



## Measuring, Managing and Making a Difference at Rare

Its mission: inspiring change so people and nature thrive. Its method: using the Balanced Scorecard to measure and manage performance. And with measures at the heart of its operations, this global conservation organization has been able to achieve greater transparency and accountability—while expanding its scale, reach, and impact.

Rare lives up to its name in more than one way. Among conservation organizations, the Arlington, Virginia–based group has a unique strategy: protecting imperiled species and ecosystems not by committing scientists and resources to the problem, but by promoting solutions and instigating behavioral change at the local level. It’s also rare in the conservation world for using the Balanced Scorecard enterprise-wide. Strategy and measurement are at the heart of Rare’s operations. In this respect, it is among the very few of even the most sophisticated nonprofits that actively try to measure their impact.

Founded in 1973, the 120-person strong organization has implemented more than 200 of its signature “Pride” campaigns to protect watersheds, wetlands, and habitat throughout 56 countries. Rare concentrates on regions with the greatest biodiversity, from Latin America and Africa to Asia and the Pacific islands. These areas, rich in natural resources, are also rife with poverty. Effecting environmental change is a challenge for hundreds of thousands of communities where many livelihoods depend on harvesting those natural resources.

Rare’s whole concept is based on a three-pronged approach. It pinpoints the human behaviors causing threats to biodiversity, such as overfishing, illegal logging,



ClearPoint helps communities translate strategy into action by managing strategy review meetings, automating performance management dashboards, and tracking key projects.

By coordinating all the little tasks you need to keep track of, ClearPoint makes it easy to manage strategy.

or unsustainable agriculture. It identifies the barriers to behavior change among those who directly depend on natural resources for survival—fisherman, farmers, and others. Then it explores what it would take to get these groups to change. In the Andes, for example, Rare finds ways to incentivize farmers at the top of a mountain, through sustainable agriculture, so they don't taint the water in the villages downstream. In the Philippines, Rare has established no-take fishing zones that restore fish habitat and populations and allow local fishermen to continue working without depleting the local fish population.

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The third prong—and the main ingredient in the mechanism—is the social marketing campaigns that promote community support. Rare's Pride campaigns emphasize the benefits of change to all and reinforce adoption of the new behaviors. This win-win approach is underpinned by Rare's use of local leaders, whom it trains as stewards. In this way, Rare ensures that change is not only embraced, but sustained long after its initial involvement is over.

### THE BIG CHALLENGE: MEASURING IMPACT

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An action-oriented mission. Rare's mission—inspiring change so people and nature thrive—is fundamentally about taking action. The top half of Rare's strategy map succinctly describes the organization's 3-C strategy: Reducing threats and achieving conservation results; Building local capacity; and Changing constituents' attitudes and behaviors. The bottom half contains the supporting objectives that represent its operating model: Expanding fundraising and organizational capacity; Maximizing the effectiveness of every Pride campaign;

Taking Pride to scale; and Unlocking the potential of networks (working relationships, past and present).

The commitment to accountability. Rare's Balanced Scorecard permeates every level of the organization. The enterprise BSC cascades to departmental scorecards (one for each region and functional area, such as development and operations), program scorecards, and individual employee scorecards. Cross-cutting measures help unify the organization and reinforce a common culture. Rare uses ClearPoint Strategy to link the Pride or project scorecards to the enterprise and departmental scorecards for one set of linked measures throughout the organization.

The belief in transparency. Rare reports its results to all employees online using ClearPointStrategy.com. Every department can see how others are performing, and Rare's employees can look across departments to view alignment. Transparency promotes each employee's investment in their individual and team's effort, as well as the organization's work.

Acceptance of the need to revise and improve. From the get-go, Rare's leaders understood that the strategy and performance management system would be a work in progress. Every year, Rare conducts an update, setting new targets, refining measures, and making other needed revisions to improve the process. By using a framework that offers transparency, the leadership team is able to more effectively dedicate its limited time and attention to focusing the rest of the organization on the key measures and processes that improve conservation results.

Long-term planning and patience. As a conservation organization, Rare faces three major measurement handicaps. First, its programs generally last no more than three years. Rare needs baseline data early, yet biophysical data is hard to establish. So at the outset, the organization sets realistic targets for the amount of needed site level data (25%), adjusting upward to 50% as more becomes available. This helps put data gathering front and center, allowing projects to move forward without delay.

In addition, it takes many years for biodiversity to rebound—much longer than the lifespan of most programs. To ensure its local partners' commitment to tracking progress, Rare signs contracts with them—often

up to five years in length—by which they agree to continue measuring impacts long after Rare has stopped supporting the projects financially.

Finally, many factors affect biodiversity, and no conservation organization can realistically claim to address more than a couple. For the sake of credibility—and transparency—Rare documents all factors affecting biodiversity at a site, explicitly acknowledging its contributing, and not causal, role.

## THE ORIGIN OF PERFORMANCE MANAGEMENT AT RARE

Implementing performance management on a wide scale did not happen overnight. Rare's Balanced Scorecard-based strategy management and measurement program has played an important part in its steady growth and improvement.

The effort took off in 2007, when Rare was developing a five-year strategic plan. Looking for tools to help increase its return on management time and attention, Rare's leaders discovered that the BSC and strategy map were a natural fit. Conservation projects are based on a logic model that represents causal relationships. Why not have a logic model at the organizational level?

Early on, leaders spent considerable time and effort honing the map, with different maps and measures for each department. With Ascendant's help, Rare vastly simplified the map and merged it with its business plan.

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Its clarity not only enables focus, but has made the strategy map a powerful communication tool, internally and externally. The pared-down BSC enables Rare to report performance early and often (today, all but a handful of measures are updated quarterly). This approach helps the leadership team increase its effectiveness in updating and reviewing its strategy.

## MEASURES AT THE HEART OF OPERATIONS

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Before a project begins, Rare conducts a baseline study, and then develops a rigorous performance measurement system to track the project. Each campaign has a monitoring plan with targets and a designated approach for data collection. The baseline for the social measures is usually set from a quantitative survey, and the baseline for biological measures is set with biophysical monitoring.

Throughout the campaign, Rare creates weekly operations reports and issues monthly leading indicators. Near-term campaign reports provide a quantitative social survey and follow-up to biophysical results. At the end of each program, Rare assesses actual results versus goals and identifies lessons learned.

## TRANSITIONING FROM PROCESS MEASURES TO IMPACT MEASURES

For any nonprofit, the ultimate measure of success—those topmost strategy map measures—should be about outcomes. But in the early stages of BSC adoption, it's often difficult to avoid process measures. Rare views process measures as being useful in establishing a measurement system while a program team is accumulating baseline data and initial results.

Says Daniel Hayden, Senior Director of Global Programs, "Almost all of us have measures of impact that will take years"—in Rare's case, issues such as improving water quality and increasing forest cover. "But we shouldn't forsake that vision simply because we can't measure for today. Process measures help us measure the road toward impact."

One example of a Rare process measure is assessing whether plans are on track to measure threat reduction or conservation results. By tracking this process every month, Rare increases the likelihood that it can obtain difficult and expensive impact data by the end of the program.

To ensure that measures best reflect the realities of conservation programs, Rare took the important step of shifting BSC stewardship in 2012 from its finance team to its program team. Some 80% of measures are programmatic, so program teams, with their subject matter expertise, are better equipped to devise relevant measures. Ascendant helped Rare not only with the causal linkages in its measures but also in establishing a reporting process with its leadership team and board of trustees which helped to increase the focus on strategic measures.

## EXPANDING REACH, ENHANCING IMPACT

As Hayden notes, Rare's strategy management process has helped the organization clarify its focus—"helping us define what we do as much as what we don't do." It has also helped Rare move to a systematic, theme-based approach to conservation projects that can be scaled up.

For instance, in the fall of 2011, Rare began researching and implementing its first such theme-based global initiative: a 50-site program on sustainable fisheries throughout the Coral Triangle. This area, home to more than half of the world's coral reefs, includes the Philippines, Malaysia, a big portion of Indonesia, Papua New Guinea, and the Solomon Islands. Since then, it has begun a process to roll out another initiative on reciprocal water agreements to motivate highland farmers to protect water flows to downstream users.

The organization's metrics have played an important part in engaging donors. Within five years, Rare went from being a \$9 million a year operation to a more than \$20 million a year one. "People know that if they invest with Rare, we have solid processes in place to use their money wisely. The BSC says we are disciplined and serious," Hayden says.

Rare has not only gained scale and funding; it has also begun capturing global recognition for its efforts. In 2013 Rare was named for the second year in a row in the Global Journal as one of the top 100 NGOs in the world. With its BSC firmly in place, Rare can now draw upon its metrics to report biological impacts to constituents and the public—something undoable only a few years ago.

Measuring impact is indeed doable, as Rare's experience shows. And Rare has also shown that the act of measuring itself enhances impact.



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