



U.S. ECONOMIC DEVELOPMENT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

Telling the Performance Story: Logic Models, Performance Measurement & Evaluation

Overview

1. Revamping Performance Metrics –
2. The Foundation - Developing a Logic Model
3. Understanding how the Logic Model fits with Performance Measurement and Evaluation

PERFORMANCE MANAGEMENT TOOLS

PERFORMANCE MANAGEMENT

Performance management includes activities to ensure that goals are consistently being met in an effective and efficient manner.

Performance management tools include logic models, performance measurement and program evaluation.

Logic Model

Tool/framework that identifies program/project resources, activities, outputs clients, and outcomes.



Performance Measurement

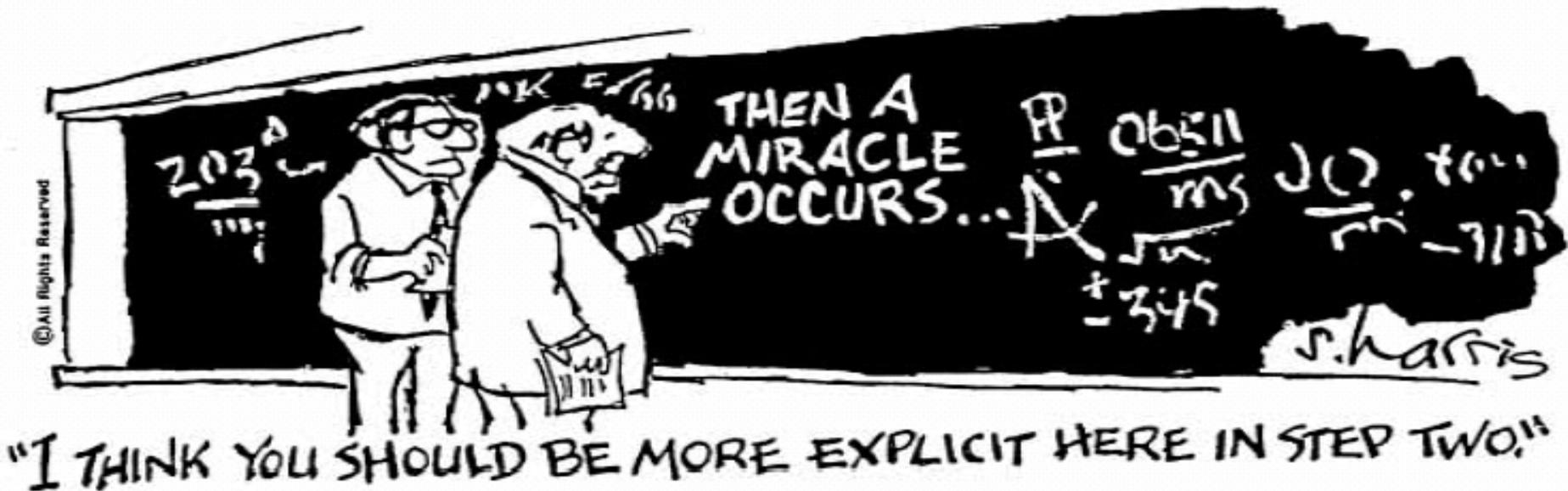
Identifies **what** is achieved by the program/project.



Program Evaluation

Helps identify the ***why*** behind given program/project results.

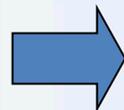
The Logic Model



Logic Models

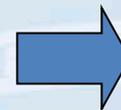
RESOURCES / INPUTS

Ingredients you provide to implement your program!



YOUR PROGRAM (ACTIVITIES)

What you do to achieve your long-term aims!



RESULTS (Outputs)

Instant gratification for why you are in Business!



IMPACT (OUTCOMES)

Progress made on Long term goals

Logic Modeling Benefits

Program Elements	Criteria for Program Success ¹	Benefits of Program Logic Models ²
Planning & Design	Program goals and objectives, and important side effects are well defined ahead of time.	Finds "gaps" in the theory or logic of a program and work to resolve them.
	Program goals and objectives are both plausible and possible.	Builds a shared understanding of what the program is all about and how the parts work together.
Program Implementation & Management	Relevant, credible, and useful performance data can be obtained.	Focuses attention of management on the most important connections between action and results.
Evaluation, Communication, & Marketing	The intended users of the evaluation results have agreed on how they will use the information.	Provides a way to involve and engage stakeholders in the design, processes, and use of evaluation.

How Logic Models Better Position Programs Toward Success.

Kellogg, 1998

Logic Models as Maps

- As you consider developing your logic model, you need to ask where do you want to end up?
- How are you going to get there?
- How will you know if you are headed in the right direction?

The Base of Our Logic Model: Defining Economic Development?

- Economic development is the expansion of capacities that contribute to the advancement of society through the realization of individual, firm and community potential.
- Economic development is a sustained increase in prosperity and quality of life through innovation, lowered transaction costs, and the utilization of capabilities towards the responsible production and diffusion of goods and services.

The Logic Model: Telling the Whole Story

EDA traditionally assessed the impact of its public works infrastructure projects

- ✓ This was based on studies produced by Rutgers University and Grant Thornton.
- ✓ Key measures looked at jobs and private investment generated.
- ✓ Known lag of 3, 6, and 9 years.

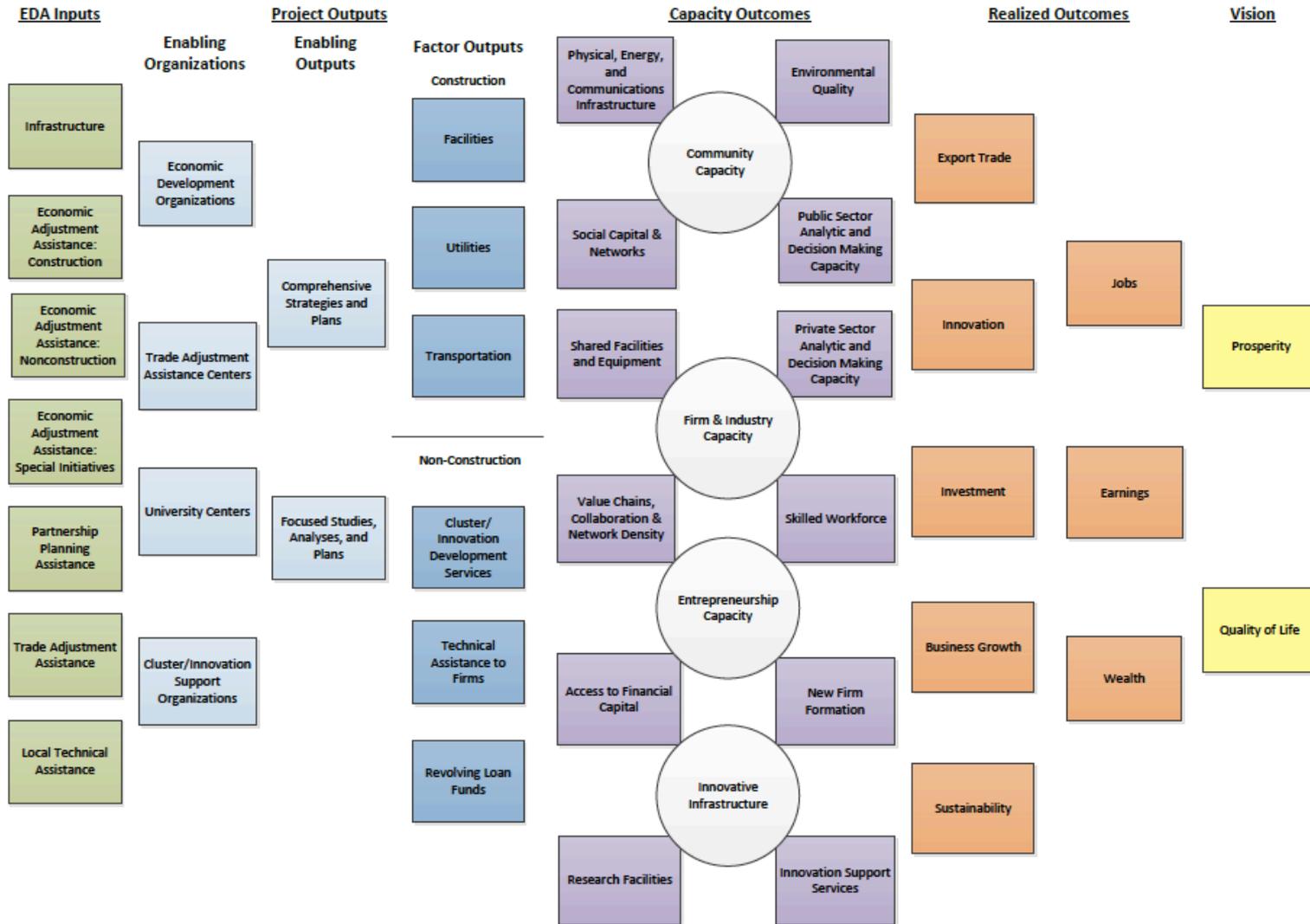
More and more EDA is supporting critical, soft infrastructure projects

- ✓ EDA understands that targeting underlying capacity is a critical need for many communities and is increasingly supporting development in this area.
- ✓ To date, EDA has not had the tools to capture impact except for its concrete public works infrastructure projects. Hence, understanding how to assess economic development must evolve to encompass capacity-building and soft infrastructure.
- ✓ EDA funded UNC/GWU in an initial grant to develop a framework to fill this need.

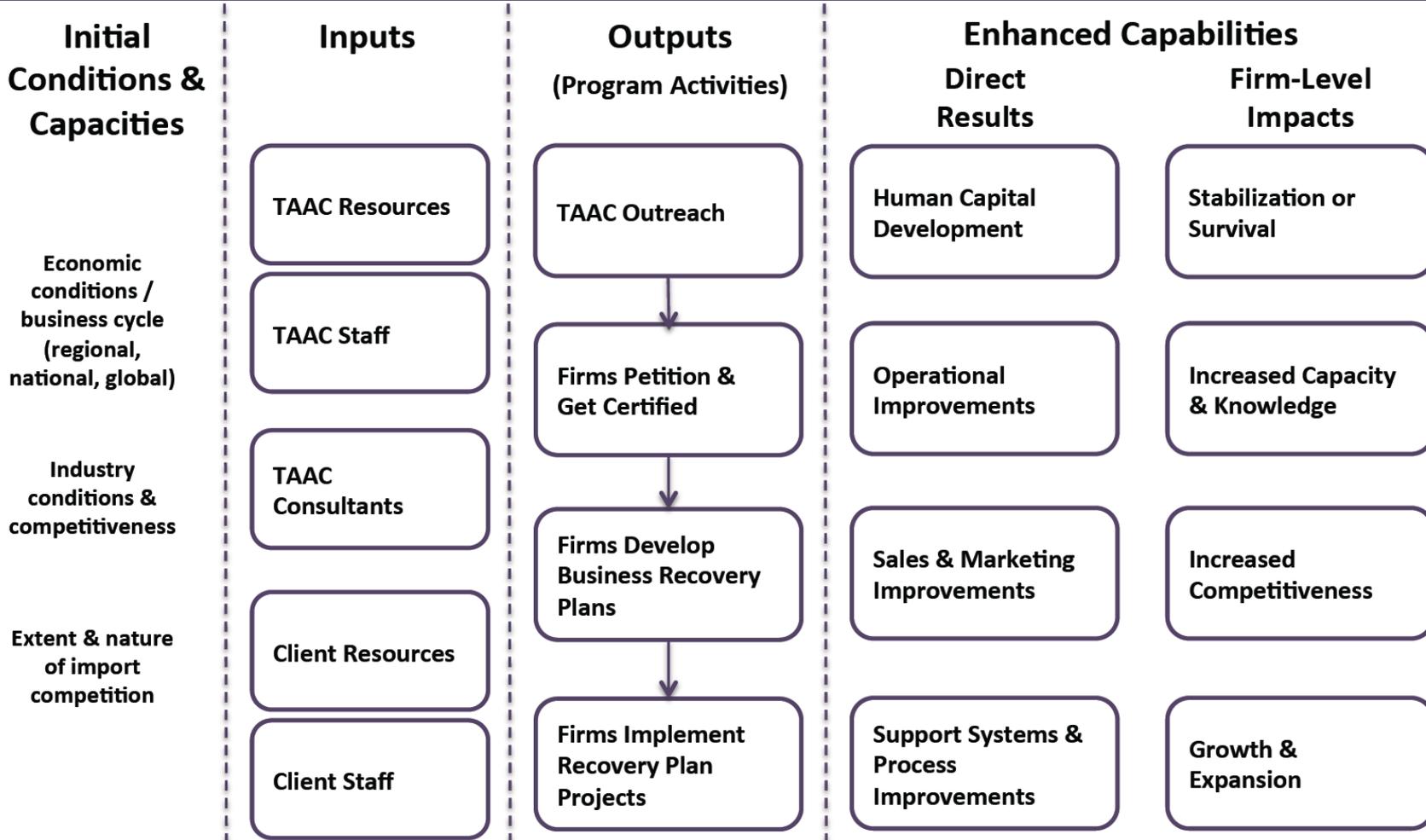
Economic Development is the Expansion of Capacities

- Sustained investment in building capacity results in higher quality jobs, greater investments, export growth and ultimately increased prosperity and higher quality of living.
 - Such investment should be locally initiated and used by the private sector.
- EDA's role extends beyond investing in physical infrastructure to include:
 - 1) promoting capacity to take advantage of new ideas, such as creating an ecosystem to support starting entrepreneurial firms or expanding existing companies.
 - 2) facilitating innovation – generating new ideas about products and processes and taking advantage of existing good ideas by investing in knowledge transfer.

EDA Logic Model



Recommended TAAF Program Logic Model



Measuring Across a Logic Model

Category	Definition	Examples
Inputs	Resources used by organization.	Amount of funds, # of FTE, materials, equipment, supplies
Activities	Work performed that directly produces products & services.	# of training events offered as designed.
Outputs	Products & services provided as a direct result of program activities.	#of firms that completed adjustment proposal projects; # of firms with new products
Customer Reached	Measure of target population receiving outputs.	% of target population receiving technical assistance.
Customer Satisfaction	Measure of satisfaction with outputs.	% of customers “very satisfied” with assistance received.
Outcomes	Accomplishment of program goals and objectives (short-term and intermediate outcomes, long-term outcomes--impacts).	# of communities with increased innovation capacity; # of communities with increased median incomes;

Using the Logic Model for Performance Measurement & Evaluation

PERFORMANCE MEASUREMENT

- Accountability, description: What objectives/outcomes have been accomplished at what levels?

PROGRAM EVALUATION

- Learning, Program Improvement: What factors, internally and/or externally influenced performance? (**Retrospective**)
 - In the absence of change, what is the expected outcome? (**Prospective**)



U.S. Economic Development Administration U.S. Department of Commerce

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Questions?

Samantha Schasberger

Program Analyst

sschasberger@eda.gov

(202) 482-2477