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# Summary Report

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Report on Research into Evaluating  
Community-Based and Voluntary Activity in  
Northern Ireland

Commissioned by

**The Voluntary & Community Unit, DSD**

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## Introduction

The Northern Ireland Council for Voluntary Action (NICVA) 'State of the Sector' report (2002)<sup>1</sup> illustrated the substantial financial support given by the public sector to the voluntary and community in Northern Ireland. NICVA distinguishes the categories of earned income and voluntary income where the former refers to purchases of goods or services by a client and the latter to public subsidy to deliver goods and services freely. In 2000/2001, income derived from central/local government and other statutory organisations amounted to £227 million in voluntary income and £19 million in earned income. European programmes accounted for a further £54.15 million – just over £300 million in total. In an era where there is considerable pressure within the public sector to demonstrate the efficacy of all spending, there is an unsurprising emphasis on capturing what is achieved from that expenditure.

Indeed, attempts to develop frameworks for measuring the outcomes of voluntary and community activity have been a concern of the Voluntary & Community Unit (VCU)<sup>2</sup> for a considerable time. Following the Efficiency Scrutiny Report<sup>3</sup>, two major pieces of research were commissioned within Northern Ireland; from the Scottish Community Development Unit and from Kendall and Knapp of the London School of Economics. Both generated important frameworks for measuring community and voluntary activity respectively.

The current project undertaken by Community Evaluation Northern Ireland (CENI) was designed to re-look at the issue of measuring the outcomes of voluntary and community activity in the light of key developments of the late 1990s. Of some importance was the renewed emphasis on partnerships amongst government, the private sector and civil society advocated by the New Labour government. Equally important were the establishment of the Assembly and Executive in Northern Ireland and the consequent production of the Programme for Government. This also highlighted the partnership mechanism as a means of delivering modern, integrated services in Northern Ireland. Moreover, given the specific context of Northern Ireland, slowly recovering from 30 years of political conflict, there is a vital need to maximise the potential of organisations working in civil society to contribute to the process of reconciliation. The task set for CENI was to build on the work already done, but to develop an approach to measuring outcomes that reflected this new context.

The project was undertaken in several stages:

- There was ongoing desk research to capture the literature on evaluating the voluntary and community sector in terms of the work already commissioned within Northern Ireland and new material that had emerged since. This resulted in an outline model of the funding and evaluation process;
- The model was then explored with a set of public agencies that provided funding for the voluntary and community sector to refine the model, resulting in the production of an interim report and draft table of indicators;
- This was followed by a series of consultations with representatives of the sector and with other interested individuals;

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<sup>1</sup> State of the Sector III, (2002), Northern Ireland Council for Voluntary Action, 92 pp.

<sup>2</sup> Formerly known as the Voluntary Activity Unit (VAU)

<sup>3</sup> Efficiency Scrutiny of Government Funding of the Voluntary Sector, (1990), HMSO, 231 pp.

- To test the model in a practical setting, case studies were undertaken with four organisations drawn from the sector. The purpose of the case studies was to test whether this approach to evaluation was meaningful to those working in such organisations and whether it could be applied in practice;
- A final report was then produced for the VCU. The full text of that report is available on request. The purpose here is to summarise the key ideas presented in that report.

### **A New Approach to Funding: investing in community capability**

The emergence of new forms of governance places a renewed emphasis on the role of civil society institutions and their relationship with government. If active citizenship and social partnership are to become real, particularly for those on the margins of society, then time and resources will have to be invested in developing the capacity to participate. The long-term gain of confident sustainable communities will reduce the costs of maintaining dependency. Participation in governance also implies accepting greater responsibility for tackling local problems rather than expecting unending welfare support. Shifting social intervention towards prevention rather than cure might just moderate the fiscal pressures on mainstream welfare provision. With this vision, New Labour hopes to eliminate the contradiction between efficiency and equity – a competitive, sustainable and inclusive society.

Such new relationships were strongly signalled in the Northern Ireland Programme for Government with its emphasis on working with the community and in partnership.

*“As we take forward the commitments in our Programme for Government, we know that we have the advantage of a vibrant and extensive voluntary and community sector which makes an important contribution to many aspects of social, economic and cultural life here. We rely on it both to deliver services and to provide a voice for local community and interest groups”<sup>4</sup>*

The principle of partnership was established within the Compact between Government and the voluntary and community sector and later reinforced with the launch of the Partners for Change document. Moreover, Northern Ireland has already embarked on an experiment in governance unlike that in the other devolved administrations of the UK – the incorporation of opposing parties in government, the existence of the Civic Forum and even the existence of parties like the Women’s Coalition. Northern Ireland cannot be insulated from the debate about reshaping governance because the over-riding imperative is to find the means to resolve its long-term political conflict. Peace is merely a necessary, not a sufficient, condition for regional regeneration. The opportunity exists to test innovation in government’s relationship with civil society and in healing the divisions of a fragmented civil society via new forms of partnership.

Given the scale of the problems facing the region, it has become increasingly recognised that only innovative approaches will create the possibility for change. The continuity of existing approaches has been described as 'steady as she sinks'. New initiatives have tended to emphasise three dimensions: the necessity to integrate existing effort; the need for 'vertical governance' mechanisms (mainly partnerships between the private, public and community sectors); and the desirability of creating stakeholding, whereby the intended beneficiaries participate in the development and implementation of

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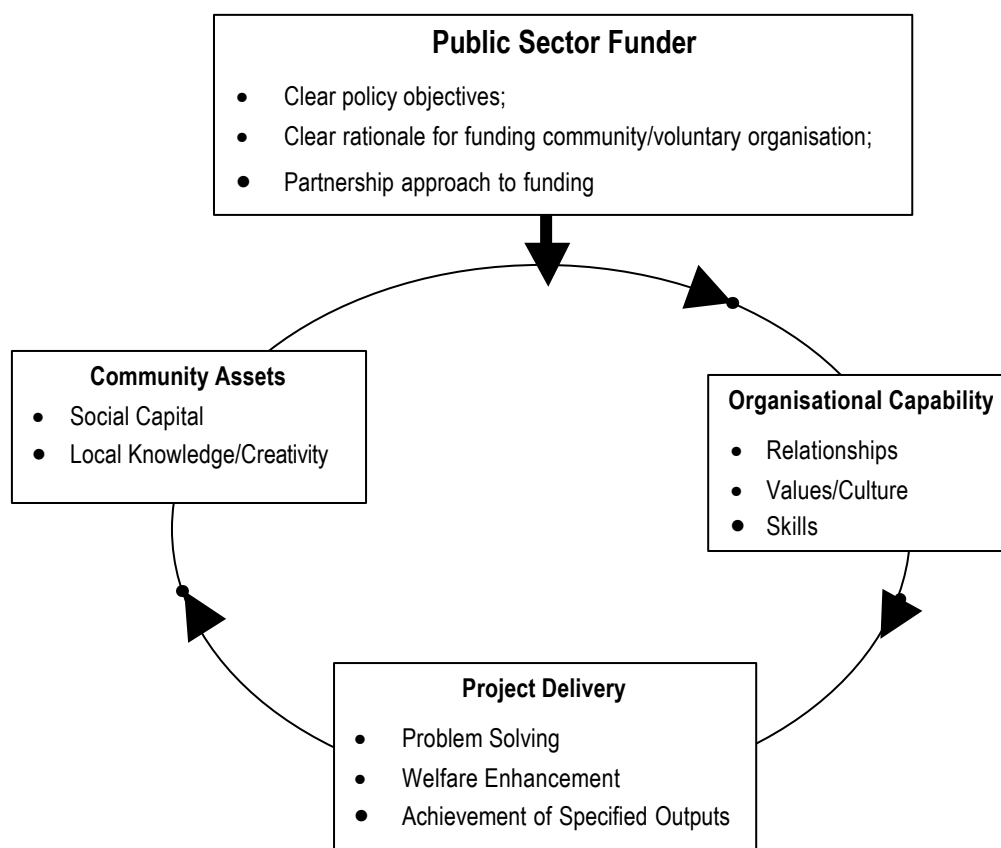
<sup>4</sup> NI Executive Draft Programme for Government, 2002.

policy. Sustaining all three dimensions simultaneously has seen the emergence of new programme approaches, i.e., focusing on a total set of problems, developing integrated strategies, managed by partnerships, to tackle them and seeking the involvement of those affected in their solution. Partnership in Northern Ireland has been one of the rare 'dialogic spaces' where cross-community collaboration can be nurtured and the challenges of reconciliation and regeneration linked.

In this new environment, the logic for funding voluntary and community organisations changes. The Efficiency Scrutiny approach was to take a view on the nature of the organisation funded, the extent to which it could deliver departmental policy and how adequately it could be monitored. If the partnership ethos of government is more than mere rhetoric, what is required is a strategic engagement between funder and project about how programmes can be developed, about what the targets and outcomes should be and about what forms of monitoring are appropriate. Funding still has to be about delivering measurable programme imperatives, but funded projects should be within the umbrella of partnership rather than the status of sub-contractor – 'In short, the time has come for government to treat charities as partners in social improvement, and not as untrustworthy commercial contractors' (Burge, 1999, p.50).

This also suggests that funding is thus not just about financing an organisation to deliver specified targets, but is also an investment in its capability. In this sense, capability is about positive relationships with the relevant community, about flexible and adaptable problem solving and long-term sustainability. Funding shifts away from meeting the recurrent needs of an organisation to an investment in its long-term (and therefore less public-expenditure dependent) future.

This new funding rationale can be represented as follows:



In this model, the rationale for funding becomes:

- Partnership and negotiation in deciding targets;
- Investment in community capability;
- The delivery of and demonstration of both.

In an environment of partnership, the short-term requirement is to meet targets, with economy and efficiency remaining important. However, it should also be complemented by a longer-term concern to invest in community capability - the capacity to develop positive relationships within the constituency community and with others, a core set of values and a range of organisational and development skills. Investing in community capability creates the conditions for long-term sustainability and, ultimately, less dependency on public funding. The sustainable community can be described as a triad: a fundamental element is a set of community social assets (confidence, communication, a willingness to participate and collaborate) that establishes the context for collective action; second there is the level of community capability that determines the effectiveness of community action; finally there is the process of problem solving and welfare enhancement. Each element of the triad feeds the other – solving community problems and enhancing welfare develops the social assets of the community and contributes to its capability. While the efficacy of funding has to be measured in terms of the delivery of practical outputs, it should also be assessed with respect to its contribution to the capability triad.

This suggests that performance indicators for the community and voluntary sector should be organised in two domains, the first focusing on what is to be delivered as the result of a specific allocation, the second capturing these broader, longer-term, process achievements of voluntary and community organisations. Indicators derived from the Efficiency Scrutiny approach can be readily applied to measure achievement in the first domain or service delivery outputs, but a different set of indicators is required to measure the second. Here, we suggest that the concept of social capital can best capture this second domain and so inform the development of a unified evaluation framework.

### **Using the Concept of Social Capital in an Evaluation Framework**

Social capital has become an important concept in development theory where it is argued that societies characterised by high levels of social capital have higher quality of life, and, indeed, are more economically competitive. A report on the social economy in Northern Ireland<sup>5</sup> promotes the importance of developing social capital and advocates using social economy delivery mechanisms to do so. In the evaluation of the Communities in Action Programme of the International Fund for Ireland, the authors point to the 'glue' and 'bridges' dimensions of social capital: 'Social glue' ... refers to the degree to which people take part in group life; the level of trust people feel when participating in such groups; while group participation itself can help to build mutual trust... Social bridges... are the link or connections between groups and which give access to wider groups of players outside of their area /

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<sup>5</sup> Stutt C. Murtagh B, Campbell M. April 2001, The Social Economy in Northern Ireland, A Policy Review, Colin Stutt Consulting.

specific interest group<sup>6</sup>. It is, therefore, not hard to see how this concept of social capital could resonate very closely with the core aims and values of the community and voluntary sector.

Social capital has been used extensively in research into education and health. The fact that community and voluntary organisations are based within civil society, depend for their very existence on community commitment and solidarity and claim to operate by enhancing these suggested that social capital might be crucial in capturing such dimensions of their work. Moreover, given that many such organisations complained this key dimension was invisible to the evaluation frameworks employed by their funders, social capital promises two important innovations in evaluation:

- It provides a framework for capturing (and therefore evaluating) aspects of community-based activity that had previously been neglected. It thus afforded community and voluntary organisations the opportunity to demonstrate (and be funded for) added value beyond the delivery of specific social welfare outputs;
- Equally, social capital put the responsibility on such organisations to transparently demonstrate what they had achieved within this domain - the literature claims that social capital is measurable.

In short, introducing social capital into the debate about performance indicators for community and voluntary organisations challenges funders to recognise that community involvement and solidarity are important, but also challenges funded organisations to demonstrate their contribution to such civic involvement and solidarity.

In Northern Ireland, a core strength of the voluntary and community sector is its diversity. The sector engages in work across many issues and areas. The list is potentially endless as new groups and organisations form, each with particular ways of addressing problems experienced by specific groups of people. The relative ease with which this form of community-based collective action can be initiated and resourced contributes hugely to the region's welfare. The converse of the strength of diversity is the real fragmentation of the sector. Despite the very substantial investment in intermediary infrastructure, principally regional organisations that seek to integrate different groups' endeavours, the issue of duplication remains a concern for some funders. Perhaps more fundamentally, 'on the ground' communication between groups continues to be jeopardised by competitive forces and, in practice, limited by the time available for participation in networking processes. At root, the difficulty arises from the particular nature of the outcomes that each organisation is seeking to achieve. Their particularity derives from the different contexts within which each organisation is working. The concept of social capital offers a way of identifying the commonality underlying the diversity. Equally importantly, it challenges community and voluntary organisations to adopt inclusive strategies to resolve social problems and to address the divisions that are either a cause of such problems or a barrier to their solution.

Social capital is said to have three key dimensions – bonding, bridging and linking. It might be said that in a residentially segregated society like Northern Ireland there is an abundance of bonding but a deficit of bridging social capital. However, even in communities that huddle along the interfaces the ongoing inter-communal tensions help isolate and erode social bonds.

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<sup>6</sup> LRDP Ltd, 1999, Evaluation of the International Fund for Ireland Communities in Action Programme, IFI.

Suggesting that many of the 'intangible' benefits of voluntary and community activity may be captured by social capital has two advantages:

- It offers a single, though multi-dimensional, construct to describe the outcomes of a diverse range of activities, thereby pointing to the coherence of the sector;
- It employs a construct that is used in economic development and social policy discourse. It therefore moves away from the notion that the economy is primary and that social provision is a burden that the private economy has to support – social capital is a factor of production and contributes to economic growth.

Moreover, it is possible to get some sense of the level of social capital from regularly undertaken surveys, such as Life and Times, that pose questions about social involvement, trust etc. From these, one might construct a baseline of 'regional social capital'. Local studies might then see how the relations within, and between, particular communities compare with that baseline.

### **Constructing an Evaluation Template**

Our core argument is that the rationale for funding the community and voluntary sector shifts in an environment in which partnership is a key component of the governance system. Allocations are more than just contracts but negotiated, long-term investments in community capability. Accordingly, the protocols and models for evaluating that allocation have to be transformed.

The evaluation template proposed takes as its starting point the funding interaction between statutory funding organisations and the community and voluntary sector. Given the diversity and environment of constant change within which the sector operates, this represents the most constant feature of the situation – i.e. the funder providing an allocation to the funded organisation. Our suggestion is 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 the dimensions of this transaction. There is a different problem with the use of the term 'grant'. Grants are considered free goods and this produces both infinite demand and insufficient attention to the obligations of the grant recipient. Since grants appear to be free, grant-aided organisations rarely consider whether they can 'afford' the deliverables of the grant within its cost framework. In contrast, the term transaction denotes an exchange of mutual benefit to both parties. It is important to identify all the elements of the exchange and to ensure that mutual benefit is maximised.

The transaction will only be of mutual benefit if a number of conditions are realised:

- The funder needs to have **clarity of mission**. The imperatives of evidence-driven public policy and the Comprehensive Spending Review require everyone in the public sector to be clear about the assumptions that underpin their activities, to know what has been achieved and to indicate what will be achieved in the future. Where part of the statutory mission is being grant-aided/contracted out, then best value considerations require that there is clarity about the rationale, about what share of the mission will be delivered in this way and about what are the precise linkages between the statutory objectives and the contracted out activities. All of these should inform the statutory approach to funding the community and voluntary sector. In Northern

Ireland, the Programme for Government provides the clearest statement of the goals of public policy. However, there should also be recognition that the statutory sector does not have a monopoly of knowledge about local conditions or about what will work in the complex dynamics of locality. Accordingly, the funding mechanism is not just a process of delegating community and voluntary organisations to carry out specified tasks, there should also be an exchange of knowledge and a negotiation about how benefit can be maximised.

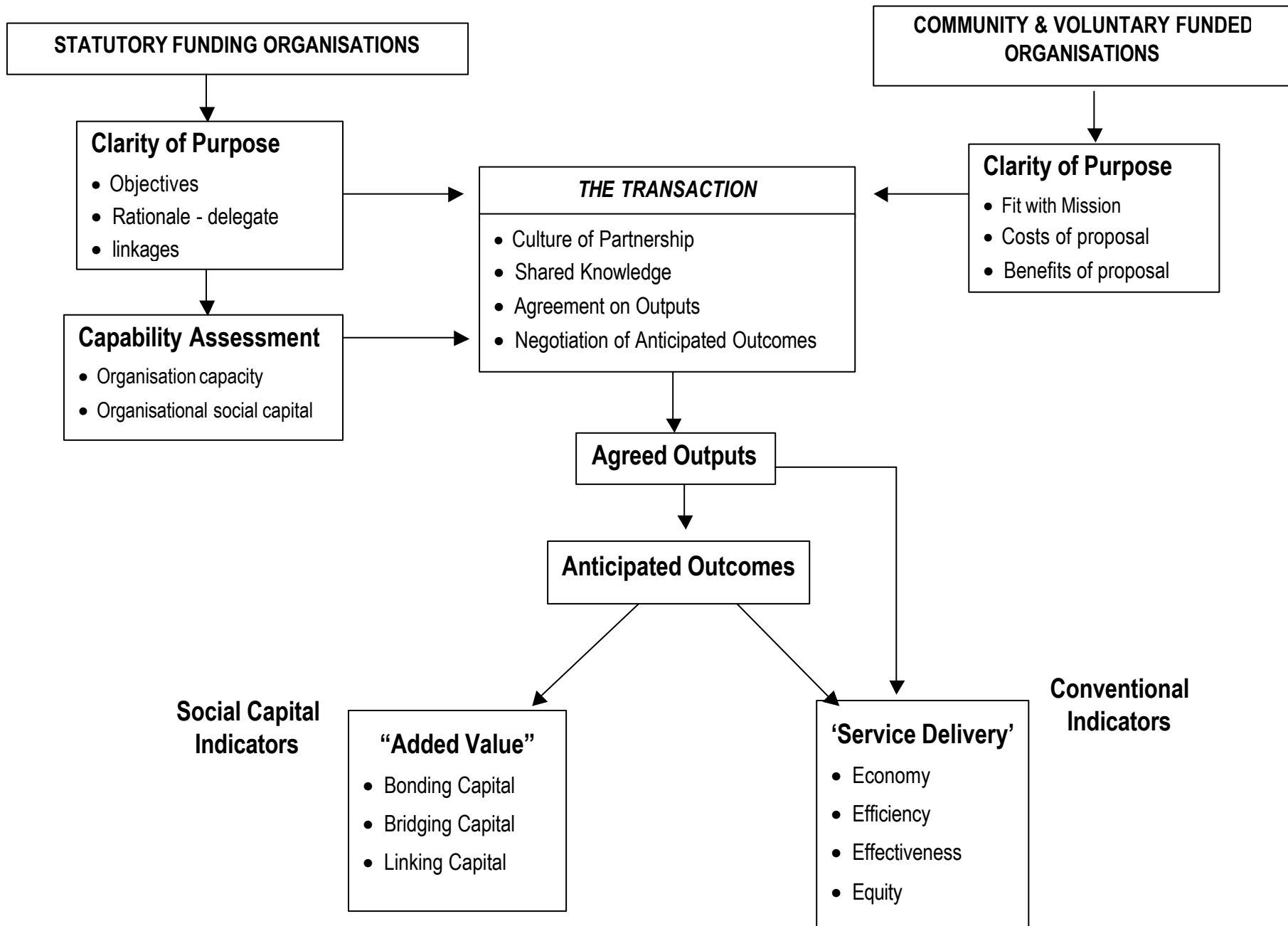
- The funder should also be prepared to look at the **capability of the organisations** it wishes to fund. Earlier, we argued that funding should be seen as an investment in community capability to deliver welfare, solve problems and enhance sustainability. Capability was seen as the possession of organisational skills and competencies and the attributes of organisational capital (as described by the World Bank matrix contained in the full report). Each funding decision should involve a judgement about the capability of the organisation to be funded. While it may be appropriate to seek ways to enhance that capability, an assessment is required about the minimum capability required to generate the multiple intended outcomes of the transaction.
- 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 a sharing of the different kinds of knowledge held by each side, agreement about the outputs required and negotiation about their anticipated outcomes. If agreement is made in advance about the nature and quantity of outputs required by the transaction, the achievement of this offers an automatic set of indicators to measure one dimension of community/voluntary activity. Belfast Regeneration Office (BRO), for example, has developed such an indicator set based on what it requires as the appropriate outputs of its funding efforts (see full report for complete list of indicators). All outcomes cannot be specified in advance, since any intervention has unanticipated effects. Nevertheless, there is an obligation to indicate anticipated outcomes as the baseline against which the transaction can be evaluated. The indication of anticipated outcomes requires a synthesis of the different kinds of knowledge held by funder and funded organisation. Accordingly, they cannot be dictated by either side, but should be the result of negotiation. Again, using the BRO example, such negotiations are undertaken with area partnerships within the city, these represent the aggregation of different kinds of local knowledge and expertise. For a transaction to work, the funder has to be satisfied that it will lead to a set of benefits connected to its mission, that the costs are appropriate and that the added value of funding community and voluntary organisations will be realised. The funded organisation also has to be satisfied that the outputs specified and the anticipated outcomes indicated could be delivered within agreed costs and fit with its mission.
- There should also be specification of the **'added-value'** associated with funding community and voluntary organisations. The last dimension is a crucial area for measurement. It cannot be assumed that community and voluntary organisations, by their very nature, will automatically deliver such added value. Accordingly, it has to be demonstrated. Social Capital indicators can capture this by describing the enhancement of social assets and community capability. Each or all of these can be seen as the potential added value of funding community and voluntary organisations, but such organisations have to bring to the negotiation how these levels of added value will be achieved. The capacity to deliver these represents a premium that legitimates the funding arrangement over and above the market cost of its deliverables. However, within the community and voluntary sector, there is an extraordinary range of development and

underdevelopment. With underdeveloped organisations, the expectations of what can be achieved should be proportionately modest. This raises a further issue of concern within the community and voluntary sector – the disproportionate power between funder and funded organisation. While it is certainly true that such organisations need the funding for their existence, there are also imperatives for the statutory sector to have a productive and harmonious relationship. Primary among these is the need for modernisation of government and administration “*Government at all levels is mistrusted because it is cumbersome and ineffective...The restructuring of government should follow the ecological principle of ‘getting more from less’ understood not as downsizing but as improving delivered value*”<sup>7</sup>. This implies delivering ‘with’ rather than ‘to’ constituents, maximising the synergies of participation and partnership and tapping into the added value that can be generated by community and voluntary organisations. Almost all of this is signalled in the Programme for Government.

Together, these conditions (mutual clarity of purpose and a negotiated transaction involving the specification of added value) form the template within which indicators should be located. This can be seen in the diagram over.

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<sup>7</sup> Giddens, A. (1998), *The Third Way*, Polity Press, Cambridge, p. 74.



Within the diagram, the outputs/outcomes framework has been expanded. Here there is a distinction between the outputs and the outcomes that represent the potential added value of funding the community and voluntary sector. Organisations within the sector should be able to specify up front what they expect to achieve within this domain and thus offer a premium that could be worthy of additional resources.

The transaction process should identify agreed outputs for which conventional indicators could be used (for example those used by BRO which are described in the full report) and form the basis for the negotiation of anticipated outcomes. It is important to recognise that a social capital framework does not eliminate the necessity to measure performance via indicators of economy, efficiency, equity and effectiveness. Public accountability and spending reviews will ensure that public money will only be allocated to organisations capable of delivering what has been agreed within cost. Rather social capital indicators provide a complementary framework to capture what is missed by a narrow, economic approach. This produces a binary model with two indicator domains. As with most binary models, the possibility exists of asymmetry in the application of the domains. Some community and voluntary organisations may fear that the social capital domain will be no more than a genuflection to a partnership culture and that conventional indicators will predominate. However, others may feel that a social capital domain undervalues their capacity to deliver contracts with high levels of efficiency. The relative status of the two domains will thus be important in the implementation of the model.

This exercise was not designed to replace the indicators which have already been developed for the community and voluntary sector with yet another new set. Rather, a template has been produced that enables existing indicators to be deployed with greater clarity and focus. It does so by suggesting that the logic of a transaction points to a range of outputs and anticipated outcomes that can be measured by conventional means. However, since the community and voluntary sector has long suggested that it delivers more than just specified outputs, we have used the concept of social capital to capture the notion of community processes, i.e. social assets and community capability.

There are three advantages in doing so:

1. it is a theoretically robust concept that is reflected in a substantial literature;
2. it has empirically derived indicators that have been applied in a wide variety of contexts;
3. it enables measurement of what are sometimes vaguely defined processes that are the additional benefits of funding community and voluntary organisations.

The social capital indicators proposed may be considered more normative than operative at this stage. Part of the value of the approach is that it will encourage the sector to, in one sense, 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 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.

## Building Evaluation Indicators using Social Capital

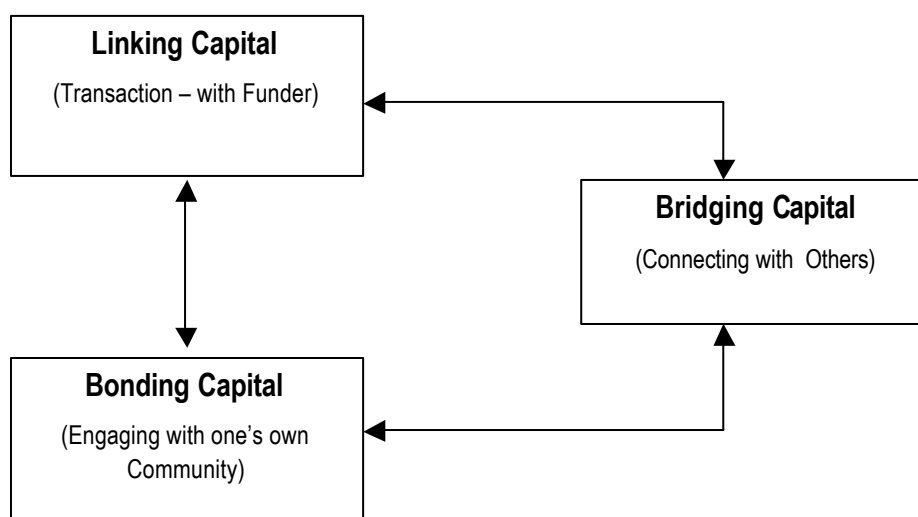
The interim report of this research project produced a draft set of indicators based on the World Bank matrix of Social capital indicators. Following consultations with the sector and a review of the burgeoning literature on the subject a revised framework of social capital indicators was produced. The most extensive piece of work in this process was the conduct of four case studies. The case study organisations were chosen to represent the diversity of the sector. Two were regional voluntary organisations delivering a range of services to specific at-risk groups, mainly via contractual arrangements with the public sector. The other two were engaged in development work with community-based organisations, one within a specific neighbourhood, the other with groups across the region.

The case studies were designed to test whether social capital made sense to community and voluntary organisations and if social capital indicators could be generated to measure this aspect of their activity. The case studies revealed very different kinds of organisations with remarkably different functions. For each organisation a set of contextualised social capital indicators was produced (see main report). The challenge was to synthesise these different sets into a single framework that represented this diversity.

The literature identifies three components of social capital:

- **Bonding** social capital is taken to refer to the internal cohesion or connectedness within a community.
- **Bridging** refers to the levels and nature of contact and engagement between different communities
- **Linking** represents the engagement and relations between community and voluntary organisations and resource agencies and policy makers.

The idea of Linking capital recognises for the first time the importance of the engagement between an organisation and its funder as an explicit outcome and indicators need to be drawn up for this. Linking capital corresponds with the transactional funding model



In developing our indicator framework we have attempted to ground it in the indicator work previously produced by the Scottish Community Development Unit and Kendall and Knapp and to build upon each. Both contained numerous elements of social capital in their composition. Furthermore, we also drew on the emerging literature on what constitutes an effective community, in particular the Community

Development Foundation study on Measures of Community<sup>8</sup> and the Scottish Community Development Centre report on Learning Evaluation and Planning (LEAP)<sup>9</sup>. This was used to help identify a number of core elements within each of the social capital domains of bonding, bridging and linking.

**Bonded Community:** constituents are empowered, organised, internally cohesive and connected.

**Bridging Community:** is connected to other communities and is itself accessible to outsiders.

**Linking Community:** connections to attract resources and influence policy and decision-making.

This framework focuses on the anticipated social capital outcomes achieved by funded organisations for their intended beneficiaries. For each domain we have identified a number of core elements for which a range of standardised indicators can be developed/located.

**Table 1. Framework of Social Capital Outcomes**

<b>Social Capital Dimension</b>	<b>Core Element</b>	<b>Outcomes</b>
<b>Bonding</b>	<i>Empowerment</i>	Intended beneficiaries have confidence, skills and leadership capacity
	<i>Infrastructure</i>	Intended beneficiaries participate in organisations and projects, which are representative and inclusive.
	<i>Connectedness</i>	Intended beneficiaries are well connected with community - trusting, sharing and working toward shared goals
<b>Bridging</b>	<i>Engagement</i>	Intended beneficiaries engage with other communities and sectors by participating in relationships and networks
	<i>Accessibility</i>	Intended beneficiaries have values and participate in structures and processes that make their community accessible to outside communities and sectors
	<i>Innovation</i>	Intended beneficiaries are open to new ideas and solutions facilitating their community to adapt to change
<b>Linking</b>	<i>Resources</i>	Intended beneficiaries have access to people and institutions outside the community with power and resources
	<i>Influence</i>	Intended beneficiaries have representation on local and regional public fora at which their interests are articulated.  Intended beneficiaries recognise the interdependence between their needs and needs of others

<sup>8</sup> Community Development Foundation, 2002, 'Measures of Community' A study for the Active Community Unit and Research, Development and Statistics Unit of the Home Office.

<sup>9</sup> Scottish Community Development Centre, 2000, Learning Evaluation And Planning (LEAP)

Intended beneficiary refers to the recipients of services or participants in activities organised by the community or voluntary sector organisation. Community and voluntary organisations will operate with different constituencies e.g. geographic communities or communities of interest. We therefore need to define the constituency or community within which the organisation is operating in order to specify social capital outcomes. We identified the following typologies of 'communities'

- Neighbourhood or geographic community
- Community of interest e.g. women, people with disabilities, ex-offenders etc.
- Community of groups or organisations who receive services from other voluntary organisations e.g. members of NICVA or clients of Ceni.
- Community as a whole i.e. society in general within Northern Ireland region

Clarity on the community within which an organisation operates and who are the intended beneficiaries of its services will be part of the transaction discussed earlier.

Taking the framework of Social Capital outcomes a set of indicators was developed for each of the core elements. This is outlined in the table over. These indicators represent a standardised set that have been reduced and refined from the case studies and previous literature on indicators. The first column represents the desired social capital outcomes, the second column lists the proposed indicators of that outcome and the third column contains suggested measures or evidence for that indicator.

**Table of Social Capital Outcome Indicators - Bonding**

Bonding Outcome	Indicator	Evidence (suggested)
<p><b>Empowerment</b> Intended beneficiaries have confidence, skills and leadership capacity</p>	<ol style="list-style-type: none"> <li>1. Intended beneficiaries have increased confidence to participate in community activity</li> <li>2. Intended beneficiaries have skills to contribute to community activity.</li> <li>3. Intended beneficiaries exercise leadership within the community</li> </ol>	<p>Numbers participating in personal development courses. Survey of beneficiaries to assess changes in attitudes and behaviour</p> <p>Numbers participating in training courses, Qualifications attained Survey of beneficiaries to assess levels and relevance of new skills</p> <p>Evidence of participation in organising, running projects. Survey of beneficiaries</p>
<p><b>Infrastructure</b> Intended beneficiaries participate in organisations and projects, which are representative and inclusive</p>	<ol style="list-style-type: none"> <li>4. Intended beneficiaries participate in organisations, projects within the community</li> <li>5. Intended beneficiaries connect and network with other people and organisations within the community</li> <li>6. Marginalized people are represented in organisation/project structures</li> </ol>	<p>Numbers participating and level of engagement in organisations, projects</p> <p>Increased contact between intended beneficiaries and groups within the community (baseline &amp; survey)</p> <p>Numbers represented relative to Section 75 Categories</p>
<p><b>Connectedness</b> Intended beneficiaries are well connected with community - trusting, sharing and working toward shared goals</p>	<ol style="list-style-type: none"> <li>7. Levels of trust between people and organisations in the community</li> <li>8. Sharing of information and resources between people and organisations in the community</li> <li>9. People and organisations in the community working together to achieve shared goals</li> </ol>	<p>Increased levels of trust within community (baseline &amp; survey)</p> <p>Survey of organisations and projects within community</p> <p>Survey of organisations and projects within community</p>

**Table of Social Capital Outcome Indicators - Bridging**

<b>Bridging Outcome</b>	<b>Indicator</b>	<b>Evidence (suggested)</b>
<p><b>Engagement</b></p> <p>Intended beneficiaries engage with other communities and sectors by participating in relationships and networks</p>	10. Level of engagement by intended beneficiaries with other communities/sectors outside their own	<p>Number of contacts established with other communities/sectors</p> <p>Frequency, duration and description of contacts established with other communities/sectors</p>
	11. Quality of structures to facilitate engagement between the intended beneficiaries and other communities/sectors	<p>Presence of recognised 'brokers' or facilitators within the community</p> <p>Number and type of contacts facilitated with groups from outside the community</p>
	12. Greater understanding by intended beneficiaries of the interdependence between theirs and other communities	Evidence from Intended beneficiaries of their enhanced understanding (baseline & survey with intended beneficiaries)
<p><b>Accessibility</b></p> <p>Intended beneficiaries have values and participate in structures and processes that make their community accessible to outside communities and sectors</p>	13. Intended beneficiaries willingness to engage with communities outside their own	List of measures taken by intended beneficiaries to make their community attractive to 'others';
	14. Intended beneficiaries awareness and competence to deal with issues of separation between communities and sectors	Existence of discussion, debate addressing issues of separation (self-audit)
	15. Intended beneficiaries participate in structures and processes aimed reducing issues of separation	Evidence of intended beneficiaries engaging in proactive cross community and cross sector initiatives
<p><b>Innovation</b></p> <p>Intended beneficiaries are open to new ideas and solutions facilitating their community to adapt to change.</p>	16. Intended beneficiaries explore new ideas to meet community needs	Evidence of ideas developed
	17. Intended beneficiaries adopt new solutions to meet community needs	Evidence of solutions adopted
	18. Appropriateness of new solutions to changing needs of the community	Survey of intended beneficiaries

**Table of Social Capital Outcome Indicators - Linking**

Linking Outcome	Indicator	Evidence (suggested)
<p><b>Resources:</b> Intended beneficiaries have access to people and institutions outside the community with power and resources</p>	19. Formal contacts with resource/development agencies outside the community	Contacts between community and outside resource/development agencies
	20. Value of additional resources leveraged for intended beneficiaries	Letters of offer from funders. Perceived value of non-financial inputs
<p><b>Influence</b> Intended beneficiaries have representation on local and regional public fora at which their interests are articulated.  Intended beneficiaries recognise the interdependence between their needs and needs of others</p>	21. Participation of Intended beneficiaries in public fora at local and regional levels	Number of intended beneficiaries represented on public fora
	22. Formation of alliances between intended beneficiaries and others participating in public fora	Evidence of contacts, engagement between intended beneficiaries and representatives from other sectors
	23. Changes in public policy that better meet the needs of intended beneficiaries	Identifiable changes in public policy positions adopted by governmental organisations that, in the opinion of governmental personnel, were significantly influenced by intended beneficiaries input
	24. Perception and attitudes of public agency representatives to the participation and contribution of the organisation/project.	<p>Feedback from statutory agencies on effectiveness of group/organisation.</p> <p>Nature of discussion in public fora on community's interests</p> <p>Evidence of community's issues being addressed at local policy level (interviews)</p>

## Conclusions

We formulated the bonding, bridging and linking outcomes and their associated indicators following detailed discussion with the staff in four community and voluntary organisations with different missions, methodologies and levels of resources. In our view the indicators:

- ? will facilitate those involved in the transaction to judge what has been done and to what effect – insofar as objectives relate to the social capital outcomes;
- ? are readily understandable to those active in the voluntary & community sector;
- ? are ‘user-friendly’ for those involved.

This is not a ‘one size fits all’ approach – it is more a ‘framework’ than ‘definitive list’. Using the framework will involve funder and funded agreeing:

- ? which of the twenty-four indicators for which of the eight outcomes they wish to apply in the evaluation of performance in the future – the logic of this approach is that the funder invests on the basis of the funded organisation’s commitments;
- ? the weighting that should be applied to the agreed indicators – the simple listing in the table suggests that each of the indicators has equivalent weight, but this will not be the case in many transactions depending on the importance of different outcomes for the funder and funded;
- ? the evidence collected and analysed to demonstrate performance in relation to the agreed indicators – what evidence should be collected, what should ‘count’ as evidence, will be for funded and funder to agree – the table is indicative of possible evidence, and;
- ? the ‘who will do what and when’ – the plan of the evaluation – and how the implementation of this plan is to be paid for.

Here we comment on three related issues that government and sector should consider as they take forward the exercise. These concern scale, diversity and timeframe, each of which ‘qualify’ the use of the indicators.

The resources committed to the evaluation will depend on the scale of the investment each party is making. In the case studies we contextualised the indicators in relation to the specific circumstances of each organisation and how its work related to social capital. In contrast, the indicators in the table above are generic. How much learning funder and funded obtain from the evaluation will depend on how well each contextualises the relevant data. For smaller investments, the completion of a pro-forma report might be appropriate – in some cases returned by the funded organisation, in others completed by a ‘site visit’ undertaken by the funder or their representative. For larger investments, greater depth of analysis would be appropriate, as the costs associated with making the ‘wrong’ decision are higher. The depth of the exercise will depend on possible benefits in terms of knowledge; better decision-making and better-managed risks. The logic of the framework is that regardless of the depth, the focus remains on the same social capital outcomes and indicators although the evidence collected and analysed will vary.

We have constructed the bonding, bridging and linking outcomes and their indicators to fit the different contexts in which the sector works while, at the same time, identifying the value added across the sector. To our mind, the outcomes and the indicators have a general applicability and offer the potential

for the sector to demonstrate the outcomes it generates and so bolster its case for continuing public support.

The measurement of outcome implies prior knowledge of the situation. An intervention is assessed against change it effects. Here, it is proposed that the investment of public funds should depend on the addition to social capital among a group of intended beneficiaries and between these and others (in the case of linking social capital). We consider that this should be assessed via a baseline analysis before setting targets for the future. As social capital is a relatively new concept the issue of base-lining is still somewhat problematic. Here we outline the various potential sources currently being developed at regional and national levels.

Within the UK, the Office of National Statistics has been looking at the use of regularly undertaken surveys to explore indicators of social capital. This has led to the development of the "survey matrix" concept, which basically categorises social capital into five themes, each theme illustrates a particular facet of social capital and contains between eight and twelve types of question. The five themes are:

1. Participation, social engagement, commitment- involvement in local groups, voluntary organisations, clubs, taking action about a local issue
2. Control, self-efficacy - perceptions of control and influence of community affairs, health, satisfaction with life
3. Perception of community level structures or characteristics - satisfaction with local area, perceptions of local services and local problems
4. Social interaction, social networks, social support - contact with friends, family, neighbours; depth of socialisation networks; perceptions of social support
5. Trust, reciprocity, social cohesion - trust in other people, confidence in institutions, confidence in public services; perceptions of shared values; length of residence in area.

Twenty-one surveys (the majority commissioned by the UK government) containing questions relating to different aspects of social capital were identified and combined with the typology outlined above. Most of these surveys were not explicitly trying to measure social capital but a handful had a specific framework for the measurement and analysis of social capital.

Within Northern Ireland, a number of regularly undertaken surveys offer a similar opportunity to explore levels of social capital. Given the two political/religious traditions in Northern Ireland, it is vital that questions also refer to opinions about 'the other side'. There are three obvious survey candidates. The Omnibus Survey permits the buying in of specific questions that could be explicitly focused on social capital indicators. The Northern Ireland Life and Times Survey already contains questions on trust, participations in social organisations and the relative position of Catholics and Protestants in Northern Ireland. Finally, NISRA has been looking at the Continuous Household Survey as a key source for social capital variables.

Moreover, as indicators of social capital are increasingly employed in the evaluation of voluntary and community organisations, it might be possible to 'scale up' the results to explore changes in social capital. Some caution should be exercised here however, given the diversity of such organisations.

It will be important that due recognition is taken of different contexts. As outlined above, there are regional surveys that will help in this base-lining, however, it is likely that contextual differences will make reliable and valid indicators of the baseline situation contingent on the collection of data on the specific intended beneficiaries' lives.

In our discussions with the statutory funders, it became clear that the personnel responsible for the management of the transactions inside government required the system to facilitate the identification of future targets for the accumulation of social capital as a result of public investment in the sector. In other words the focus for evaluation should be about setting targets for the future growth of social capital as well as the assessment of achievements in the past. This would help move the analysis of 'added value' after the event, (*ex-post evaluation*), to centre-stage of the negotiation between funder and funded (*ex-ante evaluation*). In our view, this is to be welcomed.

This approach could be readily incorporated into existing procedures. Traditionally, the methodology outlined in the Green Book has informed the overall approach to the appraisal of public investment including grant-aid for community and voluntary projects. In short, this approach assesses the investment in terms of monetary and non-monetary costs and benefits. We suggest that it is appropriate and practical to incorporate explicit attention to social capital in this appraisal process. The resulting 'social and economic appraisal' will provide a sounder and more rounded basis for deciding on whether investments should be made or not. The social capital construct will add rigour to the assessment of the non-monetary costs and benefits.

We should be mindful that 'what gets measured, gets done' and part of the motivation for measurement is often to encourage management to focus its efforts on particular aspects of performance. On occasion this has the consequence that resources are devoted to the indicator rather than whatever is indicated by the measure. Media coverage of hospital waiting lists suggests this. Government and sector will wish to avoid the adoption of a system that could divert resources to indicators and away from outcomes so that targets are met but little substantive difference is made to the actual level of social capital.

Our conclusion is that the proposed indicators may be readily applied to setting targets for the future accumulation of social capital but with due care. The indicators 'fit' in general terms with the diversity of contexts in which the sector works but the baseline against which performance is to be assessed will likely require the specific context to be analysed. Finally, the depth of the evaluation (and base-lining) will depend of the scale of the proposed investment and the potential for learning from the intervention.