

April 23, 2014



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Dear Friends and Colleagues,

MotorCities National Heritage Area Partnership is pleased to present the enclosed *Evaluation Summary Report*. The report is a result of the vision of the Board of Directors to present citizens, funders, legislators, and other stakeholders with an independent, third-party assessment of the work and activities of the partnership over its history.

The evaluation was conducted by the University of Michigan Dearborn's Institute for Local Area Government (UMD-ILAG). The evaluation methodology expands on standards provided by the National Park Service. It represents a robust collection of data and rigorous analysis of targeted, measurable outcomes from surveys and interviews conducted over a year of time.

The report finds that the MotorCities National Heritage Area has achieved the proposed accomplishments envisioned in the authorizing legislation and subsequent General Management Plan, which set forth the framework and direction for the coordinating entity. Successes include:

- MotorCities National Heritage Area (MCNHA) has clearly helped to preserve the historical, cultural and recreational resources related to the region's auto and labor history.
- MCNHA has enhanced the region's economic vitality through heritage tourism investments.
- MCNHA has increased the organizational capacity of grantees and partner organizations.
- MCNHA has increased preservation, interpretation and promotion of the region's auto and labor heritage including preservation for future generations.
- MCNHA has had considerable success in building and strengthening partnerships and leveraging resources among auto and labor heritage organizations. This bodes great promise for the ongoing sustainability of the heritage area.

MotorCities National Heritage Area unifies disparate communities and activities which would have previously had no connection aside from the shared auto/labor heritage theme. In doing so, it has been able to create a regional approach to promoting automotive and labor heritage and culture. This has been a key purpose of the organization and it is doubtful this would occur without the presence of the coordinating entity. Without this network and the strategic alignment of resources it provides, the region's auto and labor heritage would be at great risk.

Beyond the results included in the evaluation, the organization strongly believes that it has positioned itself as a leader and strategist in the more broad approach to automotive heritage promotion; auto-heritage tourism as a major sub-sect of state tourism; and planning for major auto heritage activities, events and milestones. Community and industry leaders look to the MotorCities National Heritage Area as a resource when planning and have incorporated many successful strategies because of the influence of the Partnership.

I encourage you to examine the report and to contact me with any questions or comments.

Sincerely,

A handwritten signature in black ink that reads "Shawn Pomaville".

SHAWN POMAVILLE
Managing Director



INSTITUTE FOR
LOCAL GOVERNMENT

MotorCities National Heritage Area
Evaluation

Evaluation Summary Report

September 30, 2013

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Executive Summary

Overview

From September 2012 to May 2013 a research team from the University of Michigan-Dearborn's Institute for Local Government (IFLG) provided research and analysis services to MotorCities National Heritage Area to help it produce a case for support and an evaluation of program services. Phase I focused on producing a draft case for support. Phase II focused on evaluating MCNHA's impact on the needs that its activities were meant to address. Specifically, we wanted to assess the extent to which MCNHA accomplished the outcomes identified in its program logic models. The findings of this evaluation could be used for organizational planning and incorporation into the case for support.

This report summarizes the broad findings from the evaluation and discusses their implications with detailed findings found in the Evaluation Summary Report delivered to MCNHA in September, 2013. Data gathered from our review of organizational records in Phase I is incorporated with survey and interview results—the two data collection methods used in Phase II. Survey, interview, and outcome results and methodology are reported in detail in separate reports delivered to MCNHA in June, 2013. This report reorganizes those results into the framework of the three questions posed in the national evaluation model presented for National Heritage Areas.

Evaluation Methodology

Phase I focused on producing a draft case for support. Work included assessing data available for a case for support, compiling and analyzing the data, assembling that data into a draft case, identifying additional data needed to produce a final case for support, and developing programmatic logic models.

From these logic models, we compiled a list of 60 outcomes; we targeted 27 outcomes that we would attempt to measure. The Outcomes Summary report delivered to MCNHA in June, 2013 identifies these outcomes and reasons for excluding the other 33. To the list of 27 program-specific outcomes derived logic models, we added 2 outcomes that reflected broader impacts than those detailed in specific program logic models.

In Phase II, we sought to measure the 29 outcomes by surveying 32 organizations that received grants from MCNHA from 2002-2012¹ and interviewing 15 representatives from 14 resource providers or partner organizations. When surveys and interviews are both considered, we collected evaluation data from two-thirds of all organizations that received grants from MCNHA, were still operating, and for which we had valid contact information. Of the 29 outcomes we set out to measure, we were able to draw conclusions for 22.

Although neither of our phases were designed to comply precisely with the National Park Service's evaluation model for National Heritage Areas, we used the findings from our research to answer three key questions that the national evaluation model is designed to answer.² Those three questions are as follows:

¹ The 32 survey respondents represent 60% of all organizations that received MCNHA grants, less those no longer operating, those with invalid contact information, and those included in interviews.

² Although we did not replicate the national model, our evaluation approach enabled us to answer some more specific questions in more depth than would have been possible through the national model.

- “1. Based on its authorizing legislation and General Management Plan, has the Heritage Area achieved its proposed accomplishments?
2. What have been the impacts of investments made by Federal, State, Tribal and local government and private entities?
3. How do the Heritage Area’s management structure, partnership relationships and current funding contribute to its sustainability?”³

Question 1: Based on its authorizing legislation and General Management Plan, has the Heritage Area achieved its proposed accomplishments?

The accomplishments identified in MCNHA’s authorizing legislation and General Management Plan fall into three categories—overall goals, specific activities, and approach (Table E1).

Table E1. Accomplishments Envisioned for MCNHA

Category	Anticipated Accomplishment
Overall Goals	<ul style="list-style-type: none"> • Historical, cultural, natural, and recreational resources related to the region’s automotive and labor heritage are preserved/conserved • Public awareness of, and appreciation for, these resources increased. • The economic viability of the region’s communities improved. • A regional identity (i.e. “brand”) for the Heritage Area was created.
Specific Activities	<ul style="list-style-type: none"> • MCNHA helped ... <ul style="list-style-type: none"> • Restore historic buildings • Establish and maintain interpretive exhibits • Develop recreational opportunities • Install clear, consistent, and environmentally appropriate signs at sites of interest and access points
Approach	<ul style="list-style-type: none"> • MCNHA served as a catalyst by initiating activities, projects, or partnerships related to automotive and labor preservation and promotion. • MCNHA created connections among the region’s organizations and sites that are involved in automotive and labor heritage preservation and promotion.

³ Jain and Rog, 2012, p. 1.

MCNHA has achieved the greatest success in accomplishing goals related to its approach to heritage preservation and promotion.

- *MCNHA has increased the number and frequency of collaborations among organizations involved in auto and labor heritage preservation and much of that collaboration would not have occurred without MCNHA.* MCNHA has enabled grantees and partner organizations to collaborate with MCNHA and 3rd parties (for grant-funded projects and beyond) in ways that would not have been likely to occur without MCNHA's involvement. The overwhelming majority of grantees and partners collaborated with MCNHA and/or 3rd parties to which MCNHA connected them subsequent to the initial MCNHA-supported project. Most respondents also indicated that they were likely to collaborate with MCNHA in the future. Brokering relationships among disparate organizations was identified as a primary role of MCNHA by a large proportion of grantees and partners.
- *MCNHA has increased the organizational capacity of grantees and partner organizations.* Almost every grantee identified at least one aspect of organizational capacity that MCNHA helped improve. Many identified more than one. The biggest impact has been on improving promotional/marketing capacity of grantees. The capacity to collaborate, plan for projects/events, and fundraise have also improved for a significant share of MCNHA's grantees. Collaboration capacity improved "quite a bit" for almost 1/3 of grantees and at least a little bit for 69%. Project/Event planning and fundraising were the other dimensions of organizational capacity for which MCNHA had a noticeably high impact, improving capacity quite a bit for 28% and 22%, respectively. For both dimensions, the majority of grantees (56%) indicated that MCNHA helped improve their capacity at least a little bit.

Capacity improvements were more common among smaller grantees and grantees who received their first grant during the first five years of MCNHA's grant program. MCNHA's partner organizations, which tend to be larger than most of MCNHA's grantees, were less likely to say that MCNHA improved on-going capacity, but even several of these organizations said MCNHA improved on-going ability to plan, finance, or manage operations in significant ways.

Many grantees also indicated that the projects funded by MCNHA helped improve financial sustainability of the organization. The majority (51%) of the respondents said the MCNHA-supported project somewhat (38%) or significantly (13%) improved financial stability.

MCNHA has achieved considerable success in accomplishing goals related to specific activities.

- *MCNHA has helped preserve / restore significant auto and labor heritage sites.* It has been a primary partner in ensuring the restoration of the birthplace of the Model T, the Ford Piquette Plant. In total, it has contributed about \$400,000 to the restoration or preservation of buildings of historic significance, such as the Ford Piquette Plant, the Fisher Mansion, Meadowbrook Hall, Ford's Milford Village power house, Miller Motors Hudson Automobile dealership, the Durant-Dort office building, Haven Hill, and the Detroit Interurban Railway station.
- *MCNHA has helped establish and maintain 25 exhibits to interpret the region's auto and labor heritage.* The approximately \$305,000 provided to grantees has produced displays covering a range of auto and labor topics, such as Detroit's role as the Arsenal of Democracy, the interaction of the automobile and popular culture, and the effect of the automobile on

technology. Most of these exhibits have been installed at large cultural institutions, such as the Detroit Science Center, Detroit Public Library, Detroit Historical Museum, or the Detroit Institute of Arts. But more localized partners, such as the Plymouth Historical Society and the Gilmore Car Museum have also benefitted from MCNHA's efforts to establish and maintain interpretive exhibits.

- *MCNHA has aided installation of 120 Wayside signs. 68 more are awaiting installation, and 60 more are in design with the total number of 248 expected at the close of the program on September, 30, 2014.*
- *MCNHA has developed recreational opportunities with partners throughout the region.* MCNHA's recreational focus has been helping develop, promote, and implement events, tours, and museum exhibits that provide venues for people residing in or visiting the region to spend their recreational time. Data cited later on MCNHA's work in tourism, along with the previously cited data on interpretive exhibits demonstrate that MCNHA has allocated significant resources to, and successfully facilitated, recreational opportunities.

MCNHA has made important progress towards its overall goals, though measuring progress on these goals precisely is challenging.

- *MCNHA has clearly helped to preserve the region's historical, cultural, and recreational resources related to the region's auto and labor history.* MCNHA has helped ensure that 100s of heritage preservation and promotion projects in the region were successful. Almost 60% of MCNHA grantees view MCNHA as highly effective in achieving this broad goal. Smaller grantees (65% rated MCNHA as highly effective) and grantees that received funding in the first half of MCNHA's grantmaking years (70% rated MCNHA as highly effective) rate MCNHA's effectiveness more highly than larger and later grantees.
- *MCNHA has provided more than \$1.8 million to support tourism-related projects that help enhance the region's economic viability.* These tourism investments have helped preserve existing tourist sites, restore historic buildings to create new tourist attractions, develop museum exhibits, create tours of heritage sites with historic significance, and collectively market auto-related events inside and outside of the region.

MCNHA has experienced challenges realizing some of its proposed accomplishments.

- *MCNHA's success in establishing an identity/brand for the region has been limited.* Grantees, partners, and staff agree that MCNHA has done a lot to promote the region's auto and labor heritage; however, they perceive that MCNHA needs to do more to create a unified vision for heritage-related activities or publicize the region as a national heritage area. Staff members concurred that branding has been one of MCNHA's lower priorities. Personal observation of auto and labor heritage-related events, sites, and news coverage reveals no clear brand identity and inconsistent references to the heritage area or MotorCities NHA as a supporter/partner. Various factors likely contribute to this outcome.
- *Impact on public cannot be assessed adequately.* Resource limitations and methodological challenges prevent an accurate assessment of MCNHA's impact on the public. While the

methodological challenges are largely beyond MCNHA's control, complicated by the fact that few of the organizations with which MCNHA partners collect and report data related to public impact has played a role.

- *Implementation of the wayside signage program has proceeded slower than planned.* The project required several extensions due to the complicated nature of building consensus among the community stakeholders and several MCNHA management changes. The pace of installation has increased recently, but the fact that after six years of funding, only half of the signs have been installed has raised concerns about final project delivery.

Question 2: What have been the impacts of investments made by Federal, State, Tribal and local government and private entities?

Answering this question requires identifying the activities to which MCNHA has allocated its financial and non-financial resources and the outcomes that have resulted from those activities.

- **Investments:**
 - MCNHA has invested its most significant non-financial resource, its personnel, in grants management, developing long-term collaborations, and marketing the heritage area and its resources.
 - From FY00-FY11, 69% of all MCNHA expenses, excluding those related to in-kind contributions, were program-related. Twenty-nine percent (29%) were for management and general operating costs, and two percent (2%) were fundraising.
 - Salaries, wages, and benefits of MCNHA staff and management accounted for slightly more than one-fifth (21%) of program-related expenses. Thirty percent (30%) were incurred for personnel and materials costs of securing expert assistance for heritage preservation and promotion projects controlled by MCNHA or managed in partnership with other heritage organizations throughout the region. Another 8% of expenses were tied to printing and promotional expenses. The remaining 30% of costs were for "other" expenses, ranging from office supplies to development activities.
 - From FY00-FY12, MCNHA awarded \$1,000,148 directly to organizations involved in auto and labor heritage preservation and promotion through MCNHA's grant program. Another \$536,395 were provided directly to organizations through partnership projects. In total, MCNHA provided more than \$1.5 million directly to other heritage-related organizations or their projects.
 - Twenty-five percent (25%) of awards were focused exclusively on tourism, and another 37% had multiple purposes (mostly tourism and education), of which tourism was one. In total, about 62% of MCNHA's spending through grants and partnerships had a tourism-related purpose. Twenty-five to twenty-six percent (25-26%) had preservation as a focus.

- **Outcomes:**

- *Impact on organizational capacity.* *MCNHA has increased the organizational capacity of grantees and partner organizations.* Almost every grantee identified at least one aspect of organizational capacity that MCNHA helped improve. Many identified more than one. The biggest impact has been on improving the promotional/marketing capacity of grantees. The capacity to collaborate, plan for projects/events, and fundraise have also improved for a significant share of MCNHA's grantees.
- *Impact on organizational collaboration.* *MCNHA has increased the number and frequency of collaborations among organizations involved in auto and labor heritage preservation and promotion and much of that collaboration would not have occurred without MCNHA.* The majority of respondents said that MCNHA improved their capacity to collaborate, and the data show that this capacity change has resulted in increased collaboration. MCNHA has enabled grantees and partner organizations to collaborate with MCNHA and 3rd parties (for grant-funded projects and beyond) in ways that would not have been likely to occur without MCNHA's involvement. The overwhelming majority of grantees and partners collaborated with MCNHA and/or 3rd parties to which MCNHA connected them subsequent to the initial MCNHA-supported project. Most respondents are also likely to collaborate with MCNHA in the future. Brokering relationships among disparate organizations was identified as a primary role of MCNHA by a large proportion of grantees and partners. These collaboration effects were consistent over time and evident across organizations of all sizes.
- *Impact on Projects.* *MCNHA has had a major impact on the success of many projects with which it has been involved.* The majority of grantees feels that MCNHA's involvement—financial and non-financial—was extremely important to project success and that they could not have completed the project without MCNHA's grant. Smaller grantees and those that received grants earlier in the grant period were somewhat more favorable in their assessment of MCNHA's impact than larger and more recent grantees.
- *Impact on Auto & Labor Heritage Preservation & Promotion.* *Based on grantees assessments, MCNHA has increased preservation and promotion of the region's auto and labor heritage, and this has included preservation of historic automotive artifacts for future generations.* Smaller grantees and grantees that received grants in the first half of MCNHA's grant period give MCNHA higher marks for success than larger and later grantees, but positive assessments cut across all grantee types and time periods.

Question 3: How do the Heritage Area’s management structure, partnership relationships and current funding contribute to its sustainability?

The NPS working group defined sustainability as “the NHA coordinating entity’s continuing ability to work collaboratively and reciprocally with federal, state, community, and private partners through changing circumstances to meet its mission for resource conservation and stewardship, interpretation, education, recreation, and economic development of nationally significant resources.”⁴

- ***MCNHA has had considerable success in building and strengthening partnerships among auto and labor heritage organizations, and these partnerships offer great promise for the on-going sustainability of heritage preservation and promotion efforts.*** The funding provided by NPS has been an essential tool for building those relationships, supporting MCNHA’s operations, and assisting specific projects that are likely to be sustained for many years. See previously reported findings for further detail.
- ***MCNHA has leveraged a large amount of investment in projects it has supported.*** When in-kind resources are included, NPS funding accounted for 44% of MCNHA’s total revenue, which means that MCNHA met the requirement established in Public Law 105–355 that federal National Heritage Area funding account for no more than 50% of the total cost of activities carried out under the program.

Match ratios for individual projects funded by NPS, via MCNHA grants to third parties are even higher. MCNHA’s grant programs originally required a match of \$1 for every \$1 of NPS funds awarded. In 2010, MCNHA altered its grant program to include challenge grants that require a match ratio of \$4 for every \$1 of NPS funding. More than 30% of its grant funds have been awarded through the challenge grant program.

- ***MCNHA attracted significant financial investment from private sources in its early years, but has been unsuccessful in securing sufficient financial resources to ensure its long-term financial sustainability if the NPS funding ceased.*** Many factors have led to this outcome. The recession, which hit the automotive companies and labor unions—former and potential supporters of MCNHA—especially hard, is a significant factor. Yet program revenue, a growing source of revenue for many nonprofits, has also declined over the last several years. Regardless of the reason for the reliance on NPS funding it is apparent that if NPS funding were to discontinue, much of MCNHA’s activities would likely come to a halt.

Implications

The evaluation shows that MCNHA has experienced many successes in its efforts to preserve and promote the region’s automotive and labor heritage, and much work remains. MCNHA has aided the preservation and promotion of many historically significant sites, exhibits and educational projects to enhance awareness of those sites and related events, and aided the coordination and promotion of major regional events related to auto heritage. Yet many sites and artifacts are still at risk, and there is an on-going need to link existing sites and events together.

⁴ Ibid.

MCNHA has contributed significantly to building a network of organizations—large and small—that engage in activities related to heritage preservation and promotion. Without that network, the region’s auto and labor heritage would be at great risk. That network needs continuing attention to ensure its on-going stability. There is still a need for an organization for whose primary focus is strengthening this network. Much has been accomplished, but there is still much to be done, and there is a genuine need for an organization like MCNHA to help ensure that it gets done.

Given the fragility of future NPS funding, it is apparent that MCNHA is unlikely to be successful in the future without modifying how it operates. Securing additional, reliable sources of funding must be a primary focus. Developing a clear strategic vision for the heritage area and MCNHA’s role in preserving and promoting auto and labor heritage may aid those fundraising efforts. Refinements to MCNHA’s programming may be necessary to maximize MCNHA’s capacity to pursue the vision effectively. The evaluation does not provide answers to how to accomplish these objectives, but it highlights their importance and it points to some questions to consider when developing an approach.

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Overview

From September 2012 to May 2013 a research team from the University of Michigan-Dearborn's Institute for Local Government (IFLG) provided research and analysis services to MotorCities National Heritage Area to help it produce a case for support and an evaluation of program services. Phase I focused on producing a draft case for support. Phase II focused on evaluating MCNHA's impact on the needs that its activities were meant to address. Specifically, we wanted to assess the extent to which MCNHA accomplished the outcomes identified in its program logic models. The findings of this evaluation could be used for organizational planning and incorporation into the case for support.

This report summarizes the broad findings from the evaluation and discusses their implications. Data gathered from our review of organizational records in Phase I is incorporated with survey and interview results—the two data collection methods used in Phase II. Survey, interview, and outcome results and methodology are reported in detail in separate reports delivered to MCNHA in June, 2013. This report reorganizes those results into the framework of the three questions posed in the national evaluation model presented for National Heritage Areas.

Evaluation Methodology

Phase I focused on producing a draft case for support. Work included assessing data available for a case for support, compiling and analyzing the data, assembling that data into a draft case, and identifying additional data needed to produce a final case for support. Qualitative program information was combined with quantitative input and output data measuring resources consumed, volume of activities produced, and/or clients-served.

Crafting logic models for all of MCNHA's programs was also an important element of Phase I. For each program, the logic model identified the primary inputs, activities, outputs, and expected outcomes. We assembled the logic models using information obtained from conversations with MCNHA's Director and staff, analyses of MCNHA's financial records, and a thorough review of project files and annual reports.⁵

From these logic models, we compiled a list of 60 outcomes—all short-term, intermediate, and end outcomes expected to occur as a result of all of MCNHA's program activities. After careful consideration, we targeted 27 outcomes that we would attempt to measure. The other 33 were excluded from the assessment because they were a relatively low priority; focused on matters internal to MCNHA; or presented a range of data measurement problems that made them impractical to measure with the time and financial resources available for the project. The Outcomes Summary report delivered to MCNHA in June, 2013 identifies these outcomes and reasons for their exclusion. To the list of 27 program-specific outcomes derived logic models, we added 2 outcomes that reflected broader impacts than those detailed in specific program logic models.

To measure the 29 outcomes, the research team used two primary methods – surveys and interviews. The survey collected data from 32 organizations that received grants from MCNHA from 2002-2012.⁶ We conducted 15 interviews with representatives from 14 resource providers or partner

⁵ Copies of the logic models are available in the outcomes summary report delivered to MCNHA in June, 2013.

⁶ The 32 survey respondents represent 60% of all organizations that received MCNHA grants, less those no longer operating, those with invalid contact information, and those included in interviews.

organizations, organizations whose collaborations with MCNHA went beyond those of a typical grantee. When surveys and interviews are both considered, we collected evaluation data from two-thirds of all organizations that received grants from MCNHA, were still operating, and for which we had valid contact information.⁷ Of the 29 outcomes we set out to measure, we were able to draw conclusions for 22. The outcomes were divided into categories based on target of impact.

Research Limitations

The findings produced through this evaluation significantly advance our understanding of the impact of MCNHA and its programs. They take us beyond simple output measures (e.g. units of service provided or number of clients served) or anecdotal assessments of impact to provide valid, reliable, measures of impact that reflect the full range of MCNHA activities for the entire group of grantees. As such, they serve as valuable tools for drawing conclusions about MCNHA and strategically allocating MCNHA's resources. Yet all research has limitations, and, before using the findings in this manner, it is important to understand the limitations of this research.⁸

Changes in Outcomes vs. MCNHA's Role in those Changes. Many of the findings reported here were derived from an outcomes assessment, an examination of changes in variables that we expect MCNHA to affect through its services. One limitation of outcomes assessments is that they do not directly assess the extent to which the organization or program being examined caused the observed change. For example, an outcomes assessment may enable us to determine that one of MCNHA's grantees was more financially stable after receiving an MCNHA grant, but it will not enable us to determine whether or not the improved financial stability is directly attributable to MCNHA.

We have attempted to overcome this limitation for several outcomes by asking grantees the extent to which MCNHA contributed to the identified changes. This technique, combined with the high level of consensus among respondents for most survey and interview questions gives us a high degree of confidence in our findings. Moreover, it is one of the few approaches available for measuring qualitative variables, such as "credibility of MCNHA." However, some of the findings are not as conclusive as they would be if an experimental or quasi-experimental design were used to directly measure MCNHA's impact. Such an evaluation design was not possible for this study due to a lack of pre-intervention data and/or the cost of assembling and analyzing data for such a study.

Self-Reported Data. The surveys and interviews rely on self-reporting from organizations. In some cases, respondents reported quantitative data. Resource constraints for the project prohibited us from verifying the numbers reported, which raises concerns about validity. Overall, this proved to be an insignificant limitation because response rates on quantitative measures were typically too low to enable us to draw conclusions. Still, the broader concern of not being able to verify self-reported qualitative data is worth considering when interpreting findings. Again, the high-level of consensus among respondents for most questions gives us a high level of confidence in most findings reported.

⁷ Copies of survey questionnaires and interview scripts are provided in the survey and interview summary reports delivered to MCNHA in June, 2013.

⁸ In our outcomes summary report we indicate the level of confidence that we have regarding our conclusions about each outcome. Users can look to that information to help them determine where the limitations identified in this section are most relevant.

Qualitative, Perceptual Data; Lack of a Baseline; and Lack of Benchmarks. Surveys and interviews are highly valid tools for collecting qualitative data, and for some of MCNHA's outcomes, qualitative data are the only data available for measuring the outcomes. For others, such as number of collaborative activities, quantitative measures would be preferable.

For most outcomes, practicality necessitated that we rely on qualitative measures. For example, it would be best to measure the impact of MCNHA assistance on financial stability by examining actual financial data for each organization before and after MCNHA's involvement. However, asking grantees to provide that information through a survey would place a high burden on grantees, greatly diminish the survey response rate, and significantly limit the validity of our overall findings. It would also greatly increase the time required to analyze survey results. Thus, to measure impact on financial stability, we simply asked grantees whether or not the project supported by MCNHA significantly affected the grantee's financial stability. Users of this report should be aware of the limitations of using qualitative measures to assess quantitative phenomena.

The preceding example shows that we often relied upon grantees' perceptions of impact. For grantee-specific variables, such as extent of collaboration or financial stability, this is not a major concern. However, for broader impacts, such as MCNHA's overall effectiveness in promoting and preserving auto and labor heritage, an individual organization's perception may not be accurate. In such cases, we were careful to report aggregate measures for the entire set of responses and base our conclusions on whether or not overwhelming majorities existed for specific responses.

Whether quantitative or qualitative, measures of impact are intended to gauge change—to determine if the value of a specific variable was different after MCNHA became involved with an organization. Ideally, we would have a measure of the variable both before and after MCNHA's intervention. Unfortunately, no pre-intervention, baseline measures were available for the outcomes we measured through this research. Thus, this assessment relies on self-reported perceptions of change. For example, rather than directly measuring indicators of grantees' fundraising capacity before and after interacting with MCNHA, we asked grantees to report whether or not MCNHA's assistance improved their fundraising capacity. Again, the high levels of consensus make us confident that the findings are valid, but such measures are less valid than those that are based on specific before and after measures. An important contribution of this evaluation is that it provides a baseline that MCNHA can use in future evaluations.

Another consideration is that no specific performance standards were established for National Heritage Areas; therefore, we did not have benchmarks to which we could compare the results for MCNHA. So, while the findings tell us a great deal about grantees' perceptions of MCNHA's performance, we cannot compare these results to a pre-established standard.

Impact on the Public and Broad Heritage Preservation and Promotion. The majority of the outcomes that we were unable to measure focus on MCNHA's impact on the public. These include outcomes related to phenomena, such as the public's awareness of MCNHA and the public's appreciation of the region's auto and labor heritage. So, it is important to remember that while we report some limited findings regarding overall impact of MCNHA on heritage preservation and promotion, this research focuses mainly on whether or not MCNHA has served its grantees well and improved the network of organizations engaged in auto and labor heritage promotion and preservation. It does not provide a wide array of broad, direct measures of the impact that grantees' services or the

network of service providers, as a whole, on heritage preservation and promotion. Such measures require resources beyond those available for this research.

Evaluation Exceeds Standards Established by National Park Service's Evaluation Model. The limitations described above are not unique to the present evaluation. In fact, they are recognized in evaluation guidelines set forth in the *National Heritage Area Evaluation Replication Guide*. The MCNHA evaluation was not designed to precisely replicate the national evaluation model. Yet it is consistent with most of the guidelines, and it goes beyond the Replication Guide to respond to MCNHA's specific needs.

The Replication Guide calls for a 3-stage evaluation.⁹ Phase One includes 1-2 months to become familiar with the NHA being evaluated by reviewing organizational documents and talking to key organizational stakeholders. Phase Two calls for data collection from organizational documents, site visit interviews, and existing financial audits and reports. Phase Three entails completing the data analyses and writing the report. The three phases are expected to be completed in 4-6 months and answer the three following questions:

- “1. Based on its authorizing legislation and General Management Plan, has the Heritage Area achieved its proposed accomplishments?
2. What have been the impacts of investments made by Federal, State, Tribal and local government and private entities?
3. How do the Heritage Area's management structure, partnership relationships and current funding contribute to its sustainability?”¹⁰

The evaluation described in this and prior reports utilized many of the same data sources identified in the national guidelines, but entailed more intensive data collection and analysis over a longer period of time within a more formalized evaluation framework to enable a richer analysis with greater validity and reliability findings than those that can be produced through the model outlined in the Evaluation Replication Guide.¹¹ The evaluation described in the Guide relies almost entirely on existing financial reports and annual reports for assessing impact of investments. It calls for interviews to gather additional data, but provides a very short timeline for such interviews, and does not provide a rigorous means of compiling and analyzing the data obtained through those interviews so that the impact of the NHA coordinating entity can be evaluated effectively. Nor does it include a survey, such as the one we conducted, for collecting information from a broader set of stakeholders. Finally, the surveys and interviews conducted for this evaluation include questions that provide a much richer understanding of MCNHA's impact on the network of organizations involved in heritage activities than is possible through the national evaluation model.

⁹ Jain, R. and Rog, D. 2012. *National Heritage Area Evaluation Replication Guide*. Roseville, MD: Westat., p. 3.

¹⁰ Jain and Rog, 2012, p. 1.

¹¹ This comparison to the national evaluation model is not meant as a criticism of that model. Our ability to go beyond the national evaluation model results primarily from the extended time frame that we had available to work with MCNHA on the evaluation, the fact that we were focusing on only one national heritage area, and our geographic proximity to MCNHA and its grantees.

Findings

In this section of the report, we present the findings from our research to help answer the three questions posed in the national evaluation model.

Question 1: Based on its authorizing legislation and General Management Plan, has the Heritage Area achieved its proposed accomplishments?

Answering this question entails discussing the nature of MCNHA's activities, how those activities are implemented, and what the impact of those activities have been. MCNHA's authorizing legislation and General Management Plan provide a basis for identifying MCNHA's key activities, MCHNA's approach to implementing those activities, and the goals of those activities. The evaluation helped refine our understanding of all three and assess the extent to which the goals were achieved.

We found that MCNHA has achieved many of its proposed accomplishments. It has experienced the greatest success in accomplishing goals related to its approach to heritage preservation and promotion (i.e. serving as a catalyst and coordinator for projects implemented by partnerships of heritage-related organizations). It has also experienced considerable success in accomplishing goals related to specific activities (e.g. preserving historic sites). Its success in accomplishing its overall goals (e.g. enhancing awareness and appreciation of auto/labor heritage among the public, improving economic vitality, creating a regional brand, etc.) has been more limited or difficult to determine.

Public Law 105-355 (1998) created the Automotive National Heritage Area of Michigan, also known as the MotorCities National Heritage Area (MCNHA), and stated its purpose was to "conserve, interpret, and develop the historical, cultural, natural, and recreational resources related to the industrial and cultural heritage of the Automobile National Heritage Area" (p. 3248). Furthermore, MCNHA was to increase "public awareness of and appreciation for the natural, historical, and cultural resources of the Heritage Area" (p. 3250) and encourage "economic viability of the affected communities" (p. 3251). Although the Act allowed MCNHA to determine the specific activities that it would use to accomplish these goals, it required MCNHA to prioritize the following:

- "establishing and maintaining interpretive exhibits"
- "developing recreational opportunities"
- "restoration of historic buildings ... related to the them of the Heritage Area"
- "ensuring that clear, consistent, and environmentally appropriate signs identifying access points and sites of interest are put in place throughout the Heritage Area" (P.L. 105-355, 1998, p. 3250).¹²

The Act clarified that MCNHA was not to take sole responsibility for these goals and activities. Rather, it was to pursue these by "foster[ing] a close working relationship with all levels of government,

¹² Section 106, b. of the Act also identified increasing public awareness, encouraging economic viability, and conserving natural and cultural resources as priorities. Increasing public awareness and encouraging economic viability read more as goals than activities, so we listed them as part of MCNHA's purpose in the preceding paragraph. Conserving resources is covered in the overall purpose specified in Section 102 and quoted in the preceding paragraph.

the private sector, and the local communities in Michigan and empower[ing] communities in Michigan to conserve their automotive heritage while strengthening future economic opportunities.”

The MCNHA General Management Plan reiterated these key elements of the Act and identified education, revitalization, and tourism as “key mission goals” (MotorCities National Heritage Area, 2001, p. 16). The plan focused on the organizational structure that would guide MCNHA’s activities and link MCNHA to the broad network of organizations pursuing Heritage Area preservation and promotion. The plan emphasized MCNHA’s role as that of a *catalyst* for action by partner organizations already engaged in auto and labor heritage preservation and promotion. MCNHA would focus on creating “regional linkages, inter-connecting widely scattered sites that are a part of a common regional history. These linkages will include...programmatic linkages that will encourage cooperation among many communities and institutions” (p. 14). One goal that the plan added was to create a “unique and memorable” identity or “brand” for the Heritage Area that would change residents’ and visitors’ perceptions of the quality and character of the area. (p. 12)

In summary, the accomplishments identified in MCNHA’s authorizing legislation and General Management Plan fall into three categories—overall goals, specific activities, and approach (Table 1).

Table 1. Accomplishments Envisioned for MCNHA

Category	Anticipated Accomplishment
Overall Goals	<ul style="list-style-type: none"> • Historical, cultural, natural, and recreational resources related to the region’s automotive and labor heritage are preserved/conserved • Public awareness of, and appreciation for, these resources increased. • The economic viability of the region’s communities improved. • A regional identity (i.e. “brand”) for the Heritage Area was created.
Specific Activities	<ul style="list-style-type: none"> • MCNHA helped ... <ul style="list-style-type: none"> • Restore historic buildings • Establish and maintain interpretive exhibits • Develop recreational opportunities • Install clear, consistent, and environmentally appropriate signs at sites of interest and access points
Approach	<ul style="list-style-type: none"> • MCNHA served as a catalyst by initiating activities, projects, or partnerships related to automotive and labor preservation and promotion. • MCNHA created connections among the region’s organizations and sites that are involved in automotive and labor heritage preservation and promotion.

Overall Goals

Impact on Auto & Labor Heritage Preservation and Promotion. The number and type of projects supported by MCNHA (see “Impact on Projects” in the “Specific Activities” section) demonstrate that **MCNHA has clearly helped to preserve the region’s historical, cultural, and recreational resources related to the region’s auto and labor history.** Organizations that have worked with MCNHA assess its effectiveness in achieving the broad goal of preserving and promoting the region’s auto and labor heritage positively. They perceive MCNHA as being at least somewhat effective in pursuing this broad goal, though they also see room for improvement, which is hampered by various factors, most of which are beyond MCNHA’s control.

MCNHA’s traditional grantees have a more favorable perception of MCNHA’s overall effectiveness than do its partners and resource providers. Almost 60% of MCNHA grantees view MCNHA as highly effective in achieving this broad goal. Smaller grantees (65% rated MCNHA as highly effective) and grantees that received funding in the first half of MCNHA’s grantmaking years (70% rated MCNHA as highly effective) also rate MCNHA’s effectiveness more highly than larger and later grantees. Though not an overwhelming majority, MCNHA has still made a significant impact given complicated nature of effectively preserving and promoting automotive and labor heritage. MCNHA’s primary focus has lied in coordination and cooperative projects less visible to the public, and therefore MCNHA cannot solely be responsible for this overall goal.

Impact on the Public. The evaluation agreement between IFLG and MCNHA did not include collection of data for outcomes related to the impact of MCNHA’s activities on the public. This was driven by cost and methodological difficulties of gathering valid and reliable data for this group of outcomes. We attempted to gather some data regarding the number of people attending / viewing exhibits, participating in events, etc.; however, the data provided by respondents were insufficient (low # of respondents and low validity/reliability of data) to draw conclusions.

Impact on Economic Viability of Region. The evaluation agreement between IFLG and MCNHA did not include collection of data for outcomes related to the impact of MCNHA’s activities on the region’s economic viability. This was driven by cost and methodological difficulties of gathering valid and reliable data for this group of outcomes.

Output data allows us to glean some insights regarding MCNHA activities that might have enhanced economic viability. Analysis of MCNHA grant, partnership, and operational spending data shows that 17% (\$1,819,883) of MCNHA’s expenses were incurred for tourism-related projects.¹³ This included \$384,283 for grants to specific tourism projects and an additional \$1,435,600¹⁴ to educational or preservation projects that also had tourism applications. **MCNHA has helped preserve existing tourist sites, restore historic buildings to create new tourist attractions, develop museum**

¹³ This calculation is based on total expenses reported between 2000 and 2011 because the 2012 990 was not finalized at the time this report was compiled. The project dollars included 2012.

¹⁴ This figure includes \$12,400 to the Passport Program, \$199,000 for signage (Wayside and other), \$321,560 for exhibits, \$492,000 for conferences for auto museum operators, and \$394,000 for preserving historic sites or artifacts.

exhibits, create tours of heritage sites with historic significance, and collectively market auto-related events inside and outside of the region.

Between 2006 and 2011, there was more than \$103 billion in travel spending in Michigan, and a substantial portion of that spending occurred in the MotorCities National Heritage Stewardship Communities.¹⁵ A 2004 Michigan State University study estimated that 26 jobs are supported for every million dollars of tourist spending, and for every \$1.00 in direct tourism sales in Southeast Michigan, another \$.58 in sales is generated through secondary effects.¹⁶ The study also found it difficult to assess MCNHA's precise economic impact since most grantees were unable to provide accurate counts related to their funded projects (p. 4). While we cannot determine precisely how many tourism dollars were spent at venues or activities supported by MCNHA or how much of that spending would have occurred without MCNHA's investments, we can reasonably assume that a portion of the spending that did occur at these venues/activities would not have occurred without MCNHA's support because the venues or activities would not have been available or implemented at the same scale without MCNHA's support.¹⁷

Anecdotal accounts attest to the importance of MCNHA's involvement in specific tourism related activities, such as when it played a central role in securing a new location for the Concours d' Elegance classic car show when promoters threatened to move the show out of state. Major regional partners of MCNHA that engage in tourism-related activities generally characterized MCNHA as a valuable partner, especially for connecting the regional entities, such as the Detroit Metro Convention and Visitors Bureau, with the numerous small auto and labor heritage-related organizations operating across the region.

While we are unable to establish the extent to which MCNHA's tourism activities improved the economic viability of the region, via increased tourism spending, especially from people outside of the region, **the findings confirm that MCNHA is allocating resources to activities that have the potential for economic impact.**

Impact on Regional Identity / Brand. The recognition of the metro Detroit region as the birthplace for the U.S. auto industry and a focal point for the labor movement is common throughout the region and country. There seems little need for MCNHA to allocate resources to reinforce that identity, and it would be quite difficult to assess the marginal effect of MCNHA's actions if it did. Yet moving beyond this basic identity to create a recognizable brand that fosters appreciation and preservation of the region's heritage is a goal that was envisioned when MCNHA was created. Enhancing awareness that the region is an official national heritage area was a related goal.

Whether or not MCNHA has succeeded in these goals is best assessed by measuring public awareness and acceptance of the identity/brand and/or national heritage area. Since we did not gauge

¹⁵ Nicholls, S. (2012). *Michigan tourism: An update*. East Lansing, MI: Department of CARRS & Geography, Michigan State University. Retrieved from: http://tourismplan.anr.msu.edu/docs/Michigan_Tourism.pdf.

¹⁶ Vander-Stoep, G.A., Stynes, D.J., and Sun, Y. 2004. *Visitor awareness and economic impact of MotorCities hub sites: Providing a baseline for Michigan's Automobile National Heritage Area*. Detroit, MI: MotorCities National Heritage Area.

¹⁷ We cannot determine if the tourist dollars spent at MCHNA-supported sites/activities would have been spent at other tourism sites/activities in the region, if the MCNHA-supported sites/activities did not exist.

public awareness of MCNHA, our ability to assess this overall goal is limited to personal observations, discussions with MCNHA staff, and open-ended feedback from MCNHA partners.

Information obtained through those sources suggests that this is the overall goal for which MCNHA's impact has been the most limited. Grantees, partners, and staff agree that MCNHA has done a lot to promote the region's auto and labor heritage; however, several interviewees suggested that MCNHA needed to do more to create a unified vision for heritage-related activities or do more to publicize the region as a national heritage area. Staff members concurred that branding has been one of MCNHA's lower priorities. Personal observation of auto and labor heritage-related events, sites, and news coverage reveals no clear brand identity and inconsistent references to the heritage area or MotorCities NHA as a supporter/partner.

Promotion of MCNHA has not been ignored. 78% of grantees directly publicize MCNHA or the Automotive National Heritage Area at their site or in their promotional materials, and MCNHA has been a key partner in implementing *Autopalooza*, an umbrella marketing strategy for auto-related heritage events held throughout the region during the summer. However, these efforts have been insufficient for creating a shared identity or brand as originally envisioned in the management plan.

To some extent, efforts to create a shared identity/brand are likely inhibited by the presence of the auto industry and labor unions as on-going enterprises that are continually adopting new marketing strategies and evolving as institutions, rather than simply historical entities, the memories of which are ripe for reflection. Furthermore, the intertwining of the various auto and labor heritage sites and events with an active, diverse, and geographically spread metropolitan area with multiple entry and exit points inhibits the ability to easily mark the geographic boundaries of the heritage area compared to heritage areas that are marked by natural, physical, readily identifiable features.

Specific Activities

Restoring Historic Buildings & Artifacts. MCNHA has contributed to the restoration or preservation of many buildings of historic significance to the nation's auto and labor heritage. Most notable among these is the restoration of the Ford Piquette Plant, the original manufacturing facility for the Model T and the site of Henry Ford's initial experimentation with the moving assembly line. Since 2000, partnering with T-Plex, the nonprofit owner of the site, MCNHA has been a critical partner in the plant's restoration and conversion into a tourist site. MCNHA helped secure registration of the site on the National Register of Historic Places and provided grant funding for façade restorations, roof repairs, fire safety upgrades, a visitor orientation theater, orientation video, and an economic development plan for the complex. MCNHA has continued its involvement with Piquette in an effort to use the site as a catalyst for spillover investment in the surrounding area, Milwaukee Junction, which was the center of the emerging automobile industry at the turn of the century. To date, MCNHA has provided more than \$300,000 in direct financial assistance to support the Piquette restoration and spillover development, which stakeholders involved in the project identified as critical. Stakeholders also said that the direct involvement of MCNHA personnel in the project has been essential to the project's continued evolution. They are doubtful that the project could have been completed without MCNHA.

MCNHA has played important roles in efforts to restore or preserve several other historic sites. Notable among these are the Fisher Mansion, Meadow Brook Hall, Ford's Milford Village power house,

Miller Motors Hudson Automobile dealership, the Durant-Dort office building, Haven Hill, and the Detroit Interurban Railway station. Though its involvement in these projects has been less extensive and formative than evident in the Piquette Plant restoration, MCNHA has provided approximately \$100,000 to fund critical repair or restoration components of these projects, as well as non-financial assistance to help project sponsors connect with other resources.

In addition to restoring historic buildings, MCNHA has also worked with museums and other heritage partners to help restore historic vehicles that help tell the story of the region's auto heritage and to expand museum space to house additional auto and labor artifacts and exhibits.

Establishing and maintaining interpretive exhibits. MCNHA has worked with a variety of partners to aid the creation of 25 different interpretive exhibits. The approximately \$305,000 provided to grantees has produced displays covering a range of auto and labor topics, such as Detroit's role as the Arsenal of Democracy, the interaction of the automobile and popular culture, and the effect of the automobile on technology. Most of these exhibits have been installed at large cultural institutions, such as the Detroit Science Center, Detroit Public Library, Detroit Historical Museum, or the Detroit Institute of Arts. But more localized partners, such as the Plymouth Historical Society and the Gilmore Car Museum have also benefitted from MCNHA's efforts to establish and maintain interpretive exhibits.

Developing recreational opportunities. Because the significance of the Automobile National Heritage Area is economic and cultural, activities that focused exclusively on physical recreational opportunities have had a lower priority for MCNHA than for coordinating entities that operate in NHAs that focus on natural resources. MCNHA's recreational focus has been helping develop, promote, and implement events, tours, and museum exhibits that provide venues for people residing in or visiting the region to spend their recreational time. Previously cited data on MCNHA's work in enhancing auto and labor-related tourism and creating interpretive exhibits demonstrates that **MCNHA has allocated significant resources to, and successfully facilitated, development of recreational opportunities.**

Installing clear, consistent, and environmentally appropriate signs at sites of interest and access points. The Wayside Exhibit partnership is MCNHA's primary initiative for accomplishing this goal. The program entails partnering with local communities to install a series of signs in strategic places where people walk and gather— parks, greenways and walkways, downtown commercial areas, etc. The signs serve as interpretative exhibits that tell stories about each community and its unique contributions to Michigan's automotive heritage, creating a regional network of local exhibits.

MCNHA has provided continual oversight of the program and worked closely with the Stewardship Communities to execute all processes related to the signage. It hosted Wayside exhibit workshops as early as 2003, but the partnership to install signage broadened significantly in 2007 with funding from the Michigan Department of Transportation covering 80% of the sign fabrication and design, and the remaining 20% generated through a community match plus any funds required for collateral interpretation (brochures, promotions and web site). The goal for the Wayside Exhibit partnership is to create a comprehensive system of outdoor signs in communities throughout the MotorCities region. **As of fall 2013, 120 signs have been installed, 68 are awaiting installation, and 60**

more are in design with the total number of 248 expected at the close of the program on September, 30, 2014.¹⁸

Stakeholders invested in Wayside were pleased with the quality of the signs but had concerns about implementation. The project required several extensions due to the complicated nature of building consensus among the community stakeholders and several MCNHA management changes. **The pace of installation has increased recently, but the fact that after six years of funding, only half of the signs have been installed has raised concerns about final project delivery.**

Approach

The General Management Plan stated that MCNHA would focus on its catalyst role to promote automotive and labor heritage and that it would focus on creating connections among heritage partners to ensure long-term sustainability of heritage preservation and promotion efforts. MCNHA's grant program and partnership programs have been its primary means of meeting these objectives. Through grant funding and partnership projects, MCNHA jumpstarted projects in the region and helped build grantee collaborations with other organizations to access information, ideas, expertise, and financial support to enable success. MCNHA has also offered programs through Lunch and Learn sessions to develop knowledge to strengthen partner organizations' capacity to deliver critical automotive projects. Our evaluation gathered data on collaborative activities and organizational capacity to assess the impact of MCNHA's approach.

Impact on Collaboration. MCNHA has increased the number and frequency of collaborations among organizations involved in auto and labor heritage preservation and much of that collaboration would not have occurred without MCNHA. The majority of respondents said that MCNHA improved their capacity to collaborate, and the data show that this capacity change has resulted in increased collaboration. MCNHA has enabled grantees and partner organizations to collaborate with MCNHA and 3rd parties (for grant-funded projects and beyond) in ways that would not have been likely to occur without MCNHA's involvement. The overwhelming majority of grantees and partners collaborated with MCNHA and/or 3rd parties to which MCNHA connected them subsequent to the initial MCNHA-supported project. Most respondents also indicated that they were likely to collaborate with MCNHA in the future. Brokering relationships among disparate organizations was identified as a primary role of MCNHA by a large proportion of grantees and partners.

These collaboration effects were consistent over time and evident across organizations of all sizes, but the effects were slightly greater for larger organizations than smaller ones. MCNHA has played a key role in connecting these larger organizations to various smaller organizations that would not have been connected otherwise.

Impact on organizational capacity. MCNHA's primary responsibility is to serve as a coordinator of NHA activities. Rather than taking sole or primary control of projects, it works with other organizations to preserve and promote the region's auto and labor heritage. So, improving the on-going ability of organizations to develop and implement programs is critical to the long-term sustainability of heritage preservation and promotion efforts. **We have a high degree of confidence that MCNHA has**

¹⁸ Numbers come from personal communication with MCNHA Director of Operations on August 23, 2013. These numbers are updated from those collected by the evaluation team in 2012.

increased the organizational capacity of grantees and partner organizations. Almost every grantee identified at least one aspect of organizational capacity that MCNHA helped improve. Many identified more than one.

The biggest impact has been on improving promotional/marketing capacity of grantees (Table 2). The capacity to collaborate, plan for projects/events, and fundraise have also improved for a significant share of MCNHA’s grantees. Collaboration capacity improved “quite a bit” for almost 1/3 of grantees and at least a little bit for 69%. Project/Event planning and fundraising were the other dimensions of organizational capacity for which MCNHA had a noticeably high impact, improving capacity quite a bit for 28% and 22%, respectively. For both dimensions, the majority of grantees (56%) indicated that MCNHA helped improve their capacity at least a little bit.

Capacity improvements were more common among smaller grantees and grantees who received their first grant during the first five years of MCNHA’s grant program. MCNHA’s partner organizations, which tend to be larger than most of MCNHA’s grantees, were less likely to say that MCNHA improved on-going capacity, but even several of these organizations said MCNHA improved on-going ability to plan, finance, or manage operations in significant ways.

Many grantees also indicated that the projects funded by MCNHA helped improve financial sustainability of the organization. The majority (51%) of the respondents said the MCNHA-supported project somewhat (38%) or significantly (13%) improved financial stability.

Table 2. Dimensions of Capacity as Reported by Survey Respondents

Dimension of Capacity	Quite a Bit	A Little Bit	Not at All	No Opinion
Promotion	44%	28%	3%	25%
Collaboration	31%	38%	13%	19%
Project / Event Planning	28%	28%	19%	25%
Fundraising	22%	34%	19%	25%
Strategic Planning	9%	19%	31%	41%
Financial Management	9%	6%	41%	44%
Volunteer Management / Recruitment	6%	19%	38%	38%
Program Revenue Generation	3%	16%	34%	47%
Personnel Management	3%	0%	56%	41%

Question 2: What have been the impacts of investments made by Federal, State, Tribal and local government and private entities?

The NHA evaluation guide states that answering this question requires identifying the activities to which MCNHA has allocated its financial and non-financial resources and the outcomes that have resulted from those activities.

Investment of Non-Financial Resources

The main non-financial resource over which MCNHA has control is its personnel. Precise quantitative measures of how personnel resources were allocated are not available. Qualitative data gathered through our research indicate that most personnel resources have been allocated to two categories of activities—managing MCNHA’s grant program and fostering long-term collaborations through its partnership program. The former is dominated administrative tasks of grants management, oversight, and reporting, while the latter encompasses a broad range of tasks necessary for identifying opportunities for collaboration, connecting multiple organizations that can contribute to project or program goals, and negotiating commitments among the multiple project partners. Some of these partnership activities are also conducted as part of the grant program, which MCNHA uses as a point of entry to help grantees connect with resources beyond those provided through the grant funding.

A considerable amount of time is also allocated to marketing the heritage area and its resources. Much of this marketing activity occurs as part of MCNHA’s grant and partnership programs, but some occurs independent of specific grants or partnerships. Building organizational membership and responding to member inquiries, hosting “lunch and learn” events, developing volunteer ambassadors, and implementing the “story of the week” program accounted for an important, but modest portion of staff time. MCNHA personnel also spent time on basic operational tasks—finances, human resources, organizational planning, communications, reporting to the National, Park service, etc.

Investment of Financial Resources

MCNHA’s financial statements show contributions from the National Park Service totalling \$5,765,689 from FY00-FY11, which accounted for 50-53% of MotorCities’ total revenue, excluding in-kind services and facilities, during that period.^{19,20} The remaining 46% of funding was comprised of other governmental sources (2-4%), direct public support (36-39%), and program revenue (3%). All other sources each accounted for less than 1% of total funding. When in-kind resources are included, NPS funding accounted for 44% of MCNHA’s total revenue, which means that MCNHA met the

¹⁹ Unless otherwise noted, all figures reported here exclude in-kind revenue and expenses.

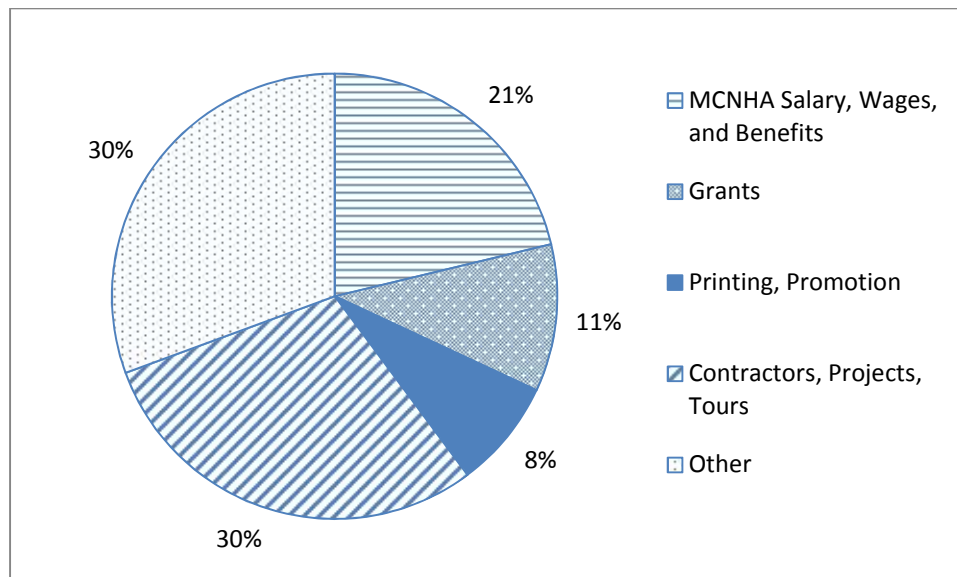
²⁰ Evaluators pulled financial data from MCNHA’s financial statements and IRS 990 forms. Financial statements often provided more detailed data than 990s, but the numbers weren’t always consistent with those reported in the 990s, even after considering the reconciliation of the 990 to the financial statements that appears in the 990 forms. Despite cooperation from MCNHA staff and management, many early years of financial data for MCNHA were inaccessible due to lack of access to software used to create the records, lack of access to hardcopies that were archived, and staff turnover, which meant that current staff could not answer some questions about financial data from years prior to their arrival. Calculating percentages often required pulling numbers from both 990s and financial statements. Since the totals on the different reports were sometimes inconsistent, though not dramatically different, we report ranges of percentages, rather than exact percentages, when two different sources were used.

requirement established in Public Law 105–355 that federal National Heritage Area funding account for no more than 50% of the total cost of activities carried out under the program.

IRS 990 data show that MCNHA spent 98% of the revenue earned from FY00-11. Sixty-nine percent (69%) of all MCNHA expenses, excluding those related to in-kind contributions, were program-related. Twenty-nine percent (29%) were for management and general operating costs, and two percent (2%) were fundraising. Figure 1 displays how the program-related expenses were allocated.

Salaries, wages, and benefits of MCNHA staff and management accounted for slightly more than one-fifth (21%) of program-related expenses. These costs reflect the work that employees put into implementing and overseeing the programs (e.g. grant program, partnership program, lunch and learn, etc.) that MCNHA developed to accomplish its mission. Working with the various organizations involved in heritage preservation and promotion throughout the region to catalyze projects, link partners, leverage resources, and coordinate activities has been an important focus of these activities (see preceding discussion under “Approach”).

Figure 1. MCNHA Program-Related Expenses by Category FY00-FY11

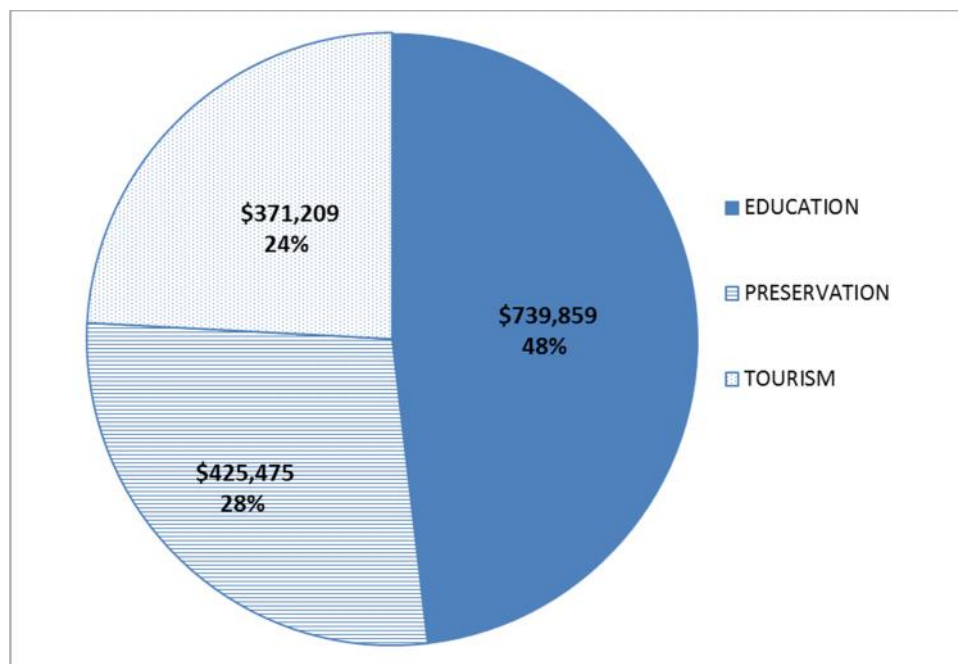


Thirty percent (30%) were incurred for personnel and materials costs of securing expert assistance for heritage preservation and promotion projects controlled by MCNHA or managed in partnership with other heritage organizations throughout the region. This includes costs of services, such as developing promotional videos and campaigns for Autopalooza, an auto-tourism celebration executed through a series of major cruises, races, and shows that spanned the month of August, as well as other auto-related events, developing and marketing heritage tours, developing heritage-related educational programming, or furthering development of the Piquette Plant as a tourist destination. Another 8% of expenses were tied to printing and promotional expenses. The remaining 30% of costs were for “other” expenses, ranging from office supplies to development activities.

The 990s report that eleven percent (11%) of expenses were due to grants that MCNHA provided directly to organizations involved in auto and labor heritage preservation and promotion. However, this figure appears to under-report actual expenditures on grants. This is due to some grant funding being included in the “contractors, projects, and tours” category, rather than the “grants” category.²¹ To get a more accurate figure for grants, we compiled data on grants awarded from MCNHA’s individual grant files. Here, we report data through FY 12, rather than FY 11, as reported above. From FY00-FY12, MCNHA awarded \$1,000,148 directly to organizations involved in auto and labor heritage preservation and promotion through MCNHA’s grant program. Another \$536,395²² were provided directly to organizations through partnership projects. In total, MCNHA provided more than \$1.5 million directly to other heritage-related organizations or their projects.

Figures 2 and 3 show the general type of activity supported with the dollars awarded through MCNHA’s grant and partnership programs. Figure 2 shows the categorizations provided by MCNHA. Figure 3 shows categorizations developed by the evaluation team based on a review of project descriptions. Figure 2 shows that education was the dominant focus of MCNHA’s grants, preservation was next (28%), followed by tourism (24%).

Figure 2. MCNHA Funding Awarded by Category 02-12 (MCNHA classifications)²³



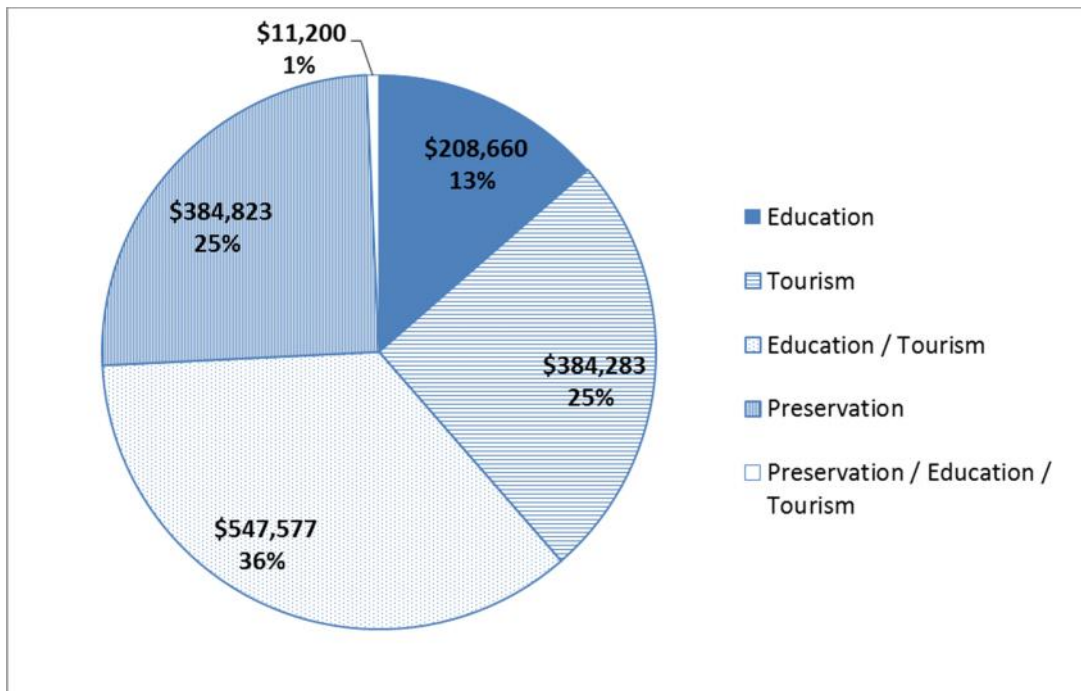
²¹ This is especially significant for FY 11 when the grants entry on the 990 (Part IX. Statement of Functional Expenses, Line 1) reported \$0 for grants, even though grants were issued and paid during the year.

²² These expenses are included in the “contractors, projects, and tours” category discussed previously.

²³ The numbers and percentages here may differ from those reported previously. Totals reported in this section are based on MCNHA’s classification of grant purpose. Numbers reported previously are based upon more specific classifications provided by MCNHA for each grant.

The evaluation team’s classifications, which take a more refined look at the purpose of the grant present a more complex picture. According to these classifications, tourism took on a more prominent role among MCNHA’s expenditures. Twenty-five percent (25%) of awards were focused exclusively on tourism, and another 37% had multiple purposes (mostly tourism and education), of which tourism was one. In total, about 62% of MCNHA’s spending through grants and partnerships had a tourism-related purpose. Twenty-five to twenty-six percent (25-26%) had preservation as a focus. These classifications reflect the multi-faceted nature of many MCNHA-supported projects where exhibits, videos, and other activities can educate the public regarding auto and labor heritage and also serve as important features in museums and other tourist destinations.

Figure 3. MCNHA Funding Awarded by Category 02-12 (Evaluators’ classifications)



Outcomes of Activities

The June 2013 Outcomes Summary Report provides an extensive review of our findings regarding the outcomes of MCNHA’s activities. Primary findings related to collaboration and organizational capacity outcomes are reported in under Question 1 in this evaluation summary report. Below, we repeat the findings on collaboration and organizational capacity and add some of the more important findings shared in the outcomes summary report.

Impact on organizational capacity. We have a high degree of confidence that MCNHA has increased the organizational capacity of grantees and partner organizations. Almost every grantee identified at least one aspect of organizational capacity that MCNHA helped improve. Many identified more than one. The biggest impact has been on improving the promotional/marketing capacity of grantees. The capacity to collaborate, plan for projects/events, and fundraise have also improved for a

significant share of MCNHA's grantees. Many grantees also indicated that the projects funded by MCNHA helped improve financial sustainability of the organization.

Capacity improvements were more common among smaller grantees and grantees who received their first grant during the first five years of MCNHA's grant program. MCNHA's partner organizations, which tend to be larger than most of MCNHA's grantees, were less likely to say that MCNHA improved on-going capacity, but even several of these organizations said MCNHA improved on-going ability to plan, finance, or manage operations in significant ways.

Impact on organizational collaboration. We have a high degree of confidence that MCNHA has increased the number and frequency of collaborations among organizations involved in auto and labor heritage preservation and promotion and that much of that collaboration would not have occurred without MCNHA. The majority of respondents said that MCNHA improved their capacity to collaborate, and the data show that this capacity change has resulted in increased collaboration. MCNHA has enabled grantees and partner organizations to collaborate with MCNHA and 3rd parties (for grant-funded projects and beyond) in ways that would not have been likely to occur without MCNHA's involvement. The overwhelming majority of grantees and partners collaborated with MCNHA and/or 3rd parties to which MCNHA connected them subsequent to the initial MCNHA-supported project. Most respondents are also likely to collaborate with MCNHA in the future. Brokering relationships among disparate organizations was identified as a primary role of MCNHA by a large proportion of grantees and partners.

These collaboration effects were consistent over time and evident across organizations of all sizes, but the effects were slightly greater for larger organizations than smaller ones. MCNHA has played a key role in connecting these larger organizations to various smaller organizations that would not have been connected otherwise.

Impact on Projects. As important as organizational capacity and collaboration are to heritage preservation and promotion, they mean nothing without success at the project level. It is the cumulative effect of individual projects—from educational activities and heritage tours to museum exhibits and major physical preservation projects—that result in increased understanding, appreciation, and preservation of auto and labor heritage. **We are highly confident that MCNHA has had a major impact on the success of many projects with which it has been involved.** The majority of grantees feels that MCNHA's involvement—financial and non-financial—was extremely important to project success and that they could not have completed the project without MCNHA's grant. Smaller grantees and those that received grants earlier in the grant period were somewhat more favorable in their assessment of MCNHA's impact than larger and more recent grantees.

Impact on Auto & Labor Heritage Preservation & Promotion and the Public. These categories of impact are two of the more critical ones. Unfortunately, the ability to directly assess these impacts is greatly constrained by data, resource, and methodological limitations. This reality is reflected in the evaluation model outlined in the *National Heritage Area Evaluation Replication Guide*, which relies primarily on perception data from local NHA partners to draw conclusions regarding NHA impact on

road heritage preservation and promotion efforts.²⁴ We gathered data to assess two outcomes on broad impact and attempted to gather data for 3 outcomes related to impact on the public.

Based on grantees assessments, **MCNHA has increased preservation and promotion of the region's auto and labor heritage, and this has included preservation of historic automotive artifacts for future generations.** We have a high level of confidence that artifacts have been preserved. Though the overall number has been modest compared to need, some, such as the Ford Piquette Plant, are critical for preserving auto heritage. The overwhelming majority of survey respondents and interviewees believe that MCNHA has been highly or somewhat effective in preserving and promoting auto and labor heritage for the region.

Smaller grantees and grantees that received grants in the first half of MCNHA's grant period give MCNHA higher marks for success than larger and later grantees, but positive assessments cut across all grantee types and time periods. Given the large need evident in the region and the limitations of perception data, we categorize both MCNHA's degree of impact and the strength of the evidence as moderate.

²⁴ Jain, R. and Rog, D. (2012). *National Heritage Area Evaluation Replication Guide*. Washington, DC: Westat.

Question 3: How do the Heritage Area’s management structure, partnership relationships and current funding contribute to its sustainability?

The NPS working group defined sustainability as “the NHA coordinating entity’s continuing ability to work collaboratively and reciprocally with federal, state, community, and private partners through changing circumstances to meet its mission for resource conservation and stewardship, interpretation, education, recreation, and economic development of nationally significant resources.”²⁵

MCNHA has had considerable success in building and strengthening partnerships among auto and labor heritage organizations, and these partnerships offer great promise for the on-going sustainability of heritage preservation and promotion efforts. The funding provided by NPS has been an essential tool for building those relationships, supporting MCNHA’s operations, and assisting specific projects that are likely to be sustained for many years. Unfortunately, while **MCNHA** attracted significant private investment in its early years, it **has been unsuccessful in securing sufficient financial resources to ensure its long-term financial sustainability.** Many factors have led to this outcome; **MCNHA’s governance and management/staff turnover have been identified as contributing factors.**

Organizational and Governance Structure

Governance Structure. MCNHA’s Board of Directors is MCNHA’s official governing body. The Board is assisted by three other formal bodies—the Leadership Council, Grant Review Committee, and Stewardship Community Council.

Board of Directors. The Board of Directors develops organizational policy, hires and oversees MCNHA’s Managing Director, and ensures the financial integrity of the organization through regular review of financial reports. Nineteen (19) highly respected individuals, mostly representing nonprofits involved auto and labor heritage compose its membership. We did not directly ask stakeholders to comment on the board’s impact on MCNHA, but several survey and interview respondents indicated the role and composition of the board warranted attention. Those who responded this way generally felt that the board did a very good job of representing the interests of nonprofits involved in heritage preservation and promotion and that most board members were intelligent, hard-working, and very dedicated to the organization and its cause. Yet they also felt that the board was hampering the development of a clear strategic vision for MCNHA. Those who expressed this concern felt that such a vision was critical for establishing the unique value that MCNHA adds to heritage efforts and ensuring long-term sustainability. Because we did not systematically gather feedback on the Board of Directors, we want to caution readers from overemphasizing this finding. It is an aspect worthy of further consideration.

Leadership Council. The Leadership Council was established to advise the Board of Directors on program and financial development. Members are high profile leaders from civic, cultural, educational, and corporate organizations throughout the region. This body is not actively involved in guiding MCNHA on a continual basis, though individual members occasionally interact with MCNHA leadership informally on important organizational matters.

²⁵ Ibid.

Grant Review Committee. The Grant Review Committee is comprised of five (5) members with expertise in the areas of automotive/labor history or education, tourism, or promotion. It meets quarterly to review, and make recommendations on, grant proposals and advise MCNHA on its grant programs.

Stewardship Community Council. The Stewardship Community Council is MCNHA’s formal vehicle for enabling heritage area communities to influence policies and programming. When MCNHA was originally established, it was first defined as heritage region with a subset of areas called stewardship areas, “comprised of one or more jurisdictions, governmental units, self-selected alliances of municipalities, institutions, non-profit organizations, resource owners, corporations, and special interest or volunteer groups” with smaller Hub Districts within each Stewardship Community. Communities outside of the heritage area boundaries that contained auto/labor-related resources and were interested in preserving and promoting those resources could apply to MCNHA for formal designation as an Affiliate Community.²⁶

In 2009, MCNHA responded to constituents’ requests that it create a more efficient process for organizing communities and a more democratic process for allocating resources by amending its General Management Plan to eliminate Hub Districts, re-emphasize the importance of Stewardship Communities, and clarify the process for electing representatives to MCNHA’s Stewardship Community Council. The Council and its program committees play a fundamental role in advising MCNHA board and staff regarding program planning, design, and implementation. It serves as the formal eyes, ears, and voice of the various communities with whom MCNHA partners. The Stewardship Council is comprised of four representatives from each of the 14 recognized Stewardship Communities, and up to one representative from Affiliate Communities. The overall reaction to this change appears favorable, though a small, but important, minority of grantees and partners expressed concern that MCNHA did not adequately serve all geographic portions of the heritage area. Our geographic analysis of survey respondents, which is representative of the overall population of MCNHA’s grantees, shows that over 60% of the grantee organizations who responded to the survey came from three adjacent counties: Wayne, Washtenaw, and Oakland whereas the rest were scattered across Michigan.

Organizational Staff and Leadership. MCNHA is a streamlined organization with 5 staff members who work collaboratively with volunteers, governing bodies, organizational members of MCNHA, and heritage community partners to pursue MCNHA’s mission. Staff consists of a managing director, director of operations and community liaison, outreach coordinator, financial services director, and an administrator. Grantees and partners give MCNHA staff high marks for capacity and collaboration. This has not always been the case. In fact, current and recent staff members were complimented for their ability to overcome setbacks resulting from past poor leadership. Survey and interview respondents felt that high rates of turnover among staff and management have hampered MCNHA’s heritage preservation and promotion efforts.

Partnership Network

We have noted frequently throughout this report the importance that MCNHA has placed on building partnerships among the various organizations involved in auto and labor heritage preservation

²⁶ MotorCities National Heritage Area. (2002). General Management Plan for the Automobile National Heritage Area: Executive Summary. Detroit, MI: Author., p. 16.

and promotion. Through its grant and partnership programs it has partnered with more than 100 organizations involved in heritage preservation and promotion. Countless more individuals have been engaged through volunteer and other opportunities. **The outcomes that we have cited elsewhere regarding MCNHA's effect on collaboration and organizational capacity demonstrate the effectiveness of MCNHA in aiding the creation of a network of heritage organizations. Its success in this area may be the most important for ensuring sustainability.** Having MCNHA continue to take the lead in fostering connections within the network would be valuable for ensuring the networks long-term growth and viability.

Financial Sustainability

MCNHA's financial statements show contributions from the National Park Service totalling \$5,765,689 from FY00-FY11, which accounted for 50-53% of MotorCities' total revenue, excluding in-kind services and facilities, during that period.²⁷ The remaining 46% of funding was comprised of other governmental sources (2-4%), direct public support (36-39%), and program revenue (3%). All other sources each accounted for less than 1% of total funding. When in-kind resources are included, NPS funding accounted for 44% of MCNHA's total revenue, which means that MCNHA met the requirement established in Public Law 105-355 that federal National Heritage Area funding account for no more than 50% of the total cost of activities carried out under the program.

Match ratios for individual projects funded by NPS, via MCNHA grants to third parties are even higher. MCNHA's grant programs originally required a match of \$1 for every \$1 of NPS funds awarded. In 2010, MCNHA altered its grant program to include challenge grants that require a match ratio of \$4 for every \$1 of NPS funding. More than 30% of its grant funds have been awarded through the challenge grant program.

MCNHA has been effective in matching NPS funding with other funding, overall, and for specific projects/activities. However, non-NPS funding as a share of total funding has decreased substantially over MCNHA's history. Figures 4 and 5 display MCNHA's revenue by source. Figure 4 is based on MCNHA's financial statements. Figure 5 is based on MCNHA's IRS form 990s. The figures are based on slightly different data, but they tell the same overall story. After peaking in 2001/2 MCHNA's revenue generally decreased, with total revenue increasing and decreasing in alternate years. Most of MCNHA's non-governmental funding was secured during the first half of the decade, and it has declined almost continuously over time. Non-NPS funding accounted for a high of 77% of MCNHA's revenue in 2001, but accounted for less than 1/3 of funding in 2011 and was virtually non-existent in 2012.

MCNHA has fared better in securing other governmental funding in recent years. Funding from the U.S. Department of Housing and Urban Development (HUD) and the Michigan Department of Transportation (MDOT) accounted for 2-16% of annual revenue from 2007 to 2012. Still, NPS funding has accounted for 68% to 97% of revenue since 2008, and the probability of continued high levels of funding from HUD and MDOT is not high.

There are many reasons why non-governmental funding has accounted for a diminishing share of NPS revenue. Clearly, the recession, which hit the automotive companies and labor unions—former and potential supporters of MCNHA—especially hard, is a significant factor. Yet program revenue, a

²⁷ See earlier footnotes on why percentage ranges are used.

growing source of revenue for many nonprofits, has also declined over the last several years. Regardless of the reason for the reliance on NPS funding it is apparent that if NPS funding were to discontinue, much of MCNHA’s activities would likely come to a halt. The average annual non-governmental revenue of \$97,000 to \$197,000 would be insufficient to fund a grant or partnership program. It would barely support more than a staff member or two. No projects, big or small, pursued by heritage partners would receive direct financial support from MCNHA, and MCNHA’s most successful activities, those dedicated to strengthening the partnership network, would drop precipitously. Large organizations are unlikely to fill the gap left by diminished activity from MCNHA. Smaller organizations may simply disappear without having the voice at the table MCNHA provided. Auto and labor artifacts and assets already at risk would have less chance of preservation. Those currently managed by smaller organizations with funding challenges would be at risk.

Figure 4. MCNHA Funding by Source—Excluding In-Kind (Financial Statements)

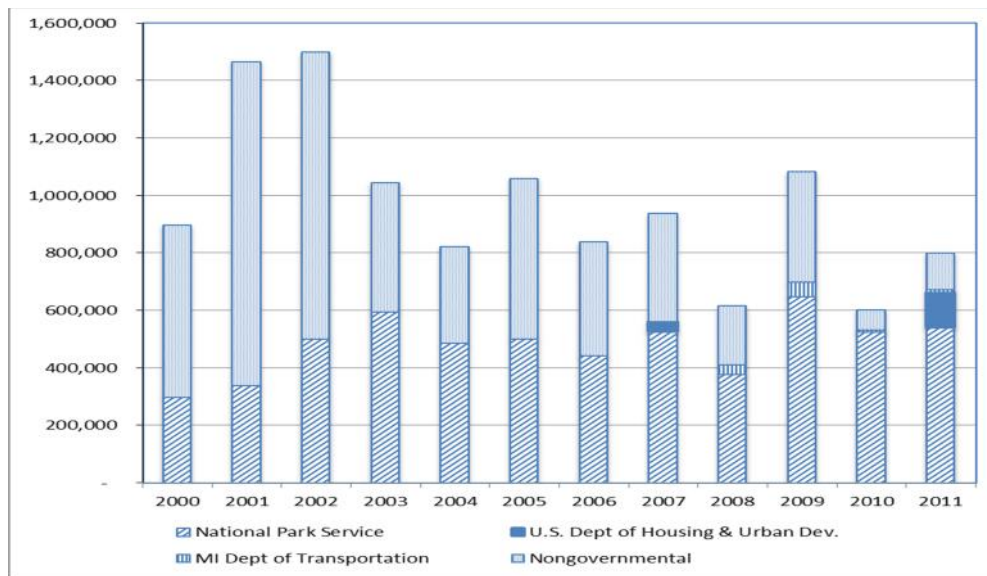
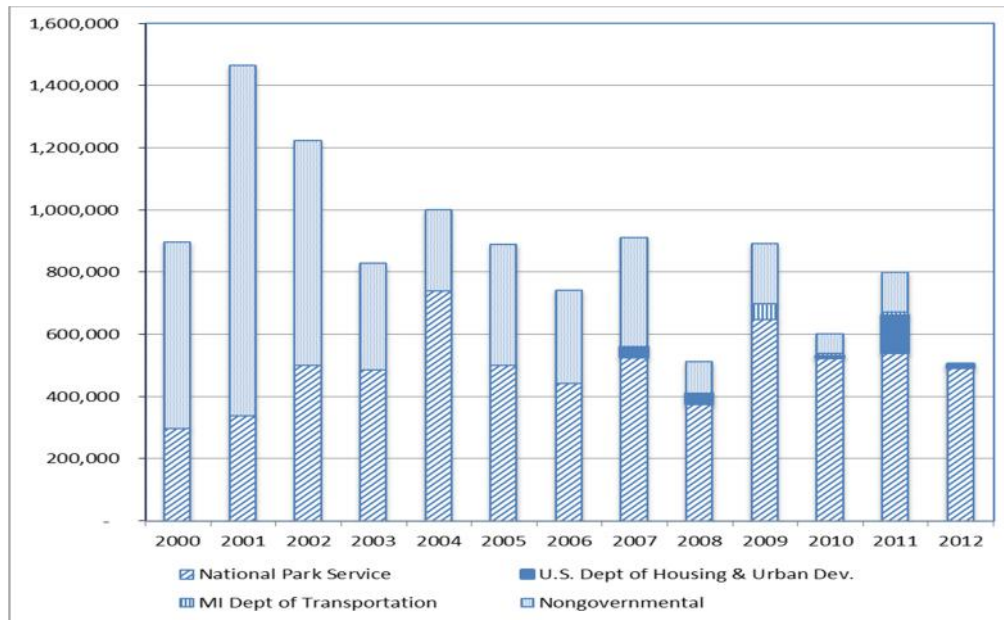


Figure 5. MCNHA Funding by Source—Excluding In-Kind (IRS 990's)



Implications

The evaluation shows that MCNHA has experienced many successes in its efforts to preserve and promote the region’s automotive and labor heritage, and much work remains. MCNHA has aided the preservation and promotion of many historically significant sites, exhibits and educational projects to enhance awareness of those sites and related events, and aided the coordination and promotion of major regional events related to auto heritage. Yet many sites and artifacts are still at risk, and there is an on-going need to link existing sites and events together.

MCNHA has contributed significantly to building a network of organizations—large and small—that engage in activities related to heritage preservation and promotion. Without that network, the region’s auto and labor heritage would be at great risk. That network needs continuing attention to ensure its on-going stability. There is still a need for an organization for whose primary focus is strengthening this network. Much has been accomplished, but there is still much to be done, and there is a genuine need for an organization like MCNHA to help ensure that it gets done.

Given the fragility of future NPS funding, it is also apparent that MCNHA is unlikely to be successful in the future without modifying how it operates. Securing additional, reliable sources of funding must be a primary focus. Developing a clear strategic vision for the heritage area and MCNHA’s role in preserving and promoting auto and labor heritage may aid those fundraising efforts. Refinements to MCNHA’s programming may be necessary to maximize MCNHA’s capacity to pursue the vision effectively. The evaluation does not provide answers to how to accomplish these objectives, but it highlights their importance and it points to some questions to consider when developing an approach.

Securing Reliable Funding

This need is paramount. Ensuring continued funding from NPS is an obvious step. However, with the authorization for NPS to provide funding to MCNHA scheduled to expire on September 30, 2014 and the continuing budgetary pressure at the federal level, a strategy that relies predominantly on NPS funding is a high risk strategy. Even if additional NPS funding can be secured, MCNHA must diversify funding streams to ensure long term success.

Auto Companies and Suppliers. Can MCNHA develop a campaign to encourage on-going support from the auto companies and auto suppliers? The renewed success of the auto companies and their obvious link to MCNHA's mission makes the auto industry a natural focus for fundraising. MCNHA has a history with the automotive manufacturers and their foundations, however, the landscape has greatly changed since their initial courtship. Engaging the auto industry will require different approaches than in the past. The auto companies are focused on selling new vehicles, not preserving history, especially since the financial crisis. A dual strategy that combines appealing marketing opportunities for the business side and opportunities for on-going operational/project support from the foundation side of the auto companies may help. Emphasizing the tourist traffic generated through many of the projects that MCNHA supports may help from the marketing side. Emphasizing MCNHA's success in building capacity of other nonprofits may prove appealing to the foundation side. Moving beyond the Big-3 to incorporate the supplier network into a funding campaign can expand the universe of potential contributors.

Labor Unions. Can MCNHA emphasize labor heritage preservation and promotion in a manner that makes investment from the labor unions appealing? Labor unions have taken an even bigger hit than the auto companies, and their access to discretionary funding is more limited. However, this could also be an opportunity for MCNHA if it is able to demonstrate that investment in labor heritage and promotion is a way of enhancing the public's awareness of, and appreciation for, the benefits that labor unions have provided to society. This may require adjustments in MCNHA's programming to increase the emphasis on labor heritage. Such a modification would be consistent with MCNHA's mission.

Garnering more financial support from the Big-3, auto supplier network, and labor unions is important not just for the immediate benefit of additional funding, but for the potential to leverage other funding. Demonstrating to other funders that those entities that are central to auto and labor have committed to preservation and promotion of their heritage may increase the likelihood that other funders will contribute.

Big Money vs. Small Money. Is a big money or small money strategy more appropriate? MCNHA will need to consider whether it is more advantageous to pursue a small number of large contributions or a large number of smaller contributions. Given that MCNHA has not been active in the external funding world, a focus on big-dollar contributions might not be premature. Moreover, given the potential spillover benefits of demonstrating support from the Big-3, auto suppliers, and labor unions, it may be more important in the short-term to show a high volume of contributors, rather than high amounts for each contribution. Creating a "Carpool" or "Labor Pool" that combines funds from auto companies or labor groups may help demonstrate the commitment to foundations or other outside funders. Focusing on smaller contributions will be more labor intensive than big contributions, and MCNHA will have to assess the tradeoffs of such an approach over the long-term.

Program Revenue. Can MCNHA generate more program revenue? Increasing reliance upon internally generated revenue is a trend for nonprofits across the country. MCNHA has generated a respectable amount of program revenue in the past, but this source has declined in recent years. MCNHA should consider the potential for increasing program revenue by charging fees for some of its services or engaging in a related commercial activity. Clearly, there are many tradeoffs with such an approach—crowding out organizations who cannot afford to pay fees, diverting organizational resources from activities that are core to mission, for example—and these must be carefully assessed. However, increasing program revenue can be another way to demonstrate to external funders that MCNHA is doing all it can to become financially sustainable.

Leadership & Vision

Strong, visionary leadership is a key to organizational success, especially for nonprofits that operate in ill-defined issue areas, provide services with varied beneficiaries, and rely heavily upon collaboration. As MCNHA develops its approach for the future, it is appropriate to examine its leadership structure and whether or not modifications will improve opportunities for success.

Board of Directors. Can the Board of Directors play a more active role in fundraising? Given MCNHA's challenges in securing non-NPS funding to ensure its financial sustainability, examining the role and composition of the board is appropriate. Sound governance and policy making and representation of key stakeholders are key functions of nonprofit boards, and MCNHA's board appears to have done well in these tasks. Yet fundraising is another important role for nonprofit boards. Foundations, government funders, and the business sector, all potential sources of funding, are not well-represented on the board. This may be hampering fundraising efforts. If altering board membership is not desired, MCNHA might consider establishing more formalized, active roles for board members in fundraising. This may be challenging, given that many board members need to raise funds for their own nonprofits.

Strategic Vision. Can the Board develop a compelling strategic vision for MCNHA to guide operations and fundraising? As MCNHA charts its future course, a clear vision will provide a roadmap for the journey, and the Board of Directors must take ownership of, and clearly communicate, the vision for it to have this effect. There are many talented and dedicated individuals on MCNHA's board. Tapping into that talent and dedication to develop a vision that clearly distinguishes MCNHA's role from that of other organizations involved in heritage preservation and promotion and helps MCNHA's management and staff focus on the activities that are most important to realizing that vision may prove beneficial. A few years ago, MCNHA engaged in a strategic planning process; however, evaluation interviews suggest that the results may not have been clearly communicated to all stakeholders. MCNHA should consider communicating the results of that plan or engage in a new planning process if those results are no longer relevant.

If MCNHA examines the role and composition of its board, as described, it may also find other characteristics, such as the diversity of age groups, racial/ethnic groups, and geographic areas represented worthy of examination.

Programmatic Focus

MCNHA faces two core dilemmas regarding its program services. First, the area of activity where it has experienced the most success—serving as a catalyst and facilitator of collaborations among other organizations—is not an activity that many funders are eager to support. Second, MCNHA has added the most value to smaller projects and organizations, which, compared to larger projects or well-established organizations, are often less attractive targets for external funding and less conducive to demonstrating significant impact on the economy or heritage awareness, preservation, and promotion.

Network Maintenance vs. Projects. Can MCNHA craft a compelling story to convince funders of the value of investing in network building, or will such activities always have to be a secondary aspect of funding proposals for more targeted projects/programs? The data presented in this report can prove valuable for demonstrating MCNHA's roll in facilitating collaboration and should be included in such a story. Establishing or re-emphasizing a strategic vision might also aid the narrative. Whether or not that will be sufficient for securing funding targeted to this activity is a question for further investigation. MCNHA will need to assess options and determine an optimal approach. Regardless, network building and facilitation should remain an important focus of funding requests.

Small Projects/Organizations or Big Projects/Organizations. Does MCNHA need to decide between focusing on smaller organizations/projects with big needs or bigger projects with more established organizations where MCNHA's marginal impact is important, but less significant? MCNHA has historically assisted many relatively small projects and organizations. In recent years, it has increased its work with larger organizations. A focused vision and limited funding may necessitate a reduction in the types of projects pursued. If so, where can MCNHA have the most impact? If MCNHA ceased operations, the smaller organizations and projects would suffer more than the larger organizations with missions that extend well beyond auto and labor heritage. Yet some of the region's most at-risk auto and labor assets, such as Ford's Highland Park plant, are large and require substantial resources for preservation. Success in such projects could have tremendous impact on the region, but also engulf most of MCNHA's resources. If MCNHA is able to continue its grant program it may be able to pursue a dual strategy—a small grants program to support small projects important to smaller organizations and a separate pot for more substantial grants. But MCNHA does much more than issue grants, and the types of projects to which it allocates its resources is important to consider. An either/or strategy is probably not optimal; achieving a proper balance is.

Capitalizing on Projects Already Completed. Can MCNHA develop strategies to better capitalize on the projects it has supported? MCNHA and its partner network have completed an impressive array of projects, and MCNHA has attempted to market many of these resources to tourists and regional residents. Maximizing utilization of what already exists in the region seems important to MCNHA's continuing operations. Already, two of MCNHA's partners shared the Arsenal of Democracy story for different exhibits. Could MCNHA use popular automotive storylines to build traveling exhibits to share across multiple partner organizations, providing more interesting sponsorship opportunities for corporate and foundation partners? Could MCNHA package existing assets for new markets outside of Michigan to preserve and promote automotive history (e.g., the Detroit Science Center stoplight exhibit at other science museums)? Can MCNHA identify opportunities to piggyback off other successful marketing efforts in Michigan, such as adding automotive components to existing tourism campaigns provided by local convention bureaus and Pure Michigan, adding tour or exhibit components to the

Woodward Dream Cruise, or sharing existing curriculum with school programs. Such opportunities could expose MCNHA to new audiences, grant new life to existing assets, and give more dimension and interest to already successful events.

Gathering and Tracking Data. A key component of strategic management is data-driven decision-making. Gathering and analyzing organizational and program data can help organizations secure funding and other critical resources and allocate those resources optimally. It can help them identify challenges that need to be addressed and recognize and hail successes. Maintenance and utilization of program and organizational data has not been a priority for MCNHA or many of its partner organizations. It was challenging assembling data for this evaluation, and many critical questions could not be answered due to the lack of data. Now that this evaluation is complete, MCNHA has a baseline against which future progress can be assessed. Collecting, compiling, and analyzing data on a continuing basis will be essential to continued measurement and improvement. Identifying a set of key internal measures and processes for tracking those will be important.

Due to the nature of its activities, MCNHA will also need to work with its partner organizations to ensure regular collection and analysis of key performance data. Initially, this could be accomplished by requiring certain data tracking from grantees. Performance measurement could be a focus of MCNHA's network capacity building efforts in the future. As MCNHA and its network members are better able to document their accomplishments and challenges they will be better positioned to address challenges successfully and secure additional resources to help them accomplish their missions.