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A CASE STUDY OF PROGRAM EVALUATION IN LOCAL GOVERNMENT

Building Consensus Through Collaboration

MAUREEN BERNER
University of Northern Iowa
MATT BRONSON
Marin County Administrator’s Office, San Rafael, California

ABSTRACT: This article explores the potential of the collaborative approach for local government program evaluation, particularly programs administered by nonprofits. City budget staff in Charlotte, North Carolina, partnered with the nonprofit in charge of a special tax district in a collaborative evaluation (CE) to assess the district’s impact. An examination of this experience suggests that CEs are costly in terms of time and staff resources and raises questions about cooption and bias. However, it also suggests the promise of increased communication and better relations between local governments and nonprofits, improved evaluation skills of program staff, and increased likelihood of utilization of evaluation results.

KEYWORDS: accountability, collaborative evaluation, local government program evaluation

Local governments are continually faced with accountability demands from their governing boards and citizens, especially in times of fiscal stress. To help meet these demands, some larger units have given the budget office evaluation responsibilities for local government programs. To do this, the analyst traditionally requests certain information, the program personnel produce it, and there is little additional communication between the two offices until judgment is rendered in the form of budget increases or cuts. One could argue that this process is a form of evaluation, albeit a cursory one. This article highlights the experience of Charlotte, North Carolina, in using an alternative approach—collaborative evaluation (CE). Based on collaboration between the evaluator and program personnel, its purported value is in changing the nature of evaluation from adversarial to partnership-based. Judgment is rendered in both cases, but based on the expe-
rience with this case, the collaborative approach presents certain advantages and disadvantages over a traditional approach.

A collaborative approach to evaluation is not new, but it does not appear to be commonly practiced in governmental settings, especially in evaluating nonprofit programs. The evaluation highlighted here is of a program funded by a city government but administered by a local nonprofit. As local governments depend more on nonprofits, it is important that the governments have systems in place that evaluate the effectiveness and efficiency of services provided to the public because ultimately they will be held responsible for the services the nonprofits provide (Sawhill & Williamson, 2001).

We first briefly describe general evaluation processes in local government and contrast them with a collaborative approach. We then illustrate CE with a case study of the South End Evaluation conducted in 2002 by the City of Charlotte. Material for this case study was obtained through literature review, interviews with participants, and the direct experience of one of the authors. The analysis was reviewed by eight local government management, nonprofit management, and evaluation scholars and practitioners.

**Evaluation in Local Government**

Program evaluation can be a vague term. Although there is no consensus on a standard academic definition, it can be generally thought of as a means of providing valid findings about the effectiveness of programs to those persons with responsibilities or interests related to the program’s creation, continuation, or improvement (Rossi & Freeman, 1989). Evaluations can be simple or complex, short or lengthy, cursory or in-depth.

Regardless of the form, evaluations typically are done in five main steps. Although presented in simple fashion here, each step has many additional layers within it:

- Agree on and articulate the program goals and objectives;
- Agree on and declare the program theory or theory of change;
- Specify and agree on the criteria that will be used to measure success and the standards that must be met;
- Gather data according to the criteria to see if the standards have been met; and
- Interpret the data and present results in a meaningful and useful way.

The traditional approach to evaluation in a local government primarily involves just the requesting agency and the evaluator. When other stakeholders are consulted (if they are), it is usually early and late in the process (Cousins & Earl, 1995). In most cases, there is a clear requesting agency. For example, the manager’s office, the finance department, or the budget office may be interested in understanding the value of a program or a project, either for its own purposes or to
satisfy a request of the governing board. Staff from one of these offices—an evaluator—contacts a representative of the program in question and asks for information on the success of the program (e.g., a quarterly or end-of-the-year report). If the program is internal to local government, the information may come in the form of additional budget justification documents as part of the budget request process.

Except in larger units, local government offices usually have inadequate time and personnel available to conduct in-depth or lengthy studies. For example, in North Carolina, Coe (2003) found that relatively few local units have budget offices, and few of those have active work plans for the analyst. In fact, lack of resources is a common barrier to quality evaluations (or any, in fact) (McNeils & Bickel, 1996). Anecdotal evidence suggests that the atmosphere surrounding local government evaluations can be tense, creating anxiety among program staff about the motive behind the request for detailed information (Is my budget going to be cut? Is this program targeted for downsizing?) and fostering companion suspicions by management staff (Is the program providing valid information? Is staff hiding something that might make them look bad?).

The tension may intensify if the expectations for a program’s evaluation have not been explicit from the beginning of the program, if the criteria for program evaluation have changed, or if the evaluators do not communicate fully with program staff. An adversarial atmosphere is not unusual in external evaluations (Usher, 1995). The adversarial atmosphere can extend to evaluations of community or nonprofit organizations receiving funding from local governments. City or county staff may have standard reporting requirements for such organizations, but at times may require more substantive reports.

As with internal evaluations, beyond providing data, local government evaluations or reviews of nonprofits generally do not have substantial involvement from the organizations under review. Further, it is not clear whether they accurately reflect the value of external programs. If financial information is the bulk of the information provided, important aspects of the value of the organization can be missed, such as effectiveness, community support, staff quality, and so on. Kaplan (2001) suggests this in his argument for the use of a balanced scorecard approach to measuring and managing organizational performance. However, in his examples, the use of the scorecard is an internal process, and whether clients, funders, or others were included in the process of evaluating progress toward its mission was unclear.

The lack of involvement on the nonprofit’s or the community organization’s part can be perceived as appropriate, thus ensuring an objective analysis. However, it also can lead to a lack of ownership of the resulting recommendations, which can ultimately impede implementation, frustrating both nonprofit and the funding government. Further, it does not encourage a sense of partnership in
solving community problems. A nonprofit expert interviewed for this research felt that the value of traditional evaluations was low, stating, “At best the hierarchy might reward; at worst it will punish.”

A Collaborative Approach

The controversial alternative is to involve the agency or program being evaluated in the evaluation itself in a partnering approach. This often is referred to as “participatory evaluation” or “collaborative evaluation.” Although some may use these two terms interchangeably, we prefer the term “collaborative evaluation” because it places a stronger emphasis on partnership than the term “participatory.” In CE, representatives of a majority of stakeholders or all stakeholders—program staff, affected citizens, politicians, and interest groups—are involved in the five steps mentioned earlier, not just the requesting agency and the evaluator. Responsibility for completing the task is shared in various degrees. As discussed in the following, CEs purport to bring the positives of human interaction to the evaluation process, and it is controversial because by doing so, it opens evaluation to more subjectivity and threat of bias. Sharing control inherently means losing some control.

CE developed in the late 1960s and early 1970s, as evaluations were criticized as mechanistic and detached (Worthen, Sanders, & Fitzpatrick, 1997). The human perspective was missing, especially in evaluations of education and human service organizations. Critics called for more direct interaction on behalf of the evaluator, greater use of qualitative research methods, and eventually, the significant involvement of those being evaluated. In general, in a CE, the evaluator plays the role of partner and participant in the process rather than an outside expert; the organization’s staff, clients, board members, and sometimes even interested community members have input in deciding whether to evaluate, what to evaluate, how to draw conclusions, when to disseminate findings, and how and when to implement recommendations (Worthern et al., 1997; Upshur & Barreto-Cortez, 1995). The evaluation process in terms of the technical information gathered or the analysis performed may not be different from a traditional evaluation. The difference lies in personal relationships between the evaluator and the stakeholders of the program. The defining feature of CEs is that stakeholders share a significant degree of power (Mathie & Greene, 1997).

The importance of CEs is clear in the growing emphasis on the theory of change approach to evaluations, in which the program theory and the assumptions underlying it are clearly articulated by the stakeholders, and the evaluation focuses on testing those links. The theory of change idea grew from the work of many evaluation theorists, but is most commonly attributed to Carol Weiss, who applied the idea to evaluation of complex community/social change initiatives.
A theory of change tracks both the set of assumptions that underlie the ministeeps that led to the long-term program goal of interest and the program activities and outcomes that occur at each step of the way. Mapping out the theory of change requires extensive interaction with stakeholders. Indeed, an evaluation, or the program itself, may be doomed if stakeholders unknowingly hold different theories of change. The potential value in an evaluator’s working with stakeholders is being able to better identify who holds what assumptions. The theory of change approach requires a shift in the role of the evaluator: By working with stakeholders to identify the theory of change, the evaluator moves from being an outside appraiser to being a collaborator (Brown, 1998).

Support for increasing collaboration in evaluations is based in the evaluator’s philosophical approach to evaluation—a democratic, communitarian approach. Some argue it is an approach that will lead to organizational transformation, greater citizen deliberation, and redefined power relationships (Caracelli, 2000; Cousins & Earl, 1995; MacNeil, 2002; Mathie & Greene, 1997). Most CE practices do not have such lofty goals, but focus instead on simply improving the quality of the evaluation and increasing the likelihood that the results are useful for all involved (Caracelli, 2000). A substantive body of evaluation literature argues that involvement of stakeholders in the process will improve evaluation utilization (e.g., see Fetterman, 1996; Greene, 1988). For example, dialogue between program staff and evaluation teams seems to facilitate learning (Mausolff & Spence, 2002). Some studies have shown that participants derive a strong sense of satisfaction and professional development with the process (Cousins & Earl, 1995). A recent study (Turnbull, 1999) confirmed the theoretical links between this type of evaluation climate, the perception of efficacy, and use of evaluation results in both symbolic and instrumental ways. For example, O’Sullivan and D’Agostino (2002) recently found that collaboration improved the quality of the evaluation itself in a study of a countywide comprehensive early childhood education initiative.

A key feature of CE is the emphasis on the program staff’s learning to collect and report data themselves, thus becoming increasingly enabled to self-evaluate (O’Sullivan & O’Sullivan, 1998). In a similar vein, the Independent Sector, a nonprofit coalition of more than 100 organizations with an interest in philanthropy and volunteerism, recently sponsored a book calling for “co-evaluation.” It emphasizes empowering the stakeholders to evaluate their own programs and organizations on an ongoing basis (Gray, 1998).

However, involving participants in the evaluation process has obvious drawbacks. The most common charge against CE is they are unpredictable and carry the danger of cooption (Upshur & Barreto-Cortez, 1995; Worthern et al., 1997). Although CE is gaining in popularity, there is still a strong concern expressed in
the evaluation community about the potential threat to objectivity. In addition, organizational support is vital, and the process time consuming. There is also the question of the appropriate role for the outside professional. Evaluators can be too close to the process, creating unrealistic expectations, but they need to be close enough to still be the primary resource for technical analytic work (Cousins & Earl, 1995). CEs of multisite programs can be especially challenging. If each site’s staff conceives of the program theory in a way that reflects the context of each site, the evaluations can lose comparability (Petersen, 2002).

Some local governments have adopted or are exploring CEs. Evaluations in Greensboro, a major urban area in central North Carolina, are examples, although they were developed without an eye to any formal model. In Greensboro, the internal evaluation function is housed with budget functions in the Budget and Evaluation Department, which conducts several management studies each year. Past studies from this office include evaluations of the City’s Park and Recreation Department’s drama program, its stormwater services, and its loose-leaf collections program (texts of the completed evaluations are available at www.ci.greensboro .nc.us/budget/mgmtstud/mgmtstud.htm).

According to Vicki Craft, a budget and management analyst, Greensboro’s approach has been to work with departments as partners in evaluations. Although the Manager’s Office or the City Council may request that an evaluation be done, the Budget and Evaluation Department also takes requests for evaluations from departments themselves. These departments see the Budget and Evaluation Department as a valuable resource for helping them identify ways to solve problems or improve operations. Staff of the Budget and Evaluation Department and representatives of the department or program being evaluated make up evaluation teams. Together they define and agree on a detailed plan of action, or written “contract.” In the contract, the evaluation team tries to clearly identify the evaluation objective. Evaluation staff and the program staff sign the contract. This process helps the evaluators and program staff define what information to gather and how to use it. Although such a partnership does not always protect the process from politics, it does appear to have turned the traditional view of evaluation staff from potential adversaries to valuable resources, according to Craft.

To explore how a CE would work in detail, we present a case study of an evaluation of a major community initiative from Charlotte, North Carolina. We then examine the process in the context of the literature outlined above.

The South End Evaluation in Charlotte

Like most cities, Charlotte works closely with many nonprofit organizations to provide services. These nonprofits, called “financial partners” by the City, range from small neighborhood improvement groups to the Convention and Visitors
Bureau and receive millions of dollars annually in city funding. Like Greensboro, Charlotte has used a collaborative approach in conducting several internal evaluations, such as evaluations of street maintenance operations and the implementation of certain capital projects. The city recently took this approach one step further by conducting a CE of the performance of an external nonprofit agency called Historic South End (HSE).

BACKGROUND ON HISTORIC SOUTH END

The South End, a historic industrial district adjacent to downtown Charlotte, has experienced dramatic urban revitalization in the past 10 years. In response, in 1995, business leaders in the area formed the South End Development Corporation to further promote economic development. In early 2000, the corporation petitioned the Charlotte City Council to establish a special tax assessment of $.09 cents per $100 valuation on all properties in the district. Levied in addition to the city and county tax rates, this assessment was expected to generate $185,000 per year initially. The request was approved in May 2000, along with a formal contract to ensure that these dedicated tax revenues funded a defined list of initiatives in four areas: physical improvements, public safety, marketing and commerce, and support for a vintage trolley service. The development corporation reorganized as HSE and hired an executive director to begin implementation of these initiatives.

At the same time, the City Council charged city staff to conduct a review of HSE services within two years to ensure that dedicated funds were appropriately spent. This charge was in response to concerns from some council members and affected property owners that HSE could not adequately provide the services supported by the special tax. Several property owners from one area of the district hoped that the two-year review would provide the justification to request formally that the City Council discontinue the special assessment. Because the statutes governing these tax districts do not allow for sunset clauses, a formal renewal was not required. The City Council can establish and abolish these districts at any time, which is what some opponents were hoping for after the two-year review. The City Council, therefore, addressed these concerns by approving the district but guaranteeing its review in a short time.

The review was thus a pivotal point in the future of the South End tax district and HSE as an organization. Because of the potentially controversial nature of the situation, previous conversations with Greensboro evaluation staff about their partnership approach, and Charlotte staff’s willingness to experiment, the city’s Budget and Evaluation Office initiated a CE. Staff started by carefully selecting an eight-person review team consisting of both city staff and HSE representatives. City staff representing the Economic Development Office, the Planning Commission, and the Budget and Evaluation Office were selected for their knowledge of the community and their experience with projects there. HSE representa-
The review team was convened in September 2001. A critical first step for the team was to reach consensus on the evaluation’s goals, methodology, and timeline. The three broad goals on which the members agreed were as follows:

- To evaluate the overall effectiveness of the tax district and to determine if any changes were needed in the specific services or programs provided;
- To evaluate the role and the structure of the nonprofit organization providing these services (HSE); and
- To review the boundaries of the tax district and the appropriateness of the corresponding tax rate.

The review team decided to use a variety of methods in conducting the CE, including:

- Surveys of property owners, merchants, and HSE board members;
- Personal interviews with key stakeholders inside and outside the district, including business and civic leaders and City Council members;
- Focus groups with residents, business owners, and merchants in the South End;
- Gathering of key financial and performance information about HSE; and
- Gathering of data on nationwide trends and best practices regarding organizations operating in special tax districts.

As indicated by the first three methods just listed, the evaluation was heavily based on stakeholders’ perceptions of the district’s effectiveness. It was primarily concerned with what the community wanted from the creation of the special tax district and the accompanying nonprofit organization and whether the community felt that those goals had been achieved. For example, the survey questions were to be answered on an importance/satisfaction scale of 1 through 10 (1 = lowest possible score; 10 = highest possible score). This allowed the evaluation team to measure perceptions of matters such as “overall quality of life in the South End area” and “level of services provided by the Municipal Service District tax revenue.” Data from the survey, plus a high number of survey and focus group comments indicating a general lack of awareness of the services supported by the special tax, led the review team to conclude that lack of communication was one of the major issues HSE needed to address. From the local government
perspective, collecting this information was time-consuming, but it enabled the review team to obtain a detailed feedback on the district. In addition, the focus groups and interviews represented a prime opportunity to raise awareness of the district with selected stakeholders. The review team also obtained financial and performance information. For example, the team learned that the assessed property value in the district had increased 20 percent from 2000, compared with about 4 percent growth citywide.

The review team met a total of ten times from September 2001 to March 2002, starting with monthly meetings and shifting to biweekly meetings to discuss findings and recommendations at the end of the process. The coauthor (representing the Budget and Evaluation Office) facilitated the team and coordinated the logistics of the review process. Although the team did not establish formal “ground rules,” members were expected to conduct themselves in a manner conducive to achieving a consensus-based outcome. Team meetings were characterized by open discussion and mutual decisions by the entire group, rather than unilateral actions by the facilitator. All team members agreed to attend and actively participate in meetings, complete needed work assignments outside of meetings, and openly discuss potential findings and recommendations. Reaching agreement on the scope and methodology early in the process helped to set the tone of collaboration from the beginning.

Once the review team collected all the data, this collaboration was put to the test as the team spent several meetings reviewing the findings and developing recommendations. This was the true test of the CE model—eight people representing diverse interests and backgrounds reaching consensus on a final report. Before beginning the discussion of findings and recommendations, the team affirmed its goals of developing a consensus report and agreed on the need for a common definition of “consensus.” After some discussion, the team’s definition of consensus was that everyone on the team had to support each recommendation and be able to implement it, even if they might not personally agree with it. This agreement was a critical component for the review because one of the underlying premises of the collaborative process was effective implementation of the recommendations. The discussion about what consensus meant was challenging, as team members wondered whether it was possible to reach consensus given the diverse nature of the team. However, the team believed that the collaborative process would allow expression of different viewpoints that would ultimately lead to recommendations supported by the entire group.

Team members were engaged throughout the entire process by attending meetings, completing work assignments, and actively participating in discussions. The workload was equally shared by team members rather than solely by one person, possibly because of the shared responsibility and leadership of team members. The rapport developed earlier in the process was beneficial in keeping the
team together through several challenging conversations on a variety of potential findings and recommendations.

Ultimately, the team agreed on 20 findings and recommendations to present to the HSE board and City Council. Key findings from the review included:

- The South End experienced dramatic economic revitalization. In addition to the property value growth mentioned previously, more than a dozen new shops, restaurants, and other retail establishments had opened, bringing people into the South End on a regular basis. There was little information, however, on the direct economic effect of these new shops.
- The Charlotte Trolley was a critical force behind the success of the district. Tax values along the trolley corridor now totaled $250 million, compared with $14 million before the trolley’s installation in 1998. HSE’s support of the trolley was a strong factor in the trolley’s operation.
- HSE made significant strides in its first two years, particularly in providing some services to and advocacy for the South End area. Examples included installing decorative street signs, developing entertainment guides, and advocating the district’s interests with key stakeholders. HSE was particularly noted for developing relationships with key stakeholders around the city, a task that is understated and time-consuming but vital to the success of a neighborhood.
- HSE needed to focus more on providing tangible services to the district. Communication was a primary example: The nonprofit had to do a much better job of telling the South End story to visitors, stakeholders, and current and potential developers or residents. In addition, the South End still was not a destination location for Charlotte residents. More special events were needed that would regularly draw people to the area. Finally, not enough had been done to identify the South End. For example, the lack of clear boundaries marked by signage had led to difficulties in people knowing exactly where the South End was.
- HSE needed to strengthen itself and its role in shaping the South End. The organization had to become more visible and active to serve as the “common voice” for the district. Other similar tax districts, such as the center city of Charlotte, achieved success primarily when one organization served as the official voice of the area and developed a scope of work on behalf of the entire area.
- Finally, the city had invested significant resources and staff time in the improvement of the South End. Individuals from multiple business units worked on projects that affected South End every day, such as mass transit, pedestrian planning, and community safety. However, the lack of an organized forum in which people could interact and share ideas hindered effective coordination of and communication among these projects.

On the basis of these and other findings, the team formed the following key recommendations:

- HSE should increase its communication with stakeholders within and outside the South End to tell the area’s story and inform stakeholders of developments, special events, and other activities.
positive and negative aspects of CE versus a traditional approach. In this section, we highlight those differences, and comment on their potential impact.

CHARLOTTE CITY STAFF FELT A CE WOULD PROVIDE POLITICAL ADVANTAGES FOR THE CITY. The literature on CE does not overly emphasize its political advantages, yet this seemed to be the main benefit of the CE in Charlotte. The city agreed to review the tax district in a short time, as a way to respond to political opposition. Although we cannot know if a traditional approach would have alienated one or another of the organized political groups—those in favor or opposed to the tax district—a collaborative approach allowed for both sides to be directly involved in the evaluation process. This outcome defused the ability of either side to claim bias or preferential treatment and allowed for the results of the review to be accepted by both sides before being brought to the City Council.

Having the review team in complete support of all the recommendations for strengthening HSE's role was critical in gaining political support. The first step was to present the report to the HSE board for its review. The presentation was made by the board president (who was a review team member), and this helped gain unanimous support from the board. The report was next presented to the City Council's Budget Committee and eventually to the entire council. Council members asked several questions about the tax rate and the composition of the HSE board but were generally supportive of the report and recommendations. As a result of the support for the recommendations, as well as reflecting healthy revenue estimates, the City Council approved an increase in the HSE budget from $190,000 in FY 2002 to $280,000 in FY 2003 to begin implementation of the recommendations.

An example of the political benefits of the CE came a few days before the presentation to the City Council. One of the largest and most influential property owners in the district had several concerns about the final report and requested a meeting with city staff before voicing opposition to the City Council in the open session. After the meeting, in which staff explained the rationale behind the recommendations and the collaborative process used, the property owner was satisfied with the review and the accountability structure for the recommendations and consequently did not oppose the report when it was presented to City Council. The fact that the report was prepared in a consensus fashion seemed to defuse the opposition, even if there was not agreement on every recommendation.

THE CHARLOTTE CE RESULTED IN AN "INVERSE" EVALUATION. Another important but unexpected aspect of the CE was the effect on the evaluating agency. Because program stakeholders were involved as relatively equal parts

REFLECTIONS ON THE CE PROCESS IN CHARLOTTE

The CE process in Charlotte has generally been an effective method of collaborative decision making as measured by implementation of recommended improvements and achievement of certain desired outcomes. The South End review was particularly effective in forging shared responsibility in reviewing the performance of a new organization and developing consensus-based recommendations that would improve the services provided to the impacted community.

However, one area that could be improved for future evaluations is to include a wider swath of individuals on the review team. The South End review team consisted of representatives solely from the city and the HSE and was left open to concerns that viewpoints outside the two organizations would not be heard. Representatives from other stakeholder organizations, such as Charlotte Center City Partners, and area property owners not on the HSE Board should have been included on the review team to broaden the team's perspective and have an active role in the review process. A larger team could have added even more time to the review process but would have developed more community buy-in to the review and implementation of needed actions.

CE in Charlotte Versus a Traditional Evaluation Approach

We cannot know if the CE approach was better than a traditional evaluation would have been. However, the experience in Charlotte tested some of the theoretical...
positive and negative aspects of CE versus a traditional approach. In this section, we highlight those differences, and comment on their potential impact.

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Another important but unexpected aspect of the CE was the effect on the evaluating agency. Because program stakeholders were involved as relatively equal part-
ners in the process, the evaluation expanded to include city actions that affected program effectiveness. The last recommendation listed previously came as a result of the city’s evaluating its own communication and structure for addressing South End issues and realizing that improvements could be made. HSE believed that this was one of the most important recommendations of the review, because participation in ongoing discussions with city staff would help HSE improve its overall interactions with the city.

Under the CE, the scope of the evaluation was wider than it might have been, and the city opened itself to criticisms it would have to address if the entire process would be seen as legitimate. Because the evaluation was performed in a partnership atmosphere, the responsibility for the success of the program was also seen as shared to some degree. We argue that this type of inverse attention given to the evaluators would not normally occur in a traditional approach. On this aspect, a CE could be seen as risky to a local government seeking to maintain control of the process, but advantageous if the local government wants to continuously improve in understanding how its actions affect its nonprofit partners.

**THE CHARLOTTE CE TOOK MORE TIME AND EFFORT BUT INCREASED COMMUNICATION.**

CE literature emphasizes partnerships, but does not point to the need for consensus building. The staff in this case saw the use of consensus as key to the success of the process for the political advantages discussed previously. The negative aspect of this approach, however, is that it is time-intensive. As one might expect from the literature, compared to other evaluations performed by city staff, the HSE project took longer and required more personal interaction and diplomacy. As a result, communication was much more frequent and detailed than would otherwise occur.

The process ran from September 2001 to March 2002 and required approximately one-third of a city staff person’s time during that period. A typical evaluation using an outside consultant likely would have been conducted in a shorter timeframe. On the positive side, the resources committed (a staff member’s time) were less than the city would have expected to pay an outside consultant.

**THE CHARLOTTE CE MAY RESULT IN A HIGHER LEVEL OF IMPLEMENTATION.**

Previous outside evaluations of the city’s nonprofit partners have produced mixed results in implementation of recommendations and in gaining of support from the nonprofits being evaluated, bringing into question the overall value of the evaluations. As suggested by the literature, the participants in the South End evaluation felt that the strong ongoing support of the recommendations by both the city and HSE leaders indicated a greater chance that the recommendations would
be implemented, and, in fact, the report has been actively used. HSE built the recommendations into its long-range planning, and a new organization serving another new tax district has based much of its work plan on the HSE evaluation recommendations.

THE CHARLOTTE CE RESULTED IN INCREASED SELF-EVALUATION SKILLS IN THE EVALUATED ORGANIZATION.

One benefit of CEs cited by researchers is the experience left behind with the target organization. One of the expressed goals of the team in Charlotte was to provide HSE with clear examples of how to evaluate itself on an ongoing basis. Although self-evaluation has been limited thus far due to staffing, HSE plans to use the evaluation’s survey template in conducting periodic surveys of property owners and businesses.

IT IS NOT CLEAR THAT FINDINGS WOULD HAVE BEEN DIFFERENT IN TRADITIONAL EVALUATION.

Although we cannot accurately assess if a traditional evaluation would have produced different (or better) results, participants felt the CE results were valid and reliable. Receiving feedback from surveys, focus groups, and interviews and comparing performance to nationwide trends helped HSE understand the need to focus on providing more tangible service improvements. People (particularly district taxpayers) wanted to see banners and gateway signs, attend festivals and other special events, and receive timely communications about these and other activities. HSE shifted its priorities and expenses to reflect this feedback. One could argue that involvement of the stakeholders provided a more complete picture of the organization, but the involvement also leads to opportunities for manipulation of data, as discussed next.

THE CHARLOTTE CE COULD BE VIEWED AS BIASED.

The most common theoretical criticism of CEs—and any type of participatory evaluation approach—is the loss of objectivity. That concern is well-founded, based on the Charlotte experience. One scholarly reviewer of this case wondered if the city, by committing its resources so fully to the evaluation, was invested in a positive outcome. Although city staff may have been objective at the beginning, the reviewer’s concern is supported by the fact that as the evaluation evolved, it became more formative in nature, emphasizing ways to improve the district, rather than being a summative evaluation seeking a recommendation for terminating or continuing the program. The entire evaluation team, including city staff, became invested in the success of the evaluation and equated that with the success of the program.
The controversy over subjectivity in CEs is reflected in a comment from a practitioner reviewer:

I have long struggled with the objectivity aspect of budget analysts leading an evaluation instead of using outside consultants. I agree with the collaborative approach—no matter who is involved—internal or outside evaluators—because I have seen the results in our organization. The old approach of an outsider calling the shots without any regard for implementation capability, etc. just leads to a lot of wasted time and money in program evaluation. The key is for the analyst to be completely objective while seeking collaboration in improvement. This approach does not waste time and usually results in an action plan that can be implemented and effective.

Conclusion

In 2001, Flynn and Hodgkinson (2001) edited a book on evaluating the impact of the nonprofit sector. Noticeably absent from the book is a discussion devoted to the role of government evaluation of nonprofits. The references to this important connection are indirect, such as when David Mathews, the president of the Charles F. Kettering Foundation, identified several practices critical to public life: “naming problems, making collective decisions about how to act on these problems, acting together, and judging the results of those actions” (Mathews, 2001, p. 141). Mathews, and others in the volume, emphasize the importance of evaluation to establishing the credibility of the nonprofit sector with the private sector, foundations, and the public. We argue government must be a similar audience and partner. We feel CEs may be particularly suited to local government evaluation of nonprofit programs because of the value of increased communication and shared information between normally separate but dependent organizations.

Charlotte is just one example of a government–nonprofit CE and may not reflect all the possible positive or negative aspects of this approach. However, it offers some clear lessons. A CE approach has particular political benefits, but in exchange, an organization must assume some risk because it relinquishes some control. A CE can take more time and resources than a traditional evaluation, particularly in time spent on building relationships. Therefore, it may not be an option for budget offices with limited staff availability. CEs are subject to criticism that they are biased. Staff must take extreme care to maintain and project an objective approach to maintain the validity of the results. An objective approach is also essential for acceptance by all stakeholders. More research needs to be done, however, on whether an in-depth CE truly can be objective. Although it may not have produced different findings than a traditional evaluation, the participants felt it resulted in a stronger relationship between the local government and the organization.

Over time, CEs could leverage the limited resources of the budget office by spreading responsibility for the evaluation to others. CEs appear to improve the self-evaluation capabilities of the target units and increase communication, per-
haps ultimately leading to less responsibility for the budget office as programs can provide better information independently. Although Charlotte is a large-city example, we want to emphasize that CE appears to be an approach that could be tried with small or large units of government (as long as there is adequate staff and support; see Coe, 2003) because it can be applied regardless of the size of the program being analyzed or the size or type of local government served.

Most of the literature on evaluation focuses on methodologies for use within organizations, not on partnerships between two types of organizations. The increase in communication between governments and nonprofits in a CE could be a positive side effect of what is normally an adversarial process. There is growing interest in how these two community actors can work together more effectively for community-wide improvement. Evaluation may be an unexpected way to strengthen this relationship.

References


