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## Measuring community development: what have we learned?

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Since the 1960s, community development organizations in the public and nonprofit sectors have become increasingly conscious of the impact of their work in light of finite financial resources and a growing range of policy concerns. This article briefly reviews the history of outcome measurement in community development organizations and describes innovative and emerging measurement practices used to improve public policy. It also outlines key ingredients in successful measurement systems, especially the importance of linking the measures to the strategic planning process. Two prevalent models of outcome measurement are described: universal measures where quantitative data are used to assess progress toward goals common to many communities and contingent measures where qualitative data indicate progress toward goals unique to one community. Common themes among the measurement practices include technical assistance provided by national or regional grantors, a triple bottom line measurement focus, and reduction of measurement cost through secondary data or inexpensive case study methodology.

**Keywords:** community development indicators; dashboards; outcome measurement; performance management; sustainability

### Introduction

A growing interest in improving local decisions about investments in development projects has motivated economic and community development practitioners to find more precise information about documented outcomes. Past efforts have often focused on recording the number of jobs created or retained and the amount of private investment following a public intervention (Ammons, 2012; Blakely & Leigh, 2010). Public and private agencies alike now want more specific documentation regarding results, so they can choose among alternative strategies to promote local development (Madan, 2007; Moynihan, 2008).

The interest in better accountability is part of a larger initiative dating back to Federal legislation, such as the Government Performance and Results Act in 1993 that pushed Federal agencies to set goals and strategies and to track outcomes (Plantz, Greenway, & Hendricks, 1997). More recently, foundations and funding agencies want to determine that their spending generates significant results (Phillips, 2003). Likewise, the growing professional management practices and tighter budgets in local government agencies further intensified the pressures for better measures and accountability, including using trend data to monitor or evaluate effectiveness (Moynihan, 2008). At the same time, community development organizations internationally have addressed the United

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Nations' Millennium Development Goals, including priorities such as poverty reduction, expanded access to education, and environmental sustainability (United Nations, *n.d.*).

The interest in better measurement practices extends well beyond assessing the impact of a specific program, however. Community leaders are interested in monitoring overall conditions and finding ways to integrate decisions about health care, jobs, environmental issues, and other characteristics important in healthy communities (Blakely & Leigh, 2010; Hoffer & Levy, 2010). Thus, some communities have turned to a “dashboard” concept that includes data on health, housing, environmental issues, and other factors affecting livability or quality of life (Community Indicators Consortium, 2013; Wilder Research, 2009). Much work has been done on dashboards, especially in the field of public health, as demonstrated by the Kids Count (Annie E. Casey Foundation, 2013) and County Health Rankings (Robert Wood Johnson Foundation, 2013) initiatives. Other areas have built indicators to compare across cities or regions (Boston Indicators Project, 2012; Rockford Region Vital Signs, 2012).

Common among successful initiatives has been a clear vision and set of consistent goals, targets, and desired outcomes that can lead to changes resulting from successful community interventions (Walzer & Hamm, 2012). Frequently, goals include increasing decision-making capacity, building social capital, and preserving natural resources. However, especially in the field of community development with broadly defined goals, reaching a clear consensus about measurable outcomes and indicators can be difficult. Nonetheless, progress has been made toward developing and using consistent performance measures, as the number of cities working with indicators expanded and their experiences were shared (Community Indicators Consortium, 2013).

This article describes major issues involved in measuring community development outcomes and ways they can affect policy responses to improve conditions. The first section examines key elements in designing a measurement system, along with a brief history of outcome measurement practices. Next is a review of the literature on measurement approaches and their alignment with the key components, including examples of innovative and successful measurement issues. The final section presents lessons learned and how they can be implemented in other areas.

### **Historical interest in measurement**

Interest in measuring community development activities gained popularity in the 1960s, as the US Department of Health and Welfare (now the Department of Health and Human Services) began studying quality of life on a national scale (Phillips, 2003). By the 1970s, some large cities paid more attention to local quality of life issues such as health and education, as demonstrated by New York City's 1973 Scorecard Project (Phillips, 2003). State governments also became involved when, in 1977, the State of California published a guide for local governments to compile indicators of social phenomena, although the guide was not widely used after 1980.

In the late 1980s and early 1990s, environmental concerns became more prominent on lists of community development issues. Seattle, Washington was an early city that tracked progress regarding sustainable community development in a report using several sustainability indicators published in 1993 (Hart, *n.d.*). Traditional indices of population change and economic growth were supplemented by environmental indicators. Examples included the number of days each year with healthy air quality as defined by a regional environmental agency and the percentage of pedestrian-friendly city streets (Sustainable

Seattle, 1993). Since 1993, more than 90 cities have adopted measurement practices based on those in Sustainable Seattle (Sustainable Seattle, n.d.).

However, during the 1990s, these practices were limited mainly to metropolitan areas (Center for Building Better Communities, 2001). Communities that adopted outcome measurement systems were those with access to technical expertise including professional management and trained financial staff to monitor performance indicators (Ammons, 2012).

In decades leading to the 1990s, many municipal governments regularly reported performance information (Ammons, 2012). Most of the information provided, though, was limited to outputs such as number of employees and clients. So although some communities had prior experience in outcome measurement before the 1990s (Phillips, 2003; Plantz et al., 1997), it was relatively uncommon.

In the 1990s, driven by the National Performance Review under US President Clinton, professional associations developed standards to encourage more widespread measurement practices. The Governmental Accounting Standards Board and the International City Management Association both published guidelines for reporting services delivered and performance levels (Ammons, 2012). One of the first communities to adopt measures of service outcomes was Portland, Oregon, using indices such as citizen perceptions of public safety and children's preparedness for kindergarten in the county relative to the state (Bernstein, 2002). Other places adopting community indicators at this time were also mostly larger cities with more technical expertise (Ammons, 2012).

Initiatives to measure community development became more common in rural areas in the 2000s (Phillips, 2003). The Central Texas Sustainability Indicators Project and the Pueblo Community Indicators Project in 29 communities in Colorado are such examples (Phillips, 2003). In the Central Texas project, six counties pooled resources to develop a shared vision and measure progress toward that vision. In the Pueblo Community project, local organizations received financial and technical assistance from a statewide foundation focused on expanding access to health care (Phillips, 2003). External technical assistance has been important in encouraging communities to begin designing and monitoring outcome indicators (Forster-Gills, 2012; Langlois, 2010).

Today, the focus of community development measurement remains much as it has since sustainability became a topic measured alongside social and economic concerns. What has changed is that communities, overall, have access to more technical resources to design their own metrics. Large nonprofit organizations have started initiatives to help rural communities measure their performance. Examples include the Measuring Community Wealth project sponsored by the Ford Foundation (Hoffer & Levy, 2010), the Vibrant Communities (VC) Canada initiative (Forster-Gills, 2012) sponsored by several research and nonprofit organizations, and Minnesota Compass (Wilder Research, 2009) sponsored by multiple corporate and regional foundations. These and other examples are discussed in more detail later in this article.

### **Key components of outcome measurement**

Economic and community development practitioners realized that their disciplines have some common goals (Blakely & Leigh, 2010) and are linked to overall community well-being (Hart, 2012). In some instances, they have incorporated the seven capitals: financial, built, natural, individual, intellectual, social, and political (Flora & Flora, 2004). Likewise, development practitioners recognize that prosperity requires communities to address social, environmental, and economic issues (Slaper & Hall, 2011).

Beyond a simple reference to social, environmental, and economic issues, outcome measurement systems must be based on clearly defined goals. A formal community visioning or planning process can identify policy goals that are then converted to policy options or strategies. The planning or visioning process should include citizens, local government staff, business leaders, and representatives of community-based and non-profit organizations (Walzer & Hamm, 2012). The planning or visioning process is also crucial in gaining support from citizens and public officials, which is a key to the success of the measurement system (Posovac, 2011). Each goal typically includes specific and implementable strategies, the progress of which can be documented with relevant, cost-effective, and diverse indicators (Figure 1).

Designing and monitoring indicators are at the heart of an effective measurement and evaluation system because they provide operational meaning to the goals in the minds of policy-makers and the public. Especially important in designing indicators is to gain a consensus among policy-makers and the public about what each indicator means, as well as its importance to the overall well-being of the community (Burd-Sharps, Guyer, & Lewis, 2011). Policy-makers may resist allocating time to developing community indicators because the process is considered costly in time and effort and may not lead directly to improvements in community conditions. However, opportunities to reduce the cost of developing indicators exist, such as using case study methodology (Forster-Gills, 2012), drawing indices from secondary data sources such as state agencies (Gallagher & Putiak, 2010), and adopting indices that have succeeded in other communities (Success Measures, 2012).

Finding suitable indicators is not the most difficult task since many lists of indicators are readily available (Success Measures, 2012; Yellow Wood Associates, 2009). More difficult is matching the indicators to conditions in a specific community so that changes in policies effectively guide policy decisions (Anderson, 2005). This process is covered during strategic planning, which involves engaging key stakeholders in



Figure 1. Components and process of outcome measurement.

discussions about long-term outcomes desired, short-term actions that can be taken toward those goals, and indicators that will accurately show progress or change (Posovac, 2011). Thus, indicators must raise awareness of issues, engage stakeholders in actions, inform decisions, and measure progress toward long-term goals (Hart, 2012).

Key to success in measurement is obtaining buy-in and commitment to a common set of indicators and agreement on what they mean. The LOGIC framework differentiates between inputs, activities, outputs, outcomes, and impacts, and underlies several measurement systems discussed in this article (W.K. Kellogg Foundation, 2004). Especially important, however, is having a manageable number of consistent and unambiguous indicators to monitor. Likewise, including stakeholders in the selection process increases their acceptance (Burd-Sharps et al., 2011; Posovac, 2011). A telling sign of an indicator's acceptance is its incorporation into policy decisions and practices, including financial management (Gallagher & Putiak, 2010). The process of designing and monitoring indicators becomes a cost without much benefit to the community development organization if it does not lead to an improvement in service delivery (Ammons, 2012).

Effective measurement and evaluation systems push decision-makers into a systems thinking environment, because many aspects of the community are interrelated. If the workforce is not adequate, the economic sector will not perform well, and so on. Therefore, the indicators must recognize this interdependency and help policy-makers track changes over time toward the long-term goals. Focusing on only one or two indicators misses other essential components of community well-being (Flora & Flora, 2004).

Also, the indicators must be diversified at each stage of the implementation process, which requires different types of information. Hart (2012) classified indicators into three groups. System indicators reflect overall community performance. Program indicators show the performance of specific policies or strategies. Action indicators inform the daily decisions of individuals, businesses, and other organizations. Hollander (2002) argued that successful indicators have nine characteristics including: validity, relevance, reliability, measurability, clarity, comprehensiveness, cost-effectiveness, comparability, and attractiveness to the media (Figure 2). Of special importance is an indicator's cost-effectiveness and clarity. If data used are not cost-effective to collect and easy for

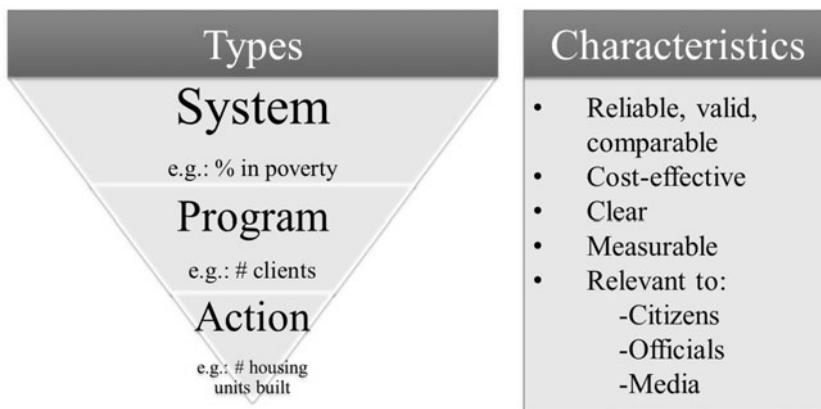


Figure 2. Types and characteristics of outcome measures.

citizens to understand, community developers may not see value in allocating time to collect performance information (Phillips, 2003).

To summarize, outcome evaluation systems are designed to represent the results or outcomes of community policies and identify avenues for policy improvement. The measurement process stems from a community's commitment to improving social, economic, and environmental conditions. Policies and programs for improving community conditions emerge from the strategic planning process, where all stakeholders engage in a dialog to identify shared, measurable goals. An effective planning process creates indicators that are meaningful to citizens and officials, can be collected regularly at a reasonable cost, and cover a range of goals important to the community. Effective measures can guide policy improvements and a re-evaluation of policy priorities.

### Community development measurement approaches

Measuring outcomes remains a challenge for many community development organizations. A widely held belief among development practitioners is that each community has unique goals, so progress is difficult to measure using only one scale (Dorius, 2011). Unlike economic development, which has a more clearly defined set of goals including employment and income growth or tax base expansion, the goals for community development more often vary by city (Blakely & Leigh, 2010). Although community development advances the goals of economic development (Blakely & Leigh, 2010), community development also includes the empowerment of population groups with specific needs.

Dorius (2011) argues that the root of the evaluation problem comes from a lack of a common definition of community development. He reviewed the community development literature and interviewed 40 representatives of large funding agencies such as the W.K. Kellogg Foundation and the Urban Institute to find a consensus on this topic. He suggested that community development success be "measured in terms of poor citizens gaining the skills and confidence required to overcome social barriers to economic success, and community institutions making policy decisions and resource commitments that help sustain such success-seeking behavior" (Dorius, 2011, p. 274). In other words, community development can be defined as the process of integrating disadvantaged citizens into the local economy to create community wealth (Hoffer & Levy, 2010).

The definition of community development stated by Dorius (2011) brings in other community development frameworks such as the seven capitals of community wealth mentioned previously (Hoffer & Levy, 2010). By definition, economically engaging disadvantaged citizens include a social and economic dimension of community improvement. Long term, this definition of community development includes an environmental component as well, since natural capital is a part of community wealth.

Given the broad definition of community development, two broad strains of thought have emerged as to how outcomes can best be monitored. Some academics and practitioners have proposed allowing each community to decide its own approach to economically engage disadvantaged citizens, with each community creating a set of indicators for its goals (Patton, 2011; Stoecker, 2005). Others have proposed a universal, operational model for creating community wealth (Flora & Flora, 2004; Hoffer & Levy, 2010). In this approach, the same indicators are used to address social issues important in all communities. Each of these approaches is briefly discussed in the next section, recognizing that measurement practices often include many other scenarios as well.

### ***Contingent models of measurement***

The need for outcome measurement as a means of accountability, as well as the perceived need for community-specific definitions of success, has caused funders of community development organizations to design participatory outcome measurement approaches (Stoecker, 2005). In these models, communities decide on the types of changes desired as an outcome of a program. Then, community participants identify outcome measures that are highly relevant to their interests (Posovak, 2011). Through participatory evaluation, development organizations determine whether programs have succeeded based on their clients' terms, recognizing that participatory measures can be difficult to compare across cities (Dorius, 2011).

The VCs model in Canada where social service providers in cities describe the ways they expect to improve the lives of citizens and then write case studies detailing their progress toward that end is an example of participatory outcome measurement (Forster-Gill, 2012). Another example is the Success Measures toolkit provided by NeighborWorks America, which allows communities to select and monitor indices from hundreds of possible performance measures, based on the priorities of residents (Success Measures, 2012).

The process of measuring community development outcomes remains difficult, even when detailed evaluation plans are used. The traditional method of outcome evaluation by an external consultant can also create problems (Preskill & Beer, 2012). As supposed neutral observers, evaluators cannot inform service providers of ways to improve programs until a report is presented at the end of the study period, even if the program's success may hinge on immediate corrections (Preskill & Beer, 2012). In addition, reports from external consultants may be interpreted as evidence that a program is ineffective and should lose funding, even though reports were submitted before project outcomes could be observed. For these reasons, a traditional program evaluation may not work well, even if the community development organization has the resources to do so.

The Developmental Evaluation (DE) model was created to measure community development outcomes when the expected results of a program are unclear (Patton, 2011). Under the DE approach, evaluators collect and report information to program administrators periodically, rather than in a year-end report. To provide timely information on progress and challenges in a program, developmental evaluators regularly collect qualitative data and promptly report findings. Unlike traditional models of evaluation based on a fixed goal, DEs are conducted assuming that program goals can change (Patton, 2011). For example, DE was used in the J.W. McConnell Family Foundation's YouthScape Initiative described later (Preskill & Beer, 2012).

The DE model prioritizes responsiveness over quantitative and/or statistical rigor. The rationale is that outcomes for some programs may not be statistically measurable in a reasonable time frame, but funders require *some* demonstration of accountability from the programs they support (Preskill & Beer, 2012). DE is best used when development activities occur in uncertain contexts. For example, DE is desirable when a program has not been evaluated previously. Another example where DE is useful is when a program has been evaluated in the past but in contexts that were not generalizable, such as when a rural community adapts promising practices that have been tested mainly in cities.

The participatory and developmental models of evaluation both imply that community development outcomes are best measured on a case-by-case basis. Stoecker (2005) argued that if every community's needs and goals are unique then communities should decide their own performance measures. In these models, no indicator applies to all

communities, but a universal process exists for identifying goals in each community. An alternative approach is a model that measures community development outcomes based on goals relevant to all communities.

### *Universal models of measurement*

In 2008, the Ford Foundation sponsored an initiative to promote sustained wealth creation in rural communities (Hoffer & Levy, 2010). Toward this goal, strategies for increasing community wealth were developed based on the Community Capitals Framework (CCF) proposed by Flora and Flora (2004). For each component, programs that expand a community's capital were labeled as investments and the outcomes of those programs were classified as investment income (Hoffer & Levy, 2010). This model of community wealth was designed to be applicable to all communities and has led to successful development initiatives such as the Central Appalachian Network (CAN) (Allen & Watson, n.d.) described below.

The CCF includes seven capitals: financial, built, natural, individual, intellectual, social, and political (Flora & Flora, 2004). This framework was designed as a way to identify the common characteristics of socially, economically, and environmentally sustainable communities. Natural capital refers to a community's natural resources that provide economic opportunity and enhance quality of life. Cultural or intellectual capital refers to a community's ability to encourage innovation, reflected in part by its diversity. Built capital refers to physical infrastructure. Individual capital refers to the skills, knowledge, and experience citizens have that enable gainful employment. The CCF was developed based on observations of prosperous rural communities in the Andes Mountains, but the framework has since then been applied to successful development efforts in the USA (Emery & Flora, 2006; Hoffer & Levy, 2010).

The CCF is based on the premise that increasing stocks in one of the seven capitals in a community could increase stocks in the other capitals (Emery & Flora, 2006). Conversely, decreasing stocks in one capital may lead to further decreases in other capitals (Myrdal, 1957). An example of both phenomena occurring is the case of the Nebraska Hometown Competitiveness program (Emery & Flora, 2006). In rural Nebraska communities, job losses from farm consolidation resulted in population declines and falling personal incomes impeding wealth transfer across generations (Emery & Flora, 2006). However, programs focused on building networks between rural residents and community development consultants from regional nonprofit and research organizations led to increased social capital, which increased rates of youth entrepreneurship, restoring population, and employment growth (Emery & Flora, 2006).

An advantage of the CCF is that it encourages community developers to consider the outcomes of their work from social, economic, and environmental perspectives. While financial implications of a program usually receive frequent attention, impacts on social capital, natural resources, and public health are often not documented as heavily.

Unlike contingent measurement models, universal models imply that community development can be linked to outcomes that are universally desirable, such as public health and sustainability, even if the means to those ends vary. Both universal and contingent models of evaluation have been used in innovative ways by community development organizations, suggesting merit in both approaches.

Several examples of outcome measurement systems in community development that have succeeded in improving an organization's policies or practices while also taking steps to ensure cost-effectiveness are described next. These examples have received

attention in the literature on community development, often highlighted in recent scholarly studies or presentations, or as featured communities in the Community Indicators Consortium. The following cases are sorted by those that more closely fit a universal or contingent model of measurement, although in many instances, mixed methods have been applied. The framework of contingent versus universal methods is used for simplicity and contrast, although the practices include elements of both.

### **Contingent measurement approaches**

Three examples of innovative contingent measurement approaches are presented next, along with lessons learned that may be used by other agencies.

#### ***J.W. McConnell family foundation – YouthScape initiative***

The YouthScape Initiative was designed to increase participation of teens and young adults in local government decision-making. Five cities participated in the project and each hired a part-time developmental evaluator. Evaluators attended program events such as youth-led art marathons and interviewed stakeholders before and after each event. Stakeholders interviewed participating youth, community volunteers, and local government management staff. The five evaluators held monthly conference calls with a national evaluator from the Foundation to identify behavior patterns from the observers' case studies. The national evaluator then synthesized information from the calls into quarterly reports regarding challenges, successes, and opportunities created by the YouthScape Initiative (Cawley, 2010).

According to the YouthScape program manager, the quarterly reports were useful in correcting tensions that could have ended the program prematurely (Cawley, 2010). For example, in certain cities, evaluators convinced client organizations to train or replace employees in specific positions that were points of concern as identified in the evaluators' observations and interviews (Langlois, 2010).

In another example, DE reports helped refine one program participant's funding guidelines (International Institute for Children's Rights and Development [IICRD], 2010). Community foundations were not accustomed to funding arts programs managed by teenagers and needed to revise their requirements with each round of funding. Grantors acknowledged difficulties obtaining adequate financial information from young grantees. Comments from these grantors were used to clarify reporting requirements and explain to youth grantees the need to keep receipts (IICRD, 2010). According to developmental evaluators' observations, an estimated 1000 people between age 13 and 30 were involved in managing grants from YouthScape. Cultural events funded through these grants were attended by an estimated 10,000 participants (IICRD, 2010).

Some, but not all, of the key components of outcome measurement were included in the YouthScape Initiative. The measures included social and environmental concerns because the goal was to incorporate disengaged youth into local economies. However, environmental concerns were not explicitly identified. The DEs used for YouthScape were found to be relevant and cost-effective, since communities hired one consultant to write case studies and they received quarterly reports that were useful in improving youth programs.

#### ***Broward County, Florida – Children's Services Council***

Broward County was recognized in an international Community Indicators Consortium competition for community indicators and performance measurement in 2009. The use

of performance measurement for social services in Broward County dates back to the 1990s when it created a Children's Strategic Plan to coordinate the activities of disparate and overlapping child-service agencies (Gallagher & Putiak, 2010). Since then, the CSC has incorporated performance measures into its annual budget (Gallagher & Putiak, 2010).

Indicators include the number of abused or neglected children per 1000 residents under age 18 and rates of juvenile delinquency per 100,000 residents. These measures flow from the CSC's strategic plan and are used as discussion points in annual budget retreats, showing that the performance measures help shape organizational policy. As an example of how community indicators influenced the CSC budget, documented decreases in the child abuse and juvenile delinquency rates caused the CSC to increase funding for after-school programs because these programs were shown to yield expected results (Gallagher & Putiak, 2010). Other indicators included changes in the percentage of adoptions finalized within 24 months of client children being removed from homes (Gallagher & Putiak, 2010) and reductions in teacher turnover rates (CSC, 2011).

Several conditions allowed the CSC to adopt performance management when other community development organizations might not. First, the CSC secured external funding and expertise to develop a measurement system. Consultants were hired with a grant from the Florida State Department of Children and Families, Alcohol, Drug Abuse, and Mental Health. Second, the data used in Broward County's indicators came mainly from state and federal agencies such as the Centers for Disease Control and Prevention and the Florida Department of Education (Gallagher & Putiak, 2010), which reduced the cost of monitoring indicators. Finally, leadership within the CSC supported adopting community indicators and performance measures (Gallagher & Putiak, 2010).

### *VCs Canada*

VCs Canada is an initiative, created by the Institute for Community Engagement, the Caledon Institute for Social Policy, the J.W. McConnell Family Foundation, and 13 cities in Canada to reduce poverty (Forster-Gill, 2012). The cities participating in VC used the same three-part approach to measure their progress toward that end. First, communities developed their own theories of change, describing how they expected to improve the lives of residents.

Next, communities wrote brief case studies describing their efforts to reduce poverty, including how the programs addressed the issues and outcomes expected of the program in the future. Finally, communities wrote semi-annual reports providing information on the number of clients receiving services, number of organizations providing services, and an annual narrative describing the progress of poverty reduction initiatives in each community.

This approach to performance measurement was useful for participating communities because it encouraged social service providers to develop and refine theories of change based on the changing concerns of residents (Forster-Gill, 2012). The VC measurement model was also useful for researchers and policy-makers nationally because the content of the reports could be used to identify common themes behind effective or innovative poverty reduction programs.

The main disadvantage of the VC approach to measurement is that it provided a volume of data that were difficult for researchers to manage (Forster-Gill, 2012). Common themes in the reports published can be obtained only through content analysis, since the quantitative information provided is on number of clients and service organizations.

The VC model has become increasingly popular since it began in 2002. As of 2013, committees in 84 Canadian municipalities have participated in VC, and 11 provinces have created poverty reduction strategies based on common themes from the VC reports (Forster-Gills, 2012). From a practical standpoint, the VC model is attractive because social service providers can avoid most of the confusion surrounding outcome measurement. Since service providers are not required to decide on specific statistical indicators and are asked only to write brief stories about their efforts, they are more likely to allocate time to using the VC measurement system (Forster-Gills, 2012).

The measurement model used in VC includes most of the key components of an outcome measurement system. For one, the VC approach allows communities to plan strategically and identify common goals. This is accomplished in the first step of the evaluation as communities identify their specific theories of change. This model also allows community developers to obtain relevant information in a cost-effective manner requiring short case studies that illustrate expected program results and progress. The semi-annual reports by communities identifying opportunities for program improvement also inform policy.

At the same time, indicators in this model do not always cover social, economic, and environmental concerns. Each participating community has a theory of change with at least some social and economic goals in mind. However, because VC focuses mainly on poverty reduction, environmental issues are not necessarily included. In addition, since each report is based primarily on case studies and secondarily on a simple count of service providers and clients, the range of indicators provided is relatively narrow.

The VC model differs from the performance measurement system used in Broward County, but each program has succeeded in its own right. The CSC developed its measurement system independently, whereas multiple participants in VC developed plans with external technical assistance. In the VC case, indicators are mainly qualitative and are reviewed semi-annually for policy improvements. In the CSC case, most indicators are quantitative and are used to assign annual budget priorities. Under the VC model, measurement costs were reduced by giving evaluators a prompt for writing simple case studies and reducing the need for quantitative skills. In the CSC approach, measurement costs are reduced by obtaining indicators from data compiled by state and federal agencies.

### **Universal measurement approaches**

Examples of projects that include mainly universal measurement approaches are presented in this section.

#### ***Boston indicators project***

Started in 1998, the Boston Indicators Project was designed to measure progress toward shared goals for community development in the greater Boston region of Massachusetts. The project is coordinated by The Boston Foundation (TBF), the region's community foundation.

The Boston Indicators Project includes indicators for 10 sectors: civic vitality, transportation, cultural life, economy, education, energy and environment, health, housing, public safety, and technology. The project includes 150 indicators for 70 goals and the biennial reports that will be published until 2040. Goals included in the indicator project are based on Boston's Civic Agenda, which was developed in meetings of regional

leaders and community development experts facilitated by TBF (Boston Indicators Project, 2012). Project partners represent the public, private, and nonprofit sectors, including the City of Boston, the Metropolitan Area Planning Council, and economic consulting firm Planet-TECH Associates (Boston Indicators Project, 2012).

Improvements in civic vitality are measured in part by the number of foreign-born residents with post-secondary education and number of racial and ethnic minorities that started businesses or were elected to public office. Improvements in transportation access are measured in part by residents' transportation costs as a percentage of income and the concentration of housing units within a quarter mile of public transit stations. Indices of cultural life include the supply of dedicated artist housing and the number of free events by neighborhood. Progress toward environmental goals is measured partly by the number of buildings certified by the US Green Building Council and the number of days when Boston beaches are fit for swimming (Boston Indicators Project, 2012).

The Boston Indicators Project requires no primary data collection; all indicators are compiled from data already collected by state, federal, and local organizations. Therefore, the project is cost-effective. The indices are organized under specific goals in each subject area, showing that the indicators are linked to a strategic plan. The BIP demonstrates a triple bottom line measurement focus in that it includes explicit social, economic, and environmental goals. The indicator project was not designed for one specific organization or program, and the outcomes measured have been impacted by policies within the Boston metropolitan area. The project website includes a Hub of Innovation showing case studies of local programs that address one or more Civic Agenda goals (Boston Indicators Project, n.d.). As an example, for transportation improvements, a bicycle sharing program was initiated to ease traffic congestion and make Boston more pedestrian-friendly.

### *Minnesota compass*

In 2008, the Wilder Research Foundation, in conjunction with the Bush Foundation, started a system to track trends in community development across the State of Minnesota (Bush Foundation, n.d.). Minnesota Compass provides information on trends in numerous economic and community development issues including public safety, economic disparities, health, housing, and transportation. Indicators were selected for each issue based on input from development practitioners, business leaders, and policy researchers.

Advisory groups were formed to identify indicators that predict future policy needs, can be influenced by public policy, are understandable to users, and can be collected regularly and reliably with a limited budget (Wilder Research, 2009). Several main indicators were selected on each issue. For example, transportation conditions are measured by spending on transportation as a share of personal income, traffic injury and fatality rates, and a community's percentage of bridges classified as obsolete or dangerous. Economic disparity is measured by median household income for people over age 64 by race and gender. Annual data on each indicator are available by county and city with a population of more than 20,000, as well as for seven regions within the state.

Unlike typical outcome measurement systems, Minnesota Compass is not based on a specific organization's strategic plan. Instead, the indices were selected based on the expressed concerns of public officials, businesses, and academics. However, the indices provided are based on what development stakeholders find most relevant regarding social, environmental, and economic policy concerns. The indices fit with the strategic

goals of a variety of organizations, and the Minnesota Compass website (Wilder Research, 2009) has an “Ideas at Work” section for each measurement topic that lists organizations using the indices.

As an outcome measurement system, Minnesota Compass is cost-effective since time-series data for most indicators have already been compiled at the county or regional level. However, the data are not always current because they are not regularly collected for some variables. Currently, indicators provided by Minnesota Compass work best for systems-level indices used in a needs assessment, rather than to show outcomes for a recent program.

### ***Central Appalachian Network***

The CAN is a coalition of nonprofit organizations in Kentucky, Ohio, Tennessee, Virginia, and West Virginia dedicated to maintaining a prosperous farming community in the Appalachian region (Allen & Watson, *n.d.*). The network provides an array of services that keep regional farmers integrated into broader supply chains. Some of the organization’s activities include providing grants to farms and small businesses to improve their productivity and establish networks between farmers and wholesalers.

CAN uses an outcome measurement system based on the CCF (Allen & Watson, *n.d.*). Gains in the Appalachian region’s financial capital were measured by an increase in the average income of farmers selling to wholesalers. Improvements in natural capital were measured in acres of farmland preserved and protected from development. Built capital was measured by structures constructed with CAN grant money to help businesses such as a facility to freeze meats processed from regional farms. Gains in social capital or the building of relationships were evident as restaurants began featuring locally purchased foods on their menus and as other purchasing companies began extending loans to suppliers.

CAN’s measurement system stems from a strategic commitment to improve communities socially, economically, and environmentally. The network’s mission is to create wealth and reduce poverty while conserving the environment (Allen & Watson, *n.d.*). Indicators of the seven capitals used by CAN also relate to the organization’s strategic plan, since they were designed to measure a triple bottom line (Hoffer & Levy, 2010).

An assortment of strategies for reducing the cost of measurement is reflected in the outcome indicators. Some indicators are observable naturally as part of the organization’s operations. For instance, the number of facilities constructed to aid farmers is measured by following up with recipients of CAN grants. When secondary data are not readily available, case studies are used to reduce cost. Evidence of restaurants incorporating local crops into their menus is anecdotal, but indicates increased social capital.

### **Lessons learned**

Several lessons can be learned from the approaches to measuring community development examined in this article. Models that are primarily universal or contingent can guide decisions by community development practitioners regarding local changes. However, they involve differences in costs and the extent to which policy changes are based on unique characteristics in a community.

Financial or technical assistance from external sources is often necessary for a measurement system to succeed. Without this support, community development organizations may not deem the cost of measurement worthwhile. The CSC, for example, did

not adopt its indicators until it had obtained state funding to hire a consultant. Several examples previously discussed involved state or national organizations providing resources at the local level. The J.W. McConnell Family Foundation provided on-site evaluators for the YouthScape Initiative and Minnesota Compass provided indices for community development organizations statewide.

Communities should measure outcomes using available data sources when possible to reduce the measurement costs. Broward County's performance measurement system is based heavily on data from state and federal sources. Several of the Ford Foundation's dimensions of community wealth are measurable using information from state and federal sources, as are the performance measures used in the Broward County CSC. Quantitative data can be a powerful component of outcome measurement systems, providing generalizable observations about a program's ability to increase the seven capitals of community wealth. When data from state or federal agencies are available, they can be used without additional monitoring costs for the communities involved. However, qualitative indices have considerable advantages as well.

Qualitative information should be used when quantitative indicators are not readily available. While secondary data are useful, they may not always be timely. For instance, data for indices in Minnesota Compass are sometimes unavailable for the previous two years. In other cases, quantitative indicators may not be suitable simply because a community has not identified a specific measure. Development evaluation has been used in instances where communities did not have one outcome indicator but nevertheless needed feedback on service providers' performance in a timely fashion. Local data from state and federal sources may take a year to compile and make available (Gallagher & Putiak, 2010), but an evaluator can conduct several interviews and report on findings within weeks (Preskill & Beer, 2012).

Making a community indicator relevant to decision-makers precedes adding statistical complexity. Ideally, outcome measures lead to policy improvements, so the measures used must be clear and timely for policy-makers. In DEs, such as those conducted for the YouthScape Initiative in Canada, evaluators collected most of the information from regular interviews so that service providers received timely feedback on their performance. The indicators provided by Minnesota Compass were selected based on inputs from businesses, community development practitioners, and academics. The Children's Services Council in Florida integrated the performance measurement system into its budget because the system was championed by the organization's leadership.

Another lesson is that the triple bottom line approach to measurement is not always apparent. Some measurement systems discussed earlier, such as Minnesota Compass and the capitals used by the CAN, include indices for social, environmental, and economic goals. In some cases, the focus on environmental issues is less apparent. Community development initiatives may underreport their impacts by not documenting gains in environmental capital (Hoffer & Levy, 2010).

Perhaps the largest change in measurement practices has been a growing realization that community developers are not alone in documenting their successes. The availability of technical assistance for outcome measurement has expanded since the 1970s when the State of California published a guide for local governments to compile data on social conditions. Today, nonprofit and research organizations with a national focus guide community development organizations in tracking their performance. Examples include the VCs Canada partnership that uses a DE model with client communities and the Ford Foundation that provides grants for organizations to create and measure community wealth.

Ideally, an outcome measurement system would include elements of contingent and universal models, utilizing both qualitative and quantitative indices. In the early stages of a project or program, DE informs policy-makers and citizens of the initiative's challenges and successes. This allows for successful implementation and is especially helpful when timely quantitative data are unavailable. As community development initiatives mature and data become available for the program's earlier years, universal indices could provide a detailed retrospective of the program's ability to increase community wealth. Evaluation of quantitative growth in the seven capitals could then be used to inform the adoption of further changes in the community development organization's practices.

Much work has been done to make outcome measurement systems more accessible in terms of relevance to policy and cost-effectiveness. Community leaders interested in monitoring the effects or results of their intervention programs have the technical resources available. There is no question that monitoring results and outcomes will become a growing part of community and economic development efforts especially during continued fiscal austerity. Linking the progress toward goals into policy changes will always be difficult but fortunately, many agencies exist to help with these efforts.

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