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# **Are Outcomes the Best Outcome?**

*by*

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***The point***

This paper challenges the obsession with outcomes as part of the current preoccupation with accountability. The paper recognizes and concurs with the importance of setting and trying to meet clearly defined targets. But it argues that many crucial and equally important developments inadvertently can be overlooked in the quest to quantify.

***The background***

The word of the week is ‘outcomes.’ The subtext is ‘accountability.’ No one can deny that these two imperatives are driving most agendas these days.

Performance measurement for the private, public and voluntary sectors is a booming business. Private firms, governments and voluntary organizations are under pressure to demonstrate that they are functioning in a cost-effective and efficient manner.

The concern for accountability is being fuelled by many factors. The private sector always has been interested in outcomes. The bottom line – actual output at the end of the day – is the primary driving force. The private sector must account to its customers and shareholders. In fact, there is growing discussion about the need to relate to an even broader audience of interested parties, typically referred to as ‘stakeholders.’

The requirement to perform effectively and efficiently is nothing new. But the pressures appear to have become all the more intense in a highly competitive world in which leanness is a virtue and a rationale is expected for every penny spent.

On the public front, distrust of public institutions, especially governments, had been growing over the years. Trust in the federal government, in particular, had sunk to an all-time low in the mid-1990s in the fallout of the failed Meech Lake and Charlottetown constitutional talks [Graves and Reed 1999]. The Social Union Framework Agreement evolved in the search for new ways to do business in a country deeply shaken by the Meech fiasco and razor-close Quebec referendum results.

The Social Union Framework Agreement is significant for several reasons. It requires the federal and provincial governments to adhere to the principle of public accountability. They are expected to incorporate an accountability framework into all work and to set a clear plan for gauging progress against their stated goals. This task involves the development of ‘indicators’ or measures which provide evidence on the extent to which these goals are, indeed, achieved.

Some would argue that governments' newfound concern with effectiveness and efficiency arises from more than political considerations alone. Perhaps more than any other factor, the war on the deficit gave rise (inadvertently) to public debate on government spending.

The new awareness of the need for accountability also can be attributed to private sector influence. The trend towards working in public/private partnerships appears to have influenced government culture and style.

Community-based funders, such as private foundations and local United Ways, are equally concerned with outcomes. Naturally, these funders want to ensure that they get good value for their money. But their interest in concrete outcomes appears to have grown in recent years in light of greater demand for their resources. The increased pressure results not only from more complex social needs but also from government cutbacks that previously supported community projects to meet those needs.

So voluntary organizations are caught up as well in the accountability maelstrom. But unlike the private and public sectors whose missions tend to be more clearly understood, voluntary organizations carry a unique burden.

Because they typically are not self-supporting and are beholden unto third parties for financial assistance, voluntary organizations face constant pressure to show that they are achieving what they said they would do. They are required continually to justify their existence and to provide a rationale for their work. They carry a heavy and ongoing burden: proof of legitimacy.

There are doubtless many other forces driving the obsession with accountability and, more specifically, with outcomes.<sup>1</sup> There appears to be growing concern, for example, with the legitimacy not only of governments but of all institutions. The achievement of clearly stated outcomes may be one way to confer a degree of legitimacy.

Another contributing factor may be the dominance of the market mentality. The corporate model allocates resources for maximum efficiency. The achievement of clear outcomes is an integral component of this rationalization.

There also appears to be a growing diversity of values in a far more complex world. It is possible that a diverse and complex environment creates a need – or even a demand – for standard measures as a means to find common ground; these measures typically take the form of quantitative indicators.

Regardless of the diverse causes, the all-pervasive climate of accountability represents a milestone in terms of garnering public trust. But it also has created a millstone for the groups that must live with the expectations which the new imperative has imposed.

Organizations now have to prove certain achievements that may not be possible to determine or even advisable to pursue. Ironically, the current obsession with outcomes could end up substantially undermining important work that often gets overlooked in the all-consuming search for 'hard' and objective data.

### *The story*

This paper tells the story of a community project trying to demonstrate the effectiveness of its work. It wants to give a clear message to the community at large and to funders more specifically that it has, indeed, achieved what it set out to do.

The problem? The project was constructed so as to attain a clearly defined, numeric goal. In order to make unequivocally its case, the project needs to produce 'outcome indicators' – i.e., measures or pieces of information which effectively provide substantiation that a certain goal is being or has been achieved.

The other problem? The preoccupation with the outcome indicators upon which the project was built has skewed the real story – the project's widespread and myriad accomplishments that cannot easily be quantified as a set value, figure or percentage.

This story is about Opportunities 2000 (OP2000), a community-based project to reduce poverty in Waterloo Region. OP2000 was launched in 1998 by the Lutherwood Community Opportunities Development Association (CODA).

The project's long-term objective is to try to reduce the region's poverty rate to the lowest in the country. This long-term objective was translated into the specific and immediate goal of helping 2,000 households move out of poverty by the year 2000.

In order to achieve this overall objective and specific goal, Lutherwood CODA sought to mobilize the entire community. It set a target of engaging in partnerships with at least 30 different community organizations to create a wide range of opportunities to reduce poverty. These opportunities focus on training, access to funds for business startup and the development of community enterprise. The partnerships include projects that help meet basic needs, such as ensuring food security, and that remove barriers to participating in the labour market, such as high transportation costs.

The project also added a unique feature: a Leadership Roundtable composed of representatives from business, low-income households, government and social agencies. The Roundtable provides overall direction to the project. Its members help promote awareness of the dimensions of poverty and possible solutions.

*The concern*

So what's the concern? OP2000 set as its overall vision the reduction of poverty in Waterloo Region. The project then had to seek support for its work; all of the financial backing for its original stages came from private foundations and business. A concrete measurable goal was deemed essential to capture the essence of the 'dream,' to mobilize the entire community and to attract financial support – hence the '2,000 by 2000' goal. This goal represented a clear target captured neatly in a compelling slogan. A small phrase involving an enormous challenge: helping 2,000 households move out of poverty by the year 2000.

In order to create a clear vision for the community and to secure funding, the project stuck by its target slogan. The project was built on the assumption that it could show definitively that a certain number of households had moved out of poverty within a given time. And it truly believed that it could.

The problem is that this goal is near impossible to attain – at least within the very tight time parameters of the project and the current economic context: lots of low-paying work at irregular hours. And even if it were theoretically possible to achieve '2,000 by 2000,' measuring the achievement of this goal would pose countless technical difficulties.

Other problems include the fact that both the staff and other stakeholders in a given project can become 'target fixated.' Regardless of how good the results actually are, they can be deemed inadequate and the project considered a failure because it may not achieve what it said it would as quickly as promised.

A strict focus on a single numerically defined target also can make it difficult to absorb new learnings, shift direction or change practices if required. Another problem is that work which could help alleviate some of the nonmonetary aspects of poverty, such as reducing the isolation and social exclusion of single parents, assumes less importance than employment-related activity. Finally, there is always the suspicion that the books may be 'cooked' to make the results appear more favourable than they actually are.

Yet OP2000 felt – and still feels – a strong commitment to its numeric target. Without this clear target, it fears that Lutherwood CODA will be seen by funders and by the community generally as a group whose heart is 'in the right place' but that fails to 'deliver the goods.'

Moreover, the importance of 'psychological factors' at play in any effort – especially a community-based initiative trying to mobilize disparate sectors with very different interests and agendas – should not be underestimated. Sometimes a clear, well-articulated goal is the best way to get a project started in order to catalyze a diverse group and focus scarce resources and energy. A

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concise outcome statement – especially if it takes the form of a numeric target – not only can act as the spark to get people moving but also may lead to better results through a more focussed set of actions.

Another advantage of clearly defined outcomes is that they can be highly motivating for the staff. In the words of one staff member engaged in OP2000: “The outcomes focus can be very important in those instances in which the project founders want people to ‘stretch’ and to think ‘outside of the box,’ rather than achieve reasonable results in conventional ways.”<sup>2</sup>

In the words of another staff member: “Poverty is much more than income. It is a perception of current ability and future opportunity both by the person in poverty and society as a whole. We still dream of 2,000 households out of poverty as a goal to eliminating poverty. The real hope, though, is to strengthen the resolve of the community that something can and should be done about poverty.”<sup>3</sup>

Finally, the numeric target, in addition to its motivational and catalytic functions, set the work rolling in an important direction. It created the need to ensure a solid knowledge base as a foundation to the project. Without the numeric target, the project possibly may not have sought to develop an in-depth understanding of poverty in Waterloo Region.

The development of this community profile was a crucial first step in comprehending the scope and extent of the problem. The project began by building a profile of poverty from two perspectives.

### *The profile*

The first step in the OP2000 project was to identify the extent of poverty throughout Waterloo Region and within its constituent municipalities. Second, the project sought to track changes in sources of income (e.g., from Employment Insurance and welfare to paid employment) and level of income among participating households.

To gauge its progress in moving households out of poverty, the project employed Statistics Canada’s low income cut-offs (LICOs). The LICOs generally are used in Canada as the standard for determining levels of low income, although they are not recognized by Statistics Canada as official poverty lines.

Poverty typically is measured in terms of absolute numbers (of households below the poverty line) and rate – i.e., the percentage of households that fall below the low income cut-offs. These so-called ‘poverty lines’ represent levels of gross income where households spend an above-average share of income on food, shelter and clothing.

But there is a third equally important measure of poverty, known as the ‘poverty gap.’ This measure identifies the extent to which households fall below the low income cut-offs.

The task of developing a poverty profile for Waterloo Region was carried out by analyzing census data collected by Statistics Canada. It includes data on incomes for 25 major Census Metropolitan Areas (CMAs). But the census is conducted only every five years. It takes about two years until the data become publicly available; the figures are somewhat dated by the time they can be widely used.

Yet there are really no feasible alternatives. Statistics Canada publishes income (including low income) estimates for Canada and the provinces each year using data obtained from an annual survey. Because that survey cannot provide reliable estimates for communities, census data collected every five years are the only source for local poverty statistics. Nonetheless, the census data allow the development of an accurate and detailed profile of the households experiencing economic hardship within a given region.

Perhaps more significant than the precise numbers at any given moment are the trends over time – the changes in poverty rates among different groups within the population. These trend data can help identify the types of households or specific neighbourhoods deemed to be at higher-than-average risk of experiencing low income.

In Waterloo Region, for example, the most recently available information from the 1996 Census found that 14.6 percent of the Kitchener Census Metropolitan Area lived on low incomes. This figure represents a significant increase from the 12 percent poverty rate in 1990.

Among specific groups, young people aged 18 to 24 had a poverty rate of 22.4 percent in 1995, up from 17.2 percent in 1990. Couples with children had a poverty rate of 8.5 percent in 1995, up from 5.7 percent in 1990. The rate for single parents was far higher. It stood at 35.7 percent in 1995, an increase from 33.2 percent in 1990 [Hodgson 1999].

Despite the fact that the 1996 information is somewhat dated, it is vital nonetheless in showing both the general and specific characteristics of poverty in the region. The second component of the task – identifying changes in poverty at the household level – was more challenging and, indeed, more questionable.

### ***The challenge***

In order to ‘exit’ poverty, 2,000 households from among all those participating in the project not only would have to see their incomes rise closer to the poverty line by narrowing the poverty *gap*. They also would have to see their incomes exceed that line, thereby lowering the poverty *rate*.

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Reducing the poverty rate would require that the incomes of these households increase, on average, by several thousand dollars. (Although local figures are not available, in 1997 the average depth of poverty for Canadian families was \$8,559 and \$6,007 for a single person.) Most workers employed in the current labour market know how hard it is to grow their income by that amount, especially in a short period of time.

But the poverty reduction goal is all the more difficult in the case of OP2000. For one thing, the project explicitly targets individuals who have had problems entering or reentering the labour market. They may have been laid off, for example, from a company that was downsized or closed altogether. Waterloo Region lost a substantial component of its manufacturing base in the recession of the early 1990s [Torjman and Hodgson 1998]. These now-unemployed workers may have been out of work for some time or may not have skills that are readily transferable to the new growth areas of the economy, such as high technology.

Some of the households participating in OP2000 may not even have had marketable skills in the first place. Many are on social assistance and do not have recent job experience that most employers seek in a prospective employee. A significant investment of time and effort is required in many cases simply to ensure that a given worker is job-ready, let alone higher-income-ready.

Moreover, the economic climate in which the project is operating is complex and difficult. The labour market of the 1990s has become increasingly insecure. There has been growth in well-paid, high-skilled jobs in computer applications and financial services. But the economy also is creating an abundance of unstable, low-paying jobs [Torjman and Battle 1999].

The goal of reducing the poverty rate by increasing household income by thousands of dollars in a short period of time is a virtually impossible task. If, indeed, any effort is made to quantify the project's impact on poverty, it should focus instead on reducing the poverty *gap*.

Changes in the poverty gap are a more appropriate barometer of the impact of a given program or project. A study that set out an evaluative framework for the new National Child Benefit argued that depth of poverty is a superior measure of program success than rate of poverty [Battle and Mendelson 1997: 24]. The following illustration was offered to support that conclusion.

A community with a population of 100,000, for example, may have a poverty rate of 10 percent. This figure means that there are 10,000 individuals in the community with incomes below the poverty line. In order to address this problem, one hypothetical social program could pay \$1,000 to 1,000 people who are near the poverty line, say within \$1,000 of that line. A second hypothetical program could spend the same amount overall but instead pay \$1,000 to the 1,000 people who fall farthest below that line. They are considered to be the 'poorest of the poor' [Battle and Mendelson 1997: 24].

The first program would reduce the poverty rate from 10 to 9 percent. Clearly, this reduction is important. But it helps only the least worse off within the low-income population. The second program, by contrast, helps the poorest 10 percent of the population. It would have no impact on the poverty rate since a \$1,000 increase cannot lift these households anywhere near the poverty line, but it would improve the incomes of the poorest families and would reduce the overall poverty gap.

Yet even a focus on the poverty gap may be considered questionable as a measure of success. In fact, certain members of OP2000's Leadership Roundtable had serious difficulties with the concept of poverty as it was being employed within the context of the project.

The poverty line construct effectively defines the problem as one of relative deprivation in a strict income sense. Households are deemed to be poor because they spend a disproportionate share of their income on the basics of food, clothing and shelter.

But there may be many households with relatively low income but substantial assets. They may be cash poor but asset rich. All their basic needs are adequately met.

In Waterloo Region, for example, many households are engaged in farming. They live on farms that are fully or partially paid. They own their farm tools – i.e., the means of production. These households have a continuing (though not necessarily stable or adequate) source of income, a roof over their heads and a steady supply of food. Some participants in the OP2000 project argued that these households may not consider themselves to be poor – even though they are captured by the strict poverty line definition of the term.

In the view of some project members, these households really should not be counted among the region's poor. The members argue, in effect, that the rate of poverty in Waterloo Region actually is lower than the official figures would imply and that the project is wrongly counting these households as part of its potential target.

A related issue, but converse of the above problem, also poses a difficulty. Some households may not be designated as poor if only their incomes are taken into account. But in actual fact, they may be required to spend a disproportionate amount of their income on 'special necessities' because a member of the household may have a particular health- or disability-related need, the costs of which are not covered under existing programs. These necessities may amount to hundreds or even thousands of dollars a year, a burden that in itself creates straitened financial circumstances.

In addition to these general conceptual problems, there are difficulties from a technical perspective. The changes in sources and level of income for specific households were to be measured on the basis of a household survey developed specifically for the OP2000 project. The household survey would have been administered at three different points in time: the household's entry into an OP2000 project, the mid-way point and the end of the project.

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Part of the difficulty with the household survey is due to the complex nature of OP2000. It has evolved into a loose ‘consortium’ of at least 30 community-based partnerships, each of which is engaged in a particular poverty reduction effort.

Because the household survey was to be administered by many different community organizations, the issue of uniform application was high on the list of concerns. An informal training session involving community organizations was held to ensure that instructions were explained consistently and that the information on households would be gathered in a comparable fashion.

But difficulties arose from the fact that some of the partners wanted to collect different data from one another and from OP2000 in order to serve their own agency purposes. It was a challenge to develop one survey for all needs.

The second problem related to the confidentiality of the data. It was essential to guarantee that individual organizations would properly safeguard personal information on sources and level of income. In fact, arrangements had been made with a local university for the coding, interpretation and storage of the collected data. This third-party ‘protection’ posed further logistical challenges around reporting survey results to participants in a timely manner.

There was also extensive discussion about the best way to track participants to determine changes in their income sources and level over time. At least three sets of data are required in order to show trends. The household survey presented difficulties with respect to collecting sufficient data in an unreasonably short period. Moreover, because households enter the project at different times, there was no consistent starting point for creating a baseline measure.

Attribution was another concern. It is difficult, if not impossible, to conclude that a specific result was absolutely due to a certain project, given the range of possible variables that could have played a role in the success. For example, a single parent may be able to resume employment because she has found a neighbour whom she trusts to provide high-quality child care. Her return to work may have little or nothing to do with the training she received through a community-based project.

Similarly, a major company in the region could decide to extend its operations. Toyota, for example, has announced that it may expand its Cambridge plant. In this case, a reduction in poverty among selected households and, indeed, throughout the region could be due to this development in the broader economic context. OP2000 may have played a crucial role in helping individuals acquire new work skills or feel more confident about their ability to enter or reenter the labour market. Nonetheless, the possible reduction in poverty in the region would have been due more likely to the relatively well paying, full-time jobs that happened to come on stream.

Perhaps the most serious problem arises not from attribution complexities or the fact that the household survey is fraught with conceptual and technical difficulties. The underlying problem at the heart of the matter is that both the poverty rate and poverty gap are inappropriate indicators to judge the true success of community-based work.

### *The real indicators*

The primary purpose of OP2000 (and of most community projects for that matter) is to build the capacity of community members to tackle complex problems and to find ways to ensure that these efforts can be sustained. The real work of the project is to establish the long-term structures that can enable the community to reduce poverty and to develop new approaches that involve innovations in community business as well as changes to government policy and private sector employment practices.

In the language of evaluators, measures of ‘process’ are more appropriate to community-based poverty reduction than are measures of ‘outcome.’ Indeed, process *is* a major ‘outcome’ that should be assessed through qualitative as well as quantitative measures.

In the area of process, OP2000 has made substantial achievements. The project has attained the important goal of setting up an active Leadership Roundtable composed of various sectors. The Leadership Roundtable includes business leaders, government officials, and representatives from social agencies and low-income groups. The Roundtable is a unique arrangement in which diverse sectors have come together to address a complex social problem, in this case, poverty. The provincial government recently appointed a representative to the Leadership Roundtable and government subcommittee. This individual will be working one day a week with OP2000 and will report to the Deputy Minister’s office.

Members of the Leadership Roundtable are trying to create community support for poverty reduction through education and raising awareness of the problem. The members provide a focus for local efforts through strategic planning and the development of new models for poverty reduction. In various ways, the Leadership Roundtable asks the community: “What can you do to reduce poverty?”

Representatives from the business community are encouraging their peers to examine their employment practices and community contributions. A committee of private sector representatives formed as part of the project is developing a human resources guide for employers. It will cover a range of areas including adequate salaries, associated benefits, flexible work time, and training and volunteer contributions to the community, such as mentoring and voluntarism.

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Because the guide has been written by members of the private sector, it is expected that the material will be distributed widely in the business community. One of the key individuals involved in this work is a management consultant whose territory covers Ontario; at the very least, all managers throughout the province will be encouraged to use the material in their practice. As a direct result of his involvement in the project, one national employer introduced a pay increase for entry-level employees.

Discussions are under way with the Kitchener-Waterloo Chamber of Commerce. The Chamber is considering the possibility of assigning staff to assist its members become involved in some way in OP2000. This involvement might entail volunteering with one of the community-based projects, mentoring prospective entrepreneurs or hiring participant households in the OP2000 project.

The School of Business at Wilfrid Laurier University is requiring each MBA student to participate for 40 hours in some form of community work. Many are expected to contribute actively to OP2000 through helping develop business plans or writing descriptions of the community businesses that have been initiated as part of the project.

On another front, OP2000 has engaged in ongoing discussions with regional government. The Regional Chairman is a member of the Leadership Roundtable. Regional Council passed a motion to work towards reducing poverty to the lowest rate in the country. The Region has confirmed that it will second one person to work on OP2000 and is considering the placement of another staff person as well. Regional Council has committed itself to undertaking a review of its policies and practices to determine how these may create barriers for low-income households.

OP2000 has had an important impact upon policy at other levels. The project has carried out research and prepared statements on the role of the federal, provincial and local governments and the possible changes required in their respective policy areas including taxes, welfare and social housing. These proposals will be directed to the appropriate levels of government [Torjman 1999; Battle and Torjman 1999].

At the community level, OP2000 has engaged at least 30 different community agencies in partnerships around various aspects of poverty reduction. The project requested and received \$1 million from the Department of Human Resources Development Canada for support of the diverse community projects. The United Way of Cambridge plans to second staff to this community initiative and will thereby help sustain the many poverty reduction efforts beyond the duration of OP2000.

The project has promoted awareness about the realities and complexities of poverty through newspaper, radio and television stories. Many more community members now have a better understanding of the scope and dimensions of poverty.

And many more individuals are involved in trying to do something about the problem. OP2000 has engaged literally hundreds of individuals, groups and organizations in developing innovative and comprehensive approaches to poverty reduction. There is a community-based problem solving process under way through the Leadership Roundtable and through several working groups that have come together around certain issues, such as the recognition of foreign training credentials. Prior to the creation of OP2000, none of these structures was in place to enable the community to deal with poverty in a systematic or systemic way.

A key lesson from this project is that good process is an essential element of good community practice. Good process will help promote the sustainability of community efforts.

### *The 'proof'?*

Despite the myriad achievements of the project to date, there still is a heavy sense in the current show-us-the-results climate that the accomplishments may be very good – but not good enough. All the developments that have occurred as a result of the project – while they represent profound community changes – may not be deemed to provide sufficient ‘proof’ that OP2000 has achieved anything long-lasting or significant. The changes will not necessarily be seen to effect an immediate and direct improvement in the lives of low-income households.

But the real achievement of the project should not be judged simply from the perspective of a short-term, numeric target. Rather, it should be judged by whether it has been able to create the networks and structures that will be sustained over time to enable the community to tackle poverty and other complex problems. This achievement is far more important than if the project actually had met its quantified goal.

Even if the project is successful in achieving its 2,000 by 2000 goal, there are still other families that will remain in or fall into poverty. Poverty is not a static state in which the same people stay poor all their lives. The Canadian and American evidence on the flows of people in and out of low income over time shows a highly dynamic picture [Economic Council of Canada 1992].

In any given community and indeed throughout the country, there is continual ‘entry into’ and ‘exit out’ of poverty because of changing employment and family structures. Separation or divorce, a disabling illness or death in the family, or loss of job by the primary breadwinner can create a substantial drop in household income, thereby plunging a family into poverty. Even if a given number of households ‘exit poverty’ as a result of the project (i.e., their incomes rise above the low income cut-offs), this positive result does not mean that the poverty beast has been wrestled to the ground.

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The changing face of poverty speaks to the importance of income security programs that do just that – provide income security. They act as a buffer against economic and social instabilities.

The dynamic nature of poverty reinforces the important role that governments play in reducing income poverty by ensuring various forms of financial protection which provide safeguards against the contingencies of life. In effect, it is government programs that should be judged on the basis of whether they reduce the poverty rate and/or poverty gap – and even then the task requires more than static poverty measures. As noted, there are serious problems associated with these measures even when employed as a benchmark to assess government programs.

The role of social programs in altering the dynamics of poverty must be assessed by using other indicators, such as interviews with program recipients and longitudinal studies that track low-income households over time [Battle and Mendelson 1997]. Governments also have an important role to play in preventing poverty by investing in a skilled workforce through the education system and employment programs, supporting families through income programs and social services, and maintaining our crucial medicare system.

The primary role of community work, by contrast, is to build the problem-solving infrastructure that effectively mobilizes diverse sectors of the community to tackle complex issues. The role of the community-based organization is to *build social capital*.

While there is no commonly accepted definition of this term, it is often described in the following way. Social capital refers to the features of social organization such as networks, norms and trust that increase a society's productive potential. It is the product of human relationships, particularly those outside immediate and intimate relationships. Social capital is created when people come together out of a shared purpose or goal that goes beyond individual benefits [Riddell 1997].

It is easy to dismiss a concept such as social capital as unmeasurable and 'woolly.' The creation of trust and the formation of networks and relationships may be considered 'small stuff' and, worse still, 'soft stuff' in terms of their importance.

But there is growing evidence to the contrary. And it is coming, from all places, from economic literature – which is finding increasingly that the presence of social capital has a positive impact upon the business climate [McCracken 1998]. Countries deemed to have a high level of social capital have been found to perform far better economically than countries in which social capital ranks low. Social capital increases the productive potential of a community and, more generally, of a society.

This emerging research is challenging the conventional wisdom that sees social well-being merely as a fringe benefit of a well-performing economy. The traditional goal has been to create a strong economy in order to reap the associated social benefits. But there now appears to be a causal linkage in the other direction as well – from social cohesion, represented by dense networks and social infrastructure, to macroeconomic performance.

Social health is not simply the product of a strong economy; it is one of the determinants of a well-functioning economy. A productive economy requires a strong social infrastructure. This infrastructure is precisely what OP2000 is trying to build.

A community-based story about infrastructure building is particularly instructive here. It shows that the *process* employed to solve a serious community problem was the most valuable *outcome* of the project.

The Dufferin Mall in Toronto, Ontario, is situated within the catchment area of six schools. It had become a meeting place for teens. There was a growing incidence of crime and more frequent disturbances involving attacks on customers and store break-ins. The manager of Marathon Realty, the mall management company, was faced with a difficult choice: Either he could turn the mall into a fortress with multiple security systems or could address the problem in a more constructive way. He chose the latter route [Hall 1997].

The mall management met with the schools in the area as well as the West-End Inter-Agency Network, a group of 12 youth-serving agencies. After discussions about the problem and possible solutions, a one-stop social services centre for youth was set up at the mall. Partnerships were formed among a range of players to address the problems of youth violence and alienation: the mall management and merchants; staff, students and administrators from local schools; social service agencies and community organizations; local police; faith groups; and municipal government [Hall 1997].

Today, the centre provides individual and family counselling, information and referral, job training and community outreach. In addition to the youth centre, the mall merchants are involved in various programs which teach work skills to students and provide co-op placements. The mall also has become the base for a theatre group, sports groups and other activities for teens.

The Dufferin Mall has been successful in using an existing facility in an innovative way to reduce crime, promote literacy and training, and engage businesses in providing work placements. But the mall manager cautions that other communities facing similar problems should not conclude that all they need do is replicate the Dufferin Mall solution. While it was an effective response in that community, it could be entirely inappropriate in another region.

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The key to the success of the Dufferin Mall was the problem solving process employed to tackle the issue. *The lesson from the Dufferin Mall is the process – not the outcome – from which other communities should learn.*

### *The research agenda*

There is clearly a need for some work – possibly in the form of research – to figure out how best to assess community capacity building efforts.<sup>4</sup> The US-based Aspen Institute has published a framework that is particularly relevant to outcomes and the building of community infrastructure. In a document entitled “Measuring Community Capacity Building,” the Institute sets out eight key outcomes for measuring the success of community efforts [1996]. It then breaks down each of these outcomes into its component parts and puts forward a range of possible indicators to assess progress in these areas.

The *promotion of diverse, inclusive citizen participation* means that the project has engaged ever-increasing numbers of community members in all types of activities and decisions. These individuals should come from a wide range of sectors and should represent the diversity of the community. *Growth of the leadership base* involves bringing new people into community decision-making processes and ensuring that they have an opportunity to learn and practise leadership skills. Another important outcome of community capacity building is *strengthened individual skills* which both expand and enhance the community’s volunteer base.

*The creation of a widely shared understanding and vision* is another key outcome of community capacity building. While the creation of a vision is an important part of any agenda, community work must ensure that this vision is widely shared. *The development of a strategic community agenda* follows the articulation of a widely shared vision. The community agenda then must be translated into concrete actions that are assessed by the *tracking of consistent, tangible progress toward goals*. Another key outcome is the *development of more effective community organizations and institutions*, such as schools, neighbourhood associations and local newspapers. The final outcome is *improved resource utilization by the community* [Aspen Institute 1996].

This categorization spells out the range of desired outcomes of any community capacity building initiative. The challenge posed by this framework is to identify the specific activities that comprise each outcome in order to determine whether and how well these were carried out. For example, what factors would indicate whether a given project has, in fact, promoted diverse, inclusive participation? The project may want to see whether it involves different sectors and whether the community members engaged in the work include diverse cultural and age groups.

Every project and community basically can set its own benchmark measures within each of the outcome categories. But additional research on the indicators of community capacity building – and especially the difficult-to-measure factors such as reduced poverty – likely would help both community organizations and funders gain a better sense of the objectives that are possible to attain within certain time frames and how their achievement might be determined.

More specifically, there is a need for research with respect to the monitoring of progress and the assessment of ongoing efforts to achieve complex goals, such as the reduction of child abuse, high risk behaviour among youth, hunger, homelessness, illiteracy, unemployment and underemployment, and poverty. These are difficult problems with multiple causes. These problems are not easily resolved through a single intervention by a single party. They typically require a wide range of interventions involving different sectors.

In the area of poverty reduction, for example, the Opportunities 2000 project is built on a framework for community-based poverty reduction that consists of activities in four key streams: meeting basic needs, removing barriers, building skills and creating economic opportunities [Torjman 1998a]. Within each stream, there is a wide range of possible actions. Ideally, these actions are undertaken by groups and organizations working not on their own but through collaborative effort within and between sectors.

In short, social problems typically require sophisticated and complex strategies of intervention. But the more sophisticated the interventions, the more difficult it becomes both to evaluate these efforts and to attribute their results to a given activity within the broad set of actions.

Funders should take a lead role in organizing discussions or sponsoring research that would provide some guidance to this difficult question. Right now, there is a large gap between the expectations on community groups and knowledge of how to assess the range of actions in which they need to engage.

There is nothing wrong with great expectations. But there is something seriously wrong when the tools to assess broad projects do not take into account the complexity of their component interventions and do not provide guidance as to possible indicators that would be appropriate to assess the success of a given project.

A research and development component also should consider how to build a feedback loop into the evaluation process. As noted earlier, the obsession with clearly stated target outcomes makes it difficult to shift course throughout the work – even if the intermediate lessons indicate clearly that it would be highly appropriate. A target fixation often requires sticking to a predetermined path – despite the fact that an alternate route would be more suitable. Research could help identify how to modify a given roadmap while still staying on course with the work.

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Research may help resolve another problem – assisting community organizations deal with the problem of ‘mission creep’ [Shore 1999: 220]. On the one hand, complex problems require a range of interventions that involve multiple sectors. At the same time, community groups easily can find themselves caught up in any number of related efforts because of problems that they discover along the way. They gradually expand their activities, only to find that this expansion or ‘mission creep’ dilutes their clarity of purpose or distracts them from the goals they originally had set out to achieve.

Because of the complexity of social problems and the need to work across sectors to resolve them, a multidisciplinary research approach would be a valuable contribution towards addressing these challenges and providing appropriate guidance. A comparative understanding of building community capacity requires an amalgam of many different fields: anthropology, environmental science, political science, law, organizational development, finance and business, social policy, strategic planning, recreation, music, art and drama [Torjman 1998b: 2]. It is unlikely that applying any one single lens or disciplinary framework would be rich enough to judge fully the complex dimensions of the work involved in building community capacity.

### *The future*

OP2000 will continue to assess its work. Progress will be tracked on three levels: impact on participating households, modifications to the policies of partner organizations, and changes in the level of awareness and practices of the broader community. The project will maintain some parts of the household survey primarily to track changes in sources of income. But it will put far more effort into gathering qualitative data.

The project will listen carefully to the views and concerns of participants engaged in the myriad community-based projects to ascertain their impact upon specific households and the community more generally. ‘Telling the story’ of OP2000 and its numerous projects is equally – if not more – important than compiling statistics on low-income households helped by the initiative. It is of interest that a recent visitor to Canada from the University of Northern Ireland in Belfast talked about the difficulties of tracking meaningful outcomes in terms of community engagement in her embattled country. Telling the stories of families that had been positively affected by local efforts was found to be the most effective way to prove the worth of community work.<sup>5</sup>

OP2000 will meet with all involved parties to determine their assessment as to whether and how the project made a difference in the lives of participating households. It will conduct interviews and focus groups with project participants and members of the Leadership Roundtable. The project will identify the points deemed positive and those that appear to pose difficulties for the designated households. For example, the lack of affordable, high quality child care may create stresses that did not exist prior to a family’s search for paid employment.

The project will survey the views of the 30 organizations now involved with the project in some partnership capacity. It will evaluate these arrangements in terms of both their 'breadth' (how many were involved) and their 'depth' (how effectively the partners were engaged in the process).

In short, the project will pursue a balanced approach that still seeks to attain ambitious targets in order to 'anchor' its work. *It still will work towards achieving the lowest rate of poverty in the country and moving thousands of households out of poverty. The dream remains alive and the resolve is as strong as ever.* But the project also will ensure that it recognizes the value of community capacity building and its long-term role in poverty reduction.

### ***The consolation***

It is important to note, although it may be of little consolation, that OP2000 is not alone in struggling with this burden-of-proof dilemma.

Research on strategies for civil investing notes that community organizations "express deep frustration about foundation practices – such as short-term funding cycles and inappropriate evaluation criteria – that they view as being counterproductive, sometimes even destructive, to the creation of strong communities" [Kettering Foundation 1997: 5].

The outcomes of community-building efforts are often an improved process – i.e., greater capacity to accomplish goals and a heightened sense of community. But the apparent obsession with outcomes-based evaluation has detracted from the equal importance of process. "The efforts we refer to as community building – the building of and cultivation of relationships with residents and neighbourhoods and outside institutions – are severely undervalued and underfunded" [Leiterman and Stillman 1993: 68].

Some community organizations have begun to speak out about the negative impact of outcome obsession. While the Society for Manitobans with Disabilities, for example, agrees that measures of outcome are important for the voluntary sector, it argues that the use of these measures in the current environment creates several problems. First, the organizations require expertise in evaluative research as well as staff time and technology which governments and other funders are usually unwilling to fund [1998: 11].

But perhaps more important, the Society points out that funding on the basis of outcome measures combined with a competitive approach in the delivery of human services creates a system in which 'efficiency' is seen as the primary goal. In such a system, organizations must demonstrate through a competitive bid process that they can be more efficient service delivery agents than other voluntary or private sector organizations [1998: 11]. These methods invariably lead to lower stand-

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ards of service and to ‘creaming’ – i.e., providing service to those most likely to succeed rather than to those in greatest need.

A report on voluntary organizations in Ontario in the 1990s points out a similar problem. It argues that “managers in the sector have a fundamental concern about the validity and utility of the measures of success used by funding organizations. They doubt whether current efficiency measures really assess how well their agencies perform their mandates [Reed and Howe 1999: 38]. More specifically, the report notes the following concerns from a survey of directors of voluntary organizations:

In terms of the impact on resources and on management, more than two-thirds of the agencies which receive government funding reported that they were experiencing moderate to major increases in time spent on reporting to funders. Most, however, did not object to the time expended as much as to the nature of the performance measures which were increasingly being demanded. Most Directors told us that they found the measures and records which were called for were very much of an accounting nature. While they recognize and support the importance of maintaining standards of accountability to the public in terms of dollars spent, many felt that other elements of their services and of clients’ needs also warranted measurement and study. Executive Directors maintained that the data, reduced to ‘units’ and costs, told little about their agency’s true effectiveness in addressing clients’ needs. Executive Directors spoke of the ‘widget’ model and of the frustration of being forced to consider treatment units as comparable which they believe are not comparable. In spite of all the record-keeping and reporting, some feel that governments and other funders are not getting the real information that is needed to gauge effectiveness [Reed and Howe 1999: 37].

In short, evaluative measures that traditionally have been used – and indeed the new pressure to ‘show results’ – can skew activity in inappropriate directions. This statement does not deny the importance of seeking results but they must be appropriate results and there must be reasonable periods of time for their achievement. The statement does not deny the importance of trying to attain the goals that any group or organization has set out to achieve. But it does say that the judgment scales have been tipped too far in one direction.

It is time to move towards balance.

### *The end*

The purpose of OP2000 is to effect a dramatic reduction of poverty in Waterloo Region. The project intended to achieve this overall objective through the specific goal of helping 2,000 households exit poverty by the year 2000.

OP2000 will still strive to reduce poverty in Waterloo Region. The difference is that the project recognizes that it may need more time to achieve its Herculean challenge.

The project will still attempt to move thousands of households out of poverty. But it will be far less hamstrung by trying to define its success only in narrow, quantitative terms with all the associated conceptual and methodological problems. It will seek more appropriate, complex and meaningful measures of success.

The new direction for determining success embodies an important message to funders and the community more generally: The scope of community-based projects which seek to create wide-spread and systemic change cannot be understood simply by percentage changes in income levels that can be directly attributed to the projects themselves. In fact, attribution may not be possible to determine even with the most sophisticated instruments, since factors external to a project can and do affect income and poverty.

The time frame to effect such substantial change in income sources and level is far too short. More important, the labour market is far too insecure, especially for low-wage workers, to realize such dramatic change in both sources and level of income. And it would be far too costly even for governments to make a substantial dent in either the poverty rate or gap in such a short time frame; any changes to government policy would have to apply to an entire province or region and not simply to one community.

With respect to long-term systemic change, OP2000 is on the right track. It is building the capacity of the community to tackle the complex problem of poverty on a sustained basis. The new structures will help ensure a focus on poverty prevention for the broader community and not just for the specific households that may be able to 'exit' poverty in the near future.

Most important, the new direction for assessing the worth of the project is a crucial development in itself. It means that OP2000 can stop apologizing for, and start being proud of, the fact that it has created substantial social capital – a strong determinant of economic health and a solid foundation from which to launch and maintain efforts to reduce poverty.

**Endnotes**

1. The author appreciates the contributions to this paper that emerged from discussions with Paul Reed, Senior Social Scientist, National Accounts and Analytic Services, Statistics Canada.
2. The author appreciates the comments of Mark Cabaj.
3. The author appreciates the comments of Paul Born.
4. The author appreciates the comments of Charles Pascal, Executive Director, the Atkinson Charitable Foundation.
5. Susan Hodgett from the Department of Continuing Education at Queen's University in Belfast spoke about community development in Northern Ireland at the Social Planning Council of Ottawa-Carleton on September 27, 1999.

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