

Knowledge for Strong Communities

Ten Themes, Thirty-Five Lessons:

Reflecting on Ten Years of CEDTAP



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KNOWLEDGE FOR STRONG COMMUNITIES

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Abbreviations

AD	Applied Dissemination
B2B	Business to Business (Roundtables)
CACSL	Canadian Association for Community Science Learning
CAUCE	Canadian Association for University Continuing Education
CCCI (3ci)	Carleton Centre for Community Innovation
CCEDNET	Canadian Community Economic Development Network
CED	Community Economic Development
CEDO	Community Economic Development Organization
CEDTAP	Community Economic Development Technical Assistance Program
CIEL	Centre for Innovation and Entrepreneurial Leadership
CSE	Corporate Sector Engagement
CUE	Community-University Engagement
CVI	Community Vitality Index (CIEL)
DEC-Quebec	Canada Economic Development for Quebec Regions (Government of Canada)
ENP	Enterprising Non-Profits
EVAS	Expanded Value-Added Statement
I-CUE	Initiative for Community-University Engagement (Carleton University)
MIS	Management Information System
OISE	Ontario Institute for Studies in Education (University of Toronto)
On Co-op	Ontario Cooperative Association
OP2000	Opportunities 2000 (Prototype of Vibrant Communities national replication)
OSEC	Ontario Social Economy Consortium
OTF	Ontario Trillium Foundation
PRI	Program-Related Investment
RBC	Royal Bank of Canada
RBM	Results-Based Management
RISQ	Le Réseau d'investissement social du Québec
SCP	Social Capital Partners
SE	Social Enterprise
SF	Social Finance
SiG	Social Innovation Generation (Program)
SPP	Social Purchasing Portal
SROI	Social Return on Investment
SSHRC	Social Sciences and Humanities Research Council
TA	Technical Assistance
UQAM	University of Quebec at Montreal

Introduction

This purpose of this report is to summarize the main achievements, limits and lessons of the implementation of the Community Economic Development Technical Assistance Program (CEDTAP) during the period 1997-2007. The report reviews ten themes in CEDTAP's work, and draws 35 lessons for practitioners, policy-makers and scholars.

Background

Origins: Following consultations in 1995-1996 with leaders in the community economic development (CED) sector¹, the J. W. McConnell Family Foundation invited Carleton University to develop a new, pan-Canadian initiative that would enable communities themselves to draw on expertise from anywhere in the country, in either official language, to advance innovative local projects. At the same time--through conferences, networking and research--this initiative was intended to help build the capacity of the sector as a whole².

Underlying this initiative was a recognition by McConnell and Carleton of the fragmentation and disorganization of CED practitioners, its small scale and under-funded character, some of the ideological and methodological differences across leading CED groups, and the disconnect between CED in Quebec and English-speaking Canada. Broadly framed, the field of CED faced a significant challenge of proving its legitimacy to the governments, foundations and companies that could, over time, help the sector grow and exert greater impact³.

The Foundation also saw CEDTAP as a tool for dissemination. Communities and practitioners would learn from each other, through exchanges, conferences and other forms of connectivity at the local and sector levels. Over the next decade, McConnell would develop its own leading-edge thinking and practices on the concept of "applied dissemination," to encourage both learning and replication among its grantees.

Thus was born the Community Economic Development Technical Assistance Program (CEDTAP). A pilot phase began in 1997, benefiting from the guidance of an Advisory Panel of seasoned practitioners and analysts recruited from across the country⁴. Following an evaluation and adjustments to the program's design, an expansion phase ran from 2000 to 2006. A final "transition" phase is being implemented through 2008.

The prime funding partners of CEDTAP were the McConnell Foundation, Bell Canada and Carleton University, whose senior representatives comprised a Management Committee that oversaw strategy and operations. Other private and public funders, included the Royal Bank, Power Corporation, the Ontario Trillium Foundation, DEC-Quebec, Western Economic Diversification and others.⁵

Throughout the decade, CEDTAP was the main program of its host unit at Carleton, the Carleton Centre for Community Innovation. "Above" the Centre, CEDTAP benefited from the consistent support and involvement on the part of two successive Deans, significant in-kind contributions in faculty time, equipment and facilities, and access to the administrative and financial management systems of the University. CEDTAP drew on the fundraising

¹ These leaders dubbed themselves the Digby Group, and were to go on to found the Canadian Community Economic Development Network (CCEDNET), which became the leading trade and advocacy association for the sector. Among these leaders were Paul Born, Dal Brodhead, Mike Lewis and Rankin MacSween.

² Bob Vokey, then Program Director at the McConnell Foundation, was the originator of the CEDTAP concept. Carleton University's Ted Jackson elaborated and operationalized it in a detailed proposal.

³ McConnell, Carleton and the Digby Group all agreed, in fact, there were three initiatives necessary to "torque" the CED sector: a technical assistance program (called CEDTAP), a core development-support initiative to provide multi-year funding to leading CED organizations (CEDDAP), and a financing initiative that would provide loans through financial institutions to CED groups (CEDCAP, for CED Capital). In the event, the Board of

Trustees of the McConnell Foundation opted to approve support for CEDTAP only.

⁴ Among the initial members of the Advisory Panel were David Driscoll and Sherri Torjman, both of whom participated in a workshop on May 31, 2007, to celebrate the program's 10th anniversary and to plan sector strategy going forward. In fact, Dr. Torjman gave the keynote address on that day as well as at CEDTAP's first annual conference in 1998 at Laval University in Quebec City. Other members of the Advisory Panel included Lisa Banks, Paul Born, Tim Brodhead, Jacques Carrière, Doug House, Barbara Levine, Margie Mendell, Katherine Pearson and Gail Zboch.

⁵ Smaller grants came, over the years, from the Assiniboine Credit Union, Human Resources and Social Development Canada, the Salamander Foundation and Tides Canada Foundation.

specialists in the University's Advancement Office for assistance, as well⁶.

Between 1997 and 2007, CEDTAP made more than 450 grants to local projects in every region of Canada, disbursing \$6 million to community groups that, in turn, levered another \$6 million in matching funds from other sources. The program registered over 600 CED professionals in its technical assistance database. In its first two phases, CEDTAP played a key role in enabling the CED sector to organize itself and to expand its constituency and profile. In its third and final phase, CEDTAP sponsored important action-research on new forms of social finance, CED impact evaluation and corporate engagement with CED⁷.

Context: It is worth noting that the decade in which CEDTAP operated saw a host of significant political and economic events that shaped and reshaped the global and national contexts. In the political realm, the Clinton Democrats faded and George W. Bush won elections in 2000 and 2004, invaded Iraq in 2003, and relied mainly on unilateral foreign policy in the wake of 9/11 in 2001. In Canada, the Chrétien era gave way to a short-lived Martin minority government (2004-2006), followed by a minority Conservative government aligned with many of the policies of the Bush presidency.

In the economic sphere, the technology bubble burst in 2000, oil prices rose markedly a few years later, and China's rise powered Canadian markets in minerals, steel and energy. In general, the forces of globalization gained momentum and influence in North America; by 2007, Canada faced a spate of foreign buyouts of major Canadian companies as well as mounting job losses in manufacturing in the Ontario heartland and in forest products in the mid-north and west. While the Alberta economy grew exponentially, labour-market stagnation generally characterized Saskatchewan, Manitoba and the Atlantic provinces.

⁶ Allan Maslove and Katherine Graham, the two Deans, were consistent champions of CEDTAP within the University. Serge Arpin and Rebecca Murray were key resource persons on fundraising strategy.

⁷ The total number of local initiatives funded by CEDTAP includes 152 projects supported by Bell Canada. In addition, the program spent over \$1 million, mostly between 1998 and 2004, on sector-building conferences, networking and research. It is estimated that another \$2 million was raised by sector partners from governments and the private sector largely on the strength of CEDTAP's "first-in" support.

CEDTAP's Core Mandate

The core mandate accorded CEDTAP by its sponsors evolved over time. In Phase I, the mission of the program was "to enhance the legitimacy and effectiveness of the CED sector by supporting technical assistance for local organizations engaged in community economic development." In Phase II, the expansion period, the focus was placed on demonstrating that community economic development is an *appropriate strategy for vulnerable communities* in Canada, where communities are defined by either place or interest. Phase III involved mining the program's grant portfolio in order to mobilize new knowledge for policy and practice, shifting the program's proponents at Carleton from grant-making to research.

The present report is concerned primarily with assessing the program's performance in relation to the Phase II mandate. It was in this phase that most of the program's funds were disbursed, most of its local grants were made, its staff compliment at its highest level⁸, and its operations were most robust nationally – where CEDTAP was, in every sense, "firing on all cylinders."

In fact, for much of Phase II, the mission of CEDTAP read as follows: "Enhance the legitimacy and effectiveness of the community-based organizations engaged in CED and économie sociale by supporting activities that will (a) strengthen their capacities and (b) increase the visibility, knowledge, coherence and resources of the sector as a whole in cooperation with other organizations with similar interests."

In terms of long-term results, in 2005 the McConnell Foundation developed a "theory of change" diagram for CEDTAP. The ten-year result was stated as: "CED will have proven its value as an effective economic and community development strategy especially for small and marginalized communities, and will have been

⁸ In terms of staff, CEDTAP was led by three bilingual directors – Barbara Levine, Jacques Carrière, and Gail Zboch – and two Administrators, Norean Shepherd and Genevieve Harrison. Among the head office staff were Sergio Cacciotti, Cindy Goldberg, Lucie Langdeau, Catherine Reid, Brenda Richardson, Roopal Thaker and Maureen Woodrow. Regional coordinating staff included Ray Funk, Shirley Falstead, Brian Clavier, Colleen Kasting, Cathy Lang, Danielle Laurin, Carol Madsen, Mark Roseland, Pierre Dupuis and others.

incorporated into the policies and funding practices of major public and private donors.”⁹

Assessing CEDTAP’s Performance

While it is not simple to assign a grade to such a long and complex intervention as CEDTAP, it is a useful exercise nonetheless. Holding the program to high standards and its own ambitious goals, a fair overall grade would be a solid A-. This overall grade can be broken down into five specific, graded elements, as follows:

- Grant-making A
- Innovation A-
- Dissemination B+
- Sector-building A
- Policy change B

Some of the reasons for CEDTAP’s performance in these areas relate to strengths and weaknesses in its own strategy and capacity, and some relate to external factors, both positive and negative. It is hoped that the achievements, limits and lessons discussed in the pages to follow will shed light on the basis for these assessments.

Going forward, it is appropriate for CED practitioners, policy-makers and scholars to aspire to even more ambitious goals and outcomes. While CEDTAP may have fallen short in its contributions in some areas, its significant achievements in other areas have provided an important platform for future action.

What CEDTAP Didn’t Do

It is also useful to point out what CEDTAP was *not* able to accomplish. Broadly speaking, the program did not:

- find a permanent solution to sustain its national grant-making program;
- contribute meaningfully to addressing the core-funding challenge faced by most CED organizations;
- facilitate significant replication or scaling of CEDO and social enterprise models beyond 50 employees;
- support a variety of promising models for improving the quality of employment in the CED sector;

- disseminate “earned” stories in the mainstream press or electronic media;
- decisively shift federal-government policy toward meaningful, scaled support of CED in terms of regulations, fiscal and spending programs.

To be sure, these are difficult objectives to achieve, alone or in concert with other sector actors. Yet most are necessary for any serious expansion of CED as a viable option for hundreds of thousands of Canadians. Again, in the pages that follow, the reasons for arriving at these judgements should become clearer.

Theme 1: Grant-Making

Background: For ten years, CEDTAP made grant-making its top priority—its core business. In a sector as under-funded, and with so many asymmetries in policy and capacity, as the Canadian CED sector, the pressures from community groups for CEDTAP support were real and often urgent. CEDOs needed the program’s funds in order to attract other money from governments, foundations and corporations, often to plan new enterprises or projects or expand current ones. Successful planning would, in turn, result in downstream implementation following the CEDTAP grant. Our program provided short-term funds of \$5,000 to \$25,000, and groups completed these projects within one to two years.

Performance: As of mid-2007, CEDTAP had directly funded 468 local initiatives worth nearly \$4.5 million. Table 1 shows the distribution by region of CEDTAP’s local grants. Most of the grants went to CEDOs in Ontario, Quebec and British Columbia, where the populations are large, CED networks are advanced, and a range of funding sources is in operation. The significantly larger number of grants in Ontario reflects the strong interest in the region by corporate and philanthropic funders. The Prairie and Atlantic regions received fewer projects, though the average size of grants in those regions was slightly larger than in other regions. In addition to its direct funding of technical assistance projects, CEDTAP has made contributions to funding pools in Ontario, Quebec and British Columbia, which also have made or will make further grants to CEDOs and

⁹ Katherine Pearson of McConnell Foundation authored the Theory of Change.

Table 1				
CEDTAP Direct Grant-Making to Community Groups, 1998-2007				
<i>Region</i>	<i>Community Initiatives Supported, 1998-2000</i>	<i>Community Initiatives Supported, 2001-2007</i>	<i>Total Number of Projects Supported</i>	<i>Total Value of Projects Supported</i>
Atlantic	19	35	54	\$554,374
Quebec	20	88	108	\$944,282
Ontario	23	120	143	\$1,231,790
Prairies	12	53	65	\$740,198
British Columbia	14	83	98	\$993,121
Total	88	380	468	\$4,482,106

Table 2	
CED Knowledge Clusters	
1 Agriculture & Fisheries	11 Financial Equity
2 Arts & Culture in CED	12 Food Processing/Marketing (including Food Banks)
3 Community Economic Renewal	13 Forestry
4 Community Land Trusts	14 Health & Nutrition
5 Community Loan Funds	15 Homelessness & Poverty
6 Community Tourism	16 Individual Development Accounts
7 Disability and Mental Health-Consumer/Survivor Business	17 Industrial Re-conversion
8 Employment Strategies	18 Sustainable Housing
9 Environment Management & Enterprises	19 Women Entrepreneurs
10 E-Strategies	20 Youth Entrepreneurship

social enterprises. By mid-2008, it is very likely that the projects supported by these pools will bring CEDTAP's total projects will have exceeded the target of 500.

Lessons: Five main lessons from CEDTAP's grant-making experience are worth noting:

1) *An intermediary grant-maker, located within a social sub-sector, can be an efficient and effective tool through which funders can intervene.* A third-party-managed intermediary for McConnell, Bell and other funders, CEDTAP operated as grant-maker located within the CED and social economy sector. The program's leadership worked alongside other sector leaders on strategic and policy issues. This positioning also gave the program access to detailed information about the sector at all levels, informing CEDTAP's risk analysis, due diligence and monitoring for its community and sector-level grants. Importantly, though, CEDTAP's selection criteria, structure (a volunteer selection committee) and processes all constituted a "firewall" against the perception or the reality of "insider dealing" by sector members. CEDTAP had to be able to say no to sector colleagues, and did so regularly (more than half of all first-time proposals were rejected). In fact, the ability of CEDTAP not only to be able to say no, but also to be able to manage a large grant portfolio, appealed to both major private funders, McConnell and Bell. All these elements constituted an approach to philanthropy which CEDTAP called *accompaniment philanthropy*. In the middle of the decade, CEDTAP projected this concept into professional debates in philanthropy, community development and CED per se.

Furthermore, possessing its own charitable status, Carleton University is a "qualified donee" for charitable gifts from foundations like McConnell. As a university program, CEDTAP was able to receive these funds and then on-grant them to both charities and non-charities, a crucial advantage in strengthening a sector that is populated by informal and non-profit groups as well as registered charities. The McConnell Foundation would not have had that advantage if it had elected to make grants directly to local sector groups.

2) *Grant-making can serve as a way to simultaneously map and build a sector.* CEDTAP's approach was wryly described by

one observer as "ready, fire, aim." In fact, the program *intentionally* called for project proposals from the broadest, most *pluralistic* set of CED organizations possible, and dealt with what arose organically from this process. In the first phase, most project proposals came from groups with relationships with the 30-plus technical-assistance providers then registered with CEDTAP (and, at the time, supported by retainers). However, in the expansion phase, the number of TA providers expanded exponentially, beyond the original CED small-business advisors and community animators to include specialists such as lawyers, architects, engineers and finance and investment professionals. So did the number and type of local CED groups that sought and received CEDTAP grants.

By 2003, just over the halfway point of CEDTAP's programming decade, the program began to classify its portfolio of grants into 20 *knowledge clusters* (see Table 2). These clusters ranged from affordable housing to individual asset accounts, to women's entrepreneurship and youth employment. These clusters—each with their own internal diversity of proponents, models and methods—define what CED looks like on the ground. And the clusters themselves can become programming tools for the facilitation of exchanges and mutual learning among groups within clusters (though CEDTAP did not actually do as much of this as it had hoped to do).

3) *High-engagement, national-grant-making is labour-intensive and leaves little time for other functions.* CEDTAP was tasked with many activities other than grant-making to local communities. But grant-making was the program's core business. Working with CED groups to revise and strengthen their proposals, negotiating grant agreements, and then monitoring their implementation—when staff are dealing with an average of 50 new projects per year and managing another 100 ongoing, active projects in the portfolio—took almost all the time of programming staff. Maintaining the large databases of projects and providers also required dedicated staff time. In practice, real and valid pressure from the base of Canadian society, and from CED professionals, ensured that staff attention remained on grant-making. This dynamic relegated dissemination and other functions to a lower priority. Still, this approach served to reduce project risk and increase success.

Theme 2: Framing, and Re-Framing

Background: Any intervention that runs for a decade or more must be capable of framing its mission effectively to engage a broad range of stakeholders—and then sustaining the commitment of this network or coalition over time by *re-framing* its mission and adjusting its design as it proceeds forward. In 1996-1997, the co-design of CEDTAP by McConnell and Carleton resulted in the creation of a unique and compelling intervention instrument around which a coalition of funding organizations, CED leaders and groups, and Carleton University all combined forces to advance a common agenda. That agenda was to use grant-making and technical assistance to demonstrate the legitimacy, appropriateness and effectiveness of community economic development as an option for vulnerable communities in Canada.

Performance: The original concepts underlying the design of CEDTAP included: community self-help (a defining principle of McConnell's grant-making in the 1990s), community choice (stemming from the Foundation's dissatisfaction with CED providers "pushing" their solutions on communities), community economic development as it had been evolving in Canada for 25 years, together with recent experiences with results-based management and micro- and meso-level capacity building in international development. As the middle of CEDTAP's programming decade approached, the program was also influenced by emerging debates related to high-engagement, venture and social-justice philanthropy, the policy change process, multi-level capacity development, applied dissemination, and web-enabled technology solutions.

By the end of the CEDTAP decade, yet another set of concepts and tools were influencing the way the program framed its mission. These included social economy, social enterprise, social innovation, social return on investment, shared space, complex adaptive systems and, most recently, social finance. In the case of social finance, ideas about systems change and scaling interacted with the more traditional materialist and economic frame of supply and demand. Located in the university, and embedded in federal policy debates on CED and the social economy, the CEDTAP leadership was able to

navigate through these evolving frames, selecting new concepts and tools to project the mission of the program and to chart new strategy.

Lessons: Two main lessons may be drawn from the CEDTAP experience with respect to framing and re-framing:

1) Long-term interventions must recruit and retain leaders who are capable of engaging and integrating new concepts and frames as the work proceeds, both to maintain a coalition of stakeholder support, and also to adjust strategic direction. In fact, in CEDTAP's case, it was not only program managers who tracked and integrated new concepts and frames; it was also a talented and committed group of leaders in the program's funding agencies—notably McConnell, Bell and Carleton—on the Management Committee, who did this as well. The program's Advisory Panel also had this capacity.

2) In under-funded social sectors, channeling funds to local organizations matters as much or more than elegant and sophisticated analytic frames; in fact, either one without the other will not succeed. There is much talk and activity currently related to scaling social innovation with strategic (ie limited) investments. However, in contrast, CEDTAP's experience is that the community-based organizations that ultimately will use and benefit from social innovation badly need *funds* to enable them to do their work effectively—not only a few, but *most*, if not all, local groups face this imperative..

Equally importantly, it must be recognized that these local groups themselves—and not solely catalysts at the meso level—*actually produce social innovation*, every day, everywhere in the country. CEDTAP's diverse grant portfolio of innovative projects bears this out. Thus, local groups are as much producers as users. In fact, they could be termed *producers* of social innovation!

Theme 3: Dissemination

Background: From its inception, CEDTAP was seen by its founders to be a tool for the dissemination of innovative and replicable ideas, models and tools in support of strengthening CED at both the community and sector levels.

Program managers of Phases I and II interpreted this part of CEDTAP's mandate in a very operational and flexible way. That is, all program channels were used for dissemination. In Phase I, these channels primarily community grant-making for TA provision by professionals and for community-to-community exchanges and study tours, as well as sponsoring national forums where CED leaders presented a diverse array of experiences and methods.

In Phase II, the program ramped up its dissemination efforts, hiring a Communications Officer, launching a portal, sponsoring a newsletter of profiles of local initiatives, and sponsoring national research and publications. The program's MIS specialist also contributed to dissemination activities. In Phase III, CEDTAP has struggled to find the time to do dissemination as its staff compliment has shrunk and the imperative of grant-making to CEDOs has taken precedence.

Performance: Through its *grant-making* function, CEDTAP demonstrated the value of TA inputs, community-to-community exchanges and, in Phase II especially, intentionally helping innovators to "go national." In particular, CEDTAP enabled wind-energy cooperative advocates in Toronto to find local partners to replicate their model across Ontario and in British Columbia. In another example, CEDTAP supported the Vancouver prototype, and then several replications in other cities, of the Social Purchasing Portal.

However, the program did not achieve its maximum potential in this area. By the middle of its programming decade, CEDTAP has classified its portfolio into 20 knowledge clusters. What it could have done, either with more staff and resources, or by subordinating or reducing other functions, is have animated learning within these clusters to achieve greater cross-pollination of ideas and tools and broader replication and higher scaling. (That potential remains, and could be realized in the future by sector organizations or government agencies.) Nonetheless, the list of approved community initiatives that accumulated on CEDTAP's website over the years became in itself an increasingly valuable source of information (again, a map, really) on CED and the social economy for research, policy and sector actors.

Apart from its grant-making, CEDTAP's other *dissemination* activities achieved mixed results. The program produced 70 stories (and will still produce more) of local initiatives that were widely disseminated within the CED sector, and among government funders already close to the field. These stories were published in print (in booklets, on briefing sheets, etc) and electronically, on CEDTAP's website. Two booklets of stories written by author Silver Donald Cameron were particularly well-received, and enabled the program to talk about its work with a broader audience. However, despite major efforts by Bell Canada's Communications staff, the program proved unable to bring these stories into the mainstream media. Perhaps this was because these stories were too local, or even too positive, but probably also because they couldn't compete with the "hard" news of war, terrorism and volatile politics that has consumed newspaper column-inches and radio and television airwaves since at least 2001.

CEDTAP's experience with the portal was mixed, too. Early in Phase II, around 2001-2002, it bought and introduced to the sector portal software based on volunteer topic -editors and content-contributors, organizing workshops across the country to discuss its design and implementation. At the time, a proposal for an online learning community and information clearinghouse was being developed by CCEDNET, and there did not seem to be room enough in the sector for two such systems. In fact, CEDTAP came to agree that if there was to be only one online clearinghouse, CCEDNET, the sector's trade association, should run it. Furthermore, the middle-aged leadership of the CED sector was not yet (at that time) focused on using the web, and was already over-worked. The extent to which the portal would be used downstream therefore became a real question. By 2004, CEDTAP had dropped the portal idea. (Somewhat ironically, in Phase II, CIDA funded a considerable number of multi-site, technology-related projects at the local level, including those involving ReBoot, Compucorps, the Quebec Learning Network and other skilled groups working to build information-technology capacity among CEDOs.). At its 10th anniversary meeting in 2007, however, CEDTAP returned to the technology issue with a workshop on Web 2.0 as a vehicle for engaging youth in CED. This session was well-attended and sparked the interest of its participants.

Lessons: At least three lessons can be drawn from CEDTAP's experience with dissemination:

1) Grant-making can be made an even more powerful dissemination tool by using a "knowledge-cluster" approach to the animation of mutual learning, replication and scaling among grantees working on similar issues.

Local-level organizations, TA providers, intermediary staff and representatives of funding agencies all have important roles to play in this cluster approach. Grant-makers should embrace pluralism and diversity in methods and tools and use their leverage to create a "cluster environment" of mutual respect for all strategies among the proponents.

2) Significant time and money should be devoted to efforts to bring CED stories into the mainstream print and electronic media. The CED sector talks to itself better than it used to, but it rarely talks effectively to the general public. Alliances with journalists, journalism schools, media outlets, training in media and communications for CED leaders and activists—all these and other ideas should be operationalized in order to gain the breakthroughs necessary to familiarize large numbers of Canadians with CED and social enterprise.

3) CED sector leaders, policy-makers, funders and scholars should deepen their understanding of the potential of Web 2.0 tools to engage young people in CED, and experiment with ways and means of realizing this potential. In the era of Facebook, MySpace and YouTube, social networking and other Web 2.0 tools make it easy for young users to create content and collaborate as *producers* of knowledge and connectivity. CED initiatives that mobilize Web 2.0 technologies and attitudes among young people should focus on specific communities (eg. Aboriginal youth) and issues (eg. homelessness, AIDS, etc) and create opportunities for users to take meaningful action.¹⁰

Theme 4: Sector-Building

Background: Embedded in all elements of the CEDTAP design was the goal of strengthening

the CED sector in Canada. In Phase I, the program pursued this goal not only through community-level grant-making but also through national conferences, partnerships with national organizations, and animating a core of experienced TA providers to increase connectivity among themselves. By the time Phase II began, CCEDNet had established itself as the primary trade and lobbying association for sector groups. Accordingly, much of the sector building work the involved CEDTAP and CEDNET partnering on conferences and regional meetings, or CEDTAP stepping back as CCEDNet led on certain files. During the years 2004 into 2007—ie, toward the latter part of Phase II and into Phase III—CEDTAP representatives served directly on federal roundtables and committees to advance CED-related policy, worked in partnership with Bell Canada and other corporations, and introduced CEDTAP's own research program as a policy development tool, as well.

Performance: Overall, through multiple channels and at multiple levels, CEDTAP proved itself to be an effective sector-building instrument. At the *community level*, the program's grant-making contributed to innovation and growth of hundreds of CEDOs everywhere in Canada—which helped to strengthen the sector's base. At the *regional level*, the program's regional coordinators, especially in the middle years of the programming decade, increased connectivity and capacity among sector groups.

And, at the *pan-Canadian level*, CEDTAP first helped to facilitate the inception and growth of CCEDNET, and then later ceded lead roles in the sector to CCEDNET as the Network, beginning in the late 1990s, grew in size and capacity. In its work on federal policy structures, CEDTAP was viewed as a credible non-governmental funder as well as a sector member and ally. This space was unoccupied by other sector actors.

CEDTAP's *relationship with CCEDNET* over the decade was complex and ever-evolving. The program essentially incubated the network in Phase I, providing the latter's core members with a new revenue stream from TA assignments. However, the relationship shifted to a kind of rivalry early in Phase II, in part due to overlapping roles, and competition for scarce resources, and perhaps also because CEDTAP

¹⁰ This was one of the points made at the workshop on Web 2.0 and youth engagement, led by Karim Harji and Elaina Mack, at the tenth-anniversary event for CEDTAP at the Causeway Work Centre in Ottawa on May 31, 2007.

maintained a distance from sector lobbying efforts even while the program remained inside the sector. As Phase II proceeded, much of this tension was dissipated through a formal partnership agreement and positive chemistry between the directors of both organizations. CEDTAP gradually faded out of the sector limelight and, by 2005, CCEDNET was the more visible and assertive organization of the two, leading national conferences and policy delegations, and obtaining diverse federal project funding for learning networks, youth engagement and poverty-reduction policy. In Phase III, CEDTAP has continued to work closely and with CCEDNET on the OTF project and in other national and regional groupings.

Currently, there is discussion about the possibility of CCEDNET taking on some of CEDTAP's functions related to technical-assistance provision. This idea has much merit. However, the challenge the network faces is that it cannot run a grant-making program for TA in which its members are perceived to be giving themselves contracts. In fact, one of the basic reasons CEDTAP was formed in the first place was to create a neutral and credible organization with financial management capacity to run the grant program at arm's length from sector members who, either as CEDO leaders or TA providers, would stand to benefit from the grants. One possible solution is for CCEDNET to set up a separate program with a project selection committee whose members are seen to be "above" the grant-receiving process. Such members might include academics, retired practitioners, government and corporate officials, think-tank researchers and so on. Potential funders of this new TA program need to have comfort that insider-dealing is not a threat to the integrity of the process, and that the coordinating organization has the financial management capacity to steward external funds effectively.

CEDTAP contributed to sector-building through its *regional partnerships*, as well. One major partnership was maintained for most of the decade with RISQ, the social economy loan program associated with the Chantier in Quebec. This worked well because CEDTAP provided grant funds while RISQ offered lending services, two complementary functions. This also was a politically acceptable means of CEDTAP interfacing with Quebec, whose CED (social economy) sector was far bigger and better-organized than that of English-speaking Canada.

Another successful regional partnership came later in Phase II and evolved further in Phase III. CEDTAP developed an agreement with the VanCity Community Foundation to host the program's new regional coordinator in 2005-2006, sharing information and networks and coordinating efforts. Through her travels and analysis, the CEDTAP coordinator provided Van City with intelligence on social enterprise needs outside Vancouver, the Lower Mainland and Victoria. This information contributed to the Foundation's Enterprising Non-Profits Program decision, in 2006, to expand its coverage into rural and remote parts of the province. Furthermore, based on a solid working relationship with Van City and ENP, and Bell Canada, CEDTAP was able, in late 2006, to broker Bell's participation in ENP.

A final example of regional partnership also was triggered in 2004, after CEDTAP had collaborated with the Ontario Co-operative Association (On Co-op) and CCEDNET-Ontario on a project proposal to OTF (which was subsequently funded). Along with a number of other organizations—including credit union, cooperative and francophone organizations and the United Way of Greater Toronto—the three partners collaborated to form the Ontario Social Economy Consortium (OSEC). In summer 2005, OSEC submitted proposals to manage the capacity building and financing funds for Ontario routed via FedNor, as part of the federal Social Economy Initiative. The parties were negotiating draft contracts for these activities in October 2005. In the event, the Martin government fell and a Conservative minority was elected in Ottawa; by September 2006, the new government had cancelled the Social Economy initiative. However, some of the members of OSEC, especially among CCEDNET and On Co-op, continue to push the social economy agenda, and are leading discussions with the Ontario government on the possibility of establishing an Ontario social enterprise trust.

Furthermore, CEDTAP promoted sector-building by contracting key organizations to carry out *research*. Early in Phase II, for example, CEDTAP commissioned the Caledon Institute of Social Policy to prepare a research paper on innovation and CED. "Innovation and CED: What They Can Learn from Each Other," was published in early 2003, and was well-received among policy-makers and practitioners. Interestingly, the thinking underlying this paper

also forms part of the analytic framework of the new book on “Shared Spaces” being written by Caledon Vice-President, Sherri Torjman, and which promises to have a significant impact across the broad citizen sector.

Finally, in addition to strengthening Canada’s CED sector, CEDTAP’s design and functions have inspired the design of a number of programs that, in turn, are building *other sectors*. These include the following:

- Bell Canada’s Pure Sport Fund;
- The Canadian Co-operative Association’s Biofuels Program;
- CUSO’s Latin American Network on Community and Local Economic Development, and more recently, its new pilot co-operand management program in that region.

These are examples of initiatives that are making a national or international impact. The leaders of these programs, all themselves closely associated with CEDTAP, have testified as to the centrality of the CEDTAP model in the planning of their own initiatives.

Lessons: Five lessons can be drawn from CEDTAP’s experience with sector-building:

1) Social sector interventions can, and probably should, play different roles over time as a sector’s capacity and membership evolve.

Stepping forward to lead some times, and other times stepping back to follow the lead of others—both skill-sets are necessary! Overall, several “channels” for sector-building can be applied at different levels at the same time, including grant-making, dissemination, conferences and workshops, partnerships, policy advocacy and research.

2) The decision-making processes of grant-makers must be seen to be at arm’s length from the beneficiaries of those grants. There can be no perception of insider dealing in sector-wide grant-making programs. Measures must be put in place to ensure that a “glass wall” separates project selectors from project recipients.

3) Long-term commitment, endurance and openness to adjusting relationships are key success factors in enabling sector-building partnerships to address challenges and evolve in new and more productive directions. Nurturing and adjusting partnerships take time. Ways and

means of managing tensions and rivalries are sometimes necessary. Program leaders need appropriate skills as partnerships evolve.

4) In Canada’s current political context, forming appropriate regional partnerships is important to the success of pan-Canadian sector-building efforts. There is widespread suspicion of central Canada in the west, east, north and (of English-speaking Canada) in Quebec. Finding the most appropriate partner is not simple and comes with a price—that is, the groups that are not part of your partner’s “world” in the region will not be part of your world, unless you work doubly hard to these “outside” constituencies.

5) Instruments effective in building one sector may be transferable, at least in part, to other sectors. The design and methods of CEDTAP were used to help design new programs in sports and recreation, bio-fuels, and local economic development, nationally and internationally.

Theme 5: Management and Operations

Background: Effective and efficient management and operations are crucial to the success of any significant-sized grant-making and knowledge mobilization program. Key elements here include superior leadership, a skilled staff team, appropriate communications and reporting systems, and strong financial management capacity. CEDTAP operated within a small, semi-autonomous research unit and, at the same time, as part of a larger university management system. Furthermore, like any program, CEDTAP also was characterized by a cycle of stages that moved from start-up and piloting (1997-2000), to expansion (2001-2006), and then to wind-down (of grant-making) and transition (to research) (2006-2008). Each of these stages placed different demands on the program’s management and operations. Finally, CEDTAP was intended to be a bilingual program—to address the original vision of the program as a mechanism to remove language as a barrier across practitioners and communities.

Performance: Overall, CEDTAP’s performance on management and operations remained at a high level for most of the 1997-2007 period. One success factor was the hiring of three excellent *directors*, the first two of whom were

proven mid-career, professional managers; the third was somewhat younger but nonetheless possessed demonstrated programming and administrative skills. All three, as it happened, were drawn from the international-development sector. And all three were completely devoted to the program and provided impressive value for money. The longest serving director (2000-2006) was a fully bilingual francophone and boosted the program credibility's with Quebec sector organizations and with government agencies operating there.

In terms of other *staff* members, CEDTAP engaged a series of project officers, an MIS specialist, administrative staff, part-time regional coordinators, and part-time student research assistants. The project benefited from the continuity of two Administrators, the longest-serving staying on from 1997 to 2005. Notably, both were skilled in interfacing with the larger university system and fully-understood and supported CEDTAP's mission. As the portfolio of community initiatives hit the 200- and then 300-project marks in Phase II, and the TA provider list reached 400 and then 600 individuals, MIS skills became even more important to CEDTAP. The Lotus Notes-based system experienced some problems amid its advantages. However, it was clearly necessary to have some kind of powerful software to enable staff to manage and manipulate multiple databases. When the project began, at the end of Phase II, to shrink its secretariat, the MIS specialist could not be retained; that function then had to be absorbed by the smaller core staff (putting additional pressure on them).

One feature of the middle of the decade, from 2001 through 2004, was that CEDTAP had the funds to deploy five part-time regional coordinators across the country to interface with CEOs and sector bodies, advising on applications for community initiatives, and seeking new proposals from groups doing innovative and important work. Emerging organizations, especially, benefited from the coaching and advice of regional coordinators. These personnel also helped animate new local and regional partnerships and networks. While maintaining regional staff is not cheap, CEDTAP's experience is that it adds very significant value and produces results of better quality and quantity compared with organizations that only have head office staff.

Engaging Canadian communities directly requires real infrastructure.

Over the ten-year period, CEDTAP engaged more than 20 *students* as research assistants, the majority of whom were at the MA or doctoral levels in public policy, international affairs, business and sociology. Especially in the past five years, several of these students contributed significant advances to CEDTAP's analysis in such areas as knowledge clusters, impact assessment and corporate engagement. Capable, carefully-selected students offer a reasonable-cost, productive source of labour and skills to programs that are located within universities; no other institution can offer that particular comparative advantage.

In terms of internal *communications*, all three CEDTAP directors were committed to regular and meaningful staff meetings, information-sharing and team-building. An *esprit de corps* grew within the Secretariat. With regard to *reporting*, funders' requirements for reports and consultation were treated as the highest priority, usually on a quarterly or half-yearly basis.

CEDTAP's *financial management* and reporting was aided tremendously by the university's system and Business Office staff. In fact, the sheer volume of community grants made by CEDTAP pushed the Business Office sometimes beyond its limits. During the ten-year period, that office's own fluctuating staff complement and high turnover, and changing rules and practices, all combined to increase the complexity of managing the program. And, yet, the bottom line is that if CEDTAP had been a new, stand-alone non-profit or think tank that wasn't part of a larger system, it could have experienced great difficulty in tooling up and expanding its financial management capacity for an extended period. The advantage of being part of a large, operational financial-management system that is credible in the eyes of funders can't be ignored.

Over the decade under study here, CEDTAP was obliged to regularly realign its capacities and systems for management and operation according to the stage it was at in the program cycle. The pilot phase was one of experimentation and animation with a relatively small group of communities and TA providers in a fragmented CED sector. Phase II was one of expansion and "roll-out," with large numbers of

projects, people and funds to manage at the community, sector and program levels. Finally, Phase III, the grant-making wind-down and transition to research, required yet another set of skills and systems.

One surprise for the program was the need to “ramp up” grant-making in 2006-2007, precisely when the program’s grant-making was supposed to *wind down*! This occurred for two reasons. First, in early 2007 there was a considerable pool of funds from the Bell partnership still available for disbursement. Second, sector actors had heard that this would be CEDTAP’s final grant-making round, and sought to access a source of funding that would soon disappear. The challenge the program then faced was to evaluate a flood of more than 120 applications. CEDTAP tried to streamline this selection process, but this work called for a continuous and high-pressure role by the Program Coordinator. In the end, over 50 projects were approved, exhausting the Coordinator and crowding out other tasks.

Lessons: At least four lessons can be drawn from CEDTAP’s experience with management and operations:

1) *Universities that host social-sector grant-making programs offer access to larger financial management systems and the credibility of size, independence and permanence.* This route may be of special interest to funders that wish to strategically use grant-making to map, organize and strengthen a sector, and then shift their support to a more research- or education-oriented role over time.

2) *Skilled, often bilingual, senior managers can be recruited to lead innovative Canadian programming from the international-development field.* As a small country with social sub-sectors that tap a limited pool of talent, Canada and its social innovators can and should look to international-development organizations—official government agencies, non-governmental organizations and firms—to run major Canadian-based initiatives.

3) *For programs that build and manage large databases, on-site MIS expertise and appropriate, web-enabled software are essential to success.* This aspect of program management may not be well-understood by advocates of small-scale or pilot projects. CEDTAP worked in the space between full coverage of an entire

sector (e.g. government policy and regulation), on the one hand, and a handful of demonstration initiatives (e.g. pilot projects or venture investments), on the other. CEDTAP tried to serve a whole sector, and thus required systems to deal with large and complex data sets.

4) *Programs that are winding down may actually have to manage a serious spike in their activity and spending levels at the very end of their cycle, at the same time as they have reduced staff capacity.* Social-sector program managers should be prepared for this scenario, which is not inevitable, but very possible. This means managers must make choices about priorities and hold to them during the “spike” period, in the face of multiple pressures and reduced staff capacity.

Theme 6: Scaling

Background: Demonstrating how to scale up CED interventions at both the community and sector levels was a priority for CEDTAP throughout its programming decade. Even more important—especially because the program was, by national standards, not large and could never, alone, take interventions *fully* to scale—was *understanding* the process of scaling. CEDTAP also sought to achieve scale in its own operations, particularly in terms of number and types of grants it made, the number of TA providers registered in its system, and quantum and diversity of public and private donors mobilized to contribute to the program. The program also sought to use dissemination to animate the replication and multiplication of local initiatives and methods. Outside the program, CEDTAP leaders worked with other sector organizations to promote policy measures that would lever more government resources into the sector. At the same time, CEDTAP worked to find ways of engaging the corporate sector in CED.

Performance: CEDTAP’s performance on the dimension of scaling was generally positive, but uneven. Within its *own operations*, CEDTAP recorded some significant achievements:

- More than 1,000 community project applications were reviewed, and over 450 were approved;
- Some \$6 million was channeled into local initiatives by CEDTAP, directly

- and indirectly, leveraging another \$6 million from other sources;
- About \$1 million was injected by CEDTAP into sector-wide activities (conferences, research, etc), attracting another \$2 million in other funding;
- Over 600 individual professionals were registered as technical assistance providers in the CEDTAP database;
- CEDTAP and Bell Canada formed the largest corporate-non-profit partnership in CED ever, channeling \$1 million of Bell funds into over 150 local projects;
- CEDTAP mobilized more than \$11 million for its work from foundations, corporations and governments. This included over \$3 million in funds that matched the \$5 million Phase II grant from the McConnell Foundation.
- The program now generates about 10,000 internet search hits via Google in English and nearly another 1,000 in French.

These numbers support CEDTAP's claim to be the largest non-governmental grant-maker in CED in Canada. They also provide evidence of a dynamic sector that can attract significant public and private resources for its efforts.

However, the bottom line is that CEDTAP was, first of all, unable to secure 100% matching in Phase II for the McConnell grant; it achieved only 60% of that target. Second, and relatedly, the program was not able to find medium- or long-term support of its core costs—the management costs of running a national program. While corporations were open to providing grant funds for local projects aligned with their strategies, they were not interested in providing major funding for management expenses. Except for a brief period (2004-2005 federally), neither were governments. For their part, foundations were, in fact, very interested but (apart from McConnell) not large enough to be able to help with scale directly. Outside the program, working with like-minded organizations in the broader environment, CEDTAP made important gains, but the most significant of these proved temporary. In particular, during the period 2004-2005, under the Paul Martin minority government, the \$132-million federal Social Economy Initiative was announced in the spring 2004 budget. Under a committed champion in MP Eleni Bakopanos, Parliamentary Secretary for the Social Economy, a series of consultations with sector leaders

resulted in the design of a \$15 million suite of research projects under SSHRC (several CEDTAP Advisory Panel members were asked to advise this process), national and roundtable discussions between sector leaders and federal officials, and a “horizontal RMAF” produced by the Caledon Institute to evaluate the Initiative. These and related activities built momentum toward federal funding of the Chantier's proposal for a social economy trust in Quebec and a financing vehicle and capacity building project in Ontario, among other things.

By fall 2005, CEDTAP was a key member of the Ontario Social Economy Consortium (including CCEDNET, the Ontario Cooperative Association, credit unions networks, francophone economic development groups, and the United Way of Greater Toronto) that was negotiating a contract with FedNor to implement financing (\$30 million) and capacity building (\$6 million) components in Ontario under the federal Initiative. However, in November 2005, the government fell. The election in January 2006 produced a Conservative minority government which, in September 2006, terminated the Social Economy Initiative. The only elements of the Initiative that received funding before the government changed were the SSHRC SE suite and the Quebec trust. These remain very important tools for the sector, but represent only about one third of the original budget allocation for the national Initiative—and provide *no direct grant funds* to local groups at all.

Overall, then, electoral politics undermined the CED sector's efforts to work with the federal government to formulate and implement a policy that would have scaled up CED in Canada very decisively—and could have set the stage for an even greater advance later in the decade. For 12 months, both sides had a glimpse of what is possible in terms of federal policy. And then the window closed. The sector now has enough distance on this episode to reflect on the strengths and weaknesses of its strategy and tactics. For one thing, the Chantier used its Quebec leverage and lobbied hard; but it also had a concrete and visionary proposal—the trust—to market to key political and bureaucratic actors. CED leaders in English-speaking Canada were not as focused and organized, and perhaps not as aggressive in their (our) lobbying—and simply not as *fast* off the mark. It actually took the Chantier another year of lobbying and investment mobilizing

Lessons: With regard to scaling, CEDTAP's experience points to the following lessons:

- 1) *Private organizations—especially foundations and corporations—can and will invest in CED and social-enterprise innovation on a significant scale.* Major grants to CEDTAP from the McConnell and Ontario Trillium Foundations, as well as Bell Canada, RBC and Power Corporation, all contributed to CEDTAP's capacity to serve hundreds of Canadian communities.
- 2) *Blending foundation, corporate and government support, it is possible to take a pan-Canadian, non-governmental grant-making program for CED partway to full scale.* The numbers that CEDTAP "put up" were impressive in their own right and did represent authentic national reach. But they did not signal a fully scaled program. Based on the need and absorptive capacity of CEDOs across Canada, a fully scaled grant-maker for CED would get \$10-\$20 million in grants out to worthy local projects every year.
- 3) *Public policy change aimed at taking CED support to scale is subject to the sometimes sharp swings of electoral politics and delays and inaction from government inertia.* As sector leaders in Quebec found, even when a policy measure is agreed upon, it takes an all out campaign—sometimes for an entire year—to lobby hard for actual implementation of the measure, tasking the leadership, endurance and resources of sector actors.
- 4) *While policy gains can be transitory, sector leaders in CED and their allies in government must learn from past action and obstacles, keep working together, and, at the next opportunity, be prepared to push aggressively for rapid implementation of policy measures.* The policy "aperture" of 2004-2005 gave sector actors and their government counterparts a concrete sense of how policy could torque CED and social enterprise. The next time such an aperture presents itself, CED leaders should be fully prepared to exploit the new circumstances—fast, and hard.

Theme 7: Corporate Sector Engagement

Background: For the past six years, more than half the decade under review, CEDTAP has been very active in exploring ways and means of engaging the corporate sector in CED. The program first became interested in the private sector as a source of funding for CEDTAP's grant-making that would match the McConnell contribution of \$5 million to Phase II. At the onset of that phase, in 2000-2001, CEDTAP participated in the Conference Board's network on CED, and through this venue interacted with key corporate players from Bell, Syncrude, Suncor and other company representatives (plus those of government agencies, both federal and provincial). At the same time, CEDTAP opened a series of discussions with RBC on a possible major partnership (which later stalled when the bank's leadership changed). In late 2002, CEDTAP and RBC jointly designed and chaired a forum in Toronto on "the business of CED" for 40 corporate and CED leaders.

In 2004, through a combination of factors, including strong support by the McConnell Foundation, CEDTAP and Bell Canada signed Canada's largest corporate-CED partnership for \$1 million. In 2005, with the encouragement of Bell and McConnell, the Ontario Trillium Foundation funded a joint project involving CEDTAP, the Ontario Cooperative Association and CCEDNET's Ontario Region. The OTF project included a major component calling for CEDTAP to collaborate with Bell and Imagine Canada to organize a series of business-to-business (B2B) roundtables on how companies can support CED initiatives. Between 2005 and 2007, B2B roundtables were held in Toronto, Calgary, Halifax and Sault St. Marie, and more are planned for other Ontario centres in late 2007. These roundtables created subsequent opportunities for CEDTAP to talk bilaterally with a number of major firms to explore fundraising possibilities (eg Manulife, Unilever, TransAlta).

Performance: Overall, it must be concluded that CEDTAP's experience with corporate fundraising to support its own grant-making was mixed. On the one hand, collectively and individually, Canadian companies were found not to be able or willing to pay for the management infrastructure of CEDTAP as a pro-

active, national program. While they were, in fact, interested in providing grant funds for CED groups in the companies' area of interest, corporations did not want to pay for the full overhead costs of the program. On the other hand, though, the partnership with Bell Canada was large-scale, robust and very successful in almost every respect. That partnership resulted in the funding of over 150 local initiatives across the country from 2004 through 2007. There was excellent cooperation, respect and mutual learning between CEDTAP and Bell staff in the project selection process. And, relative to its contribution to community projects (of \$1 million), Bell paid its own administrative "freight" with an additional contribution of \$200,000 for the services of the CEDTAP secretariat. This was indeed a best-practice partnership.

Moreover, CEDTAP's work with Bell, Imagine, RBC and others helped the program better understand how to build the business case for support of CED by companies. The B2B roundtables—non-transactional and learning-oriented—proved to be effective vehicles for dialogue and learning about CED within the corporate sector. As the B2Bs proceeded, it became clearer to CEDTAP staff that *procurement* as well as *grant-making* and employee *volunteerism*, is a key tool for corporate engagement with CED. Both the Syncrude/Suncor best-practice experience in northern Alberta in actively nurturing and buying from Aboriginal vendors of products and services, and the emerging network of Social Purchasing Portals in Canadian cities, were found to generate considerable interest in discussions with business. Furthermore, corporate interest was also found to be high in understanding the advantages and models of CED intermediaries, in light of the many grant-seekers approaching companies and the firms' challenges in both managing this growing volume of requests and in finding acceptable ways of saying "no" without triggering negative reputational repercussions. Finally, some corporate representatives in the B2Bs expressed strong interest in benchmarking and evaluation tools such as SROI, EVAS and logic models.

The diagram below depicts the various factors and relationships that shape opportunities for corporate sector engagement with CED.

Lessons: Two main lessons arise from CEDTAP's work on corporate sector engagement:

1) Corporations can become important partners when corporate business strategy, corporate social responsibility and CED initiatives all can be aligned. Over the past half-decade, CEDTAP witnessed a trend among major corporations to more closely align their CSR and community investment activities with their core business strategy. Thus, if their target customers are young people, or new immigrants, these companies will actively seek engagement opportunities (through grant-making, volunteering or procurement) with organizations representing or serving those constituencies—and will not be interested in engaging with a more general population.

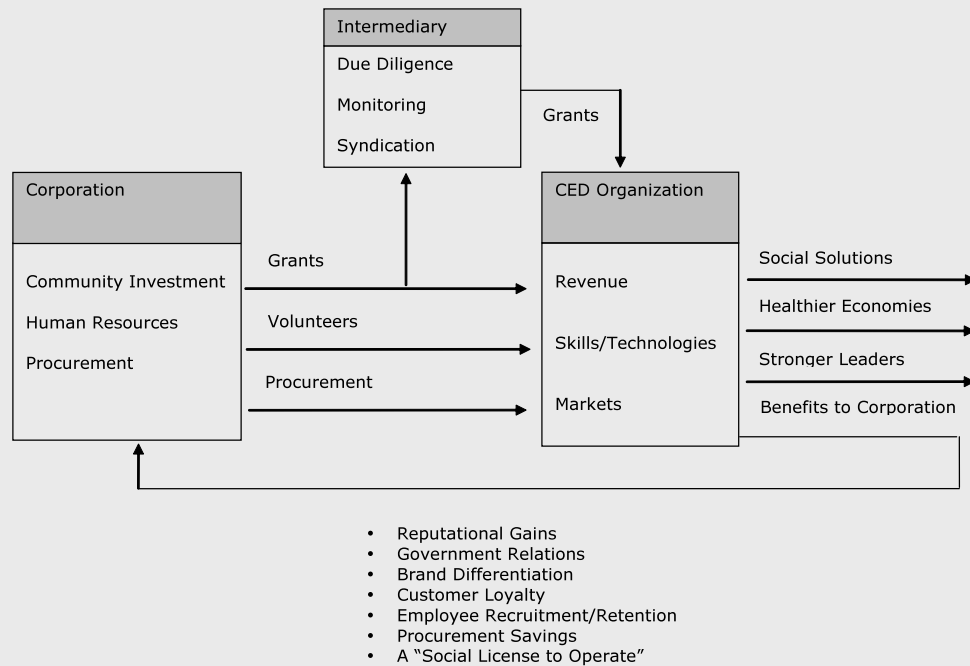
2) Engaging the national offices of companies requires a different approach than engaging local business units or branches. National community-investment and CSR managers focus, as expected, on national and international vectors, particularly with respect to media coverage, shareholder behaviour and stock price, regulatory issues, and more. In contrast, local business units and their leaders are usually deeply embedded in the social networks and initiatives of the communities in which they are located. Local customer behaviour and loyalty, local media coverage, local politics, local alliances and rivalries between business and the social sector—these are of more importance to community-level business units. It may be more difficult to find ways of bridging CED-corporate differences at the community level than at the national level; local-level tools for this process might include the United Way, community foundation, Chamber of Commerce, Community Futures Corporation, economic development corporation, or other multi-sectoral leadership structures.

3) Procurement is the most promising strategy for corporate engagement with CED. Corporate and CED champions of engagement should deepen their understanding of the power of procurement, and develop cases and tools for both parties to work together on this strategy, nationally and locally. Understanding more precisely how CSR and community investment strategy can influence procurement policies and practices inside companies is very important to CED and social enterprise. The importance to

the viability of community businesses of this source of revenue cannot be over-emphasized. On the CED side, though, efforts must be made to maintain the quality and quantity of the

products and services being sold—and understanding how this can be achieved should also be a priority for all parties.

Corporate Engagement with Community Economic Development: Strategies and Benefits



7

Theme 8: CED Impact Assessment

Background: Common-sense application of results-based management (RBM) was an important feature of most CEDTAP functions and systems. From the beginning of Phase I, for example, payments for technical assistance assignments were tied to TA provider outputs (reports, studies, training events, etc). Other program *outputs* were tracked assiduously, most comprehensively when, for most of Phase II, CEDTAP employed an MIS specialist. While the Lotus Notes system deployed in that phase sometimes proved cumbersome for applicant organizations, the software did permit solid and fast downstream reporting on an increasingly large and complex portfolio of community initiatives.

At the same time, CEDTAP was committed to tracking and assessing program *outcomes*. To this end, two external evaluations of CEDTAP were commissioned: The first, in 2000, assessed Phase I of the program and helped shape the design of the next phase. The second external evaluation was conducted at the mid-point of Phase II, in 2003, and also resulted in program adjustments and improvements. Later, in 2004-2005, CEDTAP leaders advised the Government of Canada on a program evaluation framework to assess anticipated outcomes of the capacity-building and financing components of the proposed federal Social Economy Initiative. To this end, a "horizontal" RMAF (results-based management and accountability framework) involving both government officials and sector leaders was produced by the Caledon Institute.

A third area involved assessing the *impacts* on the ground of CED organizations themselves. These are usually longer-term, more granular results—and ones that, because of the typically short-term nature of CED funding, are rarely documented. CEDTAP used two approaches to examine and learn about this issue. First, the program actually *funded* a number of community initiatives focused on this topic. Within its network of providers and allies, CEDTAP had access to some of Canada's most knowledgeable experts on impact evaluation at the community. Second, especially in Phase III, the program itself designed and carried out a stream of *research* explicitly on CED impact assessment, primarily through case-study research by graduate students on a selection of its grantee organizations.

Performance: Three dimensions of CEDTAP's performance on this theme are worth highlighting. First, the program went through its own continuous *learning process* as it became increasingly precise in its understanding of the linkages among the short-term outputs of its TA assignments, medium-term organizational outcomes at the CEDO level, and, finally, longer term socio-economic impacts at the community level, (acknowledging attribution issues). In 2003, the program produced a new results chain depicting these linkages and emphasizing the following community-level impact indicators: employment, better quality of life, increased income and assets, increased social capital, other household measures, improved credibility of CED, and more effective partnerships within and across communities. Three years later, though, in 2006, CEDTAP had opted to apply three methodologies in particular—logic models, EVAS and SROI—in its own research that focused more on assessing impacts through the lenses of the CED organizations and their enterprises than of the community as a whole.

Second, throughout the 1997-2007 period, CEDTAP was an important *funder* of local initiatives testing or designing ways of assessing CED impacts at the community, organizational and enterprise levels. Among the leading providers in these initiatives were some of Canada's best experts in CED evaluation, including CIEL (Community Vitality Index, Business Vitality Index), Eko Nomos (Livelihoods Capacities and Gender Equality), OP 2000 (predecessor of Vibrant Communities and the Tamarack Institute), New Economy

Development Group, Centre for Community Enterprise, and Enterprising Non-Profits (on SROI). It is estimated that over ten years, CEDTAP supported more than 30 community initiatives that tested new ways of assessing results at the community or organizational levels and often developed new tools and manuals for wider use.

At the same time, through networking and policy processes, CEDTAP gained exposure to the tools and methods of Social Capital Partners (on Social Return on Investment) and, later, the OISE Social Economy Centre (on Expanded Value-Added Statements). Added to this was the CEDTAP staff's familiarity with logic models and RBM, especially experience in the field of international development (which had also been used by the program's external evaluators, CAC International).

Finally, beginning in 2006, with Phase III funds from the McConnell Foundation, and as part of its shift from grant-making to knowledge mobilization, CEDTAP embarked on its own research program on CED impact assessment. In cooperation with local CED leaders, and through the work of graduate research assistants from Carleton's School of Public Policy and Administration, the program carried out case-study analysis—primarily applying logic models and EVAS and setting the stage for SROI analysis—of the following Ontario-based CEDOs:

- Caldech community development corporation, Penetanguishene;
- Learning Enrichment Foundation, Toronto;
- Ottawa Community Loan Fund;
- PARO Women's Centre, Thunder Bay.

The research program also entailed a broader literature search on the costs and benefits of CED-type programs across Canada. In 2006-2007, the findings of several of these studies were presented at national conferences on CED, social enterprise, and evaluation. This research program is ongoing through mid-2008.

Lessons: Three main lessons arise from this dimension of CEDTAP's work:

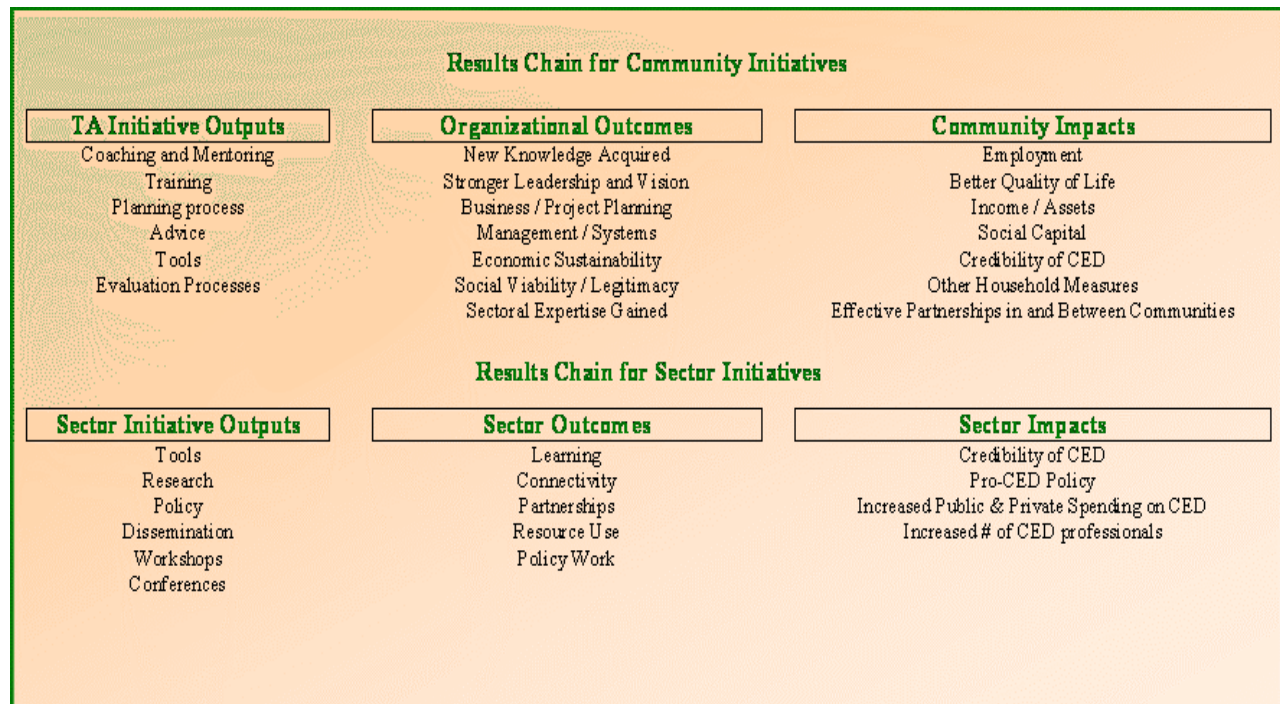
1) There is an array of appropriate and effective impact assessment tools available now to Canadian practitioners, policy-makers and funders at the community, CEDO and social

enterprise levels. In CEDTAP's experience, the most promising of these tools include the Community Vitality Index, Expanded Value-Added Statements at the organizational level and Social Return on Investment at the enterprise level, together with logic models and results chains at all levels. In particular, these tools can be used by governments, foundations, corporations and financial institutions to calculate the "blended" costs and benefits of their investments in community economic development—through grants, loans and equity investing.

2) *The Expanded Value-Added Statement (EVAS) is especially useful in its ability to integrate in a single statement quantitative measures of social and environmental value-added as well as conventional financial value-added for CED organizations and other non-profits, cooperatives and projects.* EVAS case research by CEDTAP and other organizations indicate that non-profits and co-operatives generate 20% - 60% worth of additional value-

added through typically invisible and unmeasured social and environmental impacts. Recently, the EVAS approach has been applied to the long-term (10-20 years) environmental and social impacts of both green building construction and affordable housing and community development. It is an adaptable and flexible tool. Building up a national portfolio of diverse case studies of EVAS applications is in the interests of the CED sector.

3) *In an enabling environment, mature and scaled social enterprises can repay all their social costs within three years.* Through its survey of more than a dozen cost-benefit and evaluation studies on CED and CED-type programs across Canada, CEDTAP has found that the potential of social-purpose businesses to repay the subsidies they receive from governments, foundations and other parties within two to three years is very high—if those businesses are of significant scale and operate in a policy environment that accepts (and ideally promotes) CED and the social economy.



Source : Résumé des programmes du PATDEC, 2002.

Theme 9: Social Finance

Background: From the earliest conversations about CEDTAP, it was acknowledged by both the McConnell Foundation and Carleton University that CED organizations need three types of financial assistance: technical assistance grants to innovate, core support to strengthen high-performing CEDOs, and loans and guarantees to enable CEDOS to expand. For its part, of course, CEDTAP focused on providing TA grants at the community level as well as some sector strengthening grants. No public or private institution took on the core-funding role (though the federal government continued providing the 268 Community Futures Development Corporations with basic core support). And it wasn't until the federal Social Economy Initiative of 2004-2005 proposed a series of regional financing vehicles for patient capital that the issue of loans was put onto the agenda of the CED sector.

In parallel, however, CEDTAP's host organization—the Carleton Centre for Community Innovation—ran a succession of projects on community-targeted investing of capital pools. In 1998, 3ci's Director edited a special issue of *Making Waves* on development finance for CED. In 2001, an action-research project on pension trustee education on social investing was funded by the Atkinson and Columbia Foundations. In 2004-2006, another initiative supported by an SSHRC-CURA known as "Pensions at Work," and run by OISE/UT, examined the impacts of economically targeted pension investing. Both projects engaged organized labour, investment professionals and academics from various disciplines. The stream of work on pensions did not intersect with the CED work until the end of the CEDTAP programming decade.

Performance: Between 1997 and 2007, CEDTAP used its *community-level grant-making* function to support an estimated 40 projects on various forms of community finance, including micro-finance/micro-credit, individual development accounts, community-based equity funds, and other models, tools and programs. As for its *sector-level grant-making*, CEDTAP funded conferences that included workshops on community finance and studies, such as one by the Social Investment Organization, assessing capacity and demand for community-oriented

investment, and one by CCEDNET on targeted pension investing in Aboriginal CED.

But it wasn't until 2004 that CEDTAP really began to take its interest in CED financing to a higher level. During the period of the federal Social Economy Initiative, CEDTAP supported efforts by sector actors to convince the regional development agencies that the financing vehicles for patient capital should actually be governed by sector organizations. The Chantier's trust model was based on this principle. So was, in 2005, an initial concept for a similar pool in Ontario. In 2007, with its allies in Ontario, CEDTAP and 3ci returned to the task of designing an Ontario Social Enterprise Trust, and had discussions with various provincial-government representatives, including the Ontario Ministry of Finance.

In 2006-2007, CEDTAP/3ci was represented in two national initiatives: the HRSDC-supported Community Finance Advisory Committee (CFAC) and the Social Finance 21/Causeway Steering Committee run by the Tides and McConnell Foundations and Plan Canada. In 2006, 3ci prepared a research report for Industry Canada on policies and models for financing-social economy enterprises; this report was widely distributed, including to the members of CFAC.

In 2007, members of 3ci joined with other Carleton faculty to form the Financing Civil Society Research Group. This group, along with the School of Public Policy and Administration (SPPA) and the Centre for Voluntary Sector Research and Development (CVSRD), and in conjunction with HRSDC, hosted a symposium in March 2007 on program-related investments by foundations and endowments, attracting some 50 key players in philanthropy, policy-making, regulation, non-profit management and academia. In winter 2008, this and other research will be used to develop a graduate course in financing strategies for civil society.

In essence, then, CEDTAP and 3ci worked at three levels in advancing what was originally referred to as the CEDCAP agenda: community, sector and the enabling environment. In the cases of CFAC and SF 21/Causeway alike, efforts were aimed at changing the environment by working on both the supply-side and the demand-side of the social-finance equation. On the supply side, 3ci conducted research on policies, institutions, models, products and services that mobilize large pools of capital and

target investments for social and environmental as well as financial purposes. Such supply-side innovations include foundations that issue bonds, securitization of micro-loan portfolios, and foundation loans that lever private financing for affordable housing. On the demand side, in addition to CEDTAP's direct work in building CEDO capacity, the program's research on CED impacts generated analysis, cases and evaluation tools that social investors and financial institutions can use in front-end due diligence and in monitoring investments. In particular, tools for assessing enhanced value-added produced by CEDOs and for assessing the social return on investment of social enterprises, exhibited considerable promise.

CEDTAP benefited from two contradictory factors. First, the concept of social finance is actually located in an analytic framework that is much broader than the CED sector. Social finance refers to any form of sustainable finance for the citizen sector, including but not limited to CED and social enterprise. This level of aggregation was found by CEDTAP to possess more analytical power than community finance for CED. Second, CED and social enterprise have more experience than other groupings within the broader third or citizen sector with a broader range of financing products and services. Thus, the "window" of CED/SE offers a more detailed and nuanced look into the nature and effects of social finance.



Lessons: In light of CEDTAP's experience with social finance to date, the following lessons are worth highlighting:

1) *As a broader concept at a higher level of aggregation, social finance offers certain analytic and organizing advantages that the narrower concept of CED finance can't.* The supply-side actors are more numerous, diverse and bigger, and the policy measures to torque social finance are more sweeping and perhaps less vulnerable to short-term political and bureaucratic vicissitudes, though this needs to be

tested. Compared to the CED sector alone, broader-based coalitions can be built to advance social finance.

2) *Supply-side models and tools must be designed and tested rapidly but carefully before being brought to market.* PRIs for affordable housing, ETIs for green energy, microfinance securitization, foundation bond issuance—these are promising models and services that should be developed by a coalition of foundations, banks, credit unions, insurance companies and governments.

3) *CED and social enterprise are important demand-side "laboratories" to help actors understand what kinds of social-finance products and services should be developed.* One area that is beginning to rival the CED/SE sector, though, in this regard, is that of disabilities. In this area, Plan Canada's leadership on a "disability RRSP" for families that care for a person with disabilities has charted a new path in social finance—a systems-change path. Both the disabilities stream and the CED stream are rich and generative bodies of experience that are growing every day.

4) *When the implementation of an important intervention must be deferred, work on this component can nevertheless proceed on a slower, "R & D" track, moving toward full-scale action in the longer term, but generating knowledge products and improved understanding along the way.* University research centres can do this easily; indeed, it is part of their mission. That is what 3ci did with CEDCAP, community finance and, later, social finance.

Theme 10: Community-University Engagement

Background: In some ways, *all* of the CEDTAP experience could be viewed as one major, multi-dimensional experiment in community-university engagement (CUE). An array of forms of and strategies for CUE were designed and implemented through the program, including: management, advisory and selection committees, grant-making, research partnerships, policy advocacy networks, support to courses, student research on CEDOs, and more. Overall, CEDTAP's core business of grant-making was unusual for a university-based program, especially in terms of its scale, reach and

duration. And converting the assets of that core business to scholarly benefits was not straightforward. In any case, much was learned about the nature, potential and limits of CUE over the CEDTAP programming decade.

Performance: CEDTAP demonstrated successfully the use of “blended” *committees* of university and external stakeholders to oversee, advise and select projects for the program:

- the *CEDTAP Management Committee* comprised senior representatives of the McConnell Foundation, Bell Canada (starting in 2004) and Carleton University. Meeting roughly three times a year, this structure proved to be not only one of due diligence and accountability and financial oversight, but also a vehicle for strategic discussion and creative problem-solving;
- the *CEDTAP Advisory Panel* was composed of respected leaders in policy research, philanthropy and the third sector as well as leading community-engaged academics from Carleton and other institutions. Meeting once or twice a year, this group provided strategic and programmatic guidance and also assisted with problem-solving and planning;
- the *CEDTAP Project Selection Committee* consisted of a different group of CED and non-profit practitioners and policy managers from the non-profit and public sectors. In 2004, Bell Canada representatives joined this committee as well and played very active roles. This committee focused on assessing proposals for community initiatives that had been pre-screened by Secretariat and, when they were in place, Regional Coordinators. No university personnel sat on this committee, though it was serviced and chaired by CEDTAP staff based at Carleton.

Many universities establish committees that involve external actors. What was noteworthy about these CEDTAP structures were their consistent productivity, members’ sense of common purpose, and their steadfast support of the CEDTAP mission. In part, this was due to careful recruitment of committee members, at least in the later two structures. In the

Management Committee, CEDTAP benefited from the thoughtful and committed engagement of its two major donors—McConnell and Bell—as well as consistent support of the program by the Dean’s Office at Carleton, which was represented on this committee. This was, on donors’ part, high engagement grant-making, at its best.

In the area of *grant-making*, CEDTAP was a vehicle for not only channeling funds to communities across Canada. It also sent a strong signal that Carleton University’s Faculty of Public Affairs takes community engagement seriously, on a national scale. Although this may not have had direct payoffs to the university in terms of student recruitment, it did strengthen Carleton’s reputation among federal politicians and officials in the fields of regional development and social policy in particular. Its association with Bell Canada also solidified the university’s credibility with other Canadian corporations, as well.

In terms of *partnerships* for research and policy advocacy, CEDTAP was involved in a wide range of bilateral and multilateral relationships with sector organizations, governments, think tanks and other universities—at both the regional and national levels. On some occasions, CEDTAP actually commissioned research—or funded sector organizations’ research proposals (e.g. Caledon, Social Investment Organization). On other occasions, CEDTAP was part of a broader network of sector groups and universities; the Social Economy Research Hub, on whose Advisory Board CEDTAP/3ci is represented, is the most recent and “networked” example. Such complex networks and coalitions proved labour intensive, and sometimes difficult to manage when staff capacity was low. CEDTAP approached each opportunity on a case by case basis and attempted to play an appropriate role. In fact, on some academic proposals, CEDTAP was viewed as a *community* partner, which was taken as high praise!

Looking ahead, CEDTAP and 3ci have been represented in a loose network of universities and non-profits interested in promoting *community-based research* on a national level. The University of Victoria’s Office of Community-Based Research is a driving force in this effort, along with the United Way, CCEDNET, UQAM and others.

Another element in CEDTAP's CUE experience was its support of Carleton University *courses*. In Phase I, the program funded sessional fees for a graduate course on CED in the School of Social Work. In Phase II, program research was used to set up a new graduate seminar on the social economy and public policy in the School of Public Policy and Administration; this course was taught in 2005 and 2006 and will be offered in the future. A new course on financing civil society in Winter 2008 in the School will also draw heavily on CEDTAP and 3ci research. In each instance, instructors who championed, taught and sustained these courses were essential for success.

Finally, the leadership of CEDTAP and 3ci was able to pull together its experience on community-university engagement through a series of lectures and consultations at the University of Victoria in 2005 and 2006 and in Ottawa in 2007 with the Deans and Directors of the Canadian Association for University Continuing Education. In particular, this analysis stressed the synergies that could, and should, be achieved across the three spheres of community-based research, community service learning and community-oriented professional training. Moreover, the analysis indicated pathways for institutional change for increased CUE from the unit to the Faculty to the corporate-wide levels of the university.

In turn, all of this analysis "returned" in a sense to Carleton University when, in early 2007, the Office of the Dean of Public Affairs worked with the Carleton University Research Office to set up a university-wide group called the Initiative for Community-University Engagement, or I-CUE. Among other things, I-CUE will collect stories on CUE at Carleton in the spheres of teaching, research and training, and will disseminate these to encourage more such activity. The Initiative will also celebrate high-performing champions of CUE (both inside and outside Carleton), promote increased skills and knowledge among

faculty about CUE strategies and techniques, and propose new university infrastructure to reduce transaction costs and increase reach and effectiveness of CUE at Carleton.

Lessons: A number of lessons emerge from CEDTAP's experience with community-university engagement:

- 1) *Universities can employ an array of strategies with which to engage with communities, including: joint management and program committees, grant-making, bilateral and multilateral partnerships at all levels, community-based research and support to courses.* University faculty members and students need to be "skilled up" in these strategies. Furthermore, the labour-intensity of community-university engagement needs to be managed and transaction costs for faculty members and community groups reduced, or at least contained. This may require institutional and policy changes within universities.
- 2) *Converting a university-based grant-making and dissemination program into scholarly assets (studies, cases, publications, courses) is an important way to ensure support within the institution and to sustain and build on the knowledge generated by the program.* CEDTAP could have done more of this.
- 3) *Universities can generate synergies in community engagement across three spheres on a "dynamic triangle": community-based research, community service learning, and community-oriented professional training.* This approach takes focus and effort—it involves mobilizing research, degree-program teaching and continuing education in an integrated way, and exploiting spin-off opportunities in one sphere to "grow" community engagement in either or both of the other two spheres.
- 4) *Deepening and broadening community engagement at the unit (research centre, department or school) level of a university does not at all guarantee a shift toward CUE at the Faculty or corporate levels. A thoroughgoing change toward CUE must be effected at all three levels, and across the entire university system.* A number of universities are making multi-level and system-wide gains in community-based research (University of Victoria), community-service learning (some members of the Canadian Association of Community Service Learning) and continuing education/extension (some



members of the Canadian Association for University Continuing Education).

Summary of Lessons

The following summarized the lessons from CEDTAP's experience for each of the ten themes, as follows:

GRANT-MAKING TO COMMUNITY-BASED ORGANIZATIONS

- 1) *An intermediary grant-maker, located within a social sub-sector, can be an efficient and effective tool through which funders can intervene.*
- 2) *Grant-making can serve as a way to simultaneously map and build a sector.*
- 3) *High-engagement, national-grant-making is labour-intensive and leaves little time for other functions.*

FRAMING, AND RE-FRAMING

- 4) *Long-term interventions must recruit and retain leaders who are capable of engaging and integrating new concepts and frames as the work proceeds, both to maintain a coalition of stakeholder support, and also to adjust strategic direction.*
- 5) *In under-funded social sectors, channelling funds to local organizations matters as much or more than elegant and sophisticated analytic frames; in fact, either one without the other will not succeed.*

DISSEMINATION

- 6) *Grant-making can be made an even more powerful dissemination tool by using a "knowledge-cluster" approach to the animation of mutual learning, replication and scaling among grantees working on similar issues*
- 7) *Significant time and money should be devoted to efforts to bring CED stories into the mainstream print and electronic media.*
- 8) *CED sector leaders, policy-makers, funders and scholars should deepen their understanding of the potential of Web 2.0 tools to engage young*

people in CED, and experiment with ways and means of realizing this potential

SECTOR-BUILDING

- 9) *Social sector interventions can, and probably should, play different roles over time as a sector's capacity and membership evolve.*
- 10) *The decision-making processes of grant-makers must be seen to be at arm's length from the beneficiaries of those grants.*
- 11) *Long-term commitment, endurance and openness to adjusting relationships are key success factors in enabling sector-building partnerships to address challenges and evolve in new and more productive directions.*
- 12) *In Canada's current political context, forming appropriate regional partnerships is important to the success of pan-Canadian sector-building efforts.*
- 13) *Instruments effective in building one sector may be transferable, at least in part, to other sectors.*

MANAGEMENT AND OPERATIONS

- 14) *Universities that host social-sector grant-making programs offer access to larger financial management systems and the credibility of size, independence and permanence.*
- 15) *Skilled, often bilingual, senior managers can be recruited to lead innovative Canadian programming from the international-development field.*
- 16) *For programs that build and manage large databases, on-site MIS expertise and appropriate, web-enabled software are essential to success.*
- 17) *Programs that are winding down may actually have to manage a serious spike in their activity and spending levels at the very end of their cycle, at the same time as they have reduced staff capacity.*

SCALING

- 18) *Private organizations—especially foundations and corporations—can and will*

invest in CED and social-enterprise innovation on a significant scale.

19) *Blending foundation, corporate and government support, it is possible to take a pan-Canadian, non-governmental grant-making program for CED partway to full scale.*

20) *Public policy change aimed at taking CED support to scale is subject to the sometimes sharp swings of electoral politics and delays and inaction from government inertia.*

21) *While policy gains can be transitory, sector leaders in CED and their allies in government must learn from past action and obstacles, keep working together, and, at the next opportunity, be prepared to push aggressively for rapid implementation of policy measure.*

CORPORATE SECTOR ENGAGEMENT

22) *Corporations can become important partners when corporate business strategy, corporate social responsibility and CED initiatives can all be aligned*

23) *Engaging the national offices of companies requires a different approach than engaging local business units or branches*

24) *Procurement is the most promising strategy for corporate engagement with CED.*

CED IMPACT ASSESSMENT

25) *There is an array of appropriate and effective impact assessment tools available now to Canadian practitioners, policy-makers and funders at the community, CEDO and social-enterprise levels.*

26) *The Expanded Value-Added Statement (EVAS) is especially useful in its ability to integrate, in a single statement, quantitative measures of social and environmental value-added as well as conventional financial value-added for CED organizations and other non-profits, cooperatives and projects.*

27) *In an enabling environment, mature and scaled social enterprises can repay all their social costs within three years.*

SOCIAL FINANCE

28) *As a broader concept at a higher level of aggregation, social finance offers certain analytic and organizing advantages that the narrower concept of CED finance can't.*

29) *Supply-side models and tools must be designed and tested rapidly but carefully before being brought to market.*

30) *CED and social enterprise are important demand-side "laboratories" to help actors understand what kinds of social-finance products and services should be developed.*

31) *When the implementation of an important intervention must be deferred, work on this component can nevertheless proceed on a slower, "R & D" track, moving toward full-scale action in the longer term, but generating knowledge products and improved understanding along the way.*

COMMUNITY-UNIVERSITY ENGAGEMENT

32) *Universities can employ an array of strategies with which to engage with communities, including: joint management and program committees, grant-making, bilateral and multilateral partnerships at all levels, community-based research and support to courses.*

33) *Converting a university-based grant-making and dissemination program into scholarly assets (studies, cases, publications, courses) is an important way to ensure support within the institution and to sustain and build on the knowledge generated by the program.*

34) *Universities can generate synergies in community engagement across three spheres on a "dynamic triangle": community-based research, community service learning, and community-oriented professional training.*

35) *Deepening and broadening community engagement at the unit (research centre, department or school) level of a university does not at all guarantee a shift toward CUE at the Faculty or corporate levels. A thoroughgoing change toward CUE must be effected at all three levels, and across the entire university system.*

What Should Happen Next? What Really *Could* Happen?

In light of these reflections on ten years of CEDTAP, what should happen next? In an ideal world, the federal and provincial governments would learn from CEDTAP and related experiences, and work with the sector to design a major, pan-Canadian policy initiative on CED and social enterprise. This policy effort would look something like the Martin government's initiative of 2004-2005 in that it would provide capacity building grants and support regional financing institutions along the lines of the Quebec social economy trust. This initiative would also include a series of fiscal and regulatory measures making it more attractive for individuals and institutions substantively invest in and donate to CED.

Most importantly, though, the delivery of these programs would be carried out by third-party organizations governed wholly, or jointly with government, by the CED sector itself. And, within this context, the leaders and delivery agents of this policy initiative would establish systems and procedures, evaluation frameworks, and strategies of engagement with CEDOs and social businesses that are informed by the lessons of CEDTAP's decade-long experience.

Finally, the funding involved would be significant—in the order of \$300 million—and would address the core funding needs of CEDOs as well as their technical-assistance and capital-growth needs.

But it is not an ideal world. Minority federal governments, frequent rotation of provincial governments, fragmented regional interests, inter-scalar and geographic power asymmetries, preoccupation with environmental and military policy—these are only some of the factors that conspire to render the ideal scenario extremely unlikely, and very probably impossible, in the foreseeable future.

So, what really *could* happen? In fact, building on the platform of lessons from CEDTAP, and the work of many others, some very important gains could be made. These advances are within the spheres of influence of organizations already committed, or open, to promoting CED and social business. Here are five such possible

advances in two thematic areas: of social finance and community-university engagement:

SOCIAL FINANCE

1) *Replication and expansion of regional and local grant-making models.* With support from community foundations, United Ways, corporations and government agencies, the BC-based Enterprising Non-Profits Program, a grant-maker, could be replicated in other provinces. ENP is actively considering entering Ontario as a start. The Toronto Social Enterprise Fund model could also be replicated. Similar funds are being set up or considered in Edmonton, Ottawa and elsewhere.

2) *Replication and diversification of CED lending vehicles.* Governments, foundations and other actors could support the design and implementation of lending institutions such as the Fiducie du Chantier d'économie sociale in Quebec. Sector leaders in Ontario are talking with the provincial government about establishing an Ontario social enterprise trust derived from the Quebec model, but with additional features.

In the case of both ENP and CED lending vehicles, skilled professionals from the CEDTAP database – who are mostly part of the pan-Canadian CCEDNET, co-operative or social-enterprise networks – should be engaged to strengthen demand-side capacity, advise on grant and loan applications, ensure pre-funding due diligence, help monitor funded initiatives, and provide ongoing mentoring and counseling, as needed to CEDOs and social businesses.

3) *Development of equity vehicles and products for CED investing.* Animated by groups like Causeway/SF21, social finance advocates are designing new vehicles and products for channeling equity from pension funds and other financial institutions into CED and SE investments. Partnerships involving credit unions, banks, private equity and corporate actors—as well as governments—are promising in the areas of affordable housing, green energy, green construction, arts and culture and Aboriginal development.

COMMUNITY-UNIVERSITY ENGAGEMENT

1) *Community-university research networks on CED impact assessment:* It would be very possible to rapidly scale up the innovative work being undertaken on CED impact assessment by various organizations across Canada (ENP, OISE, Carleton-3ci). Foundations, SSHRC and governments might be interested in supporting this work, which could create a large and rich portfolio of studies assessing social return on investment and social and environmental value-added that would, in turn, permit comparative analysis and benchmarking. Such action-research would be very useful for institutions making grants and loans to, and equity investments in, CEDOs and social enterprise as well as to sector organizations themselves.

2) *Demonstrating models for optimum community-university engagement for social innovation:* Because of its experience with CEDTAP, and the program's convergence with other experiences in non-profit management and in program evaluation, Carleton University's Faculty of Public Affairs is well-positioned to mount a unique initiative to demonstrate, in a large university faculty, how *community-based research, community service learning* and

professional education all can be integrated to generate breakthroughs in three areas of social innovation: social finance, non-profit management, and program evaluation. This work would be promoted at the local, provincial, national and international levels with other universities, civil society organizations, the public and private sectors.

Conclusion

This report has summarized the main achievements, limits and lessons of the implementation of CEDTAP during the ten-year period 1997-2007. The lessons derived from this experience, it is hoped, will be of interest not only to CED leaders but also to foundation managers, government policy-makers, corporate CSR officers, and university researchers. Going forward, challenges and opportunities abound in Canada's citizen sector. CEDTAP has made an important contribution to our understanding of how knowledge can build strong communities. It is now our responsibility, and our privilege, to use these lessons, over the next decade and beyond, to help build a fairer, cleaner, safer and more prosperous Canada.

Appendices

CEDTAP's Mission

Appendix A – Mission Statements and Theory of Change

Funds Mobilized

Appendix B – Funds Mobilized by CEDTAP

Corporate Sector Engagement

Appendix C – Community Economic Development: What is it and Why Should it Matter to Canadian Companies?

CED Impact Assessment

Appendix D – In Less Than Three Years: A Funder's Perspective on SROI in Social Enterprise and CED

Appendix E – Social Value Accounting

Social Finance

Appendix F – Program-Related Investments in Canada's Communities (Symposium Program)

Appendix G – Program Related Investments in a Canadian Context

Appendix H – Building a Research Agenda for Program Related Investing in Canada: Elements of a Workplan

Appendix I – Social Finance: An underdeveloped but essential aspect of sustainable investing in Canada: Building Social Finance Momentum

Community-University Engagement

Appendix J – Community-University Engagement: Continuing Education as Catalyst – and Beneficiary

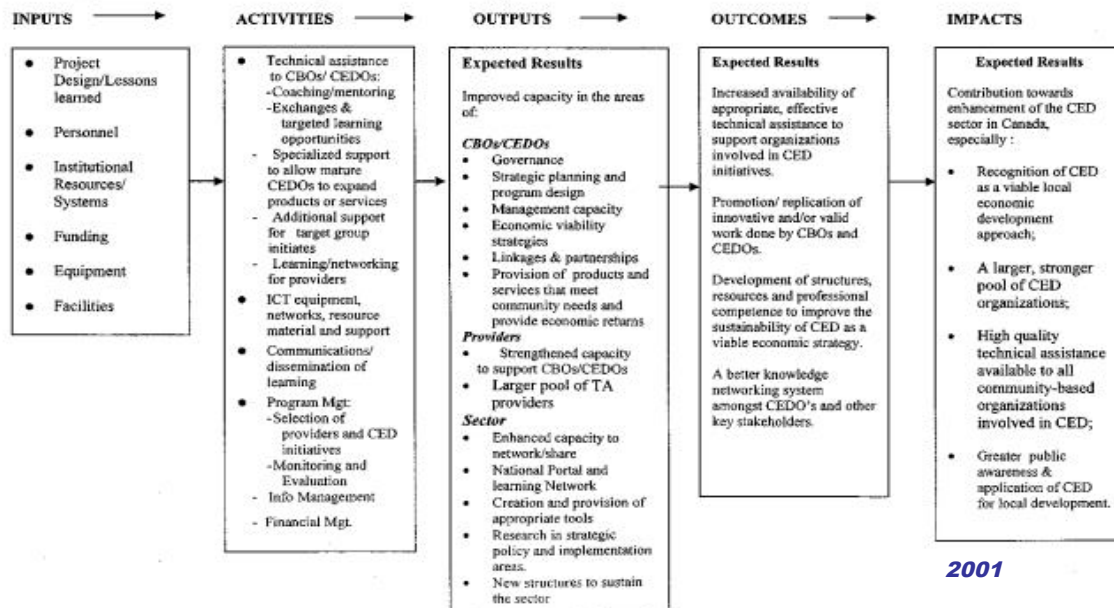
Mission Statements and Theory of Change



Figure 1

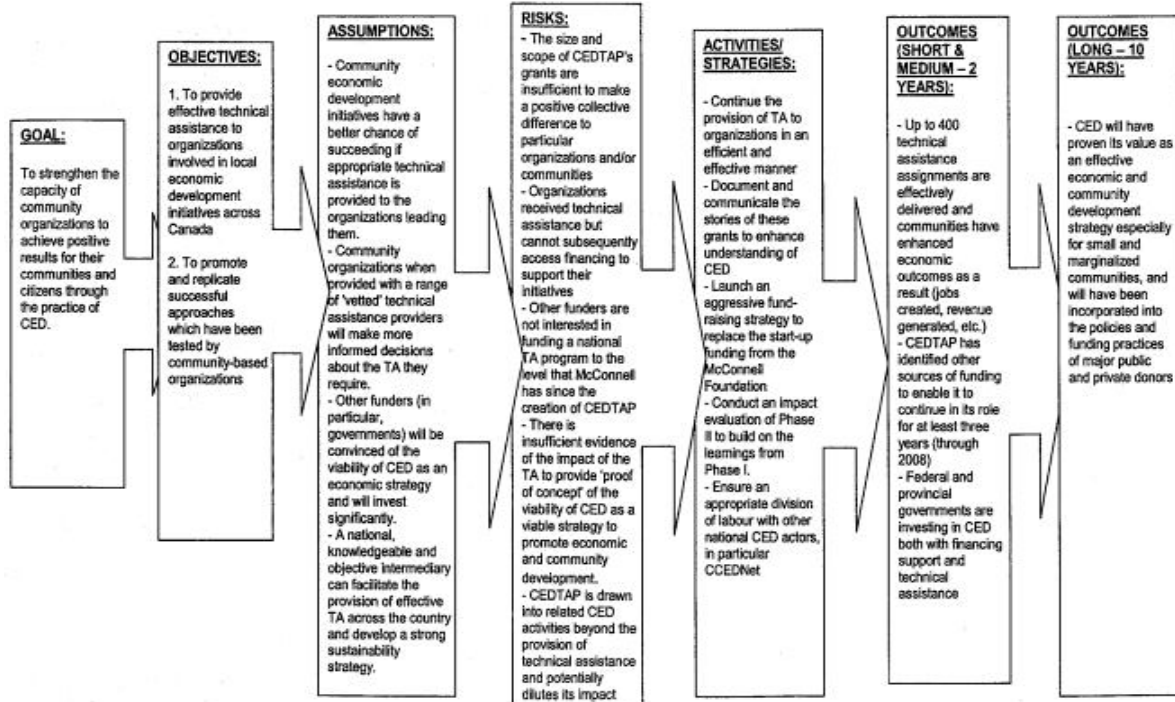
CEDTAP II - Results Framework Chain

Program Mission: Enhance the legitimacy and effectiveness of the community-based organisations engaged in CED and économie sociale by supporting activities that will (a) strengthen their capacities and (b) increase the visibility, knowledge, coherence and resources of the sector as a whole in cooperation with other organizations with similar interests.



CEDTAP PHASE II 2001-2006 – THEORY OF CHANGE

Draft, May 2005



CEDTAP – Funds Mobilized by Size of Contribution, 1997-2007

Funding Partner	Amount	Years
McConnell Foundation	\$ 5,000,000	2001-2006
McConnell Foundation	3,000,000	1997-2000
Bell Canada	1,200,000	2004-207
Ontario Trillium Foundation	624,900	2005-2007
National Office of Lifelong Learning	467,000	2007-2010
McConnell Foundation	330,000	2006-2008
DEC-Quebec	309,250	2005-2007
RBC Foundation	100,000	2006-2007
Power Corporation	100,000	2004-2009
Western Economic Diversification	100,000	2005-2006
DEC-Quebec	50,000	2005-2006
DEC-Quebec	50,000	2004-2005
RBC Financial Group	20,000	2004-2007
Industry Canada	24,900	2006
Tides Canada Foundation	2,500	2003
Assiniboine Credit Union	2,000	2006
HRSDC – Roundtable (CFAC)	2,500	2006-2007
SDC – Roundtables (SE Initiative)	1,000	2004-2005

Community Economic Development: What Is It, and Why Should it Matter to Canadian Companies?

Edward T. Jackson
Carleton University



THE J.W. MCCONNELL
FAMILY FOUNDATION
LA FONDATION DE LA
FAMILLE J.W. MCCONNELL



Community Economic Development: What is It?

A field of practice in which community-based non-profits and cooperatives:

- blend business and social techniques
- mobilize both local and external resources
- to reduce poverty and unemployment
- and revitalize geographic communities (rural and remote areas, urban neighbourhoods)
- or communities of interest

2

What Does CED Look Like?

1. Community development corporations
2. Community Futures Corporations
3. Co-operatives (consumer, producer, worker, multi-stakeholder)
4. Businesses owned by social-service non-profits or charities
5. Aboriginal development corporations
6. Community land trusts
7. Community loan funds
8. Micro-finance programs
9. Social venture philanthropy

3

Why Should CED Matter to Corporate Canada?

- CED contributes to solving *social problems*
- *Stronger communities* have healthier economies
- *Local heroes* need allies
- CED is good for the *corporate bottom line*

4

The Business Case for Corporate Support of CED

CED is a tool for corporate social responsibility that generates benefits to corporate partners, including:

- *Reputational gains* among investors and the public
- Open policy and regulatory *relations with government*
- *Brand differentiation*
- *Customer loyalty*
- *Employee recruitment and retention*
- *Procurement savings*
- A “*social license to operate*”

5

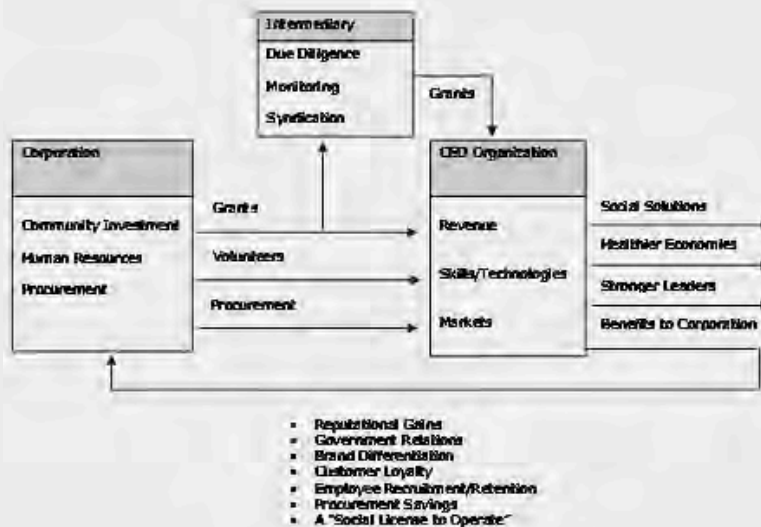
Corporate Social Responsibility through Social Community Economic Development

■ **Strategies:**

- *Grantmaking* to CED projects
- *Venture philanthropy*
- *Joint ventures*
- *Procurement* from community enterprises
- *Employee volunteer engagement*

6

Corporate Engagement with Community Economic Development: Strategies and Benefits



7

“Hot-Button” Policy Issues and CED Initiatives

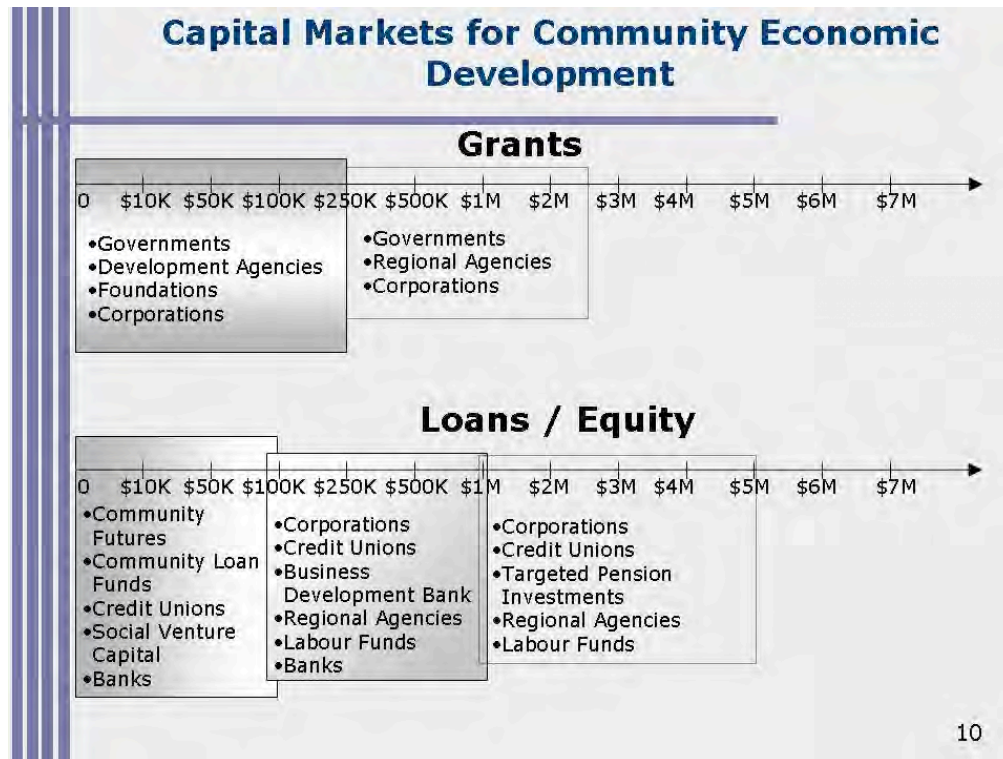
<i>Policy Issue</i>	<i>Knowledge Area</i>	<i>CED Initiatives</i>
RURAL		
<ul style="list-style-type: none"> ▪ High energy prices 	<ul style="list-style-type: none"> ▪ Rural energy production 	<ul style="list-style-type: none"> ▪ Wind energy projects owned by non-profits and cooperatives ▪ Preparation, training and support to diversify local economic structure and labour markets
<ul style="list-style-type: none"> ▪ Aboriginal poverty 	<ul style="list-style-type: none"> ▪ Aboriginal business development 	<ul style="list-style-type: none"> ▪ Procurement of goods and services from Aboriginal businesses (e.g. equipment, supplies, transport, tourism etc.), including technical advice, quality standards and working capital
<ul style="list-style-type: none"> ▪ Fisheries downturn 	<ul style="list-style-type: none"> ▪ Fisheries sector 	<ul style="list-style-type: none"> ▪ Coastal community development ▪ Niche species and products for international markets

8

“Hot-Button” Policy Issues and CED Initiatives

<i>Policy Issue</i>	<i>Knowledge Area</i>	<i>CED Initiatives</i>
URBAN		
<ul style="list-style-type: none"> ▪ Youth gang/gun violence 	<ul style="list-style-type: none"> ▪ Youth entrepreneurship 	<ul style="list-style-type: none"> ▪ Youth-run enterprises in multi-media, cultural products, services, small-scale manufacturing
<ul style="list-style-type: none"> ▪ Homelessness in cities 	<ul style="list-style-type: none"> ▪ Homelessness and poverty 	<ul style="list-style-type: none"> ▪ Non-profit and co-operative housing projects ▪ Social enterprises employing the homeless
<ul style="list-style-type: none"> ▪ Cultural exclusion/separation 	<ul style="list-style-type: none"> ▪ Women's entrepreneurship ▪ Microfinance programs ▪ Individual development accounts 	<ul style="list-style-type: none"> ▪ Community loan funds and microfinance programs for immigrant women ▪ Savings incentives for immigrant women

9

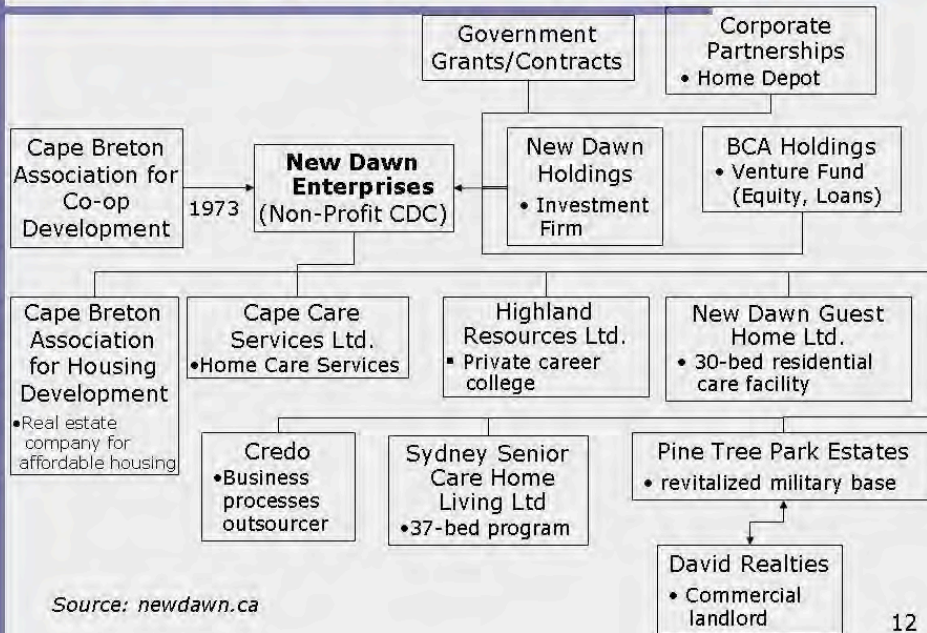


Intermediaries Optimize CED Success

- **Forms:** Community development corporation, non-profit umbrella, foundation, program, network, consortium
- **Functions:** Technical assistance (consulting, training, business planning, market studies); financing (grants, loans, equity); management support; political support (promotion, lobbying, regulatory change)
- **Funding:** Foundation, corporate and government grants; loans and other program-related investments; contracts; enterprise surplus; asset appreciation; private philanthropy; donations and gifts; volunteer time
- **Factors of Intermediary Success:** Leadership (skills, vision continuity, succession); structure (flexible, evolving); strategy (growth opportunities, backward and forward linkages, first-mover advantage); management; human resources; innovation; replication and scaling up; financing (diversification of revenues); accountability

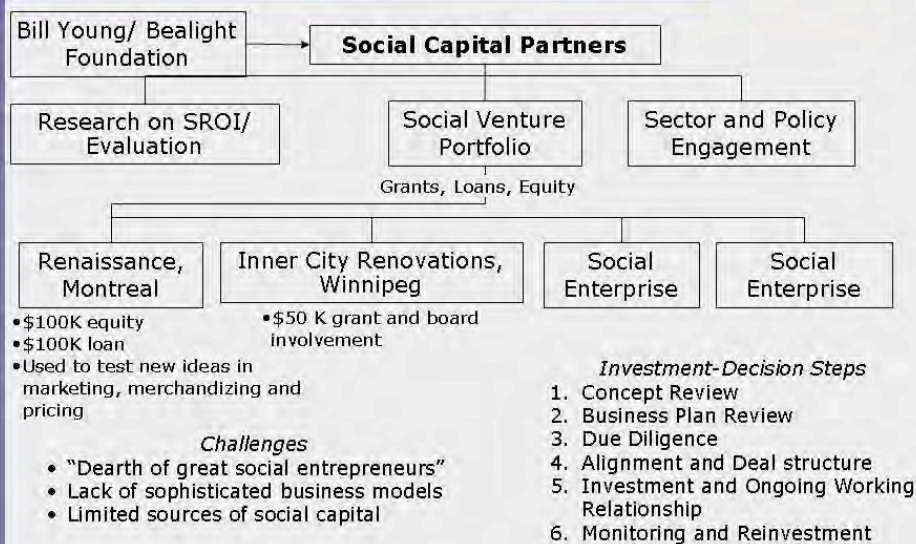
11

Case Study – New Dawn Enterprises



12

Case Study – Social Capital Partners



Sean VanDoorselaer, "Venture Capital for Social Enterprise," *Making Waves*, 15(3), 2004, 10-13

13

Evaluation of Community Economic Development

Evaluation Defined: Assessment of social, environmental and commercial results, lessons learned and accountability systems by key stakeholders.

Promising Methods:

- Return on Taxpayer Investment (ROTI) – Input-output modeling of direct, indirect and induced effects of government-supported interventions
- Social Return on Investment (SROI) – Method for assessing the social costs associated with the individual employees and the community enterprise itself (Social Capital Partners, Roberts Enterprise Development Fund)
- Enhanced Value-Added Statement (EVAS) – Quantifies the value of social impacts and volunteer contributions of a non-profit or cooperative (Quarter et al, OISE/UT)
- Return on CSR investment in CED to the corporate bottom line (surveys, focus groups on stakeholder perceptions and decisions)

14

Levels and Tools in CED Evaluation

Organization – Wide	}	<ul style="list-style-type: none"> • Logic Models • Enhanced Value Added Statement
Program / Enterprise	}	<ul style="list-style-type: none"> • Logic Models • Social Return on Investment
Individual Participants	}	<ul style="list-style-type: none"> • Logic Models • Social Return on Investment

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Questions

- If your company is not engaged in CED, what else do you need to know in order to decide on taking action?
- If your company is engaged in CED already, what strategies can you use to increase the impact of your efforts?

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Useful Websites

Blended Value Project (tools for social return on investment)	blendedvalue.org
Canadian Business for Social Responsibility	cbsr.ca
Canadian Community Economic Development Network	ccednet-redec.ca
Canadian Social Economy Research Hub	Socialeconomyynetwork.ca/hub
Chantier de l'économie sociale	chantier.gc.ca
Community Economic Development Technical Assistance Program	carleton.ca/cedtap
Conference Board of Canada	conferenceboard.ca
Enterprising Non-Profits Program	enterprisingnonprofits.ca
Imagine Canada	imaginecanada.ca
Harvard Business School – Initiative on Social Enterprise	hbs.edu/socialenterprise
<u>Making Waves</u> (Canadian CED newsletter)	cedworks.com
Social Capital Partners (social venture capital)	socialcapitalpartners.ca
Social Economy and Sustainability Project	msvu.ca/socialeconomyatlantic
Social Economy Centre, University of Toronto	sec.oise.utoronto.ca
Social Research and Demonstration Corporation	srdc.org
<u>Stanford Social Innovation Review</u>	ssireview.com
Skoll Foundation (grantmaking to social entrepreneurs)	skollfoundation.org
VanCity Credit Union	vancity.com
Vibrant Communities Project (15 Canadian cities, including Victoria)	vibrantcommunities.ca

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In Less Than Three Years: A Funder’s Perspective on SROI in Social Enterprise and CED

David Driscoll, Chair, CEDTAP Advisory Panel

Ted Jackson, Director, CEDTAP, Carleton
University

Presented to the Canadian Conference on Social
Enterprise, Vancouver, January 29, 2007. Revised
March 16, 2007.

Opening Questions

- How do we measure value in society?
- How do we measure sustainability?
- How do we hold institutions accountable
for their performance?

CEDTAP: Community Economic Development Technical Assistance Program

- *Grant-Maker to CED Organizations:* More than 400 local projects funded since 1997
- *Knowledge Mobilizer:* Producing stories, promoting policy, conducting research on CED impacts, corporate engagement with CED, social finance instruments
- Strategic Question: *Is CED a viable strategy for Canadians?*

CED Impact Assessment Research

- *Literature review:* academic and professional publications
- *Case studies* of CED organizations and their social enterprises
- *Methods*
- CED Organization: Logic models, expanded value-added statement (EVAS)
- Social Enterprise: Logic models, social return on investment (SROI)
- *Learning* from other organizations (eg. ENP, SCP, etc)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (I): Cost-Benefit Studies of the Costs of Poverty

In 2005, a study was undertaken of 33 social agencies funded by the United Way of Calgary and Area and \$6-7 million worth of affordable housing, CED and other services addressing the needs of economically challenged Calgarians. Among other findings, this research estimated that for every \$1.00 spent on programs that housed people or prevented their eviction, society saved \$7.00 by not having to provide social housing, emergency shelter, addictions treatment and correctional services.

(United Way of Calgary and Area, 2005)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (II): Cost-Benefit Studies of Labour-Sponsored Funds

Quebec

- Input-output modeling demonstrated that all taxpayer costs associated with investments by the FTQ’s Solidarity Fund were repaid (through employment and tax benefits, social-assistance savings, and other direct, indirect and induced effects within a two to three-year period (Jackson and Lamontagne, 1995)

- In a subsequent study of the Quebec Solidarity Fund, the tax credits from both the federal and provincial governments were found to be repaid even faster, between 1.2 and 2.1 years (SECOR, 1996, in Hebb and Mackenzie, 2001)

British Columbia

- A study of BC’s Working Opportunity Fund found that after six years (1992-1998), all front-end federal and provincial costs were repaid and, thereafter, new tax expenditures were fully recovered annually (Perrin, Thoreau, 1998, in Hebb and Mackenzie, 2001)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (III): Cost-Benefit Studies of Targeted Pension Investments

- Input-output modeling and social accounting found that a decade-long investment in affordable housing in Vancouver by Concert Properties generated direct, indirect and induced tax revenues of \$145 million against \$66 million in tax expenditures by all levels of government; the federal government posted a net gain on its investment of nearly \$9 million (Carmichael, 2006)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (IV): Cost-Benefit Studies of Community Futures Corporations

- For the period 1995-2001, an impact analysis found that every dollar of loan funds provided by Community Futures Corporations in Western Canada produced more than \$14 in accumulated client revenues, and every \$3,000 of CFC credit produced one person-year of employment. In CED initiatives, Western CFCs were found to be able to create one business for \$20,000 in credit (FERENCE Weicker and Co., 2003)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (V): Cost-Benefit Studies of CED Equity Pools

Nova Scotia CED Investment Funds

Since 1999, the Government of Nova Scotia has provided preferential tax treatment to CED investment funds (CEDIFs) established by provincial residents and businesses to invest outside urban centres for community as well as commercial purposes. A 2002 evaluation used input-output modeling to assess the costs and benefits of 15 CEDIFs which had mobilized more than \$5 million from nearly 1,000 investors. The study found that, by the third year of program operation, provincial revenues from employment and household income associated with these investments exceeded the cumulative costs of the tax credit. The government decided to continue the program because of what it called this “positive impact on tax revenues” as well as its capacity to encourage community investment and participation (Government of Nova Scotia, 2002).

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (VI): Socio-Economic Impact Studies of Micro-Credit Programs

In 2002, the Atlantic Canada Opportunities Agency released the report of a socio-economic impact study on four micro-credit programs in the Atlantic Region. Based on a survey of 264 current and former program participants, the study found that about three-quarters of participants were still operating their enterprises, and most attributed their success to program participation. “There were significant decreases in the numbers of program participants receiving government income assistance and increases in the numbers relying on self-employment as an income source,” the study reported. In fact, three out of every five participants who had received government assistance at the start of the program, were found to no longer rely on government assistance (Wehrell et al, 2002).

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (VII): Expanded Value-Added Statements of Co-operatives and Non-Profits

- The EVAS quantifies the value of social impacts and volunteer contributions associated with a non-profit or cooperative. A case study of Waterloo Cooperative Residence found, in 1999, that the Residence produced \$4.2 million in housing units and services (including \$250,000 worth of volunteer time) and \$500,000 in skills training (mainly through contributed labour). WCR received a \$140,000 property tax credit but paid almost \$220,000 in property taxes. Overall, the inclusion of social value in the statement increased the total value-added of the coop by 27 percent (Quarter, Mook and Richmond, 2003)

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (VIII): SROI Analysis of Social Enterprises

With annual sales of more than \$4 million, Renaissance is a Montreal-based clothing recycler that provides skills training and job placements to people facing employment barriers. In the ten years through 2005, Renaissance helped more than 1,000 participants secure employment, recording a 78% job placement rate. About 80% of participants who began the program on income assistance no longer needed this assistance at the end of the program. SROI analysis based on data from 2004-2005 indicates that Renaissance and its participants repay all societal costs—all grants and subsidies from public and private sources—in 2.7 years (Social Capital Partners, 2005).

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (IX): SROI Analysis of Social Enterprises

Inner City Renovations is a non-profit contractor for commercial and renewal projects in Winnipeg’s inner city, particularly the north end. Employing 14 Aboriginal employees and doing \$1.5 million in business per year, ICR reported \$400,000 in cost savings to society over a two-year period, while maintaining innovative savings and training programs for participants, (Social Capital Partners, 2005).

Do Social Enterprises Repay Their Social Costs Within Three Years?

Evidence That They Do (X): Large-Scale Experimental Studies

Over 18 months between 2004 and 2006, impact assessment using a large-scale experimental design, found that more than 700 participants in the Community Employment Innovation Project in Cape Breton, who were provided with community-based employment opportunities and support services, benefited from “a period of full-time employment to both EI and IA program group members, over and above what they would have achieved without the program. Impacts on earnings were substantial, as were reductions in reliance on EI and IA benefits. This translated into increased income, particularly for the IA sample, where large reductions in the incidence of low income were observed. Associated with this improved income and employment stability are some small but positive impacts on social networks, life satisfaction and attitudes to work” (Gyarmeti et al, 2006).

Do Social Enterprises Repay Their Social Costs Within Three Years?

Working Answer

*In an enabling policy environment, mature and
scaled social enterprises can repay all their social
costs within three years.*

Further Information

Publications

Carmichael, Isla. *Pension Power: Unions, Pension Funds and Social Investment in Canada*. Toronto: University of Toronto, 2005.

Enterprising Non-Profits. *The Canadian Social Enterprise Guide*. Vancouver, 2006.

Fung, Archon, Tessa Hebb and Joel Rogers. *Working Capital: The Power of Labour’s Pensions*. Ithaca: Cornell University Press, 2001.

Government of Nova Scotia. *Equity Tax Credit and Community Economic Development Investment Funds Review*. Halifax, 2002.

Gyarmeti, David, Shawn de Raaf, Claudia Nicholson, Darrell Kyte and Melanie MacInnis. *Testing a Community-Based Jobs Strategy for the Unemployed: Early Impacts of the Community Employment Innovation Project*. Social Research and Demonstration Corporation, Ottawa, 2006.

Quarter, Jack, Laurie Mook and Betty Jane Richmond. *What Counts: Social Accounting for Nonprofits and Cooperatives*. Upper Saddle River: Prentice Hall, 2003.

Social Capital Partners. “Inner City Renovations: SROI Report Card – Year End 2005.” Toronto, 2005.

United Way of Calgary and Area – “Measuring Up: Economically Challenged Calgarians Outcomes Initiative.” Calgary, 2005.

Wehrrell, R., M. Campbell, G. Cunningham, A. Mathie and N. Lee. *The Atlantic Micro-Credit Socio-Economic Study: Final Report*. Atlantic Canada Opportunities Agency and St. Francis Xavier University, Moncton/Antigonish, 2002.

Further Information

Websites

CCEDNET	ccednet-rcdec.ca
CEDTAP, Carleton University	carleton.ca/cedtap
Blended Value	blendedvalue.org
Enterprising Non-Profits	enterprisingnonprofits.ca
Social Capital Partners	socialcapitalpartners.ca
Social Economy Centre, University of Toronto	sec.oise.utoronto.ca
Social Research and Demonstration Corporation	srdc.org

Discussion Questions

- 1) In your experience, do social enterprises repay their social costs within three years?
(Give examples).
- 2) Why does this matter? Does this matter? How can you make use of this kind of research?
- 3) What else do you need or want to know about SROI in social enterprise and CED?

Social Value Accounting

Two case studies using the Expanded Value Added Statement (EVAS) method

Karim Harji and Kelly Babcock
CEDTAP / Carleton University

Presented to the Annual Conference of the
Canadian Evaluation Society,
Winnipeg, June 5th, 2007

1

Outline

- Evaluation issue: how to assess non-profit performance
- Ways in which organizations create social value
- Social Value Added
- Quantifying social value through two case studies
- Expanded Value Added Statement (EVAS)
- Findings from case study organizations
- Benefits and Challenges of the EVAS method
- Implications
- Discussion questions

2

The challenge of assessing non-profit performance

- ❑ Non-profits are different from for-profits: they have multiple stakeholders, involve volunteers, and pursue both economic and social (and sometimes environmental) goals
- ❑ Non-profits are driven by a social mission; inappropriate to judge success by their revenues and expenditures only
- ❑ Financial statements don't fully reflect whether they have achieved their mission or made contributions to society
- ❑ Challenge is to quantify and place a value on goods and services that are usually viewed as “free” e.g. volunteer hours put into an organization don't get counted

3

The Role of Logic Models

- ❑ Useful role in understanding program theory
- ❑ Helps build a compelling case for social impacts by determining whether a logical connection exists between the problems addressed, the actions taken, and subsequent changes in key outcomes
- ❑ Necessary but insufficient to illustrate social value created by non-profits



4

Ways in which organizations create social value

Assessing social value provides a more accurate picture of the contributions of an organization to society:

Monetized factors

- Some social values are already 'accounted for' by an organization's expenditures: e.g. money spent by an organization on client programming
- These values have already been monetized and appear in financial statements

Non-monetized factors

- Non-profits create additional value that is not typically monetized and does not appear in financial statements
- This represents the transformation of revenues by the organization into **added value** for society

5

Value Added Concept

- Value added measures the wealth that an organization creates by adding value to raw materials, products and services through the use of labour and capital

- Value added is calculated as: value of final products/services minus value of externally purchased goods and services



Raw Materials \$1.00



Value Added \$2.00



Final Product \$3.00

6

Social Value Added

- Raw materials are transformed into services through program expenditures



Raw Materials \$5000

- Volunteers contribute to the human resources of the organization and create additional social value



Value Added \$800

- Clients benefit from improved service delivery, representing an increase in the value of outputs over raw materials



Final Product \$5800

7

Quantifying Social Value Added

Quantifiable

- Value of volunteering
 - volunteer hours contributed to organization
 - informal skill development received by volunteers
- Unpaid contributions to other organizations/sector (eg. informal consultations)
- Mentorship
- Training received through free events/workshops/speakers

Difficult to quantify

(attribution difficult)

- Improvement in self-esteem or confidence
- Finding a 'sense of community' or welcoming environment
- Referrals to other community service providers
- Building a personal network

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CEDTAP Case Studies

- Two case studies on behalf of CEDTAP:
 - Ottawa Community Loan Fund
 - PARO Centre for Women's Enterprise (Thunder Bay)
- Goals of case studies
 - Testing new evaluation method (EVAS)
 - Demonstrate and quantify social value
 - Learning and advocacy for the CED sector
 - Organizational reflection and learning
 - Potential use by groups in fundraising

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Ottawa Community Loan Fund (OCLF)

- Mandate: to increase the capacity of low income individuals in Ottawa to become self-reliant by offering access to financing.
- Three main target markets:
 - Individuals starting or expanding a small business
 - Non-profits or coops starting a social enterprise
 - Internationally-trained professionals (nurses, doctors, teachers, bio-tech workers) who are studying for their Canadian accreditation (ITIFFI)
- As of January 31, 2007, was responsible for the disbursement of some \$633,000 in small business loans to 94 Ottawa area enterprises and foreign-trained professionals seeking accreditation in Ontario.



10



PARO Centre for Women's Enterprise (Thunder Bay)

PARO Centre for Women's Enterprise

- PARO provides training and support to women in micro-enterprise development:
 - Training programs for women in different stages of small business development
 - Peer Lending Circles
 - Events and networking
- Located in northern Ontario (Thunder Bay), which faces a declining economy and high rates of unemployment



PARO: Social value created through skill development of volunteers

- ❑ Value of informal skills development by artisans volunteering in PARO store (retailing and marketing)
- ❑ Data collection: data from store records, interviews with volunteer artisans
- ❑ Calculation: volunteering a year in the PARO store is equivalent to taking a course at the local college (value \$275)

$$\$275 * 9 \text{ artisans} = \$2475$$
- ❑ Challenge: finding data in right format, assigning an equivalent monetary value to informal training



13

PARO: Social value created by peer lending circles

- ❑ Value of mentorship from and to loan circle members
- ❑ Calculation: estimated membership in loan circle was equivalent to an annual membership in local Chamber of Commerce (value \$240)

$$\$240 * 150 \text{ loan circle members} = \$36,000$$
- ❑ Data collection: interviews with loan circle members, guesswork at proxy value
- ❑ Challenge: finding a proxy value for mentorship, networking, and peer support structure



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OCLEF: Social value created by volunteers

- Value of hours spent volunteering by members of the Board of Directors
- Data collection: estimates from staff, data from funding proposals
- Calculation: \$ value/hour * # hours (14 volunteers)
\$75/hr * 472 hours (annually) = \$35,400
- Challenge: assigning a dollar value to volunteer time



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OCLEF: Social value created for CED sector

- Value of hours spent volunteering by President of OCLEF on Boards and Committees of other CED organizations
- Calculation: assign \$ value/hour * # hours
\$75/hr * 15h/month * 12 = \$13,500
- Data collection: estimates from President
- Challenge: assessing relative contribution to each organization, assigning a value to expertise/experience



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Expanded Value Added Statement (EVAS)

- Integrates financial and social information:
 - Financial information from audited financial statements
 - Social value from calculations of non-monetized factors (as previously described)
- Two parts to EVAS:
 - 1) the calculation of value added by an organization, and
 - 2) its distribution to stakeholders (groups that directly or indirectly benefit from organization's activities)

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PARO: Results of Value Added Created, 2006

	Financial*	Social	Combined
Outputs	\$439,493	\$132,635	\$572,128

Social Value Added:

*Financial data from audited financial statements for 2006

- Value of volunteer time (\$36,885)
- Skill development of volunteers (\$4,950)
- Mentorship value of loan circles (\$34,500)
- Value of speakers who waived speaking fees (\$20,000)
- Financial return to artisans volunteering at store (\$1,100)
- Unpaid consultations by Executive Director (\$35,200)

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OCLF: Results of Value Added Distributed, 2006

		Financial	Social	Combined
Employees	Wages & benefits	\$62,491		\$62,491
Clients	Business plan consulting		\$500	\$500
CED sector	CED consulting		\$13,500	\$13,500
OCLF	Volunteer contributions		\$35,400	\$35,400
Total Value Added Distributed		\$62,491	\$49,400	\$111,391

- Value added created = Value added distributed
- Each stakeholder receives some proportion of value added created

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Results: Ratio of Value Added to Purchases

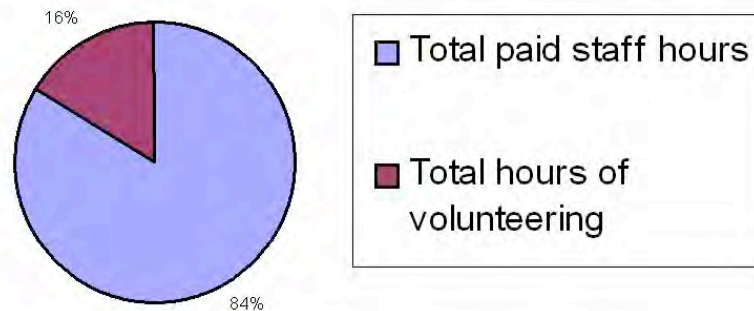
	Financial	Social	Combined
OCLF	0.75	0.54	1.29
PARO	1.37	0.72	2.09

- Ratio describes how much value the organization generated for every dollar spent on goods and services (transforming grants/income into additional wealth for society)
- Social value added proved to be significant

20

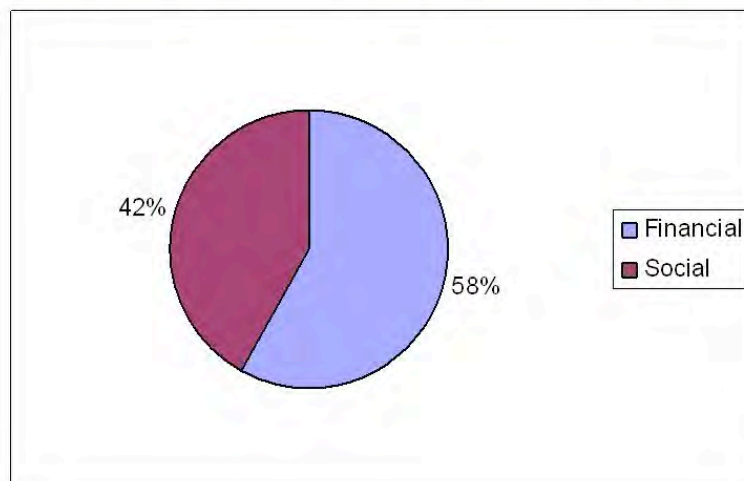
PARO: Contribution of volunteer hours

Figure 1. Value of volunteer hours as a percentage of total human resources



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OCLF: Contribution of social value added



22

Benefits of the EVAS method

- ❑ Can be combined with other evaluation methods (e.g. SROI)
- ❑ Builds on existing conventional accounting methods
- ❑ Uses language and methods that most funders can understand
- ❑ Easy to summarize and present results
- ❑ Results can be used by beneficiaries and staff as well as by funders and government officials

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Challenges of the EVAS method

- ❑ How to value volunteer time
 - OCLF: \$75/hr – value of hours contributed by skilled professionals (bankers, lawyers, accountants, etc)
 - PARO: \$15/hr – value of hours contributed by former program participants (much lower opportunity cost)
- ❑ Attaching a value to intangible social factors e.g. higher self-esteem
- ❑ Taking a conservative approach
 - How to retain credibility and legitimacy, yet place an accurate monetary equivalent on social value
- ❑ Data availability
- ❑ Difficulty of comparing across organizations



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Implications

- ❑ Further research – expanding and comparing a portfolio of EVAS case studies
- ❑ Further research – development of other methods of social accounting to triangulate results
- ❑ Theory – new methods and strategies to measure social impact; but may not be appropriate for all organizations
- ❑ Policy/programming – strengthen the case for funding CED organizations
- ❑ A tool that allows greater appreciation of the social value created by non-profits (not simply recipients of funding, but creators of social value)



Discussion Questions

- ❑ What are your experiences with quantifying social value or using social accounting methods?
- ❑ What are the potential risks and benefits of putting a value on social factors? In your view, do the benefits outweigh the risks?
- ❑ Are there alternative methods for valuing social factors, and what are their advantages and disadvantages?
- ❑ What other sub-sectors in the non-profit world could apply EVAS-type methods?

Resources

- ❑ Quarter, Jack, Laurie Mook & Betty Jane Richmond (2007). What counts: Social accounting for nonprofits and cooperatives. Second Edition. London: Sigel Press.
- ❑ Laurie Mook, OISE/University of Toronto; <http://socialeconomy.utoronto.ca>
- ❑ Volunteers Count (free online software for calculating value of volunteers) <http://www.volunteerscount.net>
- ❑ CEDTAP <http://www.carleton.ca/cedtap>
- ❑ PARO <http://www.paro.ca>
- ❑ OCLF <http://www.oclf.org>

Program-Related Investments in Canada's Communities

A Symposium

Thursday, March 22, 2007

9:00 am to 3:00 pm

Senate Chamber, Robertson Hall

Carleton University, Ottawa

Sponsors:

**School of Public Policy and Administration, Carleton University
Financing Civil Society Research Group, Faculty of Public Affairs**

Partner:

Human Resources and Social Development Canada

Symposium Agenda:

- | | |
|-----------------|--|
| 8:30-9:00 am | Registration/Continental Breakfast |
| 9:00-9:15 am | Welcome on behalf of Carleton University
Dr. Kim Matheson, Acting Vice President (Research and International) |
| | Welcome on behalf of HRSDC
Ms. Johanne Mennie, Deputy Director, CDPD, HRSDC |
| 9:15-10:15 am | Program-Related Investments:
Definitions, Context, Issues and Options
Dr. Susan Phillips and Dr. Tessa Hebb, Carleton University
Mr. Laird Hunter, Partner, Worton, Hunter and Callaghan and
Mr. Blaine Langdon, Canada Revenue Agency |
| 10:15-10:30 am | Break |
| 10:30 -11:30 am | The American Experience with PRIs:
Policies, Strategies, Results
Chair: Dr. Tessa Hebb, Carleton University
Dr. Steven Rathgeb Smith, University of Washington
Mr. Steve Godeke, Principal, Godeke Consulting, NYC |
| 11:30-12:15 pm | Respondent and Plenary Discussion
Chair: Dr. Judith Madill, Sprott School of Business,
Respondent: Ms. Hilary Pearson, President, Philanthropic Foundations of Canada |
| 12:15 -1:30 pm | Lunch/Speaker
Mr. Luther Ragin, Vice President Investments, F.B. Heron Foundation |
| 1:30-1:50 pm | Dr. Peter Warrian, Chairman, Philanthropic Foundations of Canada |
| 1:50-2:30 pm | Table discussions on specific questions; report back
Chair: Ms. Paula Speevak-Sladowski, Executive Director, CVSRD, Carleton University |
| 2:30-3:00 pm | Conclusions and Next Steps in Policy Research
Dr. Ted Jackson, Chair
Carleton Centre for Community Innovation |
| | Adjournment |

Program Related Investments in a Canadian Context

Tessa Hebb, Carleton University
Presented to the Symposium on
Program Related Investments in Canada's Communities,
sponsored by
Carleton University
in partnership with
Human Resources and Social Development Canada,
March 22, 2007.

Canadian Context for PRIs

- Civil society is changing.
- There is a new continuum of forms: non-profit, community, co-operative, social enterprise, mission driven for profit.
- We find increasing importance of mission for all organizations, including traditional for-profit businesses.

Canada's Communities Financing Needs

- There is a demonstrated need for financing community enterprises.
- The evolution of these civil society enterprises is faster than legal regimes and financial instruments have been able to adapt to.
- Financing instruments beginning to adapt. Again we find a continuum from traditional grants and contributions (now on the decline) through to market-based investments private equity investment by institutional investors.

3

Financing Sources

- Key stakeholders and players in these markets:
 - Government
 - Community based financial institutions
 - Foundations
 - Angel investors
 - Institutional investors

4

Continuum of Capital Structures

- Given this range of investors we see a continuum of capital structures for civil society from 100% subsidy or grants and contributions, to below market debt, to market instruments both debt and equity.
- Foundations can take the lead in modelling new financial tools and instruments. They are able to do this through Program Related Investments and through Mission-based Investments.

5

Program Related Investments

- Program Related Investments are **blended-value investments**. Foundations draw on their program related activities to construct deals that generally have below-market returns, but are directly aligned with the program objectives of the foundation.
- These deals are often heavily reliant on government subsidies, guarantees and tax credits.
- To make these investments work still requires significant involvement of public policy.

6

Mission Based Investing

- Increasingly a few pioneer foundations are looking to mission-based investments within their core portfolio that produce market rates of return. Again many of these market-based investments require government subsidy or guarantees to encourage institutional investors into the market.
- Foundations are trust instruments and as a result these investments raise a number of fiduciary questions. Foundations either through PRI or through MBI are able to model and advance these issues for other large mainstream institutional investors who are concerned with fiduciary issues.

7

Conclusion

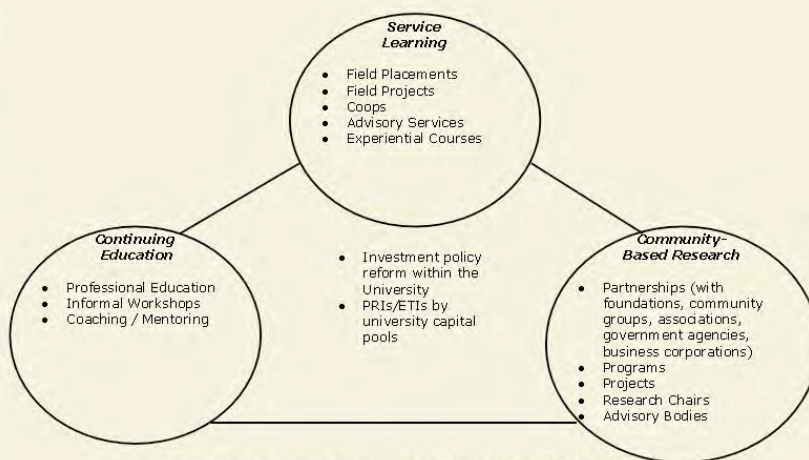
- Much of this type of investment has been taking place in the US and UK. Some of these activities are underway in Canada.
- We would like to see more in Canada, but equally important we want to understand what can scale up the PRI and Mission Based Investment models of innovative foundations to the mainstream investment and policy setting community.

8

Building a Research Agenda for Program Related Investing in Canada: Elements of Workplan


Edward T. Jackson

**Presented to the Symposium on
Program Related Investments in Canada's Communities,
sponsored by
Carleton University and
Human Resources and Social Development Canada,
March 22, 2007.**



Community-University Engagement in Program Related Investing


March 22, 2007



Strategic Goal: To rigorously produce independent knowledge that will support the effective design, implementation and scaling up of program-related investing in Canada.

- **Academic Disciplines:** Economics, Law, Political Science/Political Economy
- **Professional Fields:** International Affairs, Management, Marketing, Non-Profit and Philanthropy Studies, Public Policy
- **Stakeholders Involved in Knowledge Co-Production:** University researchers, think-tank analysts, foundation executives, policy-makers, civil-society leaders and managers of financial institutions

3



Research Methods

- **Quantitative Studies:** Econometric modeling, cost-benefit analysis, large-scale surveys, financial return analysis, and social return on investment analysis.
- **Qualitative Studies:** Key-person interviews, focus groups, participant observation, case studies of institutions, instruments and projects
- **Multi-Level and Comparative Dimensions:** Local, regional, national, international/comparative
- **Knowledge Networking/Communities of Practice:** Multi-site production and exchange, portals, blogs, interaction by “producers”

4

Priority Issues to Be Examined


Issues	Foundations	Deals	Policies
PRI Practice	●	●	○
Partnerships in PRIs	○	●	○
Catalysts for and Obstacles to PRIs	●	●	●
Replication and Scaling	○	○	●

5

Project Structure

- **Partners:** Foundations, governments, civil society, financial institutions, universities
- **Advisory Committee:** Representatives of partner organizations
- **Project Team:** Led by Financing Civil Society Group, Carleton University
- **Timeframe:** Three to five years

6



Next Steps

- *Prepare and Distribute Proceedings of Symposium*
- *Undertake Consultation/Coordination with Other Initiatives*
- *Prepare and Distribute Research Workplan*
- *Create and Maintain Website on PRI Research and Action*
- *Create and Maintain Knowledge Network*

Social Finance

*An underdeveloped but essential aspect
of sustainable investing in Canada:
Building Social Finance Momentum*

Tim Draimin, Tides Canada Foundation

Ted Jackson, Carleton University

Social Investment Organization (SIO) Conference

Tuesday May 29th, 2007

Montreal, Quebec



CAUSEWAY a national collaboration

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Outline

- **Social Finance Orientation**
 - Financial flow to public benefit
 - Across a continuum of risk and return
 - Gaining momentum
- **The Canadian Context**
 - Coming from behind
 - A framework ready for updating
 - Potential leverage points
- **Exemplary Possibilities**
- **CAUSEWAY a national collaboration**
- **Discussion and Next Steps**



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Social Finance is

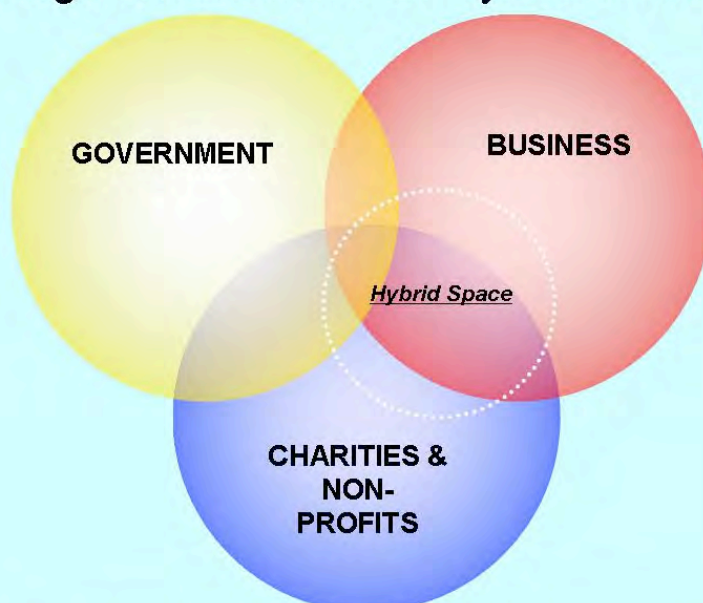
- “Sustainable finance with a social or environmental goal”
- Social purpose capital, whose marketplace definition is:
 - Space on financial continuum between high financial value and no social value returns (traditional financial investment vehicles) and no financial value but high social returns (grants).
- Taking root in the hybrid universe:
 - Where charities, non-profits, co-ops and business connect...



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3

Business & Non-Profits: Convergence & Growth of Hybrid Universe



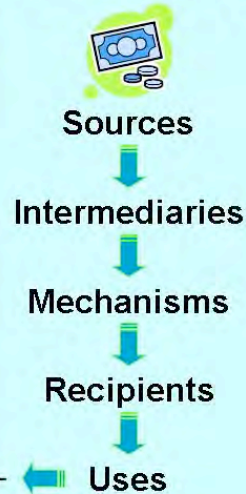
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Orientation: Financial flow to public benefit

■ The flow of financial capital to human need uses:

- Affordable Housing
- Social Enterprise
- Community Development
- Social Economy
- Clean Technology
- Microfinance
- Fair Trade
- Green Building
- Health& Home Care
- Media
- Education
- Base of the Pyramid



(source: market sector listing adapted from www.xiqi.net/)



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Snapshots of Social Finance

■ Citizens Bank's Shared World Term Deposit that helps support microcredit financing

- "The Shared World Term Deposit is not charity, it's a competitive investment vehicle with a social objective," said Jason Farris, president and CEO of Citizens Bank of Canada. "We see this as an opportunity to provide investors with a sound financial return and a solid social return, ultimately making a difference in the lives of many people."

■ Deutsche Bank's Investment Fund for Eye Care Hospitals in Developing Countries: The Eye Fund I

- \$20 million investment fund to finance expansion of eye care hospitals in developing countries, providing loans and guarantees supporting the development of affordable, sustainable and accessible eye care for the world's poor while providing a near-market return for investors.
- "The Eye Fund is a real demonstration of a new market-based approach to address a fundamental human need... Our goal is to capitalize on our expertise in the financial markets in order to expand this approach to other large-scale projects that currently are fully dependent upon charitable contributions for funding."
CEO of Deutsche Bank Americas¹¹

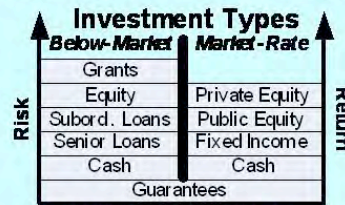


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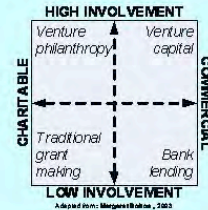
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Orientation: A continuum of risk and return

- An increasingly broad range of mechanisms that blend financial and social/environmental returns



Adapted from: F. B. Heron Foundation



Adapted from: Margaret Robins, 2003

	Grants	Patient Capital	Pure Equity	Equity-like	Loans
Expected loss %	100%	20-50%	10-20%	10-20%	1-8%
Return on investment	0	-50%-c.10%	No limit	Variable up to 30%	Fixed 5-18%
Term of investment	Often short periods	Repayment holidays	Undefined Depends on success	5-7 yrs Depends on success	Fixed term
Involvement in business	Low (except venture philanthropy)	Some (through partners)	High (through board)	High (through board)	Low
Exit of investment	n/a	Repayment	IPO, sale, buyout	Royalty, repayment or APO	Repayment
Liquidation rights	None	None/subordinate	Residual	Subordinate	First priority
Voting rights	No	No	Through ownership	Structured in loan agreement	No

Adapted from: Bridges Community Ventures, UK

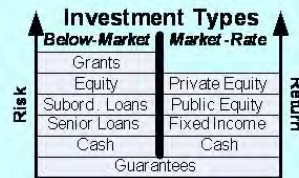


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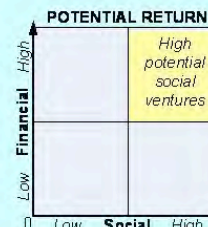
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Orientation: Gaining momentum

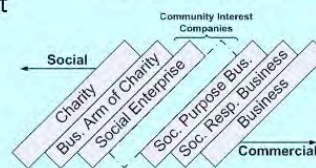
- Emerging financial products
 - PRI and MBI
 - "Program Related Investments"
 - "Mission Based Investments"
 - Approaches for foundations to leverage endowment capital toward mission related activities
 - Spans the continua of risk, return, focus
 - Well developed in the United States
 - Social venture capital
 - Applying venture capital models to social enterprise
 - Innovations in business models and blended value returns
 - Well developed in the UK: Community Interest Company' legal structure and marketplace
- Issues with good asset classes
 - Affordable Housing
 - Community Energy and Efficiency



Adapted from: F. B. Heron Foundation



Adapted from: Bridges Community Ventures UK



Adapted from: John Kingston, Venturesome

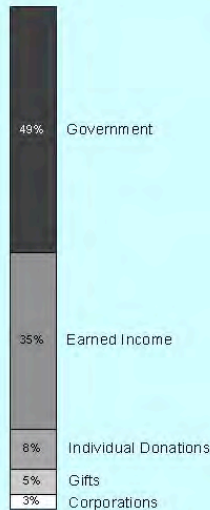


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Canada: Coming from behind

Canadian non-profit income sources



- Building from strong third sector
 - \$120 B annual expenditures
 - Less than 10% of income is donation capital
- Growing social and environmental pressures met with government and market failures
 - Government: Insufficient and inflexible programs/services/funding
 - Market: Trust issues, see no potential for profit, respond to consumer demand
- Growing market opportunity for financial sector to offer blended value
 - Citizens increasingly aware of societal issues
 - Increasing interest in: sustainability innovation, ethical investment; ethical consumerism (fair trade); local solutions; mission based entrepreneurs and ventures

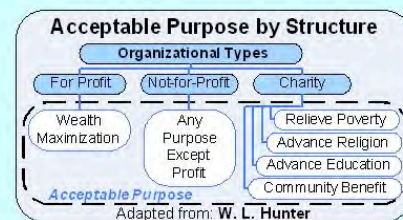


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Canada: A framework ready for renewal

- Limiting regulatory framework ready to catch-up
 - Income Tax Act and charity law significantly restrict flow of capital
- International examples from US and UK provide relevant reference models:
 - US
 - IRS allowance of charitable investment in non-charities
 - Community Reinvestment Act
 - New Markets Tax Credits
 - UK
 - Community Interest Company designation
 - Already over 800 registered CIC's



43% of respondents said that they became a CIC because it was the most appropriate form between business and charity. 19% cited less regulation and 16% cited social purpose.

Other survey results:

- 43% of CICs said that the most important factor in their decision was to prove their social purpose.
- 37% of CICs felt that the biggest barrier facing their company was access to finance
- 90% of CICs surveyed were stand-alone companies, 7% were trading arms of charities, 1.5% were company subsidiaries and 1.5% were public sector spin-offs.
- 15% of CICs surveyed said becoming a CIC had made it easier to interact with other organisations such as local authorities, foundations, banks and government departments.
- 11% said it had given them, their directors and staff a clearer focus on their combined business and social aims.
- Average turnover of CICs surveyed is £144,000.
- Two-fifths of CICs said that 76-100% of their income was from trading and fewer than one-fifth said trading accounted for less than 50% of their income.

Source: <http://www.socialenterprise.org.uk/Page.aspx?SP=1626>

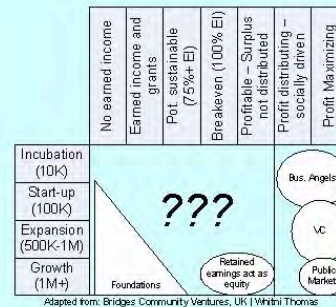
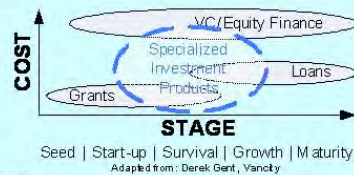
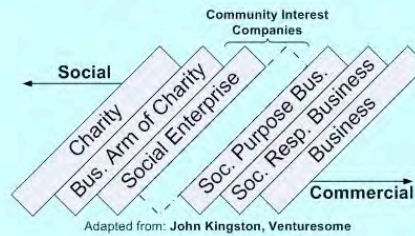


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Canada: Potential leverage points

- Policy?
 - Corporate structure
 - i.e. CIC (UK)
 - Tax
 - i.e. New Markets Incentive (US)
- Products?
 - Social venture capital
 - Specialized investment products
 - Issues with substantial assets
 - Affordable Housing
 - Community Energy and Efficiency
- **New capital pathways**



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Exemplary possibilities

- Venture capital
 - The Abell Foundation invested in a startup company that was developing a 'blocker' for cocaine, on the condition that the company locate in Baltimore. The company has since created 200 local jobs, gone public, and the foundation sold its stock for 12 times its initial investment.
- Local community development
 - The Columbus Foundation used \$2 million to seed an \$18 million low-cost housing fund to build 1,600 new units of affordable housing.
- Startup or expansion capital in underserved communities
 - The Heron Foundation has also invested \$2.5 million in a limited partnership interest in the Yucaipa Corporate Initiatives Fund, a \$577 million private equity fund that invests in businesses that locate in underserved communities. The fund has a stated goal of earning a 25% internal rate of return for its investors.
- Debt mechanisms
 - Milestone achievement of \$100m in loans to community finance institutions and social enterprises by Calvert Foundation's Community Investment Note
- Acquisition of assets
 - BC Pension Funds – 21 BC-based union and management pension funds pooled \$27 M to form Concert Properties in 1989 (originally named VLC) with the objective of financing affordable rental housing in BC, and creating jobs in the unionized construction industry. Today the 100% pension plan owned real estate corporation has \$800 million in assets, with a track record of creating 10 million hours of on-site employment for unionized construction workers.



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CAUSEWAY a national collaboration



A national collaboration

working on **new pathways**

for **financial investment**
in **public benefit.**



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CAUSEWAY a national collaboration

■ Strategies

- Improve **knowledge and awareness** of Canada's social finance opportunity
- Convene and **engage the community**
 - social finance pioneers, financial market masters, and policy developers
- Support **capacity-building** for capital users and providers
- Catalyze **development of new financial pathways**
 - Policy and product

■ Key activities

- **National forum** being planned for October 2007
- **Online web platform** coming summer 2007
- **Product/Policy and regional working groups** emerging throughout 2007

■ Founders Circle currently being assembled

- Sustaining funders for growing social finance in Canada



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CAUSEWAY a national collaboration

Thank you!

Presentation available at: <http://tinyurl.com/36ztwa>



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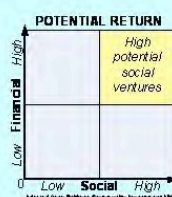
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Discussion and Next Steps

■ Where's your opportunity in social finance?

Investment Types	
Below-Market	Market-Rate
Grants	Private Equity
Equity	Public Equity
Subord. Loans	Fixed Income
Senior Loans	Cash
Cash	Guarantees

Adapted from: F. B. Heron Foundation



Adapted from: The Impact Community Investment Fund



Sources

Intermediaries

Mechanisms

Recipients

Uses

■ What are your barriers and gateways?

– Policy? Partners? Products?

■ Who can you collaborate with?



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CAUSEWAY a national collaboration

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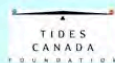
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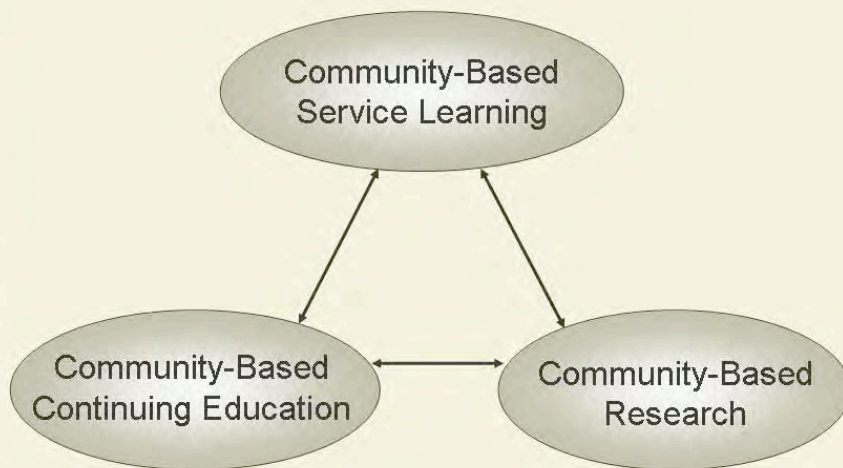
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Community – University Engagement: Continuing Education as Catalyst – and Beneficiary

Edward T. Jackson
Carleton University

Presented to the Deans and Directors Meeting,
Canadian Association for University Continuing
Education, Ottawa,
March 1, 2007

Community-Based Knowledge and Action: The Dynamic Triangle



Key Messages

- Putting community – university engagement at the centre of their mission offers Canadian universities multiple wins with students, faculty, government and the general public
- Two main drivers of community engagement that are gaining momentum and influence: community-based service learning (CBSL) and community-based research (CBR)
- Community-based *continuing education* can become a catalytic part of a dynamic “triangle,” maximizing community engagement and strengthening continuing studies at the same time
- Continuing education Deans and Directors can, and should, participate in the scaling up of these strategies

What Are Universities *For*?

“Great universities should be judged not just by the quality of their research, the learning of their students, and the contributions and accomplishments of their graduates, but also by their service to democratic society as critic, conscience, and public intellectual and by their preparation of students for citizenship.”

Fallis, 2005

What Can Universities Offer Communities?

The assets of the core business of universities:

- Inter-generational mobilization and transfer of knowledge
- Inter-scalar analytic capacity
- Independence of thought

The Need for University-Community Partnerships

- | | |
|---|---|
| <ul style="list-style-type: none">■ Sustainable Livelihoods | <ul style="list-style-type: none">■ Strengthening the capabilities and assets of the bottom two income quintiles, and of geographic communities under stress■ Devoting special resources to addressing the needs of persistent low-income groups |
| <ul style="list-style-type: none">■ Social Justice | <ul style="list-style-type: none">■ Ensuring full rights and freedoms for marginalized groups■ Ensuring full access to social and economic services and programs for communities of interest |
| <ul style="list-style-type: none">■ Environmental Sustainability | <ul style="list-style-type: none">■ Promoting environmentally sustainable government policies and business practices for current and future generations |

Vulnerability to Low Income

<i>Group</i>	Incidence of Low-Income (Excluding Transfers)		Incidence of Low-Income (Including Transfers)	
	<i>1996</i>	<i>2001</i>	<i>1996</i>	<i>2001</i>
Unattached Individuals (Aged 45-64)	46%	35%	38%	29%
Work-Limiting Disability	52%	37%	34%	21%
Recent Immigrants	47%	31%	35%	25%
Lone Parents	60%	49%	40%	31%
Aboriginals Off-Reserve	44%	29%	32%	17%
Non High-Risk	13%	9%	9%	5%

Hatfield, 2004

**“Students are yearning for meaning,
faculty for relevance and the
community for engagement”**

Whitmore and Stuart, 2004

Forms of Partnership

- Project (research study, training workshop, curriculum/tools development, etc.)
- Program (multiple research projects, courses, etc.)
- Organization (non-profit, association, foundation, institute, chair, etc.)
- Network (incorporated, unincorporated)
- Coalition (incorporated, unincorporated)
- Campaign (policy advocacy, social-cause marketing, etc.)

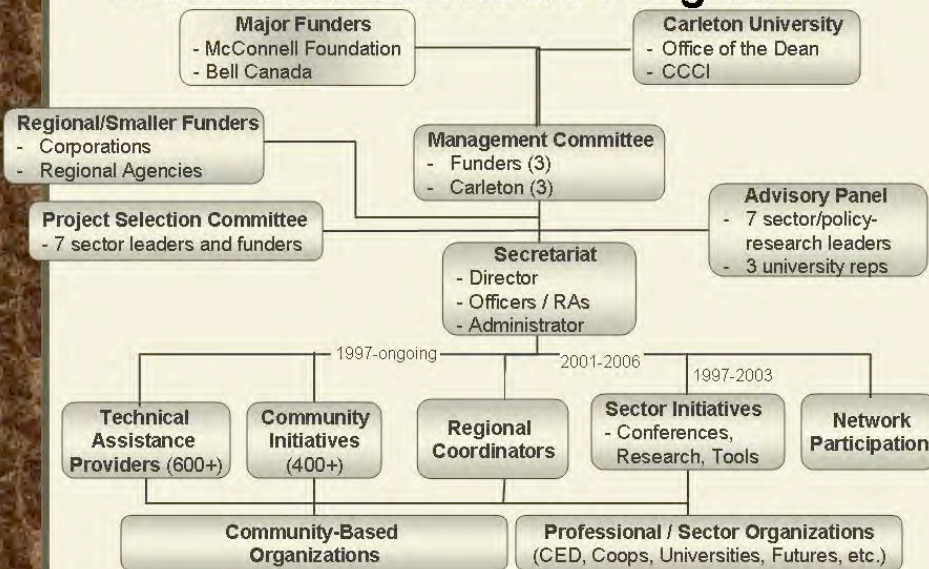
Characteristics of Effective Partnerships

- Mutual understanding and respect
- Trust
- Reciprocity of benefit
- Clear, negotiated, written agreements (MOUs, etc.)
- Financial transparency
- Joint accountability
- Co-management of implementation
- Co-production of results
- Shared celebration of success
- Stable, extended funding

Issues in Designing and Managing Partnerships

- **Scope:** broad-based, multi-sector or narrow gauge, single-sector or single organization?
- **Duration:** ad hoc or ongoing?
- **Governance and Management:** appropriate structures and systems to make policy and strategic decisions and manage and report on implementation
- **Resources:** project or program funding, short-term or multi-year funding, single donor or multiple funders?
- **Politics:** continuous engagement of key constituencies/stakeholders with both/all partner organizations
- **Champions:** gaining and maintenance of substantive support by senior leaders on both/all sides.

Community Economic Development Technical Assistance Program



Community Service Learning


- Integrates service experiences within academic courses or extra-curricular programs
- Strong emphasis on inclusive partnerships between universities and non-profit community organizations
- Clear objectives for both student learning and resulting benefits to the community

Canadian Association of Community Service Learning, 2005

Community Service Learning

A form of experiential education in which students engage in activities that address human and community needs together with structured opportunities intentionally designed to promote student learning and development. Reflection and reciprocity are key concepts of service learning.


Jacoby and Associates, 1996



Success Factors in CBSL

- Community voice
- Orientation and training
- Meaningful action
- Reflection
- Evaluation

Mac Neil, 2005



Community-Based Research

A partnership of students, faculty, and community members who collaboratively engage in research projects for the purpose of solving a problem or creating social change.

Stoecker, 2005

Community-Based Research

- “a common partnership between professional researchers and community groups integrating research and action for social justice”
- seeks and respects knowledge from all stakeholders
- research question should be generated primarily from community residents
- researcher may play the role of initiator, collaborator or consultant
- students’ involvement ranges from providing basic labour to (sometimes) taking on project leadership
- funders may or may not be actively involved in the CBR project

Stoecker, 2004

Tensions and Directions in CBR


Tensions

- Community versus academy
- Research versus action
- Training students versus solving problems
- Service versus social change

Directions

- Integrate community-academy interests (eg. MOUs, joint publications)
- Integrate research and action (put research funds in hands of community)
- Shift students from charity to social-change work
- Turn social service into social change

Stoecker, 2004




CBR is Gaining Visibility, Momentum

- Growth in projects, centres, networks, associations
- Conferences: CUExpo, ARNOVA
- Journals: *Action Research*, *Michigan Journal of Community Service Learning*
- UVic: 2005 CBR Forum, Institution-wide initiative




Comparative Advantage of Continuing Education

Continuing education has a unique capacity to link adult learners in communities and professional settings with a wide range of academic units. It can be a valuable tool for connecting the university with community-based organizations



Community-Based Continuing Education

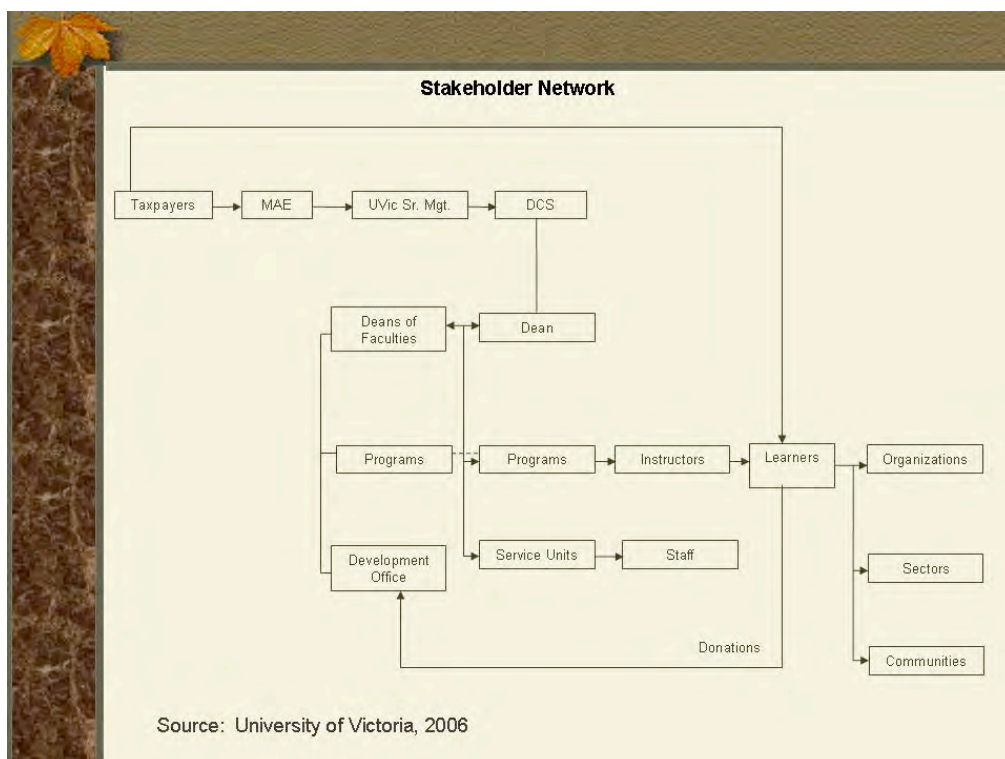
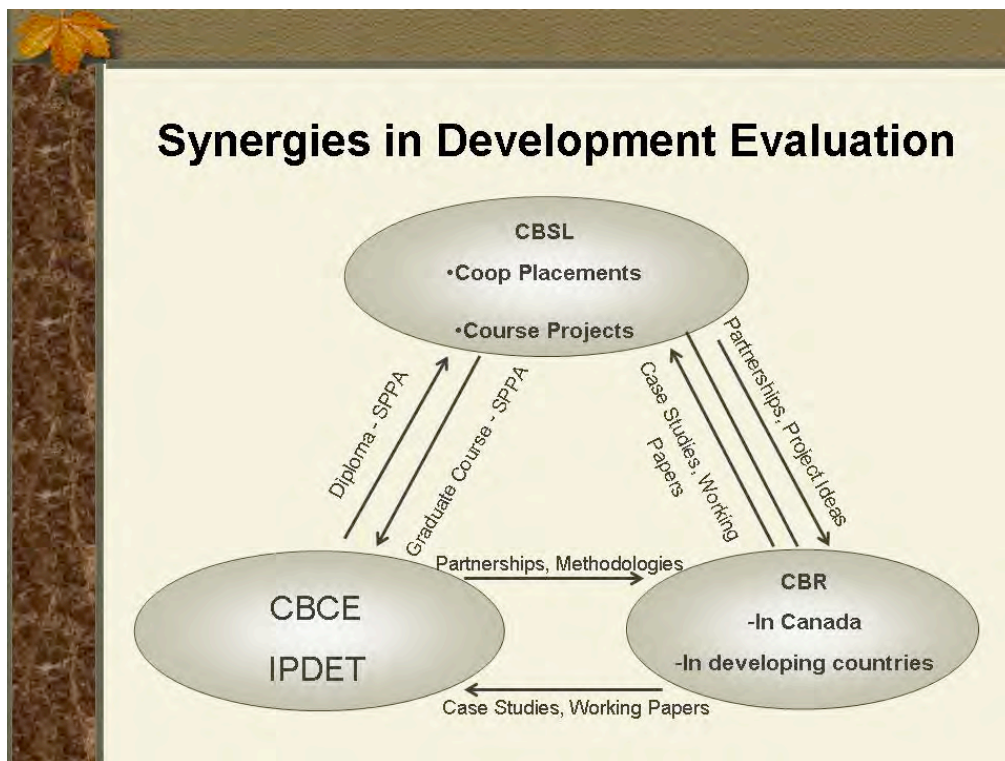
Co-designing and co-managing courses and workshops (face-to-face and online) with community-based organizations enables the university to fulfill its corporate social responsibility. This can be called community-based continuing education, or CBCE



Challenges and Strategies in CBCE

- Program design
- Politics
- Funding





Some people have the idea that the
President runs the University.
That's not true. It's run by everybody, the
faculty, staff, Senate, Board of Governors
and to some extent the students.
The President stands in the middle of it all.

Davidson Dunton
former President
Carleton University

Divergences and Convergences in Community-University Partnerships

ISSUE	Community Organization /Non-Profit	University
Mission / Core Business	Policy/services/rights change	Degree-based education
Organizational Structure	Usually small, flat	Large, bureaucratic
Governance	Often simple; power with board and staff	Complex, collegial; power is dispersed
Management Capacity	Often low, uneven	Well-developed at the centre
Idea-to-Action Cycle	Fast; 4-6 months	Slow; 8-24 months
Success Indicators	Policy reform Service improvements Rights enforcement Membership recruitment Funds mobilization Positive media coverage	Knowledge production Knowledge transfer Academic publications Student recruitment Funds mobilization Positive media coverage

Crucial Factors To Be Better Understood

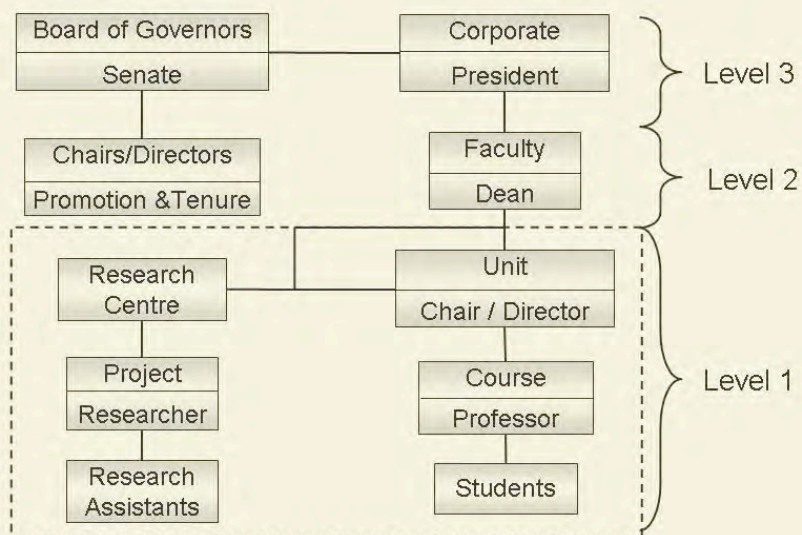
University

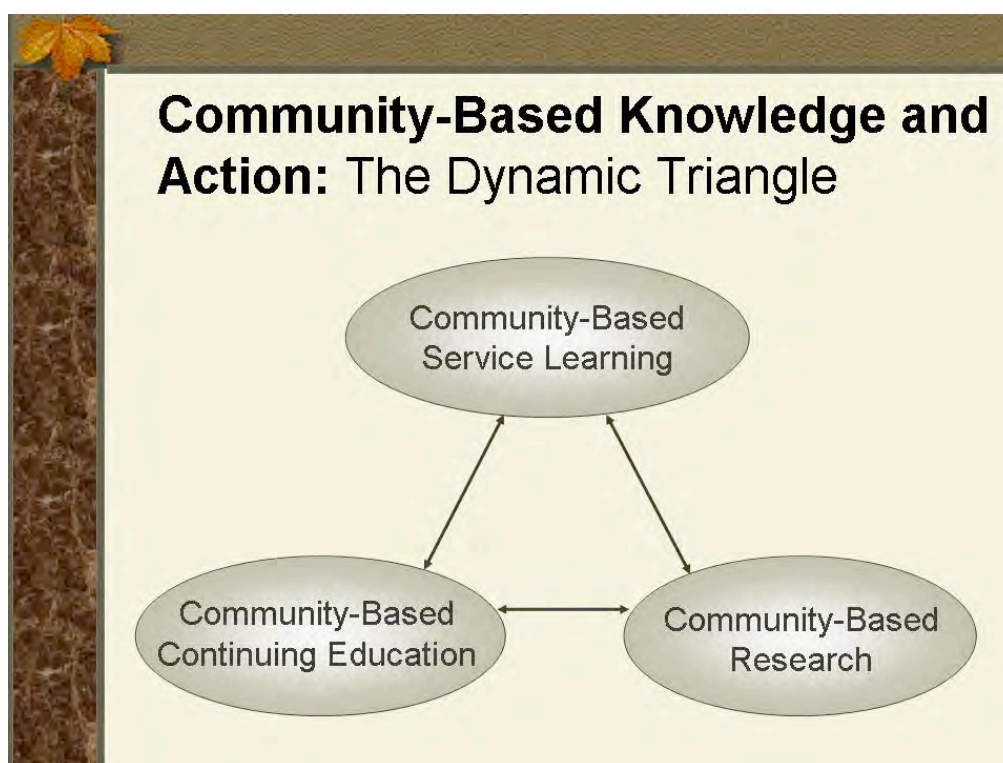
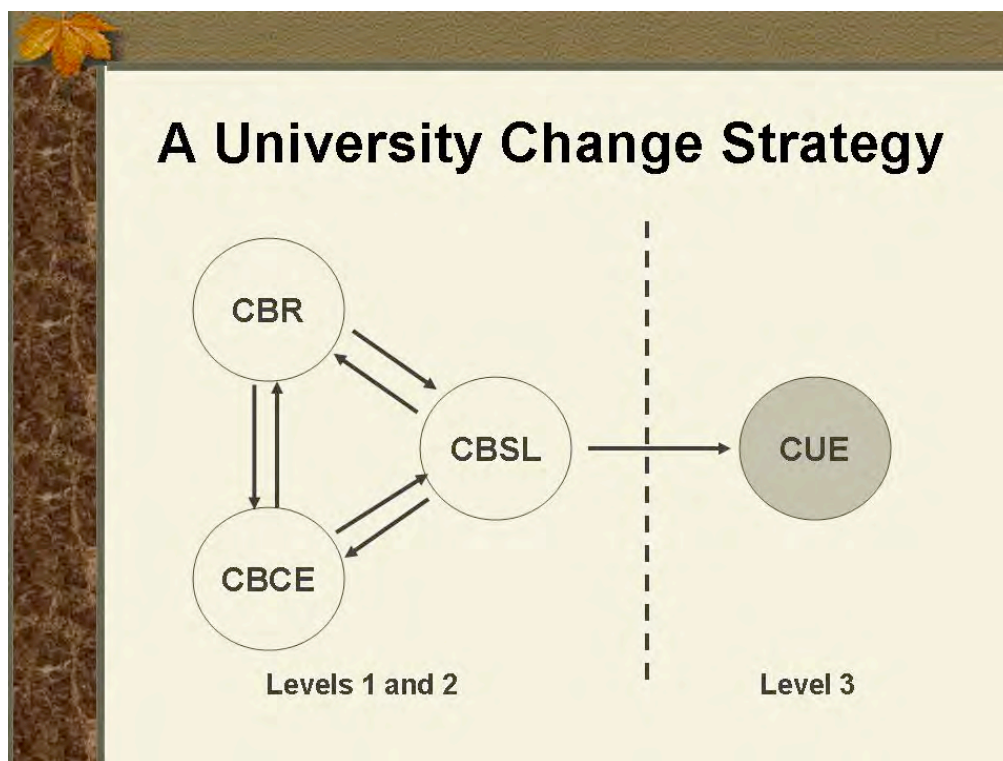
Community

Collective
Bargaining

Core
Funding

Levels of University Change





Useful Websites

<i>Action Research: An International Journal</i>	sagepub.com/journal
<i>Canadian Association of Community Service Learning</i>	communityservicelearning.ca
<i>Canadian Research Alliance for Community Innovation and Networking</i>	cracin.ca
<i>Community Based Research Forum, University of Victoria</i>	research.uvic.ca/cbrf
<i>Community Based Research Network of Ottawa</i>	spcottawa.on.ca/cbrno_website
<i>Community Organizing and Development On-Line Conference</i>	comm-org.wisc.edu
<i>Community University Institute for Social Research</i>	usask.ca/cuisr
<i>Community-University Research Conference (CUExpo)</i>	usask.ca/cuisr/cuexpo
<i>Loka Institute</i>	loka.org
<i>J.W. McConnell Family Foundation</i>	mcconnellfoundation.ca
<i>Michigan Journal of Community Service Learning</i>	servicelearning.org
<i>Pew Partnership for Civic Change</i>	pew-partnership.org
<i>Social Sciences and Humanities Research Council</i>	sshrcc.ca
<i>Trent Centre for Community-Based Education</i>	trentu.ca/tccbe