



Community Action Agencies: STRENGTHENING OHIO'S COMMUNITIES

Community Economic Development Toolkit
October 2012



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INTRODUCTION

Welcome to the Community Economic Development (CED) Toolkit for Ohio's Community Action Agencies. This toolkit, commissioned by the Ohio Association of Community Action Agencies (OACAA), was prepared by the Voinovich School of Leadership and Public Affairs at Ohio University as part of a project to identify, document, and assess exemplary practices in CED initiatives administered by or in partnership with Ohio's Community Action Agencies (CAAs). CED initiatives promote economic growth, create jobs, increase community capacity, or improve the economic security of individuals. Detailed information about specific strategies is included in the accompanying Technical Report. The content of this toolkit reflects information obtained through interviews with CAA administrators and a Community Action Roundtable held in February, 2012.

The goal of this toolkit is to help CAAs be more cognizant of the CED impact their programs currently have or could have on Ohio's communities. It is intended to be useful to all agencies, regardless of their current level of CED programming, as it will help CAAs explore their current programming and avenues to create new opportunities that fit their mission and capabilities. Most importantly, it should serve to help CAAs communicate their value in facilitating economic growth with key stakeholders.

One of the key findings identified in the Technical Report was that all CAAs implement some type of CED programming, but many do not always see themselves as economic drivers. CAAs have the opportunity to strengthen their programs by inserting themselves into the economic development network and capitalizing on these key opportunities to form critical partnerships and secure new funding.

Another key finding showed that not all CAAs need to implement broad-scale CED initiatives. Each CAA is unique, responding to issues and trends in their communities with the resources available to them, and CED programming encompasses a wide array of areas and services. Therefore, CAAs should develop initiatives that capitalize on their individual strengths and capacity. For some CAAs they may partner with other economic drivers in their community, to support and supplement CED initiatives. While for others, they take the lead in CED programming.

With these key findings in mind, the Voinovich School developed this toolkit for any CAA wishing to expand their CED involvement and impact in their community. This toolkit is not intended to replicate available technical assistance to CAAs, and therefore focuses on strategies specific to CED that will increase the visibility and value of CAAs initiatives. Each of the five sections addresses a specific challenge noted during the Voinovich School's research. CAAs may work through this toolkit in its entirety, or select chapters that address their specific needs and issues:

Section 1: Assessing Your Community: In this section, CAAs gain a better understanding of current economic development actors and activities in their communities. This section is most useful for CAAs that want to explore what type of CED initiative would be most useful for their community.

Section 2: Cataloging Your Agency's Programs: This chapter encourages CAAs to view their programs within a CED framework in order to better understand and articulate their current CED role. This section is most useful for CAAs who desire to evaluate their current program portfolio and begin to assess the feasibility of new initiatives.

Section 3: Getting a Seat at the Table: This section has been included to help CAAs expand their CED network. This section is most useful for CAAs who are unsure about who to approach and how to form partnerships with private stakeholders.

Section 4: Measuring Value: This section provides a guide for CAAs to develop metrics that can better communicate the impact of their CED programing. This section is useful for all CAAs, regardless of an agency’s degree of involvement in direct CED initiatives.

Section 5: Creating Your Message: This section helps CAAs communicate the value of their CED contributions in their community. This section is useful for all CAAs to better frame their story for sustained internal, community, and political support.

Each chapter includes a facilitation guide, activity worksheets, and additional resources. When appropriate, chapters include completed activity examples using a fictional case study, found on page 3. In addition, two documents referenced throughout the toolkit that explain types of CED and relevant program metrics are found on pages 4-5. It is recommend that staff and board members be included in these activities in order to capitalize on the knowledge and expertise of the entire agency. This toolkit assumes that users have reviewed the accompanying Technical Report for definitions, background information, and best practices identified over the course of this project.

EXAMPLE CASE STUDY

West Ohio Works (WOW) Community Action Agency: NUTRITION PARTNERSHIP

The mission of West Ohio Works (WOW), a rural Community Action Agency, is to empower individuals and communities by developing projects and partnerships to enable people to help themselves. To fulfill part of this mission, WOW has been providing Senior and Summer Youth Nutrition programs for the past five years to a three-county area. The program delivers meals directly to seniors' homes and multiple school sites. In light of increasing transportation costs, federal and state funding was not enough to cover expenses. Additionally, WOW's outdated facility to prepare food was damaged in a storm and repairs were more than the organization could afford. Given these setbacks, WOW was considering closing their nutrition programs.

At the same time, a local restaurant was also struggling. Unable to sustain itself with a predominantly seasonal customer base, the Pie-in-the-Sky Restaurant was on the verge of closing. The executive director of WOW saw a for-sale sign in the restaurant's window and realized the tremendous potential for a partnership. Pie-in-the-Sky's owner did not want to lose the restaurant, but could not afford to continue. WOW purchased and renovated the restaurant building with grants and local government funds, then established a rental agreement with Pie-in-the-Sky's owner. The owner would rent the restaurant space from WOW, and WOW could prepare the food for the nutrition programs in an updated kitchen. Additionally, the central location of the restaurant has increased efficiency in delivering meals, saving on fuel costs and delivery time.

In launching this project, the Executive Director of WOW was just trying to fulfill the mission of its Senior and Summer Youth Nutrition programs and stumbled onto a valuable economic development opportunity. The Partnership's effects on the local economy include:

- ✓ The restaurant remains open, providing a resource for the community to attract tourism and increase local dollars
- ✓ The restaurant and the Nutrition programs purchase meat and produce from local farmers
- ✓ The restaurant employs 11 individuals
- ✓ The Senior and Summer Youth Nutrition programs employ 13 individuals
- ✓ The 24 employed individuals increase buying power in the community
- ✓ The central location of the restaurant increases efficiency in delivering meals by saving on fuel costs and delivery time
- ✓ The restaurant can be used as a kitchen incubator for other small businesses

This case study was modified from an actual CAA-administered program encountered during interviews conducted for this project. Changes have been made to meet the needs of this toolkit. This example was selected because it represents a program that was not intended to be a major CED initiative, but which had widespread impact on growth in its community, and therefore would benefit from a concerted effort to communicate its impact on CED.

REFERENCE GUIDE

Guide 1: Types of Community Economic Development

Below is a brief description of the types of CED and examples of associated programs and initiatives.

Strategies	Criteria	Programs and Initiatives
Increases Employment or Enhances Employment Opportunities	A project or initiative increases employment opportunities for individuals through training and education, and enhances employment through retention services and upgrading skills.	Job Counseling, Employer Partnerships, Industry Training
Results in Infrastructure Development or Redevelopment	A program or initiative that creates, redesigns, repurposes, or improves infrastructure elements in a community to increase its benefit to a greater number of community members.	Broadband, Public Transportation, Housing Development
Increases Business Development Opportunities	A program or initiative assists in the development, retention, or expansion of local businesses that create or maintain jobs, attract capital, and create economic stability for business owners.	Microenterprise, Technical Assistance, Microfinancing
Improves the Financial Security of Individuals through Asset-Building	A program or initiative that is designed to help individuals obtain income-generating assets.	Individual Development Accounts, Homebuyer's Assistance, Credit Counseling
Attracts Capital Investment	A program or initiative obtains investments from individuals, businesses or government agencies. Capital Investment must provide long-term benefits that will continue beyond the duration of the program.	Recycling Services, Downtown Revitalization, Commercial Development

Guide 2: Sample Community Economic Development Measures

Below is a list of possible CED initiatives and metrics. They are not all-inclusive, nor do they apply to every initiative.

Key: ➤ Outputs ❖ Outcomes

Program Type	Example	Potential Measures
<p>Workforce Development <i>Increasing employment opportunities for individuals through training and education.</i></p>	Job Training Programs	<ul style="list-style-type: none"> ➤ Number of trained individuals placed in jobs ➤ Types of jobs and wages ➤ Number of employers assisted ❖ Employment retention ❖ Increase in wages after training ❖ Increase in payroll taxes ❖ Cost-savings to employers
<p>Employment Support Services <i>Services designed to increase employment and job retention.</i></p>	Transportation	<ul style="list-style-type: none"> ➤ Number of people provided transportation or transportation-related services for the purpose of obtaining or retaining employment ❖ Increase in people obtaining employment as a result of service
	Individual Job Counseling	<ul style="list-style-type: none"> ➤ Number of individuals placed in jobs ➤ Types of jobs and wages ❖ Employer satisfaction with job applicant ❖ Ability to meet demands for labor needs
<p>Financial Security <i>Improving the long-term financial security of individuals through education and asset building.</i></p>	Individual Development Accounts (IDAs)	<ul style="list-style-type: none"> ➤ Number of IDAs successfully established ➤ Number of dollars invested in IDA accounts ❖ Number of individuals buying a home and value of home ❖ Total value of IDA purchases ❖ Number of businesses and employees, etc.
	Home Ownership Education	<ul style="list-style-type: none"> ➤ Number of homes purchased ❖ Increase in buying power of new homeowners ❖ Increase in sales taxes from merchandise purchases
<p>Entrepreneurship and Small Business Development <i>Supporting businesses and entrepreneurs to create and retain jobs.</i></p>	Microenterprise Programs	<ul style="list-style-type: none"> ➤ Number of businesses created (including sole proprietor) ❖ Jobs created ❖ Jobs retained ❖ Types of job and wages
	Microfinancing	<ul style="list-style-type: none"> ➤ Number and amount of loans distributed ❖ Capital gains achieved from these loans
	Technical Assistance	<ul style="list-style-type: none"> ➤ Number of businesses assisted ❖ Cost-savings to businesses ❖ Jobs added or retained as a result of the service
<p>Infrastructure Improvements <i>Developing or improving infrastructure through the efficient and effective use of resources.</i></p>	Housing Development	<ul style="list-style-type: none"> ➤ Amount of square feet created/renovated/repurposed ➤ Number of housing units developed ➤ Miles of line laid (water, sewer, electric, gas, broadband) ➤ Total dollars invested in construction-related costs
	Downtown Revitalization	<ul style="list-style-type: none"> ➤ Number of business locations developed or redeveloped ➤ Amount of square feet created/renovated/repurposed ➤ Number of jobs created or retained, wage information ❖ Increased sales in the downtown district

SECTION 1: ASSESSING YOUR COMMUNITY

Introduction:

In this section you will identify existing community programs that address Community Economic Development (CED), ascertain gaps in these services, and determine opportunities for new or expanding initiatives. If programs are not currently administered by Community Action Agencies (CAAs), they can still play a vital role in enhancing the success of CED programs offered in their community. Some existing anti-poverty services may be tangential to CED and may play a vital role in enhancing the success of these programs. This section is included because the research team determined that a key strength of CAAs is their dedication to meeting unmet needs of their communities, rather than competing with existing services. This enables CAAs to capitalize on their existing skills and make important contributions to economic growth in their communities. Additionally, creating a comprehensive inventory of current community services will help to identify key economic development players. These players are an important resource for determining future priorities and trends.

Objectives:

- Identify needs for new CED programming in your community
- Identify service gaps in current CED programs in your community

Activity Facilitation:

1. **Tool 1-1: Exploring CED Programming in Your Community:** With your board and/or staff, catalog the existing CED programs in your community, and identify any gaps in these services.
2. **Tool 1-2: Envisioning Future Directions:** Using the prompts, articulate the current needs and wants of your community to identify new opportunities for CED programming. You may want to first find out if your community has a formal strategic plan that articulates priorities, upcoming projects, or targeted efforts towards specific industry or infrastructure improvements.

Results:

After completing the activity you will have a better awareness about what CED programs are already provided in your area and will have identified gaps in these services. These gaps provide two opportunities for CAAs. First, gaps are a strong indicator of program development opportunities. Programs that are developed to meet unmet needs, especially when these gaps affect the welfare of a labor force or access to businesses, are more likely to garner support from key public and private stakeholders. Second, gaps in service may provide a new framework for agencies to promote their programs. For example, a new local business may have problems with absenteeism of recently hired employees. A CAA, which knows the community, can address barriers such as transportation as the root of this problem. Using multiple strategies, such as car ownership programs or scheduled transit, the CAA now has an opportunity to form a critical partnership with this business, connecting community members with stable employment and employers with a willing and able labor pool.

How to use the information gained:

Through this activity, you have begun to identify needs and gaps in current CED programming in your area. If you have determined that you currently offer services that would address existing challenges, Section 5 of this toolkit will help you create a message that communicates this value to your CED community. If

you have determined that opportunities exist for developing new CED initiatives in your agency, Section 2 of this toolkit will help you determine if and how these initiatives fit into your current agency goals and program portfolio. New initiatives may require a more in-depth needs assessment to generate the political and financial support necessary to begin implementation. A local college or university may be a good resource to help you conduct this needs assessment, in addition to the resources provided below.

Additional Resources:

The Center for Applied Research and Environmental Systems at the University of Missouri in partnership with the Community Action Partnership National Association, the Missouri Association for Community Action, and the New York State Community Action Association created the assessment tool linked below. The tool is a good starting point for conducting a needs assessment as it provides basic state and county data in an editable format: <http://www.communityactioncna.org/>

The Community Toolbox provides detailed instructions to conduct community needs assessments. This resource includes strategies for assessing stakeholder desires, evaluating the feasibility of meeting these goals, and evaluating the availability of resources: <http://ctb.ku.edu/en/dothework/tools tk 2.aspx>

Tool 1-1: Exploring CED Programing in Your Community

Identify the CED programs currently offered in your community. As you list these programs, keep in mind:

- ✓ Are there services not being provided that may reduce the effectiveness of these programs?
- ✓ What opportunities exist to develop programs to fill gaps or address these unmet needs?
- ✓ What opportunities exist to form a critical partnership with these programs?

Program Type	Example	What programs already exist in your community?	Who provides these services?	Is the program sufficient to addressing the community need?
Workforce Development <i>Increasing employment opportunities through training and education.</i>	Industry Training Programs			
Employment Support Services <i>Services designed to increase employment and job retention.</i>	Transportation			
	Individual Job Counseling			
Financial Security <i>Improving the long-term financial security of individuals through education and asset building.</i>	Individual Development Accounts			
	Home Ownership Education			
Entrepreneurship and Small Business Development <i>Supporting businesses and entrepreneurs in ways that create and retain jobs.</i>	Micro-enterprise Programs			
	Micro-financing			
	Technical Assistance			
Infrastructure and Capital Investment <i>Developing or improving infrastructure through efficiently and effectively using resources.</i>	Housing Development			
	Downtown Revitalization			

Tool 1-2: Envisioning Future Directions

Using the following prompts, articulate the current CED needs, goals, and opportunities in your community.

Needs:

What are the current unmet CED needs in my community?

- *What are the barriers to accessing economic opportunities?*
- *What types of employment opportunities are best suited for citizens' skills?*

Goals:

What are the goals of my community?

- *What types of businesses does the community want?*
- *Who is responsible for defining community-wide goals and projects?*

Opportunities:

What are the funding priorities in my area?

- *Have any foundations, United Way, or other funding sources articulated new focus areas?*
- *What are the priorities and values of local government officials?*

SECTION 2: CATALOGING YOUR AGENCY'S PROGRAMS

Introduction:

In this section, you will identify your agency's current portfolio of Community Economic Development (CED) programs. Examining your current programs, staff and board goals, and resources will help guide decisions to enter or expand into economic development programming. This section has been included because interviews with Community Action Agency (CAA)-administered CED programs revealed two major themes. First, analysis confirmed that every CAA in Ohio is administering CED programs, yet some CAA staff and board members did not see CED programs as an important component to their organization's mission. Therefore agencies may want to increase awareness internally of the value of CED programming as well as address any resistance to change. Additionally, if agencies do not see themselves as economic development agents, their communication and outreach strategy is likely missing core messaging regarding the critical role they play in their community's economic growth. Further, although CAA staff may not currently possess the skill-sets needed for complex CED programming, they are often compelled by requests from local stakeholders to implement these programs. Therefore, it is critical that agencies create a picture of their CED portfolio and identify their capabilities to implement this type of programming.

Objectives:

- Align CED goals with current programming and mission
- Determine the scope of CED programming that is feasible and desirable

Activity Facilitation:

1. With board and/or staff, discuss personal definitions of CED. Include examples of programs and specific goals of CED.
2. **Tool 2-1: Understanding the Types of Community Economic Development:** Review *Guide 1: Types of Community Economic Development* in the Reference Guide. Discuss other examples of programs that may meet the described criteria for each of the five strategies. Then, collectively or in small groups, review the four examples in Tool 2-1 and determine: 1) is this program a type of CED?; 2) if so, what type of CED?; and 3) why?
3. **Tool 2-2: Inventory of Community Economic Development Programs:** Make a list of your agency's programs. Which programs are CED, and what type? What are the current strengths and weaknesses of a program's ability to impact CED in your area?
4. **Tool 2-3: Placing Your Programs on the CED Spectrum:** Using the list of programs identified in Tool 2-2, mark where each program is on the CED Spectrum. Can you put the majority of your agency's programs on the CED spectrum? Does your program portfolio tend to cluster at one end of the spectrum?

Results:

By discussing the definitions of CED, you have gained insight into your agency's attitudes towards CED programming. Once you have defined your agency's program portfolio, you can better articulate your current strategies for addressing CED and identify possible new ones. If the majority of your programs cluster around the individual self-sufficiency end of the spectrum, then perhaps this targeted focus is a strength that you will want to further develop. If you have found that your programs are interspersed throughout the CED spectrum, there may be areas for expansion or new programming that can capitalize

on the resources you already possess. Regardless of your current programing, understanding how you contribute to CED in your local area will strengthen your message for funders and potential partners when you attempt to communicate the value of your programs.

How to use the information gained:

Now that you have a clearer picture of how your agency fits into CED, and have agreed on agency-wide definitions and priorities for CED, you can begin to explore strengthening your CED programing. This chapter is not meant to replace a full organizational assessment, which is invaluable for determining the feasibility of expansion of CED initiatives. Because there are many organizational assessment tools already available to CAAs, this toolkit does not replicate these resources. The resources below are provided to assist you with completing a full organizational assessment and determining the feasibility of new programing:

Additional Resources:

The Community Action Partnership offers several guides and prompts for organizations to determine if CED programing is right for them. Users can learn about organizational infrastructure needed to create or expand successful CED projects. This resource is specifically tailored to CAAs: <http://www.partnershipced.org/get-started.html#CED>

The Organizational Change Initiative provides templates and handouts to assess the organization and facilitate improvements. This resource includes a value chain analysis, self-assessments, and guides for managing organizational change. Implementation strategies are also included: <https://depts.washington.edu/oei/tools-and-templates#section1>

Tool 2-1: Understanding the Types of Community Economic Development

Using *Guide 2: Types of Community Economic Development* in the Reference Guide, identify the type of community economic development for each of the examples below and explain how it meets that definition (some programs may fit more than one category):

Example 1:

The XYZ Community Action Agency has recently acquired a new building downtown to house a computer lab, allowing XYZ to offer computer trainings. There is plenty of space in the new building, so XYZ has leased some of the space to a local cleaning service for their administrative offices. The building required extensive rehabbing to ensure safety and access.

Is this community economic development? What type?

Example 2:

XYZ Community Action Agency offers Emergency Energy Assistance for low-income families who are delinquent on their heating bills.

Is this community economic development? What type?

Example 3:

XYZ Community Action Agency operates a limited recycling center. The Recycling Center sells recycled materials and reinvests those resources into community assistance programs. The Recycling Center employs 46 people.

Is this community economic development? What type?

Example 4:

WOW Community Action Agency has purchased a building with an industrial kitchen to prepare food for their nutrition program. The agency has created a rental agreement with the previous owner, so that she can retain her restaurant.

Is this community economic development? What type?

Answers:

Example 1: Yes—by offering a space for a local small business, this project ***increases business development opportunities***. The project also ***increased employment*** through the building rehabilitation, and this redevelopment of this commercial building may lead to ***attracting capital investment***.

Example 2: No—though this program may increase economic stability, it does not assist in the development of new economic growth opportunities for the community or individuals.

Example 3: Yes—this program ***attracts capital investment*** by bringing in and circulating community wealth. The program also ***increases employment*** in the community.

Example 4: Yes—this project has prevented a small business owner from closing and has provided a more sustainable option for continued operations, thereby ***increasing business development opportunities***. This initiative has also maintained a restaurant in a rural community, improving tourism infrastructure and ***attracting capital wealth*** through increased business through the area.

Tool 2-2: Logging Your CED Programs

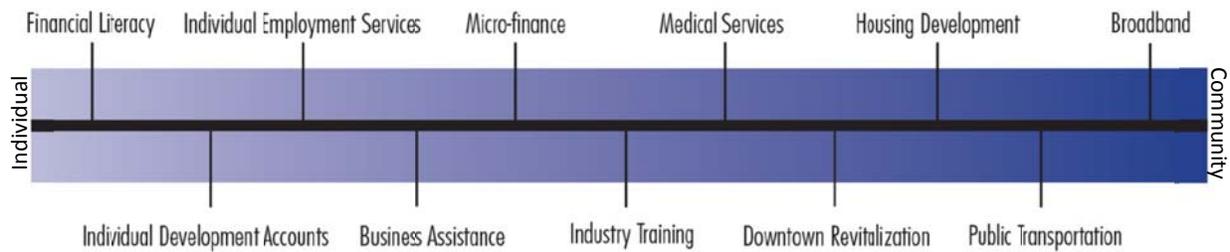
List all programs administered by your agency. Next, identify the types of economic development this program meets, if any. Can the majority of your programs be defined as economic development? Finally, assess your program’s overall performance to identify main strengths and weaknesses. This will be useful in later chapters of the toolkit when identifying new partners and developing program metrics.

Programs Name	Type of Community Economic Development					Not CED program	CED Program Performance	
	Increases Employment	Infrastructure Development	Business Development	Financial Security and Asset-Building	Attracts Capital Investment		Describe the program’s main strength	Describe the program’s main weakness.
WOW CAA Nutrition Partnership			✓		✓		Provides a sustainable solution for small business owner	Limited impact; difficult to measure effect on community

Tool 2-3: Placing Your Programs on the CED Spectrum

Of the CED programs identified using *Tool 2-2: Logging Your CED Programs*, place the programs on the economic development portfolio spectrum found below (*Figure 1*). Programs focusing on individuals are on the left and community-wide initiatives are on the right. Programs that address businesses are in the middle. Once you have identified the location, summarize the results. Is your agency predominately involved in CED programs encouraging individual self-sufficiency or programs that have community-wide impact? Findings from this exercise will be useful to crafting the agency's public value message regarding the types of CED programming and impacts the agency is making in the community (Section 5).

Figure 1: Community Economic Development Portfolio



Place your CED programs on the spectrum below:



SECTION 3: GETTING A SEAT AT THE TABLE

Introduction:

In this section you will identify new avenues for partnerships that will enhance your program's effectiveness and increase your visibility in the economic development community. As established in previous sections, even agencies that do not implement complex economic development initiatives can still benefit from partnerships with key economic development actors. These actors can enhance program success through their knowledge and expertise in connecting participants with economic opportunities to achieve self-sufficiency. This section has been included as a result of many Community Action Agency (CAA) administrators indicating they felt ill-equipped to engage private and public economic development stakeholders. By developing and enhancing these critical partnerships, CAAs will be better positioned to leverage support and capitalize on emerging opportunities.

Objectives:

- Identify critical partnerships to enhance program success
- Identify strategies to engage and motivate private sector partners

Activities:

1. Review *Figure 2: Levels of Collaboration*, on the next page, with program staff. Then complete **Tool 3-1: Identifying Partners** to catalog existing and potential partners to enhance your Community Economic Development (CED) impact. As you identify potential new partners, ask yourself:
 - What would make our program better and who can provide this service?
 - Specifically, how can partners increase the program's resources or capabilities?
2. Complete **Tool 3-2: Designing Your Approach** to develop your action plan. Before approaching partners to begin or strengthen a partnership, identify:
 - What are their motivations and needs?
 - If they are uninterested or unsupportive, what information might change their minds?
 - How can we better educate them about this issue?
 - What benefits can we offer this partner?

Results:

After completing this section's activities, you should be more aware of your current network and opportunities for expansion. The most important thing to remember when forming partnerships is that they are a two-way street. Sustained collaboration rarely results from only "feel-good" motivations. Cooperative businesses may be trying to improve their public image or draw new customers. Economic development organizations may desire your input to help them overcome barriers with community residents. Find out what their motivations are, and capitalize on them. Additionally, it is important to continually evaluate and assess your partnership to ensure it remains aligned with your partners' current and future motivations and needs.

How to use the information gained:

Now that you have identified potential partnerships to explore, it is time to implement the action plans you developed in *Tool 3-2: Designing Your Approach*. The resources included below provide more detailed information on forming public-private collaborations and how to approach these stakeholders:

Additional Resources:

The International Economic Development Council provides an overview and several resources for agencies looking to form public-private partnerships to advance CED projects:

http://www.iedonline.org/index.php?p=Guide_Partnerships

The Substance Abuse and Mental Health Services Administration has created a toolkit specifically for community-based organizations looking to partner with private-sector entities:

http://www.samhsa.gov/fbci/docs/PartnerHandbook_feb2006.pdf

Figure 2: Levels of Collaboration

<p>Cooperation</p> <p><i>Informal relationship involving some planning and joint activity and addressing short-term goals.</i></p>	<p>Partnership</p> <p><i>Formal relationship, with communication channels, joint planning and action, negotiated roles, long-term goals, sharing of resources, risks and rewards.</i></p>	<p>Collaboration</p> <p><i>Develop commitment to common mission. Focus on long-term efforts and system change. Pooled resources, shared products.</i></p>
<ul style="list-style-type: none"> • Provide information to each other • Quasi-defined role • Formal communication • All decisions are made independently 	<ul style="list-style-type: none"> • Share information and resources • Defined roles • Frequent communication • Shared decision making 	<ul style="list-style-type: none"> • Members belong to one system • Defined roles with clearly specified tasks • Frequent communication with mutual trust • Consensus is reached on all decisions

Tool 3-2: Designing Your Approach

Now create a plan to approach potential partners. For each potential partner, identify their motivations and what your organization can bring to the table.

- What are their motivations and needs?
- What benefits can we offer this partner?
- If they have been uninterested or unsupportive in the past, what information may change their minds?

Who are potential partners?

Potential Partner	How might they be able to help?	What can we offer them?

What are our next steps?

Create a plan for who will initiate contact with potential partners and how they will be approached.

SECTION 4: MEASURING VALUE

Introduction:

As competition for funding increases, funders expect data and information regarding the effectiveness of their investments. Community Economic Development (CED) initiatives are no exception, even if funds come from private sources. Additionally, agencies that can demonstrate a good track record are more likely to be sought after for new partnerships or opportunities. During agency interviews it was noted that many Community Action Agencies (CAAs) struggle to communicate the impacts of CED initiatives. The impacts of CED initiatives go beyond “standard” social service reporting such as number served, placement rates, literacy improvements, etc. To effectively communicate impacts of CED initiatives, agencies must look at impacts beyond the individual—how has the initiative contributed to improving the economic circumstances of the general community? Often, attempting to measure these impacts is beyond the capabilities of individual agencies. This difficulty in articulating impacts cause many CAAs to perceive CED programming as risky ventures that may jeopardize existing funding sources. However, identifying impacts will help you define your contribution to public value and create a message that will enable you to better develop initiatives and promote your existing impact on CED.

Objectives:

- Identify new measurements of CED programs
- Connect program activities to broader impacts on economic development

Activity Facilitation Guide:

1. **Tool 4-1: Identifying Metrics:** Work in small groups. Assign each group an individual program and complete Tool 4-1. Use *Guide 2: Community Economic Development Measures*, located in the Reference Guide, for suggestions. When trying to identify potential measures to communicate the value of your program to the CED community, think about the “strata” of your community: the benefit to the individual, to the organization, to the neighborhood, to the city, county, and to the state. Some general questions you may want to ask include:
 - Does this program or initiative provide benefits to anyone not directly touched by the program?
 - If your program increases the income or “buying power” of individuals, where are those dollars being spent?
 - Does your program attract new residents, businesses, or tourists to the area?
2. **Tool 4-2: Using the Value Chain:** In small groups, ask program staff to complete the Value Chain Worksheet for individual programs. Use the completed Value Chain Example as a reference as needed.

Results:

This exercise has helped you identify economic development impacts and better articulate the link between your program activities and the outcomes experienced by the community. This will help you better frame your story for sustained internal, community, and political support in Section 5. Some of the long-term outcomes you have identified, such as increased business sales or tax revenues, are difficult for CAAs to measure. Even when long-term outcomes cannot be measured, noting the assumption of impact when communicating value to stakeholders is generally acceptable, and preferable to not reporting anything. However, CAAs should make an effort to record as much data as

possible. CAAs can partner with any number of technical assistance organizations in Ohio that conduct economic impact studies. Even without funding, CAAs can approach colleges and universities to request student projects on topics such as impact analysis, program evaluation, and feasibility studies. Actual measurements can greatly enhance your message, providing increased understanding and credibility.

How to use the information gained:

If you have identified new measurements for your program, create a strategy with your organization to consistently document and evaluate these new measures. The additional resources included below will also help you with impact measurements. Tool 4-1 has also helped you to identify new impacts, which will be used in *Section 5: Creating Your Message*.

Additional Resources:

The International Economic Development Council provides an online Economic Development Reference Guide. Covering 28 CED topics, this guide provides suggestions for metrics, emerging trends, and additional resources for CED administrators:

http://www.iedconline.org/?p=ED_Reference_Guide

The Community Toolbox discusses how to identify, measure, and use community-level indicators to evaluate and articulate success. The resource includes possible sources of data and how to use this data to influence funding and policy priorities:

http://ctb.ku.edu/en/tablecontents/sub_section_main_1371.aspx

The Substance Abuse and Mental Health Services Administration provides several different resources to help direct service practitioners identify measures and implement evaluation plans. These resources were identified as appropriate for practical use by agency administrators:

<http://captus.samhsa.gov/access-resources/evaluation-tools-and-resources>

Tool 4-1: Identifying Metrics

This exercise uses the logic from Root Cause Analysis and reverses it. Root cause analysis requires decision-makers to identify a problem and then ask “why” a minimum of five times to get at the root of the problem and improve operational factors. By inverting this process, we can expand our understanding of CED impacts to the broader community.

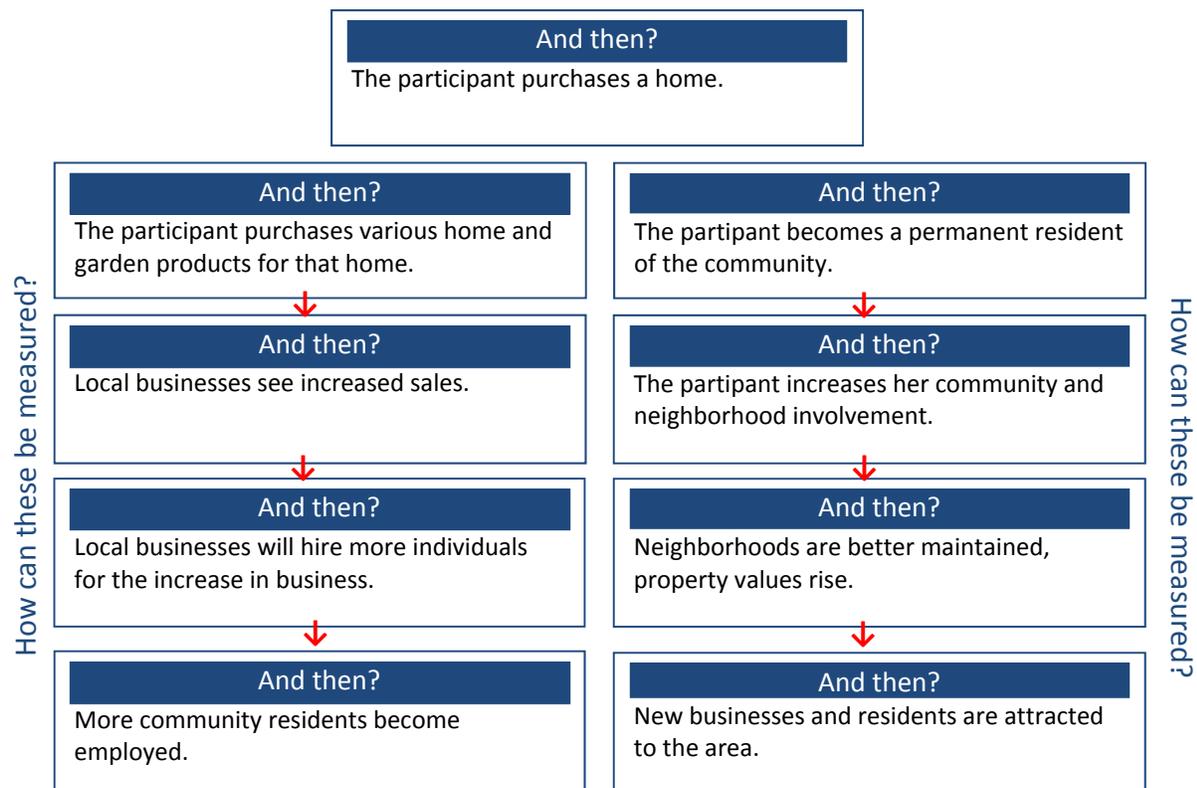
Begin by identifying an individual output of a program, such as an Individual Development Account (IDA) participant achieving her savings goal. Then ask yourself “and then?” five times to get at the broader impacts to the community.

You may find that you come up with more than one answer for each question. Explore each of these paths—different results may be of interest to different stakeholders. See the example using a simple IDA program below. Then, use the space on the following worksheet to create your own flowchart.

Next, brainstorm ways to measure each of these results. Perhaps you can identify where the products were purchased or have the participant estimate the amount of products purchased. Collaborating with a technical assistance organization to conduct an impact study could help you assess the increase in sales and sales tax. If you have partnerships with other public or private entities, ask them for data or general information regarding the impact of your program on their circumstances or goals.

Identifying Metrics Example:

An IDA participant achieves her savings goal.



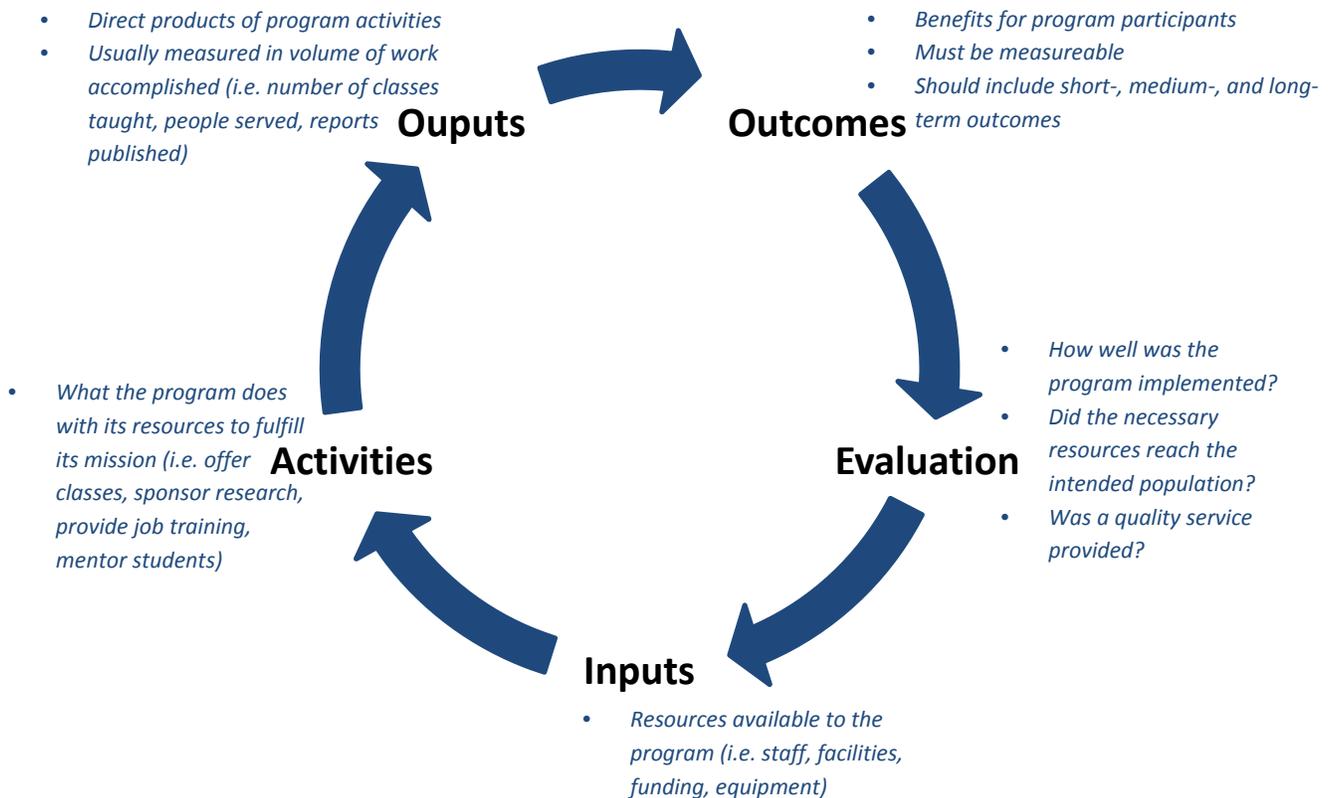
Tool 4-1: Identifying Metrics

Use this space to make your own chart to identify the broader impacts on your community. Remember, there can be multiple versions for the same program:

Tool 4-2: Using the Value Chain

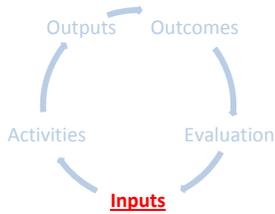
There are two ways this exercise can be used. If you want to explore how an existing program impacts economic development in your community, begin with the *Inputs* section of the Value Chain and work your way forward, thinking in broad terms about the effects of each input, activity, and output to develop your CED impacts. If you want to explore how to enhance the economic development impact of your program, begin the Value Chain with *Outcomes*. Are there specific issues in your community you would like to tackle (i.e. decreased tax revenues, low homeownership rates)? Begin with your desired outcomes and then work backwards to identify the necessary activities and inputs to achieve your goals. A completed example for the WOW Case Study is included on the following page.

Figure 3: Value Chain



Tool 4-2: Value Chain Example—WOW Nutrition Partnership

If we have these resources...



Inputs:

- Pie-in-the-Sky Restaurant and its existing infrastructure
- Remaining infrastructure from the Senior and Summer Youth Nutrition Programs—WOW staff, knowledge, recognized need in community
- Grants and local government funds to renovate Pie-in-the-Sky

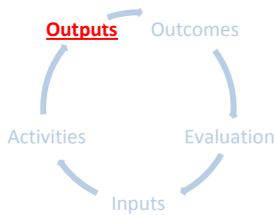
Then we can perform these activities...



Activities:

- WOW prepares and delivers nutritious meals for area youth and seniors
- WOW administers a rental agreement for Pie-in-the-Sky Restaurant
- Pie-in-the-Sky Restaurant performs restaurant operations

And then we will accomplish this...



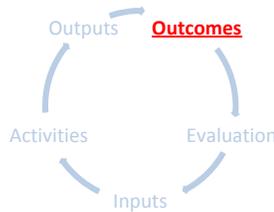
Outputs:

- 24 individuals maintain stable employment
- Small business retained in the community
- The new location has increased efficiency of meal delivery

And we will achieve these things valued by society...

Short-term Outcomes:

- Annually, the partnership disburses \$200,000 in wages to the 24 part time employees
- Small business purchases food and supplies from local vendors
- The new location for the Senior and Summer Youth Nutrition Program uses 25% less fuel



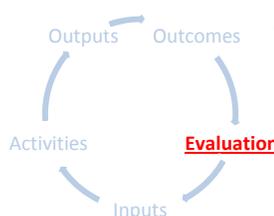
Medium-term Outcomes:

- Payroll taxes maintained by 24 jobs saved
- Local farmers strengthened by increased and steady business
- Gas savings enable the program to expand their service area

Long-term Outcomes:

- Government revenue obtained through steady payroll taxes
- Increased revenue in the community through support of local businesses
- The program is able to serve larger numbers of seniors and youth

Did we reach the intended population, provide quality services, etc.?



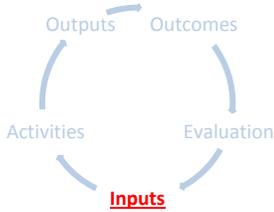
Evaluation:

- To improve, Pie-in-the-Sky could be used as an incubator during non-peak times to increase opportunities for local entrepreneurs
- The program saved money, retained and spurred existing businesses, avoided redundancies, and increased efficiency

Tool 4-2: Value Chain Worksheet

If we have these resources...

Inputs: What resources are available for the program? (i.e. staff, facilities, funding, equipment)



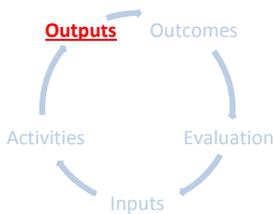
Then we can perform these activities...

Activities: What does the program do with its resources to fulfill its mission? (i.e. offer classes, provide job training, mentor students)



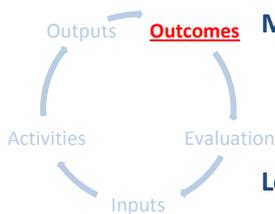
And then we will accomplish this...

Outputs: What are the direct products of the program? (i.e. number of classes taught, people served, reports published)



And we will achieve these things valued by society...

Short-term Outcomes: How can the products be measured? (i.e. change in knowledge, attitude, skills, or resources)

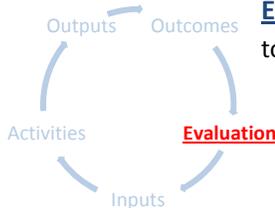


Medium-term Outcomes: (i.e. change in behavior)

Long-term Outcomes: (i.e. change in condition or status)

Did we reach the intended population, provide quality services, etc.?

Evaluation: Was the program implemented well? Can it be improved? How can the story be told to stakeholders?



SECTION 5: CREATING YOUR MESSAGE

Introduction:

In this section you will create a value statement. A value statement communicates how an agency's goods, services, and processes create or enhance benefits for the public. A well-crafted value statement is critical to inform and engage all levels of stakeholders—the community, partners, funders, and internal board and staff. This section has been included because program interviews revealed that several Community Action Agencies (CAAs) administering Community Economic Development (CED) initiatives were not adequately articulating the value of their programs, missing opportunities for new partnerships or community support. Some agencies simply did not recognize their programs as drivers for economic growth. They understood the connection to community economic development, but they did not see this as the main crux of the program. Identifying impacts, defining public value, and creating a targeted message will help promote your existing contributions to CED and develop new initiatives.

Objectives:

- Articulate a program's story for internal, community, and political stakeholders
- Develop a value statement

Activity Facilitation Guide:

1. **Tool 5-1: Articulating Value:** Complete the worksheet to craft your value message by using the activities, outputs, and outcomes from your Value Chain in Section 4. Keep in mind the “strata” of your community: you may need to develop more than one value message for your various stakeholders. Which outcome is of the greatest importance to a stakeholder? Once this is identified, keep your value message focused on how your program activities achieve this goal. This brief statement essentially becomes your “CED Elevator Speech.”
2. **Tool 5-2: Developing Your Communication Strategy:** This tool expands on the Value Statement by targeting your message to achieve a specific purpose. This purpose may include obtaining new funding or forming a partnership. You must have a goal and a specific target audience. This guide should act as a template for your future outreach efforts, and will change according to specific needs and circumstances.

Results:

These two exercises have helped you communicate your CED value in your community. These messages can be useful even for programs that do not directly impact CED efforts, as they can be used to highlight program activities that support other initiatives. If you have identified new measurements for your program that are being articulated in your messages, create a strategy to consistently document and evaluate these new measures, because they will now receive increased attention as you approach stakeholders.

How to use the information gained:

Now that you have developed your public value statement, get it out there! Use this when communicating with funders, political entities, and potential partners. Ensure that staff and board members are familiar with the message and strategy so that it can be consistently communicated

throughout your community. The resources included below provide additional assistance with value messaging and impact measurements.

Additional Resources:

The Community Tool Box includes a chapter to assist organizations in putting their issues on the public agenda. This chapter includes information on identifying the appropriate stakeholders to approach, building community awareness, and developing a messaging plan. Though some information is specific to Community Health, the prompts located throughout the chapter are helpful to any community agency: http://ctb.ku.edu/en/tablecontents/chapter_1004.aspx

The Community Action Partnership provides a toolkit titled “Working with Foundations.” This guide helps CAAs learn how to approach public and private foundations about CED initiatives: <http://www.partnershipced.org/images/stories/ced-pdf/working-with-foundations.pdf>

Tool 5-1: Articulating Value

Use the prompts to craft your value message, using the activities, outputs, and outcomes from your Value Chain in Section 4.

Example Value Statement: WOW Nutrition Partnership

By purchasing and renovating the Pie-in-the-Sky Restaurant, we are able to provide stable employment for 24 individuals, aid in the retention of a local small business, and increase the efficiency of our Senior and Summer Youth Nutrition Programs. This resulted in increased payroll taxes, increased business for local farmers to support meal preparation, and fuel savings of 25% for our programs' operations. These outcomes contribute to more money being circulated in the community, as well as our ability to serve a greater number of vulnerable citizens.

Value Statement Worksheet

These activities...

Accomplish (*outputs*)...

That have been shown to lead to specific outcomes (*short- or medium-term outcomes*)...

That generate public value (*long-term outcomes*)...

Now form your answers above into your program's "Elevator Speech."

Tool 5-2: Developing Your Communication Strategy

This guide should act as a template for your future messaging efforts, and will change according to specific needs and circumstances.*

Example: WOW Nutrition Partnership

Purpose: Obtain new funding to establish a business incubator site at restaurant location

The Target: USDA Rural Development

The Message: A minor investment by USDA Rural Development will enable small food businesses to grow and flourish in the area, contributing to economic growth in Western Ohio.

Sub-messages: Retention of one business, Pie-in-the-Sky Restaurant, has already contributed to retention of employment, increased payroll taxes, and increased sales for other local businesses and farmers.

Because of the existing infrastructure of WOW, only a minor investment by the USDA is required to support operations and overhead of this endeavor.

The Tactics: Person-to-person contact and the Internet

Activity:

Purpose:

- Before you begin building your message, you must know what it is you are trying to accomplish with your message.
- The purpose of messaging may be to increase or secure funding, form new partnerships, or respond to stakeholder inquiries

The Target:

- Targets are usually constituents, customers, stakeholders, funders, public officials, voters, the media and others.
- Without properly selected targets your resources become scattered and you lose both efficiency and effectiveness.

The Message:

- The message is your strongest theme.
- You can build several arguments under your message, but all must feed into the message.

The Tactics:

- To be effective, tactics must be technologically appropriate, properly targeted and of sufficient quantity.
- Tactics consist of a variety of communication techniques: Newspapers, Radio, TV, Internet, E-mail, Direct Mail, Telephone, Person-To-Person Contact.

* Adapted from "Issue Development," Dean L., Johnson, Ohio University Executive Leadership Institute, Voinovich School of Leadership and Public Affairs, Ohio University, 2005.

Notes:



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