

## #2 Build the Evidence Base

To develop interventions that cities can be confident are improving lives, it is important to pilot and evaluate promising models, and then use the results to further support those that show evidence of effectiveness and fix—or cut—those that don't. This cycle of innovation requires a sophisticated application of data and evidence. Two cities—New York and London—are demonstrating what it takes.

### New York City's Center for Economic Opportunity identifies and scales what works to fight poverty

In 2006, Mayor Bloomberg issued a call to action to reduce poverty in America's biggest city. A commission charged with studying the causes, scope, and consequences of poverty in New York responded with a bold report. They estimated that "official" statistics under-counted New York City's poor population by 214,000 because they ignored nuances in basic needs and the city's high cost of living. It was a moral imperative, they argued, for New York City to do more to help its working poor, youth, and families with children.

Mayor Bloomberg acted on the commission's recommendation by establishing a new unit in the mayor's office, the [Center for Economic Opportunity](#) (CEO), shortly after the report's release. While this was not the first time New York City had endeavored to reduce poverty, it was certainly the first time it had focused so intently on evaluation and evidence. The agency sought to upend the city's traditional anti-poverty approach, which tended to preserve longstanding programs even when they failed to demonstrate results. In its place was a structure to initiate and sustain a cycle of innovation. According to Deputy Mayor Linda Gibbs, CEO helped create "a new kind of capacity to identify and support the development of promising solutions, foster dialogue, and support agencies as they implement, hold the providers accountable for achieving results, and determine what approaches to scale up and, importantly, what to scale back."

Since its founding, CEO has developed, implemented, and evaluated more than 50 programs in partnership with 28 city agencies and nearly 200 community-based organizations. CEO receives over half of its \$100 million annual budget from city taxes, and raises the rest from a wide range of private sources, including both philanthropic and corporate sponsors.

More than 5 percent of CEO's budget is dedicated to vetting the results of its programs—which it does in partnership with a number of external evaluators, including MDRC, Urban Institute, Westat, the Vera Institute, university partners, and others. Maintaining this level of investment in evaluation has not always been easy, according to CEO's Executive Director Kristin Morse. "When we first started, there was a tension between how much money we put in evaluation and how much we put in direct services," she explains. Bit by bit, however, Morse believes that CEO has convinced New York City policymakers that program evaluation is a

good investment. “Over the last seven years we have had 12 different rounds of budget cuts, and over time, evaluation has stopped being a target,” she says. “The value of knowing what works at the time when we are all making these tough decisions has become accepted.”

Since 2007, CEO has had an impact on a lot of New Yorkers, facilitating more than 30,000 job placements and 10,000 paid internships, and supporting the enrollment of over 10,000 people in college or occupational training. It also has helped individuals access over \$100 million in additional tax credits. While New York City’s poverty rate went up between 2007 and 2011, as might be expected given the impact of the recession, CEO estimates that expanded participation in these social safety net programs mitigated this increase by as much as two percentage points.<sup>21</sup>

### **Incubating a program that works: The journey of Jobs-Plus**

A good example of how CEO has used evidence to determine which programs to scale is [Jobs-Plus](#). Jobs-Plus was developed in the 1990s in response to the severe economic distress and disproportionately high unemployment rates of public housing residents.

MDRC, the nonprofit research organization, developed and tested the Jobs-Plus model through a major national demonstration project supported by three federal agencies and philanthropic donors, including The Rockefeller Foundation and the Annie E. Casey Foundation. The program combined three core elements: employment services, such as referrals to vocational training and job search help; financial incentives to work that allowed residents to increase their earnings without worrying about driving up their rents; and community support systems that facilitated the neighbor-to-neighbor sharing of employment information and advice.

MDRC conducted a randomized controlled trial of the Jobs-Plus pilots, which showed the program delivered substantial impact. Relative to a control group of public housing residents, residents of public housing complexes implementing Jobs-Plus enjoyed an annual earnings boost of over \$1,100. The cost of operating Jobs-Plus was approximately \$1,800 per person per year. But even after the program ended, individuals who had participated continued to earn significantly more each year than individuals from the control group, suggesting a positive return on investment from the program.

In spite of these impressive results, when the pilot officially ended in 2004, it looked like Jobs-Plus had reached its end as well. And it might have, if CEO didn’t have a partnership with MDRC. Gibbs explains, “MDRC brought forward the Jobs-Plus program and said, ‘This really works. Why don’t you give it another shot?’” And so, in 2009, CEO partnered with a local community college to replicate the program

---

<sup>21</sup> This is the latest full year for which accurate data is available. The NYC Center for Economic Opportunity, *The CEO Poverty Measure, 2005-2011: An Annual Report by the Center for Economic Opportunity*, April 2013, [http://www.nyc.gov/html/ceo/downloads/pdf/ceo\\_poverty\\_measure\\_2005\\_2011.pdf](http://www.nyc.gov/html/ceo/downloads/pdf/ceo_poverty_measure_2005_2011.pdf).

in the Jefferson Houses of East Harlem. In its first year, Jobs-Plus met its job placement targets in the midst of a devastating economic downturn, and generated strong community support. CEO is working to expand the Jobs-Plus model in New York City with support from the federal government and philanthropic funders.

Jobs-Plus suggests that while evidence of effectiveness is important, evidence alone can't preserve or expand an effective program. In this instance, CEO helped

### Spotlight on two early-stage initiatives: Providence Talks and Propeller Health

In our scan across cities at the forefront of using data and evidence to improve results, we found several promising interventions that were being designed with evaluation at their core. While it is too early to say what their results are, they highlight the potential of this type of intervention to produce real-time data on what's working or not.

Funded by the Bloomberg Philanthropies' Mayors Challenge, **Providence Talks** will equip families eligible for home visitation services through Rhode Island's Universal Newborn Screening process with a small recording device that counts the number of words a child hears each day. This device, developed by the LENA Research Foundation, filters out television and background noise and develops a comprehensive picture of a child's daily auditory environment, including adult word count and the number of conversational interactions the child engages in over the course of the day. Families participating in Providence Talks will receive these data during monthly coaching visits along with targeted support, including information on existing community resources like read-aloud programs at neighborhood libraries or special events at local children's museums.<sup>1</sup> Researchers from Brown University will evaluate this initiative.<sup>2</sup>

The Louisville Metro government is partnering with private and philanthropic partners to launch **Propeller Health**, using real-time sensor data from inhalers to improve prevention and treatment of asthma in the city. Louisville, the first city in the country to pursue this type of project, hopes to improve both its health outcomes and economic competitiveness. The Propeller Health team is monitoring time- and location-specific usage of 500 rescue inhalers in addition to tracking ambient air quality readings from nine sensors around the city. Experts from IBM are helping to crunch the data, with the goal of predicting and avoiding environmental triggers of asthma.

Ted Smith, director of innovation for the Louisville Metro Government explains, there are simple ways to get started using data. "This kind of culture change doesn't happen unilaterally or simultaneously," he notes. "But there are things that people will be excited to get started on, because there is frustration about the status quo. And you can start there."

---

1 Bloomberg Philanthropies 2012 -2013 Mayors Challenge, "Winner: Providence Talks," <http://mayorchallenge.bloomberg.org/index.cfm?objectid=7E9F3B30-1A4F-11E3-8975000C29C7CA2F>.

2 Brown University, "Brown and city address word gap," 2013, <http://news.brown.edu/shorts/2013/03/brown-and-city-address-word-gap>.

Jobs-Plus get a second look and another chance to win the kind of broader-based support essential to scaling what works.

### **Evidence cuts both ways: Making tough choices to de-fund**

One of the most striking aspects of CEO's approach is how it handles programs that don't make the grade. To make the most of its evaluation budget, the agency uses a combination of output-focused performance data and rigorous evaluation data collected through randomized controlled trials (RCTs). To avoid unnecessary expenditure on long and costly RCTs, CEO only initiates a rigorous evaluation if a program generally seems to be delivering on its expected outputs. "We generally don't need a formal evaluation to know that a program *isn't* working," says Morse.

While spotting underperforming programs may not be that difficult, cutting them almost always is. Yet CEO has remained committed to ending programs that fail to demonstrate results. Of the 62 programs piloted between 2006 and 2013, CEO has discontinued seven because of poor performance.<sup>22</sup> This also frees up money and allows CEO to redirect resources from failing programs to those that do show evidence of success or to test a new innovation.

Says Morse, "Our premise has been that we will invest in new projects, encourage people to take risks to develop the strongest and best answers, and then we are going to measure them. If they don't work, we will cut funding and invest in other things."

### **Project Oracle establishes itself as London's "children's and youth evidence hub"**

London is just getting started, but it is taking a different, more decentralized approach to the cycle of building and using evidence of what works. Led by the mayor's office, [Project Oracle](#), which calls itself the "London children's and youth evidence hub," works with children and youth providers to develop evaluation systems and a reliable evidence base for their projects. Project Oracle also seeks to increase demand for evidence-based solutions by training officials who make funding decisions in: 1) social sector research methods and 2) using evidence in contracting with providers. The goal is to create a virtuous cycle: as nonprofits build evidence, government officials provide more funding for these evidence-based programs, thus prompting nonprofits to keep focusing on evidence and improving their services and products.

London Mayor Boris Johnson launched Project Oracle in 2012 in response to a disturbing spike in youth violence and murders in London. Johnson promised to

---

<sup>22</sup> In addition to these, CEO ended an additional five programs because they were "one-time investments," four because they were time-limited pilots, and two programs were ended because the "context had changed" so that the investment was no longer warranted. The NYC Center for Economic Opportunity, CEO Overview and Accountability, (July 2013). Presented at The Convening on Cities and Evidence-Based Government, New York City, July 25, 2013. Unpublished.

reduce youth crime and made a public call for better research and evidence to guide action. “Before that, we were still very much in the realm of case studies to understand programs. Those studies were gathering dust,” says Stephen Bediako, founder and managing director of The Social Innovation Partnership (TSIP), which supports Project Oracle. “It sparked a renewed interest in the whole evidence agenda.”

The Greater London Authority, the Mayor’s Office for Policing and Crime, the UK’s Economic and Social Research Council, and the nonprofit Nesta are providing funding and support for Project Oracle. London Metropolitan University contributed researchers, and The Social Innovation Partnership, a social sector enterprise, is providing ongoing support to the cross-sector partnership, alongside other agencies, that provide intensive evaluation training and services. In less than a year of full operation, 120 youth agencies have already either completed a self-assessment to determine the strength of their current evidence base (the Project Oracle Standards of Evidence) or been trained in strategies for determining whether their projects are achieving their intended positive outcomes for young people. Fifty-four agencies entered their current and completed evaluations in an “evidence competition” to gain recognition for their work by experts in

*“Forward-thinking city leaders and funders understand the price of evaluation is cheap compared to the ongoing expense of investing in programs that don’t deliver their promised results.”*

social research methods, and 10 winners were selected based on the rigor and effectiveness of their evaluation approach.

The project also functions as a bridge between research and practice, having so far placed 29 undergraduate and postgraduate researchers with youth organizations to work

on their evaluation plans, tools, and techniques. To date 17 leaders of government agencies have been trained by research experts to be “evidence champions.” “We want them to adopt a theory of change and link that to the evidence base,” says Bediako. But it is not as simple as just asking them to fund evidence-based programs. “You need to think about whether the evidence-based programs are right for your target population.” Adding to the challenge is the political inertia that tends to support the status quo in government. But Bediako is hopeful. With close to 10 agencies in London already trying this approach in contracting with service providers, he believes, “We are beginning to gain traction.”

Meanwhile, the project is taking a dose of its own medicine, undergoing its own evaluation to determine if it is achieving its desired results. The leaders of Project Oracle expect it will be several years before there is clear evidence of its impact, but they are excited about the progress they’ve made in their first year.

Building and maintaining Project Oracle’s children and youth evidence hub will require ongoing investment, as was the case with New York CEO’s evaluation function. While it may be difficult to justify these types of costs, especially during a time of fiscal austerity, forward-thinking city leaders and funders understand the price of evaluation is cheap compared to the ongoing expense of investing in programs that don’t deliver their promised results.