

The Development Wheel Project

Second Report about Provincial & Regional Organizations: Social Enterprise Awareness, Capacity and Effectiveness in BC in 2006 and Related Impacts of the Project to Date

Introduction

This is the second report on provincial and regional organizations that are working with the Development Wheel project in BC as part of the Provincial Steering Group (PSG). The initial survey was conducted in December 2005, and established a baseline from which we can identify changes one year later. The second survey was conducted in December of 2006, and asked the same questions. When there was a change in type or scope of activity from 2005, respondents were asked to comment on the reasons for that change. In some cases, respondents were asked specifically to comment on any impacts (positive or negative) that the project has had on their awareness, capacity or effectiveness related to social enterprise development.

Data Scope and Limitations

First, this report has an additional section that highlights the project impacts on the regional intermediary (FVCSE) that is the key delivery agent for the project in the Fraser Valley region.

Second, there continue to be gaps in information where organizations do not track certain types of data, or where a staff change has taken place and there is no documented record of activities. This makes the data that is being reported less useful and less reliable as an indicator of any kind of change (or lack of).

Third, lessons learned thus far have led to adjustments to the project; a new strategy has been designed that integrates project learning in a manner consistent with the original project objectives. However, the source of this learning is not rooted in the original survey or this follow-up survey a year later. The additional source materials (namely PSG memos and discussion notes) are appended in order to demonstrate the basis for project adjustments.

Profile of Respondents

Notwithstanding the changes in PSG participation described below, the PSG continues to represent most of the provincial level organizations in BC who have a mandate for social enterprise development. The baseline data (2005) represented eight organizations: six provincial level and two regional level organizations. During 2006 the PSG participation has changed, and the information now (2006) represents six organizations: five provincial and one regional.

The Société de développement économique de la Colombie-Britannique (SDECB) has not participated in meetings and has not been asked to participate in the survey. Although their provincial office staff has not participated, one of their development officers was

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trained and will in fact be using the Development Wheel in workshops this spring. This information will be tracked in 2007 reports.

Volunteer BC had just joined the PSG at the end of 2005. Their participation in the 2006 survey led them to conclude that continued participation was not warranted; they determined that social enterprise was not a priority interest of their members at this time.

One of the Volunteer BC representatives has remained on the Steering Committee representing his own organization - United Community Services Co-op (UCSC). UCSC originally declined to participate in the PSG, however, being engaged in the TA discussion drew them in. Baseline data has been collected from this organization and is included in this report.

Coast Capital Credit Union did not actively participate for the last part of 2006 given a staff change and staff shortages. They have sent various representatives to meetings, but given the lack of ongoing or consistent participation, they have opted not to participate in the second survey.

Finally, Nadina CFDC, a regional intermediary connected with the project, had to drop out due to funding and staffing cuts in Sept. 2006, thus they have not been included.

In summary, the profile of respondents for the 2006 survey is as follows (N=seven):

- three provincial "development" organizations:
 - Enterprising Non-Profits (ENP) – training & grants for SE development
 - BC Coop Association (BCCA) – training, orientation, coop development support & referrals; provincial rep for CDI program
 - United Community Services Co-op (USCS) – an umbrella for almost 100 non-profits across BC; provides training, organizational & enterprise development services, HR & financial management as well as group buying etc.
- one specialized development financial institution that serves the province:
 - Vancity Capital Corporation, a subsidiary of Vancity Savings Credit Union
- one regional organization:
 - Fraser Valley Centre for Social Enterprise (FVCSE) – (supported by South Fraser CFDC) promotion & resources for SE; training & other TA; financing through the CFDC; referrals
- two representatives from the Rural Secretariat (RS):
 - one from the BC RS Team – with a provincial view
 - one project officer from the Models program

The BC Data

1. What impact has the project had on the levels of awareness and commitment of provincial and regional level organizations about and to social enterprise development?

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During the interviews, participants reported that levels of board and staff awareness and commitment have stayed the same or gone up marginally in some organizations. They remain high, on average (4). The increases were attributed to more information and communication from lead staff that contributed to greater understanding and commitment. Participants thought they would work to raise awareness within their organizations even if they were not part of the project.

However, there is some evidence that increased participant awareness has contributed to better referrals and better understanding of SE development. The provincial Rural Secretariat representative noted increased capacity for targeted referrals to PSG members. Others noted that the structured discussions of social enterprise development that have taken place at the PSG have increased attention to the various factors involved in development, and their inter-relationships. Members have also suggested that the meetings have contributed to strengthening their relationships with each other.

2. What impact has the project had on the capacity of provincial and regional level organizations to facilitate and support SE development?

Type/Scope of Services Provided

During 2006 three areas of impact on the type or scope of services are notable:

ENP undertook outreach into rural areas this past year. During 2006 two of its four workshops were delivered in rural communities. As the PSG evolved, it noted an opportunity to streamline and integrate ENP and Development Wheel workshops designs and delivery strategies. This has led to valuable cooperation. The 2007 (integrated) workshop schedule includes eleven workshops, eight of which are rural. This is a significant increase in provincial coverage. Four of the eight rural deliveries are being done on an integrated basis.

Second, PSG members have identified that the quality and accessibility of technical assistance is not as high as what is needed. This has led to a series of steps being taken to explore how both quality and accessibility could be enhanced. This capacity, represented within the Development Wheel project, has led ENP to elevate these issues to a strategic level.

The FVCSE, the only regional intermediary now in the B.C. project, has shifted its strategy for outreach, promotion and service delivery to groups and organizations with an interest in social enterprise. Given that the profile of demand is focused on early stage, the Centre is now much more pro-active in its outreach and is providing the early stage supports free of charge. There is also a shift in other services: library and networking services have been eliminated and web-based information and services increased. These shifts are leading to changes in how the centre views their relationship with clients and is leading to revenue generating strategies being re-evaluated.

Training, Technical Assistance, Grants & Loans

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Tracking weaknesses are a problem in this category. We are missing data from one organization completely. Others are estimates only. We report only the numbers provided, thus we can assume the numbers are actually higher for 2006.

The notable increases in training activity are with ENP and FVCSE. FVCSE delivered eight training sessions, five of which were related to the DW project. As noted earlier, ENP increased the number of rural training from zero to two, one in Trail and one in Prince George. (UCSC participation has been too recent to look for impacts, but they obviously play an important role in delivering SE training and technical assistance.)

Altogether the reported numbers tell us that at least 475 people attended 23 SE sessions during 2006 (that we are aware of). This is a considerable indication of demand.

Technical assistance grants increased from 31 (2005) to 39 (2006). However, we were unable to determine if any grantees were related to the project. ENP grants have been fairly evenly divided between organizational and enterprise development.

Nothing has changed with regard to referrals or brokering of any services in 2006. Many organizations still do not track referrals. The exception is UCSC; they track referrals. They made 50 referrals for TA or TA grants. They also refer people for career entry and training in the field.

Based on the numbers provided in the table below, it must be noted that the Development Wheel workshop/training process conducted through the FVCSE have not yielded large numbers of clients (CBO's graduating from workshops) who are pursuing SE with the Centres support. While the overall number of FVCSE clients are increasing, the impacts of the project are not large. Why this is so is not clear. The second phase of research targeted on workshop graduates (CBO's) that identified their readiness for social enterprise will likely yield a better understanding of this curious result.

Training and Technical Assistance services for Social Enterprise in 2006

	Training	Organization Dev. Clients	Enterprise Dev. Clients	After-Care	Grants	Loans
FVCSE	8 sessions 200 attend	6 (2 from DW)	3 (1 - DW)	0	N/A	0 (via CFDC)
ENP	4 sessions 131 attend	N/A	N/A	N/A	30	N/A
UCSC	10 session 120 attend	12	8	4	N/A	N/A
Vancity	N/A	Not sure	Not sure	Not sure	Not sure	7 (VC Cap Corp only)
BCCA	No data	No data	N/A	N/A	9	N/A

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3. What impact has the project had on the level of client screening, or the capacity of participants to assess readiness for SE among community organizations?

The use of screening tools has increased from three to five in the last year, (ENP, BCCA, Vancity, UCSC and FVCSE). The role of the Development Wheel tool however, is indeterminate. Nevertheless, similarities appear to exist and it is possible that the awareness created by the DW may be a background factor.

At least part of the increase is due to the inclusion of the UCSC in the survey this year. UCSC requires a mandatory two hour session with potential clients during which they assess mission clarity, achievements of the organization and then proceed to define the direction they want to go with social enterprise. In some cases a determination not to proceed is made. For those that they proceed to work with UCSC also carefully defines roles and responsibilities of each party as part of their contract for services.

In terms of more immediate evaluation of the use of the development wheel checklists, particularly among those workshop graduates that decide they want to proceed, there is some indication that it may take time for the checklist to become applied consistently to organizational decision making. Graduates have to fill in a next-steps questionnaire that is based on the DW checklists. On review of this data, there is some evidence that the information provided by the respondent in the questionnaire is not always accurate. This is due to two factors that we have observed to date:

- The individual completing the checklist may not have full knowledge of all aspects of the organization; and,
- The understanding of certain terms (eg: strategic plan) differs from what the authors intended. Groups may say "yes they have one" and on closer examination it is not even close to qualitatively being what is assumed in the checklist.

We also know from interviews conducted with community organizations in the fall of 2006 that, of those who left the workshops saying they were ready to take some next steps, very few had taken any in the five months following the workshop. Our next round of interviews, one year after workshop participation will be revealing.

4. What impact has the project had on access to resources for SE development?

Awareness of resources available stayed high in 2006, although one participant noted that at the federal level things were not nearly as clear given the change of government.

Availability and access ratings for technical assistance (TA) went up over 2005 from two to three. Participants noted that they were more aware of who was providing TA than before, but that there were still some concerns about its appropriateness.

In 2005, participants had identified the lack of skilled consultants, or the quality of TA being provided as a barrier. They indicated that lack of skilled providers outside the lower mainland, lack of specialists in any one sector and distance to rural areas all

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represented factors related to this barrier. The question of how we can define and strengthen quality TA for SE is the focus of several specific activities planned for 2007. It is too early to identify the impacts of these activities.

To date, the project has had a modest impact on increased levels of awareness related to technical assistance resources.

Access to credit stayed the same (three). Participants agreed that there was a lot of credit for bankable enterprises, but not enough patient or flexible capital. Several people noted that non-profits tended to be risk adverse and thus not anxious to take up credit resources, preferring grants.

During 2006, the PSG and project staff worked to re-profile the project. The reduction in the number of regional intermediaries and the lack of WED investment created a very different context for project operations in B.C. (In Ontario the project is fully funded and is working with three regional intermediaries, each of which have \$60,000 for TA grants). The early withdrawal of the Trail Skills Centre because they could not raise the necessary funding to expand their capacity to become a social enterprise developer, and the withdrawal of Nadina Community Futures because of funding cuts, clearly indicates that the existing capacity in the rural areas can not be easily transformed into becoming dedicated resources for social enterprise, even where there is a strong interest in doing so. The structure of existing contractual commitments does not lend itself to redeploying resources flexibly. While the DW project was seen as a very important opportunity for enhancing capacity of regional intermediaries, the base resources had to be available and in two cases they were not.

Given this circumstance, the re-profiling took a very different approach in order to test if a more centralized follow up capacity lodged in CCCR/CCE could be a useful way of organizing the promotion, training and early stage technical assistance. As part of this re-design, \$50,000 was cobbled together from within existing funding commitments for TA grants which are being both leveraged and administered by ENP with participation of CCCR and CCE. Three regions are targeted (Fraser Valley, through FVCSE, Vancouver Island & the Okanagan – the two regions where CCCR/CCE is testing the alternative delivery approach). This decision will impact rural access to grants in 2007 and more important, is being leveraged to increase the overall pool of annual funding available for TA across the province. It is thus fair to say that the DW project is contributing to an expansion of TA grant resources as well as to building a stronger basis for improving TA accessibility and quality. These latter points will be better assessed in the final reports of this project.

5. What impact has the project had on the obstacles that organizations identified as impeding their development of effective SE services?

The first survey of PSG members indicated a consensus that access to human and financial resources to support SE development among community based organizations (CBO's) was the largest obstacle. In particular, participants suggested access to technical assistance and credit were the biggest challenges facing CBO's.

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Although credit was identified, closer inspection of the data identifies that it is technical assistance and staffing in the CBO's themselves that is the more significant barrier.¹

1. ENP has funded about 50% of all applications over the last few years and demand keeps going up
2. As a TA provider in the field, USCS identifies price as a barrier for CBO's; that organizations can't pay what it actually costs a TA provider to deliver service.
3. We also know from the project and the experience of FVCSE, that CBO's need free, proactive, early stage coaching. While increased grants are a partial solution to this obstacle, it could also suggest that intermediary organizations require core staff funding in order to be able to provide TA for SE.

This latter point is related to comments under #4 in this report, that suggest organizational capacity to provide SE development services does not exist within current funding parameters.

Of all the obstacles that participants identified in the initial survey, the highest impact of the project one year later appears to be on availability of resources, (eg: the increased rural access to workshops & to grant funds), (two mentioned this) and overall awareness of SE in communities (four mentioned this).

6. What impact has the project had on the level of awareness and commitment to a SE policy context?

In the first survey four PSG members identified policy work as a priority for their organization. One of these was a regional intermediary. Awareness of Federal Government policies were higher than awareness of Provincial and Municipal policies.

In the recent survey, six organizations identified policy work as a priority for their organizations. Awareness was fairly high across the three levels of government with slightly lower awareness municipally, although participants noted that it was easy to be aware when there simply wasn't any policy to be aware of. One participant identified that the project has impacted their awareness and thinking on policy work, while the others rated this impact as negligible. Participants identified a number of policy issues that concerned them:

- Two cited the federal uncertainty as an ongoing issue and two others noted the need for policies that would support more investment in social enterprise as a key tool for socio-economic and community development.
- Three cited the need for charity law to be more enabling of social enterprise ownership or for society regulations in BC to specifically allow co-operative models of ownership to be employed by non-profits.
- Three were concerned that current policies did not acknowledge the link between social and economic, the changing nature of the non-profit sector, or recognition of co-ops as a useful tool in some social sectors (eg: healthcare).

¹ It is important to note the earlier reported finding that credit is readily available for social enterprise in B.C. The challenge, as reported from credit union PSG members is not credit but credit-worthy projects.

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- Procurement policy, reforms to social assistance earning legislation, greater municipal policy support and the need for more organizational capacity among intermediaries were all cited once.

7. What impact has the project had on learning related to what participants wanted to learn more about?

In 2005, participants wanted to learn more about:

- assessing the impacts of SE
- successful approaches to training & curriculum
- general information about SE & greater understanding
- how the tool will increase organizational capacity
- how to increase the quality of consultants
- the organizations that are delivering SE services
- screening tools
- how to mobilize resources

During the 2006 interviews, participants identified that the project had a positive impact on their depth of understanding of SE factors and approaches overall. Participants also indicated that they had learned specifically about:

- approaches to training & curriculum;
- organizations that are delivering services;
- and that we had made some progress in understanding how to increase the quality of consultants, which was an ongoing focus for 2007.

Participants described their learning as follows:

“The project has allowed a systematic analysis of the factors involved in SE development.”

“It has made my SE work more intentional.”

“The project has helped us see how our work fit into the broader role of SE in communities, so we are responding more appropriately.”

“Overall, the learning has been around how hard this work is, how multi-dimensional it is, and that we can increase services, but still not have the uptake if we don’t work at all levels simultaneously.”

The survey only asked about learning related to the topics participants identified in 2005. There has been other learning that has been documented through PSG reports:

1. First, there is an appreciation for the applied research approach that has allowed learning to be documented and project adaptations made mid-course as a result. This process of testing and evaluating has great value and has not been part of member experience of government funded programs in the past.
2. We learned that CBO’s are hesitant to ask for early stage help when they aren’t yet sure what they need, and when they can’t pay for it. We learned that

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experience in the UK over several years supports the need for proactive, free, early stage encouragement, coaching and support.

3. The SDECB (although not part of this 2006 survey) have used an adapted version of the workshop with a group of immigrant women. The participants found the tool was too advanced for their current state of readiness. These participants were pre-SE and needed to focus on their organizational development (their purpose, a structure, etc.) prior to considering SE. This finding also supports what the Ontario francophone sites have found with immigrant participants in workshops. Beyond this particular population however, it is important to remember that the workshop/workbook is one tool and it needs to be used appropriately or it sets participants up for a sense of failure.

8. What impact has the project had on the nature of organizational relationships related to SE?

In 2005, six organizations had active relationships relevant to social enterprise development with WED, CCEDNet and the Community Futures Development Association of BC. In 2006, WED, CCEDNet and the CFD Association were named only twice. In 2005, five participants were connected to the SE Roundtable. In 2006, the SE Roundtable was named only twice.

The organizations mentioned most often by participants in 2006 were:

- Vancity (four times)
- ENP, CCE, and Coast Capital (three times each)
- WED, the Social Economy Roundtable, the Vancouver Foundation and the Co-op Secretariat (two times each)

It would seem that WED, CCEDNet, RS and the CFD Association have declined in terms of their real or perceived significance to SE development (at least among PSG members). New organizations cited in 2006 include Bell, United Community Services Co-op (UCSC) and HRSDC (each named once). UCSC named their members as their most significant relationship.

The project was identified as having an overall positive impact in strengthening dialogue and relationships between participants. It has also had a specific impact on the nature or significance of some relationships:

- BCCA and ENP have developed an MOU related to referrals, consultation on co-op grant applications, linked websites, and stronger promotion of ENP as a funding option for co-ops
- CCE has entered into a formal agreement with ENP for grant delivery.
- CCE and ENP have integrated their workshop curriculum, their workshop promotion strategies (partially) and their workshop deliveries. These steps will be manifested through 2007.
- UCSC originally declined to participate in the PSG but has now agreed as a result of the focus on how to strengthen TA for SE;
- FVCSE suggests there has been an increase in their credibility with other PSG members that has led to additional working opportunities and partnerships with these organizations.

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9. What additional impact has the project had on the Regional Intermediary and what aspects of the project have been instrumental in those impacts?²

The project staff have played a role in:

- encouraging more proactive engagement of potential clients flowing from the workshop process;
- providing a constant sounding board for identifying and exploring patterns;
- helping the FVCSE value its assets more clearly and to promote them more broadly outside of the region and in ways that help generate increased revenues.
- The workbook and TA has helped the FVCSE develop an independent, stand alone venture selection workshop.

The Centre staff noted that TA focused on improving her TA capacity has not really been advanced because the profile of demand being generated is early stage and has been able to be handled in-house.

It was also clear that the CCCR/CCE relationship has not pushed FVCSE into thinking about a more strategic, analytical approach to targeting effort based on community analysis. For example, did we ever ask the question of whether the health sector might not be the basis for existing non-profits to organize on a co-operative basis to achieve some of the gains being made in such places as Port Alberni? What about areas in which co-ops could be a tool for meeting community gaps?

It is apparent that our main focus has been on the tool. We dealt with sectors in our promotional targeting and we have used examples in the workbook that indicate the importance of sectors. However, since those early conversations, where Centre staff indicated they only had time to target the “low hanging fruit”, we have not raised the question again. We have not really thought of our value added to regional intermediaries being to help with a more systematic analyses of key sectors that represent a potentially strong basis for social enterprise development – health, conservation and renewable energy, social service co-operatives, etc.

The interesting practice question this raises for CCCR/CCE is whether we have been too non-directive. This issue is also key given the lack of actual SE's we are seeing coming out of the workshops (to date), and the question of whether or not it makes sense for intermediaries with limited resources to broadly target non-profits versus more strategically targeting certain sectors. The kind of strategic analysis contemplated as a result of this line of questioning is a potentially huge value added that needs to be explored in 2007.

10. What are the other impacts of the project that can be identified?

There are a number of impacts that the project has had on the decision-making and focus of PSG members that are not reflected in this survey. This is because the design of the questions did not anticipate some areas of learning that have emerged. We also wonder if participants take the learning and related decisions for granted – that

² Based on interview conducted by Mike Lewis, March 2007.

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these “soft” outcomes simply do not occur to them to comment on given the wording and focus of the questions. The table below is based on the documentation of PSG and related meetings. We have undertaken an analysis of these, treating them as a data source.

The Outcomes
1. Decision that ENP and CCE should explore an integrated curriculum came out of a June 06 PSG meeting. Goal is more efficient delivery and a stronger rural reach.
2. Decision that ongoing effort to establish some form of connected TA services across BC was an important means of strengthening SE development. Identification of critical concerns related to both access to TA and the quality of TA. Discussion of CFDCs/ACCs as underutilized resources. (June PSG)
3. Identification of the need for proactive outreach to community groups who complete the workshop by regional TA providers – that groups do not fully understand the role of the regional intermediaries or how they should access service. (June PSG) This prompted personal follow-up with workshop graduates in the Fall of 06.
4. The original discussion of TA and the follow-up in the Fall prompted the development of a discussion paper on TA and SE in the Fall of 06.
5. As a result of the follow-up of workshop graduates in the Fall, FVCSE identifies the need for pro-active, free, up front coaching & supports which shifts their business plan/revenue targets and approach (as identified in their original business plan).
6. The discussion paper on TA and SE prompts the organizing of a meeting of TA providers in Nov. 06. This group affirms the overall direction to strengthen access and quality of TA and adds additional goals related to increasing learning (about SE development) for both TA providers and the community organizations they work with.
7. The discussion paper is the means by which CCE engages UCSC in the work of the project. This work becomes the basis for both organizations to pursue a stronger relationship and for UCSC to join the PSG.
8. These various positive impacts, as well as the negative impact of losing Nadina as a regional partner and the withdrawal of WED from any relationship to the project, created the conditions for a significant re-profile of the BC component of the project.
9. Based on PSG discussions noted above in 2, a meeting is organized with several CFDC Managers for January of 2007. This meeting will focus on engaging them in providing TA for SE in their regions.
10. As part of the re-profile of the project, the PSG directs that project grant funds (created as a result of refocusing resources) could be used to leverage additional funds most effectively by being placed with ENP as one provincial pool with regional allocations. This is underway and will be finalized in the early spring of 2007.
11. As part of the re-profile, CCE and ENP will conduct several discussion groups with ENP grant recipients & TA providers and CCE will provide distance coaching for early stage efforts to workshop graduates.