

Integrating the Funder-Fundee Relationship into a Model of Evaluation Utilization

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Background: Evaluation is a tool that can promote accountability and enhance organizational improvement. For these reasons funding entities from government to foundations are increasingly relying on program evaluation as a key instrument to determine effectiveness and hold recipient organizations accountable. What has ensued is an environment of increasing evaluation efforts, where findings often weigh heavily on future funding decisions.

Purpose: The purpose of this article is to examine how the nature of the funder-fundee interorganizational relationship influences evaluation utilization by the fundee organization. Within this context, attention is paid to the role the evaluator plays in the evaluation process and the skills needed to promote utilization.

Setting: A statewide multi-tier public/private initiative addressing early childhood education.

Intervention: Not applicable.

Research Design: A model is designed to test the influence of the nature of the funder-fundee interorganizational relationship on factors associated with utilization, and ultimately on use itself.

Data Collection and Analysis: A survey was administered online and data analysis was conducted using principal components analysis (PCA) and structural equation modeling (SEM).

Findings: The results suggest that the funder-fundee relationship plays a critical role in the evaluation process, and consequently influences utilization. However, the findings indicate that the relationship among the mediating factors is more complex than originally hypothesized.

Keywords: *evaluation utilization; collaboration; interorganizational relationships*

Evaluation can promote accountability and enhance organizational improvement. As a management and planning instrument evaluation's ability to accomplish these distinct yet complimentary objectives is especially evident in the nonprofit social service sector. In the last 15 years the pressures facing nonprofits to demonstrate their effectiveness and document program outcomes have been increasing (Carman

& Fredericks, 2008). Those providing funding to the sector have found evaluation to be a tool of choice when contemplating these issues. Resultantly, grants and contracts awarded to nonprofits by governmental organizations and foundations frequently include evaluation requirements (Fine et. al., 2000; Gronjberg, 1993). In such an environment the interorganizational relationship between the funder and

fundee can have a significant influence on the evaluation process. This article examines how the nature of that relationship impacts evaluation use. By uniting theories on interorganizational relationships and collaboration with theories on evaluation utilization a model is designed to quantitatively examine the influence of the funder-fundee relationship on the factors that affect evaluation use. This line of inquiry is important for practitioners who may find themselves involved in evaluations that are mandated from outside the target organization, and it is critical to the social service organizations within the nonprofit sector that find themselves faced with ever increasing evaluation demands. By including the interorganizational relationship, and the many forms that it can take, the study enhances our understanding of utilization when the evaluation is the product of a joint effort on the part of the funder and fundee.

The Purpose(s) of Funder Initiated Evaluation

Funding organizations certainly do not include evaluation requirements with grants and contracts in an effort to overly burden nonprofit organizations, there is a purpose. Indeed, there are many reasons why an evaluation may be required by a funder, and the funder's objectives will determine the underlying goals of the evaluation. When investing in a nonprofit organization the funder may see evaluation as a means for promoting accountability (Campbell, 2002; Easterling, 2000; Hoeffler, 2000), or as a tool that provides information for decision makers and improves programs (Fredericks, Carman & Birkland, 2002; Henry & Mark, 2003). The purpose of the

evaluation will establish the form that it takes and the degree to which accountability or program improvement is emphasized.

Scriven (1967) identified two distinct types of evaluation, formative and summative. Formative evaluations are designed to facilitate program improvement, while summative evaluations provide a judgment on the worth of the program. Building on Scriven's conception of formative and summative evaluations scholars have identified a number of possible evaluation purposes. Mark, Henry, and Julnes (2000) summarize the purposes of evaluation as: assessment of merit and worth, program and organizational improvement, oversight and compliance, and knowledge development. One or more of these purposes may be apparent in the context of a funder-fundee alliance. From the onset, the balance struck between purpose and emphasis will have an influence on the entire evaluation process. The purpose will affect the design, collection and analysis of data, and strategies to disseminate findings. Furthermore, the nature of the funder-fundee relationship will shape the purpose of the evaluation, producing a process that is geared towards top-down accountability, program improvement, or possibly both objectives.

When funders and fundees come together to conduct an evaluation the idea of use may be accepted without being discussed. Various actors will have differing interpretations of what evaluation use means and what it looks like. Individual program staff and managers may be interested in how the results will improve their ability to deliver services. Funders may be interested in evaluation as a tool to hold those whom they fund accountable. Others may have a

broader viewpoint, viewing the findings in the larger context of a particular social issue or policy (Weiss, 1979). Despite the varying perspectives, “Issues related to use of evaluation are at the very heart of the theoretical writing and practice of evaluation” (Alkin, 2003, p. 189). However, the theoretical weight given to use has not necessarily translated to practice. In a survey of evaluators Preskill and Caracelli (1997) report that 93% of respondents view nonuse as a problem. In a follow up study Fleischer and Christie (2009) found that 68% of the respondents viewed nonuse of evaluation results as a major problem. A better understanding of how the funder–funder relationship impacts the evaluation process will lead to the increased use of evaluation findings, and more importantly to more effective evaluations that can improve programs and provide the level of accountability required in such relationships.

The Funder–Fundee Relationship & the Collaboration Continuum

Whenever two or more organizations enter into an agreement, they are in effect forming an interorganizational relationship. A lack of universal terminology on interorganizational relationships is acknowledged within the literature (Bailey & Koney, 2000; Galaskiewicz, 1985; Reitan, 1998). Partnerships, collaborations, alliances, and joint ventures are among the many terms found under the broad umbrella of interorganizational relationships. Once organizations make the decision to enter into an interorganizational alliance there are a number of possible relationships that may form out of the funder-fundee

union. Research into the nature of such alliances organizes them along a continuum (Bailey & Koney, 2000; Frey et al., 2006; Gajda, 2004). The literature differs in regards to the number of points along the continuum, but there is agreement that the progression of possible relationship types indicates the amount of organizational integration that occurs. As organizational integration increases formalization, the degree to which interactions are governed among the members, also increases. The degree of integration and formalization will influence the evaluation process. Bailey and Koney (2000) propose a four level continuum of interorganizational processes that moves from cooperation to coordination, collaboration, and finally coadunation. Coadunation occurs when, “member organizations unite within an integrated structure to the extent that one or all relinquish their autonomy in favor of a surviving organization.” (Bailey & Koney, 2000, p. 7). For relationships where little or no integration occurs, but evaluations are mandated as means of attaining purely “top-down” accountability, the principal/agent relationship is evident (see Figure1). In such conditions, the principal (funder) is more concerned with ensuring the agent (fundee) is fulfilling its obligations (Child & Faulkner, 1998) and promoting hierarchical accountability than entering into a joint venture involving shared decision making and mutually identified goals.

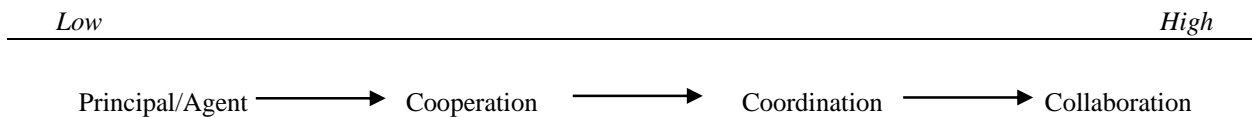


Figure 1. Degrees of Integration/Formalization

Where the funder-fundee relationship falls on the continuum will influence the evaluation process and the manner in which findings are utilized. A more integrated and formalized relationship will create an environment in which multiple stakeholders are involved in the evaluation process. In such an environment the evaluator will be more likely to engage varying views and incorporate evaluation methods designed to increase the likelihood of use.

Evaluation Utilization

Evaluation use has been a major area of interest for scholars since the 1960's. During this period the federal government began undertaking major social initiatives such as Head Start that often required an evaluation component. What resulted was scenario in which evaluations aligned poorly with organizational needs and often were conducted for the sole purpose of meeting reporting requirements (Hofstetter & Alkin, 2003). By the 1970's concern about non-utilization and underutilization of evaluation findings led to a call for research focused on issues of evaluation utilization (Weiss, 1972). This call was heeded and "slow but steady progress has been made in our understanding of evaluation use" (Johnson, 1998: p.93). While there have been significant developments in conceptualizing evaluation utilization, our understanding of how and why evaluations are used is continually evolving. Essentially, evaluation use

addresses the manner in which organizations employ the evaluation process and its findings to gain knowledge and make decisions. Conventional definitions of evaluation use include; support for distinct decisions about a program, education of decision-makers, and any processing of evaluation results even if it does not inform decisions or change thinking (Cousins & Leithwood, 1986). Alkin (1985) defines use as, "the application of evaluation information or evaluation processes to achieve intended, desired ends." (p.20). In the end, organizations use evaluation findings in a variety of ways and the evaluation process can be designed to achieve a number of purposes. Accordingly, scholars have sought to differentiate and classify the variety of ways in which evaluations could be used. The most common categorizations of evaluation utilization are instrumental, conceptual, process, and symbolic (Johnson, 1998). Instrumental use indicates that evaluation findings are used in a decision or action-oriented manner. Conceptual use occurs when decision-makers and stakeholders understanding of a program is influenced by an evaluation in an educational manner (Greene, 1988). Process use takes place when behavior and cognitive changes occur due to a person's involvement in an evaluation, "process use involves learning to think like an evaluator" (Johnson, 1998, p.94). Symbolic use occurs when an evaluation is used for political or self-interested motives, such as using findings to justify

previously made decisions or for advocacy and marketing.

Some have questioned the idea of use being the criterion by which to judge the success of an evaluation, seeing an overemphasis on use as limiting the potential of evaluation to inform policies and play a role in the democratic process (Henry, 2000). Others have sought to replace use with the term “influence,” arguing, “the term use is an awkward, inadequate, and imprecise fit with non-results-based applications, the production of unintended effects, and the gradual emergence of impact over time.” (Kirkhart, 2000, p.6) Still others have sought to continue expanding the concept of use, arguing for collaborative, dialogic, and action oriented evaluations that are tied to organizational development and learning (Preskill & Torres, 2000, p.25). Despite, or because of, persistent dialogue in these areas, the term use (or utilization) has continued to hold influence within the evaluation community. Preserving use helps to capture the fact that evaluation takes place in a unique setting and is conducted within a time frame. While influence or long-term impacts on an organization may be desirable outcomes of the evaluation, utilization is seen as culminating in direct use of the evaluation process and findings within an adequate period (Alkin, 2003). While the nature and conceptualization of evaluation use may be debated, the significance of use in both theory and practice is apparent.

Factors Influencing Utilization

Numerous factors have been acknowledged as having an influence on utilization, but many are considered too difficult to manipulate and control

(Hofstetter & Alkin, 2003). As study in the field increased, a number of researchers began to develop factor lists based on research findings (Patton et al., 1977; Alkin, Daillak, & White, 1979; Leviton & Hughes, 1981; Alkin, 1985; Cousins & Leithwood, 1986; Alkin & Taut, 2003). While these studies employed varying methodologies and examined a variety of program and organizational types, a core set of factors emerged as having an influence on evaluation use.

In a review of the literature Alkin (1985) identified three main factor categories: Human factors, context factors, and evaluation factors. Human factors include the attitudes of evaluators and users as well as their interest in evaluation and their professional experiences and organizational positions. Context factors involve financial considerations, organizational arrangements, and social and political climates. Evaluation factors refer to the evaluation process itself, the information collected and how it is reported. It is important to keep in mind that these factors do not operate in a vacuum, “Many of the factors in a given category are highly related and interact with each other.” (Alkin, 1985, p.28) The framework developed by Alkin serves as a foundation on which to examine the factors influencing evaluation utilization. While this categorization scheme may not be as nuanced as others, the human, context, and evaluation factors identified by Alkin can be seen as incorporating those identified within the literature, and serve as a basis on which to build a testable model. Table 1 identifies the connection between Alkin’s factors and others previously identified.

Table 1
 Connection Between Alkin's Factors and Others

Alkin (1985)	Patton et al. (1977)	Alkin, Daillak and White (1979)	Leviton and Hughes (1981)	Cousins and Leithwood (1986)
Human	<ul style="list-style-type: none"> • Personal 	<ul style="list-style-type: none"> • User orientation • Evaluation approach • Evaluator credibility • Administrator's style 	<ul style="list-style-type: none"> • Credibility of evaluator • Personal characteristics • Commitment/receptiveness to evaluation 	<ul style="list-style-type: none"> • Communication • Credibility • User involvement • Information processing
Context	<ul style="list-style-type: none"> • Political 	<ul style="list-style-type: none"> • Evaluation obligations • Organizational factors • Extra-organizational factors 	<ul style="list-style-type: none"> • Information needs of potential users • Decision characteristics • Political climate • Competing information 	<ul style="list-style-type: none"> • Relevance
Evaluation		<ul style="list-style-type: none"> • Evaluation obligations • Evaluator approach • Information content and reporting 	<ul style="list-style-type: none"> • Evaluation quality • Relevance of evaluation to information needs • Communication quality • Timeliness of dissemination 	<ul style="list-style-type: none"> • Relevance • Communication • Information Processing

Conceptual Model

In the model factors associated with evaluation utilization are mediator variables, influenced by the nature of the alliance and influencing the way in which evaluations are used. Baron and Kenny (1986) describe the mediator function as, "the generative mechanism through which the focal independent variable is able to influence the dependent variable of interest" (p. 1173). The fundamental issues are; first, how does the fundee's perception of the alliance affect the factors associated with evaluation use, and

secondly how does the nature of the relationship ultimately influence utilization through its impact on the factors. The model envisions that the fundee organization will have a particular view of its relationship with the funding organization and that its perception of the relationship will shape its behavior and influence the factors associated with evaluation use, which in turn will impact utilization. Using the factors identified by Alkin (1985) as a starting point, the model proposes to study a number of factors that are not inherently measurable. To begin to operationalize the conceptual model it is

necessary to break down the variables to observe their underlying dimensions.

Nature of the Funder-Fundee Alliance

The nature of the alliance is seen as the form that the funder-fundee relationship takes along a continuum of collaboration. The form the funder-fundee alliance takes can be identified by examining the level of interorganizational communication, formalization of processes, and level of shared decision-making. The degree to which these aspects are present, or not present, within the alliance will influence the factors associated with evaluation utilization.

Evaluation

The manner in which an evaluation is conducted has been identified as influencing the way in which organizations use evaluation (Alkin, Daillak and White, 1979; Cousins and Leithwood, 1986; Leviton and Hughes, 1981). Elements concerned with responsive evaluation include the level of participation of interested stakeholders, the relevance of the information obtained to potential users, and the methods employed to report and disseminate the evaluation findings.

Context

A supportive evaluation environment encompasses aspects internal to the organization as well as the role played by external actors and the environment. Shula and Cousins (1997) state, "both empirical and conceptual research on the nature, causes, and consequences of utilization has become immersed in issues

of context" (p.202). Foremost among the components of the environment are fiscal constraints. Evaluation costs money, and without adequate funding the evaluation process is not likely to produce much of an impact on decision-making. Also included in the supportive evaluation environment factor are project characteristics, including the maturity of the program and staff experience.

Human

Human elements of evaluation involve characteristics of the evaluator and potential users. Patton (1978) contends that evaluation should be done for specific users and intended uses. This indicates that the attributes and perceptions of both the evaluator and potential users will influence utilization. Included in human elements of evaluation are the evaluator's experience and position, commitment, willingness to involve users, and rapport with users and stakeholders. At the same time the users interest in evaluation and commitment to use are integral in determining the extent to which evaluations are used.

Utilization

For practical reasons this study focuses on instrumental use. Instrumental use is seen as the most identifiable form of use that addresses the primary goals of mandated evaluation; accountability and program improvement. There are two underlying reasons for this focus. First, instrumental use is action oriented and has immediate impact on programs. Ideally, instrumental use of evaluation will lead to direct organizational actions that will improve programs and provide accountability. Second, instrumental use is easier to

identify. Given the quantitative nature of the study, it is more feasible to measure instrumental use.

Final Model

After refining the identified factors and teasing out their underlying dimensions, the final model (see Figure 2) proposes that the funder-fundee relationship will

have an impact on evaluation use through eight mediating factors. Table 2 shows the operationalization of the mediating variables used in the model and the conceptual mediator, drawn from Alkin's (1985) work, that they are associated with.

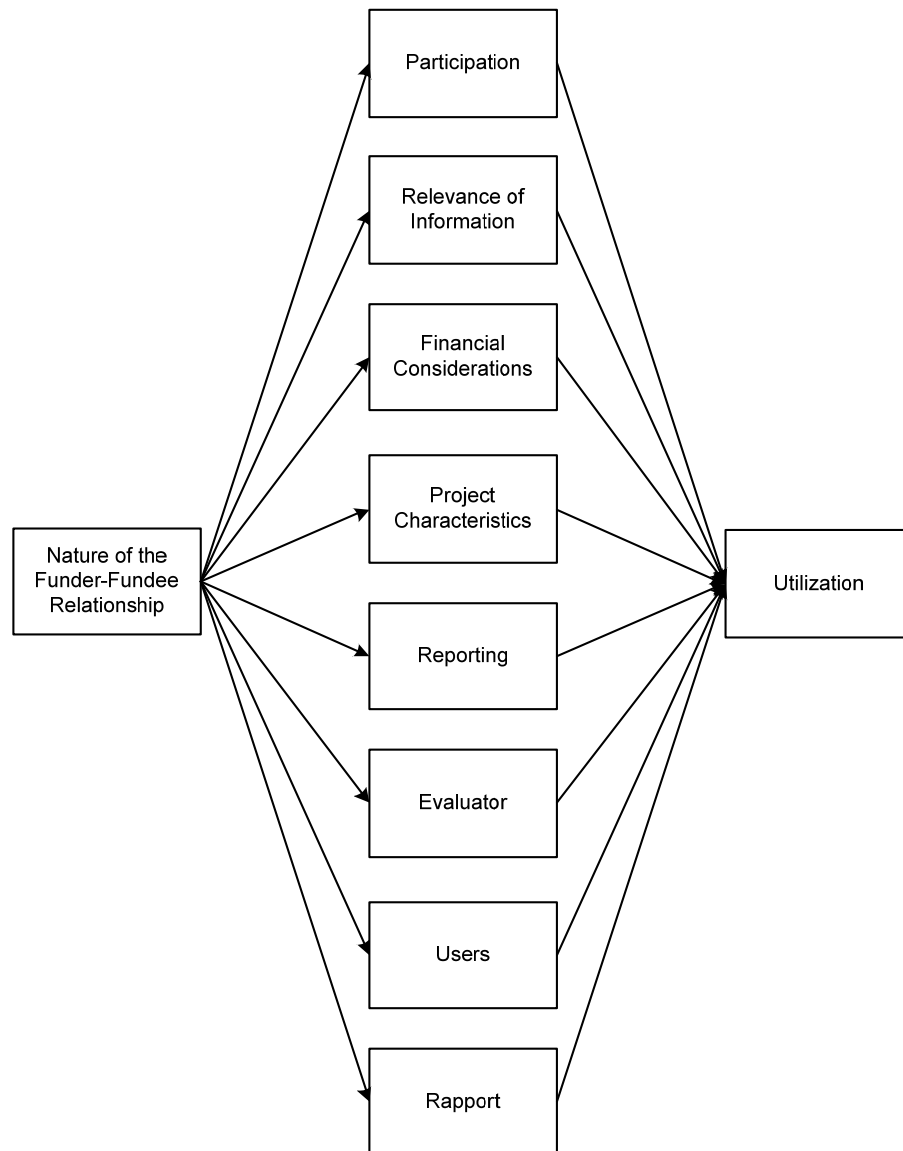


Figure 2. Final Model

Table 2
Mediating Variables

Conceptual Mediator (Alkin, 1985)	Operationalized Mediator
Evaluation	<i>Participation</i> is defined as the degree to which potential users of evaluation participated in the process.
	<i>Relevance of information</i> is defined as the perceived relevance of the information obtained through the evaluation to the fundee organization.
	<i>Reporting</i> is defined as the frequency, timeliness, perceived credibility, and breadth of dissemination of results of evaluation reports.
Context	<i>Financial Considerations</i> are defined as the degree to which monetary considerations influenced the evaluation.
	<i>Project Characteristics</i> are defined as the age/maturity of the project or program, experience of program staff, and the extent to which the program relies on the funder to continue operations.
Human	<i>Evaluator</i> is defined as the extent to which the evaluator had an understanding of the program/project being evaluated and was committed to the evaluation.
	<i>Users</i> is defined as the potential user's commitment to and understanding of evaluation.
	<i>Rapport</i> is defined as the level of trust and communication between the evaluator and users.

Method

The subjects for this study were local North Carolina Smart Start partnerships and the service providers that they fund. North Carolina Smart Start is a multi-tiered service delivery system that seeks to provide services tailored to the individual needs of counties and regions within the state. Evaluation has played a key role in the Smart Start initiative since its inception. Coordination of evaluation

activities within the initiative is managed by the North Carolina Partnership for Children (NCPC), a statewide 501(c)3 nonprofit organization that provides oversight and technical assistance to local partnerships. With its continued focus on evaluation and multitude of relationships, this setting creates an optimal environment to study the effect of the funder-fundee relationship on evaluation use.

While there is a shortage of prior empirical research on the influence of the funder-fundee relationship on evaluation use, there is a strong foundation of theory and research addressing the key concepts examined in this study. Previous scholars have provided a basis for understanding the nature and form of interorganizational alliances, as well as insights into evaluation utilization and the factors affecting utilization. Consequently, this study builds on previous knowledge by uniting these distinct streams of theory and research. A survey-based quantitative study was undertaken to accomplish this goal. The survey is an amalgamation of items from other instruments and items constructed by the researcher to investigate the unique question posed by the study.

The unit of analysis for this study is the fundee organization (direct service provider); therefore, the study's population includes all service providers in North Carolina who receive funding from one of the 76 local Smart Start partnerships. To obtain data, a census sampling strategy was employed. A list of organizations that received funding from the 76 local partnerships was obtained from the North Carolina Partnership for Children. Based on the information, 448 direct service organizations were identified and included in the study. The survey was administered online. Individual respondents answered on behalf of their respective organizations. The intent was to have individuals respond that were aware of the evaluation process and in a position within the organization to know how management used the evaluation findings. Of the 448 organizations contacted, 237 accessed the survey via the internet (53%), and 163 of the responses were usable in data analysis (36%).

The Survey Instrument

The survey was designed drawing from previous studies that addressed evaluation use (Fine et. al., 1998), levels of collaboration (Frey et. al., 2006; Van de Ven & Ferry, 1980), and incorporating questions constructed by the researcher. Since developing a new survey raises questions of the worth of the instrument, several steps were taken to establish a level reliability and validity. First, a focus group was conducted with representatives from local United Way agencies. Included in the focus group were executive directors and program directors. Second, feedback was solicited from professional evaluators who had experience working in the Smart Start Initiative. Finally, a pilot test of the survey was conducted using the 76 partnerships as the population. Confirmatory factor analysis was performed to determine that the indicators did indeed load onto the hypothesized factors. Overall, the results were acceptable, with some concern regarding the financial and project characteristics factors.

Analysis

Data analysis was conducted using principal components analysis (PCA) and structural equation modeling (SEM). PCA was used to substantiate the hypothesized underlying factorial structure, and SEM was used to assess the complete model as well as the factorial structure. SEM is an appropriate methodology for this study because it allows for the simultaneous examination of relationships that are complex and multidimensional (Ullman, 2001). In addition, SEM enables the researcher to observe the underlying latent constructs that are involved with

the model. Furthermore, through factor analysis the SEM procedure assesses the reliability and proportion of variance of indicators and allows the researcher to test the reliability of a measurement instrument.

Results

The analysis involved a two-step process in which the factorial structure and measurement model were tested prior to examining the structural or full latent variable model.

Measurement Model

The results of the principal components analysis indicated support for the factorial structure with a few exceptions. Support is found for the use, relationship, relevance, users, participation, and the evaluator/rapport (when combined) factors. The items for these factors all loaded together, with factor loadings above .50. However, findings do not support the underlying structure of the reporting, finance, and project characteristic factors. Based on the PCA results modifications were made to the model. The modifications are summarized in Table 3, and include the statistical as well as theoretical rationale for changes.

Table 3
Modification Rational for Modification

Modification	Rational for Modification	
	Statistical	Theoretical
Combining evaluator items, rapport items, and report4 on one factor.	These items loaded together in the PCA, all with factor loadings greater than .6.	Substantial content overlap among items measuring evaluator, rapport, and the report4 item.
Rel2 item moved onto the participation factor.	Rel2 loaded with part1 and part2 items in PCA.	Rel2 asks if there was shared decision-making during the evaluation process. This overlaps with participation, which is defined as the degree to which potential users of evaluation participated in the process.
Add report1 item to the relevance factor	Report1 loaded with relevance items in PCA. Factor loading was high (.797)	Report1 asks if results of the evaluation were found to be credible. High content overlap with relevance of information.
Delete reporting, financial considerations, and project characteristics factors	Items associated with the factor did not load together.	Results indicate the survey instrument did not adequately capture the construct, or the underlying construct does not exist based on the data.

Based on these modifications a confirmatory factor analysis was run using AMOS software. Factor score weights and squared multiple correlations were examined to determine the strength of relationships between the latent factors and their identifiers. The estimated factor score weights suggested that all of the measured variables had a positive effect on their associated latent variables. In addition, all squared multiple correlations estimates exceed .10, which is the conventional cutoff for small effect size (Cohen & Cohen, 1983). The findings suggest that all indicators provide explanatory power to the model, and accordingly the measurement model is accepted as the basis for the structural

model to be analyzed in the next phase of the SEM process.

Structural Model

Results from the initial structural model suggest that the funder-fundee relationship does have a significant and positive impact on the mediating variables. However, the results do not support the hypothesis that all of the mediating variables having a significant impact on evaluation use (see Table 4). Of the four mediating variables, relevance and users are predicted to have an impact significant at the .05 level.

Table 4
Initial Model

		Unstandardized Estimate	SE	CR	p	Standardized Estimate
rapport	<--- relationship	.650	.118	5.513	***	.494
users	<--- relationship	.552	.115	4.816	***	.434
part.	<--- relationship	.670	.161	4.153	***	.414
relevance	<--- relationship	.402	.087	4.630	***	.419
USE	<--- relevance	.281	.125	2.246	.025	.213
USE	<--- users	.206	.093	2.224	.026	.207
USE	<--- part.	.118	.076	1.539	.124	.15
USE	<--- rapport	.058	.086	.678	.498	.06

Note. ***= significant at .001 level.

The overall model fit was modest, with fit statistics of: CMIN/DF = 1.989, CFI = .813 and RMSEA = .078. The findings suggest that participation and rapport do

not have a statistically significant direct effect on evaluation utilization.

Based on this result the decision was made to reorient the structural model with participation and rapport directly

affecting relevance, and relevance directly influencing use (see Figure 3). Potential users participation in the evaluation process and their level of trust and communication with the evaluator can have a significant impact on the relevance

of the information collected for the evaluation. In this way, the participation and rapport factors may indirectly affect use through the relevance factor.

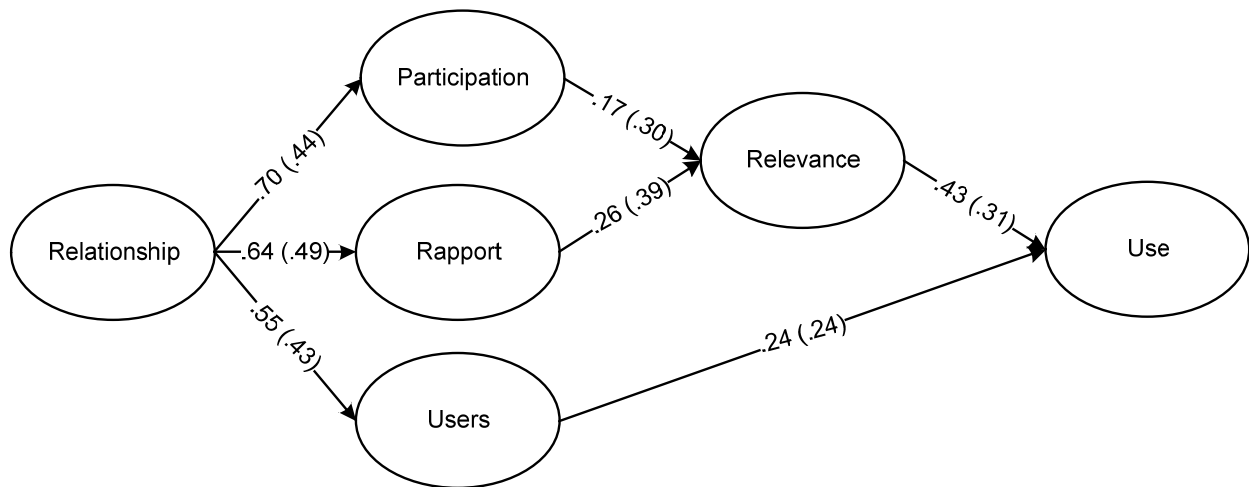


Figure 3. Structural Model

Results of the SEM analysis support the reorientation of the structural model. Fit statistics indicate that the data produced a modest fit to the model with a CFI of .817 and RMSEA of .077. Moreover, the funder-fundee relationship has a significant effect on rapport, users and

participation and the rapport and participation factors have a significant influence on relevance. The relevance and users factors are estimated to have a significant and positive effect on use (see Table 5).

Table 5
Final Model

		Unstandardized Estimate	SE	CR	p	Standardized Estimate
rapport	<--- relationship	.637	.117	5.433	***	.485
part.	<--- relationship	.696	.160	4.338	***	.439
users	<--- relationship	.549	.114	4.810	***	.433
relevance	<--- part.	.167	.055	3.027	.002	.292
relevance	<--- rapport	.263	.062	4.247	***	.381
USE	<--- relevance	.434	.135	3.219	.001	.310
USE	<--- users	.243	.091	2.662	.008	.242

Note. ***= significant at .001 level.

Discussion

The results of the study suggest that the funder-fundee relationship plays a critical role in the evaluation process, and consequently influences utilization. The data support the hypothesis that the nature of the interorganizational relationship indirectly affects utilization through the mediating variables. However, the findings indicate that the relationship among the mediating factors is more complex than originally hypothesized. While the data support a direct effect on utilization for the users and relevance factors, it does not support the hypothesized direct effect on utilization for the participation and rapport factors. These mediators do prove to be important, having an indirect effect, when the model is reoriented and participation and rapport are seen as influencing use through the relevance factor. This indicates that the relevance of the information collected is in part a

result of potential users' participation in the evaluation process and the level of trust and communication manifested between the evaluator and users. This positive affect is important because the relevance factor was estimated to have the greatest direct effect on evaluation use (standardized coefficient estimate of .310 compared to .242 for users).

The findings of this study have important implications for evaluators. It is not novel to state that evaluators need keep in mind the needs of potential users when designing and conducting an evaluation, however, this study points to the importance of also taking into account the relationship between the organization undertaking the evaluation and the organization providing funding. When an evaluation is the product of joint effort, the evaluator dismisses the significance of the interorganizational relationship at their peril. The technical skills of evaluation are necessary but not sufficient to result in utilization in such an environment. The evaluator, as well as

other actors in the process, must use soft skills to influence the process and convince those involved of the benefits associated with their effort. Recent work that has classified evaluator competencies (King et al., 2001; Stevahn et al., 2005) supports the need for evaluators to possess more than just technical know-how. Building trust amongst actors from different organizations with differing organizational cultures and differing goals is not an easy task. However, this study indicates that the degree to which trust can be built and communication used to enhance participation will have a significant impact on use. Specifically, these elements will increase the likelihood that information collected in the evaluation process will be relevant to the intended users. While many of the issues that can arise in the funder-fundee relationship may be outside the control of an evaluator, interpersonal skills can be as important as technical know-how when it comes to impacting use. Simply showing an interest can build good will, as one respondent to the survey stated:

The knowledge and understanding that our Evaluator has made an effort to learn about our program is most appreciated. In order to effectively evaluate anything, you must understand what it is all about.

This quote, from a program manager, suggests how stakeholders may feel about a participatory evaluation process. As Weiss (1998) puts it, "We evaluators are trying to enlist program people in our work-doing evaluation-while what they want is to enlist us in their work-improving the organization and its programs" (p.31). When conducting an evaluation, the role of the evaluator goes beyond design and analysis. Statistical significance means nothing to potential users who are disconnected from the

process. The results of this study indicate that understanding the funder-fundee relationship, and to the degree possible managing that relationship, is fundamental to utilization. When a relationship is towards the principal/agent side of the collaboration continuum the evaluator may find that their work is for the purposes of the funder only. While there is nothing inherently wrong with this, it does not lead to evaluations that improve programmatic outcomes for the fundee organizations. As one respondent said,

As program manager, I am not sure who the evaluator is for our program and I'm not a part of the process. We give all required information requested but that is the extent of the dialog between our program and the partnership.

Understanding the influence that the nature of the funder-fundee relationship has on the evaluation process takes on greater importance when one considers the role that nonprofit organizations play in delivering essential social services in our communities. The last three decades have seen the forces of devolution, privatization, and new public management change the nature of the governance process in the United States (Frederickson & Smith, 2003; Milward & Provan, 2000). Within this new and evolving process, funders (including government) are frequently relying on evaluations to determine the effectiveness of programs, and consequently making policy and funding decisions based on the results. This places evaluation in a prominent position, expected to assess the worth of programs while also providing the information needed to improve decision making and ultimately improve the outcomes or impacts of the program. This environment encompasses a high

level of respect for evaluation and the evaluator, while at the same time creating lofty expectations. To face the challenges present in this environment evaluators will need a combination of skills. Technical skills that meet the demands of a robust evaluation combined with softer interpersonal skills that enable evaluators to understand and, to the extent possible, manage interorganizational relationships.

There is more to learn about the impact of the interorganizational relationship over time, and whether the role of the evaluator evolves as the relationship changes. In addition, it seems logical to expect that the dynamics of the interorganizational relationship will also impact process and conceptual utilization, which in turn will influence organizational culture and may lead to the elusive "organizational learning" that will improve program performance. What seems constant when considering these questions is the vital role played by the evaluator. Whether internal to the organization or acting in a consultative manner, the evaluator is integral to the process. To generate effective evaluations they will be called on to conduct methodologically sound evaluations while simultaneously comprehending the nature of the interorganizational relationship, and managing that relationship to maximize the probability of utilization.

Study Limitations

The first limitation has to do with the generalizability of the findings. The Smart Start initiative is a venture that has stressed the role of evaluation from the onset, a unique characteristic and one that may not exist in most funder-fundee relationships. Therefore, while this study sheds light how utilization can be impacted by the funder-fundee

relationship the findings may not be generalizable to all funder-fundee evaluation processes. The second limitation has to do with the survey instrument. It is widely accepted that self-report surveys' lend themselves to common method variance (Spector, 2006). Ideally, the inclusion of additional sources of information or multiple perspectives would strengthen the findings. It is also important to note that the researcher constructed the survey instrument. While considerable efforts were made to validate the instrument, further modification and refinement may be warranted. A third limitation has to do with the analytical method of SEM. While SEM is a desirable method for testing theories that are not well developed (Bentler, 1980), it can predict good fit of the data to several models. The ideal use of SEM is to compare alternative models to determine which one best fits the data. Further research examining the role of the funder-fundee relationship in the evaluation process may yield models with better explanatory power.

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