A Social Capital Framework - Evaluating Community and Voluntary Sector Activity

The VAU Community Indicators Project

Just over a year ago, **ceni** initiated a project, commissioned by the Voluntary Activity Unit (DSD), to relook at the indicators used to evaluate grant-aid to community and voluntary organisations. The immediate context for the project was the Northern Ireland Assembly's greater political scrutiny of departmental operations. Moreover, the Comprehensive Spending Review puts an imperative on departments to robustly demonstrate what they achieve for given amounts of public expenditure. Equally, the Barnett principle, which determines the level of new expenditure for Northern Ireland, was explicitly designed to produce some convergence between public spending per head in Northern Ireland and England. Thus, the resources available to the Executive in Northern Ireland may decline in real terms generating even greater competition for funds. All these developments reinforce the imperative to have a measurement mechanism that fully captures the benefit of any allocation to the community. A new 'ready reckoner' of indicators would enable the VAU, and other departments with a responsibility for funding voluntary and community organisations. **ceni** was commissioned to undertake this task.

However, there is a major dilemma with this kind of project. For years, community and voluntary organisations have argued that the evaluation models, to which they have been subjected, have been unidimensional and failed to grasp the total contribution they make. Evaluation, focusing on outputs, has missed the substantial efforts to build relationships and capacities within disadvantaged communities far removed from any decision making process. Equally, many in the community complain that funding regimes change without consultation, sometimes without notice, and that they become the first victim when public spending becomes tight. Accordingly, any new evaluation model that fails to build a consensus between the funder and the funded will either be simply imposed on unwilling organisations or will simply lie on the shelf. In the first instance, there will be constant questions about the validity of the data generated, in the second; the effort to generate a model of evaluation will have been a waste of time.

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The Problems

The first dilemma encountered by the **ceni** team was to decide exactly what activities the indicators should cover. Many organisations in civil society generate social benefit. The debate about indicators however tends to focus exclusively on community and voluntary organisations. This is largely because a relative high proportion of their income comes from the public sector; accordingly, the exercise was defined in terms of building a set of indicators relevant to that funding relationship.

The second problem was that the VAU had commissioned two previous studies in this field, the first by the Scottish Community Development Centre and a second by Kendall and Knapp of the London School of Economics focused. The problem for **ceni** was both were robust, comprehensive and impressive pieces of research. Was there any point in attempting to create an alternative? Yet, neither have been enthusiastically embraced or widely employed within the sector. Something new was required.

Moreover, the political environment has shifted since these studies were undertaken. New Labour had initiated a debate about new forms of political governance signalled by devolution, constitutional reform and the assertion of partnership as the key mechanism for delivering welfare. Some of the key ideas of this new political governance were embraced in the devolutionary arrangements in Northern Ireland and the policy statements of the New Executive. The Programme for Government clearly expressed the intention to work in partnership with local government and the social partners. The Partners for Change document identified the voluntary and community sector as a key social partner. How was that partnership to be developed? What were the implications both for funding the sector and for evaluating the outcomes of that sector?

A New Approach to Evaluation

Thinking about that and about the necessity for a consensus between funder and funded, **ceni** developed the following propositions about the overall evaluation approach:

- ***Evaluation should be developed as a culture rather than a discipline.*** Evaluation is frequently seen as an end of term report on a project rather than as an ongoing search for what works best and enables those in the sector to improve their practice.
- ***Evaluation should be 'dialogic' rather than 'pedagogic'.*** Evaluation as a technical exercise carried out by experts tends to focus on what can be easily measured rather than what captures the fullest range of project benefits. An alternative approach would be to have a dialogue between organisations, evaluation experts and funders so that evaluation models are constructed in partnership.
- The purpose of evaluation is not just about enabling 'best value' decisions in the allocation of public funds. ***Evaluation should also be a catalyst for change*** – a means of challenging traditional ways of doing things, of enabling people to find innovative solutions. It should be fostering creativity – a key component of a 'research and development' function within the community and voluntary sector.
- If evaluation were all of the above, then it would also be about ***empowerment***, where the intended beneficiaries of social programmes had an opportunity to participate in their development, delivery and evaluation.

Rationalising Existing Indicator Sets

In looking at the two previous indicator studies, the **ceni** team noticed that both suggested two streams of indicators for the voluntary and community sector. In the Scottish Community Development Centre model below, the first column referred to the direct contribution made to the *quality of life* of those in the community – higher benefit incomes, jobs, housing, overcoming the barriers of discrimination etc. The second column points to the ways in which organizations in the sector develop and restructure relationships both within their designated communities and between their community and others.

Scottish Community Development Centre

Welfare	Empowerment
Economic development	Personal Empowerment
Social Development	Positive Action
Environ Development	Organisational Development
Community Safety	Power Relations & Participation
Community Satisfaction	
Long-term viability	

Kendall and Knapp Indicator Domains

Conventional	Additional
Economy	Choice/Pluralism
Efficiency	Social Capital/Participation
Effectiveness	Advocacy
Equity	Innovation

This is also signaled in the eight indicator domains developed by Knapp & Kendall. The first column utilizes conventional indicators designed to measure volume, cost and quality of welfare products developed, the fairness with which they are distributed and the resultant benefits. The second column of indicators looks at a different range of characteristics expressly about relationship development in terms of social capital, participation and advocacy, but equally suggested by pluralism and innovation – the recent debate about the nature of the knowledge economy has pointed strongly to the fact that innovation is a collaborative activity.

Thus, without trying to reinvent the wheel, it may be possible to rationalize the complex indicator sets developed by these two projects into two domains: the direct production of welfare to be measured by relatively conventional indicators that track the relationship between inputs, outputs and outcomes, and; one that is about the strengthening and development of relations within and without the community. As regards the last, even small localized communities are rarely homogeneous – they are differentiated by gender, age etc. Such differences are frequently characterized by relationships of domination/subordination – why do men dominate many area community organizations while women undertake the bulk of the actual community work? Equally, community organizations want to challenge relationships of domination/subordination between their own community and others, including the policy community. If community organizations are engaged in empowerment, surely it is about reconstructing such relationships. Importantly, here, empowerment is about addressing all kinds of power imbalances.

Social Capital

This focus on power relationships and on relationship building led **ceni** to the concept of social capital – the necessity for social development to be based on trust, collaboration and active networking. Social capital can be said to operate at a number of levels - **bonding** capital - or community capital, the nature of relationships and levels of 'connectedness' within communities - **bridging** capital - or civic capital, the extent and nature of relations between community, and **linking** capital - the relationships between different power blocks, for instance, between community organisations and their funders.

Significantly, in the view of the principle exponent of social capital, Robert Putnam, unequal relationships are also inefficient relationships. It is thus not just about people trusting and working together, but doing so in an equitable way. Moreover, since there is now a significant literature on the definition and measurement of social capital, it offers the opportunity to focus on the extra, added-value dimension of community and voluntary activity while at the same time robustly measuring it.

Constructing an Evaluation Template

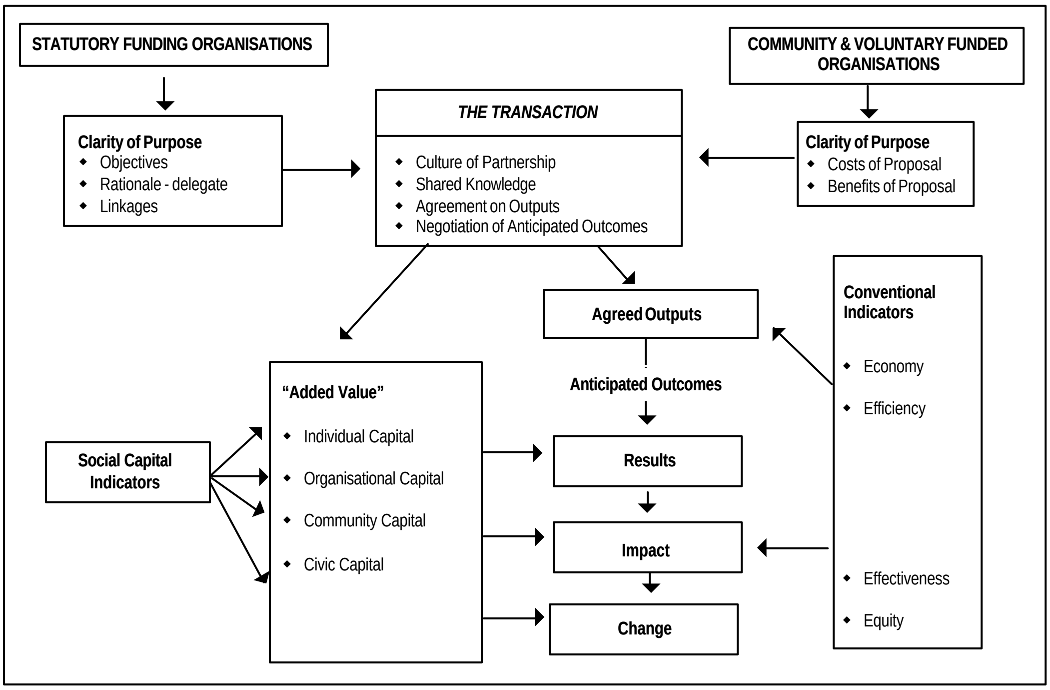
Putting together ideas about the new governance, a different approach to evaluation and social capital led to the construction of an evaluation template. In light of the above considerations, **ceni** took as its starting point the funding interaction between statutory organisations and the community and voluntary sector. The suggestion was that this interaction should always be considered as a transaction, whether in the form of a contract or a grant allocation or core funding. The concept of contract has too narrow a definition to cover all of its dimensions.

Such a transaction would only be of mutual benefit if a number of conditions were realised:

- The funder needs to have **clarity of mission** - why they are providing funds and what they want from the transaction i.e. the linkage between the statutory mission and the work contracted. However, there should also be recognition that the statutory sector does not have a monopoly of knowledge about local conditions.
- Funds should be allocated through a **negotiated transaction**. Transactions involve a specification of mutual responsibilities, of what should be done at what costs and, as far as possible, of the benefits to both parties. This requires the mutual exchange of shared knowledge and interests in leading to the specification of agreed outputs and the negotiation of anticipated outcomes. All outcomes cannot be specified in advance, since any intervention has unanticipated effects.

- There should also be specification of the **'added-value'** associated with funding community and voluntary organisations. **ceni** argues that this can be captured by indicators of social capital pointing to networks of trust and co-operation that make society (and the economy) work more efficiently. Each or all of these can be seen as the potential added value of funding community and voluntary organisations.

Together, these conditions form the template within which indicators should be located (see diagram).



The **ceni** exercise was not designed to replace the indicators already been developed for the community and voluntary sector with yet another new set. Rather, it produced a template that enables existing indicators to be deployed with greater clarity and focus. However, since the community and voluntary sector has long suggested that it delivers more than just specified outputs, the concept of social capital has been used to capture the notion of community process. A series of detailed case studies is currently taking place to test and contextualise social capital indicators within a number of voluntary and community organisations. The results of these will be published together with developments and refinements of the evaluation model proposed.

The social capital indicators proposed may be considered more aspirational than operative at this stage. Part of the value of the approach we propose is that it will encourage the sector to rediscover its core mission and avoid becoming 'simply' mechanisms for the delivery of services to 'difficult-to-reach' groups. The delivery of these services greatly enhances the quality of life for many people in disadvantaged communities. However, if this is the only claim that the sector can evidentially support, it will remain vulnerable to competitors from the private sector and its substantial core-funding will in years to come be increasingly difficult to justify. It achieves much more than the delivery of such services; it plays a critical role in the creation of the social capital that has allowed the region's society to manage over thirty years of violent ethnic conflict.

This Briefing Paper 1 provides a short summary of ceni's current research. The interim report *"Evaluating Community-Based and Voluntary Activity in Northern Ireland"* commissioned by the VAU, DSD was presented in October 2001. The research team include: Mike Morrissey, Pat McGinn and Brendan McDonnell. A copy of the full interim report is available from the ceni office or may be downloaded from our website. Please feel free to contact us or email your comments at the address below.

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