

GUIDE TO GIVING Healthy Aging



HEALTH AND WELL-BEING

STEP 1 Understanding the Recommended Approach to Healthy Aging

HOW TO USE THIS GUIDE

Are you interested in healthy aging? This guide will help you assess the effectiveness of the organizations you are considering supporting. It is based on Social Impact Research's (SIR) methodology, which identifies a recommended approach through which an organization's performance can be measured. For more information, read SIR's social issue and state reports on healthy aging.

An effective nonprofit should incorporate all three components of the recommended approach or have a partnership with another organization to cover the full range of services represented by these components. In addition, these organizations should collect data to measure the outcomes and impact of their programs.

- A. Service Access
- B. Service Awareness
- C. Service Validation
- D. Outcomes and Impact

SIR recommends that donors support aging-in-community, a method of healthy aging that encourages seniors to remain in their homes as they age. This approach can only succeed with community services that help seniors maintain physical and mental health, social engagement, and personal independence (see below).

DEFINITION

Healthy aging is the process by which American seniors, age 65 and older, maintain physical and mental health, engage socially, and remain active and independent in their communities for as long as they are able. Although some seniors have health conditions that require facility care, seniors with minimal health needs may age in their homes with supportive community services.

COMPONENTS OF THE RECOMMENDED APPROACH

SIR has found that high-quality programs that promote healthy aging include the following components:

- **Service Access** to ensure that community services are available and accessible to seniors.
- **Service Awareness** to ensure that seniors know of the services that are available in their communities.
- **Service Validation** to ensure that services meet identified needs in the community and are designed with input from trained professionals.

See our social issue report for more information on healthy aging.

STEP 2 Evaluate the Program's Effectiveness through the Lens of the Recommended Approach

A. Evaluate the quality of service access

High-performing organizations ensure availability of and access to supportive services that allow seniors to age-in-community.

EFFECTIVE IMPLEMENTATION

- ✓ Organizations provide needed services that promote healthy aging
- ✓ Seniors can select the matrix of services that meets their needs
- ✓ Programs exist to offer needed services especially for vulnerable seniors and others with specific needs

INEFFECTIVE IMPLEMENTATION

- ✗ Senior services are inadequate or unavailable
- ✗ Services are one-size-fits-all, and participation in programs is all-or-nothing
- ✗ Programs are designed to be the same across income groups, community types, and populations



Examples of EXCEPTIONAL IMPLEMENTATION

Seniors can request and receive individualized services, even if those services are not needed by a majority of the population

Needed services are accessible at no cost to seniors

B. Evaluate the quality of service awareness

High-performing organizations raise awareness of the services they provide within their communities.



Examples of EXCEPTIONAL IMPLEMENTATION

Organizations offer a wide variety of service options, and they advertise these programs in the local community

Local seniors are aware of all local service offerings, and they can obtain services with few or no barriers

EFFECTIVE IMPLEMENTATION

- ✓ Organizations ensure that local seniors know what services are available and how to obtain those services
- ✓ Organizations work to eliminate barriers that might inhibit seniors who seek needed services
- ✓ Seniors are asked for ideas to improve awareness and service offerings

INEFFECTIVE IMPLEMENTATION

- ✗ Few seniors are aware of available services, and of those who are aware, most are unsure how to obtain services
- ✗ Organizations offer some services, but there are significant barriers to accessing these services, including cost, transportation, language, or other difficulties
- ✗ Services never change, regardless of awareness levels or local needs

C. Evaluate the effectiveness of service validation

High-performing organizations provide valid proof of need and program legitimacy for the services they offer.



Examples of EXCEPTIONAL IMPLEMENTATION

Independent researchers conduct ongoing service evaluations, and the organization continues to update services in accordance with research findings

Most organization leadership and staff are licensed and trained to provide the services offered

EFFECTIVE IMPLEMENTATION

- ✓ Services are grounded in evidence-based research
- ✓ Licensed professionals have developed specific services (e.g. nutrition classes were designed by a Registered Dietician)
- ✓ Research and licensure are ongoing to ensure quality services are provided

INEFFECTIVE IMPLEMENTATION

- ✗ Research has not been done to determine if services are adequate or accurate
- ✗ Services and programs were designed by unlicensed individuals or those outside the field
- ✗ No plans exist to conduct research about service offerings, and no licensed staff has been or will be hired

D. Outcomes and Impact

Although indicators that describe all aspects of healthy aging do not exist at this time, organizations are developing measures to evaluate the services they offer. Because service needs vary across populations and communities, each organization will provide a different matrix of services, and as a result, need different evaluation tools. Effective evaluations include quantitative and qualitative data to provide a complete picture of the impact an organization has on local seniors.

Collecting outcome data enables organizations to track progress and growth of their programs over the long term. High-performing organizations collect and analyze a wide variety of data to measure the effectiveness of their programs, then use the data to build upon their successes and improve upon their weaknesses.

Indicator	Expected Outcome Rate
Percentage of seniors able to remain in their communities with supportive services	Rates vary depending on population and community needs, but organizations should demonstrate that services match needs, promoting healthy aging for more seniors. This indicator may be difficult to measure.
Effectiveness of services offered	Services will be grounded in research, demonstrating that programs maintain or improve seniors' well-being. New services and evaluations are developed concurrently to monitor effectiveness and guide program adjustments.
Percentage of senior population reached	Rates vary depending on population and community needs. Programs should target all seniors, including low-income, minority, immigrant, and rural-dwelling seniors. Measuring impact on these subgroups of seniors may be difficult, but understanding who is or is not being served is critical in directing programs.

STEP 3 Evaluate the Organization's Health and Stability

Evaluating an organization's health and stability will provide insight into its structure, capacity, and ability to carry out its mission. It is important to consider at least two factors:

A. Financial sustainability, which refers to an organization's ability to conduct its work in a fiscally responsible manner

B. Management and governance, which refers to an organization's leadership and oversight

A. Evaluate Financial Sustainability

Financial sustainability describes an organization's ability to conduct its work in a fiscally responsible manner in the long term. The information below can be found on the organization's 990, an IRS form required of most nonprofits. It is best to review three to five years' worth of financial information.

FINANCIALLY SUSTAINABLE

- ✓ Organization's debt-to-equity ratio is less than 1.5, meaning its debt is manageable given its assets
- ✓ Organization's current ratio is equal to or greater than one, meaning its assets are greater than its short-term debt
- ✓ Organization maintains three to six months in cash reserves, so it can withstand brief financial downturns
- ✓ Funding comes from a variety of sources, including philanthropies, foundations, state or federal government allocations or grants, donations, and earned income

FINANCIALLY UNSUSTAINABLE

- ✗ Debt-to-equity ratio is greater than 1.5; substantial amount of assets are directed to paying off debt
- ✗ Current ratio is less than one; the organization will continue to accumulate short-term debt as its assets are not enough to cover its debt
- ✗ Organization maintains fewer than three months in cash reserves, leaving it susceptible to economic shocks
- ✗ Funding is dominated by only one or two sources, meaning that services may be skewed toward the desires of funders rather than local needs

B. Evaluate Management and Governance

Management and governance indicators describe the capacity of senior staff, leadership, and board members to expand the organization and hold themselves accountable to the mission.

EFFECTIVE IMPLEMENTATION

- ✓ CEO has significant experience; management team members have good relationships with one another and external stakeholders; staff is licensed, trained, and actively involved in fields directly related to services provided
- ✓ Board has at least seven members with diverse experience, including legal, management, financial, marketing, fundraising, gerontology, social work, or other fields related directly to services provided. At least one board member should be age 65 or older (i.e. a member of the local senior community). Board should meet at least three times per year
- ✓ Planning shows evidence of measurable goals toward facilitating healthy aging and organizational growth

INEFFECTIVE IMPLEMENTATION

- ✗ Management team lacks experience, education, and licenses/certificates that ensure services provided are appropriate, e.g. there are no licensed medical personnel (MDs, RNs, RDs, LSWs etc.) to develop health services
- ✗ Board is comprised of only very similar individuals, none of whom have experience relevant to the services provided. Board only includes younger members, and meetings are infrequent. Board plays little or no role in oversight, fundraising, or organizational planning
- ✗ Planning occurs ad hoc; for example, in an annual meeting where possible changes are discussed informally



Examples of EXCEPTIONAL IMPLEMENTATION

A 360-degree review is conducted annually on the CEO, including a review by the board

CEO is an active leader in the field

Three- to five-year plans are created with stakeholder input, and tangible goals and milestones are explicitly laid out

Board incorporates seniors from the local community, including some from vulnerable populations

STEP 4 Evaluate the Organization's Ability to Create Systemic Impact

An organization can influence healthy aging in many ways. Activities may include conducting impact and outcome research, providing consulting and training to other programs, and advocating the development of a healthy community that facilitates the needs of all seniors. SIR recommends considering three categories of activities:

A. **Growth plans**, which describe the organization's plans for the next three to five years

B. **Community partnerships**, which demonstrate the organization's ability to work collaboratively

C. **Field-building activities**, which show whether the organization is considering the big picture

A. Evaluate growth plans

Evaluate growth plans to understand the organization's capacity to further its mission and reach more people:

- Has a realistic growth plan with funding and measurable goals to increase the number of seniors served
- Conducts research regularly to ensure that when new programs or services are added, a legitimate need in the local community exists

B. Evaluate community partnerships

Evaluate community partnerships to understand the organization's ability to collaborate and drive greater change:

- Participates in alliances with other organizations that provide services to facilitate healthy aging in the local community to ensure that most or all needs are met
- Works with local, state, and federal officials to encourage more policies that facilitate healthy aging

C. Evaluate field-building activities

Evaluate field-building activities to understand the organization's role in driving systemic change:

- Understands how to create change in the lives of seniors and designs its plans accordingly
- Shares lessons learned with other practitioners and local institutions, such as physicians, social workers, and nonprofits, by making data and research publicly available
- Provides assistance to others working to facilitate healthy aging

STEP 5 Interpret your Evaluation and Determine How to Provide Support

The preceding four steps helped you gain a holistic understanding of an organization and its work on healthy aging through a focus on the provision of support services for seniors in the local community. To make a decision about the best way to provide support, determine where your organization fits among the following three categories:

A. **High-performing organization** meets the majority of the criteria outlined above

B. **Developing organization** meets some, but not all, of the criteria outlined above

C. **Low-performing organization** meets few to none of the criteria outlined above

A. High-performing organizations

These organizations provide services for local seniors to age healthily in their communities. They are financially sound with excellent leadership and governance structures. They have realistic growth plans, work continuously toward accomplishing their visions and missions, and engage in field-building activities. You can feel confident that an investment in such organizations will be used effectively and help achieve scale.

Risk / Reward	Low risk / high reward
Recommended level of involvement	Low
Example investment opportunities	Continue running high-quality programs and partnering with other organizations to ensure that the needs of seniors in the community, especially those of vulnerable populations, are met. Continue hiring staff or consultants who are licensed and trained in fields related to service offerings.

B. Developing organizations

These organizations may be doing some things well but need improvement in other areas. Often these are young organizations, but they can also be established organizations that are undergoing a transition. Investment in developing organizations can be challenging yet exciting for donors who are interested in helping organizations improve.

Risk / Reward	Moderate risk / high reward
Recommended level of involvement	Medium to high
Example investment opportunities	Begin or continue to support research, hire expert staff members, improve programs, expand access, increase awareness, and develop new measures of “success” for evaluating existing programs and new program needs.

C. Low-performing organizations

These organizations have room for improvement in all areas and may not be supporting the needs of local seniors. Investment in a low-performing organization with a good management team dedicated to improving its programs can be an exciting opportunity for a donor who wants to be deeply involved in supporting an organization. Such investments are good for donors who wish to be a more prominent part of the organizations they choose to support, and they will have the opportunity to be more engaged in strategy development decisions. However, investment in low-performing organizations that are not dedicated to improving is not recommended.

Risk / Reward	High risk /reward varies based on organization’s desire to improve
Recommended level of involvement	High, assuming the organization is working strategically to improve
Example investment opportunities	Begin or continue to create a business plan, conduct needs assessments in the local community, and identify services that are needed but unavailable. Consult with experts to develop needed services. Begin creating measures to evaluate local needs and existing services, and accept assistance from high-performing organizations in the community.

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SOMERVILLE, MA

Supporting Emerging Social Innovations

HIGH RISK WITH THE POTENTIAL OF HIGH REWARD

Donors may also wish to consider organizations that are testing innovative approaches that could eventually lead to breakthroughs in addressing the targeted social issues. Such organizations should be able to articulate why they are diverging from the proven approach and how they see themselves improving upon that approach.

Healthy aging and aging-in-community are both concepts that have obtained increasing interest in recent years. There are likely to be many new innovations in these fields, particularly with respect to new program designs and new measures for evaluating the effectiveness of senior services, programs, and organizations. New developments should reflect the needs of the local community, but they may include intergenerational or environmental opportunities such as tutoring and community gardens.

Social Impact Research (SIR) is the independent research department of Root Cause, a research and consulting firm dedicated to mobilizing the nonprofit, public, and business sectors to work collaboratively in a new social impact market. Modeled after private sector equity research firms, SIR conducts research on social issues and independent analysis of program performance to provide leaders and funders with the rigorous, actionable information they need to make strategic decisions about creating and investing in social impact.



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