

Lessons from
the New York City
Change Capital
Fund's Economic
Mobility Initiative
(2014-2018)

Investing in **SERVICE
COORDINATION
and PERFORMANCE
MANAGEMENT** for
Community Development Corporations

Aurelia De La Rosa Aceves

September 2018

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OVERVIEW

The New York City Change Capital Fund (CCF) is a donor collaborative whose 2014-2018 economic mobility initiative supported the dual efforts of community development corporations to integrate housing, education, and employment services and to improve those services through the use of data. By investing in building the grantees' data capacity, CCF helped their organizations move beyond simply tracking the services that participants receive to analyzing their data and making adjustments to increase program effectiveness. This final report on the initiative offers insights to policymakers, funders, and practitioners who may participate in similar initiatives in the future — including CCF's next round of grantees, who launched their efforts in summer 2018.

Key Lessons

- **A donor collaborative is particularly well equipped to take on a capacity-building initiative.** By pooling their funds, CCF donors were able to provide flexible, multiyear funding to support community development corporations' capacity-building efforts, which may be beyond the funding capability of a single donor. Unlike most philanthropic funding, which requires organizations to continually apply for grants, the multiyear cycles typically favored by donor collaboratives allow grantees to plan their work within a known budget for an extended period of time, focus on implementing their plans, and pursue new funds when their efforts are further along.
- **Dedicated funding paired with individualized technical assistance helps grantees build their data capacity.** Funders rarely support grantees' performance management efforts, even though they are increasingly interested in data analyses that can demonstrate how a grantee is performing. CCF's funding provided a unique opportunity for each grantee to invest in a management information system that integrates data from programs across its organization, and to hire and retain staff members experienced in using that data to evaluate effectiveness. An important lesson from CCF is that each grantee benefits most from technical assistance when it is customized to the organization's current data capacity and goals for growth. All the grantees were able to increase their data capacity over the course of the initiative.
- **Investments in data capacity supported grantees' efforts to improve service coordination.** Current funding to community development corporations largely remains aimed at individual programs or services, resulting in programs working in separate "silos," but CCF's initiative shows that investing in a grantee's service coordination can make a real difference in the way the staff operates. The funding and technical assistance provided by the donor collaborative emphasized improving each organization's ability to track its participants' interactions with multiple programs and better understand the extent of its cross-program efforts.
- **Government stakeholders should be engaged from the start.** The New York City Mayor's Office for Economic Opportunity (NYC Opportunity) was involved as an adviser to CCF from the beginning of the initiative and later joined the collaborative as a funder to connect the lessons of CCF to citywide policies and practices. NYC Opportunity provided a city government perspective and brokered relationships between the participants in the CCF initiative and city agencies and officials.

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PREFACE

A community development corporation's mission is to improve the lives of neighborhood residents: their financial prospects, health, housing, and family stability. In practice, this typically means piecing together grants from multiple funders to provide an array of services, then reporting separate program outcomes to each funder. Seldom do these organizations receive funding dedicated to improving their capacity to coordinate their own efforts and take advantage of their opportunities to serve the "whole person" — or better yet, the whole household.

The New York City Change Capital Fund (CCF), recognizing the benefits that could accrue if community development corporations were able to track and analyze participant data across programs and strengthen the connections among different divisions — which typically operate in "silos" — decided to make a different kind of investment. This report describes CCF's four-year economic mobility initiative, which departed from traditional funding practices to specifically support the efforts of community development corporations to build their data capacity, enhance service coordination, and move beyond simply tracking program outcomes to using data to improve program performance.

The nature of the donor collaborative made the initiative possible. Such an alliance involves multiple organizations pooling not only their capital but also their expertise and connections in service of a collective goal that may take several years to achieve. By sharing resources, the donors can provide grantees with more support than they could individually, in the form of technical assistance, evaluation services, and consultation on how to build organizational capacity — in the case of CCF's initiative, grantees' capacity to collect and analyze program data. One result is more useful data. As ever-tightening budgets underscore the importance of measuring the effectiveness of programs, donor collaboratives also present an opportunity to establish common metrics.

Shrinking sources of funding at the federal and state levels are prompting philanthropic institutions to consider new approaches. CCF's experience over the past four years offers useful lessons for funders considering a collaborative arrangement. The report demonstrates how CCF's investments helped strengthen the grantees' data infrastructures, improve data collection and analysis, and increase the use of data for performance management: In short, the approach led to real changes in the way the organizations operate, both internally and in dealing with funders and community partners. The lessons herein may also appeal to funders, policymakers, and practitioners who plan to launch their own economic mobility initiatives.

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President, MDRC

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The Author

INTRODUCTION

Community development corporations provide multiple services to the residents of their surrounding areas. The New York City Change Capital Fund (CCF) aims to strengthen the scale and influence of such place-based organizations, supporting their mission to disrupt locally concentrated, multigenerational poverty.¹ From 2014 to 2018, CCF’s economic mobility initiative provided grants and technical assistance to help community development corporations integrate housing, education, and employment services and build their capacity to collect, process, and analyze data for performance management purposes.² The initiative allowed the organizations to move beyond simply tracking the services that participants receive and begin using their own data both to increase program effectiveness and to make a stronger case for future support.³ This is the final report from the four-year initiative.

The Change Capital Fund grew out of a preexisting donor collaborative that worked together for nearly 16 years and jointly invested \$25 million to advance housing development and advocacy in some of New York City’s lowest-income neighborhoods. (See Box 1 for a brief history of the collaborative.) Informed by this longstanding cooperation, the donors believed that more comprehensive strategies were necessary, in their own words, “to address the challenges of persistent, geographically concentrated poverty and its link to poor outcomes in education, health, jobs, housing stability, safety, economic mobility, and quality of life.” The funding collaborative formally evolved into the Change Capital Fund, established in 2013, and updated its funding priority to helping community development corporations expand economic opportunity. The donors developed and invested in a four-year economic mobility initiative “to strategically support New York City’s community development industry as it retools for a new era . . . a current era of scarce public resources.”⁴

In the absence of a neighborhood investment strategy at the federal level and shrinking funding to nonprofits at the state level, private and local funders may increasingly be called upon to fill the funding gap.⁵ Because a single donor organization may not have sufficient resources to make headway in addressing complex social issues,⁶ funders may consider collaborating and jointly investing their resources. There is growing interest in formal donor collaboratives, which involve multiple donors “pool[ing] money, time, and talent to advance

1 At the start of CCF, the poverty rates in the grantees’ respective neighborhoods ranged from 30 percent to over 40 percent, and residents struggled with unemployment, underperforming schools, and higher crime rates than the rest of the city.

2 Using program data as a tool for continuous learning and program improvement is a key tenet that CCF borrows from the *collective impact framework*, which emphasizes “making data actionable” (Kania and Kramer 2011).

3 De La Rosa Aceves (2017).

4 Quotes are from the Change Capital Fund request for proposals issued in 2013.

5 Stid, Powell, and Ditkoff (2012).

6 Albright (2012); Peterson (2002).

BOX 1**HISTORY OF THE CHANGE CAPITAL FUND DONOR COLLABORATIVE**

The Change Capital Fund, established in 2013, grew out of a preexisting donor collaborative, formed in 1996 as the Neighborhood 2000 Fund, which pooled the resources of corporate and foundation donors. After its first four-year cycle, it was renamed the Neighborhood Opportunities Fund. The fund led two initiatives:

- The Initiative for Neighborhood and Citywide Organizing, coordinated by the Association for Neighborhood and Housing Development, supported 15 nonprofit organizations to run neighborhood and citywide affordable housing organizing campaigns.
- The Strategic Neighborhood Initiative, coordinated by the New York City offices of Enterprise Community Partners and the Local Initiatives Support Corporation, invested in building the capacity of nonprofit housing developers to increase their housing production.

a shared vision with multiyear goals.”⁷ Box 2 outlines the approaches that CCF used to maintain a well-functioning, democratic donor collaborative during the initiative. Insights from CCF’s efforts can help current and future donor collaboratives refine their strategies.

CCF’s first cohort of grantees included St. Nicks Alliance, Fifth Avenue Committee, New Settlement Apartments, and Cypress Hills Local Development Corporation.⁸ CCF chose to invest in community development corporations because its donors believe that these place-based organizations, with their strong community ties, are well positioned to coordinate services and programs to meet the multiple, overlapping needs of low-income residents. Yet community development corporations, like other community organizations, rarely receive funding to support service coordination efforts. Instead, traditional funding streams support a single program or service and require grantees to report on that program’s unique outcomes. This practice can encourage a multiservice organization to deliver services in “silos” rather than marshalling its collective resources.

The funding practices that contribute to service silos can also result in data silos. When requiring grantees to report on specific program outcomes, funders typically require little information about the intensity of service delivery or the coordination of services that produced the outcomes. And government funders, among others, may mandate the use of

⁷ Formal donor collaboratives are a form of what the philanthropy literature calls “high-stakes donor collaboration”: see, for example, Seldon, Tierny, and Fernando (2013).

⁸ The Change Capital Fund also invested in the Brownsville Partnership, a project of Community Solutions, for three years. Because the partnership pursued a different model from that of the other CCF grantees, it stopped participating in the CCF initiative in 2016 and is not included in this final report.

BOX 2**CHANGE CAPITAL FUND'S APPROACH TO DEMOCRATIC GOVERNANCE**

The potential to support large or multiyear initiatives by pooling resources and expertise has prompted growing interest in donor collaboratives, but collaboration has its challenges: When it comes to decisions about strategy and priorities, donors may be reluctant to give up control. Yet little has been written about how such an alliance of funders may explicitly aim to promote democratic governance. CCF offers rare insights into these efforts. Here are a couple of the key ways CCF maintains a democratic structure:

- Despite different financial contributions, each institution has an equal vote in all matters, as long as its representative is present at the meeting where votes are cast. This approach ensures that large funders and small funders hold equal clout in all decisions.
- CCF has enlisted a donor representative to manage the initiative and serve as the liaison between the funders and grantees. This feature sets CCF apart from other groups led by a single "host donor," because the donor representative serves the collaborative as whole.

proprietary databases. In some cases, these types of databases may function as a one-way reporting system, in which grantees can submit data to funders but cannot view the data without requesting them from the funder; in other cases, the system may be associated with only one program and have no capacity for cross-program analyses. In either case, funder-mandated databases can add to the data entry burden of service providers while making it more difficult to track their participants' program interactions and fully understand the extent of the organization's service coordination efforts.⁹

Recently funders have begun requesting some degree of data analysis from their grantees,¹⁰ but few funders invest in organizations' performance management capability. CCF, by contrast, funds efforts by community development corporations to improve their data capacity by building or enhancing their management information systems (MISs). An MIS can integrate data from a community development organization's various programs so the organization can gain a better understanding of its service coordination efforts, and it can provide analysis tools for performance management. In the community development and philanthropy fields, it is rare for place-based initiatives to blend efforts to increase service coordination with data capacity-building efforts. Learning from CCF's initiative provides

⁹ To use the example of workforce outcomes, documenting intensity or coordination of services would require staff members to report on the number of participants who complete a training program or obtain employment while also noting the additional services they received (such as services to stabilize their housing or obtain child care) that may have supported their workforce efforts, as well as when they received them (in a sequence or simultaneously).

¹⁰ Backer (2000).

an opportunity to contribute to both fields and inform how each approaches place-based investments.

This report, which follows a series of five briefs,¹¹ offers detailed insights into CCF's economic mobility initiative for practitioners, funders, and policymakers who might participate in similar efforts. The report presents analyses that speak to the overarching accomplishments and challenges within the initiative and draws on several sources: nearly 90 individual interviews with community development corporation staff members and CCF donors, a two-wave survey completed by staff members in 2016 and 2018 to document the grantees' service coordination efforts,¹² information from the grantees' annual outcomes reports,¹³ and focus groups conducted with the grantees' staff members during the final year of the initiative.

The next section of this report provides details about the implementation of CCF's economic mobility initiative. The section after that describes the grantees' accomplishments related to improved data capacity, service coordination, and program outputs and outcomes. The final section offers lessons from CCF's economic mobility initiative and suggestions for stakeholders who may participate in similar initiatives in the future. Most immediately, the lessons can be applied to CCF's next group of grantees, who launched their efforts in summer 2018.¹⁴

IMPLEMENTING THE NEW YORK CITY CHANGE CAPITAL FUND'S ECONOMIC MOBILITY INITIATIVE

CCF's economic mobility initiative launched at a time of increased local and national interest in neighborhood effects on economic inequality and the role of neighborhood organizations in finding cost-effective solutions to reduce poverty.¹⁵ In 2013, the selected grantees — New York City community development corporations — worked with two technical assistance

¹¹ The five previous briefs (1) introduce the initiative and grantees; (2) describe challenges to service coordination; (3) use social network analysis to document the grantees' efforts; (4) discuss using data for performance management; and (5) offer insights on the effective operation of a donor collaborative.

¹² Working closely with grantees, MDRC collected information on the frequency, nature, and intensity of service coordination among staff members through a paper-and-pen survey.

¹³ Outcomes reports were produced by Public Works Partners.

¹⁴ CCF's next cohort includes four more New York City community development corporations: Bedford Stuyvesant Restoration Corporation, Banana Kelly, GOLES, and Make the Road New York. In addition, CCF has committed to providing a one-year continuation grant to each of the organizations in its 2014-2018 cohort.

¹⁵ Some of the signature Obama administration initiatives — such as My Brother's Keeper, the Neighborhood Revitalization Initiative, and Promise Zones Initiative — included place-based strategies to improve outcomes for individuals and communities. CCF was also motivated by growing interest, at the time, in the pay-for-success model and social impact bond investing. Both to help the local organizations compete in that context and to help grantees and funders use scarce resources effectively, CCF sought to enable the community development corporations to use their data to improve programming and to tell the story of their program successes.

providers, TCC Group and Nonprofit Finance Fund,¹⁶ to develop business plans, which included logic models and budgets, to guide their CCF-related work. In 2014, grantees began implementing their plans, as described in Table 1.

Over the course of the initiative's implementation (2014-2018), CCF awarded its grantees up to \$1 million each in flexible funding,¹⁷ as well as access to technical assistance provided by Nonprofit Finance Fund, Public Works Partners, Lili Elkins of LAE Consulting, and providers of each grantee's choice to support their data capacity-building efforts.¹⁸ Each of CCF's program years ran from April 1 to March 31.

CCF set high performance standards with its grantees. The donor collaborative hired Public Works Partners to work with the grantees to develop, define, and track a set of common metrics.¹⁹ While the metrics were intended to measure progress across the initiative,²⁰ another important goal was to provide the grantees with something common to work toward and to foster a learning community around tracking, measuring, and analyzing success in grantees' respective programs. CCF also enlisted MDRC to conduct a formative evaluation — that is, to provide ongoing feedback to both the grantees and the donor collaborative to enable course corrections during the initiative's implementation — and to help grantees gain access to state wage data from the New York State Department of Labor.²¹ Box 3 presents more details about CCF's investments.

16 TCC Group is a consulting firm with efforts centered on solving complex social problems; Nonprofit Finance Fund is a lender and consultant for social service organizations.

17 CCF's funding supported a range of grantee activities, such as hiring staff members with evaluation experience, creating or refining a database system, investing in a new program or intervention, and even developing a website.

18 In Year 1, technical assistance was provided to the entire cohort by Nonprofit Finance Fund. In Years 2 to 4, CCF offered grantees \$35,000 per year in technical assistance grants that they could use toward a CCF-approved provider of their choice. In general, grantees used their technical assistance grants to build their data capacity.

19 The common metrics required that grantees capture the total number of participants served by CCF-related programming. The metrics included, where applicable, job placement numbers and rates, the number of children and young people served in education programs, the number of adults served in education and training programs and their program outcomes, the number and percentage of adults earning a high school equivalency credential, and referrals made within or between the organizations. The donors also retained the initial requirement that grantees report on their own metrics and complete narrative reports.

20 All funders face the challenge of evaluation — defining what success looks like and how it will be measured. The challenge is especially acute for capacity-building initiatives such as CCF, since organizational development activities can appear more abstract than single programs or services. The common metrics were an effort to address this challenge, though there was some confusion about their utility from the grantee perspective. See De La Rosa Aceves and Greenberg (2018) for more details.

21 With support from CCF and the New York City Mayor's Office for Economic Opportunity (NYC Opportunity), MDRC worked with the grantees to obtain New York State quarterly wage data for their program participants who possessed a Social Security number and were employed (on the books) in New York State. Additionally, MDRC, on behalf of the grantees, could request data on the participants' fields of work, allowing the organizations to learn whether participants gained and retained employment in the workforce areas in which the grantee trained them.

TABLE 1
CHANGE CAPITAL FUND GRANTEES AND INTERVENTIONS

GRANTEE	INTERVENTION
St. Nicks Alliance	<p>The NABE 3.0 Initiative integrates St. Nicks Alliance’s outcomes-driven strategies in housing, employment, and education through one-on-one “coaching” to individuals and their households.</p> <p>Priority area: 11206 zip code (Williamsburg, Brooklyn)</p>
Fifth Avenue Committee (FAC)	<p>Stronger Together (FAC in partnership with Brooklyn Workforce Innovations, Red Hook Initiative, and Southwest Brooklyn Industrial Development Corporation) is helping local, low-income public housing residents gain access to adult education, support services, and job training and employment opportunities.</p> <p>Priority area: New York City Housing Authority’s Red Hook and Gowanus developments in Brooklyn</p>
New Settlement Apartments (NSA)	<p>NSA is improving the coordination among and efficacy of its affordable housing organizing, Community School, College Access and Success Center, and young adult employment services — while further developing its Community School model — in order to ensure greater continuity and intensity of program participation.</p> <p>Priority area: Mount Eden neighborhood of the Bronx</p>
Cypress Hills Local Development Corporation (CHLDC)	<p>CHLDC is using real estate development strategies to increase affordable housing; offering neighborhood students a continuum of educational services that starts with school readiness and continues through college; and connecting local residents with jobs through its sectoral employment initiative.</p> <p>Priority area: Cypress Hills/East New York, Brooklyn</p>

BOX 3**CHANGE CAPITAL FUND'S INVESTMENTS IN BUILDING GRANTEES' DATA CAPACITY (2014-2018)****Planning Phase**

Seven months before Year 1 implementation, each grantee received \$50,000 to develop a business plan and work with a consultant, Nonprofit Finance Fund, on developing logic models and budgets.

Years 1-4

CCF provided flexible funding of \$250,000 per grantee per year for four years (2014-2018). Each CCF program year ran from April 1 to March 31. Grantees used their funds for a variety of purposes, including internal evaluation staffing and data systems but also for program, development, and administrative staffing. CCF required grantees to submit quantitative outcomes and narrative reports but was not prescriptive about program strategy or implementation; funds could be redeployed as needed.

The collaborative offered technical assistance to support grantees' efforts to improve their ability to track and use data. In Year 1, Nonprofit Finance Fund provided technical assistance to all grantees. In Years 2-4, CCF offered grantees up to \$35,000 per year in technical assistance grants. In general, grantees used these funds to hire preapproved consultants to help them implement and customize data systems and learn how to use them for performance management.

CCF convened grantees in quarterly meetings and presented workshops for the staff members in charge of collecting and processing data.

CCF retained Public Works Partners to work with grantees to develop individual and common metrics and to compile the metrics and help donors and grantees learn from them. In addition, Public Works Partners held a number of learning network meetings for grantees to discuss issues related to data tracking and analysis.

Years 3 and 4

CCF retained Lili Elkins of LAE Consulting to help grantees develop public benefit rationales by analyzing program data against counterfactuals (what would have occurred in the absence of the programs) and estimating costs. This exercise was intended to further grantees' ability to use data to improve programs and to make a compelling case for sustaining and expanding programs.

To help the grantees better understand the outputs and outcomes of their programs, CCF partnered with the New York City Mayor's Office for Economic Opportunity (NYC Opportunity) to help grantees gain access to New York State Department of Labor (NYSDOL) data through a recent law that made employment data accessible to municipalities and postsecondary institutions. MDRC serves as the technical assistance provider for this work and the data intermediary between the grantees and the NYSDOL. A forthcoming guide from MDRC will describe the processes for data security, data access, and data analysis.

THE GRANTEES' ACCOMPLISHMENTS

Increased Data Capacity

From 2014 to 2018, the grantees increased the data capacity of their organizations by using CCF funds and technical assistance to develop a more sophisticated data infrastructure — resulting in real changes in staff practices and in their ability to obtain new funding. Developing such an infrastructure involves establishing or enhancing a management information system (MIS) that integrates data from programs across the organization,²² hiring and retaining staff members to focus on data and evaluation, and establishing useful and meaningful ways for staff members to use data for performance management — that is, to improve programs and services. This section shares examples of the grantees' accomplishments related to building data capacity.

Each of the grantees developed an MIS that incorporates data from its programs and divisions (a division can include multiple programs).²³ Before the CCF initiative, the grantees' program data were isolated in several different funder-mandated databases, often allowing for one-way reporting only. Because data entered into one-way reporting systems cannot be exported to the organization's MIS, these systems at best complicate and at worst prevent analysis across programs or divisions. To retain their program data, grantees had to enter them into their own database system as well. Redundant data entry is time consuming for the frontline staff and has the potential to cause resentment about data-based interactions with funders.

Now, the grantees enter program data directly into their own MIS and export funder reports, then submit them via the funder-mandated database. Within their own database, the program staff can review outcomes at the program, division, cross-division, and organization levels. This newly built capacity has transformed how staff members interact with data and changed the nature of staff meetings.

For example, St. Nicks Alliance's workforce division previously held staff meetings during which they reviewed employment outcomes for specific training programs one at a time. Now, with their more comprehensive MIS, staff meetings include a review of employment outcomes across all training programs that fall under the workforce division. Staff members said that this change allows the workforce division staff to get a sense of its collective efforts and discuss whether these efforts, as a whole, meet the division's goals and support the organization's mission. Staff members described how this interaction with data marks a

²² A well-functioning MIS should be a relational database that allows for downloads and uploads of data to and from other databases. A relational database that can centralize data from multiple programs allows for an individual participant to be tracked across programs and services received.

²³ The grantees developed their management information systems with software provided by Salesforce or with Social Solutions' Efforts-to-Outcomes (ETO) tool. Each of the grantees developed a database system that integrates data from multiple programs across its organization, though St. Nicks Alliance was the only grantee able to incorporate all its programs into a centralized database over the four-year initiative.

significant shift from previous practice, when they used program data to report to funders but not so much as a learning tool that could inform program strategy.

In addition to creating an MIS, two of the grantees — Cypress Hills Local Development Corporation and St. Nicks Alliance — used CCF funding to invest in staff members with experience using data for performance management. Cypress Hills hired a director of evaluation and research, and St. Nicks Alliance supported a data administrator position. These staff members were tasked with leading the development of a more sophisticated database system for their respective organizations, promoting staff support for the MIS and staff use of its reporting and data visualization tools, and facilitating more data-focused discussions across the organization, in addition to other data-related responsibilities. The grantees' senior leaders described the addition of data and evaluation staff members as “a deliberate investment in becoming a learning organization” and said that they provide an organization with a much-needed point person to drive internal discussions related to data and performance management.

Additionally, these data-focused staff members helped to institute a data culture within their organizations by providing training across all divisions to encourage the use of the MIS and increase the likelihood that data would be input regularly, accurately, and completely — all of which are necessary if data are to be useful. Some frontline staff members expressed concern about more frequent data entry because they felt it cut into their time with participants, and data entry could feel like a distraction from their important and often urgent work with participants. To address their concerns, some of the grantees decided that one day a week would be dedicated to data entry, and staff members could focus on service provision the majority of the week. This was a negotiated change, as it still involved a nontrivial reduction in service time. St. Nicks Alliance managers and executives noted there was less resistance to data-related tasks among new staff members; they attributed this to revised job descriptions that set clear expectations about data collection and its use for performance management.

Using Data for Performance Management

The ability to use data for performance management purposes goes hand in hand with developing a more sophisticated data infrastructure, including an MIS with the tools to help staff members analyze and visualize program data in ways meaningful to their work. During the initiative, each grantee increasingly took advantage of the tools offered by its MIS to produce dashboards and performance charts that they now regularly incorporate into division and organization-wide staff meetings. Using these tools, staff members are able to create more visually appealing presentations that can help their colleagues engage with the data and consider program implications.²⁴

²⁴ In Year 4, the grantees, using their organizations' program data and financial data, worked with consultant Lili Elkins to develop public benefit rationales for specific programs and created infographics to represent them. The infographics appear in Change Capital Fund (2018).

In one example of how a grantee used its data to inform programming, Cypress Hills Local Development Corporation's workforce division staff used its MIS to review participant data across all its workforce training programs. Staff members were interested in learning whether their workforce programs were serving participants within the organization's priority geographic area — its neighborhood. During this exercise they realized that some of their workforce programs were serving people citywide. In an effort to better align their workforce programs with the organization's mission to serve the residents of the Cypress Hills and East New York neighborhoods, staff members developed an outreach strategy to encourage use of services by neighborhood residents. This strategy included hiring local program alumni for street outreach and testing a few social media outreach tools to narrow the visibility of posted messages by zip code.

BY CCF'S FOURTH YEAR, the grantees had made use of their new data capacity to pursue funding opportunities and collectively earned \$21.75 million in new grants to support new and existing programs. In Year 4, the grantees attributed 42 new or increased grants from private and public funders to their new CCF-funded data capacity.

The grantees' increased data capacity is a considerable accomplishment in four years, and, according to the grantees, a direct result of CCF's investment. One staff member said, "Our ability to collect and analyze data; set benchmarks for organizational, program, and participant goal attainment; and reflect upon the work and course correct when necessary is light years from where we were prior to CCF."

Strengthening Relationships with Funders and Partners

The grantees said that building their organizations' data capacity has provided not only a new resource to inform service approaches but also a new tool to help them tell their organizations' stories and describe the effectiveness of their services. As one staff member said: "Having the evaluation function [a comprehensive MIS and a designated staff person with the capacity to lead data integration efforts and run analyses] is a game changer. This is data to [show we are making positive changes] in the neighborhood." As learning organizations that can collect and reflect on their own data and make data-informed decisions, the grantees now boast a capacity increasingly valued by funders.²⁵ By CCF's fourth year, the grantees had made use of this new capacity to pursue funding opportunities and collectively earned \$21.75 million in new grants to support new and existing programs. In Year 4, the grantees attributed 42 new or increased grants from private and public funders to their new CCF-funded data capacity.

Grantees also mentioned that building their organizations' data capacity has helped them strengthen relationships with other community partners, an unexpected benefit. For example, St. Nicks Alliance, which runs after-school centers in neighborhood locations, shares aggregated student data with its elementary school partners during review meetings three times a year with school principals, presenting a summary of report card grades, school and after-school average attendance, and reading levels for all 600 students enrolled in its

²⁵ Tatian (2016).

after-school programs.²⁶ St. Nicks Alliance's team then discusses the data with the school's principal and relevant staff members, and in return, the school's staff members provide valuable insights to St. Nicks Alliance about the school and the services that students may need most to thrive academically. This partnership is beneficial to St. Nicks Alliance because the schools provide access to student data, which it needs in order to understand the outputs and outcomes of its programming (for example, improved reading levels), demonstrate program success, and refine approaches to its after-school programs.²⁷ In another example, New Settlement Apartments' College Access and Success Center helped local high schools cross-check their student data regarding graduation and college enrollment.

Both New Settlement and St. Nicks Alliance staff members conveyed the message that their organizations' newly built data capacity has helped them demonstrate their value as good partners in their neighborhoods. In the case of St. Nicks Alliance, new partnerships developed as local high school principals learned about St. Nicks Alliance's data-sharing partnership with elementary schools.²⁸ In response to the growing demand for data, St. Nicks Alliance secured funding to hire an after-school data liaison. The ability to share data transformed the relationship with the schools, as St. Nicks Alliance described it, resulting in "a partnership with both parties working together, sharing information and working jointly on measurable goals and outcomes."

Increased Service Coordination

Because community development corporations run a variety of programs, one of the goals of the CCF initiative was to increase coordination among each grantee's programs to produce better results for participants. For example, if an academic support program learns that a young person is not fully engaged in school because her family is being evicted from their apartment, referral to the organization's housing division may quickly help stabilize the family's housing and consequently help the student succeed academically. The initiative sought to capture improvements in service coordination in two ways.

- 1** Working with Public Works Partners, the grantees tracked the number of referrals they made between their internal programs — and, in the case of the four partner organizations in Stronger Together, between external partners. During the CCF initiative, most of the grantees added questions to their intake forms and referral fields to their

²⁶ St. Nicks established a data sharing agreement and memorandum of understanding with its local elementary schools that states the schools will release student data to St. Nicks and St. Nicks will share the data it collects that are specific to the school.

²⁷ For example, in 2016 school data indicated improvements in social/emotional learning, attendance, reading levels, and report card grades, demonstrating the potential influence of St. Nicks' NABE 3.0 initiative. These data points have allowed St. Nicks to obtain new funding and community partners.

²⁸ As part of the requirements for high school students receiving St. Nicks' services, students and parents consent to the release of school data and the high schools agree to release the students' individual-level data. The student data, with access restricted to members of St. Nicks' high school staff, are analyzed to determine which services are appropriate to help students graduate and enroll in college, and to offer career pathways and job opportunities for graduating high school students who will not attend college immediately.

centralized database systems to help staff members identify a participant’s multiple service needs and make (and document) referrals.

- 2 Working closely with grantees, MDRC collected information on the frequency and nature of service coordination among internal program staff members through a paper-and-pen survey fielded among three of four grantees in 2016 and 2018. The survey data were analyzed using social network analysis, in which the basic unit is the relation,²⁹ and individual responses were aggregated by division or department within the grantee organization. MDRC then produced illustrations of each grantee’s flow of referrals in 2016 and in 2018. Analysis of survey data collected at two points in time allows insights to be drawn about how relations, or the structure of referrals, may change over time.

TOGETHER, THE GRANTEES REPORTED a nine-fold increase in the number of referrals (primarily across internal programs) made over the course of the initiative.

As discussed in a previous brief,³⁰ the grantees developed distinct approaches to service coordination based on what each grantee considered to be appropriate for its community according to its organizational strengths. These approaches, described in more detail in this section, included delivering services to a single population along a continuum (for example, adult education, job training, and job placement), delivering services meant to benefit different populations “from cradle to career,” and delivering services to various household members at the same time.

Analysis of Public Works Partners’ common metrics data shows that together, the grantees reported a ninefold increase in the number of referrals (primarily across internal programs within a given agency) made over the course of the initiative, increasing from 193 referrals in Year 1 to 1,788 referrals in Year 4. Analysis of the survey data shows that, overall, the CCF grantees concentrated their referral pathways toward job training and placement programs.³¹ They focused their efforts on the immediate needs (such as benefit receipt and housing) of program participants and helping them meet the requirements of the jobs programs.³² The grantees’ referral networks vary, however, as they create and tailor systems that work for their respective organizations, program offerings, and priority populations. This section describes how each grantee implemented its service coordination approach during the CCF initiative and provides visual representations of the grantees’ survey data about referrals. Box 4 explains how to interpret the figures.

²⁹ Knoke and Yang (2007).

³⁰ De La Rosa Aceves, Greenberg, and Schell (2016).

³¹ New Settlement is the exception to this finding. New Settlement increased the number of its referral pathways between 2016 and 2018, as discussed in this section.

³² Job training and placement program requirements depend on the industry and program but can include age requirements, a certain level of educational attainment (as in reading or math), a New York State driver’s license, and no criminal record.

BOX 4**HOW TO READ THE REFERRAL NETWORK MAPS**

Figures 1-3 show overall referral networks, as produced by social network analysis, for three of the CCF grantees in 2016 and 2018: New Settlement Apartments, Stronger Together, and St. Nicks Alliance.

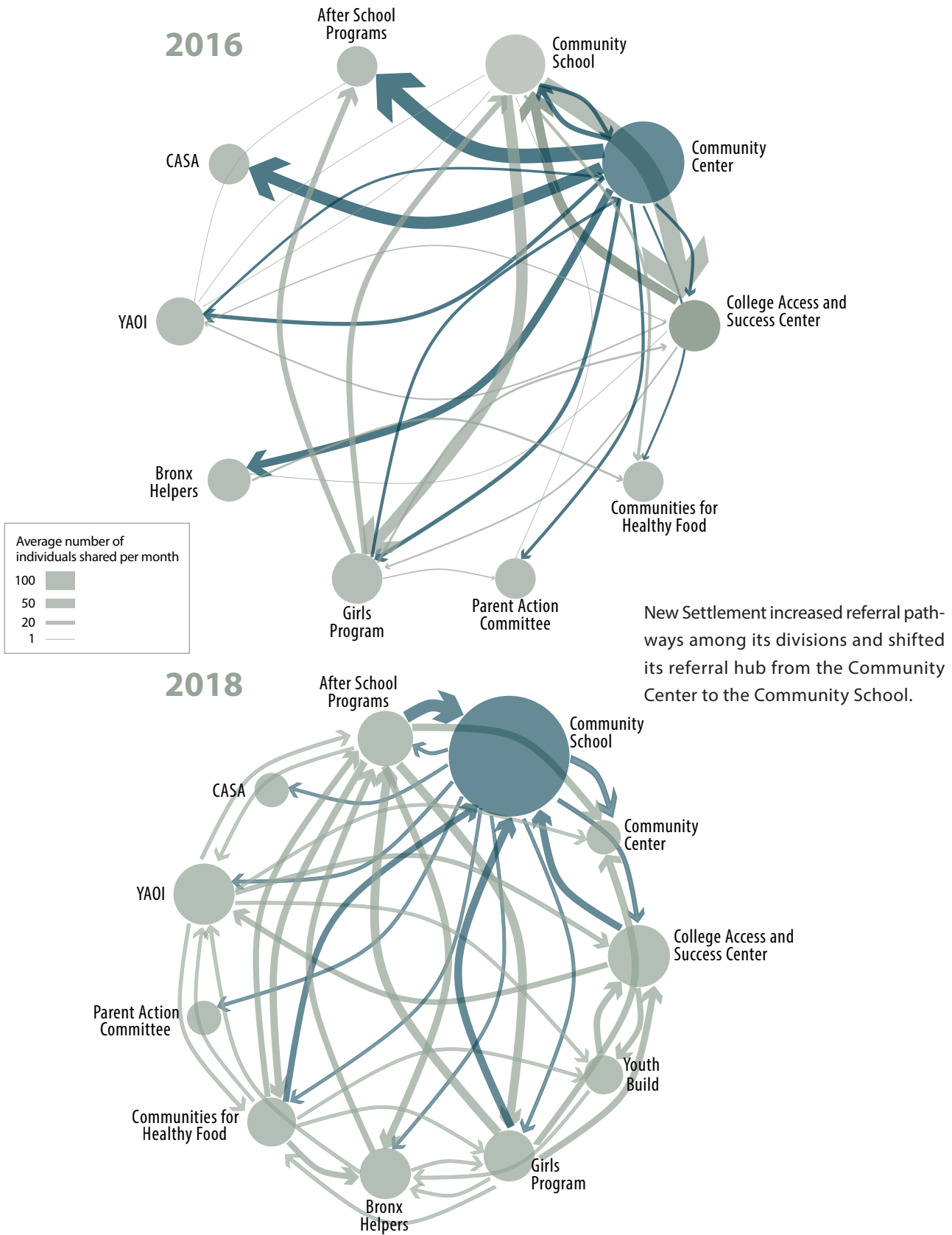
- **CIRCLES** represent the grantee's programs and divisions. For example, Figure 1 shows 10 circles in New Settlement's referral network in 2016, representing its 10 divisions. By 2018, New Settlement gained an 11th division (represented by an additional circle).
- The **SIZE OF A CIRCLE** reflects the degree to which a division is connected to other divisions, as measured by the division's role as a broker. The more connected, the larger the circle. For example, Figure 1 shows that New Settlement's Community Center was the most connected division in 2016.
- **LINES** represent referral flows between divisions. Arrows indicate the direction of the referral flow. For example, Figure 1 shows that the Community Center sent referrals to nine of New Settlement's divisions in 2016.
- **LINE THICKNESS** represents the volume of referrals. For example, Figure 1 shows that the Community Center sent more referrals to New Settlement's After School Program than to its College Access and Success Center in 2016, as indicated by the thicker line to the former. Each figure includes a legend defining line thickness. The scale for each legend was determined by the maximum and minimum number of referrals reported by the survey respondents.
- **CIRCLES SHOWN IN DARK BLUE** highlight divisions that act as referral hubs, or the divisions that are most connected to other divisions by sending and receiving referrals. For example, in Figure 1, the Community Center and its multiple referral pathways (lines connecting to other divisions) are shown in blue in 2016. In 2018, the Community School and its referral pathways are highlighted in blue, indicating a shift in New Settlement's referral hub.

NEW SETTLEMENT: Expanding Opportunities for Young People

New Settlement aims to enhance the quality of its 11 programs by finding synergies, or ways that different initiatives can work together for the benefit of participants.³³ Figure 1 illustrates how participants, in both 2016 and 2018, moved from one division to another

³³ In 2016, New Settlement had 10 programs. In 2017, New Settlement launched a [YouthBuild program](#), an employment training and job placement program funded by the U.S. Department of Labor for individuals between the ages of 16 and 24 who are interested in the construction industry.

FIGURE 1
NEW SETTLEMENT APARTMENTS' REFERRAL NETWORKS IN 2016 AND 2018



at New Settlement. The circles represent divisions, and the lines with arrows represent the referral flow.

Figure 1 shows that the number of referral pathways across New Settlement's divisions increased between 2016 and 2018: In the 2018 diagram, there are more lines between divisions. Increased connectivity across New Settlement's programs might be attributable to its CCF-funded efforts to establish a more cohesive organizational identity and make staff members more aware of the many services that the organization provides. New Settlement revamped its orientation to introduce new staff members to all its services, created a website for the entire organization,³⁴ and used cross-division management meetings to highlight the work of specific divisions on a rotating basis. These efforts probably helped new and existing staff members become more aware of the organization's full breadth of services and draw on that knowledge when they learned of a participant's additional needs or the needs of their household — prompting more referrals across divisions.

Between 2016 and 2018, New Settlement's hub of referral activity — the division most connected to other divisions through sending and receiving referrals — shifted from the Community Center to the Community School. (The referral hubs are shown in dark blue.) This shift makes sense, given New Settlement's focus on expanding opportunities for young people and the Community School's access to a population of students spanning prekindergarten through twelfth grade. In Year 4, New Settlement served 3,773 young people in its education-related services, an increase of about 13 percent from Year 1. Figure 1 shows that in 2018 the Community School made referrals to every other program except YouthBuild,³⁵ demonstrating its capacity to connect students to the array of programs and services offered by New Settlement.

STRONGER TOGETHER: Developing Pathways for Public Housing Residents to Higher-Skilled Careers

Fifth Avenue Committee leads Stronger Together, a partnership with Brooklyn Workforce Innovations, the Red Hook Initiative, and Southwest Brooklyn Industrial Development Corporation. Stronger Together's goal is to deliver services over time to a group of public housing residents in Red Hook and Gowanus Houses to help prepare them for higher-wage, career-track jobs. The partnership's design involved resident outreach and support for high school graduation and college access through the Red Hook Initiative; adult education, job readiness and placement, and access to individual and community support services through the three corresponding divisions of Fifth Avenue Committee; sectoral training and job placement through Brooklyn Workforce Innovations; and placement in industrial and manufacturing jobs through Southwest Brooklyn Industrial Development Corporation.

³⁴ Previously some divisions had websites, but there was not one comprehensive website or place to learn about New Settlement overall and all its staff and divisions.

³⁵ The lack of referrals to YouthBuild, which launched in summer 2017, may be due to a lack of staff familiarity with the program and the short time the program was in operation before the survey was fielded in early 2018.

Figure 2 indicates that the number of referral pathways between Stronger Together partner organizations declined between 2016 and 2018 (as shown by fewer lines between circles), and referrals are more often one-way (shown by a single line between two divisions with an arrow pointing only one direction). Figure 2 also shows that there were more referrals within the partnership in 2018 (represented by thicker lines between divisions). According to Public Works Partners' common metrics, Stronger Together reported a 62 percent increase in the referrals its partners made from 2016 (207 referrals) to 2018 (335 referrals).

Stronger Together increased the number of participants receiving employment services by 63 percent over the time period examined (from 138 participants in 2016 to 225 participants in 2018). One factor in this rise may have been Stronger Together's new pilot programs focused on specific industry sectors, including a solar panel installation program, which graduated two cohorts of trainees during the CCF initiative. This increase in participants may be why, even as its job placement numbers remained consistent (97 placements in 2016 compared with 95 in 2018), Stronger Together's placement rate declined to 42 percent in 2018 from 70 percent in 2016.³⁶ Figure 2 shows that Fifth Avenue Committee's three divisions (community services, workforce development, and adult education) remained referral hubs (the divisions most connected to other divisions through referral pathways) between 2016 and 2018, which may mean that participants are accessing public benefits through the community services division to meet their immediate needs as they pursue education and employment opportunities.

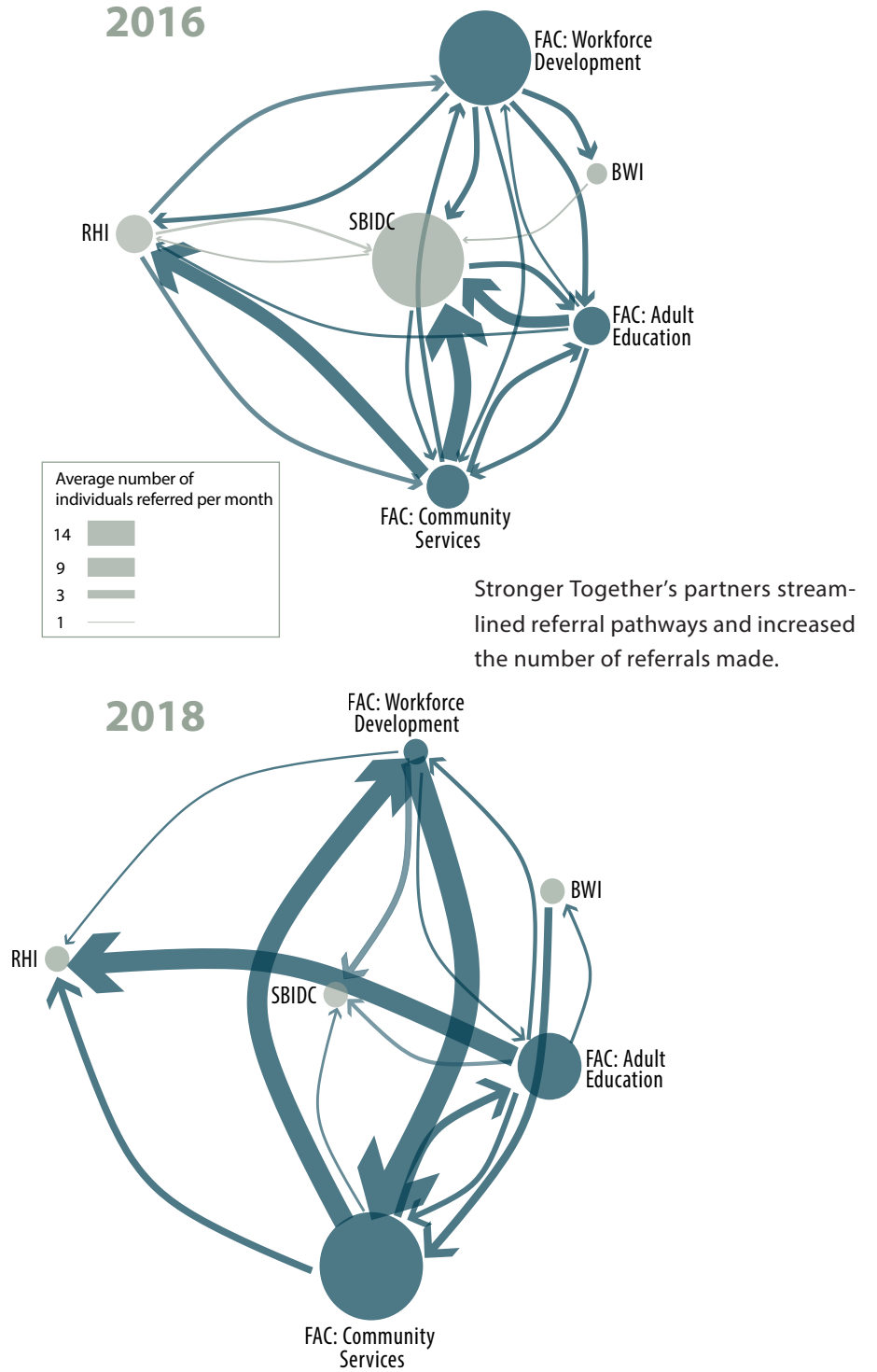
Figure 2 also shows that in both 2016 and 2018, Southwest Brooklyn Industrial Development Corporation (SBIDC), a provider of job training and placement services, mostly received referrals (indicated by the lines with arrows pointing to the organization) rather than making them. In 2018, Southwest Brooklyn Industrial Development Corporation is no longer referring people to Fifth Avenue Committee's adult education division, an indication that the participants it serves are arriving ready for job training and placement services. Additionally, Figure 2 shows that the number of referrals from Fifth Avenue Committee's divisions (community services, workforce development, and adult education) to Southwest Brooklyn Industrial Development Corporation and Brooklyn Workforce Innovations (BWI), the job training and placement organizations, declined between 2016 and 2018.

The Fifth Avenue Committee's adult education staff members reported that one major factor that may have influenced the number of referrals they made to workforce and job placement programs was New York State's decision to change its high school equivalency exam.³⁷ They said that participants have found the new test very difficult to pass, complicating their path toward higher-wage employment. Participants are eager to enroll in job training programs, but many of Stronger Together's programs require a high school diploma or equivalent. In

³⁶ A job placement was defined as active employment known to the program and validated through a pay stub or other funder-accepted means.

³⁷ New York State replaced the General Educational Development (GED) exam with the [Test Assessing Secondary Completion](#) (TASC).

FIGURE 2
STRONGER TOGETHER'S REFERRAL NETWORKS IN 2016 AND 2018



NOTES: FAC = Fifth Avenue Committee. FAC has three separate divisions: Adult Education, Workforce Division, and Community Services. RHI = Red Hook Initiative. BWI = Brooklyn Workforce Innovations. SBIDC = Southwest Brooklyn Industrial Development Corporation.

response, Stronger Together has worked to overcome this challenge by identifying programs that do not require a high school diploma or equivalent but still have a promising career path for participants, typically the sector-based training programs. These programs tend to require that participants obtain a minimum score on the Tests of Adult Basic Education,³⁸ so Fifth Avenue Committee’s adult education division has implemented a “bridge” program to provide tutoring services to residents who plan to take that test.

ST. NICKS ALLIANCE: Connecting Services for Higher-Need Families

St. Nicks Alliance’s CCF-funded intervention, NABE 3.0, explicitly set out to increase referrals among its housing, youth and education, and workforce divisions to meet the needs of low-income parents and children within the 11206 zip code, a particularly disadvantaged area in north Brooklyn. NABE 3.0 included hiring staff members called “transformational coaches” who would serve as point persons for referrals among the divisions and who were charged with making sure that St. Nicks Alliance was meeting the needs of households rather than focusing only on individual participants.

From the beginning of the CCF initiative, St. Nicks Alliance had planned to use a significant portion of its funding to enhance the functionality of its MIS and to customize the system to meet the organization’s needs, which included an automatic system for cross-program service referrals.³⁹ Automating referrals requires programming the MIS to recognize the predetermined criteria for a referral and the appropriate contacts, so that the system can generate a referral when the criteria have been met. Automating cross-program referrals should ensure that participants in need of additional services are quickly identified and tracked for services within the MIS.

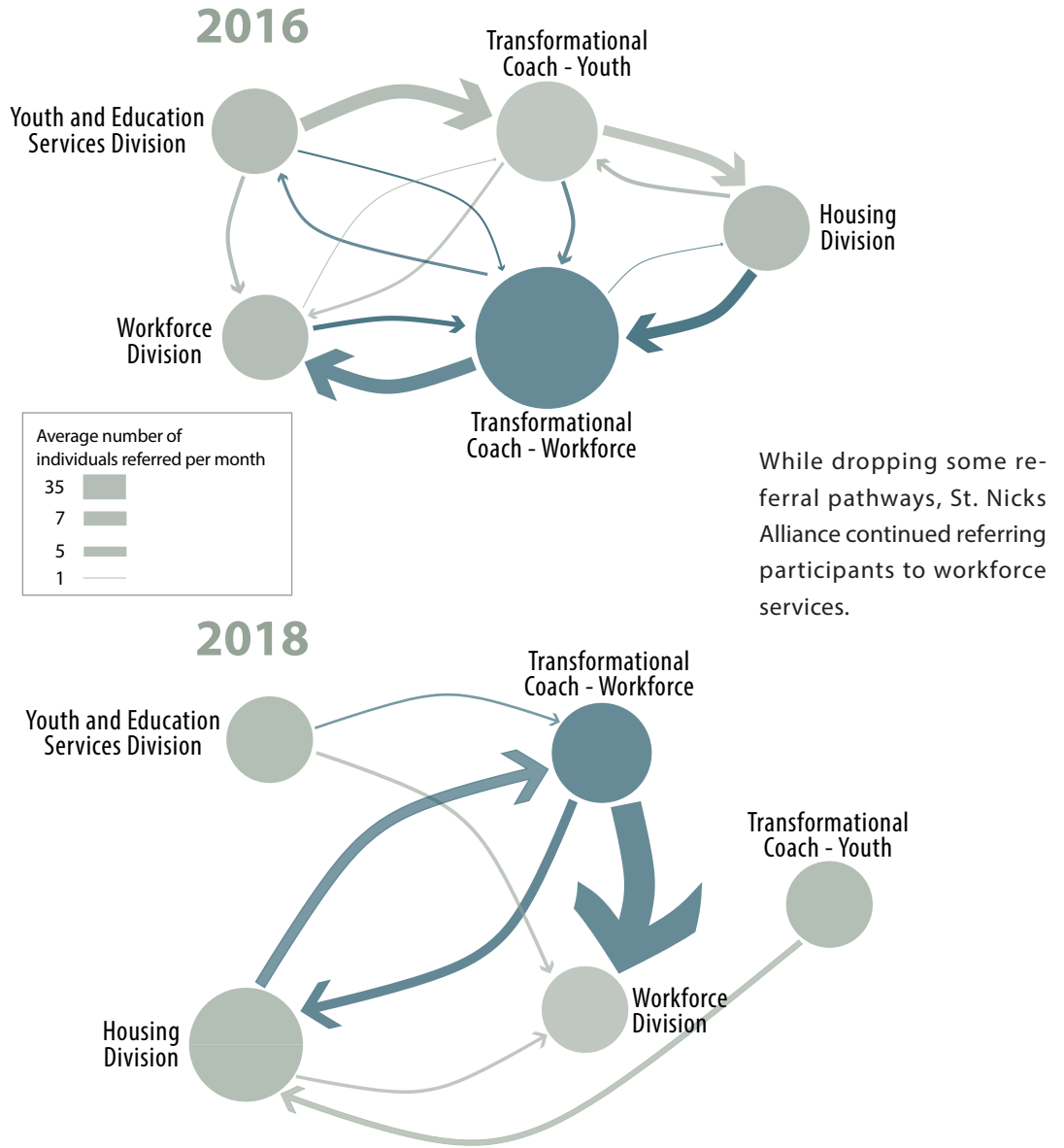
St. Nicks Alliance used CCF technical assistance funding between 2016 and 2018 to build out the automatic referral function, which minimized the need for staff members to make referrals in person, over the phone, or by email. Figure 3 illustrates a reduction in referral pathways between 2016 and 2018 among St. Nicks Alliance’s divisions. These data, collected from staff surveys in each year, probably do not present the full picture, because automated referrals may not all have been reported by staff members who completed a survey, as well as because of staff turnover.

Figure 3 also shows that the workforce transformational coach, one person who has served in this role for the entire initiative, has remained a referral hub from 2016 to 2018. This is indicated by the size of the circle labeled Transformational Coach-Workforce in both 2016

³⁸ The Tests of Adult Basic Education (TABE) evaluate an individual’s skills and aptitude in the areas of math, reading, and language. The tests are used for placement in adult education, including GED preparation and workforce development classes at trade and technical schools as well as community colleges.

³⁹ St. Nicks Alliance invested most of the first two years’ technical assistance funds to hire a consultant to develop data management plans for its NABE 3.0 service programs in its housing, youth and education, and workforce divisions. These data management plans have served as a blueprint for St. Nicks as it continues to build a performance management system and develop ways to track and measure key performance indicators across programs.

FIGURE 3
ST. NICKS ALLIANCE'S REFERRAL NETWORKS IN 2016 AND 2018



and 2018, highlighted in blue, and the number of lines with arrows (representing referral pathways) pointing to and from the Transformational Coach-Workforce circle. In 2018, however, the workforce coach had a two-way connection with only one other division (housing); she made referrals to the workforce but no longer received them, and received referrals from youth and educational services but no longer made them. In 2018, St. Nicks Alliance's overall flow of referrals is directed through or toward either the workforce division or the transformational coach. St. Nicks Alliance increased the number of participants receiving

employment services by 114 percent (from 194 participants in 2016 to 416 participants in 2018), and the number of job placements by 76 percent (from 108 to 190).⁴⁰

CYPRESS HILLS LOCAL DEVELOPMENT CORPORATION: Delivering Services to Benefit Community Residents Across the Lifespan

During the initiative, Cypress Hills Local Development Corporation focused its efforts on refining its comprehensive “cradle-to-career” continuum of services for neighborhood residents at different points in their lives. Services include programs, policies, and support aimed at improving educational and developmental outcomes for young people. One aspect of these efforts was improving connections for participants in one program to other programs offered by the organization.

One way that Cypress Hills Local Development Corporation tried to accomplish this in 2015 was by piloting a survey among parents of children who participated in its after-school programs to allow staff members to get a sense of the service needs across their households.⁴¹ The staff members then provided parents with information about other relevant services.⁴² This effort has also resulted in a contact list that programs can use for targeted outreach efforts in advance of their enrollment periods. Cypress Hills Local Development Corporation continues to field the survey among parents and guardians each fall at the mandatory orientation for after-school programs, and the survey is posted on its website as well, so residents can communicate their households’ service needs throughout the year.

Between 2017 and 2018, Cypress Hills Local Development Corporation increased the number of referrals it made by 56 percent (from 265 in 2017 to 413 in 2018). The organization did not begin to report on referrals until 2017, so a 2016-2018 comparison is not available.

Improved Program Outputs and Outcomes

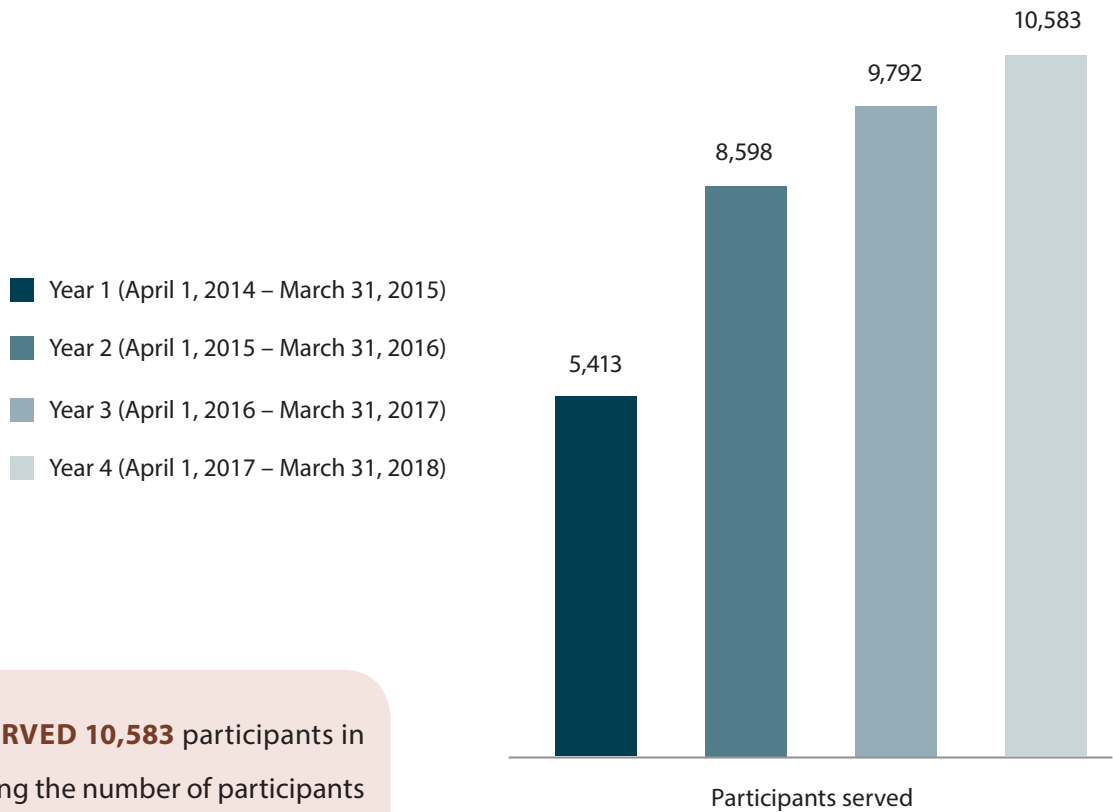
In presenting the grantees’ improved outputs and outcomes, as reported to and prepared by Public Works Partners, this section provides an opportunity to reflect on the potential influence of increased data capacity and thoughtful service coordination on some of those outcomes: the total number of participants served, the number who received employment services, and the numbers who obtained job placements, enrolled in college, and remained in college over the four-year initiative. This section also describes the economic context that served as a backdrop to the CCF initiative.

⁴⁰ In the first year of the initiative, St. Nicks Alliance reported outcomes for its NABE 3.0 pilot area, a subset of the 11206 zip code. In Years 2 to 4, St. Nicks Alliance reported outcomes for all participants who resided in the 11206 zip code, not just the subset. This increased the number of participants included in St. Nicks Alliance’s reports to CCF.

⁴¹ The implementation of this pilot survey was timely, as CHLDC was able to learn how households were at risk of being affected by a [plan](#) from the New York City Mayor’s Office to rezone the neighborhood.

⁴² Survey follow-up is designed to include three attempts to contact people by phone or email regarding their service needs. Cypress Hills Local Development Corporation tracks these outreach attempts via Google spreadsheets.

FIGURE 4
PARTICIPANTS SERVED BY CCF GRANTEES (YEARS 1-4)



THE GRANTEES SERVED 10,583 participants in Year 4, nearly doubling the number of participants served in the initiative's first year.

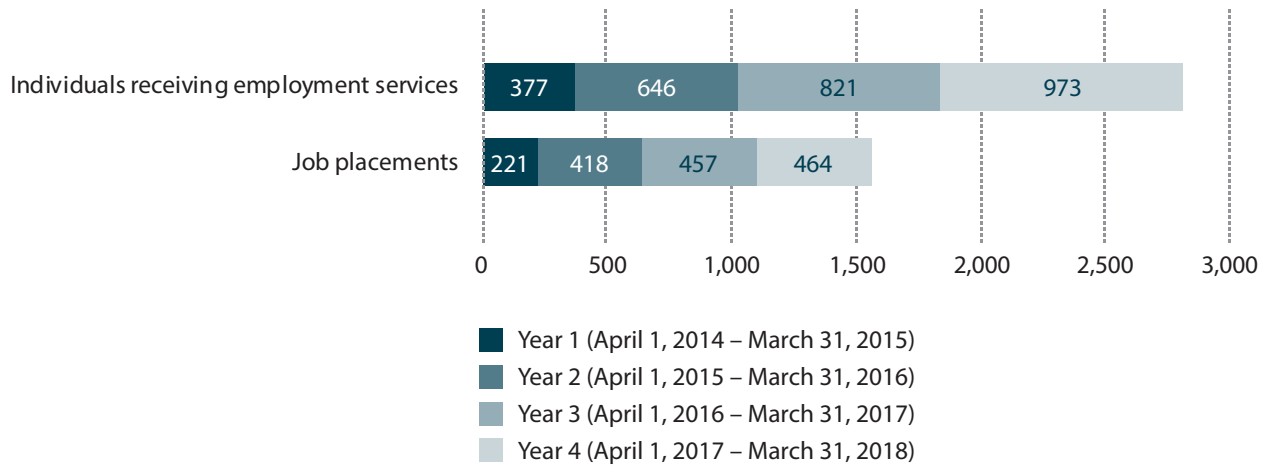
Source: Public Works Partners' 2018 final outcomes report.

As shown in Figure 4, the grantees served 10,583 participants in Year 4, nearly doubling the number of participants served in the initiative's first year (5,413).⁴³ This measure demonstrates the grantees' capacity to serve more residents over time. In Year 4, grantees reported that they reached 18 percent of their priority populations, up from 11 percent in Year 1 of implementation. Grantees measured priority population by the number of residents within their target zip codes or demographic populations of most interest within their target zip codes.

Figure 5 illustrates how the number of participants who received employment services from the four grantees nearly tripled, and job placements almost doubled, over the four years of

⁴³ All the grantees contributed to the growth; every grantee reported an increase in total participants served between Years 1 and 4. Cypress Hills Local Development Corporation contributed most to the increase, serving 3,091 participants in Year 1 and 4,802 in Year 4.

FIGURE 5
PARTICIPANTS RECEIVING EMPLOYMENT SERVICES AND JOB PLACEMENTS (YEARS 1-4)



Source: Public Works Partners’ 2018 final outcomes report.

CCF.⁴⁴ Most of the grantees increased the number of participants receiving employment services and the number of participants who were placed in a job. St. Nicks Alliance exhibited notable growth, reporting that they provided employment services to 416 individuals in Year 4 of CCF, up from 25 individuals in the first year, and placed 190 individuals in a job in the final year, up from 15 in the first year (not shown).⁴⁵

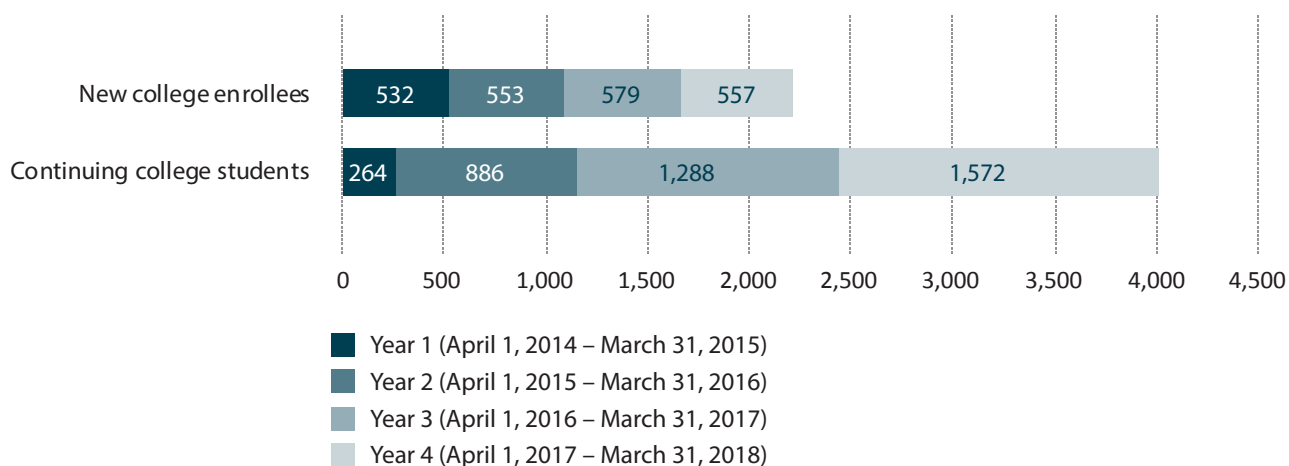
The overall rate of job placement decreased between the initiative’s first and final years (starting at 59 percent and dropping to 48 percent), but this is typical of workforce programs as they serve larger groups of people.⁴⁶ Participants served by the CCF grantees earned an hourly wage increase of \$3.20, on average, from \$10.55 per hour in Year 1 to \$13.75 in Year 4 (not shown). This increase is consistent with New York City’s minimum wage growth over this period, though participants served by CCF’s grantees, on average, earned slightly

⁴⁴ Job placement does not necessarily demonstrate a program’s impact (the outcomes that can be attributed to the program itself), but it is still an important metric for workforce development programs.

⁴⁵ As stated above, in the first year of the initiative, St. Nicks Alliance reported outcomes for its NABE 3.0 pilot area, a subset of the 11206 zip code. In Years 2 to 4, St. Nicks Alliance reported outcomes for all participants who resided in the 11206 zip code, not just the subset. This increased the number of participants included in St. Nicks Alliance’s CCF reports. Still, between Year 2 and Year 4, St. Nicks more than doubled the number of participants receiving employment services and increased job placements by 76 percent.

⁴⁶ There are many variables that can explain this tendency, including the region of placement (are larger groups in urban areas where it is more competitive?), how an organization defines job placement, and participant characteristics, which may change if a program casts a wider net and becomes less selective. For example, a program with a greater number of participants who have a criminal record, contend with a disability, or lack a high school diploma may have more difficulty making job placements (Corporation for a Skilled Workforce and the Workforce Benchmarking Network 2016).

FIGURE 6
PARTICIPANTS ENROLLED IN COLLEGE (YEARS 1-4)



Source: Public Works Partners' 2018 final outcomes report.

Note: New college enrollee numbers represent the students from college access programs at New Settlement, Cypress Hills Local Development Corporation, and Stronger Together who newly enrolled in college within the reporting period. Continuing college students are the students who previously enrolled in college and participated in a college access program and are still actively enrolled in college in each respective reporting period. St. Nicks Alliance does not report on these measures.

more per hour than the minimum wage.⁴⁷ In addition to the rising minimum wage at the time, New York City's low- and medium-wage industries were growing, and unemployment rates were declining.⁴⁸

Figure 6 shows that college enrollment increased by 5 percent from the first year to the last. The number of continuing college students, or the number of previously enrolled students in each reporting period who had participated in a college access program and were still actively enrolled in college, increased each year of the initiative, from 264 in Year 1 to 1,572 in Year 4.⁴⁹ These numbers may reflect, in part, the efforts of New Settlement Apartments and Cypress Hills Local Development Corporation in providing programs explicitly focused on helping young people apply to college, make the transition to college, and succeed in college.

In summary, as New York City's economy was shifting toward low-wage work, the CCF grantees increased their capacity to provide employment services to participants and

⁴⁷ New York City's minimum wage was \$8.00 in 2014 and \$13.00 in 2018 (New York State Department of Labor 2018a). The minimum wage applies to workers employed in New York City by businesses with 11 or more employees (New York State Department of Labor 2018b). However, wage growth was flat for lower-paying industries when adjusted for inflation (New York City Comptroller 2017).

⁴⁸ New York State Department of Labor (2015); New York City Comptroller (2018).

⁴⁹ Three of the four CCF grantees reported on college enrollment and persistence outcomes: New Settlement, Cypress Hills Local Development Corporation, and Stronger Together.

connect them to jobs (as shown in Figure 5), while linking participants to programs that would help them acquire the skills and qualifications known to contribute to higher wages (increased educational attainment, completed sector training, and certifications).⁵⁰ Also, as described above, most of the grantees' referrals became more streamlined during the CCF initiative and they flowed toward job preparation and placement programs offering higher-wage employment opportunities. One possible explanation for fewer outgoing referrals from grantees' job training and placement programs is that participants were arriving to job training and placement programs prepared to take advantage of their opportunities. Another possible explanation is that, as staff members became increasingly aware of the full menu of services offered by their organization, they were better equipped to ask participants if they were in need of their organization's multiple services and would make appropriate referrals up front.

By supporting service coordination and increased data capacity, which enabled grantees to build comprehensive data systems with the tools to run cross-program analyses and track participant interactions across divisions, CCF's funding further bolstered grantees' efforts to connect participants to immediate employment opportunities while remaining committed to their economic mobility.

REFLECTING BACK, LOOKING AHEAD

This report serves as the capstone for the New York City Change Capital Fund's economic mobility initiative (2014 to 2018). CCF's funding helped community development corporations successfully increase their data capacity, refine service coordination efforts, and improve program outputs and outcomes within a four-year period. This section offers some important lessons from the CCF initiative to benefit funders, practitioners, and policy-makers who might launch similar initiatives.

Key Lessons

The first four lessons presented here reflect practices that CCF executed well in this initiative and that it will continue in its next funding cycle.

- **A DONOR COLLABORATIVE IS PARTICULARLY WELL EQUIPPED TO TAKE ON A CAPACITY-BUILDING INITIATIVE.** CCF donors pooled their funds as a donor collaborative to provide flexible, multiyear funding to support community development corporations' capacity-building efforts. Donor collaboratives can make use of collective resources to provide support to grantees, like technical assistance and a formative evaluation, as CCF did; a single donor probably would not have the funding capacity to support these activities on its own. Donor collaboratives are typically committed to launching multiyear initiatives, as opposed to most philanthropic funding, which lasts one year

⁵⁰ Vilorio (2016).

and forces grantees to continuously apply for grants. A multiyear funding cycle — four years in the case of CCF — allows grantees to plan their work within a known budget for an extended period of time, focus on implementing their plans, and pursue new funds when their efforts are further along.

- **DEDICATED FUNDING PAIRED WITH INDIVIDUALIZED TECHNICAL ASSISTANCE HELPS GRANTEES BUILD THEIR DATA CAPACITY.** Funders rarely support grantees' performance management efforts, even though they are increasingly interested in data analyses. CCF's funding provided a unique opportunity for its grantees to invest in management information systems (MISs) that integrate data from programs across their organizations, and to hire and retain staff members to focus on evaluation. The CCF grantees that made the most progress in building data capacity tasked a staff member with reinforcing the use of data for performance management across the organization. CCF's technical assistance funding was especially helpful to grantees as they built out MIS enhancements, such as division dashboards and cross-program reports, and filled immediate data capacity gaps. An important lesson from CCF is that each grantee benefits most from technical assistance that is customized to its current data capacity and goals for growth. During the initiative's first year, CCF donors hired one technical assistance provider to work with the cohort of grantees, but it quickly became apparent that their data capacities varied. CCF employed an individualized approach in Years 2 to 4 and offered grantees up to \$35,000 per year in technical assistance grants. All the grantees were able to increase their data capacity over the course of the initiative.
- **INVESTMENTS IN DATA CAPACITY SUPPORTED GRANTEES' EFFORTS TO IMPROVE SERVICE COORDINATION.** Current funding to community development corporations largely remains aimed at individual programs or services, but CCF's initiative shows that investing in a grantee's service coordination — including the grantee's ability to track its participants' interactions with multiple programs — can make a real difference in the way the staff works. CCF funding helped each grantee establish or refine an MIS that integrates program data from the organization's various divisions and provides tools for cross-program analyses. Additional technical assistance helped grantees build data systems that aligned with their particular service coordination approaches.
- **GOVERNMENT STAKEHOLDERS SHOULD BE ENGAGED FROM THE START.** The New York City Mayor's Office for Economic Opportunity (NYC Opportunity) was involved as an adviser to CCF from the beginning of the initiative and later joined the collaborative as a funder to connect the lessons of CCF to citywide policies and practices. NYC Opportunity provided a city government perspective and brokered relationships for the CCF donors and grantees with city agencies and officials. Most notable, NYC Opportunity helped the initiative gain access to New York state employment and wage data, brought

in city-level officials to speak at grantee meetings, and invited the donor collaborative to participate in the Nonprofit Resiliency Committee.⁵¹

Looking ahead, CCF commits to improving other practices in its next funding cycle:

- **ESTABLISHING AGREED-UPON PERFORMANCE STANDARDS AMONG THE DONOR COLLABORATIVE AND ITS GRANTEEES EARLY ON.** A common challenge between funders and grantees is agreement on performance standards, a problem that might be especially acute in a capacity-building initiative such as CCF, since organizational development activities can appear more abstract than single programs or services. To help overcome this challenge, CCF required that grantees develop business plans to guide their work, and, with the help of Public Works Partners, create a set of common reporting metrics to document the grantees' and initiative's progress. To support these activities, CCF offered a free organizational assessment in 2013, the [Core Capacity Assessment Tool](#), to all the grantees. Though it was not required, all the grantees worked with TCC Group, a consultant hired by CCF, to complete the assessment.

In the next funding cycle, grantees will meet individually with a CCF consultant to complete an organizational assessment and shape their business plans. After completing the assessment, the funders and the grantee can discuss the proposed business plan, decide whether the organization has the capacity to implement the plan, and identify where it may need support to achieve its goals. Based on that conversation, the grantee might be asked to refine its business plan. Once business plans are final, performance standards (common or individual metrics) will be developed across the grantees. In the next funding cycle, CCF plans to develop some common metrics within the first six months of the initiative but track fewer *common* outputs and outcomes, giving more weight to the distinct programming of each organization.⁵²

- **FACILITATING DISCUSSIONS BETWEEN GOVERNMENT AGENCIES AND COMMUNITY DEVELOPMENT CORPORATIONS ABOUT SPECIFIC TOPICS OF IMPORTANCE TO THE GRANTEEES.** Such topics may include neighborhood gentrification; the true cost of services grantees are contracted by city and state governments to provide; and funding practices that, grantees report, do not account for the cost of mandated data management.⁵³ Contracting matters in particular are of great importance to community development corporations

⁵¹ The Nonprofit Resiliency Committee was established by Mayor Bill de Blasio in 2016 to improve communication between New York City government and the nonprofit human services sector. As a member of the committee, CCF's donor representative participates in meetings to advocate on behalf of community development corporations, which otherwise might be overlooked given the committee's focus on the human services sector.

⁵² If CCF had chosen grantees implementing the same program model, it would have given more attention to establishing and tracking common metrics across the new cohort.

⁵³ CCF grantees noted recent improvements in city contracts, which they attributed to the work of the Nonprofit Resiliency Committee. According to the grantees, an annual subscription to the Efforts-to-Outcomes database system costs an organization \$32,000 — not counting custom functions or staff members with the capability to use it.

because government contracts provide a significant source of their funding. Contracts need to ensure an organization's overall financial sustainability so it can continue providing critical services and meet community needs. In its next funding cycle, CCF will hire a consultant to share lessons with the funders at least twice a year about how their practices might influence the grantees' efforts. Both foundation and government stakeholders might incorporate lessons learned from the grantees into their independent funding practices.

The New York City Change Capital Fund's initiative presented an opportunity to gain insights about how multiyear funding and customized technical assistance, dedicated to improving community development corporations' internal service coordination and data capacity, can make a difference in an organization's practices. This report demonstrates that and illustrates how donor collaboratives might be the ideal vehicle to fund this type of initiative.

CCF's initiative also shows that improved data capacity can have multiple positive effects on an organization, allowing it to generate and strengthen external partnerships through its data sharing capabilities, to refine program strategies to maximize effectiveness, and to clearly demonstrate program successes and attract new funding so that it can continue providing — and improving — the services its neighborhood needs.

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Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-prisoners, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

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- Improving Public Education
- Raising Academic Achievement and Persistence in College
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.