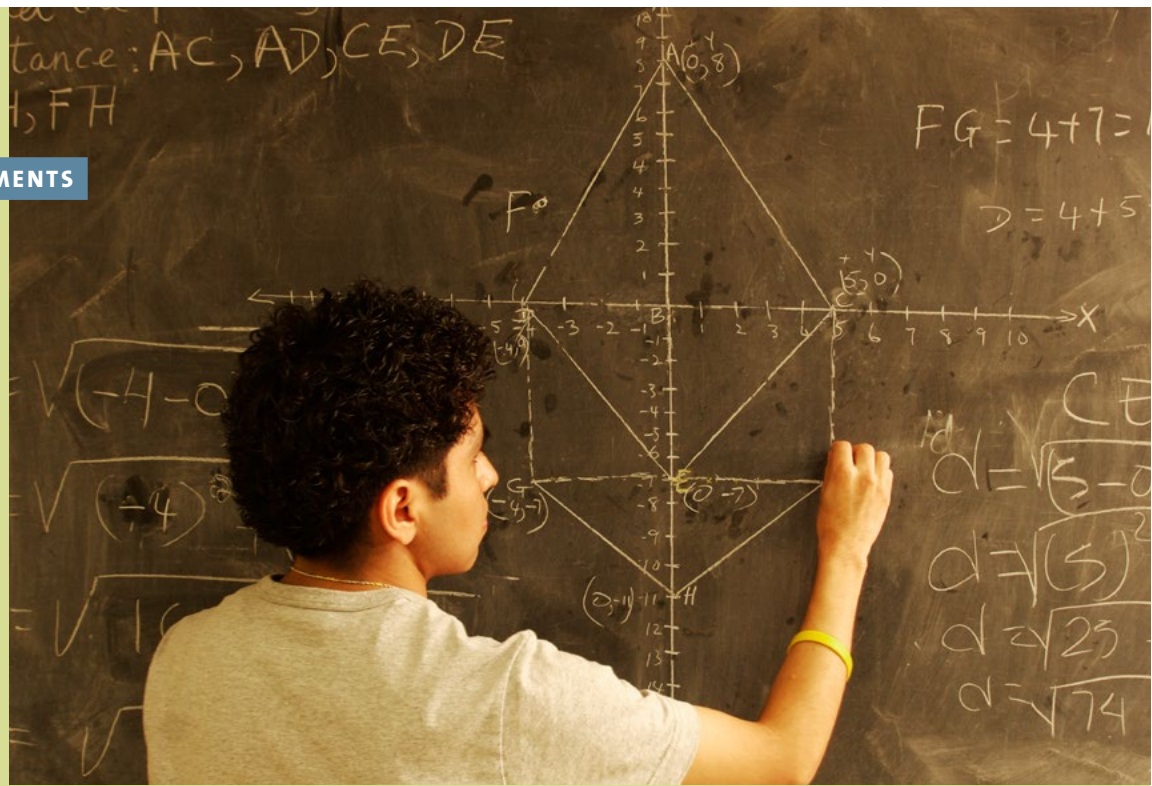


A CASE STUDY OF THE

FOUNDATION'S INVESTMENTS

2005–2015

By Anne Mackinnon
AUGUST 2015



Good Shepherd Services

Building Toward Greater Impact

Good Shepherd Services has cultivated deep roots in the New York City neighborhoods where it works, paying close attention to evolving community needs and asking constantly, “What more can we do to help the people we serve?” The agency, whose history dates back to the 1850s, offers a wide range of programs, from enriching afterschool services to specialized supports for families in crisis, all carefully designed to support participants and help them succeed in school, at home, and in life.

When the Edna McConnell Clark Foundation made its first investment in Good Shepherd in 2005, the organization’s ability to develop and deliver highly effective service models had earned it a reputation for quality, both locally and nationally. Yet, as executive director Paulette LoMonaco recalls, Good Shepherd lacked the resources to build some of the core systems and practices that “every good agency needs”—things like a coherent approach to performance management and leadership development. A heavy

reliance on restricted government contracts (the reality for most agencies like Good Shepherd) had meant little financial leeway for infrastructure investments, a situation that made it difficult to achieve coherence across the agency’s multiple programs for children, teenagers, and families.

For LoMonaco, then in her twenty-fifth year as Good Shepherd Services’ executive director, the foundation’s support represented a long-awaited chance to put some of those pieces in place. What the foundation saw was a compelling opportunity to help a high-performing organization build its capacity to do even more. Over the course of a decade-long relationship, LoMonaco and her leadership team would deftly capitalize on the foundation’s sustained support to strengthen Good Shepherd’s operational capacity, improve its finances, and significantly expand the number of participants served. At the same time, to sharpen the impact of their work for children and families, they refined the agency’s theory of change and established a powerful culture of data-informed decision-making and evidence-based practice that spans and unifies this diverse, constantly evolving agency.

GOOD SHEPHERD SERVICES MISSION STATEMENT

Good Shepherd Services goes where children, youth, and families face the greatest challenges and builds on their strengths to help them gain skills for success.

We provide quality, effective services that deepen connections between family members, within schools, and among neighbors. We work closely with community leaders to advocate, both locally and nationally, on behalf of our participants to make New York City a better place to live and work.

Good Shepherd Services leads in the development of innovative programs that make a difference in the lives of children, youth, and families today.

**GOOD SHEPHERD SERVICES
AND THE EDNA McCONNELL
CLARK FOUNDATION
2005–2015**

Good Shepherd Services develops a business plan

Acquires a network of Bronx community-based programs

Launches first replication of its transfer school model

Implements Efforts to Outcomes performance management system

Supports first third-party replication of its transfer school model

Receives top award for overall management excellence from inaugural Nonprofit Excellence Awards

Engages Metis to perform a three-year evaluation of the transfer school model

Assumes management of Groundwork and Edwin Gould Academy and begins formal mergers with both organizations

Partners with NYC's Center for Innovation through Data Intelligence on an impact evaluation of the supportive housing model

2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015

EMCF INVESTMENTS

FOR BUSINESS PLANNING AND FOR COSTS ASSOCIATED WITH AN ORGANIZATIONAL MERGER AND A NEW PERFORMANCE MANAGEMENT SYSTEM

\$1.25 MILLION

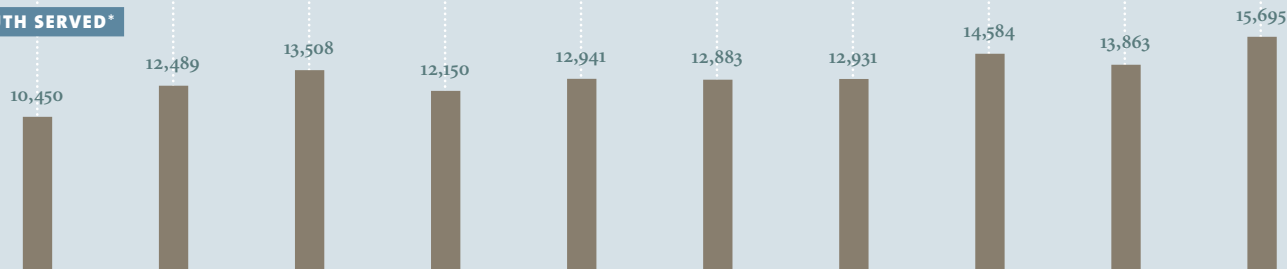
\$6 MILLION
FOR BUSINESS PLAN IMPLEMENTATION

\$3 MILLION
FOR INCREASING THE USE OF PERFORMANCE DATA AND FOR EXTERNAL RESEARCH TO IMPROVE QUALITY AND DEMONSTRATE EFFECTIVENESS

\$2.35 MILLION
FOR BUSINESS PLANNING AND FOR ADVANCING LONG-TERM SUSTAINABILITY AND GROWTH

\$750,000
FOR STRATEGIC PLANNING

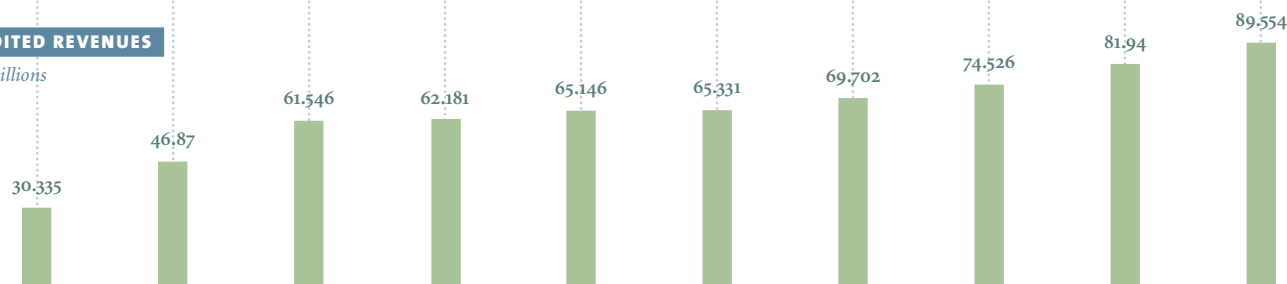
YOUTH SERVED*



TOTAL GROWTH SINCE INCEPTION
+50%
COMPOUND ANNUAL GROWTH**
+4%

AUDITED REVENUES

in millions



TOTAL GROWTH SINCE INCEPTION
+195%
COMPOUND ANNUAL GROWTH**
+11%

Getting off to a bold start

The early discussions between Paulette LoMonaco and Edna McConnell Clark Foundation portfolio manager Woody McCutchen took place at an exciting time for Good Shepherd Services. The agency had recently received its first grant from the Bill & Melinda Gates Foundation and was beginning to plan a new high school for struggling students, a replication of the distinctive “transfer school” model it had first developed in the 1980s. Good Shepherd had also stepped up at the request of the New York City school system to play a leading role in a major, citywide expansion of services to high-need secondary school students. Good Shepherd had gotten help from consultants at Parthenon Group to develop a strategic plan as part of a larger, Gates-supported assessment of how the New York City school system and its partner organizations could better serve those students.

A STRATEGY FOR GROWTH

Good Shepherd Services’ first business plan emphasized strengthening the organization’s overall capacity and going deeper in three key areas: evaluation, community presence, and foster care, an area of active policy development in New York City and nationally.

Priorities

- 1 Improve ability to evaluate effectiveness of programs
- 2 Deepen presence in current communities; add additional support to core programs and selectively expand them
- 3 Create a long-term strategy for foster boarding home and residential programs
- 4 Strengthen organization

Meanwhile, in mid-2005, Good Shepherd was asked to absorb a large youth and family services agency in the Bronx, which would mean assuming responsibility for a vital but financially strained organization—and an array of programs serving close to 6,000 people in a neighborhood far from Good Shepherd’s Brooklyn base.

McCutchen was well acquainted with Good Shepherd’s record of providing creative, meaningful services for young people, the foundation’s particular area of focus, and was eager to explore how a major new investment might strengthen the organization. The recently completed strategic plan included a roadmap for implementing a centrally coordinated performance management system, and LoMonaco and McCutchen zeroed in on that as an immediate priority within a larger capacity-building agenda. In September 2005, the foundation made a \$250,000 grant to Good Shepherd Services to cover the internal costs of working with Bridgespan to create a formal business plan. At the same time, Clark took the unusual step of providing Good Shepherd with \$1,000,000 to help cover the costs of the merger and jump-start the process of implementing a web-based performance management system, Efforts to Outcomes (ETO).

Thus began a rewarding and extraordinarily demanding year for Good Shepherd Services. Kelly Fitzsimmons, now a portfolio manager at the foundation but working then as a consultant as LoMonaco’s leadership coach, remembers the time well. Like all new grantees, Good Shepherd was guided through an exhaustive process of



mapping its organizational theory of change, the outcome of which would inform both the business planning and, in Good Shepherd's case, the indicators to be tracked through the performance management system. Because Good Shepherd was a growing "multi-service organization" — that is, an agency operating multiple programs that aren't necessarily connected or unified — the theory of change process was "very challenging," Fitzsimmons explains, primarily because the organization's complexity demanded a more flexible theory of change approach than the foundation was using at the time. The process created occasional tensions, she recalls, but ultimately yielded tremendous learning for everyone involved — grantee, funder, and consultants.

Working with Efforts to Outcomes was equally complex — largely, Fitzsimmons believes, because the ETO system assumed a case management orientation that Good Shepherd, operating under a plethora of different government contracts and discrete programs, employed in some but not all of its programs. Here again, the learning opportunities were great, since Good Shepherd was one of the first agencies to tap into ETO's full range of capabilities.

Meanwhile, Good Shepherd's merger with the Bronx network forged ahead. The two organizations had much in common, from their underlying philosophies to the types of programming they offered; both were deeply connected with the high-poverty neighborhoods they served. "Honestly," remembers LoMonaco, "when our staff got together, it was like cousins coming to a family reunion and realizing that they looked alike." But those similarities, she knew, would not translate automatically into a unified organizational culture.

Looking back on that first year, LoMonaco acknowledges the struggles, but she also remembers feeling extraordinarily fortunate that the foundation's unrestricted support allowed her team to look beyond the purely practical side of what they were attempting to do. A series of collaborative activities gave staff members across the organization an opportunity to probe deeply into the "why" and "how" of their work and to search together for common values and goals. The understandings that emerged allowed them, LoMonaco explains, to begin to create a "system internal to Good Shepherd Services where all our programs moved from using anecdotal evidence about participants to demonstrate success to managing and improving practice through an increased use of data."

Building a performance culture

In 2006, with its full, three-year business plan complete, Good Shepherd Services received a \$6,000,000 grant from the foundation to begin to execute the new strategy. The plan emphasized consolidating the Bronx expansion, refining and improving core programs, building mid-level management capacity, and enhancing performance and outcomes monitoring.

The foundation strongly urged Good Shepherd, as it did all major grantees, to undertake a third-party evaluation of its work. What emerged after extensive discussion with evaluation experts,

however, was that it “wasn’t easy to wrap your arms around how to evaluate the totality of our work and help us grow,” LoMonaco explains. Instead, they decided to look at individual programs and create an **overall body of evidence**, while also expanding the organization’s capacity to gather and analyze meaningful data. Good Shepherd commissioned evaluations of two discrete models it had created, both likely candidates for local and national replication: South Brooklyn Community High School, a transfer school model established in partnership with the New York City Department of Education, in which Good Shepherd provides social and emotional supports to struggling high school students, and Chelsea Foyer at The Christopher, a supportive housing program for young adults who are homeless or aging out of the foster care system, which Good Shepherd had adapted from the UK Foyer model. The evaluations produced useful findings and, equally important, strengthened the agency’s commitment to working with external evaluators.

Over the past decade, Good Shepherd has built a powerful, internal capacity for program evaluation and planning. LoMonaco believes that the pieces really came together five years ago, when Miranda Yates, Ph.D., came on as director of program evaluation and planning. Today, Yates leads a multidisciplinary department that supports the entire organization, with an explicit responsibility to foster the type of “learning community” Good Shepherd strives to be. Her team trains all new staff in key program evaluation concepts and practices, introducing a rigorous,

PRINCIPLES OF YOUTH AND FAMILY DEVELOPMENT

Good Shepherd Services uses a strength-based approach that emphasizes the inherent value of young people and families and builds on their competencies while also meeting their developmental needs. Eight core “principles of practice” articulate how this philosophy should be manifested in the agency’s work, and all new staff learn about them as part of their orientation. The principles, LoMonaco explains, have been an essential part of unifying Good Shepherd’s work across programs old and new. They also inform program design, performance assessment, and evaluation.

- 1 An organizational structure that is supportive of youth and family development
- 2 Focused attention on key environmental factors
- 3 A holistic approach to youth and families
- 4 Opportunities for contributions
- 5 Caring and trusting relationships
- 6 High expectations
- 7 Engaging activities
- 8 Factors that promote continuity for youth and families in the program

INSIGHT *A panel of advisors with independent evaluation expertise can provide valuable insights and guidance at every stage of the assessment process. To augment its internal team, Good Shepherd Services set up an evaluation committee to help inform its evaluation strategy, develop research partnerships, and interpret key findings.*

performance-oriented mindset that is radically new for many. “We want to provide all 1,200 staff members with the tools and resources to use research, to use evidence, to use data—all to engage in critical inquiry,” she explains.

As part of their supportive role, Yates and her team produce papers and convene forums on topics of interest across the agency. A few years ago, for example, they collaborated with program

leaders to develop a workshop and paper on “evidence-based practice” that responded to questions they had been hearing from staff. “We began with research on the origins of evidence-based practice in medicine and then looked at its evolving applications across disciplines,” Yates reports. “It was an empowering process for us because we were able to demystify the confusing terminology that often surrounds conversations about evidence-based models and practice, and focus on how this approach could strengthen our programs.” The project led them to develop a framework and an illustrative graphic showing how evidence-based work can be incorporated at different levels of a program’s design.

Overall, says Gabriel Rhoads, the foundation’s director of evaluation and learning, Good Shepherd has “shifted completely in its approach to data.” Rather than gathering information to comply with funders’ requirements, staff throughout the organization now use data analytically to strengthen their practice and

THIRD-PARTY EVALUATIONS OF TWO DISTINCTIVE MODELS

In 2011, Good Shepherd Services engaged **Metis Associates** to conduct a three-year evaluation examining the implementation and effectiveness of its **Transfer School Model**. Metis used a rigorous, quasi-experimental design comparing the outcomes for 374 students at two Good Shepherd school sites with those of an equivalent comparison group using propensity score matching. The comparison group comprised “over-age, under-credited” students enrolled in nearby schools with similar core educational programs. The Transfer School Model was found to have a significant positive impact on attendance, credit accumulation, and graduation, with effect sizes meeting the What Works Clearinghouse threshold for “substantively important.”

With special funding from the Larson Family Foundation, Good Shepherd partnered with the **Center for Innovation through Data Intelligence (CIDI)** in the New York City Office of the Deputy Mayor for Health and Human Services to investigate the long-term impact of participation in **the Chelsea Foyer at The Christopher**. Using a quasi-experimental design with propensity score matching, and integrating data from multiple city departments and Good Shepherd’s ETO system, the study compared the outcomes of 138 Foyer participants with the outcomes of 159 eligible individuals who did not participate in the program. Preliminary results indicate that, during the two years following intake, Foyer participants were 36 percent less likely than the comparison group to have a stay in the single adult shelter system and 55 percent less likely to go to jail.

ensure consistency in the quality of their work. Evaluation staff regularly discuss program data with program directors and staff, grounding their conversations in visually engaging progress reports that mirror each program's logic model. These opportunities to reflect have led to specific, targeted shifts in practice: increasing outreach to a particular school, changing the

schedule of an activity, or increasing the use of an effective curriculum. They have also inspired broader efforts, such as implementing a new casework approach or initiating a partnership with Columbia University's Workplace Center. "Good Shepherd has established learning loops," Rhoads says, "that keep them becoming more and more effective."

EVIDENCE-BASED

PRACTICE IN PRACTICE

For each of its major program areas, Good Shepherd Services mapped out a cascade of explicit connections that guide evaluative activities — from the philosophy behind the work, all the way to the specific data and assessment tools used by staff.

Frameworks

Overarching philosophy

Practice Models

Techniques used to organize work

Curricula

Set of activities aimed at specific outcome

Assessments

Methods of obtaining information

PROGRAM AREA After-School Programs	PROGRAM AREA Family Foster Care
Youth and Family Development	Youth and Family Development The Sanctuary Model — Seven Sanctuary Commitments
Social Group Work Circle of Courage	Solution-Based Casework (SBC) R3 Case Planner Strategy Sanctuary SELF Model
Afterschool Science Plus Robotics Classroom, Inc. TRIBES KidzLit/KidzMath Flocabulary	ChildSuccessNYC (Family Finding, KEEP, Parenting Through Change, Youth Skills Coaching) Sanctuary Model Toolkit
TASC Impact Survey Fountas & Pinnell Benchmark Assessment	Child and Adolescent Needs and Strengths (CANS) Trauma Symptom Checklist PTSD Index Ansell Casey Life Skills Assessment

INSIGHT

Leadership development isn't just for the top tiers. Good Shepherd Services used consistent, across-the-board policies to encourage professional growth across the organization, particularly to help staff embrace learning and improvement.

Cultivating leadership at every level

To make sure its investments in learning and evaluation were translated into practice across the entire organization, Good Shepherd Services also adopted an intentional, across-the-board emphasis on performance-oriented leadership development. Laurie Williams, associate executive director, remembers well the changes that began to move through the organization in 2005 as a result of Clark support. “We started to look at ourselves as more of a learning organization,” she recalls, “and being very intentional about considering ourselves that.” What they aimed for was a culture in which “everybody was stretching and growing, taking risks and learning from each other, and being able to be in conversations that are open and participatory. There’s creativity that comes from that.”

LoMonaco and Williams began to analyze relationships within both the executive team and the senior leadership team, a large group of more than three dozen people running the major divisions of the agency. As Williams recalls, they recognized fairly quickly that “something had to change in the way we talked to each other, our decision-making, and all kinds of related issues. We needed a much more participatory leadership style.” They drew on expert advice and tried out some new methods to spur “creative, action-oriented conversations.” They also began to be more intentional about “looking at questions together that we knew we needed to deal with”—specifically by using collaborative techniques from the Art of Hosting approach to create communities of practice and encourage cross-pollination across divisions. An internal communications plan detailed what

it would mean to be a “learning organization,” Williams recalls, which established a shared vocabulary and helped staff members understand and buy into the goal.

To lift up the importance of learning across the whole organization, the executive team took the step of reshaping and rewriting all their procedures for staff supervision and performance assessment. A consulting firm helped to develop clear definitions of the competencies required for every position in the agency, map potential growth trajectories, and establish guidelines for regular supervision and coaching with supervisees. They also began to train supervisors in how adults learn, and set expectations for what supervisors should do to help their staff grow professionally. These new capacities became increasingly important as Good Shepherd began to implement new management systems and procedures, such as the ETO performance management system and new expectations regarding data gathering and analysis.

Good Shepherd also used Clark resources to invest in activities such as leadership retreats and coaching and to engage the executive team and board in succession planning. LoMonaco heeded the foundation’s advice and participated unreservedly in leadership development opportunities offered to the directors of foundation grantees. Some took her far outside her usual circles: at one week-long seminar, she was the only woman and the only representative of the nonprofit sector in a group of twelve high-powered participants. Other managers attended similar programs with LoMonaco’s enthusiastic support.

Paying attention to what matters

INSIGHT

There are many ways to achieve healthy organizational growth. Good Shepherd Services has grown wisely through well-structured mergers, allowing it to achieve greater reach and impact.

Asked to reflect on what, besides funding, Good Shepherd Services has gained through its relationship with the foundation, LoMonaco begins by affirming the value of Clark's consistent focus on evidence and internal capacity-building. In an organization as vibrant and diverse as hers, she explains, coherence is essential, but "can be achieved only if you have strong infrastructure." The foundation's willingness to invest in staff learning has also been crucial: "You have to be able to trust that everyone — the leadership team, and in particular the middle managers — understands and buys into the mission and the culture. Learning has to take place all up and down the line."

She also appreciates that Clark's investment approach gave them precious time and resources to "identify where we wanted to grow and change" and get expert help in accomplishing those goals. "There was a great ability to be

honest and thoughtful. They became problem solvers with us, as opposed to telling us what needed to be done, which helped us to build our internal capacity." The relationship, she says, "brought out the best in us."

Her advice to other organizations, especially community-based multi-service providers like hers, is this: "Be true to your mission." It's so easy to be seduced into doing things that you're not really expert at, or that don't really fit. Know what your strengths are," she adds, "and continue, no matter what, to develop your culture — because the bigger you get, the more important culture is."

Fitzsimmons sounds similar notes when she describes what makes LoMonaco's leadership so effective: "Her focus on culture, on building sustaining infrastructure, her savvy way of growing through merger and acquisition of organizations in line with mission — those are the core elements. Marry them to her commitment to neighborhoods and driving deeper impact," and the result is a unique style of leadership that Fitzsimmons believes is relevant to any organization.



Poised for greater impact

What's next for Good Shepherd Services, LoMonaco and Fitzsimmons agree, is a focus on sustainability, in part through deeper engagement with key stakeholder groups, including city government and their own board of directors. LoMonaco is clear in her commitment to strategic planning, which she regards as "a wonderful learning process and discipline." Ever pragmatic, she explains that, "in today's day and age, it's not enough to have the old textbook strategic plan.

You have to know how much it's going to cost to implement. You could have the greatest ideas in the world, but if there's no sense of how it's going to be implemented financially, then it's not where you want to go."

Good Shepherd faces the ongoing challenge of raising the funds needed to operate "what might seem like an 'eclectic' mix of programs," says Fitzsimmons, "but their situation is far from unique. They are a shining example of the payoff that can result when a leader like Paulette LoMonaco has the resources she needs to extend coherence across an organization, grounded in a drive for continuous learning and improvement." Good Shepherd, Fitzsimmons believes, is now well poised to start its next chapter, having built enormous capacity with the help of the foundation's 10-year investment.

The foundation's steady support, LoMonaco concludes, has helped her and her staff to strengthen their infrastructure, expand their use of data, and hone their theory of change, which together position Good Shepherd Services to make "an even greater impact on the communities in which we work, the individual lives of our participants, and the systems and policies that affect them locally and nationally."

LESSONS FROM THE EMCF / GOOD SHEPHERD SERVICES RELATIONSHIP

For nonprofits:

- Leverage and integrate leadership development opportunities into larger efforts to build a culture of learning.
- View growth through the lens of your mission. This precept guided Good Shepherd in deciding not to pursue the idea of scaling its successful transfer high school model at a national level, choosing instead to maintain their focus on underserved communities in New York City.
- Be intentional and prioritize investments in infrastructure to maintain quality along with growth.
- Engage staff at all levels in critical inquiry and encourage them to use data in program improvement, advocacy, fundraising, and conversations that impact the field at large.

For funders:

- Be mindful of the grantee's operating reality. The needs of a multi-service organization can be profoundly different from those of an organization managing a single service model, and its concerns may be different.
- Infrastructure investments are critical when helping a grantee grow its work while maintaining the quality and integrity of its programming.