., Zoom, Microsoft Teams, WebEx) Notetaking tools (e.g., Otter, Fireflies.)	These data collection activities are typically "semi-structured," (i.e., asking open-ended questions) through an interview guide Make sure you have the participant's permission to share their information story via a consent form collected in advance

After you have developed specific, measurable objectives and collected relevant data, you should plan to analyze the information and develop insights that connect back to your organization's mission. As you begin your data analysis, organize the data to easily identify key themes and extract insights. Once you complete your analysis, examine the outcomes of your organization and progress made toward your goals. Next, determine your target audiences and how you will communicate your organization's impact story. For further guidance on communicating your impact, refer to ***Storytelling for Impact: How to tailor your impact story for diverse audiences***.

Endnotes

[1] Crowder, Sheff. "Why Nonprofits Must Think Differently about Measuring and Reporting Impact." Nonprofit Leadership Center. https://nlctb.org/tips/communicating-nonprofit-impact/.