

What Are Our Results?

Adapted from *The Five Most Important Questions* and *What Business Can Learn from Nonprofits*

By Peter F. Drucker

The results of social sector organizations are always measured outside the organization in changed lives and changed conditions—in people’s behavior, circumstances, health, hopes, and above all, in their competence and capacity. The temptation to content oneself with the “goodness of our cause”—and thus to substitute good intentions for results—always exists in nonprofit organizations. It is precisely because of this that the successful and performing nonprofits have learned to define clearly what changes outside the organization constitute “results” and to focus on them.

LOOK AT SHORT-TERM ACCOMPLISHMENTS AND LONG-TERM CHANGE

A small mental health center was founded and directed by a dedicated husband-and-wife team, both psychotherapists. They called it a “healing community,” and in the fifteen years they ran the organization, they achieved results others had dismissed as impossible. Their primary customers were people diagnosed with schizophrenia, and most came to the center following failure after failure in treatment, their situation nearly hopeless.

The people at the center said, “There is somewhere to turn.” Their first measure was whether primary customers and their families were willing to try again. The staff had a number of ways to monitor progress. Did participants regularly attend group sessions and participate fully in daily routines? Did the incidence

and length of psychiatric hospitalizations decrease? Could these individuals show new understanding of their disease by saying, “I have had an episode,” as opposed to citing demons in the closet? As they progressed, could participants set realistic goals for their own next steps?

The center’s mission was *to enable people with serious and persistent mental illness to recover*, and after two or more years of intensive work, many could function in this world—they were no longer “incurable.” Some were able to return to a life with their family. Others could hold steady jobs. A few completed graduate school. Whether or not members of that healing community did recover—whether the lives of primary customers changed in this fundamental way—was the organization’s single bottom line.

In business, you can debate whether profit is really an adequate measuring stick, but without it, there is no business in the long term. In the social sector, no such universal standard for success exists. Each organization must identify its customers, learn what they value, develop meaningful measures, and honestly judge whether, in fact, lives are being changed. This is a new discipline for many nonprofit groups, but it is one that can be learned.

QUALITATIVE AND QUANTITATIVE MEASURES

Progress and achievement can be appraised in qualitative and quantitative terms. These two types of measures are interwoven—they shed light on one another—and both are necessary to

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illuminate in what ways and to what extent lives are being changed.

Qualitative measures address the depth and breadth of change within its particular context. They begin with specific observations, build toward patterns, and tell a subtle, individualized story. Qualitative appraisal offers valid, “rich” data. The education director at a major museum tells of the man who sought her out to explain how the museum had opened his teenage mind to new possibilities in a way he knew literally saved his life. She used this result to support her inspiration for a new initiative with troubled youth. The people in a successful research institute cannot quantify the value of their research ahead of time. But they can sit down every three years and ask, “What have we achieved that contributed to changed lives? Where do we focus now for results tomorrow?” Qualitative results can be in the realm of the intangible, such as instilling hope in a patient battling cancer. Qualitative data, although sometimes more subjective and difficult to grasp, are just as real, just as important, and can be gathered just as systematically as the quantitative.

Quantitative measures use definitive standards. They begin with categories and expectations and tell an objective story. Quantitative appraisal offers valid “hard” data. Examples of quantitative measures are as follows: whether overall school performance improves when at-risk youth have intensive arts education; whether the percentage of welfare recipients who complete training and become employed at a livable wage goes up; whether health professionals change their practice based on new research; whether the number of teenagers who smoke goes

up or down; whether incidences of child abuse fall when twenty-four-hour crisis care is available. Quantitative measures are essential for assessing whether resources are properly concentrated for results, whether progress is being made, whether lives and communities are changing for the better.