

# SSIR

## on effectiveness

### **WHY MEASURE**

Nonprofits Use Metrics to Show that they are Efficient. But What if Donors Don't Care?

*by Katie Cunningham & Marc Ricks, PAGE 1*

### **THROWING GOOD MONEY AFTER BAD**

A Common Error Misleads Foundations and Policymakers

*by Judith M. Gueron, PAGE 9*

### **WHAT WE REALLY NEED**

Eight Reforms to Make Nonprofits More Accountable and Effective

*by Jan Masaoka & Jeanne Bell Peters, PAGE 12*

### **RETHINKING SELF-ESTEEM**

Why Nonprofits Should Stop Pushing Self-Esteem and Start Endorsing Self-Control

*by Roy Baumeister, PAGE 14*

### **THE EFFECTIVENESS TRAP**

Funders, Government Agencies, and Donors Get Lost in the Labyrinth

*by Jan Masaoka, PAGE 22*



# Welcome

## **STANFORD SOCIAL INNOVATION REVIEW**

The Stanford Social Innovation Review is delighted to present this collection of articles on philanthropy. The Stanford Social Innovation Review provides strategies, tools and ideas for nonprofits, foundations and socially responsible businesses. Each issue includes provocative management insights, research news, case studies and opinion by leading experts. You can subscribe at [www.ssireview.com](http://www.ssireview.com).

## **CENTER FOR SOCIAL INNOVATION**

Stanford Graduate School of Business created the Center for Social Innovation in 2000 to prepare leaders to address increasingly complex social problems. The Center builds and strengthens the capacity of individuals and organizations to develop innovative solutions to social problems for a more just, healthy and sustainable world. The Center takes the approach that dissolving boundaries is critical to social innovation. The Center facilitates and advances the exchange of ideas and values across sectors, across disciplines and through bridging theory and practice.

The Center's core activities – research, teaching, and community engagement – focus on social innovation in areas such as education, environment, community development, arts and international development.

*The Center's other programs include:*

### **ALUMNI CONSULTING TEAM (ACT)**

Provides pro bono consulting services for nonprofit and government agencies.

### **EXECUTIVE EDUCATION**

Strengthens the capacity of community leaders to impact social change.

### **PUBLIC MANAGEMENT PROGRAM (PMP)**

Prepares MBA students through academics, experiential learning, and career support to create social and environmental value.

### **STANFORD EDUCATIONAL LEADERSHIP INSTITUTE (SELI)**

A partnership with the Stanford University School of Education that strengthens the capacity of K-12 educational leaders to create high performing schools.

### **STANFORD PROJECT ON THE EVOLUTION OF NONPROFITS**

A comprehensive study of the Bay Area nonprofit sector

For more information: [www.gsb.stanford.edu/csi](http://www.gsb.stanford.edu/csi)