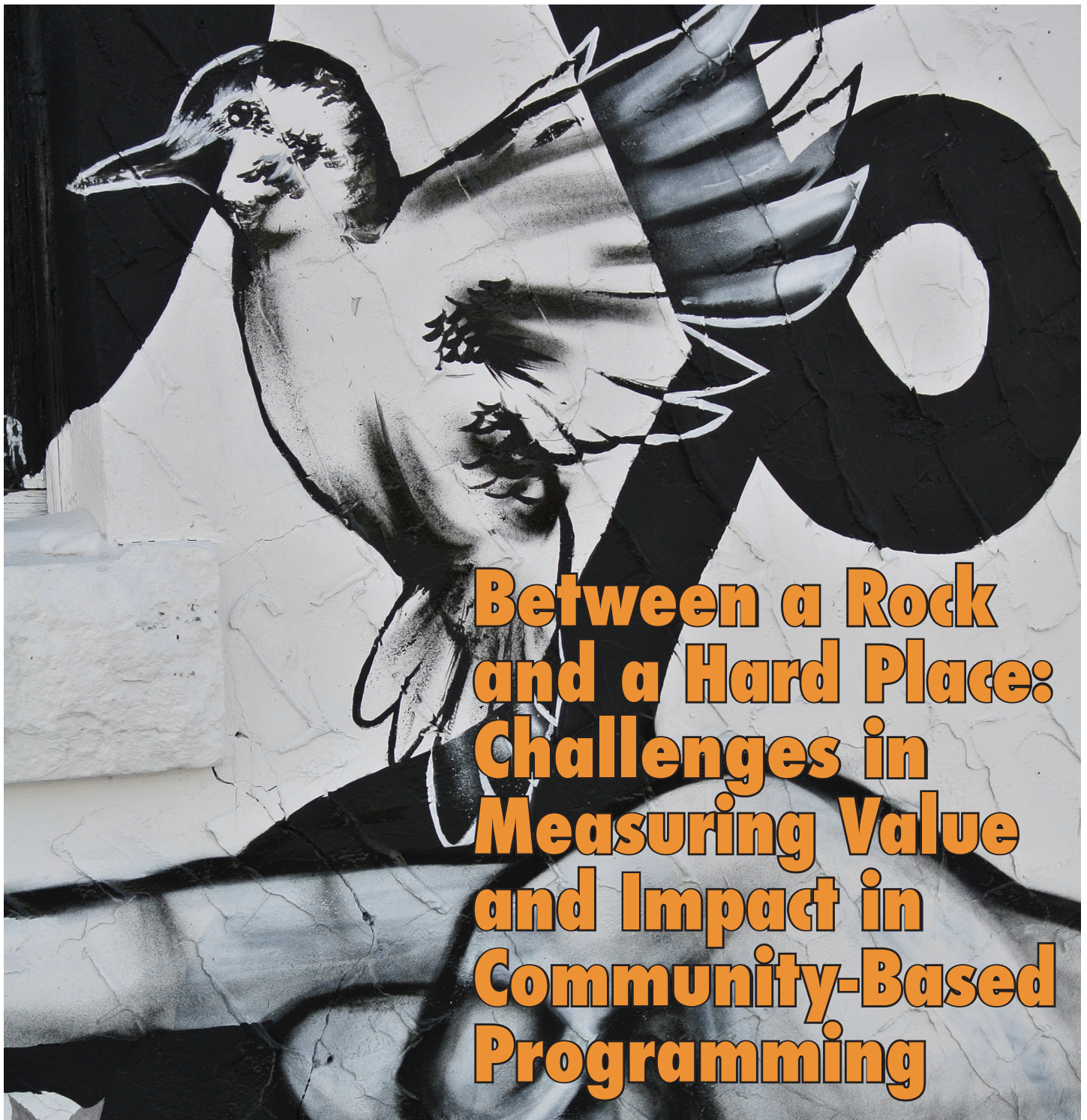


*State of the*

# INNER CITY



## Between a Rock and a Hard Place: Challenges in Measuring Value and Impact in Community-Based Programming



**CCPA**

CANADIAN CENTRE FOR POLICY ALTERNATIVES  
MANITOBA

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**Between a Rock and a Hard Place:  
Challenges in Measuring Value and Impact  
in Community-Based Programming  
State of the Inner City Report 2017**

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Wall-to-Wall Mural + Culture Festival

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Wall-to-Wall Mural + Culture Festival, 2017



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## State of the Inner City Reports 2005–2016

Date	Reports	Topics
2005	The Promise of Investment in Community-Led Renewal	<ul style="list-style-type: none"> <li>• Policy Considerations: <ul style="list-style-type: none"> <li>- Describing inner city</li> <li>- Statistical overview</li> <li>- Housing, employment development and education</li> </ul> </li> <li>• A view from the neighbourhoods: <ul style="list-style-type: none"> <li>- Comparative analysis of Spence, Centennial and Lord Selkirk Park</li> </ul> </li> </ul>
2006	Inner City Voices: Community-Based Solutions	<ul style="list-style-type: none"> <li>• <i>A portrait of West Broadway and North Point Douglas</i></li> <li>• <i>Inner City Refugee Women: Lessons for Public Policy</i></li> <li>• <i>Bridging the Community-Police Divide: Safety and Security in Winnipeg's Inner City</i></li> </ul>
2007	Step by Step: Stories of Change in Winnipeg's Inner City	<ul style="list-style-type: none"> <li>• <i>Building a Community of Opportunity and Hope: Lord Selkirk Park Housing Developments</i></li> <li>• <i>Costing an Ounce of Prevention: The Fiscal Benefits of Investing in Inner City Preventive Strategies</i> (cost to themselves and society of young women entering the street sex trade)</li> <li>• <i>Is Participation Having an Impact?</i> (how do we measure progress in Winnipeg's Inner City? A participatory approach to understanding outcomes)</li> </ul>
2008	Putting Our Housing in Order	<ul style="list-style-type: none"> <li>• <i>Policy, people and Winnipeg's inner city</i></li> <li>• <i>Voicing housing experiences in inner city Winnipeg</i></li> <li>• <i>From revitalization to revaluation in the Spence neighbourhood</i></li> <li>• <i>Homeownership for low-income households: outcomes for families and communities</i></li> </ul>
2009	It Takes All Day to be Poor	<ul style="list-style-type: none"> <li>• Seven individuals document their experiences living on a low income budget</li> <li>• <i>Tracking poverty in Winnipeg's inner city 1996–2006</i> (analysis of census data)</li> <li>• <i>Lord Selkirk Park: Rebuilding from Within</i> (how community and government can work together to make change for the better)</li> </ul>
2010	We're in it for the Long Haul	<ul style="list-style-type: none"> <li>• <i>Together we have CLOUT: model of service delivery and analysis of "the Just City"</i></li> <li>• <i>Early Childhood Education and Care in the Inner City and Beyond: Addressing the Inequalities Facing Winnipeg's Aboriginal children</i></li> <li>• <i>Squeezed Out: The impact of rising rents and condo conversions on inner city neighbourhoods</i></li> </ul>
2011	Neo-Liberalism: What a Difference a Theory Makes	<ul style="list-style-type: none"> <li>• <i>Manitoba's Employment and Income Assistance Program: Exploring the Policy Impacts on Winnipeg's inner city</i></li> <li>• <i>Housing for People, Not Markets: Neoliberalism and housing in Winnipeg's inner city</i></li> <li>• <i>Policy and the Unique Needs of Aboriginal Second-Chance Learners</i></li> </ul>
2012	Breaking barriers, building bridges	<ul style="list-style-type: none"> <li>• <i>Who's accountable to the community?</i> (two way accountability government to community-based organizations)</li> <li>• <i>Fixing our divided city: Aboriginal and non-Aboriginal youth, inner city and non-inner city and Aboriginal Elders' dialogue on breaking down barriers</i></li> </ul>
2013	A Youth Lens on Poverty	<ul style="list-style-type: none"> <li>• <i>Literature of youth @ poverty: safety, housing and education</i></li> <li>• <i>Youth photovoice</i></li> </ul>
2014	Community, Research and Social Change	<ul style="list-style-type: none"> <li>• <i>"Its more than a collection of stories", looking back on 10 years of State of the Inner City Reports and investment in inner city</i></li> <li>• <i>Community-based supports and the child welfare system</i></li> </ul>
2015	Drawing on our Strengths	<ul style="list-style-type: none"> <li>• <i>High and Rising Revisited: Changes in Poverty and Related Inner City Characteristics 1996–011</i></li> <li>• <i>Indigenous and Newcomer Young People's Experiences of Employment and Unemployment</i></li> <li>• <i>Beneath the Surface and Beyond the Present: Gains in Fighting Poverty in Winnipeg's Inner City</i></li> </ul>
2016	Reconciliation Lives Here	<ul style="list-style-type: none"> <li>• <i>A Marathon Not a Sprint: Reconciliation and Organizations in Winnipeg's Inner City</i></li> <li>• <i>Bringing Our Community Back: Grassroots and Reconciliation in Winnipeg's Inner City</i></li> </ul>

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# Introduction

Poverty in Winnipeg's Inner City is not new; it has had a constant presence throughout the twentieth and into the twenty-first century (Silver 2016). Research conducted on this area of the city is also not new; for the past twelve years CCPA Manitoba has been dedicated to working in partnership with community to study Winnipeg's Inner City and create policy recommendations. The topic of this year's report, in large part is also not new. Past CCPA reports have dedicated significant research to examining frustrations that community organizations have with measuring their value and impact for their funding partners with the tools that they have been given.

You might ask yourself then, what is new, in this year's *State of the Inner City Report*? In large part, it is the moment in time in which this research is being conducted and presented. A provincial government review has put some funding on hold. Under this review both Manitoba's Non-Profit Organization (NPO) Strategy and more than \$600 million in spending pledged to organizations by the previous government is under scrutiny (Kavanaugh 2016).

This 'value for money' review has led to several community-based programs experiencing funding cuts, with others concerned that more

cuts are coming. Community Based Organizations (CBOs) also reported a lack of communication from their provincial funding partners about when and how funding is going to flow to their organizations. This has meant that some CBOs have had to lay off staff, while others are relying on lines of credit to keep their program running and their staff paid. Needless to say this is a precarious situation.

Further, the Manitoba government has stated that projects approved by the previous government need to be 'of good value' if they are to continue to receive funding (Kusch 2016). There exists however a lack of clarity amongst community partners about what 'good value' constitutes and how it will be measured. Some organizations have been told that government will use a 'Value for Money' (VfM) lens, specifically a 'three Es' approach (detailed below) when it comes to evaluating their programming while others remain unclear what framework is being used to evaluate their programming. Although there's no clear indication of the framework being used to evaluate the NPO Strategy, an ongoing 'value-for-money' discourse remains prevalent in the government's communication (Manitoba 2017a).

Under the funding review, CBOs have expressed frustration with a lack of communica-

tion from their provincial funding partners about what this review will measure as well as how it might affect the NPO Strategy. Since being implemented in 2011 the Strategy has provided participating CBOs and NPOs with multi-year streamlined funding agreements including streamlined evaluation and reporting requirements.

This lack of communication has left CBOs in a challenging position. Many reported that they are scrambling to document everything they possibly can in anticipation of the review in order to prove their value resulting in a waste of precious resources with no guarantee of continued funding. The review of the NPO Strategy has left many wondering what their funding agreements will look like if they do continue to receive funding.

CCPA Manitoba has in past years conducted research into the challenges of measuring qualitative outcomes in Inner City programming. In 2008 CCPA Manitoba published an extensive research report called *Is Participation Having an Impact?*. This report measured progress in Winnipeg's Inner City through the voices of community-based program participants by employing a Participatory Action Research lens. This research emerged out of conversations with community partners who expressed an interest in developing a meaningful way to measure outcomes of participation in community-based programs. Partners were interested in exploring alternative ways of measuring the outcomes in their programming because they felt that their government and other program funders were not interested in how lives were being affected qualitatively and how participation in community-based programs affected the lives of the broader community.

Our 2012 State of the Inner City Report *Breaking Barriers, Building Bridges* explored the frustration that CBOs experienced in reporting to their funders. Directors stated that they were happy to be held accountable to their funders in order to demonstrate that they are putting their resources to good use. They stated however that

the methods used to evaluate their programming didn't necessarily capture the true value of their programs to participants. This left CBOs between a rock and a hard place: they had to demonstrate value but the evaluation tools they are given don't capture the *whole* value that their programming produces which in turns may affect if they receive further funding.

These concerns were also expressed in this year's *State of the Inner City* research. In many ways these concerns are even more urgent within the current funding review period. This year's *State of the Inner City* builds on this existing research, further exploring the difficulties of measuring outcomes and determining value for CBOs. It also contextualizes these issues within the current funding review of the provincial government. We spoke with various CBOs operating in Winnipeg's Inner City to understand their concerns. Directors stated that they were concerned that a VfM evaluation will not accurately describe their value and impact. They stated that if the province wants to achieve true value for money invested, a collaborative approach must be taken when it comes to determining what constitutes value and impact.

The first part of this report outlines what VfM means. It also highlights some of the problems with employing this perspective to the work that CBOs do. Many CBOs stated that social value can't always be easily measured, and a VfM framework that focuses too narrowly on outputs, rather than long-term broader outcomes, misses the bigger picture of the value that these organizations are creating. Some of the more practical challenges with conducting evaluation included insufficient funds and unrealistic expectations.

The socio-economic realities of the Inner City are complex. Directors stated that many of the problems in the Inner City must be understood as a manifestation of governmental policy which perpetuates and exacerbates the ongoing impacts of poverty that has arisen from colonialism. Evaluation mechanisms must also acknowledge this legacy.



Secondly, this report gives voice to CBOs so they can tell the story of how they define value and impact in the work they do. Directors spoke passionately about the value and impacts of their programming. But many of the outcomes that they felt were the most valuable and delivered the most impact were not necessarily things that can be measured in a narrow VfM framework. Many directors, when asked to define the value of the work they do, stated that the value and impact are determined through the communities with which they work. Directors did speak about their success rates in terms of the number of people graduating or attending their programs but their understanding of the value of their programming did not stop there. They saw the true value and impact produced in the broader and longer-term outcomes. These findings echo those highlighted in past *State of the Inner City* reports.

Third, we highlight some important lessons about positive steps forward that were made

through past government collaboration, particularly the NPO Strategy. This emerged out of CBOs voicing concerns about how funding agreements are structured and the impact this has on the efficacy of their programming as well as the evaluations. The NPO Strategy is not a panacea, and CBOs continue to advocate for improvements. The NPO Strategy should be maintained however because it does provide good value for dollars invested. It makes good ideological and practical sense for the current government to maintain this strategy to fund non-profits because it aligns with the mandate of the government's "Red Tape Reduction Task Force" (MacKinnon 2017). The NPO Strategy has the potential to create efficiencies and cost savings within government over time.

Finally, the report concludes with recommendations on how to move forward in a collaborative effort between government and community partners to truly create value from money invested in CBOs in Winnipeg's Inner City.

# Methods

Through community consultation and guidance from an advisory committee,<sup>1</sup> this year's research questions were narrowed down to:

1. What are the challenges to measuring the outcomes of the work of CBOs?
2. How does government and community define value and impact?
3. What are the options going forward?

Four focus groups were held with CBO directors and staff, and two separate conversations were held with directors providing services and programming in the Inner City communities. We also consulted with CBOs to gather previously published narratives where program participants described the value and impact that this programming has had on their lives.

The CBO directors and staff were asked the following questions:

1. How do you define value and impact in the work you do?
2. What are the challenges you face in measuring value and impact?
3. Given that funders need reports, can you share what kind of reporting or

evaluation frameworks work well for you, and what does not?

4. What resources do you currently have to evaluate programs? What would help you improve how you evaluate impact? Are you aware of any promising practices in evaluation?
5. Not everything community organizations do can be quantitatively measured and past *State of the Inner City Reports* have documented the many intrinsic and holistic benefits to the work you do. What do you want to say about the need to fund holistic work in the community?
6. How would you like to see community accountable to government and government accountable to community?
7. Open discussion to any other issues that CBOs felt they wanted to talk about.

To help answer these questions a literature review was conducted which examined outcome-based evaluations, VfM audits and social return on investment approaches (SROI). These are de-

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<sup>1</sup>The advisory committee included three policy-focused researchers and academics, as well as a representative from an Indigenous organization and a representative from an Inner City Neighbourhood Renewal Corporation.

scribed in the first part of this report. This section describes these frameworks and tools as well as some of the inconsistencies with using them to measure value in community-based programming. This section also describes the challenges that CBOS experience when trying to measure the value and impact of the work they do through narrow quantitative-based frameworks. This is an important part of the conversation because if the tool employed to measure fails to capture all aspects, it may not be the right tool to measure value produced in relation to money invested.

The second section takes the responses from the focus groups and tells the story of how CBOS

define value and impact in the work they do. It highlights how the work that CBOS do in the Inner City can sometimes have very clear and measurable outcomes, but often there are important outcomes that are *not* clear and measurable.

The third section highlights examples of CBOS and government funders working collaboratively to develop programs and policy that have improved the delivery of funds to organizations.

Finally, the concluding section of this report details some recommendations that directors stated would make the work they do more collaborative, effective, and truly produce greater value and impact for Inner City residents.

# Value for Money

## *In theory...*

Value for Money (VfM) is not a tool or a method, but rather a way of thinking about using resources. There is a lot of confusion about the term ‘value for money’ because it lends itself well to be employed as a rhetorical tool to advocate for austerity measures. But VfM is a framework with specific parameters. Four key terms known as the 4 Es are often used in VfM analysis. These are

- Economy: minimizing costs;
- Efficiency: getting more results for the costs;
- Effectiveness: successfully achieving the intended outcomes; and
- Equity: reaching different groups (African Development Bank 2016).

Not all agencies use all four terms; sometimes only the first 3Es are used. This means however that there are questions for each evaluator and agency about what their definition of VfM will be and how they will come to a VfM judgement (Better Evaluation). The definition provided by the firm, KPMG—that was contracted to complete some of the provincial spending review (but not examine CBO funding<sup>2</sup>) does

not include the fourth dimension, Equity, in their VfM framework. KPMG’s website defines VfM audits as:

an objective, professional and systematic examination of systems and procedures that management has established to ensure:

- Financial, human and physical resources are managed with due regard to economy, efficiency and effectiveness; and
- Accountability relationships are served

VfM is not necessarily the same as cost-cutting and in theory should be about finding a balance between the ‘E’s (Jackson 2016). Neither efficiency nor effectiveness, however should be assessed through only one dimension in isolation. For example, reducing the costs of inputs may in fact undermine value for money because if the effectiveness of an activity is considerably reduced because of a small cost saving, the value for money would also be considered to be reduced. On the other hand, simply because a program may be very cheap or run efficiently does not mean it provides value for money: “the *quality* of the outcomes is fundamental to under-

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<sup>2</sup> Government contacts did not indicate how the review of the NPO Strategy will be conducted or completed.

standing whether something is providing value for money” (Jackson 2016: 2 emphasis added).

One author suggests that if the over-arching aim of the work being evaluated is to positively impact the lives of the beneficiaries, then in addition to the 4Es another, more human dimension, must be added to the VfM analysis which could measure qualitative improvement in quality of life for future generations (Stoney 2016). Interestingly, in studying the literature on VfM little mention exists of adding a fifth E -Evaluation- to the framework. If the evaluation process itself is not scrutinized for a lack of subjectivity, it may leave the entire evaluation tool open to serious flaws and mismanagement.

There are six main methods, categorized into three sets, that are generally used to determine VfM. These include: Cost Effectiveness Analysis and Cost Utility Analysis; Cost Benefit Analysis and Social Return on Investment (SROI); and Rank Correlation of Cost vs Impact and Basic Efficiency Resource Analysis (Jackson 2016).

Of these six methods, SROIs have been increasingly used in the non-profit sector for evaluation purposes (African Development Bank 2016). Some organizations included in this research have conducted SROIs on their programming and saw the usefulness of it. They also noted, however, that the SROI only captures a small part of the value and impact of their programs.

SROI analysis is explained as:

[A] process of understanding, measuring and reporting on the social, environmental and economic value that is being created by an organisation... SROI measures the value of the benefits relative to the costs of achieving those benefits. It is a ratio of the net present value of benefits to the net present value of the investment. For example, a ratio of 3:1 indicates that an investment of £1 delivers £3 in social value. (NEF 2008:1)

The creation of an ‘objective’ tool capable of measuring social value (e.g. SROI) remains en-

tering to both organizations and funders because it promises to quantify social phenomenon. Yet problems with employing a rigid framework to predict human behavior exist.

Perhaps the biggest problem measuring value in the work of CBOs is that most metrics assume that value is objective and discoverable through analysis. Even economists agree that value is not an objective measure (Mulgan 2010). Further, there are no hard laws to predict human behavior in the same way that natural science can predict physical reactions. This means that while we may want to predict the effects of investing a certain dollar figure into a particular program, there are many unknown social, psychological and environmental forces that will affect the outcome. Although it is necessary to include impacts that cannot be quantified or monetized, only one SROI guide recommends including this broader context (Mertens et al 2015). This means that many important non-quantifiable impacts may be missed when employing the SROI tool.

While there is no rule in VfM about when a project should expect to see returns on investment, CBOs expressed concern about this framework leading to ‘short-termism’. Research has shown that government often resists investing in long-term programs when the up-front costs are significant because the benefits may occur far in the future (Roman 2015). If the value produced is not seen for many years to come, or is if the returns are hard to measure (i.e. the tools employed to measure indicators have real difficulty capturing the value) government may focus on more short-term funding agreements and subsequently short-term evaluations.

We know from speaking with CBO directors that short-term evaluations of short-term programming is often seen as a ‘make work project’ that does not deliver meaningful data because programs that are attempting to address the complex problems of poverty require long-term investment and evaluation. On the other hand, some CBOs operate very short term program-

ming which may also be difficult to evaluate. This might occur when an organization is connecting participants from their programming to other programming. The participant might well benefit from moving into the new program, but tracking the participant and recording the full benefit he or she experiences requires more resources than short term funding provides.

### Challenges In Measuring Value, Impact, and 'Evidence'

The evaluation framework used to measure value and impact matters because it determines what constitutes evidence. 'Evidence' in turn is used to determine which programs get funded and which do not. The 2012 State of the Inner City Report *'Breaking Barriers, Building Bridges'* describes what happens when programming informed by 'evidence' that doesn't align with the needs of program participants:

Governments and other funders push for 'evidence-based' programming yet they make unilateral decisions as what evidence means. CBOs question why governments don't use the evaluations of their programs to build evidence about local programs. Instead they turn to programs from far-away places and spend millions of dollars pushing them locally (MacKinnon 2012).

An example of the importance of how evaluations are designed and conducted is described by one CBO director in our 2012 *State of the Inner City* Report. This evaluation included intake surveys which suffered from serious design flaws, asking participants questions such as 'are you in a gang?'. The director went on to highlight how detrimental this poor evaluation design could be on their programming:

Do they really think a kid is going to admit to being in a gang before having established any trust with program staff? Of course not. But

six months down the road they might tell you that a whole lot more. The result is that data is inaccurate and works against us. If a kid tells you six months down the road that they are in a gang and taking drugs, something they didn't admit to when entering the program, the effect is that it looks like they became gang-involved while in the program while in reality they have made progress by being honest with us. (MacKinnon 2012)

This statement describes how important the data gathering tools are when it comes to analyzing the value and impact of the work that CBOs do. CBOs work with their participants on a regular basis and understand some of the challenges in measuring the outcomes of the work they do.

One CBO staff member noted that while it's important to identify the number of youth who are graduating from their employment program, there are many other benefits that the participants experience that are not captured when narrow outputs are the only thing measured:

Fair enough, they want to know the number of graduates and how many people got jobs, but it's all those other impacts: kids feeling a sense of self efficacy; being able to go home and help their parents use the computer and find a job because they have learned job search techniques. Their parents don't speak English but they can speak with them. None of that gets captured in a very narrow set of definitions of success or outcomes. It's so complex the changes that people report to you; some fit but often they don't fit with the kinds of things that you are expected to measure.

Another director described how the funding for a residents association community clean up is currently under review and it remains uncertain if it will be renewed. The director noted that cutting funding would be very short sighted because it is volunteers doing this work, which saves the government a lot of money. They are walking the

back alleys, cleaning up mattresses and trash, picking up needles, keeping an eye on the community. They are not only saving money doing the work, they are also reducing future costs by preventing garbage fires and property damage:

If they [the government] fail to see the value in it, these small but incredibly important projects, well then you're going to have to increase your fire department budget, because these are these preventative things that help keep our community safe and healthy.

Not only do these types of community events keep the neighbourhood safer and cleaner, they are also important community building events. In the same way that funding can leverage more funds, community connectivity can have similarly compounding effects.

Government however understands this issue as a 'wrong pocket problem'. A central challenge of government is that it must pay up front for investments but likely won't see compensating benefits in the near term, or possibly ever. This occurs because benefits: happen in the future (possibly when that government is no longer in power); may be real but seem small when measured per capita; and, because returns on investment are hard to measure (Roman 2015). This means that despite evidence-based programming, government may choose to not invest in practices that require paying up front for a large-scale initial investment.

Another director spoke about how focusing too heavily on economic measurements belies a comprehensive assessment of CBO efforts and impact:

Value in our day and age seems to denote relationship to the financial... I don't really feel that is an accurate way of assessing the quality or effectiveness of community efforts. Or non-profit efforts. I think it's more about the impact on people's lives. And that could be economic, but it could also be social or medical or health-based. It could be about the intersection with systems, like the justice system, their capacity or

ability to gain, to move up in our social stratum, to find better jobs than their parents.

One director described it this way:

How much is a community garden worth in dollars to a neighbourhood?

A VfM framework will not necessarily capture this value because it reduces impact to things that can be measured in strictly monetary terms without seeking out and recognizing the social value (and the value of prevention) that's being created.

Fair enough, they want to know the number of graduates and how many people got jobs, but it's all those other impacts: kids feeling a sense of self efficacy; being able to go home and help their parents use the computer and find a job because they have learned job search techniques. Their parents don't speak English but they can speak with them. None of that gets captured in a very narrow set of definitions of success or outcomes. It's so complex the changes that people report to you; some fit but often they don't fit with the kinds of things that you are expected to measure.

Another major limitation of using VfM to evaluate small-scale organizations exists when there is a lack of reliable information (especially statistics) or if the information available is of too poor a quality to make any reliable assessments (African Development Bank 2016). Many CBO directors expressed frustration with lack of funding to meet evaluation requirements which in turn raises concerns about a lack of consistent and reliable data from which we can complete an accurate evaluation based on a VfM framework.

### Who Defines Value(s)

CBOs are also concerned about who determines what constitutes 'value' and have stated that a conversation needs to be had about how we col-

lectively define value. The recently released “Manitoba Fiscal Performance Review” was conducted by KPMG, an accounting firm. While this report did not evaluate CBO funding, it may indicate the ideological framework through which other funding reviews will be conducted.

Research has shown that corporate accounting is vulnerable to unconscious bias due to the subjective nature of accounting (Bazerman et al. 2002). The KPMG report stated that the objective was to identify “potential opportunities for Manitoba’s consideration in its fiscal decision-making” (KPMG 2017). This prioritizes financial considerations in determining recommendations. KPMG is an accounting firm and has no expertise in planning or delivering social programs. Auditors are not required to demonstrate either management or operational experience and therefore their assessments should not be substituted for the judgment of the professional managers running the organization (Boothe 2015).

### Measuring The Value Of Integrated Programming

Directors pointed out that any evaluation performed on the programming of CBOs should be properly rooted in a greater understanding of both the integrated nature of the social issues their work is addressing and that this often demands connectivity across programs and service providers. All of the CBOs we spoke to receive funding from various sources, many from both government and non-governmental funders. Funders, however, generally only evaluate the outcomes for the portion of program that they fund. This type of evaluation doesn’t take into consideration that specific programs are part of a wider network of programs and services. Successes (and failures) cannot be accurately measured when they are fragmented from each other. One director noted that this fragmentation means that this style of evaluation doesn’t

necessarily allow for a complete understanding of the work they are doing:

This is one of the problems when it comes to evaluations, because we take such a holistic approach to community development, to have to segment and fragment our outcomes and our overall impact. It’s really challenging, because it’s very difficult to talk about housing without talking about employment without talking about safety. Even when we are down to talking about just solid numbers even that doesn’t give you the complete picture.

Programming does not occur in isolation because the issues that the participants are dealing with do not occur in isolation:

It would be one thing if we are dealing with very simple discrete social issues. But what we are dealing with is so complex, so varied, and so interrelated, holistic approaches are the only thing that really seem to have an impact because anything else is just occurring in isolation and only tackling one sliver of the issue.

One CBO that is funded to train individuals who otherwise have had little engagement with the labour market explained that training and employment is just one very small part of what they do. The director stated that a huge amount of time is required to help their students with very basic life skills before they can attempt to even begin training because many of her students come with extremely complicated lives.

Helping our people in our training centre, it’s not just training. You have to start with that individual person and give them the ground-level basics... When we talk about life skills, it’s not just like cooking or cleaning. It’s communication skills, and having to learn to be confident and having to learn to give feedback and to take feedback in a good way. The importance of being somewhere on time, being accountable and responsible and all of



that really plays a huge piece in that life skills, and that's just the beginning.

Even more broadly, many of their students come in with unstable housing situations, child-rearing issues and trauma-related problems. If an evaluation framework fails to understand the complexity of the lives of participants, a student that fails to complete the program may reflect poorly on the program, rather than seeing the caring staff who are addressing all areas of that student's life. This director pointed out that while sometimes they have to send students away to deal with their personal issues, such as housing, they often return and are successful the second (or third) time around. That success however, could be easily understood as a failure if a holistic evaluation framework is not used because even though the student doesn't complete the program the first time around, the initial contact is critical in ensuring that participants try again.

Some of the work that CBOs do is heavily focused on prevention which presents another challenge in measuring and evaluation.

How do you measure something that you've prevented? We can't know if a picnic in the park will prevent kids from becoming homeless or joining gangs. We would never know that because we've prevented it.

A holistic perspective is required to see the true value in the work CBOs do. Understanding these complexities and difficulties in measuring and tracking indicators has important policy implications. If the intent of evaluating and measuring outputs and indicators is to better understand if a program is working, and moreover to know if said program is providing value for money, then it remains crucial that the process of evaluation account for this.

### Eurocentric Framework

Directors who run Indigenous-focused programming noted that evaluation needs to be decolo-

nized. Many of the complex socio-economic issues that CBOs are dealing with are a result of colonial policies including residential schools, the Sixties Scoop, as well as current policies that are inherently Eurocentric in both their design and delivery (MacKinnon 2017). Directors stated that it's imperative that historical context frame not only how we design programming and understand impact and value, but further, must shape the evaluation process itself:

Indigenous research is important because you are going to be factoring in colonization and why things are the way they are. Because that's really important.

One director expressed concern about the process by which many Western evaluations are conducted, and the fact that many organizations have little control over the data once it has been gathered and submitted. When asked why this was important to the organization, they responded:

You don't provide the context to it. Like the stories behind the numbers, because numbers are only a small part of the story, and if you don't own it then you don't control it. And then it goes wherever, for whatever.

Western models of research and evaluation do not necessarily align well with Indigenous ways of 'being and doing' (MacKinnon 2017). In Winnipeg, Indigenous organizations have found that funder evaluation frameworks often do not accurately reflect the value and impact of their work and have developed their own Indigenous Evaluation Bundle to evaluate their programming.

### Insufficient Funding to Do Evaluations

In addition to problems with the evaluation frameworks themselves, a major issue which undermines CBOs' ability to perform effective evaluations is that evaluations are rarely built into the program or funded:

## The Indigenous Learning Circle Evaluation Framework

Community organizations who work with Indigenous peoples are incorporating more formally the traditional knowledges, cultural practices, teaching, and ways of knowing into their programs. Funding expectations and evaluation metrics however are not in line with these practices.

The Indigenous Learning Circle (ILC) is a community-initiated, community-driven, and community-based collaborative project which has been working on decolonizing evaluation practices in their community (MacKinnon 2017). The ILC identified as a priority the development and implementation of evaluation that is “meaningful and relevant to Indigenous understandings of success, accomplishment, growth, learning, achievement, and resilience” (Indigenous Evaluation Bundle Draft: 1). This work stems from the concern that common evaluation practices focus too narrowly on defined quantifiable outcomes which “fails to capture the broader benefits that come from holistic community-based programming” (Indigenous Evaluation Bundle Draft, forthcoming: 1).

The ILC asserts that community-based organizations working with those most vulnerable should have a greater say not only in what and how services are delivered, but also in how their impact is being assessed. The ILC’s aim is three-fold: to develop a set of guiding principles that community organizations can collectively use to assert more control over which programs and services are evaluated; to develop culturally appropriate methods of evaluation aligned with these guiding principles; and to engage governments and other funding agencies in dialogue about decolonizing evaluation practice (Indigenous Evaluation Bundle Draft). It is from these aims that the Indigenous Learning Bundle was born.

The Indigenous Learning Bundle outlines “values, principles, and methods that are important in the design and implementation of evaluation by, with, and for Indigenous peoples, communities, and organizations.” (Indigenous Evaluation Bundle Draft: 2). The bundle can be used to plan, design, implement and report, based on Indigenous values and principles. It also provides a common understanding of the purpose of evaluation, its usefulness to the community, and Indigenous principles, values, considerations, and methods that can be used in design and implementation. The bundle is not a comprehensive document on how to complete an evaluation, but rather a “conceptual roadmap that can be adapted and used in different setting and with diverse groups” (Indigenous Evaluation Bundle Draft: 7).

There’s no evaluation built into our programming. It’s tacked on with the expectation that the evaluation is done but no meaningful or appropriate resources to actually do it.

One director noted that when funding is cut or reduced, evaluation is often the first to go:

If your funding gets cut then that’s the first thing that would go is research and evaluation. Because you want service delivery.

Another director, however, said that their organization completes evaluations regardless of funding because it’s important to them. But this means that precious resources are being

drawn away from providing the programs and services that the organizations have been mandated to do. Many CBOs indicated that they welcome the opportunity to learn through evaluation about how their programming can improve. On the other hand, they stated that evaluation cannot be tacked on at the end as an afterthought.

### Unrealistic Expectations

Many directors stated that they feel that unrealistic expectations are placed on their programs. One director said:

Our funders expect us to fix everybody in ten months or less. [There are] unrealistic time frames, unrealistic expectations of job readiness.

These unrealistic expectations are exacerbated by short-term funding agreements and their subsequent evaluations:

The current evaluations are based on the current funding agreements so if you only got funding for a year, the evaluation is only based on the year. But some of the research that has come out [has shown] that they didn't see the wellness indicators for the North End turn around until about year fifteen, after they started taking this community-based approach...How do we ever talk about the successes that we've made? We are not going to fix these complex issues with a one-year pilot project, it's just not going to happen.

Many voiced frustrations with governmental systems and policies that exacerbate the conditions of poverty that they are then expected to fix, often with very limited resources. This frustration was voiced in our 2011 *State of the Inner City* report:

Families... are forced to place their children in foster care because they don't have sufficient housing. Once their children are in care they lose much of their social assistance allowance so they now have even less income for housing making it near impossible to get their children back. The irony that the government ends up spending more to keep children in care, both in the short term and in the long term (MacKinnon 2012).

There are many factors at play in creating the conditions in which poverty and its associated problems persist (Silver 2016). CBOs cannot be expected to solve them alone, with limited resources, and on a short-term time frame.

#### Narrow Evaluation Frameworks

One director of a CBO expressed their frustration about trying to convey value through

the evaluation framework that they have been given:

We can put dollar amounts on, for example, 'Debbie' showed up and volunteered for four hours for twenty-five dollars an hour, so yeah, there's a hundred dollars of value added to that, but what is the community building value? That's a little tougher to measure, and as far as I understand they are not interested in any of that, but at the end of the day that's what we're here to do: to build community. So it seems like there's a bit of a disconnect, how do we tell our story in the framework they've given us? It's challenging.

We are not going to fix these complex issues with a one-year pilot project, it's just not going to happen.

This disconnect in part may be a result of a lack of meaningful collaboration between funders and CBOs. Some directors stated that they are doubly frustrated with existing evaluation framework as well as a lack of communication about what they are expected to measure under the current governmental funding review. One director noted the challenging position for CBOs when they are expected to measure and demonstrate their value, yet they don't know what the government considers valuable:

We don't know what the value is that they want, but they want it to be really measurable!

Effective neighbourhood transformation requires "community-based organizations be able to draw on funding, expertise, and influence from the outside, and that outsiders be able to draw on information, expertise, and wisdom that only can come from the neighbourhood itself" (Wilson citing Schorr 1997: xi). This type of collaboration could inform the development of evaluation tools that CBOs help to develop. Better communication about how value and impact is going to be measured moving forward would allow

## Holistic Programming and Long-term Outcomes

For those who work with kids in the Inner City, there is an awareness that long-term impacts of programming may not be seen for many years to come. The Aboriginal Head Start Program is a federally funded national program which focuses on early childhood development for First Nations, Inuit and Métis children and their families living off-reserve. The program however takes a holistic approach and program components include education; social supports; health promotion; parental and familial involvement; nutrition; and culture and language (Health Canada and The Public Health Agency of Canada 2017).

This program has been funded by The Public Health Agency of Canada since 1995 and recognizes that long-term funding and evaluation are required to capture the impacts of the program. Narratives from participants are considered an integral component of the evaluation framework. One component of the evaluation demonstrated that not only were the kids who participated more advanced academically, but also their families were also more engaged than the non-participating families. This evaluation was able to capture the broader impacts of the program by implementing a holistic design to tackling childhood poverty and employing a longitudinal lens in evaluating outcomes.

CBOs to track their progress more efficiently and accurately as they progress through their program timelines.

### Who is Accountable to Whom?

Directors agreed that accountability for funding dollars is important. Some CBOs even provided more information than was required by the evaluation and funders:

Our accountability to our funders is very high. We have an open-book policy and we want to encourage that... We give them more than what they even ask for because we want to make sure...that they know what we are doing with their money.

But groups also felt that accountability is a two-way street. In the 2012 *State of the Inner City Report*, titled *Who's Accountable to the Community*, CBOs expressed their frustrations with a lack of accountability by government funders when it came to ensuring that commitments were lived up to. One director reported that sometimes when funding is cut unexpectedly program participants have nowhere else to go to access these same services.

This frustration is even more acute in the present climate. Directors noted that there has been little accountability when it comes to communication about continued or future funding, which has left many organizations scrambling. Two organizations we spoke to said they have had to rely on lines of credit in order to retain staff but remain uncertain if their funding will be renewed. This lack of clarity creates incredible instability for organizations because it's harder to retain staff when you can't guarantee they will have a job in a few months. It also puts funding dollars with other sources at risk because one source of funding can be used to leverage other resources.

One director spoke about what happened to programming the last time they experienced major funding cuts and their fears about the future of their programs:

We had a nationally-funded gang prevention program that was doing really well, and I had 45 kids at the time out of gangs, and then they cut funding and we laid off staff...about 80 per cent of those kids ended up getting locked up over the next year ... those are the kinds of things that happened the last time that we had a major funding cut to a project.

Many directors felt that there was little accountability by government in explaining why certain projects receive funding and others do not. Many said that there has been no communication about why certain funding streams were chosen as priorities by the current provincial government, with the government only stating that they are going to be prioritizing projects that focus on environmental/greening and newcomers. One director noted:

To not talk about Indigenous peoples as a priority especially in this era of reconciliation is incredibly troublesome.

This same frustration was expressed in 2012:

The Executive Directors we spoke with expressed frustration that government policies and programs are influenced more by ideology than community need (MacKinnon 2012).

Directors also expressed concern about the collection of data. Specifically, they felt that there was a lack of accountability when it came to what happens to the data they collect for their government funders. Many directors stated that they had no idea if the data provided from their evaluations had impact on future programming, or whether gathering this information was an exercise in futility.

Communication and collaboration are an important part of delivering effective services. Knowing when and if funding will be renewed is critical for CBOs. Understanding what value and impact are expected to be produced is also critical.

### Evidence-Based Alternatives

Currently, there is an emphasis on outcomes and results without clear communication about what is valuable. CBOs stated that they are interested in knowing and understanding the outcomes of their programs but would like to include a

broader analysis that doesn't focus so narrowly on cost-efficiency.

Evaluation is useful for a variety of intentions, including articulating value for stakeholders, improving process, engaging stakeholders among others and there are various models that seek to bring in a broader analysis. While government funders tend to be most interested in outcome (summative) evaluation, evaluation can also be formative (process) focused (MacKinnon 2017). Empowerment Evaluation can build community capacity and increase organizational learning (Suarez-Balcazar and Harper 2003). Participatory Evaluation is an approach that involves the stakeholders of a program in the evaluation, and engagement can occur at any stage of the evaluation process (Campilan 2000).

A key distinction between these and current approaches being used to conduct evaluation is the collaboration between evaluator and those who have a stake in the program (Suarez-Balcazar and Harper 2003). Empowerment Evaluation for example, empowers individuals by building capacities of program stakeholders to understand evaluation concepts and techniques, to conduct the evaluation, and to make use of the information produced through the evaluation (ibid). This information then can be used for multiple purposes at different levels. For example, at the program level service providers can adjust the delivery of services based on information from the evaluations. At the organizational level, strategic commitments can be adjusted according to lessons learned from the evaluation. At the funding level, administrators can monitor activities and indicators, and produce reports that inform policy makers and the public (ibid).

This snapshot of the different approaches to evaluation demonstrate that there are a variety of ways to conduct evaluation that may be better suited to evaluating communities who experience complex poverty and trauma.

# Defining Value in the Community

When asked to define their value, directors frequently stated that for them, the value and impact or their programming is determined through a community-led approach:

We define our value and impact through community consultations...those define the priorities of the community, and then our work can be measured in relation to our effectiveness in attaining those goals that the community has set out for themselves.

To me that's the greatest value: to have a kid come back and say "This project was able to do this for me and I'm in a better place because of this." That's impact. Not how many participants you have or how many activities you ran. It's that stuff that you can't always count.

— *Together We Have CLOUT 2012*

Another director echoed that much of their value comes from operating according to a community-led perspective:

I think [this] demonstrates our value: anything we do is based in the community, is led by the community and for the community. So nothing we're doing is frivolous work, or work

that isn't required to make the communities a better place...

Directors did speak about their success rates in terms of the number of people graduating from their programs but their understanding of the value of their programming did not stop there. They saw the true value and impact produced in the broader and longer-term outcomes. One staffer described how she had begun as a student in the program that she was now running. She described the value of the program as not only leading to meaningful and sustained employment for herself, but also in having helped her find her identity and purpose in this powerful narrative:

That's what [this program] helped me to find: me. Who I truly am and who I am meant to be. My gifts, which I didn't know that I had until I came here. The program empowered me...I can honestly say, I wouldn't be the woman that I am today without having participated in the program and what they've taught me. Because that identity piece was truly important to me, but I didn't realize it until I found it here. And I see that with a lot of our students, they don't know because their family might not talk about it or don't practice their traditional ways

because it got taken away and so it got lost and for it to get reintroduced, it's a new world for a lot of people and it was for me. A new understanding and a new life for me.

When asked to describe the value and impact of the work they were doing, many directors and staff members spoke about the broader impacts that their programming has had on and in their communities as well as on the next generations:

[The] grandchildren, children, or nieces and nephews, seeing their grandmother graduate with a graduation cap and gown and they say 'I want to do that when I get older'.

The importance of having people in the community that the next generation can look to for inspiration and guidance was frequently mentioned as being a valuable component of the work that organizations do.

Another staffer spoke of the value in seeing their participants grow from individuals who are afraid to make eye contact into individuals with confidence and purpose:

We were seeing these people come in who couldn't even look at you to tell you what they were doing there. They would have their social worker with them, so when I would give them information I would look at the support worker and the applicant and give them the information. So it was probably the first time that they had had that communication that somebody was talking to them and giving them eye contact...And it's amazing the transformation that you will see... You see that transformation from when they were shy, and they didn't want to speak to you and to where they are proud and want to tell the whole world: "Hey! I'm proud of myself, I'm a graduate!". I say that they're like caterpillars at first you know? An analogy that way. And then when they are graduating they are beautiful butterflies. They are like, 'Where is my path going to take me?'

One director from a Neighbourhood Renewal Corporation (which is one organizational type within the broader category of CBOs) noted that on a practical level, a lot of their value comes from the ability to be flexible, innovative and responsive to the community's needs and their ability to act as a connector:

We are a conduit...we have the ability to be flexible and innovative and responsive to community's needs and are well connected throughout all branches of government to all resources, all sectors, on how to respond to our communities... I think [that] shows so well in terms of the picture of the value we bring.

CBOs also spoke about the value of the trust that exists between the organization and community members. They noted that many of the marginalized populations that they work with have a low level of trust for governmental agencies. Many have had negative experiences and interactions in seeking out services. Community-based agencies, however, because of their location within the community, their mandates of community-led models, and with many of their staff also living in the community and understanding neighbourhood specificities, are able to develop a sense of trust with those who need their services. They also noted however that this trust can be quickly eroded when staff turnover occurs and/or programming is cut due to lack of funds.

Community-based organizations located in Winnipeg's Inner City are already providing tremendous value for money in their communities. Directors noted that their staff often work long hours without overtime and for much less than governmental wages. When one director of a CBO was asked if they provide value for money, they laughed and said:

We run really cheap, for the amount of impact that we have, we deliver programs cheaper than anyone.

## Rossbrook House

Rossbrook House is a neighbourhood drop-in centre located in Winnipeg's Centennial Neighbourhood. It keeps its doors open 365 days of the year and 24 hours on weekends and school holidays to make sure that "no child who does not want to be alone, should ever have to be." Many of the children who participate in Rossbrook's programming experience high levels of poverty and are at high risk for being recruited by area gangs.

Some of their participants describes the value of Rossbrook's programming in their lives:

Kayla\*, 11 years old: "I like how you can make new friends. You can talk to people."

Devon, 9 years old: "They have so much fun activities. They have lots of friendly, gentle and creative staff."

Genette, teenager: "The drop-in music program helped me become more confident in myself, and it also helped me discover my passion for music."

These narratives describe how Rossbrook programming impacts their lives. It is difficult to measure and quantify the value and impacts of making new friends, having someone to talk to that you trust, or becoming more confident. A narrow evaluation framework that attempts to quantify all human activity risks failing to understand how valuable these types of programming can be in children's lives.

*\* Narrative used with permission; names of participant's changed to protect anonymity.*

CBOs create value by delivering services and achieving outcomes for a fraction of what it would cost government to do it on its own. Government will not be able to provide the important existing services for less demonstrating significant value for dollars invested.

The 2016 *Collective Impact Report* (Coalition of Manitoba Neighbourhood Renewal Corporations 2016), which was conducted by Manitoba NRCs, found that since inception in 2000, the provinces' 12 NRCs have accomplished the following:

- Leveraged \$30,161,163 in housing investments
- Invested \$8,946,584 in housing
- Created \$4,694,554 in community wages
- Created 1,226 jobs
- Engaged 54,281 families

While CBOs can demonstrate cost efficiencies as well as good investment, their impact goes beyond dollars and cents. The 2008 CCPA report

conducted extensive evaluation and research into the impact that CBOs were having in Winnipeg's Inner City. This report found that collectively, CBOs were contributing to the creation of significant 'social capital' which is an important pre-cursor to both individual growth as well as community change.

This research took a Participatory Action Research (PAR) lens and sought from the outset to better understand how to measure the outcomes of "participation to more accurately reflect individual, family, neighbourhood and broader community benefits" (CCPA 2008: 38). Analysis found that participation in culturally-based programming was an "extremely powerful indicator of increased sense of self and hope for the future" and that participant's lives had "improved significantly as a result...and were better people, better parents" (CCPA 2008: 39). This report concludes by cautioning funders that measuring outcomes is by nature a subjective endeavor and that 'success' has many meanings.



## Sandy's\* Experiences

Many of the 5,000 people who call Spence Neighbourhood home live on low incomes. The Skills Bank, an initiative of the Spence Neighbourhood Association, is addressing localized poverty and unemployment by connecting community members with odd jobs in the area. But that's not all. "It empowers them. [Clients] become more connected within their community and feel less isolated," says Coordinator Amy Cundall.

In addition to helping residents secure paid employment such as yard maintenance, snow clearing and clerical work, the Skills Bank also provides assistance integrating into the work force for people of all skill levels. For example, clients can get help writing resumes and cover letters, searching for jobs or preparing for interviews. Many also need help accessing photo identification.

Through the Skills Bank, Sandy is developing her computer skills and confidence, and one day hopes to work as a Correctional Officer.

"I really had a bad life when I was younger. I figured I'm going to do something different for myself. I may be 36 but I'm still succeeding to where I want to get," Sandy says. "A lot of people are not confident in themselves but when you come to Spence Neighbourhood [Association] you see a lot of the doors that can open. I know because I'm one of them myself. I know I can accomplish something if I really want to put my mind to it."

*\*Narrative used with permission; names of participant's changed to protect anonymity.*

Through our conversations it became clear that defining the value of community-based poverty reduction work is not always easy. What directors did note, however, is that what is determined to be valuable in their programming, if this programming is to be effective in producing good value for dollars invested, should always come from the communities in which they work. They stated that they want their programs to have impact on the quality of the lives of the participants they are helping.

That's what [this program] helped me to find: me. Who I truly am and who I am meant to be. My gifts; which I didn't know that I had until I came here. The program empowered me...I can honestly say, I wouldn't be the woman that I am today without having participated in the program and what they've taught me.

## Improved Collaboration and Evaluation

When asked how to improve value for dollars invested, a common refrain that we have heard from CBOs is that they want to have a collaborative approach where their knowledge and experience is used to improve program delivery. Encouragingly, this sort of government/community collaboration can occur. An example can be seen in the Province's NPO Strategy.

The NPO Strategy Phase 1 emerged in 2011. It incorporated a four-point strategy to cut red-tape and make it easier for non-profits to provide services by:

- Piloting multi-year, multi-program funding with a representative group of non-profits with proven track records of success.
- Launching a single-window application process and an online non-profit web portal.
- Eliminating duplication in reporting requirements for organizations dealing with multiple provincial programs while strengthening accountability standards.
- Helping organizations save money by sharing services such as legal, human resources and accounting functions with other organizations (Manitoba 2011).

In August 2015, Phase 2 expanded the program's benefits to an additional ten organizations. It

allowed NPOs that received funding from one or more provincial departments to apply for multi-year funding. The majority of organizations that applied for the Phase 2 expansion were small, most with five or fewer employees (Manitoba 2016).

This strategy, not a program unto itself, but rather a way of administering non-profit funding, emerged out of important collaboration between community organizations and government.

The NPO Strategy emerged out of Neighbourhood's Alive! (NA). NA is a long-term, community-based, social and economic development strategy which "recognizes that building healthy neighbourhoods requires more than an investment in bricks and mortar" (Government of Manitoba website). The policy framework for NA requires the development of a community plan which is facilitated by the NRC and residents of the community. This plan identifies social and economic assets and areas of need in the community (McCracken 2014).

Originally, organizations received project-based funding through NA, but in response to CBOs asking for longer and more stable funding, provincial funding was increased to a 3–5 year period. Increased funding stability significantly improved outcomes for these organizations' pro-

gramming. Provincial funding partners saw the incredible value that was being grown by NRCS through their ability to leverage this long-term stable funding into other sectors (such as private investments or funding from other levels of government). Stable funding also allows for better staff retention which allows the organizations to develop greater skills and long-term organizational knowledge. In response to other CBOs who asked for similar funding agreements the Province expanded important components of NA to other organizations through the NPO Strategy. The government saw the value of the NPO Strategy because it resulted in greater efficiencies and reduced duplication within government (Manitoba 2011).

This Strategy aligns well with the previous federal Conservative government's independent blue ribbon panel which recommended "measures to make the delivery of grant and contribution programs more efficient while ensuring greater accountability" (Canada 2006: iv).

An evaluation of the strategy, prepared by Proactive Information Services Inc. in March 2013 found that the multi-year (3-5 year) and streamlined funding agreements improved service delivery:

1. By providing NPOs with more time to focus their limited resources on service delivery rather than on unnecessary administrative processes.
2. By enabling NPOs to attract more qualified staff and to reduce staff turnover with the offer of more secure jobs with better wages and benefits.

3. By allowing NPOs to leverage new opportunities to secure additional long-term funding.
4. By enhancing the capacity of NPOs to engage in long-term planning and evaluation of service delivery.

Overall, the NPO strategy streamlined some of the reporting requirements, however CBOs still find some of the reporting to be fairly labour intensive. Most of the reporting that proves particularly onerous has nothing to do with evaluation, but rather is simply re-reporting basic information such as charity numbers or other information that could simply be rolled over automatically each year. Additionally, the strategy did not address the heavy focus on measuring 'success' by means of quantitative outputs. Some directors have noted an intensified trend towards greater focus on quantitative indicators. This demonstrates that a narrow evaluation framework remains, representing one area for improvement.

The 'made in Manitoba' model of both NA and the NPO Strategy have enabled significant gains to be made for many CBOs. Over time, the strategy holds the potential to generate cost savings for government funders. The NPO Strategy should be maintained and improved if the government is genuinely interested in saving tax-payer dollars. The strategy combined with long-term stable funding allows CBOs to focus more time and energy on providing supports and services.

The long-term stable funding that CBOs have received through NA should also be maintained.

# Recommendations

1. Maintain and improve the NPO Strategy
2. Provide long-term and stable funding for CBOs
3. Improve communication between government funders and CBOs
4. Improve collaboration between government funders
5. Incorporate community-led development frameworks for evaluation
6. Incorporate evaluations that are funded and embedded

**1. Maintain and Improve the NPO Strategy**  
The NPO Strategy should be maintained. The strategy has shown to generate cost savings by reducing the administrative burden associated with time spent by departments reviewing files, making funding recommendations, and reporting.

Improvements could also be made to achieve better value for money in funding to CBOs. Firstly, a timely and transparent processes for confirming and delivering multi-year funding agreements is required. Under the current situation of uncertain funding agreements, some CBO staff have left for more stable jobs. Some organiza-

tions have had to cut programming while they wait to hear what their next funding agreements will look like. Directors stated that in order to be efficient with their funding dollars, they need to have open communication with their government partners about when and if their funding will be renewed so that they can plan their future programming.

Secondly, cost efficiencies could be achieved in the non-profit sector through better integrated services. Currently the strategy allows participating NPOs to order certain products and services from the government's Material Distribution Agency as a way to reduce costs. This could be expanded to telecommunications, space rental, and staff training. While this would require greater proactive coordination with additional expense up front, cost savings would likely make up for it in the long-run.

## **2. Long-term and Stable Funding**

The government of Manitoba has highlighted the need to be more efficient with spending. Investing long-term and stable funding is the best way to do achieve this goal. Short-term funding from multiple funders creates an administrative burden that detracts from other

important work. Further, short-term funding tends to create insecure, low-paying jobs with inadequate benefits, making it harder for CBO to attract and retain qualified staff which leads to a loss of organizational capacity and stability. Long-term, stable funding is required to support holistic programming and produce better value for money.

Multi-year agreements for a maximum of five years, including cost of living increases on an annual basis, would provide organizations with greater stability and help to protect front-line services and the jobs of workers who deliver these services. Core funding rather than program-based funding was identified as being helpful for organizations to increase their flexibility and responsiveness to the issues in their communities. Some organizations already benefit from this through the NA program:

The core success of Neighbourhood's Alive! investment was the core funding...we didn't have to tie every dollar to a participant and participant's movements through a very specific program in order to get funding. We were able to take what the community wanted and develop meaningful approaches to community development and new approaches to all kinds of things...like gang prevention, neighbourhood safety, and all those things. We were able to pilot projects to do things that maybe at first we intended this outcome but [it] turns into this other really great outcome for the community. Because we weren't tied to a very project-based funding system, we had a little bit of leeway of core funding to be able to try all these things and do this approach which I think made us more successful in the long-run.

CBOs cannot be sustainable without government and other types of funding. Nor should they be expected to be. They are providing important public services that need to be publicly funded. Directors estimate that they are doing it at a fraction of the cost if governments were to

provide these services themselves. Many other funders continue to have multi-year agreements, collaborative evaluation approaches and a long term investment in CBOs, notably the United Way. Many groups admire the United Way's approach and think it could provide a precedence for change.

### 3. Better Communication Between Funders and CBOs

Some CBOs stated that they do not know what is happening with funding that they have already signed agreements for. In some cases, the funding is flowing much later than anticipated which has left organizations scrambling to cover program costs. Some directors stated that they received confusing communication from the province about when funds would be received and if they would continue to receive funds. Some reported having to run lines of credit to cover costs. This is incredibly costly for their organizations because funding agreements do not cover interest payments on lines of credit, and if the promised funds do not materialize they will have to cut the programs and lay off staff. One CBO even closed its doors due to the uncertain funding environment.

Directors frequently spoke about the desire to be partners with government in addressing the social needs of their communities. Partnership between government funders and CBOs requires effective communication.

Effective communication channels between government funders and CBOs must be made a priority. CBOs stated that one of the biggest challenges under the current funding review is not knowing whether their funding is going to be renewed or not. Funders should provide CBOs with a year's notice of renewal decisions, thereby ensuring agencies have sufficient time to plan. Effective communication would accommodate CBO feedback and recommendations about their funding partnership agreements.

#### 4. Better Collaboration Between Funders

The NPO Strategy aimed to address the issue of departments ‘working in silos’ however various levels of government and funding agencies also work in silos. This creates inefficiencies for CBOs who must spend too much time responding to the various needs and expectations of funders. The NPO Strategy streamlined the funding and reporting requirements within provincial departments however improving coordination between various levels of government would make the strategy even more efficient.

#### 5. Community-led Development Frameworks for Evaluation

Directors frequently spoke about the need for a broader perspective to understand the complex issues in their communities:

We deal with the everyday intensity of this person’s life. That has come generationally through systems...they are dealing with gangs, addictions, CFS, poverty, suicide, everything, you know? And just the tragedy in their life and it’s ongoing, it doesn’t stop.

An integrated approach to solving these problems requires an evaluation framework which incorporates a broader social and economic context. VfM evaluation frameworks by themselves often fail to capture the history and complexity of the issues CBOs are dealing with. Directors stated that they feel they are often not able to capture the broader impact and value that their organizations create in their community through the evaluation frameworks they are given. This subsequently puts their funding at risk.

Any evaluation of programming must therefore emerge from collaboration between funders and CBOs about what is most valuable to the

communities in which they work, and how best to go about measuring it. Evaluation tools should incorporate a holistic understanding of the nature of complex socio-economic issues. Evaluation frameworks used to evaluate Indigenous programming should be decolonized. Currently, the Indigenous Learning Circle and other Indigenous organizations have developed Indigenous-led evaluation frameworks demonstrating that the tools and the drive to incorporate new ways of capturing value and impact exist.

6. Evaluations that are Funded and Embedded Funding for evaluations must be included in the funding budgets. CBOs indicated that they want to conduct program evaluations to demonstrate their value and impact. If CBOs are expected to demonstrate their value, new resources that enable them to do so must be incorporated. Directors frequently stated how difficult it is to conduct evaluations when there is no money allocated to do so. It means asking their staff to work ‘off the side of their desks’.

Discussion also occurred during the focus groups that the level of skill required to do evaluations is often too large an expectation to place on top of staff’s existing workload. Doing evaluations requires increased capacity building as it takes a certain amount of skill to do one effectively. Resources are needed to ensure that NPOs can conduct community-based and mixed method (quantitative and qualitative) evaluations.

Secondly, if evaluations are properly funded, they should also be built into the programming from the start. Directors frequently stated that embedded evaluations work better because then they know what their goals are and what they need to be measuring throughout the delivery of the programming.

# Conclusion

The 2017 Manitoba Government Speech from the Throne stated a dedication to “implementing mechanisms to ensure government spends smarter; and reducing overlap and duplication in government services” (Manitoba 2017b). CBOs agree with this. Based on their experiences, they have found that the NPO Strategy is an effective way to achieve this goal. This would especially be the case if the above improvements were considered. Long-term and stable funding is also important in order to ‘spend smarter’. CBOs have advocated for this for many years because they know that this type of funding is much more efficient and effective than short-term funding. Many other funders continue to have multi-year agreements, collaborative evaluation approaches and a long term investment in CBOs, notably the United Way, and many pointed to this model as one to be followed.

In the 2017 Throne Speech, Manitoba’s Premier stated that “the best measure of government is how it takes care of its most vulnerable” (Manitoba 2017b) and Inner City CBOs agree. They work with these individuals on a daily basis and have tremendous knowledge and experience in mitigating the conditions in which they struggle. The provincial government has also highlighted teamwork as a priority stating that they “continue to consult Manitobans, both inside and outside of the civil service, for their ideas

on improving our province”. CBOs stated that they consider government funders an important partner in achieving the best programming and service delivery. CBOs want to collaborate with government but stated that effective collaboration requires effective communication.

Community partners have told us that they are seeing a trend by government to evaluate their work using quantitative indicators. Past research by CCPA Manitoba has shown that quantitative evaluation tools do not necessarily capture the full value of CBO programs. It is imperative that government work collaboratively with CBOs to develop the most effective tools to capture value and impact. Determining what constitutes success, value and impact needs to be understood in relation to the communities that organizations are working with and within.

Finally, the province has stated that they are committed to making Manitoba the “most improved province in Canada” (Manitoba 2017b). Neighbourhoods Alive! has already been recognized in other provinces as a best practice (Amyot nd) while an independent evaluator found the NPO Strategy to improve service delivery (NPO Budget Consultation Submission 2017). Both the NA program and NPO Strategy should be maintained and improved so hard working CBOs can continue doing their part in improving the lives of Inner City residents.

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